CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

MARCH 31, 2018

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 over-whelming 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.

Contents

COMPANY INFORMATION

Chairman	Dr. Syed Salman Ali Shah
Chief Executive Officer	Mr. Babar Ali Syed
Board of Directors	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
Chief Financial Officer	Mr. Muhammad Azhar Saeed, ACA
Executive Committee	Dr. Syed Salman Ali Shah (Chairman) Mr. Babar Ali Syed (Member) Mr. Muhammad Murtaza Raza (Member) Mr. Muhammad Azhar Saeed (Member)
Audit Committee	Mr. Faisal Ahmed (Chairman) Mr. Muhammad Murtaza Raza (Member) Mr. Mansoor Ali (Member) Mrs. Hina Babar (Member) Mr. Anser Iqbal Chauhan (Secretary)
Human Resource & Remuneration Committee	Mr. Mansoor Ali (Chairman) Mr. Babar Ali Syed (Member) Mr. Muhammad Murtaza Raza (Member) Mr. Muhammad Azhar Saeed (Member) Mr. Faisal Ahmed (Member)
Chief Internal Auditor	Mr. Anser Iqbal Chauhan
Company Secretary	Mr. Mueen Tauqir , ACA
Auditors	Horwath Hussain Chaudhury & Co. Chartered Accountants
Legal Advisers	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 Islamic 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 1st 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) 36671191-94 Fax: (+92 42) 36671197
Webpage	www.worldcall.com.pk www.worldcall.net.pk

DIRECTORS' REVIEW

The Board of Directors of Worldcall Telecom Limited ("Wor ldcall" or the "Company") is pleased to present its review report along with condensed interim financial information for the first quarter ended March 31, 2018.

Industry Overview

Through the enabling policies of the Ministry of Information Technology and Telecommunication, the telecommunication sector in the country has not only witnessed steady growth, but has also contributed to the national exchequer. In the recently unveiled Pakistan's Economic Survey for the year 2017-18, the Government has proudly announced that telecom sector in the country has contributed Rs. 78.62 billion in taxes, fees and other charges in the first 2 quarters of the current fiscal year as revenues reached Rs. 235.5 billion. Internet subscribers which totaled 3.8 million in 2013 are now at 45.37 million, and cellphone subscriptions have reached 144.53 million.

Financial Overview

Summary of financial results for the first quarter ended March 31, 2018 are as follows:

Particulars	1st Quarter March 31, 2018	1st Quarter March 31, 2017
	Rs. in million	
Revenue – net	710	527
Direct Cost (excluding depreciation and Amortization)	(506)	(411)
Other Income	432	123
EBITDA	448	78
Depreciation and Amortization	(259)	(285)
Finance Cost	(51)	(52)
Profit/(Loss) after tax	115	(270)

During the period under review, the Company closed its financial results reporting Rs 115 million as profit after tax. The company experienced an increase of Rs 183 million (35%) in its revenue as compared to first 3 months of last year indicating bright future prospects. Major contributors to the topline were the LDI (Rs 391 million) and the Broadband businesses (Rs. 283 million). The increase in direct cost of 23% occurred in line with the increase in revenue reported whilst depreciation and amortization expense reduced since company charges depreciation under reducing balance method.

The Company's turnaround has started and it has posted operational profit covering up losses 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 year 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. The targets have been broken down into quantitative objectives with emphasis on productive utilization of dormant assets, enhanced quality service while monetizing associated offerings. The assets possessed by the Company are very much capable to deliver the desired results.

Segmental wise, for the Broadband segment network reach expansion has been targeted through owned network as well as through loop holders. Fiber to the Home has been launched which would add to the revenue of the Company. For the LDI business the Company is currently in negotiations to acquire state of the art Switch which in return would improve the rating engine. Moreover SMS Monetization project is in the pipeline to get data across the same network for which an agreement is near closure. 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 as well. 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. International Call Centre service has been kicked off and the revenue has started to flow in from such services. To take it a step further ON DEMAND platform for such International Contact Centres are also being planned. Moreover IT based business venture for providing transportation solutions is too under consideration.

The financial burden is also easing out. The liabilities payable to Oman Telecommunications Company SAOG and National Bank of Oman are no longer an obligation and therefore the funds available with the Company can be directed for operation betterment more steadily. Moreover recently Term Finance Certificate holders of the Company have agreed to reschedule the facility which adds more certainty to the cash flows.

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
April 30, 2018

مستقبل کا نقطہءنظر

کمپنی کے پچھلے سپانسرز 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 ٹھوس کمی کی گئی ہے۔گزشتہ دو سال سے پسِ پشت غیر معمولی نتائج کو ٹرانزکشن کے حصہ کے طور پر دستیاب فنڈ سے حل کیا گیا ہے۔گزشتہ دو سال سے پسِ پشت غیر معمولی نتائج کو ٹرانزکشن کے حصہ کے طور پر دستیاب فنڈ سے حل کیا گیا ہے۔مینجمنٹ کو رپورٹ کرنے پر خوشی ہے کہ نتائج مستقبل میں مثبت رجحانات کے ساتھ ساتھ مطلق شرائط میں بہتری کی طرف گامزن ہیں۔

حصولِ وار، براڈ بینڈ سیگمنٹ کے لئے کمپنی اپنے جال اور لوپ ہولڈرز کے ذریعے نیٹ ورک کی توسیع کو نشانہ بنائے ہوئے ہے۔فائبر ٹو دی ہوم سروس کا آغاز کر دیا گیا ہے جو کہ آمدنی میں اضافے کا باعث بنے گا۔LDI بزنس کے لئے کمپنی ایک جدید سوئچ کے حصول کے لئے بات چیت کے سلسلے میں ہے جس کی بدولت ریٹنگ انجن کو بہتر بنایا جائے گا۔اس کے علاوہ SMS مونیٹائزیشن کا پروجیکٹ زیرِ غور ہے جسے عملی جامہ پہنانے کیلیئے معاہدہ نزدقلم بند ہے۔اُبھرتی ہوئی ICT کی دنیا میں کمپنی نے قدم رکھ دیا ہے۔ایسی مہموں میں سے ایک کو اقتباس کرتے ہوئے اس نے حال ہی میں پاکستان سوفٹ ویئر ایکسپورٹ بورڈ کے ساتھ کال سنٹر کے طور پر رجسٹریشن حاصل کی ہے تاکہ ملک بھر میں اور بین الاقوامی سطح پر خدمات مہیا کی جاسکیں۔

مالی بوجھ میں بھی آسانی ہوگئی ہے۔اومان ٹیلی کمیونیکشن کمپنی SAOG اور نیشنل بینک آف عمان کی طرف ذمہ دار ذمہ داریاں اب کوئی ذمہ داری نہیں رہیں اور اس وجہ سے کمپنی کے ساتھ دستیاب فنڈز اب آپریشن کو بہتر بنانے کے لئے مزید ثابت قدمی کے ساتھ استعمال کئے جاسکتے ہیں۔ اس کے علاوہ حال ہی میں کمپنی کے ٹرم فنانس سٹرٹیفکیٹ ہولڈرز سہولت کو دوبارہ بحال کرنے پر متفق ہیں جس سے کیش فلو میں زیادہ اعتماد شامل ہوگا۔

کمپنی کے ملازمین اور صارفین

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

بحکم بورڈ آف ڈائریکٹرز

بابر علی سید

چیف ایگزیکٹو آفیسر

لاہور

30 اپریل 2018

ڈائریکٹرز کا تجزیہ

ورلڈکال ٹیلی کام لمٹیڈ (''ورلڈکال'' یا ''کمپنی'') کے ڈائریکٹرز 31 مارچ 2018ء کو اختتام پذیر غیر آڈٹڈ سہ ماہی میں معلومات کا مختصر جائزہ پیش کرتے ہیں۔

صنعت کا جائزہ

وزارت انفارمیشن ٹیکنالوجی اور ٹیلی کمیونیکیشن کی فعال پالیسیوں کی بدولت ملک میں ٹیلی مواصلات سیکٹر نے نہ صرف مسلسل ترقی کا مشاہدہ کیا بلکہ اس نے قومی محاصرہ میں حصہ لیا۔ حالیہ اعلان کردہ پاکستان اکنامک سروے 18-2017 کے تحت حکومت نے فخر سے یہ اعلان کیا ہے کہ ٹیلی کام سیکٹر نے ملک میں ٹیکسز، فیس اور دیگر چارجز کی مد میں پہلے دوسہاہیوں میں 78.62 بلین روپے کی شراکت کی ہے جبکہ اس سیکٹر سے آمدنی 235.5 بلین روپے تک جا پہنچی ہے۔ انٹرنیٹ کے صارفین جوکہ 2013 میں 3.8 ملین پر تھے اب 45.37 ملین پر ہیں اور سیل فون کے صارفین 144.53 ملین پر جا پہنچے ہیں۔

مالیاتی جائزہ

31 مارچ 2018 کو ختم ہونے والے سہ ماہی کے مالیاتی نتائج کا خلاصہ مندرجہ ذیل ہیں:

Particulars	1st Quarter March 31, 2018	1st Quarter March 31, 2017
	Rs. in million	
Revenue – net	710	527
Direct Cost (excluding depreciation and Amortization)	(506)	(411)
Other Income	432	123
EBITDA	448	78
Depreciation and Amortization	(259)	(285)
Finance Cost	(51)	(52)
Profit/(Loss) after tax	115	(270)

مدت کے دوران، کمپنی نے ٹیکس کے بعد منافع کے طور پر 115 ملین روپے کے اپنے مالیاتی نتائج کا اعلان کیا۔ کمپنی نے پچھلے سال کے مقابلے میں پہلے تین ماہ میں 183 ملین روپے (35 فیصد) کی آمدنی میں اضافہ ظاہر کیا ہے جوکہ کافی خوش آئند ہے۔ آمدن میں بڑے شراکت داروں میں LDI (391 ملین روپے) اور براڈبینڈ (283 ملین روپے) شامل ہیں۔ Direct Cost میں 23% کا اضافہ بڑتی ہوئی آمدن کے ساتھ ہے جبکہ Depreciation & Amortization کے اخراجات میں کمی Reducing Balance Method کے باعث ہے۔

کمپنی بہتری کی طرف گامزن ہے اور اس نے موازنہ مدت کے مقابلے میں خسارہ پورا کرلیا ہے۔ آپریشنل منافع خوری میں واضع طور پر بہتری آئی ہے جو کہ کافی خوش آئند ہے۔ ڈائریکٹر امید کرتے ہیں کہ یہ رجحان بقیہ سال بھی جاری رہے گا۔

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2018

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		-----------(Rupees in '000)-----------	
SHARE CAPITAL AND RESERVES			
Authorized share capital:			
1,500,000,000 (December 31, 2017: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
500,000 (December 31, 2017: 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	12,019,988	11,211,158
Preference share capital	6	3,049,596	3,150,236
Dividend on preference shares	7	961,686	900,687
Capital reserves	8	(1,497,703)	(974,701)
Accumulated loss		(13,128,148)	(13,027,326)
		1,405,419	1,260,054
Surplus on Revaluation of Fixed Assets		582,099	605,249
NON-CURRENT LIABILITIES			
Term finance certificates	9	-	-
Long term financing	10	734,110	719,889
Retirement benefits		265,331	253,213
Long term deposit		105,000	105,000
		1,104,441	1,078,102
CURRENT LIABILITIES			
Trade and other payables		7,277,610	7,556,218
License fee payable		1,021,500	1,021,500
Accrued mark up		579,396	540,671
Current portion of non-current liabilities	11	1,565,301	1,605,672
Short term borrowings	12	569,759	563,936
Provision for taxation - net		195,541	177,015
		11,209,107	11,465,012
Contingencies and Commitments	13	-	-
TOTAL EQUITY AND LIABILITIES		14,301,066	14,408,417
NON-CURRENT ASSETS			
Property, plant and equipment	14	6,756,862	6,924,723
Intangible assets	15	2,599,415	2,697,636
Investment properties		45,800	45,800
Long term trade receivable		62,377	65,240
Deferred taxation		2,661,372	2,661,372
Long term loans		2,846	2,890
Long term deposits		45,927	45,511
		12,174,599	12,443,172
CURRENT ASSETS			
Stores and spares		78,653	76,291
Stock-in-trade		57,820	67,258
Trade debts		1,180,978	1,075,745
Loans and advances		227,599	171,711
Deposits and prepayments		449,389	443,801
Short term investments		66,606	58,961
Other receivables		45,817	49,258
Cash and bank balances		19,605	22,220
		2,126,467	1,965,245
TOTAL ASSETS		14,301,066	14,408,417

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2018

	Note	Quarter ended 31 March 2018	Quarter ended 31 March 2017
		--------------(Rupees in '000)--------------	
Revenue - net		709,519	526,734
Direct cost excluding depreciation and amortization		(506,373)	(411,059)
Operating cost		(186,912)	(160,309)
Other income - net		431,822	122,729
Profit before Interest, Taxation, Depreciation and Amortization		448,056	78,095
Depreciation and amortization		(259,460)	(284,965)
Finance cost		(50,560)	(52,390)
Profit / (Loss) before Taxation		138,036	(259,260)
Taxation		(23,465)	(10,566)
Net Profit / (Loss) for the Period		114,571	(269,826)
Earning / (Loss) per share - basic (Rupees)		0.10	(0.38)
Earning / (Loss) per share - diluted (Rupees)		0.03	(0.38)

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive Officer **Director** **Chief Financial Officer**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED MARCH 31, 2018

	Quarter ended 31 March 2018	Quarter ended 31 March 2017
	--------------(Rupees in '000)-------------	
Net Profit / (Loss) for the Period	114,571	(269,826)
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
- Remeasurement of post retirement benefit obligation - net of tax	-	-
Item that may be subsequently reclassified to profit or loss:		
- Changes in fair value of available-for-sale financial assets	7,645	(26,459)
Other Comprehensive Income/(Loss) - net of tax	7,645	(26,459)
Total Comprehensive Income / (Loss) for the Period - net of tax	122,216	(296,285)

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive Officer | **Director** | **Chief Financial Officer**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2018

	Note	31 March 2018 (Un-audited)	31 March 2017 (Un-audited)
		--------------(Rupees in '000)--------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Generated from / (Used in) Operations	16	47,058	(4,273)
Decrease / (Increase) in non-current assets:			
- Long term loans		44	62
- Long term deposits		(416)	695
- Long term trade receivables		2,863	2,775
		2,491	3,532
Cash Generated from / (Used in) Operations		49,549	(741)
Retirement benefits paid		(2,371)	(120,115)
Finance cost paid		(11,835)	(13,223)
Income tax paid		(4,939)	(23,269)
Net Cash Generated from / (Used in) Operating Activities		30,404	(157,348)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(14,320)	(27,743)
Intangibles purchased		-	-
Proceeds from disposal of property, plant and equipment		22,355	-
Net Cash Generated from / (Used in) Investing Activities		8,035	(27,743)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(46,877)	(11,765)
Short term borrowings - net		5,823	141,649
Repayment of liabilities against assets subject to finance lease		-	(375)
Net Cash (Used in) / Generated from Financing Activities		(41,054)	129,509
Net Decrease in Cash and Cash Equivalents		(2,615)	(55,582)
Cash and cash equivalents at the beginning of the Period		22,220	119,970
Cash and Cash Equivalents at the End of the Period		19,605	64,388

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive Officer | **Director** | **Chief Financial Officer**

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2018

Particulars	Ordinary Share Capital	Preference Share Capital	Dividend on Preference Shares	Capital Reserves				Revenue Reserve	Total
				Share Premium	Discount on issue of Shares	Fair Value Reserve	Exchange Translation Reserve	Accumulated loss	
	(Rupees in '000)								
Balance as at December 31, 2016 as previously reported	8,605,716	3,537,700	-	837,335	-	85,910	130,300	(18,755,400)	(5,558,439)
Effect of restatement	-	-	743,255	-	-	-	-	-	743,255
Balance as at December 31, 2016 as restated	8,605,716	3,537,700	743,255	837,335	-	85,910	130,300	(18,755,400)	(4,815,184)
Net loss for the period	-	-	-	-	-	-	-	(269,826)	(269,826)
Other comprehensive income for the year - net of tax	-	-	-	-	-	(26,459)	-	-	(26,459)
Total comprehensive income / (loss) for the year - net of tax	-	-	-	-	-	(26,459)	-	(269,826)	(296,285)
Incremental depreciation for the year on surplus on revaluation of fixed assets	-	-	-	-	-	-	-	23,150	23,150
Exchange translation reserve	-	-	-	-	-	-	1,750	(1,750)	-
Dividend on preference shares for the year	-	-	53,742	-	-	-	-	(53,742)	-
Total transactions with owners, recognized directly in equity	-	-	53,742	-	-	-	1,750	(55,492)	-
Balance as at March 31, 2017 as restated	8,605,716	3,537,700	796,997	837,335	-	59,451	132,050	(19,057,568)	(5,088,319)
Balance as at March 31, 2017 as previously reported	8,605,716	3,537,700	-	837,335	-	59,451	132,050	(19,057,568)	(5,885,316)
Effect of restatement	-	-	796,997	-	-	-	-	-	796,997
Balance as at March 31, 2017 as restated	8,605,716	3,537,700	796,997	837,335	-	59,451	132,050	(19,057,568)	(5,088,319)
Net profit for the year	-	-	-	-	-	-	-	6,371,586	6,371,586
Other comprehensive loss for the year - net of tax	-	-	-	-	-	(65,379)	-	(27,284)	(92,663)
Total comprehensive (loss) / income for the year - net of tax	-	-	-	-	-	(65,379)	-	6,344,302	6,278,923
Incremental depreciation for the year on surplus on revaluation of fixed assets	-	-	-	-	-	-	-	69,450	69,450
Exchange translation reserve	-	-	-	-	-	-	178,552	(178,552)	-
Conversion of preference shares and dividend thereon	2,605,442	(387,464)	(101,268)	(837,335)	(1,260,612)	-	(18,763)	-	-
Dividend on preference shares for the year	-	-	204,958	-	-	-	-	(204,958)	-
Total transactions with owners, recognized directly in equity	2,605,442	(387,464)	103,690	(837,335)	(1,260,612)	-	159,789	(383,510)	-
Balance as at December 31, 2017	11,211,158	3,150,236	900,687	-	(1,260,612)	(5,928)	291,839	(13,027,326)	1,260,054
Net profit for the year	-	-	-	-	-	-	-	114,571	114,571
Other comprehensive loss for the year - net of tax	-	-	-	-	-	7,644	-	-	7,644
Total comprehensive (loss) / income for the year - net of tax	-	-	-	-	-	7,644	-	114,571	122,215
Incremental depreciation for the year on surplus on revaluation of fixed assets	-	-	-	-	-	-	-	23,150	23,150
Exchange translation reserve	-	-	-	-	-	-	147,878	(147,878)	-
Conversion of preference shares and dividend thereon	808,830	(100,640)	(29,666)	-	(668,521)	-	(10,003)	-	-
Dividend on preference shares for the year	-	-	90,665	-	-	-	-	(90,665)	-
Total transactions with owners, recognized directly in equity	808,830	(100,640)	60,999	-	(668,521)	-	137,875	(238,543)	-
Balance as at March 31, 2018	12,019,988	3,049,596	961,686	-	(1,929,133)	1,716	429,714	(13,128,148)	1,405,419

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2018

Note 1
The Company and its Operations

1.1 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.

1.2 During the last year, on successful execution of SPA, 297,500 preference shares (85% preference shares) of the Company were transferred to Ferret Consulting - F.Z.C and 488,839,429 ordinary shares (56.80% ordinary shares) from the former Parent Company have been transferred to WSL. 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.

Note 2
Basis of Preparation

Statement of compliance

2.1 This condensed interim financial information of the Company for the three months ended March 31, 2018 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 Act 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act 2017 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, 2017. Comparative balance sheet is extracted from annual audited financial statements for the year ended December 31, 2017 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 three months ended March 31, 2017.

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. 114.57 million during the period ended March 31, 2018. As at March 31, 2018, the accumulated loss of the Company stands at Rs. 13,128.15 million (December 31, 2017: Rs. 13,027.33 million) and current liabilities exceed current assets by Rs. 9,082.64 million (December 31, 2017: Rs. 9,499.77 million). These conditions 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.

The Company's management has carried out an assessment of going concern status of the Company and believes that preparation of these financial statements on going concern assumption is appropriate. The management has placed reliance on following factors:

2.5.1 Changes in Operational Plans

The management has carried out a general revamping of various functions and, as of March 31, 2018, amounts aggregating approximately USD 20 million have been injected into the Company during the transition period. These funds have been mainly applied in partially settling overdue and outstanding operational, financial and statutory liabilities. The management anticipates a significant reduction in costs due to right sizing and optimization of human resources performed in the reported year as a strategic planning.

The management also anticipates an enhancement of revenue with improved contribution margins since it has shifted its focus towards digitalization of Cable TV (CATV) services across Pakistan. These plans have been put to action and subsequent to reporting date, the Company has inked agreement for procurement of 250,000 digital boxes. Owing to these plans and appropriate positioning, the number of subscribers for these services would significantly increase in coming periods.

2.5.2 Net Liabilities Position - Risk Mitigation

As mentioned above, there is a net current liability position of approximately Rs. 9.1 billion as on the balance sheet date, which can be summarized as below:

Desription	Note	Rs in million
Term Finance Certificate-TFC (Principal+Markup)	2.2.2.1	2,020
Short term Borrowings	2.2.2.2	601
Pakitsan Telecommunication Authority (PTA)	2.2.2.3	3,273
Claims of Parties Challenged	2.2.2.4	1,374
Advance from Customers	2.2.2.5	137
Income Tax Provision	2.2.2.6	196
Continuing Business Partners	2.2.2.7	1,272
Others		210
		9,083

The management believes that certain balances included in the above amounts do not represent immediately payable liabilities as detailed below:

2.5.2.1 The total liability for TFCs in respect of principal and interest accrued aggregates to Rs. 2.02 billion. The management is actively engaged with TFCs holders for restructuring of the liability and indicative term sheet has been exchanged with them. This can be anticipated that the restructuring of TFCs liabilities will be achieved on terms potentially convenient to the Company.

2.5.2.2 The Company has been successful in obtaining renewals of its short term financing facilities from all major banks and markup servicing is also being improved.

2.5.2.3 Liabilities towards PTA stand at approximately Rs. 3.27 billion which are not immediately payable owing to non-fulfillment of certain conditions relating to the demand of such amounts. These conditions relate to industry circumstances and Court Orders.

2.5.2.4 Above amount includes Rs. 1.37 billion relating to certain parties whose claims have been challenged by the Company in various judicial forums for the breach and non-performance of their contractual obligations. Based on the merits of Company's position, the management believes that such amounts may not be immediately payable under the circumstances.

2.5.2.5 Advances from customers and unearned revenue aggregating Rs 137 million will be recognized as revenue on rendering of services.

2.5.2.6 The Company does not anticipate cash outlays on account of Provision for Taxation amounting to Rs. 196 million, since it has sufficient brought forward losses.

2.5.2.7 The amount payable to creditors amounting Rs. 1.27 billion represents routine trade credits extended by regular parties and these balances represent a revolving nature. Thus, no immediate net cash outlay would be required.

2.5.3 Continued Parent Company Support

The Company's majority shareholder, Worldcall Services (Pvt.) Limited (WSL) has given assurance to provide continued cash flow support to the Company through its letter to the Company's Board of Directors. WSL also intends to complete the payment of promised USD 5 million support (approximately Rs. 552.50 million) for replenishment of the Company's inventory, mainly for the purchase of Customer Premises Equipment (CPEs) for digital services in order to increase customer base and revenue.

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, 2017.

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, 2017.

Note 5

Ordinary Share Capital

March 31 2018 (Un-audited)	December 31 2017 (Audited)		Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
No. of Shares				--------------(Rupees in '000)--------------	
344,000,000	344,000,000	Ordinary shares of Rs. 10 each fully paid in cash		3,440,000	3,440,000
309,965,789	309,965,789	Ordinary shares of Rs. 10 each issued in accordance with the scheme of merger		3,099,658	3,099,658
98,094,868	98,094,868	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		980,949	980,949
108,510,856	108,510,856	Ordinary shares of Rs. 10 each issued against convertible loan		1,085,109	1,085,109
341,427,263	260,544,234	Ordinary shares of Rs. 10 each issued against convertible preference shares	5.1	3,414,272	2,605,442
1,201,998,776	1,121,115,747			12,019,988	11,211,158

5.1 During the period, 10,000 (2017: 38,500) convertible preference shares and accumulated preference dividend thereon amounting to Rs. 29.666 million (2017: Rs. 101.268 million) have been converted into ordinary shares in accordance with the agreed terms and conditions detailed in Note 6.2.

5.2 The terms of agreement between the Company and certain lenders of long term financing impose certain restrictions on distribution of dividends by the Company.

Note 6

Preference Share Capital

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		--------No of Shares--------		------------(Rupees in '000)------------	
Opening balance		311,500	350,000	3,150,236	3,537,700
Less: Preference shares converted into ordinary shares during the year	6.3	(10,000)	(38,500)	(100,640)	(387,464)
		301,500	311,500	3,049,596	3,150,236

6.1 These are foreign currency denominated, in US Dollars, non-voting, cumulative and convertible preference shares ("CPS", or "preference shares") having a face value of USD 100 each.

6.2 The conversion option is exercisable by the holder at any time after the 1st anniversary of the issue date but no later than the 5th anniversary. On 5th anniversary, CPS will be mandatorily converted into ordinary voting common shares. CPS shall be converted fully or partially not less than USD 1 million at the conversion ratio defined in the agreement at 10% discount on share price after first anniversary and thereby increased by 10% additional discount for each completed year of anniversary.

6.3 In accordance with the terms detailed in Note 6.2 above, certain preference shareholders have exercised conversion option. Thus, their cumulative preference shares and accrued preference dividend thereon have been converted into ordinary shares as reflected in Note 5.1 and Note 7.2.

6.4 CPS holders are entitled to non-cash dividend which shall be calculated at the rate of 5.9% per annum on each of the preference shares or the dividend declared by the Company for Ordinary Shareholders, whichever is higher.

6.5 CPS have been treated as part of equity on the following basis:

- The shares were issued under the provisions of section 84, 86 and 90 of the Companies Ordinance, 1984 and the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000.
- The financial capital of the Company and the issue of the shares were duly approved by the members of the Company at the Annual General Meeting held on April 30, 2012.
- The requirements of the Companies Ordinance, 1984 take precedence over the requirements of International Financial Reporting Standards.
- The preference shareholders have the right to convert these shares into ordinary shares.

Note 7
Dividends on Preference Shares

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		Rupees in '000	
Dividend on preference shares	7.1	961,686	900,687

7.1 This represents accumulated dividend on preference shares which is not payable in cash rather it will be converted into ordinary shares as and when the preference shares are converted into ordinary shares.

7.2 During the period, cumulative preference dividend amounting to Rs. 29.666 million (2017: 101.268) was converted into ordinary shares as a result of conversion option exercised by certain preference shareholders in accordance with the terms and conditions given in Note 6.2 above.

Note 8
Capital Reserves

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		--------------(Rupees in '000)--------------	
Discount on issue of shares		(1,929,133)	(1,260,612)
Fair value reserve		1,716	(5,928)
Exchange translation reserve		429,714	291,839
		(1,497,703)	(974,701)

Note 9
Term Finance Certificates

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		--------------(Rupees in '000)--------------	
Opening balance		1,517,110	1,517,110
Less: Current and overdue portion	11	(1,517,110)	(1,517,110)
		-	-

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 quarterly. The mark up rate charged during the period on the outstanding balance ranged from 7.81% to 8.41% (2017: 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. Mark up rate and security remained the same.

As per terms of second rescheduling, payments in respect of principal and mark up aggregating to Rs. 921.928 million were required to be made up to year ended March 31, 2018. However, payments of only Rs. 146.617 million were made during financial year 2015 and no further payments, of principal and mark up, have been made upto December 31, 2017. Hence, constituting a default as per the terms of second rescheduling. Consequently, the total amount has become immediately payable.

In April 2016, the Trustee's legal counsel issued a legal notice to the Company demanding immediate payment of all principal amount and interest accrued thereon and liquidated damages within thirty days of the notice, failing which the Trustee would initiate legal proceedings against the Company. The Trustee also withdrew its Non Objection Certificate (NOC) given to the Company in respect of sale of Wireless Local Loop (WLL) passive infrastructure.

The management is positively engaged with TFC holders for restructuring of the liability. As a positive development in this regard the Board has approved the indicative term sheet received subsequent to year end. The appointed restructuring agent has circulated the terms sheet and management is confident to get approval in near future.

Note 10

Long Term Financing

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		--------------(Rupees in '000)--------------	
From Parent Company			
Sponsor's loan (interest-bearing - unsecured)	10.1	346,200	331,500
Sponsor's loan (interest-free - unsecured)		350,420	344,393
From Banking Companies (interest-bearing - secured)			
National Bank of Oman	10.2	-	-
Allied Bank Limited	10.3	-	-
Soneri Bank Limited	10.4	-	-
Askari Bank Limited	10.5	37,490	43,996
		37,490	43,996
		734,110	719,889

10.1 It carries mark up at 12 months KIBOR plus 1%. The mark up rate charged during the period on the outstanding balance was 7.45% (2017: 7.45%) per annum.

10.2 National Bank of Oman

Loan liability	-	3,555,300
Exchange loss	-	112,700
	-	3,668,000
Less: Liability novated by Omantel as part of SPA / Current portion	-	(3,668,000)
	-	-

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 and was repayable in 16 quarterly installments commencing from September 30, 2017. Mark up was payable quarterly at three months average LIBOR plus 1.75% per annum along with monitoring fee at 1.5% per annum. No mark up is charged during the last year on outstanding balance (2016: 3.86% to 3.88%) per annum. To secure the facility, corporate guarantee of the former Parent company was furnished along with a provision for cash cover / direct debit of its bank account in the event of the Company's failure to fund obligations under the facility agreement. This loan has now been assumed and taken up by the former Parent company and no liability is owned by the Company.

10.3 Allied Bank Limited

	Note		
Loan liability		125,000	125,000
Repayments		(88,388)	(73,180)
		36,612	51,820
Less: Current and overdue portion	11	(36,612)	(51,820)
		-	-

This represents a running finance facility restructured into term loan facility of Rs. 125 million. 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 6.66% to 7.00% (2017: 6.62% to 6.65%) per annum. This facility 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.

10.4 Soneri Bank Limited	Note	**March 31 2018 (Un-audited)**	**December 31 2017 (Audited)**
		--------------(Rupees in '000)--------------	
Loan liability		66,756	66,756
Repaid		(66,756)	(62,432)
		-	4,324
Less: Current and overdue portion	11	-	(4,324)
		-	-

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 year on the outstanding balance ranged from 9.30% to 9.53% (2017: 9.25% to 9.27%) per annum. It is secured through joint pari passu hypothecation agreement over current and movable fixed assets. The facility has been completely settled during the period.

10.5 Askari Bank Limited

	Note		
Principal liability		138,000	138,000
Repayments / adjustments		(88,932)	(61,586)
		49,068	76,414
Less: Current and overdue portion	11	(11,578)	(32,418)
		37,490	43,996

This represents liability created by the bank due to encashment of performance guarantee issued in favour of Universal Service Fund (USF). Tenor is 3 years. Rs. 45 Million is to be paid upfront and remaining amount is payable in 36 monthly installments commencing from May 1, 2017. It carries mark up at 6 months KIBOR plus 2% per annum. The mark up charged during the period on the outstanding balance ranged from 8.21% to 8.61%(2017: 8.11% to 8.16%) per annum. It is secured through joint collateral comprising 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.

Note 11
Current Portion of Non-Current Liabilities

	Note	**March 31 2018 (Un-audited)**	**December 31 2017 (Audited)**
		--------------(Rupees in '000)--------------	(Restated)
Term finance certificates	9	1,517,111	1,517,110
Long term financing	10	48,190	88,562
		1,565,301	1,605,672

Note 12
Short Term Borrowings

	Note	March 31 2018 (Un-audited)	December 31 2017 (Audited)
		--------------(Rupees in '000)--------------	
Banking companies (secured - interest bearing):			
- Running finances	12.1	569,759	563,936
		569,759	563,936

12.1 Short term running finance facilities available from commercial banks under mark up arrangements amount to Rs. 587 million (2017: Rs. 587 million). Running finance facilities are available at mark up rate of three month KIBOR plus 1.5% to 2.5% per annum, payable quarterly, on the balance outstanding. These are secured against first pari passu hypothecation charge on all present and future current and fixed assets excluding land and building, joint pari passu hypothecation charge on all present and future current and fixed assets with 25% security margin over the facility amount, pledge of shares of listed companies in CDC account of the Company and first exclusive assignment of all present and future receivables of LDI business arm of the Company. The mark up charged during the year on outstanding balances ranged from 7.66% to 9.00% (2017: 7.60% to 8.65%) per annum. These facilities have been rolled over with the exception of one facility of Rs. 50 million.

Note 13
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, 2017.

	March 31 2018 (Un-audited)	December 31 2017 (Audited)
	--------------(Rupees in '000)--------------	
Guarantees and Letter of Credits		
Outstanding guarantees and letter of credits	381,869	356,288
Commitments		
Commitments in respect of capital expenditure	68,022	16,597

Note 14
Property, Plant and Equipment

	Note	March 31 2018 (Un-audited)	December 31, 2017 (Audited)
		--------------(Rupees in '000)--------------	
Operating fixed assets	14.1	6,658,276	6,814,020
Capital work-in-progress		98,586	110,703
		6,756,862	6,924,723

14.1 Operating fixed assets

	Note	March 31 2018	December 31, 2017
Opening book value		6,814,020	7,957,927
Additions during the period/year	14.1.1	26,437	99,001
		6,840,457	8,056,928
Disposals / settlement (at book value) for the period / year	14.1.2	(20,942)	(568,573)
Depreciation charged during the period / year		(161,239)	(674,335)
Closing book value		6,658,276	6,814,020

14.1.1 Detail of additions

	March 31 2018	December 31, 2017
Leasehold improvements	3,705	23,422
Plant and equipment	17,674	57,376
Office equipment	1,672	6,243
Furniture and fixtures	668	8,834
Computers	2,679	2,366
Lab & other equipment	39	760
	26,437	99,001

14.1.2 Book values of assets disposed off / settled

Freehold Land	19,800	-
Plant and equipment	1,142	568,140
Computers	-	433
Vehicles	-	-
	20,942	568,573

Note 15

Intangible Assets

	March 31 2018 (Un-audited)	**December 31 2017 (Audited)**
	--------------(Rupees in '000)--------------	
Licenses	2,189,017	2,273,459
Softwares	237	949
Indefeasible right of use - media cost	410,161	423,228
	2,599,415	2,697,636

Note 16

Cash Generated from / (Used in) Operations

	Quarter ended March 31 2018 (Un-audited)	**Quarter ended March 31 2017 (Un-audited)**
	-------------(Rupees in '000)-------------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	138,036	(259,260)
Adjustment for non-cash charges and other items:		
- Depreciation on property, plant and equipment	161,239	186,832
- Amortization on intangible assets	98,221	98,134
- Amortization of long term trade receivable	(4,770)	(4,239)
- Provision for doubtful debts and other receivables	-	2,691
- Profit on disposal of property, plant and equipment	(1,412)	-
- Unwinding of Discounting	6,027	-
- Retirement benefits	14,487	13,988
- Exchange loss on foreign currency loan	14,700	-
- Finance cost	50,560	52,390
	339,052	349,796
Operating loss before working capital changes	477,088	90,536
(Increase) / decrease in current assets		
- Stores and spares	(2,362)	(4,142)
- Stock-in-trade	9,438	(2)
- Trade debts	(100,463)	(112,559)
- Loans and advances	(55,888)	(4,703)
- Deposits and prepayments	(5,588)	16,645
- Other receivables	3,441	18,519
Increase in current liabilities		
- Trade and other payables	(278,608)	(8,567)
	(430,030)	(94,809)
Cash generated from / (used in) operations	47,058	(4,273)

Note 17

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:

Related Party	**Relationship with the Company**	**Nature of transactions**	**Quarter ended 31 March 2018 (Un-audited)**	**Quarter ended 31 March 2017 (Un-audited)**
			-------------(Rupees in '000)-------------	
Oman Telecommunication SAOG	Former Parent company	Dividend on preference shares	8,936	53,742
		Management fee on preference shares	-	52,032
		Receipt under SPA	-	405,000
Worldcall Services (Pvt) Limited	Parent Company	Markup on long term borrowings	6,847	7,777
		Funds received during the period	150,568	4,550
Ferret Consulting F.Z.C	Associate	Dividend on CPS	81,729	-
Key management personnel		Salaries and other employee benefits	31,348	53,655

			March 31 2018 (Un-audited)	December 31 2017 (Audited)
			--------------(Rupees in '000)--------------	
Period/year end balances				
Worldcall Services (Pvt) Limited	Parent Company			
		Sponsors' loan	696,620	675,893
		Trade creditors	7,375	7,375
		Current Account	214,205	63,637
		Accrued markup	41,278	32,969
Key management personnel		Payable against expenses, salaries and other employee benefits	26,739	36,589
		Long term loans	2,450	2,450
		Advances	3,285	5,837

Note 18

Financial Risk Management

18.1 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, 2017.

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

18.2 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 5 and 6.

18.3 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 March 31, 2018:

	Level 1	Level 2	Level 3	Total
		Rupees in '000		
Assets				
Available-for-sale investments	66,606	-	-	66,606
Liabilities	-	-	-	-

The following table presents the Company's assets and liabilities that are measured at fair value at December 31, 2017:

	Level 1	Level 2	Level 3	Total
		Rupees in '000		
Assets				
Available-for-sale investments	58,961	-	-	58,961
Liabilities	-	-	-	-

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 19
Date of Authorization for Issue

This condensed interim financial information was authorized for issue on April 30, 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 this financial information.

Chief Executive Officer | **Director** | **Chief Financial Officer**