

# Telecard Limited

## Corporate Briefing Session



[www.telecard.com.pk](http://www.telecard.com.pk)

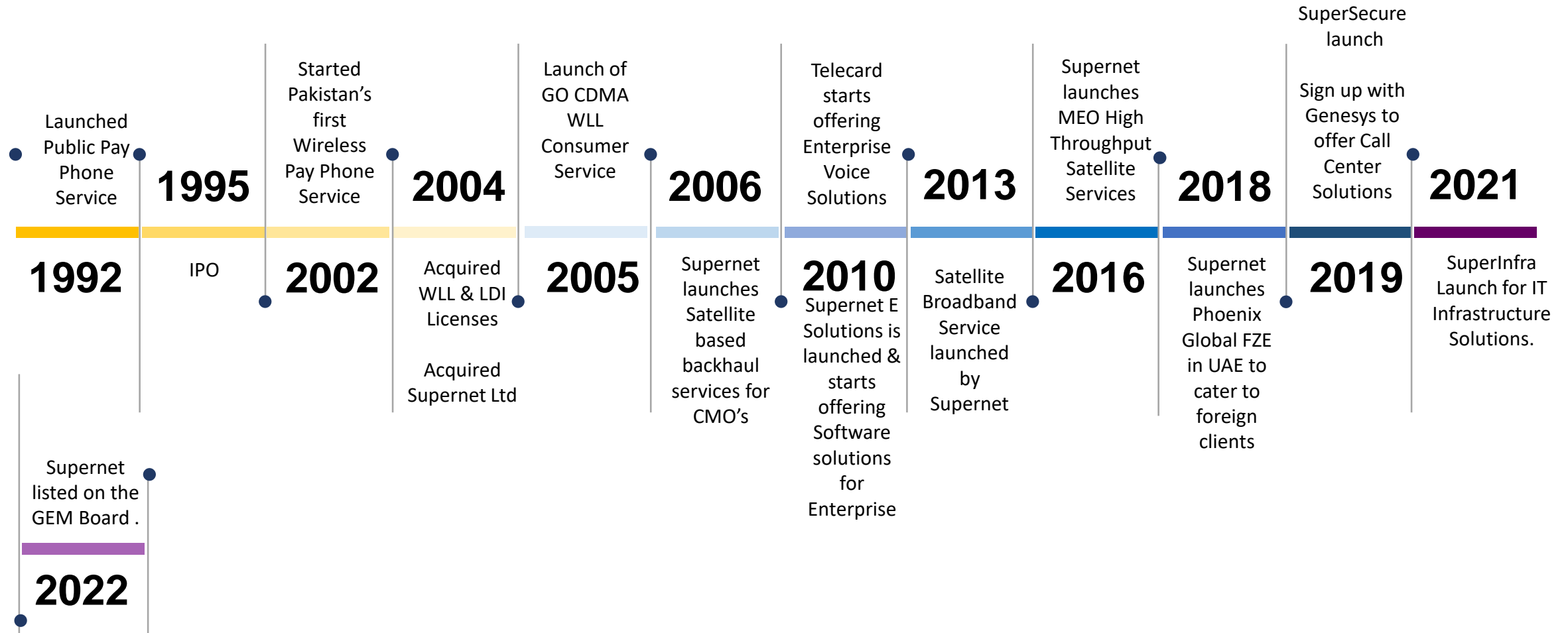
# AGENDA



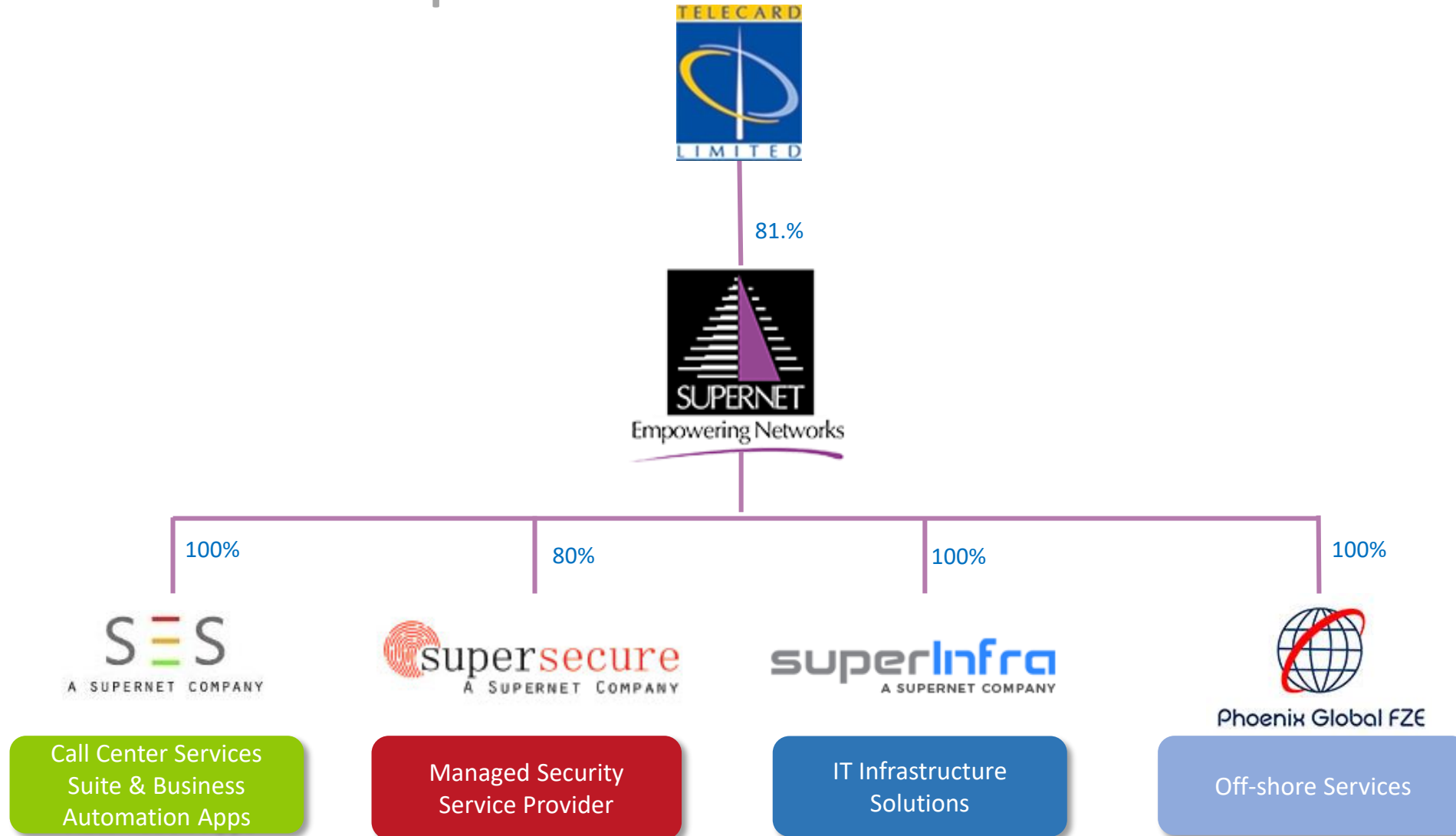
- **TELECARD OVERVIEW**
- **THE BUSINESS**
- **FINANCIAL PERFORMANCE ANALYSIS**
- **Q&A**



# The Journey



# TeleCard Group



# AGENDA



- **TELECARD OVERVIEW**
- **THE BUSINESS**
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# Telecard Products



Local Loop Voice and Internet Services for Enterprise



Long Distance & International Voice Services



ICT & VAS Solution for Enterprise



Tower & Infra Share Business



# Supernet & Subsidiaries



## Supernet Secure Solutions (Pvt) Limited

Supernet Secure Solutions Pvt. Ltd with the brand name of SuperSecure is a new venture of Supernet Ltd and was established in 2019 to cater the growing need of cyber security solutions and mainly Cyber security services required by enterprise customers locally and globally. SuperSecure is a managed security service provider (MSSP) with a dedicated and experienced team of experts, focused on information security solutions and services. SuperSecure is also committed to bringing state-of-the-art technologies and solutions from the world's leading vendors for their customers.



## Supernet Infrastructure Solutions (Pvt) Limited

Supernet Infrastructure Solutions Pvt. Ltd with the brand name of SuperInfra is 100% subsidiary of Supernet Ltd and has been launched to provide state of the art IT and related Infrastructure solutions. The solutions cover Microsoft products and services, LAN, WIFI, Routing & Switching, Surveillance, Data Centers, Solar and Power solutions.



## Supernet E-Solutions (Pvt.) Limited

Supernet E-Solutions Pvt. Ltd (SES) is another fully owned subsidiary of Supernet Ltd. SES offers pre-packaged software and integrated ICT solutions to automate the most common processes of organizations to help improve productivity and quality of services.



Phoenix Global FZE

## Phoenix Global (Supernet Global Solutions)

Phoenix Global is a UAE based company that offers a wide range of IT & Communication solutions to the international Clients.



# Strategy and Positioning

## Enabler

**To be a key Enabler of IT Adoption and Digitization in Pakistan**

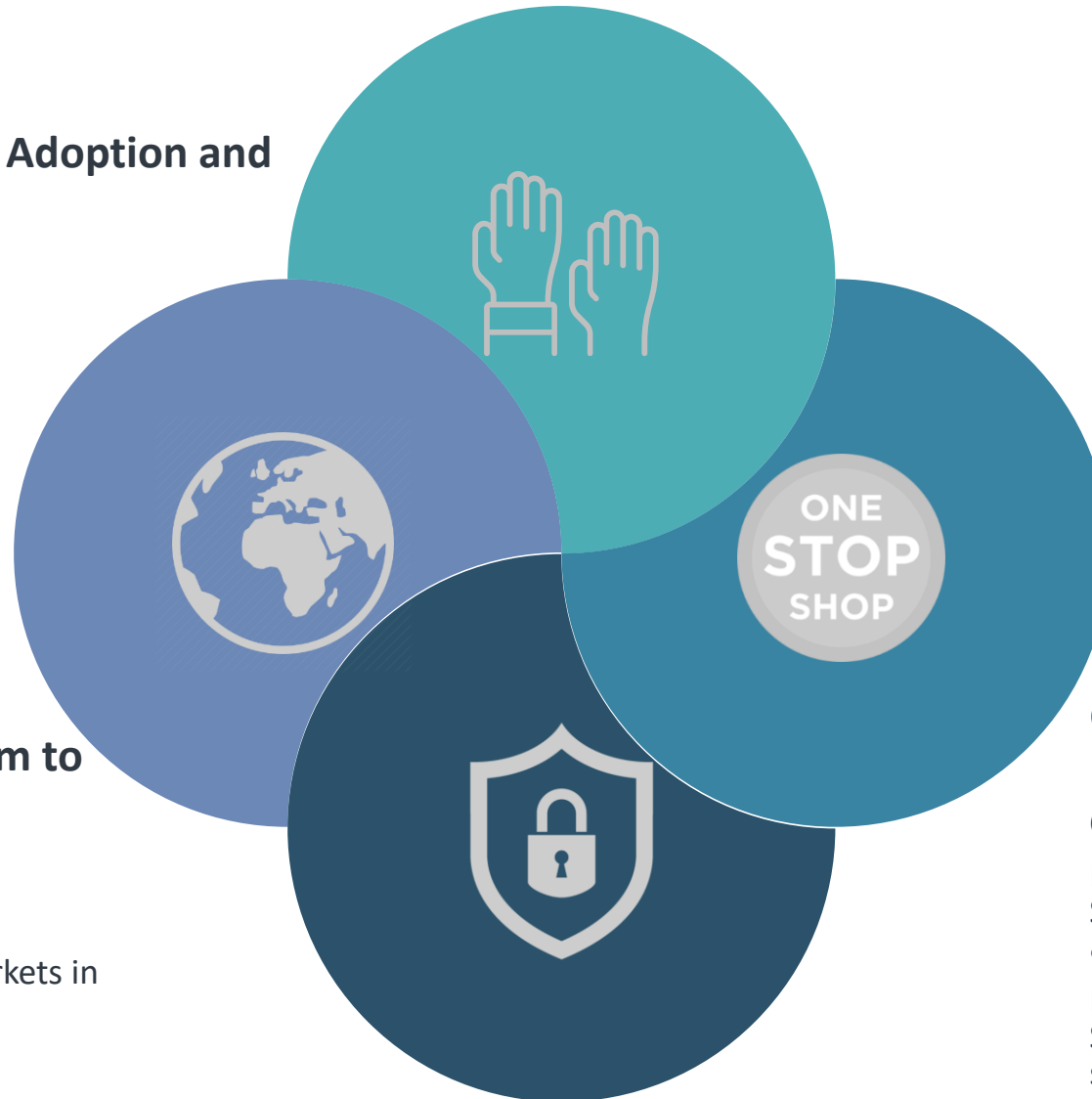
Focus on all Key Verticals

## Break out of Pakistan

**Build on overseas platform to extend services outside Pakistan**

Expand on UAE Presence to push services in that market

Use as a base to sell to other markets in MENA Region



## One-stop-Shop

**Be a One-Stop Shop for all IT and Communication needs of Customers**

Broad Range of Products and Services

From Traditional Voice to Cutting Edge Security and Business Apps

Consultation and Outsourcing to reduce headache of customers

## Cyber Security, a pivot to growth

**Be the Cyber Security partner of choice for Enterprise**

Rapidly expand the foothold created in Cyber Security Segment in large MNO's, NO's, Banks & GoP

Enable and expand into Managed Cyber Security Services for Enterprises and leverage space created by global changes



# SNL Products & Services



Supernet provides Nationwide and International Connectivity Services using a diverse mix of optical fiber, wireless and satellite networks to deliver a solution tailored to each customer.



Supernet is providing IT security services and solutions through one of its group companies, 'Supersecure'. It is a Managed Security Service Provider (MSSP) with a dedicated team of experts, focused primarily on Information Security Solutions.



Supernet Infrastructure Solutions offers a wide range of **Electrical Power Solutions & Services** to strengthen your power infrastructure in terms of availability, efficiency, lifecycle and environmental friendliness.



Supernet IT & Infrastructure solutions give you the option to outsource all your ICT requirements on OpEx and CapEx Model, leaving you free to focus on the things that really matter to your business.

# Cyber Security Services



## SOLUTIONS

Next Generation Application Firewalls  
End Point Security  
Data Loss Prevention (DLP)  
Intrusion Prevention Solution (IPS)  
Hi-Fidelity Threat Intelligence

Web Application Firewalls  
Network Access Controller (NAC)  
End Point Detection and Response (EDR)



## SERVICES

SOC 365 (Managed SOC & SIEM Service)  
Managed End Point Services  
Penetration Testing Services

Managed Firewall Services  
Vulnerability Assessment Services



# Pakistan – Digital Opportunity

- Pakistan is going Digital
- Pakistan IT market is around USD 3.5B and targeted to be around USD 20B by 2025 (source Bol.)
- IT Export to double in FY22 to USD 2.8 – 3.0B
- Startup's raised 375m during 2021 more than cumulative last 3 years
- Govt. Package announced more incentives to IT Sector to double the IT export by 2025 – ZERO TAX on exports
- Supernet wants to be a key enabler of such digital adoption for corporate Pakistan and go international by starting services in regional markets



# Cyber Security- Rapidly Evolving

## ▶ GoP focus on digital automation & Cybersecurity

National Cybersecurity Policy Approved  
SBP – FSI sector automation and digitalization, Digital Banking License initiatives.  
Personal Data Protection Bill Approved.  
National Cloud Policy Approved  
PTA – CTDISR regulation enforcement started  
NEPRA – Increase focus on Cybersecurity on power plants and DISCOs

## ▶ High Profile Cyber Attacks continues with recent example of NBP and FBR. Involvement of both criminal and state actors

## ▶ Increasingly being seen as a national security threat

## ▶ Growing awareness of cyber threats and risks of breaches and business disruption in all sectors of Industry

## ▶ Supernet and its subsidiary SuperSecure won major deals for implementation of new cyber security initiatives

Large wins in Banking and Finance segment in Cybersecurity product line  
Growth of SEIM and SOC services in Enterprise market

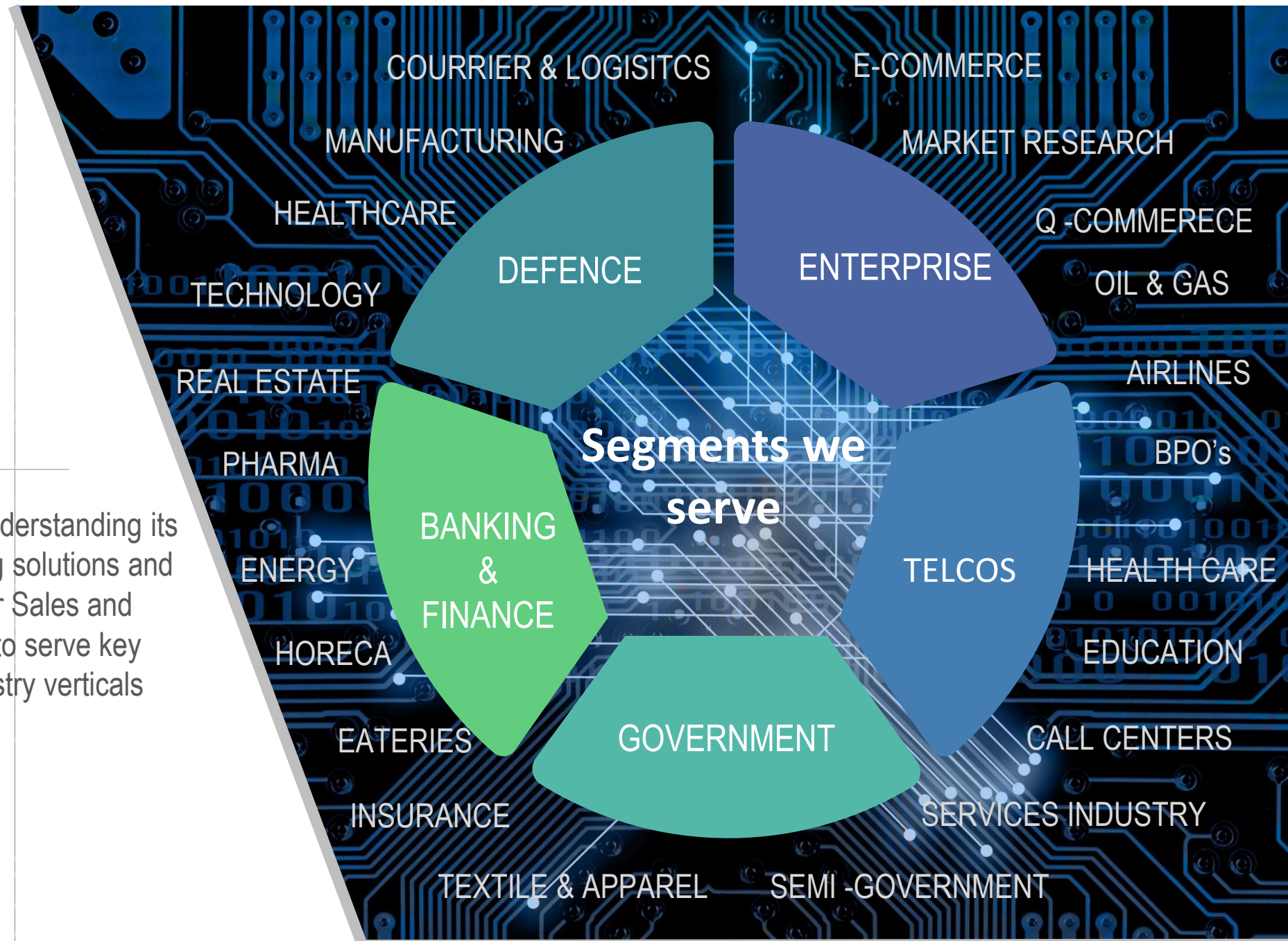
## ▶ Local spend on Cyber security is set to grow rapidly in Enterprise, Government and Defense segments, and Supernet/ SuperSecure are now well positioned to benefit from this upsurge





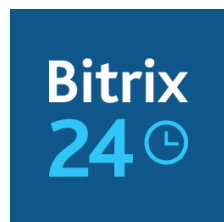
# WHO WE SERVE

The Group focuses on better understanding its customers' needs and designing solutions and connectivity's around these. Our Sales and Solutions teams are geared up to serve key Government, services and industry verticals





# Few of our partners



# Some of our customers

## BANKING



## OIL & GAS



## ENERGY



## TELCO



# Some of our customers

## PHARMACEUTICALS

## MANUFACTURING

## HORECA

## FMCG





# Some of our customers

## COURIER & LOGISTICS



## TEXTILE



## EDUCATION



## FINANCIAL SERVICES



# Material Developments in last in FY 2021-22

- Supernet was successfully listed on GEM Board
- TFC principal repayments of PKR 110.4 Million were made as per commitment to PSX. In all PKR 144 million were paid during the financial year.
- Sharia Compliance certification of Telecard
- Successful restructuring of Term Finance Certificates with stipulated majority of the TFC holders agreeing to the new terms
- Name change approved by shareholders --- Telecore Technologies Limited— under approvals of SECP & Telecom Regulator





# Supernet Listing -- Details



Board	Listed at the GEM board of PSX
Advisor to the Issue	Topline Securities Limited
Transaction Size	Total Issue Size: up to 21,111,121 ordinary shares.
Strike Value	PKR 22.5/-
Size of Offering	This Issue consists of 21,111,121 Ordinary Shares of strike value PKR 22.5/- each. Out of the total issue, 8,888,889 shares are being offered as Offer for Sale by Telecard Limited and 12,222,232 shares are being offered as fresh equity.
Floor Price	The entire issue was offered through Book Building at a Floor Price of PKR 10/- per share (including premium of PKR 12/- per share).
Total Amount raised	Upto PKR 475,000,222/- at the strike price. This consists of PKR 275,,000,220/- as fresh equity in Supernet Limited and PKR 200,000,002/- as offer for sale by Telecard Limited
Break up of Offer	Fresh Issue – 10.89% Offer for Sale - 7.92%
Subscription	The issue was oversubscribed by 1.4 times resulting in receiving bids to the tune of Rs. 659 million
Holding Company	Telecard limited now holds 81.1836% of SNL's shares, post listing.

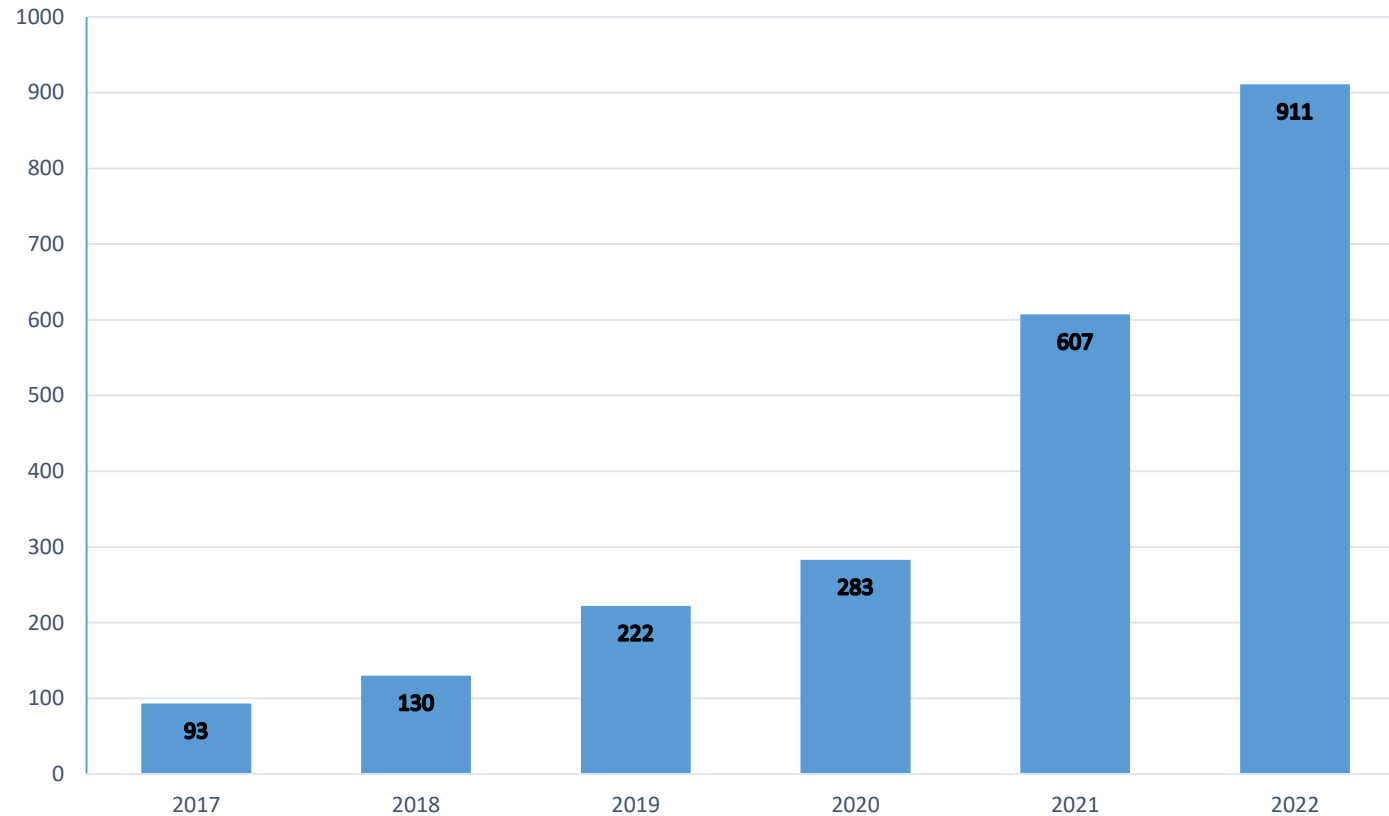


# Key Commercial Highlights

- Telecard has entered into alliance with Betrix24 to offer flexible Business Software Platform in Pakistan
- Telecard's alliance with Vanrise Solutions to offer Document Management Systems, & Lower Cost ERP Solutions for Enterprise. Trials of DMS underway in various Govt. and Semi Govt. entities.
- SNL won multiple contracts with ZTBL worth over PKR 450m
- SuperSecure signed multiple managed cybersecurity contracts with customers e.g. Falcon-I, Tapal Tea, IBA, Transworld Associates.
- Award of a Long Term Program for supply of IT & Telecoms equipment by a major customer in Pakistan to Supernet, in partnership with Avara Technologies  
Value of orders received so far over Rs. 400m -- Multi-year, multi-billion rupee program  
SNL to leverage this opportunity to market similar solutions to other customers in Pakistan, Middle East and Central Asia
- SNL secured a sizeable telecommunications infrastructure development project from a Pakistani mobile network operator worth PKR 150m



# SNL - Total Non Service Revenue Rs. Millions



## ***Growth Strategy in action***

For past couple of years, Non Service revenue with relatively higher margins has picked up as part of a concerted effort to go:

### **“Beyond Connectivity”**

The Group has been awarded projects valuing over PKR 1.2 billion in the current financial year out of which PKR 911 m billed during the year.

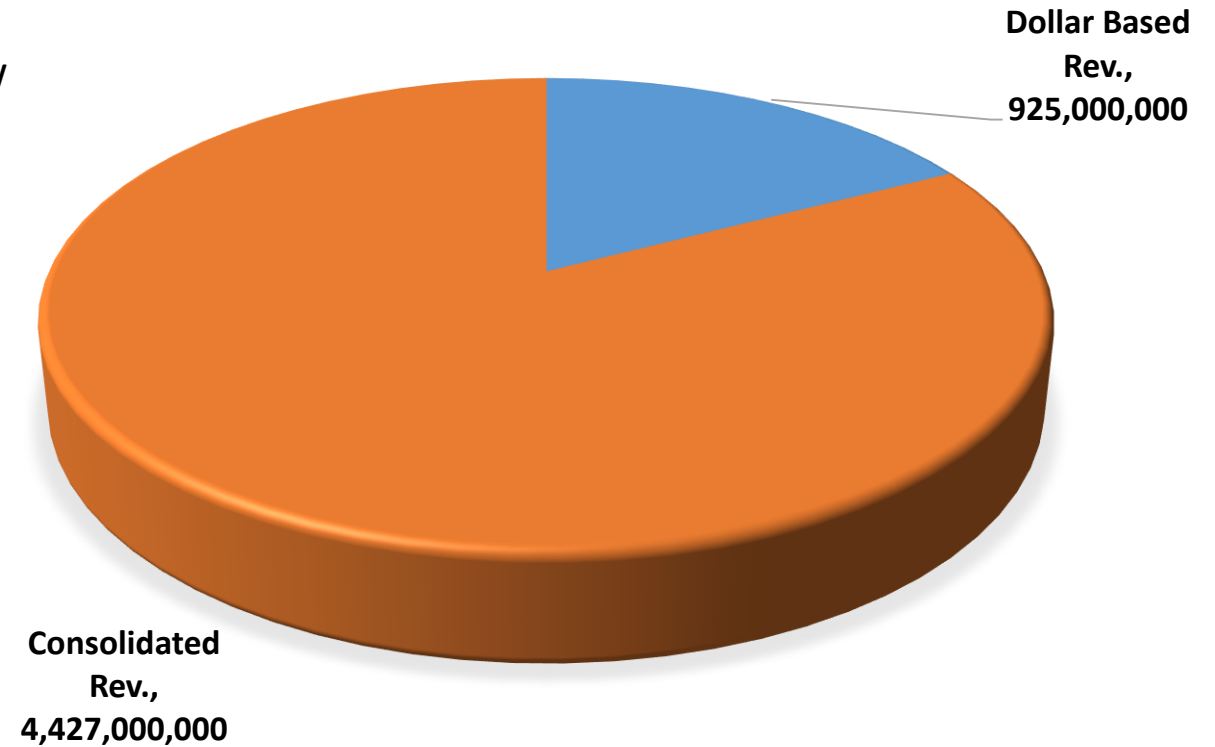
Non-service revenue grew by 50%



# Consolidate Revenue from US\$



- Consolidated US Dollar based revenue now accounts for 20% of the overall consolidated revenues



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# Telecard Consolidated P&L Rs. In millions



	2017	2018	2019	2020	2021	2022
Revenue	2,835	3,379	4,224	3,910	3,873	4,427
Direct costs	(2,093)	(2,393)	(3,216)	(2,711)	(2,556)	(2,853)
<b>Gross profit</b>	<b>742</b>	<b>986</b>	<b>1,008</b>	<b>1,199</b>	<b>1,317</b>	<b>1,574</b>
<i>Gross Profit %</i>	<i>26%</i>	<i>29%</i>	<i>24%</i>	<i>31%</i>	<i>34%</i>	<i>36%</i>
G&A	(593)	(1,208)	(702)	(720)	(849)	(986)
Other operating expenses	-	(29)	(98)	(228)	(2)	(88)
Other income	23	503	161	71	331	352
	(570)	(734)	(639)	(877)	(519)	(722)
<b>Operating profit</b>	<b>172</b>	<b>252</b>	<b>369</b>	<b>322</b>	<b>798</b>	<b>852</b>
<i>Operating Margin</i>	<i>6%</i>	<i>7%</i>	<i>9%</i>	<i>8%</i>	<i>21%</i>	<i>19%</i>
Finance costs	(84)	(84)	(113)	(160)	(97)	(101)
<b>Profit / (loss) before taxation</b>	<b>88</b>	<b>168</b>	<b>256</b>	<b>162</b>	<b>701</b>	<b>751</b>
Taxation	(175)	(210)	(279)	(238)	(194)	(329)
<b>Net Profit / (loss) for the period</b>	<b>(88)</b>	<b>(42)</b>	<b>(23)</b>	<b>(76)</b>	<b>507</b>	<b>422</b>
<b>EBITDA</b>	<b>573</b>	<b>504</b>	<b>388</b>	<b>647</b>	<b>797</b>	<b>870</b>
<i>EBITDA Margin</i>	<i>20%</i>	<i>15%</i>	<i>9%</i>	<i>17%</i>	<i>21%</i>	<i>20%</i>
<i>EPS</i>	<i>-0.29</i>	<i>-0.14</i>	<i>-0.08</i>	<i>-0.25</i>	<i>1.69</i>	<i>1.32</i>



# Telecard Consolidated P&L (Annual) Rs. Millions



	2021	2022	Difference	%	Remarks
Revenue	3,873	4,427	553	14%	
Direct costs	(2,556)	(2,853)	(296)	12%	
<b>Gross profit</b>	<b>1,317</b>	<b>1,574</b>	<b>257</b>	<b>20%</b>	
<i>Gross Profit %</i>	<i>34%</i>	<i>36%</i>			
G&A	(849)	(986)	(137)	16%	Increase in G&A Expenses is in line with general inflation and rising energy costs.
Other (expense) / income	329	264	65	-20%	Current year other income is due to the difference between TFC's nominal value and Present Value.
	(519)	(722)			
<b>Operating profit</b>	<b>798</b>	<b>852</b>	<b>54</b>	<b>7%</b>	
<i>Operating Margin</i>	<i>20%</i>	<i>19%</i>			
Finance costs	(97)	(101)	3	3%	Increase in Finance cost is due to increase in interest rates
<b>Profit / (loss) before taxation</b>	<b>701</b>	<b>751</b>			
Taxation	(194)	(329)	135	70%	Taxation higher due to higher profitability and newly imposed SuperTax
<b>Net Profit / (loss)</b>	<b>507</b>	<b>422</b>			
<b>EBITDA</b>	<b>797</b>	<b>870</b>	<b>55</b>	<b>7%</b>	
<i>EBITDA Margin</i>	<i>21%</i>	<i>20%</i>			
<i>EPS</i>	<i>1.61</i>	<i>1.32</i>			



# THANK YOU

## Q&A

