# 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.

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# FINANCIAL STATEMENTS

## FOR THE YEAR ENDED
## 31 DECEMBER 2025

# COMPANY INFORMATION

| | | |
|---|---|---|
| **Chairman** | Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | |
| **Chief Executive Officer** | Mr. Abbas Raza | |
| **Board of Directors** | Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | (Chairman) |
| | Mr. Syed Salman Ali Shah | (Director) |
| | Mr. Muhammad Shoaib | (Director) |
| | Mr. Babar Ali Syed | (Director) |
| | Mr. Muhammad Azhar Saeed | (Director) |
| | Mr. Mubasher Lucman | (Director) |
| | Mrs. Hina Babar | (Director) |
| | Mr. Tariq Hasan | (Director) |
| **Chief Financial Officer** | Mr. Shahzad Saleem | |
| **Executive Committee** | Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | (Chairman) |
| | Mr. Muhammad Shoaib | (Member) |
| | Mr. Babar Ali Syed | (Member) |
| | Mr. Muhammad Azhar Saeed | (Member) |
| | Mr. Muhammad Sarfraz Javed | (Secretary) |
| **Audit Committee** | Mr. Muhammad Shoaib | (Chairman) |
| | Mr. Syed Salman Ali Shah | (Member) |
| | Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | (Member) |
| | Mrs. Hina Babar | (Member) |
| | Mr. Ansar Iqbal Chauhan | (Secretary) |
| **Human Resource & Remuneration Committee** | Mr. Mubasher Lucman | (Chairman) |
| | Mr. Muhammad Azhar Saeed | (Member) |
| | Mr. Muhammad Shoaib | (Member) |
| | Mr. Muhammad Sarfraz Javed | (Secretary) |
| **Chief Internal Auditor** | Mr. Ansar Iqbal Chauhan | |
| **Company Secretary** | Mr. Muhammad Sarfraz Javed, ACA | |
| **Auditors** | Tariq Abdul Ghani & Co.<br>Chartered Accountants | |
| **Legal Advisers** | M/s Miankot Law Chambers<br>Barristers, Advocates &<br>Corporate Legal Consultant | |

| | |
|---|---|
| **Bankers** | Allied Bank Limited<br>Askari Bank Limited<br>Bank Al Habib Limited<br>Faysal Bank Limited<br>Habib Bank Limited<br>Habib Metropolitan Bank Limited<br>JS Bank Limited<br>BankIslami (Pakistan) Limited<br>MCB Bank Limited<br>National Bank of Pakistan<br>Pak Oman Investment Co. Limited<br>Soneri Bank Limited<br>Standard Chartered Bank (Pakistan) Limited<br>Bank Makramah Limited formerly (Summit Bank Limited)<br>Telenor Microfinance Bank Limited<br>The Bank of Punjab<br>United Bank Limited<br>Silkbank Limited<br>Meezan Bank Limited<br>Mobilink Microfinance Bank Limited |
| **Registrar and Shares Transfer Office** | THK Associates (Pvt.) Limited<br>Plot No. 32-C, Jami Commercial Street 2,<br>D.H.A., Phase VII,<br>Karachi-75500 Pakistan.<br>☎ (+92 21) 35310191-6<br>☎ (+92 21) 35310190<br>✉ sfc@thk.com.pk |
| **Registered Office/Head Office** | Plot No. 112/113, Block S,<br>Quaid-e-Azam Industrial Estate,<br>Kot Lakhpat,<br>**Lahore - Pakistan**<br>☎ (+92 42) 35400544, 35400600,<br>☎ (+92 42) 35110965 |
| **Webpage** | www.worldcall.com.pk<br>www.worldcall.net.pk |

# NOTICE OF 26th ANNUAL GENERAL MEETING ("AGM")

Notice is hereby given that 26th Annual General Meeting ("AGM") of the shareholders of WorldCall Telecom Limited (the "Company" or "WTL") will be held on **Thursday, April 30, 2026 at 11:00 a.m.** at Registered Office: Plot No. 112-113, Block-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore-Pakistan to transact the following business:

**ORDINARY BUSINESS:**

1. To confirm the minutes of the 25th Annual General Meeting held on April 30, 2025;

2. To receive, consider, adopt annual audited separate as well as consolidated Financial Statements of the Company for the year ended December 31, 2025, Director's and Auditor's reports thereon and Chairman's Review Report;

3. To appoint Auditors of the Company and to fix their remuneration. The members are hereby notified that the Board and the audit committee have recommended the name of M/s Tariq Abdul Ghani & Co., Chartered Accountants, the retiring auditors for re-appointment as auditors of the Company.

4. To elect eight (08) Directors of the Company as fixed by the Board of Directors of the Company in accordance with the provisions of Section 159(1) of the Companies Act, 2017 for a period of three years, commencing from May 31, 2026. The names of retiring Directors are listed as under:

    1. Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani
    2. Dr. Syed Salman Ali Shah
    3. Mr. Muhammad Shoaib
    4. Mr. Babar Ali Syed
    5. Mr. Muhammad Azhar Saeed
    6. Mr. Mubasher Lucman
    7. Mrs. Hina Babar
    8. Mr. Tariq Hasan

    The retiring Directors are eligible for re-election.

**SPECIAL BUSINESS:**

1. To consider the change of name of the Company from WorldCall Telecom Limited to WorldCall Technologies Limited, subject to the approval of the Registrar, Securities and Exchange Commission of Pakistan (SECP), and all other requisite regulatory approvals, and the consequent amendments in the Memorandum and Articles of Association of the Company.

2. To consider and approve the proposal for expansion of the Company's business by establishing international operations in the United Arab Emirates, including the acquisition and/or transfer of interest in a Dubai-based entity presently held by the sponsors/directors of the Company, in accordance with Section 208 of the Companies Act, 2017, subject to the approval of shareholders and all requisite regulatory approvals, and to pass the special resolution as set out in the statement of material facts annexed to this notice.

## NOTICE OF 26th ANNUAL GENERAL MEETING ("AGM")

3. To consider and approve the alterations in the Articles of Association of the Company by passing a special resolution as set out in the s tatement of material facts annexed to this notice for extension of Mandatory Conversion Date till December 31, 2030 in relation to Convertible Preference Shares;

4. To consider the rearrangement and reclassification of the authorized share capital of the Company in accordance with Section 85 of the Companies Act, 2017, and the consequent amendments in the Memorandum and Articles of Association of the Company.

5. To consider the reduction of the share capital of the Company in accordance with Section 89 of the Companies Act, 2017 by approximately 90%.

6. To consider the sub-division of the ordinary share capital of the Company by changing the nominal (par) value of ordinary shares from PKR 10/- to PKR 1/- per share keeping the existing number of shares unchanged, and the consequential increase in the number of ordinary shares, along with the corresponding amendments in the Memorandum and Articles of Association of the Company.

**Contingency of Implementation**

The proposed sub-division of ordinary shares (stock split) is contingent upon the approval and successful implementation of Agenda Items No. 4 (rearrangement of authorized share capital) and No. 5 (reduction of share capital). In the event that the aforesaid agenda items are not approved and/or implemented, the Company shall not proceed with the proposed sub-division of shares.

(Attached to this Notice being circulated to the shareholders is a statement of material facts along with draft resolutions in relation to the aforesaid special business, as required under Section 166(3) and 134(3) of the Companies Act, 2017).

By Order of the Board

April 09, 2026
Lahore

**Muhammad Sarfraz Javed**
Company Secretary

**NOTES:**

1. The Share Transfer Books of the Company will remain closed for the period from **April 23, 2026 to April 30, 2026** (both days inclusive). Transfers received in order at the Office of Company's Share Registrar M/s. THK Associates (Private) Limited, 32-C, Jami Commercial Street, Phase VII, DHA, Karachi Pakistan ("Registrar") at the close of business on April 22, 2026 will be considered in time to attend and vote at the Meeting. As per directions of the Commission, no gifts will be distributed at the meeting.

2. A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

## NOTICE OF 26th ANNUAL GENERAL MEETING ("AGM")

3. In pursuance of Circular No. 4 of 2021 dated February 15, 2021 issued by the Securities and Exchange Commission of Pakistan, the members shall also be entitled to attend this meeting through video link facility/electronic means after completing verification and identification requirements. Members interested in attending this meeting through video link facility/electronic means are requested to register themselves by submitting following particulars at email address company.secretary@worldcall.pk before the close of business on April 22, 2026.

| Name | *CNIC No./ Passport No. (in case of foreigner) | Folio No./ CDC Account No. | Mobile No. | No. of Shares Held |
|---|---|---|---|---|
| | | | | |

* Please also attach legible scanned copy of CNIC/Passport (in case of foreigner).

Registration request must be sent through email address available/registered with the Company i.e. provided by CDC in case of shares held in book entry form in CDS or available with the Company in case of shares held in physical form.

The Company will send the link of video/electronic facility and other relevant information to respective members in order to enable them to access the video/electronic facility and attend this meeting. Please note that requirements of Note 5 below shall be followed in case of proxy / representative of corporate body and link of video/electronic facility shall only be sent upon receipt of original documents.

It is clarified that members attending this meeting by availing above facility shall only vote through postal ballot (if required) in accordance with the relevant requirements.

4. The CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

a. **For attending the Meeting:**

i. In case of individuals, the account holders and/or sub-account holders and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport at the time of attending the Meeting.

ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

b. **For appointing Proxies:**

i. In case of individuals, the account holders and/or sub-account holders and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.

ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii. Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.

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iv. The proxy shall produce his/her original CNIC or original Passport at the time of meeting.

v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

5. Members may avail video conference facility for this Annual General Meeting at such other location(s) as may be requested by members, provided the Company receives consent (standard format is given below) at least 7 days prior to the date of the Meeting from members holding in aggregate 10% or more shareholding residing at above location.

   The Company will intimate respective members regarding venue of the video-link facility before the date of Meeting along with complete information necessary to enable them to access the facility.

   "I/we ____________ of _________ being member(s) of WorldCall Telecom Limited, holder of ________ Ordinary Share(s) as per Registered Folio No./CDC Account No. _______ hereby opt for video conference facility at _______ in respect of Annual General Meeting of the Company to be held on April 30, 2026.

   ____________________

   Signature of Member"

6. **Conversion of Physical Securities into Book Entry Form**

   As per Section 72 of the Companies Act, 2017 requires every company to replace its physical shares with book-entry form within the period to be notified by the SECP. The shareholders having physical shareholding are accordingly encouraged to open their account with Investor Account Services of CDC or Sub-account with any of the brokers and convert their physical shares into scrip less form.

   This will facilitate the shareholders in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

7. **Election of Directors**

   Any person who seeks to contest the Election of Directors shall, whether he/she is a retiring director or otherwise, file with the Company the following documents and information at its registered office not later than fourteen days before the day of the above-said meeting:

a) Notice of his/her intention to offer himself/herself for the election as a Director in terms of Section 159(3) of the Companies Act, 2017.

b) Consent to act as Director as prescribed under Section 167 of the Companies Act, 2017.

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c) His/her Folio No./CDC Investors Account No./CDC Sub-Account No., number of shares held and contact details.

d) Profile including other Directorships/Offices held, if any, along with his/her address to be placed on the website of the Company.

e) An attested copy of Computerized National Identity Card (CNIC)/Passport (in case of foreigner) and Taxpayer Registration Certificate.

f) A declaration that:

- He/she is not ineligible to become a director of the Company under the Companies Act, 2017 and/or other applicable laws/rules/regulations.
- He/she is not serving as a director including as an alternate director of more than seven listed companies including this Company (when elected/appointed as Director).
- He/she is not engaged in the business of brokerage, or is not a spouse of such person or is not a sponsor, director or officer of a corporate brokerage house.
- He/she has not been declared by a court of competent jurisdiction as defaulter in repayment of loan to a financial institution.
- He/she is aware of the duties and powers of a Director under the applicable laws/rules/regulations, etc.

g) Person contesting as Independent Director shall also submit:

- A declaration that he/she qualifies the criteria of independence under the Companies Act, 2017 and rules/regulations issued thereunder and that his/her name is listed on the data bank of independent directors maintained by an institute/organization duly notified by the Securities and Exchange Commission of Pakistan.

- An undertaking on non-judicial stamp paper that he/she meets the requirements of Sub-Regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018 along with relevant supporting information supporting the undertaking.

The contesting candidates are requested to read the relevant provisions/requirements relating to the election of Directors under the Companies Act, 2017 and rules/ regulations issued thereunder and ensure compliance with the same in letter and spirit.

8. Members are requested to update changes in their addresses, if any.

9. For any query/problem/information, Members may contact the Company at email company.secretary@worldcall.pk and/or the Share Registrar of the Company at address given herein above and at +92 (021) 111-000-322, email sfc@thk.com.pk. Members may also visit website of the Company www.worldcall.com.pk for notices/information.

10. **Procedure for E-Voting**

a. In accordance with the Companies (Postal Ballot) Regulation, 2018, (the "Regulations") the right to vote through electronic voting facility and voting by post shall be provided to members of every listed company for, inter alia, all businesses classified as special business

## NOTICE OF 26th ANNUAL GENERAL MEETING ("AGM")

under the Companies Act, 2017 in the manner and subject to conditions contained in the Regulations.

b. Detail of e-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses (Registered e-mail ID) available in the Register of Members of the Company by the end of business on April 29, 2026. Members who intend to exercise their right of vote through E-voting shall provide their valid cell numbers and email addresses on or before April 29, 2026.

c. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

d. Members shall cast vote on the special businesses online from April 27, 2026 till April 29, 2026 5:00 p.m. Voting shall close on April 29, 2026, at 5:00 p.m. A vote once cast by a Member, shall not be allowed to be changed.

11. **Procedure for Voting Through Postal Ballot**

a. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.worldcall.com.pk to download.

b. The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at his address, Plot No. 112-113, Block S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore; or on his email at company.secretary@worldcall.pk one day before the AGM, i.e., on 29 April, 2026 before 5:00 p.m. In case of member is a corporate entity, the Board's resolution / power of attorney with specimen signature shall also be furnished (unless it has been provided earlier) along with ballot paper to the Company. A postal ballot received after this time / date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC.

c. In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Zahid Jamil & Co, Chartered Accountants, (a QCR rated audit firm) to act as the Scrutinizer of the Company election of directors to be held in the meeting and to undertake other responsibilities as defined in Regulation 11 of the Regulations.

## STATEMENT OF MATERIAL FACTS
## UNDER SECTIONS 166(3) AND 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the special business to be transacted at the 26th Annual General Meeting of the Company to be held on April, 30, 2026 at 11:00 a.m. at Registered Office: Plot No. 112-113, Block-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore, Pakistan.

**Election of Directors:**

The Election of Directors was held on May 31, 2023 and fresh election is due after three years. Therefore, the Board of Directors of the Company will be re-constituted for the next term of three years in this meeting. The Board has fixed number of elected directors at 8 (eight).

In compliance of Section 166(3) of the Companies Act, 2017, for an independent director, consent papers will be accepted from those persons who meet the criteria set out for independence under Section 166 of the Companies Act, 2017 and after observing relevant requirements of rules/regulations issued thereunder including availability of their names on the data bank of independent directors maintained by an institute/organization duly notified by the Securities and Exchange Commission of Pakistan. Further, the Company while selecting independent directors shall exercise its own due diligence and shall also assess respective competencies, diversity, skill, knowledge and experience of candidates. The Company shall ensure that independent directors are elected in the same manner as other directors are elected in terms of Section 159 of the Companies Act, 2017.

**<u>Special Business</u>**

**Applicable Laws and Provisions**

- Section 12 — Change of name by a company
- Section 13 — Registration of change of name and effect thereof
- Section 38 — Alteration of articles
- Section 58 — Classes and kinds of share capital
- Section 85 — Power of company to alter its share capital
- Section 89 — Reduction of share capital
- Sections 90 to 96 — Provisions relating to reduction of share capital
- Section 208 — Related party transactions
- Any other applicable provisions of the Companies Act, 2017 and the rules and regulations made thereunder

**Special Business**

**Agenda Item 1**

**To consider the change of name of the Company from *WorldCall Telecom Limited* to *WorldCall Technologies Limited***, subject to the approval of the Registrar, Securities and Exchange Commission of Pakistan (SECP), and all other requisite regulatory approvals, and the consequent amendments in the Memorandum and Articles of Association of the Company.

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To better reflect its evolving business model and technology transformation, the Board recommended changing the name from WorldCall Telecom Limited to "WorldCall Technologies Limited", subject to the formal approval of the Registrar, SECP and relevant approvals.

**Proposed Special Resolutions**

"**RESOLVED THAT** subject to the approval of the Registrar of Companies, Securities and Exchange Commission of Pakistan (SECP), and all other requisite regulatory approvals, the name of the Company be and is hereby changed from *'WorldCall Telecom Limited'* to *'WorldCall Technologies Limited'* or to such other name as may be approved by the Registrar.

**FURTHER RESOLVED THAT** consequent upon the change of name, the Memorandum and Articles of Association of the Company be and are hereby amended accordingly to reflect the new name wherever appearing.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized and empowered to approve, make and incorporate any modification, amendment, addition or deletion in the proposed name or in the Memorandum and Articles of Association, as may be required or deemed appropriate, or as may be directed or advised by the Registrar of Companies, SECP, or any other regulatory authority, for the purpose of giving effect to this resolution.

**FURTHER RESOLVED THAT** the Chief Executive Officer and the Company Secretary of the Company be and are hereby authorized, singly or jointly, to take all necessary steps, execute all documents, and do all acts, deeds and things as may be required or deemed necessary to give effect to this resolution, including filing of requisite documents with the SECP and other regulatory authorities."

**Rationale**

The Company has strategically transitioned from a traditional telecommunications operator to a diversified, technology-driven enterprise, with an increasing focus on digital solutions, IT services, and emerging technologies. In view of this transformation, the proposed change of name is intended to more accurately reflect the Company's current business model, future strategic direction, and growth aspirations. The revised name will enhance the Company's market positioning, reinforce its evolving brand identity, and support ongoing and planned diversification initiatives.

**Interest of Directors**

The Directors of the Company have **no direct or indirect interest** in the proposed special business (**from Special Business Agenda 1, 4-6**), except to the extent of their shareholding in the Company, if any.

**Special Business**

**Agenda Item 2**

**To consider and approve the proposal for expansion of the Company's business by establishing international operations in the United Arab Emirates**, including the acquisition and/or transfer of interest in a Dubai-based entity presently held by the sponsors/directors of the Company, in accordance with Section 208 of the Companies Act, 2017, subject to the approval of shareholders

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and all requisite regulatory approvals, and to pass the special resolution as set out in the statement of material facts annexed to this notice.

**Setting up of International Operations in the United Arab Emirates**

**Background and Rationale**

The Company has been actively exploring strategic opportunities to expand its operations beyond Pakistan in line with its long-term growth strategy. As part of this initiative, the Company proposes to establish its international presence through the setting up of a wholly owned subsidiary in the United Arab Emirates ("UAE"), thereby enabling access to new markets, customers, and business opportunities in the region and globally.

In order to efficiently execute this expansion, the Company intends to acquire an existing, non-operational UAE entity, which is presently held by certain sponsors/directors of the Company. This approach is considered commercially advantageous as compared to establishing a new entity from scratch. The estimated cost of fresh incorporation in the UAE is approximately AED 100,000, whereas the proposed acquisition is being undertaken at a consideration of AED 50,000, resulting in significant cost savings.

From an operational perspective, the proposed acquisition will substantially reduce the time required for market entry by avoiding the procedural and administrative requirements associated with new incorporation, which typically span several months. The availability of an already established legal structure will enable the Company to commence operations in the UAE in a timely and efficient manner.

Furthermore, the target entity does not have any prior operational history and is free from liabilities, obligations, or encumbrances, thereby providing a clean legal and financial platform for the Company's international operations.

The Company also plans to allocate an amount of up to USD 500,000 towards capital expenditure and working capital requirements of the proposed subsidiary. The entire transaction and subsequent operations shall be subject to compliance with all applicable laws and regulations in Pakistan and the UAE, including obtaining necessary approvals from relevant regulatory authorities.

The proposed international expansion is expected to:

- provide access to new markets and customer segments;
- diversify revenue streams and enhance profitability;
- strengthen the Company's competitive position in the global market; and
- support long-term strategic growth and business diversification.

**Interest of Directors**

Mr. Babar Ali Syed and Mr. Muhammad Azhar Saeed, Directors of the Company, have a direct interest in the proposed transaction by virtue of their shareholding and directorship in the acquiree UAE entity. Accordingly, the transaction constitutes a related party transaction under Section 208 of the Companies Act, 2017 and is being placed before the members for approval.

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**Recommendation of the Board**

The Board of Directors has reviewed the proposed transaction and recommends the same for approval of the members, considering it to be in the best interest of the Company and its stakeholders. The Directors having an interest in the proposed transaction did not participate in the deliberations of the Board and abstained from voting on the matter in compliance with the applicable provisions of the Companies Act, 2017.

**Proposed Special Resolutions**

**RESOLVED THAT** pursuant to the provisions of Section 208 and all other applicable provisions of the Companies Act, 2017, and subject to such approvals, consents and permissions as may be required, the establishment of international operations of the Company in the United Arab Emirates, including the acquisition of an existing UAE entity from sponsors/directors of the Company, be and is hereby approved.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to establish a wholly owned subsidiary in the United Arab Emirates and to undertake all necessary steps in connection therewith, including investment of funds, deployment of capital, and commencement of business operations.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized and empowered to approve, finalize and implement the structure, terms and conditions of the acquisition and international expansion, including making any modifications, amendments or adjustments as may be required or deemed appropriate or as may be directed by any regulatory authority.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized and empowered to make such modifications, amendments, additions or deletions to the structure, terms and conditions of the proposed acquisition and international expansion, including but not limited to variation in the shareholding structure of the proposed subsidiary (including change from wholly owned subsidiary to a subsidiary with shareholding of less than one hundred percent (100%) but not less than fifty-one percent (51%)), as may be required or deemed appropriate, or as may be directed or advised by any regulatory authority, for the purpose of giving effect to these resolutions.

**FURTHER RESOLVED THAT** the Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company be and are hereby authorized, singly or jointly, to:

- negotiate, finalize and execute all agreements, contracts and documents;
- make requisite filings with regulatory authorities in Pakistan and abroad;
- take all necessary actions for establishment and operationalization of the subsidiary; and
- do all acts, deeds and things as may be necessary, incidental or ancillary to give effect to the aforesaid resolutions.

**Special Business**

**Agenda Item 3**

**To consider and approve the alterations in the Articles of Association of the Company by passing a special resolution as set out in the statement of material facts annexed to this notice for the extension of Mandatory Conversion Date till December 31, 2030 in relation to Convertible Preference Shares;**

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**Background and Rationale**

The Company has issued Convertible Preference Shares ("CPS"), the terms and conditions of which, including conversion rights and mechanics, are governed by the Memorandum and Articles of Association of the Company, particularly Articles 17-A and 17-B.

**Proposed Special Resolutions**

In order to provide flexibility to the CPS holders and align the conversion timeline with the Company's ongoing capital restructuring and future strategic plans, it is proposed to extend the mandatory conversion date of the CPS up to December 31, 2030. All other terms and conditions of the CPS, including conversion mechanism, rights and entitlements, shall remain unchanged and continue to be governed strictly in accordance with the Memorandum and Articles of Association of the Company.

It is further clarified that the capital restructuring measures contemplated under Agenda Items No. 4, 5 and 6 (including rearrangement of authorized capital, reduction of share capital and sub-division of shares) relate solely to the ordinary share capital of the Company and shall not affect, alter or prejudice, in any manner whatsoever, the rights, privileges, value or conversion terms of the CPS, which shall continue to remain intact in accordance with their original terms of issuance.

**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2017 and all other applicable laws, and subject to such approvals as may be required, the mandatory conversion date of the Convertible Preference Shares (CPS) of the Company be and is hereby extended up to December 31, 2030.

**FURTHER RESOLVED THAT** all other terms and conditions of the CPS, including but not limited to conversion rights, entitlements, and mechanisms, shall remain unchanged and shall continue to be governed in accordance with the Memorandum and Articles of Association of the Company, particularly Articles 17-A and 17-B.

**FURTHER RESOLVED THAT** the capital restructuring contemplated under Agenda Items No. 4, 5 and 6 shall not affect, vary or prejudice the rights, privileges, value or conversion terms of the CPS in any manner whatsoever, and the CPS shall remain intact in accordance with their original terms of issuance.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized and empowered to make such modifications, amendments or adjustments, as may be required or deemed appropriate, or as may be directed by any regulatory authority, for the purpose of giving effect to this resolution.

**FURTHER RESOLVED THAT** the Chief Executive Officer, the Chief Financial Officer the Company Secretary and any director of the Company be and are hereby authorized, jointly or severally, to take all necessary steps, execute all documents, and do all acts, deeds and things as may be required or deemed necessary to give effect to the aforesaid resolution, including making requisite filings with the Securities and Exchange Commission of Pakistan and other regulatory authorities.

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**Special Business**

**Agenda Item 4**

**To consider the rearrangement and reclassification of the authorized share capital of the Company** in accordance with Section 85 of the Companies Act, 2017, and the consequent amendments in the Memorandum and Articles of Association of the Company.

**Background**

The existing authorized share capital of the Company comprises ordinary shares and preference shares, as detailed below:

| Particulars | Ordinary Shares | Preference Shares | Total |
|---|---|---|---|
| Authorized Capital (Nos.) | 1,500,000,000 | 500,000 | — |
| Currency | PKR | US$ | — |
| Per Value (per share) | 10.00 | 100.00 | — |
| Authorized Capital (Value) | 15,000,000,000 | 50,000,000 | — |
| Exchange Rate (US$1 = PKR) | — | 120.00 | — |
| Authorized Capital (PKR) | 15,000,000,000 | 6,000,000,000 | 21,000,000,000 |

The issued and outstanding share capital of the Company as on December 31, 2025 is as follows:

| Particulars | Ordinary Shares | Preference Shares |
|---|---|---|
| Outstanding Capital (Nos.) | 4,982,289,186 | 88,200 |

The Company currently does not require the full extent of its authorized preference share capital amounting to PKR 6,000,000,000 (equivalent to US$ 50,000,000). Accordingly, it is proposed to restructure and reallocate the authorized capital by reducing the preference share component and increasing the ordinary share component, while maintaining the overall authorized capital at PKR 21,000,000,000.

**Proposed Authorized Capital Structure**

| Particulars | Ordinary Shares | Preference Shares | Total |
|---|---|---|---|
| Authorized Capital (Nos.) | 1,980,000,000 | 100,000 | — |
| Currency | PKR | US$ | — |
| Per Value (per share) | 10.00 | 100.00 | — |
| Authorized Capital (Value) | 19,800,000,000 | 10,000,000 | — |
| Exchange Rate (US$1 = PKR) | — | 120.00 | — |
| Authorized Capital (PKR) | 19,800,000,000 | 1,200,000,000 | 21,000,000,000 |

**Rationale**

The proposed rearrangement is aimed at rationalizing the Company's authorized capital structure by aligning it with its current operational requirements and future funding strategy. The reallocation from preference share capital to ordinary share capital is intended to optimize the composition of capital, eliminate underutilized components, and enhance the Company's ability to raise equity in a more efficient and flexible manner.

**Status of Previously Approved Increase in Authorized Capital**

It is noted that the shareholders of the Company had previously approved an increase in the

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authorized share capital of the Company from PKR 21,000,000,000 to PKR 29,000,000,000 in an earlier general meeting; however, the same is currently pending approval with the Securities and Exchange Commission of Pakistan (SECP).

In view of the proposed capital restructuring under Agenda Items No. 4, 5 and 6, it is clarified that upon approval and implementation of the aforesaid agenda items, the earlier approved increase in authorized capital shall be deemed to be withdrawn and shall not be pursued further.

**Proposed Special Resolutions**

**RESOLVED THAT** pursuant to the provisions of Section 85 and all other applicable provisions of the Companies Act, 2017, and subject to such approvals as may be required, the authorized share capital of the Company be and is hereby **rearranged, reclassified and reorganized** in the manner set out in the statement of material facts annexed hereto.

**FURTHER RESOLVED THAT** consequent upon the aforesaid rearrangement, **Clause V of the Memorandum of Association of the Company be and is hereby substituted and amended** to read as follows:

"The authorized share capital of the Company is Rs. 21,000,000,000/- (Rupees Twenty-One Billion only), divided into 1,980,000,000 ordinary shares of Rs. 10.00 each and 100,000 preference shares of US$ 100.00 each (Equivalent to Rupees 1,200,000,000 only at exchange rate of 120/- for each US$)."

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby **authorized and empowered** to approve, make and incorporate any modification, amendment, addition or deletion in the aforesaid Clause V of the Memorandum of Association and in the Article 4 of the Articles of Association, as may be required or deemed appropriate, or as may be directed or advised by the Securities and Exchange Commission of Pakistan (SECP) or any other regulatory authority, for the purpose of giving effect to these resolutions.

**FURTHER RESOLVED THAT** the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary and/or any director of the Company jointly or severally of the Company be and are hereby authorized, to take all necessary steps, execute all documents, and do all acts, deeds and things as may be required or deemed necessary to give effect to the above resolutions, including but not limited to:

- filing of requisite documents with the SECP and other regulatory authorities;
- making consequential amendments in the Memorandum and Articles of Association of the Company; and

complying with any conditions, directions or requirements imposed by any regulatory authority.

**Special Business**

**Agenda Item 5**

**To consider the reduction of the share capital of the Company** in accordance with Section 89 of the Companies Act, 2017 by approximately 90%.

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The share capital and reserves position of the Company as at **December 31, 2025** is as follows:

| Particulars | PKR (000) |
|---|---|
| Authorized Capital | 21,000,000 |
| Issued Capital | 49,822,889 |
| Discount on Shares | (35,698,755) |
| Retained Earnings / (Loss) | (19,014,141) |
| Capital Reserves | 272,796 |
| Surplus on Revaluation of Fixed Assets | 3,035,276 |
| Preference Share Capital | 690,665 |
| Dividend on Preference Shares | 320,329 |
| **Shareholders' Equity** | **(370,941)** |

The Company has accumulated losses which have resulted in an erosion of shareholders' equity and an imbalance in its capital structure. In view of this, it is considered appropriate to undertake a comprehensive balance sheet rationalization exercise.

Accordingly, in order to realign and optimize the Company's capital structure in light of its current financial position, it is proposed to undertake a reduction of share capital along with the re-characterization and adjustment of certain reserves and balances, including discount on shares.

The proposed restructuring is aimed at enhancing the overall presentation and strength of the Company's balance sheet by appropriately adjusting historical losses and reserves, thereby reflecting a more accurate financial position. This exercise will place the Company on a more sustainable financial footing and facilitate future restructuring, investment and capital raising initiatives, in accordance with applicable provisions of the Companies Act, 2017.

**Proposed Post-Reduction Position**

| Particulars | PKR (000) |
|---|---|
| Authorized Capital | 21,000,000 |
| Issued Capital | 4,982,289 |
| Discount on Shares | — |
| Retained Earnings / (Loss) | (6,564,224) |
| Capital Reserves | — |
| Surplus on Revaluation of Fixed Assets | — |
| Preference Share Capital | 690,665 |
| Dividend on Preference Shares | 320,329 |
| Shareholders' Equity | **(370,941)** |

**Nature of Reduction**

The issued ordinary share capital of the Company is proposed to be reduced by approximately 90%, from **4,982,289,186** ordinary shares to **498,228,918** ordinary shares, by cancelling such portion of the paid-up share capital as is lost or unrepresented by available assets, in accordance with the provisions of Section 89 of the Companies Act, 2017.

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**Rationale** :

The proposed capital reduction forms part of a broader balance sheet restructuring exercise and is intended to:

- eliminate accumulated losses and rationalize the capital structure of the Company;
- align the issued share capital with the Company's current asset base and financial position;
- align the capital structure framework;
- facilitate appropriate re-characterization of reserves, including adjustment of discount on shares and other accumulated balances; and
- place the Company on a more sustainable financial footing, thereby enabling future restructuring, investment and capital raising initiatives.

**Effect on Creditors**

The proposed reduction of share capital is **purely an accounting adjustment** and does not involve:

- any extinguishment or compromise of liabilities;
- any reduction in the amount payable to any creditor;
- any outflow of cash or transfer/distribution of assets to shareholders; or
- any diminution of the Company's net assets available to meet its obligations.

The reduction is limited to the cancellation of paid-up capital that is already lost or unrepresented by available assets, and therefore does not affect the underlying asset base of the Company. Consequently, the financial position of creditors remains entirely unaffected both before and after the proposed reduction.

All existing liabilities of the Company shall continue to be fully recognized, enforceable and payable in the ordinary course of business, without any alteration in terms, priority or security.

In view of the foregoing, the proposed capital reduction does not involve any element of prejudice to the interests of creditors, whether secured or unsecured, and does not result in any compromise or arrangement with creditors. Accordingly, the reduction does not warrant any requirement for creditor consent or settlement of liabilities.

**Compliance with Statutory Requirements**

The proposed reduction of share capital shall be carried out in accordance with all applicable provisions of the Companies Act, 2017, including Sections 90 to 96, and shall be subject to confirmation by the Honorable Lahore High Court.

Given that the proposed reduction constitutes a purely accounting adjustment—being limited to the cancellation of paid-up capital that is lost or unrepresented by available assets—and does not involve any payment to shareholders, extinguishment or compromise of liabilities, or diminution of assets available to creditors, no prejudice is caused to the interests of any creditor.

Accordingly, it is submitted that this case falls within the category of reductions where the Honorable Court may, in its discretion, dispense with the requirement of settling a list of creditors and/or obtaining their consent, as contemplated under the applicable provisions of the Companies Act, 2017.

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Without prejudice to the foregoing, the Company undertakes that, to the extent required by the Honorable Court, appropriate arrangements shall be made for safeguarding the interests of any creditor, including the provision of security where necessary. The reduction shall take effect only upon confirmation by the Honorable Court and registration of the order with the Registrar in accordance with law.

**Proposed Special Resolutions**

The following resolutions are proposed to be passed as **special resolutions**:

**RESOLVED THAT** pursuant to the provisions of Section 89 and all other applicable provisions of the Companies Act, 2017, and subject to confirmation by the Honorable Lahore High Court and receipt of all necessary approvals, consents and permissions from regulatory authorities, the share capital of the Company be and is hereby reduced as follows:

| Particulars | PKR (000) | No. of Shares |
|---|---|---|
| Share Capital Outstanding (before reduction) | 49,822,889 | 4,982,289,186 |
| Capital Reduction (write-off) | (44,840,601) | — |
| Share Capital Outstanding (after reduction) | 4,982,288 | 498,288,918 |
| Total Reuction | (44,840,601) | (4,484,060,268) |

**FURTHER RESOLVED THAT** the aforesaid reduction shall be affected by cancelling such portion of the paid-up share capital as is lost or unrepresented by available assets, in accordance with applicable law.

**FURTHER RESOLVED THAT** no fractional shares shall be issued as a result of the capital reduction. Where the application of the reduction results in a fraction of a share or reduces a member's holding to less than one (1) share, such holding shall not be reduced to zero and shall instead be rounded up to one (1) share as the minimum holding. Any fractional entitlements arising from the reduction shall be dealt with and adjusted in such manner as may be determined by the Board of Directors of the Company.

**FURTHER RESOLVED THAT** the reserves of the Company, including but not limited to discount on shares, share premium (if any), capital reserves, and surplus on revaluation of fixed assets, be and are hereby re-characterized, adjusted and applied, as may be necessary, to give effect to the aforesaid capital reduction and to appropriately reflect the financial position of the Company.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby **authorized and empowered** to approve, make and incorporate any modification, amendment, addition or deletion in the above resolutions, including any variation in the manner, quantum or mechanics of the capital reduction, as may be required or deemed appropriate, or as may be directed or advised by the Securities and Exchange Commission of Pakistan (SECP), the Honorable Lahore High Court, or any other regulatory authority, for the purpose of giving effect to these resolutions.

**FURTHER RESOLVED THAT** the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary and any director of the Company, jointly and severally, be and are hereby authorized, to take all necessary steps, execute all documents, and do all acts, deeds and things as may be required or deemed necessary to give effect to the above resolutions, including but not limited to:

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- making applications, petitions and submissions to the Honorable Lahore High Court for confirmation of the capital reduction;
- filing requisite documents, returns and forms with the SECP, Central Depository Company (CDC), and any other relevant authority;
- appointing and engaging legal advisors, consultants, agents or attorneys;
- complying with any conditions, directions or requirements imposed by any court or regulatory authority; and
- taking all ancillary and incidental actions necessary for implementation of the capital restructuring.

**Other Information**

- **Detail of assets, liabilities and shareholders' equity as per latest annual financial statements and subsequent interim financial statements, if any.**

Detail of assets, liabilities and shareholders' equity as per audited financial statements as of December 31, 2025 are attached as Annexure to this statement. These are latest financial statements. Financial Results for the 1st Quarter ending on March 31, 206 is not yet available.

- **List of creditors of the company along with information on nature and amount involved, if substantial or material:**

The creditors are disclosed in the annual financial statements.

- **Brief details of qualification, reservations, adverse remarks or disclaimer, if any, made by the auditors in his report on the latest annual financial statements relevant to the reduction of capital.**

The auditors have issue unqualified opinion in their latest Audit Report for the financial year ended December 31, 2025.

**Special Business**

**Agenda Item 6**

**To consider the sub-division of the ordinary share capital of the Company** by changing the nominal (par) value of ordinary shares from PKR 10/- to PKR 1/- per share keeping the existing number of shares unchanged, and the consequential increase in the number of ordinary shares, along with the corresponding amendments in the Memorandum and Articles of Association of the Company.

**Background**

Subject to the completion of Agenda Item No. 4 (rearrangement of authorized share capital) and Agenda Item No. 5 (reduction of share capital), it is proposed to sub-divide the ordinary share capital of the Company by reducing the nominal (par) value of each ordinary share from PKR 10.00 to PKR 1.00 per share, resulting in a corresponding increase in the number of issued and authorized ordinary shares without any change in the overall paid-up capital of the Company.

The market price of the Company's ordinary shares is approximately PKR 1.18 as of April 03, 2026, which is significantly below the existing face value of PKR 10.00 per share. In order to better align the nominal value of the shares with the prevailing market price, and to make the share denomination

to:

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more reflective of current trading levels, it is considered appropriate to reduce the par value to PKR 1.00 per share.

The proposed sub-division is also expected to:

- enhance liquidity and trading activity in the Company's shares by increasing the number of shares in circulation;
- improve affordability and accessibility of the shares for a broader base of investors;
- facilitate more efficient price discovery in the market; and
- support potential future capital raising and restructuring initiatives.

It is, however, clarified that pursuant to the capital reduction contemplated under Agenda Item No. 5, both the number of shares and the aggregate value of shareholding will be reduced. Thereafter, upon implementation of the proposed sub-division, the number of shares will increase proportionately in line with the revised nominal value.

Consequent upon the proposed sub-division, the Memorandum and Articles of Association of the Company will be amended to reflect the revised share capital structure.

**Proposed Special Resolutions**

The following resolutions are proposed to be passed as **special resolutions**:

**RESOLVED THAT** pursuant to the provisions of Section 85 and all other applicable provisions of the Companies Act, 2017, and subject to completion of the capital restructuring envisaged under Agenda Items No. 4 and 5, the nominal (par) value of the ordinary shares of the Company be and is hereby **reduced from PKR 10.00 to PKR 1.00 per share**, and the existing ordinary shares be **sub-divided accordingly**, without any change in the overall paid-up capital of the Company.

**FURTHER RESOLVED THAT** consequent upon the aforesaid sub-division, **Clause V of the Memorandum of Association of the Company be and is hereby substituted and amended** to read as follows:

"The authorized share capital of the Company is Rs. 21,000,000,000/- (Rupees Twenty-One Billion only), divided into 19,800,000,000 ordinary shares of Rs. 1.00 each and 100,000 preference shares of US$ 100.00 each (Equivalent to Rupees 1,200,000,000 only at exchange rate of 120/- for each US$)."

**FURTHER RESOLVED THAT** the Memorandum and Articles of Association of the Company be and are hereby **amended accordingly**, including all consequential, incidental and ancillary changes required to give effect to the aforesaid sub-division of shares.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby **authorized and empowered** to approve, make and incorporate any modification, amendment, addition or deletion in the above resolutions, including any variation in the structure, mechanics or implementation of the sub-division, as may be required or deemed appropriate, or as may be directed or advised by the Securities and Exchange Commission of Pakistan (SECP), any stock exchange, or any other regulatory authority, for the purpose of giving effect to these resolutions.

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**FURTHER RESOLVED THAT** the Chief Executive Officer and the Company, the Chief Financial Officer, the Company Secretary and any director of the Company be and are hereby authorized, jointly or severally, to take all necessary steps, execute all documents, and do all acts, deeds and things as may be required or deemed necessary to give effect to the above resolutions, including but not limited to, to take all necessary steps, execute all documents, and do all acts, deeds and things as may be required or deemed necessary to give effect to the above resolutions, including but not limited to:

- filing requisite documents, returns and forms with the SECP, Central Depository Company (CDC), stock exchange and other relevant authorities;
- making consequential amendments in the Memorandum and Articles of Association of the Company;
- complying with any conditions, directions or requirements imposed by any regulatory authority; and
- taking all ancillary and incidental actions necessary for implementation of the sub-division of shares.

**Composite Enabling Resolutions (Agenda Items 4 to 6)**

**Rationale for Composite Implementation**

The restructuring of the Company's capital, as contemplated under Agenda Items No. 4, 5 and 6, comprises multiple interdependent corporate actions, including rearrangement of authorized capital, reduction of share capital and sub-division of shares.

Given the integrated nature of these steps, it may be necessary, for regulatory, procedural or practical reasons, to implement such actions in a particular sequence, combination or manner as may be required or directed by the relevant authorities. Requiring separate implementation or approval at each stage may result in **unnecessary delays, duplication of processes and increased administrative complexity**, without adding substantive value.

Accordingly, it is considered appropriate and in the best interest of the Company and its stakeholders to authorize flexibility in execution, so as to efficiently achieve the intended **final capital structure** as set out below.

**Composite Enabling Special Resolution**

**RESOLVED THAT** for the purpose of giving full effect to the restructuring of the capital of the Company as contemplated under Agenda Items No. 4, 5 and 6, the Board of Directors of the Company be and is hereby **authorized and empowered** to determine, approve and implement the sequence, combination or segregation of the corporate actions, including but not limited to rearrangement/reclassification of authorized capital, reduction of share capital and sub-division of shares, in such manner as may be necessary or expedient to achieve the intended capital structure of the Company.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby **authorized to make such modifications, amendments, additions or deletions** to any of the approved actions, resolutions or structures, including variation in sequence or manner of implementation, as may be required or deemed appropriate, or as may be directed or advised by the Securities and Exchange Commission of Pakistan (SECP), the Honorable Lahore High Court or any other regulatory authority.

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**FURTHER RESOLVED THAT** the Chief Executive Officer, the Chief Financial Officer the Company Secretary and any director of the Company be and are hereby authorized, jointly or severally, to take all necessary steps, execute all documents, make filings with the relevant regulatory authorities, and do all acts, deeds and things as may be required or deemed appropriate to give effect to the ultimate capital restructuring of the Company.

**Ultimate Capital Structure (Post-Restructuring)**

| Particulars | Authorized Capital | Outstanding Capital |
|---|---|---|
| **Ordinary Shares (PKR)** | 19,800,000,000 | 4,982,289,180 |
| **Ordinary Shares (Nos.)** | 19,800,000,000 | 4,982,289,180 |
| **Par / Nominal Value (PKR per share)** | 1.00 | 1.00 |

**Other information**

**Detail of Ordinary Shares Issued**

| | No. of Shares Issued | PKR (000) |
|---|---|---|
| Fully Paid in Cash | 344,000,000 | 3,440,000 |
| Under Scheme of Arrangement | 309,965,789 | 3,099,658 |
| Bonus Issue | 98,094,868 | 980,949 |
| Issued against Convertible Loan | 108,510,856 | 1,085,109 |
| Issued against Preference Shares | 4,121,717,673 | 41,217,173 |
| Shares Outstanding as on December 31, 2025 | **4,982,289,186** | **49,822,889** |
| Less: Discount on Ordinary Shares | | (35,698,755) |
| | | **14,124,134** |

**<u>Note:</u> The proposed special resolutions, as recommended by the Board of Directors, shall be considered by the members of the Company at this Annual General Meeting and may be approved, with or without modification(s), amendment(s), addition(s) or deletion(s), as may be deemed appropriate by the members in accordance with applicable laws and the Articles of Association of the Company.**

The summary of discussions held at the Annual General Meeting in respect of this agenda item shall be duly compiled and disseminated to the shareholders through the Pakistan Stock Exchange (PSX) via PUCARS, in accordance with applicable regulatory requirements.

**General Resolutions**

The below general resolution will be applicable for all agenda items of special business

**RESOLVED THAT** the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary and/or any director of the Company be and are hereby authorized, jointly and/or severally, to make such additions, amendments, modifications, or deletions to any of the resolutions passed at this Annual General Meeting as may be required by the regulators, authorities, or any other stakeholders, or as may be deemed necessary for the purpose of implementation, and to do all acts, deeds, matters, and things, and to execute all documents, agreements, and filings as may be necessary or incidental thereto to give effect to the aforesaid resolutions.

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**RESOLVED THAT** each of the resolutions passed at this Annual General Meeting shall be deemed to be separate and independent of the others, and the invalidity, illegality, non-implementation, or unenforceability of any one or more of the resolutions shall not in any manner affect the validity, legality, or enforceability of the remaining resolutions, which shall continue to remain in full force and effect.

**FURTHER RESOLVED THAT** if any provision or part of any resolution is held to be invalid, or incapable of being executed or enforced, such provision or part shall be deemed severable and shall not affect or impair the validity or enforceability of the remaining provisions or parts of that resolution.

**Availability of Relevant Documents**

Copies of the existing and proposed amended Memorandum and Articles of Association (indicating changes), CPS terms, solvency opinion (for capital reduction), and related documents are available for inspection at the Registered Office during business hours (**9:00 a.m. to 5:00 p.m.**) on working days up to the day before the AGM, and will also be available at the meeting.

**Statement of the Board of Directors**

We, the members of the Board of Directors of WorldCall Telecom Limited, hereby confirm that the proposed amendments/alterations in the Memorandum and Articles of Association, and other special business items, are in line with the applicable laws, including the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, and regulatory framework of the SECP and Pakistan Stock Exchange Limited.

**Chairman**
**Board of Directors**

**نوٹ:** بورڈ آف ڈائریکٹرز کی سفارش کے مطابق [illegible] خصوصی قراردادیں کمپنی کے ممبران کی جانب سے اس سالانہ جنرل میٹنگ میں زیر غور [illegible] [illegible] کمپنی کے [illegible] کے مطابق [illegible]

سالانہ جنرل میٹنگ میں [illegible] (PSX) [illegible] PUCARS [illegible]

[illegible]

## عمومی قراردادیں

[illegible]

**پہلے پاس کیا گیا کہ** [illegible] (CEO)، [illegible] (CFO)، [illegible]

[illegible]

**مزید فیصلہ کیا گیا کہ** اس سالانہ جنرل میٹنگ میں [illegible]

[illegible]

**مزید قرار دیا گیا کہ** [illegible]

[illegible]

## [illegible]

[illegible] CPSA [illegible] 9:00 [illegible] 5:00 [illegible] AGM [illegible]

[illegible]

## بورڈ آف ڈائریکٹرز کی ذمہ داریاں

[illegible] 2017 [illegible] SECP [illegible]

[illegible]

بحکم بورڈ

بورڈ آف ڈائریکٹرز

### کیپیٹل [illegible]

**[illegible]** [illegible] 5A [illegible] 6 [illegible]

**[illegible]** [illegible] (SECP) [illegible]

**[illegible]** [illegible]

### [illegible]

| تفصیل | مجاز سرمایہ | جاری شدہ سرمایہ |
|---|---|---|
| عام حصص (PKR) | 19,800,000,000 | 4,982,289,180 |
| عام حصص (نمبر) | 19,800,000,000 | 4,982,289,180 |
| پار / اسمی قیمت (PKR فی حصص) | 1.00 | 1.00 |

### دیگر معلومات

### جاری کیے گئے عام حصص کی تفصیل

| | کمپنی جاری شدہ حصص کی تعداد | روپے (000) |
|---|---|---|
| مکمل طور پر نقد ادائیگی | 344,000,000 | 3,440,000 |
| انضمام کے منصوبے کے تحت | 309,965,789 | 3,099,658 |
| [illegible] | 98,094,868 | 980,949 |
| [illegible] کے خلاف جاری کردہ | 108,510,856 | 1,085,109 |
| [illegible] شیئرز کے خلاف جاری کردہ | 4,121,717,673 | 41,217,173 |
| 31 دسمبر 2025 تک موجود شیئرز | **4,982,289,186** | **49,822,889** |
| کم: عام حصص پر رعایت | | (35,698,755) |
| | | **14,124,134** |

**مزید قرار دیا گیا کہ** سرمایہ کی تشکیل نو کے نتیجے میں، کمپنی کے میمورنڈم آف ایسوسی ایشن کی شق V کو اس طرح تبدیل اور ترمیم کیا جائے گا:

" کمپنی کا مجاز شیئر کیپٹل 21,000,000,000 روپے (اکیس ارب روپے) ہے جو 19,800,000,000 عام شیئرز میں تقسیم ہے جن کی فی شیئر قیمت 1.00 روپے ہے اور 100,000 ترجیحی شیئرز جن میں ہر ایک 100.00 روپے کا ہے اور 200,000,000 روپے کے ... 120/- کے ... "

**مزید قرار دیا گیا کہ** کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں اس کے مطابق ترمیم کی جائے اور ان کے تحت ان تمام ضروری عملی اور رسمی تبدیلیوں کو شامل کیا جائے جو سرمایہ کی تشکیل نو کو نافذ کرنے کے لیے ضروری ہیں۔

**مزید فیصلہ کیا گیا کہ** کمپنی کے بورڈ آف ڈائریکٹرز کو مذکورہ بالا قراردادوں میں کسی بھی ترمیم، اضافے یا حذف کی منظوری دینے کا اختیار حاصل ہے جس میں سرمایہ کی تشکیل نو شامل ہے، جیسا کہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے ضرورت ہو یا کسی بھی ریگولیٹری اتھارٹی کی جانب سے مذکورہ قراردادوں کو نافذ کرنے کے مقصد کے لیے ہو۔

**مزید طے کیا گیا کہ** چیف ایگزیکٹو آفیسر، کمپنی سیکرٹری اور کمپنی کے کسی بھی ڈائریکٹر کو مشترکہ یا علیحدہ طور پر تمام ضروری اقدامات کرنے، تمام دستاویزات پر دستخط کرنے اور تمام اعمال، افعال اور معاملات کرنے کا اختیار حاصل ہے جو مذکورہ بالا قراردادوں کو نافذ کرنے کے لیے ضروری یا مناسب سمجھے جائیں، بشمول لیکن محدود نہیں:

- SECP، سینٹرل ڈپازٹری کمپنی (CDC)، پاکستان اسٹاک ایکسچینج اور دیگر متعلقہ حکام کے ساتھ ضروری دستاویزات جمع کرانا اور فارم داخل کرنا؛
- کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں ترامیم کرنا؛
- کسی بھی ریگولیٹری اتھارٹی کی طرف سے عائد کردہ کسی بھی شرائط یا ہدایات کی تعمیل کرنا؛ اور
- شیئرز کی تشکیل نو کے نفاذ کے لیے تمام عملی اور رسمی اقدامات کرنا۔

**مرکب فیصلہ کرنے والی قرارداد (ایجنڈا آئٹم 4 سے 6)**

**مرکب فیصلہ کی منطق**

کمپنی کے سرمائے کی تشکیل نو کی تجویز ایجنڈا آئٹم نمبر 4، 5 اور 6 کے تحت منظوری ہے، مجموعی طور پر ایک مربوط عمل ہے جس میں ادا شدہ سرمایہ کی ترتیب، شیئر کیپٹل میں کمی اور سرمائے کی تشکیل نو شامل ہے۔

ان اقدامات کی مجموعی طور پر منظوری ... کو برقرار رکھتے ہوئے ... طریقہ کار ... کے مطابق ... **غیر ضروری تاخیر، لاگت اور انتظامی پیچیدگی میں اضافہ ہو سکتا ہے**، اس کے کوئی حتمی ... ۔

اس سلسلے میں، کمپنی ... کے لیے ... یہ سمجھا جاتا ہے کہ ... **مطلوبہ حتمی سرمایہ کاری کے ڈھانچے کو** موثر طریقے سے حاصل کیا جا سکے۔

**خصوصی کاروبار**

**ایجنڈا نمبر 1**

**کمپنی کے عام حصص کے سرمائے کی دوبارہ تقسیم پر غور کرنا** جس میں عام حصص کی اسمی (پار) قیمت کو PKR 10/- سے تبدیل کر کے 1/- اسمی شیئرز کر دیا جائے، اور عام حصص کی تعداد کو بھی تبدیل کیا جائے، اور اس کے نتیجے میں عام حصص کی تعداد میں اضافہ۔ ساتھ ہی کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں متعلقہ ترامیم شامل ہوں۔

**پس منظر**

ریگولیٹری تقاضوں اور ایجنڈا آئٹم نمبر 1 کے تحت شیئر کیپیٹل کی تقسیم کی اسکیم کے تحت کمپنی کے عام شیئر کیپیٹل کو تقسیم کرنے کی تجویز دی گئی ہے جس کے تحت ہر عام حصص کی اسمی (پار) قیمت کو PKR 10.00 سے کم کر کے 1.00 روپے فی شیئر کیا جائے گا جس کے نتیجے میں جاری اور موجود عام حصص کی تعداد میں اضافہ ہو گا جبکہ مجموعی ادا شدہ سرمائے میں کوئی تبدیلی نہیں ہو گی کمپنی کے لیے۔

کمپنی کے عام حصص کی مارکیٹ قیمت 03 اپریل 2026 تک تقریباً PKR 1.18 ہے جو موجودہ اسمی قیمت 10.00 روپے فی شیئر سے نمایاں طور پر کم ہے۔ شیئرز کی اسمی قیمت کو موجودہ مارکیٹ قیمت کے ساتھ ہم آہنگ کرنے اور شیئر کی قیمت کو موجودہ مارکیٹ کے مطابق بنانے کے لیے مناسب سمجھا جاتا ہے کہ پار ویلیو کو PKR 1.00 فی شیئر تک کم کیا جائے۔

مجوزہ دوبارہ تقسیم سے یہ توقع کی جاتی ہے:

- کمپنی کے شیئرز میں لیکویڈیٹی اور تجارتی سرگرمی کو بڑھانے کے لیے گردش میں شیئرز کی تعداد بڑھانا؛
- سرمایہ کاروں کے لیے شیئرز خریدنے کے لیے حصص کی دستیابی اور رسائی کو بہتر بنانا؛
- مارکیٹ قیمت اور اسمی قیمت کو زیادہ ہم آہنگ بنانا؛
- مستقبل میں سرمایہ جمع کرنے اور کیپیٹل کی ضروریات کی حمایت کرنا۔

دوبارہ تقسیم کی تجویز ایجنڈا آئٹم نمبر 1 کے تحت تجویز کردہ سرمایہ کاری کے مطابق حصص کی تعداد اور شیئرز کی مجموعی قدر دونوں کو تبدیل کیا جائے گا۔ اس کے بعد بھی دوبارہ تقسیم کے نفاذ پر شیئرز کی تعداد اور مجموعی اسمی قیمت کے مطابق مناسب طور پر رہے گی۔

مجوزہ دوبارہ تقسیم کے نتیجے میں، کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں ترمیم کی جائے گی تاکہ نظرثانی شدہ شیئر کیپیٹل ڈھانچہ کی عکاسی کی جا سکے۔

**مجوزہ خصوصی قرارداد**

مندرجہ ذیل قرارداد کو بطور خصوصی قرارداد **کے طور پر منظور کرنے کی تجویز دی گئی ہے:**

**یہ طے کیا گیا کہ** کمپنیز ایکٹ 2017 کی دفعہ 85 اور دیگر تمام قابل اطلاق قوانین اور ضوابط کے مطابق اور آرٹیکلز نمبر 4 اور 5 کے تحت متعلقہ ضروری منظوری کی تکمیل کے تابع، کمپنی کے عام حصص کی اسمی (پار) قیمت کو 10.00 روپے **سے کم کر کے 1.00 روپے فی شیئر** کیا جائے اور موجودہ عام حصص کو **اسی طرح سے تقسیم کیا جائے** بغیر کمپنی کے مجموعی ادا شدہ سرمایہ میں کوئی تبدیلی کیے۔

[illegible]

[illegible]

[illegible]

[illegible] (SECP) [illegible]

[illegible]

- [illegible]
- [illegible] SECP [illegible] (CDC) [illegible]
- [illegible]
- [illegible]
- [illegible]

**دیگر معاملات**

- [illegible]

31 دسمبر 2025 [illegible] 31 مارچ 2026 [illegible]

- [illegible]

[illegible]

- [illegible]

آڈیٹرز نے 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے [illegible] غیر مشروط [illegible] جاری کی ہے۔

یہ کمی صرف ادا شدہ سرمایہ کی منسوخی تک محدود ہے جو پہلے ہی کھو چکا ہے یا حساب سے غیر حاصل شدہ ہے اور اس لیے کمپنی کے بقایا قرضوں پر کوئی اثر نہیں ہوگا۔ نتیجتاً، قرض دہندگان کی مالی حالت کمی سے پہلے اور بعد میں بالکل متاثر نہیں ہوگی۔

کمپنی کی تمام موجودہ واجبات بدستور واجب الادا رہیں گی اور مکمل طور پر تسلیم شدہ، قابل ادا اور قابل وصولی رہیں گی جن کی شرائط میں کوئی تبدیلی نہیں ہوگی۔

مندرجہ بالا باتوں کے پیش نظر، مجوزہ سرمایہ میں کمی میں قرض دہندگان کے مفادات کو نقصان پہنچانے کا کوئی عنصر شامل نہیں ہے، چاہے وہ محفوظ ہوں یا غیر محفوظ۔ اس لیے قرض دہندگان کے ساتھ کسی سمجھوتے یا معاہدے کی ضرورت نہیں ہے، اور نہ ہی اس کمی کے لیے قرض دہندگان کی رضامندی یا منظوری کی کوئی شرط نہیں ہے۔

## قانونی تقاضوں کی تعمیل

مجوزہ کمی شیئر ہولڈرز کی منظوری کے بعد کمپنیز ایکٹ 2017 کی تمام متعلقہ دفعات کے مطابق کی جائے گی جس میں دفعات 90 سے 96 شامل ہیں، اور اس کی تصدیق معزز عدالت سے حاصل کرنے سے مشروط ہوگی۔

چونکہ مجوزہ کمی کی صرف نوعیت اکاؤنٹنگ ایڈجسٹمنٹ ہے جو صرف ادا شدہ سرمایہ کی منسوخی تک محدود ہے جو حساب سے ضائع ہو چکا ہے یا اثاثوں کی شکل میں نہیں ہے اور اس میں شیئر ہولڈرز کو کوئی ادائیگی یا واپسی شامل نہیں، یہ کمی قرض دہندگان کے لیے دستیاب اثاثوں میں کوئی کمی شامل نہیں کرتی، اس لیے کسی بھی قرض دہندہ کے مفادات کو کوئی نقصان نہیں پہنچتا۔

لہٰذا یہ پیش کیا گیا ہے کہ یہ معاملہ کمپنی کے دائرے میں آتا ہے جہاں معزز عدالت اپنی صوابدید کے مطابق قرض دہندگان کی فہرست طے کرنے اور ان کی رضامندی حاصل کرنے کی شرط کو ختم کر سکتی ہے جیسا کہ کمپنیز ایکٹ 2017 کے قابل اطلاق دفعات کے تحت طے کیا گیا ہے۔

مندرجہ بالا کو نقصان پہنچائے بغیر، کمپنی یہ عہد کرتی ہے کہ معزز عدالت کی ہدایت کے مطابق کسی بھی قرض دہندہ کے مفادات کے تحفظ کے لیے حسب ضرورت اقدامات کیے جائیں گے، بشمول نوٹس کی فراہمی، معزز عدالت کی تصدیق اور قانون کے مطابق رجسٹرار کے پاس دستاویزات جمع کرانے کے ساتھ تمام تقاضوں کی تعمیل کی جائے گی۔

## تجویز کردہ خصوصی قرارداد

درج ذیل قرارداد کو خصوصی قرارداد کے طور پر منظور کرنے کی تجویز دی گئی ہے

**فیصلہ کیا گیا کہ** سیکشن 89 کی دفعات اور کمپنیز ایکٹ 2017 کی دیگر متعلقہ دفعات کے تحت اور معزز ہائی کورٹ کی تصدیق اور ریگولیٹری حکام سے تمام ضروری منظوریوں اور رضامندی کے ملنے کے بعد، کمپنی کا شیئر کیپیٹل درج ذیل طور پر کم کیا جائے گا

| تفصیل | پی کے آر (000) | شیئرز کی تعداد |
| --- | --- | --- |
| شیئر کیپیٹل (کمی سے پہلے) | 49,822,889 | 4,982,289,186 |
| کیپیٹل ریڈکشن (نقصانات) | (44,840,601) | — |
| شیئر کیپیٹل (کمی کے بعد) | 4,982,288 | 498,228,918 |
| کل کمی | (44,840,601) | 4,484,060,268 |

## مجوزہ کردہ سرمایہ کی تشکیل نو کی تفصیل

| تفصیل | روپے ہزار (000) |
|---|---|
| مجاز سرمایہ | 21,000,000 |
| جاری شدہ سرمایہ | 4,982,289 |
| حصص پر رعایت | — |
| برقرار رکھی گئی آمدنی/(نقصان) | (6,564,224) |
| کیپٹل ریزرو | — |
| جائیداد/اثاثوں کی دوبارہ قیمت پر سرپلس | — |
| **ترمیمی شیئر کیپٹل** | 690,665 |
| **ترمیمی شیئر پریمیم/ریزرو** | 320,320 |
| **شیئر ہولڈرز کی ایکویٹی** | **(370,941)** |

## کمی کا طریقہ

کمپنی کے جاری کردہ عام شیئر کیپٹل کو تقریباً 90% کم کرنے کی تجویز ہے۔ **4,982,289,186** عام شیئرز سے کم کر کے **498,228,918** عام حصص کر دیا جائے گا۔ اس طرح کم کیا گیا شیئر کیپٹل کا وہ حصہ منسوخ کیا جائے گا جو جمع شدہ نقصانات کے مقابلے میں ایڈجسٹ کیا جائے گا، جو کمپنیز ایکٹ 2017 کی دفعات کے مطابق ہے۔

## منطق

مجوزہ سرمایہ میں کمی کی سکیم ایک جامع مالیاتی ری اسٹرکچرنگ کی حکمت عملی کا حصہ ہے اور اس کا مقصد درج ذیل ہے:

- جمع شدہ نقصانات کو ختم کرنا اور کمپنی کے سرمائے کے ڈھانچے کو مستحکم کرنا۔
- جاری کردہ شیئر کیپٹل کو کمپنی کے موجودہ اثاثوں کی بنیاد اور کاروباری پوزیشن کے ساتھ ہم آہنگ کرنا۔
- سرمائے کے ڈھانچے کی بہتری کی راہ ہموار کرنا۔
- مالیاتی گوشواروں کو بہتر بنانا، جس میں حصص یافتگان کی ایکویٹی کی پوزیشن شامل ہے۔
- کمپنی کو مستقبل میں سرمایہ کاری اور سرمایہ جمع کرنے کے مواقع ممکن ہوتے ہیں۔

## قرض دہندگان پر اثرات

شیئر کیپٹل میں مجوزہ کمی صرف **ایک اکاؤنٹنگ ایڈجسٹمنٹ** ہے، اس میں درج ذیل شامل نہیں ہیں:

- کسی بھی قسم کی ادائیگیوں کا خاتمہ یا کمی
- کسی بھی قرض دہندہ کو ادائیگی یا نقد رقم کی واپسی
- نقد رقم کا اخراج یا شیئر ہولڈرز کو کسی اثاثے کی واپسی
- کمپنی کے خالص اثاثوں کی کسی بھی کمی کو قرض دہندگان کی ادائیگیوں کو ادا کرنے کے لیے دستیاب ہو۔

**خصوصی کاروبار**

**ایجنڈا نمبر 5**

کمپنیز ایکٹ، 2017 کے سیکشن 89 کے مطابق کمپنی کے شیئر کیپیٹل میں تخفیف 90% کی تجویز کردہ

31 دسمبر 2025 تک کمپنی کی شیئر کیپیٹل اور ریزروز کی پوزیشن درج ذیل ہے

| تفصیل | روپے کے ہزار (000) |
|---|---|
| مجاز سرمایہ | 21,000,000 |
| جاری شدہ سرمایہ | 49,822,889 |
| حصص پر رعایت | (35,698,755) |
| برقرار رکھی گئی آمدنی/(نقصان) | (19,014,141) |
| کیپیٹل ریزرو | 272,796 |
| سرمایہ کاری کی منصفانہ قیمت پر سرپلس | 3,036,276 |
| ترجیحی شیئر کیپیٹل | 890,888 |
| ترجیحی شیئرز پر ڈیویڈنڈ | 320,329 |
| **شیئر ہولڈرز کی ایکویٹی** | **(370,941)** |

[illegible]

[illegible]

[illegible]

### مقصد

مجوزہ ترمیم / قرارداد کا مقصد کمپنی کے مجاز سرمایہ میں اضافہ [illegible] کمپنی کے [illegible] شیئر کیپیٹل [illegible] سرمایہ کی [illegible] کمپنی کی [illegible] [illegible]

**مجاز سرمایہ میں پہلے سے منظور شدہ اضافے کی صورتحال یہ ہے کہ کمپنی کے شیئر ہولڈرز نے پچھلے ایک جنرل میٹنگ میں کمپنی کے مجاز شیئر کیپیٹل کو 21,000,000,000 روپے سے بڑھا کر 29,000,000,000 روپے تک بڑھانے کی منظوری دی تھی تاہم یہ اس وقت پاکستان کے سیکیورٹیز اینڈ ایکسچینج کمیشن (SECP) کی منظوری کے منتظر ہے۔**

[illegible] (SECP) کی منظوری [illegible] مجاز سرمایہ میں پہلے سے منظور شدہ اضافہ [illegible]

### مجوزہ خصوصی قرارداد

**یہ فیصلہ کیا گیا کہ** کمپنیز ایکٹ 2017 کی دفعہ 85 [illegible] کمپنی کے مجاز شیئر کیپیٹل [illegible] **[illegible] طریقے سے** [illegible] ترمیم کیا جائے گا۔

**مزید قرار دیا گیا کہ** [illegible] **کمپنی کی میمورنڈم آف ایسوسی ایشن کی شق نمبر V اس طرح تبدیل اور ترمیم کی جائے گی:**

"کمپنی کا مجاز شیئر کیپیٹل 21,000,000,000 روپے [illegible] 1,080,000,000 [illegible] 10.00 روپے [illegible] 100,000 [illegible] 100,000 [illegible] 1,200,000,000 [illegible] 120 [illegible]"

**مزید یہ کہ** کمپنی کے [illegible] (SECP) [illegible]

**مزید قرار دیا گیا کہ** [illegible] کمپنی کے [illegible] تمام ضروری [illegible]

- SECP اور دیگر ریگولیٹری اداروں کے ساتھ ضروری دستاویزات جمع کرانا
- کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں ضروری ترامیم کرنا

کسی بھی ریگولیٹری اتھارٹی کی طرف سے عائد کردہ کسی بھی شرائط و ہدایات / تقاضوں کی تعمیل کرنا

**خصوصی کاروبار**

**ایجنڈا آئٹم 1.20**

**کمپنی کے مجاز شیئر کیپیٹل کی تنظیم نو اور دوبارہ درجہ بندی** کا جائزہ لینا، کمپنیز ایکٹ، 2017 کے سیکشن 85 اور کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں اس کے نتیجے میں کی گئی ترمیم پر غور کرنا۔

**مجاز سرمایہ**

کمپنی کا موجودہ مجاز شیئر کیپیٹل جو شیئرز کی دو کلاسوں پر مشتمل ہے جیسا کہ ذیل میں تفصیل سے بیان کیا گیا ہے:

| پیرامیٹر | عام حصص | ترجیحی حصص | کل |
|---|---|---|---|
| مجاز سرمایہ (حصص) | 1,500,000,000 | 500,000 | — |
| کرنسی | PKR | امریکی ڈالر | — |
| فی حصص قیمت (فی حصص) | 10.00 | 100.00 | — |
| مجاز سرمایہ (کرنسی) | 15,000,000,000 | 50,000,000 | — |
| شرح مبادلہ (US$1 = PKR) | — | 120.00 | — |
| مجاز سرمایہ (PKR) | 15,000,000,000 | 6,000,000,000 | 21,000,000,000 |

31 دسمبر 2025 تک کمپنی کا جاری شدہ سبسکرائبڈ شیئر کیپیٹل درج ذیل ہے:

| پیرامیٹر | عام حصص | ترجیحی حصص |
|---|---|---|
| جاری کردہ سرمایہ (حصص) | 4,982,289,196 | 88,200 |

کمپنی اس وقت اپنے مجاز ترجیحی شیئر کیپیٹل کی کل رقم PKR 6,000,000,000 یا US$ 50,000,000 کے برابر ہے کی ضرورت نہیں رکھتی، اسی مناسبت سے یہ تجویز دی گئی ہے کہ مجاز سرمایہ کو دوبارہ ترتیب دیا جائے اور ترجیحی حصص کے حجم کو کم کیا جائے اور عام حصص میں اضافہ کیا جائے، جبکہ کل مجاز سرمایہ 21,000,000,000 روپے برقرار رکھا جائے۔

**مجوزہ مجاز سرمایہ کاری کا ڈھانچہ**

| پیرامیٹر | عام حصص | ترجیحی حصص | کل |
|---|---|---|---|
| مجاز سرمایہ (حصص) | 1,980,000,000 | 100,000 | — |
| کرنسی | PKR | امریکی ڈالر | — |
| فی حصص قیمت (فی حصص) | 10.00 | 100.00 | — |
| مجاز سرمایہ (کرنسی) | 19,800,000,000 | 10,000,000 | — |
| شرح مبادلہ (US$1 = PKR) | — | 120.00 | — |
| مجاز سرمایہ (PKR) | 19,800,000,000 | 1,200,000,000 | 21,000,000,000 |

**خصوصی کاروبار**

**ایجنڈا آئٹم 3**

**کمپنی کے آرٹیکلز آف ایسوسی ایشن میں تبدیلیوں پر غور کرنا اور اس کی منظوری دینا جیسا کہ اس نوٹس کے ساتھ منسلک اسٹیٹمنٹ آف میٹیریل فیکٹس میں بیان کردہ ایک خصوصی قرارداد منظور کرنا ہے، جس کے تحت کنورٹیبل پریفرنس شیئرز کے حوالے سے لازمی تبدیلی کی تاریخ 31 دسمبر 2030 تک بڑھایا جائے گا۔**

**پس منظر اور منطق**

کمپنی نے کنورٹیبل پریفرنس شیئرز ("CPS") جاری کیے ہیں، جن کی شرائط و ضوابط شامل کی گئی ہیں، اس میں کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن، خاص طور پر آرٹیکل 17-A اور 17-B کے تحت چلتے ہیں۔

**مجوزہ خصوصی قرارداد**

CPS ہولڈرز کو لچک فراہم کرنے اور تبدیلی کے نظام الاوقات کو کمپنی کی جاری سرمایہ کاری کی حکمت عملی اور مستقبل کے طویل المدت منصوبوں کے ساتھ ہم آہنگ کرنے کے لیے CPS کی لازمی تبدیلی کی تاریخ 31 دسمبر 2030 تک بڑھانے کی تجویز دی گئی ہے۔ CPS کی تمام دیگر شرائط و ضوابط، بشمول تبدیلی کا طریقہ، حقوق اور حقوق بغیر تبدیلی کے رہیں گے اور کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن کے مطابق نافذ رہیں گے۔

یہ ترمیم تجویز کی گئی ہے کیونکہ ریگولیشن نمبر 4، 5 اور 6 کے تحت مجوزہ سرمایہ کاری کی اسکیم کے انتظامات میں کوئی اضافی سرمایہ کی ضرورت نہیں ہے۔ مجوزہ ترمیم میں کوئی اور شخص یا کوئی تیسرا فریق شامل نہیں ہے، صرف کمپنی کے شیئر ہولڈرز سے متعلق ہیں اور CPS کے حقوق، مراعات اور ذمہ داریاں کسی بھی طرح متاثر نہیں ہوں گی اور تبدیلی کریں گے اور اسی طرح انہیں لاگو کیا جائے گا جو قابل عمل قوانین کے مطابق برقرار رہیں گے۔

**یہ فیصلہ کیا گیا کہ** کمپنیز ایکٹ 2017 اور دیگر تمام قابل اطلاق قوانین کی قابل اطلاق دفعات کے مطابق، جو بھی منظوری درکار ہو، کمپنی کے کنورٹیبل پریفرنس شیئرز (CPS) کی لازمی تبدیلی کی تاریخ 31 دسمبر 2030 تک بڑھا دی جائے گی۔

**مزید فیصلہ کیا گیا کہ** CPS کی تمام دیگر شرائط و ضوابط، بشمول تبدیلی کے حقوق اور طریقہ کار بغیر کسی تبدیلی کے رہیں گے اور کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن خاص طور پر آرٹیکل 17-A اور 17-B کے مطابق چلتے رہیں گے۔

**مزید فیصلہ کیا گیا کہ** ریگولیشن نمبر 4، 5 اور 6 کے تحت مجوزہ سرمایہ کاری کی اسکیم کسی بھی طرح CPS ہولڈرز کے حقوق، مراعات اور ذمہ داریوں کو متاثر نہیں کرے گی اور یہ قابل عمل قوانین کے مطابق برقرار رہے گی۔

**مزید فیصلہ کیا گیا کہ** کمپنی کے بورڈ آف ڈائریکٹرز اس قرارداد کو نافذ کرنے کے مقصد کے لیے کوئی بھی ضروری تبدیلیاں کرنے کا اختیار حاصل ہے جو ریگولیٹری اتھارٹی یا کسی بھی دیگر قانونی اتھارٹی کی ہدایات کے مطابق ہوں۔

**مزید یہ طے کیا گیا کہ** چیف ایگزیکٹو آفیسر، ڈائریکٹر یا کمپنی سیکرٹری، کمپنی کے کسی بھی ڈائریکٹر کو مشترکہ یا علیحدہ طور پر تمام ضروری اقدامات کرنے، تمام دستاویزات پر دستخط کرنے اور مذکورہ قرارداد کو نافذ کرنے کے لیے تمام ضروری اقدامات اور اقدامات کرنے کا اختیار حاصل ہے جس میں پاکستان کے سیکیورٹیز اینڈ ایکسچینج کمیشن اور دیگر متعلقہ ریگولیٹری حکام کے ساتھ ضروری فائلنگ بھی شامل ہے۔

### [illegible]

[illegible] 2011 [illegible] 208 [illegible]

### [illegible]

[illegible] 2017 [illegible]

### [illegible]

**[illegible]** [illegible] 208 [illegible] 2017 [illegible]

**[illegible]** [illegible]

**[illegible]** [illegible]

**[illegible]** [illegible] (100%) [illegible] (51%) [illegible]

**[illegible]** [illegible]

- [illegible]
- [illegible]
- [illegible]
- [illegible]

خصوصی کاروبار

ایجنڈا آئٹم 2

متحدہ عرب امارات میں بین الاقوامی آپریشنز قائم کرنے کے لیے کمپنی کے کاروبار کی توسیع کی تجویز پر غور کرنا اور منظوری دینا، جس میں ذیلی ادارے کا حصول اور/یا تشکیل شامل ہے جو کمپنی کے اسپانسرز/ڈائریکٹرز کے پاس ہے، کمپنیز ایکٹ 2017 کے مطابق، شیئر ہولڈرز کی منظوری اور تمام ضروری ریگولیٹری منظوریوں کے تابع اور اس نوٹس کے ساتھ منسلک بیان میں دی گئی تفصیلات کے مطابق خصوصی قرارداد منظور کرنا۔

متحدہ عرب امارات میں بین الاقوامی آپریشنز کا قیام

پس منظر اور منطق

کمپنی اپنی طویل مدتی ترقی کی حکمت عملی کے اسٹریٹجک حصے کے طور پر اپنے آپریشنز کو وسعت دینے کے بے شمار مواقع حاصل کر رہی ہے۔ اس اقدام کے تحت، کمپنی متحدہ عرب امارات ("UAE") میں مکمل ملکیتی ذیلی کمپنی کے قیام کے ذریعے بین الاقوامی موجودگی قائم کرنے کی تجویز دیتی ہے، جس سے خطے اور عالمی منڈی تک رسائی اور نئے کاروباری مواقع تک رسائی ممکن ہو سکتی ہے۔

اس توسیع کو مؤثر طریقے سے انجام دینے کے لیے، کمپنی ایک موجودہ غیر فعال متحدہ عرب امارات کے ادارے کو حاصل کرنے کا ارادہ رکھتی ہے جو اس وقت کمپنی کے بعض اسپانسرز/ڈائریکٹرز کے پاس ہے۔ یہ طریقہ تجارتی طور پر زیادہ مؤثر سمجھا جاتا ہے بجائے اس کے کہ نیا ادارہ قائم کیا جائے۔ متحدہ عرب امارات میں نئی کمپنی کی تشکیل کی لاگت تقریباً AED 100,000 ہے، جبکہ مجوزہ حصول AED 50,000 کے مقابلے میں کیا جا رہا ہے، جس سے لاگت میں نمایاں بچت ہوگی۔

مجوزہ حصول سے کمپنی کو ریگولیٹری منظوری کے وقت کو کم کرنے میں مدد ملے گی، اور اس سے کاروبار کو تیزی سے شروع کرنے کا موقع ملے گا۔ پہلے سے قائم شدہ قانونی ادارے کی وجہ سے کمپنی متحدہ عرب امارات میں زیادہ مؤثر طریقے سے اپنے آپریشنز شروع کرنے کے قابل ہو جائے گی۔

مزید برآں، مجوزہ ادارے کی کوئی سابقہ ذمہ داری نہیں ہے اور وہ واجبات سے پاک ہے، جس سے کمپنی کی بین الاقوامی توسیع کے لیے ایک صاف اور شفاف قانونی ڈھانچہ فراہم کیا جاتا ہے۔

کمپنی ذیلی کمپنی کے مجوزہ ابتدائی آپریشنز کی فنڈنگ کے لیے USD 500,000 تک کی سرمایہ کاری کرنے کا بھی ارادہ رکھتی ہے۔ یہ سرمایہ کاری پاکستان اور متحدہ عرب امارات میں تمام متعلقہ قوانین اور ضوابط کی پابندی کے تابع ہوں گے، جن میں متعلقہ ریگولیٹری حکام سے ضروری منظوری حاصل کرنا بھی شامل ہے۔

مجوزہ بین الاقوامی توسیع کی توقع ہے:

- نئی منڈیوں اور صارفین تک رسائی فراہم کرنا
- آمدنی کے ذرائع کو متنوع بنانا اور منافع میں اضافہ کرنا
- کمپنی کی عالمی مارکیٹ میں مسابقتی پوزیشن کو مضبوط کرنا
- طویل مدتی حکمت عملی کے تحت ترقی اور کاروباری توسیع کی حمایت کرنا

**خصوصی کاروبار**

**ایجنڈا آئٹم 1**

**کمپنی کے نام کی تبدیلی پر غور اور ورلڈ کال ٹیلی کام لمیٹڈ سے ورلڈ کال ٹیکنالوجیز لمیٹڈ میں تبدیلی** کرنے پر غور کرنا، جس کے تحت سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی منظوری اور دیگر تمام ضروری ریگولیٹری منظوریوں اور کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں متعلقہ ترامیم شامل ہوں۔

درج ذیل قرارداد بطور خصوصی قرارداد کمپنی کے نام کی تبدیلی کے لیے منظور کرنے پر غور کیا جائے گا، جس کے لیے ایس ای سی پی اور متعلقہ حکام کی منظوری ضروری ہے۔

**مجوزہ خصوصی قرارداد**

**طے پایا کہ** سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی منظوری اور دیگر تمام ضروری ریگولیٹری منظوریوں سے مشروط، کمپنی کا نام ورلڈ کال ٹیلی کام لمیٹڈ سے ورلڈ کال ٹیکنالوجیز لمیٹڈ میں تبدیل کیا جائے۔

**مزید قرار پایا کہ** نام کی تبدیلی کے مطابق کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں ترامیم کی جائیں گی جہاں کہیں بھی پرانا نام آیا ہو اس کی جگہ نیا نام درج کیا جائے۔

**مزید فیصلہ کیا گیا کہ** کمپنی کے چیف ایگزیکٹو آفیسر اور/یا کمپنی سیکرٹری کو مجاز کیا جاتا ہے کہ وہ میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں کسی بھی تبدیلی، ترمیم یا اضافے کی منظوری حاصل کرنے اور شامل کرنے، جو ضروری یا مناسب سمجھا جائے، یا SECP یا کسی اور ریگولیٹری اتھارٹی کے لیے اس قرارداد کو نافذ کرنے کے لیے۔

**مزید فیصلہ کیا گیا کہ** کمپنی کے چیف ایگزیکٹو آفیسر اور کمپنی سیکرٹری کو اکیلے یا مشترکہ طور پر تمام ضروری اقدامات، بشمول دستاویزات پر دستخط کرنے اور تمام اقدامات اٹھانے اور ایسے کام کرنے کا اختیار حاصل ہے جو اس قرارداد کو نافذ کرنے کے لیے ضروری یا ضروری سمجھے جائیں، بشمول SECP اور دیگر ریگولیٹری حکام کے ساتھ ضروری دستاویزات جمع کروانا۔

**حلف**

کمپنی نے اپنی کاروباری حکمت عملی کے مطابق ٹیکنالوجی پر مبنی خدمات کی طرف منتقلی کی ہے جس میں ڈیجیٹل خدمات اور ٹیکنالوجی پر مبنی حل شامل ہیں۔ اس تبدیلی کے پیش نظر نام کی تبدیلی کمپنی کے موجودہ کاروبار کی بہتر عکاسی کرے گی اور نئی شناخت کمپنی کی مستقبل کی حکمت عملی کے مطابق ہے۔ مجوزہ نام کمپنی کی وسیع تر کاروباری سرگرمیوں کی عکاسی کرتا ہے اور اسٹیک ہولڈرز کو واضح پیغام دے گا۔

**ڈائریکٹرز کی دلچسپی**

کمپنی کے ڈائریکٹرز **مذکورہ خصوصی کاروبار میں** براہ راست یا بالواسطہ کوئی دلچسپی نہیں رکھتے **ماسوائے اس کے** کہ وہ کمپنی میں ان کے شیئر ہولڈنگ کی حد تک، اگر کوئی ہو۔

## مادی حقائق کا بیان

### کمپنیز ایکٹ 2017 کی دفعات 166(3) اور 134(3) کے تحت

یہ بیان کمپنی کی 28ویں سالانہ جنرل میٹنگ میں 30 جنوری 2026 کو 11:00 بجے، رجسٹرڈ آفس، پلاٹ نمبر 112-113، بلاک-ایس، قائد اعظم انڈسٹریل اسٹیٹ، کوٹ لکھپت، لاہور، پاکستان میں منعقد ہونے والے خصوصی کاروبار سے متعلق اہم حقائق بیان کرتا ہے۔

**ڈائریکٹرز کا انتخاب**

ڈائریکٹرز کا انتخاب 31 مئی 2023 کو ہوا اور موجودہ بورڈ کی مدت پوری ہونے والی ہے۔ کمپنی کے بورڈ نے آئندہ اجلاس میں اگلے تین سال کی مدت کے لیے منتخب ہونے والے ڈائریکٹرز کی تعداد 10 مقرر کی ہے۔

کمپنیز ایکٹ 2017 کے سیکشن 166(3) کی تعمیل میں، آزاد ڈائریکٹرز کے انتخاب کے لیے امیدواروں کے کاغذات قبول کیے جائیں گے جو کمپنیز ایکٹ 2017 کے سیکشن 166 کے تحت آزادی کے معیار پر پورا اترتے ہیں اور اس کے تحت جاری کردہ قواعد و ضوابط کی متعلقہ ضروریات کی پابندی کرتے ہوں، جن میں ان کے نام آزاد ڈائریکٹرز کے ڈیٹا بینک میں شامل ہونا بھی ہے۔ آزاد ڈائریکٹرز کا انتخاب دیگر ڈائریکٹرز کے انتخاب کے ساتھ ہی کیا جائے گا۔ کمپنی اس بات کو یقینی بنائے گی کہ آزاد ڈائریکٹرز کا انتخاب اسی طرح کیا جائے جیسے دیگر ڈائریکٹرز کا کمپنیز ایکٹ 2017 کے سیکشن 159 کے تحت کیا جاتا ہے۔

**خصوصی کاروبار**

**قابل اطلاق قانونی دفعات**

- سیکشن 12 — کمپنی کی طرف سے نام کی تبدیلی
- سیکشن 13 — نام کی تبدیلی اور اس کے اثرات کی رجسٹریشن
- سیکشن 38 — مقاصد میں تبدیلی
- سیکشن 58 — شیئر کیپیٹل کی اقسام اور تقسیم
- سیکشن 85 — کمپنی کی جانب سے شیئر کیپیٹل میں تبدیلی کی وضاحت
- سیکشن 89 — شیئر کیپیٹل میں کمی
- سیکشن 90 تا 96 — شیئر کیپیٹل میں کمی سے متعلق دفعات
- سیکشن 208 — متعلقہ فریقین سے لین دین
- کمپنیز ایکٹ 2017 اور اس کے تحت بنائے گئے قواعد و ضوابط کی دیگر قابل اطلاق دفعات

ب۔ ای ووٹنگ کی سہولت کی تفصیلات ای میل کے ذریعے کمپنی کے ان اراکین کے ساتھ شیئر کی جائیں گی جن کے پاس درست سی این آئی سی نمبرز، سیل نمبرز اور ای میل ایڈریسز سنٹرل ڈپازٹری (سی ڈی سی) کمپنی کے ممبران کے رجسٹر میں 29 اپریل 2026 کو کاروبار کے اختتام تک دستیاب ہیں۔ ووٹنگ کرنے کے خواہشمند ممبران ای ووٹنگ کے ذریعے اپنے حق رائے دہی کا استعمال کر سکتے ہیں، 29 اپریل 2026 سے پہلے اپنے درست موبائل نمبر اور ای میل ایڈریس فراہم کر کے۔

ج۔ ای ووٹنگ کے ذریعے ووٹ ڈالنے کے لیے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کی جائے گی۔

د۔ اراکین کے لیے ای ووٹنگ 27 اپریل 2026 سے 29 اپریل 2026 شام 5:00 بجے تک دستیاب رہے گی۔ 29 اپریل 2026 کو شام 5:00 بجے بند ہو جائے گی۔ رکن کی طرف سے ڈالے گئے ووٹ کو تبدیل کرنے کی اجازت نہیں دی جائے گی۔

### 1.1 ڈاک کے ذریعے ووٹنگ کا طریقہ کار

ا۔ اراکین متبادل طور پر پوسٹل بیلٹ کے ذریعے ووٹنگ کا انتخاب کر سکتے ہیں۔ اراکین کی سہولت کے لیے بیلٹ پیپر اس نوٹس کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ www.worldcall.com.pk پر بھی ڈاؤن لوڈ کے لیے دستیاب ہے۔

ب۔ اراکین کو بیلٹ پیپر پُر کر کے اور دستخط کر کے، اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کے ساتھ، ڈاک کے ذریعے ان کے پتے پلاٹ نمبر 112-113، بلاک ایس، قائد اعظم انڈسٹریل اسٹیٹ، کوٹ لکھپت، لاہور یا ای میل company.secritary@worldcall.pk پر AGM سے ایک دن پہلے یعنی 29 اپریل 2026 کو شام 5:00 بجے سے پہلے تک بھیجنا چاہیے۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ ووٹنگ کے لیے شمار نہیں کیا جائے گا۔ بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہونے چاہئیں۔

ج۔ ضوابط کے ضابطہ 11 کے مطابق، کمپنی کے بورڈ نے M/s چارٹرڈ اکاؤنٹنٹس (ایک QCR درجہ بند آڈٹ فرم) کو کمپنی کے ڈائریکٹرز کے انتخاب کی ووٹنگ کے عمل کے لیے جانچ کنندہ مقرر کیا ہے اور وہ ان ذمہ داریوں کو انجام دیں گے جیسا کہ ضابطہ 11 میں بیان کیا گیا ہے۔

مثلاً پرنسپل آفس میں ڈائریکٹر / ڈائریکٹر شپ / دیگر تفصیلات، اگر کوئی ہوں، اور ان کو کمپنی کی ویب سائٹ پر رکھا جائے گا۔

(b) کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ (غیر ملکی کی صورت میں) اور ممبر شپ سرٹیفکیٹ کی مصدقہ نقول شامل ہوں۔

(c) ایک اعلان کہ:

- وہ کمپنیز ایکٹ 2017 اور / یا دیگر متعلقہ قوانین / قواعد / ضوابط کے تحت کمپنی کا ڈائریکٹر بننے کے لیے نااہل نہیں ہے۔
- وہ ڈائریکٹر کے طور پر خدمات انجام دینے کے لیے رضامند ہے اور اس طرح فہرست شدہ کمپنیوں کی تعداد کی حد سے تجاوز نہیں کرے گا جن کے ڈائریکٹر کے طور پر (جب منتخب ہو) ڈائریکٹر مقرر کیا جا سکتا ہے۔
- وہ کسی بینک، ترقیاتی مالیاتی ادارے یا غیر بینکنگ مالیاتی کمپنی کے قرض کی ادائیگی میں نادہندہ نہیں ہے۔
- اسے کسی بھی عدالت کی طرف سے قرض کی ادائیگی میں ناکام قرار نہیں دیا گیا ہے۔
- وہ ڈائریکٹر کے فرائض اور اختیارات سے آگاہ ہے جو متعلقہ قوانین / قواعد / ضوابط وغیرہ کے تحت آتے ہیں۔

(d) آزاد ڈائریکٹر کے طور پر مقابلہ کرنے والا شخص یہ بھی پیش کرے گا:

- یہ اعلان کہ وہ کمپنیز ایکٹ 2017 اور اس کے تحت جاری کردہ قواعد / ضوابط کے تحت آزادی کے معیار پر پورا اترتا ہے اور اس کا نام آزاد ڈائریکٹرز کے ڈیٹا بینک میں شامل ہے / کمپنی کی جانب سے اس کا انتخاب کیا گیا ہے۔
- غیر عدالتی اسٹامپ پیپر پر ایک حلف نامہ کہ وہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2018 کے ریگولیشن 6 کے ذیلی ضابطہ (1) کی شرائط پر پورا اترتا ہے، ساتھ ہی متعلقہ حوالہ جاتی معلومات بھی فراہم کرتا ہے۔

ممبران سے درخواست کی جاتی ہے کہ وہ کمپنیز ایکٹ 2017 اور اس کے تحت جاری کردہ قواعد / ضوابط کے تحت ڈائریکٹرز کے انتخاب سے متعلق متعلقہ دفعات کا مطالعہ کریں تاکہ ضروریات کی مکمل تعمیل کو یقینی بنایا جا سکے۔

8. ممبران سے درخواست کی جاتی ہے کہ اگر ان کے پتے میں کوئی تبدیلی ہو تو فوری طور پر شیئر رجسٹرار کو مطلع کریں۔

9. کسی بھی سوال / مسئلے / معلومات کے لیے، ممبران کمپنی سیکرٹری سے company.secretary@worldcall.pk پر یا کمپنی کے شیئر رجسٹرار سے +92(021)111-000-322 یا sfc@thk.com.pk پر رابطہ کر سکتے ہیں۔ ممبران مزید معلومات کے لیے کمپنی کی ویب سائٹ www.worldcall.com.pk کا دورہ کر سکتے ہیں۔

**D. ای ووٹنگ کا طریقہ کار**

1. کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کے ضابطہ 4 کے مطابق، ای ووٹنگ کے ذریعے ووٹ ڈالنے کا حق ان ممبران کو دیا جائے گا جن کے نام کمپنیز ایکٹ 2017 کے تحت مقررہ تاریخ پر کاروبار کے اختتام پر ممبران کے رجسٹر میں درج ہوں گے، ضوابط میں درج طریقہ کار کے مطابق۔

iv) پراکسی میٹنگ کے وقت اپنا اصل CNIC یا اصل پاسپورٹ پیش کرے گا۔

v) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی مع نمونہ دستخط کے ساتھ (اگر پہلے فراہم نہ کی گئی ہو) پراکسی فارم کے ساتھ جمع کرائی جائے گی۔

5. اراکین ویڈیو لنک کے ذریعے جنرل میٹنگ میں شرکت کے لیے ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں جہاں ممبران درخواست کریں، بشرطیکہ کمپنی کو اجلاس کی تاریخ سے کم از کم 7 دن پہلے ایک جغرافیائی مقام پر رہنے والے اراکین کی رضامندی حاصل ہو جو مجموعی طور پر کمپنی کی کل 10 فیصد یا اس سے زیادہ شیئر ہولڈنگ رکھتے ہوں۔

کمپنی میٹنگ کی تاریخ سے پہلے متعلقہ اراکین کو ویڈیو لنک سہولت کی جگہ کے بارے میں آگاہ کرے گی اور مکمل معلومات فراہم کرے گی جس کے ذریعے وہ سہولت تک رسائی حاصل کر سکیں۔

میں / ہم ______________ ورلڈ کال ٹیلی کام لمیٹڈ کے رکن اور رجسٹرڈ فولیو نمبر / CDC اکاؤنٹ نمبر کے مطابق ______________ عام شیئر(ز) کے مالک ہیں، بذریعہ ہذا ______ کمپنی کی سالانہ جنرل میٹنگ کے لیے جو 30 ... 2026 کو منعقد ہونے والی ہے ______________ پر ویڈیو کانفرنس کی سہولت کا انتخاب کرتے ہیں۔

______________

ممبر کے دستخط

6. فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنا

کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق اور کمیشن (SECP) کی طرف سے ہدایات کی روشنی میں، ہر موجودہ کمپنی کو اپنے فزیکل شیئرز کو بک انٹری فارم سے تبدیل کرنا لازمی ہے۔ فزیکل شیئرز رکھنے والے شیئر ہولڈرز کو درخواست کی جاتی ہے کہ وہ CDC کے ساتھ اکاؤنٹ کھولیں یا کسی بروکر کے ساتھ سب اکاؤنٹ کھولیں اور اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کریں۔

یہ شیئر ہولڈرز کو کئی طریقوں سے سہولت فراہم کرے گا، بشمول شیئرز کی محفوظ تحویل اور حصص کی فروخت جب چاہیں، کیونکہ پاکستان اسٹاک ایکسچینج کے موجودہ قواعد و ضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

7. ڈائریکٹرز کا انتخاب

کوئی بھی شخص جو ڈائریکٹرز کے انتخاب کا خواہشمند ہے، خواہ وہ ریٹائر ہونے والا ڈائریکٹر ہو یا کوئی اور، اجلاس کی تاریخ سے چودہ (14) دن پہلے کمپنی کے رجسٹرڈ آفس میں درج ذیل دستاویزات جمع کرائے:

الف) کمپنیز ایکٹ 2017 کے سیکشن 159(3) کے تحت ڈائریکٹر کے انتخاب کے لیے امیدوار ہونے کے ارادے کا نوٹس۔

ب) کمپنیز ایکٹ 2017 کے سیکشن 167 کے تحت ڈائریکٹر کے طور پر کام کرنے کی رضامندی ظاہر کریں۔

ج) فولیو نمبر / CDC انویسٹر اکاؤنٹ نمبر / CDC سب اکاؤنٹ نمبر جو شیئرز کی تعداد اور قسم کی عکاسی کرے۔

3. سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ سرکلر نمبر 4 آف 2021 مورخہ 15 فروری 2021 کے تحت اراکین کو تصدیق اور شناخت کی تکمیل کرنے کے بعد ویڈیو لنک سہولت/ ایپلیکیشن کے ذریعے اس میٹنگ میں شرکت کا بھی حق حاصل ہے۔ ویڈیو لنک سہولت/ ایپلیکیشن کے ذریعے اس میٹنگ میں شرکت کے خواہشمند اراکین سے درخواست کی جاتی ہے کہ وہ 22 اپریل 2026 کو کاروباری اوقات سے پہلے درج ذیل تفصیلات ای میل ایڈریس company.secretary@worldcall.pk پر جمع کرائیں۔

| کمپنی کا ہولڈ شیئرز | موبائل نمبر | فولیو نمبر / CDC اکاؤنٹ نمبر | CNIC* نمبر / پاسپورٹ نمبر (غیر ملکی کی صورت میں) | نام |
|---|---|---|---|---|
| | | | | |

* براہ کرم CNIC / پاسپورٹ کی درست اور واضح کاپی بھی منسلک کریں (غیر ملکی کی صورت میں)۔

رجسٹریشن کی درخواست ای میل ایڈریس کے ذریعے بھیجی جانی چاہیے، جو CDC کی طرف سے فراہم کردہ ای میل ایڈریس کے ذریعے یا CDS میں رجسٹرڈ انفرادی اراکین / فزیکل شیئرز کی صورت میں کمپنی کے پاس دستیاب ہو۔

ویڈیو لنک / ایپلیکیشن سہولت کا لنک اور دیگر متعلقہ معلومات اراکین کو بھیجی جائیں گی جو ویڈیو لنک / ایپلیکیشن سہولت کے ذریعے میٹنگ میں شرکت کے خواہشمند ہوں اور جن کی مکمل درخواست مقررہ وقت سے پہلے موصول ہو جائے گی۔ ویڈیو لنک / ایپلیکیشن سہولت کا لنک صرف اس ای میل ایڈریس پر بھیجا جائے گا۔

یہ واضح کیا جاتا ہے کہ اس اجلاس میں شرکت کرنے والے اراکین ویڈیو لنک سہولت کے ذریعے صرف پولنگ کے ذریعے (اگر ضرورت ہو) متعلقہ قرارداد کے مطابق ووٹ دے سکیں گے۔

4. سی ڈی سی اکاؤنٹ ہولڈرز کو مزید سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ رہنما اصولوں پر عمل کرنا ہوگا۔

**ا. میٹنگ میں شرکت کے لیے:**

i. اگر افراد، اکاؤنٹ ہولڈرز اور/ یا سب اکاؤنٹ ہولڈرز، اور ان کی رجسٹریشن کی تفصیلات CDC کے قواعد کے مطابق اپ لوڈ کی گئی ہیں، تو وہ اپنا اصل CNIC یا پاسپورٹ دکھا کر میٹنگ میں شرکت کے وقت اپنی شناخت کی تصدیق کرائیں گے۔

ii. کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی جس پر نامزد شخص کے نمونہ دستخط ہوں، میٹنگ کے وقت پیش کی جائے گی (جب تک کہ پہلے فراہم نہ کی گئی ہو)۔

**ب. پراکسی کی تقرری کے لیے:**

i. افراد کے لیے اکاؤنٹ ہولڈرز اور/ یا سب اکاؤنٹ ہولڈرز اور ان کی رجسٹریشن کی تفصیلات CDC کے قواعد کے مطابق اپ لوڈ کی جاتی ہیں، اوپر دی گئی شرائط کے مطابق پراکسی فارم جمع کرانا ہوگا۔

ii. پراکسی فارم پر دو افراد گواہ ہوں گے جن کے نام، پتے اور CNIC نمبر فارم پر درج ہوں گے۔

iii. CNIC کی تصدیق شدہ کاپیاں یا مالکانہ افراد اور پراکسی کے پاسپورٹ کے ساتھ پراکسی فارم فراہم کیا جائے گا۔

3. کمپنی کے آرٹیکلز آف ایسوسی ایشن میں تبدیلیوں پر غور کرنا اور ان کی منظوری دینا جیسا کہ اس نوٹس کے ساتھ منسلک سٹیٹمنٹ آف میٹیریل فیکٹس میں وضاحت کی گئی ہے اور ایک خصوصی قرارداد منظور کرنا، جس میں لازمی تبدیلی کی تاریخ 31 دسمبر 2030 تک بڑھانے کے لیے قابلِ تبادلہ ترجیحی حصص کے حوالے سے کی گئی ہے۔

4. کمپنی کے بورڈ کی جانب سے شیئر کیپیٹل کی تنظیمِ نو اور دوبارہ درجہ بندی کی تجویز، کمپنیز ایکٹ 2017 کے سیکشن 85 اور کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں اس کے نتیجے میں کی گئی ترامیم پر غور کرنا۔

5. کمپنیز ایکٹ 2017 کے سیکشن 89 کے مطابق کمپنی کے شیئر کیپیٹل میں تقریباً 90% کمی پر غور کرنا۔

6. کمپنی کے عام حصص کے موجودہ ڈھانچے کی تنظیمِ نو پر غور کرنا، جس میں عام حصص کی فیس ویلیو (پار ویلیو) PKR 10/- سے تبدیل کر کے 1 روپے فی شیئر کر دی جائے، موجودہ حصص کی تعداد اور مجموعی رقم برقرار رکھتے ہوئے اس کے نتیجے میں عام حصص کی تعداد میں اضافہ، ساتھ ہی کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں متعلقہ ترامیم شامل ہوں۔

**کوئی دیگر کاروبار**

عام حصص کی مجوزہ ذیلی تقسیم (اسٹاک کی تقسیم) کے بعد مجوزہ ترمیم شدہ 14 شیئرز کیپیٹل کی بنیاد پر اور ترمیم شدہ 15 شیئرز کیپیٹل کی منظوری کا ایجنڈا ... خصوصی قرارداد کی منظوری کے لیے پیش کیا جائے گا، کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن کے ساتھ لاگو ہوں گے۔

اس نوٹس کے ساتھ خصوصی کاروبار سے متعلق مجوزہ قراردادوں کے ساتھ ایک اہم حقائق کا بیان منسلک ہے جیسا کہ کمپنیز ایکٹ 2017 کے سیکشن 166(3) اور 134(3) کے تحت ضروری ہے۔

بحکم بورڈ

محمد ... 
کمپنی سیکرٹری

09 اپریل 2026
لاہور

**نوٹس:**

1. کمپنی کی شیئر ٹرانسفر بکس 23 اپریل 2026 سے 30 اپریل 2026 تک (دونوں دن شامل) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار M/s. THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، C-32، جامی کمرشل اسٹریٹ، فیز VII، ڈی ایچ اے، کراچی کو 22 اپریل 2026 کو کاروبار کے اختتام تک موصول ہونے والی منتقلیاں بروقت تصور کی جائیں گی۔ کمپنی کی ویب سائٹ کے مطابق اجلاس میں کوئی تبدیلی نہیں کی جائے گی۔

2. کمپنی کا کوئی رکن جو اس اجلاس میں شرکت اور ووٹ دینے کا اہل ہے، اپنی جگہ کسی دوسرے رکن کو پراکسی مقرر کر سکتا ہے جو اس کی جگہ شرکت اور ووٹ دے سکے۔ پراکسی کے مؤثر ہونے کے لیے، کمپنی کے رجسٹرڈ آفس میں اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے موصول ہونا ضروری ہے۔

ورلڈکال ٹیلی کام لمیٹڈ

# 26ویں سالانہ جنرل میٹنگ ("AGM") کا نوٹس

یہاں اطلاع دی جاتی ہے کہ ورلڈکال ٹیلی کام لمیٹڈ کے شیئر ہولڈرز کی 26ویں سالانہ جنرل میٹنگ ("AGM") بروز جمعرات 30 اپریل 2026ء کو 11:00 بجے صبح منعقد ہوگی، بمقام ہیڈ آفس پلاٹ نمبر 112-113 بلاک ایس، قائد اعظم انڈسٹریل اسٹیٹ، کوٹ لکھپت، لاہور، پاکستان میں ورلڈکال ... کے لیے۔

**عام کاروبار:**

1. 30 اپریل 2025ء کو منعقدہ 25ویں سالانہ جنرل میٹنگ کے منٹس کی توثیق کرنے کے لیے؛
2. 31 دسمبر 2025ء کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے بشمول ڈائریکٹرز اور آڈیٹرز کی رپورٹس اور چیئرمین کی جائزہ رپورٹ وصول کرنے، غور کرنے اور اپنانے کے لیے؛
3. کمپنی کے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین کرنے کے لیے۔ ممبران کو مطلع کیا جاتا ہے کہ بورڈ آف ڈائریکٹرز نے کمپنی کی آڈٹ کمیٹی کی سفارش پر ... چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے والے اہل آڈیٹرز کو کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کرنے کی سفارش کی ہے۔
4. کمپنی کے آٹھ (08) ڈائریکٹرز کا انتخاب جو کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنیز ایکٹ 2017 کے سیکشن 159(1) کے تحت تین سال کی مدت کے لیے مقرر کیے ہیں جو 31 مئی 2026 سے شروع ہوگی۔ ریٹائر ہونے والے ڈائریکٹرز کے نام درج ذیل ہیں۔

   1. مسٹر [illegible]
   2. ڈاکٹر سید سلمان علی شاہ
   3. جناب محمد شعیب
   4. جناب سید علی رضا
   5. جناب محمد اظہر سعید
   6. مسز جینفر لنگ ین
   7. مسز حمیدہ
   8. مسٹر طارق حسن

ریٹائر ہونے والے ڈائریکٹرز دوبارہ انتخاب کے اہل ہیں۔

**خصوصی کاروبار:**

1. کمپنی کے ممبران کی ... ورلڈکال ٹیلی کام لمیٹڈ ... سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) ... کمپنی کے ... شامل ہوا ہے۔
2. ... کمپنیز ایکٹ 2017 کے ... کمپنیز ایکٹ 2017 کے سیکشن ... کے مطابق ... منظور کرنا۔

# CHAIRMAN'S REVIEW REPORT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and audited financial statements of WorldCall Telecom Limited for the financial year ended December 31, 2025. This report provides an overview of the Company's performance, strategic initiatives, and significant developments during the year. A comprehensive discussion of our operational and financial achievements is detailed in the Directors' Report.

The year 2025 was marked by a gradually stabilizing economic environment in Pakistan, following periods of volatility. While inflationary pressures and broader macroeconomic challenges persisted in certain sectors, the telecommunications industry benefited from improving conditions in the first half of the year and continued momentum thereafter. Amid this evolving landscape, WorldCall Telecom Limited demonstrated resilience and strategic agility, focusing on operational optimization, service enhancement, and sustainable growth.

Despite ongoing headwinds, the Company maintained a disciplined approach to financial management, cost efficiencies, and risk mitigation. We continued to invest in digital infrastructure, broadband expansion, and customer-centric innovations to strengthen our market position. A key highlight was the renewal of our Long Distance & International (LDI) license by the Pakistan Telecommunications Authority (PTA) in July 2025, subject to fulfilling specified requirements—this renewal underscores our commitment to regulatory compliance and long-term operational continuity.

The Board remains steadfast in its dedication to enhancing shareholder value through prudent governance, transparency, and accountability. Our governance structure is supported by the effective functioning of the Audit Committee, Human Resource & Remuneration Committee, and Executive Committee, which provide critical oversight on financial integrity, compliance, and strategic direction in a dynamic industry environment.

We are grateful for the continued dedication of our Chief Executive Officer, management team, and employees, whose hard work and innovation have been instrumental in navigating challenges and driving progress. Their efforts ensure that WorldCall remains a competitive player in telecommunications and broadband services.

To our valued shareholders, investors, and stakeholders, thank you for your unwavering trust and support. As we look to the future, we are optimistic about emerging opportunities in digital transformation and inclusive connectivity. The Company is well-positioned to build on the stabilization seen in 2025, pursuing sustainable value creation and new milestones in the years ahead.

With sincere appreciation and best wishes,

**Mehdi Mohamed Jawad Abdullah Al Abduwani**
Chairman of Directors
WorldCall Telecom Limited

Lahore,
Date: March 10, 2026

# DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED DECEMBER 31, 2025

Dear Shareholders,

We are pleased to present the standalone and consolidated Financial Statements of WorldCall Telecom Limited for the year ended December 31, 2025.

## ECONOMIC OVERVIEW

During the year 2025, Pakistan's macroeconomic environment remained a key influence on the performance of the telecom industry. After an extended period of elevated inflation, there was a marked stability during the year. According to the Economic Survey of Pakistan 2024-25, headline consumer price inflation averaged in the 4.5 - 5 percent range, significantly lower than the previous year's levels, with periodic readings at historic lows mid year before moderating later in 2025.

The International Monetary Fund (IMF), in its most recent forecasts, anticipated that inflation in Pakistan would rise modestly to around 6 percent in the 2025-26 fiscal year, reflecting ongoing adjustments in the price environment and external pressures on commodity costs.

Against this backdrop, the telecom sector continued to play an essential role in supporting economic activity and digital inclusion. Demand for mobile broadband, data services, and connectivity remained robust, driven by both consumer needs and enterprise digital transformation. Despite strong underlying demand, industry growth was tempered by cost pressures associated with taxation, energy prices, and compliance obligations, as well as cautious investment sentiment due to macroeconomic uncertainty.

WorldCall Telecom Limited maintained its focus on operational resilience and financial discipline. In response to prevailing economic conditions, the Company prioritized cost management, network reliability, and strategic allocation of capital resources. These actions were aimed at sustaining service quality while preserving long-term value for stakeholders. The Board remains vigilant to economic trends, including inflation dynamics and policy developments, and committed to navigating risks while pursuing sustainable growth.

## FINANCIAL PERFORMANCE REVIEW

WorldCall Telecom Limited (WTL) financial statements consist of the financial statements of the parent company on a standalone basis, as well as the consolidated financial statements.

## WORLDCALL TELECOM LIMITED - STANDALONE FINANCIAL STATEMENTS

Summary of financial results on standalone basis for the year ended December 31, 2025 is as follows:

| Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|
| | Rs. in '000 | |
| Revenue - net | 5,991 | 5,046 |
| Direct Cost (excluding depreciation and Amortization) | (5,416) | (4,652) |
| Operating Cost | (366) | (430) |
| Other Income - net | 529 | 212 |
| EBITDA | 738 | 176 |
| Depriciation and Amortization | (646) | (801) |
| Finance Cost | (486) | (671) |
| Net Loss after tax | (456) | (1,359) |

During the year under review, the Company reported a loss after tax of Rs. 456 million, as compared to last year which was Rs 1,259. The decrease in loss is due to a positive movement in revenue of international termination and Technology services, resulting in an improved EBITDA. Direct costs increased in line with higher increase in revenue of international termination. Finance costs decreased mainly due decrease in KIBOR. The devaluation of PKR has also affected the profitability of the Company.

**WORLDCALL TELECOM LIMITED - CONSOLIDATED FINANCIAL STATEMENTS**

Consolidated financial statements comprise the financial results of WorldCall Telecom Limited (Parent Company) consolidated with Route 1 Digital (Private) Limited (Subsidiary Company). Route 1 Digital is a private limited Company incorporated in Pakistan on December 21, 2016 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The primary business is to carry out the business of all transport services, sharing motor vehicle transportation with another or others, and consultancy in the field of information technology, software development and all activities ancillary thereto. The subsidiary is domiciled in Pakistan and its registered office & principal place of business is situated at the Plot # 112-113, Block S, Quaid e Azam Industrial Estate, Kot Lakhpat, Lahore.

**DIVIDEND**

The management of our Company strongly believes in passing on return of investment to their shareholders. However, considering the cash flow situations, expansion plans and certain restrictions in place on distribution of dividends agreed with the lenders, directors have not recommended any dividend payout or bonus shares for the year.

**EARNINGS PER SHARE**

The company recognized loss per share of Rupee (0.08) on a standalone basis. On a consolidated basis, the loss per share was Rs. (0.08).

**RENEWAL OF LDI LICENSE**

The Company's telecommunication licenses to provide Long Distance & International (LDI) & Fixed Local loop (FLL) services expired in July 2024 and as of the reporting date, the matter concerning renewal of FLL Licenses is pending before the Honorable Islamabad High Court, however, Pakistan Telecommunications Authority (PTA) through an order dated July 21, 2025 has renewed the LDI License subject to certain conditions, some of them have been assailed by the Company before the Sindh High Court at Karachi, whereas remaining has been fulfilled. The Honorable Court has restrained the PTA from taking coercive measures against the Company. The matter is pending adjudication.

**FUTURE OUTLOOK**

WorldCall Telecom Limited continues to strengthen its international wholesale and digital services portfolio through strategic collaborations with global technology partners. The partnership with Mesties Network positions the Company to enhance international voice aggregation, improve revenue assurance, and unlock new monetization opportunities through blockchain-enabled platforms and the revival of the Hello application. By leveraging advanced traffic termination infrastructure and sharing-economy models, WorldCall aims to expand its footprint across key regional traffic hubs while improving operational transparency and efficiency.

In parallel, WorldCall remains focused on driving digital inclusion and sustainable economic growth in Pakistan. Through its collaboration with World Mobile Group, the Company is working toward connecting millions of people through affordable, community driven connectivity solutions. These initiatives are expected to empower individuals, support remote work and entrepreneurship, and enable underserved communities to participate in the digital economy. Looking ahead, WorldCall is committed to deploying innovative technologies and partnerships that translate connectivity into long term social and economic value.

Pakistan's digital transformation and evolving technologies like 5G present exciting opportunities for WorldCall in the telecommunications sector. Building on our resilient 2025 performance, continued investment in R&D and infrastructure, exploring undervalued business ventures, and maximizing revenue from existing infrastructure through new services will fuel horizontal and vertical growth. Strategic partnerships with technology pioneers will further strengthen our position as we navigate the dynamic future of Pakistan's telecommunications landscape, mirroring our commitment to go beyond financial figures and prioritize strategic investments for long term success.

***INFORMATION TECHNOLOGY***

The Company continues to prioritize investment in Information Technology as a strategic enabler of operational efficiency, service enhancement, and revenue growth. During the year, management has undertaken initiatives to strengthen IT infrastructure, and digital platforms to improve system reliability and customer experience.

Going forward, the Company plans to further expand its IT capabilities, including the development of technology driven solutions and activation of Center of Excellence (CoE) to enhance innovation and operational excellence. These initiatives are expected to streamline processes, optimize costs, and create new revenue streams through improved service delivery and digital transformation.

The Board remains committed to leveraging advanced technologies to support sustainable growth, improve competitiveness, and maximize shareholder value.

During the year, the Company successfully executed and delivered several key information technology (IT) projects, which significantly contributed to the growth in its revenue. The successful completion of these projects reflects the Company's enhanced operational capabilities, effective project management and increasing demand for its IT services. As a result, the Company experienced substantial growth in its IT segment during the current financial year.

Consequently, revenue generated from the IT segment increased markedly to Rs. 710 million during the current year, compared to Rs. 310 million recorded in the previous year. This substantial increase demonstrates the Company's strengthened position in the IT market and its ability to secure and deliver large-scale projects efficiently. The growth also indicates improved client engagement and the Company's continued focus on expanding its technology-driven service offerings.

**Broadband and Cable TV Operations:**

The Company has started deployment of 200K connection project for low cost broadband connectivity in underserved areas. The roll out areas are already covered by Company fiber optic Metro networks and are spread over twenty (20) cities across Pakistan. The roll out will complement existing Fiber to the Home project for a more efficient utilization of IP bandwidth and holds good potential for growth in this segment of operations. Company plans to augment and expand its core network to handle additional bandwidth requirement and subscriber loads. Access network from the existing fiber optic deployment is also being expanded.

**WorldCall's Technology Transformation**

The captioned heading reflects the essence of where we are headed mapped with where we want to be; split in three broader segments of (1) Fiber to The Home planned deployment & penetration in urban areas (2) Blockchain deployment and (3) strategic alliance with World Mobile Group (WMG) by lending technological/ logistic support to them in their initiatives for the underprivileged nations around the globe namely "connect the unconnected" and broadband for all. Pivotal point which needs utmost emphasis is that our existing infrastructure is massive, ample and positioned in a way to fully augment and advance business segments mentioned hereinabove and our future technological roadmap.

Our FTTH conversion project - Phase I commenced with Wapda Town which was delivered successfully. That gave an immense boost to our plans for next conversion area and we are aggressively targeting Gulberg, Lahore in this regard. WorldCall being largest cable operator and awarded and recognized as such on multiple platforms, intends penetration in other urban areas of Lahore i.e. DHA, Cantonment and in South subsequently. Further, as shown in past few years, our Parent Company, Worldcall Services (Pvt.) Ltd., while remaining true to its commitment for execution of WTL's technological transformation continually, is aggressively pursuing multiple monetization alternatives i.e. exploration of capital markets beyond Pakistan and selecting NASDAQ for its listing. WorldCall Services (PVT.) Limited has achieved a major milestone in NASDAQ listing through a US entity, Globaltech Corporation (GlobalTech). GlobalTech was allocated the symbol "GLTK" by relevant regulator and trading over the counter (OTC) had commenced on April 24, 2024 under this symbol. This milestone successfully consolidates actions taken for the purpose of capital raising to fuel the Technology Transformation of WTL with innovative IT Services and Affordable Broadband at the core.

To further monetize existing infrastructure, WorldCall is initiating a phased deployment of infrastructure to capture the growing demand for computing and localized data hosting. This initiative targets high margin enterprise and fintech sectors by providing scalable low latency 'Cloud in a Box' solutions at the network edge. This demand driven pilot serves as a scalable value added service to our core ISP business, driving horizontal growth and operational synergy.

Scaling up its technology development program is a major focus area for the Company. GlobalTech established its **Center of Excellence (CoE)** within Company operational eco system that is at the core of the technology development for major platforms in AI, Big Data and Blockchain space. Company provides necessary back office support service for the global activation of these service platforms. Back office services provided by the Company are essential components of GlobalTech technology offering and commercial activation of three major platforms is targeted within the current year. Back office services include technology support including development and service operations, finance, accounting and marketing. Company has made significant progress in capacity building for these services over the years and revenues from the rendered services would deliver a positive boost to Company performance.

Worldcall achieved a significant milestone through services sales for its technology stack. Worldcall re-purposed and customized its Hyperledger® based blockchain platform including web and app services for telecom network sharing. The unique solution would be instrumental in promoting shared economy for the UK based client. The delivery of software platform offers additional avenues of revenue for Worldcall moving forward. Skill set developed would also be an asset for other client engagements.

WorldCall Telecom Limited was awarded the 19th Consumers Choice Award on 27 November 2025 in the category of **"Best Affordable Broadband Service."** This recognition reflects the Company's continued focus on delivering reliable, high quality, and cost-effective broadband solutions to its customers. The award acknowledges the consistent efforts of the management and employees in maintaining service standards and enhancing customer satisfaction. The Company appreciates the continued trust and support of its customers, which remains central to its commitment to providing dependable connectivity and value driven services.

**Network Transformation and Digital Expansion Strategy** WorldCall is implementing a structured transformation plan to strengthen its fiber network and expand digital connectivity. The roadmap focuses on a phased FTTH rollout across key urban clusters to improve speed, reliability, user experience, and ARPU. Legacy HFC users are being migrated through cost efficient infrastructure reuse, supported by collaboration with SWITCH Fiber to enhance last mile access and regional reach. The Company is also pursuing cross sector partnerships to accelerate network coverage and introduce bundled digital services. These initiatives align with GlobalTech Corporation's broader strategic programs, including Center of Excellence (CoE). Collectively, this roadmap reinforces WorldCall's financial sustainability and strategic role as a digital bridge for fintech, AI, enterprise automation, and other technology driven solutions.

WTL's proven track record of rising from the ashes under the guided leadership of our resilient management ensures that we are here to stay and we have not only survived but thrived whichever adversity that has come our way.

**CADNZ:**

The Company in coordination with other partners has finalized Go-to Market (GTM) plans for its CADNZ product. CADNZ is a 360 degree Customer Relationship Management solution with integrated Customer Contact Center specifically tailored for the banking and financial sector. It provides system automation interface for financial institutions for their digital lending platform needs. All aspects of non core banking software would be covered by this application. The product has huge potential in United States (USA) with small and mid sized banks and credit unions as primary market. The product is modular and in future can be tailored / customized for other possible markets in Europe, UK and Middle East. Client engagement has started and on successful sales the Company stands to gain revenues from technology assets. The Company continues its investments in software for commercial activation.

**AUDITORS REPORT**

The External Auditors have given their unqualified opinion on the financial statements of the parent company, on standalone basis, for the year ended December 31, 2025 wherein they have given a 'Material Uncertainty relating to Going Concern' para on going concern indicating that the Company has accumulated losses of Rs. 19,014.141 million and current liabilities exceeds current assets by Rs. 8,254.085 million. These conditions, along with other factors like declining revenue and contingencies and commitments as mentioned in note 2.2 to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's management however has carried out a going concern assessment of the Company and believes that the going concern assumption used for the preparation of these financial statements is appropriate.

**STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK**

In compliance with the provisions of the Listing Regulations of Pakistan Stock Exchange, the Board members are pleased to place the following statements on record:

- The financial statements for the year ended December 31, 2025 present fairly the state of affairs, the results of the operations, cash flow and changes in equity.
- Proper books of accounts have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended December 31, 2025 and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements;
- The systems of internal control are sound in design and has been effectively implemented and monitored;
- There has been no material departure from the best practices of corporate governance, as detailed in listing regulations as on December 31, 2025;

**ANTI-HARASSMENT**

The Company has a comprehensive mechanism towards anti-harassment to ensure that any type of workplace harassment is dealt with a zero tolerance to ensure that all the employees of the company regardless of their gender and position avail the opportunity to work in a safe and respectful environment. Employees are encouraged to report such grievances to the HR department in a confidential to conduct fair investigations.

**GENDER PAY GAP**

The Company is committed that all employees of the company are treated with equality & fairness and there should be no gender pay gap within the Company. Accordingly, the compensation of employees is determined on the basis of experience, seniority, responsibilities and performance without any gender based discrimination.

**BOARD OF DIRECTORS COMPOSITION**

Currently the Board comprises of (08) Eight directors excluding our Chief Executive Officer (CEO), Mr. Abbas Raza. All of them possess diversified experience and distinguished skill set with industry specific core competencies safeguarding vested interests of stakeholders and the Company. Out of them three directors are independent in accordance with the criterion laid down in Code of Corporate Governance.

During the year under review, (04) meetings of the Board of Directors were held from 01 January 2025 to 31 December 2025. The attendance of the Board members at the meetings was as follows:

| BOARD COMPOSITION | ATTENDANCE AT MEETINGS |
|---|---|
| **CHIEF EXECUTIVE OFFICER** | |
| Mr. Abbas Raza | 4/4 |
| **EXECUTIVE DIRECTOR** | |
| Mr. Babar Ali Syed | 4/4 |
| Mr. Muhammad Azhar Saeed | 4/4 |
| **NON-EXECUTIVE DIRECTORS** | |
| Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | 4/4 |
| Mrs. Hina Babar | 4/4 |
| Mr. Tariq Hasan | 4/4 |
| **INDEPENDENT DIRECTOR** | |
| Dr. Syed Salman Ali Shah | 4/4 |
| Mr. Muhammad Shoaib | 4/4 |
| Mr. Mubashir Luqman | 4/4 |

All meetings of the Board were attended by all Directors during the year under review, and accordingly, no leave of absence was required.

**DIRECTORS' REMUNERATION**

Management of the Company has devised a fair and transparent policy for fixing of remuneration of Non - Executive and Independent Directors. Remunerations are being set keeping in mind packages prevalent in industry for the same, relevant experience, educational background, technical acumen, valuable input to the strategic vision of the Company and futuristic insight to steer the Company towards accomplishments of its set goals and targets.

**Board Evaluation**

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors conducted its annual performance evaluation for the year ended 2025. The evaluation process was carried out through structured questionnaires covering key aspects such as board composition, governance, effectiveness of decision making, oversight functions, and the contribution of individual directors. The performance of the Board, its Committees, and each Director was reviewed to ensure alignment with the Company's strategic objectives and to identify areas for improvement. The evaluation results were discussed in a Board meeting, and appropriate measures are being implemented to further enhance governance practices and overall Board effectiveness.

**DIRECTORS TRAINING PROGRAM - (DTP)**

The Board has organized a Directors' Training Program (DTP) for all members of the board, with the exception of Mrs. Hina Babar and Mr. Tariq Hasan (Nominee - Pak Oman). All directors possess a comprehensive understanding of their duties and responsibilities within corporate governance. Additionally, Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani and Mr. Muhammad Shoaib are exempt from the Directors Training Program due to their higher education and over extensive fields of experience.

**BOARD COMMITTEES**

The Board has the following committees:

- Audit Committee
- Human Resource and Remuneration Committee
- Executive Committee

Through its committees, the Board provides detailed oversight in some of the key areas of business and the performance of CEO. The Board regularly reviews the respective charters / terms of references (TORs) of these committees.

**AUDIT COMMITTEE**

Audit Committee comprises four members out of which two are non executive directors and Chairman is Independent director in accordance with compliance to Code of Corporate Governance (CCG) 2019. Audit Committee meetings preceded each Board of Directors' meeting held to review financial statements during which audit reports, compliance with Code of Corporate Governance (CCG) requirements were reviewed by the committee members. These meetings also included meetings held with external auditors before and after completion of audit for the year ended December 31, 2025 and other statutory meetings as required by the Code of Corporate Governance (CCG). The composition of Audit Committee is as follows:

| Committee Composition | Designation | Attendance at Meetings |
|---|---|---|
| Mr. Muhammad Shoaib | Chairman | 4/4 |
| Dr. Syed Salman Ali Shah | Member | 4/4 |
| Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | Member | 4/4 |
| Mrs. Hina Babar | Member | 4/4 |

The Audit Committee operates under TORs duly approved by the Board. TORs of the Audit Committee address the requirements of the Code of Corporate Governance issued by the SECP and includes the requirements of best practices. The Committee is accountable to the Board for the recommendation of appointment of external auditors, directing and monitoring the audit function and reviewing the adequacy and quality of the audit process. The Committee also monitors the performance of Internal Audit Department which adopts risk based approach for planning & execution of assurance & consulting assignments to ensure value addition and improving company's operations. Further, the Committee ensures that the Company has an effective internal control framework. Objectives of these controls include safe guarding of assets, maintaining of proper accounting records complying with legislation, ensuring the reliability of financial information and efficiency & effectiveness of operations. The Chief Internal Auditor reports directly to the Chairman of the Audit Committee.

**HUMAN RESOURCE AND REMUNERATION COMMITTEE - (HR & R)**

Human Resource & Remuneration Committee consist of three members. Chairman of the HR & R Committee is an independent director in adherence to Code of Corporate Governance Guidelines issued on September 25, 2019. The Committee holds meetings to discuss the matters falling under its ambit generally and terms of reference specifically. The following members of the committee are as follow:

| Committee Composition | Designation | Attendance at Meetings |
|---|---|---|
| Mr. Mubasher Luqman | Chairman | 1/1 |
| Mr. Muhammad Azhar Saeed | Member | 1/1 |
| Mr. Muhammad Shoaib | Member | 1/1 |

The HR & R Committee is responsible to review the human resource architecture of the Company and adhere to the requirements laid down in its Terms of References as per Code of Corporate Governance. The committee exists to address and improve the crucial area of human resource development. Its aim is to assist the Board primarily by apprising the management in devising HR policies aligned with the best prevailing in industry. This span not limited to performance management, HR staffing, compensation and benefits. Selection, evaluation and compensation/ appraisal of CEO, CFO, Company Secretary and Head of Internal Audit is also undertaken, reviewed and recommended to the Board by HR & R Committee.

**EXECUTIVE COMMITTEE (EC)**

Executive Committee consists of four members. Following are the details about existing members.

| Committee Composition | Designation |
|---|---|
| Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani | Chairman |
| Mr. Muhammad Shoaib | Member |
| Mr. Babar Ali Syed | Member |
| Mr. Muhammad Azhar Saeed | Member |

The Committee is entrusted with the tasks of proactive oversight, appraise performance of the Company to assist Board and, to review and approve business plans and budgets, follow up the achievements of the Company's strategic intent as approved by the Board, review and recommend investment proposals, recommend for approval both short term and long term finance options, ensure adherence to administrative and control policies adopted by the Board and monitoring compliance thereof. The Committee is also responsible for dealing on the Board's behalf with matters of an urgent nature when the Board of Directors is not in session, in addition to other duties delegated by the Board.

**AUDITORS**

The Auditors M/s Tariq Abdul Ghani & Co., Chartered Accountants have a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and compliance with the International Federation of Accountants' (IFAC) Guidelines on Code of Ethics, as adopted by the Institute of Chartered Accountants of Pakistan. They also possess satisfactory rating from Audit Oversight Board (AOB). The present auditors, Tariq Abdul Ghani & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

**HOLDING COMPANY**

WorldCall Telecom Limited is a subsidiary of WorldCall Services (Pvt) Limited ("Parent Company"). The holding company owns majority shares of WorldCall Telecom Limited.

WorldCall Services is a private limited company in Pakistan incorporated under the Companies Ordinance, 1984 (now the Companies Act, 2017). The objectives of the Company include carrying on and undertaking the business of providing channel placement services, payphone services and generating revenue from communication services in Pakistan.

GlobalTech Corporation (GTC) owned 100% shares of M/s Worldcall Services (Private) Limited and Ferret Consulting FZC and is the ultimate holding company. The ultimate beneficial ownership remains unchanged.

**CHAIRMAN'S REVIEW**

The accompanying Chairman's review provides inside out synopsis on performance of the Company during the year and future outlook. The directors of the Company endorse contents of the review.

**PATTERN OF SHAREHOLDING**

The pattern of shareholding as on 31 December 2025 and its disclosure as required by the Act and Code of Corporate Governance is annexed with this report.

There was no other reported transaction of sale or purchase of shares of the Company by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Chief Internal Auditor, Chief Operating Officer and their spouses or minor children during the year under review, except as given in Pattern of Shareholding.

**COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE**

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 issued by the Securities and Exchange Commission of Pakistan (SECP) for the year ended December 31, 2025. A statement of compliance is annexed to this Report.

**MATERIAL CHANGES**

There have been no material changes since year end December 31, 2024 till date of the report except as disclosed in this annual report and the company has not entered into any commitment which would affect its financial position at the date except for those mentioned in audited financial statements of the company for the year ended December 31, 2025.

**STATUTORY COMPLIANCE**

During the year the company has complied with all applicable provisions, filed all returns / forms and furnished all the relevant particulars as required under the Companies Act 2017 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the listing requirements.

**CODE OF CONDUCT**

The Board has adopted Code of Conduct as a framework to exhibit sound and ethical behavior in internal dealings and dealing with customers, suppliers, regulators and other stakeholders. The Board has taken steps to disseminate the Code throughout the company along with supporting policies and procedures while this Code is available on the employee's web portal as well.

## RELATED PARTY TRANSACTIONS

All transactions with related parties including pricing policies applied upon recommendation of Audit Committee and as disclosed in notes to the annual audited financial statements thereon, are reviewed and approved by the Board.

## CORPORATE BRIEFING SESSION

The Corporate Briefing Session for the year ended December 31, 2025, will be conducted in compliance with the requirements of the Pakistan Stock Exchange (PSX) regulations, as approved by the Securities and Exchange Commission of Pakistan (SECP).

## WEB PRESENCE

Updated information regarding the company can be accessed at Company's website: www.worldcall.com.pk. The website contains the latest financial results of the company along with company's profile. To facilitate its customers, the Company also has its commercial website: www.worldcall.net.pk that contains information about product and services offered by the Company including but not limited to immediate dissemination of ongoing business developments.

## CORPORATE SOCIAL RESPONSIBILITY

The company believes in its social responsibility and performed the same through environmental protection measures, community investment and associate's welfare schemes, consumer protection measures, industrial relations, occupational safety and health, business ethics and national cause donation.

## HEALTH AND SAFETY ENVIRONMENT

The Company conducts its business responsibly on account of health, safety and protection from environmental aspects of its associates and the society by complying with all applicable Government and internal health, safety and environmental requirements.

## EMPLOYEE OF THE MONTH AWARDS

The Company is committed to ensure that high achievers performing tasks to the utter satisfaction of their superiors and prosperity of the company are treated with dignity & respect and kept well motivated. We believe in long term association with the employees and duly reward exceptional efforts on successful accomplishment of their KPIs. It has been a regular monthly feature for past few years of handing out awards/ monetary benefits to employees who stand out.

## ACKNOWLEDGEMENT

On behalf of the Board of Directors, I extend our sincere appreciation to all who contributed to WorldCall's success in 2025.

First and foremost, we thank our loyal customers. Your continued trust and choice in our services fuel our growth and motivate us to constantly innovate. We also express our deepest gratitude to our valued contractors and stakeholders. Your collaborative spirit and ongoing partnerships are instrumental in navigating the complexities of the market.

A special thank you goes to our dedicated employees and management team. Your unwavering dedication, passion, and commitment to excellence are the cornerstones of our achievements. We recognize the remarkable efforts of those who work tirelessly behind the scenes, consistently overcoming challenges without seeking recognition. Your selflessness and talent inspire us all.

We acknowledge the invaluable contributions of our Board committees: Audit, Human Resource & Remuneration, and Executive. Their diligent oversight and guidance ensure we adhere to the highest standards of corporate governance while driving sustainable growth.

Together, we have positioned WorldCall for an exciting future. Thank you for being a part of our journey.

**For and on behalf of the Board of Directors**
**WorldCall Telecom Limited**

Lahore, Pakistan
March 10, 2026

**Abbas Raza**
Chief Executive Officer

### کارپوریٹ بریفنگ سیشن

31 ... 2025 ... [illegible] ... (SECP) ... [illegible]

### ویب کی موجودگی

[illegible] ... www.worldcall.com.pk ... [illegible]

### کارپوریٹ سماجی ذمہ داری

[illegible]

### صحت اور حفاظتی ماحول

[illegible]

### [illegible]

[illegible] ... (SECP) ... [illegible]

### اعتراف

[illegible] ... 2025 ... [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

منجانب بورڈ آف ڈائریکٹرز

ورلڈ کال ٹیلی کام لمیٹڈ

عباس رضا

چیف ایگزیکٹو آفیسر

[illegible]

2026 [illegible] 10

[illegible]

[illegible]

## آڈیٹرز

[illegible]

## ہولڈنگ کمپنی

[illegible]

## بورڈ میٹنگ کا جائزہ

[illegible]

## شیئر ہولڈنگ کا پیٹرن

[illegible]

## کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل

[illegible]

## مادی تبدیلیاں

[illegible]

## قانونی تعمیل

[illegible]

## ضابطہ اخلاق

[illegible]

## متعلقہ پارٹی لین دین

[illegible]

## آڈٹ کمیٹی

[illegible]

[illegible]

| کمیٹی ممبر | عہدہ | حاضری/کل اجلاس |
|---|---|---|
| [illegible] | چیئرمین | 4/4 |
| [illegible] | ممبر | 4/4 |
| [illegible] | ممبر | 4/4 |
| [illegible] | ممبر | 4/4 |

[illegible]

[illegible]

## ہیومن ریسورس اینڈ ریمونریشن کمیٹی

[illegible]

[illegible]

| کمیٹی ممبر | عہدہ | حاضری/کل اجلاس |
|---|---|---|
| [illegible] | چیئرمین | 1/1 |
| [illegible] | ممبر | 1/1 |
| [illegible] | ممبر | 1/1 |

[illegible]

## ایگزیکٹو کمیٹی

[illegible]

| کمیٹی ممبر | عہدہ |
|---|---|
| [illegible] | چیئرمین |
| [illegible] | ممبر |
| [illegible] | ممبر |
| [illegible] | ممبر |

[illegible] 2025 [illegible] 2025 [illegible] (4) [illegible]

| [illegible] | [illegible] |
|---|---|
| **[illegible]** | |
| [illegible] | 4/4 |
| **[illegible]** | |
| [illegible] | 4/4 |
| [illegible] | 4/4 |
| **[illegible]** | |
| [illegible] | 4/4 |
| [illegible] | 4/4 |
| [illegible] | 4/4 |
| **[illegible]** | |
| [illegible] | 4/4 |
| [illegible] | 4/4 |
| [illegible] | 4/4 |

[illegible]

### ڈائریکٹرز کا معاوضہ

[illegible]

### بورڈ کی سالانہ کارکردگی کا جائزہ

[illegible] 2019 [illegible] 2019 [illegible] (Structured Questionnaires) [illegible]

### ڈائریکٹرز ٹریننگ پروگرام (DTP)

[illegible] (DTP) [illegible]

### بورڈ کمیٹیاں

- [illegible]
- [illegible]
- [illegible]
- [illegible]

[illegible] (CEO) [illegible] (TORs) [illegible]

## CADNZ اپڈیٹ

[illegible] CADNZ [illegible] Go-to-Market (GTM) [illegible] CADNZ [illegible] 360 [illegible] UAE [illegible]

## آڈیٹرز کی رپورٹ

[illegible] 31 [illegible] 2025 [illegible] (Unqualified Opinion) [illegible] (Material Uncertainty relating to) [illegible] (Going Concern) [illegible] Going Concern [illegible]

[illegible] 9,014,141 [illegible] 6,754,085 [illegible]

[illegible] (Going Concern) [illegible] (Going Concern Assumption) [illegible]

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان

[illegible]

- 31 دسمبر 2025 [illegible]
- 31 دسمبر 2025 [illegible]
- [illegible] (IFRS) [illegible]
- [illegible]
- [illegible] 2025 [illegible]
- [illegible]
- [illegible] 31 دسمبر 2025 [illegible]

## انسدادِ ہراسانی (Anti-Harassment)

[illegible]

[illegible] (HR) [illegible]

## صنفی اجرت کا فرق (Gender Pay Gap)

[illegible]

## بورڈ آف ڈائریکٹرز کی تشکیل

[illegible] (CEO) [illegible] (Independent Directors) [illegible]

## عالمی میڈیا اور ڈیجیٹل ٹی وی آپریشنز

[illegible] 300K [illegible]

## ورلڈ کال کی ٹیکنالوجی کی تبدیلی

[illegible] (WMG) [illegible]

[illegible] FTTH [illegible] NASDAQ [illegible] GlobalTech Corporation [illegible] GlobalTech [illegible] 2024 [illegible] WTL [illegible]

[illegible]

[illegible] GlobalTech [illegible] (CoE) [illegible] Big AI, Data, Blockchain [illegible]

[illegible]

[illegible] 2025 [illegible]

## نیٹ ورک کی استعداد بڑھانا اور ڈیجیٹل ایکسپینشن سٹریٹیجی

[illegible] ARPU [illegible] FTTH [illegible] SWITCHFLEX [illegible]

[illegible] IPTV [illegible]

## ڈیویڈنڈ

[illegible]

## فی حصص آمدنی

[illegible]

## ILDI لائسنس کی تجدید

[illegible]

## مستقبل کا نقطہ نظر

[illegible]

[illegible]

[illegible]

## انفارمیشن ٹیکنالوجی

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

# ورلڈ کال ٹیلی کام لمیٹڈ

[illegible]
31 دسمبر 2025 کو ختم ہونے والے سال [illegible]

[illegible]
[illegible] 31 دسمبر 2025 [illegible]

## اقتصادی جائزہ

سال 2025 [illegible] 2024-25 [illegible] 5.5 [illegible]

2026 [illegible]

[illegible] 2025-26 [illegible]

[illegible]

[illegible]

## مالیاتی کارکردگی کا جائزہ

[illegible] (Standalone) [illegible] (Consolidated) [illegible]

## ورلڈ کال ٹیلی کام لمیٹڈ — علیحدہ مالیاتی بیانات

31 دسمبر 2025 [illegible]

| Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|
| | Rs. in '000 | |
| Revenue - net | 5,377 | 5,588 |
| Direct Cost (excluding depreciation and Amortization) | (5,416) | (4,852) |
| Operating Cost | (399) | (430) |
| Other Income - net | 326 | 212 |
| EBITDA | 738 | 518 |
| Depreciation and Amortization | (446) | (901) |
| Finance Cost | (466) | (571) |
| Net Loss after tax | (408) | (1,259) |

[illegible] 456 [illegible] 1,359 [illegible] (International [illegible] Termination [illegible] EBITDA [illegible] (Devaluation of PKR) [illegible] KIBOR [illegible]

[illegible]

## ورلڈ کال ٹیلی کام لمیٹڈ — مجموعی مالیاتی بیانات

[illegible] 31 دسمبر 2016 [illegible] Companies Ordinance, 1984 [illegible] Companies Act, 2017 [illegible] (Ride Sharing) [illegible]

[illegible] 112-113 [illegible]

# SIX YEAR FINANCIAL PERFORMANCE
## INCOME STATEMENTS

| | Dec'25 | Dec'24 | Dec'23 | Dec'22 | Dec'21 | Dec'20 |
|---|---|---|---|---|---|---|
| | Rupees in Thousands | | | | | |
| Revenue - net | 5,691,182 | 5,346,440 | 5,643,848 | 3,301,248 | 2,114,228 | 3,140,194 |
| Direct cost excluding depreciation and amortization | (5,415,581) | (4,931,567) | (2,811,868) | (1,854,041) | (1,744,368) | (1,874,837) |
| Operating cost | (345,897) | (430,071) | (471,376) | (396,348) | (467,886) | (406,828) |
| Other income | 576,814 | 238,063 | 218,671 | 323,426 | 307,070 | 809,238 |
| Other expenses | (49,017) | (25,304) | (269,497) | (107,364) | (309,888) | (269,917) |
| **Profit / (Loss) before Interest, Taxation, Depreciation and Amortization** | 737,807 | 176,297 | (422,838) | 107,888 | (90,814) | 1,196,002 |
| Depreciation and amortization | (845,796) | (801,198) | (953,016) | (1,072,431) | (1,076,850) | (953,399) |
| Finance cost | (467,882) | (670,529) | (605,943) | (378,655) | (303,130) | (536,068) |
| **Profit / (Loss) before Taxation** | (575,871) | (1,295,431) | (1,980,895) | (1,343,198) | (1,469,736) | (290,389) |
| Taxation | (79,748) | (63,178) | (27,449) | (38,119) | (38,814) | 143,992 |
| **Net Profit / (Loss) for the Year** | (655,019) | (1,358,609) | (2,008,444) | (1,381,304) | (1,508,356) | (146,397) |
| **Earnings / (Loss) per share - basic (Rupees)** | (0.08) | (0.27) | (0.64) | (0.40) | (0.51) | (0.08) |
| **Earnings / (Loss) per share - diluted (Rupees)** | (0.06) | (0.17) | (0.38) | (0.36) | (0.21) | (0.08) |

**STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 OF WORLDCALL TELECOM LIMITED FOR THE YEAR ENDED DECEMBER 31, 2025**

The company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are 8 as per the following:-
   a) **Male: 7**
   b) **Female: 1**

2. The composition of the Board is as follows:

| CATEGORY | NAMES |
|---|---|
| **Independent Directors** | Mr. Syed Salman Ali Shah<br>Mr. Muhammad Shoaib<br>Mr. Mubasher Lucman |
| **Non-Executive Directors** | Mr. Mehdi Mohamed Jawad Abdullah Al Abduwani<br>Mrs. Hina Babar<br>Mr. Tariq Hasan – (Nominee Pak-Oman Inv. Bank) |
| **Executive Directors** | Mr. Babar Ali Syed<br>Mr. Muhammad Azhar Saeed |
| **Female Directors** | Mrs. Hina Babar (NED) |

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board has organized a Directors' Training Program (DTP) for all members of the board, with the exception of Mrs. Hina Babar and Mr. Tariq Hassan (Nominee – Pak Oman). All directors possess a comprehensive understanding of their duties and responsibilities within corporate governance. Additionally, Mr. Mehdi Mohammed Jawad Abdullah Al Abduwani and Mr. Muhammad Shoaib are exempt from the Directors Training Program due to their higher education and over extensive fields of experience.

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

**a. Executive Committee (Name of members and Chairman)**

- Mr. Mehdi Mohamed Al-Abduwani (Chairman)
- Mr. Muhammad Shoaib (Member)
- Mr. Babar Ali Syed (Member)
- Mr. Muhammad Azhar Saeed (Member)
- Mr. Muhammad Sarfraz Javed (Secretary)

**b. Audit Committee (Name of members and Chairman)**

- Mr. Muhammad Shoaib (Chairman)
- Mr. Syed Salman Ali Shah (Member)
- Mr. Mehdi Mohamed Al-Abduwani (Member)
- Mr. Hina Babar (Member)
- Mr. Ansar Iqbal Chauhan (Secretary)

**c. HR and Remuneration Committee (Name of members and Chairman)**

- Mr. Mubasher Lucman (Chairman)
- Mr. Muhammad Azhar Saeed (Member)
- Mr. Muhammad Shoaib (Member)
- Mr. Muhammad Sarfraz Javed (Secretary)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following: -

**a. Executive Committee: Annual**
**b. Audit Committee: **Quarterly**
**c. HR and Remuneration Committee: Annual**
****The frequency of meetings is on quarterly basis and as per the requirement of the company. Total four meetings were held during the year 2025.**

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

**Mehdi Mohamed Jawad Abdullah Al Abduwani**
Chairman, Board of Directors
WorldCall Telecom Limited

Lahore,
Date: 10 March 2026

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF M/S WORLDCALL TELECOM LIMITED
## REVIEW REPORT ON STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **"WORLDCALL TELECOM LIMITED"** (the Company) for the year ended **December 31, 2025** in accordance with the requirement of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with requirements contained in the Regulations as applicable to the Company for the year ended **December 31, 2025**.

Tariq Abdul Ghani & Co.

**Tariq Abdul Ghani & Co.**
**Chartered Accountants**

**Name of Engagement Partner: Muhammad Safdar, FCA**

Lahore

Date: February 25, 2026

UDIN# CR202510233KHaZu9fe7

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLDCALL TELECOM LIMITED
## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

We have audited the annexed financial statements of WorldCall Telecom Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Relating to Going Concern**

We draw attention to Note 2.2 in the annexed financial statements, which states that the company has incurred a loss after taxation of Rs. 468.019 million during the year ended December 31, 2025 (2024: Rs. 1,259.839 million) which includes the impact of write back of liabilities for Rs. 468.882 million (2024: 17.248 million). As at December 31, 2025 the accumulated loss of the Company stands at Rs 19,014.141 million (2024: Rs. 18,763.413 million) and its current liabilities exceed current assets by Rs. 8,254.086 million (2024: Rs. 8,267.772 million).

These conditions along with contingencies and commitments as mentioned in note 31, indicate the existence of material uncertainty 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. Our opinion is not modified in respect of this matter.

**Emphasis of Matter Paragraph**

We draw attention to note 27 to the accompanying financial statements, wherein the Company recognized deferred tax asset of Rs. 1,864.376 million, the realization of which would depend on generation of sufficient profits in the future as projected by the management. Our opinion is not modified in respect of this matter.

**Key Audit Matter(s)**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section and Emphasis of Matter paragraph, we have determined the matters described below to be the key audit matters to be communicated in our report.

**Following are the Key audit matter(s):**

| Sr. No. | Key Audit Matter(s) | How the matter was addressed in our audit |
|---|---|---|
| 01 | **Revenue Recognition**<br>The Company has reported revenue amounting to Rs. 5,391.582 million for the year ended December 31, 2025. For details refer note 37 to the financial statements.<br><br>There is a risk around the accuracy and completeness of revenue recorded. The complex billing system involves processing a large volume of data making it inherent industry risk.<br><br>We identified recognition of revenue as a key audit matter because:<br>(i) revenue is one of the key performance indicators of the Company;<br>(ii) it gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets; and<br>(iii) recognition and measurement of revenue and contract related assets may involve significant judgement as per IFRS 15 "Revenue from Contracts with Customers". | Our audit procedures to assess the recognition of revenue amongst others, include the following:<br>• Obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue;<br>• Compared a sample of transactions comprising of various revenue streams recorded during the year with relevant underlying supporting documents and cash receipt where applicable;<br>• We evaluated the relevant IT systems and the design of controls, and tested the operating effectiveness of controls over the;<br>• Obtained and recording of revenue transactions, authorization of rate changes and the input of this information to the billing systems and calculation of amounts billed to customers;<br>• We also tested a sample of customer bills and checked these to cash received from customers;<br>• Assessing the appropriateness of accounting policies for revenue recognition and relevant contract assets and liabilities for compliance with applicable financial reporting framework including their correct application to the amounts recognized during the year;<br>• Inspecting journal entries relating to revenue recognized during the year and the corresponding underlying documentation for those journal entries which were considered to be material or met certain specified risk-based criteria; and<br>• Considering the appropriateness of disclosures in the financial statements. |

| Sr. No. | Key Audit Matter(s) | How the matter was addressed in our audit |
|---|---|---|
| 02 | **Recoverability of Trade Debts**<br><br>As at December 31, 2025, the Company's gross trade debtors were Rs [illegible] million against which allowance for doubtful debts of Rs [illegible] million was recorded. For details refer note [illegible] to the financial statements.<br><br>We identified the recoverability of trade debtors as a key audit matter because it involves significant management judgment in assessing the amount likely to be received and estimates in determining the allowance of expected credit loss. | Our audit procedures to assess the valuation of trade debts amongst others included the following:<br>• Obtained understanding of and testing the design and implementation of management's key internal control, debt collection and making allowances for doubtful debts;<br>• Agreeing on a sample basis, the balances used in management's estimate of expected credit loss with the books of accounts of the company;<br>• Testing the assumptions and estimates made by management for the allowances for doubtful debts;<br>and<br>• Evaluating that the allowance for doubtful debt is in accordance with the requirements of applicable financial reporting framework. |
| 03 | **Contingencies**<br><br>There are a number of threatened and actual legal, regulatory and tax cases against the Company. For details refer note [illegible] to the financial statements. These contingencies require management to make judgments and estimates in relation to the interpretation of laws and regulations and the recognition and measurement of any provisions that may be required against such contingencies.<br><br>Involvement of subjectivity, inherent uncertainty and the time period such matters may take to resolve, the management judgments and estimates in relation to such contingencies may be complex and can significantly impact the financial statements.<br><br>For such reasons we have considered contingencies as a key audit matter. | Our audit procedures include:<br>• Discussing the process of identifying and recording contingencies in the financial statement with management;<br>• Review of correspondence of company with the relevant tax authorities including judgements and orders passed by the competent authorities;<br>• Discussing with company's in-house tax expert to assess and validate management's conclusion;<br>• Obtaining and reviewing external confirmation from company's legal counsels and tax advisors for their views on case status and;<br>• Assess adequacy of disclosures in the financial statements. |

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Board of Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended December 31 2025 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of the most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other Legal and Regulatory Requirements:**

Based on our Audit, we further report that in our opinion:

a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) Investment made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Muhammad Sattar, FCA.

**Tariq Abdul Ghani & Co.**
**Chartered Accountants**

**Date: March 10, 2026**
**Lahore**
**UDIN: AR202510233UK3KxBOAz**

# STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

| | Note | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **SHARE CAPITAL AND RESERVES** | | | |
| Authorized share capital | | 25,000,000 | 25,000,000 |
| Ordinary share capital | 5 | 14,124,134 | 14,124,134 |
| Preference share capital | 6 | 890,566 | 830,666 |
| Dividend on preference shares | 7 | 320,329 | 333,029 |
| Capital reserves | 8 | 272,796 | 233,279 |
| Accumulated loss | | (19,014,141) | (18,763,413) |
| Surplus on revaluation of fixed assets | 9 | 3,535,276 | 3,727,167 |
| | | (270,941) | 42,158 |
| **NON-CURRENT LIABILITIES** | | | |
| Term finance certificates | 10 | - | 252,764 |
| Long term financing | 11 | 174,958 | 321,838 |
| Sponsor's loan | 12 | 2,854,958 | 2,431,848 |
| License fee payable | 13 | 45,513 | 45,513 |
| Post employment benefits | 14 | 197,613 | 188,527 |
| Lease liabilities | 15 | 133,215 | 177,079 |
| | | 3,406,297 | 3,477,658 |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 16 | 7,438,652 | 7,605,354 |
| Accrued mark up | 17 | 1,655,911 | 1,624,317 |
| Current and overdue portion of non current liabilities | 18 | 2,178,729 | 1,847,296 |
| Short term borrowings | 19 | 32,745 | 106,805 |
| Unclaimed dividend | | 1,807 | 1,807 |
| Provision for taxation - net | | 75,000 | 312,308 |
| | | 11,382,844 | 11,400,487 |
| **Contingencies and Commitments** | 20 | - | - |
| **TOTAL EQUITY AND LIABILITIES** | | 14,418,200 | 14,920,302 |
| Property, plant and equipment | 21 | 6,286,931 | 6,594,144 |
| Right of use assets | 22 | 3,217,213 | 3,412,141 |
| Intangible assets | 23 | 129,400 | 87,540 |
| Investment properties | 24 | 55,400 | 58,400 |
| Long term investment | 25 | - | |
| Long term trade receivable | 26 | - | |
| Deferred taxation | 27 | 1,651,370 | 1,625,250 |
| Long term deposits | 28 | 9,127 | 9,112 |
| | | 11,299,441 | 11,787,587 |
| **CURRENT ASSETS** | | | |
| Stores and spares | 29 | 23,494 | 22,397 |
| Stock in trade | 30 | 216,858 | 210,858 |
| Trade debts | 31 | 1,243,150 | 1,118,106 |
| Loans and advances | 32 | 586,711 | 622,998 |
| Deposits and prepayments | 33 | 791,997 | 745,673 |
| Short term investments | 34 | 58,627 | 41,322 |
| Other receivables | 35 | 221,827 | 270,726 |
| Cash and bank balances | 36 | 21,185 | 99,433 |
| | | 3,128,759 | 3,132,715 |
| **TOTAL ASSETS** | | 14,418,200 | 14,920,302 |

The annexed notes from 1 to 55 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER　　DIRECTOR　　CHIEF FINANCIAL OFFICER

# STATEMENT OF PROFIT OR LOSS
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Revenue | 37 | 5,391,782 | 5,046,440 |
| Direct costs excluding depreciation and amortization | 38 | (5,415,551) | (4,651,567) |
| Operating costs | 39 | (355,351) | (430,071) |
| Other Income | 40 | 576,914 | 206,269 |
| Other Expenses | 41 | (45,217) | (75,394) |
| **Profit before Interest, Taxation, Depreciation and Amortization** | | 737,507 | 116,397 |
| Depreciation and amortization | 42 | (645,796) | (801,199) |
| Finance cost | 43 | (467,982) | (675,629) |
| **Loss before levy and income taxes** | | (376,271) | (1,295,431) |
| Levy final / minimum taxes | 44 | (79,748) | (63,081) |
| **Loss before income tax** | | (456,019) | (1,358,512) |
| Taxation | | | |
| Current year | | - | - |
| Prior year | | - | (97) |
| Deferred tax | | | |
| | | - | (97) |
| Loss after income tax | | (456,919) | (1,359,609) |
| **Loss per Share - basic (Rupees)** | 45 | (0.09) | (0.27) |
| **Loss per Share - diluted (Rupees)** | 45 | (0.08) | (0.17) |

The annexed notes from 1 to 55 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# STATEMENT OF COMPREHENSIVE INCOME
# FOR THE YEAR ENDED DECEMBER 31, 2025

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| **Net loss for the period** | (456,019) | (1,358,609) |
| **Other comprehensive income:** | | |
| ***Items that will not be reclassified to profit or loss:*** | | |
| Surplus on revaluation of fixed assets - net of tax | - | 1,728,869 |
| Remeasurement of post employment benefits obligations - net of tax | 9,500 | 19,021 |
| Changes in fair value of financial assets through other comprehensive income - net of tax | 33,423 | 30,272 |
| ***Item that may be subsequently reclassified to profit or loss:*** | - | |
| | - | |
| **Other Comprehensive income - net of tax** | 42,923 | 1,778,162 |
| **Total Comprehensive loss for the period - net of tax** | (413,096) | 419,553 |

The annexed notes from 1 to 55 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# STATEMENT OF CHANGES IN EQUITY
# FOR THE YEAR ENDED DECEMBER 31, 2025

| Particulars | Ordinary Share Capital | Preference Share Capital | Dividend on Preference Shares | Capital Reserves | | | Revenue Reserve (Accumulated Loss) | Surplus on Revaluation of Fixed Assets | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Fair Value Reserve | Exchange Translation | Total Capital Reserves | | | |
| | (Rupees in '000) | | | | | | | | |
| **Balance as at December 31, 2023** | 14,124,134 | 890,865 | 320,329 | (16,827) | 161,224 | 144,397 | (17,523,888) | 1,666,996 | (377,167) |
| Net loss for the year | - | - | - | - | - | - | (1,358,609) | - | (1,358,609) |
| Other comprehensive income for the period - net of tax | - | - | - | 30,272 | - | 30,272 | 19,021 | 1,728,869 | 1,778,162 |
| Transfer on sale of fair value OCI investment | - | - | - | 58,610 | - | 58,610 | (58,610) | - | - |
| Total comprehensive loss for the year - net of tax | - | - | - | 88,882 | - | 88,882 | (1,398,198) | 1,728,869 | 419,553 |
| Incremental depreciation / amortization for the year on surplus on revaluation of fixed assets | - | - | - | - | - | - | 158,673 | (158,673) | - |
| **Balance as at December 31, 2024** | 14,124,134 | 890,865 | 320,329 | 72,055 | 161,224 | 233,279 | (18,763,413) | 3,237,192 | 42,386 |
| Net loss for the period | - | - | - | - | - | - | (456,019) | - | (456,019) |
| Other comprehensive income for the period - net of | - | - | - | 33,423 | - | 33,423 | 9,500 | - | 42,923 |
| Transfer on sale of fair value OCI investment | - | - | - | 6,094 | - | 6,094 | (6,094) | - | - |
| Total comprehensive loss for the period - net of tax | - | - | - | 39,517 | - | 39,517 | (452,613) | - | (413,096) |
| Incremental depreciation / amortization for the period on surplus on revaluation of fixed assets | - | - | - | - | - | - | 201,886 | (201,886) | - |
| **Balance as at December 31, 2025** | 14,124,134 | 890,865 | 320,329 | 111,572 | 161,224 | 272,796 | (19,014,141) | 3,035,276 | (370,941) |

The annexed notes from 1 to 58 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| **Cash generated from / (used in) operations** | 40 | 78,558 | (31,878) |
| ***Increase / (Decrease) in non-current liabilities:*** | | | |
| - Long term deposit | | - | - |
| ***Decrease / (Increase) in non-current assets:*** | | | |
| - Long term deposits | | (15) | 401 |
| | | 78,543 | (31,477) |
| Post employment benefits paid | 14 | (10,452) | (7,507) |
| Finance cost paid | | (242,528) | (6,639) |
| Income tax paid | | (33,276) | (48,678) |
| **Net cash used in Operating Activities** | | (207,714) | (94,332) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment | 22 | (14,908) | (31,177) |
| Purchase of Intangibles | 24 | (141,225) | - |
| Dividend income | 41 | 860 | 168 |
| Short term investments-net | 34 | 3,743 | 28,400 |
| Income on deposit and savings accounts | | 59,648 | 146,569 |
| **Net cash (used in) / generated from Investing Activities** | | (91,882) | 144,011 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Repayment of term finance certificates | 10 | (59,750) | - |
| Repayment of long term financing | 11 | (55,569) | (102,121) |
| Sponsor's loan - net | 12 | 360,168 | 30,412 |
| Short term borrowings - net | 19 | 2,655 | 1,658 |
| Repayment of lease liability | 15 | (35,136) | (38,488) |
| **Net Cash generated from / (used in) Financing Activities** | | 221,348 | (108,539) |
| **Net (decrease) in Cash and Cash Equivalents** | | (78,249) | (58,860) |
| Cash and cash equivalents at the beginning of the Period | | 99,433 | 158,292 |
| **Cash and Cash Equivalents at the End of the Period** | | 21,185 | 99,432 |

The annexed notes from 1 to 55 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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 repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange. The Company commenced its operations on December 01, 2004 and is engaged in providing 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 is domiciled in Pakistan and its registered office cum principal place of business is situated at Plot # 112-113, Block S, Quaid-e-Azam Industrial Estate Kot Lakhpat Lahore.

1.1.1 Worldcall Services (Pvt.) Limited is the Parent Company. Global Tech Corporation (GTC) owned 100% shares of both M/s Worldcall Services (Pvt.) Ltd and Ferret Consulting FZC and after the consummation of the contemplated transaction GTC has become ultimate holding Company. The ultimate beneficial ownership remains unchanged. GTC is registered in USA and its principal office is situated at 3550 Barron Way Suite 13a, Reno, NV 89511.

1.2 Geographical location and address of all business units of the Company are as follows:

**Business unit Address**

| | |
|---|---|
| Main Offices | Plot # 112-113, Block S, Quaid-e-Azam Industrial Estate, Kot Lakh Pat, Lahore. |
| Regional offices | Y-104/1, Commercial Phase-III, DHA, Lahore.<br>Al Tower, 105-B II, MM Alam Road, Lahore.<br>Shop # 35,36, J-1 Market, WAPDA Town, Lahore.<br>Suite No. 302-304, 3rd floor, The Plaza, G-7, Block-9, Clifton, Karachi<br>House # 61, FG Colony, Hassan Garhi Sharif Road, Peshawar |
| Warehouse | Plot # 112-113 Block-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore. |
| Headends | Office # 315, Plot # G-7, The Plaza, Block 9, Clifton, Karachi<br>Plot # 112-113 Block-S, Quaid-e-Azam Industrial Estate, Kot Lakh Pat, Lahore.<br>P-1416-11-B, People's Colony-1, Faisalabad<br>Plot # 321, St # 04, Sector I-9/3, Islamabad. |

Note 2

**Basis of Preparation**

2.1 **Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of directives, and notifications issued under the Companies Act, 2017 have been followed.

The financial statements provide comparative information in respect of the previous year. These financial statements are the separate financial statements of the Company in which investment in subsidiary is reported on the basis of cost less impairment losses, if any. In addition to these separate financial statements, the Company also prepares consolidated financial statements.

2.2 **Going concern assumption**

2.2.1 The Company has incurred a net loss of Rs. [illegible] million during the year ended December 31, 2025 (2024: Rs. 1,398.608 million). As at December 31, 2025, the accumulated loss of the Company stands at Rs. 19,074.141 million (December 31, 2024: Rs. 18,763.413 million) and its current liabilities exceed its current assets by Rs. 6,254.089 million (December 31, 2024: Rs. 5,767.772 million). Further, the Company's telecommunication licenses to provide Long Distance & International (LDI) & Fixed Local Loop (FLL) services expired in July 2024, and as of the reporting date, the matter concerning renewal of FLL Licenses is pending before the Honorable Islamabad High Court, however, PTA has renewed the LDI License subject to certain conditions, some of them have been assailed by the Company before the Sindh High Court at Karachi, whereas remaining has been fulfilled. The Honorable Court has restrained the PTA from taking coercive measures against the Company. The matter is pending adjudication. These conditions, in conjunction with contingencies and commitments as mentioned in note 35 indicate the existence of material uncertainty 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.

2.2.2 **Net Liabilities Position - Risk Mitigation**

As mentioned above, there is a net current liability position of approximately Rs. 4.665 billion as on the reporting date, which has the following major components:

| Description | Note | Rs in million |
|---|---|---|
| Short term Borrowings | 2.2.2.1 | [illegible] |
| Pakistan Telecommunication Authority (PTA) | 2.2.2.2 | [illegible] |
| Claims of Parties Challenged | 2.2.2.3 | [illegible] |
| Contract liabilities | 2.2.2.4 | 1,230 |
| Provision for taxation | 2.2.2.5 | [illegible] |
| | | [illegible] |

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

2.2.2.1 Short term borrowings represents funds obtained from a related party.

2.2.2.2 Liabilities towards PTA as incorporated in these financial statements stand at approximately Rs. 2.4 billion which are not immediately payable owing to non-fulfillment of certain conditions relating to the demand of such amounts. These conditions relate to the industry circumstances and Court Orders.

2.2.2.3 This amount represents the amounts owed 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.

2.2.2.4 Contract liabilities represents advances received from customers and this will be adjusted against future services. Based on which no cash outflow will occur.

2.2.2.5 The Company does not anticipate cash outflows on account of Provision for Taxation, since it has sufficient brought forward losses.

2.2.3 **Continued Support from a Majority Shareholder**

The Company's majority shareholder, Worldcall Services (Private) Limited (WSL) has given assurance to provide continued cash flow support to the Company through its letter to the Company's Board of Directors.

2.3 **Presentation currency**

These financial statements are prepared in Pak Rupees which is the Company's functional currency. All the figures have been rounded off to the nearest thousand of Pak Rupees, unless otherwise stated.

2.4 **Changes in accounting standards, interpretations and pronouncements**

**a) Standards and amendments to approved accounting standards that were effective**

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on January 1, 2025. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been discussed in these unconsolidated financial statements except for:

Amendment to IAS 1 - Non-current liabilities with covenants

During the year an amendment to IAS 1 Presentation of unconsolidated financial statements (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities shall be classified as non-current or current based on the rights available to the end of the reporting period, without consideration of when repayment is due or whether the entity has failed to meet the covenant. It also introduces specific disclosures if a liability is classified as non-current but is subject to covenants that must be complied with within twelve months of the reporting date.

**b) Standards and amendments to approved accounting standards that are not yet effective**

The following amendment and standard are not effective for the accounting periods beginning on or after January 1, 2025 and have not been early adopted by the Company:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial

These amendments:

-- Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities such as cash equity securities for some financial liabilities settled through an electronic cash transfer system;

-- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

-- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments;

-- Make updates to the disclosures for equity instruments designated at fair value through Other Comprehensive Income.

The management is in process of assessing the impact of above changes.

Other than the standards mentioned above, interpretations and amendments, International Accounting Standards Board (IASB) issued amendments and new interpretations. However, none are considered material to the Company and are not likely to affect its financial statements.

Note 3

**Basis of Measurement**

These financial statements have been prepared under the historical cost convention, as modified by revaluation of investment properties, property, plant and equipment, intangible assets, short term investments measured at fair value, and recognition of certain other assets and liabilities at their present value.

3.1 **Critical accounting estimates and judgments**

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and related assumptions 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which revisions are made. Revision to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years. Significant management estimates in these financial statements relate to useful lives, residual amounts, and residual values of property, plant and equipment; fair value of intangible assets; possible impairment of assets; taxation; provision against balance receivables; provision for post employment benefits and provisions against contingencies. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

Note 4

**Material Accounting Policies**

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

**4.1 Share capital**

Ordinary shares and preference shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

**4.2 Post employment and other benefits**

The main features of the schemes operated by the Company for its employees are as follows:

**4.2.1 Defined benefits plan**

The Company operates an unfunded defined benefits gratuity plan for all permanent employees as per the Company's policy. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuations carried out annually under the projected unit credit method and are charged to the statement of profit or loss account. All actuarial gains and losses are recognized in other comprehensive income as and when they arise.

**4.2.2 Accumulating compensated absences**

Employees are entitled to 25 days earned leave annually. Un-utilized earned leave can be accumulated up to a maximum of 20 days and utilized at any time subject to the approval. Earned leaves in excess of 20 days shall lapse. An employee will be entitled to encash the accumulated earned leaves at the time of leaving Company's service on last drawn gross salary basis. Provisions are made annually to cover the obligation for accumulating compensated absences on the basis of actuarial valuation and are charged to the statement of profit or loss account.

**4.3 Leases**

For contracts entered into, or modified, on or after January 1, 2019 the Company assesses whether a contract contains a lease or not at the inception of a contract. Inception date is the earlier of lease agreement and the date of commitment by both lessor and the lessee to the terms and conditions of the lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company reassesses whether a contract is, or contains, a lease further when the terms and conditions of the contract are modified.

For contracts that contain both lease and non-lease components, the Company has elected, for each class of underlying asset, not to separate the non-lease components and account for lease and non-lease components as a single lease component. For more than one lease components in a contract, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand alone prices.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain to not to exercise that option.

The Company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

**4.3.1 Company as a lessee**

**4.3.1.1 Recognition**

The Company recognizes a right-of-use asset and a lease liability at the commencement date. A commencement date is the date on which the lessor makes an underlying asset available for use by the lessee (the Company).

The Company presents right-of-use assets which do not meet the definition of investment property as a separate line item in the statement of financial position and lease liabilities as a separate line item in the statement of financial position.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value as per the threshold set by the Company. The Company recognizes the lease payments associated with these leases as an expense on straight line basis over the lease term.

**4.3.1.2 Initial measurement**

**Lease liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the Company's incremental borrowing rate if the implicit rate is not readily available. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option, if the Company is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

**Right-of-use asset**

The Company initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, initial direct costs and estimated terminal costs (i.e. dismantling or other site restoration costs required by the terms and conditions of the lease contract).

4.3.1.2 **Subsequent measurement**

**Lease liability**

After the commencement date, the Company re-measures the lease liability to reflect the effect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in the statement of profit or loss account, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

Lease liability payable in foreign currency is translated to local currency of the Company i.e. PKR at the reporting date. Any foreign exchange differences arising on translation of lease liability are recognized in profit or loss.

***Right-of-use asset***

After the commencement date, the Company measures the right of use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Company applies fair value model to right of use assets that meet the definition of investment property and apply revaluation model to right of use assets that relate to a class of property, plant and equipment to which the Company applies the revaluation model.

The Company depreciates the cost of right of use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the Company depreciates the right of use asset from the commencement date to the end of the useful life of the underlying asset.

Depreciation is charged to the statement of profit or loss account at rates given in note 21.

4.3.2 **Company as a lessor**

The Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease classification is made at the inception date and is reassessed only if there is a lease modification. Changes in estimates or changes in circumstances do not give rise to a new classification of a lease for accounting purposes.

4.3.2.1 *Finance leases*

At the commencement date, the Company recognizes assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the sum of the following, discounted at the interest rate implicit in the lease:

a) the lease payments receivable by the Company under a finance lease; and

b) any unguaranteed residual value accruing to the Company.

Initial direct costs, other than those incurred as a manufacturer or dealer lessor, are included in the initial measurement of the net investment in the lease and reduce the amount of income recognized over the lease term.

Lease payments, for the right to use the underlying asset during the lease term that are not received at the commencement date, included in the measurement of the net investment in the lease comprise fixed payments less any lease incentives payable, variable lease payments that depend on an index or a rate, any residual value guarantees provided to the Company by the lessee, a party related to the lessee or a third party unrelated to the Company that is financially capable of discharging the obligations under the guarantee, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments for penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

***<u>Company as a Manufacturer or Dealer Lessor</u>***

At the commencement date, the Company recognizes the following for each of its finance leases:

a) revenue being the lower of fair value of the underlying asset and the present value of the lease payments accruing to the Company, discounted using a market rate of interest;

b) the cost of sale being the cost, or carrying amount if different, of the underlying asset less the present value of the unguaranteed residual value; and

c) selling profit or loss in accordance with its policy for outright sales to which IFRS 15 applies. The Company recognizes selling profit or loss on a finance lease at the commencement date, regardless of whether the Company transfers the underlying asset as described in IFRS 15.

***<u>Subsequent measurement of finance leases:</u>***

The Company recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease. The Company applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income.

The Company regularly reviews estimated unguaranteed residual values used in computing the investment in the lease. If there has been a reduction in the estimated unguaranteed residual value, the Company revises the income allocation over the lease term and recognizes immediately any reduction in respect of amounts accrued.

**Lease modifications:**

The Company accounts for a lease modification as a separate lease if both:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease and which would have resulted in the classification of lease as an operating lease had the modification been in effect at the inception date, the Company accounts for the lease modification as a new lease from the effective date of the modification and measures the carrying amount of the underlying asset as the net investment in the lease immediately before the effective date of the lease modification.

**4.3.2.2 Operating leases**

The Company recognizes lease payments from operating leases as income on straight line basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognize those costs as an expense over the lease term on the same basis as the lease income.

The Company accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

**4.4 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources shall be required to settle the obligation and the amount has been reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

**4.5 Taxation**

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss account except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

**4.5.1 Current**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments.

Current tax for current and prior periods, to the extent unpaid, is recognized as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**4.5.2 Deferred**

Deferred tax is accounted for in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**4.6 Contingent liabilities**

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

**4.7 Property, plant and equipment**

**4.7.1 Operating fixed assets**

Owned assets except plant and equipment are stated at cost less accumulated depreciation and any identified impairment loss. Plant and equipment are stated at revalued amount less accumulated depreciation and any identified impairment loss. Revaluation is carried out with sufficient regularity to ensure that the carrying amounts of assets do not differ materially from their fair values. Revalued amounts are determined by an independent professional valuer on the basis of open market value of the asset based on estimated gross replacement cost, depreciated to reflect the residual service potential of the asset having paid due regard to age, condition and obsolescence. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Additions, subsequent to revaluation, are stated at cost less accumulated depreciation and any identified impairment loss. Cost in relation to self constructed assets includes direct cost of material, labour and other allocable expenses.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its intended working condition and location. Cost in relation to certain assets also includes cost of borrowing during construction period in respect of loans taken for specific projects.

Increases in the carrying amount of assets arising on revaluation of property, plant and equipment are credited to surplus on revaluation of fixed assets through other comprehensive income. Decreases that offset available surplus are charged against this surplus and all other decreases are charged to the statement of profit or loss account. Each year the difference between depreciation based on revalued carrying amount of the asset (the depreciation charged to the statement of profit and loss account) and depreciation based on the asset's original cost - incremental depreciation on revalued assets is transferred from surplus on revaluation of fixed assets to retained earnings (accumulated loss). All transfers from surplus on revaluation of fixed assets are net of applicable deferred taxation.

Depreciation on owned assets is charged to the statement of profit or loss account on straight line method so as to write off the cost or revalued amount of an asset over its estimated useful life.

Depreciation on additions is charged from the month in which the asset is available for use while no depreciation is charged in the month in which the assets are disposed off. Rates of depreciation are disclosed in Note 21.1.

Depreciation method, residual value and useful lives of assets are reviewed at least at each financial year end and adjusted if impact on depreciation is significant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with items will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss account during the period in which they are incurred.

The gain or loss on disposal of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense. Related surplus/loss on revaluation are transferred directly to retained earnings (accumulated loss).

**4.7.2 Capital work-in-progress**

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during construction and installation. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. Cost also includes applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when the assets are available for use.

**4.7.3 Major spare parts and stand-by equipment**

Major spare parts and stand-by equipment qualify as property, plant and equipment when the Company expects to use them during more than one year. Transfers are made to operating fixed assets category as and when such items are used.

**4.8 Intangible assets**

**4.8.1 Goodwill**

Goodwill represents the difference between the cost of acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired. Goodwill is tested annually for impairment. Any impairment is immediately recognized as an expense and is not subsequently reversed.

**4.8.3 Other intangible assets**

Other intangible assets except for licenses and software are stated at cost less accumulated amortization and any identified impairment loss. Licenses and software are stated at revalued amount less accumulated amortization and any identified impairment loss. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair values. Revalued amounts are determined by independent professional valuers on the basis of current market prices with reference to an active market. Any accumulated amortization at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of licenses and software are credited to surplus on revaluation of fixed assets through other comprehensive income. Decreases that offset available surplus are charged against this surplus, all other decreases are charged to the statement of profit or loss account. Each year the difference between amortization based on revalued carrying amount of the asset (the amortization charged to the statement of profit or loss account) and amortization based on the asset's original cost - incremental amortization on revalued assets is transferred from surplus on revaluation of fixed assets to retained earnings (accumulated loss). All transfers from surplus on revaluation of fixed assets are net of applicable deferred taxation.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is charged to the statement of profit or loss account, as and when incurred. Amortization on other intangible assets is charged to the statement of profit or loss account on straight line method at the rates given in note 23. Amortization on additions to intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off.

Gain or loss arising on disposal of intangible assets is determined as a difference between net disposal proceeds and carrying amount of the asset and is recognized as income or expense. Related surplus on revaluation is transferred directly to retained earnings (accumulated loss).

**4.9 Investment properties**

Properties which are held to earn rentals or for capital appreciation or for both are classified as investment properties. Investment properties are initially recognized at cost, being the fair value of the consideration given. Subsequently these are stated at fair value. The fair value is determined annually by an independent professional valuer based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between knowledgeable willing parties in an arm's length transaction. Any gain or loss arising from a change in fair value is charged to the statement of profit or loss account.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized in surplus on revaluation of fixed assets. Upon disposal of the item, the related surplus on revaluation is transferred to retained earnings (accumulated loss). Any loss arising in this manner is immediately charged to the statement of profit or loss account.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes for subsequent recording.

**4.10 Impairment of non-financial assets**

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to the statement of profit or loss account. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life.

**4.11 Investments**

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of purchase and re-evaluates such designation on a regular basis.

**4.11.1 Long term investments in equity instruments of subsidiaries**

In these separate financial statements investment in subsidiaries is initially measured at cost. Subsequent to initial measurement, these investments are measured at cost less any identified impairment loss in the Company's financial statements. At each reporting date, the Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are charged to the statement of profit or loss account. Investments in subsidiaries, that suffer an impairment, are reviewed for possible reversal of impairment at each reporting date. Impairment losses charged to profit or loss on investments in subsidiaries are reversed through the statement of profit or loss account.

**4.12 Stores and spares**

These are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost comprising invoice value plus other related charges incurred thereon. Provision is made in the financial statements for obsolete and slow moving stores and spares based on management estimate.

**4.13 Stock-in-trade**

All stocks except for stock in transit, are stated at lower of cost and net realizable value. Cost is determined on weighted average basis. Items in transit are valued at cost comprising invoice value plus other related charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. If the net realizable value is lower than the carrying amount, a write down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

**4.14 Financial instruments**

**4.14.1 Financial assets**

**Classification**

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. The management determines the classification of its financial assets at the time of initial recognition.

a) ***Financial assets at amortized cost***

A financial asset is measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) ***Financial assets at fair value through other comprehensive income***

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the

c) ***Financial assets at fair value through profit or loss***

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. However, the Company can make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income unless these are held for trading in which case these have to be measured at fair value through profit or loss. The equity investments of the Company held in short term investments are classified at fair

***Reclassification***

When the Company changes its business model for managing financial assets, it reclassifies all affected financial assets accordingly. The Company applies the reclassification prospectively from the reclassification date.

In case of reclassification out of the amortized cost measurement category to fair value through profit or loss measurement category, fair value of the financial asset is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost and fair value is recognized in statement of profit or loss account.

In case of reclassification out of fair value through profit or loss measurement category to the amortized cost measurement category, fair value of the financial asset at the reclassification date becomes its new gross carrying amount.

In case of reclassification out of the amortized cost measurement category to fair value through other comprehensive income measurement category, fair value of the financial asset is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost and fair value is recognized in other comprehensive income. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification.

In case of reclassification out of fair value through other comprehensive income measurement category to the amortized cost measurement category, the financial asset is reclassified at its fair value at the reclassification date. However, the cumulative gain or loss previously recognized in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the reclassification date. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification.

In case of reclassification out of fair value through profit or loss measurement category to the fair value through other comprehensive income measurement category, the financial asset continues to be measured at fair value.

In case of reclassification out of fair value through other comprehensive income measurement category to the fair value through profit or loss measurement category, the financial asset continues to be measured at fair value. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

***Initial recognition and measurement***

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date – the date on which the Company commits to purchase or sell the asset.

Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss account. Dividend income from financial assets is recognized in the statement of profit or loss account when the Company's right to receive payments is established. Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15. Where the Company uses settlement date accounting for an asset that is subsequently measured at amortized cost, the asset is recognized initially at its fair value on the trade date.

***Subsequent measurement***

For the purpose of measuring financial assets after initial recognition, these are classified into the following categories:

- financial assets at amortized cost;
- financial assets at fair value through other comprehensive income; and
- financial assets at fair value through profit or loss.

Financial assets carried at amortized cost are subsequently measured using the effective interest method. Gain or loss on financial assets not part of hedging relationship is recognized in profit or loss when the financial asset is derecognized, reclassified, through the amortization process or in order to recognize impairment gains or losses.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss.

Financial assets 'at fair value through other comprehensive income' are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the effective interest rate method is credited to the statement of profit or loss account. Dividends on equity instruments are credited to the statement of profit or loss account when the Company's right to receive payments is established.

Financial assets 'at fair value through profit or loss' are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are taken to the statement of profit or loss account in the period in which these arise.

Fair values of quoted investments are based on current prices. If the market for a financial asset is not active (and for unlisted securities), the Company measures the investments at cost less impairment in value, if any.

***Derecognition***

Financial assets are derecognized when:

- the contractual rights to receive cash flows from the assets have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  a) the Company has transferred substantially all the risks and rewards of the asset; or
  b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the consideration received is recognized in the statement of profit or loss account.

If the Company transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract.

***Impairment of financial assets***

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Company recognizes a loss allowance for expected credit losses on a financial asset measured at amortized cost and through other comprehensive income, a lease receivable, a contract asset or a loan commitment and a financial guarantee contract. In case of financial assets measured at fair value through other comprehensive income, loss allowance is recognized in other comprehensive income and carrying amount of the financial asset in the statement of financial position is not reduced.

The Company measures, at each reporting date, the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. Where the credit risk on a financial instrument has not increased significantly since the initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. The Company has established a provision matrix that is based on the its historical credit loss experience, adjusted for forward looking factors specific to debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

The Company always measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables or contract assets that result from transactions under IFRS 15 and lease receivables.

The Company recognizes the amount of expected credit losses (or reversal), that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, in the profit or loss account.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

4.14.2 Financial liabilities

*Initial recognition and measurement*

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost except for financial liabilities at fair value through profit or loss; financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; financial guarantee contracts; commitments to provide a loan at a below-market interest rate; and contingent consideration recognized in a business combination.

The Company does not reclassify any of its financial liabilities.

Financial liabilities are initially recognized at fair value minus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognized at fair value and transaction costs are credited in the statement of profit or loss account.

*Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

***Financial liabilities at fair value through profit or loss***

Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The amount of change in the fair value that is attributable to changes in the credit risk of financial liability is presented in other comprehensive income and the remaining amount of change in the fair value of the liability is presented in profit or loss account.

***All other liabilities***

All other financial liabilities are measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss account.

***Derecognition***

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss account. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss account.

If the Company repurchases a part of a financial liability, the Company allocates the previous carrying amount of the financial liability between the part that continues to be recognized and the part that is derecognized based on the relative fair values of those parts on the date of the repurchase. The difference between the carrying amount allocated to the part derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, for the part derecognized is recognized in profit or loss account.

4.14.3 Offsetting of financial assets and liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**4.15 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

**4.16 Foreign currency transactions and translation**

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Exchange gains and losses are charged / credited to the statement of profit or loss account.

**4.17 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to profit or loss account in the period in which they are incurred.

**4.18 Balances from Contract with Customers**

Contract costs

The Company capitalizes the incremental costs of obtaining and fulfilling a contract, if they are expected to be recovered. The capitalized cost is amortized over the average customer life and recognized as direct costs. Applying the practical expedient, the Company recognizes the incremental cost of obtaining and fulfilling a contract as expense when incurred if the amortization period of assets is less than one year.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. Contract assets are transferred to trade debts when the rights become unconditional.

*Trade receivables*

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer. Contract liabilities are recognized as revenue when the Company discharges its obligation under the contract.

**4.19 Revenue recognition**

Revenue is measured at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognized over the time and on a point of time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. Goods or services are transferred when the customer obtains control of the assets. Any bundled goods or services that are distinct are separately recognized, and any discounts or rebates on the contract price are generally allocated to the separate elements.

Revenue is recognized in accordance with the aforementioned principle in the following manner:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price of the contract
- Allocate the transaction price to each of the separate performance obligations in the contract
- Recognize the revenue when (or as) the entity satisfies a performance obligation

Nature and timing of satisfaction of performance obligations in respect of different sources of revenue is as follows:

Revenue from terminating minutes is recognized at the time the call is made over the network of the Company.

Capacity/media sold under IRU arrangement is recognized upfront if it is determined that the arrangement is a finance lease.

Revenue from granting of Indefeasible Right of Use (IRU) of dark fiber upto 20 years or more is recognized at the time of delivery and acceptance by the customer.

Subscription revenue from Cable TV, EVDO, internet over cable, cable connectivity and channels subscription fee is recognized on provision of services.

Connection and membership fee is recognized at the time of sale of connection.

Sale of goods is recognized on dispatch of goods to customer.

Advertisement income is recognized on the basis of spots run when commercials are aired on the network.

Interest income is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return i.e. using the effective interest method.

Revenue from metro fiber solutions/sale is recognized on delivery of goods / services.

Dividend income is recognized when the right to receive payment is established.

Revenue from technology services is recognized when the services are rendered and the related performance obligations are satisfied.

All other revenues are recorded on accrual basis.

**4.20 Dividend and other appropriations**

Dividend distribution to the Company's members and other appropriations are recognized as a liability in the Company's financial statements in the period in which these are approved.

**4.21 Fair value measurement**

The Company measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects the effect of non-performance risk. When applicable, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within different levels of the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

Fair value hierarchy categorizes into following three levels the inputs to valuation techniques used to measure fair value.

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Unobservable inputs for the asset or liability.

The fair value hierarchy prioritizes the inputs to valuation techniques, not the valuation techniques used to measure fair value.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management usually engages external valuers for valuation of plant and equipment, licenses and softwares. Selection criteria of such valuers comprise market knowledge, reputation, independence and whether professional standards are maintained.

When there is no quoted price in an active market, the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to the statement of profit or loss account on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

| | |
|---|---|
| Property, plant and equipment under revaluation model | Note 21.1.3 |
| Right of use assets | Note 22.2 |
| Intangible assets under revaluation model | Note 25.1 |
| Investment properties | Note 24 |
| Financial instruments (including those carried at amortized cost) | Note 48.4 |

### 4.22 Earnings per Share

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

### 4.23 Related parties

Related parties comprise the parent Company, associated companies / undertakings, directors of the Company and their close relatives and key management personnel of the Company. The Company carries out transactions with various related parties at mutually agreed prices. Amounts due from and due to related parties are shown under respective notes to these financial statements. Following are the key related parties of the Company:

| Name of Related party | Basis of Relationship | % of Holding in the Company |
|---|---|---|
| Forint Consulting - F.Z.C | Common directorship | 0.30% |
| Worldcall Services (Private) Limited | Parent company (note 4.23.1) | 17.50% |
| Route 1 Digital (Private) Limited | Wholly owned subsidiary | 0% |
| Worldcall Ride Hail (Private) Limited | Common directorship | 0% |
| GlobalTech World (Pvt) Ltd | Common directorship | 3.06% |
| Mr. Mehdi Al Abduwani | Director | 0.00040% |
| Mr. Muhammad Azhar Saeed | Director | 0.00001% |
| Mr. Muhammad Shoaib | Director | 0.00447% |
| Mr. Syed Salman Ali Shah | Director | 0.00019% |
| Mr. Babar Ali Syed | Director | 0.00001% |
| Mrs. Hina Babar | Director | 0.00002% |
| Mr. Mubashir Usman | Director | 0.00001% |
| Mr. Tariq Hasan | Director | 0.00001% |
| Mr. Abbas Raza | CFO | 0.00001% |

Forint Consulting is incorporated in United Arab Emirates. Basis for association of the Company with Forint is common directorship.

4.23.1 Worldcall Services (Private) Limited, through other associates namely Forint Consulting F.Z.C holds 17.55% (2024: 19.04%) ordinary shares in the Company.

**Note 5**
**Ordinary Share Capital**

| 2025 | 2024 | | | 2025 | 2024 |
|---|---|---|---|---|---|
| No. of Shares | | | Note | (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 |
| **209,905,788** | 209,905,788 | Ordinary shares of Rs. 10 each issued in accordance with the scheme of merger | | **2,099,058** | 2,099,058 |
| **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 |
| **4,121,717,873** | 4,121,717,873 | Ordinary shares of Rs. 10 each issued against convertible preference shares | | **41,217,173** | 41,217,173 |
| | | | | **49,822,889** | 49,822,889 |
| | | Less: Discount on issue of shares | 5.5 | **(35,698,755)** | (35,698,755) |
| **4,982,288,186** | 4,982,288,186 | | | **14,124,134** | 14,124,134 |

5.1 The terms of agreement between the Company and certain lenders impose certain restrictions on distribution of dividends by the Company.

5.2 Worldcall Services (Private) Limited, parent of the Company, holds 854,914,152 shares (2024: 854,914,152 shares) in the Company. Out of these shares, 46.7 million shares are pledged to secure TFC liability which will be released with quarterly scheduled principal repayments proportionately. Refer to note 16.

5.3 First Consulting F.Z.C., an associate of the company, holds 18,393,178 shares (2024: 103,893,500 shares) representing 0.38% (2024: 2.08%) shareholding in the company.

5.4 Globaltech World (Private) Limited , an associate of the company, holds 2,303,088 shares (2024: 2,303,088) in the Company.

5.5 Reconciliation of discount on issue of shares is as follows:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Opening balance | **35,698,755** | 35,698,755 |
| Add: Discount on issuance of ordinary shares during the period | - | - |
| Closing balance | **35,698,755** | 35,698,755 |

5.6 Reconciliation of ordinary share capital is as follows:

| | 2025 | 2024 |
|---|---|---|
| Opening balance | **49,822,889** | 49,822,889 |
| Add: Shares issued during the year | - | - |
| Closing balance | **49,822,889** | 49,822,889 |

5.7 All ordinary shares rank equally with regard to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting and other rights are in proportion to the shareholding.

5.8 Shareholders of the Company resolved in annual general meeting held on April 30, 2019 that the authorized capital of the Company be increased from Rs. 21 billion to Rs. 29 billion divided into 2.9 billion ordinary shares of Rs. 10 each which may be utilized to issue ordinary shares of Rs. 10 each and / or preference shares of Rs. 10 each of the Company as the Board of Directors of the Company may decide from time to time in accordance with the Companies Act, 2017. Regulatory requirements as to the alteration of Memorandum and Articles of Association and legal formalities have yet to be fulfilled.

5.9 During the previous years, due to conversion of preference shares the issued, subscribed and paid up share capital exceeds the authorized capital of the company, for which regulatory filing with SECP and legal formalities are required to be fulfilled and the management is committed to complete the same at earliest.

**Note 6**
**Preference Share Capital**

| | Note | 2025 | 2024 | 2025 | 2024 |
|---|---|---|---|---|---|
| | | No. of Shares | | (Rupees in '000) | |
| Opening balance | | **88,200** | 88,200 | **896,685** | 896,685 |
| Less: Preference shares converted into ordinary shares during the year | | - | - | - | - |
| | | **88,200** | 88,200 | **896,685** | 896,685 |

6.1 These preference shares are US Dollars denominated, 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 1st anniversary of the issue. Initially, CPS were to be mandatorily converted to ordinary shares upon culmination of 5th anniversary, later mandatory conversion date was extended till December 31, 2024. CPS shall be converted 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 CPS holders were entitled to non cash dividend calculated @ 5.5% per annum on each of the preference shares or the dividend declared by WTL for ordinary shareholders, whichever is higher till 5th anniversary.

6.4 Ferret Consulting F.Z.C., an associate of the company holds 78,265 preference shares (2024: 78,265) in the Company.

6.5 The preference shareholders in an Extraordinary General Meeting held on January 4, 2019 and ordinary shareholders in annual general meeting held on April 30, 2019 have given their assent for the conversion of preference shares at nominal value of Rs. 10 each and for amendments in the Memorandum and Articles of Association of the Company. Resultantly, preference shares along with dividend accrued thereon shall be converted on any date from the mandatory conversion date, at par value of Rs. 10 each. However, the shares for which notices have been received before mandatory conversion date would be converted on the terms prevalent on the date of notice.

**Note 7**
**Dividend on Preference Shares**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Dividends on preference shares | 7.1 | **335,525** | 335,525 |

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.

**Note 8**
**Capital Reserves**

| | 2025 | 2024 |
|---|---|---|
| Fair value reserve | 111,573 | 73,656 |
| Exchange translation reserve | 161,223 | 161,223 |
| | 272,796 | 234,879 |

These reserves are not distributable by the Company. Fair value reserve represents change in fair values of short term investments and exchange translation reserve represents translational exchange loss on preference shares and dividend.

**Note 9**
**Surplus on Revaluation of Fixed Assets**

| | 2025 | 2024 |
|---|---|---|
| Opening balance - net of tax | **3,237,182** | 1,696,366 |
| Surplus on revaluation arisen during the year | - | 2,405,027 |
| Related deferred taxation | - | (706,158) |
| | - | 1,698,869 |
| Adjustment of related deferred tax due to change in tax rate and proportion of normal sales | - | - |
| Transfer to retained earnings on retirement of tangible assets | - | - |
| Transfer to retained earnings in respect of net incremental depreciation / amortization net of deferred tax | **(201,886)** | (158,053) |
| Closing balance - net of tax | **3,035,296** | 3,237,182 |

9.1 This represents surplus, net of tax, over book value resulting from the revaluation of plant and equipment, building, right of use assets, licenses and softwares as adjusted by incremental depreciation / amortization arising on revaluation. Revaluation surplus cannot be distributed to shareholders as dividend.

9.2 Latest revaluation was carried out by an approved independent valuer, M/s Anjum Asim Shahid Rahman (?) on October 01, 2024 using current market price / replacement cost methods, wherever applicable. That had resulted in revaluation surplus of Rs. 2.405 billion. Incremental depreciation charged on revalued assets is taken to the statement of changes in equity to record realization of surplus to the extent of incremental depreciation. Incremental depreciation represents the difference between the actual depreciation / amortization on revalued assets based on revalued amounts and the equivalent depreciation / amortization based on the historical cost of those assets.

**Note 10**

**Term Finance Certificates**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 1,187,853 | 1,187,853 |
| Less: Payments made during the year | | (27,142) | - |
| | | 1,160,711 | 1,187,853 |
| Less: Current and overdue portion | | (1,160,711) | (1,020,744) |
| | | - | 167,109 |
| Add: Deferred markup | 10.1 | - | 85,185 |
| Less: Payment during the period/year | | - | - |
| | | - | 252,294 |

Term finance certificates (TFCs) have a face value of Rs. 5,000 per certificate. These TFCs carry mark up at the rate of six months average KIBOR plus 1.0% per annum (2024: six month average KIBOR plus 1.0% per annum), payable quarterly. The mark up rate charged during the period on the outstanding balance ranged from 12.07% to 17.45% (2024: 17.45% to 24.08%) per annum.

IGI Holding Limited (previously IGI Investment Bank Limited) is the Trustee (herein referred to as the 'Trustee') under the Trust Deed.

The liability of these TFCs has been rescheduled in December 2012 and then on April 03, 2015. During the year 2018, third rescheduling of these TFCs was successfully executed through signing of the Third Supplemental Trust Deed between the Trustee and the Company.

In accordance with the 3rd Supplemental Trust Deed executed during the year 2018, the outstanding principal is repayable by way of quarterly staggered installments with downward revision in markup of 0.60% i.e. revised markup of six months average KIBOR + 1%. The outstanding markup payable as at the date of restructuring and up to December 28, 2018 is agreed to be deferred and shall be paid from March 20, 2021 in quarterly installments. 50% of the markup accrued for the period between December 28, 2018 to December 20, 2020 shall be paid on regular quarterly basis commencing from March 28, 2019 and the remaining 50% shall be deferred and paid from March 20, 2021. Markup deferred has been measured at present value. Under the revised term sheet, these TFCs are due to mature on September 20, 2026.

The other main terms included appointment of one representative as a nominee director nominated by the Trustee which has been complied with. Further, 175 million sponsor's shares are pledged for investors which will be released with quarterly scheduled principal repayments proportionately starting from June 2019.

The Company has not paid due quarterly installments of June 2019 to December 2025 amounting Rs. 1,120 million against principal and Rs. 1,200 million against accrued mark up. In case of failure to make due payments by the Company, Trustee can instruct the security agent to enforce the letter of pledge and sell the quantum of the pledged shares to generate the amount required for the settlement of the outstanding redemption amount.

Due to non-payment of the outstanding installments under the TFC, the Trustee invoked the Letter of Pledge in 2021 and exercised its right to call 128.2 million pledged shares from the sponsors' account. Out of these pledged shares, 82.86 million shares were disposed of during 2021 and 2022, generating proceeds of Rs. 159.52 million. The proceeds were appropriated towards settlement of Rs. 99.70 million against the outstanding principal and Rs. 60.25 million against accrued markup during the said period. Subsequently, in October 2025, Pak Oman Investment Company Limited, acting as the Security agent, further disposed of approximately 22.8 million shares out of the 128.2 million shares called in 2021, generating proceeds of approximately Rs. 50.79 million. The said proceeds were appropriated during the year towards settlement of Rs. 27.14 million against the outstanding principal and Rs. 23.64 million against accrued markup.

These TFCs are secured against first pari passu charge over the Company's present and future fixed assets including equipment, plant and machinery, fixtures 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.

**10.1 Deferred markup**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Deferred markup | 10.1.1 | 662,591 | 686,239 |
| Adjustment due to impact of IFRS 9 | 10.1.2 | - | (18,264) |
| | | 662,591 | 667,975 |
| Payment/Adjustment | | - | - |
| Less: Current and overdue portion | | (662,591) | (582,790) |
| | | - | 85,185 |

| | 2025 | 2024 |
|---|---|---|
| **10.1.1** Reconciliation of deferred markup is as follows: | | |
| Opening balance | 686,239 | 686,239 |
| Add: Markup deferred during the period/year | - | - |
| Payment/Adjustment | (23,648) | - |
| | 662,591 | 686,239 |
| **10.1.2** Reconciliation is as follows: | | |
| Opening balance | 18,264 | 47,258 |
| Add: Discounting impact of deferred markup | - | - |
| | 18,264 | 47,258 |
| Less: Unwinding impact of discounted deferred markup | (18,264) | (28,994) |
| | - | 18,264 |

**Note 11**
**Long Term Financing**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **From Banking Companies (secured)** | | | |
| Allied Bank Limited | 11.1 | - | - |
| Bank Islami Pakistan Limited | 11.2 | 27,776 | 50,796 |
| Askari Bank Limited | 11.3 | 147,182 | 271,132 |
| Standard Chartered Bank Limited | 11.4 | - | - |
| | | 174,958 | 321,928 |

| | Note | 2025 | 2024 |
|---|---|---|---|
| **11.1 Allied Bank Limited** | | | |
| Opening balance | | 22,160 | 32,217 |
| Repayments | | - | (10,057) |
| | | 22,160 | 22,160 |
| Less: Current and overdue portion | | (22,160) | (22,160) |
| | | - | |
| Add: Deferred markup | 11.1.1 | - | |
| Less: Discounting of deferred markup | 11.1.2 | - | |
| | | - | |
| | | - | |

| | 2025 | 2024 |
|---|---|---|
| **11.1.1** Reconciliation of deferred markup is as follows: | | |
| Opening balance | 52,073 | 52,073 |
| Add: Markup deferred during the year | - | |
| | 52,073 | 52,073 |
| Less: Current and overdue portion | (52,073) | (52,073) |
| | - | |
| **11.1.2** Reconciliation is as follows: | | |
| Opening balance | - | 4,776 |
| Add: Discounting impact of deferred markup | - | |
| | - | 4,776 |
| Less: Unwinding impact of discounted deferred markup | - | (4,776) |
| | - | |

This represents balance transferred as a result of restructuring of short term running finance (RF) facility to Term Loan Facility and subsequently amended on 8th October 2020 and 30th September 2021. Principal will be repaid in 37 stepped up monthly installments starting from August 2021 till August 2026. Markup will be accrued and will be serviced in 12 equal monthly installments, starting from September 2024. Effective markup rate applicable will be 3 Month KIBOR + 85 bps. The mark up is charged during the period on the outstanding balance at 11.82% to 12.99% (2024: 18.98% to 22.31%) per annum. The facility is secured against 1st joint pari passu charge on present and future current and fixed assets excluding building of the Company for Rs. 534 million and right to set off on collection account. The Company is in negotiations with Bank for restructuring.

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **11.2 Bank Islami Pakistan Limited** | | | |
| Opening balance | | 14,537 | 39,182 |
| Repayments/ Adjustments | | (5) | (24,645) |
| | | 14,532 | 14,537 |
| Less: Current and overdue portion | | (10,467) | (10,472) |
| | | 4,065 | 4,065 |
| Add: Deferred markup | 11.2.1 | 27,838 | 54,052 |
| Less: Discounting of deferred markup | 11.2.2 | (4,126) | (7,321) |
| | | 23,712 | 46,731 |
| | | 27,776 | 50,796 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| **11.2** | **Bank Islami Pakistan Limited** | | | |
| 11.2.1 | Reconciliation of deferred markup is as follows: | | | |
| | Opening balance | | 56,861 | 62,571 |
| | Add: Deferred markup during the year | | 1,692 | 5,409 |
| | Repayments | | - | (11,119) |
| | | | 58,553 | 56,861 |
| | Less: Current and overdue portion | | (30,715) | (2,259) |
| | | | 27,838 | 54,602 |
| 11.2.2 | Reconciliation is as follows: | | | |
| | Opening balance | | 7,921 | 12,575 |
| | Add: Discounting impact of deferred markup | | 108 | 718 |
| | | | 8,029 | 13,293 |
| | Less: Unwinding impact of discounted deferred markup | | (3,903) | (5,372) |
| | | | 4,126 | 7,921 |

This represents balance transferred as a result of restructuring of short term running finance (RF) facility to Term Loan Facility as on 12th Feb 2021. Principal repayable in 29 installments started from Feb 2022 till May 2024. Markup to be accrued and will be serviced in 24 monthly installments, starting from June 01, 2024. Effective markup rate applicable will be 6 Month KIBOR (Floor 7.5% and capping 17%). The mark up charged during the period on the outstanding balance at 11.03% to 11.87% (2024: 17%). The facility is secured against 1st joint pari passu charge on present and future current and fixed assets excluding land & building & Nonconstructionable of LDI & WLL of the Company for Rs. 880 million with 25% margin; pledge of various listed securities of the Company having carrying value Rs. 30.102 million and along with Mortgage over the Company's Offices at Ali Tower MM Alam Road Lahore and at The Plaza Shopping Mall Kehkashan Karachi.

Subsequently in June 2025 Bank approved Company's restructuring request as a result of which overall repayment tenure was extended by 01 year and 06 months i.e. principal repayment will end in November 2025 instead of May 2024 and Markup repayment will end in November 2027 instead of May 2026.In the same year, period for repayment of principal to the tune of Rs 4.065 million and deferred markup was further extended till 1st Nov 2027.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| **11.3** | **Askari Bank Limited** | | | |
| | Opening balance | | 214,547 | 256,547 |
| | Repayments | | (44,000) | (42,000) |
| | | | 170,547 | 214,547 |
| | Less: Current and overdue portion | | (90,000) | (68,547) |
| | | | 80,547 | 146,000 |
| | Add: Deferred markup | 11.3.1 | 78,375 | 147,728 |
| | Less: Discounting of deferred markup | 11.3.2 | (11,740) | (22,596) |
| | | | 66,635 | 125,132 |
| | | | 147,182 | 271,132 |
| 11.3.1 | Reconciliation of deferred markup is as follows: | | | |
| | Opening balance | | 160,108 | 116,569 |
| | Add: Deferred markup during the year | | 19,751 | 43,539 |
| | | | 179,859 | 160,108 |
| | Less: Current and overdue portion | | (101,484) | (12,380) |
| | | | 78,375 | 147,728 |
| 11.3.2 | Reconciliation is as follows: | | | |
| | Opening balance | | 22,596 | 20,499 |
| | Add: Discounting impact of deferred markup | | 1,289 | 6,145 |
| | | | 23,885 | 26,644 |
| | Less: Unwinding impact of discounted deferred markup | | (12,145) | (4,048) |
| | | | 11,740 | 22,596 |

This represents balance transferred as a result of settlement agreement from short term running finance (RF) facility to Term Loan Facility as on November 02, 2022. Principal will be repaid in 48 installments starting from Nov 2022 till Oct 2026. Markup outstanding after effective discounts / waivers as per settlement agreement and markup to be accrued will be serviced in 36 monthly installments, starting from November 2024. Effective markup rate applicable will be 1MK - 2% (Floor 10%). The mark up charged during the period on the outstanding balance ranged from 10% to 11.35% (2024: 12.33% to 20.34%). The facility is secured against 1st joint pari passu charge on present and future current and fixed assets (excluding land & building & licences) of the Company with Margin 25%, collection account with AKBL for routing of LDI receivables along with additional mortgage on Properties situated in Sindh.

Subsequently in April 2024 Bank approved Company's request for restructuring of installments as a result of which total repayment tenure of the facility remains unchanged. Principal settlement tenure extended by 01 Year till Oct 2027. Further, Markup will be paid in last 2 years (24 installments) starting from Nov 2025 and ending in Oct 2027.

The Company used post tax weighted average borrowing rate for amortization of deferred markups.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| 11.4 | **Standard Chartered Bank Limited** | | | |
| | Opening balance | | 11,584 | 25,884 |
| | Repayments | | (11,584) | (14,300) |
| | | | - | 11,584 |
| | Less: Current and overdue portion | | - | (11,584) |
| | | | - | - |
| | Add: Deferred markup | 11.4.1 | - | - |
| | Less: Discounting of deferred markup | 11.4.2 | - | - |
| | | | - | - |
| | | | - | - |
| 11.4.1 | Reconciliation of deferred markup is as follows: | | | |
| | Opening balance | | 6,498 | 5,644 |
| | Add: Deferred markup during the period/year | | - | 854 |
| | Less: Payment /Waiver | | (6,498) | |
| | Less: Current and overdue portion | | - | (6,498) |
| | | | - | - |
| 11.4.2 | Reconciliation is as follows: | | | |
| | Opening balance | | - | 738 |
| | Add: Discounting impact of deferred markup | | - | - |
| | | | - | 738 |
| | Less: Unwinding impact of discounted deferred markup | | - | (738) |
| | | | - | - |

This represents balance transferred from short term borrowings as a result of settlement agreement from short term running finance (RF) facility to Term Loan Facility as on August 09, 2023. Principal will be repaid in stepped up 23 installments starting from Aug 2023 till June 2025. Markup outstanding after effective discounts / waivers as per settlement agreement and markup to be accrued will be serviced in 6 monthly installments, starting from Jan 2025. Effective markup rate applicable will be at Cost of Funds (subject to change on yearly basis as advised by State Bank of Pakistan). The markup is charged during the period on the outstanding balance @ 4.25%. The facility was secured against 1st joint pari passu charge on present and future current and fixed assets (excluding land & building & licenses) of the Company for Rs. 376 million.

During the current year, the loan amount was fully settled off along with applicable markup, resulting in full and final settlement of the facility. Accrued markup amounting to Rs. 6.6 million was settled against payment of markup of Rs. 0.5 million, while the remaining markup amounting to Rs. 6.1 million was waived off by the bank as reflected in other income (Note: 41 ).

**Note12**
**Sponsor's Loan**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **Sponsor's Loan - unsecured** | | | |
| **Worldcall Services (pvt.) Ltd.** | | | |
| Interest bearing | 12.1 | 841,650 | 838,550 |
| Non interest bearing | 12.2 | 1,690,715 | 1,653,298 |
| | | 2,532,365 | 2,491,848 |
| **GlobalTech Corporation** | | | |
| Interest bearing | 12.3 | 322,533 | - |
| | | 2,854,898 | 2,491,848 |

| | | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| 12.1 | Opening balance | 836,550 | 847,200 |
| | Exchange (gain) / loss | 5,106 | (10,650) |
| | | 841,656 | 836,550 |

This represents USD denominated loan to the tune of USD 3.00 million (2024: USD 3.00 million) obtained from Worldcall Services (Private) Limited, the Parent Company. It carries mark up at 12 months KIBOR plus 1%. The mark up rate charged during the period on the outstanding balance is 13.43% (2024: 22.7%) per annum. The amount is not payable before December 31, 2026.

12.2 This represents interest free loan obtained from Worldcall Services (Private) Limited, the Parent Company. The amount is not payable before December 31, 2026.

This loan has been carried at amortized cost and the relevant difference is being charged to the statement of profit or loss account.

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 1,878,992 | 1,843,580 |
| Net receipts during the year | 37,435 | 35,412 |
| Amount of loan | 1,916,427 | 1,878,992 |
| Adjustment due to impact of IFRS 9 | | |
| Discounting | (225,711) | (223,694) |
| | (225,711) | (223,694) |
| | 1,690,716 | 1,655,298 |

| | | 2025 | 2024 |
|---|---|---|---|
| 12.3 | Opening balance | - | |
| | Net receipts during the year | 332,751 | |
| | Exchange (gain) / loss | (119) | |
| | Amount of loan | 332,632 | |

This represents unsecured USD denominated loan obtained from GlobalTech Corporation, the ultimate Holding Company. It carries mark up at LIBOR plus 1.5% per annum payable half yearly/yearly or at the option of the lender. Tenure of loan is five years from the date of agreement i.e August 01, 2025 with maximum funding limit of USD 2 million. After the repayment date, lender has option to convert any amount of unpaid principal or any unpaid markup accrued thereon into ordinary shares at mutually agreed valuation/formula.

Note 13

**License Fee Payable**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 45,513 | 45,513 |
| Settled against refinement of WLL License | | - | |
| | 13.1 | 45,513 | 45,513 |

13.1 This represents balance amount of license fee payable to Pakistan Telecommunication Authority (PTA) for WLL licenses. The Company had filed an application with PTA for grant of moratorium over payment of balance amount of WLL license. However, PTA rejected the Company's application and demanded its payment. Being aggrieved by this, the Company filed an appeal before Islamabad High Court ("IHC") against PTA's order. Meanwhile, the Ministry of Information Technology ("Ministry") through its letter dated August 30, 2011, allowed to the operators, the staggering for settlement of Access Promotion Contribution ("APC") and Initial Spectrum Fee ("ISF") dues and required PTA to submit an installment plan for this purpose after consultations with the operators. In respect of an appeal filed by the Company, IHC took notice of the Ministry's letter and directed PTA through its order dated January 20, 2015, to expeditiously proceed with the preparation and submission of the said instalment plan. As of the date, no such instalment plan has been submitted by PTA.

PTA has withdrawn the frequencies 3.5 GHz, 479 MHz, 450 Mhz and 1900 Mhz. PTA in haste and unilaterally has withdrawn 3.5 GHz and 479 MHz frequencies which have already been paid in full till 2024. Through said decision PTA has also withdrawn 1900 Mhz frequency spectrum which was already withdrawn by PTA/FAB in 2015 (11th year) until which the spectrum is fully paid on the basis of actual period of usage by the Company. The WLL License provides for such eventuality that when frequency spectrum is withdrawn, the licensee is to be compensated for the balance life of the frequency spectrum, therefore, after withdrawal of spectrum, there is no outstanding amount to be paid related to 1900 Mhz frequency spectrum.

As a consequence of above, the outstanding liability for 1900 Mhz is reduced to zero on the basis that 1900 Mhz frequency has been fully paid for until 2015 (11th year). Similarly, liability for 450Mhz frequency spectrum be reduced on prorata after withdrawal. Owing to these circumstances, the management does not expect the liability to materialize fully in the near future for detail refer note 20.2.7.

Note 14
**Post Employment Benefits**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Obligations for defined benefit scheme - gratuity | 14.1.1 | **188,461** | 178,726 |
| Accumulating compensated absences | 14.2.1 | **9,152** | 9,801 |
| | | **197,613** | 188,527 |

**14.1 Obligations for defined benefit scheme - gratuity**

Latest actuarial valuation of the gratuity scheme was conducted by independent valuer by M/S Nouman Associates as on December 31, 2025 using the following assumptions. Results of actuarial valuation are as under:

| | 2025 | 2024 |
|---|---|---|
| Discount rate for interest cost - per annum | **12.25%** | 15.50% |
| Discount rate for year end obligations - per annum | **11.90%** | 12.25% |
| Expected rate of increase in salary level - per annum | **10.00%** | 11.25% |
| Weighted average duration of defined benefit obligation | **7 years** | 9 years |
| Expected mortality rate for active employees | SLIC (2001-2005) Setback 1 year | |
| Actuarial cost method | Projected Unit Credit Method | |

**14.1.1 Movement in net liability for defined benefit scheme obligation**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | **178,726** | 194,285 |
| Charge for the year - Statement of Profit or Loss Account | 14.1.2 | **38,741** | 43,629 |
| Net remeasurements for the year - Other comprehensive income | | **(13,380)** | (20,191) |
| Transferred to trade and other payables | | **(5,834)** | (38,947) |
| Payments made during the year | | **(9,792)** | (50) |
| Closing balance | | **188,461** | 178,726 |

**14.1.2 Charge for the year**

The amounts recognized in the Statement of Profit or Loss Account against defined benefit scheme are as follows:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Current service cost | **17,884** | 21,402 |
| Interest cost | **20,856** | 22,227 |
| Gains and losses arising on plan settlements | - | - |
| | **38,741** | 43,629 |

**14.1.3** The Company does not maintain any plan assets covering its post employment benefits payable. The comparative statement of present value of defined benefit obligations is as under:

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| | (Rupees in '000) | | | | |
| Present value of defined benefit obligation | 188,461 | 178,726 | 194,285 | 190,250 | 183,306 |
| Fair value of plan asset | - | - | - | - | - |
| Net deficit | **188,461** | **178,726** | **194,285** | **190,250** | **183,306** |

**14.1.4 Estimated charge for the year 2026**

| | Rupees in '000 |
|---|---|
| Current service cost | 15,688 |
| Interest cost | 19,566 |
| | 35,254 |

### 14.1.5 Year end sensitivity analysis on defined benefits obligations

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

| | 2025 |
|---|---|
| | Rupees in '000 |
| Discount rate + 100 bps | (176,828) |
| Discount rate - 100 bps | 201,826 |
| Salary increase + 100 bps | (201,258) |
| Salary increase - 100 bps | 176,220 |

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

### 14.1.6 Allocation of charge for the year

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Direct costs excluding depreciation and amortization | 39 | **16,271** | 21,929 |
| Operating costs | 40 | **22,470** | 26,700 |
| | | **38,741** | 48,629 |

### 14.2 Accumulating compensated absences

Latest actuarial valuation of the leave encashment scheme was conducted by independent valuer M/S Nauman Associates as on December 31, 2025 using the following assumptions:

| | 2025 | 2024 |
|---|---|---|
| Discount rate for interest cost - per annum | **12.25%** | 15.50% |
| Discount rate for year end obligations - per annum | **11.00%** | 12.25% |
| Expected rate of increase in salary level - per annum | **10.00%** | 11.25% |
| Expected mortality rate for active employees | SLIC (2001-2005) Mortality Table | |
| Actuarial cost method | Projected Unit Credit Method | |

Results of actuarial valuation are as under:

### 14.2.1 Movement in net liability for accumulating compensated absences

| | Note | 2025 | 2024 |
|---|---|---|---|
| Opening balance | | **9,801** | 10,147 |
| Charge for the year - Statement of Profit or Loss Account | 14.2.2 | **1,317** | 1,885 |
| Transferred to trade and other payables | | **(1,304)** | (1,568) |
| Payments made during the year | | **(662)** | (663) |
| Closing balance | | **9,152** | 9,801 |

### 14.2.2 Charge for the year

The amounts recognised in the Statement of Profit or Loss Account against defined benefit scheme are as follows:

| | 2025 | 2024 |
|---|---|---|
| Current service cost | 154 | 773 |
| Interest cost for the year | 1,163 | 1,112 |
| | 1,317 | 1,885 |

**14.2.3** The Company does not maintain any plan assets covering its post-employment benefits payable. The comparative statement of present value of accumulated compensated absences is as under:

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| | | | (Rupees in '000) | | |
| Present value of defined benefit obligation | 9,152 | 9,801 | 10,147 | 9,780 | 10,450 |
| Fair value of plan asset | - | - | - | - | - |
| Net deficit | **9,152** | **9,801** | **10,147** | **9,780** | **10,450** |

**14.2.4 Estimated charge for the year 2026**

| | Rupees in '000' |
|---|---|
| Current service cost | 20 |
| Interest cost | 1,007 |
| | 1,027 |

**14.2.5 Year end sensitivity analysis on defined benefit obligation**

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

| | 2025 |
|---|---|
| | Rupees in '000' |
| Discount rate + 100 bps | (8,662) |
| Discount rate - 100 bps | 9,795 |
| Salary increase + 100 bps | (8,753) |
| Salary increase - 100 bps | 8,853 |

**14.2.6 Allocation of charge for the year**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Direct costs excluding depreciation and amortization | 39 | 553 | 124 |
| Operating costs | 40 | 764 | 1,441 |
| | | 1,317 | 1,565 |

**14.3 Risk associated with defined benefit plans**

These defined benefit plans expose the Company to actuarial risks, such as final salary risk, mortality risk and withdrawal risk.

**Note 15**
**Lease Liabilities**

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Opening balance | 235,408 | 205,465 |
| Add: Interest expense | 22,256 | 28,503 |
| Less: Termination of lease agreement | (40,787) | (5,432) |
| Less: Lease payments | (35,136) | (38,488) |
| Gross liability | 181,741 | 235,408 |
| Less: Current and overdue portion | (48,526) | (58,329) |
| Closing balance | 133,215 | 177,079 |

15.1 Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

| | Included in | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| Carrying amount of ROU assets | SOFP | 23 | 3,217,213 | 3,412,141 |
| Depreciation charge for ROU assets | Depreciation and | 43 | 186,370 | 227,247 |
| Gain on lease termination | Other income | 41 | 32,230 | 541 |
| Interest expense on lease liabilities | Finance cost | 44 | 22,256 | 28,503 |
| Repayment of lease liability | Financing Activities | Statement of Cash | 35,136 | 38,433 |

**15.2 Maturity analysis of contractually undiscounted cash flows**

| At December 31, 2025 | Within One Year | Between Two to Five Years | Later than Five Years |
|---|---|---|---|
| | (Rupees in '000) | | |
| | 48,526 | 125,213 | 8,000 |

**15.3 Nature of leasing activities**

The Company's leases comprise certain premises for installation of equipment and used as warehouse, guest house and office operations. Periodic rentals are usually fixed over the lease term. However, in some contracts, it is customary for lease contracts to provide escalation in lease payments after specified period of time. These neither contain any variable lease payments nor any lease incentives. The Company is not committed to any lease not yet commenced at the reporting date.

Remaining lease term of existing lease contracts for which lease liability is booked ranges from 3 to 5 years.

**Note 16**
**Trade and Other Payables**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Trade creditors | 16.1 | 3,081,886 | 3,055,675 |
| Accrued and other liabilities | 16.2 | 1,177,086 | 1,297,846 |
| Payable to PTA against APC charges | | 1,766,088 | 1,766,088 |
| Payable against long term investment | | 44,000 | 44,000 |
| Contract liabilities | 16.3 | 1,009,844 | 1,009,140 |
| Withholding tax | | 55,211 | 58,635 |
| Sales tax | | 48,557 | 84,923 |
| Security deposits | 16.4 | 35,136 | 35,136 |
| | | 7,438,652 | 7,305,354 |

16.1 This includes payable to PTA amounting to Rs. 634.483 million (2024: Rs. 592.78 million). Out of this, Rs. 526.73 million (2024: Rs. 526.73 million) represents payable regarding Annual Radio Spectrum Fee in respect of WLL licenses. PTA has issued multiple determinations that have been challenged and contested by the Company on legal grounds as well as on account of preoccupation of frequency / spectrums and losses suffered by the Company due to such preoccupancy for which the Company has demanded due compensation from PTA. In all these matters, the Company has filed appeals against PTA's determinations before the Honourable Lahore High Court and the Honourable Islamabad High Court and stay orders were obtained against the recovery. This matter has been decided in favour of the Company, however, PTA has gone into appeal before the Honourable Supreme Court of Pakistan.

16.2 This includes payable to key management personnel amounting to Rs. 103.086 million (2024: Rs. 103.809 million).

16.3 Revenue recognized in the reporting period that was included in the contract liabilities balance amounts to Rs. Nil (2024: Nil).

16.4 These represent security deposits received from customers. These are interest free and refundable on termination of relationship with the Company. The relationship of these customers with the Company has ended and these deposits are now payable on demand. These have been utilized by the Company before promulgation of Companies Act, 2017.

**Note 17**
**Accrued Mark up**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Long term financing | | 7,888 | 5,133 |
| Term finance certificates | | 1,073,750 | 910,871 |
| Sponsor's loan | 17.1 | 574,262 | 708,213 |
| | | 1,655,911 | 1,624,217 |

17.1 The reconciliation is as follows:

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 708,213 | 427,108 |
| Add: Mark up accrued during the year | (24,599) | 286,370 |
| | 683,614 | 713,528 |
| Less: Paid / adjusted during the year | (115,686) | - |
| Add: Exchange (gain)/loss | 6,336 | (5,315) |
| | 574,262 | 708,213 |

**Note 18**
**Current and Overdue Portion of Non-Current Liabilities**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Term finance certificates | 10 | 1,160,713 | 1,026,744 |
| Mark up payable on term finance certificate | 10.1 | 582,591 | 582,320 |
| Long term financing | 11 | 386,300 | 185,383 |
| Lease liabilities | 16 | 49,525 | 56,909 |
| | | 2,178,729 | 1,847,256 |

**Note 19**
**Short Term Borrowings**

**Related parties (unsecured - interest free):**

| | Note | 2025 | 2024 |
|---|---|---|---|
| - Fornit Consulting F.Z.C. | 19.1 | 32,745 | 108,805 |
| | | 32,745 | 108,805 |

19.1 This represents interest free USD denominated loan received from M/s Fornit Consulting - F.Z.C to meet working capital requirements. In the absence of written agreement, the amount is repayable on demand.

**Note 20**
**Contingencies and Commitments**

**Contingencies and commitments**

**Contingencies**

**20.1 Billing disputes with PTCL**

20.1.1 There is a dispute of Rs. 72.84 million (2024: Rs. 72.84 million) with Pakistan Telecommunication Limited (PTCL) in respect of non revenue time of prepaid calling cards and Rs. 46.92 million (2024: Rs. 46.92 million) in respect of excess minutes billed on account of interconnect and settlement charges. Similarly, PTCL has charged the Company excess Domestic Private Lease Circuits ("DPLC") and other media charges amounting to Rs. 334.08 million (2024: Rs. 334.08 million) on account of difference in rates, distances and date of activations. The management has taken up these issues with PTCL and considers that these would most likely be decided in Company's favour as there are reasonable grounds to defend the Company's stance. Hence, no provision has been made in these financial statements for the above amounts.

**20.2 Disputes with PTA**

20.2.1 The Company has filed a suit before Civil Court, Lahore on December 15, 2016 in which it has sought restraining order against PTA demands of regulatory and other dues and claimed set off from damages / compensation claim of the Company on account of auction of preoccupied frequency spectrum. The Company has raised a claim of approximately Rs. 5.5 billion against PTA. The matter is pending adjudication at appellate stage as civil court had dismissed the suit on technical grounds instead of merits. As per management it is difficult to predict the outcome of the case at this stage.

During the ICH regime, PTA accumulated and charged excess APC for USF contributions amounting to USD 1,299,823 from WTL (for the period from 25.10.2012 to 21.02.2013) and USD 1,011,485 (from 02.07.2014 to 24.02.2015), in contravention of the prescribed APC and ASR. WTL has assailed this act of PTA before the Islamabad High Court to seek direction of the court for the return or adjustment of aforementioned amounts.

20.2.2 During the year 2016, PTA again demanded immediate payment of the principal amount of APC amounting to Rs. 1.768 billion along with default surcharge thereon amounting to Rs. 1.454 billion as of July 31, 2016 vide its notice dated December 1, 2016. Through the aforesaid show cause notice, PTA has also shown intentions to impose penal provisions to levy fine up to Rs. 350 million or to suspend or terminate the LDI license by issuance of an enforcement order against the Company. The Company has challenged the show cause notice before the Sindh High Court on December 13, 2016 wherein the Court has passed orders restraining PTA from cancelling the license of the Company and from taking any coercive action against it. The matter is at the stage of hearing of applications. Based on the advice of the legal counsel, the Company's management feels that there are strong grounds to defend the Company's stance and the liability will not materialize, hence, no provision has been made in these financial statements for the amounts of default surcharge and fine.Court had remanded the matter to the PTA for decision afresh, which PTA again decided against the company. Company has assailed the PTA determination before Sindh High Court, wherein Court has restrained PTA from taking any coercive measures against the company for recovery of impugned dues. The matter is still pending adjudication. Moreover, PTA has linked the renewal of LDI license with payment of the aforementioned impugned dues, against which company has filed another petition before the High Court of Sindh, whereby Hon'ble Court has restrained the PTA from interrupting or suspending company's operation. This matter is also pending adjudication before the Court.

20.2.3 PTA has raised demand amounting to Rs. 20.77 million on account of using extra Radio Spectrum not assigned to the Company. The Company challenged this amount on July 3, 2012 before Islamabad High Court which has allowed appeal of the Company. PTA went into appeal before the Honourable Supreme Court of Pakistan in March 2017 which got dismissed. Now, PTA has filed review application which is still pending. The management is hopeful that its viewpoint shall be upheld; thus no provision has been incorporated in these financial statements against this demand.

20.2.4 PTA has decided against the Company in the matter annual radio frequency spectrum fee for the year ended 2011, 2012, 2013, 2014 and 2015 along with late payment charges. The Company has filed appeals against these orders before the Honourable Islamabad High Court which are pending adjudication. The management is hopeful that its viewpoint shall be upheld; thus no provision has been incorporated in these financial statements for late payment charges. Moreover, the Company is confident that incidental liability, if any, will be set off by way of a claim filed against PTA as stated in Note 20.2.1.

20.2.5 The Company has filed a suit before the High Court of Sindh on July 2, 2011 for declaration, injunction and recovery of Rs. 4.944 billion against PTA praying, inter alia, for direction to PTA to determine the Access Promotion Contribution for Fixed Line Local Loop (APCL contribution) and Access Promotion Cost (APC) for Universal Service Fund (USF) strictly in accordance with the formula as per Rule 8(2) and (4) of 2004 Rules and Regulation 7 of 2005 Regulations; restraining PTA from taking coercive actions against the Company to recover the amounts of APCL and APC for USF and direction to PTA to submit accounts and information to the Honourable High Court with regard to collection and, utilisation and application of APCL and APC for USF contributions. During the pendency of proceedings, the Court granted interim injunction to the Company and restrained PTA from taking any coercive action against the Company. The Suit has been disposed of by the Court for want of jurisdiction. The company is in the process of challenging the said Order. No adverse monetary impact is involved in this matter.

**20.2.6** PTA has raised demand amounting to Rs. 16.07 million on account of WLL registration and microwave charges for the year 2007 till 2014. The Company challenged this amount in November 2019 before Lahore High Court which was pending adjudication. The grounds of these appeal were that these charges are ultra vires to the act and license. Therefore PTA had ordered for further proceeding and the appeal was withdrawn accordingly.

**20.2.7** PTA has filed recovery proceedings against the Company before the District Collector / District Officer Revenue, Lahore for an amount of Rs. 2.848 billion including late payment charges on November 4, 2016 due to non payment of initial spectrum fee (ISF). The Company has not received any notice from the Revenue department. During the year PTA again issued the notice against non payment of ISF and increased the claim by Rs. 1.036 billion.

PTA has withdrawn the frequencies 3.5 GHz, 479 Mhz, 450 Mhz and 1900 Mhz. As per management the ISF for 3.5 Ghz and 479 Mhz is already fully paid till 2024. The outstanding liability for 1900 Mhz is reduced to zero on the basis that 1900 Mhz frequency has been fully paid for until 2015 (actual withdrawal year). Similarly, liability for 450Mhz frequency spectrum be reduced on prorata after withdrawal. Corresponding assets has also been retired. For detail refer note 13.

The Company has filed an appeal with Islamabad High Court on January 12, 2021 against said decision of PTA on similar lines as explained above and the Company's management and legal advisor feels that there are strong grounds to defend the Company's stance and that the principal amount and late payment charges determined unilaterally by PTA will not materialize, hence, no provision has been made in these financial statements.

**20.2.8** PTA has demanded amounts of annual license fee (ALF) relating to Non Voice Communication Network Services (NVCNS) through various demand notices. PTA has filed recovery proceedings against the Company before the District Collector / Deputy Commissioner, Lahore for an amount of Rs. 62.607 million on February 7, 2020 due to non-payment of annual license fee (ALF) relating to Non Voice Communication Network Services (NVCNS). This includes principal portion of Rs. 31.146 million already recognized in the financial statements and late payment charges amounting to Rs. 31.461 million. The Company has not received any notice from the Revenue department. The Company's management and legal advisor feels that there are strong grounds to defend the Company's stance and that the late payment charges determined unilaterally by PTA will not materialize, hence, no provision has been made in these financial statements.

**20.2.9** PTA had demanded an amount of Rs. 350 million in respect of fine and loss of Rs. 631.88 million on account of international telephony traffic. The case was decided by Islamabad High Court in favour of the Company, however, PTA went into appeal before the honourable Supreme Court of Pakistan. The honourable Supreme Court dismissed the appeal of PTA. PTA has now filed review petition No. 198 of 2019 before the Supreme Court of Pakistan on November 23, 2019 which is pending adjudication. The Company has not received any notice in this regard. The Company's management feels that there are strong grounds to defend the Company's stance, hence, no provision has been made in these financial statements.

**20.2.10** PTA has issued show cause notice to the Company with the direction to pay annual regulatory dues for the years ended 2011, 2012, 2013 and 2014 cumulative amount of Rs. 119.85 Million along with late payment charges. The Company has filed the appeals against said notices with PTA which dismissed on December 04, 2020. The Company therefore filed the appeal in Sindh High Court on December 31, 2020 to set aside the order passed by PTA. The Court directed PTA not to take any coercive action against the Company. The management is hopeful that its viewpoint shall be upheld, thus no provision has been incorporated in these financial statements against this demand.

Additionally PTA has determined an amount of Rs.253,545,446/- against the company on account of annual regulatory dues for the years ended 2019, 2020, 2021, 2022, 2023, 2024 and late payment fee for the year ended 2008-09. Company has assailed the PTA determinations before High Courts. The Hon'ble court while admitting the petitions for regular hearings, restrained the PTA from taking coercive measures against the company for recovery the impugned dues.

In another matter related to renewal of FLL Licenses for Karachi and Lahore region, PTA determined that the FLL licenses of Company are renewed subject to payment of the outstanding dues of Rs. 4.1 billion as ARDs and USD 21.6 million on account of annual radio spectrum fee payable under WLL license. being aggrieved by this order, company has filed writ petition before the Islamabad High Court, whereby Hon'ble Court has restrained the PTA from taking any coercive measures against the Company and suspended operations of the impugned order.

20.2.11 PTA determined the demand amounting to Rs. 223.34 million , on account of annual spectrum fee and other regulatory charges, vide its determination dated February 22, 2010. Being aggrieved, the Company's management preferred an appeal before the Honourable Lahore High Court ("LHC") on March 20, 2010 against the PTA's determination. LHC granted stay against the recovery subject to payment of Rs. 40 million which was complied by the Company. Based on the advice of the Company's legal counsel, the Company's management feels that there are strong grounds to defend the Company's position and the ultimate decision would be in the Company's favour. Court has referred to the matter to the Telecommunication Appellate Tribunal to decide the matter after hearing the parties.

20.2.12 Other than the amounts recognized in the financial statements and amounts disclosed in the above contingencies, PTA has also demanded amounts of PKR 1.534 billion on account of various charges, default surcharges / penalties / fines. Since the principal amount is disputed, the Company's management feels that there are strong grounds to defend the Company's stance and that the liability determined unilaterally by PTA will not materialize, hence, no provision has been made in these financial statements.

**20.3 Taxation issues**

20.3.1 Through amendment order passed under section 122(5A) of the Ordinance, the Company's return of total income for Tax Year 2006 was amended and declared losses were curtailed by an amount of Rs. 780.46 million. The Company's appeal filed on September 18, 2007 was not entertained by CIR(A) and the amendment order was upheld whereupon the matter was further agitated before ATIR on July 8, 2008, which is pending adjudication. The Company's management expects relief from ATIR in respect of issues involved in the relevant appeal there being valid precedents available on record supporting the Company's stance. Accordingly, no adjustment on this account has been incorporated in these financial statements.

20.3.2 In computer balloting for total audit u/s 177 of the Ordinance, the Company was selected for total audit proceedings for the tax year 2009 and the same has been completed with the issuance of order dated June 29, 2019 under section 122(1)/122(5) of the Ordinance creating a demand of Rs. 258.348 million. Against the said impugned order, appeal has been filed before CIR(A) on August 6, 2019 by legal counsel of the Company while first appellate authority decided major issues vide order dated December 21, 2021 in Company's favor and certain issues were remanded back to the department for adjudication afresh. The department initiated and finalized the reassessment proceedings vide order dated January 31, 2023 based on relief allowed by first appellate authority. Resultantly refund created of Rs. 24.07 million accordingly. Department has filed an appeal before ATIR against the order.

20.3.3 A demand of Rs. 1.068 billion (including default surcharge of Rs. 325.849 million) was raised against the Company under section 161/205 of the Ordinance for the period relevant to Tax Year 2012 alleging non-compliance with various applicable withholding provisions contained in the Ordinance. The management assailed the subject order on March 28, 2014 in usual appellate course and while first appellate authority decided certain issues in the Company's favour, major issues were remanded back to department for adjudication afresh. Such appellate order was further assailed by the Company before ATIR on May 28, 2014, at which forum, adjudication was pending. Meanwhile, the Department concluded the reassessment proceedings, primarily repeating the treatment earlier accorded, however, based on relief allowed by first appellate authority, demand now stands reduced to Rs. 903.255 million (including default surcharge of Rs. 306.153 million). Such reassessment order was assailed by the Company in second round of litigation and the first appellate authority, through its order dated June 29, 2015, has upheld the Departmental action. The management has contested this order before ATIR on August 20, 2015 which has been decided by the ATIR vide order dated 28.07.2025 in favor of the Company.

20.3.4 In computer balloting for total audit u/s 177 of the ITO, 2001, the Company was selected for total audit proceedings for the tax year 2014 and the same has been completed with the issuance of order under section 122(4) of Income Tax Ordinance, 2001 creating a demand of Rs. 49,013,880 and curtailment of losses by Rs. 5,880.758 million. The said demand was curtailed to Rs. 5,749,260 through a revised demand order on account of rectification application filed by the Company. Against the said impugned order, appeal has been filed before CIR(A) on January 30, 2018 by legal counsel of the Company. First appellate authority was decided the case in favor of the Company vide order dated December 31, 2021 by annulled the impugned order and remanded the case back for adjudication afresh.

20.3.5 The CIR has raised demand against the Company for super tax for the tax year 2018 amounting to Rs. 43.82 million. The chargeability has been challenged by the Company through writ petition in LHC filed on May 16, 2019. Based on the advice of the legal counsel, the Company's management feels that there are strong grounds to defend the Company's stance and the liability will not materialize, hence, no provision has been made in these financial statements.

20.3.6 A sales tax demand of Rs. 107 million was raised against the Company for recovery of an allegedly inadmissible claim of sales tax refund in Tax Year 2006 filed and sanctioned under section 66 of the Sales Tax Act, 1990. The Company's appeal against such order was allowed to the extent of additional tax and penalties; however, principal amount was held against the Company by the then relevant Customs, Excise and Sales Tax Appellate Tribunal (CESTAT). The Company further assailed the issue on November 10, 2009 before Lahore High Court (LHC) where the litigation is presently pending. While, recovery to the extent of 20% of principal demand of sales tax has been made by the tax authorities, an interim injunction by honourable Court debars the Department for enforcing any further recovery. Since the management considers the refund to be legally admissible to the Company, no liability on this account has been recognized in these financial statements and the amount already recovered has been recorded as being receivable from the tax authorities. It is pertinent to highlight here that adverse judgment earlier passed by CESTAT no longer holds the field as through certain subsequent judgments, controversy has been decided by ATIR (forum now holding appellate jurisdiction under the law) in favour of other taxpayers operating in the Telecom Sector. The Honourable LHC has set aside the judgment of the Tribunal on May 24, 2017 and has remanded the case for decision afresh. The Tribunal is yet to issue notice for the hearing. The Company's management feels that there are strong grounds to defend the Company's stance and the liability will not materialize, hence, no provision has been made in these financial statements.

20.3.7 On September 30, 2014, Punjab Revenue Authority (PRA) issued show cause notice allegedly demanding Rs. 410.821 million for the periods from May 2013 to December 2013. The Company challenged imposition of sales tax on LDI services on the first appellate authority in 2016 and relief granted by CIR(A) through set aside the demand created by PRA with direction of reassessment proceedings. The Company challenged these proceedings through filing a writ petition in LHC based on February 3, 2017 on the grounds that it was unconstitutional and in violation of fundamental principles of sales tax and international commitments of Government of Pakistan. The writ petition has been allowed with instructions passed by honourable Judge of Lahore High Court Lahore to PRA restraining from passing final order in pursuance of proceedings. The matter has been taken up by other LDI operators against PRA in June 2015 before LHC on the grounds that imposition of sales tax is unconstitutional and in violation of fundamental principles of sales tax and international commitments of Government of Pakistan. The period pertains to ICH time when amount of sales tax was withheld by PTCL. Based on the advice of the Company's tax advisor, the management is of the view that the Company's case is based on meritorious grounds and hence, relief would be secured from the Court. In view of the above, provision for sales tax on LDI services aggregating Rs. 1,206.734 million (2018: Rs. 684.689 million) has not been made in these financial statements.

20.3.8 On December 13, 2023, Punjab Revenue Authority (PRA) issued show cause notice allegedly demanding Rs. 2,148.4 million for the periods from January 2018 to December 2020. The Company challenged imposition of sales tax on LDI and other services on the first appellate authority in 2024 and CIR(A) decided the case vide order dated March 4, 2025 in favor of the department. The management has contested this order before Appellate Tribunal of Punjab Revenue Authority (PRA) on April 4, 2025 for favourable outcome. The case has been decided by the Appellate Tribunal of PRA vide order dated September 8, 2025 in favor of the Company by set aside the impugned order and remanding back for adjudication afresh.

20.3.9 Through amendment orders passed under section 122(5A) of the Ordinance, department disallowed the adjustment of tax deducted u/s 148 of the Ordinance for the tax years 2011, 2012, 2014 & 2015. The Company's appeals filed on August 2, 2017 which were decided by the first appellate authority through a consolidated order dated October 2, 2017 in favor of the Company while the department challenged the order passed by the CIR(A) before the ATIR. While the appeals have been decided by the ATIR vide consolidated order dated April 25, 2024 in favor of the Company by dismissed the departmental appeals. The department has filed reference/petition in the Lahore Hight Court against the order.

20.3.10 On August 31, 2023, Sindh Revenue Board (SRB) issued show cause notice allegedly demanding Rs. 650.09 million for the periods from August 2015 to December 2016. The Company challenged imposition of sales tax on LDI and other services on the first appellate authority and filed appeal on April 11, 2025 before Commissioner Appeals (SRB) for favorable outcome. Based on the advice of the Company's tax advisor, the management is of the view that the Company's case is based on meritorious grounds and hence, relief would be secured from the Appellate Authority. In view of the above, provision for sales tax aggregating Rs. 460.26 million has not been made in these financial statements.

20.3.6 A sales tax demand of Rs. 167 million was raised against the Company for recovery of an allegedly inadmissible claim of sales tax refund in Tax Year 2006 filed and sanctioned under section 66 of the Sales Tax Act, 1990. The Company's appeal against such order was allowed to the extent of additional tax and penalties; however, principal amount was held against the Company by the then relevant Customs, Excise and Sales Tax Appellate Tribunal (CESTAT). The Company further assailed the issue on November 10, 2009 before Lahore High Court (LHC) where the litigation is presently pending. While, recovery to the extent of 30% of principal demand of sales tax has been made by the tax authorities, an interim injunction by honourable Court debars the Department for enforcing any further recovery. Since the management considers the refund to be legally admissible to the Company, no liability on this account has been recognized in these financial statements and the amount already recovered has been recorded as being receivable from the tax authorities. It is pertinent to highlight here that adverse judgment earlier passed by CESTAT no longer holds the field as through certain subsequent judgments, controversy has been decided by ATIR (forum now holding appellate jurisdiction under the law) in favour of other taxpayers operating in the Telecom Sector. The Honourable LHC has set aside the judgment of the Tribunal on May 24, 2017 and has remanded the case for decision afresh. The Tribunal is yet to issue notice for the hearing. The Company's management feels that there are strong grounds to defend the Company's stance and the liability will not materialize, hence, no provision has been made in these financial statements.

20.3.7 On September 30, 2016, Punjab Revenue Authority (PRA) issued show cause notice allegedly demanding Rs. 419.821 million for the periods from May 2013 to December 2013. The Company challenged imposition of sales tax on LDI services on the first appellate authority in 2016 and relief granted by CIR(A) through set aside the demand created by PRA with direction of reassessment proceedings. The Company challenged these proceedings through filing a writ petition in LHC heard on February 3, 2017 on the grounds that it was unconstitutional and in violation of fundamental principles of sales tax and international commitments of Government of Pakistan. The writ petition has been allowed with instructions passed by honourable Judge of Lahore High Court Lahore to PRA restraining from passing final order in pursuance of proceedings. This matter has been taken up by other LDI operators against PRA in June 2015 before LHC on the grounds that imposition of sales tax is unconstitutional and in violation of fundamental principles of sales tax and international commitments of Government of Pakistan. The period pertains to ICH time when amount of sales tax was withheld by PTCL. Based on the advice of the Company's tax advisor, the management is of the view that the Company's case is based on meritorious grounds and hence, relief would be secured from the Court. In view of the above, provision for sales tax on LDI services aggregating Rs. 1,266.734 million (2016: Rs. 984.889 million) has not been made in these financial statements.

20.3.8 On December 13, 2023, Punjab Revenue Authority (PRA) issued show cause notice allegedly demanding Rs. 2,149.4 million for the periods from January 2018 to December 2020. The Company challenged imposition of sales tax on LDI and other services on the first appellate authority in 2024 and CIR(A) decided the case vide order dated March 4, 2025 in favor of the department. The management has contested this order before Appellate Tribunal of Punjab Revenue Authority (PRA) on April 4, 2025 for favourable outcome. the case has been decided by the Appellate Tribunal of PRA vide order dated September 8, 2025 in favor of the Company by set aside the impugned order and remanded back for adjudication afresh.

20.3.9 Through amendment orders passed under section 122(5A) of the Ordinance, department disallowed the adjustment of tax deducted u/s 148 of the Ordinance for the tax years 2011, 2013, 2014 & 2015. The Company's appeals filed on August 3, 2017 which were decided by the first appellate authority through a consolidated order dated October 5, 2017 in favor of the Company while the department challenged the order passed by the CIR(A) before the ATIR. While the appeals have been decided by the ATIR vide consolidated order dated April 25, 2024 in favor of the Company by dismissed the departmental appeals. The department has filed reference/petition in the Lahore Hight Court against the order.

20.3.10 On August 31, 2023, Sindh Revenue Board (SRB) issued show cause notice allegedly demanding Rs. 660.28 million for the periods from August 2015 to December 2016. The Company challenged imposition of sales tax on LDI and other services on the first appellate authority and filed appeal on April 11, 2025 before Commissioner Appeals (SRB) for favorable outcome. Based on the advice of the Company's tax advisor, the management is of the view that the Company's case is based on meritorious grounds and hence, relief would be secured from the Appellate Authority. In view of the above, provision for sales tax aggregating Rs. 660.28 million has not been made in these financial statements.

20.3.11 Through assessment orders passed under section 161/205 of the Ordinance for the tax year 2004 & 2005 the demand of Rs 182 million was created. The management challenged the orders before first appellate authority while first appellate authority decided the case vide order dated January 26, 2008 in favor of department. The Company challenged the orders before the ATIR, while the appeals have been decided by the ATIR vide consolidated order dated May 23, 2008 in favor of the Company and cancelled the assessment order. The department challenged the orders before honorable Lahore High Court Lahore and the High Court decided the case vide judgement dated September 27, 2015 in favor of the Company. The department challenged the orders before the honorable Supreme Court of Pakistan and the matter has been remanded back to the Lahore High Court Lahore vide order dated February 15, 2023 for adjudication afresh. In second round, The case has been decided by the honorable Lahore High Court Lahore vide judgement dated November 4, 2024 in favor of the department. The management contested the judgement before honorable Supreme Court of Pakistan for favourable outcome while the case has been decided by the honorable Supreme Court of Pakistan vide judgement dated November 11, 2025 in favor of the Company.

20.3.12 An assessment order dated June 14, 2016 was passed under section 11 of the Sales Tax Act 1990raising a total sales tax demand 28.367 million along with penalty Rs 1.25 million, which was resultantly assailed before the first appellate authority (CIR(A)). The matter was remanded back by CIR(A) to the assessing officer vide order dated September 16, 2016. The department being aggrieved of the remand order filed an appeal before the ATIR and the ATIR without providing any hearing opportunity to the taxpayer, remanded the matter back to the CIR(A) vide order dated July 06, 2023. The order of ATIR was challenged before the Lahore High Court Lahore on the basis that the taxpayer has been condemned unheard, however, the reference was dismissed by Lahore High Court vide judgement dated November 27, 2023. The Company has further assailed the judgement of the Lahore High Court in the Supreme Court of Pakistan The leave was refused by the Supreme Court of Pakistan vide judgement dated February 15, 2025. Now the case after remanded back to the CIR(A) is in field and the matter is pending adjudication before the CIR(A).

20.4 **Others**

20.4.1 One of the Company's supplier has filed the suit for recovery on July 12, 2018 before the Civil Court, Lahore of certain moneys alleged to have not been paid by the Company under its agreements with the supplier. The principal claim is Rs. 18 million however the claim is inflated to Rs. 230 million on frivolous basis. The Company denies the claim and is hopeful for positive outcome. The management is of the view that it is unlikely that any claim of said supplier will materialize.

20.4.2 One of the Company's supplier has filed petition on November 21, 2014 before LHC. The supplier has claim of Rs. 216.48 million receivable from the Company. Further details of the litigations have not been disclosed as it may prejudice the Company's position. The Company has denied the veracity of such claims and has also challenged the maintainability of the proceedings. Also, the Company has filed a counter petition during the year 2016 claiming Rs. 315.178 million under the same contract against which the supplier has claimed its dues. The Company had to deposit an amount of Rs. 20 million in the Court in respect of this case. The honourable High Court has already required both Companies to resolve disputes in terms of their Agreement. The matter stands adjourned sine die. Based on the advice of the Company's legal counsel, the management is of the view that it is unlikely that any adverse order will be passed against the Company.

20.4.3 One of Company's supplier and its allied international identities (referred to as suppliers) filed winding up petition dated October 16, 2017 before LHC and claim of Rs. 64.835 million and USD 4.869 million which was dismissed on September 26, 2018. The suppliers have also filed civil suit before Islamabad Civil Court dated September 17, 2018 for recovery of USD 12.35 million and Rs. 88.08 million along with damages of USD 20 million. The learned civil judge accepted the application under Order VII Rule 10 CPC and returned the plaint. The suppliers have now filed an appeal before the Honourable Islamabad High Court, Islamabad against the order passed on July 10, 2019 by the learned civil judge, Islamabad. The Islamabad High Court has also dismissed the supplier's appeal, thereafter supplier has now filed its claim in the civil court of Lahore and the matter is pending adjudication. The Company has already filed suit for recovery of USD 93.5 million against the suppliers for default in performance of agreements before Civil Court, Lahore in August 2017. The Company has also filed another suit before Civil Court, Lahore for recovery of Rs. 1.5 billion for causing damage to the Company for filing frivolous winding up petition. Based on the legal advice, the management is of the view that it is unlikely that any claim of said suppliers will materialize.

20.4.4 As stated in note 3.5, the Company is in process of compliance with Regulation 11 of the Companies (Further Issue of Shares) Regulations 2020 and section 83 of Companies Act 2017. The Company may be liable to pay penalties for delayed compliance . However, The management is of the view that it is unlikely that any claim will materialize against the Company.

20.4.5 A total of cases 31 (2024:30) are filed against the Company involving Regulatory, Employees, Landlords and Subscribers having aggregate claim of all cases amounting to Rs. 151.5 million (2024: Rs. 113.1 million). Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and legal advisors of the Company are of the view that the outcome of these cases is expected to be favourable and liability, if any, arising out on the settlement is not likely to be material.

20.4.6 The Company has filed an appeal before the High Court against the Enforcement Order dated December 27, 2022, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the Company to make a payment of PKR 105.64 million within seven days of receipt. The Company has contested this demand on factual and legal grounds. Pursuant to the order of the High Court dated May 29, 2023, the Impugned Order has been suspended, and PTA has been restrained from taking any coercive action against the Company. The case remains pending at the hearing stage. The Company continues to evaluate the potential financial impact of this matter. Based on management's assessment and legal advice, no provision has been recognized in the financial statements, as the outcome remains uncertain at this stage.

20.4.7 The Company has filed an appeal before the High Court challenging the Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the Company to make a payment of PKR 18.82 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the Company. The case is currently at the hearing stage. Based on legal counsel's opinion and management's assessment, the Company considers the demand to be uncertain, and accordingly, no provision has been recognized in the financial statements, as the outcome remains uncertain at this stage.

20.4.8 The Company has filed an appeal before the High Court challenging the Ex-Parte Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the Company to make a payment of PKR 48.18 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the Company. The case remains at the hearing stage. Based on legal counsel's opinion and management's assessment, the Company believes that the demand is subject to uncertainty. Accordingly, no provision has been recognized in the financial statements.

20.4.9 The Company has filed an appeal before the High Court challenging the Ex-Parte Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the Company to make a payment of PKR 101.59 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the Company. The matter is currently at the hearing stage. Based on legal counsel's assessment and management's evaluation, the Company believes the demand is subject to uncertainty. Accordingly, no provision has been recognized in the financial statements.

20.4.10 The Company has filed an appeal before the High Court challenging the Ex-Parte Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the Company to make a payment of PKR 33.12 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the Company. The matter remains at the hearing stage. Based on legal counsel's opinion and management's evaluation, the Company considers the demand to be uncertain. Accordingly, no provision has been recognized in the financial statement.

20.4.11 The Company has filed an appeal before the High Court of Sindh against an Enforcement Order issued by the Pakistan Telecommunication Authority (PTA) on August 19, 2024. The Enforcement Order directed the Company to pay alleged outstanding AMDs amounting to PKR 27,255,272 (Twenty Seven Million Two Hundred Fifty Five Thousand Two Hundred Seventy Two Rupees) within three days of receipt of the order. The Company disputes the factual and legal basis of the order and has sought judicial review of the matter. As per the interim order passed by the High Court on September 11, 2024, the PTA has been restrained from taking any coercive actions in relation to the Enforcement Order. The matter remains under hearing, and no provision has been recognized in the financial statements as at the reporting date.

| | | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| 20.5 | Outstanding guarantees and letters of credit | 296,868 | 295,864 |

**Commitments**

| | | | |
|---|---|---|---|
| 20.6 | Commitments in respect of capital expenditure | 10,219 | 13,013 |

20.7 Commitment in respect of revenue share cost is USD 2 per operational node.

Note 21

## Property, Plant and Equipment

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | Rupees in '000 | |
| Operating fixed assets | 21.1 | 8,200,842 | 8,575,403 |
| Capital work-in-progress | 21.2 | 8,384 | 7,301 |
| | | [illegible] | [illegible] |

### 21.1 Operating fixed assets

| | Note | Building on Freehold Land | Leasehold Improvements | Plant and Equipment | Office Equipment | Computers | Furniture and Fixtures | Vehicles | Laboratory and Other Equipment | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Rupees in '000 | | | | | | | | |
| **Cost / Revalued Amount** | | | | | | | | | | |
| **Balance as at December 31, 2023** | | 97,506 | 130,407 | 8,147,036 | 108,212 | 160,088 | 37,017 | 30,733 | 21,790 | 8,816,803 |
| Additions during the year | | - | 2,004 | 24,054 | 2,247 | 1,277 | 1,888 | - | - | 31,127 |
| Disposals /adjustment during the year | 21.1.6 | - | - | (12,847) | - | (88) | | - | - | (12,935) |
| Revaluation surplus during the year | | 157,152 | - | 1,789,408 | - | - | - | - | - | 1,946,560 |
| **Balance as at December 31, 2024** | | **254,902** | **132,435** | **9,948,201** | **110,459** | **163,976** | **38,882** | **30,733** | **21,790** | **10,700,990** |
| Additions/transfer during the year | | - | 146 | 24,030 | 159 | 1,570 | 207 | - | - | 26,459 |
| Disposals /adjustment during the year | 21.1.6 | - | - | (8,052) | - | - | | (685) | - | (10,936) |
| Revaluation surplus during the year | | - | - | - | - | - | - | - | - | - |
| **Balance as at December 31, 2025** | | **254,902** | **132,581** | **9,962,279** | **110,618** | **165,746** | **38,089** | **30,037** | **21,790** | **10,796,791** |
| **Depreciation and Impairment** | | | | | | | | | | |
| **Balance as at December 31, 2023** | | 44,251 | 164,164 | 3,270,441 | 86,870 | 179,882 | 31,354 | 30,733 | 21,790 | 3,829,505 |
| Depreciation for the year | | 6,834 | 7,180 | 554,028 | 1,917 | 2,287 | 1,541 | - | - | 574,082 |
| Depreciation on disposals/adjustment | 21.1.6 | - | - | (9,067) | - | (88) | - | - | - | (9,155) |
| **Balance as at December 31, 2024** | | **51,120** | **171,347** | **3,815,873** | **88,887** | **181,036** | **33,889** | **30,733** | **21,790** | **4,394,587** |
| Depreciation for the year | | 12,733 | 7,357 | 374,814 | 1,848 | 2,181 | 1,577 | - | - | 400,360 |
| Depreciation on disposals/adjustment | 21.1.6 | - | - | (7,862) | - | - | - | (685) | - | (9,876) |
| **Balance as at December 31, 2025** | | **63,853** | **178,704** | **3,883,101** | **100,835** | **183,187** | **34,473** | **30,037** | **21,790** | **4,588,848** |
| **Net book value as at December 31, 2025** | | **190,759** | **13,867** | **6,079,178** | **9,780** | **3,881** | **5,327** | - | - | **8,200,842** |
| Net book value as at December 31, 2024 | | 203,513 | 21,088 | 6,031,832 | 11,573 | 2,840 | 5,087 | - | - | 8,575,403 |
| Annual rate of depreciation (%) | | 5 | 10 to 33 | 5 to 33 | 10 | 33.33 | 15 | 25 | 33 | |

21.1.1 The building of the Company comprises Suit # 302, 303, 304, third floor, The Plaza, G - 7 Block - 9, KDA Scheme # 5, Kehkashan Clifton, Karachi. The building covers an area of 6,017 Sq. Ft. Fair value of the building is determined using significant other observable inputs (level 2).

21.1.2 Following assets acquired with the funds of the Company are not in the possession / control of the Company because of their specific nature as those have to be handed over to customers for their use.

| Sr. No. | Description | Net Book Value (Rs. in '000') | Persons in whose possession |
|---|---|---|---|
| | Customer Premises Equipment (CPE) | 208,585 | Customers |

21.1.3 Latest revaluation was carried out on October 01, 2024 by an independent professional valuer M/s Arch E' Decon that resulted in total revaluation surplus of Rs. 1,946.818 million (2020: Rs.38.15 million). Force sale value of revalued plant and equipment at the time of revaluation was estimated at Rs. 5,129.34 Million.

| | Fair value measurement of Plant and Equipment using significant unobservable inputs (Level 3) | |
|---|---|---|
| | 2025 | 2024 |
| | (Rupees in '000) | |
| **Recurring fair value measurements** | | |
| Plant and equipment (owned) | **5,979,478** | 6,331,822 |

There are no transfers between levels of fair value during the year.

**Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the movement in level 3 items for the year ended December 31, 2025 for recurring fair value measurements:

| | LDI and Broadband Operations | WLL Operations | Total |
|---|---|---|---|
| | (Rupees in '000) | | |
| Balance as at December 31, 2024 | 6,253,129 | 78,693 | **6,331,822** |
| Additions | 24,030 | - | **24,030** |
| Revaluation surplus recognized | - | - | - |
| Disposals | (2,000) | - | **(2,000)** |
| Depreciation | (274,314) | - | **(274,314)** |
| Revaluation surplus recognized in other comprehensive income | - | - | - |
| Balance as at December 31, 2025 | 5,900,785 | 78,693 | **5,979,478** |

**Valuation techniques used to derive level 3 fair values**

The Company obtains independent valuations for its plant and equipment (owned), at regular intervals. At the end of each reporting period, the management updates its assessment of the fair value of these assets, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates.

Level 3 fair values of plant and equipment (owned), relating to LDI and Broadband operations have been determined using a depreciated replacement cost approach, whereby, the current replacement costs of plant and equipment of similar make / origin, capacity and level of technology have been adjusted using a suitable depreciation rate on account of normal wear and tear and remaining useful lives of assets.

Level 3 fair value of plant and equipment (owned) relating to WLL operations has been mainly derived using the sales comparison approach. Sale prices of comparable assets are adjusted for differences in key attributes such as condition and location of assets.

21.1.4 The carrying amount of temporarily idle property, plant and equipment amounts to Rs nil (2024: Rs. Nil).

21.1.5 The cost / revalued amount of fully depreciated property, plant and equipment that is still in use of the Company amounts to Rs. 752.473 million (2024: Rs. 589.839 million).

21.1.6 Property, plant and equipment and current assets having charge against borrowings amount to Rs. 12,801.049 million (2024: Rs. 12,801.043 million).

21.1.7 Had there been no revaluation, the net book value of plant and equipment, and building (owned) would have amounted to Rs. 2,678.076 million (2024: 2,883.408 million).

21.1.8 Disposal of operating fixed assets

| Particulars | Name of Buyer along with Relationship with the Company or any Director of the Company (if any) | Cost / Revalued Amount | Accumulated Depreciation and Impairment | Written Down Value | Sale Proceeds / Settlement Value | Gain / (Loss) | Mode of Disposal |
|---|---|---|---|---|---|---|---|
| | | (Rupees in '000) | | | | | |
| **Plant and Equipment** | | | | | | | |
| Trunk Cable Coaxial | Shaheen Insurance | 9,852 | 7,852 | 2,000 | 2,500 | 440 | Final Settlement of Liability |
| Suzuki Bolan | Mr. Iftikhar Ali | 496 | 496 | - | 279 | 279 | Auction |
| 3 CD 70 Bikes | Mr. Ashraf | 217 | 217 | - | 8 | 8 | Auction |
| | 2025 | 10,826 | 8,276 | 2,000 | 2,788 | 728 | |
| | 2024 | 12,617 | 8,130 | 4,487 | 5,856 | 1,384 | |

**Valuation inputs and relationship to fair value**

Qualitative information about the significant unobservable inputs used in level 3 fair value measurements and their sensitivity analysis is as under:

| Description | Significant Unobservable Inputs | Quantitative Data / Range and Relationship to the Fair Value |
|---|---|---|
| Plant and Equipment (Owned) - LDI and Broadband Operations | The valuation done on the basis of its respective rating and nameplate data with adjustments for age and remaining lives of assets.<br><br>Condition based analysis of operating equipment is a key parameter of valuation process.<br><br>Cost of acquisition of similar plant and equipment with similar level of technology.<br><br>Suitable depreciation rate to arrive at depreciated replacement value. | The market value has been determined by using cost of acquisition of similar plant and machinery with similar level of technology and applying a suitable depreciation factor based on normal wear and tear and remaining useful lives of plant and machinery. Both Physical and functional depreciation of facility is taken into consideration while determining remaining life. Remaining useful lives have been estimated up to 20 years. The higher the cost of acquisition of similar plant and machinery, higher the fair value of plant and machinery. Further, higher the depreciation rate, the lower the fair value of plant and machinery. |
| Plant and Equipment (Owned) - WLL Operations | Rating, nameplate data and fundamental technical characteristics of plant and equipment.<br><br>Prevalent market prices for these assets. | The market value has been determined by applying prevalent market prices to the rating, nameplate data and fundamental technical characteristics of plant and equipment. Higher the market price, higher the fair value. |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| 21.2 | **Capital work-in-progress ("CWIP")** | | | |
| | Advances to suppliers | | **6,086** | 6,089 |
| | Plant and equipment | | - | 11,562 |
| | | 21.2.1 | **6,086** | 17,651 |
| 21.2.1 | **The reconciliation of the carrying amount is as follows:** | | | |
| | Opening balance | | **60,827** | 60,829 |
| | Additions during the year | | **10,851** | 25,454 |
| | Transfers during the year | | **(22,416)** | (25,456) |
| | | | **49,262** | 60,827 |
| | Provision against advance to suppliers | | **(43,176)** | (43,176) |
| | Closing balance | | **6,086** | 17,651 |

**22 Right of use (ROU) assets**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Opening balance | | **3,412,141** | 3,155,800 |
| Add: Additions during the year | | - | |
| Add: Revaluation Surplus during the year | 22.2 | - | 498,469 |
| Less: Lease terminated during the year | | **(8,558)** | (4,881) |
| Less: Depreciation charge for the year | 40 | **(186,370)** | (237,247) |
| Closing balance | | **3,217,213** | 3,412,141 |
| Lease Term (Years) | | **up to 10 Years** | up to 11 Years |

There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the Company is committed.

**22.1** The right of use assets comprises of following:

| | 2025 | 2024 |
|---|---|---|
| Indefeasible rights of use of Fiber (IRU) | 3,105,209 | 3,286,849 |
| Leasehold property | 112,004 | 125,292 |
| | 3,217,213 | 3,412,141 |

**22.2** On October 01, 2024 the IRU assets were revalued by an independent professional valuer, M/s Arch-E' Decon, which resulted in revaluation gain amounting Rs. 498.469 Million (2020: Rs. 1440 million). The forced sale value of revalued assets at the time of revaluation was Rs. 2,665.31 million. The fair value of IRU assets is measured using significant unobservable inputs (Level 3). There are no level 1 and level 2 assets and hence no transfers between levels 1 and 2 during the year.

**Valuation techniques used to derive level 3 fair values:**

The management updates its assessment of the fair value of these assets, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates. Level 3 fair values of IRU asset have been determined using a depreciated replacement cost approach, whereby, the current replacement costs of asset of similar make / origin, capacity and level of technology have been adjusted using a suitable depreciation rate on account of normal wear and tear and remaining useful lives of assets.

**Valuation inputs and relationship to fair value**

The following table summarizes the quantitative and qualitative information about the significant unobservable inputs used in level 3 fair value measurements.

| Description | Significant Unobservable Inputs | Quantitative Data / Range and Relationship to the Fair Value |
|---|---|---|
| Indefeasible rights of use of Fiber | The valuation done on the basis of its respective rating and incomplete data with adjustments for age and remaining lives of assets.<br><br>Condition based analysis of operating equipment is a key parameter of valuation process.<br><br>Cost of acquisition of similar plant and equipment with similar level of technology.<br><br>Suitable depreciation rate to arrive at depreciated replacement value. | The market value has been determined by using cost of acquisition of similar plant and machinery with similar level of technology and applying a suitable depreciation factor based on normal wear and tear and remaining useful lives of plant and machinery. Both Physical and functional depreciation of facility is taken into consideration while determining remaining life. Remaining useful lives have been estimated from 1 to 20 years. The higher the cost of acquisition of similar asset, higher the fair value of asset. Further, higher the depreciation rate, the lower the fair value of asset. |

**22.3** Had there been no revaluation, the net book value of right of use asset would have amounted to Rs. 1,688 million (2024: Rs. 1,777.48 million). The Company has insured

Note 25
**Intangible Assets**

| | Note | Licenses | Patents and copyrights | IRU - media cost | Softwares | Goodwill | Total |
|---|---|---|---|---|---|---|---|
| | | (Rupees in '000) | | | | | |
| **Cost / Revalued Amount** | | | | | | | |
| Balance as at December 31, 2023 | | 1,713,828 | 5,333 | 794,800 | 11,280 | 680,403 | 3,205,644 |
| Additions / (deletions) during the year | | - | - | - | - | - | - |
| Elimination of cost on retirement of assets | | - | - | - | - | - | - |
| Revaluation surplus during the year | | - | - | - | - | - | - |
| Balance as at December 31, 2024 | | 1,713,828 | 5,333 | 794,800 | 11,280 | 680,403 | 3,205,644 |
| Additions / (deletions) during the year | | 141,225 | - | - | - | - | 141,225 |
| Revaluation surplus during the year | | - | - | - | - | - | - |
| Balance as at December 31, 2025 | | 1,855,053 | 5,333 | 794,800 | 11,280 | 680,403 | 3,346,869 |
| **Amortization and Impairment** | | | | | | | |
| Balance as at December 31, 2023 | | 1,566,038 | 5,333 | 685,190 | 11,280 | 680,403 | 2,948,244 |
| Elimination of accumulated amortization on retirement of assets | | - | - | - | - | - | - |
| Amortization for the year | | 147,602 | - | 52,258 | - | - | 199,860 |
| Balance as at December 31, 2024 | | 1,713,640 | 5,333 | 737,448 | 11,280 | 680,403 | 3,148,104 |
| Amortization for the year | | 7,097 | - | 52,258 | - | - | 59,355 |
| Balance as at December 31, 2025 | | 1,720,737 | 5,333 | 789,706 | 11,280 | 680,403 | 3,207,459 |
| Net book value as at December 31, 2024 | | 188 | - | 57,352 | - | - | 57,540 |
| Net book value as at December 31, 2025 | | **134,316** | **-** | **5,094** | **-** | **-** | **139,410** |
| Annual amortization rate (%) | | **5 to 20** | **10** | **6.67** | **20** | **-** | |

25.1 On October 31, 2024, licenses and softwares were revalued by an independent professional valuer, M/s [illegible], which resulted in revaluation gain amounting Rs. Nil (2024: Rs.Nil) million. The table below analyses the non-financial assets carried at fair value, by valuation method.

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| **Recurring fair value measurements of following items of intangible assets** | | |
| Licenses | 134,316 | 188 |
| Softwares | - | - |
| | 134,316 | 188 |

There are no level 1 and level 2 assets and hence no transfers between levels 1 and 2 during the year.

**Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for recurring fair value measurements:

| | Licenses and Softwares | |
|---|---|---|
| | 2025 | 2024 |
| | (Rupees in '000) | |
| Opening balance | 188 | 147,790 |
| Revaluation surplus arising during the year recognized in other comprehensive income | - | - |
| Addition during the year | 141,225 | - |
| Amortization charged during the year | (7,097) | (147,602) |
| Closing balance | 134,316 | 188 |

**Valuation techniques used to derive level 3 fair values:**

The Company obtains independent valuations for its intangible assets (licenses and softwares) at regular intervals. At the end of each reporting period, the management updates its assessment of the fair value of these assets, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates. Level 3 fair value of licenses and softwares has been mainly derived using the sales comparison approach. Auction prices of comparable assets are adjusted for differences in key attributes such as frequency and region of the assets.

**Valuation inputs and relationship to fair value**

The following table summarises the quantitative and qualitative information about the significant unobservable inputs used in level 3 fair value measurements.

| Description | Significant Unobservable Inputs | Quantitative Data / Range and Relationship to the Fair Value |
|---|---|---|
| Licenses and Softwares | Auction prices for recently issued comparable licenses, market value, technical characteristics and continuing use of licenses is considered while revaluing licenses.<br>Market value and assessment of continuing use is considered for revaluation of software. | Intangibles assets has been revalued using market value as benchmark.<br>The market value has been determined by applying recent auction prices to the fundamental technical characteristics of WLL licenses. Higher the auction price, higher the fair value.<br>Fundamental technical characteristics of WLL licenses such as frequency and region. |

23.2 Had there been no revaluation, the net book value of licenses and software's would have amounted to Rs. 134.316 million (2024: Rs. Nil).

23.3 Licenses of the Company are encumbered with IGI Holding Limited, Trustee of TFC holders, as disclosed in Note 18.

Note 24

**Investment Properties**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | **59,400** | 52,610 |
| Fair value adjustment recognized in profit or loss account | 24.1 | **6,000** | 6,790 |
| Closing balance | | **65,400** | 59,400 |

24.1 As of the reporting date, investment properties comprise land. Latest valuation of these properties was carried out on December 31, 2025 by an approved independent valuer, M/s Gandhara Consultants. The valuation was carried out using sales comparison approach which resulted in fair value gain of Rs. 6 million in current year (2024: Rs. 6.790 million).

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for its repairs, maintenance and enhancements.

Fair value of the investment property of the company is determined using significant other observable inputs (level 2).

24.2 Particulars of investment properties of the Group are as follows:

| Sr. No. | Particulars | Location | Area | Forced Sale (Rupees in '000) |
|---|---|---|---|---|
| 1 | 13 Plots | Super Dream, K.T. Bandar Road, Gharo, Sindh | 9500 Sq. Yd. | **31,800** |
| 2 | 2 Plots | Windmill Villas, K.T. Bandar Road, Gharo, Sindh | 1800 Sq. Yd. | **6,240** |
| 3 | 8 Plots | Super Highway, Nooriabad, Sindh | 1200 Sq. Yd. | **4,800** |
| 4 | 2 Plots | Peace City Farm Houses, District Rawalpindi | 3000 Sq. Yd. | **7,200** |
| | | | | **49,740** |

**Recurring fair value measurements**

There are no level 1 and level 3 assets or transfers between levels 1, 2 and 3 during the year 2025.

**Valuation techniques used to derive level 2 fair values**

At the end of each reporting period, the management updates its assessment of the fair value of investment properties, taking into account the most recent independent valuation. The management determines the properties' value within a range of reasonable fair value estimates. Level 2 fair value of investment properties has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.

**Note 25**
**Long Term Investment**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **Wholly owned subsidiary Company - at cost [unquoted]** | | | |
| Route 1 Digital (Private) Limited<br>30,000 (2024: 30,000) ordinary shares of<br>Rs. 100 each, equity held 100% (December 31, 2024: 100%) | 25.2 | - | - |

**25.1** The Company has acquired 100% shares of Route 1 Digital (Private) Limited during 2016. The principal place of business of Route 1 Digital (Private) Limited is situated at 2nd Floor 200 Y Block Phase III Defence Housing Authority Lahore, Pakistan. This investment in subsidiary is stated at cost.

**25.2** Due to continuous losses the net assets of the subsidiary became negative. Based on negative net assets and subsidiary's inability to implement the business plan the management of the Company charged 100% impairment in

Note 26
**Long Term Trade Receivable**

This represents receivable against the sale of "Optical Fiber Cable" stated at amortized cost using effective interest rate of 16% per annum.

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 384,842 | 384,842 |
| Unwinding of discount | | - | - |
| | | 384,842 | 384,842 |
| Less: current and overdue portion (transferred to trade debts) | | - | - |
| Less: Impairment allowance | | (384,842) | (384,842) |
| | | - | - |

Note 27
**Deferred Taxation**

| | 2025 | 2024 |
|---|---|---|
| ***Asset for deferred taxation comprising temporary differences related to:*** | | |
| Unused tax losses and tax credits | 3,140,127 | 3,172,598 |
| Provision for doubtful debts | 899,133 | 917,248 |
| Post employment benefits | 57,308 | 54,073 |
| Provision for stores and spares & stock in trade | 1,173 | 1,173 |
| Provision for doubtful advances and other receivables | 78,677 | 78,677 |
| ***Liability for deferred taxation comprising temporary differences related to:*** | | |
| Surplus on revaluation of assets/accelerated tax depreciation | (2,529,048) | (2,549,119) |
| | 1,601,270 | 1,655,250 |

Deferred tax asset on tax losses available for carry forward has been recognized to the extent that the realization of related tax benefit is probable from reversal of existing taxable temporary differences and future taxable profit. Management's assertion of future taxable profit is mainly based on income from business plan to execute fiber to home and IT based services with monetary support from the majority shareholder as explained in detail in note 2.2.3 to these financial statements.

Being prudent, the Company has not recognized deferred tax assets of Rs. 477.678 million (2024: Rs. 1,118.718 million) in respect of unused tax losses and unabsorbed depreciation and Rs. 137.971 million (2024: Rs. 129.65 million) in respect of minimum tax available for carry forward under the Income Tax Ordinance, 2001 ("ITO"), as sufficient taxable profits would not be available to utilize these in the foreseeable future. Minimum tax available for carry forward and unused tax losses on which deferred tax asset has not been recognized, would expire as follows:

| Accounting year to which minimum tax relates | Amount of minimum tax | Accounting year in which minimum tax will expire |
|---|---|---|
| | Rupees in '000 | |
| 2024 | 63,081 | 2026 |
| 2025 | 74,890 | 2027 |
| | 137,971 | |

| Accounting year to which unused tax loss relates | Amount of unused tax loss | Accounting year in which unused tax loss will expire |
|---|---|---|
| | Rupees in '000 | |
| 2021 | 115,258 | 2027 |
| 2022 | 81,040 | 2028 |
| 2023 | 808,314 | 2029 |
| 2024 | 442,559 | 2030 |
| 2025 | 26,312 | 2031 |
| | 1,473,483 | |

Further, deferred tax asset on impaired long term investment and long term receivable was also not recognized.

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| The gross movement in net deferred tax asset during the year is as follows: | | |
| Opening balance | 1,855,258 | 2,569,178 |
| Charged to other comprehensive income | (3,880) | (713,920) |
| Charged to the statement of profit or loss account | - | - |
| Closing balance | 1,851,378 | 1,855,258 |

**Note 28**
**Long Term Deposits**

| | | 2025 | 2024 |
|---|---|---|---|
| Security deposits with: | | | |
| Rented premises | | 5,749 | 5,734 |
| Utilities | | 550 | 550 |
| Others | | 9,269 | 9,269 |
| | | 15,568 | 15,553 |
| Current portion of deposit | | (6,441) | (6,441) |
| Non Current portion of deposit | | 9,127 | 9,112 |

**Note 29**
**Stores and Spares**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Cost | | 27,448 | 27,041 |
| Less: Provision for obsolete/slow moving items | 29.1 | (4,044) | (4,044) |
| | | 23,404 | 22,997 |

**29.1 Provision for obsolete/slow moving items**

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 4,044 | 4,044 |
| Add: Provision for the year | - | - |
| Less: Reversal of Provision during the Year | - | - |
| Closing balance | 4,044 | 4,044 |

**Note 30**
**Stock-in-Trade**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Cost | | **210,858** | 210,858 |
| Less: Provision for obsolete/slow moving stock in trade | | - | - |
| | | **210,858** | 210,858 |

**Note 31**
**Trade Debts**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Considered good - unsecured | | **1,243,150** | 1,118,108 |
| Considered doubtful - unsecured | | **3,100,459** | 3,162,923 |
| | | **4,343,609** | 4,281,031 |
| Less: Impairment allowance | 31.1 | **(3,100,459)** | (3,162,923) |
| | | **1,243,150** | 1,118,108 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **31.1** | Opening balance | | **3,162,923** | 3,143,669 |
| | (Reversal) / charge of Provision for expected credit losses on trade debts | 42 | **(62,464)** | 19,254 |
| | Closing balance | | **3,100,459** | 3,162,923 |

**Note 32**
**Loans and Advances**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Advances to employees - considered good | 32.1 | **89,140** | 92,958 |
| Advances to PTA - considered good | 32.2 | **40,000** | 40,000 |
| | | **129,140** | 132,958 |
| Advances to suppliers: | | | |
| Considered good | | **437,571** | 490,039 |
| Considered doubtful | | **222,848** | 222,848 |
| | | **660,419** | 712,887 |
| Less: Provision for doubtful advances | 32.3 | **(222,848)** | (222,848) |
| | | **437,571** | 490,039 |
| | | **566,711** | 622,997 |

**32.1** This includes advances given to executives amounting to Rs. 6.377 million (2024: Rs. 22.001 million) out of which Rs. 5.178 million (2024: Rs.16.815 million) represents advances given to key management personnel of the Company. Maximum aggregate amount outstanding, in respect of related parties, at any time during the year calculated by reference to month end balances was Rs. 5.178 million (2024: Rs. 16.815 million).

Aging of the balances due from related parties is as follow:

| Upto 1 year | 1 to 2 years | 2 to 3 years | Over 3 years |
|---|---|---|---|
| Rupees in '000 | | | |
| **1,174** | **219** | **400** | **3,305** |

These are secured against gratuity and are adjustable against expenses incurred.

**32.2** This represents amount paid against demand on account of annual spectrum fee and other regulatory charges for detail refer note 21.2.11. Based on the advice of the Company's legal counsel, the Company's management feels that there are strong grounds to defend the Company's position and the ultimate decision would be in the Company's favour, therefore, this advance is considered unimpaired as at the reporting date.

**32.3 Provision for doubtful advances**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 222,848 | 222,848 |
| Charged during the year | | - | - |
| Closing balance | | 222,848 | 222,848 |

**Note 33**
**Deposits and Prepayments**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Deposit in Escrow Account | 33.1 | 710,884 | 685,307 |
| Margin and other deposits | 33.2 | 63,319 | 52,303 |
| Prepayments | | 17,794 | 8,062 |
| | | 791,997 | 745,672 |

**33.1** This represents balance in savings account accumulated in Escrow Account having mark up from 9.5% to 11.5% (2024:16.84% to 20.39%) annually. The telecom operators challenged the legality of Access Promotion Contribution (APC) for Universal Service Fund (USF), as levied by PTA in 2009, and the dispute was finally decided by the honourable Supreme Court in December 2015. During pendency of the court proceedings, International Clearing House (ICH) agreement was signed in 2012, whereby it was decided that regular contributions for APC, based on each operator's share under the ICH agreement, shall be made by LDI operators in an Escrow Account.

The formation of ICH was declared anti competitive by the Competition Commission of Pakistan; and resultantly PTA issued a policy directive in June 2014 terminating ICH arrangement. Some operators challenged the termination and obtained interim relief from Sindh High Court and Lahore High Court. However, Supreme Court adjudicated the matter in February 2015 in favour of termination of ICH, and pursuant upon this, PTA issued its notification of termination of ICH arrangement. As of now, the mechanism of the adjustment of the amount available in Escrow Account remains to be finalized.

**33.2** These include deposits placed with banks against various guarantees. This amount also includes Rs. 20 million deposited in a Court of Law as disclosed in note 21.4.2.

**Note 34**
**Short Term Investments**

| | 2025 | 2024 | 2025 | 2024 |
|---|---|---|---|---|
| | No. of Shares | | (Rupees in '000) | |
| The Bank of Punjab | 13,029 | 13,029 | 582 | 141 |
| Orix Leasing Pakistan Limited | 13,737 | 13,737 | 663 | 430 |
| Shaheen Insurance Company Limited | 3,600,681 | 3,130,363 | 36,907 | 22,436 |
| First Capital Securities Corporation Limited | 3,991,754 | 3,991,754 | 21,055 | 8,682 |
| Pace (Pakistan) Limited | - | 5,403,835 | - | 10,193 |
| | | | 59,627 | 41,882 |

**34.1** All shares have a face value of Rs. 10 each. 7.150 million shares (2024: 7.150million) having fair value of Rs. 54.662 Million (2024: 30.187 Million) are pledged against long term financing.

**34.2** These are designated at fair value through OCI at initial recognition.

**Note 35**
**Other Receivables**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | Rupees in '000 | |
| Due from related parties - considered good | 35.1 | 214,438 | 197,510 |
| Other receivables - considered good | 35.2 | 7,389 | 73,216 |
| Other receivables - considered doubtful | | 48,451 | 48,451 |
| | | 270,278 | 319,177 |
| Less: Provision for doubtful receivables | | (48,451) | (48,451) |
| | | 221,827 | 270,726 |

**35.1 Due from related parties**

These relate to normal business of the Company. These amounts are due from the followings:

| | 2025 | 2024 |
|---|---|---|
| Worldcall Business Solutions (Private) Limited | 175,579 | 161,942 |
| Route 1 Digital (Private) Limited | 34,800 | 31,823 |
| Worldcall Ride Hail (Private) Limited | 31 | 29 |
| Worldcall Cable (Private) Limited | 4,028 | 3,716 |
| | 214,438 | 197,510 |

Maximum aggregate amount outstanding at any time during the year calculated by reference to month end balances was 214,438 million (2024: Rs. Rs.197,563 million). Interest at the rate of 11.50% (2024: 21%) has been calculated on the outstanding balances.

35.1.1 Aging of the balances due from related parties is as follow:

| Up to 1 year | 1 to 2 years | 2 to 3 years | Over 3 years |
|---|---|---|---|
| Rupees in '000 | | | |
| 16,927 | 29,808 | 35,489 | 132,214 |

35.2 This include amount receivable from Ferret consulting F.Z.C an associate company amounting Rs. Nil (2024: Rs. 73.216 million).

**Note 36**
**Cash and Bank Balances**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | Rupees in '000 | |
| Cash at bank: | | | |
| Current accounts | | 16,732 | 96,255 |
| Savings accounts | 36.1 | 2,639 | 1,130 |
| | | 19,371 | 97,385 |
| Cash in hand | | 1,814 | 2,048 |
| Pay orders in hand | | - | |
| | | 21,185 | 99,433 |

36.1 The balances in savings accounts bear mark up at the rates ranging from 9.5% to 11.5% (2024: 14.84% to 20.35%) per annum.

**Note 37**
**Revenue**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Telecom | 37.1 | 4,921,888 | 4,479,582 |
| Broadband | | 377,394 | 279,583 |
| Technology services | 37.2 | 710,041 | 310,534 |
| Gross revenue | | 6,009,323 | 5,069,689 |
| Less: Discount | | (368) | (814) |
| Less: Sales tax | | (17,773) | (22,835) |
| | | 5,991,182 | 5,046,440 |

**37.1** Revenues from Telecom includes revenue from one major customer of the Company amounting Rs. 4,912.515 million (2024: Rs. 4,479.582).

**37.2** Technology Services Revenue includes income from technology and IT related services.

**37.3** The company recognizes revenue both at a point in time and over time, depending on the nature of the transactions.

**Note 38**
**Direct Cost excluding Depreciation and Amortization**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Salaries, wages and benefits | 38.1 | 126,002 | 143,522 |
| Interconnect, settlement and other charges | | 4,704,446 | 4,223,039 |
| Bandwidth and other PTCL charges | | 79,212 | 84,706 |
| Power consumption and rent | 38.2 | 39,710 | 65,253 |
| Security services | | 1,252 | 1,113 |
| PTA charges | 38.3 | 11,839 | 8,606 |
| Cable licence fee | | 17,915 | 17,229 |
| Stores and spares consumed | | - | 1,106 |
| Annual spectrum fee | | - | 8,338 |
| Content cost | | 905 | 885 |
| Network maintenance and insurance | | 62,380 | 36,695 |
| Network partner share | | 1,657 | 1,468 |
| Fees and subscriptions | | 25,708 | 27,588 |
| Revenue share cost | | 281,491 | 18,335 |
| SMS bundle cost | | 418 | 958 |
| Others | | 82,648 | 12,765 |
| | | 5,419,581 | 4,651,567 |

**38.1** This includes provision for gratuity expense amounting to Rs.16.271 million (2024: Rs. 21.32 million) and accumulated leave absences amounting to Rs.0.553 million (2024: Rs. 0.134 million) for the year.

**38.2** This includes expense relating to short term leases / operating lease rentals.

**38.3** This represents PTA charges in respect of the following:

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| LDI license | 38.3.1 | 4,844 | 5,995 |
| Broadband license | | 6,830 | 2,393 |
| Annual numbering charges | | 165 | 218 |
| | | 11,839 | 8,606 |

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |

38.3.1 This represents LDI license charges in respect of the following:

| | Note | 2025 | 2024 |
|---|---|---|---|
| Universal Service Fund | | 2,906 | 3,597 |
| Research and Development Fund | | 969 | 1,199 |
| Annual Regulatory Fee | | 969 | 1,199 |
| | | 4,844 | 5,995 |

**Note 39**
**Operating Cost**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Salaries, wages and benefits | 39.1 | 174,290 | 230,740 |
| Rent, rates and taxes | 39.2 | 5,858 | 5,825 |
| Travelling and conveyance | | 45,186 | 62,919 |
| Legal and professional | | 47,074 | 38,850 |
| Utilities | | 16,819 | 19,133 |
| Transportation | | 21,562 | 25,043 |
| Communications | | 1,496 | 2,787 |
| Repairs and maintenance | | 5,476 | 4,827 |
| Fees and subscriptions | | 2,498 | 1,506 |
| Marketing, advertisement and selling expenses | | 2,761 | 3,750 |
| Insurance | | 1,738 | 1,934 |
| Printing and stationery | | 2,086 | 2,591 |
| Business promotion and entertainment | | 12,879 | 10,461 |
| Directors' meeting expenses | | 4,140 | 3,120 |
| Postage and courier | | 382 | 718 |
| Newspapers and periodicals | | 86 | 28 |
| Security services | | 4,492 | 3,906 |
| Miscellaneous | | 17,297 | 22,437 |
| | | 366,991 | 430,071 |

39.1 This includes provision for gratuity expense amounting to Rs. 22.47 million (2024: Rs. 26.7 million) and accumulated leave absences amounting to Rs. 0.764 million (2024: Rs. 1.887 million) for the year.

39.2 This includes expense relating to short term leases / operating lease rentals.

**Note 40**
**Other Income**

| | Note | 2025 | 2024 |
|---|---|---|---|
| **From Financial Assets:** | | | |
| Income on deposits, advances and savings accounts | | 59,648 | 140,569 |
| **From Non Financial Assets:** | | | |
| Adjustment due to impact of IFRS 9 | 40.1 | 3,415 | 12,836 |
| Scrap Sales | | 1,434 | 302 |
| Gain on disposal of property, plant and equipment | 21.1.8 | 725 | 1,308 |
| Gain on lease termination | 15.1 | 32,230 | 641 |
| Exchange gain - net | | | 10,424 |
| Change in fair value of investment properties | 24.1 | 6,009 | 6,790 |
| Dividend | | 860 | 192 |
| Reversal of provision for expected credit losses on trade debts | | 62,464 | |
| Liabilities written back: | | | |
| Markup waived off on restructuring of loan | | 6,096 | |
| Unclaimed liabilities written back during the year | 40.2 | 400,802 | 57,646 |
| | | 406,898 | 57,646 |
| Miscellaneous | | 3,240 | 245 |
| | | 576,914 | 230,989 |

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |

**40.1 Breakup is as follows:**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Discounting impact of liability for long term finance | 11 | 1,397 | 6,063 |
| Discounting Impact of Sponsor's Loan | 12.2 | 2,018 | 5,974 |
| | | 3,415 | 12,037 |

**40.2** This represents long outstanding unclaimed liabilities which have been written back under the local laws.

**Note 41**

**Other Expenses**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Exchange loss - net | | 38,485 | - |
| Auditors' remuneration | 41.1 | 10,532 | 6,140 |
| Provision for expected credit losses on trade debts | 31.1 | - | 19,254 |
| | | 49,017 | 25,394 |

**41.1 Auditors' remuneration**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Statutory audit | | 3,812 | 3,465 |
| Half year review | | 1,331 | 1,210 |
| Out of pocket expenses | | 540 | 540 |
| Certifications | | 4,850 | 925 |
| | | 10,533 | 6,140 |

**Note 42**

**Depreciation and Amortization**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Depreciation | 21.1 | 400,061 | 374,082 |
| Depreciation on ROU assets | 22 | 186,370 | 227,247 |
| Amortization | 23 | 59,365 | 199,870 |
| | | 645,796 | 801,199 |

**Note 43**

**Finance Cost**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Mark up on term finance certificates | | 162,779 | 254,834 |
| Mark up on long term financing | | 24,344 | 54,936 |
| Mark up on sponsor's loan | | 216,890 | 288,369 |
| Finance charge on lease liabilities | 15 | 22,256 | 26,923 |
| Unwinding of discount on liabilities | 43.1 | 34,312 | 38,929 |
| Bank charges and commission | | 7,401 | 6,638 |
| | | 467,982 | 670,629 |

**43.1 Breakup is as follows:**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Unwinding impact of liability for Term Finance Certificates | 10.1.2 | 18,264 | 23,994 |
| Unwinding impact of liability of long term financing | 11 | 16,048 | 14,935 |
| | | 34,312 | 38,929 |

**Note 44**
**LEVY AND TAXATION**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **Levy** | | | |
| Final/Minimum taxes | 44.1 | 79,748 | 63,081 |
| **Income Tax** | | | |
| - For the year | | - | - |
| - Prior years | | - | 97 |
| | | - | 97 |
| | | 79,748 | 63,178 |
| Deferred | 27 | - | - |
| | | 79,748 | 63,178 |

44.1 The numerical reconciliation between the average tax rate and applicable tax rate has not been presented in these financial statements as the total income of the company attracts minimum tax under section 113 of the Income Tax Ordinance, 2001

44.2 Reconciliation of current tax charged as per tax laws for the year ,with current tax recognized in the profit and loss account , is as follows:

| | 2025 | 2024 |
|---|---|---|
| | Rupees | Rupees |
| Current tax liability for the year as per applicable laws | (79,748) | (63,178) |
| Portion of current tax liability as per tax laws, representing income tax under IAS 12 | - | 97 |
| Portion of current tax computed as per tax laws , representing levy in terms of requirements of IFRIC 21/IAS 37. | 79,748 | 63,081 |
| Difference | - | - |

**Note 45**
**Loss per Share - Basic and Diluted**

**45.1 Basic loss per share:**

| | | 2025 | 2024 |
|---|---|---|---|
| Loss attributable to ordinary shareholders | | (456,019) | (1,359,609) |
| Weighted average number of ordinary shares | Number in '000 | 4,982,289 | 4,982,289 |
| Basic loss earnings per share | Rupees | (0.09) | (0.27) |

**45.2 Diluted loss per share:**

| | | 2025 | 2024 |
|---|---|---|---|
| Loss used to determine diluted loss per share | | (456,019) | (1,359,609) |
| Weighted average number of ordinary shares | Number in '000 | 4,982,289 | 4,982,289 |
| Assumed conversion of CPS into ordinary shares | Number in '000 | 2,863,873 | 2,846,519 |
| Weighted average number of ordinary shares for diluted loss per share | Number in '000 | 7,846,162 | 7,828,808 |
| Diluted loss per share | Rupees | (0.06) | (0.17) |

45.2.1 The dilution effect on basic earning per share is due to conversion option on CPS. The basic weighted average number of shares has been adjusted for conversion option available to preference shareholders.

45.2.2 The effect of the conversion of the CPS into ordinary shares is anti-dilutive for the year. Accordingly, the diluted earnings per share was restricted to the basic loss per share.

Note 46

**Cash Used in Operations**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Loss before taxation | | (376,271) | (1,295,421) |
| Adjustment for non-cash charges and other items: | | | |
| Depreciation on property, plant and equipment | 21.1 | 490,567 | 576,002 |
| Amortisation on intangible assets | 23 | 59,363 | 169,870 |
| Amortisation of right of use assets | 22 | 186,379 | 277,247 |
| (Gain) / Loss on disposal of property, plant and equipment | 21.1.8 | (725) | (1,260) |
| Gain on lease termination | 15.1 | (32,230) | (641) |
| Unclaimed liabilities written back during the year | | (400,805) | |
| Liabilities written back on settlement with parties | 40 | (8,284) | |
| Gain on re-measurement of investment properties at fair value | 24.1 | (6,000) | (6,790) |
| Post employment benefits | 14.1.2 | 48,857 | 50,598 |
| Dividend income on short term investments | 40 | (564) | (140) |
| Adjustment due to impact of IFRS 9 | 43.1 | (2,415) | (12,837) |
| Income on deposits, advances and savings accounts | 41 | (59,848) | (146,558) |
| Exchange gain/(loss) on foreign currency loan | 12.1 | 5,186 | (10,632) |
| Exchange (gain)/loss on foreign currency accrued markup | 13.1 | 6,226 | (5,315) |
| Exchange (gain)/loss on foreign currency balances - net | 41 | 27,859 | 5,341 |
| Imputed interest on lease liability | 15 | 22,256 | 28,323 |
| Unwinding impact of liabilities under IFRS 9 | 43.1 | 34,312 | 38,329 |
| Finance cost | 42 | 411,414 | 602,777 |
| | | 682,544 | 1,340,031 |
| **Operating profit / (loss) before working capital changes** | | 306,273 | 46,330 |
| (Increase) / decrease in current assets | | | |
| Stores and spares | | (407) | 8,303 |
| Trade debts | | (115,464) | 1,314 |
| Loans and advances | | 56,287 | (74,419) |
| Deposits and prepayments | | (38,324) | (77,835) |
| Other receivables | | (64,789) | (60,788) |
| Increase / (decrease) in current liabilities | | | |
| Trade and other payables | | (64,617) | 152,756 |
| | | (227,315) | (85,076) |
| **Cash generated from / (used in) operations** | | 78,958 | (21,576) |

Note 47

**Remuneration of Chief Executive Officer, Directors and Executives**

Aggregate amounts charged in the financial statements for the year as remuneration and benefits to the chief executive, full time working directors and other executives of the Company are as follows:

| | Chief Executive | | Non Executive Directors | | Executive Directors | | Executives | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | (Rupees in '000) | | | | (Rupees in '000) | | (Rupees in '000) | |
| Managerial remuneration | 8,000 | 8,000 | - | | 13,600 | 13,600 | 78,858 | 91,379 |
| Retirement benefits | 1,333 | 1,333 | - | | 2,267 | 2,267 | 8,414 | 8,550 |
| House rent allowance | 3,200 | 3,200 | - | | 5,440 | 5,440 | 31,460 | 36,790 |
| Utilities | 800 | 800 | - | | 1,360 | 1,360 | 7,566 | 9,100 |
| Meeting fee allowance | - | | 4,140 | 3,120 | - | | - | |
| | 13,333 | 13,333 | 4,140 | 3,120 | 22,667 | 22,667 | 126,398 | 146,819 |
| Number of persons | 1 | 1 | 6 | 6 | 2 | 2 | 26 | 29 |

47.1 An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1,200,000 in a financial year.

47.2 The Chief Executive of the Company is also provided with a Company maintained car.

**Note 48**
**Transaction with Related Parties**

| Transactions during the year with local companies | | | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees '000) | |
| **Related party** | **Relationship** | **Nature of transaction** | | |
| Worldcall Services | Parent Company | Net funds received by the Company during the year | 37,435 | 53,077 |
| | | Net markup (paid) / accrued on long term borrowings | (32,043) | 298,269 |
| | | Exchange (gain)/loss on markup | 6,369 | (5,375) |
| | | Exchange (gain)/loss on loan | 5,108 | (10,530) |
| Route 1 Digital (Private) Limited | Wholly Owned Subsidiary | Interest charged during the year | 2,679 | 4,712 |
| | | Expenses borne on behalf of subsidiary | 298 | 316 |
| Worldcall Cable (Private) Limited | Associate | Expenses borne on behalf of associate | - | |
| | | Interest charged during the year | 212 | 354 |
| Worldcall Ride Hail (Private) Limited | Associate | Expenses borne on behalf of associate | - | |
| | | Interest charged during the year | 2 | 4 |
| Key management personnel | Associated persons | Salaries and employees benefits | 109,015 | 120,073 |
| | | Advances against expenses disbursed / (adjusted) - net | (11,637) | 813 |

**Transactions during the period with foreign companies**

| **Related party** | **Relationship** | **Nature of transaction** | 2025 | 2024 |
|---|---|---|---|---|
| Global Tech Corporation | Ultimate Holding Company | Funds received during the year | 322,791 | |
| | | Markup on long term borrowings | 7,444 | |
| | | Exchange (gain)/loss on markup | 27 | |
| | | Exchange (gain)/loss on loan | (118) | |
| Ferret Consulting - F.Z.C | Associate | Exchange (Gain)/loss | 1,188 | (1,399) |
| | | Payment/adjustment with third party | (79,555) | (1,443) |
| | | Direct Cost - IT Service | 7,299 | 5,767 |
| | | Expenses charged during the year | (4,545) | (2,195) |

Ferret Consulting is incorporated in United Arab Emirates. Basis for association of the Company with Ferret is common directorship.

| **Outstanding Balance as at the period / year end** | | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Worldcall Services (Private) Limited | Sponsor's loan | 2,533,365 | 2,401,246 |
| | Accrued markup | 566,791 | 709,213 |
| Global Tech Corporation | Sponsor's loan | 323,633 | |
| | Accrued markup | 7,471 | |
| Ferret Consulting - F.Z.C | Dividend on CPS | 274,993 | 275,993 |
| | Short term borrowings | 33,795 | 108,505 |
| Route 1 Digital (Private) Limited | Other receivables | 34,900 | 31,833 |
| Ferret Consulting - F.Z.C | Other receivables | - | 73,825 |
| Worldcall Ride Hail (Private) Limited | Other receivables | 31 | 28 |
| Worldcall Cable (Private) Limited | Other receivables | 4,009 | 3,716 |
| Key management | Payable against expenses, salaries and other employee benefits | 193,085 | 160,859 |
| | Advance against expenses | 5,778 | 16,615 |

**Note 49**

**Financial Risk Management**

The Company finances its operations through equity, borrowings and management of working capital with a view to obtain a reasonable mix between various sources of finance to minimize the risk.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, other market price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

The Company's overall risk management procedures, to minimize the potential adverse effects of financial market on the Company's performance, are as follows:

**49.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency, interest rate, commodity price and equity price that will affect the Company's income or the value of its holdings of financial instruments.

**49.1.1 Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to the following:

| | 2025 | 2024 |
|---|---|---|
| | USD ('000) | |
| Trade debts | 9,831 | 9,591 |
| Trade and other payables | (11,342) | (11,236) |
| Borrowings | (6,100) | (3,350) |
| Net exposure | (8,611) | (5,050) |

The following significant exchange rates were applied during the year:

| | 2025 | 2024 |
|---|---|---|
| Average rate - Rupees per US Dollar (USD) | 281.61 | 285.58 |
| Reporting date rate - Rupees per US Dollar (USD) | | |
| Assets | 280.35 | 278.35 |
| Liabilities | 283.55 | 278.85 |

At December 31, 2025, if the Rupee had weakened / strengthened by 1% against the US dollar with all other variables held constant, pre tax loss for the year would have been Rs. 23.88 million (2024: Rs. 15.037 million) higher / lower, mainly as a result of foreign exchange losses / gains on translation of US dollar denominated financial assets and liabilities. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

**49.1.2 Interest rate risk**

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company analyses its interest rate exposure on a dynamic basis taking into consideration refinancing, renewal of existing positions, alternative financing etc. At the reporting date, the profile of the Company's interest bearing financial instruments was as under:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| **Floating rate instruments** | | |
| **Financial assets** | | |
| Bank balances - saving accounts | 2,638 | 1,155 |
| Deposit in Escrow Account | 719,884 | 665,207 |
| **Financial liabilities** | | |
| Term finance certificates | (1,160,711) | (1,137,859) |
| Long term financing | (257,236) | (242,508) |
| Sponsor's loan | (841,658) | (835,550) |
| Short term borrowings | | |
| | (1,486,077) | (1,600,754) |

<u>**Fair value sensitivity analysis for fixed rate instruments**</u>

The Company does not have any fixed rate financial assets and liabilities at fair value.

<u>**Cash flow sensitivity analysis for variable rate instruments**</u>

If interest rates at the reporting date had fluctuated by 1% higher / lower with all other variables held constant, loss before taxation for the year would have been Rs. 15.232 million (2024: Rs. 18.17 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate borrowings. This analysis is prepared assuming the amounts of liabilities outstanding at the reporting date are outstanding for the entire year.

**49.1.3 Other market price risk**

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk arises from investments held by the Company which are classified in the statement of financial position as fair value through other comprehensive income (Note 35). The primary goal of the Company's investment strategy is to maximise investment returns on the surplus cash balance. In accordance with this strategy, investments are designated as available-for-sale and their performance is actively monitored.

Given the investment amount is too low (less than 1% of the Company's total assets), the performance of the investments will not have any material impact on the Company's performance.

**49.2 Credit risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure.

The Company's credit risk is primarily attributable to deposits with banks, long term trade receivables, trade debts, loans and advances and other receivables. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

**49.2.1 Exposure to credit risk**

Carrying values of financial assets exposed to credit risk and which are neither past due nor impaired are as under:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Long term deposits | 9,127 | 9,112 |
| Trade debts | 4,343,809 | 4,321,021 |
| Short term deposits | 784,203 | 737,800 |
| Other receivables | 270,278 | 310,177 |
| Short term investments | 59,507 | 41,502 |
| Bank balances | 18,371 | 97,306 |
| | 5,486,215 | 5,508,237 |

**49.2.2** The aging of trade debts as at the reporting date is as follows:

| | 2025 | 2024 |
|---|---|---|
| Not past due | 347 | 14,500 |
| Past due 1 - 180 days | 448,418 | 358,525 |
| Past due 181 - 365 days | 482,889 | 426,350 |
| 1 - 2 years | 919,799 | 435,067 |
| More than 2 years | 2,212,154 | 3,026,569 |
| | 4,343,907 | 4,281,111 |

The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counter parties and trade debts are subject to specific credit ceilings based on customer credit history.

The management estimates the recoverability of trade receivables on the basis of financial position and past history of its customers based on the objective evidence that it shall not receive the amount due from the particular customer. The provision is written off by the Company when it expects that it cannot recover the balance due. Any subsequent repayments in relation to amounts written off are credited directly to the statement of profit or loss account.

**49.2.3 Credit quality of bank balances**

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

| | Rating Long term | Short term | Rating Agency | 2025 | 2024 |
|---|---|---|---|---|---|
| | | | | (Rupees in '000) | |
| Allied Bank Limited | AAA | A1+ | PACRA | 149 | 56 |
| Askari Bank Limited | AA+ | A1+ | PACRA | 83 | 47 |
| Bank Al Habib Limited | AAA | A1+ | PACRA | 4 | 4 |
| Habib Bank Limited | AA+ | A-1+ | VIS | 225 | 225 |
| Habib Metropolitan Bank Limited | AA+ | A1+ | PACRA | (40) | (40) |
| JS Bank Limited | AA | A1+ | PACRA | 17 | 17 |
| MCB Bank Limited | AAA | A1+ | PACRA | 125 | 125 |
| National Bank of Pakistan | AAA | A1+ | PACRA | 11 | 11 |
| Silk Bank Limited | A | A2 | VIS | 14,859 | 152 |
| Standard Chartered Bank (Pakistan) Limited | AAA | A1+ | PACRA | 359 | 464 |
| Soneri Bank Limited | AA | A1+ | PACRA | 137 | 22 |
| Telenor Microfinance Bank Limited (Formerly Tameer Microfinance Bank Limited) | A / A+ | A1 / A1 | PACRA / PACRA | 554 | 1,004 |
| United Bank Limited | AA+ | A1+ | VIS | 30 | 18 |
| Waseela Microfinance Bank Limited | A | A1 | PACRA | 149 | 149 |
| NBI Bank | AAA | A-1+ | PACRA | 27 | 27 |
| Oman International bank SAOG | | | | 3 | |
| | | | | 16,683 | 2,361 |

**Shariah Compliant**

| | Rating Long term | Short term | Rating Agency | 2025 | 2024 |
|---|---|---|---|---|---|
| Bank Islami Pakistan Limited (Formerly | AA | A1 | PACRA | 359 | 35 |
| KASB Bank Limited) | A+ | A1 | PACRA | | 7 |
| Bank Makramah Limited (Formerly Summit Bank) | Not available | Nil | VIS | 2,055 | 914 |
| Meezan Bank | AAA | A1+ | VIS | 294 | 92,311 |
| Dubai Islamic Bank Limited | AA | A1+ | VIS | - | 1,267 |
| | | | | 2,708 | 94,534 |

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

### 49.3 Liquidity risk

Liquidity risk represents the risk that the Company shall encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. The management monitors the forecasts of the Company's cash and cash equivalents on the basis of expected cash flow. This is generally carried out in accordance with the practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the Company operates. In addition, the Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities and maintaining debt financing plans. The Company has been facing difficulty in meeting various obligations towards its lenders and creditors. However, the management has devised a strategy for settlement and servicing of its liabilities as detailed in note 2.2. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| Description | Carrying Amount | Contractual cash flows | Within 1 year | 1-2 Years | 2-5 Years | Above 5 Years |
|---|---|---|---|---|---|---|
| | Rupees in '000 | | | | | |
| **Contractual maturities of financial liabilities as at December 31, 2025** | | | | | | |
| Term finance certificates | 3,160,711 | 3,160,711 | 3,160,711 | | | |
| Long term financing | 207,239 | 207,239 | 122,627 | 84,612 | | |
| Sponsors loan | 2,004,398 | 2,004,398 | | 2,004,398 | | |
| Lease liabilities | 181,781 | 181,775 | 48,526 | 91,337 | 33,411 | 8,501 |
| License fee payable | 45,513 | 45,513 | - | - | 45,513 | - |
| Short term borrowings | 32,745 | 32,744 | 32,744 | | | |
| Trade and other payables | 6,769,804 | 6,300,947 | 6,300,947 | | | |
| Unclaimed dividend | 1,807 | 1,807 | 1,807 | | | |
| Accrued mark up | 1,223,311 | 1,665,018 | 1,665,018 | | | |
| | 13,416,469 | 13,406,441 | 5,370,277 | 3,201,440 | 78,924 | 8,501 |

| Description | Carrying Amount | Contractual cash flows | Within 1 year | 1-2 Years | 2-5 Years | Above 5 Years |
|---|---|---|---|---|---|---|
| | | | Rupees in '000 | | | |
| Contractual maturities of financial liabilities as at December 31, 2024: | | | | | | |
| Term finance certificates | 1,187,262 | 1,187,263 | 1,020,154 | 167,109 | - | - |
| Long term financing | 262,656 | 262,000 | 112,143 | 74,000 | 76,000 | - |
| Sponsor's loan | 2,491,848 | 2,491,848 | - | 2,491,848 | - | - |
| Lease liabilities | 255,408 | 255,408 | 58,329 | 88,516 | 108,563 | - |
| License fee payable | 45,513 | 45,513 | - | - | 45,513 | - |
| Short term borrowings | 100,805 | 100,805 | 100,805 | - | - | - |
| Trade and other payables | 6,318,518 | 6,318,518 | 6,318,518 | - | - | - |
| Unclaimed dividend | 1,807 | 1,807 | 1,807 | - | - | - |
| Accrued mark up | 1,024,317 | 1,024,317 | 1,024,317 | - | - | - |
| | 12,276,877 | 12,276,877 | 8,260,262 | 2,807,473 | 230,141 | - |

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at the reporting date. The rates of interest / mark up have been disclosed in relevant notes to these financial statements.

## 40.4 Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

The carrying values of all financial assets and liabilities reflected in financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

**Fair value estimation**

Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and significance of the inputs to the fair value measurement in its entirety, which is as follows: 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 financial assets that are measured at fair value at December 31, 2025:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| **Assets** | | | | |
| **Recurring fair value measurements** | | | | |
| Investments at fair value through other comprehensive income | 18,827 | - | - | 18,827 |

The following table presents the Company's financial assets that are measured at fair value at December 31, 2024:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| **Assets** | | | | |
| **Recurring fair value measurements** | | | | |
| Investments at fair value through other comprehensive income | 41,822 | - | - | 41,822 |

There has been no transfers from one level of hierarchy to another level during the year.

**49.5 Changes in liabilities arising from financing activities**

| | January 1, 2025 | Cash Flows | Foreign Exchange Movement | Impact of (Discounting) / Unwinding | Other Adjustments | December 31, 2025 |
|---|---|---|---|---|---|---|
| | (Rupees in '000) | | | | | |
| Term finance certificates | 1,756,270 | (37,142) | | 18,264 | 192,779 | 1,910,171 |
| Long term financing | 523,346 | (55,309) | | 14,651 | 24,344 | 506,772 |
| Sponsor's loan | 2,526,779 | 380,307 | 5,100 | (163,694) | 216,898 | 2,910,257 |
| Lease liabilities | 235,408 | (35,136) | | | (18,533) | 181,743 |
| Short term borrowings | 138,800 | 287 | | | | 139,087 |
| Total liabilities from financing activities | 5,180,603 | 292,507 | 5,100 | (130,779) | 385,492 | 5,623,308 |

| | January 1, 2024 | Cash Flows | Foreign Exchange Movement | Impact of (Discounting) / Unwinding | Other Adjustments | December 31, 2024 |
|---|---|---|---|---|---|---|
| | (Rupees in '000) | | | | | |
| Term finance certificates | 1,477,442 | | | 23,884 | 254,944 | 1,756,270 |
| Long term financing | 552,000 | (81,020) | | 7,333 | 54,835 | 523,346 |
| Sponsor's loan | 2,474,338 | 30,411 | (10,650) | (233,384) | 266,388 | 2,526,779 |
| Lease Liabilities | 256,465 | (38,488) | | | 25,431 | 235,408 |
| Short term borrowings | 138,513 | 287 | | | | 138,800 |
| Total liabilities from financing activities | 4,862,838 | (88,810) | (10,650) | (202,267) | 610,568 | 5,180,603 |

Other adjustments include; mark-up deferred / accrued during the year, transfer of short term loan to long term loan due to restructuring/settlement, expenses borne by lender on behalf of the Company.

**49.6 Capital Risk Management**

The Company's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the Company's business. The Board of Directors monitors the Return on Capital Employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

i) to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The Company monitors capital on the basis of the debt to equity ratio calculated as a ratio of total debt to equity and total debt.

The Company is subject to capital requirements imposed by its lenders. However, the Company has not been able to meet these requirements on account of its financial constraints. The management is confident that after implementation of the strategy detailed in note 2.2, the Company will become compliant with the externally imposed capital requirements.

In line with the industry norm, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including license fee payable) less cash and cash equivalents. Total capital is calculated as equity as shown in the statement of financial position plus net debt. As at the reporting date, the gearing ratio of the Company was worked out as under:

| | 2025 | 2024 |
|---|---|---|
| | Rupees in '000 | |
| Borrowings | 4,437,434 | 4,286,722 |
| Cash and bank balances | (21,185) | (99,433) |
| Net debt | 4,416,249 | 4,187,289 |
| Equity | (370,941) | 42,156 |
| Total capital employed | 4,045,308 | 4,229,445 |
| Gearing ratio (%) | 109.17% | 99.00% |

45.7 Financial instruments by categories

**Financial assets as at December 31, 2025**

| | Amortised Cost | At fair value through OCI - equity instruments | At fair value through profit or loss | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| Long term deposits | 9,127 | - | - | 9,127 |
| Trade debts | 4,343,609 | - | - | 4,343,609 |
| Short term deposits | 764,202 | - | - | 764,202 |
| Other receivables | 270,279 | - | - | 270,279 |
| Short term investments | - | 59,627 | - | 59,627 |
| Cash and bank balances | 21,185 | - | - | 21,185 |
| | 5,408,402 | 59,627 | - | 5,468,029 |

**Financial assets as at December 31, 2024**

| | Amortised Cost | At fair value through OCI - equity instruments | At fair value through profit or loss | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| Long term deposits | 9,117 | - | - | 9,117 |
| Trade debts | 4,281,031 | - | - | 4,281,031 |
| Short term deposits | 737,610 | - | - | 737,610 |
| Other receivables | 319,177 | - | - | 319,177 |
| Short term investments | - | 41,522 | - | 41,522 |
| Cash and bank balances | 99,432 | - | - | 99,432 |
| | 5,446,363 | 41,522 | - | 5,488,285 |

**Financial liabilities at amortised cost**

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Term finance certificates | 1,188,711 | 1,187,952 |
| Long term financing | 297,239 | 262,808 |
| Sponsor's loan | 2,854,998 | 2,491,848 |
| Lease liabilities | 181,741 | 335,408 |
| License fee payable | 45,512 | 45,512 |
| Short term borrowings | 32,745 | 108,805 |
| Trade and other payables | 6,295,504 | 6,318,218 |
| Unclaimed dividend | 1,807 | 1,807 |
| Accrued mark up | 1,655,911 | 1,624,317 |
| | 12,418,409 | 12,376,877 |

**Note 50**
**Segment Information**

As per IFRS 8, "Operating Segments", operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision maker. The Chief Executive Officer (CEO) of the Company has been identified as the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

The CEO is responsible for the Company's entire product portfolio and considers business as a single operating segment. The Company's assets allocation decisions are based on a single integrated investment strategy and the Company's performance is evaluated on an overall basis.

The internal reporting provided to the CEO for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.

The Company is domiciled in Pakistan. All of the Company's assets are located in Pakistan as at the reporting date.

**Note 51**

| **Number of Employees** | **2025** | **2024** |
|---|---|---|
| | Number | Number |
| Employees as at December 31, 2025 | **207** | 251 |
| Average number of employees during the year | **285** | 300 |

**Note 52**
**Shariah Screening Disclosure**

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | **Conventional** | **Shariah Compliant** | **Conventional** | **Shariah Compliant** |
| | Rupees in '000 | | Rupees in '000 | |
| Term Finance Certificates | **1,165,711** | - | 1,273,508 | - |
| Long Term Financing | **147,182** | **27,776** | 271,132 | 50,796 |
| Sponsor Loan | **2,854,938** | - | 2,491,948 | - |
| Accrued Markup | **1,655,911** | - | 1,524,317 | - |
| Short term borrowing | **32,746** | | 108,805 | |
| Short term investments | **98,627** | - | 41,322 | - |
| Bank Balances | **16,553** | **2,708** | 7,881 | 94,534 |
| Revenue | - | **5,981,182** | - | 5,046,440 |
| Other Income | | | | |
| a) Mark up interest on saving deposit accounts, term deposit receipts and government securities | **59,646** | - | 146,589 | - |
| c) Dividend income | **888** | - | 188 | - |
| d) Others | | | | |
| Markup paid | - | - | 11,119 | - |

**Note 53**
**Subsequent Events**

In line with articles of association of the company, the board of directors in its meeting held on 18 March 2026 has approved the issuance of ordinary shares against accumulated dividend on class A and class B cumulative Convertible Preference Shares (CPS) @ 9.5% on already converted and balance CPS till conversion of the same.

**Note 54**

**Authorization of Financial Statements**

These financial statements were approved and authorized for issue on 10th March 2025 by the Board of Directors of the Company.

**Note 55**

**Corresponding Figures**

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison although there is no material reclassification during the year.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

# CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED
## 31 DECEMBER 2025

# INDEPENDENT AUDITORS' REPORT
# TO THE MEMBERS OF WORLDCALL TELECOM LIMITED
# REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Opinion**

We have audited the annexed consolidated financial statements of WorldCall Telecom Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at December 31,2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the group as at December 31, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty relating to Going Concern**

We draw attention to Note 2.2 in the annexed consolidated financial statements, which states that the Group has incurred a loss after taxation of Rs. 455,293 million during the year ended December 31, 2025 (2024: Rs. 1,363,338 million) which includes the impact of write back of liabilities for Rs. 400,802 million (2024: Rs. 57,646 million). As at December 31, 2025, the accumulated loss of the Group stands at Rs. 19,002,715 million (2024: Rs. 18,756,711 million) and its current liabilities exceed its current assets by Rs. 8,291,223 million (2024: Rs. 8,301,733 million). These conditions along with contingencies and commitments as mentioned in note 25, indicate the existence of material uncertainties that cast significant doubt about the Group'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. Our opinion is not modified in respect of this matter.

**Emphasis of Matter Paragraph**

We draw attention to note 26 to the accompanying financial statements, wherein the Group recognized deferred tax asset of Rs. 1,483,378 million, the realization of which would depend on generation of sufficient profits in the future as projected by the management. Our opinion is not modified in respect of this matter.

**Key Audit Matter(s)**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section and Emphasis of Matter paragraph, we have determined the matters described below to be the key audit matters to be communicated in our report.

**Following are the Key audit matter(s):**

| Sr. No. | Key Audit Matter(s) | How the matter was addressed in our audit |
|---|---|---|
| 01. | **Revenue Recognition**<br>The Group has reported revenue amounting to Rs. 5,391.182 million for the year ended December 31, 2025 for details refer note 39 to the financial statements.<br><br>There is a risk around the accuracy and completeness of revenue recorded. The complex billing system that involves processing a large volume of data making it inherent industry risk.<br><br>We identified recognition of revenue as a key audit matter because;<br>(i) revenue is one of the key performance indicators of the Company;<br>(ii) it gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets; and<br>(iii) recognition and measurement of revenue and contract related assets may involve significant judgement as per IFRS 15 "Revenue from Contracts with Customers". | • Our audit procedures to assess the recognition of revenue amongst others, include the following:<br>• Obtaining an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue.<br>• Comparing a sample of transactions comprising of various revenue streams recorded during the year with relevant underlying supporting documents and cash receipt where applicable.<br>• We evaluated the relevant IT systems and the design of controls, and tested the operating effectiveness of controls over the:<br>o capturing and recording of revenue transactions;<br>o authorization of rate changes and the input of this information to the billing systems; and<br>o calculation of amounts billed to customers.<br>• We also tested a sample of customer bills and checked these to cash received from customers.<br>• Assessing the appropriateness of accounting policies for revenue recognition and relevant contract assets and liabilities for compliance with applicable financial reporting framework including their correct application to the amounts recognized during the year.<br>• Inspecting journal entries relating to revenue recognized during the year and the corresponding underlying documentation for those journal entries which were considered to be material or met certain specified risk based criteria; and<br>• Considering the appropriateness of disclosures in the financial statements. |

| Sr. No. | Key Audit Matter(s) | How the matter was addressed in our audit |
|---|---|---|
| 02 | **Recoverability of Trade Debts**<br><br>As at December 31, 2025, the Group's gross trade debtors were Rs 4,343.867 million against which allowances for doubtful debts of Rs 3,108.489 million were recorded for details refer note 30 of the financial statements.<br><br>We identified the recoverability of trade debtors as a key audit matter because it involves significant management judgment in assessing the amount likely to be recovered and estimates in determining the allowance of expected credit loss. | Our audit procedures to assess the valuation of trade debts amongst others included the following:<br>• Obtaining an understanding of and testing the design and implementation of management's key internal control, debt collection and making allowances for doubtful debts;<br>• Agreeing on a sample basis, the balances used in management's estimate of expected credit loss with the books of accounts of the company;<br>• Testing the assumptions and estimates made by management for the allowances for doubtful debts; and<br>• Evaluating that the allowance for doubtful debt is in accordance with the requirements of applicable financial reporting framework. |
| 03 | **Contingencies**<br><br>There are a number of threatened and actual legal, regulatory and tax cases against the Group for details refer note 20 of the financial statements. The contingencies require management to make judgments and estimates in relation to the interpretation of laws and regulations and the recognition and measurement of any provisions that may be required against such contingencies.<br><br>Involvement of subjectivity, inherent uncertainty and the time period such matters may take to resolve, the management judgments and estimates in relation to such contingencies may be complex and can significantly impact the financial statements.<br><br>For such reasons we have considered contingencies as a key audit matter. | Our key audit procedures include:<br>• Discussing the process of identifying and recording contingencies in the financial statement with management;<br>• Review of correspondence of company with the relevant tax authorities including judgements and orders passed by the competent authorities;<br>• Discussing with company's in house tax expert to assess and validate management's conclusion;<br>• Obtaining and reviewing external confirmation from company's legal counsels and tax advisors for their views on case status and<br>• Assess adequacy of disclosures in the financial statements. |

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report including, in particular, the Chairman's Review, Director's Report and Financial Highlights, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of Consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Muhammad Safdar, FCA.

Tariq Abdul Ghani & Co.

**Tariq Abdul Ghani & Co.**
**Chartered Accountants**

**Date: March 10, 2026**
**Lahore**
**UDIN: AR202510233534nJwUgL**

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

| | Note | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **SHARE CAPITAL AND RESERVES** | | | |
| Authorized share capital | | 25,000,000 | 25,000,000 |
| Ordinary share capital | 5 | 14,124,134 | 14,124,134 |
| Preference share capital | 6 | 890,665 | 890,665 |
| Dividend on preference shares | 7 | 320,329 | 320,329 |
| Capital reserves | 8 | 272,796 | 233,079 |
| Accumulated loss | | (19,050,713) | (18,796,771) |
| Surplus on revaluation of fixed assets | 9 | 3,035,276 | 3,257,143 |
| | | (407,513) | 8,658 |
| **NON CURRENT LIABILITIES** | | | |
| Term finance certificates | 10 | - | 252,754 |
| Long term financing | 11 | 174,558 | 371,528 |
| Sponsor's loan | 12 | 2,854,998 | 2,401,048 |
| License fee payable | 13 | 45,513 | 45,513 |
| Post employment benefits | 14 | 197,813 | 186,527 |
| Lease liabilities | 15 | 133,215 | 177,079 |
| | | 3,406,297 | 3,477,655 |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 16 | 7,441,875 | 7,507,776 |
| Accrued mark up | 17 | 1,355,911 | 1,624,317 |
| Current and overdue portion of non current liabilities | 18 | 2,170,729 | 1,847,290 |
| Short term borrowings | 19 | 32,745 | 108,605 |
| Unclaimed dividend | | 1,897 | 1,897 |
| Provision for taxation - net | | 74,357 | 312,876 |
| | | 11,385,234 | 11,402,677 |
| **Contingencies and Commitments** | 20 | - | - |
| **TOTAL EQUITY AND LIABILITIES** | | 14,384,018 | 14,889,394 |
| Property, plant and equipment | 21 | 6,297,297 | 6,584,007 |
| Right of use assets | 22 | 3,217,213 | 3,412,141 |
| Intangible assets | 23 | 125,486 | 57,540 |
| Investment properties | 24 | 55,400 | 58,400 |
| Long term trade receivable | 25 | - | - |
| Deferred taxation | 26 | 1,651,370 | 1,675,250 |
| Long term deposits | 27 | 9,127 | 9,112 |
| | | 11,289,807 | 11,788,250 |
| **CURRENT ASSETS** | | | |
| Stores and spares | 28 | 22,404 | 22,997 |
| Stock in trade | 29 | 210,858 | 210,858 |
| Trade debts | 30 | 1,242,348 | 1,118,306 |
| Loans and advances | 31 | 368,747 | 623,036 |
| Deposits and prepayments | 32 | 781,997 | 745,623 |
| Short term investments | 33 | 59,628 | 41,827 |
| Other receivables | 34 | 187,027 | 238,903 |
| Cash and bank balances | 35 | 21,292 | 89,450 |
| | | 2,094,211 | 3,101,144 |
| **TOTAL ASSETS** | | 14,384,018 | 14,889,394 |

The annexed notes from 1 to 54 form an integral part of these financial statements.

| CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER |
|---|---|---|

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS ACCOUNT
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Revenue | 36 | 5,991,182 | 5,048,440 |
| Direct costs excluding depreciation and amortization | 37 | (5,415,881) | (4,651,567) |
| Operating costs | 38 | (265,289) | (430,359) |
| Other income | 39 | 574,235 | 232,250 |
| Other Expenses | 40 | (49,017) | (25,394) |
| **Profit before Interest, Taxation, Depreciation and Amortization** | | 734,530 | 171,370 |
| Depreciation and amortization | 41 | (646,093) | (801,501) |
| Finance cost | 42 | (467,982) | (670,629) |
| **Loss before levy and income taxes** | | (379,545) | (1,300,760) |
| Levy final/ minimum taxes | 43 | (79,748) | (63,081) |
| **Loss before income tax** | | (459,293) | (1,363,841) |
| Taxation | | | |
| Current year | | | |
| Prior year | | - | (97) |
| Deferred tax | | | |
| | | - | (97) |
| Loss after income tax | | (459,293) | (1,363,938) |
| **Loss per Share - basic (Rupees)** | 44 | (0.09) | (0.27) |
| **Loss per Share - diluted (Rupees)** | 44 | (0.06) | (0.17) |

The annexed notes from 1 to 54 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| **Net loss for the period** | (409,292) | (1,363,938) |
| ***Other comprehensive income:*** | | |
| ***Items that will not be reclassified to profit or loss:*** | | |
| Surplus on revaluation of fixed assets - net of tax | - | 1,728,869 |
| Remeasurement of post employment benefits obligations- net of tax | 9,500 | 19,021 |
| Changes in fair value of financial assets through other comprehensive income - net of tax | 33,423 | 30,272 |
| ***Item that may be subsequently reclassified to profit or loss:*** | - | - |
| | - | - |
| **Other Comprehensive income - net of tax** | 42,923 | 1,778,162 |
| **Total Comprehensive loss for the period - net of tax** | (416,370) | 414,224 |

The annexed notes from 1 to 54 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2025

| Particulars | Ordinary Share Capital | Preference Share Capital | Dividend on Preference Shares | Capital Reserves | | | Revenue Reserve (Accumulated Loss) | Surplus on Revaluation of Fixed Assets | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Fair Value Reserve | Exchange Translation Reserve | Total Capital Reserves | | | |
| | ----------------------------------- (Rupees in '000) ----------------------------------- | | | | | | | | |
| **Balance as at December 31, 2023** | 14,134,134 | 893,655 | 320,329 | (16,827) | 161,224 | 144,397 | (17,551,557) | 1,663,986 | (406,886) |
| Net loss for the year | - | - | - | - | - | - | (1,393,838) | - | (1,393,838) |
| Other comprehensive income for the period - net of tax | - | - | - | 30,272 | - | 30,272 | 16,221 | 1,728,889 | 1,775,182 |
| Transfer on sale of fair value OCI investment | - | - | - | 56,810 | - | 56,810 | (56,810) | - | - |
| Total comprehensive loss for the year - net of tax | - | - | - | 86,082 | - | 86,082 | (1,433,527) | 1,728,889 | 414,324 |
| Incremental depreciation / amortisation for the year on surplus on revaluation of fixed assets | - | - | - | - | - | - | 158,872 | (158,872) | - |
| **Balance as at December 31, 2024** | 14,134,134 | 893,655 | 320,329 | 73,055 | 161,224 | 233,279 | (18,796,711) | 3,237,152 | 8,868 |
| Net loss for the period | - | - | - | - | - | - | (409,337) | - | (409,337) |
| Other comprehensive income for the period - net of tax | - | - | - | 30,423 | - | 30,423 | 9,822 | - | 40,245 |
| Transfer on sale of fair value OCI investment | - | - | - | 8,094 | - | 8,094 | (8,094) | - | - |
| Total comprehensive loss for the period - net of tax | - | - | - | 38,517 | - | 38,517 | (400,337) | - | (416,370) |
| Incremental depreciation / amortisation for the period on surplus on revaluation of fixed assets | - | - | - | - | - | - | 201,886 | (201,886) | - |
| **Balance as at December 31, 2025** | 14,134,134 | 893,655 | 320,329 | 111,572 | 161,224 | 272,796 | (19,065,113) | 3,035,276 | (407,873) |

The annexed notes from 1 to 54 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| **Cash generated from / (used in) operations** | 40 | 81,538 | (27,140) |
| **Increase / (Decrease) in non-current liabilities:** | | | |
| - Long term deposit | | - | - |
| **Decrease / (Increase) in non-current assets:** | | | |
| - Long term deposits | | (15) | 421 |
| | | 81,523 | (26,739) |
| Post employment benefits paid | 14 | (10,453) | (7,207) |
| Finance cost paid | | (242,928) | (8,039) |
| Income tax paid | | (33,277) | (48,678) |
| **Net cash used in Operating Activities** | | (205,035) | (89,563) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment | 22 | (14,909) | (31,127) |
| Purchase of intangibles | 24 | (141,225) | 169 |
| Dividend income | 41 | 868 | 29,400 |
| Short term investments-net | 33 | 3,742 | 141,830 |
| Income on deposit and savings accounts | | 56,970 | - |
| **Net cash (used in) / generated from Investing Activities** | | (94,581) | 139,272 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Repayment of term finance certificates | 10 | (56,790) | - |
| Repayment of long term financing | 11 | (55,369) | (102,121) |
| Sponsor's loan - net | 12 | 365,188 | 30,412 |
| Short term borrowings - net | 19 | 2,505 | 1,658 |
| Repayment of lease liability | 15 | (35,130) | (38,408) |
| **Net Cash generated from / (used in) Financing Activities** | | 221,348 | (108,529) |
| **Net (decrease) in Cash and Cash Equivalents** | | (78,248) | (58,830) |
| Cash and cash equivalents at the beginning of the Period | | 99,450 | 158,279 |
| **Cash and Cash Equivalents at the End of the Period** | | 21,202 | 99,450 |

The annexed notes from 1 to 54 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1
**The group and its Operations**

The Group is structured as follows:

WorldCall Telecom Limited (WTL) is the Parent group (refer to note 1.1)

-Route 1 Digital (Private) Limited is the subsidiary (refer to note 1.1.1) The subsidiary is wholly owned by the Parent with 100% shareholding of the Parent group in the subsidiary.

1.1 WorldCall Telecom Limited ("the parent") is a public limited group incorporated in Pakistan on March 15, 2001 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange. The group 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 group is domiciled in Punjab, Pakistan and its registered office cum principal place of business is situated at Plot # 112-113, Block S, Quaid-e-Azam Industrial Estate, Kot Lakh Pat, Lahore.

1.1.1 Route 1 Digital (Private) Limited (the subsidiary) is a private limited company incorporated in Pakistan on December 21, 2016 under the repealed Companies ordinance, 1984 (now the Companies Act 2017). The primary business is to carry out the business of all transport services, sharing motor vehicle transportation with another or others, and consultancy in the field of information technology, software development and all activities ancillary thereto. The subsidiary is domiciled in Punjab, Pakistan and its registered office is situated at 2nd floor, 335 Y Block, Phase-III, Defence Housing Authority, Lahore Cantt. Its principal place of business is situated at 20, Tariq Block, New Garden Town, Lahore. The group acquired this subsidiary and its control on April 30, 2019.

1.1.2 WorldCall Services (Pvt.) Limited is the Parent company. Global Tech Corporation (GTC) owned 100% shares of both M/s WorldCall Services (Pvt.) Ltd and Ferret Consulting FZC and after the consummation of the contemplated transaction GTC has become ultimate holding company. The ultimate beneficial ownership remains unchanged. GTC is registered in USA and its principal office is situated at [illegible] Barron Way Suite 13a, Reno, NV 89511.

1.2 Geographical location and address of all business units of the group are as follows:

| Business unit | Address |
|---|---|
| Main Offices | Plot # 112-113, Block S, Quaid-e-Azam Industrial Estate, Kot Lakh Pat, Lahore. |
| Regional offices | [illegible], Commercial Phase-III, DHA, Lahore<br>[illegible] Tower, 105-B8, MM Alam Road, Lahore<br>Shop # 25,26, J-I Market, WAPDA Town, Lahore<br>Suite No. 303-304, 3rd floor, The Plaza, G-7, Block 9, Clifton, Karachi<br>House # 81, FC Colony, Hassan Garhi (Sheikh) Road, Peshawar |
| Warehouse | Plot # 112-113 Block S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore. |
| Headends | Office # 315, Plot # G-7, The Plaza, Block 9, Clifton, Karachi<br>Plot # 112-113 Block-S, Quaid-e-Azam Industrial Estate, Kot Lakh Pat, Lahore.<br>P-1410-1126, Peoples Colony-1, Faisalabad<br>Plot # 321, St # 24, Sector I-9/3, Islamabad |

Note 2
**Basis of Preparation**

2.1 **Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of directives, and notifications issued under the Companies Act, 2017 have been followed.

The consolidated financial statements provide comparative information in respect of the previous year.

2.2 **Going concern assumption**

2.2.1 The group has incurred a net loss of Rs. [illegible] million during the year ended December 31, 2025 (2024: Rs. [illegible] million). As at December 31, 2025, the accumulated loss of the group stands at Rs. [illegible] million (December 31, 2024: Rs. [illegible] million) and its current liabilities exceed its current assets by Rs. [illegible] million (December 31, 2024: Rs. [illegible] million). Further, the group's telecommunication licenses to provide Long Distance & International (LDI) & Fixed Local loop (FLL) services expired in July 2024 and as of the reporting date, the matter concerning renewal of FLL Licenses is pending before the Honorable Islamabad High Court, however, PTA has renewed the LDI License subject to certain conditions, some of them have been assailed by the group before the Sindh High Court at Karachi, whereas remaining has been fulfilled. The Honorable Court has restrained the PTA from taking coercive measures against the group. The matter is pending adjudication. These conditions, in conjunction with contingencies and commitments as mentioned in note [illegible], indicate the existence of material uncertainty that cast significant doubt about the group'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.

**2.2.2 Net Liabilities Position - Risk Mitigation**

As mentioned above, there is a net current liability position of approximately Rs. 5.101 billion as on the reporting date, which has the following major components:

| Description | Note | Rs in million |
|---|---|---|
| Short term Borrowings | 2.2.2.1 | 33 |
| Pakistan Telecommunication Authority (PTA) | 2.2.2.2 | 3,401 |
| Claims of Parties Challenged | 2.2.2.3 | 562 |
| Contract liabilities | 2.2.2.4 | 1,030 |
| Provision for taxation | 2.2.2.5 | 75 |
| | | 5,101 |

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

2.2.2.1 Short term borrowings represents funds obtained from a related party.

2.2.2.2 Liabilities towards PTA as incorporated in these financial statements stand at approximately Rs. 3.4 billion which are not immediately payable owing to non-fulfilment of certain conditions relating to the demand of such amounts. These conditions relate to the industry circumstances and Court Orders.

2.2.2.3 This amount represents the amounts owed to certain parties whose claims have been challenged by the group in various judicial forums for the breach and non-performance of their contractual obligations. Based on the merits of group's position, the management believes that such amounts may not be immediately payable under the circumstances.

2.2.2.4 Contract liabilities represents advances received from customers and this will be adjusted against future services. Based on which no cash outflow will occur.

2.2.2.5 The group does not anticipate cash outlays on account of Provision for taxation, since it has sufficient brought forward losses.

**2.2.3 Continued Support from a Majority Shareholder**

The group's majority shareholder, WorldCall Services (Private) Limited (WSL) has given assurance to provide continued cash flow support to the group through its letter to the group's Board of Directors.

**2.3 Presentation currency**

These consolidated financial statements are prepared in Pak Rupees which is the group's functional currency. All the figures have been rounded off to the nearest thousand of Pak Rupees, unless otherwise stated.

**2.4 Changes in accounting standards, interpretations and pronouncements**

**a) Standards and amendments to approved accounting standards that were effective**

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the group's annual accounting period which began on January 1, 2025. However, these do not have any significant impact on the group's financial reporting and, therefore, have not been discussed in these consolidated financial statements except for:

Amendment to IAS 1 - Non-current liabilities with covenants

During the year an amendment to IAS 1 Presentation of unconsolidated financial statements (IAS 1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities shall be classified as non-current or current based on the rights available to the end of the reporting period, without consideration of when repayment is due or whether the entity has failed to meet the covenant. It also introduces specific disclosures if a liability is classified as non current but is subject to covenants that must be complied with within twelve months of the reporting date.

**b) Standards and amendments to approved accounting standards that are not yet effective**

The following amendment and standard are not effective for the accounting periods beginning on or after January 1, 2025 and have not been early adopted by the group:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

These amendments:

- Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, such as cash equity securities for some financial liabilities settled through an electronic cash transfer system;

- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environmental, social and governance (ESG) targets); and

- Make updates to the disclosures for equity instruments designated at fair value through Other Comprehensive Income (FVOCI).

The management is in process of assessing the impact of above changes.

Other than the standards mentioned above, interpretations and amendments, International Accounting Standards Board (IASB) issued amendments and new interpretations. However, none are considered material to the group and are not likely to effect its financial statements.

Note 3
**Basis of Measurement**

These financial statements have been prepared under the historical cost convention, as modified by revaluation of investment properties, property, plant and equipment, intangible assets, short term investments measured at fair value, and recognition of certain other assets and liabilities at their present value.

**3.1 Critical accounting estimates and judgments**

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and related assumptions 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which revisions are made. Revision to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years. Significant management estimates in these financial statements relate to useful lives, residual amounts, and residual values of property, plant and equipment; fair value of intangible assets; possible impairment of assets; taxation; provision against balance receivables; provision for post employment benefits and provisions against contingencies. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

Note 4
**Material Accounting Policies**

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

**4.1 Share capital**

Ordinary shares and preference shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

**4.2 Post employment and other benefits**

The main features of the schemes operated by the group for its employees are as follows:

**4.2.1 Defined benefits plan**

The group operates an unfunded defined benefits gratuity plan for all permanent employees as per the group's policy. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuations carried out annually under the projected unit credit method and are charged to the statement of profit or loss account. All actuarial gains and losses are recognized in other comprehensive income as and when they occur.

**4.2.2 Accumulating compensated absences**

Employees are entitled to 25 days' earned leave annually. Un-availed earned leave can be accumulated up to a maximum of 20 days and availed at any time subject to the approval. Earned leaves in excess of 20 days shall lapse. An employee will be entitled to encash the accumulated earned leaves at the time of leaving group's service on last drawn gross salary basis. Provisions are made annually to cover the obligation for accumulating compensated absences on the basis of actuarial valuation and are charged to the statement of profit or loss account.

**4.3 Leases**

For contracts entered into, or modified, on or after January 1, 2019, the group assesses whether a contract contains a lease or not at the inception of a contract. Inception date is the earlier of lease agreement and the date of commitment by both lessor and the lessee to the terms and conditions of the lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The group reassesses whether a contract is, or contains, a lease further when the terms and conditions of the contract are modified.

For contracts that contain both lease and non-lease components, the group has elected, for each class of underlying asset, not to separate the non-lease components and account for lease and non-lease components as a single lease component. For more than one lease components in a contract, the group allocates the consideration in the contract to each lease component on the basis of their relative stand alone prices.

The group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the group is reasonably certain to not to exercise that option.

The group reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the group and affects whether the group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

The group revises the lease term if there is a change in the non-cancellable period of a lease.

**4.3.1 Group as a lessee**

**4.3.1.1 Recognition**

The group recognizes a right of use asset and a lease liability at the commencement date. A commencement date is the date on which the lessor makes an underlying asset available for use by the lessee (the group).

The group presents right-of-use assets which do not meet the definition of investment property as a separate line item in the statement of financial position and lease liabilities as a separate line item in the statement of financial position.

The group has elected not to recognize right-of-use assets and lease liabilities for short term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value as per the threshold set by the group. The group recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

4.3.1.2 *Initial measurement*

***Lease liability***

At the commencement date, the group measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the group's incremental borrowing rate if the implicit rate is not readily available. Generally, the group uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be payable by the group under residual value guarantees, the exercise price of a purchase option if the group is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the group exercising an option to terminate the lease.

***Right-of-use asset***

The group initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, initial direct costs and estimated terminal costs (i.e. dismantling or other site restoration costs required by the terms and conditions of the lease contract).

4.3.1.3 *Subsequent measurement*

***Lease liability***

After the commencement date, the group re-measures the lease liability to reflect the effect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in the statement of profit or loss account, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

Lease liability payable in foreign currency is translated to local currency of the group i.e. PKR at the reporting date. Any foreign exchange differences arising on translation of lease liability are recognized in profit or loss.

***Right-of-use asset***

After the commencement date, the group measures the right of use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The group applies fair value model to right-of-use assets that meet the definition of investment property and apply revaluation model to right of use assets that relate to a class of property, plant and equipment to which the group applies the revaluation model.

The group depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the group by the end of the lease term or if the cost of the right-of-use asset reflects that the group will exercise the purchase option, the group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Depreciation is charged to the statement of profit or loss account at rates given in note 21.

4.3.2 *Group as a lessor*

The group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease classification is made at the inception date and is reassessed only if there is a lease modification. Changes in estimates or changes in circumstances do not give rise to a new classification of a lease for accounting purposes.

4.3.2.1 *Finance leases*

At the commencement date, the group recognizes assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the sum of the followings discounted at the interest rate implicit in the lease:

a) the lease payments receivable by the group under a finance lease; and

b) any unguaranteed residual value accruing to the group.

Initial direct costs, other than those incurred as a manufacturer or dealer lessor, are included in the initial measurement of the net investment in the lease and reduce the amount of income recognized over the lease term.

lease payments for the right to use the underlying asset during the lease term that are not received at the commencement date. Included in the measurement of the net investment in the lease comprise: fixed payments less any lease incentives payable; variable lease payments that depend on an index or a rate; any residual value guarantees provided to the group by the lessee, a party related to the lessee or a third party unrelated to the group that is financially capable of discharging the obligations under the guarantee; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments for penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

**Group as a Manufacturer of Dealer Lessor**

At the commencement date, the group recognises the following for each of its finance leases:

a) revenue being the lower of fair value of the underlying asset and the present value of the lease payments accruing to the group, discounted using a market rate of interest;

b) the cost of sale being the cost, or carrying amount if different, of the underlying asset less the present value of the unguaranteed residual value; and

c) selling profit or loss in accordance with its policy for outright sales to which IFRS 15 applies. The group recognises selling profit or loss on a finance lease at the commencement date, regardless of whether the group transfers the underlying asset as described in IFRS 15.

**Subsequent measurement of finance leases**

The group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the group's net investment in the lease. The group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income.

The group regularly reviews estimated unguaranteed residual values used in computing the investment in the lease. If there has been a reduction in the estimated unguaranteed residual value, the group revises the income allocation over the lease term and recognises immediately any reduction in respect of amounts accrued.

**Lease modifications**

The group accounts for a lease modification as a separate lease if both:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease and which would have resulted in the classification of lease as an operating lease had the modification been in effect at the inception date, the group accounts for the lease modification as a new lease from the effective date of the modification and measures the carrying amount of the underlying asset as the net investment in the lease immediately before the effective date of the lease modification.

**4.3.2.2 Operating leases**

The group recognises lease payments from operating leases as income on straight line basis. The group applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income.

The group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

**4.4 Provisions**

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources shall be required to settle the obligation and the amount has been reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

**4.5 Taxation**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss account except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

**4.5.1 Current**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the group in accordance with the provisions of the Income Tax Ordinance, 2001.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments.

Current tax for current and prior periods, to the extent unpaid, is recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The group offsets current tax assets and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

4.5.2 **Deferred**

Deferred tax is accounted for in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse.

The group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.6 **Contingent liabilities**

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the group.

A contingent liability is also disclosed when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.7 **Property, plant and equipment**

4.7.1 **Operating fixed assets**

Owned assets except plant and equipment are stated at cost less accumulated depreciation and any identified impairment loss. Plant and equipment are stated at revalued amount less accumulated depreciation and any identified impairment loss. Revaluation is carried out with sufficient regularity to ensure that the carrying amounts of assets do not differ materially from their fair values. Revalued amounts are determined by an independent professional valuer on the basis of open market value of the asset based on estimated gross replacement cost, depreciated to reflect the residual service potential of the asset having paid due regard to age, condition and obsolescence. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Additions, subsequent to revaluation, are stated at cost less accumulated depreciation and any identified impairment loss. Cost in relation to self-constructed assets includes direct cost of material, labour and other allocable expenses.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its intended working condition and location. Cost in relation to certain assets also includes cost of borrowing during construction period in respect of loans taken for specific projects.

Increases in the carrying amount of assets arising on revaluation of property, plant and equipment are credited to surplus on revaluation of fixed assets through other comprehensive income. Decreases that offset available surplus are charged against this surplus and all other decreases are charged to the statement of profit or loss account. Each year the difference between depreciation based on revalued carrying amount of the asset (the depreciation charged to the statement of profit and loss account) and depreciation based on the asset's original cost - incremental depreciation on revalued assets is transferred from surplus on revaluation of fixed assets to retained earnings (accumulated loss). All transfers from surplus on revaluation of fixed assets are net of applicable deferred taxation.

Depreciation on owned assets is charged to the statement of profit or loss account on straight line method so as to write off the cost or revalued amount of an asset over its estimated useful life.

Depreciation on additions is charged from the month in which the assets are available for use while no depreciation is charged in the month in which the assets are disposed off. Rates of depreciation are disclosed in Note 21.1.

Depreciation method, residual value and useful lives of assets are reviewed at least at each financial year end and adjusted if impact on depreciation is significant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with items will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss account during the period in which they are incurred.

The gain or loss on disposal of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense. Related surplus/loss on revaluation are transferred directly to retained earnings (accumulated loss).

**4.7.2 Capital work-in-progress**

Capital work-in-progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during construction and installation. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost also includes applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when the assets are available for use.

**4.7.3 Major spare parts and stand by equipment**

Major spare parts and stand-by equipment qualify as property, plant and equipment when the group expects to use them during more than one year. Transfers are made to operating fixed assets category as and when such items are used.

**4.8 Intangible assets**

**4.8.1 Goodwill**

Goodwill represents the difference between the cost of acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired. Goodwill is tested annually for impairment. Any impairment is immediately recognized as an expense and is not subsequently reversed.

**4.8.2 Other intangible assets**

Other intangible assets except for licenses and software are stated at cost less accumulated amortization and any identified impairment loss. Licenses and software are stated at revalued amount less accumulated amortization and any identified impairment loss. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair values. Revalued amounts are determined by independent professional valuers on the basis of current market prices with reference to an active market. Any accumulated amortization at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of licenses and software are credited to surplus on revaluation of fixed assets through other comprehensive income. Decreases that offset available surplus are charged against this surplus, all other decreases are charged to the statement of profit or loss account. Each year the difference between amortization based on revalued carrying amount of the asset (the amortization charged to the statement of profit or loss account) and amortization based on the asset's original cost - incremental amortization on revalued assets is transferred from surplus on revaluation of fixed assets to retained earnings (accumulated loss). All transfers from surplus on revaluation of fixed assets are net of applicable deferred taxation.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is charged to the statement of profit or loss account as and when incurred. Amortization on other intangible assets is charged to the statement of profit or loss account on straight-line method at the rates given in note [illegible]. Amortization on additions to intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off.

Gain or loss arising on disposal of intangible assets is determined as a difference between net disposal proceeds and carrying amount of the assets and is recognized as income or expense. Related surplus on revaluation is transferred directly to retained earnings (accumulated loss).

**4.9 Investment properties**

Properties which are held to earn rentals or for capital appreciation or for both are classified as investment properties. Investment properties are initially recognized at cost, being the fair value of the consideration given. Subsequently these are stated at fair value. The fair value is determined annually by an independent professional valuer based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between knowledgeable willing parties in an arm's length transaction. Any gain or loss arising from a change in fair value is charged to the statement of profit or loss account.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized in surplus on revaluation of fixed assets. Upon disposal of the item, the related surplus on revaluation is transferred to retained earnings (accumulated loss). Any loss arising in this manner is immediately charged to the statement of profit or loss account.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes for subsequent recording.

**4.10 Impairment of non-financial assets**

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to the statement of profit or loss account. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life.

**4.11 Investments**

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of purchase and re-evaluates such designation on a regular basis.

**4.11.1 Long term investments in equity instruments of subsidiaries**

In these separate financial statements investment in subsidiaries is initially measured at cost. Subsequent to initial measurement, these investments are measured at cost less any identified impairment loss in the group's financial statements. At each reporting date, the group reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are charged to the statement of profit or loss account. Investments in subsidiaries, that suffer an impairment, are reviewed for possible reversal of impairment at each reporting date. Impairment losses charged to profit or loss on investments in subsidiaries are reversed through the statement of profit or loss account.

**4.12 Stores and spares**

These are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost comprising invoice value plus other related charges incurred thereon. Provision is made in the financial statements for obsolete and slow moving stores and spares based on management estimate.

**4.13 Stock in trade**

All stocks except for stock in transit, are stated at lower of cost and net realizable value. Cost is determined on weighted average basis. Items in transit are valued at cost comprising invoice value plus other related charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. If the net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

**4.14 Financial instruments**

**4.14.1 Financial assets**

**Classification**

The group classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. The management determines the classification of its financial assets at the time of initial recognition.

a) ***Financial assets at amortized cost***

A financial asset is measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) ***Financial assets at fair value through other comprehensive income***

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) ***Financial assets at fair value through profit or loss***

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. However, the group can make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income unless these are held for trading in which case these have to be measured at fair value through profit or loss. The equity investments of the group held in short term investments are classified at fair value through OCI.

**Reclassification**

When the group changes its business model for managing financial assets, it reclassifies all affected financial assets accordingly. The group applies the reclassification prospectively from the reclassification date.

In case of reclassification out of the amortized cost measurement category to fair value through profit or loss measurement category, fair value of the financial asset is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost and fair value is recognized in statement of profit or loss account.

In case of reclassification out of fair value through profit or loss measurement category to the amortized cost measurement category, fair value of the financial asset at the reclassification date becomes its new gross carrying amount.

In case of reclassification out of the amortized cost measurement category to fair value through other comprehensive income measurement category, fair value of the financial asset is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost and fair value is recognized in other comprehensive income. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification.

In case of reclassification out of fair value through other comprehensive income measurement category to the amortized cost measurement category, the financial asset is reclassified at its fair value at the reclassification date. However, the cumulative gain or loss previously recognized in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the reclassification date. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification.

In case of reclassification out of fair value through profit or loss measurement category to the fair value through other comprehensive income measurement category, the financial asset continues to be measured at fair value.

In case of reclassification out of fair value through other comprehensive income measurement category to the fair value through profit or loss measurement category, the financial asset continues to be measured at fair value. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

**Initial recognition and measurement**

All financial assets are recognized at the time when the group becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date – the date on which the group commits to purchase or sell the asset.

Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss account. Dividend income from financial assets is recognized in the statement of profit or loss account when the group's right to receive payments is established. Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15. Where the group uses settlement date accounting for an asset that is subsequently measured at amortized cost, the asset is recognized initially at its fair value on the trade date.

**Subsequent measurement**

For the purpose of measuring financial assets after initial recognition, these are classified into the following categories:

- financial assets at amortized cost;
- financial assets at fair value through other comprehensive income; and
- financial assets at fair value through profit or loss.

Financial assets carried at amortized cost are subsequently measured using the effective interest method. Gain or loss on financial assets not part of hedging relationship is recognized in profit or loss when the financial asset is derecognized, reclassified, through the amortization process or in order to recognize impairment gains or losses.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the group recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss.

Financial assets "at fair value through other comprehensive income" are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the effective interest rate method is credited to the statement of profit or loss account. Dividends on equity instruments are credited to the statement of profit or loss account when the group's right to receive payments is established.

Financial assets "at fair value through profit or loss" are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are taken to the statement of profit or loss account in the period in which these arise.

Fair values of quoted investments are based on current prices. If the market for a financial asset is not active (and for unlisted securities), the group measures the investments at cost less impairment in value, if any.

**Derecognition**

Financial assets are derecognized when:

- the contractual rights to receive cash flows from the assets have expired; or
- the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  a) the group has transferred substantially all the risks and rewards of the asset; or
  b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the consideration received is recognised in the statement of profit or loss account.

If the group transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognises either a servicing asset or a servicing liability for that servicing contract.

**Impairment of financial assets**

The group directly reduces the gross carrying amount of a financial asset when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The group recognises a loss allowance for expected credit losses on a financial asset measured at amortised cost and through other comprehensive income, a lease receivable, a contract asset or a loan commitment and a financial guarantee contract. In case of financial assets measured at fair value through other comprehensive income, loss allowance is recognised in other comprehensive income and carrying amount of the financial asset in the statement of financial position is not reduced.

The group measures, at each reporting date, the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. Where the credit risk on a financial instrument has not increased significantly since the initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. The group has established a provision matrix that is based on the its historical credit loss experience, adjusted for forward looking factors specific to debtors and the economic environment. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group.

The group always measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables or contract assets that result from transactions under IFRS 15 and lease receivables.

The group recognises the amount of expected credit losses (or reversal), that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, in the profit or loss account.

The gross carrying amount of a financial asset is written off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

4.14.2 Financial liabilities

**Initial recognition and measurement**

All financial liabilities are recognised at the time when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost except for financial liabilities at fair value through profit or loss; financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; financial guarantee contracts; commitments to provide a loan at a below market interest rate; and contingent consideration recognised in a business combination.

The group does not reclassify any of its financial liabilities.

Financial liabilities are initially recognised at fair value minus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value and transaction costs are credited in the statement of profit or loss account.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

***Financial liabilities at fair value through profit or loss***

Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The amount of change in the fair value that is attributable to changes in the credit risk of financial liability is presented in other comprehensive income and the remaining amount of change in the fair value of the liability is presented in profit or loss account.

***All other liabilities***

All other financial liabilities are measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss account.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss account. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss account.

If the group repurchases a part of a financial liability, the group allocates the previous carrying amount of the financial liability between the part that continues to be recognised and the part that is derecognised based on the relative fair values of those parts on the date of the repurchase. The difference between the carrying amount allocated to the part derecognised and the consideration paid, including any non-cash assets transferred or liabilities assumed, for the part derecognised is recognised in profit or loss account.

**4.14.3 Offsetting of financial assets and liabilities**

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the group has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**4.15 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

**4.16 Foreign currency transactions and translation**

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Exchange gains and losses are charged / credited to the statement of profit or loss account.

**4.17 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to profit or loss account in the period in which they are incurred.

**4.18 Balances from Contract with Customers**

Contract costs

The group capitalizes the incremental costs of obtaining and fulfilling a contract, if they are expected to be recovered. The capitalized cost is amortized over the average customer life and recognized as direct costs. Applying the practical expedient, the group recognizes the incremental cost of obtaining and fulfilling a contract as expense when incurred if the amortization period of assets is less than one year.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The group recognizes a contract asset for the earned consideration that is conditional if the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. Contract assets are transferred to trade debts when the rights become unconditional.

Trade receivables

A receivable represents the group's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration from the customer. A contract liability is recognised at earlier of when the payment is made or the payment is due if a customer pays consideration before the group transfers goods or services to the customer. Contract liabilities are recognised as revenue when the group discharges its obligation under the contract.

**4.19 Revenue recognition**

Revenue is measured at an amount that reflects the consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognized over the time and on a point of time, when (or as) the group satisfies performance obligations by transferring the promised goods or services to its customers. Goods or services are transferred when the customer obtains control of the assets. Any bundled goods or services that are distinct are separately recognized, and any discounts or rebates on the contract price are generally allocated to the separate elements.

Revenue is recognised in accordance with the aforementioned principle in the following manner:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price of the contract
- Allocate the transaction price to each of the separate performance obligations in the contract
- Recognize the revenue when (or as) the entity satisfies a performance obligation.

Nature and timing of satisfaction of performance obligations in respect of different sources of revenue is as follows:

Revenue from terminating minutes is recognized at the time the call is made over the network of the group.

Capacity/media sold under IRU arrangement is recognized upfront if it is determined that the arrangement is a finance lease.

Revenue from granting of Indefeasible Right of Use (IRU) of dark fiber upto 20 years or more is recognized at the time of delivery and acceptance by the customer.

Subscription revenue from Cable TV, EVDO, internet over cable, cable connectivity and channels subscription fee is recognized on provision of services.

Connection and Membership fee is recognized at the time of sale of connection.

Sale of goods is recognized on dispatch of goods to customer.

Advertisement income is recognized on the basis of spots run when commercials are aired on the network.

Interest income is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return i.e. using the effective interest method.

Revenue from metro fiber solutions/sale is recognized on delivery of goods / services.

Dividend income is recognized when the right to receive payment is established.

Revenue from technology services is recognized when the services are rendered and the related performance obligations are satisfied.

All other revenues are recorded on accrual basis.

**4.20 Dividend and other appropriations**

Dividend distribution to the group's members and other appropriations are recognized as a liability in the group's financial statements in the period in which these are approved.

**4.21 Fair value measurement**

The group measures financial instruments such as derivatives, and non financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the group has access at that date. The fair value of a liability reflects the effect of non-performance risk. When applicable, the group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within different levels of the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

Fair value hierarchy categorizes into following three levels the inputs to valuation techniques used to measure fair value:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date.

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — Unobservable inputs for the asset or liability.

The fair value hierarchy prioritises the inputs to valuation techniques, not the valuation techniques used to measure fair value.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management usually engages external valuers for valuation of plant and equipment, licenses and softwares. Selection criteria of such valuers comprise market knowledge, reputation, independence and whether professional standards are maintained.

When there is no quoted price in an active market, the group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to the statement of profit or loss account on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

| | |
|---|---|
| Property, plant and equipment under revaluation model | Note 21.1.2 |
| Right-of-use assets | Note 22.2 |
| Intangible assets under revaluation model | Note 23.1 |
| Investment properties | Note 24 |
| Financial instruments (including those carried at amortised cost) | Note 45.4 |

**4.22 Earnings per Share**

The group presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

**4.23 Related parties**

Related parties comprise the parent group, associated companies / undertakings, directors of the group and their close relatives and key management personnel of the group. The group carries out transactions with various related parties at mutually agreed prices. Amounts due from and due to related parties are shown under respective notes to these financial statements. Following are the key related parties of the group:

| Name of Related party | Basis of Relationship | % of Holding in the group |
|---|---|---|
| Ferret Consulting - F.Z.C | Common directorship | 0.38% |
| Worldcall Services (Private) Limited | Parent company (note 4.23.1) | 17.16% |
| Worldcall Ride Hail (Private) Limited | Common directorship | 0% |
| GlobalTech World (Pvt) Ltd. | Common directorship | 0.08% |
| Mr. Mehdi Al Abduwani | Director | 0.00042% |
| Mr. Muhammad Azhar Saeed | Director | 0.00001% |
| Mr. Muhammad Shoaib | Director | 0.00447% |
| Mr. Syed Salman Ali Shah | Director | 0.00018% |
| Mr. Babar Ali Syed | Director | 0.00001% |
| Mrs. Hina Babar | Director | 0.00002% |
| Mr. Mubasher Lucman | Director | 0.00001% |
| Mr. Tariq Hasan | Director | 0.00001% |
| Mr. Abbas Raza | CEO | 0.00001% |

Ferret Consulting is incorporated in United Arab Emirates. Basis for association of the group with Ferret is common directorship.

4.23.1 Worldcall Services (Private) Limited, through other associates namely Ferret Consulting F.Z.C holds 17.50% (2024: 15.24%) ordinary shares in the group.

**Note 5**
**Ordinary Share Capital**

| 2025 | 2024 | | Note | 2025 | 2024 |
|---|---|---|---|---|---|
| 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 |
| 305,965,789 | 305,965,789 | Ordinary shares of Rs. 10 each issued in accordance with the scheme of merger | | 3,059,658 | 3,059,658 |
| 98,034,898 | 98,034,898 | Ordinary shares of Rs. 10 each issued as fully paid bonus shares | | 980,349 | 980,349 |
| 108,510,856 | 108,510,856 | Ordinary shares of Rs. 10 each issued against convertible loan | | 1,085,109 | 1,085,109 |
| 4,121,717,673 | 4,121,717,673 | Ordinary shares of Rs. 10 each issued against convertible preference shares | | 41,217,177 | 41,217,177 |
| | | | | 49,822,889 | 49,822,889 |
| | | Less: Discount on issue of shares | 5.5 | (35,698,755) | (35,698,755) |
| 4,982,288,886 | 4,982,288,886 | | | 14,124,134 | 14,124,134 |

5.3 The terms of agreement between the group and certain lenders impose certain restrictions on distribution of dividends by the group.

5.2 WorldCall Services (Private) Limited, parent of the group, holds 854,914,152 shares (2024: 854,914,152 shares) in the group. Out of these shares, 46.7 million shares are pledged to secure TFC liability which will be released with quarterly scheduled principal repayments proportionately. Refer to note 10.

5.3 Ferret Consulting F.Z.C., an associate of the group, holds 19,291,176 shares (2024: 133,800,500 shares) representing 0.39% (2024: 2.69%) shareholding in the group.

5.4 Globaltech World (Private) Limited, an associate of the group, holds 2,323,389 shares (2024: 2,323,389) in the group.

5.5 Reconciliation of discount on issue of shares is as follows:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Opening balance | 35,698,755 | 35,698,755 |
| Add: Discount on issuance of ordinary shares during the period | - | - |
| Closing balance | 35,698,755 | 35,698,755 |

5.5 Reconciliation of ordinary share capital is as follows:

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 49,822,889 | 49,822,889 |
| Add: Shares issued during the year | - | - |
| Closing balance | 49,822,889 | 49,822,889 |

5.7 All ordinary shares rank equally with regard to residual assets of the group. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the group. Voting and other rights are in proportion to the shareholding.

5.8 Shareholders of the group resolved in annual general meeting held on April 30, 2019 that the authorized capital of the group be increased from Rs. 21 billion to Rs. 29 billion divided into 2.9 billion ordinary shares of Rs. 10 each which may be utilized to issue ordinary shares of Rs. 10 each and / or preference shares of Rs. 10 each of the group as the Board of Directors of the group may decide from time to time in accordance with the Companies Act, 2017. Regulatory requirements as to the alteration of Memorandum and Articles of Association and legal formalities have yet to be fulfilled.

5.9 During the previous years, due to conversion of preference shares the issued, subscribed and paid up share capital exceeds the authorized capital of the group, for which regulatory filing with SECP and legal formalities are required to be fulfilled and the management is committed to complete the same at earliest.

**Note 6**
**Preference Share Capital**

| | Note | 2025 | 2024 | 2025 | 2024 |
|---|---|---|---|---|---|
| | | No. of Shares | | (Rupees in '000) | |
| Opening balance | | 88,200 | 88,200 | 890,085 | 890,085 |
| Less: Preference shares converted into ordinary shares during the year | | - | - | - | - |
| | | 88,200 | 88,200 | 890,085 | 890,085 |

6.1 These preference shares are US Dollars denominated, 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 1st anniversary of the issue. Initially, CPS were to be mandatorily converted to ordinary shares upon culmination of 5th anniversary, later mandatory conversion date was extended till December 31, 2024 . CPS shall be converted 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 CPS holders were entitled to non cash dividend calculated @ 5.9% per annum on each of the preference shares or the dividend declared by WTL for ordinary shareholders, whichever is higher till 5th anniversary.

6.4 Forest Consulting F.Z.C., an associate of the group holds 76,269 preference shares (2024: 76,269) in the group.

6.5 The preference shareholders in an Extraordinary General Meeting held on January 4, 2019 and ordinary shareholders in annual general meeting held on April 30, 2019 have given their assent for the conversion of preference shares at nominal value of Rs. 10 each and for amendments in the Memorandum and Articles of Association of the group. Resultantly, preference shares along with dividend accrued thereon shall be converted on any date from the mandatory conversion date, at par value of Rs. 10 each. However, the shares for which notices have been received before mandatory conversion date would be converted on the terms prevalent on the date of notice.

**Note 7**
**Dividend on Preference Shares**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Dividends on preference shares | 7.1 | 326,279 | 320,329 |

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.

**Note 8**
**Capital Reserves**

| | | |
|---|---|---|
| Fair value reserve | 111,373 | 72,056 |
| Exchange translation reserve | 161,223 | 161,223 |
| | 272,596 | 233,279 |

These reserves are not distributable by the group. Fair value reserve represents change in fair values of short term investments and exchange translation reserve represents translational exchange loss on preference shares and dividend.

**Note 9**
**Surplus on Revaluation of Fixed Assets**

| | | |
|---|---|---|
| Opening balance - net of tax | 3,237,162 | 1,666,963 |
| Surplus on revaluation arisen during the year | - | 2,435,027 |
| Related deferred taxation | - | (706,158) |
| | - | 1,728,869 |
| Adjustment of related deferred tax due to change in tax rate and proportion of normal sales | - | |
| Transfer to retained earnings on retirement of tangible assets | - | |
| Transfer to retained earnings in respect of net incremental depreciation / amortization net of deferred tax | (201,886) | (158,670) |
| Closing balance - net of tax | 3,035,276 | 3,237,162 |

9.1 This represents surplus, net of tax, over book value resulting from the revaluation of plant and equipment, building, right of use assets, licenses and software's as adjusted by incremental depreciation / amortization arising on revaluation. Revaluation surplus cannot be distributed to shareholders as dividend.

9.2 Latest revaluation was carried out by an approved independent valuer, M/s Arch E' Decon, on October 01, 2024 using current market price / replacement cost methods, wherever applicable. That had resulted in revaluation surplus of Rs. 2.435 billion. Incremental depreciation charged on revalued assets is taken to the statement of changes in equity to record realization of surplus to the extent of incremental depreciation. Incremental depreciation represents the difference between the actual depreciation / amortization on revalued assets based on revalued amounts and the equivalent depreciation / amortization based on the historical cost of these assets.

**Note 10**
**Term Finance Certificates**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 1,187,853 | 1,187,853 |
| Less: Payments made during the year | | (27,142) | |
| | | 1,160,711 | 1,187,853 |
| Less: Current and overdue portion | | (1,160,711) | (1,020,745) |
| | | - | 167,108 |
| Add: Deferred markup | 10.1 | - | 85,656 |
| Less: Payment during the period/year | | - | |
| | | - | 252,764 |

Term finance certificates (TFCs) have a face value of Rs. 5,000 per certificate. These TFCs carry mark up at the rate of six months average KIBOR plus 1.0% per annum (2024: six month average KIBOR plus 1.0% per annum), payable quarterly. The mark up rate charged during the period on the outstanding balance ranged from 12.07% to 17.45% (2024: 17.45% to 24.08%) per annum.

IGI Holding Limited (previously IGI Investment Bank Limited) is the Trustee (herein referred to as the Trustee) under the Trust Deed.

The liability of these TFCs has been rescheduled in December 2012 and then on April 08, 2015. During the year 2018, third rescheduling of these TFCs was successfully executed through signing of the Third Supplemental Trust Deed between the Trustee and the group.

In accordance with the 3rd Supplemental Trust Deed executed during the year 2018, the outstanding principal is repayable by way of quarterly staggered instalments with downward revision in markup of 0.60% i.e. revised markup of six months average KIBOR + 1%. The outstanding markup payable as at the date of restructuring and up to December 20, 2018 is agreed to be deferred and shall be paid from March 20, 2021 in quarterly instalments. 50% of the markup accrued for the period between December 20, 2018 to December 20, 2020 shall be paid on regular quarterly basis commencing from March 20, 2019 and the remaining 50% shall be deferred and paid from March 20, 2021. Markup deferred has been measured at present value. Under the revised term sheet, these TFCs are due to mature on September 20, 2025.

The other main terms included appointment of one representative as a nominee director nominated by the Trustee which has been complied with. Further, 175 million sponsor's shares are pledged for investors which will be released with quarterly scheduled principal repayments proportionately starting from June 2018.

The group has not paid due quarterly instalments of June 2018 to December 2025 amounting Rs. 1,120 million against principal and Rs. 1,290 million against accrued mark up. In case of failure to make due payments by the group, Trustee can instruct the security agent to enforce the letter of pledge and sell the quantum of the pledged shares to generate the amount required for the settlement of the outstanding redemption amount.

Due to non payment of the outstanding instalments under the TFC, the Trustee invoked the Letter of Pledge in 2021 and exercised its right to call 128.2 million pledged shares from the sponsors' account. Out of these pledged shares, 42.88 million shares were disposed of during 2021 and 2022, generating proceeds of Rs. 118.63 million. The proceeds were appropriated towards settlement of Rs. 30.10 million against the outstanding principal and Rs. 88.53 million against accrued markup during the said period. Subsequently, in October 2025, Pak Oman Investment group Limited, acting as the Security agent, further disposed of approximately 22.8 million shares out of the 128.2 million shares called in 2021, generating proceeds of approximately Rs. 50.79 million. The said proceeds were appropriated during the year towards settlement of Rs. 27.14 million against the outstanding principal and Rs. 23.64 million against accrued markup.

These TFCs are secured against first pari passu charge over the group's present and future fixed assets including equipment, plant and machinery, fixtures excluding land and building with 25% margin in addition to all rights, benefits, claims and interests procured by the group under:

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

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **10.1 Deferred markup** | | | |
| Deferred markup | 10.1.1 | 662,591 | 686,239 |
| Adjustment due to impact of IFRS 9 | 10.1.2 | - | (18,264) |
| | | 662,591 | 667,975 |
| Payment/Adjustment | | - | - |
| Less: Current and overdue portion | | (662,591) | (582,320) |
| | | - | 85,655 |
| **10.1.** Reconciliation of deferred markup is as follows: | | | |
| Opening balance | | 686,239 | 686,239 |
| Add: Markup deferred during the period/year | | - | - |
| Payment/Adjustment | | (23,648) | - |
| | | 662,591 | 686,239 |
| **10.1.** Reconciliation is as follows: | | | |
| Opening balance | | 18,264 | 42,258 |
| Add: Discounting impact of deferred markup | | - | - |
| | | 18,264 | 42,258 |
| Less: Unwinding impact of discounted deferred markup | | (18,264) | (23,994) |
| | | - | 18,264 |

**Note 11**

**Long Term Financing**

**From Banking Companies (secured)**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Allied Bank Limited | 11.1 | - | - |
| Bank Islami Pakistan Limited | 11.2 | 27,776 | 50,796 |
| Askari Bank Limited | 11.3 | 147,182 | 271,132 |
| Standard Chartered Bank Limited | 11.4 | - | - |
| | | 174,958 | 321,928 |
| **11.1 Allied Bank Limited** | | | |
| Opening balance | | 22,160 | 32,217 |
| Repayments | | - | (10,057) |
| | | 22,160 | 22,160 |
| Less: Current and overdue portion | | (22,160) | (22,160) |
| | | - | - |
| Add: Deferred markup | 11.1.1 | - | - |
| Less: Discounting of deferred markup | 11.1.2 | - | - |
| | | - | - |
| | | - | - |
| **11.1.1** Reconciliation of deferred markup is as follows: | | | |
| Opening balance | | 52,073 | 52,073 |
| Add: Markup deferred during the year | | - | - |
| | | 52,073 | 52,073 |
| Less: Current and overdue portion | | (52,073) | (52,073) |
| | | - | - |
| **11.1.2** Reconciliation is as follows: | | | |
| Opening balance | | - | 4,776 |
| Add: Discounting impact of deferred markup | | - | - |
| | | - | 4,776 |
| Less: Unwinding impact of discounted deferred markup | | - | (4,776) |
| | | - | - |

This represents balance transferred as a result of restructuring of short term running finance (RF) facility to Term Loan Facility and subsequently amended on 8th October 2020 and 30th September 2021. Principal will be repaid in 37 stepped up monthly installments starting from August 2021 till August 2024. Markup will be accrued and will be serviced in 12 equal monthly installments, starting from September 2024. Effective markup rate applicable will be 3 Month KIBOR + 85 bps. The mark up is charged during the period on the outstanding balance at 11.32% to 12.99% (2024: 16.98% to 22.31%) per annum. The facility is secured against 1st joint pari passu charge on present and future current and fixed assets excluding building of the group for Rs. 534 million and right to set off on collection account. The group is in negotiations with Bank for restructuring.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| **11.2** | **Bank Islami Pakistan Limited** | | | |
| | Opening balance | | 14,537 | 39,182 |
| | Repayments/ Adjustments | | (5) | (24,645) |
| | | | 14,532 | 14,537 |
| | Less: Current and overdue portion | | (10,467) | (10,472) |
| | | | 4,065 | 4,065 |
| | Add: Deferred markup | 11.2.1 | 37,838 | 54,652 |
| | Less: Discounting of deferred markup | 11.2.2 | (4,126) | (7,921) |
| | | | 33,712 | 46,731 |
| | | | 37,776 | 50,796 |
| **11.2.1** | Reconciliation of deferred markup is as follows: | | | |
| | Opening balance | | 56,881 | 62,571 |
| | Add: Deferred markup during the year | | 1,672 | 5,428 |
| | Repayments | | - | (11,118) |
| | | | 58,553 | 56,881 |
| | Less: Current and overdue portion | | (20,715) | (2,229) |
| | | | 37,838 | 54,652 |
| **11.2.2** | Reconciliation is as follows: | | | |
| | Opening balance | | 7,921 | 12,575 |
| | Add: Discounting impact of deferred markup | | 108 | 718 |
| | | | 8,029 | 13,293 |
| | Less: Unwinding impact of discounted deferred markup | | (3,903) | (5,372) |
| | | | 4,126 | 7,921 |

This represents balance transferred as a result of restructuring of short term running finance (RF) facility to Term Loan Facility as on 12th Feb 2021. Principal repayable in 29 instalments started from Feb 2022 till May 2024. Markup to be accrued and will be serviced in 24 monthly instalments, starting from June 01, 2024. Effective markup rate applicable will be 6 Month KIBOR (Floor 7.5% and capping 17%). The mark up charged during the period on the outstanding balance at 11.03% to 11.87% (2024: 17%). The facility is secured against 1st joint pari passu charge on present and future current and fixed assets excluding land & building & licences/receivable of LDI & WLL of the group for Rs. 880 million with 25% margin, pledge of various listed securities of the group having carrying value Rs. 38.182 million and along with Mortgage over the group's Offices at Ali Tower MM Alam Road Lahore and at The Plaza Shopping Mall Kehkashan Karachi.

Subsequently in June 2023 Bank approved group's restructuring request as a result of which overall repayment tenure was extended by 01 year and 06 months i.e. principal repayment will end in November 2025 instead of May 2024 and Markup repayment will end in November 2027 instead of May 2026.In the same year, period for repayment of principal to the tune of Rs 4.665 million and deferred markup was further extended till 1st Nov 2027.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **11.3** | **Askari Bank Limited** | | | |
| | Opening balance | | 214,547 | 256,547 |
| | Repayments | | (44,000) | (42,000) |
| | | | 170,547 | 214,547 |
| | Less: Current and overdue portion | | (90,000) | (68,547) |
| | | | 80,547 | 146,000 |
| | Add: Deferred markup | 11.3.1 | 78,375 | 147,728 |
| | Less: Discounting of deferred markup | 11.3.2 | (11,740) | (22,596) |
| | | | 66,635 | 125,132 |
| | | | 147,182 | 271,132 |
| **11.3.1** | Reconciliation of deferred markup is as follows: | | | |
| | Opening balance | | 160,108 | 116,569 |
| | Add: Deferred markup during the year | | 19,751 | 43,539 |
| | | | 179,859 | 160,108 |
| | Less: Current and overdue portion | | (101,484) | (12,380) |
| | | | 78,375 | 147,728 |
| **11.3.2** | Reconciliation is as follows: | | | |
| | Opening balance | | 22,596 | 20,499 |
| | Add: Discounting impact of deferred markup | | 1,289 | 6,145 |
| | | | 23,885 | 26,644 |
| | Less: Unwinding impact of discounted deferred markup | | (12,145) | (4,048) |
| | | | 11,740 | 22,596 |

This represents balance transferred as a result of settlement agreement from short term running finance (RF) facility to Term Loan Facility as on November 02, 2022. Principal will be repaid in 48 instalments starting from Nov 2022 till Oct 2026. Markup outstanding after effective discounts / waivers as per settlement agreement and markup to be accrued will be serviced in 36 monthly instalments, starting from November 2024. Effective markup rate applicable will be 1MK - 3% (Floor 10%). The mark up charged during the period on the outstanding balance ranged from 10% to 11.35% (2024: 12.50% to 20.34%). The facility is secured against 1st joint pari passu charge on present and future current and fixed assets (excluding land & building & licences) of the group with Margin 25%, collection account with AKBL for routing of LDI receivables along with additional mortgage on Properties situated in Sindh.

Subsequently in April 2024 Bank approved group's request for restructuring of installments as a result of which total repayment tenure of the facility remains unchanged. Principal settlement tenure extended by 01 Year till Oct 2027. Further, Markup will be paid in last 2 years (24 installments) starting from Nov 2025 and ending in Oct 2027.

The group used post tax weighted average borrowing rate for amortization of deferred markups.

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **11.4 Standard Chartered Bank Limited** | | | |
| Opening balance | | 11,584 | 25,884 |
| Repayments | | (11,584) | (14,300) |
| | | - | 11,584 |
| Less: Current and overdue portion | | - | (11,584) |
| | | - | - |
| Add: Deferred markup | 11.4.1 | - | |
| Less: Discounting of deferred markup | 11.4.2 | - | |
| | | - | |
| | | - | |
| **11.4.1** Reconciliation of deferred markup is as follows: | | | |
| Opening balance | | 6,498 | 5,644 |
| Add: Deferred markup during the period/year | | - | 854 |
| Less: Payment /Waiver | | (6,498) | |
| Less: Current and overdue portion | | - | (6,498) |
| | | - | |
| **11.4.2** Reconciliation is as follows: | | | |
| Opening balance | | - | 736 |
| Add: Discounting impact of deferred markup | | - | |
| | | - | 736 |
| Less: Unwinding impact of discounted deferred markup | | - | (736) |
| | | - | |

This represents balance transferred from short term borrowings as a result of settlement agreement from short term running finance (RF) facility to Term Loan Facility as on August 08, 2023. Principal will be repaid in stepped up 20 installments starting from Aug 2023 till June 2025. Markup outstanding after effective discounts / waivers as per settlement agreement and markup to be accrued will be serviced in 6 monthly installments, starting from Jan 2025. Effective markup rate applicable will be at Cost of Funds (subject to change on yearly basis as advised by State Bank of Pakistan). The markup is charged during the period on the outstanding balance @ 4.25%. The facility was secured against 1st joint pari passu charge on present and future current and fixed assets (excluding land & building & licences) of the group for Rs. 320 million.

During the current year, the loan amount was fully settled off along with applicable markup, resulting in full and final settlement of the facility. Accrued markup amounting to Rs. 6.6 million was settled against payment of markup of Rs. 0.5 million, while the remaining markup amounting to Rs. 6.1 million was waived off by the bank as reflected in other income (Note: 41 ).

Note 12
**Sponsor's Loan**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **Worldcall Services (pvt.) Ltd.** | | | |
| Interest bearing | 12.1 | 841,858 | 836,358 |
| Non interest bearing | 12.2 | 1,690,716 | 1,605,298 |
| | | 2,532,366 | 2,441,848 |
| **GlobalTech Corporation** | | | |
| Interest bearing | 12.3 | 322,632 | - |
| | | 2,854,998 | 2,441,848 |

12.1

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 836,358 | 847,208 |
| Exchange (gain) / loss | 5,100 | (10,850) |
| | 841,858 | 836,358 |

This represents USD denominated loan to the tune of USD 3.00 million (2024: USD 3.00 million) obtained from Worldcall Services (Private) Limited, the Parent company. It carries mark up at 12 months KIBOR plus 1%. The mark up rate charged during the period on the outstanding balance is 13.43% (2024: 22.7%) per annum. The amount is not payable before December 31, 2026.

12.2 This represents interest free loan obtained from Worldcall Services (Private) Limited, the Parent company. The amount is not payable before December 31, 2026.

This loan has been carried at amortized cost and the relevant difference is being charged to the statement of profit or loss account.

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 1,878,992 | 1,848,580 |
| Net receipts during the year | 37,435 | 30,412 |
| Amount of loan | 1,916,427 | 1,878,992 |
| Adjustment due to impact of IFRS 9: | | |
| Discounting | (225,711) | (273,694) |
| | (225,711) | (273,694) |
| | 1,690,716 | 1,605,298 |

12.3

| | 2025 | 2024 |
|---|---|---|
| Opening balance | - | - |
| Net receipts during the year | 322,751 | - |
| Exchange (gain) / loss | (119) | |
| Amount of loan | 322,632 | - |

This represents unsecured USD denominated loan obtained from GlobalTech Corporation, the ultimate Holding company. It carries mark up at LIBOR plus 1.5% per annum payable half yearly/yearly or at the option of the lender. Tenure of loan is five years from the date of agreement i.e August 01, 2025 with maximum funding limit of USD 2 million. After the repayment date, lender has option to convert any amount of unpaid principal or any unpaid markup accrued thereon into ordinary shares at mutually agreed valuation/formula.

Note 13
**License Fee Payable**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Opening balance | | 46,513 | 45,513 |
| Settled against retirement of WLL License | | - | - |
| | 13.1 | 46,513 | 45,513 |

13.1 This represents balance amount of license fee payable to Pakistan Telecommunication Authority (PTA) for WLL licenses. The group had filed an application with PTA for grant of moratorium over payment of balance amount of WLL license. However, PTA rejected the group's application and demanded its payment. Being aggrieved by this, the group filed an appeal before Islamabad High Court ("IHC") against PTA's order. Meanwhile, the Ministry of Information Technology ("Ministry") through its letter dated August 30, 2011, allowed to the operators, the staggering for settlement of Access Promotion Contribution ("APC") and Initial Spectrum Fee ("ISF") dues and required PTA to submit an installment plan for this purpose after consultations with the operators. In respect of an appeal filed by the group, IHC took notice of the Ministry's letter and directed PTA through its order dated January 20, 2015, to expeditiously proceed with the preparation and submission of the said installment plan. As of the date, no such installment plan has been submitted by PTA.

PTA has withdrawn the frequencies 3.5 Ghz, 479 Mhz, 450 Mhz and 1900 Mhz , PTA in haste and unilaterally has withdrawn 3.5 Ghz and 479 Mhz frequencies which have already been paid in full till 2024. Through said decision PTA has also withdrawn 1900 Mhz frequency spectrum which was already withdrawn by PTA/FAB in 2015 (11th year) until which the spectrum is fully paid on the basis of actual period of usage by the group. The WLL License provides for such eventuality that when frequency spectrum is withdrawn, the licensee is to be compensated for the balance life of the frequency spectrum, therefore, after withdrawal of spectrum, there is no outstanding amount to be paid related to 1900 Mhz frequency spectrum.

As a consequence of above , the outstanding liability for 1900 Mhz is reduced to zero on the basis that 1900 Mhz frequency has been fully paid for until 2015 (11th year). Similarly, liability for 450Mhz frequency spectrum be reduced on prorata after withdrawal. Owing to these circumstances, the management does not expect the liability to materialize fully in the near future for detail refer note 20.5.7.

Note 14

**Post Employment Benefits**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Obligations for defined benefit scheme - gratuity | 14.1.1 | 188,461 | 178,726 |
| Accumulating compensated absences | 14.2.1 | 9,152 | 9,801 |
| | | 197,613 | 188,527 |

**14.1 Obligations for defined benefit scheme - gratuity**

Latest actuarial valuation of the gratuity scheme was conducted by independent valuer by M/S Nauman Associates as on December 31, 2025 using the following assumptions. Results of actuarial valuation are as under:

| | 2025 | 2024 |
|---|---|---|
| Discount rate for interest cost - per annum | 12.25% | 15.50% |
| Discount rate for year end obligations - per annum | 11.00% | 12.25% |
| Expected rate of increase in salary level - per annum | 10.00% | 11.25% |
| Weighted average duration of defined benefit obligation | 7 years | 8 years |
| Expected mortality rate for active employees | SLIC (2001-2005) Setback 1 year | |
| Actuarial cost method | Projected Unit Credit Method | |

**14.1.1 Movement in net liability for defined benefit scheme obligation**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 178,726 | 104,285 |
| Charge for the year - Statement of Profit or Loss Account | 14.1.2 | 38,741 | 48,629 |
| Net remeasurements for the year - Other comprehensive income | | (13,380) | (26,701) |
| Transferred to trade and other payables | | (5,834) | (36,947) |
| Payments made during the year | | (5,792) | (400) |
| Closing balance | | 188,461 | 178,726 |

**14.1.2 Charge for the year**

The amounts recognized in the Statement of Profit or Loss Account against defined benefit scheme are as follows:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Current service cost | 17,884 | 21,402 |
| Interest cost | 20,856 | 27,227 |
| Gains and losses arising on plan settlements | - | - |
| | 38,741 | 48,629 |

14.1.3 The group does not maintain any plan assets covering its post employment benefits payable. The comparative statement of present value of defined benefit obligations is as under:

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| | (Rupees in '000) | | | | |
| Present value of defined benefit obligation | 188,461 | 178,726 | 134,285 | 150,256 | 183,506 |
| Fair value of plan asset | - | - | - | - | - |
| Net deficit | 188,461 | 178,726 | 134,285 | 150,256 | 183,506 |

**14.1.4 Estimated charge for the year 2026**

| | Rupees in '000 |
|---|---|
| Current service cost | 19,688 |
| Interest cost | 15,566 |
| | 35,254 |

### 14.1.5 Year end sensitivity analysis on defined benefits obligations

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

| | 2025 |
|---|---|
| | Rupees in '000 |
| Discount rate + 100 bps | (170,628) |
| Discount rate - 100 bps | 201,026 |
| Salary increase + 100 bps | (201,658) |
| Salary increase - 100 bps | 170,220 |

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

### 14.1.6 Allocation of charge for the year

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Direct costs excluding depreciation and amortization | 39 | **16,271** | 21,829 |
| Operating costs | 40 | **22,470** | 26,700 |
| | | **38,741** | 48,529 |

### 14.2 Accumulating compensated absences

Latest actuarial valuation of the leave encashment scheme was conducted by independent valuer M/S Nouman Associates as on December 31, 2025 using the following assumptions:

| | 2025 | 2024 |
|---|---|---|
| Discount rate for interest cost - per annum | **12.25%** | 15.50% |
| Discount rate for year end obligations - per annum | **11.00%** | 12.25% |
| Expected rate of increase in salary level - per annum | **10.00%** | 11.25% |
| Expected mortality rate for active employees | SLIC (2001-2005) Mortality Table | |
| Actuarial cost method | Projected Unit Credit Method | |

Results of actuarial valuation are as under:

### 14.2.1 Movement in net liability for accumulating compensated absences

| | Note | 2025 | 2024 |
|---|---|---|---|
| Opening balance | | **9,801** | 10,147 |
| Charge for the year - Statement of Profit or Loss Account | 14.2.2 | **1,317** | 1,985 |
| Transferred to trade and other payables | | **(1,304)** | (1,969) |
| Payments made during the year | | **(662)** | (362) |
| Closing balance | | **9,152** | 9,801 |

### 14.2.2 Charge for the year

The amounts recognized in the Statement of Profit or Loss Account against defined benefit scheme are as follows:

| | 2025 | 2024 |
|---|---|---|
| Current service cost | 154 | 773 |
| Interest cost for the year | 1,163 | 1,212 |
| | 1,317 | 1,985 |

14.2.3 The group does not maintain any plan assets covering its post employment benefits payable. The comparative statement of present value of accumulated compensated absences is as under:

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| | (Rupees in '000) | | | | |
| Present value of defined benefit obligation | 9,152 | 9,801 | 10,147 | 9,780 | 10,450 |
| Fair value of plan asset | - | - | - | - | - |
| Net deficit | **9,152** | **9,801** | **10,147** | **9,780** | **10,450** |

**14.2.4 Estimated charge for the year 2026**

| | Rupees in '000' |
|---|---|
| Current service cost | 20 |
| Interest cost | 1,007 |
| | 1,027 |

**14.2.5 Year end sensitivity analysis on defined benefit obligation**

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below.

| | 2025 |
|---|---|
| | Rupees in '000' |
| Discount rate + 100 bps | (8,902) |
| Discount rate - 100 bps | 9,765 |
| Salary increase + 100 bps | (8,753) |
| Salary increase - 100 bps | 8,883 |

**14.2.6 Allocation of charge for the year**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Direct costs including depreciation and amortization | 39 | 553 | 124 |
| Operating costs | 40 | 764 | 1,461 |
| | | 1,317 | 1,585 |

**14.3 Risk associated with defined benefit plans**

These defined benefit plans expose the group to actuarial risks, such as final salary risk, mortality risk and withdrawal risk.

**Note 15**
**Lease Liabilities**

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Opening balance | 235,408 | 250,465 |
| Add: Interest expense | 22,256 | 28,921 |
| Less: Termination of lease agreement | (40,787) | (5,493) |
| Less: Lease payments | (35,136) | (38,485) |
| Gross liability | 181,741 | 235,408 |
| Less: Current and overdue portion | (48,526) | (58,329) |
| Closing balance | 133,215 | 177,079 |

15.1 Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

| | Included in | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| Carrying amount of ROU assets | SOFP | 25 | 3,217,213 | 3,412,141 |
| Depreciation charge for ROU assets | Depreciation and | 43 | 166,279 | 227,247 |
| Gain on lease termination | Other Income | 41 | 32,238 | 641 |
| Interest expense on lease liabilities | Finance cost | 44 | 22,256 | 28,921 |
| Repayment of lease liability | Financing Activities | Statement of Cash | 35,136 | 38,485 |

**15.2 Maturity analysis of contractually undiscounted cash flows**

| **At December 31, 2025** | **Within One Year** | **Between Two to Five Years** | **Later than Five Years** |
|---|---|---|---|
| | (Rupees in '000) | | |
| | 48,526 | 125,212 | 8,003 |

**15.3 Nature of leasing activities**

The group's leases comprise certain premises for installation of equipment and used as warehouse, guest house and office operations. Periodic rentals are usually fixed over the lease term. However, in some contracts, it is customary for lease contracts to provide escalation in lease payments after specified period of time. These neither contain any variable lease payments nor any lease incentives. The group is not committed to any lease not yet commenced at the reporting date.

Remaining lease term of existing lease contracts for which lease liability is booked ranges from 3 to 5 years.

**Note: 16**
**Trade and Other Payables**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Trade creditors | 16.1 | **3,293,869** | 3,271,742 |
| Accrued and other liabilities | 16.2 | **1,177,344** | 1,238,184 |
| Payable to PTA against APC charges | | **1,786,998** | 1,786,998 |
| Payable against long term investment | | **44,000** | 44,000 |
| Contract liabilities | 16.3 | **1,029,844** | 1,028,142 |
| Withholding tax | | **96,327** | 98,051 |
| Sales tax | | **48,557** | 84,620 |
| Security deposits | 16.4 | **25,136** | 25,136 |
| | | **7,441,075** | 7,587,775 |

16.1 This includes payable to PTA amounting to Rs. 624.483 million (2024: Rs. 582.78 million). Out of this Rs. 538.73 million (2024: Rs. 538.73 million) represents payable regarding Annual Radio Spectrum Fee in respect of WLL licenses. PTA has issued multiple determinations that have been challenged and contested by the group on legal grounds as well as on account of preoccupation of frequency / spectrums and losses suffered by the group due to such preoccupancy for which the group has demanded due compensation from PTA. In all these matters, the group has filed appeals against PTA's determinations before the honourable Lahore High Court and the honourable Islamabad High Court and stay orders were obtained against the recovery. This matter has been decided in favour of the group; however, PTA has gone into appeal before the Honourable Supreme Court of Pakistan.

16.2 This includes payable to key management personnel amounting to Rs. 100.085 million (2024: Rs. 100.885 million).

16.3 Revenue recognized in the reporting period that was included in the contract liabilities balance amounts to Rs. Nil (2024: Nil).

16.4 These represent security deposits received from customers. These are interest free and refundable on termination of relationship with the group. The relationship of these customers with the group has ended and these deposits are now payable on demand. These have been utilized by the group before promulgation of Companies Act, 2017.

**Note: 17**
**Accrued Mark up**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Long term financing | | **7,899** | 5,133 |
| Term finance certificates | | **1,072,760** | 910,971 |
| Sponsor's loan | 17.1 | **574,262** | 708,213 |
| | | **1,655,911** | 1,624,317 |

17.1 The reconciliation is as follows:

| | 2025 | 2024 |
|---|---|---|
| Opening balance | **708,213** | 407,138 |
| Add: Mark-up accrued during the year | **(24,599)** | 296,370 |
| | **683,614** | 713,528 |
| Less: Paid / adjusted during the year | **(115,688)** | |
| Add: Exchange (gain)/loss | **6,336** | (5,315) |
| | **574,262** | 708,213 |

**Note: 18**
**Current and Overdue Portion of Non-Current Liabilities**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Term finance certificates | 10 | **1,166,712** | 1,009,744 |
| Mark up payable on term finance certificate | 10.1 | **562,591** | 583,329 |
| Long term financing | 11 | **398,900** | 195,900 |
| Lease liabilities | 10 | **48,526** | 58,323 |
| | | **2,176,729** | 1,847,296 |

**Note: 19**
**Short Term Borrowings**

**Related parties (unsecured - interest free):**

| | Note | 2025 | 2024 |
|---|---|---|---|
| - Ferret Consulting F.Z.C. | 19.1 | **32,745** | 108,805 |
| | | **32,745** | 108,805 |

19.1 This represents interest free USD denominated loan received from M/s. Ferret Consulting - F.Z.C. to meet working capital requirements. In the absence of written agreement, the amount is repayable on demand.

Note 20
**Contingencies and Commitments**

**Contingencies and commitments**

**Contingencies**

**20.1 Billing disputes with PTCL**

20.1.1 There is a dispute of Rs. 72.04 million (2024: Rs. 72.04 million) with Pakistan Telecommunication Limited ("PTCL") in respect of non-revenue time of prepaid calling cards and Rs. 46.92 million (2024: Rs. 46.92 million) in respect of excess minutes billed on account of interconnect and settlement charges. Similarly, PTCL has charged the group excess Domestic Private Lease Circuits ("DPLC") and other media charges amounting to Rs. 334.08 million (2024: Rs. 334.08 million) on account of difference in rates, distances and date of activations. The management has taken up these issues with PTCL and considers that these would most likely be decided in group's favour as there are reasonable grounds to defend the group's stance. Hence, no provision has been made in these financial statements for the above amounts.

**20.2 Disputes with PTA**

20.2.1 The group has filed a suit before Civil Court, Lahore on December 15, 2016 in which it has sought restraining order against PTA demands of regulatory and other dues and claimed set off from damages / compensation claim of the group on account of auction of preoccupied frequency spectrum. The group has raised a claim of approximately Rs. 5.3 billion against PTA. The matter is pending adjudication at appellate stage as civil court had dismissed the suit on technical grounds instead of merits. As per management it is difficult to predict the outcome of the case at this stage.

During the ICH regime, PTA accumulated and charged excess APC for USF contributions amounting to USD 1,899,923 from WTL (for the period from 26.10.2012 to 21.02.2023) and USD 1,011,603 (from 02.07.2014 to 24.02.2015), in contravention of the prescribed APC and ASR. WTL has assailed this act of PTA before the Islamabad High Court to seek direction of the court for the return or adjustment of aforementioned amounts.

20.2.2 During the year 2016, PTA again demanded immediate payment of the principal amount of APC amounting to Rs. 1.788 billion along with default surcharge thereon amounting to Rs. 1.654 billion as of July 31, 2016 vide its notice dated December 1, 2016. Through the aforesaid show cause notice, PTA has also shown intentions to impose penal provisions to levy fine up to Rs. 350 million or to suspend or terminate the LDI license by issuance of an enforcement order against the group. The group has challenged the show cause notice before the Sindh High Court on December 13, 2016 wherein the Court has passed orders restraining PTA from cancelling the licenses of the group and from taking any coercive action against it. The matter is at the stage of hearing of applications. Based on the advice of the legal counsel, the group's management feels that there are strong grounds to defend the group's stance and the liability will not materialize, hence, no provision has been made in these financial statements for the amounts of default surcharge and fine.Court had remanded the matter to the PTA for decision afresh, which PTA again decided against the group. group has assailed the PTA determination before Singh High Court, wherein Court has restrained PTA from taking any coercive measures against the group for recovery of impugned dues. The matter is still pending adjudication. Moreover, PTA has linked the renewal of LDI license with payment of the aforementioned impugned dues, against which compamny has filed another petition before the High Court of Sindh, whereby Horrible Court has restrained the PTA from intrupting or suspending group's operation. This matter is also pending adjudication before the Court.

20.2.3 PTA has raised demand amounting to Rs. 29.77 million on account of using extra Radio Spectrum not assigned to the group. The group challenged this amount on July 3, 2012 before Islamabad High Court which has allowed appeal of the group. PTA went into appeal before the Honourable Supreme Court of Pakistan in March 2017 which got dismissed. Now, PTA has filed review application which is still pending. The management is hopeful that its viewpoint shall be upheld, thus no provision has been incorporated in these financial statements against this demand.

20.2.4 PTA has decided against the group in the matter annual radio frequency spectrum fee for the year ended 2011, 2012, 2013, 2014 and 2015 along with late payment charges. The group has filed appeals against these orders before the Honourable Islamabad High Court which are pending adjudication. The management is hopeful that its viewpoint shall be upheld, thus no provision has been incorporated in these financial statements for late payment charges. Moreover, the group is confident that incidental liability, if any, will be set off by way of a claim filed against PTA as stated in Note 20.2.1.

20.2.5 The group has filed a suit before the High Court of Sindh on July 2, 2011 for declaration, injunction and recovery of Rs. 4.944 billion against PTA praying, inter alia, for direction to PTA to determine the Access Promotion Contribution for Fixed Line Local Loop (APCL contribution) and Access Promotion Cost (APC) for Universal Service Fund (USF) strictly in accordance with the formula as per Rule 8(2) and (4) of 2004 Rules and Regulation 7 of 2005 Regulations, restraining PTA from taking coercive actions against the group to recover the amounts of APCL and APC for USF and direction to PTA to submit accounts and information to the Honourable High Court with regard to collection and, utilization and application of APCL and APC for USF contributions. During the pendency of proceedings, the Court granted interim injunction to the group and restrained PTA from taking any coercive action against the group. The Suit has been disposed of by the Court for want of jurisdiction. The group is in the process of challenging the said Order. No adverse monetary impact is involved in this matter.

20.2.6 PTA has raised demand amounting to Rs. 18.07 million on account of BTS registration and microwave charges for the year 2007 till 2014. The group challenged this amount in November 2019 before Lahore High Court which was pending adjudication. The grounds of these appeal were that these charges are ultra vires to the act and licence. Therefore PTA had ordered for further proceeding and the appeal was withdrawn accordingly.

20.2.7 PTA has filed recovery proceedings against the group before the District Collector / District Officer Revenue, Lahore for an amount of Rs. 2.648 billion including late payment charges on November 4, 2016 due to non-payment of initial spectrum fee (ISF). The group has not received any notice from the Revenue department. During the year PTA again issued the notice against non-payment of ISF and increased the claim by Rs. 1.038 billion.

PTA has withdrawn the frequencies 3.5 Ghz, 479 Mhz, 450 Mhz and 1900 Mhz. As per management the ISF for 3.5 Ghz and 479 Mhz is already fully paid till 2024. The outstanding liability for 1900 Mhz is reduced to zero on the basis that 1900 Mhz frequency has been fully paid for until 2015 (actual withdrawal year). Similarly, liability for 450Mhz frequency spectrum be reduced on prorata after withdrawal. Corresponding assets has also been retired. For detail refer note 13.

The group has filed an appeal with Islamabad High Court on January 12, 2021 against said decision of PTA on similar lines as explained above and the group's management and legal advisor feels that there are strong grounds to defend the group's stance and that the principal amount and late payment charges determined unilaterally by PTA will not materialize, hence, no provision has been made in these financial statements.

20.2.8 PTA has demanded amounts of annual license fee (ALF) relating to Non-Voice Communication Network Services (NVCNS) through various demand notices. PTA has filed recovery proceedings against the group before the District Collector / Deputy Commissioner, Lahore for an amount of Rs. 62.607 million on February 7, 2020 due to non-payment of annual license fee (ALF) relating to Non-Voice Communication Network Services (NVCNS). This includes principal portion of Rs. 31.146 million already recognized in the financial statements and late payment charges amounting to Rs. 31.461 million. The group has not received any notice from the Revenue department. The group's management and legal advisor feels that there are strong grounds to defend the group's stance and that the late payment charges determined unilaterally by PTA will not materialize, hence, no provision has been made in these financial statements.

20.2.9 PTA had demanded an amount of Rs. 300 million in respect of fine and loss of Rs. 531.89 million on account of international telephony traffic. The case was decided by Islamabad High Court in favour of the group, however, PTA went into appeal before the honourable Supreme Court of Pakistan. The honourable Supreme Court dismissed the appeal of PTA. PTA has now filed review petition No. 706 of 2019 before the Supreme Court of Pakistan on November 23, 2019 which is pending adjudication. The group has not received any notice in this regard. The group's management feels that there are strong grounds to defend the group's stance, hence, no provision has been made in these financial statements.

20.2.10 PTA has issued show cause notice to the group with the direction to pay annual regulatory dues for the years ended 2011, 2012, 2013 and 2014 cumulative amount of Rs. 119.66 Million along with late payment charges. The group has filed the appeals against said notices with PTA which dismissed on December 04, 2020. The group therefore filed the appeal in Sindh High Court on December 31, 2020 to set aside the order passed by PTA. The Court directed PTA not to take any coercive action against the group. The management is hopeful that its viewpoint shall be upheld; thus no provision has been incorporated in these financial statements against this demand.

Additionally PTA has determined an amount of Rs.253,546,444/- against the group on account of annual regulatory dues for the years ended 2019, 2020, 2021, 2022, 2023, 2024 and late payment fee for the year ended 2008-09. group has assailed the PTA determinations before High Courts. The Hon'ble court while admitting the petitions for regular hearings, restrained the PTA from taking coercive measures against the group for recovery the impugned dues.

In another matter related to renewal of FLL Licenses for Karachi and Lahore region, PTA determined that the FLL licenses of group are renewed subject to payment of the outstanding dues of Rs. 4.1 billion as ARDs and USD 21.6 million on account of annual radio spectrum fee payable under WLL license, being aggrieved by this order, group has filed writ petition before the Islamabad High Court, whereby Hon'ble Court has restrained the PTA from taking any coercive measures against the group and suspended operations of the impugned order.

20.2.11 PTA determined the demand amounting to Rs. 223.34 million , on account of annual spectrum fee and other regulatory charges, vide its determination dated February 22, 2010. Being aggrieved, the group's management preferred an appeal before the Honourable Lahore High Court ("LHC") on March 20, 2010 against the PTA's determination. LHC granted stay against the recovery subject to payment of Rs. 40 million which was complied by the group. Based on the advice of the group's legal counsel, the group's management feels that there are strong grounds to defend the group's position and the ultimate decision would be in the group's favour. Court has referred to the matter to the Telecommunication Appellate Tribunal to decide the matter after hearing the parties.

20.2.12 Other than the amounts recognised in the financial statements and amounts disclosed in the above contingencies, PTA has also demanded amounts of PKR 1.834 billion on account of various charges, default surcharges / penalties / fines. Since the principal amount is disputed, the group's management feels that there are strong grounds to defend the group's stance and that the liability determined unilaterally by PTA will not materialize, hence, no provision has been made in these financial statements.

20.3 Taxation issues

20.3.1 Through amendment order passed under section 122(5A) of the Ordinance, the group's return of total income for Tax Year 2006 was amended and declared losses were curtailed by an amount of Rs. 780.46 million. The group's appeal filed on September 18, 2007 was not entertained by CIR(A) and the amendment order was upheld whereupon the matter was further agitated before ATIR on July 8, 2008, which is pending adjudication. The group's management expects relief from ATIR in respect of issues involved in the relevant appeal there being valid precedents available on record supporting the group's stance. Accordingly, no adjustment on this account has been incorporated in these financial statements.

20.3.2 In computer balloting for total audit u/s 177 of the Ordinance, the group was selected for total audit proceedings for the tax year 2009 and the same has been completed with the issuance of order dated June 28, 2019 under section 122(1)/122(5) of the Ordinance creating a demand of Rs. 208.349 million. Against the said impugned order, appeal has been filed before CIR(A) on August 6, 2019 by legal counsel of the group while first appellate authority decided major issues vide order dated December 31, 2021 in group's favor and certain issues were remanded back to the department for adjudication afresh. The department initiated and finalized the reassessment proceedings vide order dated January 31, 2023 based on relief allowed by first appellate authority. Resultantly refund created of Rs. 24.07 million accordingly. Department has filed an appeal before ATIR against the order.

29.3.3 A demand of Rs. 1.058 billion (including default surcharge of Rs. 325.449 million) was raised against the group under section 161/205 of the Ordinance for the period relevant to Tax Year 2012 alleging non-compliance with various applicable withholding provisions contained in the Ordinance. The management assailed the subject order on March 06, 2014 in usual appellate course and while first appellate authority decided certain issues in the group's favour, major issues were remanded back to department for adjudication afresh. Such appellate order was further assailed by the group before ATIR on May 20, 2014, at which forum, adjudication was pending. Meanwhile, the Department concluded the reassessment proceedings, primarily repeating the treatment earlier accorded, however, based on relief allowed by first appellate authority, demand now stands reduced to Rs. 963.355 million (including default surcharge of Rs. 308.163 million). Such reassessment order was assailed by the group in second round of litigation and the first appellate authority, through its order dated June 29, 2015, has upheld the Departmental action. The management has contested this order before ATIR on August 20, 2015 which has been decided by the ATIR vide order dated 28.07.2025 in favor of the group.

29.3.4 In computer balloting for total audit u/s. 177 of the ITO, 2001, the group was selected for total audit proceedings for the tax year 2014 and the same has been completed with the issuance of order under section 122(4) of Income Tax Ordinance, 2001 creating a demand of Rs. 48,013,883 and curtailment of losses by Rs. 5,880.753 million. The said demand was curtailed to Rs. 5,749,250 through a revised demand order on account of rectification application filed by the group. Against the said impugned order, appeal has been filed before CIR(A) on January 30, 2018 by legal counsel of the group. First appellate authority was decided the case in favor of the group vide order dated December 31, 2021 by annulled the impugned order and remanded the case back for adjudication afresh.

29.3.5 The CIR has raised demand against the group for super tax for the tax year 2018 amounting to Rs. 43.82 million. The chargeability has been challenged by the group through writ petition in LHC filed on May 16, 2019. Based on the advice of the legal counsel, the group's management feels that there are strong grounds to defend the group's stance and the liability will not materialize, hence, no provision has been made in these financial statements.

29.3.6 A sales tax demand of Rs. 107 million was raised against the group for recovery of an allegedly inadmissible claim of sales tax refund in Tax Year 2006 filed and sanctioned under section 66 of the Sales Tax Act, 1990. The group's appeal against such order was allowed to the extent of additional tax and penalties; however, principal amount was held against the group by the then relevant Customs, Excise and Sales tax Appellate Tribunal (CESTAT). The group further assailed the issue on November 18, 2008 before Lahore High Court (LHC) where the litigation is presently pending. While, recovery to the extent of 20% of principal demand of sales tax has been made by the tax authorities, an interim injunction by honourable Court debars the Department for enforcing any further recovery. Since the management considers the refund to be legally admissible to the group, no liability on this account has been recognized in these financial statements and the amount already recovered has been recorded as being receivable from the tax authorities. It is pertinent to highlight here that adverse judgment earlier passed by CESTAT no longer holds the field as through certain subsequent judgments, controversy has been decided by ATIR (forum now holding appellate jurisdiction under the law) in favour of other taxpayers operating in the Telecom Sector. The Honourable LHC has set aside the judgment of the Tribunal on May 24, 2017 and has remanded the case for decision afresh. The Tribunal is yet to issue notice for the hearing. The group's management feels that there are strong grounds to defend the group's stance and the liability will not materialize, hence, no provision has been made in these financial statements.

29.3.7 On September 28, 2016, Punjab Revenue Authority (PRA) issued show cause notice allegedly demanding Rs. 419.821 million for the periods from May 2013 to December 2013. The group challenged imposition of sales tax on LDI services on the first appellate authority in 2016 and relief granted by CIR(A) through set aside the demand created by PRA with direction of reassessment proceedings. The group challenged these proceedings through filing a writ petition in LHC heard on February 8, 2017 on the grounds that it was unconstitutional and in violation of fundamental principles of sales tax and international commitments of Government of Pakistan. The writ petition has been allowed with instructions passed by honourable Judge of Lahore High Court Lahore to PRA restraining from passing final order in pursuance of proceedings. The matter has been taken up by other LDI operators against PRA in June 2015 before LHC on the grounds that imposition of sales tax is unconstitutional and in violation of fundamental principles of sales tax and international commitments of Government of Pakistan. The period pertains to ICH time when amount of sales tax was withheld by PTCL. Based on the advice of the group's tax advisor, the management is of the view that the group's case is based on meritorious grounds and hence, relief would be secured from the Court. In view of the above, provision for sales tax on LDI services aggregating Rs. 1,208.794 million (2018: Rs. 884.089 million) has not been made in these financial statements.

20.3.8 On December 13, 2023, Punjab Revenue Authority (PRA) issued show cause notice allegedly demanding Rs. 2,149.4 million for the periods from January 2018 to December 2020. The group challenged imposition of sales tax on LDI and other services on the first appellate authority in 2024 and CIR(A) decided the case vide order dated March 4, 2025 in favor of the department. The management has contested this order before Appellate Tribunal of Punjab Revenue Authority (PRA) on April 4, 2025 for favourable outcome. the case has been decided by the Appellate Tribunal of PRA vide order dated September 8, 2025 in favor of the group by set aside the impugned order and remanded back for adjudication afresh.

20.3.9 Through amendment orders passed under section 122(5A) of the Ordinance, department disallowed the adjustment of tax deducted u/s 148 of the Ordinance for the tax years 2011, 2012, 2014 & 2015. The group's appeals filed on August 2, 2017 which were decided by the first appellate authority through a consolidated order dated October 2, 2017 in favor of the group while the department challenged the order passed by the CIR(A) before the ATIR. While the appeals have been decided by the ATIR vide consolidated order dated April 25, 2024 in favor of the group by dismissed the departmental appeals. The department has filed reference/petition in the Lahore High Court against the order.

20.3.10 On August 31, 2023, Sindh Revenue Board (SRB) issued show cause notice allegedly demanding Rs. 900.28 million for the periods from August 2015 to December 2019. The group challenged imposition of sales tax on LDI and other services on the first appellate authority and filed appeal on April 11, 2025 before Commissioner Appeals (SRB) for favorable outcome. Based on the advice of the group's tax advisor, the management is of the view that the group's case is based on meritorious grounds and hence, relief would be secured from the Appellate Authority. In view of the above, provision for sales tax aggregating Rs. 900.28 million has not been made in these financial statements.

20.3.11 Through assessment orders passed under section 161/205 of the Ordinance for the tax year 2004 & 2005 the demand of Rs 182 million was created. The management challenged the orders before first appellate authority while first appellate authority decided the case vide order dated January 28, 2008 in favor of department. The group challenged the orders before the ATIR, while the appeals have been decided by the ATIR vide consolidated order dated May 23, 2008 in favor of the group and cancelled the assessment order. The department challenged the orders before honorable Lahore High Court Lahore and the High Court decided the case vide judgement dated September 27, 2015 in favor of the group. The department challenged the orders before the honorable Supreme Court of Pakistan and the matter has been remanded back to the Lahore High Court Lahore vide order dated February 16, 2023 for adjudication afresh. In second round, The case has been decided by the honorable Lahore High Court Lahore vide judgement dated November 4, 2024 in favor of the department. The management contested this judgement before honorable Supreme Court of Pakistan for favourable outcome while the case has been decided by the honorable Supreme Court of Pakistan vide judgement dated November 11, 2025 in favor of the group.

20.3.12 An assessment order dated June 14, 2016 was passed under section 11 of the Sales Tax Act 1990raising a total sales tax demand 20.397 million along with penalty Rs 1.25 million, which was resultantly assailed before the first appellate authority (CIR(A)). The matter was remanded back by CIR(A) to the assessing officer vide order dated September 16, 2016. The department being aggrieved of the remand order filed an appeal before the ATIR and the ATIR without providing any hearing opportunity to the taxpayer, remanded the matter back to the CIR(A) vide order dated July 06, 2023. The order of ATIR was challenged before the Lahore High Court Lahore on the basis that the taxpayer has been condemned unheard, however, the reference was dismissed by Lahore High Court vide judgement dated November 27, 2023. The group has further assailed the judgement of the Lahore High Court in the Supreme Court of Pakistan The leave was refused by the Supreme Court of Pakistan vide judgement dated February 19, 2025. Now the case after remanded back to the CIR(A) is in field and the matter is pending adjudication before the CIR(A).

**20.4 Others**

20.4.1 One of the group's supplier has filed the suit for recovery on July 17, 2019 before the Civil Court, Lahore of certain moneys alleged to have not been paid by the group under its agreements with the supplier. The principal claim is Rs. 18 million however the claim is inflated to Rs. 200 million on frivolous basis. The group denies the claim and is hopeful for positive outcome. The management is of the view that it is unlikely that any claim of said supplier will materialize.

29.4.2 One of the group's supplier has filed petition on November 21, 2014 before LHC. The supplier has claim of Rs. 216.48 million receivable from the group. Further details of the litigations have not been disclosed as it may prejudice the group's position. The group has denied the veracity of such claims and has also challenged the maintainability of the proceedings. Also, the group has filed a counter petition during the year 2015 claiming Rs. 315.178 million under the same contract against which the supplier has claimed its dues. The group had to deposit an amount of Rs. 20 million in the Court in respect of this case. The honourable High Court has already required both Companies to resolve disputes in terms of their Agreement. The matter stands adjourned sine die. Based on the advice of the group's legal counsel, the management is of the view that it is unlikely that any adverse order will be passed against the group.

29.4.3 One of group's supplier and its allied international identities (referred to as suppliers) filed winding up petition dated October 16, 2017 before LHC and claim of Rs. 04.805 million and USD 4.889 million which was dismissed on September 28, 2018. The suppliers have also filed civil suit before Islamabad Civil Court dated September 17, 2018 for recovery of USD 12.35 million and Rs. 69.08 million along with damages of USD 20 million. The learned civil judge accepted the application under Order VII Rule 10 CPC and returned the plaint. The suppliers have now filed an appeal before the Honourable Islamabad High Court, Islamabad against the order passed on July 10, 2019 by the learned civil judge, Islamabad. The Islamabad High Court has also dismissed the supplier's appeal, thereafter supplier has now filed its claim in the civil court at Lahore and the matter is pending adjudication. The group has already filed suit for recovery of USD 93.3 million against this suppliers for default in performance of agreements before Civil Court, Lahore in August 2017. The group has also filed another suit before Civil Court, Lahore for recovery of Rs. 1.5 billion for causing damage to the group for filing frivolous winding up petition. Based on the legal advice, the management is of the view that it is unlikely that any claim of said suppliers will materialize.

29.4.4 As stated in note 5.5, the group is in process of compliance with Regulation 11 of the Companies (Further Issue of Shares) Regulations 2020 and section 83 of Companies Act 2017. The group may be liable to pay penalties for delayed compliance . However, The management is of the view that it is unlikely that any claim will materialize against the group.

29.4.5 A total of cases 31 (2024:30) are filed against the group involving Regulatory, Employees, Landlords and Subscribers having aggregate claim of all cases amounting to Rs. 151.9 million (2024: Rs. 113.1 million). Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and legal advisors of the group are of the view that the outcome of these cases is expected to be favourable and liability, if any, arising out on the settlement is not likely to be material.

29.4.6 The group has filed an appeal before the High Court against the Enforcement Order dated December 27, 2022, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the group to make a payment of PKR 105.64 million within seven days of receipt. The group has contested this demand on factual and legal grounds. Pursuant to the order of the High Court dated May 29, 2023, the Impugned Order has been suspended, and PTA has been restrained from taking any coercive action against the group. The case remains pending at the hearing stage. The group continues to evaluate the potential financial impact of this matter. Based on management's assessment and legal advice, no provision has been recognized in the financial statements, as the outcome remains uncertain at this stage.

29.4.7 The group has filed an appeal before the High Court challenging the Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the group to make a payment of PKR 16.82 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the group. The case is currently at the hearing stage. Based on legal counsel's opinion and management's assessment, the group considers the demand to be uncertain, and accordingly, no provision has been recognized in the financial statements, as the outcome remains uncertain at this stage.

20.4.8 The group has filed an appeal before the High Court challenging the Ex-Partee Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the group to make a payment of PKR 48.16 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the group. The case remains at the hearing stage. Based on legal counsel's opinion and management's assessment, the group believes that the demand is subject to uncertainty. Accordingly, no provision has been recognized in the financial statements.

20.4.9 The group has filed an appeal before the High Court challenging the Ex-Partee Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the group to make a payment of PKR 101.99 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the group. The matter is currently at the hearing stage. Based on legal counsel's assessment and management's evaluation, the group believes the demand is subject to uncertainty. Accordingly, no provision has been recognized in the financial statements.

20.4.10 The group has filed an appeal before the High Court challenging the Ex-Partee Enforcement Order dated August 19, 2024, issued by the Pakistan Telecommunication Authority (PTA). Under the Impugned Order, PTA has directed the group to make a payment of PKR 33.13 million within three days of receipt. The High Court, through its interim order dated September 11, 2024, has directed PTA not to take any coercive action against the group. The matter remains at the hearing stage. Based on legal counsel's opinion and management's evaluation, the group considers the demand to be uncertain. Accordingly, no provision has been recognized in the financial statement.

20.4.11 The group has filed an appeal before the High Court of Sindh against an Enforcement Order issued by the Pakistan Telecommunication Authority (PTA) on August 19, 2024. The Enforcement Order directed the group to pay alleged outstanding ARDs amounting to PKR 27,255,272 (Twenty Seven Million Two Hundred Fifty Five Thousand Two Hundred Seventy Two Rupees) within three days of receipt of the order. The group disputes the factual and legal basis of the order and has sought judicial review of the matter. As per the interim order passed by the High Court on September 11, 2024, the PTA has been restrained from taking any coercive actions in relation to the Enforcement Order. The matter remains under hearing, and no provision has been recognized in the financial statements as at the reporting.

| | | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| 20.5 | Outstanding guarantees and letters of credit | 296,968 | 295,884 |

**Commitments**

| | | | |
|---|---|---|---|
| 20.6 | Commitments in respect of capital expenditure | 10,219 | 13,819 |

20.7 Commitment in respect of revenue share cost is USD 2 per operational node.

Note 21

## Property, Plant and Equipment

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | Rupees in '000 | |
| Operating fixed assets | 21.1 | 6,201,208 | 6,577,196 |
| Capital work-in-progress | 21.6 | 6,089 | 7,280 |
| | | 6,207,297 | 6,584,476 |

### 21.1 Operating fixed assets

| | Note | Building on Freehold Land | Leasehold Improvements | Plant and Equipment | Office Equipment | Computers | Furniture and Fixtures | Vehicles | Laboratory and Other Equipment | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Rupees in '000 | | | | | | | | |
| **Cost / Revalued Amount** | | | | | | | | | | |
| **Balance as at December 31, 2023** | | 87,000 | 158,388 | 8,117,229 | 108,184 | 183,890 | 37,644 | 30,720 | 21,760 | 8,826,823 |
| Additions during the year | | - | 8,024 | 24,054 | 2,847 | 1,277 | 1,345 | - | - | 41,127 |
| Disposals / (adjustment) during the year | 21.1.6 | - | - | (12,547) | - | (93) | | - | | (12,613) |
| Revaluation surplus during the year | | 137,152 | - | 1,702,469 | - | | - | - | | 1,848,619 |
| **Balance as at December 31, 2024** | | 224,052 | 166,372 | 9,848,001 | 111,431 | 185,104 | 38,994 | 30,723 | 21,760 | 10,788,866 |
| Additions/transfer during the year | | - | 146 | 24,030 | 166 | 1,875 | 857 | - | | 28,469 |
| Disposals / (adjustment) during the year | 21.1.6 | - | - | (9,652) | - | - | | (686) | - | (10,638) |
| Revaluation surplus during the year | | - | - | - | - | - | - | - | - | - |
| **Balance as at December 31, 2025** | | 224,052 | 166,518 | 9,862,878 | 111,597 | 186,979 | 39,851 | 30,037 | 21,760 | 10,801,788 |
| **Depreciation and impairment** | | | | | | | | | | |
| **Balance as at December 31, 2023** | | 14,291 | 151,268 | 3,579,144 | 96,102 | 179,015 | 31,442 | 30,723 | 20,044 | 3,842,585 |
| Depreciation for the year | | 6,839 | 7,450 | 254,320 | 1,983 | 2,297 | 1,341 | - | - | 274,384 |
| Depreciation on disposals/adjustment | 21.1.6 | - | - | (8,057) | - | (93) | - | - | - | (8,150) |
| **Balance as at December 31, 2024** | | 21,130 | 158,426 | 3,825,382 | 98,075 | 181,380 | 32,883 | 30,723 | 20,044 | 4,208,802 |
| Depreciation for the year | | 12,735 | 7,654 | 374,314 | 1,946 | 2,191 | 1,277 | - | - | 400,037 |
| Depreciation on disposals/adjustment | 21.1.6 | - | - | (7,692) | - | - | - | (686) | - | (8,578) |
| **Balance as at December 31, 2025** | | 33,853 | 177,080 | 3,591,004 | 100,022 | 183,181 | 34,580 | 30,037 | 20,044 | 4,600,581 |
| **Net book value as at December 31, 2025** | | 190,799 | 18,438 | 5,872,778 | 11,885 | 2,793 | 5,101 | - | 1,796 | 6,201,208 |
| Net book value as at December 31, 2024 | | 202,922 | 25,947 | 6,023,119 | 13,057 | 3,034 | 6,411 | - | 1,736 | 6,577,196 |
| Annual rate of depreciation (%) | | 5 | 10 to 20 | 4 to 33 | 10 | 33.33 | 10 | 20 | 20 | |

21.1.1 The building of the group comprises Suit # 302, 303, 304, third floor, The Plaza, G - 7 Block - 9, KDA Scheme # 5, Kehkashan Clifton, Karachi. The building covers an area of 8,017 Sq. Ft. Fair value of the building is determined using significant other observable inputs (level 2).

21.1.2 Following assets acquired with the funds of the group are not in the possession / control of the group because of their specific nature as these have to be handed over to customers for their use:

| Sr. No. | Description | Net Book Value (Rs. in '000') | Persons in whose possession |
|---|---|---|---|
| | Customer Premises Equipment (CPE) | 205,585 | Customers |

21.1.3 Latest revaluation was carried out on October 01, 2024 by an independent professional valuer M/s Arch E' Decon that resulted in total revaluation surplus of Rs. 1,346.618 million (2020: Rs.59.18 million). Force sale value of revalued plant and equipment at the time of revaluation was estimated at Rs. 5,139.24 Million.

| | Fair value measurement of Plant and Equipment using significant unobservable inputs (Level 3) | |
|---|---|---|
| | 2025 | 2024 |
| | (Rupees in '000) | |
| **Recurring fair value measurements** | | |
| Plant and equipment (owned) | 5,979,779 | 6,323,119 |

There are no transfers between levels of fair value during the year.

**Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the movement in level 3 items for the year ended December 31, 2025 for recurring fair value measurements:

| | LDI and Broadband Operations | WLL Operations | Total |
|---|---|---|---|
| | (Rupees in '000) | | |
| Balance as at December 31, 2024 | 6,253,129 | 78,693 | **6,331,822** |
| Additions | 24,030 | - | **24,030** |
| Revaluation surplus recognized | - | - | - |
| Disposals | (2,060) | - | **(2,060)** |
| Depreciation | (374,314) | - | **(374,314)** |
| Revaluation surplus recognized in other comprehensive income | - | - | - |
| Balance as at December 31, 2025 | 5,900,785 | 78,693 | **5,979,478** |

21.1.4 The carrying amount of temporarily idle property, plant and equipment amounts to Rs.nil (2024: Rs. Nil).

21.1.5 The cost / revalued amount of fully depreciated property, plant and equipment that is still in use of the group amounts to Rs. 752.475 million (2024: Rs. 659.928 million).

21.1.6 Property, plant and equipment and current assets having charge against borrowings amount to Rs. 12,801.043 million (2024: Rs. 12,801.043 million).

21.1.7 Had there been no revaluation, the net book value of plant and equipment, and building (owned) would have amounted to Rs. 3,575.375 million (2024: 4,083.423 million).

21.1.8 **Disposal of operating fixed assets**

| Particulars | Name of Buyer along with Relationship with the group or any Director of the group (if any) | Cost / Revalued Amount | Accumulated Depreciation and Impairment | Written Down Value | Sale Proceeds / Settlement Value | Gain / (Loss) | Mode of Disposal |
|---|---|---|---|---|---|---|---|
| | | (Rupees in '000) | | | | | |
| **Plant and Equipment** | | | | | | | |
| Thick Cable Coaxial | Shaheen Insurance | 8,888 | 7,002 | 3,000 | 3,000 | 440 | Final Settlement of Liability |
| Suzuki Bolan | Mr. Kamal Ali | 448 | 450 | - | 279 | 279 | Auction |
| 3 CD 70 Bikes | Mr. Ashraf | 817 | 817 | - | 8 | 8 | Auction |
| | 2025 | 10,838 | 8,579 | 2,880 | 3,799 | 726 | |
| | 2024 | 12,817 | 8,130 | 1,480 | 3,608 | 1,355 | |

**Valuation techniques used to derive level 3 fair values**

The group obtains independent valuations for its plant and equipment (owned), at regular intervals. At the end of each reporting period, the management updates its assessment of the fair value of these assets, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates.

Level 3 fair values of plant and equipment (owned), relating to LDI and Broadband operations have been determined using a depreciated replacement cost approach, whereby, the current replacement costs of plant and equipment of similar make / origin, capacity and level of technology have been adjusted using a suitable depreciation rate on account of normal wear and tear and remaining useful lives of assets.

Level 3 fair value of plant and equipment (owned) relating to WLL operations has been mainly derived using the sales comparison approach. Sale prices of comparable assets are adjusted for differences in key attributes such as condition and location of assets.

**Valuation inputs and relationship to fair value**

Qualitative information about the significant unobservable inputs used in level 3 fair value measurements and their sensitivity analysis is as under:

| Description | Significant Unobservable Inputs | Quantitative Data / Range and Relationship to the Fair Value |
|---|---|---|
| Plant and Equipment (Owned) - LDI and Broadband Operations | The valuation done on the basis of its respective rating and nameplate data with adjustments for age and remaining lives of assets.<br><br>Condition based analysis of operating equipment is a key parameter of valuation process.<br><br>Cost of acquisition of similar plant and equipment with similar level of technology.<br><br>Suitable depreciation rate to arrive at depreciated replacement value. | The market value has been determined by using cost of acquisition of similar plant and machinery with similar level of technology and applying a suitable depreciation factor based on normal wear and tear and remaining useful lives of plant and machinery. Both Physical and functional depreciation of facility is taken into consideration while determining remaining life. Remaining useful lives have been estimated up to 20 years. The higher the cost of acquisition of similar plant and machinery, higher the fair value of plant and machinery. Further, higher the depreciation rate, the lower the fair value of plant and machinery. |
| Plant and Equipment (Owned) - WLL Operations | Rating, nameplate data and fundamental technical characteristics of plant and equipment.<br><br>Prevalent market prices for these assets. | The market value has been determined by applying prevalent market prices to the rating, nameplate data and fundamental technical characteristics of plant and equipment. Higher the market price, higher the fair value. |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| **21.2** | **Capital work-in-progress ("CWIP")** | | | |
| | Advances to suppliers | | **6,089** | 6,089 |
| | Plant and equipment | | - | 11,562 |
| | | 21.2.1 | **6,089** | 17,651 |
| **21.2.1** | **The reconciliation of the carrying amount is as follows:** | | | |
| | Opening balance | | **65,827** | 65,827 |
| | Additions during the year | | **10,857** | 25,454 |
| | Transfers during the year | | **(25,419)** | (25,454) |
| | | | **49,265** | 65,827 |
| | Provision against advance to suppliers | | **(43,176)** | (43,176) |
| | Closing balance | | **6,089** | 17,651 |

**22**
**Right of use (ROU) assets**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Opening balance | | **3,412,141** | 3,155,885 |
| Add: Additions during the year | | - | - |
| Add: Revaluation Surplus during the year | 22.2 | - | 468,455 |
| Less: Lease terminated during the year | | **(8,558)** | (4,852) |
| Less: Depreciation charge for the year | 40 | **(186,370)** | (207,347) |
| Closing balance | | **3,217,213** | 3,412,141 |
| Lease Term (Years) | | **up to 10 Years** | up to 11 Years |

There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the group is committed.

**22.1** The right of use assets comprises of following:

| | 2025 | 2024 |
|---|---|---|
| Indefeasible rights of use of Fiber (IRU) | 3,105,209 | 3,286,349 |
| Leasehold property | 112,004 | 125,792 |
| | 3,217,213 | 3,412,141 |

**22.2** On October 31, 2024 the IRU assets were revalued by an independent professional valuer, M/s Arch-E' Decon, which resulted in revaluation gain amounting Rs. 468.455 Million (2023: Rs. 1446 million). The book value of revalued assets at the time of revaluation was Rs. 2,665.11 million. The fair value of IRU assets is measured using significant unobservable inputs (Level 3). There are no level 1 and level 2 assets and hence no transfers between levels 1 and 2 during the year.

**Valuation techniques used to derive level 3 fair values.**

The management updates its assessment of the fair value of these assets, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates. Level 3 fair values of IRU asset have been determined using a depreciated replacement cost approach, whereby, the current replacement costs of asset of similar make / origin, capacity and level of technology have been adjusted using a suitable depreciation rate on account of normal wear and tear and remaining useful lives of assets.

**Valuation inputs and relationship to fair value**

The following table summarizes the quantitative and qualitative information about the significant unobservable inputs used in level 3 fair value measurements.

| Description | Significant Unobservable Inputs | Quantitative Data / Range and Relationship to the Fair Value |
|---|---|---|
| Indefeasible rights of use of Fiber | The valuation done on the basis of its respective rating and nameplate data with adjustments for age and remaining lives of assets.<br><br>Condition based analysis of operating equipment is a key parameter of valuation process.<br><br>Cost of acquisition of similar plant and equipment with similar level of technology.<br><br>Suitable depreciation rate to arrive at depreciated replacement value. | The market value has been determined by using cost of acquisition of similar plant and machinery with similar level of technology and applying a suitable depreciation factor based on normal wear and tear and remaining useful lives of plant and machinery. Both Physical and functional depreciation of facility is taken into consideration while determining remaining life. Remaining useful lives have been estimated from 1 to 20 years. The higher the cost of acquisition of similar asset, higher the fair value of asset. Further, higher the depreciation rate, the lower the fair value of asset. |

**22.3** Had there been no revaluation, the net book value of right of use asset would have amounted to Rs. 1,086 million (2024: Rs. 1,277.46 million).

Note 23

**Intangible Assets**

| | Note | Licenses | Patents and copyrights | IRU - media cost | Softwares | Goodwill | Total |
|---|---|---|---|---|---|---|---|
| | | (Rupees in '000) | | | | | |
| **Cost / Revalued Amount** | | | | | | | |
| Balance as at December 31, 2023 | | 1,713,228 | 5,333 | 794,800 | 11,250 | 2,680,433 | 5,205,044 |
| Additions / (deletions) during the year | | - | - | - | - | - | - |
| Elimination of cost on retirement of assets | | - | - | - | - | - | - |
| Revaluation surplus during the year | | - | - | - | - | - | - |
| Balance as at December 31, 2024 | | 1,713,228 | 5,333 | 794,800 | 11,250 | 2,680,433 | 5,205,044 |
| Additions / (deletions) during the year | | 141,225 | | | | | 141,225 |
| Revaluation surplus during the year | | | | | | | |
| Balance as at December 31, 2025 | | 1,854,453 | 5,333 | 794,800 | 11,250 | 2,680,433 | 5,346,269 |
| **Amortization and Impairment** | | | | | | | |
| Balance as at December 31, 2023 | | 1,566,038 | 5,333 | 685,180 | 11,250 | 2,680,433 | 4,948,234 |
| Elimination of accumulated amortization on retirement of assets | | | | | | | |
| Amortization for the year | | 147,002 | - | 52,268 | - | - | 199,270 |
| Balance as at December 31, 2024 | | 1,713,040 | 5,333 | (737,448) | 11,250 | 2,680,433 | 5,147,504 |
| Amortization for the year | | 7,097 | - | 52,268 | - | - | 59,365 |
| Balance as at December 31, 2025 | | 1,720,137 | 5,333 | (789,716) | 11,250 | 2,680,433 | 5,206,869 |
| Net book value as at December 31, 2024 | | 188 | | 57,352 | | | 57,540 |
| Net book value as at December 31, 2025 | | 134,316 | - | 5,084 | - | - | 139,400 |
| Annual amortization rate (%) | | 5 to 20 | 10 | 6.67 | 25 | - | |

23.1 On October 31, 2024, licenses and softwares were revalued by an independent professional valuer, M/s Arch E' Decon, which resulted in revaluation gain amounting Rs. Nil (2023: Rs.000 million). The table below analyses the non-financial assets carried at fair value, by valuation method.

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| **Recurring fair value measurements of following items of intangible assets** | | |
| Licenses | 134,316 | 188 |
| Softwares | - | - |
| | 134,316 | 188 |

There are no level 1 and level 2 assets and hence no transfers between levels 1 and 2 during the year.

**Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for recurring fair value measurements:

| | Licenses and Softwares | |
|---|---|---|
| | 2025 | 2024 |
| | (Rupees in '000) | |
| Opening balance | 188 | 147,190 |
| Revaluation surplus arising during the year recognized in other comprehensive income | - | - |
| Addition during the year | 141,225 | - |
| Amortization charged during the year | (7,097) | (147,002) |
| Closing balance | 134,316 | 188 |

**Valuation techniques used to derive level 3 fair values:**

The group obtains independent valuations for its intangible assets (licenses and software) at regular intervals. At the end of each reporting period, the management updates its assessment of the fair value of these assets, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates. Level 3 fair value of licenses and softwares has been mainly derived using the sales comparison approach. Auction prices of comparable assets are adjusted for differences in key attributes such as frequency and region of the assets.

**Valuation inputs and relationship to fair value**

The following table summarises the quantitative and qualitative information about the significant unobservable inputs used in level 3 fair value measurements.

| Description | Significant Unobservable Inputs | Quantitative Data / Range and Relationship to the Fair Value |
|---|---|---|
| Licenses and Softwares | Auction prices for recently issued comparable licenses, market value, technical characteristics and continuing use of licenses is considered while revaluing licenses.<br>Market value and assessment of continuing use is considered for revaluation of software. | Intangible assets has been revalued using market value as benchmark.<br>The market value has been determined by applying recent auction prices to the fundamental technical characteristics of WLL licenses. Higher the auction price, higher the fair value.<br>Fundamental technical characteristics of WLL licenses such as frequency and region. |

23.2 Had there been no revaluation, the net book value of licenses and softwares would have amounted to Rs. 104.310 million (2024: Rs. Nil).

23.3 Licenses of the group are encumbered with ESI Holding Limited, Trustee of TFC holders, as disclosed in Note 30.

Note 24

**Investment Properties**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | 59,400 | 52,610 |
| Fair value adjustment recognised in profit or loss account | 24.1 | 6,000 | 6,790 |
| Closing balance | | 65,400 | 59,400 |

24.1 As of the reporting date, investment properties comprise land. Latest valuation of these properties was carried out on December 31, 2025 by an approved independent valuer, M/s Gandhara Consultants. The valuation was carried out using sales comparison approach which resulted in fair value gain of Rs. 6 million in current year (2024: Rs. 6.790 million).

The group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for its repairs, maintenance and enhancements.

Fair value of the investment property of the group is determined using significant other observable inputs (level 2).

24.2 Particulars of investment properties of the Group are as follows:

| Sr. No. | Particulars | Location | Area | Forced Sale (Rupees in '000) |
|---|---|---|---|---|
| 1 | 13 Plots | Super Dream, K.T. Bundar Road, Gharo, Sindh | 9000 Sq. Yd. | 31,020 |
| 2 | 2 Plots | Windmill Villas, K.T. Bundar Road, Gharo, Sindh | 1000 Sq. Yd. | 6,240 |
| 3 | 6 Plots | Super Highway, Nooriabad, Sindh | 1700 Sq. Yd. | 4,880 |
| 4 | 2 Plots | Pisces City Farm Houses, District Rawalpindi | 8000 Sq. Yd. | 7,600 |
| | | | | 49,740 |

**Recurring fair value measurements**

There are no level 1 and level 3 assets or transfers between levels 1, 2 and 3 during the year 2025.

**Valuation techniques used to derive level 2 fair values**

At the end of each reporting period, the management updates its assessment of the fair value of investment properties, taking into account the most recent independent valuation. The management determines the properties' value within a range of reasonable fair value estimates. Level 2 fair value of investment properties has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.

Note 25

**Long Term Trade Receivable**

This represents receivable against the sale of "Optical Fiber Cable" stated at amortized cost using effective interest rate of 16% per annum.

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | **384,642** | 384,642 |
| Unwinding of discount | | - | - |
| | | **384,642** | 384,642 |
| Less: current and overdue portion (transferred to trade debts) | | - | - |
| Less: Impairment allowance | | **(384,642)** | (384,642) |
| | | - | - |

Note 26

**Deferred Taxation**

| | 2025 | 2024 |
|---|---|---|
| ***Asset for deferred taxation comprising temporary differences related to:*** | | |
| Unused tax losses and tax credits | **3,140,127** | 3,172,598 |
| Provision for doubtful debts | **899,133** | 917,268 |
| Post employment benefits | **57,308** | 54,673 |
| Provision for stores and spares & stock in trade | **1,173** | 1,173 |
| Provision for doubtful advances and other receivables | **78,677** | 78,677 |
| ***Liability for deferred taxation comprising temporary differences related to:*** | | |
| Surplus on revaluation of assets/accelerated tax depreciation | **(2,325,048)** | (2,369,118) |
| | **1,851,370** | 1,855,255 |

Deferred tax asset on tax losses available for carry forward has been recognized to the extent that the realization of related tax benefit is probable from reversal of existing taxable temporary differences and future taxable profit. Management's assertion of future taxable profit is mainly based on income from business plan to provide fiber to home and IT based services with monetary support from the majority shareholder as explained in detail in note 2.2.3 to these financial statements.

Being prudent, the group has not recognized deferred tax assets of Rs. 877.878 million (2024: Rs. 1,118.718 million) in respect of unused tax losses and unabsorbed depreciation and Rs. 137.971 million (2024: Rs. 129.65 million) in respect of minimum tax available for carry forward under the Income Tax Ordinance, 2001 ("ITO"), as sufficient taxable profits would not be available to utilize these in the foreseeable future. Minimum tax available for carry forward and unused tax losses on which deferred tax asset has not been recognized, would expire as follows:

| Accounting year to which minimum tax relates | Amount of minimum tax | Accounting year in which minimum tax will expire |
|---|---|---|
| | Rupees in '000 | |
| 2024 | 63,081 | 2026 |
| 2025 | 74,890 | 2027 |
| | 137,971 | |

| Accounting year to which unused tax loss relates | Amount of unused tax loss | Accounting year in which unused tax loss will expire |
|---|---|---|
| | Rupees in '000 | |
| 2021 | 115,258 | 2027 |
| 2022 | 81,040 | 2028 |
| 2023 | 808,314 | 2029 |
| 2024 | 442,509 | 2030 |
| 2025 | 29,289 | 2031 |
| | 1,476,402 | |

Further, deferred tax asset on impaired long term investment and long term receivable was also not recognized.

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| The gross movement in net deferred tax asset during the year is as follows: | | | |
| Opening balance | | 1,855,250 | 2,069,178 |
| Charged to other comprehensive income | | (3,880) | (213,928) |
| Charged to the statement of profit or loss account | | - | - |
| Closing balance | | 1,851,370 | 1,855,250 |

**Note 27**
**Long Term Deposits**

| | | 2025 | 2024 |
|---|---|---|---|
| Security deposits with: | | | |
| - Rented premises | | 5,749 | 5,734 |
| - Utilities | | 960 | 960 |
| - Others | | 8,859 | 8,859 |
| | | 15,568 | 15,553 |
| Current portion of deposit | | (6,441) | (6,441) |
| Non Current portion of deposit | | 9,127 | 9,112 |

**Note 28**
**Stores and Spares**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Cost | | 27,448 | 27,041 |
| Less: Provision for obsolete/slow moving items | 28.1 | (4,044) | (4,044) |
| | | 23,404 | 22,997 |

**28.1 Provision for obsolete/slow moving items**

| | 2025 | 2024 |
|---|---|---|
| Opening balance | 4,044 | 4,044 |
| Add: Provision for the year | - | - |
| Less: Reversal of Provision during the Year | - | - |
| Closing balance | 4,044 | 4,044 |

**Note 29**
**Stock-in-Trade**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Cost | | **210,658** | 219,858 |
| Less: Provision for obsolete/slow-moving stock in trade | | - | - |
| | | **210,658** | 219,858 |

**Note 30**
**Trade Debts**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Considered good - unsecured | | **1,243,348** | 1,118,306 |
| Considered doubtful - unsecured | | **3,100,459** | 3,162,923 |
| | | **4,343,807** | 4,281,229 |
| Less: Impairment allowance | 30.1 | **(3,100,459)** | (3,162,923) |
| | | **1,243,348** | 1,118,306 |
| **30.1** Opening balance | | **3,162,923** | 3,143,669 |
| (Reversal) / charge of Provision for expected credit losses on trade debts | 40 | **(62,464)** | 19,254 |
| Closing balance | | **3,100,459** | 3,162,923 |

**Note 31**
**Loans and Advances**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Advances to employees - considered good | 31.1 | **89,175** | 92,894 |
| Advances to PTA - considered good | 31.2 | **40,000** | 40,000 |
| | | **129,175** | 132,894 |
| Advances to suppliers: | | | |
| Considered good | | **437,572** | 490,040 |
| Considered doubtful | | **222,848** | 222,848 |
| | | **660,420** | 712,888 |
| Less: Provision for doubtful advances | 31.3 | **(222,848)** | (222,848) |
| | | **437,572** | 490,040 |
| | | **566,747** | 622,934 |

**31.1** This includes advances given to executives amounting to Rs. 8.377 million (2024: Rs. 23.851 million) out of which Rs. 5.178 million (2024: Rs. 16.815 million) represents advances given to key management personnel of the group. Maximum aggregate amount outstanding, in respect of related parties, at any time during the year calculated by reference to month end balances was Rs. 5.178 million (2024: Rs. 16.815 million).

Aging of the balances due from related parties is as follow:

| Upto 1 year | 1 to 2 years | 2 to 3 years | Over 3 years |
|---|---|---|---|
| Rupees in '000 | | | |
| **1,174** | **219** | **400** | **3,385** |

These are secured against gratuity and are adjustable against expenses incurred.

**31.2** This represents amount paid against demand on account of annual spectrum fee and other regulatory charges for detail refer note 21.2.11. Based on the advice of the group's legal counsel, the group's management feels that there are strong grounds to defend the group's position and the ultimate decision would be in the group's favour, therefore, this advance is considered unimpaired as at the reporting date.

### 31.3 Provision for doubtful advances

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Opening balance | | **222,848** | 222,848 |
| Charged during the year | | - | - |
| Closing balance | | **222,848** | 222,848 |

## Note 32
## Deposits and Prepayments

| | Note | 2025 | 2024 |
|---|---|---|---|
| Deposit in Escrow Account | 32.1 | **710,884** | 685,307 |
| Margin and other deposits | 32.2 | **53,319** | 52,303 |
| Prepayments | | **17,794** | 8,063 |
| | | **781,997** | 745,673 |

**32.1** This represents balance in savings account accumulated in Escrow Account having mark up from 9.5% to 11.0% (2024:16.84% to 20.39%) annually. The telecom operators challenged the legality of Access Promotion Contribution (APC) for Universal Service Fund (USF), as levied by PTA in 2009, and the dispute was finally decided by the honourable Supreme Court in December 2015. During pendency of the court proceedings, International Clearing House (ICH) agreement was signed in 2012, whereby it was decided that regular contributions for APC, based on each operator's share under the ICH agreement, shall be made by LDI operators in an Escrow Account.

The formation of ICH was declared anti competitive by the Competition Commission of Pakistan, and resultantly PTA issued a policy directive in June 2014 terminating ICH arrangement. Some operators challenged the termination and obtained interim relief from Sindh High Court and Lahore High Court. However, Supreme Court adjudicated the matter in February 2015 in favour of termination of ICH, and pursuant upon this, PTA issued its notification of termination of ICH arrangement. As of now, the mechanism of the adjustment of the amount available in Escrow Account remains to be finalized.

**32.2** These include deposits placed with banks against various guarantees. This amount also includes Rs. 20 million deposited in a Court of Law as disclosed in note 31.4.2.

## Note 33
## Short Term Investments

| | 2025 | 2024 | 2025 | 2024 |
|---|---|---|---|---|
| | No. of Shares | | (Rupees in '000) | |
| The Bank of Punjab | **13,928** | 13,026 | **302** | 141 |
| Orix Leasing Pakistan Limited | **13,737** | 13,737 | **863** | 490 |
| Shaheen Insurance company Limited | **3,600,681** | 3,136,963 | **36,907** | 22,436 |
| First Capital Securities Corporation Limited | **3,991,754** | 3,991,754 | **21,558** | 8,262 |
| Pace (Pakistan) Limited | - | 5,400,005 | - | 10,193 |
| | | | **59,528** | 41,522 |

**33.1** All shares have a face value of Rs. 10 each. 7.150 million shares (2024: 7.153million) having fair value of Rs. 54.642 Million (2024: 30.162 Million) are pledged against long term financing.

**33.2** These are designated at fair value through OCI at initial recognition.

## Note 34
## Other Receivables

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Due from related parties - considered good | 34.1 | 179,638 | 165,687 |
| Other receivables - considered good | 34.2 | 7,389 | 73,216 |
| Other receivables - considered doubtful | | 48,451 | 48,451 |
| | | 235,478 | 287,354 |
| Less: Provision for doubtful receivables | | (48,451) | (48,451) |
| | | 187,027 | 238,903 |

### 34.1 Due from related parties

These relate to normal business of the group. These amounts are due from the followings:

| | | |
|---|---|---|
| Worldcall Business Solutions (Private) Limited | 175,579 | 161,942 |
| Worldcall Ride Hail (Private) Limited | 31 | 29 |
| Worldcall Cable (Private) Limited | 4,028 | 3,716 |
| | 179,638 | 165,687 |

Maximum aggregate amount outstanding at any time during the year calculated by reference to month-end balances was 214,438 million (2024: Rs. Rs. 187.560 million). Interest at the rate of 11.90% (2024: 21%) has been calculated on the outstanding balances.

34.1.1 Aging of the balances due from related parties is as follow:

| Up to 1 year | 1 to 2 years | 2 to 3 years | Over 3 years |
|---|---|---|---|
| Rupees in '000 | | | |
| 16,327 | 29,800 | 35,489 | 97,416 |

34.2 This include amount receivable from Ferret consulting F.Z.C an associate company amounting Rs. Nil (2024: Rs. 73.225 million).

## Note 35
## Cash and Bank Balances

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Cash at bank: | | | |
| Current accounts | | 16,732 | 96,265 |
| Savings accounts | 35.1 | 2,655 | 1,136 |
| | | 19,387 | 97,401 |
| Cash in hand | | 1,815 | 2,048 |
| Pay orders in hand | | - | |
| | | 21,202 | 99,449 |

35.1 The balances in savings accounts bear mark up at the rates ranging from 9.5% to 11.5% (2024: 16.84% to 20.39%) per annum.

**Note 36**
**Revenue**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Telecom | 36.1 | 4,921,888 | 4,479,592 |
| Broadband | | 377,394 | 279,563 |
| Technology services | 36.2 | 710,041 | 310,534 |
| Gross revenue | | 6,009,323 | 5,069,689 |
| Less: Discount | | (288) | (614) |
| Less: Sales tax | | (17,773) | (22,635) |
| | | 5,991,262 | 5,046,440 |

**36.1** Revenues from Telecom includes revenue from one major customer of the group amounting Rs. 4,912,515 million (2024: Rs. 4,479,592).

**36.2** Technology Services Revenue includes income from technology and IT related services.

**36.3** The group recognizes revenue both at a point in time and over time, depending on the nature of the transactions.

**Note 37**

**Direct Cost excluding Depreciation and Amortization**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Salaries, wages and benefits | 37.1 | 125,002 | 143,522 |
| Interconnect, settlement and other charges | | 4,704,446 | 4,200,039 |
| Bandwidth and other PTCL charges | | 79,212 | 84,700 |
| Power consumption and rent | 37.2 | 38,710 | 65,250 |
| Security services | | 1,252 | 1,113 |
| PTA charges | 37.3 | 11,839 | 8,606 |
| Cable license fee | | 17,913 | 17,229 |
| Stores and spares consumed | | - | 1,306 |
| Annual spectrum fee | | - | 8,308 |
| Content cost | | 905 | 665 |
| Network maintenance and insurance | | 62,380 | 36,605 |
| Network partner share | | 1,067 | 1,488 |
| Fees and subscriptions | | 25,708 | 27,596 |
| Revenue share cost | | 201,491 | 18,335 |
| SMS bundle cost | | 418 | 858 |
| Others | | 82,648 | 12,705 |
| | | 5,415,581 | 4,601,567 |

**37.1** This includes provision for gratuity expense amounting to Rs.16.271 million (2024: Rs. 21.92 million) and accumulated leave absences amounting to Rs.0.563 million (2024: Rs. 0.124 million) for the year.

This represents PTCL share cost determined under Revenue Sharing Agreement for WLL network services.

**37.2** This includes expense relating to short term leases / operating lease rentals.

**37.3** This represents PTA charges in respect of the following:

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| LDI license | 37.3.1 | 4,844 | 5,998 |
| Broadband license | | 6,830 | 2,390 |
| Annual numbering charges | | 165 | 218 |
| | | 11,839 | 8,606 |

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |

**37.3.1** This represents LDI license charges in respect of the following:

| | | 2025 | 2024 |
|---|---|---|---|
| Universal Service Fund | | **2,906** | 3,597 |
| Research and Development Fund | | **969** | 1,199 |
| Annual Regulatory Fee | | **969** | 1,199 |
| | | **4,844** | 5,995 |

**Note 38**
**Operating Cost**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Salaries, wages and benefits | 38.1 | **174,253** | 230,740 |
| Rent, rates and taxes | 38.2 | **5,855** | 5,825 |
| Travelling and conveyance | | **45,186** | 52,819 |
| Legal and professional | | **47,074** | 38,023 |
| Utilities | | **16,819** | 19,133 |
| Transportation | | **21,552** | 26,043 |
| Communications | | **1,456** | 2,787 |
| Repairs and maintenance | | **5,476** | 4,821 |
| Fees and subscriptions | | **2,698** | 1,305 |
| Marketing, advertisement and selling expenses | | **2,761** | 3,750 |
| Insurance | | **1,730** | 1,934 |
| Printing and stationery | | **2,086** | 2,581 |
| Business promotion and entertainment | | **12,678** | 10,461 |
| Directors' meeting expenses | | **4,140** | 3,120 |
| Postage and courier | | **382** | 718 |
| Newspapers and periodicals | | **86** | 78 |
| Security services | | **4,492** | 3,906 |
| Miscellaneous | | **17,505** | 22,775 |
| | | **366,289** | 430,558 |

**38.1** This includes provision for gratuity expense amounting to Rs. 22.47 million (2024: Rs. 25.7 million) and accumulated leave absences amounting to Rs. 0.784 million (2024: Rs. 1.807 million) for the year.

**38.2** This includes expense relating to short term leases / operating lease rentals.

**Note 39**
**Other Income**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **From Financial Assets:** | | | |
| Income on deposits, advances and savings accounts | | **56,970** | 147,830 |
| **From Non Financial Assets:** | | | |
| Adjustment due to impact of IFRS 9 | 39.1 | **3,415** | 12,836 |
| Scrap Sales | | **1,432** | 303 |
| Gain on disposal of property, plant and equipment | 21.1.8 | **725** | 1,366 |
| Gain on lease termination | 15.1 | **32,230** | 641 |
| Exchange gain - net | | | 10,424 |
| Change in fair value of investment properties | 24.1 | **6,000** | 6,750 |
| Dividend | | **800** | 109 |
| Reversal of provision for expected credit losses on trade debts | | **62,464** | - |
| Liabilities written back: | | | |
| Markup waived off on restructuring of loan | | **6,096** | - |
| Unclaimed liabilities written back during the year | 39.2 | **400,802** | 57,646 |
| | | **406,898** | 57,646 |
| Miscellaneous | | 3,240 | 295 |
| | | **574,235** | 237,250 |

**39.1 Breakup is as follows:**

| | Note | 2025 | 2024 |
|---|---|---|---|
| Discounting impact of liability for long term finance | 11 | **1,397** | 4,803 |
| Discounting impact of Sponsor's Loan | 12.2 | **2,018** | 5,918 |
| | | **3,415** | 17,837 |

39.2 This represents long outstanding unclaimed liabilities which have been written back under the local laws.

**Note 40**
**Other Expenses**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Exchange loss - net | | **38,485** | - |
| Auditors' remuneration | 40.1 | **10,532** | 6,140 |
| Provision for expected credit losses on trade debts | 30.1 | **-** | 19,254 |
| | | **49,017** | 25,394 |

**40.1 Auditors' remuneration**

| | | |
|---|---|---|
| Statutory audit | **3,812** | 3,465 |
| Half year review | **1,331** | 1,210 |
| Out of pocket expenses | **540** | 540 |
| Certifications | **4,850** | 925 |
| | **10,533** | 6,140 |

**Note 41**
**Depreciation and Amortization**

| | | | |
|---|---|---|---|
| Depreciation | 21.1 | **400,358** | 374,383 |
| Depreciation on ROU assets | 22 | **186,370** | 227,247 |
| Amortization | 23 | **59,365** | 199,870 |
| | | **646,093** | 801,500 |

**Note 42**
**Finance Cost**

| | | | |
|---|---|---|---|
| Mark up on term finance certificates | | **162,779** | 254,834 |
| Mark up on long term financing | | **24,344** | 54,936 |
| Mark-up on sponsor's loan | | **216,890** | 286,369 |
| Finance charge on lease liabilities | 15 | **22,256** | 28,923 |
| Unwinding of discount on liabilities | 42.1 | **34,312** | 38,929 |
| Bank charges and commission | | **7,401** | 6,638 |
| | | **467,982** | 670,629 |

**42.1 Breakup is as follows:**

| | | | |
|---|---|---|---|
| Unwinding impact of liability for Term Finance Certificates | 10.1.2 | **18,264** | 23,994 |
| Unwinding impact of liability of long term financing | 11 | **16,048** | 14,935 |
| | | **34,312** | 38,929 |

**Note 43**

**LEVY AND TAXATION**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **Levy** | | | |
| Final/Minimum taxes | 43.1 | 79,748 | 63,081 |
| **Income Tax** | | | |
| For the year | | - | - |
| Prior years | | - | 97 |
| | | - | 97 |
| | | 79,748 | 63,178 |
| Deferred | 36 | - | - |
| | | 79,748 | 63,178 |

43.1 The numerical reconciliation between the average tax rate and applicable tax rate has not been presented in these financial statements as the total income of the group attracts minimum tax under section 113 of the Income Tax Ordinance, 2001.

43.2 Reconciliation of current tax charged as per tax laws for the year ,with current tax recognized in the profit and loss account , is as follows:

| | 2025 | 2024 |
|---|---|---|
| Current tax liability for the year as per applicable laws | (79,748) | (63,178) |
| Portion of current tax liability as per tax laws, representing income tax under IAS 12 | - | 97 |
| Portion of current tax computed as per tax laws , representing levy in terms of requirements of IFRIC 21/IAS 37. | 79,748 | 63,081 |
| Difference | - | - |

**Note 44**

**Loss per Share - Basic and Diluted**

**44.1 Basic loss per share:**

| | | 2025 | 2024 |
|---|---|---|---|
| Loss attributable to ordinary shareholders | | (459,293) | (1,259,608) |
| Weighted average number of ordinary shares | Number in '000 | 4,982,288 | 4,982,288 |
| Basic loss earnings per share | Rupees | (0.09) | (0.27) |

**44.2 Diluted loss per share:**

| | | 2025 | 2024 |
|---|---|---|---|
| Loss used to determine diluted loss per share | | (459,293) | (1,259,608) |
| Weighted average number of ordinary shares | Number in '000 | 4,982,289 | 4,982,288 |
| Assumed conversion of CPS into ordinary shares | Number in '000 | 2,863,873 | 2,848,519 |
| Weighted average number of ordinary shares for diluted loss per share | Number in '000 | 7,846,162 | 7,829,808 |
| Diluted loss per share | Rupees | (0.09) | (0.17) |

44.2.1 The dilution effect on basic earning per share is due to conversion option on CPS. The basic weighted average number of shares have been adjusted for conversion option available to preference shareholders.

44.2.2 The effect of the conversion of the CPS into ordinary shares is anti dilutive for the year. Accordingly, the diluted earnings per share was restricted to the basic loss per share.

Note 45

Cash Used in Operations

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Loss before taxation | | (379,546) | (1,300,783) |
| Adjustment for non cash charges and other items: | | | |
| Depreciation on property, plant and equipment | 21.1 | 488,358 | 374,383 |
| Amortization on intangible assets | 20 | 58,265 | 159,875 |
| Amortization of right of use assets | 22 | 186,378 | 237,347 |
| (Gain) / Loss on disposal of property, plant and equipment | 21.1.8 | (725) | (1,769) |
| Gain on lease termination | 15.1 | (32,238) | (841) |
| Uncashed liabilities written back during the year | | (408,885) | |
| Liabilities written back on settlement with parties | 39 | (4,696) | |
| Gain on re-measurement of investment properties at fair value | 24.1 | (8,009) | (6,798) |
| Post employment benefits | 14.1.2 | 40,057 | 50,338 |
| Dividend income on short term investments | 39 | (660) | (105) |
| Adjustment due to impact of IFRS 9 | 39.1 | (3,415) | (12,037) |
| Income on deposits, advances and savings accounts | 39 | (56,979) | (141,836) |
| Exchange gain/(loss) on foreign currency loan | 11.1 | 5,190 | (10,559) |
| Exchange (gain)/loss on foreign currency accrued markup | 13.1 | 6,538 | (5,315) |
| Exchange (gain)/loss on foreign currency balances - net | 40 | 27,059 | 5,541 |
| Imputed interest on lease liability | 15 | 22,756 | 28,929 |
| Unwinding impact of liabilities under IFRS 9 | 42.1 | 34,312 | 38,025 |
| Finance cost | 42 | 411,414 | 622,777 |
| | | 685,519 | 1,348,671 |
| **Operating profit / (loss) before working capital changes** | | 305,974 | 47,911 |
| (Increase) / decrease in current assets | | | |
| Stores and spares | | (407) | 8,803 |
| Trade debts | | (115,484) | 1,344 |
| Loans and advances | | 58,238 | (14,410) |
| Deposits and prepayments | | (36,324) | (17,929) |
| Other receivables | | (63,812) | (85,739) |
| Increase / (decrease) in current liabilities | | | |
| Trade and other payables | | (64,616) | 132,787 |
| | | (224,336) | (75,051) |
| **Cash generated from / (used in) operations** | | 81,638 | (27,140) |

Note 46

**Remuneration of Chief Executive Officer, Directors and Executives**

Aggregate amounts charged in the financial statements for the year as remuneration and benefits to the chief executive, full time working directors and other executives of the group are as follows:

| | Chief Executive | | Non-Executive Directors | | Executive Directors | | Executives | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | (Rupees in '000) | | | | (Rupees in '000) | | (Rupees in '000) | |
| Managerial remuneration | 8,000 | 8,000 | - | | 13,800 | 13,800 | 78,633 | 91,979 |
| Retirement benefits | 1,333 | 1,333 | - | | 2,267 | 2,267 | 8,414 | 8,869 |
| House rent allowance | 3,200 | 3,200 | - | | 5,440 | 5,440 | 31,482 | 36,792 |
| Utilities | 800 | 800 | - | | 1,360 | 1,360 | 7,869 | 9,198 |
| Meeting fee allowance | - | | 4,140 | 3,120 | - | | - | |
| | 13,333 | 13,333 | 4,140 | 3,120 | 22,867 | 22,867 | 126,398 | 146,819 |
| Number of persons | 1 | 1 | 6 | 6 | 2 | 2 | 26 | 29 |

47.1 An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1,200,000 in a financial year.

47.2 The Chief Executive of the group is also provided with a group maintained car.

Note 47

Transaction with Related Parties

Transactions during the year with local companies

| Related party | Relationship | Nature of transaction | 2025 | 2024 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| WorldCall Services | Parent company | Net funds received by the group during the year | 37,435 | 55,087 |
| | | Net markup (paid) / accrued on long term borrowings | (37,843) | 396,365 |
| | | Exchange (gain)/loss on markup | 8,369 | (5,311) |
| | | Exchange (gain)/loss on loan | 3,168 | (10,650) |
| WorldCall Cable (Private) Limited | Associate | Expenses borne on behalf of associate | - | |
| | | Interest charged during the year | 212 | 154 |
| WorldCall Ritz Hall (Private) Limited | Associate | Expenses borne on behalf of associate | - | |
| | | Interest charged during the year | 2 | 4 |
| Key management personnel | Associated persons | Salaries and employees benefits | 108,815 | 130,013 |
| | | Advances against expenses disbursed / (adjusted) - net | (11,837) | 813 |

Transactions during the period with foreign companies

| Related party | Relationship | Nature of transaction | 2025 | 2024 |
|---|---|---|---|---|
| Global Tech Corporation | Ultimate Holding company | Funds received during the year | 322,751 | |
| | | Markup on long term borrowings | 7,444 | |
| | | Exchange (gain)/loss on markup | 27 | |
| | | Exchange (gain)/loss on loan | (118) | |
| Ferret Consulting - F.Z.C | Associate | Exchange (Gain)/loss | 1,199 | (1,360) |
| | | Payment/adjustment with third party | (79,365) | (1,443) |
| | | Direct Cost - IT Service | 7,269 | 5,287 |
| | | Expenses charged during the year | (4,545) | (7,196) |

Ferret Consulting is incorporated in United Arab Emirates. Basis for association of the group with Ferret is common directorship.

Outstanding Balance as at the period/year end

| | | 2025 | 2024 |
|---|---|---|---|
| | | (Rupees in '000) | |
| WorldCall Services (Private) Limited | Sponsor's loan | 2,532,362 | 2,491,848 |
| | Accrued markup | 956,791 | 758,211 |
| Global Tech Corporation | Sponsor's loan | 322,633 | |
| | Accrued markup | 7,421 | |
| Ferret Consulting - F.Z.C | Dividend on CPS | 276,360 | 276,360 |
| | Short term borrowings | 32,740 | 106,555 |
| Ferret Consulting - F.Z.C | Other receivable | - | 73,265 |
| WorldCall Ritz Hall (Private) Limited | Other receivable | 33 | 33 |
| WorldCall Cable (Private) Limited | Other receivable | 4,028 | 3,716 |
| Key management | Payable against expenses, salaries and other employee benefits | 103,085 | 103,085 |
| | Advance against expenses | 3,179 | (6,315) |

**Note 48**
**Financial Risk Management**

The group finances its operations through equity, borrowings and management of working capital with a view to obtain a reasonable mix between various sources of finance to minimize the risk.

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, other market price risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

The group's overall risk management procedures, to minimize the potential adverse effects of financial market on the group's performance, are as follows:

**48.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency, interest rate, commodity price and equity price that will affect the group's income or the value of its holdings of financial instruments.

**48.1.1 Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The group is exposed to currency risk arising from various currency exposures, primarily with respect to United States Dollar (USD). Currently, the group's foreign exchange risk exposure is restricted to the followings:

| | 2025 | 2024 |
|---|---|---|
| | USD ('000) | |
| Trade debts | 9,031 | 9,031 |
| Trade and other payables | (11,343) | (11,336) |
| Borrowings | (6,199) | (3,200) |
| Net exposure | (8,511) | (5,505) |
| The following significant exchange rates were applied during the year: | | |
| Average rate - Rupees per US Dollar (USD) | 281.83 | 285.58 |
| Reporting date rate - Rupees per US Dollar (USD) | | |
| Assets | 280.65 | 278.55 |
| Liabilities | 280.85 | 278.85 |

At **December 31, 2025**, if the Rupee had weakened / strengthened by 1% against the US dollar with all other variables held constant, pre-tax loss for the year would have been Rs. 23.83 million (2024: Rs. 15.332 million) higher / lower, mainly as a result of foreign exchange losses / gains on translation of US dollar-denominated financial assets and liabilities. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

**48.1.2 Interest rate risk**

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The group analyses its interest rate exposure on a dynamic basis taking into consideration refinancing, renewal of existing positions, alternative financing etc. At the reporting date, the profile of the group's interest bearing financial instruments was as under:

| | 2025 | 2024 |
|---|---|---|
| **Floating rate instruments** | (Rupees in '000) | |
| **Financial assets** | | |
| Bank balances - saving accounts | 2,555 | 1,136 |
| Deposit in Escrow Account | 715,884 | 683,307 |
| **Financial liabilities** | | |
| Term finance certificates | (1,168,711) | (1,187,502) |
| Long term financing | (307,238) | (292,500) |
| Sponsor's loan | (841,626) | (858,350) |
| Short term borrowings | - | - |
| | (1,496,061) | (1,603,702) |

**Fair value sensitivity analysis for fixed rate instruments**

The group does not have any fixed rate financial assets and liabilities at fair value.

**Cash flow sensitivity analysis for variable rate instruments**

If interest rates at the reporting date had fluctuated by 1% higher / lower with all other variables held constant, loss before taxation for the year would have been Rs. 15.330 million (2024: Rs. 15.17 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate borrowings. This analysis is prepared assuming the amounts of liabilities outstanding at the reporting date are outstanding for the entire year.

**48.1.3 Other market price risk**

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk arises from investments held by the group which are classified in the statement of financial position as fair value through other comprehensive income (Note 25). The primary goal of the group's investment strategy is to maximize investment returns on the surplus cash balance. In accordance with this strategy, investments are designated as available for sale and their performance is actively monitored.

Since the investment amount is too low (less than 1% of the group's total assets), the performance of the investments will not have any material impact on the group's performance.

**48.2 Credit risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure.

The group's credit risk is primarily attributable to deposits with banks, long term trade receivables, trade debts, loans and advances and other receivables. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

**48.2.1 Exposure to credit risk**

Carrying values of financial assets exposed to credit risk and which are neither past due nor impaired are as under:

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Long term deposits | 5,127 | 9,112 |
| Trade debts | 4,343,907 | 4,281,225 |
| Short term deposits | 784,263 | 737,610 |
| Other receivables | 230,478 | 287,354 |
| Short term investments | 59,628 | 41,922 |
| Bank balances | 15,387 | 97,401 |
| | 5,421,830 | 5,454,828 |

48.2.2 The aging of trade debts as at the reporting date is as follows:

| | 2025 | 2024 |
|---|---|---|
| Not past due | 397 | 14,500 |
| Past due 1 - 180 days | 448,418 | 393,825 |
| Past due 181 - 365 days | 662,888 | 405,855 |
| 1 - 2 years | 519,759 | 435,367 |
| More than 2 years | 2,712,154 | 2,805,065 |
| | 4,343,907 | 4,281,591 |

The group believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counter parties and trade debts are subject to specific credit ceilings based on customer credit history.

The management estimates the recoverability of trade receivables on the basis of financial position and past history of its customers based on the objective evidence that it shall not receive the amount due from the particular customer. The provision is written off by the group when it expects that it cannot recover the balance due. Any subsequent repayments in relation to amounts written off are credited directly to the statement of profit or loss account.

**48.2.3 Credit quality of bank balances**

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

| | Rating Long term | Rating Short term | Rating Agency | 2025 | 2024 |
|---|---|---|---|---|---|
| | | | | (Rupees in '000) | |
| Allied Bank Limited | AAA | A1+ | PACRA | 146 | 56 |
| Askari Bank Limited | AA+ | A1+ | PACRA | 63 | 47 |
| Bank Al Habib Limited | AAA | A1+ | PACRA | 4 | 4 |
| Habib Bank Limited | AA+ | A-1+ | VIS | 225 | 335 |
| Habib Metropolitan Bank Limited | AA+ | A1+ | PACRA | (40) | (40) |
| JS Bank Limited | AA | A1+ | PACRA | 17 | 17 |
| MCB Bank Limited | AAA | A1+ | PACRA | 125 | 125 |
| National Bank of Pakistan | AAA | A1+ | PACRA | 11 | 11 |
| Silk Bank Limited | A | A-2 | VIS | 14,869 | 112 |
| Standard Chartered Bank (Pakistan) Limited | AAA | A1+ | PACRA | 365 | 464 |
| Soneri Bank Limited | AA | A1+ | PACRA | 127 | 32 |
| Telenor Microfinance Bank Limited (Formerly Tameer Microfinance Bank Limited) | A / A+ | A1 / A1 | PACRA / PACRA | 994 | 1,359 |
| United Bank Limited | AA+ | A1+ | VIS | 30 | 23 |
| Waseela Microfinance Bank Limited) | A | A1 | PACRA | 189 | 146 |
| [illegible] Bank | AAA | A-1+ | PACRA | 27 | 27 |
| Oman International Bank SAOG | | | | 3 | - |
| | | | | 16,883 | 2,981 |
| **Shariah Compliant** | | | | | |
| Bank Islami Pakistan Limited (Formerly KASB Bank Limited) | AA / A+ | A1 / A1 | PACRA / PACRA | 368 | 35 / 2 |
| Bank Makramah Limited (Formerly Summit Bank) | Not available | Not available | VIS | 2,055 | 814 |
| Meezan Bank | AAA | A1+ | VIS | 298 | 52,211 |
| Dubai Islamic Bank Limited | AA | A1+ | VIS | - | 1,342 |
| | | | | 2,726 | 54,524 |

Due to the group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counter parties on their obligations to the group. Accordingly, the credit risk is minimal.

**46.3 Liquidity risk**

Liquidity risk represents the risk that the group shall encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. The management monitors the forecasts of the group's cash and cash equivalents on the basis of expected cash flow. This is generally carried out in accordance with the practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the group operates. In addition, the group's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities and maintaining debt financing plans. The group has been facing difficulty in meeting various obligations towards its lenders and creditors. However, the management has devised a strategy for settlement and servicing of its liabilities as detailed in note 2.2. The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| Description | Carrying Amount | Contractual cash flows | Within 1 year | 1-2 Years | 2-5 Years | Above 5 Years |
|---|---|---|---|---|---|---|
| | | | (Rupees in '000) | | | |
| **Contractual maturities of financial liabilities as at December 31, 2025:** | | | | | | |
| Term finance certificates | 1,183,711 | 1,180,711 | 1,180,711 | | | |
| Long term financing | 207,239 | 207,239 | 120,527 | 86,612 | | |
| Sponsor's loan | 2,854,998 | 2,854,998 | | 2,854,998 | | |
| Lease liabilities | 181,741 | 181,770 | 46,526 | 91,302 | 33,411 | 8,005 |
| License fee payable | 45,513 | 45,513 | | | 45,513 | |
| Short term borrowings | 32,740 | 32,744 | 32,744 | | | |
| Trade and other payables | 6,333,711 | 6,335,947 | 6,335,947 | | | |
| Unclaimed dividend | 1,807 | 1,807 | 1,807 | | | |
| Accrued mark up | 1,655,211 | 1,655,910 | 1,655,910 | | | |
| | 12,413,925 | 12,496,641 | 9,116,270 | 3,031,440 | 75,304 | 8,002 |

| Description | Carrying Amount | Contractual cash flows | Within 1 year | 1-2 Years | 2-5 Years | Above 5 Years |
|---|---|---|---|---|---|---|
| | | | Rupees in '000 | | | |
| Contractual maturities of financial liabilities as at December 31, 2024 | | | | | | |
| Term finance certificates | 1,187,852 | 1,187,852 | 1,020,744 | 167,108 | | |
| Long term financing | 262,868 | 262,868 | 112,743 | 74,000 | 76,085 | |
| Sponsor's loan | 2,491,848 | 2,491,848 | | 2,491,848 | | |
| Lease liabilities | 235,408 | 235,408 | 58,329 | 68,518 | 108,562 | |
| License fee payable | 45,513 | 45,513 | | | 45,513 | |
| Short term borrowings | 108,805 | 108,805 | 108,805 | | | |
| Trade and other payables | 6,218,518 | 6,218,518 | 6,218,518 | | | |
| Unclaimed dividend | 1,807 | 1,807 | 1,807 | | | |
| Accrued mark up | 1,626,217 | 1,626,217 | 1,626,217 | | | |
| | 12,276,877 | 12,276,877 | 9,245,283 | 2,801,473 | 230,141 | |

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at the reporting date. The rates of interest / mark up have been disclosed in relevant notes to these financial statements.

**48.4 Fair value of financial instruments**

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently differences may arise between the carrying value and the fair value estimates.

The carrying values of all financial assets and liabilities reflected in financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

**Fair value estimation**

Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and significance of the inputs to the fair value measurement in its entirety, which is as follows. 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 group's financial assets that are measured at fair value at December 31, 2025

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| **Assets** | | | | |
| Recurring fair value measurements | | | | |
| Investments at fair value through other comprehensive income | 59,626 | - | - | 59,626 |

The following table presents the group's financial assets that are measured at fair value at December 31, 2024

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| **Assets** | | | | |
| Recurring fair value measurements | | | | |
| Investments at fair value through other comprehensive income | 41,322 | - | - | 41,322 |

There has been no transfers from one level of hierarchy to another level during the year.

### 49.5 Changes in liabilities arising from financing activities

| | January 1, 2025 | Cash Flows | Foreign Exchange Movement | Impact of (Discounting) / Unwinding | Other Adjustments | December 31, 2025 |
|---|---|---|---|---|---|---|
| | (Rupees in '000) | | | | | |
| Term finance certificates | 1,758,270 | (27,142) | | 19,264 | 162,779 | 1,913,171 |
| Long term financing | 523,346 | (52,589) | | (4,831) | 39,244 | 505,170 |
| Sponsor's loan | 2,558,774 | 300,107 | 5,100 | (225,894) | 216,890 | 2,915,257 |
| Lease liabilities | 205,408 | (25,136) | | | (18,527) | 161,745 |
| Short term borrowings | 199,805 | 252 | | | | 200,057 |
| Total liabilities from financing activities | 5,185,603 | 242,633 | 5,100 | (150,770) | 380,402 | 5,623,036 |

| | January 1, 2024 | Cash Flows | Foreign Exchange Movement | Impact of (Discounting) / Unwinding | Other Adjustments | December 31, 2024 |
|---|---|---|---|---|---|---|
| | (Rupees in '000) | | | | | |
| Term finance certificates | 1,477,440 | | | 25,994 | 254,834 | 1,758,270 |
| Long term financing | 602,280 | (91,000) | | 7,333 | 54,559 | 523,346 |
| Sponsor's loan | 2,474,208 | 30,411 | (10,003) | (225,894) | 290,350 | 2,558,774 |
| Lease Liabilities | 250,465 | (56,488) | | | 25,431 | 205,408 |
| Short term borrowings | 199,513 | 292 | | | | 199,805 |
| Total liabilities from financing activities | 4,682,328 | (66,797) | (10,003) | (192,357) | 419,300 | 5,185,603 |

Other adjustments include; mark-up deferred / accrued during the year, transfer of short term loan to long term loan due to restructuring/settlement, expenses borne by lender on behalf of the group.

### 49.6 Capital Risk Management

The group's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the group's business. The Board of Directors monitors the Return on Capital Employed, which the group defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The group's objectives when managing capital are:

(i) to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

(ii) to provide an adequate return to shareholders.

The group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The group monitors capital on the basis of the debt-to-equity ratio calculated as a ratio of total debt to equity and total debt.

The group is subject to capital requirements imposed by its lenders. However, the group has not been able to meet these requirements on account of its financial constraints. The management is confident that after implementation of the strategy detailed in note 2.2, the group will become compliant with the externally imposed capital requirements.

In line with the industry norm, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including license fee payable) less cash and cash equivalents. Total capital is calculated as equity as shown in the statement of financial position plus net debt. As at the reporting date, the gearing ratio of the group was worked out as under:

| | 2025 | 2024 |
|---|---|---|
| | Rupees in '000 | |
| Borrowings | 4,437,404 | 4,255,737 |
| Cash and bank balances | (21,202) | (58,438) |
| Net debt | 4,416,202 | 4,197,299 |
| Equity | (407,513) | 42,156 |
| Total capital employed | 4,008,719 | 4,239,445 |
| Gearing ratio (%) | 110.17% | 99.00% |

**48.7 Financial instruments by categories**

**Financial assets as at December 31, 2025**

| | Amortized Cost | At fair value through OCI - equity instruments | At fair value through profit or loss | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| Long term deposits | 9,127 | - | | 9,127 |
| Trade debts | 4,343,807 | - | | 4,343,807 |
| Short term deposits | 704,203 | - | | 704,203 |
| Other receivables | 235,478 | - | | 235,478 |
| Short term investments | | 59,628 | | 59,628 |
| Cash and bank balances | 21,202 | - | | 21,202 |
| | 5,313,817 | 59,628 | | 5,373,445 |

**Financial assets as at December 31, 2024**

| | Amortized Cost | At fair value through OCI - equity instruments | At fair value through profit or loss | Total |
|---|---|---|---|---|
| | Rupees in '000 | | | |
| Long term deposits | 8,112 | - | | 8,112 |
| Trade debts | 4,281,229 | - | | 4,281,229 |
| Short term deposits | 737,810 | - | | 737,810 |
| Other receivables | 287,264 | - | | 287,264 |
| Short term investments | | 41,922 | | 41,922 |
| Cash and bank balances | 99,450 | - | | 99,450 |
| | 5,414,755 | 41,922 | | 5,456,677 |

**Financial liabilities at amortized cost**

| | 2025 | 2024 |
|---|---|---|
| | (Rupees in '000) | |
| Term finance certificates | 1,169,711 | 1,187,853 |
| Long term financing | 207,239 | 262,808 |
| Sponsor's loan | 2,804,968 | 2,491,848 |
| Lease liabilities | 181,741 | 255,408 |
| License fee payable | 45,513 | 45,513 |
| Short term borrowings | 32,748 | 108,805 |
| Trade and other payables | 6,272,211 | 6,318,518 |
| Unclaimed dividend | 1,807 | 1,807 |
| Accrued mark up | 1,655,911 | 1,624,317 |
| | 12,412,876 | 12,270,877 |

**Note 49**

**Segment Information**

As per IFRS 8, "Operating Segments", operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision maker. The Chief Executive Officer (CEO) of the group has been identified as the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

The CEO is responsible for the group's entire product portfolio and considers business as a single operating segment. The group's assets allocation decisions are based on a single integrated investment strategy and the group's performance is evaluated on an overall basis.

The internal reporting provided to the CEO for the group's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.

The group is domiciled in Pakistan. All of the group's assets are located in Pakistan as at the reporting date.

**Note 50**

**Number of Employees**

| | 2025 | 2024 |
|---|---|---|
| | Number | Number |
| Employees as at December 31, 2025 | 307 | 251 |
| Average number of employees during the year | 285 | 300 |

**Note 51**

**Shariah Screening Disclosure**

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Conventional | Shariah Compliant | Conventional | Shariah Compliant |
| | Rupees in '000 | | Rupees in '000 | |
| Term Finance Certificates | 1,160,711 | - | 1,273,508 | - |
| Long Term Financing | 147,182 | 27,776 | 271,132 | 50,796 |
| Sponsor Loan | 2,854,988 | - | 2,491,849 | - |
| Accrued Markup | 1,656,911 | - | 1,624,317 | - |
| Short term borrowing | 32,745 | | 108,805 | |
| Short term investments | 59,628 | - | 41,922 | - |
| Bank Balances | 16,663 | 2,708 | 2,881 | 94,504 |
| Revenue | - | 5,991,182 | - | 5,046,440 |
| Other Income | | | | |
| a) Mark up interest on saving deposit accounts, term deposit receipts and | 56,970 | - | 141,830 | - |
| c) Dividend Income | 880 | - | 169 | - |
| d) Others | | | | |
| Markup paid | - | - | 11,119 | - |

**Note 52**

**Subsequent Events**

In line with articles of association of the company, the board of directors in its meeting held on 10 March 2026 has approved the issuance of ordinary shares against accumulated dividend on class A and class B cumulative Convertible Preference Shares (CPS) @ 5.9% on already converted and balance CPS till conversion of the same.

**Note 53**

**Authorization of Financial Statements**

These financial statements were approved and authorized for issue on 10 March 2026 by the Board of Directors of the group.

**Note 54**
**Corresponding Figures**

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison although there is no material reclassification during the year.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# PATTERN OF SHAREHOLDING

**AS AT 31 DECEMBER 2025**

**Incorporation Number : 0042200 OF 15-03-2001**

| NO. OF SHAREHOLDERS | SHAREHOLDING FROM | | SHAREHOLDING TO | TOTAL SHARES HELD |
|---|---|---|---|---|
| 3410 | 1 | - | 100 | 119,239 |
| 3108 | 101 | - | 500 | 1,087,835 |
| 4702 | 501 | - | 1,000 | 3,803,278 |
| 6601 | 1,001 | - | 5,000 | 16,982,616 |
| 2645 | 5,001 | - | 10,000 | 23,338,687 |
| 5778 | 10,001 | - | 50,000 | 154,956,800 |
| 2223 | 50,001 | - | 100,000 | 177,846,601 |
| 2912 | 100,001 | - | 500,000 | 694,851,253 |
| 610 | 500,001 | - | 1,000,000 | 458,425,419 |
| 568 | 1,000,001 | - | 5,000,000 | 1,186,840,758 |
| 89 | 5,000,001 | - | 15,000,000 | 665,842,323 |
| 12 | 15,000,001 | - | 50,000,000 | 328,146,456 |
| 5 | 50,000,001 | - | 100,000,000 | 358,220,000 |
| 2 | 776,410,001 | - | 776,415,000 | 877,028,718 |
| 32865 | Total | | | 4,982,289,186 |

| Categories of Shareholders | Shares held | Percentage |
|---|---|---|
| Directors, Chief Executive Officer and their spouses and minor children | 255,339 | 0.01% |
| Associated Companies, Undertakings and Related parties | 877,465,261 | 17.61% |
| NIT and ICP | - | 0.00% |
| Banks, | 15,979,393 | 0.32% |
| Insurance Companies | 325,707 | 0.01% |
| Modarabas and Mutual Funds | 7,492,000 | 0.15% |
| * Shareholders holding 10% or more | 854,914,152 | 17.16% |
| **General Public** | | |
| a. Local | 3,371,793,568 | 67.68% |
| b. Foreign | 255,831,584 | 5.13% |
| **Others** | | |
| - Joint Stock Companies | 453,209,403 | 9.10% |
| - Foreign Companies | 136,931 | 0.00% |
| **Total *** | 4,982,289,186 | 100.00% |

*** Note:-** Total is except for shareholders holding 10% or more as some of the shareholders are reflected in more than one category.

## WORLDCALL TELECOM LIMITED "(The Company)"

### The Companies Act 2017, Companies Regulations, 2024 [ Section 227(2)(f) and Regulation 30 ]

### PATTERN OF SHAREHOLDING UNDER CODE OF CORPORATE GOVERNANCE

### AS ON 31 DECEMBER 2025

| CATEGORIES OF SHAREHOLDERS | SHAREHOLDERS | SHARES HELD | PERCENTAGE |
|---|---|---|---|
| **Directors, Chief Executive Officer and their Spouse & Minor Children** | | | |
| Mr. Mohd Muhammad Jawad Abdullah Al Anduwani | 1 | 20,000 | 0.00% |
| Mr. Syed Salman Ali Shah | 1 | 9,000 | 0.00% |
| Mr. Muhammad Shoaib | 2 | 222,550 | 0.00% |
| Mr. Babar Ali Syed | 1 | 650 | 0.00% |
| Mr. Muhammad Azhar Saeed | 1 | 500 | 0.00% |
| Mrs. Hina Babar | 1 | 1,000 | 0.00% |
| Mr. Mubasher Lucman | 1 | 500 | 0.00% |
| Mr. Tariq Hasan | 1 | 500 | 0.00% |
| Mr. Ahsan Raza | 1 | 500 | 0.00% |
| **Associated Companies, Undertaking and Related Parties** | | | |
| Worldcall Services (Pvt.) Limited | 2 | 804,914,152 | 17.70% |
| Ferret Consulting F.Z.C. | 2 | 12,798,175 | 0.28% |
| GlobalTech World (Pvt.) Limited | 1 | 2,325,886 | 0.05% |
| AMD Management Consultants (Pvt.) Limited | 1 | 334,944 | 0.01% |
| **Mutual Funds** | 2 | 4,317,000 | 0.09% |
| **Public Sector Companies and Corporations** | - | - | 0.00% |
| **Banks, Development Financial Institutions, Non-Banking, Finance Companies** | 9 | 15,379,360 | 0.34% |
| **Insurance Companies** | 5 | 325,707 | 0.01% |
| **Modarabas** | 1 | 3,775,000 | 0.08% |
| **Executives** | 2 | 275,000 | 0.01% |
| **General Public** | | | |
| - Local | 30816 | 3,071,510,508 | 67.07% |
| - Foreign | 1033 | 233,537,394 | 5.12% |
| **Others** | | | |
| - Joint Stock Companies | 124 | 452,259,403 | 9.91% |
| - Foreign Companies | 1 | 136,301 | 0.00% |
| | 32865 | 4,562,289,186 | 100.00% |
| **Shareholders holding 10% or more voting rights in the Company** | | | |
| WorldCall Services (Pvt.) Limited | 2 | 804,914,152 | 17.70% |

*There was no trading in the shares of the company by Directors, their spouses and minor children.

## INVESTORS' EDUCATION

In compliance with the Securities and Exchange Commission of Pakistan's SRO 924 (1) /2015 dated September 9, 2015, Investors' attention is invited to the following information message.

# FORM OF PROXY

The Company Secretary
Worldcall Telecom Limited
Plot No. 112-113, Block S,
Quaid-e-Azam Industrial Estate, Kot Lakhpat,
Lahore, Pakistan

Folio # CDC A/c No. ____________________

Shares Held ____________________

I/We ______________________________ of ______________________________
(Name) (Address)

being the member(s) of WorldCall Telecom Limited hereby appoint Mr. / Mrs. / Miss ______________________________ of ______________________________
(Name) (Address)

or failing him / her / Mr. / Mrs. Miss / ______________________________ of ______________________________
(Name) (Address)

(who is also member of the Company vide Registered Folio # ____________________ (being the member of the Company) as my / our proxy to attend at and vote for me / us and on my/our behalf at the 26th Annual General Meeting of the Company to be held at Head Office: Plot No. 112-113, Block S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore Pakistan on 30 April 2026 at 11:00 a.m. and at any adjournment thereof.

Signature this ____________________ Day of ____________________ 2026.

Signature on Rs.50/ Revenue Stamp

(Signature should agree with the specimen signature registered with the Company)

**1. Witness:**
Signature
Name: ____________________
Address: ____________________
____________________
CNIC # ____________________

**2. Witness:**
Signature
Name: ____________________
Address: ____________________
____________________
CNIC # ____________________

**Notes:**

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, Plot No. 112-113, Block S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore, not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he himself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

**For CDC Account Holders / Corporate Entities:**

In addition to the above the following requirements have to be met:

i. The proxy form shall be witnessed by two persons whose names, addresses and CNIC / SNIC (Computer National Identity Card / Smart National Identity Card) numbers shall be mentioned on the form.
ii. Attested copies of CNIC / SNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
iii. The proxy shall produce his original CNIC / SNIC or original passport at the time of the meeting.
iv. In case of corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy from to the Company.

# پراکسی فارم

کمپنی سیکرٹری
ورلڈ کال ٹیلی کام لمیٹڈ
پلاٹ نمبر 113-112، بلاک ایس، قائد اعظم انڈسٹریل اسٹیٹ
کوٹ لکھپت، لاہور، پاکستان

| |
|---|
| فولیو نمبر/ سی ڈی سی اکاؤنٹ نمبر: ____________ |
| حاملِ حصص: ____________ |

میں/ہم ____________ ساکن ____________ ورلڈ کال ٹیلی کام لمیٹڈ کے
رکن/اراکین ہونے کی حیثیت سے محترم/محترمہ ____________ ساکن ____________
کو ان کی عدم موجودگی کی صورت میں محترم/محترمہ ____________ ساکن ____________
کو (فولیو نمبر ____________ (کمپنی کے رکن ہونے کی حیثیت سے) کو بطور مختار کمپنی کے اجلاس میں بطور میرے/ ہمارے لئے ووٹ دینے کے لئے یا میری
/ ہماری طرف سے 30 اپریل 2026 کو بمقام پلاٹ نمبر 113-112، بلاک ایس، قائد اعظم انڈسٹریل اسٹیٹ کوٹ لکھپت، لاہور میں دن 11:00 بجے
منعقد ہونے والے کمپنی کے سالانہ اجلاس عام یا اس کے کسی بھی التوا کی صورت میں ووٹ دینے کے لئے اپنا/ ہمارا مختار مقرر کرتا/ کرتے ہیں۔

دستخط: ____________ دن ____________ ماہ ____________ 2026

| |
|---|
| -/50 روپے کے ریونیو سٹیمپ پر دستخط |

(دستخط کمپنی میں رجسٹرڈ نمونہ دستخط کے مطابق ہونے چاہئیں)

1. گواہان
دستخط: ____________
نام: ____________
پتہ: ____________
____________
CNIC: ____________

2. گواہان
دستخط: ____________
نام: ____________
پتہ: ____________
____________
CNIC: ____________

ہدایات

1. پراکسی کی تقرری کا فارم مکمل طور پر پُر کر کے اجلاس کے انعقاد سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس واقع پلاٹ نمبر 113-112 بلاک ایس، قائد اعظم انڈسٹریل اسٹیٹ، کوٹ لکھپت، لاہور میں جمع کرا دیا جانا چاہیے۔
2. کوئی شخص اس وقت تک پراکسی کے طور پر کام نہیں کر سکتا جب تک وہ کمپنی کا رکن نہ ہو۔
3. اگر کوئی رکن ایک سے زیادہ پراکسی مقرر کرے اور کمپنی کے پاس ایک سے زیادہ پراکسی فارم جمع کرائے جائیں تو تمام پراکسی فارم مسترد تصور ہوں گے۔

**CDC اکاؤنٹ ہولڈرز/ کارپوریٹ اداروں کے لئے**

مذکورہ بالا کے علاوہ درج ذیل شرائط پوری کرنا ہوں گی:

(i) پراکسی فارم کی تصدیق دو گواہوں سے کی جائے گی جن کے نام، پتے اور CNIC/SNIC نمبر فارم پر درج ہوں گے۔
(ii) مالکان اور پراکسی کے CNIC/SNIC یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ جمع کرانا ہوں گی۔
(iii) اجلاس کے وقت پراکسی اپنا اصل CNIC/SNIC یا اصل پاسپورٹ پیش کرے گا۔
(iv) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی نمونہ دستخط کے ساتھ پراکسی فارم کے ہمراہ کمپنی کو جمع کرانا ہوگی۔