CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

31 MARCH 2015

WorldCall

VISION

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

MISSION STATEMENT

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

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

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

Contents

COMPANY INFORMATION

Chairman	Mr. Mehdi Mohammed Al Abduwani
Chief Executive Officer	Mr. Babar Ali Syed
Board of Directors	Mr. Mehdi Mohammed Al Abduwani (Chairman) Mr. Talal Said Marhoon Al Mamari (Vice Chairman) Mr. Aimen bin Ahmed Al Hosni Mr. Samy Ahmed Abdulqadir Al Ghassany Mr. Sohail Qadir Dr. Syed Salman Ali Shah
Chief Financial Officer	Mr. Muhammad Murtaza Raza
Executive Committee	Mr. Mehdi Mohammed Al Abduwani (Chairman) Mr. Talal Said Marhoon Al Mamari (Vice Chairman) Mr. Aimen Bin Ahmed Al Hosni (Member) Mr. Sohail Qadir (Member) Mr. Babar Ali Syed (CEO) (Member) Mr. Saud Mansoor Mohammed Al Mazrooei (Secretary)
Audit Committee	Mr. Talal Said Marhoon Al Mamari (Chairman) Mr. Aimen Bin Ahmed Al Hosni (Member) Dr. Syed Salman Ali Shah (Member) Mr. Mirghani Hamza Al Madani (Secretary)
Human Resource & Remuneration Committee	Mr. Talal Said Marhoon Al Mamari - (Chairman) Mr. Samy Ahmed Abdul Qadir Al Ghassany Mr. Aimen Bin Ahmed Al Hosni Mr. Sohail Qadir
Chief Internal Auditor	Mr. Mirghani Hamza Al Madani
Company Secretary	Mr. Saud Mansoor Mohammed Al Mazrooei
Auditors	A. F. Ferguson & Co. Chartered Accountants
Legal Advisers	M/s Miankot & Co. Barristers, Advocates & Corporate Legal Consultant

Bankers	Allied Bank Limited Askari Bank Limited Bank Al Habib Limited Barclays Bank PLC Pakistan Deutsche Bank AG Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited IGI Investment Bank Limited JS Bank Limited KASB Bank Limited MCB Bank Limited National Bank of Pakistan NIB Bank Limited Pak Oman Investment Co. Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited Tameer Microfinance Bank Limited The Bank of Punjab United Bank Limited Waseela Microfinance Bank Limited
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited 2nd Floor, State Life Building No.3, Dr. Zia-ud-Din Ahmed Road, Karachi. Tel: (021) 111-000-322
Registered Office/Head Office	67-A, C/III, Gulberg-III, Lahore, Pakistan Tel: (042) 3587 2633-38 Fax: (042) 3575 5231
Webpage	www.worldcall.com.pk

DIRECTORS' REVIEW

The Directors of Worldcall Telecom Limited ("WTL" or the "Company") are pleased to present the brief overview of the financial information for the quarter ended 31 March 2015.

Financial Overview

During first quarter 2015 the company made net loss after tax of Rs 464 million. The revenue has decreased from Rs 694 million to Rs 494 million showing a decline of 29% against the comparative period. The reduction in business volume mainly due to the abolishment of international clearing house ("ICH"), higher charge of network depreciation and hefty fixed cost contributed to a gross loss of Rs 189 million. The other income has significantly decreased due to the depreciation of Rupee. After taking effects of finance cost and tax, the Company has closed the quarter at a net loss.

Future Outlook

The focus has been diverted to broadband segment in which positive outcomes are expected in forthcoming period and company is hopeful the downward trends being reverse. The major portion of the resources has been channeled towards this segment in order to seize the tremendous opportunities in the arena with the launch of 3G/4G. The wireless broadband segment has commenced commercially. Digital offering has been actualized with state of the art CAS enabled for bouquet and subscription management along with revenue assurance. Furthermore, after the abolishment of ICH; the management is also in process to restore its international termination business. The Company has successfully rescheduled its financial liability which would ease it to great extent in meeting its financial obligations. Financial indicators are thus expected to improve in near future.

Company's staff and customers

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

For and on behalf of the Board of Directors

Lahore
30 April 2015

Babar Ali Syed
Chief Executive Officer

WorldCall

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT 31 MARCH 2015

	Note	31 March 2015 Un-Audited	31 December 2014 Audited
		-----------(Rupees in '000)-----------	
NON-CURRENT ASSETS			
Property, plant and equipment	6	**12,374,017**	12,503,346
Intangible assets	7	**5,100,716**	5,165,776
Investment properties		**23,200**	23,200
Long term trade receivables		**105,019**	110,380
Deferred taxation		**3,155,407**	2,917,389
Long term loans - considered good		**3,619**	3,802
Long term deposits		**57,921**	58,566
		20,819,899	20,782,459
CURRENT ASSETS			
Stores and spares		**205,388**	223,264
Stock-in-trade		**281,619**	273,614
Trade debts		**997,833**	911,906
Loans and advances		**616,163**	612,608
Deposits and prepayments		**143,810**	121,710
Short term investments		**65,377**	74,767
Other receivables		**31,038**	38,894
Income tax recoverable - net		**145,172**	144,547
Cash and bank balances		**446,616**	749,999
		2,933,016	3,151,309
Non-current assets classified as held for sale		**1,120,502**	1,120,502
		4,053,518	4,271,811
CURRENT LIABILITIES			
Current maturities of non-current liabilities		**3,581,611**	5,001,151
Short term borrowings - secured		**652,100**	768,890
License fee payable		**1,021,500**	1,021,500
Trade and other payables		**7,577,569**	7,197,619
Interest and mark up accrued		**233,710**	202,051
		13,066,490	14,191,211
NET CURRENT LIABILITIES		**(9,012,972)**	(9,919,400)
NON-CURRENT LIABILITIES			
Term finance certificates - secured	8	**1,461,963**	-
Long term loans - secured	9	**2,315,882**	2,385,683
Retirement benefits		**356,255**	334,582
Liabilities against assets subject to finance lease		**2,662**	2,991
Long term payables		**686,364**	627,715
Long term deposits		**35,102**	35,421
		4,858,228	3,386,392
Contingencies and commitments	10		
		6,948,699	7,476,667
REPRESENTED BY			
EQUITY			
Share capital and reserves:			
Authorized share capital			
1,500,000,000 (31 December 2014: 1,500,000,000) ordinary shares of Rs 10 each		**15,000,000**	15,000,000
500,000 (31 December 2014: 500,000) preference shares of USD 100 each (USD 50,000,000 equivalent to Rs 6,000,000,000)		**6,000,000**	6,000,000
Ordinary share capital		**8,605,716**	8,605,716
Preference share capital		**3,537,700**	3,537,700
Capital reserves:			
- Share premium		**837,335**	837,335
- Fair value reserve		**(6,114)**	3,276
- Exchange translation reserve		**21,800**	(16,700)
Revenue reserve: Accumulated loss		**(6,906,585)**	(6,373,241)
		6,089,852	6,594,086
Surplus on revaluation of fixed assets		**858,847**	882,581
		6,948,699	7,476,667

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Chief Executive Officer — **Director**

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

		Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
		-------------Rupees in '000)---------------	
Revenue - net		**494,101**	693,607
Direct cost		**(683,024)**	(747,460)
Gross loss		**(188,923)**	(53,853)
Operating cost		**(277,731)**	(256,341)
Operating loss		**(466,654)**	(310,194)
Finance cost		**(163,636)**	(163,870)
		(630,290)	(474,064)
Other income		**26,898**	575,075
Other expenses		**(92,857)**	-
(Loss)/profit before taxation		**(696,249)**	101,011
Taxation		**232,706**	(70,685)
(Loss)/profit after taxation		**(463,543)**	30,326
Basic loss per share	**(Rupees)**	**(0.60)**	(0.02)
Diluted loss per share	**(Rupees)**	**(0.13)**	(0.02)

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Chief Executive Officer — **Director**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
	---------(Rupees in '000)--------	
(Loss)/profit for the period	**(463,543)**	30,326
Other comprehensive (loss)/income:		
Item that may be subsequently reclassified to profit or loss:		
- Change in fair value of available-for-sale financial assets	**(9,390)**	7,744
Items that will not be reclassified to profit or loss	**-**	-
Other comprehensive (loss)/income - net of tax	**(9,390)**	7,744
Total comprehensive (loss)/income for the period - net of tax	**(472,933)**	38,070

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Chief Executive Officer **Director**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

	Note	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
		--------(Rupees in '000)--------	
Cash flows from operating activities			
Cash generated from/(used in) operations	11	**140,282**	(476,424)
Decrease in non-current assets:			
- Long term deposits		**645**	-
- Long term loans		**183**	-
- Long term trade receivables		**5,361**	-
Increase/(decrease) in non-current liabilities:			
- Long term deposits		**(319)**	-
- Long term payables		**3,613**	-
Retirement benefits paid		**(16,391)**	(21,887)
Finance cost paid		**(67,338)**	(140,395)
Taxes paid		**(5,935)**	(28,500)
Net cash inflow/(outflow) from operating activities		**60,101**	(667,206)
Cash flows from investing activities			
Fixed capital expenditure		**(172,782)**	(346,291)
Proceeds from disposal of property, plant and equipment		**11,036**	4,035
Net cash outflow from investing activities		**(161,746)**	(342,256)
Cash flows from financing activities			
Proceeds against long term loan - net		**-**	248,231
Repayment of term finance certificates		**(100,000)**	-
Repayment of long term loan		**(109,660)**	-
Running finance - net		**8,210**	488
Repayment of short term borrowings - net		**-**	(3,000)
Repayment of liabilities against assets subject to finance lease		**(288)**	(17,322)
Net cash (outflow)/inflow from financing activities		**(201,738)**	228,397
Net decrease in cash and cash equivalents		**(303,383)**	(781,065)
Cash and cash equivalents at the beginning of the period		**749,999**	2,501,852
Cash and cash equivalents at the end of the period		**446,616**	1,720,787

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Chief Executive Officer **Director**

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH 2015

	Share Capital		Capital Reserves			Revenue Reserve		
	Ordinary share capital	Preference share capital	Share premium	Fair value reserve	Exchange translation reserve	Accumulated loss	Surplus on revaluation of fixed assets	Total
	(Rupees in '000)							
Balance as at 31 December 2013 (Audited)	8,605,716	3,537,700	837,335	11,702	144,300	(3,527,284)	357,960	9,967,429
Profit for the period	-	-	-	-	-	30,326	-	30,326
Other comprehensive income for the period - net of tax	-	-	-	7,744	-	-	-	7,744
Total comprehensive income for the period - net of tax	-	-	-	7,744	-	30,326	-	38,070
Transfer to surplus on revaluation of fixed assets	-	-	-	-	-	(2,709)	2,709	-
Exchange translation reserve	-	-	-	-	(255,500)	255,500	-	-
Dividend on preference shares	-	-	-	-	-	(43,341)	-	(43,341)
Total transactions with owners, recognized directly in equity	-	-	-	-	(255,500)	212,159	-	(43,341)
Balance as at 31 March 2014 (Un-Audited)	8,605,716	3,537,700	837,335	19,446	(111,200)	(3,287,508)	360,669	9,962,158
Loss for the period	-	-	-	-	-	(2,827,540)	-	(2,827,540)
Other comprehensive (loss)/income for the period - net of tax	-	-	-	(16,170)	-	(15,041)	538,501	507,290
Total comprehensive loss for the period - net of tax	-	-	-	(16,170)	-	(2,842,581)	538,501	(2,320,250)
Transfer from surplus on revaluation of fixed assets	-	-	-	-	-	11,645	(16,589)	(4,944)
Exchange translation reserve	-	-	-	-	94,500	(94,500)	-	-
Dividend on preference shares	-	-	-	-	-	(160,297)	-	(160,297)
Total transactions with owners, recognized directly in equity	-	-	-	-	94,500	(254,797)	-	(160,297)
Balance as at 31 December 2014 (Audited)	8,605,716	3,537,700	837,335	3,276	(16,700)	(6,373,241)	882,581	7,476,667
Loss for the period	-	-	-	-	-	(463,543)	-	(463,543)
Other comprehensive loss for the period - net of tax	-	-	-	(9,390)	-	-	-	(9,390)
Total comprehensive loss for the period - net of tax	-	-	-	(9,390)	-	(463,543)	-	(472,933)
Transfer to surplus on revaluation of fixed assets	-	-	-	-	-	23,734	(23,734)	-
Exchange translation reserve	-	-	-	-	38,500	(38,500)	-	-
Cost of issuance of preference shares						-		-
Dividend on preference shares	-	-	-	-	-	(55,036)	-	(55,036)
Total transactions with owners, recognized directly in equity	-	-	-	-	38,500	(93,536)	-	(55,036)
Balance as at 31 March 2015 (Un-Audited)	8,605,716	3,537,700	837,335	(6,114)	21,800	(6,906,585)	858,847	6,948,699

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Chief Executive Officer | **Director**

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

1. Legal status and nature of business

Worldcall Telecom Limited ("the Company") is a public limited company incorporated in Pakistan on 15 March 2001 under the Companies Ordinance, 1984 and its shares are quoted on the Karachi and Lahore Stock Exchanges. The Company commenced its operations on 01 December 2004 and is engaged in providing Wireless Local Loop ("WLL") and Long Distance & International ("LDI") services in Pakistan, and re-broadcasting international/national satellite/terrestrial wireless and cable television and radio signals as well as interactive communication and to establish, maintain and operate the licensed telephony services. The Company has been licensed by Pakistan Telecommunication Authority ("PTA") and Pakistan Electronic Media Regulatory Authority ("PEMRA") for these purposes. The registered office of the Company is situated at 67A, C-III, Gulberg III, Lahore.

During the year ended 30 June 2008, 56.80% shares (488,839,429 ordinary shares) had been acquired by Oman Telecommunications Company SAOG ("the Parent company"). In addition to this, the Parent company also acquired 57.14% preference shares (200,000 preference shares) during the year ended 31 December 2013.

This financial information is the separate financial information of the Company. Consolidated financial information is prepared separately.

2. Basis of preparation

2.1 This condensed interim unconsolidated financial information is unaudited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2014.

2.2 In accordance with the requirements of International Financial Reporting Standards (IFRSs), management has carried out a going concern assessment of the Company and believes that the going concern assumption used for the preparation of this financial information is appropriate. This assessment is based on a five years' business plan approved by the Board of Directors wherein the Company is confident that it will be able to meet its obligations and carry on business without any material curtailment, with the continued support of the Parent company.

3. Significant accounting policies

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended 31 December 2014.

3.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

3.2.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current year

Certain standards, amendments and interpretations to approved accounting standards are effective in the current year but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in this condensed interim financial information.

3.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2016 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in this condensed interim financial information.

4. Significant accounting judgments and estimates

The preparation of condensed interim financial information in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing this condensed interim unconsolidated financial information, the significant judgements made by management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended 31 December 2014.

5. Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

	Note	31 March 2015 Un-Audited	31 December 2014 Audited
		--------(Rupees in '000)--------	
6. Property, plant and equipment			
Operating fixed assets		**11,429,597**	11,641,345
Capital work-in-progress		**928,821**	836,413
Major spare parts and stand-by equipment		**15,599**	25,588
		12,374,017	12,503,346
Operating fixed assets			
Opening book value		**11,641,345**	12,520,955
Additions during the period/year	6.1	**89,974**	1,212,066
Revaluation surplus		**-**	455,772
Transfers in from investment properties		**-**	97,500
		11,731,319	14,286,293
Disposals (at book value) for the period/year	6.2	**(10,057)**	(19,112)
Transferred out to non-current assets classified as held for sale		**-**	(1,356,011)
Depreciation charged during the period/year		**(291,665)**	(1,269,825)
Closing book value	6.3	**11,429,597**	11,641,345

6.1 Following is the detail of additions

Leasehold improvements	**515**	2,741
Plant and equipment	**89,039**	1,199,213
Office equipment	**219**	2,623
Furniture and fixtures	**34**	-
Computers	**167**	2,114
Vehicles	**-**	5,375
	89,974	1,212,066

6.2 Following are the book values of disposals

Plant and equipment	**-**	4,320
Office equipment	**-**	441
Computers	**153**	268
Furniture and fixtures	**-**	6
Vehicles	**9,904**	14,077
	10,057	19,112

6.3 Property, plant and equipment includes equipment deployed in implementing the Universal Service Fund network which is subject to lien exercisable by Universal Service Fund Company ("USFC") in the event of failure by the Company to maintain service availability and quality specification.

	Note	31 March 2015 Un-Audited	31 December 2014 Audited
7. Intangible assets		--------(Rupees in '000)--------	
Licenses		**1,971,470**	2,022,751
Indefeasible right of use - media cost		**566,965**	580,032
Softwares		**8,787**	9,499
Goodwill	7.1	**2,553,494**	2,553,494
		5,100,716	5,165,776

7.1 Goodwill represents the difference between the cost of acquisition (fair value of consideration paid) and fair value of net identifiable assets acquired at the time of merger of Worldcall Telecom Limited with Worldcall Communications Limited, Worldcall Multimedia Limited and Worldcall Broadband Limited.

Impairment testing of Goodwill has been carried out at the overall business unit level. Management has assessed the recoverable amount of the Cash Generating Unit as at 31 December 2014 based on a value in use calculation and determined that, as of this date, there is no indication of impairment of Goodwill. This calculation uses cash flow projections based on a five years' financial business plan approved by the Board. The business plan also includes a comprehensive analysis of the existing operational deployments of the Company along with strategic direction of future investments and business growth. The cash flows beyond the five years period have been extrapolated using a steady 5% growth rate which is consistent with the long-term average growth rate for the industry, whereas for the purpose of impairment testing, no growth is considered in cash flows beyond the period of five years as per International Accounting Standard 36 'Impairment of Assets'. The key assumption and discount rate used in the value in use calculation is as follows:

Revenue (% annual growth rate)	60.38%
Discount rate	21.31%

Based on the above approved business plan and continued support from the Parent company, the Company will be able to meet its obligations and will be able to achieve satisfactory level of profitability in future.

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
8. Term finance certificates - secured		
Term finance certificates	**1,643,735**	1,643,735
Initial transaction cost	**(53,994)**	(53,994)
Restructuring cost	**(12,638)**	-
	1,577,103	1,589,741
Amortization of transaction cost	**53,994**	53,994
Amortization of restructuring cost	**866**	-
	1,631,963	1,643,735
Repaid	**(100,000)**	-
	1,531,963	1,643,735
Current maturity	**(70,000)**	(1,643,735)
	1,461,963	-

Term finance certificates (TFCs)

These TFCs were earlier rescheduled in December 2012 under which the principal was repayable in three semi-annual installments ending on 07 October 2015.

In July 2014, the Company initiated the process of restructuring with the TFC holders. On 03 April 2015, the TFCs have been rescheduled and the terms of the revised rescheduling agreement are effective from 07 October 2014. As per revised terms, the tenure of the TFCs have been extended by

seven years and non-current portion of principal amount is repayable in 11 semi annual installments of Rs 133.976 million ending in October 2021. Profit rate and security have remained the same.

Current maturity represents two overdue installments aggregating Rs 70 million (31 December 2014: Rs.547.91 million). However, as per the restructuring terms, payments in respect of these installments are to be made subject to the issuance of No Objection Certificate (NOC) by IGI Investment Bank Limited, the Trustee. As of the reporting date, NOC was not issued to the Company.

	Note	**31 March 2015 Un-Audited**	31 December 2014 Audited
		--------(Rupees in '000)--------	
9. Long term loans - secured			
Askari Bank Limited	9.1	**2,208,632**	2,378,458
Soneri Bank Limited	9.2	**-**	7,225
Allied Bank Limited	9.3	**107,250**	-
		2,315,882	2,385,683
9.1 Askari Bank Limited			
Receipt		**2,943,855**	2,943,855
Initial transaction cost		**(129,365)**	(129,365)
		2,814,490	2,814,490
Amortization of transaction cost		**49,881**	43,257
		2,864,371	2,857,747
Exchange loss		**561,495**	524,995
		3,425,866	3,382,742
Repaid		**(200,234)**	(98,884)
		3,225,632	3,283,858
Current maturity		**(1,017,000)**	(905,400)
		2,208,632	2,378,458

This represents foreign currency syndicated loan facility amounting to USD 35 million from Askari Bank Limited Off-Shore Banking Unit, Bahrain, with the lead arranger being Askari Bank Limited. During 2013, this loan was rescheduled whereby the principal was repayable in 16 quarterly installments ending on 06 March 2018. Mark up is payable quarterly and is charged at three months average London Inter Bank Offered Rate (LIBOR) plus 1.75% per annum and monitoring fee at 1.2% per annum. The mark up rate charged during the period on the outstanding balance ranges from 3.18% to 3.21% (2014: 3.18% to 3.19%) per annum. To secure the facility, an unconditional, irrevocable, first demand stand-by letter of credit has been issued by National Bank of Oman ("NBO") favoring Askari Bank Limited against the corporate guarantee of the Parent Company. This arrangement shall remain effective until all obligations under the facility are settled.

Current maturity of this loan includes two overdue installment aggregating USD 2 million equivalent to Rs 203.40 million (2014: Rs 201.20 million). In September 2014, the Company in agreement with

Askari Bank Limited, arranged a financing from consortium of banks, comprising of NBO and Ahli Bank SAOG ("the consortium") with NBO as lead arranger, where by Askari Bank Limited shall be fully repaid from the proceeds of the loan from the consortium. The loan shall be repayable in 16 quarterly installments commencing from the 27th month from the date of disbursement of the loan and profit shall be charged at three month average LIBOR plus 1.75% per annum and monitoring fee at 1.5% per annum, payable quarterly. To secure this facility, an unconditional and irrevocable corporate guarantee of the Parent Company backed by cash cover over its account with NBO shall be issued.

As of the reporting date, signed agreement between the Company as borrower, the consortium as original lenders and the Parent Company as guarantor, has been submitted to Askari Bank Limited for onward registration with State Bank of Pakistan (SBP) which will follow disbursement.

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
9.2 Soneri Bank Limited		
Receipt	**66,756**	66,756
Repaid	**(22,722)**	(16,662)
	44,034	50,094
Current maturity	**(44,034)**	(42,869)
	-	7,225
9.3 Allied Bank Limited		
Transferred from running finance	**125,000**	-
Repaid	**(2,250)**	-
	122,750	-
Current maturity	**(15,500)**	-
	107,250	-

This represents a term loan facility of Rs 125 million obtained through restructuring of Running Finance facility. This facility was rescheduled in January 2015 and is now repayable in 43 monthly installments ending on 31 July 2018. It carries mark up at one month KIBOR plus 3% per annum and is payable monthly. The mark up rate with effect from 01 April 2015 will be 3 months KIBOR plus 0.5% per annum to be reset and recoverable quarterly. It is secured through joint pari passu charge on present and future current and fixed assets excluding land and building of the company with 25% margin.

10. Contingencies and commitments

Contingencies

There is no significant change in contingencies from the preceding annual published financial statements of the Company for the year ended 31 December 2014 except for the following:

(i) A demand of Rs 1,059.595 million (including default surcharge of Rs 325.849 million) was raised against the Company under section 161/205 of the Income Tax Ordinance, 2001 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 in usual appellate course and while first appellate authority decided certain issues in Company's favor, major issues were remanded back to department for adjudication afresh. Such appellate order was further assailed by the Company before Appellate Tribunal Inland Revenue ('ATIR'), at which forum, adjudication is pending. Meanwhile, department has concluded the reassessment proceedings, primarily repeating the treatment earlier accorded, however, given to relief allowed by first appellate authority, demand now stands reduced to Rs 1,003.426 million (including default surcharge of Rs 384.329 million). Such reassessment order has also been assailed by the Company in second round of litigation which is pending before first appellate authority. In this financial information, only an amount of Rs 103.673 million has been recognized as liability on this account as Company's management considers that Company's position is well founded and on meritorious grounds and thus eventually demand would not sustain appellate review.

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
Outstanding guarantees	**1,080,577**	1,140,217
Commitments		
Commitments in respect of capital expenditure	**1,837,044**	1,851,011
Outstanding letters of credit	**30,783**	4,596

	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
	---------(Rupees in '000)---------	
11. Cash generated from/(used in) operations		
(Loss)/profit before taxation	**(696,249)**	101,011
Adjustment for non-cash charges and other items:		
- Depreciation on property, plant and equipment	**291,665**	322,897
- Amortization on intangible assets	**65,061**	48,344
- Amortization of transaction cost	**7,489**	6,624
- Discounting charges	**-**	17,820
- Amortization of long term trade receivables	**(3,747)**	(3,390)
- Provision for doubtful debts	**8,983**	10,862
- Provision for stock-in-trade and stores and spares	**2,054**	-
- Exchange loss/(gain) on foreign currency loan	**36,500**	(251,850)
- Impairment loss on available for sale financial assets	**-**	-
- Gain on sale of property, plant and equipment	**(930)**	(4,003)
- Retirement benefits	**21,683**	16,039
- Advance written-off	**-**	-
- Finance cost	**156,147**	139,426
(Loss)/profit before working capital changes	**(111,344)**	403,780

	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
	---------(Rupees in '000)---------	
Effect on cash flow due to working capital changes:		
(Increase)/decrease in the current assets:		
- Stores and spares	**16,163**	(34,674)
- Stock-in-trade	**(8,005)**	(10,594)
- Trade debts	**(91,162)**	6,262
- Loans and advances	**(3,555)**	129,974
- Deposits and prepayments	**(22,100)**	(409,579)
- Other receivables	**7,857**	8,596
(Decrease)/increase in current liabilities:		
- Trade and other payables	**352,429**	(570,189)
	251,626	(880,204)
	140,282	(476,424)

12. Related party transactions

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

Relationship with the Company	Nature of transactions	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
		--------------(Rupees in '000)--------------	
Parent Company	Dividend on preference shares	**31,461**	-
	Management fee on preference shares	**37,645**	56,384
Other related parties	Purchase of goods and services	**20,472**	20,962
Key management personnel	Salaries and other employee benefits	**79,031**	78,614

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------------(Rupees in '000)--------------	
Period/year end balances		
Receivable from related parties	**32,443**	30,432
Payable to related parties	**2,700,052**	2,587,629

13. Financial risk management

13.1 Financial risk factors

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

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2014.

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

13.2 Liquidity risk

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

13.3 Fair value estimation

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

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

The following table presents the Company's assets and liabilities that are measured at fair value at 31 March 2015.

	Level 1	Level 2	Level 3	Total
	Rupees '000			
Assets				
Available-for-sale investments	**65,377**	**-**	**-**	**65,377**
Liabilities	**-**	**-**	**-**	**-**

The following table presents the Companys assets and liabilities that are measured at fair value at 31 December 2014.

	Level 1	Level 2	Level 3	Total
	Rupees '000			
Assets				
Available-for-sale investments	74,767	-	-	74,767
Liabilities	-	-	-	-

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

14. Date of authorization for issue

This condensed interim financial information was authorized for issue on 30 April, 2015 by the Board of Directors of the Company.

15. Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Chief Executive Officer | **Director**

WORLDCALL TELECOM LIMITED AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

31 MARCH 2015

DIRECTORS' REVIEW

The Directors of Worldcall Telecom Limited ("WTL" or the "Parent Company") are pleased to present condensed consolidated financial information of the Group for the quarter ended 31 March 2015.

Group Foreign Subsidiary

WorldCall Telecommunications Lanka (Pvt.) Limited

Winding up of the subsidiary is in process as approved in the earlier AGM of the Parent Company. In annexed consolidated financial statements, the subsidiary has been accounted for under IFRS 5 as discontinued operations.

For and on behalf of the Board of Directors

Babar Ali Syed
Chief Executive Officer

30 April 2015

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (Un-Audited) AS AT 31 MARCH 2015

	Note	31 March 2015 Un-Audited	31 December 2014 Audited
		-------(Rupees in '000)-------	
NON-CURRENT ASSETS			
Property, plant and equipment	7	**12,374,017**	12,503,346
Intangible assets	8	**5,100,716**	5,165,776
Investment properties		**23,200**	23,200
Long term trade receivables		**105,019**	110,380
Deferred taxation		**3,155,407**	2,917,389
Long term loans - considered good		**3,619**	3,802
Long term deposits		**57,921**	58,566
		20,819,899	20,782,459
CURRENT ASSETS			
Stores and spares		**205,388**	223,264
Stock-in-trade		**281,619**	273,614
Trade debts		**997,833**	911,906
Loans and advances		**616,163**	612,608
Deposits and prepayments		**143,810**	121,710
Short term investments		**65,377**	74,767
Other receivables		**31,038**	38,894
Income tax recoverable - net		**145,172**	144,547
Cash and bank balances		**446,616**	749,999
		2,933,016	3,151,309
Non-current assets classified as held for sale		**1,120,504**	1,120,504
		4,053,520	4,271,813
CURRENT LIABILITIES			
Current maturities of non-current liabilities		**3,581,611**	5,001,151
Short term borrowings - secured		**652,100**	768,890
License fee payable		**1,021,500**	1,021,500
Trade and other payables		**7,577,569**	7,197,619
Interest and mark up accrued		**233,710**	202,051
		13,066,490	14,191,211
Liabilities in respect of non-current assets classified as held for sale		**6,907**	5,404
		13,073,397	14,196,615
NET CURRENT LIABILITIES		**(9,019,877)**	(9,924,802)
NON-CURRENT LIABILITIES			
Term finance certificates - secured	9	**1,461,963**	-
Long term loans - secured	10	**2,315,882**	**2,385,683**
Retirement benefits		**356,255**	334,582
Liabilities against assets subject to finance lease		**2,662**	2,991
Long term payables		**686,364**	627,715
Long term deposits		**35,102**	35,421
		4,858,228	3,386,392
Contingencies and commitments	11		
		6,941,794	7,471,265
REPRESENTED BY			
EQUITY			
Share capital and reserves:			
Authorized share capital			
1,500,000,000 (31 December 2014: 1,500,000,000) ordinary shares of Rs 10 each		**15,000,000**	15,000,000
500,000 (31 December 2014: 500,000) preference shares of USD 100 each (USD 50,000,000 equivalent to Rs 6,000,000,000)		**6,000,000**	6,000,000
Ordinary share capital		**8,605,716**	8,605,716
Preference share capital		**3,537,700**	3,537,700
Capital reserves:			
- Share premium		**837,335**	837,335
- Fair value reserve		**(6,114)**	3,276
- Exchange translation reserve		**15,601**	(21,837)
Revenue reserve: Accumulated loss		**(6,902,416)**	(6,369,072)
Capital and revenue reserves attributable to equity holders of the Company		**6,087,822**	6,593,118
Non-controlling interest		**(4,875)**	(4,434)
		6,082,947	6,588,684
Surplus on revaluation of fixed assets		**858,847**	882,581
		6,941,794	7,471,265

The annexed notes 1 to 16 form an integral part of this condensed consolidated interim financial information.

Chief Executive Officer **Director**

CONDENSED CONSOLIDATED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

		Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
		----------(Rupees in '000)----------	
Continuing operations			
Revenue - net		**494,101**	693,607
Direct cost		**(683,024)**	(747,460)
Gross loss		**(188,923)**	(53,853)
Operating cost		**(277,731)**	(256,341)
Operating loss		**(466,654)**	(310,194)
Finance cost		**(163,636)**	(163,870)
		(630,290)	(474,064)
Other income		**26,898**	575,075
Other expenses		**(92,857)**	-
(Loss)/profit before taxation		**(696,249)**	101,011
Taxation		**232,706**	(70,685)
(Loss)/profit after taxation from continuing operations		**(463,543)**	30,326
Discontinued operations			
Loss for the period from discontinued operations		**-**	(211)
		(463,543)	30,115
Attributable to:			
Equity holders of the Parent Company		**(463,543)**	30,177
Non-controlling interest		**-**	(62)
		(463,543)	30,115
Loss per share - basic			
From continuing operations	**Rupees**	**(0.60)**	(0.02)
From dicontinued operations	**Rupees**	**-**	-
From loss for the period	**Rupees**	**(0.60)**	(0.02)
Loss per share - diluted			
From continuing operations	**Rupees**	**(0.13)**	(0.02)
From dicontinued operations	**Rupees**	**-**	-
From loss for the period	**Rupees**	**(0.13)**	(0.02)

The annexed notes 1 to 16 form an integral part of this condensed consolidated interim financial information.

Chief Executive Officer **Director**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2015

	Quarter ended 31 March 2015 (Un-Audited)	Quarter ended 31 March 2014 (Un-Audited)
	-----------(Rupees in '000)-----------	
(Loss)/profit for the period	**(463,543)**	30,115
Other comprehensive (loss)/income:		
Items that may be subsequently reclassified to profit or loss:		
-Exchange differences on translating foreign operations	**(1,503)**	5,018
-Change in fair value of available-for-sale financial assets	**(9,390)**	7,744
	(10,893)	12,762
Items that will not be reclassified to profit or loss	**-**	-
Other comprehensive (loss)/income - net of tax	**(10,893)**	**12,762**
Total comprehensive (loss)/income for the period - net of tax	**(474,436)**	42,877
Attributable to:		
Equity holders of the Parent Company	**(473,995)**	41,466
Non-controlling interest	**(441)**	1,411
	(474,436)	42,877

The annexed notes 1 to 16 form an integral part of this condensed consolidated interim financial information.

Chief Executive Officer

Director

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2015

	Note	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
		--------------(Rupees in '000)--------------	
Cash flows from operating activities			
Cash generated from/(used in) operations	12	**140,282**	(300,400)
Decrease in non-current assets:			
- Long term deposits		**645**	13,447
- Long term loans		**183**	-
- Long term trade receivable		**5,361**	7,811
Increase/(decrease) in non-current liabilities:			
- Long term deposits		**(319)**	-
- Long term payables		**3,613**	(197,408)
Retirement benefits paid		**(16,391)**	(21,887)
Finance cost paid		**(67,338)**	(140,395)
Taxes paid		**(5,935)**	(28,500)
Net cash inflow/(outflow) from operating activities		**60,101**	(667,332)
Cash flows from investing activities			
Fixed capital expenditure		**(172,782)**	(346,291)
Proceeds from disposal of property, plant and equipment		**11,036**	4,035
Net cash outflow from investing activities		**(161,746)**	(342,256)
Cash flows from financing activities			
Proceeds against long term loan - net		**-**	248,231
Payment of term finance certificates		**(100,000)**	-
Payment of long term loan		**(109,660)**	-
Running finance - net		**8,210**	488
Payment of short term borrowings - net		**-**	(3,000)
Repayment of liabilities against assets subject to finance lease		**(288)**	(17,322)
Net cash (outflow)/inflow from financing activities		**(201,738)**	228,397
Net decrease in cash and cash equivalents		**(303,383)**	(781,191)
Cash and cash equivalents at the beginning of the period		**750,001**	2,501,980
Cash and cash equivalents at the end of the period		**446,618**	1,720,789

The annexed notes 1 to 16 form an integral part of this condensed consolidated interim financial information.

Chief Executive Officer

Director

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

	Attributable to equity holders of the Company									
	Share Capital		Capital Reserve			Revenue Reserve				
	Ordinary share capital	Preference share capital	Share premium	Fair value reserve	Exchange translation	Accumulated loss	Surplus on revaluation of fixed assets	Sub total	Non controlling interest	Total
	-----	-----	-----	-----	(Rupees in '000)	-----	-----	-----	-----	-----
Balance as at 31 December 2013 (Audited)	8,605,716	3,537,700	837,335	11,702	136,733	(3,532,185)	357,960	9,954,961	(5,181)	9,949,780
Profit for the period	-	-	-	-	-	30,177	-	30,177	-	30,177
Other comprehensive income for the period - net of tax	-	-	-	7,744	3,545	-	-	11,289	1,411	12,700
Total comprehensive income for the period - net of tax	-	-	-	7,744	3,545	30,177	-	41,466	1,411	42,877
Transfer to surplus on revaluation of fixed assets	-	-	-	-	-	(2,709)	2,709	-	-	-
Exchange translation reserve	-	-	-	-	(255,500)	255,500	-	-	-	-
Dividend on preference shares	-	-	-	-	-	(43,341)	-	(43,341)	-	(43,341)
Total transactions with owners, recognized directly in equity	-	-	-	-	(255,500)	212,159	-	(43,341)	-	(43,341)
Balance as at 31 March 2014 (Un-Audited)	8,605,716	3,537,700	837,335	19,446	(115,222)	(3,292,558)	360,669	9,953,086	(3,770)	9,949,316
Loss for the period	-	-	-	-	-	(2,818,321)	-	(2,818,321)	(262)	(2,818,583)
Other comprehensive (loss)/income for the period - net of tax	-	-	-	(16,170)	(1,115)	(15,041)	538,501	506,175	(402)	505,773
Total comprehensive (loss)/income for the period - net of tax	-	-	-	(16,170)	(1,115)	(2,833,362)	538,501	(2,312,145)	(664)	(2,312,810)
Transfer from surplus on revaluation of fixed assets	-	-	-		-	11,645	(16,589)	(4,944)	-	(4,944)
Exchange translation reserve	-	-	-	-	94,500	(94,500)	-	-	-	-
Dividend on preference shares	-	-	-	-	-	(160,297)	-	(160,297)	-	(160,297)
Total transactions with owners, recognized directly in equity	-	-	-	-	94,500	(254,797)	-	(160,297)	-	(160,297)
Balance as at 31 December 2014 (Audited)	8,605,716	3,537,700	837,335	3,276	(21,837)	(6,369,072)	882,581	7,475,699	(4,434)	7,471,265
Loss for the period	-	-	-	-	-	(463,543)	-	(463,543)	-	(463,543)
Other comprehensive loss for the period	-	-	-	(9,390)	(1,062)	-	-	(10,452)	(441)	(10,893)
Total comprehensive loss for the period - net of tax	-	-	-	(9,390)	(1,062)	(463,543)	-	(473,995)	(441)	(474,436)
Transfer to surplus on revaluation of fixed assets	-	-	-	-	-	23,734	(23,734)	-	-	-
Exchange translation reserve	-	-	-	-	38,500	(38,500)	-	-	-	-
Dividend on preference shares	-	-	-	-	-	(55,036)	-	(55,036)	-	(55,036)
Total transactions with owners, recognized directly in equity	-	-	-	-	38,500	(93,536)	-	(55,036)	-	(55,036)
Balance as at 31 March 2015 (Un-Audited)	8,605,716	3,537,700	837,335	(6,114)	15,601	(6,902,416)	858,847	6,946,669	(4,875)	6,941,794

The annexed notes 1 to 16 form an integral part of this condensed consolidated interim financial information.

Chief Executive Officer

Director

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED 31 MARCH 2015

1. Legal status and nature of business

1.1 The Group consists of Worldcall Telecom Limited and Worldcall Telecommunications Lanka (Private) Limited, together "the Group"

1.2 Worldcall Telecom Limited ("the Parent Company") is a public limited company incorporated in Pakistan on 15 March 2001 under the Companies Ordinance, 1984 and its shares are quoted on the Karachi and Lahore Stock Exchanges. The Company commenced its operations on 01 December 2004 and is engaged in providing Wireless Local Loop ("WLL") and Long Distance & International ("LDI") services in Pakistan and re-broadcasting international/national satellite/terrestrial wireless and cable television and radio signals as well as interactive communication and to establish, maintain and operate the licensed telephony services. The Company has been licensed by Pakistan Telecommunication Authority ("PTA") and Pakistan Electronic Media Regulatory Authority ("PEMRA") for these purposes. The registered office of the Company is situated at 67A, C III, Gulberg III, Lahore.

During the year ended 30 June 2008, 56.80% ordinary shares (488,839,429 ordinary shares) of the Parent Company were acquired by Oman Telecommunications Company SAOG ("the Holding Company"). In addition to this, the Holding Company also acquired 57.14% preference shares (200,000 preference shares) during the year ended 31 December 2013.

Worldcall Telecommunications Lanka (Private) Limited ("the Subsidiary") was incorporated in Sri Lanka and is a joint venture with Hayleys Group to operate payphones. The principal activity of the Subsidiary is the operation and maintenance of a public payphones network. Payphones are installed at various shops/commercial outlets. The Parent Company holds 70.65% of voting securities in the Subsidiary.

2. Basis of preparation

Consolidation

The consolidated interim financial information includes the financial information of the Group. The financial information of the Subsidiary has been consolidated on a line by line basis.

Subsidiary

Subsidiary is an entity controlled by the Parent Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of the entity so as to benefit from its activities. The financial information of the Subsidiary is included in the condensed interim consolidated financial information from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intragroup balances and any other unrealized gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the condensed interim consolidated financial information. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Non controlling interest is that part of net results of operations and of net assets of the subsidiary attributable to interest which are not owned by the Group. Non controlling interest is presented separately in the consolidated financial statements.

In accordance with the requirements of International Financial Reporting Standards (IFRS), management has carried out a going concern assessment of the Group and believes that the going concern assumption used for the preparation of this financial information is appropriate. This assessment is based on a five years' business plan approved by the Board of Directors wherein the Group is confident that it will be able to meet its obligations and carry on business without any material curtailment, with a continued support of the Holding Company.

3. Statement of compliance

This condensed interim consolidated financial information is unaudited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed consolidated interim financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the financial statements of the Group for the year ended 31 December 2014.

4. Significant accounting policies

4.1 The accounting policies and the methods of computation adopted in the preparation of this condensed consolidated interim financial information are the same as those applied in the preparation of preceding annual published financial statements for the year ended 31 December 2014.

4.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Group's financial statements covering annual periods, beginning on or after the following dates:

4.2.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current year

Certain standards, amendments and interpretations to approved accounting standards are effective in the current year but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in this condensed interim financial information.

4.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after January 1, 2016 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in this condensed interim financial information.

5. Significant accounting judgments and estimates

The preparation of condensed interim consolidated financial information in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing this condensed interim consolidated financial information, the significant judgements made by management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended 31 December 2014.

6. Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

	Note	**31 March 2015 Un-Audited**	31 December 2014 Audited
		--------(Rupees in '000)--------	
7. Property, plant and equipment			
Operating fixed assets		**11,429,597**	11,641,345
Capital work-in-progress		**928,821**	836,413
Major spare parts and stand-by equipment		**15,599**	25,588
		12,374,017	12,503,346
<u>Operating fixed assets</u>			
Opening book value		**11,641,345**	12,520,955
Additions during the period/year	7.1	**89,974**	1,212,066
Revaluation surplus		**-**	455,772
Transfers in from investment properties		**-**	97,500
		11,731,319	14,286,293
Disposals (at book value) for the period/year	7.2	**(10,057)**	(19,112)
Transferred out to non-current assets classified as held for sale		**-**	(1,356,011)
Depreciation charged during the period/year		**(291,665)**	(1,269,825)
Closing book value	7.3	**11,429,597**	11,641,345
7.1 Following is the detail of additions			
Leasehold improvements		**515**	2,741
Plant and equipment		**89,039**	1,199,213
Office equipment		**219**	2,623
Furniture and fixtures		**34**	-
Computers		**167**	2,114
Vehicles		**-**	5,375
		89,974	1,212,066

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
7.2 Following are the book values of disposals		
Plant and equipment	**-**	4,320
Office equipment	**-**	441
Computers	**153**	268
Furniture and fixtures	**-**	6
Vehicles	**9,904**	14,077
	10,057	19,112

7.3 Property, plant and equipment includes equipment deployed in implementing the Universal Service Fund network which is subject to lien exercisable by Universal Service Fund Company ("USFC") in the event of failure by the Group to maintain service availability and quality specification.

	Note	31 March 2015 Un-Audited	31 December 2014 Audited
		--------(Rupees in '000)--------	
8. Intangible assets			
Licenses		**1,971,470**	2,022,751
Indefeasible right of use - media cost		**566,965**	580,032
Softwares		**8,787**	9,499
Goodwill	8.1	**2,553,494**	2,553,494
		5,100,716	5,165,776

8.1 Goodwill represents the difference between the cost of acquisition (fair value of consideration paid) and fair value of net identifiable assets acquired at the time of merger of Worldcall Telecom Limited with Worldcall Communications Limited, Worldcall Multimedia Limited and Worldcall Broadband Limited.

Impairment testing of Goodwill has been carried out at the overall business unit level. Management has assessed the recoverable amount of the Cash Generating Unit as at 31 December 2014 based on a value in use calculation and determined that, as of this date, there is no indication of impairment of Goodwill. This calculation uses cash flow projections based on a five years' financial business plan approved by the Board. The business plan also includes a comprehensive analysis of the existing operational deployments of the Group along with strategic direction of future investments and business growth. The cash flows beyond the five years period have been extrapolated using a steady 5% growth rate which is consistent with the long-term average growth rate for the industry, whereas for the purpose of impairment testing, no growth is considered in cash flows beyond the period of five years as per International Accounting Standard 36 'Impairment of Assets'. The key assumption and discount rate used in the value in use calculation is as follows:

Revenue (% annual growth rate)	60.38%
Discount rate	21.31%

Based on the above approved business plan and continued support from the Holding Company, the Group will be able to meet its obligations and will be able to achieve satisfactory level of profitability in future.

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
9. Term finance certificates - secured		
Term finance certificates	**1,643,735**	1,643,735
Initial transaction cost	**(53,994)**	(53,994)
Restructuring cost	**(12,638)**	-
	1,577,103	1,589,741
Amortization of transaction cost	**53,994**	53,994
Amortization of restructuring cost	**866**	-
	1,631,963	1,643,735
Repaid	**(100,000)**	-
	1,531,963	1,643,735
Current maturity	**(70,000)**	(1,643,735)
	1,461,963	-

Term finance certificates (TFCs)

These TFCs were earlier rescheduled in December 2012 under which the principal was repayable in three semi-annual installments ending on 07 October 2015.

In July 2014, the Group initiated the process of restructuring with the TFC holders. On 03 April 2015, the TFCs have been rescheduled and the terms of the revised rescheduling agreement are effective from 07 October 2014. As per revised terms, the tenure of the TFCs have been extended by seven years and non-current portion of principal amount is repayable in 11 semi annual installments of Rs 133.976 million ending in October 2021. Profit rate and security have remained the same.

Current maturity represents two installments aggregating Rs 70 million which were due to be paid by 31 March 2015. However, as per the restructuring terms, payments in respect of these installments are to be made subject to the issuance of No Objection Certificate (NOC) by IGI Investment Bank Limited, the Trustee. As of the reporting date, NOC was not issued to the Company.

	Note	31 March 2015 Un-Audited	31 December 2014 Audited
		--------(Rupees in '000)--------	
10. Long term loans - secured			
Askari Bank Limited	10.1	**2,208,632**	2,378,458
Soneri Bank Limited	10.2	**-**	7,225
Allied Bank Limited	10.3	**107,250**	-
		2,315,882	2,385,683
10.1 Askari Bank Limited			
Receipt		**2,943,855**	2,943,855
Initial transaction cost		**(129,365)**	(129,365)
		2,814,490	2,814,490

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
Amortization of transaction cost	**49,881**	43,257
	2,864,371	2,857,747
Exchange loss	**561,495**	524,995
	3,425,866	3,382,742
Repaid	**(200,234)**	(98,884)
	3,225,632	3,283,858
Current maturity	**(1,017,000)**	(905,400)
	2,208,632	2,378,458

This represents foreign currency syndicated loan facility amounting to USD 35 million from Askari Bank Limited Off-Shore Banking Unit, Bahrain, with the lead arranger being Askari Bank Limited. During 2013, this loan was rescheduled whereby the principal was repayable in 16 quarterly installments ending on 06 March 2018. Mark up is payable quarterly and is charged at three months average London Inter Bank Offered Rate (LIBOR) plus 1.75% per annum and monitoring fee at 1.2% per annum. The mark up rate charged during the period on the outstanding balance ranges from 3.18% to 3.21% (2014: 3.18% to 3.19%) per annum. To secure the facility, an unconditional, irrevocable, first demand stand-by letter of credit has been issued by National Bank of Oman ("NBO") favoring Askari Bank Limited against the corporate guarantee of the Holding Company. This arrangement shall remain effective until all obligations under the facility are settled.

Current maturity of this loan includes two overdue installment aggregating USD 2 million equivalent to Rs 203.40 million (2014: Rs 201.20 million). In September 2014, the Group in agreement with Askari Bank Limited, arranged a financing from consortium of banks, comprising of NBO and Ahli Bank SAOG ("the consortium") with NBO as lead arranger, where by Askari Bank Limited shall be fully repaid from the proceeds of the loan from the consortium. The loan shall be repayable in 16 quarterly installments commencing from the 27th month from the date of disbursement of the loan and profit shall be charged at three month average LIBOR plus 1.75% per annum and monitoring fee at 1.5% per annum, payable quarterly. To secure this facility, an unconditional and irrevocable corporate guarantee of the Holding Company backed by cash cover over its account with NBO shall be issued.

As of the reporting date, signed agreement between the Group as borrower, the consortium as original lenders and the Holding Company as guarantor, has been submitted to Askari Bank Limited for onward registration with State Bank of Pakistan (SBP) which will follow disbursement.

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
10.2 Soneri Bank Limited		
Receipt	**66,756**	66,756
Repaid	**(22,722)**	(16,662)
	44,034	50,094
Current maturity	**(44,034)**	(42,869)
	-	7,225

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
10.3 Allied Bank Limited		
Transferred from running finance	**125,000**	-
Repaid	**(2,250)**	-
	122,750	-
Current maturity	**(15,500)**	-
	107,250	-

This represents a term loan facility of Rs 125 million obtained through restructuring of Running Finance facility. This facility was rescheduled in January 2015 and is now repayable in 43 monthly installments ending on 31 July 2018. It carries mark up at one month KIBOR plus 3% per annum and is payable monthly. The mark up rate with effect from 01 April 2015 will be 3 months KIBOR plus 0.5% per annum to be reset and recoverable quarterly. It is secured through joint pari passu charge on present and future current and fixed assets excluding land and building of the company with 25% margin.

11. Contingencies and commitments

Contingencies

There is no significant change in contingencies from the preceding annual published financial statements of the Group for the year ended 31 December 2014 except for the following:

(i) A demand of Rs 1,059.595 million (including default surcharge of Rs 325.849 million) was raised against the Group under section 161/205 of the Income Tax Ordinance, 2001 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 in usual appellate course and while first appellate authority decided certain issues in Group's favor, major issues were remanded back to department for adjudication afresh. Such appellate order was further assailed by the Group before Appellate Tribunal Inland Revenue ('ATIR'), at which forum, adjudication is pending. Meanwhile, department has concluded the reassessment proceedings, primarily repeating the treatment earlier accorded, however, given to relief allowed by first appellate authority, demand now stands reduced to Rs 1,003.426 million (including default surcharge of Rs 384.329 million). Such reassessment order has also been assailed by the Group in second round of litigation which is pending before first appellate authority. In this financial information, only an amount of Rs 103.673 million has been recognized as liability on this account as Group's management considers that Group's position is well founded and on meritorious grounds and thus eventually demand would not sustain appellate review.

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------(Rupees in '000)--------	
Outstanding guarantees	**1,080,577**	1,140,217
Commitments		
Commitments in respect of capital expenditure	**1,837,044**	1,851,011
Outstanding letters of credit	**30,783**	4,596

	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
	---------(Rupees in '000)---------	
12. Cash generated from/(used in) operations		
(Loss)/profit before taxation	**(696,249)**	100,800
Adjustment for non-cash charges and other items:		
- Depreciation on property, plant and equipment	**291,665**	322,897
- Amortization on intangible assets	**65,061**	48,344
- Amortization of transaction cost	**7,489**	6,624
- Discounting charges	**-**	17,820
- Amortization of long term trade receivables	**(3,747)**	(3,390)
- Provision for doubtful debts	**8,983**	10,862
- Provision for stock-in-trade and stores and spares	**2,054**	-
- Exchange loss/(gain) on foreign currency loan	**36,500**	(251,850)
- Gain on sale of property, plant and equipment	**(930)**	(4,003)
- Exchange translation defference	**(1,278)**	4,259
- Retirement benefits	**21,683**	16,039
- Finance cost	**156,147**	139,426
(Loss)/profit before working capital changes	**(112,622)**	407,828
Effect on cash flow due to working capital changes:		
(Increase)/decrease in the current assets:		
- Stores and spares	**16,156**	(34,651)
- Stock-in-trade	**(8,010)**	(10,576)
- Trade debts	**(91,239)**	6,520
- Loans and advances	**(3,555)**	129,974
- Deposits and prepayments	**(22,106)**	(423,006)
- Other receivables	**7,727**	9,036
(Decrease)/increase in current liabilities:		
- Trade and other payables	**352,932**	(385,525)
	252,904	(708,227)
	140,282	(300,400)

13. Related party transactions

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

Relationship with the Group	Nature of transactions	Quarter ended 31 March 2015 Un-Audited	Quarter ended 31 March 2014 Un-Audited
		--------------(Rupees in '000)--------------	
Holding Company	Dividend on preference shares	**31,461**	-
	Management fee on preference shares	**37,645**	56,384
Other related parties	Purchase of goods and services	**20,472**	20,962
Key management personnel	Salaries and other employee benefits	**79,031**	78,614

	31 March 2015 Un-Audited	31 December 2014 Audited
	--------------(Rupees in '000)--------------	
Period/year end balances		
Receivable from related parties	**32,443**	30,432
Payable to related parties	**2,700,052**	2,587,629

14. Financial risk management

14.1 Financial risk factors

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

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2014.

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

14.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities except for restructuring of TFCs as referred to in note 9.

14.3 Fair value estimation

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

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

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2015.

	Level 1	Level 2	Level 3	Total
	Rupees '000			
Assets				
Available-for-sale investments	65,377	-	-	65,377
Liabilities	-	-	-	-

The following table presents the Companys assets and liabilities that are measured at fair value at 31 December 2014.

	Level 1	Level 2	Level 3	Total
	Rupees '000			
Assets				
Available-for-sale investments	74,767	-	-	74,767
Liabilities	-	-	-	-

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

15. Date of authorization for issue

This condensed interim consolidated financial information was authorized for issue on 30 April, 2015 by the Board of Directors of the Company.

16. Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Chief Executive Officer **Director**

WorldCall