WorldCall

WorldCall Telecom Limited

September 6, 2018

General Manager
Pakistan Stock Exchange
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir

Subject: **Disclosure for Restructuring of Term Finance Certificate (TFC) –III**

In accordance with the provisions of the Debt Securities Trustees Regulations, 2017, we hereby convey the following:

For the purpose of raising finance as and by way of redeemable capital in the form of term finance certificates ("**TFCs**") in the amount of PKR 4,000,000,000/- (Rupees Four Billion only) ("**TFC Issue**"), Worldcall Telecom Limited (the "**Issuer**") and IGI Holdings Limited (as successor in interest of IGI Investment Bank Limited) (the "**Trustee**") had entered into a Trust Deed dated March 3, 2008 as amended by the First Supplemental Trust Deed Dated December 26, 2012 and Second Supplemental Trust Deed dated April 3, 2015 (hereinafter referred to as the "**Trust Deed**") whereby the Trustee *inter alia* agreed to act and hold the Security created for the purposes of securing the TFCs in trust for the benefit of the holders of the TFCs.

The Issuer now intends to revise certain terms and restructure the repayment/ redemption of the TFCs based on the terms provided in Annexure 1 hereto ("**Restructuring Terms**"). Its salient features are:

- Repayment would be done in 9 years i.e. by September 2026. Consequently, Principal amount of Rs 1,517 million and Mark up of Rs. 647 million would be restructured.
- In 2018 only principal amount of Rs. 200 million would be redeemed. Upfront amount of Rs. 125 million and Rs. 25 million (being the first instalment of the remaining Rs. 75 million) would be made on the signing of the Supplemental Trust Deed.
- Mark up accrued till the date of restructuring (year 2018) would be deferred till March 2021. Thereafter it shall be paid in 23 equal quarterly instalments.
- Half of the mark up for the year 2019 and 2020 would be deferred till March 2021 which shall be paid along with previous mark up starting March 2021.
- One representative of the TFC holders shall be appointed onto the Board of WorldCall Telecom Limited

We further undertake to keep you apprised of any updates in this regard.

Yours sincerely

For and on behlalf of
WorldCall Telecom Limited

Meen Jasin

Company Secretary

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ANNEXURE 1

3RD RESTRUCTURING OF RATED, LISTED & SECURED PKR 4,000M TERM FINANCE CERTIFICATE

WORLDCALL TELECOM LIMITED

Summary of Indicative Terms & Conditions

<table>
<tr><td>Issuer/Company</td><td>WorldCall Telecom Limited ("WTL" or "Company")</td></tr>
<tr><td>Transaction</td><td>(i) Changes/Amendments in Redemption Schedule,
(ii) Amendments to the terms & conditions of the Trust Deed and Term Finance Certificates (TFCs') of Pak Rupees 4,000 Million issued by WTL in October 2008 and modified from time to time.</td></tr>
<tr><td>Instrument</td><td>Listed, Rated & Secured Term Finance Certificates Issue ("TFC").</td></tr>
<tr><td>Restructuring Agents</td><td>Pak Oman Investment Company Limited ("POIC") and Askari Bank Limited ("AKBL") hereinafter collectively referred to as the "Restructuring Agents"</td></tr>
<tr><td>Transaction Effective Date</td><td>Expected to be 10th April, 2018</td></tr>
<tr><td>Principal Amount Outstanding</td><td>PKR 1,517,105,723/- as at Transaction Effective Date (To be confirmed by Trustee and will be taken as actual)</td></tr>
<tr><td>Tenor</td><td>To be extended by a period of upto 5 years with final maturity falling on September 20, 2026.</td></tr>
<tr><td>Principal Redemption</td><td>Principal will be repaid in the following manner :
<table>
<tr><td>2018</td><td>200,000,000</td><td>Rs. 125 million on date of signing of the restructuring documents (being the upfront payment)and 75 million in three equal quarterly installments; First such installment will be paid on June 20 , 2018</td></tr>
<tr><td>2019</td><td>130,000,000</td><td>In four quarterly installments with two installments of Rs. 30 million each and two installments of Rs. 35 million each</td></tr>
<tr><td>2020</td><td>100,000,000</td><td>In four equal quarterly installments of Rs. 25 million each</td></tr>
<tr><td>2021</td><td>120,000,000</td><td>In four equal quarterly installments of Rs. 30 million each</td></tr>
<tr><td>2022</td><td>140,000,000</td><td>In four equal quarterly installments of Rs. 35 million each</td></tr>
<tr><td>2023</td><td>200,000,000</td><td>In four equal quarterly installments of Rs. 50 million each</td></tr>
<tr><td>2024</td><td>220,000,000</td><td>In four equal quarterly installments of Rs. 55 million each</td></tr>
<tr><td>2025</td><td>240,000,000</td><td>In four equal quarterly installments of Rs. 60 million each</td></tr>
<tr><td>2026</td><td>167,105,723</td><td>In three equal quarterly installments of Rs. 55.7 million each</td></tr>
</table>
For clarity, a redemption schedule as an integral part of this term sheet is attached.</td></tr>
<tr><td>Profit Rate and frequency of payment</td><td>6 month KIBOR plus 1% payable quarterly in arrears (applicable from the Transaction Effective Date). Accrued and current profit will be paid in the following manner :
a) WTL will pay '<u>Already /To be accrued profit till December 20, 2018</u>' in 23 equal quarterly installment starting from March 2021;
b) WTL will pay <u>50% of current profit accrual of two years</u> (i.e. from December 20, 2018 to December 20, 2020) on regular quarterly basis commencing from March 2019; while 50% will be deferred and payment of which will commence from March 2021.
For clarity, a redemption schedule as an integral part of the term sheet is attached.</td></tr>
</table>

Worldcall Telecom Limited

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Security	• First Pari Passu charge with 25% margin over current and future fixed assets including equipment, plant and machinery, fixtures excluding land and buildings. • Any shortfall in security to be met by the Issuer by creating further charges on the Company's assets. Current security to be valued by a Valuator for assets that is on the approved panel of State Bank of Pakistan. • 175 million sponsors shares will be pledged to Investors which will be released with quarterly scheduled principal repayments proportionately starting from June 2019; for clarity, proportionate shares will be released semiannually for 2 quarterly payments, the schedule of the same is also attached alongwith the redemption schedule; In case of non-payment of any quarterly installment, mechanism for sale of shares would be devised for recovery of due installment.
Legal Counsel	Mohsin Tayebaly & Co.
Monitoring	Quarterly cash-flow statements to be made available to the Trustee as well as to the Restructuring Agents for monitoring of financial performance against the final Financial Model (format to be agreed between the Restructuring Agents & WTL).
Other Conditions	1. This Transaction is subject to internal approvals and submission of the extraordinary resolution by majority TFC holders (51%) including Restructuring Agents; 2. NOCs for transfer of sponsors shares of WTL will need to be issued by the Trustee (based upon the consent in the form of Extraordinary Resolutions from minimum 51% TFC holders) against signing of the legal documents and hence against upfront payment of Rs. 125 million; 3. Letter from the Board of Directors of WTL stating that they have reviewed and approved the business plan with the 5 years projections (copy of the same should be signed and stamped); 4. Board Resolution confirming that the 3rd restructuring is approved from the Board of Directors and authorizing the signatories to execute all necessary restructuring documents; 5. WTL to provide a latest Borrower's Basic Fact Sheet (BBFS), updated Financial Projections till the new maturity date i.e. till 2026, copy of Memorandum & Articles of Association, List of Authorized Signatories, Copies of CNICs of directors and copies of statutory returns filed to SECP which may include but not limited to Form 27, Form 28, Form 29, Form A etc. 6. In case the Company's EBITDA exceeds the projections in the submitted financial model, will be shared between the Company and Investors in the ratio of 50 : 50 and will be applied towards pay down of the TFC Accrued Profit and then Principal Amount Outstanding (last due principal payment will be adjusted first); 7. The amendments in TFC Redemption schedule and terms and conditions of Trust Deed is required to be passed by the TFC Holders holding in aggregate at least fifty one percent (51%) of the total outstanding face value of the TFCs and these resolutions are proposed to be passed as Extraordinary Resolutions; 8. All steps would be taken to comply with the conditions as per Extraordinary Resolutions passed by TFC holders; 9. All expenses/cost related to the proposed amendments in TFC Redemption schedule and meeting of TFC holders shall be the responsibility of Issuer;

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	10. No dividend will be paid to shareholders including sponsors without the prior consent of the majority TFC holders (i.e. consent of 51%); for it to be considered positively by the lenders the minimum Debt Service Coverage Ratio (DSCR) shall be atleast 4.0x and the Company must be current on all its repayments. 11. One representative shall be appointed as Nominee Director on the board of WTL who will represent the TFC holders, such nominee director will be appointed with the consent of the majority TFC holders (i.e. minimum 51% majority); 12. In case of any planned sale/change of management/majority shareholding, prior consent of 51% TFC holders shall be required and if new sponsors are acceptable to TFC holders, NOC will not be withheld. Additional documents, agreements, contracts, addendums may be executed between the Issuer and Trustee if required.
Governing Laws	The Transaction will be subject to the laws of Islamic Republic of Pakistan.

Accepted Terms and Conditions of 3rd Restructuring mentioned as above

For and on behalf of WorldCall Telecom Limited

Name: Babar Ali Syed
Designation: Chief Executive Officer

Name: Muhammad Azhar Saeed
Designation: Chief Financial Officer

Worldcall Telecom Limited

Dated : 22 March 2018

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WORLD CALL

Annexure

WorldCall Telecom Limited - Proposed Redemption Schedule (Tentative)

Total face value of TFC	1,517,105,723	Available for restructuring (subject to change depending upon nvestor's confirmation)
Total Profit accrued as at March 31, 2018	490,031,006	Available for restructuring (subject to change depending upon date of restructuring/Investor's confirmation)
Total Amount for restructuring	2,007,136,729	Available for restructuring (subject to change depending upon nvestor's confirmation)
Existing maturity	7-Oct-21	Pre Restructuring
Proposed date of maturity	20-Sep-26	Post Restructuring
Extension in tenor	4 years, 11 months, 13 days(upto 5 years)	

# of years	Due Date	No. of days	Beginning Principal	Principal Repayment	Principal Installment	Date of Rate Change	6 months KIBOR *	Spread	Applic. Rate	Current Profit Accrual	Deferred Accrued Profit Payment	Total Profit Payment	Total Installments	Ending Principal	Share's Release (No.)	Shares Pledge Status
1	31-Mar-18	0	1,517,105,723	200,000,000	125,000,000					-	-	-	125,000,000	1,392,105,723	175,000,000	175,000,000
	20-Jun-18	81	1,392,105,723		25,000,000	31-Mar-18	6.14%	1.0%	7.14%	22,057,820	-	-	25,000,000	1,367,105,723	-	175,000,000
	20-Sep-18	92	1,367,105,723		25,000,000	20-Jun-18	6.14%	1.0%	7.14%	24,603,408	-	-	25,000,000	1,342,105,723	-	175,000,000
	20-Dec-18	91	1,342,105,723		25,000,000	20-Sep-18	6.14%	1.0%	7.14%	23,890,953	-	-	25,000,000	1,317,105,723	-	175,000,000
2	20-Mar-19	90	1,317,105,723	130,000,000	30,000,000	20-Dec-18	6.14%	1.0%	7.14%	23,188,278	-	11,594,139	41,594,139	1,287,105,723	-	175,000,000
	20-Jun-19	92	1,287,105,723		30,000,000	20-Mar-19	6.14%	1.0%	7.14%	23,163,671	-	11,581,836	41,581,836	1,257,105,723	(7,972,025)	167,027,975
	20-Sep-19	92	1,257,105,723		35,000,000	20-Jun-19	6.14%	1.0%	7.14%	22,623,770	-	11,311,885	46,311,885	1,222,105,723	-	167,027,975
	20-Dec-19	91	1,222,105,723		35,000,000	20-Sep-19	6.14%	1.0%	7.14%	21,754,821	-	10,877,411	45,877,411	1,187,105,723	(9,300,696)	157,727,279
3	20-Mar-20	91	1,187,105,723	100,000,000	25,000,000	20-Dec-19	6.14%	1.0%	7.14%	21,131,783	-	10,565,891	35,565,891	1,162,105,723	-	157,727,279
	20-Jun-20	92	1,162,105,723		25,000,000	20-Mar-20	6.14%	1.0%	7.14%	20,914,082	-	10,457,041	35,457,041	1,137,105,723	(6,643,354)	151,083,924
	20-Sep-20	92	1,137,105,723		25,000,000	20-Jun-20	6.14%	1.0%	7.14%	20,464,165	-	10,232,082	35,232,082	1,112,105,723	-	151,083,924
	20-Dec-20	91	1,112,105,723		25,000,000	20-Sep-20	6.14%	1.0%	7.14%	19,796,701	-	9,898,350	34,898,350	1,087,105,723	(6,643,354)	144,440,570
4	20-Mar-21	90	1,087,105,723	120,000,000	30,000,000	20-Dec-20	6.14%	1.0%	7.14%	19,139,017	28,134,862	47,273,879	77,273,879	1,057,105,723		144,440,570
	20-Jun-21	92	1,057,105,723		30,000,000	20-Mar-21	6.14%	1.0%	7.14%	19,024,428	28,134,862	47,159,289	77,159,289	1,027,105,723	(7,972,025)	136,468,545
	20-Sep-21	92	1,027,105,723		30,000,000	20-Jun-21	6.14%	1.0%	7.14%	18,484,526	28,134,862	46,619,388	76,619,388	997,105,723		136,468,545
	20-Dec-21	91	997,105,723		30,000,000	20-Sep-21	6.14%	1.0%	7.14%	17,749,575	28,134,862	45,884,436	75,884,436	967,105,723	(7,972,025)	128,496,520
5	20-Mar-22	90	967,105,723	140,000,000	35,000,000	20-Dec-21	6.14%	1.0%	7.14%	17,026,360	28,134,862	45,161,222	80,161,222	932,105,723		128,496,520
	20-Jun-22	92	932,105,723		35,000,000	20-Mar-22	6.14%	1.0%	7.14%	16,774,839	28,134,862	44,909,700	79,909,700	897,105,723	(9,300,696)	119,195,824
	20-Sep-22	92	897,105,723		35,000,000	20-Jun-22	6.14%	1.0%	7.14%	16,144,954	28,134,862	44,279,815	79,279,815	862,105,723		119,195,824
	20-Dec-22	91	862,105,723		35,000,000	20-Sep-22	6.14%	1.0%	7.14%	15,346,427	28,134,862	43,481,288	78,481,288	827,105,723	(9,300,696)	109,895,128
6	20-Mar-23	90	827,105,723	200,000,000	50,000,000	20-Dec-22	6.14%	1.0%	7.14%	14,561,593	28,134,862	42,696,455	92,696,455	777,105,723		109,895,128
	20-Jun-23	92	777,105,723		50,000,000	20-Mar-23	6.14%	1.0%	7.14%	13,985,348	28,134,862	42,120,210	92,120,210	727,105,723	(13,286,709)	96,608,419
	20-Sep-23	92	727,105,723		50,000,000	20-Jun-23	6.14%	1.0%	7.14%	13,085,513	28,134,862	41,220,374	91,220,374	677,105,723		96,608,419
	20-Dec-23	91	677,105,723		50,000,000	20-Sep-23	6.14%	1.0%	7.14%	12,053,224	28,134,862	40,188,086	90,188,086	627,105,723	(13,286,709)	83,321,710
7	20-Mar-24	91	627,105,723	220,000,000	55,000,000	20-Dec-23	6.14%	1.0%	7.14%	11,163,169	28,134,862	39,298,031	94,298,031	572,105,723		83,321,710
	20-Jun-24	92	572,105,723		55,000,000	20-Mar-24	6.14%	1.0%	7.14%	10,296,022	28,134,862	38,430,884	93,430,884	517,105,723	(14,615,380)	68,706,331
	20-Sep-24	92	517,105,723		55,000,000	20-Jun-24	6.14%	1.0%	7.14%	9,306,203	28,134,862	37,441,065	92,441,065	462,105,723		68,706,331
	20-Dec-24	91	462,105,723		55,000,000	20-Sep-24	6.14%	1.0%	7.14%	8,225,988	28,134,862	36,360,850	91,360,850	407,105,723	(14,615,380)	54,090,951
8	20-Mar-25	90	407,105,723	240,000,000	60,000,000	20-Dec-24	6.14%	1.0%	7.14%	7,167,291	28,134,862	35,302,153	95,302,153	347,105,723		54,090,951
	20-Jun-25	92	347,105,723		60,000,000	20-Mar-25	6.14%	1.0%	7.14%	6,246,762	28,134,862	34,381,624	94,381,624	287,105,723	(15,944,050)	38,146,901
	20-Sep-25	92	287,105,723		60,000,000	20-Jun-25	6.14%	1.0%	7.14%	5,166,959	28,134,862	33,301,821	93,301,821	227,105,723		38,146,901
	20-Dec-25	91	227,105,723		60,000,000	20-Sep-25	6.14%	1.0%	7.14%	4,042,731	28,134,862	32,177,593	92,177,593	167,105,723	(15,944,050)	22,202,851
9	20-Mar-26	90	167,105,723	167,105,723	55,701,908	20-Dec-25	6.14%	1.0%	7.14%	2,941,976	28,134,862	31,076,838	86,778,746	111,403,815		22,202,851
	20-Jun-26	92	111,403,815		55,701,908	20-Mar-26	6.14%	1.0%	7.14%	2,004,902	28,134,862	30,139,764	85,841,672	55,701,908		22,202,851
	20-Sep-26	92	55,701,908		55,701,908	20-Jun-26	6.14%	1.0%	7.14%	1,002,451	28,134,862	29,137,313	84,839,221	-	(22,202,851)	-
				1,517,105,723	1,517,105,723					504,529,709	647,101,822	994,560,715	2,511,666,438			

* Assumed and will be taken as actual

Verified True Copy
Company Secretary

Worldcall Telecom Limited