



**THE DIRECTORS' REPORT  
OF  
PAKISTAN MOBILE COMMUNICATIONS LIMITED PURSUANT TO  
GROUP COMPANIES REGISTRATION REGULATION, 2008  
FOR THE YEAR ENDED ON DECEMBER 31, 2022**

Pursuant to Group Companies Registration Regulations, 2008 (“**Regulations**”), special purpose consolidated financial statements are prepared for Group Taxation purposes of Pakistan Mobile Communications Limited and its subsidiary companies i.e. LINKdotNET Telecom Limited, Beyond Digital (Private) Limited and LINKdotNET Pakistan (Private) Limited, for the year ended on December 31, 2022 (“**Financial Statements**”).

**1. State of the Group’s affairs and a fair review of the Group’s business**

Pakistan Mobile Communications Limited (“**PMCL**” or “**Company**”) and its subsidiary companies i.e. LINKdotNET Telecom Limited (“**LDNT**”), Beyond Digital (Private) Limited (“**BDL**”) and LINKdotNET Pakistan (Private) Limited (“**LDNP**”) [collectively referred to as “**Group**”] have been registered as a Group for Group Taxation Purposes on December 26, 2022 under the Group Companies Registration Regulations, 2008.

The Company has established as a cellular mobile telephone network in Pakistan and territory of Azad Jammu and Kashmir (“**AJK**”) and Gilgit Baltistan. The Company is principally engaged in provision of GSM cellular mobile telecommunication services to its customers under various postpaid and prepaid package plans and holds 2G, 3G and 4G/4G LTE licenses issued by Pakistan Telecommunication Authority (PTA).

LINKdotNET Telecom Limited is carrying on the business of software development, providing long distance and international access, wireless local loop services, class value added services and the provision of internet and related services.

LINKdotNET Pakistan (Private) Limited is principally engaged in setting up and operating a country- wide network for value added telecommunication services, including digital subscriber lines (DSL).

The principal line of business of Beyond Digital (Private) Limited is to own, establish and operate media streaming platform, which allows users to browse, stream and watch over-the-top content on-the-go.

**2. Board of Directors**

Following is the information of directors of PMCL that served on the Board during the year (January 01, 2022 to December 31, 2022):

S. No.	Name	Designation	Status
1	Muhterem Kaan Terzioğlu	Chairman/Director	Continuing since 2-3-2020
2	Dmitry Shvets	Director	Continuing since 12-7-2021
3	Serkan Okandan	Director	Continuing since 26-8-2020



4	Waqar A. Malik	Director	Continuing since 29-4-2021
5	Saqui H. Shirazi	Director	Continuing since 29-4-2021
6	Matthieu Galvani (appointment in place of Mohd Khairil Kevin Loh Bin Abdullah)	Director	Continuing since 11-1-2023
	Hans-Holger Albrecht	Director	Resigned w.e.f. 30-6-2022
	Mohd Khairil Kevin Loh Bin Abdullah	Director	Resigned w.e.f. 5-1-2023
	Khalid Mansoor	Director	Resigned w.e.f. 7-4-2023
	Mr. Aamir Ibrahim	Chief Executive Officer	Continuing since 1-7-2016

### 3. Principal activities and development & performance of the Group's business during the year ended on December 31, 2022

As part of Company's growth strategy and commitment towards excellence, the above-mentioned year witnessed an achievement of numerous milestones which were planned.

During the year under review, the Group achieved a total revenue of Rs 230.74 Bn. The operating profit for the year ended December 31, 2022 has been Rs 73.72 Bn or 31.95% of the total revenue

The profit before taxation of Rs. 47.51 Bn for the year ended on December 31, 2022

Paid up capital of the PMCL is Rs 45.31Bn and authorized capital of the PMCL is Rs 143Bn. Accumulated Profit stood at Rs. 128 Bn and earnings per share is Rs 6.6 for year ended on December 31, 2022.

The financial results of the Group for the year ended December 31, 2022 are summarized below:

#### December 31, 2022 (PKR in Billions)

Profit before tax	47.51
Provision for taxation	(17.40)
Net Profit for the year after taxation	30.11
Accumulated Profit brought forward (Jan 01)	117.92
Accumulated Profit carried forward	128.25

### 4. Dividends to Shareholders

Not Applicable on the Group

### 5. Principal risks and uncertainties facing the Company

Risks faced by the Group are not significantly different from risks posed to other companies working in the Telecom sector. The Group has disclosed financial and non-financial risk in Financial Instrument and Risk





Management notes to the financial statements including market risk, liquidity risk and credit risk. There are no significant un-certainties posed to the business and operations of the Group, except as disclosed in the Contingencies and Commitment notes to the financial statements.

**6. Any changes occurred during the subject financial year concerning the nature of the business of the Group**

There is no change occurred during the subject financial year concerning the nature of the business of the Group

**7. Information and explanation with regards to any contents of modification in the auditor's report**

There were no modifications in contents of the auditor's report

**8. Pattern of Shareholding**

Below is the pattern of Shareholding of PMCL

No of shareholders	Shareholdings	Total shares held
01	shareholding from 1 to 1000 shares	1,000
01	shareholding from 1001 to 13500000 shares	13,015,324
01	shareholding from 13500001 to 700000000 shares	679,604,049
01	shareholding from 700000001 to 4000000000 shares	3,838,073,288
	<b>Total</b>	<b>4,530,693,661</b>

Categories of shareholders	share held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children.	1,000	0.000022
Associated Companies, undertakings and related parties.	-	-
NIT and ICP	-	-
Banks, Development Financial Institutions, Non Banking Financial Institutions.	-	-
Insurance Companies	-	-
Modarabas and Mutual Funds	-	-



Share holders holding 10%	4,517,677,337	99.71271
General Public		
a. Local	-	-
b. Foreign	-	-
Others	13,015,324	0.28727

Shareholding pattern is as under:

S No.	Name of Shareholders	Shares Held	%age
1	International Wireless Communications Pakistan Limited	3,838,073,288	84.71271
2	Telecom Management Group Limited	13,015,324	0.28727
3	Aamir Ibrahim	1,000	0.00002
4	VEON Pakistan Holdings B.V.	679,604,049	15.0000
<b>Total</b>		<b>4,530,693,661</b>	<b>100.00000</b>

#### 9. Name and country of origin of the holding company

PMCL is a subsidiary of International Wireless Communications Pakistan Limited (incorporated in Malta) ("IWCPL") which directly and indirectly (through Telecom Management Group Limited ("TMGL")) holds 85% of the issued share capital in the Company. Whereas IWCPL itself is a wholly owned subsidiary of VEON Holdings B.V. (registered in Netherlands), which in turn is a wholly owned subsidiary of VEON Ltd (incorporated in Bermuda) ("VEON"), with its headquarters in Amsterdam, the Netherlands. LDNT and BDL are the subsidiaries of PMCL and LDNP is the subsidiary of LDNT.

#### 10. Earning per share

Earnings per share for the year ended on December 31, 2022 is Rs.6.6

#### 11. The reasons for loss if incurred during the year and future prospects of profit, if any

The Group has profitable operations during the year.

#### 12. Information about defaults in payment of any debts and reasons thereof

There is no default under any financing agreement(s).

#### 13. Adequacy of internal financial controls

The Group has set up an effective internal control function, the same is conversant with policies and procedures in line with COSO framework. Internal Control Framework is designed to identify and analyze key business processes in order to mitigate primary risks faced by the Group, prime objective is to set and implement appropriate level of controls over financial reporting process. Internal Controls framework is





reviewed on regularly basis to reflect changes in organizational and reporting structure. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive internal control environment in which all employees understand their roles and obligations within financial reporting process. Internal and external assessment plans are well in place to provide assurance on alignment of business process and quality of controls framework implemented.

**14. Material changes and commitments affecting the financial position of the Group which have occurred between the end of the last Financial Year of the Group and the date of the report**

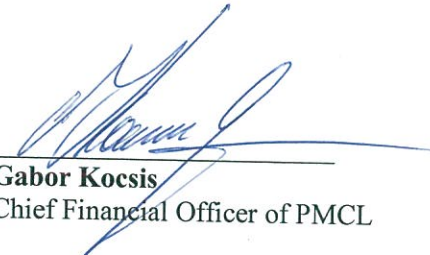
There were no other material changes and commitments affecting the financial position of the Group till the date of this report other than disclosed in the financial statements.

**15. Acknowledgment**

On behalf of the Board of Directors of Group companies, we would like to take this opportunity to thank all employees of the Group companies who have put in great efforts for achieving the desired results. The excellent performance of the Group is the outcome of committed teamwork of staff and management at all levels. Great emphasis is being placed on effective management of employee relationship to achieve corporate goals.

  
**Aamir Ibrahim**  
Chief Executive Officer of PMCL

Dated: \_\_\_\_\_, 2023  
Islamabad

  
**Gabor Kocsis**  
Chief Financial Officer of PMCL

