



The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building – Road
Karachi

14 June 2024

Subject: Addendum – I Notice of Extraordinary General Meeting of Telecard Limited (“the Company”) to be held on 26 June 2024

Dear Sir,

In continuation to the Notice of Extraordinary General Meeting (“EOGM”) dated 04 June 2024, the Company has received a Notice of Resolution pursuant to Section 140(2) of the Companies Act, 2017 from M/s Societe Generale (Private) Limited one of our shareholder for inclusion of certain special resolutions to be considered in the upcoming EOGM to be held on 26 June 2024.

The Copy of Addendum – I to Notice of EOGM is annexed herewith prior to its publication in the newspapers and will be published in due course.

You may please inform the TRE Certificate Holder of the Exchange accordingly.

Regards,
For **Telecard Limited**

Waseem Ahmad
Director & Company Secretary



Enclosure: As above.



TELECARD LIMITED

ADDENDUM NO. 1: NOTICE OF EXTRAORDINARY GENERAL MEETING

This is in continuation to Notice of Extraordinary General Meeting ("EOGM") of Telecard Limited ("the Company") dated Tuesday June 04, 2024. The EOGM is scheduled for Wednesday June 26, 2024 at 11:00 a.m. at the registered office of the Company located at Islamabad and further inclusion of resolution pursuant to Section 140(2)(b) of the Companies Act, 2017 are as follows:

SPECIAL BUSINESS

2B. To consider, and if deemed fit, to pass with or without modification, the following special resolutions, in accordance with the provisions of Section 199 of the Companies Act, 2017, for the purposes of authorizing the Company to invest, by way of equity injection, an aggregate amount of up to PKR. 400,000,000/- (Pak Rupees Four Hundred million) in the proposed right issue intended to be carried out by its associated company i.e. Hallmark Company Limited:

"RESOLVED THAT, in accordance with the provisions of Section 199 of the Companies Act, 2017, the Company be and is hereby authorized to make investment(s) by way of equity injection in the aggregate amount of up to PKR. 400,000,000/- (Pak Rupees Four Hundred Million) in its associated company, Hallmark Company Limited ("**Hallmark**"), during the right issue process intended to be carried out by Hallmark, including subscribing to additional ordinary shares which remain unsubscribed during the right issue process.

FURTHER RESOLVED THAT as permitted in Regulation 6 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 ("the Regulations"), it is specifically authorized by the members that the approval of above equity investments will not lapse after 12 months and will continue till the investment limits are fully utilized.

FURTHER RESOLVED THAT Mr. Syed Aamir Hussain Chief Executive Officer or Mr. Waseem Ahmad Director / Company Secretary of the Company be and are hereby singly authorized and empowered to take all necessary steps, make the requisite investments, do all such acts, deeds and things, and to execute and deliver all such deeds, declarations, undertakings, any ancillary document thereto or provide any such documentation for and on behalf and in the name of the Company as may be necessary or required or as they or any of them may think fit for or in connection with or incidental for the purposes of carrying out the proposed resolution and fulfilling the objectives thereof."

(Attached to this Notice is a Statement of Material Facts covering the above-mentioned special business, as required under Section 134(3) of the Companies Act, 2017 and the information and disclosures as required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

At Islamabad
14 June 2024

By Order of the Board

WASEEM AHMAD
Company Secretary

Notes:

ELECTRONIC VOTING AND VOTING THROUGH POSTAL BALLOT ON SPECIAL BUSINESS

The members are hereby notified that pursuant to Section 143-145 of the Companies Act, 2017 and Companies (Postal Ballot) Regulations, 2018 amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

TELECARD LIMITED

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Accordingly, members of Telecard Limited (the "Company") will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Extra Ordinary General Meeting to be held on Wednesday, June 26, 2024 at 11: 00a.m, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the Members, the ballot paper is annexed to this notice and the same is also available on the Company's website at <https://www.telecard.com.pk/investor-relations/> for download.

Procedure for E – Voting:

- a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on June 19, 2024.
- b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal through the e-voting service provider.
- c) Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- d) E-Voting lines will start from June 23, 2024 at 09:00 a.m. and shall close on June 25, 2024 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot:

- a) The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Company Secretary through post on the Company's corporate office Telecard Limited, 7th Floor, Tower A, World Trade Center, Khayaban-e-Roomi, Block-5, Clifton, Karachi South, Sindh 75600 or email at tcl_legal@telecard.com.pk one day before the Extra Ordinary General Meeting on Tuesday June 25, 2024 during working hours. The signature on the ballot paper shall match with the signature on CNIC.

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STATEMENT OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

This statement is being furnished in terms of the requirement under Section 134 (3) of the Companies Act, 2017, setting out material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of Telecard Limited ("**Company**") which will be held at Registered Office at Islamabad, on Wednesday June 26, 2024 at 11:00 AM.

Material Facts pertaining to Item: Special Business – Agenda Item No. 2B

On April 30, 2024, Hallmark Company Limited ("**Hallmark**"), being an associated of the Company, announced its intention to potentially carry out a right issue of ordinary shares at face value in the aggregate amount of up to PKR. 400,000,000/- (Pak Rupees Four Hundred Million) (the "**Hallmark Right Issue**") in the near future, at a face value of PKR. 10/- each share (as ultimately determined by the board of directors of Hallmark). The proceeds of the Hallmark Right Issue are primarily intended to be utilized to finance the acquisition by Hallmark of 100,216,722 (One Hundred Million Two Hundred Sixteen Thousand Seven Hundred and Twenty-two) shares constituting 81.18% of the issued and paid-up capital of Supernet Limited ("**Supernet**"), in accordance with the Share Purchase Agreement entered into by the Company with Hallmark.

For the purposes of the same, under the applicable laws, Hallmark is required to obtain an undertaking from its substantial shareholder, being the Company, to invest in the Hallmark Right Issue (once the same is carried out). Furthermore, in order to invest in and subscribe to the ordinary shares of Hallmark, the Company is required to obtain the approval of its shareholders under Section 199 of the Companies Act, 2017 (since Hallmark is an associated company of the Company).

The Board of Directors of the Company ("**Board**") have resolved by way of circulation and approved the investment of up to PKR. 400,000,000/- (Pak Rupees Four Hundred Million), by way of equity injection, in the ordinary shares of Hallmark during the proposed Hallmark Right Issue, at a maximum price of PKR. 10/- each share, subject to obtaining the approval of the shareholders of the Company. The Company seeks to subscribe to its entitlement of ordinary shares as well as subscribing to additional ordinary shares which may remain unsubscribed during the Hallmark Right Issue process within the abovementioned investment limits.

For this purpose, the Board have recommended that the shareholders of the Company consider and, if thought fit, pass the resolutions set forth followed by a requisition made by M/s Societe Generale (Private) Limited pursuant to Section 140(2) of the Companies Act, 2017 for the inclusion of Agenda Item No. 2B, which resolutions shall be proposed and passed as special resolutions in the upcoming EOGM scheduled for Wednesday June 26, 2024.

Pursuant to Regulation 3(3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 ("**Regulations**"), the Board certify to the shareholders of the Company that the necessary due diligence for the proposed investment in Hallmark under the Hallmark Right Issue has been carried out and have recommended that the shareholders of the Company pass the resolutions to permit the proposed investment in Hallmark under the Hallmark Right Issue.

Pursuant to Regulation 3(4) of the Regulations, the duly signed recommendations of the due diligence report shall be made available to the shareholders for inspection in the EOGM.

The interests of the directors (whether directly or indirectly) are disclosed at Serial No. B (iv) of the disclosure regarding the proposed investment.

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In compliance with the relevant provisions of the Companies Act, 2017 and the Regulations, the requisite information/disclosure about the Proposed Investment is as under:

S. No.	Description	Information Required																		
(a)	Disclosures for all types of investments																			
(A)	Regarding associated company or associated undertaking:																			
(i)	name of associated company or associated undertaking	Hallmark Company Limited																		
(ii)	basis of relationship	Subsidiary																		
(iii)	earnings per share for the last three years	<table border="1"> <thead> <tr> <th></th> <th>2023</th> <th>2022</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td></td> <td>(5.68)</td> <td>(6.98)</td> <td>0.48</td> </tr> </tbody> </table>		2023	2022	2021		(5.68)	(6.98)	0.48										
	2023	2022	2021																	
	(5.68)	(6.98)	0.48																	
(iv)	break-up value per share, based on latest audited financial statements	1.24 per share (as of 30 June 2023)																		
(v)	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	<p>Financial Position as of and for the year ended 30 June, 2023.</p> <p>Main items of Balance Sheet:</p> <table border="1"> <thead> <tr> <th><u>Name of Item</u></th> <th><u>Amount in PKR</u></th> </tr> </thead> <tbody> <tr> <td>Non-current Assets</td> <td>1,611,875</td> </tr> <tr> <td>Current Assets</td> <td>1,705,742</td> </tr> <tr> <td>Total Equity & Liabilities</td> <td>1,705,742</td> </tr> <tr> <td>Current Liabilities</td> <td>1,085,513</td> </tr> </tbody> </table> <p>Main items of Profit and Loss Account:</p> <table border="1"> <thead> <tr> <th><u>Name of Item</u></th> <th><u>Amount in PKR</u></th> </tr> </thead> <tbody> <tr> <td>Revenue from contracts</td> <td>1,806,250</td> </tr> <tr> <td>Loss before taxation</td> <td>(2,856,008)</td> </tr> <tr> <td>Loss for the year</td> <td>(2,839,871)</td> </tr> </tbody> </table>	<u>Name of Item</u>	<u>Amount in PKR</u>	Non-current Assets	1,611,875	Current Assets	1,705,742	Total Equity & Liabilities	1,705,742	Current Liabilities	1,085,513	<u>Name of Item</u>	<u>Amount in PKR</u>	Revenue from contracts	1,806,250	Loss before taxation	(2,856,008)	Loss for the year	(2,839,871)
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Loss for the year	(2,839,871)																			
(vi)	in case of investment in relation to a project of associated company or associated undertaking that has not commenced operations	N/A																		
(B)	General Disclosures:																			

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(i)	maximum amount of investment to be made		
(ii)	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	Purpose	The purpose of subscription is to raise funds for Hallmark's acquisition of Supernet for Internal Group Restructuring in order to add value to the Group Companies.
		Benefit	As above
		Period	The equity investment by the Company in Hallmark Company Limited is a long term investment.
(iii)	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis.	The Company will use its internal resources to invest in Hallmark Company Limited. N/A N/A N/A	
(iv)	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	A Share Purchase Agreement has been executed by and between the Company and Hallmark Company Limited regarding the selling of Company's entire shareholding in Supernet Limited.	
(v)	direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	The Company and Hallmark Company Limited are under common directorship of following Directors: <ul style="list-style-type: none"> • Mr. Syed Aamir Hussain • Mr. Waseem Ahmad • Mr. Syed Imran Haider Jaffery • Mr. Asad Mujtaba Naqvi • Ms. Fabzia Ahsen • Ms. Naeen Ahmed 	
(vi)	In case any investment in associated company	TELECARD LIMITED	



	or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	The Company raised equity investment of an aggregate amount of PKR. 15,000,000/- in Hallmark Company Limited pursuant to the authority of Special Resolution passed by the members in their meeting held on 13 January 2024. The investment is a long term investment which will be reviewed at the conclusion of Fiscal Year. However, the financial position of Hallmark has significantly improved in the preceding quarter ended 31 March 2024.		
(vii)	any other important details necessary for the members to understand the transaction	None		
(b)	In case of equity investment, following disclosures in addition to those provided under clause (a) above:			
(i)	maximum price at which securities will be acquired	PKR. 10/- per share.		
(ii)	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not Applicable as the maximum purchase price at which the shares will be acquired (as specified above) is lower than the market value of Hallmark Company Limited's shares.		
(iii)	maximum number of securities to be acquired	Up to 40,000,000 ordinary shares		
(iv)	number of securities and percentage thereof held before and after the proposed investment	<u>Before and after proposed investment</u>	<u>Before and after proposed investment</u>	<u>Before and after proposed investment</u>
		Before	314,220	62.84%
		After	Up to 40,314,220	Up to 99.54%
(v)	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities;	Current market price: PKR. 420.14/- per share Twelve weeks weighted market price: PKR. 646.304/- per share approximately.		
(vi)	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable		

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POSTAL BALLOT PAPER

or voting through post for the Special Business at the Extra Ordinary General Meeting to be held on Wednesday June 26, 2024 at 11:00 a.m. at Company's registered office located at 75 – East, Blue Area, Fazal e Haq Road, Islamabad
Phone: +92-21-38330000 **Email Address:** tcl_legal@telecard.com.pk **Website:** <https://www.telecard.com.pk/>

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

RESOLVED THAT, in accordance with the provisions of Section 199 of the Companies Act, 2017, the Company be and is hereby authorized to make investment(s) by way of equity injection in the aggregate amount of up to PKR. 400,000,000/- (Pak Rupees Four Hundred Million) in its associated company, Hallmark Company Limited ("Hallmark"), during the right issue process intended to be carried out by Hallmark, including subscribing to additional ordinary shares which remain unsubscribed during the right issue process.

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Instructions For Poll

- Please indicate your vote by ticking (✓) the relevant box.
- In case if both the boxes are marked as (✓), you poll shall be treated as **"Rejected"**.

I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (✓) mark in the appropriate box below;

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution For Agenda Item No. 1		

- Dully filled ballot paper should be sent to the Company Secretary of Telecard Limited at 7th Floor, Tower A, World Trade Center, Khayaban-e-Roomi, Block-5, Clifton, Karachi South, Sindh 75600 or e-mail at tcl_legal@telecard.com.pk.
- Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Ballot paper should reach the Company Secretary within business hours by or before **Tuesday June 25, 2024**. Any postal Ballot received after this date, will not be considered for voting.
- Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
- In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
- Ballot Paper form has also been placed on the website of the Company at: www.telecard.com.pk. Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.

Date _____

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

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