



2024

**FIRST QUARTER
REPORT**



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BOARD OF DIRECTORS

Chairman PTCL Board

Capt. (Retd.) Muhammad Mahmood

Members PTCL Board

Abdulrahim A. Al Nooryani

Ahad Khan Cheema

Dr. Mohamed Karim Bennis

Imdad Ullah Bosal

Brooke Marie Lindsay

Jawad Paul Khawaja

Khalid Murshed

Khaled Hegazy

CORPORATE INFORMATION

Management

Hatem Mohamed Bamatraf
President & Group Chief Executive Officer

Mohammad Nadeem Khan
Group Chief Financial Officer

Muhammad Shoaib Baig
Group Chief People Officer

Naveed Khalid Butt
Group Chief Regulatory Officer

Zahida Awan
Group Chief Legal Officer &
Company Secretary

Jafar Khalid
Group Chief Technology &
Information Officer

Ahmad Kamal
Group Chief Customer Care Officer

Zarrar Hasham Khan
Group Chief Business Solutions Officer

Muhammad Shehzad Yousuf
Chief Business Operations Officer

Shahid Abbas
Group Chief Internal Auditor

Syed Atif Raza
Group Chief Marketing Officer

Nauman Fakhra
Chief Retail Sales Officer

Syed Mazhar Hussain
Advisor to President & Group CEO

Legal Advisor & Company Secretary

Zahida Awan
Group Chief Legal Officer &
Company Secretary

Registered Office

PTCL Head Office,
Room #17, Ground Floor (Margalla Side),
Ufone Tower, Plot #55-C,
Main Jinnah Avenue, Sector F-7/1,
Blue Area, Islamabad
Fax: +92-51-2310477
Email: company.secretary@ptclgroup.com
Web: www.ptcl.com.pk

Auditors

KPMG Taseer Hadi & Co.,
Chartered Accountants

Bankers

Conventional

Allied Bank Limited
Askari Bank Limited
Apna Microfinance Bank
Bank Alfalah Limited
Bank Al Habib Limited
Citibank N.A.
Deutsche Bank A.G.
Faysal Bank Limited
First Women Bank Limited
FINCA Microfinance Bank
Habib Bank Limited
Habib Metropolitan Bank Limited
HBL Microfinance Bank
JS Bank Limited
Khushhali Microfinance Bank
MCB Bank Limited
National Bank of Pakistan
NRSP Microfinance Bank
S.M.E. Bank Limited
Samba Bank Limited
Silk Bank Limited
Sindh Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
The Bank of Khyber
The Bank of Punjab
The Punjab Provincial Cooperative Bank Limited
United Bank Limited
Zarai Taraqiati Bank Limited
Mobilink Microfinance Bank Limited
Telenor Microfinance Bank Limited
U Microfinance Bank Limited

Islamic

Al Baraka Bank (Pakistan) Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited
MCB Islamic Bank Limited

Share Registrar

FAMCO Share Registration Services (Pvt) Limited
8-F, Near Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi.
Tel: +92-21-34380101-2
Fax: +92-21-34380106
Email: info.shares@famcosrs.com

DIRECTORS' REVIEW

The Directors of Pakistan Telecommunication Company Limited (PTCL) are pleased to present the un-audited financial statements of the Company for the three months period ended 31st March 2024.

In Q1 2024, PTCL Group upheld its momentum and strengthened its position as a major telecom service provider in Pakistan. Revenue growth was largely due to strong performance in the consumer segment, boosted by significant growth in Fixed Broadband, Mobile Data and Business Solutions.

During the period under review, PTCL Group's revenue increased by 14% YoY to Rs 49 billion. The Group has posted a net loss of Rs 4.8 billion which is 16% lower YOY. PTCL continued its growth by posting 13% YoY revenue growth in Q1 2024 while PTML's revenue grew by 27% compared to Q1 2023.

PTCL continued its strong performance throughout Q1 2024. PTCL achieved revenue of Rs 26 billion for this quarter, which is 13% higher than last year. Flash Fiber, PTCL's premium Fiber-To-The-Home (FTTH) service, continues to show tremendous growth with the highest Net adds share within the FTTH market (since Dec'23) and now stands as the leading FTTH service provider in Pakistan. This phenomenal growth has been possible through the aggressive expansion of PTCL Flash Fiber and dedicated customer experience throughout the country. The company has posted an operating profit of Rs 3 billion, which is 32% higher as compared to the same quarter of 2023. The Company has posted a net profit of Rs 431 million.

Continuing from the past quarters, PTCL's strategic focus remained on enhancing customer experience by providing the fastest and most reliable internet services under its flagship 'Flash Fiber' Fiber-To-The-Home (FTTH) brand, which boosts PTCL as one of the leading FTTH operator in the industry with majority share of the market's net adds. PTCL's fixed broadband business has shown 22% YoY growth while voice revenue grew by 4% YoY.

In addition, PTCL consumer business has gone into strategic collaboration with Waada to provide health, life and accident insurance to further enhance customer experience and grow its value-added services portfolio within the fixed-line business.

The Business solutions segment continued its momentum sustaining market leadership in IP Bandwidth, Cloud, Data Center, and other ICT services segments. PTCL's Business solutions revenue has grown by 9% on a quarterly basis despite the addition of LDI operators and US\$ to PKR parity improvement.

Being the national telecom carrier and connectivity backbone in Pakistan, PTCL Group strives to provide innovative solutions to accelerate growth for a 'Digital Pakistan' through robust telecommunication infrastructure and a diverse portfolio of services with enhanced customer experience. PTCL launched its first neutral Internet Exchange in Pakistan powered by DE-CIX. In addition, PTCL Group renewed its partnership with TPL Trakker for provision of ICT services and with SNGPL for cellular services.

PTCL Group's commitment towards its customers was further solidified by announcing the launch of a cutting-edge Android TV box (SHOQ TV) at Mobile World Congress (MWC) 2024 in Barcelona Spain. Integrating multiple Google apps, including the Play Store, into the set-top box along with a sleek UI and captivating graphics promises to deliver a transformative user experience.

PTML (Ufone 4G) posted a YoY growth of 27% in topline in Q1 2024 supported by solid network expansion and strategic initiatives in Q1 2024. This growth has been possible due to better customer experience and digital engagement through multiple data-centric products and strategic partnerships with leading digital platforms. PTML continues its network modernization activities to provide unmatched customer experience across Pakistan. PTML is making significant

strides in enhancing its digital experience and offerings through the integration of various value-added services (VAS) within its key digital products. By incorporating Golootlo, Waada, and UCloud services into its leading digital products, PTML is providing a more comprehensive and enriched experience for its customers. By integrating these VAS services, PTML is likely striving to create a more engaging and attractive digital environment for its users. PTML's UPaisa is now part of e&Money, UAE and MobilyPay, KSA Apps menu, facilitating Pakistani diaspora to send money directly into UPaisa wallets by using these apps. As part of the digital transformation initiative, now Ufone franchises can order and pay from the UPaisa app to buy recharge from Ufone in real-time 24/7. PTML's digital brand "ONIC" is making steady strides in the industry by providing customers with a complete digital ecosystem for an enhanced experience.

During the first quarter, PTML & Huawei successfully deployed the World's First Microwave Super Hub Solution in a Commercial Network to unleash unmatched Spectrum Efficiency. Another feather in the cap during Mobile World Congress; Huawei & PTML won the prestigious GSMA Global Mobile (GLOMO) Award 'Best Mobile Innovation for Emerging Markets' for revolutionizing the Microwave Network.

Ubank, microfinance and branchless banking subsidiary of PTCL stands resolute in its commitment towards financial and social inclusion, utilizing its extensive outreach to provide exceptional services to a diverse clientele across the length and breadth of the country through its rural retail banking, corporate finance & investment banking, Islamic banking, urban retail banking, corporate banking, and digital banking canvases. Keeping up with the mandate of financial inclusion, Ubank launched international remittances via e& from GCC, Mastercard and other related digital initiatives aimed at increasing the digital footprint of the group.

Recognizing the significance of CSR, PTCL Group has always been at the forefront to serve the communities. During Q1, 2024, PTCL Group stepped up as Gwadar battled floods, by delivering clean drinking water and also provided free calls in Gwadar to help connect flood-affected families, facilitate rescue & relief operations. The main highlight for this quarter was PTCL Group's collaboration with PPAF to bridge digital gap by equipping 100 women entrepreneurs with smartphones under "Ba-Ikhtiar" program in Haripur, Khyber Pakhtunkhwa. The "Ba-Ikhtiar" program is a year-long endeavor that will equip these women with the essential tools and financial knowledge necessary for building sustainable businesses. Under this project, PTCL Group distributed smartphones with pre-loaded SIM cards, provided one-year free data packages and facilitated the setup of UPaisa mobile wallets in collaboration with Ubank. In the second phase, the Group in partnership with Daraz will provide digital marketing and financial training to empower participants to unlock new opportunities online.

The management and employees of PTCL remain committed to providing quality services at competitive prices through concerted efforts to be the partner of choice for our customers and also to improve shareholders' value.

On behalf of the Board



Capt. (Retd.) Muhammad Mahmood
Chairman, Board of Directors PTCL



Hatem Mohamed Bamatraf
President & Group Chief Executive Officer

Islamabad: April 18, 2024

بہترین تجربے کے لیے اپنا نیٹ ورک جدید بنانے کے لیے کوشاں ہے۔ پی ٹی ایم ایل اپنی اہم ڈیجیٹل مصنوعات میں مختلف ویلیو ایڈ سروسز (VAS) کو ضم کر کے اپنے ڈیجیٹل تجربے اور پراڈکٹس بڑھانے میں اہم اقدامات کر رہا ہے۔ پی ٹی ایم ایل گلوٹ لو، وعدہ اور یوکلاد سروسز کو اپنی صف اول کی ڈیجیٹل مصنوعات میں شامل کر کے صارفین کے لیے زیادہ جامع اور بھرپور تجربہ فراہم کر رہا ہے۔ پی ٹی ایم ایل مختلف ویلیو ایڈ سروسز کو ضم کر کے اپنے صارفین کے لیے زیادہ قابل قبول اور پرکشش ڈیجیٹل ماحول پیدا کرنے کی کوشش کر رہا ہے۔ پی ٹی ایم ایل کا UPaisa اب یو ای کے e&Money اور سعودی عرب کی MobilyPay کے ایپس مینو کا حصہ ہے، جس سے پاکستانی تارکین وطن کو ان ایپس کے ذریعے براہ راست UPaisa والٹس میں رقم بھیجنے کی سہولت میسر آتی ہے۔ ڈیجیٹل جدت کی جانب بڑھتے ہوئے اب یوفون فریجیٹرز کی بھی دن کے کسی بھی وقت یوفون کاری چارج حاصل کرنے کے لیے یو پیس ایپ کو آرڈر اور ادائیگی کر سکتی ہیں۔ PTML کا ڈیجیٹل برانڈ "ONIC" صارفین کے بہتر تجربے کے لیے ایک مکمل ڈیجیٹل نظام فراہم کر کے اس شعبے میں مسلسل ترقی کر رہا ہے۔

پہلی سہ ماہی کے دوران پی ٹی ایم ایل اور ہوا نے اپیکٹرم کی بے مثال کارکردگی اجاگر کرنے کے لیے دنیا کے پہلے مائیکرو پوسپر ہب سلوشن کو کرشل نیٹ ورک کے ساتھ کامیابی سے ڈیپلائمنٹ کیا ہے۔ ایک اور قابل فخر بات یہ ہے کہ ہوا نے اور پی ٹی ایم ایل نے مائیکرو ویو نیٹ ورک میں انقلاب برپا کرنے پر موبائل ورلڈ کا گولڈ ایئر کے دوران ابھرتی ہوئی مارکیٹوں کے لیے بہترین موبائل جدت کا باوقار GSMA گلوبل موبائل (GLOMO) ایوارڈ جیت لیا ہے۔

مائیکرو فنانس اور برانچ لیس بینکنگ کے شعبے میں پی ٹی ایم ایل کا ذیلی ادارہ یو پیس ایپ ڈیجیٹل بینکنگ، کارپوریٹ فنانس اور سرمایہ کاری کے ذریعے ملک کے طول و عرض میں موجود صارفین کو اپنی وسیع رسائی کو بروئے کار لاتے ہوئے بینکنگ، اسلاک بینکنگ، اربن ریٹیل بینکنگ، کارپوریٹ بینکنگ، کارپوریٹ بینکنگ کے لیے مالیاتی اور سماجی شمولیت کے عزم پر قائم ہے۔ یو پیس ایپ نے مالی امور میں شمولیت کے استحقاق کے تحت e&Money کے ذریعے چھٹی ملکوں سے ترسیلات زر لانے، ماسٹر کارڈ اور دیگر ڈیجیٹل اقدامات اٹھائے۔ جس کا مقصد گروپ کے ڈیجیٹل امور کو بڑھانا ہے۔

پی ٹی ایم ایل گروپ سی ایس آر کی اہمیت کو تسلیم کرتے ہوئے سماجی خدمت کے لیے ہمیشہ پیش پیش رہا ہے۔ 2024 کی پہلی سہ ماہی کے دوران پی ٹی ایم ایل گروپ نے گوادریں سیلاب متاثرہ لوگوں کو پینے کے صاف پانی کے فراہمی کے اقدام اٹھائے۔ اس کے علاوہ متاثرہ خاندانوں کے درمیان رابطے، ان کے بچے اور امدادی کارروائیوں کے دوران سہولیات فراہم کرنے کے لیے گوادریں مفت کالز کی سہولت بھی فراہم کی۔ اس سہ ماہی کے دوران پی ٹی ایم ایل کا سب سے اہم اقدام پی پی اے ایف کے ساتھ اشتراک تھا۔ جس کے تحت نجیر پختونخوا کے علاقے ہری پور میں ڈیجیٹل خلا کو پر کرنے کے لیے "بااختیار" پروگرام کے تحت مختلف کاروبار سے منسلک 100 خواتین کو اسمارٹ فونز کی فراہمی تھی۔ "بااختیار" پروگرام ایک سال پر مشتمل منصوبہ ہے۔ جس کا مقصد خواتین کو ضروری آلات اور مالی معاملات سے متعلق معاونت فراہم کرنا ہے۔ جس سے ان کے کاروبار مستحکم ہو جائیں۔ اس منصوبے کے تحت پی ٹی ایم ایل گروپ نے یوفون کی سمر کے ساتھ اسمارٹ فونز تقسیم کئے۔ جن میں ایک سال کے مفت ڈیٹا پیکیجز اور یو پیس ایپ کے تعاون سے یو پیس موبائل والٹس کے سیٹ اپ کی سہولت بھی موجود تھی۔ دوسرے مرحلے میں گروپ دراز کے اشتراک سے شکر کا ڈیجیٹل مارکیٹنگ اور مالیاتی امور سے متعلق تربیت فراہم کرے گا تاکہ وہ آن لائن نئے مواقع حاصل کر کے بااختیار بن سکیں۔

پی ٹی ایم ایل کی انتظامیہ اور ملازمین مسابقتی قیمتوں پر معیاری خدمات کی فراہمی کے لیے پرعزم ہیں تاکہ مشترکہ کادشوں سے اپنے صارفین کا پسندیدہ ترین انتخاب بنتے ہوئے شیئر ہولڈرز کی قدر کو بھی بہتر بنا سکیں۔

بورڈ کی جانب سے


حاتم محمد بامطرف

صدر اور گروپ چیف ایگزیکٹو آفیسر


کیپٹن (ریٹائرڈ) محمد محمود

چیئرمین، بورڈ آف ڈائریکٹرز پی ٹی ایم ایل

اسلام آباد: اپریل 18، 2024

ڈائریکٹرز کا جائزہ

پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ (PTCL) کے ڈائریکٹرز 31 مارچ 2024 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

2024 کی پہلی سہ ماہی کے دوران پی ٹی سی ایل گروپ نے اپنی ترقی کا تسلسل برقرار رکھتے ہوئے ملک میں بڑے ٹیلی کام سروس فراہم کنندہ کی حیثیت سے اپنی پوزیشن مستحکم کی۔ صارفین کے شعبے میں فیکسڈ براڈ بینڈ، موبائل ڈیٹا اور کاروباری سلوشنز کے بڑھتے ہوئے رجحان کے باعث ادارے کی آمدنی میں بڑا اضافہ دیکھا گیا۔

زیر جائزہ مدت کے دوران پی ٹی سی ایل گروپ کی آمدنی سال بہ سال 14 فیصد اضافے کے ساتھ 49 ارب روپے پر پہنچ گئی۔ گروپ کو اس دوران 4.8 ارب روپے کا خالص نقصان ہوا جو سال بہ سال کی بنیاد پر 16 فیصد کم ہے۔ 2024 کی پہلی سہ ماہی میں پی ٹی سی ایل نے ترقی کا سفر جاری رکھتے ہوئے سال بہ سال 13 فیصد زائد آمدنی حاصل کی جب کہ پی ٹی سی ایل کی آمدنی میں 2023 کی پہلی سہ ماہی کے مقابلے میں 27 فیصد زائد کا اضافہ ہوا۔

پی ٹی سی ایل نے 2024 کی پہلی سہ ماہی میں بھی اپنی بہترین کارکردگی کا سلسلہ جاری رکھا، اس سہ ماہی میں پی ٹی سی ایل نے 26 ارب روپے کی آمدنی حاصل کی جو کہ گزشتہ سال کے مقابلے میں 13 فیصد زیادہ ہے۔ فلیش فائبر، پی ٹی سی ایل کی پیریمیئم فائبر ٹودی ہوم (FTTH) سروس، نے FTTH مارکیٹ میں دسمبر 2023 سے سب سے زیادہ نیٹ ایڈڈ شیئر کے ساتھ زبردست ترقی دکھائی ہے اور اب پاکستان کی سب سے بڑی FTTH سروس فراہم کنندہ بن گئی ہے۔ یہ شاندار ترقی پی ٹی سی ایل فلیش فائبر کی جارحانہ توسیع اور ملک بھر میں صارفین کے تجربے کی بہتر دیکھ بھال کے ذریعے ممکن ہوئی ہے۔ کمپنی نے 3 ارب روپے کا آپریٹنگ منافع کمایا، جو 2023 کی اسی سہ ماہی کے مقابلے میں 32 فیصد زیادہ ہے۔ کمپنی نے 431 ملین روپے کا خالص منافع کمایا ہے۔

گزشتہ سہ ماہیوں کی طرح پی ٹی سی ایل کی اسٹریٹجک توجہ اپنے فلیگ شپ فائبر ٹودی ہوم (FTTH) برانڈ فلیش فائبر کے ذریعے صارفین کو تیز ترین اور قابل بھروسہ انٹرنیٹ خدمات فراہم کرنے پر مرکوز ہے۔ یہ شاندار ترقی پی ٹی سی ایل کو مارکیٹ میں صف اول کی کمپنیوں میں شامل رکھا کیونکہ اس کے پاس ایف ٹی ایچ آپریٹنگ حیثیت سے مارکیٹ میں صارف نیٹ کا سب سے بڑا حصہ ہے۔ پی ٹی سی ایل کے براڈ بینڈ کاروبار میں سال بہ سال 22 فیصد اور صوتی شعبے میں 4 فیصد کا اضافہ دیکھا گیا۔

مزید برآں پی ٹی سی ایل نے اپنے فیکسڈ لائن بزنس میں صارفین کو بہترین سہولیات کی فراہمی اور ویلیو ایڈڈ سروسز پورٹ فولیو بڑھانے کے لیے "وعدہ" کے ساتھ اشتراک کیا تاکہ صارفین کو صحت، زندگی اور حادثاتی بیمہ سہولت مہیا کی جاسکے۔ کاروباری سلوشنز کے شعبے نے اپنی رفتار کو برقرار رکھتے ہوئے آئی پی بینڈ، تھ، کلاڈ، ڈیٹا سینٹر، اور دیگر آئی ٹی خدمات کے میدان میں بالادستی قائم رکھی۔ ایل ڈی آئی آپریٹرز کی تعداد میں اضافے اور ڈالر کے مقابلے میں روپے کی قدر میں استحکام کے باوجود پی ٹی سی ایل کے کاروباری سلوشنز شعبے کی آمدنی میں سہ ماہی بنیاد پر 9 فیصد کا اضافہ ہوا۔

پاکستان کی قومی ٹیلی کام کمپنی اور رابطہ کاری میں ریڈھ کی ہڈی کی حیثیت رکھنے کی وجہ سے پی ٹی سی ایل گروپ اپنے مربوط ٹیلی کمیونیکیشن انفراسٹرکچر اور صارفین کو بہترین خدمات کے فراہم کرنے کے متنوع پورٹ فولیو کے ذریعے ڈیجیٹل پاکستان کی ترقی کو تیز کرنے کے لیے جدید ترین سہولیات فراہم کرنے کی کوشش کرتا ہے۔ پی ٹی سی ایل نے DE-CIX کے ذریعے ملک میں پہلا نیوٹرل انٹرنیٹ ایکسیج لائنج کیا ہے۔ اس کے علاوہ پی ٹی سی ایل نے آئی ٹی خدمات کی فراہمی کے لیے پی ٹی ایل ٹریڈ اور سیلولر خدمات کے لیے ایس این جی پی ایل کے ساتھ اپنی شراکت کی تجدید بھی کی ہے۔

پی ٹی سی ایل گروپ نے اسپین کے شہر بارسلونا میں ہونے والی موبائل ورلڈ کانگریس 2024 (MWC) میں جدید ترین اینڈ رائیٹ ڈی وی باکس (SHOQ TV) کے اجرا کا اعلان کر کے اپنے صارفین کو سہولیات کی فراہمی کے عزم کا اعادہ کیا ہے۔ بہترین یوزر انٹرفیس کے حامل اس سیٹ ٹاپ باکس میں ایپس Google سمیت Play Store اور دلکش گرافکس کا امتزاج صارف کو سوچ بدل دینے والے تجربے سے روشناس کراتا ہے۔

2024 کی پہلی سہ ماہی میں نیٹ ورک کی توسیع اور دیگر اسٹریٹجک اقدامات کی بدولت پی ٹی سی ایل (یوفون 4G) کی سال بہ سال شرح نمو 27 فیصد کے ساتھ سب سے آگے رہی۔ یہ اضافہ ڈیٹا سے متعلق متعدد ویڈیو کیجیز اور معروف ڈیجیٹل پلیٹ فارمز کے ساتھ اسٹریٹجک شراکت داری کی وجہ سے صارفین کے تجربے اور ڈیجیٹل مصروفیت کی وجہ سے ممکن ہوا۔ پی ٹی سی ایل پاکستان بھر میں اپنے صارفین کو

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024 (UN-AUDITED)

	Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Equity and liabilities			
Equity			
Share capital and reserves			
Share capital		51,000,000	51,000,000
Revenue reserves			
General reserve		27,497,072	27,497,072
Unappropriated profit		39,302,353	38,871,108
		66,799,425	66,368,180
		117,799,425	117,368,180
Liabilities			
Non-current liabilities			
Employees retirement benefits		35,376,756	34,324,346
Deferred government grants		15,674,243	15,080,525
Long term loans from banks	6	50,790,674	50,781,306
Contract liabilities		1,661,443	1,661,536
Lease liabilities		1,313,970	1,290,725
		104,817,086	103,138,438
Current liabilities			
Trade and other payables	7	142,424,199	141,423,801
Short term running finance	8	34,300,934	24,214,700
Security deposits		618,550	616,031
Unclaimed dividend		209,189	209,256
Current maturity of lease liabilities		419,489	391,989
Current portion of long term loans from banks		233,801	239,408
		178,206,162	167,095,185
Total equity and liabilities		400,822,673	387,601,803

Contingencies and commitments

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The annexed notes 1 to 22 are an integral part of these condensed interim financial statements.



Chief Financial Officer



President & CEO



Chairman

	Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Assets			
Non-current assets			
Property, plant and equipment	9	149,202,345	144,017,787
Right of use assets		1,847,291	1,698,902
Intangible assets		1,647,383	1,742,663
		152,697,019	147,459,352
Long term investments		71,836,284	71,836,284
Long term loans and advances	10	37,113,051	32,225,182
Deferred income tax		3,691,958	2,745,195
Contract costs		115,401	183,092
		265,453,713	254,449,105
Current assets			
Stores and spares		9,426,722	9,433,265
Contract costs		2,747,013	2,593,728
Trade debts and contract assets	11	55,623,111	52,587,358
Loans and advances		4,799,316	4,628,442
Income tax recoverable		22,128,473	22,598,810
Receivable from Government of Pakistan		2,164,072	2,164,072
Prepayments and other receivables		29,576,597	29,117,706
Cash and bank balances	12	8,903,656	10,029,317
		135,368,960	133,152,698
Total assets		400,822,673	387,601,803

Chief Financial Officer
President & CEO
Chairman

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2024 Rs '000	March 31, 2023 Rs '000
Revenue	14	25,923,846	22,946,952
Cost of services		(19,194,921)	(17,254,700)
Gross profit		6,728,925	5,692,252
Administrative and general expenses		(2,187,850)	(1,984,655)
Selling and marketing expenses		(1,138,467)	(1,010,435)
Impairment loss on trade debts and contract assets		(452,000)	(464,832)
		(3,778,317)	(3,459,922)
Operating profit		2,950,608	2,232,330
Other income	15	3,192,760	8,417,699
Finance costs		(5,535,981)	(1,970,738)
Profit before tax		607,387	8,679,291
Provision for income tax		(176,142)	(3,206,903)
Profit for the period		431,245	5,472,388
Earnings per share - basic and diluted (Rupees)		0.08	1.07

The annexed notes 1 to 22 are an integral part of these condensed interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Three months ended	
	March 31, 2024 Rs '000	March 31, 2023 Rs '000
Profit for the period	431,245	5,472,388
Other comprehensive income for the period	-	-
Items that will not be reclassified to statement of profit or loss:		
Remeasurement (loss)/gain on employee retirement benefits	-	-
Tax effect	-	-
Total comprehensive income for the period	431,245	5,472,388

The annexed notes 1 to 22 are an integral part of these condensed interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2024 Rs '000	March 31, 2023 Rs '000
Cash flows from operating activities			
Cash generated from operations	16	4,483,878	(490,183)
Employees retirement benefits paid		(430,657)	(396,788)
Advances from customers		39,550	44,005
Income tax paid		(652,568)	(435,580)
Net cash generated from / (used in) operating activities		3,440,203	(1,278,546)
Cash flows from investing activities			
Capital expenditure		(9,751,794)	(4,098,479)
Proceeds from disposal of property, plant and equipment		1,149,440	1,251,194
Addition to contract costs		(1,141,697)	(967,491)
Long term loans and advances		(111,225)	119,547
Return on long term loan to subsidiaries		1,826,290	899,461
Long term loan to subsidiary - Pak Telecom Mobile Limited		(5,000,000)	(6,000,000)
Repayment of subsidiary loans - Pak Telecom Mobile Limited		625,000	500,000
Dividend income - U Microfinance Bank Limited		-	443,743
Return on short term investments and bank deposit		82,721	58,705
Government grants received		778,327	39,769
Net cash used in investing activities		(11,542,938)	(7,753,551)
Cash flows from financing activities			
Dividend paid		(67)	(417)
Proceeds from long term loans		9,368	5,995,926
Interest on long term loans		(2,775,260)	-
Repayment of lease liabilities		(343,201)	(275,496)
Net cash (used in) / generated from financing activities		(3,109,160)	5,720,013
Net decrease in cash and cash equivalents		(11,211,895)	(3,312,084)
Cash and cash equivalents at the beginning of the period		(14,185,383)	5,592,373
Cash and cash equivalents at the end of the period	17	(25,397,278)	2,280,289

The annexed notes 1 to 22 are an integral part of these condensed interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Issued, subscribed and paid-up capital			Revenue reserves		Total
	Class "A"	Class "B"	Total	General reserve	Unappropriated profit	
	(Rupees in '000)					
Balance as at January 01, 2023	37,740,000	13,260,000	51,000,000	27,497,072	29,556,957	108,054,029
Total comprehensive income for the three months period ended						
Profit for the period ended March 31, 2023	-	-	-	-	5,472,388	5,472,388
Other comprehensive loss - net of tax	-	-	-	-	-	-
Balance as at March 31, 2023	37,740,000	13,260,000	51,000,000	27,497,072	35,029,345	113,526,417
Total comprehensive income for the nine months period ended						
Profit for the period ended December 31, 2023	-	-	-	-	3,918,155	3,918,155
Other comprehensive loss - net of tax	-	-	-	-	(76,392)	(76,392)
Balance as at January 01, 2024	37,740,000	13,260,000	51,000,000	27,497,072	38,871,108	117,368,180
Total comprehensive income for the three months period ended						
Profit for the period ended March 31, 2024	-	-	-	-	431,245	431,245
Other comprehensive loss - net of tax	-	-	-	-	-	-
Balance as at March 31, 2024	37,740,000	13,260,000	51,000,000	27,497,072	39,302,353	117,799,425

The annexed notes 1 to 22 are an integral part of these condensed interim financial statements.

Chief Financial Officer

President & CEO

Chairman

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Pakistan Telecommunication Company Limited ("PTCL", "the Company") was incorporated in Pakistan on December 31, 1995 and commenced business on January 01, 1996. The Company, which is listed on the Pakistan Stock Exchange Limited (PSX), was established to undertake the telecommunication business formerly carried on by the Pakistan Telecommunication Corporation (PTC). PTC's business was transferred to the Company on January 01, 1996 under the Pakistan Telecommunication (Re-organization) Act, 1996, on which date, the Company took over all the properties, rights, assets, obligations and liabilities of PTC, except those transferred to the National Telecommunication Corporation (NTC), the Frequency Allocation Board (FAB), the Pakistan Telecommunication Authority (PTA) and the Pakistan Telecommunication Employees Trust (PTET). The registered office of the Company is situated at PTCL Head office, Room No. 17, Ground Floor (Margalla side), Ufone Tower Plot No. 55-C, Main Jinnah Avenue, Blue Area, Sector F-7/1 Islamabad.

The Company provides telecommunication services in Pakistan. It owns and operates telecommunication facilities and provides domestic and international telephone services and other communication facilities throughout Pakistan. The Company has also been licensed to provide such services in territories of Azad Jammu and Kashmir and Gilgit-Baltistan.

2. STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. BASIS OF PREPARATION

These condensed interim financial statements do not include all of the information required in the annual financial statements prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements. These condensed interim financial statements should be read in conjunction with the Company's latest annual financial statements as at and for the year ended December 31, 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgments made by the management in the preparation of these condensed interim financial statements are the same as those used in the preparation of audited financial statements of the Company for the year ended December 31, 2023.

5. MATERIAL ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2023.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
6. LONG TERM LOANS FROM BANKS			
MCB Bank Ltd		11,000,000	11,000,000
Habib Bank Ltd		35,000,000	35,000,000
Bank Alfalah		3,000,000	3,000,000
BankIslami Pakistan Ltd		2,000,000	2,000,000
Less: transaction costs		(209,326)	(218,694)
		50,790,674	50,781,306
Accrued Interest		233,801	239,408
		51,024,475	51,020,714
Current portion of long term loans from banks		(233,801)	(239,408)
		50,790,674	50,781,306
7. TRADE AND OTHER PAYABLES			
Trade creditors		15,278,110	16,719,184
Accrued and other liabilities	7.1	41,819,751	41,878,273
Technical services assistance fee	7.2	43,001,016	41,410,987
Advances from customers / contract liabilities		7,468,425	7,405,126
Retention money / payable to contractors and suppliers		8,656,278	8,593,518
Payable to subsidiaries on account of group taxation		24,022,866	24,022,866
Sales tax payable		1,635,455	1,393,847
Income tax collected / deducted at source		542,298	-
		142,424,199	141,423,801
7.1 Accrued and other liabilities			
Accrued liability for operational expenses		13,392,657	11,244,451
Amount withheld on account of provincial levies (Sub-judice) for ICH operations		12,110,803	12,110,803
Accrual for Government / regulatory expenses		14,698,871	14,172,127
Accrued wages		857,036	3,395,566
Others		760,384	955,326
		41,819,751	41,878,273
7.2 Liability has not been settled since State Bank of Pakistan has not yet acknowledged the extension of Technical Service Assistance (TSA) Agreement.			
8. SHORT TERM RUNNING FINANCE			
These facilities are obtained from various commercial banks with an aggregate limit of Rs 12,300,000 thousand (December 31, 2023: Rs 17,500,000 thousand) and are secured against 1st pari passu charge on present and future current assets and all other movable assets of the Company. These facilities carry markup rates ranging from 1-month KIBOR to 3-month KIBOR plus 0.15% to 0.35% (December 31, 2023: 0.15% to 0.35%) per annum.			

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

This also include shariah compliant, rated, unlisted, unsecured, privately placed short term sukuk amounting to Rs 20,000,000 thousand (December 31, 2023: Rs 5,000,000 thousand) issued to meet the working capital requirements with a tenor of 6 months from the issue date at 6-Months. Habib Bank Limited was a mandated lead advisor, arranger and investment agent for the sukuk. The Issuer has the right to exercise call option on or after 3 months from issue date.

	Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
9. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	126,991,440	123,757,109
Capital work-in-progress	9.3	22,210,905	20,260,678
		149,202,345	144,017,787

	Note	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
9.1 Operating fixed assets			
Opening net book value		123,757,109	114,100,867
Additions during three months period	9.2	7,693,282	4,683,986
		131,450,391	118,784,853
Disposals during the period - at net book value		(5,029)	(7,882)
Depreciation charge for the period		(4,453,922)	(4,115,846)
		(4,458,951)	(4,123,728)
Closing net book value		126,991,440	114,661,125

9.2 Detail of additions during the period:

Buildings on freehold land		121,577	112,860
Buildings on leasehold land		15,810	40,587
Lines and wires		2,143,247	2,532,029
Apparatus, plant and equipment		5,261,418	1,668,287
Office equipment		106,773	277,511
Computer equipment		38,351	12,084
Furniture and fittings		3,255	26,109
Vehicles		2,851	7,461
Passive and allied equipment		-	7,058
		7,693,282	4,683,986

9.3 Additions to CWIP during the three months period ended March 31, 2024 were Rs 9,727,891 thousand (March 31, 2023: Rs 4,087,142 thousand).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
10. LONG TERM LOANS AND ADVANCES		
Loans to PTML - unsecured	25,541,666	20,750,001
Loans to Ubank - unsecured	1,200,000	1,200,000
Loans to employees - secured	897,396	826,003
Advances to vendors	9,262,585	9,262,585
Others	211,404	186,593
	37,113,051	32,225,182
11. TRADE DEBTS AND CONTRACT ASSETS		
Trade debts	56,931,466	53,737,833
Contract assets	5,978,022	5,683,902
	62,909,488	59,421,735
Allowance for expected credit loss	(7,286,377)	(6,834,377)
	55,623,111	52,587,358
12. CASH AND BANK BALANCES		
Cash in hand	152,617	163,532
Balances with banks:	12.1	
Deposit accounts local currency	729,237	984,056
Current accounts		
Local currency	740,094	2,105,847
Foreign currency	7,281,708	6,775,882
	8,021,802	8,881,729
	8,903,656	10,029,317

12.1 Bank balance includes Rs 88,793 thousand (December 31, 2023: Rs 68 thousand) carrying profit at the rate of 11.01% (December 31, 2023: 11.10%) per annum from Shariah arrangements.

13. CONTINGENCIES AND COMMITMENTS

There has been no material change in contingencies as disclosed in the last audited financial statements of the Company for the year ended December 31, 2023, except in note 13.1 in the following:

13.1 For the tax years 2007, 2009, 2010, 2011 to 2022, Taxation Officer disallowed certain expenses, tax credits and levied short deduction of WHT. The impugned orders were challenged at the relevant appellate forums which allowed partial relief thereof. After taking into account the orders of CIR (Appeals), ATIR as well as rectification orders tax impact of the disallowances is Rs 60,488,766 thousand. Appeals on the remaining outstanding items are pending adjudication before ATIR. Reference in respect of 2007 is subjudice before the Honorable Islamabad High Court. Stay has been obtained in all cases from different fora.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

13.2 In 2010, Pakistan Telecommunication Employees Trust ("PTET") board approved the pension increase which was less than the increase notified by the Government of Pakistan ("GoP"). Thereafter, pensioners filed several Writ Petitions. After a series of hearings, on June 12, 2015 the Apex Court decided the case in the interest of pensioners. On July 13, 2015, Review Petition was filed in Supreme Court of Pakistan against the Judgment of June 12, 2015.

The Honourable Supreme Court of Pakistan (Apex Court) disposed the Review Petitions filed by the Company, the Pakistan Telecommunication Employees Trust (PTET) and the Federal Government (collectively, the Review Petitioners) vide the order dated May 17, 2017. Through the said order, the Apex Court directed the Review Petitioners to seek remedy under section 12(2) CPC (Civil Procedure Code) which shall be decided by the concerned Court in accordance with the law, and to pursue all grounds of law and fact in other cases pending before High Courts. The Review Petitioners have filed the applications under section 12(2) CPC before respective High Courts. However, PTET has implemented the Apex court decision dated 12 June 2015 to the extent of 342 pensioners who were the petitioners in the main case. Some of the interveners (pensioners) seeking the same relief as allowed vide order dated June 12, 2015 have been directed by the Apex Court to approach the appropriate forum on May 10, 2018. Islamabad High Court on 2nd November, 2021, has decided that the GOP increases are not allowed to VSS optees, PTC pensioners and to the workmen. To the extent of Civil Servants the Islamabad High Court allowed the GOP increase. However, to the same extent appeal has been filed before Apex court within the limitation. Under the circumstances, management of the Company, on the basis of legal advice, believes that the Company's obligations against benefits is restricted to the extent of pension increases as determined solely by the Board of Trustees of the PTET in accordance with the Pakistan Telecommunication (Re-Organization) Act, 1996 and the Pension Trust Rules of 2012 and accordingly, no provision has been recognized in the Company's financial statements.

Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
13.3 Bank guarantee and bid bonds issued in favour of:		
Universal Service Fund (USF) against government grants	8,138,718	8,088,668
Others	3,056,758	3,009,705
	11,195,476	11,098,373
Corporate guarantee in favour of PTML	68,107,434	56,400,000
Corporate guarantee in favour of Ubank	10,000,000	10,000,000
	78,107,434	66,400,000

13.3.1 Others includes bank guarantee given on behalf of DVCOM Data (Private) Limited to PTA amounting to Rs 675,000 thousand (December 31, 2023: Rs. 675,000 thousand).

	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
13.4 Commitments		
Contracts for capital expenditure	14,309,510	10,496,849
Letter of comforts in favour of PTML	3,500,000	3,500,000
	17,809,510	13,996,849

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

14. REVENUE

The Company principally obtains revenue from providing telecommunication services such as Broadband, IPTV, Voice, data, wireless services, interconnect, corporate and international services.

For bundled packages, the Company accounts for individual products and services separately if they are distinct i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand alone selling prices.

The Company generates revenue from the following performance obligations of its telecommunication services.

	Three months ended	
	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	11,870,516	9,831,295
Voice services	2,169,476	2,090,836
Wireless data	354,427	439,366
Revenue from retail customers	14,394,419	12,361,497
Corporate and wholesale	9,105,068	8,120,798
International	2,424,359	2,464,657
Total revenue	25,923,846	22,946,952

14.1 Revenue is stated net of trade discount amounting to Rs 10,701 thousand (March 31, 2023: Rs 10,340 thousand) and Federal Excise Duty and sales tax amounting to Rs 4,319,145 thousand (March 31, 2023: Rs 2,693,780 thousand).

	Note	Three months ended	
		March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
15. OTHER INCOME			
Income from financial assets	15.1	1,404,589	5,931,919
Income from non-financial assets		1,788,171	2,485,780
		3,192,760	8,417,699

15.1 Income from financial assets include Rs 3 thousand (March 31, 2023: Rs 62 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Three months ended	
	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
16. CASH GENERATED FROM OPERATIONS		
Profit before tax	607,387	8,679,291
Adjustments for non-cash charges and other items:		
Depreciation of property, plant and equipment	4,453,922	4,115,846
Amortization of intangible assets	203,568	236,226
Depreciation of right of use assets	191,783	176,579
Amortization of contract costs	1,056,103	990,577
Provision for obsolete stores and spares	(139)	(5,225)
Impairment loss on trade debts and contract assets	452,000	464,832
Provision for employees retirement benefits	525,887	497,765
Gain on disposal of property, plant and equipment	(1,154,469)	(1,243,312)
Return on bank deposits	(63,259)	(50,910)
Imputed interest on long term loans	15,408	(17,088)
Imputed interest on lease liabilities	53,774	34,730
Interest cost on employee retirement benefits	974,931	767,904
Return on long term loan to subsidiaries	(1,341,329)	(954,800)
Interest on long term loans from banks	2,775,266	1,039,450
Unearned revenue realised	(39,643)	(45,309)
Dividend Income from subsidiary	-	(443,743)
Release of deferred government grants	(184,608)	(129,156)
Exchange gain	(303,358)	(3,573,133)
	8,223,224	10,540,524
Effect on cash flows due to working capital changes:		
Decrease /(Increase) in current assets:		
Stores and spares	6,681	476,054
Trade debts and contract assets	(3,114,723)	(2,681,548)
Loans and advances	(587,928)	(4,707,063)
Prepayments and other receivables	(981,065)	(4,465,579)
	(4,677,035)	(11,378,136)
Increase in current liabilities:		
Trade and other payables	935,170	346,347
Security deposits	2,519	1,082
	4,483,878	(490,183)
17. CASH AND CASH EQUIVALENTS		
Short term running finance	(34,300,934)	(4,365,657)
Cash and bank balances	8,903,656	6,645,946
	(25,397,278)	2,280,289

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

		Three months ended	
		March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES			
Relationship with the Company	Nature of transaction		
i. Shareholders	Technical services assistance fee - note 18.1	851,210	747,933
ii. Subsidiaries	Sale of goods and services	1,518,825	1,556,251
	Purchase of goods and services	1,219,998	1,466,183
	Mark up on loans	1,341,329	954,800
	Dividend income	-	443,743
	Long term loan to subsidiary	5,000,000	6,000,000
	Repayment of long term loans from subsidiary	625,000	500,000
	Short term loan to subsidiary	-	4,626,000
iii. Associated undertakings	Sale of goods and services	1,898,263	2,079,802
	Purchase of goods and services	252,022	181,417
iv. Employees contribution plan	PTCL Employees GPF Trust - net	34,817	21,848
v. Employees retirement benefit plan	Contribution to the plan- Gratuity	26,118	23,775
vi. Other related parties	Charge under license obligations	648,020	598,884
vii. Directors, Chief Executive and Key management personnel	Fee and remuneration including benefits and perquisites	337,413	420,051
		March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Period / year-end balances			
Receivables from related parties			
	Long term loans to subsidiaries	28,825,000	24,450,000
Trade debts			
	- Subsidiaries	132,054	96,054
	- Associated undertakings	37,978,799	37,025,830
Other receivables			
	- Subsidiaries	18,958,009	17,434,029
	- Associated undertakings	71,305	71,305
	- Pakistan Telecommunication Employees Trust (PTET)	1,326	1,326
	- Long term loans to executives and key management personnel	103,687	34,525
	Bank deposit with subsidiary	1,368	1,736
	Pakistan Telecommunication Employees Trust (PTET)	6,243,635	6,251,821
Payables to related parties			
Trade creditors			
	- Subsidiaries	1,851,312	1,785,643
	- Associated undertakings	3,839,168	3,615,533
	- The Government of Pakistan related entities	2,609,207	2,070,961
	Payable to subsidiaries on account of group taxation	24,022,866	24,022,866
	Security deposits from subsidiary	3,623	3,623
	Retention money payable to associated undertakings	2,940	2,940
	Technical services assistance fee payable to Etisalat	43,001,016	41,410,987
	Pakistan Telecommunication Company Limited Employees Gratuity Fund	104,210	47,132

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

18.1 This represents the Company's share of the amount payable to Etisalat - UAE, a related party, under an agreement for technical services, at the rate of 3.5%, of the PTCL Group's consolidated revenue.

19. OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

	Gross amounts subject to setoff Rs '000	Offset Rs '000	Net amount Rs '000	Amount not in scope of offsetting Rs '000	Net as per statement of financial position Rs '000
As at March 31, 2024					
Trade debts and contract assets	34,179,930	(282,327)	33,897,603	21,725,508	55,623,111
Trade creditors	(1,309,817)	282,327	(1,027,490)	16,305,600	15,278,110
As at December 31, 2023					
Trade debts and contract assets	39,457,746	(1,351,055)	38,106,691	14,480,667	52,587,358
Trade creditors	(2,414,577)	1,351,055	(1,063,522)	15,655,662	16,719,184

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amount of all financial assets and financial liabilities are estimated to approximate their fair values.

21. RECLASSIFICATION OF COMPARATIVES

Certain comparatives have been reclassified for the purpose of better presentation as per reporting framework. However, the changes in comparative figures have no material impact on previously reported financial position, financial performance and cash flow of the Company.

22. DATE OF AUTHORIZATION FOR ISSUE OF CONDENSED INTERIM FINANCIAL STATEMENTS

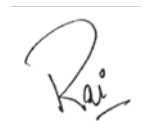
22.1 These condensed interim financial statements for the three months period ended March 31, 2024 were authorized for issue by the Board of Directors of the Company on April 18, 2024.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**FOR THE THREE MONTHS PERIOD ENDED
MARCH 31, 2024 (UN-AUDITED)**

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024 (UN-AUDITED)

Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Equity and liabilities		
Equity		
Share capital and reserves		
Share capital	51,000,000	51,000,000
Revenue reserves		
General reserve	27,497,072	27,497,072
Unappropriated profit	(26,098,837)	(21,309,130)
	1,398,235	6,187,942
Statutory and other reserves	1,031,474	1,031,474
Unrealized loss on investments measured at fair value through OCI	(85,660)	(39,198)
	53,344,049	58,180,218
Liabilities		
Non-current liabilities		
Long term loans from banks	100,629,809	98,551,603
Subordinated debt	1,000,000	577,894
Deposits from banking customers	57,752,640	20,331,391
Lease liabilities	11,987,191	12,933,697
Employees retirement benefits	35,772,615	34,656,221
Deferred government grants	33,876,983	32,074,477
Advances from customers	1,661,443	1,661,536
License fee payable	11,126,673	11,265,626
Long term vendor liability	47,336,361	50,806,408
	301,143,715	262,858,853
Current liabilities		
Trade and other payables	134,606,476	134,588,742
Deposits from banking customers	57,085,085	85,465,584
Interest accrued	6,705,256	4,973,189
Short term running finance	57,637,927	48,138,253
Current portion of:		
Long term loans from banks	9,125,054	25,294,133
Subordinated debt	222,026	850,238
Lease liabilities	3,584,416	4,071,005
Long term vendor liability	20,535,697	17,403,361
License fee payable	125,788	125,862
Security deposits	1,479,497	1,439,771
Unpaid / unclaimed dividend	209,189	209,256
	291,316,411	322,559,394
Total equity and liabilities	645,804,175	643,598,465

Contingencies and commitments

11

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.


Chief Financial Officer

President & CEO

Chairman

	Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Assets			
Non-current assets			
Property, plant and equipment	7	265,811,882	257,309,044
Right of use assets		13,441,153	14,819,391
Intangible assets		57,553,907	59,366,749
		336,806,942	331,495,184
Long term investments		51,427	51,427
Long term loans and advances		10,301,390	10,275,182
Long term loans to banking customers		11,770,726	23,012,862
Deferred income tax		20,508,834	18,673,013
Contract costs		280,134	354,707
		379,719,453	383,862,375
Current assets			
Stock in trade, stores and spares		10,474,236	10,509,772
Trade debts and contract assets	8	58,424,055	56,377,374
Loans to banking customers		70,224,003	59,074,698
Loans and advances		3,356,849	2,704,285
Contract costs		4,474,172	4,254,928
Income tax recoverable		32,336,185	32,356,188
Receivable from the Government of Pakistan		2,164,072	2,164,072
Deposits, prepayments and other receivables		23,257,355	20,022,431
Short term investments	9	43,788,126	52,145,297
Cash and bank balances	10	17,585,669	20,127,045
		266,084,722	259,736,090
Total assets		645,804,175	643,598,465

Chief Financial Officer

President & CEO

Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2024 Rs '000	March 31, 2023 Rs '000
Revenue	12	49,203,165	43,186,728
Cost of services		(40,845,706)	(34,045,187)
Gross profit		8,357,459	9,141,541
Administrative and general expenses		(6,778,760)	(5,575,822)
Selling and marketing expenses		(2,623,398)	(2,423,403)
Impairment loss on trade debts and contract assets		370,402	(695,837)
		(9,031,756)	(8,695,062)
Operating (loss) / profit		(674,297)	446,479
Other income	13	6,942,296	14,668,819
Finance costs		(13,542,819)	(23,003,207)
Loss before tax		(7,274,820)	(7,887,909)
Income tax		2,485,113	2,172,776
Loss for the period		(4,789,707)	(5,715,133)

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Three months ended	
	March 31, 2024 Rs '000	March 31, 2023 Rs '000
Loss for the period	(4,789,707)	(5,715,133)
Other comprehensive loss for the period		
Items that may be subsequently reclassified to consolidated statement of profit or loss:		
Gain on revaluation of assets transferred to consolidated statement of profit or loss	-	23,554
Gain / (loss) on revaluation of assets	(46,462)	(573,192)
Tax effect	-	381,252
Other comprehensive loss for the period - net of tax	(46,462)	(168,386)
Total comprehensive loss for the period	(4,836,169)	(5,883,519)

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.

Chief Financial Officer

President & CEO

Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2024 Rs '000	March 31, 2023 Rs '000
Cash flows from operating activities			
Cash generated from operations	14	5,037,636	(1,765,937)
Employees retirement benefits paid		(430,657)	(437,507)
Income tax paid		(1,903,414)	(1,825,216)
Net cash inflow / (outflow) from operating activities		2,703,565	(4,028,660)
Cash flows from investing activities			
Capital expenditure		(16,519,892)	(3,972,368)
Acquisition of intangible assets		(112,047)	(1,094,155)
Proceeds from disposal of property, plant and equipment		1,162,075	1,334,106
Additions to contract costs		(1,849,648)	(1,689,729)
Long term loans and advances		(41,616)	106,041
Short term investments		8,357,171	36,740,187
Government grants received		2,521,434	1,087,703
Return on long term loans and short term investments		3,050,074	5,205,290
Net cash (outflow) / inflow from investing activities		(3,432,449)	37,717,075
Cash flows from financing activities			
Loans from banks - net		(14,090,873)	(15,203,911)
Subordinated debt		(206,106)	-
Vendor liability		(337,711)	5,191,015
License fee		(139,027)	(1,964,766)
Finance cost paid		(3,287,260)	(14,645,571)
Deposits from banking customers		9,040,750	(6,533,826)
Lease liabilities		(2,291,872)	(2,175,413)
Dividend paid		(67)	(417)
Net cash outflow from financing activities		(11,312,166)	(35,332,889)
Net decrease in cash and cash equivalents		(12,041,050)	(1,644,474)
Cash and cash equivalents at the beginning of the period		(28,011,208)	(24,266,113)
Cash and cash equivalents at the end of the period	15	(40,052,258)	(25,910,587)

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Issued, subscribed and paid-up capital		Revenue reserves		Statutory and other reserves	Unrealized gain / (loss) on investments measured at fair value through OCI	Total
	Class "A"	Class "B"	General reserve	Unappropriated profit			
Balance as at December 31, 2022	37,740,000	13,260,000	27,497,072	(5,371,204)	813,661	(2,015)	73,937,514
(Rupees in '000)							
Total comprehensive income / (loss) for the period	-	-	-	(5,715,133)	-	-	(5,715,133)
Loss for the three months period ended March 31, 2023	-	-	-	-	-	(168,386)	(168,386)
Other comprehensive loss	-	-	-	(5,715,133)	-	(168,386)	(5,883,519)
Balance as at March 31, 2023	37,740,000	13,260,000	27,497,072	(11,086,337)	813,661	(170,401)	68,053,995
Loss for the nine months period ended December 31, 2023	-	-	-	(9,829,101)	-	-	(9,829,101)
Other comprehensive income / (loss)	-	-	-	(206,092)	-	131,203	(74,889)
Statutory and other reserves	-	-	-	(10,035,193)	-	131,203	(9,903,990)
	-	-	-	(187,600)	217,813	-	30,213
Balance as at December 31, 2023	37,740,000	13,260,000	27,497,072	(21,309,130)	1,031,474	(39,198)	58,180,218
Total comprehensive income / (loss) for the period	-	-	-	(4,789,707)	-	-	(4,789,707)
Loss for the three months period ended March 31, 2024	-	-	-	-	-	(46,462)	(46,462)
Other comprehensive loss	-	-	-	(4,789,707)	-	(46,462)	(4,836,169)
Balance as at March 31, 2024	37,740,000	13,260,000	27,497,072	(26,098,837)	1,031,474	(85,660)	53,344,049

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.

Chief Financial Officer

President & CEO

Chairman

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Constitution and ownership

The condensed consolidated interim financial information of the Pakistan Telecommunication Company Limited and its subsidiaries ("the Group") comprise of the financial information of:

Pakistan Telecommunication Company Limited (PTCL)

Pakistan Telecommunication Company Limited (the Holding Company) was incorporated in Pakistan on December 31, 1995 and commenced business on January 01, 1996. The Holding Company, which is listed on the Pakistan Stock Exchange Limited (PSX) (formerly Karachi, Lahore and Islamabad Stock Exchanges), was established to undertake the telecommunication business formerly carried on by Pakistan Telecommunication Corporation (PTC). PTC's business was transferred to the Holding Company on January 01, 1996 under the Pakistan Telecommunication (Re-organization) Act, 1996, on which date, the Holding Company took over all the properties, rights, assets, obligations and liabilities of PTC, except those transferred to the National Telecommunication Corporation (NTC), the Frequency Allocation Board (FAB), the Pakistan Telecommunication Authority (PTA) and the Pakistan Telecommunication Employees Trust (PTET). The registered office of the Holding Company is situated at PTCL Head office Room no. 17, Ground floor (Margalla Side), Ufone Tower, Plot No. 55-C, Main Jinnah Avenue, Blue area, Sector F-7/1, Islamabad.

Pak Telecom Mobile Limited (PTML)

PTML was incorporated in Pakistan on July 18, 1998, as a public limited company to provide cellular mobile telephony services in Pakistan. PTML commenced its commercial operations on January 29, 2001, under the brand name of Ufone. It is a wholly owned subsidiary of PTCL. The registered office of PTML is situated at Ufone Tower, Jinnah Avenue, Blue Area, Islamabad.

U Microfinance Bank Limited (UBank)

The Holding Company acquired 100% ownership of UBank on August 30, 2012 to offer services of digital commerce and branchless banking. UBank was incorporated on October 29, 2003 as a public limited company. The registered office of UBank is situated at Jinnah Super Market F-7 Markaz, Islamabad.

DVCOM Data (Private) Limited (DVCOM Data)

The Holding Company acquired 100% ownership of DVCOM Data effective from April 01, 2015. The company has a Wireless Local Loop (WLL) License of 1900 MHz spectrum in nine telecom regions of Pakistan. The registered office of the company is located at PTCL Head Quarters South, Hatim Alvi Road, Clifton Karachi.

Smart Sky (Private) Limited (Smart Sky)

Smart Sky was incorporated in Pakistan on October 12, 2015 as a private limited company. Smart Sky is a wholly owned subsidiary of PTCL. The registered office of Smart Sky is located at PTCL office, G-8/4, Islamabad.

1.2 Activities of the Group

The Group principally provides telecommunication and broadband internet services in Pakistan. PTCL owns and operates telecommunication facilities and provides domestic and international telephone services throughout Pakistan. PTCL has also been licensed to provide such services to territories in Azad Jammu and Kashmir and Gilgit-Baltistan. PTML provides cellular mobile telephony services throughout Pakistan and Azad Jammu and Kashmir. Principal business of UBank, incorporated under Microfinance Institutions Ordinance, 2001, is to provide nationwide microfinance and branchless banking services.

2. STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

The applicable financial reporting framework for consolidated subsidiary also includes the following:

- Microfinance Institutions Ordinance, 2001 (the MFI Ordinance); and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP) and State Bank of Pakistan (SBP).

Where the requirements of the Companies Act, 2017, the MFI Ordinance and the directives issued by the SECP and SBP differ with the requirements of IAS 34, the requirements of the Companies Act, 2017, the Microfinance Ordinance, 2001, or the requirements of the said directives shall prevail.

3. BASIS OF PREPARATION

These condensed consolidated interim financial statements do not include all of the information required in the annual financial statements prepared in accordance with the accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements. These condensed consolidated interim financial statements should be read in conjunction with the Group's latest annual consolidated financial statements as at and for the year ended December 31, 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed consolidated interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgments made by the management in the preparation of these condensed consolidated interim financial statements are the same as those used in the preparation of audited consolidated financial statements of the Group for the year ended December 31, 2023.

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's audited consolidated financial statements for the year ended December 31, 2023.

Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
6. TRADE AND OTHER PAYABLES		
Trade creditors	15,662,631	19,293,856
Accrued and other liabilities	52,596,038	52,031,359
Technical services assistance fee	43,001,016	41,410,987
Advances from customers / contract liability	12,072,401	11,488,116
Retention money / payable to contractors and suppliers	8,656,278	8,593,518
Income tax collected from subscribers / deducted at source	982,657	377,059
Sales tax payable	1,635,455	1,393,847
	134,606,476	134,588,742

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
6.1 Accrued and other liabilities		
Accrued liability for operational expenses	19,782,213	18,460,904
Amount withheld on account of provincial levies (Sub-judice) for ICH operations	12,110,803	12,110,803
Accrual for Government / regulatory expenses	17,671,129	15,455,046
Accrued wages	1,330,036	4,403,373
Others	1,701,857	1,601,233
	52,596,038	52,031,359

7. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	7.1	218,984,646	216,872,000
Capital work-in-progress	7.3	46,827,236	40,437,044
		265,811,882	257,309,044

Note	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
7.1 Operating fixed assets		
Opening net book value	216,872,000	201,507,607
Additions during the period	7.2	10,129,700
		227,001,700
Disposals during the period - at net book value	(7,256)	(101,237)
Impairment	-	-
Depreciation for the period	(8,009,798)	(7,712,789)
	(8,017,054)	(7,814,026)
Closing net book value	218,984,646	200,563,113

7.2 Detail of additions during the period:

Buildings on freehold land	121,577	112,860
Buildings on leasehold land	15,810	40,587
Lines and wires	2,143,247	2,532,029
Apparatus, plant and equipment	7,458,323	3,621,094
Office equipment	194,104	371,899
Computer equipment	184,495	47,093
Furniture and fittings	3,255	136,509
Vehicles	8,889	7,461
	10,129,700	6,869,532

7.3 Additions to CWIP during the three months period ended March 31, 2024 were Rs 16,445,146 thousand (March 31, 2023: Rs 4,926,278 thousand).

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
8. TRADE DEBTS AND CONTRACT ASSETS		
Trade debts	59,481,799	57,277,239
Contract assets	6,228,632	5,934,512
	65,710,431	63,211,751
Accumulated impairment loss on trade debts and contract assets	(7,286,376)	(6,834,377)
	58,424,055	56,377,374
9. SHORT TERM INVESTMENTS		
Amortized cost		
Lending to Financial Institution Pakistan Investment Bonds (PIBs) - Maturity upto 6 months	4,502,770	454,522
	4,731,381	4,735,771
	9,234,151	5,190,293
Fair value through Profit or Loss		
Mutual Funds	164,238	5,570,319
TFCs	2,451,754	2,443,072
	2,615,992	8,013,391
Fair value through Other Comprehensive Income		
Market treasury bills - Maturity upto 6 months	3,606	11,292,747
Pakistan Investment Bonds (PIBs) - Maturity upto 6 months	27,966,284	25,286,798
Sukuks	4,032,457	2,426,432
Deficit on Revaluation	(64,259)	(64,259)
	31,938,088	38,941,718
Credit Loss Allowance	(105)	(105)
	43,788,126	52,145,297

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
10. CASH AND BANK BALANCES			
Cash in hand		226,568	1,956,673
Balances with banks:	10.1		
Local currency			
Current account maintained with SBP		5,471,670	4,165,678
Current accounts		1,216,681	2,339,866
Saving accounts		2,032,413	3,456,098
		8,720,764	9,961,642
Foreign currency			
Current accounts		7,281,708	6,775,882
Saving accounts		1,356,629	1,432,848
		8,638,337	8,208,730
		17,585,669	20,127,045

10.1 Bank balance includes Rs 88,793 thousand (December 31, 2023: Rs 68 thousand) carrying profit at the rate of 11.01% (December 31, 2023: 11.10%) per annum from Shariah arrangements.

11. CONTINGENCIES AND COMMITMENTS

There has been no material change in contingencies as disclosed in the last audited consolidated financial statements of the Group for the year ended December 31, 2023, except the following:

11.1 For the tax years 2007, 2009, 2010, 2011 to 2022, Taxation Officer disallowed certain expenses, tax credits and levied short deduction of WHT. The impugned orders were challenged at the relevant appellate forums which allowed partial relief thereof. After taking into account the orders of CIR (Appeals), ATIR as well as rectification orders tax impact of the disallowances is Rs 60,488,766 thousand. Appeals on the remaining outstanding items are pending adjudication before ATIR. Reference in respect of 2007 is subjudice before the Honorable Islamabad High Court. Stay has been obtained in all cases from different fora.

11.2 In 2010, Pakistan Telecommunication Employees Trust ("PTET") board approved the pension increase which was less than the increase notified by the Government of Pakistan ("GoP"). Thereafter, pensioners filed several Writ Petitions. After a series of hearings, on June 12, 2015 the Apex Court decided the case in the interest of pensioners. On July 13, 2015, Review Petition was filed in Supreme Court of Pakistan against the Judgment of June 12, 2015.

The Honourable Supreme Court of Pakistan (Apex Court) disposed the Review Petitions filed by the Holding Company, the Pakistan Telecommunication Employees Trust (PTET) and the Federal Government (collectively, the Review Petitioners) vide the order dated May 17, 2017. Through the said order, the Apex Court directed the Review Petitioners to seek remedy under section 12(2) CPC (Civil Procedure Code) which shall be decided by the concerned Court in accordance with the law, and to pursue all grounds of law and fact in other cases pending before High Courts. The Review Petitioners have filed the applications under section 12(2) CPC before respective High Courts. However, PTET has implemented the Apex court decision dated 12 June 2015 to the extent of 342 pensioners who were the petitioners in the main case. Some of the interveners (pensioners)

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

seeking the same relief as allowed vide order dated June 12, 2015 have been directed by the Apex Court to approach the appropriate forum on May 10, 2018. Islamabad High Court on 2nd November, 2021, has decided that the GOP increases are not allowed to VSS optees, PTC pensioners and to the workmen. To the extent of Civil Servants the Islamabad High Court allowed the GOP increase. However, to the same extent appeal has been filed before Apex court within the limitation. Under the circumstances, management of the Holding Company, on the basis of legal advice, believes that the Holding Company's obligations against benefits is restricted to the extent of pension increases as determined solely by the Board of Trustees of the PTET in accordance with the Pakistan Telecommunication (Re-Organization) Act, 1996 and the Pension Trust Rules of 2012 and accordingly, no provision has been recognized in the Group's consolidated financial statements.

Note	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
11.3 Bank guarantees and bid bonds of Group issued in favor of:		
Universal Service Fund against government grants	18,163,738	18,113,688
Pakistan Telecommunication Authority	4,447,155	4,509,770
Others	3,056,758	3,013,891
	25,667,651	25,637,349
Corporate guarantee in favour of PTML	68,107,434	56,400,000
Corporate guarantee in favour of Ubank	10,000,000	10,000,000
	103,775,085	92,037,349

11.3.1 Others includes bank guarantees given on behalf of DVCOM Data to PTA amounting to Rs 675,000 thousand (December 31, 2023: Rs 675,000 thousand).

	March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
11.4 Commitments		
Standby Letter of Guarantee	13,000	18,000
Letters of credit for purchase of stock	139,012	467,691
Letters of comfort in favour of PTML	3,500,000	3,500,000
Commitments for capital expenditure	44,868,365	40,877,921
	48,520,377	44,863,612

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Three months ended	
	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
12. REVENUE		
Broadband and IPTV	11,870,516	9,831,295
Cellular and other wireless services	18,458,752	14,481,720
Fixed line voice services	2,169,476	2,090,836
Revenue from retail customers	32,498,744	26,403,851
Corporate and wholesale	10,106,753	8,513,709
International	2,872,701	2,975,241
Banking	3,724,967	5,293,927
Total revenue	49,203,165	43,186,728

12.1 Revenue is stated net of trade discount amounting to Rs 748,646 thousand (March 31, 2023: Rs 541,340 thousand) and sales and other taxes directly attributable to sales amounting to Rs 7,445,375 thousand (March 31, 2023: Rs 5,468,420 thousand).

	Note	Three months ended	
		March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
13. OTHER INCOME			
Income from financial assets	13.1	4,396,812	11,655,785
Income from non-financial assets		2,545,484	3,013,034
		6,942,296	14,668,819

13.1 Income from financial assets include Rs 3 thousand (March 31, 2023: Rs 62 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Three months ended	
	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
14. CASH GENERATED FROM OPERATIONS		
Loss before tax	(7,274,820)	(7,887,909)
Adjustments for non-cash charges and other items:		
Depreciation of property, plant and equipment	8,009,798	7,712,789
Amortization of intangible assets	1,924,889	1,839,801
Amortization of contract costs	1,704,977	1,497,070
Depreciation of right of use assets	1,716,672	1,622,681
Impairment loss on trade debts and contract assets	464,001	481,510
Provision for non performing advances	(834,403)	214,327
Provision for obsolete stores and spares	(139)	(5,225)
Provision for employees retirement benefits	608,413	1,305,457
Imputed interest on long term loans	(15,408)	(17,088)
Imputed interest on lease liabilities	520,343	477,330
Gain on disposal of property, plant and equipment	(1,154,819)	(1,232,869)
Gain on disposal of investments measured at fair value	-	(23,554)
Return on bank deposits and Government Securities	(3,042,922)	(4,968,870)
Government grants recognized as income	(718,928)	(512,545)
Finance costs	5,019,327	15,833,171
	6,926,981	16,336,076
Effect on cash flows due to working capital changes:		
(Increase) / decrease in current assets:		
Stock in trade, stores and spares	35,675	315,708
Trade debts and contract assets	(2,510,682)	(6,080,185)
Loans to banking customers	927,234	(7,145,288)
Loans and advances	(652,564)	(121,369)
Deposits, prepayments and other receivables	(2,296,286)	(6,489,767)
	(4,496,623)	(19,520,901)
Increase in current liabilities:		
Trade and other payables	2,567,552	1,385,072
Security deposits	39,726	33,816
	2,607,278	1,418,888
	5,037,636	(1,765,937)

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Three months ended	
	March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	17,585,669	19,318,797
Short term running finance	(57,637,927)	(45,229,384)
	(40,052,258)	(25,910,587)

16. SEGMENT INFORMATION

For management purposes, the Group is organised into three operating segments i.e. fixed line communications (Wireline), wireless communications (Wireless) and Banking. The reportable operating segments derive their revenue primarily from voice, data and other services.

16.1 Segment information for the reportable segments is as follows:

	Note	Wireline	Wireless	Banking	Total
		Rs '000	Rs '000	Rs '000	Rs '000
Three months ended March 31, 2024					
Segment revenue		25,569,419	21,722,440	3,725,042	51,016,901
Inter segment revenue	16.1.1	(1,533,625)	(280,036)	(75)	(1,813,736)
Revenue from external customers		24,035,794	21,442,404	3,724,967	49,203,165
Segment results		426,933	(2,925,384)	(2,291,256)	(4,789,707)
Three months ended March 31, 2023					
Segment revenue		22,507,586	17,258,185	5,294,002	45,059,773
Inter segment revenue	16.1.1	(1,572,117)	(300,853)	(75)	(1,873,045)
Revenue from external customers		20,935,469	16,957,332	5,293,927	43,186,728
Segment results		5,362,940	(10,991,861)	(86,212)	(5,715,133)

16.1.1 Inter segment revenues are eliminated on consolidation.

	Wireline	Wireless	Banking	Total
	Rs '000	Rs '000	Rs '000	Rs '000
As at March 31, 2024				
Segment assets	275,031,235	218,523,501	152,249,439	645,804,175
Segment liabilities	255,981,711	189,437,197	147,041,218	592,460,126
As at December 31, 2023				
Segment assets	268,315,458	218,397,267	156,885,740	643,598,465
Segment liabilities	237,826,942	195,365,939	152,225,366	585,418,247

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

			Three months ended	
			March 31, 2024 (Un-Audited) Rs '000	March 31, 2023 (Un-Audited) Rs '000
17. TRANSACTIONS WITH RELATED PARTIES				
Relationship with the Group	Nature of transaction			
i. Shareholders	Technical services assistance fee		1,590,029	1,329,091
ii. Associated undertakings	Sale of goods and services		2,176,018	2,343,139
	Purchase of goods and services		418,509	424,968
	Prepaid rent		-	198,311
iii. Employees	PTCL	Gratuity Fund	34,817	14,798
benefits plans	PTML	Gratuity Fund	51,554	29,330
	UBank	Gratuity Fund	21,127	21,127
iv. Employees	PTCL	PTCL Employees GPF Trust - net	26,118	18,097
contribution plans	PTML	Provident Fund	-	-
	UBank	Provident Fund	17,991	17,991
v. Other related parties	PTCL	Charges under license obligation	648,020	598,884
vi. Directors, Chief Executive and Key Management Personnel	Fee and remuneration including benefits and perquisites		573,498	592,097
			March 31, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Trade debts				
- Associated undertakings			38,053,646	37,140,878
Deposits, prepayments and other receivables				
- Associated undertakings			71,305	71,305
- Pakistan Telecommunication Employees Trust (PTET)			1,326	1,326
Pakistan Telecommunication Employees Trust (PTET)			6,243,635	6,251,822
Pakistan Telecommunication Company Limited Employees Gratuity Fund			-	-
Long term loans to executives and key management personnel				
		PTCL	103,687	34,525
UBank				
- Provident Fund Receivable			733	-
Trade and other payables				
Trade creditors				
- Associated Undertakings			4,544,085	3,874,850
- The Government of Pakistan and its related entities			2,609,207	2,070,961
Retention money payable to associated undertaking			2,940	2,940
Technical services fee payable to Etisalat			43,001,016	41,410,987
PTCL Employees GPF Trust			-	56,563
Pakistan Telecommunication Company Limited Employees Gratuity Fund			104,210	-
PTML				
- Gratuity Fund			167,997	379,006
UBank				
- Gratuity Fund Payable / (Receivable)			12,923	(451)

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

18. FAIR VALUE ESTIMATION

The carrying value of financial assets and liabilities approximates their fair value. "

19. OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

	Gross amounts subject to offsetting Rs '000	Offset Rs '000	Net amount Rs '000	Amount not in scope of offsetting Rs '000	Net as per statement of financial position Rs '000
As at March 31, 2024					
Trade debts and contract assets	34,547,059	(646,384)	33,900,675	31,809,756	65,710,431
Trade creditors	(1,945,827)	646,384	(1,299,443)	(14,363,188)	(15,662,631)
As at December 31, 2023					
Trade debts and contract assets	38,700,366	(5,002,628)	33,697,738	29,981,175	63,678,913
Trade creditors	(6,319,619)	5,002,628	(1,316,991)	(17,976,865)	(19,293,856)

20. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with that disclosed in the annual consolidated financial statements for the year ended 31 December 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited consolidated financial statements of the Group for the year ended 31 December 2023.

21. RECLASSIFICATION OF COMPARATIVES

Certain comparatives have been reclassified for the purpose of better presentation as per reporting framework. However, the changes in comparative figures have no material impact on previously reported financial position, financial performance and cash flow of the Company.

22. DATE OF AUTHORIZATION FOR ISSUE OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

These condensed consolidated interim financial statements for the three months period ended March 31, 2024 were authorized for issue by the Board of Directors of the Holding Company on May 27, 2024.



Chief Financial Officer



President & CEO



Chairman



**Pakistan Telecommunication
Company Limited**

PTCL Head Office
Ufone Tower, Plot #55-C,
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