



2024

SECOND QUARTER REPORT



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BOARD OF DIRECTORS

Chairman PTCL Board

Azfar Manzoor

Members PTCL Board

Abdulrahim A. Al Nooryani

Ahad Khan Cheema

Imdad Ullah Bosal

Jawad Paul Khawaja

Dr. Mohamed Karim Bennis

Brooke Marie Lindsay

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

EY Ford Rhodes
Chartered Accountants

Bankers

Conventional

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Citibank N.A.
Deutsche Bank A.G.
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
HBL Microfinance Bank
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Samba Bank Limited
Silk Bank Limited
Sindh Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Bank Makramah Limited
The Bank of Khyber
The Bank of Punjab
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 to the shareholders the financial statements of the Company for the half year ended 30 June 2024. The financial statements of the Company have been reviewed by the statutory auditors.

During the first half of 2024, PTCL group upheld its momentum and strengthened its position as a major telecom service provider in Pakistan. The Group achieved revenue growth of 17.7% compared to the same period of last year. Revenue growth was largely boosted by significant growth in Fixed Broadband, consumer segment, Mobile Data and Business Solutions.

During the period under review, PTCL Group's revenue of Rs 105 billion is 17.7% higher as compared to the same period of last year. The Group has posted a net loss of Rs 8.9 billion for the period. PTCL continued its growth momentum by posting 12% YoY revenue growth. PTCL's (Ufone) revenue grew by 28% as compared to the same period of last year whereas UBank's revenue has increased by 2% as compared to the same period last year.

PTCL continued its strong performance throughout the first half of 2024. PTCL achieved revenue of Rs 52.7 billion for the period, which is 12% higher than last year's, mainly driven by growth in fixed line and corporate & wholesale segments. 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. Flash fiber has crossed the mark of 500k subscribers in Q2'24. The company has posted an operating profit of Rs 5.6 billion, which is 26% higher as compared to the same period of 2023. Net profit of Rs 1.1 billion has been reported for the period.

PTCL's aggressive deployment of Fiber to the Home (FTTH) technology is a key driver for its topline growth. PTCL continues to focus strategically on enhancing customer experience by offering fast and reliable internet services through its flagship 'Flash Fiber' FTTH brand. This approach positions PTCL as a leading FTTH operator in the industry, capturing a significant share of the market's net additions. PTCL's fixed broadband business has shown 20.4 % YoY growth, whereas PTCL Flash Fiber showed unprecedented growth of 116.7 % YoY.

PTCL's SHOQ TV Box, an Android TV powered by Google is set to revolutionize TV viewing with live channels, and 15,000 hours of on-demand content. Additionally, PTCL offered free live streaming of the ICC T20 World Cup 2024.

This quarter, PTCL strategy centered on "Speed," connecting with the audience to create a positive image of reliable high-speed internet, leading us to achieve the No. 1 subscriber base in Flash Fiber.

The business services segment maintained its growth, cementing leadership in IP bandwidth, Cloud, Data Center and ICT services. PTCL enterprise business grew by 44.4% as compared to the same period last year.

During the reported period PTCL business services team was able to introduce various innovations with impact at a national level. Some of the projects include development and implementation of a state-of-the-art education platform for public schools, providing interactive digital resources to over 120 schools, enriching the learning experience and fostering digital skills and an offer ensuring seamless connectivity for over 80,000 pilgrims with comprehensive international roaming services.

Additionally, PTCL Business services and HPE signed strategic partnership to empower public and government sector through PTCL Smart Cloud that is now offering cloud services which meets State Bank regulations, facilitating the development of digital platforms for financial institutions and PTCL implemented an IoT-based smart fleet solution for an urban municipality to optimize fleet management and reduce environmental impact.

These achievements demonstrate PTCL Business Solutions' commitment to driving digital transformation across various sectors and contributing to a more connected future.

Ufone 4G posted a YoY growth of 28% in topline during the period, supported by solid network expansion and strategic initiatives. 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. Ufone 4G continues its network modernization activities to provide unmatched customer experience across Pakistan. Ufone 4G is enhancing its digital experience by integrating value-added services like Golootlo, Waada, Shoq, and UCloud into its key products, providing a more enriched and engaging experience for customers. Ufone launched the industry-leading MyRewards App, currently in pilot, offering loyalty-based exclusive deals and discounts across various categories like food, apparel, lifestyle, and shopping. PTCL's digital brand Onic is making steady strides in the industry by providing customers with a complete digital ecosystem for an enhanced experience. Ufone 4G, in collaboration with the Ministry of Religious Affairs, has introduced an unbeatable Data Roaming Offer for prepaid customers on pilgrimage to Saudi Arabia. Ufone won prestigious awards for Best Prepaid Card Solution (UPower) and Best SMS Campaign at the Pakistan Digital Awards.

Ufone's "Data Bohhaat Hai" strategy aimed to resonate with the audience and highlight superior 4G offerings and value-for-money products.

Recognizing the significance of CSR, PTCL Group has been active in supporting communities. During Ramadan, it launched the digital fundraising campaign "Bano Achai Ki Misaal" to aid various charities. PTCL Group also conducted SMS campaigns in various districts to raise awareness about polio vaccination, in collaboration with UNICEF's Polio Eradication Initiative.

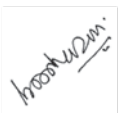
Additionally, PTCL Group signed an MoU with ConnectHear to improve accessibility for individuals with hearing impairments, with Ufone 4G broadcasting early warning videos. The group also held an annual blood donation drive at its Islamabad headquarters, with employees participating in observance of World Blood Donor Day.

Under its 'Act of Kindness' initiative, PTCL Group distributed free train tickets to people traveling to their hometowns from Karachi on Eid-ul-Azha and distributed Eid gifts as a goodwill gesture.

Your attention is drawn to note 13.2 of PTCL's interim financial statements for the period, which describes that matters relating to certain employees' rights under the PTCL pension scheme are pending with various courts, as highlighted by external auditors in their review report.

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

On behalf of the Board



Azfar Manzoor

Chairman, Board of Directors PTCL

Islamabad: August 28, 2024



Hatem Mohamed Bamatraf

President & Group Chief Executive Officer

بینک قوانین کے مطابق ہے اور جس سے مالی اداروں کے لئے ڈیجیٹل پلٹ فارم بنانے میں سہولت ملے گی۔ پی ٹی سی ایل نے ایک شہری میونسپلٹی کے لئے آئی اوٹی میڈ اسمارٹ فلیٹ حل بنایا تاکہ فلیٹ کو بہتر طریقے سے سنبھالا جاسکے اور ماحولیاتی اثرات کو کم کیا جاسکے۔ یہ کامیابیاں پی ٹی سی ایل بزنس سلوشنز کا مختلف شعبوں میں ڈیجیٹل منتقلی اور مربوط مستقبل کے عزم کا اعادہ کرتی ہیں۔

اس مدت میں پی ٹی سی ایل (یوفون 4G) نے نیٹ ورک کی توسیع اور دیگر اسٹریٹجک اقدامات کی سال بہ سال 28 فیصد کی شرح نمو حاصل کی۔ یہ اضافہ ڈیٹا سے متعلق متعدد ٹیکنیکز اور معروف ڈیجیٹل پلٹ فارمز کے ساتھ اسٹریٹجک شراکت داری کی وجہ سے صارفین کے تجربے اور ڈیجیٹل مصروفیت کی بدولت ممکن ہوا۔ یوفون 4 جی پاکستان بھر میں اپنے صارفین کو بہترین تجربے کی فراہمی کے لیے اپنا نیٹ ورک جدید بنا رہا ہے۔ یوفون 4 جی اپنی اہم ڈیجیٹل مصنوعات میں گولڈ لو، وعدہ اور بوکا وڈ سروسز جیسی مختلف ویلیو ایڈڈ سروسز (VAS) کو ضم کر کے اپنے ڈیجیٹل تجربے اور پراڈکٹس بڑھانے میں اہم اقدامات کے ساتھ صارفین کے لیے زیادہ جامع اور بھرپور تجربے فراہم کر رہا ہے۔ یوفون نے ٹیلی کام انڈسٹری کی معروف "مائی ریورڈ ایپ" جو ابھی پائلٹ موڈ میں ہے کے ذریعے شاپنگ، لائف اسٹائل، ملبوسات اور کھانے جیسی مختلف کیلنگ ریز میں ڈیلیور اور ڈسکاؤنٹ کے حوالے سے خصوصی پیش کش کر رہی ہے۔ پی ٹی سی ایل 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۔ یوفون فوری طور پر وزارت مذہبی امور کے تعاون سے سعودی عرب، حج پر جانے والے پری پیڈ صارفین کے لیے بہترین ڈیٹا رومنگ آفر متعارف کرائی۔ یوفون نے "بہترین پری پیڈ کارڈ سلوشنز (یوپاور) اور بہترین ایس ایم ایس مہم چلانے پر ممتاز "پاکستان ڈیجیٹل ایوارڈ " جیتا۔ یوفون کی "ڈیٹا بہت ہے" اسٹریٹجی کا مقصد بھی صارفین کو بہترین فوری سہولت کے ساتھ ویلیو فارمنی مصنوعات کی پیش کش کرنا ہے۔ کارپوریٹ اداروں کی سماجی ذمہ داریوں (سی ایس آر) کی اہمیت کو تسلیم کرتے ہوئے پی ٹی سی ایل کیونٹریکس کی مدد کے لیے سرگرم ہے۔ رمضان المبارک کے دوران ادارے نے مختلف خیراتی اداروں کی مدد کے لیے ڈیجیٹل فنڈ ریزنگ مہم "بنو اچھائی کی مثال" کا آغاز کیا۔ پی ٹی سی ایل گروپ نے ملک میں پولیو کے خاتمے کے لئے یونیسف کے ساتھ مل کر پولیو کے قطرے پلانے کی اہمیت اور شعور اجاگر کرنے کے لئے مختلف اضلاع میں ایس ایم ایس مہم بھی چلائی۔

مزید برآں پی ٹی سی ایل گروپ نے لنکیٹ ہیئر (Connect Hear) کے ساتھ مفاہمتی یادداشت پر دستخط کیے ہیں۔ جس کا مقصد قوت سماعت سے محروم افراد کو سہولیات تک بہتر رسائی دینا ہے۔ اس سلسلے میں یوفون 4 جی نے انتخابی ویڈیو نشر کیے۔ اس کے علاوہ خون عطیہ کرنے کے عالمی دن کے موقع پر گروپ نے اسلام آباد ہائیڈروکارڈ میں خون کے عطیہ کی سالانہ مہم بھی منعقد کی، جس میں ملازمین نے خون کے عطیات جمع کرائے۔

پی ٹی سی ایل گروپ نے 'ایک آف کانسٹنس' اقدام کے تحت عیدالاضحیٰ کے موقع پر کراچی سے اپنے آبائی علاقوں کو جانے والوں کو جذبہ خیر سگالی کے طور پر ٹرین کے مفت ٹکٹ اور تحائف تقسیم کیے۔

آپ کی توجہ اس مدت کے لیے پی ٹی سی ایل کے عبوری مالیاتی گوشواروں کے نوٹ 13.2 کی مبذول کرائی جاتی ہے جو یہ بتاتے ہیں کہ پی ٹی سی ایل پنشن اسکیم کے تحت بعض ملازمین کے حقوق کے حوالے سے متعلق معاملات مختلف عدالتوں میں زیر التوا ہیں جیسا کہ بیرونی آڈیٹرز نے اپنی جائزہ رپورٹ میں روشنی ڈالی ہے۔

پی ٹی سی ایل گروپ کی انتظامیہ اور ملازمین اپنے صارفین کے لیے پسندیدہ پارٹنر اور شینئر ہولڈرز کی قدر کو بہتر بنانے کے لیے ٹھوس کوششوں کے ذریعے مسابقتی قیمتوں پر معیاری خدمات فراہم کرنے کے لیے پرعزم ہیں۔

بورڈ کی جانب سے

حاتم محمد بامطرف

صدر اور گروپ چیف ایگزیکٹو آفیسر

اخظفر منظور

چیئرمین، بورڈ آف ڈائریکٹرز پی ٹی سی ایل

اسلام آباد، اگست 28، 2024

ڈائریکٹرز کا جائزہ

پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ (PTCL) کے ڈائریکٹرز 30 جون 2024 کو ختم ہونے والی ششماہی کے لیے کمپنی کے مالیاتی گوشوارے شیئر ہولڈرز کے سامنے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ ان مالیاتی گوشواروں کا قانونی آڈیٹرز نے جائزہ لیا ہے۔ 2024 کی پہلی ششماہی 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۔ گروپ کی آمدنی میں گزشتہ سال کے اسی دورانیے کے مقابلے میں 17.7 فیصد اضافہ ہوا۔ آمدنی میں اضافے کی بڑی وجہ فیکسڈ براڈ بینڈ، صارفین کا شعبہ، موبائل ڈیٹا اور برنس سلسلہ کی بڑھوتی تھی۔

زیر جائزہ مدت کے دوران پی ٹی سی ایل گروپ کی آمدنی گزشتہ سال کے اسی دورانیے کے مقابلے میں 17.7 فیصد اضافے کے ساتھ 105 ارب روپے پر پہنچ گئی۔ گروپ کو اس عرصے میں 8.9 ارب روپے کا خالص نقصان ہوا۔ پی ٹی سی ایل نے ترقی کا سفر جاری رکھتے ہوئے سال بہ سال 12 فیصد زائد آمدنی حاصل کی۔ گزشتہ سال کی اسی مدت کے مقابلے میں (پی ٹی ایم ایل) یوفون کی آمدنی میں 28 فیصد اضافہ جب کہ یوبینک (UBank) کی آمدنی میں 2 فیصد اضافہ ہوا۔

پی ٹی سی ایل نے 2024 کی پہلی ششماہی میں بھی اپنی بہترین کارکردگی کو جاری رکھا۔ اس دورانیے میں پی ٹی سی ایل نے 52.7 ارب روپے کی آمدنی حاصل کی جو کہ گزشتہ سال کے مقابلے میں 12 فیصد زیادہ ہے۔ اس کی بنیادی وجہ فیکسڈ لائن اور کارپوریٹ اینڈ ہول سیل کے شعبوں میں اضافہ ہے۔

فلٹش فائبر، پی ٹی سی ایل کی پریمیم فائبر ٹودی ہوم (FTTH) سروس، نے FTTH مارکیٹ میں دسمبر 2023 سے سب سے زیادہ نیٹ ایڈیڈ شیئر کے ساتھ زبردست ترقی دکھائی ہے اور اب پاکستان کی سب سے بڑی FTTH سروس فراہم کنندہ بن گئی ہے۔ فلٹش فائبر نے 2024 کی دوسری سہ ماہی کے اختتام تک 5 لاکھ سسکر ایبرز (صارفین) کا سنگ میل حاصل کر لیا۔ کمپنی نے 5.6 ارب روپے کا آپریٹنگ نفع کمایا جو کہ 2023 کی اسی مدت کے مقابلے میں 26 فیصد زیادہ ہے۔ کمپنی نے اس مدت میں 1.1 ارب روپے کا خالص منافع کمایا ہے۔

پی ٹی سی ایل کی فائبر ٹودی ہوم (FTTH) سروس کی انتہائی سرعت سے تنصیب کی حکمت عملی اس کے تیز ترین فروغ کی بنیادی وجہ ہے۔ پی ٹی سی ایل کی اسٹریٹجک توجہ اپنے فلیگ شپ فائبر ٹودی ہوم (FTTH) برانڈ فلٹش فائبر کے ذریعے صارفین کو تیز ترین اور قابل بھروسہ انٹرنیٹ خدمات فراہم کر کے انہیں اپنی جانب مائل کرنے پر رہی، جس نے پی ٹی سی ایل کو مارکیٹ میں صف اول کی کمپنیوں میں شامل رکھا۔ اور مارکیٹ میں صارفین کا بڑا حصہ حاصل کیا۔ پی ٹی سی ایل کے براڈ بینڈ کاروبار میں سال بہ سال 20.4 فیصد اور فلٹش فائبر شعبے میں 116.7 فیصد کا اضافہ دیکھا گیا۔

پی ٹی سی ایل کا اینڈرائیڈ وی باکس شوق لائیو چینلز اور 15000 گھنٹوں پر محیط آن ڈیمانڈ کانٹینٹ کے ساتھ انقلاب لانے کے لیے تیار ہے۔ جس پر پی ٹی سی ایل نے آئی سی سی T20 ورلڈ کپ 2024 کی مفت لائیو اسٹریمنگ بھی پیش کی۔

اس سہ ماہی کے دوران پی ٹی سی ایل کی توجہ اسپڈ پر رہی جو صارفین کے سامنے بھروسہ مند و تیز رفتار انٹرنیٹ کا مثبت عکس پیش کرتی ہے، جس کی بدولت ہمیں فلٹش فائبر کی نمبرون سبسکر ایبرز بنانے میں مدد ملی ہے۔

کاروباری خدمات کے شعبے نے اپنی رفتار کو برقرار رکھتے ہوئے آئی پی اینڈ ٹھ، کلاؤڈ، ڈیٹا سینٹر، اور دیگر آئی سی ٹی خدمات کے میدان میں بالادستی قائم رکھی۔ پی ٹی سی ایل کے انٹرنیٹ برنس کی آمدنی میں گزشتہ سال کی اسی مدت کی نسبت 44.4 فیصد اضافہ ہوا۔

رپورٹ کی گئی اسی مدت کے دوران پی ٹی سی ایل کی برنس سروس ٹیم نے قومی سطح پر مختلف قسم کی نئی اختراعات (انوویشنز) متعارف کروائی۔ جن میں سے کچھ سرکاری اسکولوں میں اسٹیٹ آف دی آرٹ تعلیمی پلیٹ فارم کا نفاذ شامل ہے، جس کے تحت 120 سے زائد اسکولوں کو انٹریکٹیو ڈیجیٹل سہولیات فراہم کی گئیں، جس نے طلباء کی ڈیجیٹل مہارتوں (اسکلز) اور سیکھنے کے عمل کو مزید مہینہ کیا اور 80,000 حجاج کرام کو جامع اور مربوط بین الاقوامی مواصلاتی سروس (انٹرنیشنل رومنگ سروس) کی سہولت دی گئی۔

مزید برآں پی ٹی سی ایل کی برنس سروس اور انجی پی ای (HPE) نے اسٹریٹجک معاہدے پر دستخط کیے، جن کا مقصد نجی اور سرکاری شعبے کو پی ٹی سی ایل سمارٹ کلاؤڈ کے ذریعے خود مختار بنانا تھا۔ پی ٹی سی ایل سمارٹ کلاؤڈ اب کلاؤڈ سروس فراہم کر رہی ہے جو کہ اسٹیٹ

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PAKISTAN TELECOMMUNICATION COMPANY LIMITED REPORT ON REVIEW OF CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Pakistan Telecommunication Company Limited (the Company) as at 30 June 2024, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

EMPHASIS OF MATTER

We draw attention to note 13.2 to the interim financial statements, which describes matters relating to certain pensioners' claim against the Company, which are currently pending adjudication for the reasons explained in the above-mentioned note. The Company has not made provision against the said claims in the interim financial statements. Our conclusion is not modified in respect of this matter.

OTHER MATTERS

The financial statements of the Company for the year ended 31 December 2023 were audited by another auditor, whose report dated 05 May 2024 expressed an unmodified opinion along with an emphasis of matter paragraph.

The condensed interim financial statements of the Company for the six-month period ended 30 June 2023, were reviewed by another auditor who expressed an unmodified conclusion, along with an emphasis of matter paragraph, on 25 August 2023.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 30 June 2024 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 30 June 2024.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Omer Chughtai.



EY Ford Rhodes
Chartered Accountants

Islamabad:

August 29, 2024

UDIN Number: RR202410120qjazXwfCV

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	June 30, 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		40,008,170	38,871,108
		67,505,242	66,368,180
		118,505,242	117,368,180
Liabilities			
Non-current liabilities			
Employees retirement benefits		36,258,831	34,324,346
Deferred government grants		17,239,447	15,080,525
Long term loans from banks	6	55,800,041	50,781,306
Contract liabilities		1,536,280	1,661,536
Lease liabilities		1,240,613	1,290,725
		112,075,212	103,138,438
Current liabilities			
Trade and other payables	7	146,201,686	141,423,801
Short term running finance	8	39,736,434	24,214,700
Security deposits		618,413	616,031
Unclaimed dividend		209,161	209,256
Current maturity of lease liabilities		394,050	391,989
Current portion of long term loans from banks		430,377	239,408
		187,590,121	167,095,185
Total equity and liabilities		418,170,575	387,601,803

Contingencies and commitments

13

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



Chief Financial Officer



Director



Director

	Note	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Assets			
Non-current assets			
Property, plant and equipment	9	153,721,306	144,017,787
Right of use assets		1,621,585	1,698,902
Intangible assets		1,444,748	1,742,663
		156,787,639	147,459,352
Long term investments		74,236,284	71,836,284
Long term loans and advances	10	37,630,674	32,225,182
Deferred income tax		4,653,998	2,745,195
Contract cost		116,594	183,092
		273,425,189	254,449,105
Current assets			
Stores and spares		9,922,736	9,433,265
Contract cost		2,993,592	2,593,728
Trade debts and contract assets	11	55,351,780	52,587,358
Loans and advances		6,171,562	4,628,442
Income tax recoverable		24,258,152	22,598,810
Receivable from GoP		2,164,072	2,164,072
Prepayments and other receivables		30,908,464	29,117,706
Cash and bank balances	12	12,975,028	10,029,317
		144,745,386	133,152,698
Total assets		418,170,575	387,601,803

Chief Financial Officer

Director

Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

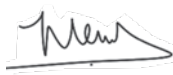
FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	Three months ended		Six months ended	
		June 30, 2024 Rs '000	June 30, 2023 Rs '000	June 30, 2024 Rs '000	June 30, 2023 Rs '000
Revenue	14	26,776,582	23,973,121	52,700,428	46,920,073
Cost of services		(19,987,493)	(18,178,253)	(39,182,414)	(35,432,953)
Gross profit		6,789,089	5,794,868	13,518,014	11,487,120
Administrative and general expenses		(2,197,443)	(2,013,137)	(4,385,293)	(3,997,792)
Selling and marketing expenses		(1,192,153)	(1,070,011)	(2,330,620)	(2,080,446)
Impairment loss on trade debts and contract assets		(666,759)	(442,000)	(1,118,759)	(906,832)
		(4,056,355)	(3,525,148)	(7,834,672)	(6,985,070)
Operating profit		2,732,734	2,269,720	5,683,342	4,502,050
Other income	15	4,098,405	3,190,485	7,291,165	11,608,184
Finance costs		(5,703,593)	(2,974,115)	(11,239,574)	(4,944,853)
Profit before tax		1,127,546	2,486,090	1,734,933	11,165,381
Provision for taxation		(421,729)	(976,428)	(597,871)	(4,183,331)
Profit for the period		705,817	1,509,662	1,137,062	6,982,050
Earnings per share - basic and diluted (Rupees)		0.14	0.30	0.22	1.37

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



Chief Financial Officer



Director



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

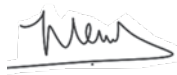
FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Three months ended		Six months ended	
	June 30, 2024 Rs '000	June 30, 2023 Rs '000	June 30, 2024 Rs '000	June 30, 2023 Rs '000
Profit for the period	705,817	1,509,662	1,137,062	6,982,050
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	705,817	1,509,662	1,137,062	6,982,050

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



Chief Financial Officer



Director



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS

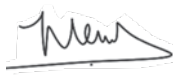
FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	Six months ended	
		June 30, 2024 Rs '000	June 30, 2023 Rs '000
Cash flows from operating activities			
Cash generated from operations	16	11,008,620	4,642,144
Employees retirement benefits paid		(1,032,755)	(860,156)
Addition to contract costs		(2,410,788)	(1,876,933)
Advances from customers		(79,947)	100,180
Income tax paid		(4,166,015)	(1,085,360)
Net cash generated from operating activities		3,319,115	919,875
Cash flows from investing activities			
Capital expenditure		(18,644,502)	(10,300,590)
Acquisition of intangible assets		(108,564)	(1,024,319)
Proceeds from disposal of property, plant and equipment		1,310,193	2,115,632
Long term loans and advances		(2,037,383)	175,942
Return on long term loan to subsidiaries		3,072,965	1,884,474
Investment in Pak Telecom Mobile Limited		-	(15,500,000)
Investment in U Microfinance Bank Limited		(1,200,000)	-
Long term subordinated loans - Pak Telecom Mobile Limited		(5,000,000)	(4,500,000)
Repayment of subordinated loans - Pak Telecom Mobile Limited		1,250,000	1,000,000
Dividend income - U Microfinance Bank Limited		-	443,743
Return on short term investments and bank deposit		130,869	130,577
Government grants received		2,678,751	1,216,634
Net cash used in investing activities		(18,547,671)	(24,357,907)
Cash flows from financing activities			
Dividend paid		(95)	(442)
Interest paid on short term running finance		(2,103,534)	(1,166,613)
Long term loan from banks - net		5,209,704	18,000,000
Lease liabilities		(453,542)	(324,265)
Net cash generated from financing activities		2,652,533	16,508,680
Net (decrease) in cash and cash equivalents		(12,576,023)	(6,929,352)
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	(26,761,406)	(1,336,979)

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



Chief Financial Officer



Director



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2024

	Issued, subscribed and paid-up capital			Revenue reserves		Total
	Class "A"	Class "B"	Total	General reserve	Unappropriated profit	
	(Rupees in '000)					
Balance as at December 31, 2022 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	29,556,957	108,054,029
Total comprehensive income for the six months ended						
Profit for the period ended June 30, 2023	-	-	-	-	6,982,050	6,982,050
Other comprehensive income for the period	-	-	-	-	-	-
Balance as at June 30, 2023 (Un-Audited)	37,740,000	13,260,000	51,000,000	27,497,072	36,539,007	115,036,079
Total comprehensive income for the six months ended						
Profit for the period ended December 31, 2023	-	-	-	-	2,408,493	2,408,493
Other comprehensive income for the period	-	-	-	-	(76,392)	(76,392)
Balance as at December 31, 2023 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	38,871,108	117,368,180
Total comprehensive income for the six months ended						
Profit for the period ended June 30, 2024	-	-	-	-	1,137,062	1,137,062
Other comprehensive income for the period	-	-	-	-	-	-
Balance as at June 30, 2024 (Un-Audited)	37,740,000	13,260,000	51,000,000	27,497,072	40,008,170	118,505,242

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

Chief Financial Officer

Director

Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 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.

The company has signed a Share Purchase Agreement with Telenor Pakistan B.V. (Telenor) in 2023 to acquire a 100% stake in Telenor Pakistan (Pvt) Ltd (Telenor Pakistan) and Orion Towers (Pvt) Ltd based on an Enterprise Value of PKR 108 billion on a cash free, debt free basis. The transaction will be financed through US Dollar syndicated Financing Facility led by International Finance Corporation (IFC) and the relevant Financing agreements have been signed on June 27, 2024. This transaction is subject to necessary regulatory approvals.

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.

These financial statements are the separate financial statements of the Company (PTCL). In addition to these separate financial statements, the Company also prepares consolidated financial statements.

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

- 4.1 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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

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.

- 4.2 The Company performed impairment tests for its equity investments in Pak Telecom Mobile Limited (PTML) and U Microfinance Bank Limited (Ubank), respectively, as at June 30, 2024, considering the current and historical financial performance and capital requirements of these entities.

PTML:

The recoverable amount of PTML as at June 30, 2024 has been determined based on a value in use calculation using cash flow projections covering a five-year period. The pre-tax discount rate applied to cash flow projections is 12.12% (2023: 11.83%), and it is also stressed to 22.25% for the purposes of impairment test. Cash flows beyond the five-year period are extrapolated using a 6.5% growth rate (2023: 6.5%), that is the same as the long-term average growth rate for the telecom industry and country of Pakistan. It was concluded that the carrying value of investment does not exceed the value in use. As a result of the analysis, management did not identify any impairment for this investment.

Ubank:

The recoverable amount of Ubank as at June 30, 2024 has also been determined based on a value in use calculation using cash flow projections from financial budgets approved by the Board of Directors of Ubank covering a five-year period. The pre-tax discount rate applied to cash flow projections is 13.96%, and it is also stressed to 28% for the purposes of impairment test. Cash flows beyond the five-year period are extrapolated using a 6.6% growth rate, that is the same as the long-term average growth rate for the country of Pakistan. It was concluded that the carrying value of investment does not exceed the value in use. As a result of this analysis, management has not identified any impairment charge.

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 except for following:

- 5.1 The Institute of Chartered Accountants of Pakistan (ICAP) has issued circular 7/2024 "IAS 12: Application Guidance on Accounting for Minimum Taxes" (the Guidance) dated May 15, 2024, which provides guidance that only those taxes payable, under the Income Tax Ordinance, 2001, which are calculated with reference to 'taxable profit' (i.e., under the Normal Tax Regime (NTR)), are within preview of IAS 12 "Income Taxes", whereas, taxes payable under 'Final/ Presumptive Tax Regime' (FTR) are 'levy' being under the preview of IAS 37 / IFRIC 22 "Levies" and thus presented separately before profit before taxation in the statement of profit or loss.

For 'Hybrid taxes', such as 'turnover tax' or taxes payable under 'Minimum Tax Regime' (MTR), the Company has to make an accounting policy choice. Accordingly, the Company has elected to designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 and recognizes it as current income tax expense. Any excess over the amount designated as income tax, will then be recognized as a levy falling under the scope of IFRIC 21/IAS 37. As required, the Company has retrospectively applied the above guidance, however, as none of the Company's income is subject to FTR and turnover tax is expected to be adjusted against tax payable under the NTR, the adoption of above-mentioned guidance has had no impact on the financial statements in the current and prior periods.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	June 30, 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 Ltd	6.1	8,000,000	3,000,000
Bank Islami Pakistan Ltd		2,000,000	2,000,000
Less: transaction costs		(199,959)	(218,694)
		55,800,041	50,781,306
Accrued Interest		430,377	239,408
		56,230,418	51,020,714
Current portion of long term loans from banks		(430,377)	(239,408)
		55,800,041	50,781,306

- 6.1** During the period, the Company entered into a finance agreement dated April 05, 2024 to avail long term finance facility to the extent of Rs. 5,000,000 thousand for extending subordinated loan to wholly owned subsidiary, PTML. The finance facility is secured by way of hypothecation over all assets except land, building & licenses. The loan is repayable in twelve quarterly installments commencing from July 18, 2028.

	Note	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
7. TRADE AND OTHER PAYABLES			
Trade creditors		15,539,874	16,719,184
Accrued and other liabilities	7.1	42,438,596	41,878,273
Technical services assistance fee	7.2	44,695,590	41,410,987
Advances from customers / contract liability		7,302,578	7,405,126
Retention money / payable to contractors and suppliers		8,084,608	8,593,518
Payable to subsidiaries on account of group taxation		25,838,841	24,022,866
Sales tax payable		1,866,736	1,393,847
Income tax collected / deducted at source		434,863	-
		146,201,686	141,423,801

7.1 Accrued and other liabilities

Accrued liability for operational expenses		14,112,522	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		14,253,662	14,172,127
Accrued wages		1,285,932	3,395,566
Others		675,677	955,326
		42,438,596	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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

8. SHORT TERM RUNNING FINANCE

These facilities are obtained from various commercial banks with an aggregate limit of Rs. 16,800,000 thousand (December 31, 2023: 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 0.50% (December 31, 2023: 0.15% to 0.35%) per annum.

This also include shariah compliant, rated, unlisted, unsecured, privately placed short term sukuk amounting to Rs. 22,500,000 thousand (December 2023: 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	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
9. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	127,116,650	123,757,109
Capital work-in-progress	9.3	26,604,656	20,260,678
		153,721,306	144,017,787

	Note	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
9.1 Operating fixed assets			
Opening net book value		123,757,109	114,100,867
Additions during six months period	9.2	12,300,524	9,929,451
		136,057,633	124,030,318
Disposals during the period - at net book value		(5,841)	(20,208)
Depreciation charge for the period		(8,935,142)	(8,261,061)
		(8,940,983)	(8,281,269)
Closing net book value		127,116,650	115,749,049

9.2 Detail of additions during the period:

Buildings on freehold land	158,998	151,518
Buildings on leasehold land	28,163	57,238
Lines and wires	4,067,092	4,755,786
Apparatus, plant and equipment	7,119,258	4,223,184
Office equipment	149,975	314,975
Computer equipment	37,747	20,072
Furniture and fittings	3,255	36,881
Vehicles	2,968	11,181
Passive and allied equipment	-	7,058
Submarine cables	733,068	351,558
	12,300,524	9,929,451

9.3 Additions to Capital work-in-progress during the six months ended June 30, 2024 were Rs 18,713,765 thousand (June 30, 2023: Rs 11,300,202 thousand).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
10. LONG TERM LOANS AND ADVANCES			
Loans to PTML - unsecured		25,333,331	20,750,000
Loans to Ubank - unsecured		-	1,200,000
Loans to employees - secured		896,778	826,004
Others		11,400,565	9,449,178
		37,630,674	32,225,182
11. TRADE DEBTS AND CONTRACT ASSETS			
Trade debts		57,362,340	53,737,833
Contract assets		5,942,582	5,683,902
		63,304,922	59,421,735
Allowance for expected credit loss		(7,953,142)	(6,834,377)
		55,351,780	52,587,358
12. CASH AND BANK BALANCES			
Cash in hand		182,683	163,532
Balances with banks:	12.1		
Deposit accounts local currency		1,727,060	984,056
Current accounts			
Local currency		3,214,480	2,105,847
Foreign currency		7,850,805	6,775,882
		11,065,285	8,881,729
		12,975,028	10,029,317

12.1 Bank balance includes Rs 20,118 thousand (December 31, 2023: Rs 81,812 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 60,892,615 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 SIX MONTHS ENDED JUNE 30, 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 filed the applications under section 12(2) CPC before respective High Courts, however the same were dismissed by the Islamabad High Court vide Judgment dated January 22, 2018, as being not maintainable. The said order of the Islamabad High Court was challenged by the Company and PTET before the Supreme Court which was pleased to recently dispose of the Appeals vide its order dated April 29, 2024 and remanded back the 12(2) applications to the High Court(s) for recalling the earlier order in respect of those Petitioners who opted for VSS. The fresh 12(2) applications were filed before the Honourable Islamabad and Peshawar High court(s) and the cases have been admitted for hearing vide order dated June 24, 2024 and July 11, 2024, respectively. PTET has implemented the Apex court decision dated June 12, 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 November 02, 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 condensed interim financial statements.

Due to complexity of the matter and varying decisions from courts in this regard, it is not practical to estimate reliably the financial impact, in case of unfavorable outcome of this matter, before its conclusion.

Note	June 30, 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	3,749,100	3,009,705
	11,887,818	11,098,373
Corporate guarantee in favour of PTML	68,527,630	56,400,000
Corporate guarantee in favour of Ubank	10,000,000	10,000,000
	78,527,630	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).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
13.4 Commitments		
Contracts for capital expenditure	18,282,866	10,496,849
Letter of comforts in favour of PTML	3,500,000	3,500,000
	21,782,866	13,996,849

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.

	Six months ended	
	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	23,776,262	19,866,570
Voice services	4,224,922	4,146,709
Wireless data	655,192	861,863
Revenue from retail customers	28,656,376	24,875,142
Corporate and wholesale	19,227,317	17,000,436
International	4,816,735	5,044,495
Total revenue	52,700,428	46,920,073

14.1 Revenue is stated net of trade discount amounting to Rs 21,341 thousand (June 30, 2023: Rs 20,517 thousand) and Federal Excise Duty and sales tax amounting to Rs 7,915,444 thousand (June 30, 2023: Rs 6,865,933 thousand).

	Note	Six months ended	
		June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
15. OTHER INCOME			
Income from financial assets	15.1	2,976,018	7,431,323
Income from non-financial assets		4,315,147	4,176,861
		7,291,165	11,608,184

15.1 Income from financial assets include Rs 165 thousand (June 30, 2023: Rs 63 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Six months ended	
	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
16. CASH GENERATED FROM OPERATIONS		
Profit before tax	1,734,933	11,165,381
Adjustments for non-cash charges and other items:		
Depreciation of property, plant and equipment	8,935,142	8,261,061
Amortization of intangible assets	406,481	434,592
Depreciation of right of use assets	346,011	374,106
Amortization of contract costs	2,077,422	1,969,997
Write-off for obsolete stores and spares	(1,096)	(8,898)
Impairment loss on trade debts and contract assets	1,118,759	906,832
Provision for employees retirement benefits	3,008,471	2,531,465
Gain on disposal of property, plant and equipment	(1,304,352)	(2,095,424)
Return on bank deposits	(116,872)	(109,093)
Imputed interest on long term loans	15,609	(32,747)
Imputed interest on lease liabilities	136,798	74,599
Return on long term loan to subsidiaries	(2,849,005)	(2,162,511)
Interest on long term loans from banks	5,824,670	3,007,987
Interest on running finance	2,847,516	274,223
Unearned revenue realized against advances from customers	(45,309)	(83,944)
Dividend Income from subsidiary	-	(443,743)
Release of deferred government grants	(519,829)	(255,363)
Exchange gain	(226,878)	(3,765,284)
	21,388,471	20,043,236
Effect on cash flows due to working capital changes:		
(Increase) / Decrease in current assets:		
Stores and spares	(488,374)	285,609
Trade debts and contract assets	(3,584,767)	(6,459,253)
Loans and advances	(2,376,839)	(1,766,082)
Prepayments and other receivables	(2,069,945)	(5,187,119)
	(8,519,925)	(13,126,845)
Increase / (Decrease) in current liabilities:		
Trade and other payables	(1,862,308)	(2,278,260)
Security deposits	2,382	4,013
	11,008,620	4,642,144
17. CASH AND CASH EQUIVALENTS		
Short term running finance	(39,736,434)	(8,926,155)
Cash and bank balances	12,975,028	7,589,176
	(26,761,406)	(1,336,979)

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

			Six months ended	
			June 30, 2024 (Un-Audited) Rs '000	June 30, 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		1,734,092	1,533,445
ii. Subsidiaries	Sale of goods and services		3,102,760	3,101,639
	Purchase of goods and services		2,427,746	2,944,487
	Mark up on loans		2,849,230	2,162,341
	Dividend income		-	443,743
	Long term investment in subsidiary		2,400,000	15,500,000
	Short term loan to subsidiary		5,000,000	4,500,000
	Repayment of long term loans from subsidiary		1,250,000	1,000,000
iii. Associated undertakings	Sale of goods and services		3,713,744	4,183,602
	Purchase of goods and services		520,077	475,691
iv. Employees contribution plan	PTCL Employees GPF Trust - net		60,518	20,767
v. Employees retirement benefit plan	Contribution to the plan- Gratuity		56,908	65,330
vi. Other related parties	Charge under license obligations		1,326,035	1,220,314
vii. Directors, Chief Executive and Key management personnel	Fee and remuneration including benefits and perquisites		686,241	549,935
			June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
	Note			
Period / year-end balances				
Receivables from related parties				
	Long term loans to subsidiaries		27,000,000	24,450,000
Trade debts				
	- Subsidiaries		17,559	96,054
	- Associated undertakings		38,840,890	37,025,830
Other receivables				
	- Subsidiaries		20,134,323	17,457,888
	- Associated undertakings		71,305	71,305
	- Pakistan Telecommunication Employees Trust (PTET)		1,326	1,326
	- Long term loans to executives and key management personnel		125,205	34,525
	Bank deposit with subsidiary		1,411	1,736
	Pakistan Telecommunication Employees Trust (PTET)		6,210,590	6,251,821
Payables to related parties				
Trade creditors				
	- Subsidiaries		3,047,322	1,785,643
	- Associated undertakings		3,891,092	3,615,533
	- The Government of Pakistan related entities		1,150,230	2,070,961
	Payable to subsidiaries on account of group taxation		25,838,841	24,022,866
	Security deposits from subsidiary		6,686	3,623
	Retention money payable to associated undertakings		2,940	2,940
	Technical services assistance fee payable to Etisalat	18.1	44,695,590	41,410,987
	Pakistan Telecommunication Company Limited			
	Employees Gratuity Fund		160,032	47,132

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

18.1 This represents the Company's share of fee payable to Emirates Telecommunication Corporation (Etisalat) under an agreement for technical services at the rate of 3.5% of Pakistan Telecommunication 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 June 30, 2024					
Trade debts and contract assets	35,632,506	(961,371)	34,671,135	20,680,645	55,351,780
Trade creditors	(1,990,041)	961,371	(1,028,670)	(14,511,204)	(15,539,874)
As at December 31, 2023					
Trade debts	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. CORRESPONDING FIGURES

Prior year figures have been re-arranged, wherever necessary, for better presentation and comparison. Reclassification of corresponding figures of the financial statements is given below:

Reclassification from	Reclassification to	2023 Rs '000
Cost of services	Finance costs	1,169,512
Administrative and general expenses	Finance costs	199,261
Selling and marketing expenses	Finance costs	164,007

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

22.1 These condensed interim financial statements for the six months ended June 30, 2024 were authorized for issue by the Board of Directors of the Company on July 19, 2024.

Chief Financial Officer

Director

Director

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**FOR THE SIX MONTHS PERIOD ENDED
JUNE 30, 2024 (UN-AUDITED)**

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

Note	June 30, 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 loss	(30,221,509)	(21,309,130)
	(2,724,437)	6,187,942
Statutory and other reserves	1,049,320	1,031,474
Unrealized gain / (loss) on investments measured at fair value through OCI	(117,685)	(39,198)
	49,207,198	58,180,218
Liabilities		
Non-current liabilities		
Long term loans from banks	102,904,891	98,551,603
Subordinated debt	401,047	577,894
Deposits from banking customers	59,675,123	20,331,391
Lease liabilities	14,586,218	12,933,697
Employees retirement benefits	36,738,647	34,656,221
Deferred government grants	37,507,289	32,074,477
Advances from customers	1,607,956	1,661,536
License fee payable	10,970,706	11,265,626
Long term vendor liability	36,243,841	50,806,408
	300,635,718	262,858,853
Current liabilities		
Trade and other payables	6 138,372,876	134,438,719
Deposits from banking customers	54,073,490	85,465,584
Interest accrued	7,915,634	4,973,189
Short term running finance	46,434,637	48,138,253
Current portion of:		
Long term loans from banks	9,345,396	25,294,133
Subordinated debt	609,031	850,238
Lease liabilities	4,707,201	4,071,005
Long term vendor liability	34,196,435	17,403,361
License fee payable	128,676	125,862
Security deposits	1,540,001	1,439,771
Unpaid / unclaimed dividend	209,161	209,256
	297,532,538	322,409,371
Total equity and liabilities	647,375,454	643,448,442

Contingencies and commitments

11

The annexed notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.


Chief Financial Officer

President & CEO

Chairman

	Note	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Assets			
Non-current assets			
Property, plant and equipment	7	272,095,141	257,424,642
Right of use assets		17,565,311	14,819,391
Intangible assets		55,982,407	59,366,749
		345,642,859	331,610,782
Long term investments		51,427	51,427
Long term loans and advances		12,297,341	10,275,182
Long term loans to banking customers		28,833,210	23,012,862
Deferred income tax		26,056,148	18,673,013
Contract costs		296,988	354,707
		413,177,973	383,977,973
Current assets			
Stock in trade, stores and spares		10,727,964	10,509,772
Trade debts and contract assets	8	57,914,200	56,377,374
Loans to banking customers		52,644,774	59,074,698
Loans and advances		5,282,719	2,704,285
Contract costs		4,769,079	4,254,928
Income tax recoverable		36,695,637	32,356,188
Receivable from the Government of Pakistan		2,164,072	2,164,072
Deposits, prepayments and other receivables		17,513,182	19,934,014
Short term investments	9	23,173,708	52,145,297
Cash and bank balances	10	23,312,146	19,949,841
		234,197,481	259,470,469
Total assets		647,375,454	643,448,442

Chief Financial Officer

President & CEO

Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	Three months ended		Six months ended	
		June 30, 2024 Rs '000	June 30, 2023 Rs '000 Restated	June 30, 2024 Rs '000	June 30, 2023 Rs '000 Restated
Revenue	12	55,847,697	46,036,220	105,050,862	89,222,948
Cost of services		(40,381,860)	(36,294,707)	(80,270,899)	(69,478,814)
Gross profit		15,465,837	9,741,513	24,779,963	19,744,134
Administrative and general expenses		(7,995,014)	(6,178,943)	(15,081,567)	(12,109,352)
Selling and marketing expenses		(3,294,950)	(2,680,143)	(6,567,222)	(5,610,039)
Impairment loss on trade debts and contract assets		(1,678,421)	(942,436)	(1,308,019)	(1,638,273)
		(12,968,385)	(9,801,522)	(22,956,808)	(19,357,664)
Operating profit / (loss)		2,497,452	(60,009)	1,823,155	386,470
Other income	13	4,759,889	6,677,962	11,424,377	21,346,781
Finance costs		(12,744,989)	(9,887,989)	(26,729,589)	(33,007,747)
Loss before tax		(5,487,648)	(3,270,036)	(13,482,057)	(11,274,496)
Income tax		2,084,565	1,147,369	4,569,678	3,320,145
Loss for the period		(3,403,083)	(2,122,667)	(8,912,379)	(7,954,351)

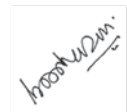
The annexed notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Three months ended		Six months ended	
	June 30, 2024 Rs '000	June 30, 2023 Rs '000 Restated	June 30, 2024 Rs '000	June 30 2023 Rs '000 Restated
Loss for the period	(3,403,083)	(2,122,667)	(8,912,379)	(7,954,351)
Other comprehensive income for the period				
Items that may be subsequently reclassified to profit or loss:				
Loss on revaluation of assets	-	(23,554)	-	-
Gain / (loss) on revaluation of assets transferred to profit or loss	(52,501)	344,052	(128,668)	(229,140)
Tax effect	20,476	(291,707)	50,181	89,545
	(32,025)	28,791	(78,487)	(139,595)
Other comprehensive income (loss) / income for the period - net of tax	(32,025)	28,791	(78,487)	(139,595)
Total comprehensive loss for the period	(3,435,108)	(2,093,876)	(8,990,866)	(8,093,946)

The annexed notes 1 to 23 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 SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	Six months ended	
		June 30, 2024 Rs '000	June 30, 2023 Rs '000 Restated
Cash flows from operating activities			
Cash generated from operations	14	37,874,734	3,278,755
Employees retirement benefits paid		(1,046,958)	(931,999)
Additions to contract costs		(3,859,738)	(3,249,780)
Deposits from banking customers		7,951,638	7,277,085
Income tax paid		(7,203,087)	(3,881,027)
Net cash inflow from operating activities		33,716,589	2,493,034
Cash flows from investing activities			
Capital expenditure		(30,858,269)	(19,417,220)
Acquisition of intangible assets		(497,764)	(1,320,902)
Proceeds from disposal of property, plant and equipment		1,326,153	2,219,943
Short term investments		28,971,589	59,428,031
Long term loans and advances		(2,037,768)	57,897
Government grants received		7,023,713	4,137,979
Return on long term loans and short term investments		4,946,029	9,823,011
Net cash inflow from investing activities		8,873,683	54,928,739
Cash flows from financing activities			
Loan from banks - net		(11,595,449)	(34,188,380)
Subordinated debt		(418,054)	(148,860)
Vendor liability		2,230,507	2,713,038
License fee - repayment		(292,106)	(2,046,368)
Finance cost paid		(22,296,975)	(30,127,053)
Lease liabilities		(5,152,179)	(3,547,733)
Dividend paid		(95)	(442)
Net cash outflow from financing activities		(37,524,351)	(67,345,798)
Net increase / (decrease) in cash and cash equivalents		5,065,921	(9,924,025)
Cash and cash equivalents at the beginning of the period		(28,188,412)	(24,266,113)
Cash and cash equivalents at the end of the period	15	(23,122,491)	(34,190,138)

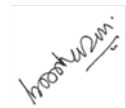
The annexed notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2024

	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 Loss			
	(Rupees in '000)						
Balance as at December 31, 2022 as previously reported	37,740,000	13,260,000	27,497,072	(2,672,095)	1,351,802	(2,015)	77,174,764
Effect of restatement	-	-	-	(2,699,109)	(538,141)	-	(3,237,250)
Balance as at December 31, 2022 (Restated)	37,740,000	13,260,000	27,497,072	(5,371,204)	813,661	(2,015)	73,937,514
Total comprehensive income for the period	-	-	-	-	-	(2,015)	-
Loss for the six months ended June 30, 2023	-	-	-	-	-	-	(7,954,351)
Un-audited (Restated)	-	-	-	(7,954,351)	-	-	(139,595)
Other comprehensive income	-	-	-	-	-	(139,595)	(139,595)
Balance as at June 30, 2023 (Restated)	37,740,000	13,260,000	27,497,072	(13,325,555)	813,661	(141,610)	65,843,568
Loss for the six months ended December 31, 2023	-	-	-	-	-	-	-
Un-audited (Restated)	-	-	-	(7,589,883)	-	-	(7,589,883)
Other comprehensive income	-	-	-	(206,092)	-	102,412	(103,680)
Transfer to statutory and other reserves	-	-	-	(7,795,975)	-	102,412	(7,693,563)
Balance as at December 31, 2023 (Audited)	37,740,000	13,260,000	27,497,072	(187,600)	217,813	-	30,213
Total comprehensive income for the period	-	-	-	(21,309,130)	1,031,474	(39,198)	58,180,218
Loss for the six months period ended June 30, 2024	-	-	-	(8,912,379)	-	-	(8,912,379)
Other comprehensive income	-	-	-	-	-	(78,487)	(78,487)
Transfer to statutory and other reserves	-	-	-	(8,912,379)	-	(78,487)	(8,990,866)
Balance as at June 30, 2024 (Un-Audited)	37,740,000	13,260,000	27,497,072	(30,221,509)	1,049,320	(117,685)	49,207,198

The annexed notes 1 to 23 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 SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Constitution and ownership

The condensed consolidated interim financial statements 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.

The Holding 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 Holding Company has also been licensed to provide such services in territories of Azad Jammu and Kashmir and Gilgit-Baltistan.

The Holding Company has signed a Share Purchase Agreement with Telenor Pakistan B.V. (Telenor) in 2023 to acquire 100% stake in Telenor Pakistan (Pvt) Ltd (Telenor Pakistan) and Orion Towers (Pvt) Ltd based on an Enterprise Value of PKR 108 billion on a cash free, debt free basis. The transaction will be financed through US Dollar syndicated Financing Facility led by International Finance Corporation (IFC) and the relevant Financing agreements have been signed on June 27, 2024. This transaction is subject to necessary regulatory approvals.

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, Plot No. 55-C, Jinnah Avenue, Blue Area, Islamabad.

U Microfinance Bank Limited (U Bank)

The Holding Company acquired 100% ownership of U Bank on August 30, 2012 to offer services of digital commerce and branchless banking. U Bank was incorporated on October 29, 2003 as a public limited company. The registered office of U Bank 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 Headquarters, 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 U Bank, 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.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

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.

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 MFI Ordinance, 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. MATERIAL 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 except for following:

The Institute of Chartered Accountants of Pakistan (ICAP) has issued circular 7/2024 "IAS 12: Application Guidance on Accounting for Minimum Taxes" (the Guidance) dated May 15, 2024, which provides guidance that only those taxes payable, under the Income Tax Ordinance, 2001, which are calculated with reference to 'taxable profit' (i.e., under the Normal Tax Regime (NTR)), are within preview of IAS 12 "Income Taxes", whereas, taxes payable under 'Final/ Presumptive Tax Regime' (FTR) are 'levy' being under the preview of IAS 37 / IFRIC 22 "Levies" and thus presented separately before profit before taxation in the statement of profit or loss.

For 'Hybrid taxes', such as 'turnover tax' or taxes payable under 'Minimum Tax Regime' (MTR), the Group has to make an accounting policy choice. Accordingly, the Group has elected to designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 and recognizes it as current income tax expense. Any excess over the amount designated as income tax, will then be recognized as a levy falling under the scope of IFRIC 21/IAS 37.

As required, the Group has retrospectively applied the above guidance, however, as none of the Group's income is subject to FTR and turnover tax is expected to be adjusted against tax payable under the NTR, the adoption of above-mentioned guidance has had no impact on the financial statements in the current and prior periods.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
6. TRADE AND OTHER PAYABLES			
Trade creditors		18,195,022	19,409,454
Accrued and other liabilities	6.1	52,350,860	51,765,738
Technical services assistance fee		44,695,590	41,410,987
Advances from customers / contract liabilities		11,969,903	11,488,116
Retention money / payable to contractors and suppliers		8,084,608	8,593,518
Income tax collected from subscribers / deducted at source		1,193,858	377,059
Sales tax payable		1,883,035	1,393,847
		138,372,876	134,438,719
6.1 Accrued and other liabilities			
Accrued liability for operational expenses		21,495,256	18,195,283
Amount withheld on account of provincial levies (Sub-judice) for ICH operations		12,110,803	12,110,803
Accrual for Government / regulatory expenses		15,575,581	15,455,046
Accrued wages		1,952,993	4,403,373
Others		1,216,227	1,601,233
		52,350,860	51,767,538
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	222,341,508	216,872,000
Capital work-in-progress	7.3	49,753,633	40,552,642
		272,095,141	257,424,642
7.1 Operating fixed assets			
Opening net book value		216,872,000	201,507,607
Additions during the period	7.2	21,657,278	14,346,100
		238,529,278	215,853,707
Disposals during the period - at net book value		(14,264)	(127,067)
Depreciation for the period		(16,173,506)	(15,477,364)
		(16,187,770)	(15,604,431)
Closing net book value		222,341,508	200,249,276

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
7.2 Detail of additions during the period:		
Buildings on freehold land	158,998	151,518
Buildings on leasehold land	98,925	57,238
Lines and wires	4,067,092	4,755,786
Apparatus, plant and equipment	15,626,049	7,838,899
Office equipment	348,863	676,757
Computer equipment	242,243	405,717
Furniture and fittings	378,020	90,388
Vehicles	4,020	11,181
Passive and allied equipment	-	7,058
Submarine cables	733,068	351,558
	21,657,278	14,346,100

7.3 Additions to CWIP during the six months period ended June 30, 2024 were Rs 30,938,114 thousand (June 30, 2023: Rs 20,504,731 thousand).

	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
8. TRADE DEBTS AND CONTRACT ASSETS		
Trade debts	60,166,948	57,744,401
Contract assets	6,193,192	5,934,512
	66,360,140	63,678,913
Allowance for expected credit loss	(8,445,940)	(7,301,539)
	57,914,200	56,377,374

9. SHORT TERM INVESTMENTS

Amortized cost		
Lending to Financial Institution	3,821,451	454,522
Pakistan Investment Bonds (PIBs) - Maturity upto 6 months	4,728,763	4,735,771
	8,550,214	5,190,293
Fair value through Profit or Loss		
Mutual Funds	-	5,570,319
Term Finance Certificates	1,833,343	2,443,072
Deficit on revaluation of FVTPL Investment	(441)	-
	1,732,827	8,013,391
Fair value through Other Comprehensive Income		
Pakistan Investment Bonds (PIBs) - Maturity upto 6 months	8,554,686	25,286,798
Market treasury bills - Maturity upto 6 months	-	11,292,747
Sukuks	4,400,420	2,426,432
Deficit on revaluation of FVTOCI Investment	(64,259)	(64,259)
	12,890,667	38,941,718
Credit Loss	-	(105)
	23,173,708	52,145,297

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Note	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
10. CASH AND BANK BALANCES			
Cash in hand		2,569,885	1,956,673
Balances with banks:	10.1		
Local currency			
Current account maintained with SBP		4,214,247	4,165,678
Current accounts		3,346,718	2,162,662
Saving accounts		3,863,772	3,456,098
		11,424,737	9,784,438
Foreign currency			
Current accounts		7,850,805	6,775,882
Saving accounts		1,466,719	1,432,848
		9,317,524	8,208,730
		23,312,146	19,949,841

10.1 Bank balance includes Rs 20,118 thousand (December 31, 2023: Rs 81,812 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 changes in contingencies as disclosed in the last audited consolidated financial statements for the year ended December 31, 2023 except in note 11.1 in the following:

11.1 For the tax years 2007, 2009, 2010, 2011 to 2021, 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 60,892,615 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 filed the applications under section 12(2) CPC before respective High Courts, however the same were dismissed by the Islamabad High Court vide Judgment dated January 22, 2018, as being not maintainable. The said order of the Islamabad High Court was challenged by PTCL and PTET before the Supreme Court which was pleased to recently dispose of the Appeals vide its order dated April 29, 2024 and remanded back the 12(2) applications to the High Court(s) for recalling the earlier order in respect of those Petitioners who opted for VSS. The fresh 12(2) applications were filed

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

before the Honourable Islamabad and Peshawar High court(s) and the cases have been admitted for hearing vide order dated June 24, 2024 and July 11, 2024, respectively. PTET has implemented the Apex court decision dated June 12, 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 November 02, 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 condensed consolidated interim financial statements.

Due to complexity of the matter and varying decisions from courts in this regard, it is not practical to estimate reliably the financial impact, in case of unfavorable outcome of this matter, before its conclusion.

Note	June 30, 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 (USF) against government grants	17,294,139	18,113,688
Pakistan Telecommunication Authority against 3G and 2G Licenses	4,453,459	4,509,770
Others	4,010,180	3,013,891
	25,757,778	25,637,349
Corporate guarantee in favour of PTML	68,527,630	56,400,000
Corporate guarantee in favour of Ubank	10,000,000	10,000,000
	78,527,630	66,400,000

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

	June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
11.4 Commitments - Group		
Standby Letter of Guarantee	18,000	18,000
Letters of credit for purchase of stock	170,345	467,691
Letters of comfort in favour of PTML	3,500,000	3,500,000
Contracts for capital expenditure	46,037,608	40,877,921
	49,725,953	44,863,612

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

12. REVENUE

The Group principally obtains revenue from providing telecommunication services such as data, voice, IPTV, connectivity services, interconnect, information and communication technology (ICT), digital solutions and equipment sales, messaging services, sales of mobile devices. Further, U Bank provides banking and microfinance services.

	Six months ended	
	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000 Restated
Revenue segments		
Broadband and IPTV	23,776,262	19,866,570
Cellular and other wireless services	38,974,040	30,193,363
Voice services - fixed line	4,224,922	4,146,709
Revenue from retail customers	66,975,224	54,206,642
Corporate and wholesale	21,014,198	17,894,682
International	5,795,830	6,040,383
Banking	11,265,610	11,081,241
Total revenue	105,050,862	89,222,948

12.1 Revenue is stated net of trade discount amounting to Rs 1,114,342 thousand (June 30, 2023: Rs 1,068,078 thousand) and Federal excise duty and sales tax amounting to Rs 15,911,800 thousand (June 30, 2023: Rs 12,744,613 thousand).

	Note	Six months ended	
		June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000 Restated
13. OTHER INCOME			
Income from financial assets	13.1	5,608,223	16,037,339
Income from non-financial assets		5,816,154	5,309,442
		11,424,377	21,346,781

13.1 Income from financial assets include Rs 165 thousand (June 30, 2023: Rs 63 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Six months ended	
	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000 Restated
14. CASH GENERATED FROM OPERATIONS		
Loss before tax	(13,482,057)	(11,274,496)
Adjustments for non-cash charges and other items:		
Depreciation of property, plant and equipment	16,173,506	15,477,364
Amortization of intangible assets	3,882,106	3,646,777
Amortization of contract costs	3,403,306	3,021,512
Depreciation of right of use assets	3,220,416	3,231,182
Impairment loss on trade debts and contract assets	1,144,395	935,040
Impairment loss on non performing loans to banking customers	163,624	703,233
Provision for obsolete stores, spares and loose tools	(1,096)	(8,898)
Provision for employees retirement benefits	3,170,614	2,663,464
Imputed interest on long term loans	15,609	(32,747)
Imputed interest on lease liabilities	1,474,560	205,667
Unearned revenue realized	(45,309)	(84)
Gain on disposal of property, plant and equipment	(1,311,889)	(2,092,876)
Return on bank deposits and Government securities	(4,957,338)	(9,906,445)
Release of deferred government grants	(1,590,901)	(1,042,781)
Finance costs	25,239,420	31,294,607
	36,498,966	36,820,519
Effect on cash flows due to working capital changes:		
(Increase) / decrease in current assets:		
Stock in trade, stores and spares	(217,096)	(201,439)
Trade debts and contract assets	(2,663,375)	(8,857,881)
Loans to banking customers	445,952	(16,999,050)
Loans and advances	(2,578,434)	(1,877,056)
Deposits, prepayments and other receivables	2,362,605	(4,129,719)
	(2,650,348)	(32,065,145)
Increase / (decrease) in current liabilities:		
Trade and other payables	3,925,886	(1,348,334)
Security deposits	100,230	(128,285)
	4,026,116	(1,476,619)
	37,874,734	3,278,755

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

	Six months ended	
	June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	23,312,146	18,818,824
Short term running finance	(46,434,637)	(53,008,962)
	(23,122,491)	(34,190,138)

16. SEGMENT INFORMATION

For management purposes, the Group is organized into three operating segments i.e. fixed line communications (Wire line), 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:

	Wireline	Wireless	Banking	Total
	Rs '000	Rs '000	Rs '000	Rs '000
Six months ended June 30, 2024				
Segment revenue	52,045,236	45,476,283	11,265,610	108,787,129
Inter segment revenue	(3,061,970)	(674,297)	-	(3,736,267)
Revenue from external customers	48,983,266	44,801,986	11,265,610	105,050,862
Segment results	1,125,691	(6,002,362)	(4,035,708)	(8,912,379)
Six months ended June 30, 2023				
Segment revenue	46,058,210	35,882,178	11,081,435	93,021,823
Inter segment revenue	(3,176,630)	(622,051)	(194)	(3,798,875)
Revenue from external customers	42,881,580	35,260,127	11,081,241	89,222,948
Segment results	6,842,409	(15,798,115)	1,445,098	(7,510,608)
	Wireline	Wireless	Banking	Total
	Rs '000	Rs '000	Rs '000	Rs '000
As at June 30, 2024				
Segment assets	291,194,851	224,787,996	131,392,607	647,375,454
Segment liabilities	269,273,617	200,280,108	128,614,531	598,168,256
As at December 31, 2023				
Segment assets	269,026,776	217,687,090	156,734,576	643,448,442
Segment liabilities	238,860,349	194,333,670	152,074,205	585,268,224

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

			Six months ended	
			June 30, 2024 (Un-Audited) Rs '000	June 30, 2023 (Un-Audited) Rs '000
17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES				
Relationship with the Group	Nature of transaction			
i. Shareholders	Technical services assistance fee		3,284,603	2,734,960
ii. Associated undertakings	Sale of goods and services		3,988,120	4,611,125
	Purchase of goods and services		1,115,602	853,027
	Prepaid rent		450,357	409,416
iii. Employees benefits plans	PTCL	Gratuity Fund	56,908	65,330
	PTML	Gratuity Fund	103,108	58,691
	U Bank	Gratuity Fund	59,035	44,637
iv. Employees contribution plans	PTCL	PTCL Employees GPF Trust - net	60,518	20,767
	U Bank	Provident Fund	51,170	38,031
v. Other related parties	PTCL	Charges under license obligation	1,326,035	1,220,314
vi. Directors, Chief Executive and Key Management Personnel	Fee and remuneration including benefits and perquisites		1,216,622	995,825
			June 30, 2024 (Un-Audited) Rs '000	December 31, 2023 (Audited) Rs '000
Trade debts				
- Associated undertakings			39,574,390	37,140,878
Deposits, prepayments and other receivables				
- Associated undertakings			226,115	71,305
- Pakistan Telecommunication Employees Trust (PTET)			1,326	1,326
Pakistan Telecommunication Employees Trust (PTET)			6,210,590	6,251,822
Long term loans to executives and key management personnel			125,205	34,525
Trade and other payables				
Trade creditors				
- Associated Undertakings			4,408,112	3,874,850
- The Government of Pakistan and its related entities			1,150,230	2,070,961
Retention money payable to associated undertaking			2,940	2,940
Technical assistance services fee payable to Etisalat			44,695,590	41,410,987
PTCL Employees GPF Trust			-	56,563
Pakistan Telecommunication Company Limited Employees gratuity fund			160,032	47,132
PTML				
- Gratuity Fund			433,278	379,006
U Bank				
- Gratuity Fund Receivable / (Payable)			48,845	1,705
- Provident Fund			46,538	451

18. FAIR VALUE ESTIMATION

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

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 (UN-AUDITED)

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 June 30, 2024					
Trade debts and contract assets	35,877,748	(1,185,371)	34,692,377	31,667,763	66,360,140
Trade creditors	(2,359,964)	1,185,371	(1,174,593)	(17,020,429)	(18,195,022)
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)	(18,092,463)	(19,409,454)

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 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 consolidated financial statements of the Group for the year ended December 31, 2023.

21. CORRESPONDING FIGURES

Prior year figure have been re-arranged , wherever necessary, for better presentation and comparison. Reclassification of corresponding figures of the financial statements is given below:

Reclassification from	Reclassification to	2023 Rs '000
Trade and other payables	Property, plant and equipment	115,598
Deposits, prepayments and other receivables	Cash and bank balances	88,417
Cash and bank balances	Trade and other payables	265,621
Cost of services	Finance costs	1,169,512
Administrative and general expenses	Finance costs	199,261
Selling and marketing expenses	Finance costs	164,007
Distribution and selling cost	Cost of services	126,589
Cost of services	Administrative and general expenses	683,392
Cost of services	Selling and marketing expenses	1,051,515

22. RESTATEMENT OF U BANK'S FINANCIAL STATEMENTS

The standalone financial statements of U bank for the year ended December 31, 2023 have been restated, the impact of which is not material for the consolidated financial statements and has been incorporated in these condensed consolidated interim financial statements in the current period.

Further to above, the Group has also incorporated impact of restatement in comparative amounts, in the condensed consolidated interim statement of profit or loss, the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flows, for the six months period ended June 30, 2023, which were already incorporated in the consolidated financial statements for the year ended December 31, 2023.

23. DATE OF AUTHORIZATION FOR ISSUE OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

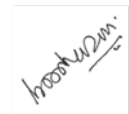
These condensed consolidated interim financial statements for the six months period ended June 30, 2024 were authorized for issue by the Board of Directors of the Holding Company on August 28, 2024.



Chief Financial Officer



President & CEO



Chairman

**Pakistan Telecommunication
Company Limited**

PTCL Head Office
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