2nd Quarter Report

2026

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BOARD OF DIRECTORS

Chairman PTCL Board

Zarrar Hasham Khan

Members PTCL Board

Khalifa Al Shamsi

Ahad Khan Cheema

Imdad Ullah Bosal

Lamia Lemkecher

Jawad Paul Khawaja

Nazih El Hassanieh

Mohamed Dukandar

Sabri Ali Mohamed Alshaikhali Albreiki

CORPORATE INFORMATION

Management

Mohammad Nadeem Khan
Chief Executive Officer

Muhammad Fahim ur Rehman
Acting Chief Financial Officer

Umer Farid
Chief People Officer

Naveed Khalid Butt
Chief Regulatory Officer

Zahida Awan
Chief Legal Officer &
Company Secretary

Jafar Khalid
Chief Technology &
Information Officer

Ahmad Kamal
Chief Customer Care Officer

Muhammad Shehzad Yousuf
Chief Retail Sales Officer-Fixed Line

Shahid Abbas
Chief Internal Auditor

Asif Ahmad
Chief Business Solutions Officer

Amad Khan
Acting Chief Marketing Officer

Syed Mazhar Hussain
Advisor Estate Management

Legal Advisor & Company Secretary

Zahida Awan
Chief Legal Officer &
Company Secretary

Registered Office

PTCL Head Off ce,
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.
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) 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
Pak Kuwait Investment Company (Private) Limited
Pak Brunei Investment Company Limited
Pak China Investment Company Limited
Punjab Provincial Cooperative Bank Limited

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

Share Registrar

FAMCO Share Registration Services (Pvt) Limited
8-F, Near Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahra-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 2026. The financial statements of the Company have been reviewed by the statutory auditors.

Economic Overview

The macroeconomic environment during the first half of 2026 remained challenging, influenced by regional geopolitical uncertainties and resulting volatility across key economic indicators. While the exchange rate remained relatively stable, inflationary pressures, volatility in interest rates and increases in fuel prices continued to impact the operating landscape. Despite these challenges, demand for high-speed broadband, enterprise ICT solutions, cloud services, and digital connectivity remained robust, supported by continued growth in digital adoption and data consumption across consumer and enterprise segments.

Business and Financial Performance

PTCL maintained strong growth momentum during the first half of 2026, supported by continued growth across its fixed, enterprise and mobile businesses.

In Q2 2026, PTCL successfully completed the amalgamation of Ufone and Telenor Pakistan under PTML, marking the completion of one of Pakistan's largest telecom consolidations. The unified mobile business brings together consolidated spectrum assets, nationwide network infrastructure and a significantly expanded customer base, creating a stronger platform to deliver enhanced connectivity, customer experience and operational efficiencies.

Consolidated revenue grew by 62% YoY, primarily driven by sustained growth in the fixed broadband, enterprise and wholesale segments, along with strong mobile segment performance following the successful amalgamation of Ufone and Telenor. Consolidated operating profit grew by 226% YoY, while net profit reached Rs. 4.7 billion, reflecting the benefits of the successful amalgamation, coupled with continued operational efficiencies and revenue growth. PTCL continued its strong growth trajectory, delivering an 8% year-on-year (YoY) increase in revenue to Rs. 64 billion. The growth was primarily driven by a 27% increase in Flash Fiber revenue, a 13% growth in Business Solutions, and a 16% increase in Carrier & Wholesale services compared to the corresponding period last year. PTCL posted operating profit of Rs. 8.5 billion and reported net profit of Rs. 3.6 billion, reflecting a 211% YoY improvement. The bottom line was supported by Rs. 2 billion dividend received from wireless segment. Mobile business (PTML) revenue increased by 138% YoY, driven by the consolidation of Telenor Pakistan following the amalgamation, along with continued growth across the Corporate and Retail segments. PTML reported an operating profit of Rs. 23.1 billion, representing a 203% YoY increase, reflecting the positive impact of the Telenor Pakistan amalgamation, together with higher revenues and improved operating performance. Banking segment generated revenue of Rs. 12.3 billion and reported operating profit, compared to operating loss in the corresponding period last year, reflecting an improvement in its operating performance. The Bank's bottom line also improved by 85% compared to the prior period, indicating a continued recovery in its financial performance.

Operational Highlights

PTCL also surpassed the milestone of 900,000 Flash Fiber subscribers during Q2 2026. The milestone reflects growing customer trust in PTCL's high-speed broadband services and supports the Company's commitment to advancing digital connectivity in line with Pakistan's digital transformation agenda.

With the largest fiber footprint in the country, Flash Fiber continues to strengthen PTCL's leadership in the fixed broadband market. Continued network expansion, superior service quality and increasing demand for high-speed connectivity remain key drivers supporting the growth of the fiber business.

PTCL expanded its customer offerings through strategic partnerships. The company partnered with Apple's authorized distributor Mercantile to introduce an exclusive bundled offering featuring a MacBook Neo with 100 Mbps Flash Fiber and discounts on Apple accessories. PTCL also partnered with Okasha to offer smart home solutions, including smart locks, smart lighting and other connected devices, enabling customers to adopt more secure and connected digital lifestyles.

The Business Solutions segment sustained strong momentum, supported by growing demand for cloud, AI infrastructure, cybersecurity, managed services and data center solutions, further strengthening PTCL's position as a trusted ICT partner for enterprise and government customers.

Mobile Business revenue growth was supported by stronger customer engagement, increased adoption of higher-value bundles and continued focus on customer value.

A key integration milestone during the quarter was the completion of on-net harmonization across Ufone and Telenor Pakistan, enabling more than 74 million subscribers to communicate seamlessly across both networks as one connected community. The milestone was supported by the first joint Ufone and Telenor Pakistan brand campaign, highlighting the scale and strength of the combined mobile business.

Following its acquisition of a significant share of spectrum in Pakistan's 5G auction in Q1 2026, PTML initiated its 5G rollout during the second quarter while progressing network consolidation. The additional spectrum and ongoing integration will strengthen network capacity, coverage and the company's ability to deliver next-generation connectivity.

Digitization remained a strategic priority during H1 2026, supported by continued investment in digital platforms, partnerships, self-service capabilities and customer-centric engagement. Digital recharge penetration reached 59%, while monthly active users of the My Telenor and UPTCL apps increased by 10% and 17%, respectively.

Risk Management

The Company continues to actively monitor and manage key risks relating to market competition, regulatory developments, cybersecurity, technology evolution and integration execution. Robust governance frameworks and risk management processes remain in place to support sustainable business growth and safeguard stakeholder interests.

Awards and Recognition

PTCL Group's performance, innovation and social impact initiatives continued to receive recognition at leading national and international award platforms. At the Effie Awards Pakistan, PTCL and Ufone secured 8 honors, including 3 Gold, 2 Silver and 3 Bronze awards, alongside the prestigious Effective Marketer of the Year 2025–26 recognition. The Group's focus on digital innovation, AI and meaningful social impact was further recognized at the Pakistan Digital Awards, where PTCL Group secured 7 wins, including Made in Pakistan Digital Product of the Year and Best AI-Based Solution Provider for SUNO and AI Early Warning System for the Deaf.

Social Impact

During the half year, PTCL continued to advance its social impact agenda across health, inclusion, digital safety and access to basic needs.

Under its Mother's Day campaign, PTCL & Ufone launched a large-scale postpartum depression awareness initiative in partnership with Oladoc, providing access to free therapy sessions through the UPTCL app. The campaign reached 26 million people and recorded 48,000 registrations and 32,000 therapy sessions.

Under the Ba-Ikhtiar programme, training was initiated across 22 districts, onboarding around 2,100 women for digital and entrepreneurial skill development. In collaboration with UNICEF, SMS broadcasts were deployed to support polio awareness, while PTCL's Water Project continued across South Punjab and Thar, providing sustainable access to clean drinking water for approximately 150,000 people.

PTML in collaboration with Telecom Foundation, conducted a Safe Internet Awareness session at Telecom Foundation School, Peshawar, engaging students and faculty on cyber safety, online privacy, responsible social media use and digital wellbeing.

Acknowledgement

The Board of Directors extends its sincere gratitude to customers, shareholders, business partners, regulators, employees and all other stakeholders for their continued trust and support. The Company remains committed to strengthening digital connectivity, enhancing customer experience, and creating sustainable value for its shareholders.

On behalf of the Board

Zarrar Hasham Khan
Chairman, Board of Directors
Islamabad: July 28, 2026

Mohammad Nadeem Khan
Chief Executive Officer

NOTES

پی ٹی ایم ایل نے ٹیلی کام فاؤنڈیشن کے اشتراک سے پشاور کے ٹیلی کام فاؤنڈیشن اسکول میں سیف انٹرنیٹ کے حوالے سے آگاہی سیشن کا انعقاد کیا، جس میں طلبہ اور اساتذہ کو سائبر تحفظ، آن لائن رازداری، سوشل میڈیا کے ذمہ دارانہ استعمال اور ڈیجیٹل فلاح و بہبود جیسے موضوعات سے متعلق آگاہی فراہم کی گئی۔

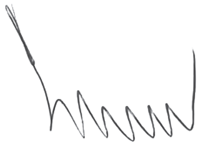
اعتراف

بورڈ آف ڈائریکٹرز اپنے کسٹمرز، شیئر ہولڈرز، کاروباری شراکت داروں، ریگیولیٹرز، ملازمین اور دیگر تمام اسٹیک ہولڈرز کے ان کے مسلسل اعتماد اور تعاون کے لیے مشکور ہیں۔ کمپنی ڈیجیٹل کنیکٹیویٹی کو مزید مستحکم کرنے، صارفین کے تجربے کو بہتر بنانے اور اپنے شیئر ہولڈرز کے لیے پائیدار قدر پیدا کرنے کے اپنے عزم پر قائم ہے۔

منجانب بورڈ آف ڈائریکٹرز

زرار ہاشم خان

چیئرمین، بورڈ آف ڈائریکٹرز



محمد ندیم خان

چیف ایگزیکٹو آفیسر

اسلام آباد: 28 جولائی 2026

بزنس سولیوشنز کے شعبے نے اپنی مستحکم ترقی کی رفتار برقرار رکھی، جسے کلاؤڈ، اے آئی انفراسٹرکچر، سائبر سیکیورٹی، مینیجڈ سروسز اور ڈیٹا سینٹر سولیوشنز کی بڑھتی ہوئی طلب سے تقویت حاصل ہوئی۔ اس پیش رفت نے انٹرپرائز اور سرکاری صارفین کے لیے ایک قابلِ اعتماد ICT شراکت دار کی حیثیت سے پی ٹی سی ایل کی حیثیت کو مزید مستحکم کیا۔

موبائل کاروبار کی آمدن میں اضافے کو صارفین کی بڑھتی ہوئی شمولیت، زیادہ ویلیو کے حامل بنڈلز کو اپنانے کے رجحان میں اضافے اور صارفین کو بہتر قدر فراہم کرنے پر مسلسل توجہ سے تقویت ملی۔

دوران سہ ماہی انضمام کے عمل میں ایک اہم سنگِ میل یوفون اور ٹیلی نار پاکستان کے مابین آن نیٹ ہم آہنگی کی تکمیل تھی، جس کے نتیجے میں 74 ملین سے زائد صارفین کو ایک مربوط کمیونٹی کی حیثیت سے دونوں نیٹ ورکس پر بلا رکاوٹ رابطہ قائم کرنے کی سہولت حاصل ہوئی۔ اس سنگِ میل کو یوفون اور ٹیلی نار پاکستان کی پہلی مشترکہ برانڈ کیمپین سے بھی تقویت ملی، جس میں متحد موبائل کاروبار کی گنجائش اور استحکام کو اجاگر کیا گیا۔

2026 کی پہلی سہ ماہی کے دوران پاکستان میں 5G نیلامی میں اسپیکٹرم کا نمایاں حصہ حاصل کرنے کے بعد PTML نے دوسری سہ ماہی کے دوران اپنے 5G نیٹ ورک کی مرحلہ وار توسیع کا عمل شروع کیا، جبکہ نیٹ ورک کے انضمام پر بھی پیش رفت جاری رکھی۔ اضافی اسپیکٹرم اور جاری انضمامی عمل سے نیٹ ورک کی گنجائش میں وسعت اور کوریج میں بہتری آئے گی، جبکہ نیکسٹ جنریشن کنیکٹیویٹی فراہم کرنے کی کمپنی کی صلاحیت بھی مزید مستحکم ہوگی۔

2026 کی پہلی ششماہی کے دوران ڈیجیٹلائزیشن ایک اہم تزویراتی ترجیح رہی، جسے ڈیجیٹل پلیٹ فارمز، شراکت داریوں، سیلف سروس سہولیات اور صارفین پر مرکوز روابط کے فروغ میں مسلسل سرمایہ کاری سے تقویت حاصل ہوئی۔ ڈیجیٹل ری چارج کا تناسب 59 فیصد تک پہنچ گیا، جبکہ My Telenor اور UPTCL ایپس کے ماہانہ فعال صارفین کی تعداد میں بالترتیب 10 فیصد اور 17 فیصد اضافہ ہوا۔

رسک مینجمنٹ

کمپنی مارکیٹ میں مسابقت، ریگولیٹری تبدیلیوں، سائبر سیکیورٹی، ٹیکنالوجی میں پیش رفت اور انضمام کے عمل سے متعلق اہم خطرات کی مسلسل نگرانی اور مؤثر انداز میں تدارک کر رہی ہے۔ پائیدار کاروباری ترقی کو یقینی بنانے اور متعلقہ فریقین کے مفادات کے تحفظ کے لیے مضبوط گورننس فریم ورک اور مؤثر رسک مینجمنٹ کے طریقہ کار بدستور رائج ہیں۔

ایوارڈز اور اعترافِ کارکردگی

پی ٹی سی ایل گروپ کی کارکردگی، جدت اور سماجی بہتری کے اقدامات کو ملک کے نمایاں قومی و بین الاقوامی ایوارڈ پلیٹ فارمز پر مسلسل پذیرائی حاصل ہوتی رہی ہے۔ Effie ایوارڈز پاکستان میں پی ٹی سی ایل اور یوفون نے مجموعی طور پر 8 اعزازات حاصل کیے، جن میں 3 گولڈ، 2 سلور اور 3 برونز ایوارڈز شامل ہیں، جبکہ **Effective Marketer of the Year 2025–26** کا باوقار اعزاز بھی اپنے نام کیا۔

ڈیجیٹل شعبے میں جدت، مصنوعی ذہانت اور بامعنی سماجی اثرات کے لیے گروپ کی کاوشوں کو پاکستان ڈیجیٹل ایوارڈز میں بھی سراہا گیا، جہاں پی ٹی سی ایل گروپ نے 7 اعزازات اپنے نام کیے۔ ان میں Made in Pakistan Digital Product of the Year کے ساتھ ساتھ SUNO اور AI Early Warning System for the Deaf کے لیے بیسٹ اے آئی–بیسڈ سولیوشن پرووائیڈر کے اعزازات بھی شامل ہیں۔

سماجی بہبود

زیر جائزہ ششماہی کے دوران پی ٹی سی ایل نے صحت، شمولیت، ڈیجیٹل سیفٹی اور بنیادی ضروریات تک رسائی کے شعبوں میں اپنے سماجی اثرات کے اقدامات کو مزید آگے بڑھایا۔

مدرز ڈے مہم کے تحت پی ٹی سی ایل اور یوفون نے Oladoc کے اشتراک سے بعد از زچگی (پوسٹ پارٹم) ڈپریشن کے بارے میں آگاہی پیدا کرنے کے لیے بڑے پیمانے پر ایک مہم شروع کی، جس کے تحت UPTCL ایپ کے ذریعے مفت تھراپی سیشنز کی سہولت فراہم کی گئی۔ مہم کے ذریعے 26 ملین افراد تک رسائی حاصل ہوئی، جبکہ 48,000 رجسٹریشنز اور 32,000 تھراپی سیشنز ریکارڈ کیے گئے۔

بااختیار پروگرام کے تحت 22 اضلاع میں تربیتی سرگرمیوں کا آغاز کیا گیا، جس میں تقریباً 2,100 خواتین نے ڈیجیٹل اور کاروباری اسکلز سیکھنے کے لئے شمولیت اختیار کی۔ یونیسیف کے تعاون سے پولیو سے متعلق آگاہی کے لیے ایس ایم ایس بھیجے گئے، جبکہ پی ٹی سی ایل کا واٹر پروجیکٹ جنوبی پنجاب اور تھر میں بھی جاری رہا، جس کے ذریعے تقریباً 150,000 افراد کو پینے کے صاف پانی تک رسائی فراہم کی گئی۔

ڈائریکٹرز کا جائزہ

پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ (پی ٹی سی ایل) کے ڈائریکٹرز 30 جون 2026 کو ختم ہونے والی ششماہی کے لیے مالیاتی گوشوارے پیش کرنے میں خوشی محسوس کر رہے ہیں۔ کمپنی کے مالیاتی گوشوارے کمپنی کے قانونی آڈیٹرز کی جانب سے جائزہ شدہ ہیں۔

معاشی جائزہ

2026 کی پہلی ششماہی کے دوران مجموعی معاشی ماحول بدستور چیلنجنگ رہا، جس پر خطے میں جغرافیائی و سیاسی غیر یقینی صورتحال اور اس کے نتیجے میں اہم معاشی اشاریوں میں پیدا ہونے والے اتار چڑھاؤ کے اثرات نمایاں رہے۔ اگرچہ شرحِ مبادلہ نسبتاً مستحکم رہی، تاہم مہنگائی کے دباؤ، شرحِ سود میں اتار چڑھاؤ اور ایندھن کی قیمتوں میں اضافے نے کاروباری ماحول کو مسلسل متاثر کیا۔ ان چیلنجز کے باوجود تیز رفتار براڈبینڈ، انٹرپرائز ICT سولیوشنز، کلاؤڈ سروسز اور ڈیجیٹل کنیکٹیویٹی کی طلب مستحکم رہی، جسے صارفین اور کاروباری اداروں، دونوں میں ڈیجیٹل ٹیکنالوجیز کے بڑھتے ہوئے استعمال اور ڈیٹا کی کھپت میں مسلسل اضافے سے تقویت ملی۔

کاروباری اور مالیاتی کارکردگی

2026 کی پہلی ششماہی کے دوران پی ٹی سی ایل نے مستحکم شرحِ نمو برقرار رکھی، جسے اس کے فکسڈ، انٹرپرائز اور موبائل کاروباری شعبوں میں مسلسل ترقی سے تقویت حاصل ہوئی۔

2026 کی دوسری سہ ماہی میں پی ٹی سی ایل نے PTML کے تحت یوفون اور ٹیلی نار پاکستان کے انضمام کا عمل کامیابی سے مکمل کیا، جو پاکستان کے ٹیلی کام شعبے میں ہونے والے بڑے انضمام میں سے ایک ہے۔ متحدہ موبائل بزنس نے مشترکہ اثاثوں، ملک گیر نیٹ ورک انفراسٹرکچر اور وسیع تر کسٹمر بیس کو یکجا کیا ہے، جس سے بہتر کنیکٹیویٹی، صارفین کے بہتر تجربے اور عملی افادیت کی فراہمی کے لیے ایک زیادہ مستحکم پلیٹ فارم تشکیل پایا ہے۔

گروپ کی مجموعی آمدن میں سال بہ سال 62 فیصد اضافہ ہوا، جس کی بنیادی وجوہات میں فکسڈ براڈبینڈ، انٹرپرائز اور ہول سیل شعبوں میں مسلسل نمو کے ساتھ ساتھ یوفون اور ٹیلی نار کے کامیاب انضمام کے بعد موبائل شعبے کی مستحکم کارکردگی شامل ہیں۔ گروپ کے مجموعی آپریٹنگ منافع میں سال بہ سال 226 فیصد اضافہ ہوا، جبکہ خالص منافع 4.7 ارب روپے تک پہنچ گیا، جو کامیاب انضمام کے فوائد کے ساتھ مسلسل آپریشنل افادیت اور آمدن میں اضافے کی عکاسی کرتا ہے۔ پی ٹی سی ایل نے اپنی مضبوط شرحِ نمو برقرار رکھتے ہوئے آمدن میں سال بہ سال 8 فیصد اضافہ ریکارڈ کیا، جو 64 ارب روپے تک پہنچ گئی۔ اس نمو کی بنیادی وجہ گزشتہ سال کی اسی مدت کے مقابلے میں فلیش فائبر کی آمدن میں 27 فیصد، بزنس سولیوشنز میں 13 فیصد اور کیریئر اینڈ ہول سیل سروسز میں 16 فیصد اضافہ رہا۔ پی ٹی سی ایل نے 8.5 ارب روپے کا آپریٹنگ منافع اور 3.6 ارب روپے کا خالص منافع ریکارڈ کیا، جو سال بہ سال 211 فیصد بہتری کو ظاہر کرتا ہے۔ خالص مالیاتی نتائج کو وائرلیس شعبے سے حاصل ہونے والے 2 ارب روپے کے ڈیویڈنڈ سے بھی تقویت ملی۔ موبائل کاروبار (پی ٹی ایم ایل) کی آمدن میں سال بہ سال 138 فیصد اضافہ ہوا، جس کی بنیادی وجہ انضمام کے بعد ٹیلی نار پاکستان کے مالی نتائج کا یکجا کیا جانا، نیز کارپوریٹ اور ریٹیل شعبوں میں مسلسل نمو تھی۔ پی ٹی ایم ایل نے 23.1 ارب روپے کا آپریٹنگ منافع ریکارڈ کیا، جو سال بہ سال 203 فیصد اضافے کو ظاہر کرتا ہے۔ یہ کارکردگی ٹیلی نار پاکستان کے انضمام کے مثبت اثرات کے ساتھ زیادہ آمدن اور بہتر عملیاتی کارکردگی کی عکاس ہے۔ بینکاری شعبے نے 12.3 ارب روپے کی آمدن حاصل کی اور گزشتہ سال کی اسی مدت میں ریکارڈ کیے گئے آپریٹنگ خسارے کے مقابلے میں اس مرتبہ آپریٹنگ منافع رپورٹ کیا، جو اس کی عملیاتی کارکردگی میں بہتری کی عکاسی کرتا ہے۔ گزشتہ مدت کے مقابلے میں بینک کے خالص مالیاتی نتائج میں بھی 85 فیصد بہتری آئی، جو اس کی مالیاتی کارکردگی میں مسلسل بحالی کی نشاندہی کرتی ہے۔

عملیاتی پیش رفت

2026 کی دوسری سہ ماہی کے دوران پی ٹی سی ایل نے فلیش فائبر کے 900,000 صارفین کا اہم سنگِ میل بھی عبور کر لیا۔ یہ کامیابی پی ٹی سی ایل کی تیز رفتار براڈبینڈ خدمات پر صارفین کے بڑھتے ہوئے اعتماد کا مظہر ہے اور ڈیجیٹل کنیکٹیویٹی کے فروغ کے لیے کمپنی کے عزم کو، جو پاکستان کے ڈیجیٹل ٹرانسفارمیشن کے ایجنڈے سے ہم آہنگ ہے، مزید تقویت دیتی ہے۔

ملک کے سب سے بڑے فائبر نیٹ ورک کے ساتھ، فلیش فائبر فکسڈ براڈبینڈ مارکیٹ میں پی ٹی سی ایل کی قائدانہ حیثیت کو مسلسل مستحکم کر رہا ہے۔ نیٹ ورک میں مسلسل توسیع، اعلیٰ معیار کی خدمات اور تیز رفتار کنیکٹیویٹی کی بڑھتی ہوئی طلب بدستور فائبر کاروبار کی نمو کو سہارا دینے والے اہم عوامل ہیں۔

پی ٹی سی ایل نے تزویراتی شراکت داریوں کے ذریعے صارفین کے لیے اپنی پیشکشوں کا دائرہ مزید وسیع کیا۔ کمپنی نے ایپل کے مجاز ڈسٹری بیوٹر مرکنٹائل کے ساتھ شراکت داری کرتے ہوئے ایک خصوصی بنڈل آفر متعارف کرائی، جس میں MacBook Neo کے ساتھ 100 Mbps فلیش فائبر اور ایپل ایکسیسریز پر رعایت شامل ہے۔ پی ٹی سی ایل نے Okasha کے ساتھ بھی شراکت داری کی تاکہ اسمارٹ ہوم سولیوشنز فراہم کیے جا سکیں، جن میں اسمارٹ لاکس، اسمارٹ لائٹنگ اور دیگر منسلک ڈیوائسز شامل ہیں، جس سے صارفین زیادہ محفوظ اور مربوط ڈیجیٹل طرزِ زندگی اختیار کر سکتے ہیں۔

INDEPENDENT AUDITORS' 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 2026, and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated 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.

OTHER MATTERS

Pursuant to the requirements Section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the six-month period, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of a company. Accordingly, the figures of the condensed interim unconsolidated statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 30 June 2026 and 30 June 2025 have not been reviewed by us.

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

Chartered Accountants

Islamabad:
August 20, 2026
UDIN Number: RR2026101200gvqstofA

CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (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 profits		52,229,167	48,598,534
		79,726,239	76,095,606
		130,726,239	127,095,606
Liabilities			
Non-current liabilities			
Employees retirement benefits		48,659,031	47,057,747
Deferred government grants		18,245,305	17,584,151
Long term loans from banks	6	209,025,308	210,520,271
Contract liabilities		1,519,421	1,620,648
Lease liabilities		669,209	715,554
		278,118,274	277,498,371
Current liabilities			
Trade and other payables	7	205,128,601	194,433,281
Short term financing	8	45,533,482	44,521,690
Security deposits		729,071	726,544
Unclaimed dividend		207,728	207,751
Current maturity of lease liabilities		429,967	385,390
Current portion of long term loans from banks		2,617,798	2,275,167
		254,646,647	242,549,823
Total equity and liabilities		663,491,160	647,143,800
Contingencies and commitments	15		

The annexed notes 1 to 25 are an integral part of these condensed interim unconsolidated financial statements.

Chief Financial Officer	Chief Executive Officer	Chairman

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Assets			
Non-current assets			
Property and equipment	9	183,530,061	178,931,022
Right of use assets		907,923	1,032,807
Intangible assets		575,474	929,626
		185,013,458	180,893,455
Long term investments	10	141,104,824	139,104,824
Long term loans and advances	11	115,218,448	122,369,475
Employees retirement benefits		13,719,223	13,762,801
Deferred income tax	12	1,751,682	2,636,218
Contract cost		97,904	130,673
		456,905,539	458,897,446
Current assets			
Stores and spares		6,697,343	5,561,621
Contract cost		3,160,086	3,220,788
Trade debts and contract assets	13	78,570,664	71,263,745
Loans and advances		12,392,364	3,905,211
Income tax recoverable		52,136,069	50,023,735
Prepayments and other receivables		34,245,903	31,661,562
Cash and bank balances	14	19,147,281	22,396,786
Assets classified as held for sale		235,911	212,906
		206,585,621	188,246,354
Total assets		663,491,160	647,143,800

Chief Financial Officer **Chief Executive Officer** **Chairman**

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	Note	Three months ended		Six months ended	
		June 30, 2026 Rs '000	June 30, 2025 Rs '000	June 30, 2026 Rs '000	June 30, 2025 Rs '000
Revenue	16	32,236,200	29,310,884	63,751,634	58,911,768
Cost of services		(23,562,645)	(21,041,464)	(45,805,853)	(42,092,122)
Gross profit		8,673,555	8,269,420	17,945,781	16,819,646
Administrative and general expenses		(2,567,319)	(2,676,411)	(5,078,737)	(5,019,106)
Selling and marketing expenses		(1,532,461)	(1,348,633)	(3,094,902)	(2,835,658)
Impairment loss on trade debts and contract assets		(641,000)	(551,600)	(1,229,580)	(1,108,000)
		(4,740,780)	(4,576,644)	(9,403,219)	(8,962,764)
Operating profit		3,932,775	3,692,776	8,542,562	7,856,882
Past service cost - Pension	15.3	(355,144)	(5,890,142)	(355,144)	(5,890,142)
Other income	17	7,244,410	2,771,412	11,649,321	5,151,378
Finance and other costs	18	(8,157,065)	(5,392,890)	(15,616,021)	(10,234,144)
Profit / (loss) before tax		2,664,976	(4,818,844)	4,220,718	(3,116,026)
Taxation		62,803	377,863	(590,085)	(148,740)
Profit / (loss) for the period		2,727,779	(4,440,981)	3,630,633	(3,264,766)
Earnings / (loss) per share - basic and diluted (Rupees)		**0.53**	**(0.87)**	**0.71**	**(0.64)**

The annexed notes 1 to 25 are an integral part of these condensed interim unconsolidated financial statements.

Chief Financial Officer	Chief Executive Officer	Chairman

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	Three months ended		Six months ended	
	June 30, 2026 Rs '000	June 30, 2025 Rs '000	June 30, 2026 Rs '000	June 30, 2025 Rs '000
Profit / (loss) for the period	2,727,779	(4,440,981)	3,630,633	(3,264,766)
Other comprehensive income for the period				
Items that will not be reclassified to statement of profit or loss:				
Remeasurement gain on employees retirement benefits	-	27,468,223	-	27,468,223
Tax effect	-	(10,663,266)	-	(10,663,266)
Other comprehensive income for the period - net of tax	-	16,804,957	-	16,804,957
Total comprehensive income for the period	2,727,779	12,363,976	3,630,633	13,540,191

The annexed notes 1 to 25 are an integral part of these condensed interim unconsolidated financial statements.

Chief Financial Officer	Chief Executive Officer	Chairman

CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	Note	Six months ended June 30, 2026 Rs '000	Six months ended June 30, 2025 Rs '000
Cash flows from operating activities			
Cash generated from operations	19	21,781,142	12,583,704
Employees retirement benefits paid		(1,776,365)	(1,355,733)
Addition to contract costs		(2,438,244)	(2,646,963)
Advances from customers - net		3,295	(411)
Income tax paid		(1,827,376)	(1,738,675)
Net cash generated from operating activities		15,742,452	6,841,922
Cash flows from investing activities			
Acquisition of property and equipment		(15,258,773)	(13,391,432)
Acquisition of intangible assets		(47,480)	(262,687)
Proceeds from disposal of property and equipment		106,633	316,071
Long term loans and advances		(25,289)	(42,388)
Return on long term loan to subsidiaries		7,077,446	2,677,477
Investment in U Microfinance Bank Limited		(2,000,000)	(1,850,000)
Dividend income from Pak Telecom Mobile Limited		2,000,346	-
Repayment of subordinated loans by Pak Telecom Mobile Limited		250,000	416,667
Return on short term investments and bank deposit		108,574	290,411
Government grants received		1,305,987	2,866,681
Net cash used in investing activities		(6,482,556)	(8,979,200)
Cash flows from financing activities			
Dividend paid		(23)	(128)
Interest paid on short term financing		(2,569,671)	(2,375,108)
Addition to long term loan from banks		-	1,850,000
Repayment of long term loan from banks		(1,114,279)	-
Interest paid on long term loans		(9,679,982)	(4,030,660)
Repayment of lease liabilities - interest		(65,550)	(70,714)
Repayment of lease liabilities - principal		(91,688)	(111,429)
Net cash used in financing activities		(13,521,193)	(4,738,039)
Net decrease in cash and cash equivalents		(4,261,297)	(6,875,317)
Cash and cash equivalents at the beginning of the period		(22,124,904)	(35,028,618)
Cash and cash equivalents at the end of the period	20	(26,386,201)	(41,903,935)

The annexed notes 1 to 25 are an integral part of these condensed interim unconsolidated financial statements.

Chief Financial Officer	Chief Executive Officer	Chairman

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital			Revenue reserves		
	Class "A"	Class "B"	Total	General reserve	Unappropriated profits	Total
				(Rupees in '000)		
Balance as at December 31, 2024 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	36,610,433	115,107,505
Total comprehensive income for the six months period ended						
Loss for the period ended June 30, 2025	-	-	-	-	(3,264,766)	(3,264,766)
Other comprehensive income - net of tax	-	-	-	-	16,804,957	16,804,957
	-	-	-	-	13,540,191	13,540,191
Balance as at June 30, 2025 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	50,150,624	128,647,696
Total comprehensive income for the six months period ended						
Profit for the period ended December 31, 2025	-	-	-	-	4,647,020	4,647,020
Other comprehensive loss - net of tax	-	-	-	-	(6,199,110)	(6,199,110)
	-	-	-	-	(1,552,090)	(1,552,090)
Balance as at December 31, 2025 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	48,598,534	127,095,606
Total comprehensive income for the six months period ended						
Profit for the period ended June 30, 2026	-	-	-	-	3,630,633	3,630,633
Other comprehensive income - net of tax	-	-	-	-	-	-
	-	-	-	-	3,630,633	3,630,633
Balance as at June 30, 2026 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	52,229,167	130,726,239

The annexed notes 1 to 25 are an integral part of these condensed interim unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Chairman

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 entered into a Share Purchase Agreement with Telenor Pakistan B.V. in 2023 to acquire a 100% equity stake in Telenor Pakistan (Private) Limited (TP) and Orion Towers (Private) Limited. Following the receipt of all required regulatory approvals, the transaction was successfully completed as on December 31, 2025, at which date the Company obtained control over the acquired entities.

During the period, Pakistan Telecommunication Authority (PTA) has formally approved the proposed amalgamation of Pakistan Telecom Mobile Limited (PTML) and TP. On June 30, 2026 ,the Honorable Islamabad High Court has approved the amalgamation, effective January 01, 2026, whereby TP was amalgamated into PTML by transferring to, merging with and vesting in PTML the entire undertaking, including all the assets, liabilities and obligations (as defined under the scheme of amalgamation) of TP as a going concern. Consequently, the Company's entire shareholding in TP was cancelled, the investment in TP was reclassified as an investment in PTML, and TP stands dissolved without winding up.

2. STATEMENT OF COMPLIANCE

These condensed interim unconsolidated 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, directives and notifications issued under the Companies Act, 2017.

Where the provisions of, directives and notifications 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 condensed interim unconsolidated financial statements of the Company. In addition to these condensed interim unconsolidated financial statements, the Company also prepares condensed interim consolidated financial statements.

3. BASIS OF PREPARATION

These condensed interim unconsolidated 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 Company's financial position and performance since the last annual financial statements. These condensed interim unconsolidated financial statements should be read in conjunction with the Company's latest annual financial statements as at and for the year ended December 31, 2025.

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Estimates and judgments made by the management in the preparation of these condensed interim unconsolidated financial statements are the same as those used in the preparation of the audited financial statements of the Company for the year ended December 31, 2025, except the following:

4.1 The Company performed impairment test for its equity investments in U Microfinance Bank Limited (Ubank) as on June 30, 2026, considering the current and historical financial performance and capital requirements of the entity, as explained below:

The Company has determined recoverable amount of Investment in Ubank, a subsidiary of the Company providing microfinance and branchless banking services, based on a value-in-use determined through discounted cash flow method, which was higher than the carrying value of investment in Ubank in the Company's annual financial statements. Value-in-use was estimated using cash flow projections approved by the Board of Directors of Ubank, covering a five-year period. The Company has applied a discount rate of 18% and the long-term steady growth-rate of 6.00%, to the cash flow projections. The calculation of value-in-use is most sensitive to the following assumptions:

(i) Discount rates:

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the Company.

(ii) Key business assumptions:

Key assumptions relating to the reasonableness of cashflows within the business plan includes long term growth rate, discount rate, growth and deposit, advance deposit ratio (ADR) and dividend payouts. These assumptions are based on business plan approved by the Board of Directors which includes revenue improvements on the basis of multiple strategies planned, including increase in loan disbursement in secured portfolio, and cost rationalization.

(iii) Sensitivity to changes in assumptions:

Management believes that after considering the various scenarios, change in any of the above key assumptions would not cause the carrying value of the investment to materially exceed its recoverable amount.

5. MATERIAL ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2025 except for the following:

5.1 New standards, interpretations and amendments adopted by the Company

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). A description of the nature and effect of the Amendments is as follows:

(a) Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.

(b) Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.

(c) Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.

(d) The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

5.2 The Company has not early adopted any standard, interpretation or amendment that are not yet effective.

5.3 The Company follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed interim unconsolidated financial statements.

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
6. LONG TERM LOANS FROM BANKS			
MCB Bank Ltd		11,000,000	11,000,000
Habib Bank Ltd	6.1	65,000,000	35,000,000
Bank Alfalah Ltd		8,000,000	8,000,000
Faysal Bank Ltd		7,000,000	7,000,000
Bank Islami Pakistan Ltd		4,500,000	4,500,000
Pak China Investment Company		2,500,000	2,500,000
International Finance Corporation		62,447,234	62,887,636
British International Investment		13,908,070	14,006,155
Silk Road Fund		34,909,256	35,155,449
Meezan Bank Limited		5,000,000	5,000,000
MCB Bank Ltd		-	10,000,000
Faysal Bank Ltd		-	7,833,029
Bank Alfalah Ltd		-	8,500,000
Bank of Punjab		-	4,500,000
Less: transaction costs		(3,405,919)	(3,528,665)
		210,858,641	212,353,604
Accrued Interest		784,465	441,834
		211,643,106	212,795,438
Current portion of long term loans from banks		(2,617,798)	(2,275,167)
		209,025,308	210,520,271

6.1 The Company entered into a Syndicate Term Finance Agreement dated February 19, 2026 to avail a long-term finance facility of Rs. 35,000,000 thousand for the purpose of funding its capital expenditure requirements, equity injection and provision of subordinated debt to its wholly owned subsidiary, PTML. The facility is secured by a pari passu charge by way of hypothecation over the Hypothecated Assets. The loan carries a mark-up at the rate of 3-Month KIBOR plus 0.70% per annum with a tenor of seven years with four years grace period, repayable in quarterly installments, with mark-up payments commencing from May 31, 2026, and principal repayment commencing from May 31, 2030.

NOTES TO AND FORMING PART OF THE
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FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
7. TRADE AND OTHER PAYABLES			
Trade creditors		15,100,856	15,773,238
Accrued and other liabilities	7.1	54,357,274	50,314,493
Technical services assistance fee	7.2	62,752,934	56,116,645
Advances from customers		6,753,256	6,215,365
Contract liabilities		905,391	943,272
Retention money /payable to contractors and suppliers		6,296,778	6,651,566
Payable to subsidiaries on account of group taxation		55,292,172	55,296,835
Sales tax payable		2,767,241	2,551,922
Income tax collected / deducted at source		902,699	569,945
		205,128,601	194,433,281
7.1 Accrued and other liabilities			
Accrued liability for operational expenses		17,286,901	14,425,349
Amount withheld on account of provincial levies (Sub-judice) for ICH operations		12,110,803	12,110,803
Accrual for Government / regulatory expenses		17,411,054	17,736,378
Accrued wages		1,828,100	3,756,424
Others	7.3	5,720,416	2,285,539
		54,357,274	50,314,493

7.2 Liability has not been settled since State Bank of Pakistan has not yet acknowledged the extension of Technical Service Assistance (TSA) Agreement.

7.3 This includes earnest money received amounting to Rs. 3,370,509 thousand (December 31, 2025: Rs 483,870 thousand).

8. SHORT TERM FINANCING

These facilities are obtained from various commercial banks with an aggregate limit of Rs. 34,050,000 thousand (December 31, 2025: 25,510,000 thousand) and are secured against 1st pari passu charge on present and future assets of the Company. These facilities carry markup rates ranging from 1-month KIBOR to 3-month KIBOR plus weighted average rate of 0.36% (December 31, 2025: 1-month KIBOR to 3-month KIBOR plus weighted average rate of 0.18%) per annum.

This also include shariah compliant, rated, unlisted, unsecured, privately placed short term sukuk amounting to Rs. 30,000,000 thousand (December 31, 2025: 25,000,000 thousand) issued to meet the working capital requirements with a tenor of 6 months carrying mark-up rates of 3-month KIBOR (December 31, 2025: 3-month KIBOR minus weighted average rate of 0.01%) per annum. 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. As of reporting date, these facilities were fully utilized by the Company.

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
9. PROPERTY AND EQUIPMENT			
Operating fixed assets	9.1	145,386,553	149,236,665
Capital work-in-progress	9.3	38,143,508	29,694,357
		183,530,061	178,931,022

	Note	Six months ended June 30, 2026 (Un-Audited) Rs '000	Six months ended June 30, 2025 (Un-Audited) Rs '000
9.1 Operating fixed assets			
Opening net book value		149,236,665	138,294,889
Additions during the period	9.2	6,809,622	18,784,584
		156,046,287	157,079,473
Disposals during the period - at net book value		(85,151)	(90,039)
Transfer to assets held for sale		(23,005)	-
Depreciation charge for the period		(10,551,578)	(9,727,867)
		(10,659,734)	(9,817,906)
Closing net book value		145,386,553	147,261,567
9.2 Detail of additions during the period:			
Buildings on freehold land		102,596	134,652
Buildings on leasehold land		-	132,624
Lines and wires		3,694,642	9,526,607
Apparatus, plant and equipment		2,672,158	8,633,901
Office equipment		14,158	83,955
Computer equipment		258,020	138,414
Furniture and fittings		283	633
Submarine Cable		67,765	119,311
Vehicles		-	14,487
		6,809,622	18,784,584

9.3 Additions to Capital work-in-progress during the six months period ended June 30, 2026 were Rs 15,044,159 thousand (June 30, 2025: Rs 18,908,210 thousand). Transfers from Capital work-in-progress to operating fixed assets during the six months period ended June 30, 2026 were Rs 6,595,008 thousand (June 30, 2025: Rs 18,959,764 thousand).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

10. LONG TERM INVESTMENTS

During the period, the Company made an additional investment amounting to Rs. 2,000,000 thousand in its wholly owned subsidiary, U Microfinance Bank Limited. Furthermore, the Company continues to support its subsidiaries to meet their regulatory and capex requirements.

	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11. LONG TERM LOANS AND ADVANCES		
Loans to PTML - unsecured	114,168,802	58,166,661
Loan to Telenor Pakistan - Shareholders	-	63,184,153
Loans to employees - secured	791,251	785,555
Others	258,395	233,106
	115,218,448	122,369,475

12. DEFERRED INCOME TAX

During the period, minimum tax amounting to Rs. 1,826,517 thousand (2025: Rs. nil) was adjusted against the tax liability.

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
13. TRADE DEBTS AND CONTRACT ASSETS			
Trade debts		80,612,730	72,195,070
Contract assets		7,241,539	7,122,700
		87,854,269	79,317,770
Allowance for expected credit loss		(9,283,605)	(8,054,025)
		78,570,664	71,263,745
14. CASH AND BANK BALANCES			
Cash in hand		112,000	53,539
Balances with banks:	14.1		
Deposit accounts local currency		4,727,334	1,830,184
Current accounts			
Local currency		874,600	3,302,387
Foreign currency		13,433,347	17,210,676
		14,307,947	20,513,063
		19,147,281	22,396,786

14.1 Bank balance includes Rs 1,011 thousand (December 31, 2025: Rs 642 thousand) carrying profit rates ranging from 2.5% to 10% (December 31, 2025: 6.7%) per annum from Shariah arrangements.

15. 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, 2025, except as disclosed in notes 15.6, 15.7 and 15.8, of the annual audited financial statements, as disclosed below:

15.1 For the tax years 2007, 2009, 2010, 2011 to 2024, 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 55,296,116 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. The CIR (Appeals) have remanded back the disallowances relating to tax years 2014 and 2020 having tax impact of Rs. 5,937,972 thousand to Taxation Officer.

15.2 This relates to pension litigation disclosed in note 15.7 of the Company's financial statements for the year ended December 31, 2025. The pensioners have filed the writ petitions before the Islamabad High Court seeking grant of pension increases which were fixed for hearing June 03, 2026 and have been adjourned to date in office. The reviews filed by the pensioners and the Company/PTET were fixed in the Federal Constitutional Court on June 16, 2026 and have been adjourned to date in office without hearing. The Court has not issued notices to the parties. Based on legal advice, any potential adverse findings from the High Courts are not expected to materially impact the condensed interim unconsolidated financial statements.

15.3 During the period, the Company reassessed its pension obligations in respect of certain pensioners. Consequently, an additional pension expense of Rs. 355 million was recognized in the condensed interim unconsolidated statement of profit or loss, reflecting the increase in the defined benefit obligation arising from this reassessment.

15.4 A total of 1,095 cases (December 31, 2025: 1,107 cases) against the Company involving Regulatory, Telecom Operators, Employees and Subscribers are pending adjudication. Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and Legal advisors of the company are of the view that the outcome of these cases is expected to be favourable and liability, if any, arising out on the settlement is not likely to be material.

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
15.5 Guarantees and bid bonds in favour of:			
Universal Service Fund (USF) against government grants		8,279,346	7,604,921
Others	15.5.1	3,574,569	3,559,544
		11,853,915	11,164,465
Corporate guarantee in favor of PTML		72,997,000	72,997,000

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15.5.1 Others includes bank guarantee given on behalf of DVCOM Data (Private) Limited to PTA amounting to Rs 675,000 thousand (December 31, 2025: Rs. 675,000 thousand).

	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
15.6 Commitments		
Contracts for capital expenditure	16,668,226	5,638,130
Letter of comforts in favor of PTML	3,500,000	3,500,000
	20,168,226	9,138,130

16. REVENUE

The Company generates revenue from the following performance obligations of its tele-communication services.

	Six months ended	
	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	28,622,860	26,965,190
Voice services	3,555,866	4,045,386
Wireless data	203,215	246,515
Revenue from retail customers	32,381,941	31,257,091
Corporate and wholesale	25,960,547	22,378,711
International	5,409,146	5,275,966
Total revenue	63,751,634	58,911,768

16.1 Revenue is stated net of trade discount amounting to Rs 7,576 thousand (June 30, 2025: Rs 9,999 thousand) and Federal Excise Duty and sales tax amounting to Rs 8,611,792 thousand (June 30, 2025: Rs 8,569,728 thousand).

		Six months ended	
	Note	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
17. OTHER INCOME			
Income from financial assets	17.1	10,040,728	3,794,617
Income from non-financial assets		1,608,593	1,356,761
		11,649,321	5,151,378

17.1 Income from financial assets include Rs 8 thousand (June 30, 2025: Rs 66 thousand) earned from Shariah arrangements. This also includes interest on loans to subsidiary amounting to Rs 7,073,346 thousand (June 30, 2025: Rs 2,537,179 thousand) and dividend income from subsidiary amounting to Rs. 2,000,346 thousand (June 30, 2025: Rs. nil).

18. FINANCE AND OTHER COSTS

This includes interest on long term loans amounting to Rs. 10,401,178 thousand (June 30, 2025: Rs 3,955,169 thousand) on outstanding loans amounting to Rs. 214,264,560 thousand (June 30, 2025: Rs 64,875,000 thousand).

	Six months ended	
	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
19. CASH GENERATED FROM OPERATIONS		
Profit / (loss) before tax	4,220,718	(3,116,026)
Adjustments for non-cash charges and other items:		
Depreciation of property and equipment	10,551,578	9,727,867
Amortization of intangible assets	401,632	398,840
Depreciation of right of use assets	184,035	232,640
Amortization of contract costs	2,531,715	2,860,476
Amortization of transaction costs on long term loans - net	403,996	33,235
Reversal of obsolete stores and spares	(24,344)	(1,312)
Impairment loss on financial assets	1,229,580	1,108,000
Provision for employees retirement benefits	1,560,197	6,986,553
Gain on disposal of property and equipment	(21,482)	(226,032)
Interest on bank deposits	(135,975)	(282,366)
Imputed interest on lease liabilities	96,319	123,350
Interest cost on employee retirement benefits	1,861,031	2,244,081
Interest on long term loan to subsidiaries	(7,073,346)	(2,537,179)
Interest on long term loans from banks	10,022,614	3,955,169
Interest on short term financing	2,842,913	3,167,828
Dividend Income from Pak Telecom Mobile Limited	(2,000,346)	-
Unearned revenue realized against advances from customers	(104,522)	(91,787)
Release of deferred government grants	(610,076)	(450,285)
Exchange (gain) / loss	(548,058)	695,462
	25,388,179	24,828,514
Effect on cash flows due to working capital changes:		
(Increase) / decrease in current assets:		
Stores and spares	(1,111,377)	373,603
Trade debts and contract assets	(8,804,029)	(7,275,941)
Loans and advances	(1,560,837)	(468,327)
Prepayments and other receivables	(2,561,039)	(6,811,675)
	(14,037,282)	(14,182,340)
Increase in current liabilities:		
Trade and other payables	10,427,718	1,873,743
Security deposits	2,527	63,787
	21,781,142	12,583,704

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FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
20. CASH AND CASH EQUIVALENTS		
Short term financing	(45,533,482)	(55,982,157)
Cash and bank balances	19,147,281	14,078,222
	(26,386,201)	(41,903,935)

21. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Relationship with the Company	Nature of transaction	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
i. Shareholders	Technical services assistance fee - note 21.1	2,078,295	1,931,011
ii. Subsidiaries	Sale of goods and services	5,084,395	3,168,194
	Purchase of goods and services	1,362,923	663,083
	Mark up on loans	7,073,346	2,537,179
	Dividend income	2,000,346	-
	Long term investment in subsidiary	2,000,000	1,850,000
	Repayment of long term loans from subsidiary	250,000	416,667
iii. Associated undertakings	Sale of goods and services	3,955,041	3,447,251
	Purchase of goods and services	476,160	595,548
iv. Employees contribution plan	PTCL Employees GPF Trust - net	24,932	201,429
v. Employees retirement benefit plan	Contribution to the plan- Gratuity	124,312	63,009
vi. Directors, Chief Executive and Key management personnel	Fee and remuneration including benefits and perquisites	980,595	751,180

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Period / year-end balances			
Receivables from related parties			
Long term loans to subsidiaries		121,934,153	122,184,153
Trade debts			
- Subsidiaries		1,632,294	1,014,055
- Associated undertakings		51,402,511	48,204,971
Other receivables			
- Subsidiaries		28,432,102	23,461,750
- Associated undertakings		71,305	71,305
- Pakistan Telecommunication Employees Trust (PTET)		72,468	59,538
- Long term loans to executives and key management personnel		87,670	89,119
Pakistan Telecommunication Employees Trust (PTET)		13,719,223	13,762,801
Payables to related parties			
Trade creditors			
- Subsidiaries		2,678,462	1,974,494
- Associated undertakings		5,421,325	5,147,672
Payable to subsidiaries on account of group taxation		55,285,098	55,296,836
Security deposits from subsidiary		12,368	12,368
Retention money payable to associated undertakings		2,940	8,993
Technical services assistance fee payable to Etisalat	21.1	62,752,934	56,116,645
Pakistan Telecommunication Company Limited Employees Gratuity Fund		1,117,748	993,435

21.1 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.

22. OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

	Gross amounts subject to offsetting	Offset	Net amount	Amount not in scope of offsetting	Net as per statement of financial position
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
As At June 30, 2026 (Un-audited)					
Trade debts and contract assets	44,134,485	(1,590,759)	42,543,726	36,026,938	78,570,664
Trade creditors	(2,536,948)	1,590,759	(946,189)	14,154,667	15,100,856
As At December 31, 2025 (Audited)					
Trade debts	45,726,550	(3,990,904)	41,735,646	29,528,099	71,263,745
Trade creditors	(4,959,494)	3,990,904	(968,590)	14,804,648	15,773,238

23. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The carrying values of all financial assets and liabilities reflected in the condensed interim unconsolidated financial statements, approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date. Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and significance of the inputs to the fair value measurement in its entirety, which is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

There has been no transfers from one level of hierarchy to another level during the year.

		Level 1	Level 2	Level 3	Total
		Rupees in thousands			
Long term other investments	June 30, 2026	-	-	51,427	51,427
Long term other investments	December 31, 2025	-	-	51,427	51,427

Except for the above financial assets carried at fair value, all financial assets and liabilities as of June 30, 2026 are carried at amortised cost.

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, 2025. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments form those as disclosed in the audited financial statements of the Company for the year ended December 31, 2025.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

24. DISCLOSURE REQUIREMENTS FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth Schedule to the Companies Act, 2017, Shariah compliant companies and companies listed on the Islamic index shall disclose the following:

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Financing obtained as per Islamic mode			
Long term loans from banks	6	19,000,000	26,833,029
Short term financing	8	33,415,316	34,047,757
Shariah-compliant bank deposits, bank balances, and TDRs			
Bank balances	14	1,011	642

	Note	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
Revenue earned from shariah compliant business			
Revenue	16	63,751,634	58,911,768
Interest accrued on any conventional loan or advance			
Long term loans from banks	18	5,207,696	3,955,169
Short term financing	18	2,842,913	3,167,828
Late payment or liquidated damages			
Late payment surcharge from subscribers	17	450,812	317,168
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs			
Return on bank deposits	17	8	66
Exchange gain / (loss) earned from actual currency			
Exchange gain	17	380,248	657,904
Interest earned on any loans or advances			
Interest on subordinated long term loan to subsidiaries	17	7,073,346	2,537,179

25. DATE OF AUTHORIZATION FOR ISSUE OF CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

25.1 These condensed interim unconsolidated financial statements for the six months period ended June 30, 2026 were authorized for issue by the Board of Directors of the Company on July 28, 2026.

Chief Financial Officer	Chief Executive Officer	Chairman

NOTES

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

CONDENSED INTERIM CONSOLIDATED
STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (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
Accumulated losses		(38,463,279)	(42,693,655)
		(10,966,207)	(15,196,583)
Statutory and other reserves		954,563	954,563
Unrealized gain on investments measured at fair value through OCI		53,869	111,732
		41,042,225	36,869,712
Liabilities			
Non-current liabilities			
Long term loans from banks		229,848,918	238,351,273
Deposits from banking customers		152,074	141,394
Lease liabilities		54,198,588	52,171,230
Employees retirement benefits		49,273,718	47,893,345
Deferred government grants		48,574,110	49,165,643
Provision for asset retirement obligations		1,143,214	1,110,448
Advances from customers		501,278	535,140
License fee payable		25,053,407	2,390,154
Long term vendor liability		31,078,592	24,758,299
		439,823,899	416,516,926
Current liabilities			
Trade and other payables	6	207,824,097	200,743,692
Deposits from banking customers		141,409,291	156,058,475
Interest accrued		3,113,174	3,604,214
Short term financing		80,355,304	71,487,663
Subordinated debt		150,000	150,000
Current portion of:			
Long term loans from banks		16,215,021	17,949,653
Lease liabilities		16,456,608	16,029,293
License fee payable		30,220,381	8,340,464
Long term vendor liability		17,775,477	23,789,108
Security deposits		2,451,652	2,290,615
Unpaid / unclaimed dividend		207,728	207,751
		516,178,733	500,650,928
Total equity and liabilities		997,044,857	954,037,566

Contingencies and commitments 11

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

Chief Financial Officer **Chief Executive Officer** **Chairman**

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Assets			
Non-current assets			
Property and equipment	7	366,686,906	361,439,043
Right of use assets		55,791,225	51,610,626
Intangible assets		172,091,183	135,060,288
		594,569,314	548,109,957
Long term investments		51,427	51,427
Long term loans and advances		2,454,052	2,196,892
Long term loans to banking customers		10,764,070	12,112,463
Deferred income tax		23,715,159	26,871,817
Employees retirement benefits		13,719,223	13,762,801
Contract costs		3,642,894	1,584,213
		648,916,139	604,689,570
Current assets			
Stock in trade, stores and spares		7,539,991	6,348,808
Trade debts and contract assets	8	94,775,962	82,824,227
Current portion of loans to banking customers		57,507,512	56,657,024
Loans and advances		6,281,299	4,944,890
Contract costs		4,736,891	5,514,961
Income tax recoverable		85,604,801	79,558,762
Deposits, prepayments and other receivables		28,719,163	30,794,051
Short term investments	9	24,744,526	43,950,004
Cash and bank balances	10	38,194,636	38,754,337
Asset classified as held for sale		23,937	932
		348,128,718	349,347,996
Total assets		997,044,857	954,037,566

Chief Financial Officer | **Chief Executive Officer** | **Chairman**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

		Three months ended		Six months ended	
	Note	June 30, 2026 Rs '000	June 30, 2025 Rs '000	June 30, 2026 Rs '000	June 30, 2025 Rs '000
Revenue	12	103,819,828	62,749,312	201,665,206	124,599,106
Cost of services		(66,704,086)	(41,942,747)	(129,784,832)	(83,822,789)
Gross profit		37,115,742	20,806,565	71,880,374	40,776,317
Administrative and general expenses		(17,424,815)	(8,361,675)	(29,809,151)	(16,736,288)
Selling and marketing expenses		(3,769,849)	(3,373,433)	(10,093,540)	(7,328,108)
(Allowance) / reversal for expected credit losses		(25,379)	(1,670,868)	27,315	(6,886,280)
		(21,220,043)	(13,405,976)	(39,875,376)	(30,950,676)
Operating profit		15,895,699	7,400,589	32,004,998	9,825,641
Past service cost - pension	11.3	(355,144)	(5,890,142)	(355,144)	(5,890,142)
Other income	13	4,321,148	3,310,232	8,270,836	8,836,302
Finance costs and other expenses		(15,619,407)	(11,987,320)	(30,488,382)	(25,479,977)
Profit / (loss) before tax		4,242,296	(7,166,641)	9,432,308	(12,708,176)
Income tax		(2,640,208)	1,233,911	(4,764,182)	2,810,357
Profit / (loss) for the period		1,602,088	(5,932,730)	4,668,126	(9,897,819)
Earnings / (loss) per share - basic and diluted (Rupees)		0.31	(1.16)	0.92	(1.94)

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

Chief Financial Officer	Chief Executive Officer	Chairman

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	Three months ended		Six months ended	
	June 30, 2026 Rs '000	June 30, 2025 Rs '000	June 30, 2026 Rs '000	June 30, 2025 Rs '000
Profit / (loss) for the period	1,602,088	(5,932,730)	4,668,126	(9,897,819)
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss:				
Remeasurement gain on employees retirement benefits	-	27,468,223	-	27,468,223
Tax effect	-	(10,663,266)	-	(10,663,266)
	-	16,804,957	-	16,804,957
Items that may be subsequently reclassified to profit or loss:				
Gain / (loss) on debt instruments arising during the period	79,115	72,140	(94,857)	(438,672)
Tax effect	(30,855)	(20,920)	36,994	127,215
	48,260	51,220	(57,863)	(311,457)
Other comprehensive income / (loss) for the period - net of tax	48,260	16,856,177	(57,863)	16,493,500
Total comprehensive income for the period	1,650,348	10,923,447	4,610,263	6,595,681

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

Chief Financial Officer	Chief Executive Officer	Chairman

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	Note	Six months ended June 30, 2026 Rs '000	Six months ended June 30, 2025 Rs '000
Cash flows from operating activities			
Cash generated from operations	14	77,899,474	38,401,235
Employees retirement benefits paid		(2,364,669)	(1,359,899)
Addition to contract costs		(4,742,325)	(3,954,397)
Deposits from banking customers		(14,638,504)	(5,016,815)
Return on long term loans and short term investments		1,663,344	3,963,366
Income tax paid		(7,690,557)	(3,884,384)
Net cash generated from operating activities		50,126,763	28,149,106
Cash flows from investing activities			
Acquisition of property and equipment		(31,913,301)	(27,919,083)
Acquisition of intangible assets		(1,453,077)	(400,247)
Proceeds from disposal of property and equipment		741,543	441,279
Short term investments - net		19,205,478	132,773,907
Long term loans and advances - net		(257,160)	5,292,919
Government grants received		2,181,595	5,793,566
Net cash (used in) / generated from investing activities		(11,494,922)	115,982,341
Cash flows from financing activities			
Loan from banks - net		(9,856,303)	(122,974,817)
Settlement of subordinated debt		-	(850,000)
Additions to vendor liability		7,362,458	6,271,142
Repayment of vendor liability		(7,916,921)	(20,069,843)
Repayment of license fee		(316,759)	(191,768)
Finance costs paid		(21,434,508)	(19,155,265)
Repayment of lease liabilities - principal		(11,029,063)	(5,031,730)
Repayment of lease liabilities - interest		(4,868,064)	(1,843,208)
Settlement of unclaimed dividend		(23)	(128)
Net cash used in financing activities		(48,059,183)	(163,845,617)
Net decrease in cash and cash equivalents		(9,427,342)	(19,714,170)
Cash and cash equivalents at the beginning of the period		(32,733,326)	(27,537,635)
Cash and cash equivalents at the end of the period	15	(42,160,668)	(47,251,805)

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

Chief Financial Officer | **Chief Executive Officer** | **Chairman**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital			Revenue reserves		Statutory and other reserves	Unrealized gain on investments measured at fair value through OCI	Total
	Class "A"	Class "B"	Total	General reserve	Accumulated losses			
	(Rupees in '000)							
Balance as at December 31, 2024 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(43,575,731)	935,752	409,162	36,266,255
Total comprehensive income / (loss) for the period								
Loss for the six months ended June 30, 2025	-	-	-	-	(9,897,819)	-	-	(9,897,819)
Other comprehensive income / (loss)	-	-	-	-	16,804,957	-	(311,457)	16,493,500
	-	-	-	-	6,907,138	-	(311,457)	6,595,681
Balance as at June 30, 2025 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	(36,668,593)	935,752	97,705	42,861,936
Profit for the six months ended December 31, 2025	-	-	-	-	151,702	-	-	151,702
Other comprehensive (loss) / income	-	-	-	-	(6,157,953)	-	14,027	(6,143,926)
	-	-		-	(6,006,251)	-	14,027	(5,992,224)
Transfer to statutory and other reserves	-	-	-	-	(18,811)	18,811	-	-
Balance as at December 31, 2025 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(42,693,655)	954,563	111,732	36,869,712
Total comprehensive income / (loss) for the period								
Profit for the six months ended June 30, 2026	-	-	-	-	4,668,126	-	-	4,668,126
Other comprehensive loss	-	-	-	-	-	-	(57,863)	(57,863)
	-	-		-	4,668,126	-	(57,863)	4,610,263
First time adoption of IFRS-9 EIR impact	-	-	-	-	(437,750)	-	-	(437,750)
Balance as at June 30, 2026 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	(38,463,279)	954,563	53,869	41,042,225

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

Chief Financial Officer **Chief Executive Officer** **Chairman**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Constitution and ownership

The condensed interim consolidated 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 Parent of the Holding Company is e& and the ultimate parent is UAE Federal Government.

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 entered into a Share Purchase Agreement with Telenor Pakistan B.V. in 2023 to acquire a 100% equity stake in Telenor Pakistan (Private) Limited (TP) and Orion Towers (Private) Limited (OT). Following the receipt of all required regulatory approvals, the transaction was successfully completed as on December 31, 2025, at which date the Holding Company obtained control over the acquired entities.

Pak Telecom Mobile Limited (PTML) & Telenor Pakistan (Private) Limited (TP)

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 the Holding Company. The registered office of PTML is situated at Ufone Tower, Plot No. 55-C, Jinnah Avenue, Blue Area, Islamabad.

Telenor Pakistan (Private) Limited was incorporated in Pakistan in 2004 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of TP was to provide cellular mobile communication services in Pakistan and Azad Jammu & Kashmir (AJK) under a license from Pakistan Telecommunication Authority (PTA). It was a wholly owned subsidiary of the Holding Company.

During the period, Pakistan Telecommunication Authority (PTA) has formally approved the proposed amalgamation of PTML and TP. On June 30, 2026 ,the hounourable Islamabad High Court has approved the amalgamation, effective January 01, 2026, whereby TP was amalgamated into PTML by transferring to, merging with and vesting in PTML the entire undertaking, including all the assets, liabilities and obligations (as defined under the scheme of amalgamation) of TP as a going concern. Consequently, the Holding Company's entire shareholding in TP was cancelled, the investment in TP was reclassified as an investment in PTML, and TP stands dissolved without winding up.

Telenor LDI Communications (Private) Limited (TLDI)

Telenor LDI Communications (Private) Limited (TLDI) was incorporated in Pakistan in 2006 as a private limited company under the Companies Act, 2017. The principal activity of TLDI is to provide Long Distance and International (LDI) calls and allied telecommunication services. TLDI has obtained license for LDI telephony services from Pakistan Telecommunication Authority (PTA). It is a wholly owned subsidiary of PTML (following the amalgamation of TP into PTML). Registered office of TLDI is located at 345 Telenor Headquarters, Plot No. 55, River View Avenue, Block B, Gulberg Greens, Islamabad.

Margalla Ventures (Private) Limited (MVPL)

Margalla Ventures (Private) Limited (MVPL) was incorporated in Pakistan on 27 October 2010 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal line of business is to carry on the trade and business of internet related software/hardware, cloud computing, advertising, marketing, promotion, branding, mobile and

NOTES TO AND FORMING PART OF THE
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FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

web based applications and other related services including digital, technical products, business analytics, solutions, software and services and to enter into and create partnerships (based on equity contributions or otherwise) with other entities as it deems appropriate. It is a wholly owned subsidiary of PTML (following the amalgamation of TP into PTML). The registered office of MVPL is located at 345 Telenor Headquarters, Plot No. 55, River View Avenue, Block B, Gulberg Greens, Islamabad. Currently MVPL has no active business operations.

Orion Towers (Private) Limited (OT)
Orion Towers (Private) Limited (OT) was incorporated in Pakistan on 04 May 2018 as a private limited Company under the Companies Act, 2017. The principal activity of OT is to undertake in Pakistan and elsewhere the business of constructing, acquiring, establishing, developing, maintaining and managing telecommunications infrastructure. It is a wholly owned subsidiary of the Holding Company. The registered office of OT is located at 345, Plot No. 55, River View Avenue, Block B, Gulberg Greens Islamabad. OT is expected to commence operations in the future, and the Group is committed to providing the necessary support.

U Microfinance Bank Limited (U Bank)
The Holding Company acquired 100% ownership of U Bank on August 30, 2012. U Bank's principal business is to assist in stimulating progress, prosperity and social peace in society through creation of income generating opportunities for the small entrepreneurs under the Microfinance Institutions Ordinance, 2001. U Bank also provides branchless banking services. U Bank was incorporated on October 29, 2003 as a public limited company. The registered office of U Bank is situated at PTCL Nest Office, Sector G-8/4, Islamabad.

DVCOM Data (Private) Limited (DVCOM Data)
DVCOM Data was incorporated as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on 30 May 2017) on 27 March 2007. The principal activities of the DVCOM Data are to provide Wireless Local Loop (WLL) services in Pakistan under the license from Pakistan Telecommunication Authority (PTA). The registered office of DVCOM Data is located at Hatim Alvi Road, Clifton, Karachi.

Effective April 01, 2015, the Holding Company acquired 100% shareholding of DVCOM Data from DVCOM Limited and is the sole customer of the DVCOM Data. The management has agreed in principle to merge its operations with the Holding Company. DVCOM Data is currently in the process of completing the legal formalities of the merger.

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 the Holding Company. The registered office of Smart Sky is located at PTCL Headquarters, G-8/4, Islamabad. Currently Smart Sky has no active business operations.

1.2 Activities of the Group
The Group principally provides telecommunication and broadband internet services in Pakistan. The Holding Company owns and operates telecommunication facilities and provides domestic and international telephone services throughout Pakistan. The Holding Company 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 interim consolidated 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, directives and notification 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 interim consolidated financial statements do not include all of the information required in the annual consolidated 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 consolidated financial position and performance since the last annual consolidated financial statements. These condensed interim consolidated 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, 2025.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim consolidated 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 interim consolidated 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, 2025.

5. MATERIAL ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's audited consolidated financial statements for the year ended December 31, 2025 except for the following:

5.1 New standards, interpretations and amendments adopted by the Group

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). A description of the nature and effect of the Amendments is as follows:

(a) Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.

(b) Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.

(c) Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.

(d) The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

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FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

5.2 The Group has not early adopted any standard, interpretation or amendment that are not yet effective.

5.3 The Group follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed interim consolidated financial statements.

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
6. TRADE AND OTHER PAYABLES			
Trade creditors		23,081,434	32,579,244
Accrued and other liabilities	6.1	94,386,974	83,906,070
Technical services assistance fee		62,752,934	56,116,645
Advances from customers / contract liabilities		16,247,404	16,360,756
Retention money / payable to contractors and suppliers		6,296,778	7,135,436
Income tax collected from subscribers / deducted at source		2,255,063	1,878,987
Sales tax payable		2,803,510	2,766,554
		207,824,097	200,743,692
6.1 Accrued and other liabilities			
Accrued liability for operational expenses		43,851,507	37,010,894
Amount withheld on account of provincial levies (Sub-judice) for ICH operations		11,551,803	11,551,803
Accrual for Government / regulatory expenses		22,695,006	22,784,701
Accrued wages		2,962,575	4,659,291
Others		13,326,083	7,899,381
		94,386,974	83,906,070
7. PROPERTY AND EQUIPMENT			
Operating fixed assets	7.1	299,620,631	297,630,700
Capital work-in-progress	7.3	67,066,275	63,808,343
		366,686,906	361,439,043

	Note	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
7.1 Operating fixed assets			
Opening net book value		297,630,700	238,897,893
Additions during the period	7.2	26,159,206	21,809,629
		323,789,906	260,707,522
Disposals during the period - at net book value		(376,131)	(192,705)
Transfers to assets held for sale		(23,005)	-
Depreciation for the period		(23,635,949)	(17,268,445)
Impairment during the period		(134,190)	(134,883)
		(24,169,275)	(17,596,033)
Closing net book value		299,620,631	243,111,489
7.2 Detail of additions during the period:			
Buildings on freehold land		102,596	134,652
Buildings on leasehold land		-	132,624
Lines and wires		3,694,642	9,526,607
Apparatus, plant and equipment		20,134,752	11,553,414
Office equipment		1,050,923	98,548
Computer equipment		1,060,123	218,285
Furniture and fittings		30,753	11,701
Vehicles		17,652	14,487
Submarine cables		67,765	119,311
		26,159,206	21,809,629

7.3 Additions to CWIP during the six months ended June 30, 2026 were Rs 33,104,286 thousand (June 30, 2025: Rs 28,241,949 thousand).

	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
8. TRADE DEBTS AND CONTRACT ASSETS		
Trade debts	100,675,982	87,726,157
Contract assets	7,963,888	7,702,939
	108,639,870	95,429,096
Allowance for expected credit loss	(13,863,908)	(12,604,869)
	94,775,962	82,824,227

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	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
9. SHORT TERM INVESTMENTS			
Amortized cost			
Lending to Financial Instituition		5,485,217	13,278,380
Fair value through Profit or Loss			
Non Government debt securities		1,693,879	1,693,996
Mutual Funds		1,000,288	16,005,271
		2,694,167	17,699,267
Fair value through Other Comprehensive Income			
Federal Government securities		16,515,144	12,905,693
Non Government debt securities		49,998	66,664
		16,565,142	12,972,357
		24,744,526	43,950,004
10. CASH AND BANK BALANCES			
Cash in hand		1,377,928	990,498
Balances with banks:	10.1		
Local currency			
Current account maintained with SBP and NBP		4,750,554	3,677,545
Current accounts		1,329,489	3,724,991
Saving accounts		15,961,678	11,645,891
		22,041,721	19,048,427
Foreign currency			
Current accounts		13,433,347	17,210,676
Saving accounts		1,341,640	1,504,736
		14,774,987	18,715,412
		38,194,636	38,754,337

10.1 Bank balance includes Rs 1,011 thousand (December 31, 2025: Rs 642 thousand) carrying profit rates ranging from 2.5% to 10% (December 31, 2025: 6.7%) per annum from Shariah arrangements.

11. CONTINGENCIES AND COMMITMENTS

There has been no material changes in contingencies as disclosed in note 19 to the audited consolidated financial statements for the year ended December 31, 2025 except as disclosed in note 19.6, 19.7 and 19.8, of the annual audited consolidated financial statements as disclosed below:

11.1 For the tax years 2007, 2009, 2010, 2011 to 2024, 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 55,296,116 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. The CIR (Appeals) have remanded back the disallowances relating to tax years 2014 and 2020 having tax impact of Rs. 5,937,972 thousand to Taxation Officer.

11.2 This relates to pension litigation disclosed in note 19.7 of the Group's consolidated financial statements for the year ended December 31, 2025. The pensioners have filed the writ petitions before the Islamabad High Court seeking grant of pension increases which were fixed for hearing June 03, 2026 and have been adjourned to date in office. The reviews filed by the pensioners and the Holding Company / PTET were fixed in the Federal Constitutional Court on June 16, 2026 and have been adjourned to date in office without hearing. The Court has not issued notices to the parties. Based on legal advice, any potential adverse findings from the High Courts are not expected to materially impact the condensed interim consolidated financial statements.

11.3 During the period, the Holding Company reassessed its pension obligations in respect of certain pensioners. Consequently, an additional pension expense of Rs. 355 million was recognized in the condensed interim consolidated statement of profit or loss, reflecting the increase in the defined benefit obligation arising from this reassessment.

11.4 A total of 1,095 cases (December 31, 2025: 1,107 cases) against the Holding Company involving Regulatory, Telecom Operators, Employees and Subscribers are pending adjudication. Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and Legal advisors of the Holding Company are of the view that the outcome of these cases is expected to be favourable and liability, if any, arising out on the settlement is not likely to be material.

	Note	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11.5 Guarantees and bid bonds of Group issued in favor of:			
Universal Service Fund (USF) against government grants		143,589,793	21,966,250
Pakistan Telecommunication Authority		7,186,679	6,082,796
Letter of guarantee issued in favor of IFC, BII and SRF		111,264,560	112,049,240
Others	11.5.1	3,755,637	3,787,215
		265,796,669	143,885,501
Corporate guarantee in favour of PTML		72,997,000	72,997,000
		72,997,000	72,997,000

11.5.1 Others includes bank guarantee given on behalf of DVCOM Data (Private) Limited to PTA amounting to Rs 675,000 thousand (December 31, 2025: Rs. 675,000 thousand).

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	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11.6 Commitments - Group		
Letters of credit for purchase of stock-in trade	372,879	415,289
Letters of comfort in favour of PTML	3,500,000	3,500,000
Contracts for capital expenditure	58,990,593	26,731,397
	62,863,472	30,646,686

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, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	28,550,860	26,965,190
Cellular and other wireless services	105,208,217	46,335,050
Voice services - fixed line	3,555,866	4,045,386
Revenue from retail customers	137,314,943	77,345,626
Corporate and wholesale	37,317,225	27,021,044
International	14,878,134	6,291,207
Banking	12,154,904	13,941,229
Total revenue	201,665,206	124,599,106

12.1 Revenue is stated net of trade discount amounting to Rs 2,992,574 thousand (June 30, 2025: Rs 1,492,077 thousand) and Federal excise duty and sales tax amounting to Rs 31,607,550 thousand (June 30, 2025: Rs 18,927,629 thousand).

		Six months ended	
	Note	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
13. OTHER INCOME			
Income from financial assets - net	13.1	3,390,909	5,857,590
Income from non-financial assets		4,879,927	2,978,712
		8,270,836	8,836,302

13.1 Income from financial assets include Rs 8 thousand (June 30, 2025: Rs 66 thousand) earned from Shariah arrangements.

	Six months ended	
	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
14. CASH GENERATED FROM OPERATIONS		
Profit / (loss) before tax	9,432,308	(12,708,176)
Adjustments for non-cash charges and other items:		
Depreciation of property and equipment	23,635,949	17,268,445
Impairment of property and equipment	134,190	134,883
Amortization of intangible assets	10,538,639	3,807,426
Amortization of contract costs	3,461,714	4,283,966
Depreciation of right of use assets	9,486,404	5,951,065
Expected credit losses on trade debts and contract assets	1,255,545	1,127,328
Impairment loss on non performing loans to banking customers	(1,282,860)	5,758,952
Amortization of transaction costs on long term loans - net	403,996	33,235
Provision for obsolete stores, spares and loose tools	(23,704)	70,443
Provision for employees retirement benefits	1,892,992	7,151,250
Imputed interest on lease liabilities	4,868,064	1,843,208
Unearned revenue realized	-	(91,787)
Imputed interest on asset retirement obligation	32,766	-
Interest cost on employee retirement benefits	1,895,628	2,256,241
Gain on disposal of property and equipment	(365,412)	(248,574)
Gain on derecognition of lease liability and asset	(183,267)	-
Return on bank deposits and Government securities	(1,667,216)	(4,130,611)
Release of deferred government grants	(2,773,128)	(1,630,285)
Exchange loss / (gain) - net	(156,578)	-
Finance costs	22,428,240	21,347,293
	83,014,270	52,224,302
Effect on cash flows due to working capital changes:		
(Increase) / Decrease in current assets:		
Stock in trade, stores and spares	(1,167,479)	386,191
Trade debts and contract assets	(13,647,686)	(5,684,035)
Loans to banking customers	1,780,765	(3,040,829)
Loans and advances	(1,336,409)	(631,236)
Deposits, prepayments and other receivables	1,572,841	(3,434,168)
	(12,797,968)	(12,404,077)
Increase / (Decrease) in current liabilities:		
Trade and other payables	7,522,135	(1,378,567)
Security deposits	161,037	(40,423)
	7,683,172	(1,418,990)
Cash generated from operations	77,899,474	38,401,235

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	Six months ended June 30, 2026 (Un-Audited) Rs '000	Six months ended June 30, 2025 (Un-Audited) Rs '000
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	38,194,636	27,561,066
Short term financing	(80,355,304)	(74,812,871)
	(42,160,668)	(47,251,805)

16. SEGMENT INFORMATION

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

16.1 Segment information for the reportable segments is as follows:

	Wireline Rs '000	Wireless Rs '000	Banking Rs '000	Total Rs '000
Six months ended June 30, 2026				
Segment revenue	63,548,419	132,306,251	12,320,496	208,175,166
Inter segment revenue	(5,066,617)	(1,277,751)	(165,592)	(6,509,960)
Revenue from external customers	58,481,802	131,028,500	12,154,904	201,665,206
Segment results	(9,251,455)	14,455,825	(536,244)	4,668,126
Six months ended June 30, 2025				
Segment revenue	58,665,253	55,819,485	14,104,229	128,588,967
Inter segment revenue	(3,318,280)	(508,581)	(163,000)	(3,989,861)
Revenue from external customers	55,346,973	55,310,904	13,941,229	124,599,106
Segment results	(3,232,118)	(2,517,385)	(4,148,316)	(9,897,819)

	Wireline Rs '000	Wireless Rs '000	Banking Rs '000	Total Rs '000
As at June 30, 2026				
Segment assets	372,736,544	487,035,225	137,273,088	997,044,857
Segment liabilities	474,321,017	331,688,187	149,993,428	956,002,632
As at December 31, 2025				
Segment assets	356,347,625	418,685,016	179,004,925	954,037,566
Segment liabilities	461,705,682	287,710,691	167,751,481	917,167,854

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Relationship with the Group		Nature of transaction	Six months ended June 30, 2026 (Un-Audited) Rs '000	Six months ended June 30, 2025 (Un-Audited) Rs '000
i. Shareholders		Technical services assistance fee	6,636,289	3,885,512
ii. Associated undertakings		Sale of goods and services	4,375,525	3,818,673
		Purchase of goods and services	1,552,168	1,455,167
		Prepaid rent	510,874	495,393
iii. Employees benefits plans	PTCL	Gratuity Fund	124,312	63,009
	PTML	Gratuity Fund	351,760	108,515
	U Bank	Gratuity Fund	53,109	68,342
iv. Employees contribution plans	PTCL	PTCL Employees GPF Trust - net	24,932	201,429
	PTML	Provident Fund	54,332	-
	U Bank	Provident Fund	55,092	56,877
v. Directors, Chief Executive and Key Management Personnel		Fee and remuneration including benefits and perquisites	2,006,619	1,483,736

	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Trade debts		
- Associated undertakings	51,465,078	48,256,762
Other receivables		
- Pakistan Telecommunication Employees Trust (PTET)	72,468	59,538
- Associated undertakings	71,305	71,305
- Long term loans to executives and key management personnel	234,168	206,533
Pakistan Telecommunication Employees Trust (PTET)	13,719,223	13,762,801
Trade and other payables		
Trade creditors		
- Associated Undertakings	5,993,920	5,596,339
Retention money payable to associated undertaking	2,940	8,993
Technical assistance services fee payable to Etisalat	62,752,934	56,116,645
Pakistan Telecommunication Company Limited Employees Gratuity Fund	1,117,748	993,435
PTML - Gratuity Fund	295,100	186,373
U Bank - Gratuity Fund	59,868	51,057

18. FAIR VALUE ESTIMATION

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

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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 consolidated statement of financial position Rs '000
As at June 30, 2026 (Un-Audited)					
Trade debts and contract assets	47,658,446	(3,910,430)	43,748,016	64,891,854	108,639,870
Trade creditors	(5,029,657)	3,910,430	(1,119,227)	(21,962,207)	(23,081,434)
As at December 31, 2025 (Audited)					
Trade debts and contract assets	53,589,203	(11,651,587)	41,937,616	53,491,480	95,429,096
Trade creditors	(9,649,551)	11,651,587	2,002,036	(34,581,280)	(32,579,244)

20. FINANCIAL RISK MANA GEMENT AND FAIR VALUES

The carrying values of all financial assets and liabilities reflected in the consolidated interim consolidated financial statements, approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and significance of the inputs to the fair value measurement in its entirety, which is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

There has been no transfers from one level of hierarchy to another level during the year.

	Level 1	Level 2	Level 3	Total
	Rupees in thousands			
As at June 30, 2026 (Un-audited)				
Long term other investments	-	-	51,427	51,427
Federal Government securities	-	16,515,144	-	16,515,144
Non Government debt securities	-	1,743,877	-	1,743,877
Mutual Funds	-	1,000,288	-	1,000,288
As at December 31, 2025 (Audited)				
Long term other investments	-	-	51,427	51,427
Federal Government securities	-	12,905,693	-	12,905,693
Non Government debt securities	-	1,760,660	-	1,760,660
Mutual Funds	-	16,005,271	-	16,005,271

Except for the above financial assets carried at fair value, all financial assets and liabilites as of June 30, 2026 are carried at amortised cost.

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, 2025. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments form those as disclosed in the audited consolidated financial statements of the Group for the year ended December 31, 2025.

21. CORRESPONDING FIGURES

Prior year figure have been re-arranged, wherever necessary, for better presentation and comparison.

22. DISCLOSURE REQUIREMENTS FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth Schedule to the Companies Act, 2017, Shariah compliant companies shall disclose the following:

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FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UN-AUDITED)

	June 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Financing obtained as per Islamic mode		
Long term loans from banks	28,666,667	37,499,695
Short term financing	59,242,754	42,984,427
Shariah-compliant bank deposits, bank balances, and TDRs		
Bank balances	665,091	529,722
Short term investments		
Investment in securities	1,040,418	1,063,440
Interest receivable on securities	18,617	18,914
Mutual funds	1,000,288	1,004,996
Loans to banking customers		
Islamic financing	20,277,489	17,933,939
Islamic financing - markup receivable	2,146,046	1,804,531
Deposits from banking customers		
Deposits and other accounts	8,009,055	7,893,816
Deposits and other accounts - markup payable	71,687	56,279

	June 30, 2026 (Un-Audited) Rs '000	June 30, 2025 (Un-Audited) Rs '000
Revenue earned from shariah compliant business		
Revenue	192,984,923	111,920,259
Interest accrued on any conventional loan or advance		
Long term loans from banks	7,734,058	7,202,494
Short term financing	3,754,393	3,586,410
Late payment or liquidity damages		
Late payment surcharge from subscribers	450,812	317,168
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs		
Return on bank deposits	8	66
Profit on Sukkuk	54,739	228,736
Exchange (loss) / gain earned from actual currency		
Exchange (loss) / gain	770,500	2,490,035
Gain / (loss) on debt instruments		
Mutual funds	46,289	37,457

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

These condensed interim consolidated financial statements for the six months period ended June 30, 2026 were authorized for issue by the Board of Directors of the Holding Company on July 28, 2026.

Chief Financial Officer	Chief Executive Officer	Chairman

Pakistan Telecommunication
Company Limited

PTCL Head Office, Room #17, Ufone Tower,
Plot #55-C, Main Jinnah Avenue, Sector
F-7/1, Blue Area, Islamabad