

The background of the entire page is a dark green with a complex, organic pattern of swirling, concentric lines and small, glowing yellow-green dots, resembling a microscopic view of a material or a stylized representation of data flow. The text is centered and uses a serif font.

Optel
3rd Quarter
Report

20
26

CONTENTS

04	Board of Directors
05	Corporate Information
06-07	Directors' Review
08-11	دائرہ کیلئے جائزہ
Condensed Interim Unconsolidated Financial Statements	
14-15	Condensed Interim Unconsolidated Statement of Financial Position
16	Condensed Interim Unconsolidated Statement of Profit or Loss
17	Condensed Interim Unconsolidated Statement of Comprehensive Income
18	Condensed Interim Unconsolidated Statement of Cash Flows
19	Condensed Interim Unconsolidated Statement of Changes in Equity
20-31	Notes to and Forming Part of the Condensed Interim Unconsolidated Financial Statements
Condensed Interim Consolidated Financial Statements	
34-35	Condensed Interim Consolidated Statement of Financial Position
36	Condensed Interim Consolidated Statement of Profit or Loss
37	Condensed Interim Consolidated Statement of Comprehensive Income
38	Condensed Interim Consolidated Statement of Cash Flows
39	Condensed Interim Consolidated Statement of Changes in Equity
40-52	Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements

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

Auditors

EY Ford Rhodes
Chartered Accountants

Bankers

Conventional

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Citibank N.A.
Deutsche Bank A.G.
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 Taraqati 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 nine months ended 30 September 2026.

Economic Overview

During the period, the Company operated in a challenging macroeconomic environment characterized by regional geopolitical uncertainties and volatility in key economic indicators. While the exchange rate remained relatively stable, persistent inflationary pressures, rising interest rates and higher fuel prices continued to exert pressure on the overall cost environment. Despite these challenges, demand for high-speed broadband, enterprise ICT solutions, cloud services and digital connectivity remained robust, reflecting sustained digital adoption and increasing data consumption across consumer and enterprise segments. These trends highlight the growth potential of the digital connectivity and ICT segments, while reinforcing the importance of prudent cost management, operational efficiency, and sustained investment in network infrastructure and digital capabilities.

Business and Financial Performance

PTCL Group maintained strong growth momentum during the period, supported by continued performance across its fixed-line, enterprise and mobile businesses.

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 under PTML. Consolidated operating profit grew by 181% YoY, while the Group reported a net profit of Rs. 4.7 billion, reflecting the benefits of the successful amalgamation, coupled with continued operational efficiencies and revenue growth.

PTCL revenue grew by 9% YoY, driven by a 26% increase in Flash Fiber revenue and a 15% growth in Business Solutions, supported by 13% growth in Carrier & Wholesale services while international business revenue has increased by 11% YoY. PTCL posted operating profit of Rs. 11 billion and reported net profit of Rs. 3 billion, reflecting a 343% YoY improvement.

Mobile business (PTML) revenue increased by 139% year-on-year (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. 33.5 billion, representing a 181% YoY increase, reflecting the positive impact of the Telenor Pakistan amalgamation, together with higher revenues and improved operating performance.

Ubank generated revenue of Rs. 18.3 billion and reported operating profit during the period, 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 84% compared to the prior period, indicating a continued recovery in its financial performance.

Operational Highlights

Fixed-Line and consumer business

During the quarter, PTCL continued to enhance its consumer offerings and strengthen its position in the fixed broadband market.

The company launched its limited-period Azadi Offer, combining 100 Mbps Flash Fiber connectivity with an IPTV set-top box. PTCL also partnered with Mercantile, an Apple-authorized distributor, to introduce the iPhone 18 in Pakistan alongside an exclusive Flash Fiber bundle.

Business Solutions and Wholesale

The Business Solutions segment maintained strong momentum, driven by growing demand for ICT services, cloud solutions, on-premises AI infrastructure, cybersecurity, managed services and data center offerings, alongside core connectivity services.

PTCL also retained its leadership in submarine connectivity, IP bandwidth and domestic bandwidth services for carrier customers, strengthening its role in supporting Pakistan's digital infrastructure and the evolving connectivity needs of businesses and service providers.

Mobile business

The addition of 1.5 million subscribers in Q3 drove revenue growth, taking PTML's subscriber base to over 76 million. The sustained ARPU expansion supported by portfolio harmonization, usage growth and network integration also contributed to the growth. PTML also expanded its 5G footprint across major cities, while network integration progressed across 25 districts by quarter-end.

Going forward, PTML plans to prioritize nationwide network consolidation, 5G expansion, network quality, digital capabilities and customer experience to strengthen competitiveness and drive

sustainable growth. Digital offerings were further enhanced through family-sharing bundles for all subscribers and new self-service features.

Risk Management

The Company continues to proactively identify, assess and manage key business risks, including market competition, regulatory changes, cybersecurity threats, technological advancements and integration-related challenges.

The Company's governance structures and risk management processes remain focused on strengthening organizational resilience, supporting sustainable growth and safeguarding stakeholder interests.

Awards and Recognition

PTCL's Pakistan Jitna Jawan Independence Day campaign celebrated the company's evolution alongside Pakistan over 79 years, highlighting its transformation into an integrated ICT provider. At Dragons of Pakistan 2026, PTCL secured five awards, including one Silver, one Bronze and three Black Dragons, recognizing its work across brand marketing and social impact. During the quarter, PTCL continued integrated brand campaigns highlighting wider coverage and faster speeds. Consumer engagement was strengthened through the iPhone 18 launch. At Dragons of Pakistan 2026, Ufone and Telenor Pakistan won nine awards, including two Gold, two Silver and five Black Dragons for their campaigns across marketing, PR, media, digital and content creation.

Social Impact

PTCL Group continued to advance its digital inclusion and social impact initiatives during the quarter.

Under the Ba-Ikhtiar programme, 2,100 women across 22 districts completed training in digital marketing, e-commerce and digital financial literacy, delivered by U Bank. Beneficiaries received Ufone 5G SIMs with free connectivity and UPaisa wallets. Women entrepreneurs also showcased their achievements at a provincial conference on women's inclusion in Baluchistan, promoting economic empowerment.

PTCL signed an MoU with ConnectHear to deploy SILA, an AI-powered sign language solution, at selected customer service centres in Karachi, Lahore and Islamabad, improving accessibility for customers with hearing disabilities, with potential for expansion.

PTCL partnered with the United Nations' Polio Eradication Initiative, operated by UNICEF through the National Emergency Operations Centre (NEOC), to provide GSM connectivity to frontline healthcare workers nationwide.

Acknowledgement

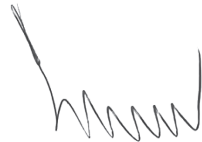
The Board of Directors expresses its sincere appreciation to the Company's customers, shareholders, business partners, regulators, employees and all other stakeholders for their continued confidence, cooperation and support.

PTCL remains committed to strengthening digital connectivity, enhancing customer experience, advancing digital inclusion and delivering sustainable long-term value to its shareholders.

On behalf of the Board



Zarrar Hasham Khan
Chairman, Board of Directors
Islamabad: October 22, 2026



Mohammad Nadeem Khan
Chief Executive Officer

NOTES

پی ٹی ایم ایل (PTML) نے یونیسف کے تعاون سے نیشنل ایمرجنسی آپریشنز سینٹر (NEOC) کے ذریعے اقوام متحدہ کے انسداد پولیو اقدام (Polio Eradication Initiative) میں شراکت داری کی ہے۔ اس اشتراک کا مقصد فراہم کرنا ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے صارفین، شیئر ہولڈرز، کاروباری شراکت داروں، ریگولیٹری اداروں، ملازمین اور تمام دیگر اسٹیک ہولڈرز کا ان کے مسلسل اعتماد، تعاون اور معاونت پر دلی طور پر شکرگزار ہے۔ کمپنی ڈیجیٹل کنیکٹیویٹی کی مضبوطی، کسٹمر کے تجربے کو بہتر بنانے اور اپنے شیئر ہولڈرز کو پائیدار طویل مدتی قدر فراہم کرنے کے عزم پر قائم ہے۔

منجانب بورڈ:



محمد ندیم خان
چیف ایگزیکٹو آفیسر



زرار ہاشم خان
چیئرمین، بورڈ آف ڈائریکٹرز

اسلام آباد: 22 اکتوبر، 2026

پی ٹی سی ایل نے کیریئر صارفین کے لیے سب میرین کنیکٹیویٹی، آئی پی بیڈ وڈتھ اور ڈومیسٹک بیڈ وڈتھ سروسز میں اپنا قائدانہ مقام برقرار رکھا، جس سے پاکستان کے ڈیجیٹل انفراسٹرکچر، کاروباری اداروں اور سروس پرووائیڈرز کی بدلتی کنیکٹیویٹی ضروریات پورا کرنے میں اس کے کردار کو مزید تقویت ملی۔

موبائل کاروبار

تیسری سہ ماہی میں 15 لاکھ صارفین کے اضافے نے آمدنی کو فروغ دیا، جس سے پی ٹی سی ایل کے صارفین کی مجموعی تعداد 76 ملین (7 کروڑ 60 لاکھ) سے بھی بڑھ گئی۔ اس ترقی میں پورٹ فولیو ہارمنائزیشن، استعمال بڑھانے اور نیٹ ورک کے انضمام کے باعث آے آر پی یو (ARPU) میں مسلسل وسعت نے بھی انتہائی فعال کردار ادا کیا۔ پی ٹی سی ایل نے بڑے شہروں میں اپنے G5 نیٹ ورک کو بڑھایا، جبکہ سہ ماہی کے اختتام تک 25 اضلاع میں نیٹ ورک کا انضمام کامیابی سے جاری رہا۔

پی ٹی سی ایل مستقبل میں اپنی مسابقتی صلاحیت بڑھانے اور پائیدار ترقی کے فروغ کے لئے ملک گیر سطح پر مستحکم نیٹ ورک، G5 کی توسیع، نیٹ ورک کے معیار میں بہتری، ڈیجیٹل صلاحیتیں بڑھانے اور کسٹمر کے تجربے کو ترجیح دینے کا ارادہ رکھتا ہے۔ اس کے لئے تمام صارفین کے لیے فیملی شیئرنگ ہنڈلز اور نئی سیلف سروس سہولیات کے ذریعے ڈیجیٹل پیشکشیں مزید بہتر بنائی گئیں۔

رسک منیجمنٹ

کمپنی مارکیٹ میں مسابقت، ریگولیٹری تبدیلیوں، سائبر سیکیورٹی خطرات، تکنیکی ترقی اور انضمام سے متعلق چیلنجز جیسے اہم کاروباری خطرات کی فعال طور پر نشاندہی، جانچ اور ان سے نمٹنے کا عمل جاری رکھے ہوئے ہے۔

کمپنی کے انتظامی ڈھانچے اور رسک منیجمنٹ کی تمام تر توجہ پائیدار ترقی کے فروغ اور اسٹیک ہولڈرز کے مفادات کے تحفظ پر مرکوز ہے۔

ایوارڈز اور اعتراف کارکردگی

پی ٹی سی ایل (PTCL) نے یوم آزادی کے موقع پر پاکستان جتنا جوان کے عنوان سے چلائی گئی کمپین کے ذریعے گزشتہ 79 برسوں کے دوران وطن عزیز کے ساتھ ساتھ کمپنی کے جدت کی جانب سفر کو اجاگر کیا۔ مہم میں پی ٹی سی ایل (PTCL) کی ایک روایتی ٹیلی کام کمپنی سے ایک مربوط آئی سی ٹی (ICT) سروسز پرووائیڈر کے طور پر تبدیلی کو نمایاں کیا گیا۔ پی ٹی سی ایل نے ڈریگنز آف پاکستان 2026 (Dragons of Pakistan 2026) میں پانچ ایوارڈز حاصل کیے، جن میں ایک سلور، ایک برونز اور تین بلیک ڈریگنز شامل ہیں، جو برانڈ مارکیٹنگ اور سماجی بہبود کے شعبوں میں کمپنی کی مؤثر کاوشوں کا اعتراف ہیں۔ اس سہ ماہی کے دوران، پی ٹی سی ایل (PTML) نے وسیع تر کوریج اور تیز رفتار انٹرنیٹ سروسز کو نمایاں کرنے والی مربوط برانڈ کمپینز کا سلسلہ جاری رکھا۔ آئی فون 18 (iPhone 18) کی لانچنگ سے صارفین کی شمولیت اور وابستگی مزید مستحکم ہوئی۔ ڈریگنز آف پاکستان 2026 میں یوفون اور ٹیلی نار پاکستان نے مارکیٹنگ، تعلقات عامہ، میڈیا، ڈیجیٹل اور کانٹینٹ کریئیشن میں مؤثر کمپینز پر 9 اعزاز اپنے نام کیے، جن میں دو گولڈ، دو سلور اور پانچ بلیک ڈریگنز شامل ہیں۔

سماجی بہبود

پی ٹی سی ایل گروپ (PTCL Group) نے اس سہ ماہی کے دوران ڈیجیٹل شمولیت اور سماجی بہبود کے حامل اقدامات کو مزید فروغ دیا۔

"بالاختیار" پروگرام کے تحت، یو بینک (Ubank) کے زیر اہتمام 22 اضلاع کی 2,100 خواتین نے ڈیجیٹل مارکیٹنگ، ای کامرس اور ڈیجیٹل مالیاتی خواندگی سے متعلق تربیت مکمل کی۔ تربیت مکمل کرنے والی خواتین کو یوفون (Ufone) کی G5 سبز مفت کنیکٹیویٹی اور یوپیس (UPaisa) والٹس کے ساتھ فراہم کی گئیں۔ کاروباری خواتین نے بلوچستان میں خواتین کی شمولیت سے متعلق صوبائی کانفرنس میں اپنی کامیابیوں اور تجربات پر روشنی ڈالی، جس کا مقصد خواتین کی معاشی خودمختاری کو فروغ دینا تھا۔

پی ٹی سی ایل (PTCL) نے کنیکٹ ہیئر ConnectHear کے ساتھ مفاہمتی یادداشت (MoU) پر دستخط کیے، جس کے تحت کراچی، لاہور اور اسلام آباد کے منتخب کسٹمر سروس سینٹرز میں صلہ (SILA) نامی مصنوعی ذہانت پر مبنی اشاروں کی زبان (sign language) متعارف کرائی جائے گی۔ اس اقدام کا مقصد قوت سماعت سے محروم صارفین کے لیے خدمات تک رسائی مزید آسان اور مؤثر بنانا ہے، مستقبل میں اسے مزید مراکز تک وسعت دینے کی امید ہے۔

ڈائریکٹر زکا جائزہ

پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ (PTCL) کے ڈائریکٹرز 30 ستمبر 2026 کو ختم ہونے والے نو ماہ کے مالیاتی گوشوارے شیئر ہولڈرز کے سامنے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معاشی جائزہ

اس مدت کے دوران کمپنی کو علاقائی جغرافیائی و سیاسی غیر یقینی صورتحال اور اہم معاشی اشاریوں میں اتار چڑھاؤ کا شکار چیلنجنگ میکرو اکنامک ماحول کا سامنا رہا۔ اگرچہ شرح مبادلہ نسبتاً مستحکم رہی، تاہم افراط زر کے مسلسل دباؤ، شرح سود میں اضافے اور ایندھن کی قیمتیں بڑھنے سے مجموعی لاگت پر دباؤ رہا۔ ان تمام چیلنجز کے باوجود ہائی اسپیڈ براڈ بینڈ، انٹرپرائزز آئی سی ٹی سلوشنز، کلاؤڈ سروسز اور ڈیجیٹل کنیکٹیویٹی کی طلب بدستور برقرار رہی، جو عام صارفین اور کاروباری شعبوں میں ڈیجیٹل سہولیات کے بڑھتے استعمال اور ڈیٹا کے بڑھتے رجحان کی عکاس ہے۔ یہ رجحانات ڈیجیٹل کنیکٹیویٹی اور آئی سی ٹی سیکٹرز میں مسلسل ترقی کے رجحان کو اجاگر کرتے ہیں، اس کے ساتھ ہی یہ محتاط لاگت کے انتظام (prudent cost management)، استعدادکار کی بہتری (operational efficiency)، نیٹ ورک انفراسٹرکچر اور ڈیجیٹل صلاحیتوں میں مسلسل سرمایہ کاری کی اہمیت کو بھی واضح کرتے ہیں۔

کاروباری و مالیاتی کارکردگی

گروپ نے 2026 کی تیسری سہ ماہی کے دوران بھی فکسڈ لائن، انٹرپرائز اور موبائل کاروبار میں مسلسل نمو کے ساتھ تیز رفتار ترقی کا تسلسل برقرار رکھا۔

سالانہ بنیادوں پر مجموعی آمدنی میں 62 فیصد اضافہ ریکارڈ کیا گیا، جس کی بنیادی وجوہات میں فکسڈ براڈ بینڈ، انٹرپرائز اور ہول سیل سیگمنٹس میں مسلسل ترقی کے ساتھ پی ٹی ایم ایل کے تحت یو فون اور ٹیلی نار کے کامیاب انضمام کے بعد موبائل سیگمنٹ کی شاندار کارکردگی بھی ہے۔ سالانہ بنیادوں پر مجموعی آپریٹنگ منافع میں 181 فیصد اضافہ ریکارڈ کیا گیا، جبکہ خالص منافع 4.7 ارب روپے تک پہنچ گیا، جو کامیاب انضمام کے فوائد کے ساتھ ساتھ آپریشنل استعدادکار میں بہتری اور آمدنی میں اضافے کو ظاہر کرتا ہے۔

پی ٹی ایم ایل کی آمدنی میں سالانہ بنیادوں پر 9 فیصد اضافہ ہوا، جو فلیش فائبر کی آمدنی میں 26 فیصد اور بزنس سلوشنز میں 15 فیصد اضافے کے باعث ممکن ہوا۔ اس کے ساتھ ہی کیریئر اینڈ ہول سیل سروسز میں 13 فیصد اور بین الاقوامی کاروباری آمدنی میں 11 فیصد اضافہ ریکارڈ کیا گیا۔ پی ٹی ایم ایل نے 11 ارب روپے کا آپریٹنگ جبکہ 3 ارب روپے کا خالص منافع کمایا، جو سالانہ بنیادوں پر 343 فیصد اضافہ ظاہر کرتا ہے۔

موبائل بزنس (PTML) کی آمدنی میں سالانہ بنیادوں پر 139 فیصد اضافہ ہوا، جس کی وجہ انضمام کے بعد ٹیلی نار پاکستان کی کارکردگی کی شمولیت کے ساتھ کارپوریٹ اور ریٹیل سیگمنٹس کا مسلسل فروغ ہے۔ پی ٹی ایم ایل نے 33.5 ارب روپے کا آپریٹنگ منافع رپورٹ کیا، جو سال بہ سال 181 فیصد اضافہ ظاہر کرتا ہے، یہ ٹیلی نار پاکستان کے انضمام کے مثبت اثرات کے ساتھ ساتھ زیادہ آمدنی اور بہتر آپریٹنگ کارکردگی کا مظہر ہے۔

یو بی نیٹ نے اس مدت کے دوران 18.3 ارب روپے کی آمدنی حاصل کی اور گزشتہ سال کی اسی مدت میں آپریٹنگ خسارے کے مقابلے میں آپریٹنگ منافع رپورٹ کیا، جو اس کی آپریٹنگ کارکردگی میں بہتری کا اظہار ہے۔ بینک کے مجموعی منافع میں بھی گزشتہ مدت کے مقابلے میں 84 فیصد بہتری آئی، جو اس کی مالیاتی کارکردگی میں مسلسل بحالی کا عکاس ہے۔

نمایاں آپریشنل نکات

فکسڈ لائن اور صارفین کا کاروبار

سال 2026 کی تیسری سہ ماہی کے دوران پی ٹی ایم ایل نے صارفین کے لیے اپنی پیشکشیں مزید بہتر بنانے اور فکسڈ براڈ بینڈ مارکیٹ میں اپنی پوزیشن مستحکم کرنے کا سلسلہ جاری رکھا۔

کمپنی نے محدود مدت کے لئے آزادی آفر لانچ کی، جس میں 100 Mbps فلیش فائبر کنیکٹیویٹی کے ساتھ آئی پی ٹی وی سیٹ ٹاپ باکس شامل تھا۔ پی ٹی ایم ایل نے ایپل کے آفیشل ڈسٹری بیوٹر مرکینٹائل کے ساتھ اشتراک کرتے ہوئے پاکستان میں فلیش فائبر کے خصوصی بنڈل کے ساتھ آئی فون 18 متعارف کرایا۔

بزنس سلوشنز اور ہول سیل

بزنس سلوشنز سیگمنٹ نے آئی سی ٹی سروسز، کلاؤڈ سلوشنز، آن پریمیسز اے آئی انفراسٹرکچر، سائبر سیکیورٹی، مینجڈ سروسز اور ڈیٹا سینٹر سہولیات کے ساتھ ساتھ بنیادی کنیکٹیویٹی سروسز کی بڑھتی طلب کی وجہ سے شرح نمو کی رفتار برقرار رکھی۔

NOTES

CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

**FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2026 (UN-AUDITED)**

CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF FINANCIAL POSITION

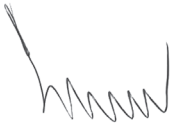
AS AT SEPTEMBER 30, 2026

	Note	September 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		51,558,010	48,598,534
		79,055,082	76,095,606
		130,055,082	127,095,606
Liabilities			
Non-current liabilities			
Employees retirement benefits		49,385,099	47,057,747
Deferred government grants		17,226,792	17,584,151
Long term loans from banks	6	202,835,753	210,520,271
Contract liabilities		1,483,063	1,620,648
Lease liabilities		1,085,535	715,554
		272,016,242	277,498,371
Current liabilities			
Trade and other payables	7	215,729,560	194,433,281
Short term financing	8	42,531,513	44,521,690
Security deposits		729,780	726,544
Unclaimed dividend		207,269	207,751
Current maturity of lease liabilities		239,195	385,390
Current portion of long term loans from banks		18,856,193	2,275,167
		278,293,510	242,549,823
Total equity and liabilities		680,364,834	647,143,800

Contingencies and commitments 15

The annexed notes 1 to 24 are an integral part of these condensed interim unconsolidated financial statements.


Chief Financial Officer


Chief Executive Officer


Chairman

	Note	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Assets			
Non-current assets			
Property and equipment	9	187,268,945	178,931,022
Right of use assets		1,422,224	1,032,807
Intangible assets		732,874	929,626
		189,424,043	180,893,455
Long term investments	10	141,104,824	139,104,824
Long term loans and advances	11	111,333,178	122,369,475
Employees retirement benefits		13,877,127	13,762,801
Deferred income tax	12	2,428,319	2,636,218
Contract cost		137,990	130,673
Net investment in finance lease		1,719,449	-
		460,024,930	458,897,446
Current assets			
Stores and spares		6,938,055	5,561,621
Contract cost		3,796,361	3,220,788
Current portion of net investment in finance lease		661,361	-
Trade debts and contract assets	13	82,705,435	71,263,745
Loans and advances		14,621,857	3,905,211
Income tax recoverable		52,905,392	50,023,735
Prepayments and other receivables		39,064,041	31,661,562
Cash and bank balances	14	19,411,491	22,396,786
Assets classified as held for sale		235,911	212,906
		220,339,904	188,246,354
Total assets		680,364,834	647,143,800



Chief Financial Officer



Chief Executive Officer



Chairman

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Note	Three months ended		Nine months ended	
		September 30, 2026 Rs '000	September 30, 2025 Rs '000	September 30, 2026 Rs '000	September 30, 2025 Rs '000
Revenue	16	33,511,002	30,684,341	97,262,636	89,596,109
Cost of services		(25,608,871)	(21,296,240)	(71,414,724)	(63,388,362)
Gross profit		7,902,131	9,388,101	25,847,912	26,207,747
Administrative and general expenses		(3,249,643)	(2,591,270)	(8,328,380)	(7,610,376)
Selling and marketing expenses		(1,681,355)	(1,209,856)	(4,776,257)	(4,045,514)
Impairment loss on trade debts and contract assets		(590,601)	(531,320)	(1,820,181)	(1,639,320)
		(5,521,599)	(4,332,446)	(14,924,818)	(13,295,210)
Operating profit		2,380,532	5,055,655	10,923,094	12,912,537
Past service cost - Pension	15.3	-	-	(355,144)	(5,890,142)
Other income	17	4,947,205	2,565,551	16,596,526	7,716,929
Finance and other costs	18	(8,365,135)	(4,702,817)	(23,981,156)	(14,936,961)
(Loss) / profit before tax		(1,037,398)	2,918,389	3,183,320	(197,637)
Taxation		366,241	(870,815)	(223,844)	(1,019,555)
(Loss) / profit for the period		(671,157)	2,047,574	2,959,476	(1,217,192)
(Loss) / earnings per share					
- basic and diluted (Rupees)		(0.13)	0.40	0.58	(0.24)

The annexed notes 1 to 24 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 NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Three months ended		Nine months ended	
	September 30, 2026 Rs '000	September 30, 2025 Rs '000	September 30, 2026 Rs '000	September 30, 2025 Rs '000
(Loss) / profit for the period	(671,157)	2,047,574	2,959,476	(1,217,192)
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
Tax effect	-	-	-	(10,696,186)
Other comprehensive income for the period - net of tax	-	-	-	16,772,037
Total comprehensive (loss) / income for the period	(671,157)	2,047,574	2,959,476	15,554,845

The annexed notes 1 to 24 are an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

		Nine months ended	
		September 30, 2026 Rs '000	September 30, 2025 Rs '000
	Note		
Cash flows from operating activities			
Cash generated from operations	19	33,214,453	35,315,931
Employees retirement benefits paid		(2,742,697)	(2,073,923)
Addition to contract cost		(4,255,088)	(3,367,666)
Advances from customers - net		12,552	(3,984)
Income tax paid		(2,907,095)	(2,426,569)
Net cash generated from operating activities		23,322,125	27,443,789
Cash flows from investing activities			
Acquisition of property and equipment		(24,437,472)	(18,374,512)
Acquisition of intangible assets		(384,691)	(326,151)
Proceeds from disposal of property and equipment		164,597	862,920
Long term loans and advances		(6,803)	(2,548,930)
Return on long term loans to subsidiaries		10,906,896	3,889,454
Investment in U Microfinance Bank Limited		(2,000,000)	(1,850,000)
Long term subordinated loans			
- Pak Telecom Mobile Limited		-	(10,000,000)
Dividend income from Pak Telecom Mobile Limited		2,000,346	-
Repayment of subordinated loans by			
Pak Telecom Mobile Limited		375,000	625,000
Return on short term investments and bank deposits		235,770	353,262
Government grants received - net		661,346	2,476,281
Net cash used in investing activities		(12,485,011)	(24,892,676)
Cash flows from financing activities			
Dividend paid		(482)	(313)
Net investment in finance lease		(607,689)	-
Interest paid on short term financing		(4,275,487)	(4,606,923)
Addition to long term loans from banks		10,000,000	4,375,000
Repayment of long term loans from banks		(1,114,279)	-
Interest paid on long term loans		(15,126,439)	(5,951,528)
Repayment of lease liabilities - interest		(144,285)	(170,438)
Repayment of lease liabilities - principal		(563,571)	(363,568)
Net cash used in financing activities		(11,832,232)	(6,717,770)
Net decrease in cash and cash equivalents		(995,118)	(4,166,657)
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	(23,120,022)	(39,195,275)

The annexed notes 1 to 24 are an integral part of these condensed interim unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Chairman

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	Issued, subscribed and paid-up capital			Revenue reserves	
	Class "A"	Class "B"	Total	General reserve	Unappropriated profits
	(Rupees in '000)				
Balance as at January 01, 2025 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	36,610,433
Total comprehensive income for the nine months period ended					115,107,505
Loss for the period ended September 30, 2025	-	-	-	-	(1,217,192)
Other comprehensive income - net of tax	-	-	-	-	16,772,037
Balance as at September 30, 2025 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	52,165,278
Total comprehensive income for the three months period ended					130,662,350
Profit for the period ended December 31, 2025	-	-	-	-	2,599,446
Other comprehensive loss - net of tax	-	-	-	-	(6,166,190)
Balance as at January 01, 2026 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	48,598,534
Total comprehensive income for the nine months period ended					127,095,606
Profit for the period ended September 30, 2026	-	-	-	-	2,959,476
Other comprehensive income - net of tax	-	-	-	-	-
Balance as at September 30, 2026 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	51,558,010
					130,055,082

The annexed notes 1 to 24 are an integral part of these condensed interim unconsolidated financial statements.


Chief Financial Officer

Chief Executive Officer

Chairman

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

1. THE COMPANY AND ITS OPERATIONS

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

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

The Company 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

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

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.

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.

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.

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

	Note	September 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	6.2	17,000,000	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		62,212,183	62,887,636
British International Investment		13,855,720	14,006,155
Silk Road Fund		34,777,857	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		(3,196,575)	(3,528,665)
		220,649,185	212,353,604
Accrued Interest		1,042,761	441,834
		221,691,946	212,795,438
Current portion of long term loans from banks		(18,856,193)	(2,275,167)
		202,835,753	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.
- 6.2** The Company entered into a Syndicate Islamic Term Finance Agreement dated February 03, 2026 to avail a long-term finance facility of Rs. 10,000,000 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 first pari passu charge by way of hypothecation over the present and future assets. The facility carries a mark-up at the rate of 3-Month KIBOR plus 0.59% per annum with a tenor of seven years with four years grace period, repayable in quarterly installments, with profit payments commencing from Dec 21, 2026, and principal repayment commencing from Dec 21, 2030.

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

	Note	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
7. TRADE AND OTHER PAYABLES			
Trade creditors		16,704,806	15,773,238
Accrued and other liabilities	7.1	59,375,501	50,314,493
Technical services assistance fee	7.2	66,128,677	56,116,645
Advances from customers		6,814,391	6,215,365
Contract liabilities		924,998	943,272
Retention money / payable to contractors and suppliers		6,434,171	6,651,566
Payable to subsidiaries on account of group taxation		55,292,172	55,296,835
Sales tax payable		2,893,922	2,551,922
Income tax collected / deducted at source		1,160,922	569,945
		215,729,560	194,433,281
7.1 Accrued and other liabilities			
Accrued liability for operational expenses		18,452,791	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		18,846,952	17,736,378
Accrued wages		2,746,939	3,756,424
Others	7.3	7,218,016	2,285,539
		59,375,501	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. 4,275,523 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. 25,050,000 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 0.38% (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. 25,000,000 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.

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

	Note	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
9. PROPERTY AND EQUIPMENT			
Operating fixed assets	9.1	152,174,119	149,236,665
Capital work-in-progress	9.3	35,094,826	29,694,357
		187,268,945	178,931,022

	Note	Nine months ended	
		September 30, 2026 (Un-Audited) Rs '000	September 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	19,037,003	27,414,417
		168,273,668	165,709,306
Disposals during the period - at net book value		(102,750)	(96,492)
Transfer to assets held for sale		(23,005)	-
Depreciation charge for the period		(15,973,794)	(14,826,919)
		(16,099,549)	(14,923,411)
Closing net book value		152,174,119	150,785,895

9.2 Detail of additions during the period:

Freehold land	139	-
Buildings on freehold land	376,450	144,906
Buildings on leasehold land	-	194,613
Lines and wires	8,172,605	13,849,978
Apparatus, plant and equipment	9,248,057	12,530,251
Office equipment	458,539	378,843
Computer equipment	459,477	169,450
Furniture and fittings	1,478	2,497
Submarine Cable	305,835	119,311
Vehicles	14,423	24,568
	19,037,003	27,414,417

9.3 Additions to Capital work-in-progress during the nine months period ended September 30, 2026 were Rs 24,372,579 thousand (September 30, 2025: Rs 25,733,569 thousand). Transfers from Capital work-in-progress to operating fixed assets during the nine months period ended September 30, 2026 were Rs 18,972,110 thousand (September 30, 2025: Rs 27,623,090 thousand).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 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.

	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11. LONG TERM LOANS AND ADVANCES		
Loans to PTML - unsecured	110,202,795	58,166,662
Loan to Telenor Pakistan - Shareholders	-	63,184,153
Loans to employees - secured	890,474	785,554
Others	239,909	233,106
	111,333,178	122,369,475

12. DEFERRED INCOME TAX

During the period, minimum tax amounting to Rs. 2,951,701 thousand (2025: Rs. nil) was adjusted against the tax liability.

	Note	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
13. TRADE DEBTS AND CONTRACT ASSETS			
Trade debts		85,280,420	72,195,070
Contract assets		7,299,221	7,122,700
		92,579,641	79,317,770
Allowance for expected credit loss		(9,874,206)	(8,054,025)
		82,705,435	71,263,745

14. CASH AND BANK BALANCES

Cash in hand		48,021	53,539
Balances with banks:	14.1		
Deposit accounts local currency		5,114,714	1,830,184
Current accounts			
Local currency		285,098	3,302,387
Foreign currency		13,963,658	17,210,676
		14,248,756	20,513,063
		19,411,491	22,396,786

14.1 Bank balance includes Rs 7,580 thousand (December 31, 2025: Rs 642 thousand) carrying profit rates ranging from 5% to 10% (December 31, 2025: 6.7%) per annum from Shariah arrangements.

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

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. 355,144 thousand was recognized in the statement of profit or loss, reflecting the increase in the defined benefit obligation arising from this reassessment.
- 15.4** A total of 1,037 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.

		September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Note			
15.5 Guarantees and bid bonds in favour of:			
Universal Service Fund (USF) against government grants		8,278,746	7,604,921
Others	15.5.1	2,419,104	3,559,544
		10,697,850	11,164,465
Corporate guarantee in favor of PTML		72,997,000	72,997,000

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

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).

	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
15.6 Commitments		
Contracts for capital expenditure	15,697,877	5,638,130
Letter of comforts in favor of PTML	3,500,000	3,500,000
	19,197,877	9,138,130

16. REVENUE

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

	Nine months ended	
	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	43,610,555	41,149,418
Voice services	5,302,220	6,054,419
Wireless data	231,995	367,908
Revenue from retail customers	49,144,770	47,571,745
Corporate and wholesale	39,440,202	34,184,064
International	8,677,664	7,840,300
Total revenue	97,262,636	89,596,109

16.1 Revenue is stated net of trade discount amounting to Rs 8,327 thousand (September 30, 2025: Rs 14,749 thousand) and Federal Excise Duty and sales tax amounting to Rs 13,160,529 thousand (September 30, 2025: Rs 12,867,364 thousand).

		Nine months ended	
	Note	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
17. OTHER INCOME			
Income from financial assets	17.1	14,281,055	4,913,987
Income from non-financial assets		2,315,471	2,802,942
		16,596,526	7,716,929

17.1 Income from financial assets include Rs 8 thousand (September 30, 2025: Rs 66 thousand) earned from Shariah arrangements. This also includes interest on loans to subsidiary amounting to Rs 10,912,384 thousand (September 30, 2025: Rs 3,726,547 thousand) and dividend income from subsidiary amounting to Rs. 2,000,346 thousand (September 30, 2025: Rs. nil).

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

18. FINANCE AND OTHER COSTS

This includes interest on long term loans amounting to Rs. 15,727,367 thousand (September 30, 2025: Rs 5,862,135 thousand) on outstanding loans amounting to Rs. 223,845,760 thousand (September 30, 2025: Rs 67,375,000 thousand).

	Nine months ended	
	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
19. CASH GENERATED FROM OPERATIONS		
Profit / (loss) before tax	3,183,320	(197,637)
Adjustments for non-cash charges and other items:		
Depreciation of property and equipment	15,973,794	14,826,919
Amortization of intangible assets	581,443	642,114
Depreciation of right of use assets	397,940	344,875
Amortization of contract cost	3,672,198	3,857,488
Amortization of transaction costs on long term loans - net	613,339	17,603
(Reversal) / provision of obsolete stores and spares	(24,602)	11,011
Impairment loss on financial assets	1,820,181	1,639,320
Provision for employees retirement benefits	2,164,176	7,534,758
Gain on disposal of property and equipment	(61,847)	(766,428)
Interest on bank deposits	(230,255)	(427,061)
Interest income on net investment in finance lease	(187,350)	-
Imputed interest on lease liabilities	144,285	170,438
Interest cost on employee retirement benefits	2,791,547	3,366,122
Interest on long term loans to subsidiaries	(10,912,384)	(3,726,547)
Interest on long term loans from banks	15,727,367	5,862,135
Interest on short term financing	4,153,298	4,620,740
Dividend Income from Pak Telecom Mobile Limited	(2,000,346)	-
Unearned revenue realized against advances from customers	(150,138)	(129,955)
Release of deferred government grants	(977,481)	(682,910)
Exchange (gain) / loss	(502,044)	283,290
	36,176,441	37,246,275
Effect on cash flows due to working capital changes:		
(Increase) / decrease in current assets:		
Stores and spares	(1,351,832)	830,079
Trade debts and contract assets	(13,979,041)	(8,701,299)
Loans and advances	(1,525,062)	155,429
Prepayments and other receivables	(7,402,506)	(1,998,329)
	(24,258,441)	(9,714,120)
Increase in current liabilities:		
Trade and other payables	21,293,217	7,710,095
Security deposits	3,236	73,681
	33,214,453	35,315,931

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

	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
20. CASH AND CASH EQUIVALENTS		
Short term financing	(42,531,513)	(54,914,923)
Cash and bank balances	19,411,491	15,719,648
	(23,120,022)	(39,195,275)

21. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Relationship with the Company	Nature of transaction		
i. Shareholders	Technical services assistance fee - note 21.1	3,178,235	2,974,823
ii. Subsidiaries	Sale of goods and services	7,486,409	4,689,141
	Purchase of goods and services	3,158,318	990,827
	Mark up on loans	10,912,384	3,726,547
	Dividend income	2,000,346	-
	Long term investment in subsidiary	2,000,000	1,850,000
	Long term loan to subsidiary	-	10,000,000
	Repayment of long term loans from subsidiary	375,000	625,000
iii. Associated undertakings	Sale of goods and services	3,305,250	5,533,904
	Purchase of goods and services	720,640	865,203
iv. Employees retirement benefit plan	Contribution to the plan- Gratuity	226,912	119,286
v. Directors, Chief Executive and Key management personnel	Fee and remuneration including benefits and perquisites	1,310,553	978,967

	Note	September 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		121,809,153	122,184,153
Trade debts			
- Subsidiaries		1,689,429	1,014,055
- Associated undertakings		53,067,269	48,204,971
Other receivables			
- Subsidiaries		32,575,137	23,461,750
- Associated undertakings		71,305	71,305
- Pakistan Telecommunication Employees Trust (PTET)		83,369	59,538
- Long term loans to executives and key management personnel		87,670	89,119
- Pakistan Telecommunication Employees Trust (PTET)		13,877,127	13,762,801
Payables to related parties			
Trade creditors			
- Subsidiaries		3,715,808	1,974,494
- Associated undertakings		5,600,996	5,147,672
Payable to subsidiaries on account of group taxation	7	55,292,172	55,296,835
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 Pakistan Telecommunication Company Limited	21.1	66,128,677	56,116,645
Employees Gratuity Fund		1,135,569	993,435
PTCL Employees GPF Trust		35,780	167,892

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

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 the PTCL 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 September 30, 2026 (Un-Audited)					
Trade debts and contract assets	45,867,554	(2,403,066)	43,464,488	39,240,947	82,705,435
Trade creditors	(3,369,866)	2,403,066	(966,800)	15,738,006	16,704,806
As At December 31, 2025 (Audited)					
Trade debts and contract assets	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 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 period.

		Level 1	Level 2	Level 3	Total
Rupees in thousands					
Long term other investments	September 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 September 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 NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

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

24.1 These condensed interim unconsolidated financial statements for the nine months ended September 30, 2026 were authorized for issue by the Board of Directors of the Company on October 22, 2026.



Chief Financial Officer



Chief Executive Officer



Chairman

NOTES

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2026 (UN-AUDITED)**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2026

	Note	September 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		(38,400,941)	(42,693,655)
		(10,903,869)	(15,196,583)
Statutory and other reserves		954,563	954,563
Unrealized gain on investments measured at fair value through OCI		40,745	111,732
		41,091,439	36,869,712
Liabilities			
Non-current liabilities			
Long term loans from banks		218,748,807	238,351,273
Deposits from banking customers		244,127	141,394
Lease liabilities		53,802,144	52,171,230
Employees retirement benefits		50,120,412	47,893,345
Deferred government grants		47,205,801	49,165,643
Provision for asset retirement obligations		1,159,598	1,110,448
Advances from customers		473,932	535,140
License fee payable		18,447,783	2,390,154
Long term vendor liability		27,518,949	24,758,299
		417,721,553	416,516,926
Current liabilities			
Trade and other payables	6	223,725,387	200,743,692
Deposits from banking customers		153,571,470	156,058,475
Interest accrued		3,711,474	3,604,214
Short term financing		85,600,730	71,487,663
Subordinated debt		150,000	150,000
Current portion of:			
Long term loans from banks		32,620,082	17,949,653
Lease liabilities		15,234,572	16,029,293
License fee payable		30,049,135	8,340,464
Long term vendor liability		17,461,228	23,789,108
Security deposits		3,066,945	2,290,615
Unclaimed dividend		207,269	207,751
		565,398,292	500,650,928
Total equity and liabilities		1,024,211,284	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	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Assets			
Non-current assets			
Property and equipment	7	375,056,389	361,439,043
Right of use assets		57,053,110	51,610,626
Intangible assets		168,299,700	135,060,288
		600,409,199	548,109,957
Long term investments		51,427	51,427
Long term loans and advances		1,415,143	2,196,892
Long term loans to banking customers		10,963,695	12,112,463
Deferred income tax		26,993,160	26,871,817
Employees retirement benefits		13,877,127	13,762,801
Contract costs		4,032,218	1,584,213
Net investment in finance lease		1,719,449	-
		659,461,418	604,689,570
Current assets			
Stock in trade, stores and spares		7,724,901	6,348,808
Trade debts and contract assets	8	99,235,602	82,824,227
Current portion of loans to banking customers		59,477,074	56,657,024
Loans and advances		6,635,998	4,944,890
Contract costs		5,840,184	5,514,961
Current portion of net investment in finance lease		661,361	-
Income tax recoverable		86,131,952	79,558,762
Deposits, prepayments and other receivables		28,064,711	30,794,051
Short term investments	9	32,657,576	43,950,004
Cash and bank balances	10	38,296,570	38,754,337
Assets classified as held for sale		23,937	932
		364,749,866	349,347,996
Total assets		1,024,211,284	954,037,566



Chief Financial Officer



Chief Executive Officer



Chairman

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Note	Three months ended		Nine months ended	
		September 30, 2026 Rs '000	September 30, 2025 Rs '000	September 30, 2026 Rs '000	September 30, 2025 Rs '000
Revenue	12	102,732,758	63,723,294	304,397,964	188,322,400
Cost of services		(69,688,992)	(42,152,734)	(202,493,559)	(125,975,523)
Gross profit		33,043,766	21,570,560	101,904,405	62,346,877
Administrative and general expenses		(14,210,089)	(8,362,227)	(38,849,991)	(25,098,515)
Selling and marketing expenses		(5,741,012)	(3,005,915)	(17,984,066)	(10,334,023)
Allowance for expected credit losses		(315,769)	(4,088,572)	(288,454)	(10,974,852)
		(20,266,870)	(15,456,714)	(57,122,511)	(46,407,390)
Operating profit		12,776,896	6,113,846	44,781,894	15,939,487
Past service cost - pension	11.3	-	-	(355,144)	(5,890,142)
Other income	13	4,217,618	3,023,070	12,488,454	11,859,372
Finance costs and other expenses		(16,860,437)	(10,653,437)	(47,348,819)	(36,133,414)
Profit / (loss) before tax		134,077	(1,516,521)	9,566,385	(14,224,697)
Income tax		(71,739)	238,761	(4,835,921)	3,049,118
Profit / (loss) for the period		62,338	(1,277,760)	4,730,464	(11,175,579)
Earnings / (loss) per share					
- basic and diluted (Rupees)		0.01	(0.25)	0.93	(2.19)

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 NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Three months ended		Nine months ended	
	September 30, 2026 Rs '000	September 30, 2025 Rs '000	September 30, 2026 Rs '000	September 30, 2025 Rs '000
Profit / (loss) for the period	62,338	(1,277,760)	4,730,464	(11,175,579)
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
Tax effect	-	-	-	(10,696,186)
	-	-	-	16,772,037
Items that may be subsequently reclassified to profit or loss:				
Loss on debt instruments arising during the period	(16,308)	(19,859)	(112,678)	(458,531)
Tax effect	4,107	5,759	41,691	132,974
	(12,201)	(14,100)	(70,987)	(325,557)
Other comprehensive (loss) / income for the period - net of tax	(12,201)	(14,100)	(70,987)	16,446,480
Total comprehensive income / (loss) for the period	50,137	(1,291,860)	4,659,477	5,270,901

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

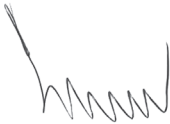
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

		Nine months ended	
	Note	September 30, 2026 Rs '000	September 30, 2025 Rs '000
Cash flows from operating activities			
Cash generated from operations	14	122,275,576	72,558,723
Employees retirement benefits paid		(3,125,747)	(2,172,042)
Addition to contract costs		(7,617,041)	(5,326,087)
Deposits from banking customers		(2,384,272)	(1,873,784)
Return on long term loans and short term investments		2,659,784	4,672,585
Income tax paid		(11,572,145)	(5,558,185)
Net cash generated from operating activities		100,236,155	62,301,210
Cash flows from investing activities			
Acquisition of property and equipment		(52,800,513)	(28,849,947)
Acquisition of intangible assets		(2,460,223)	(479,465)
Proceeds from disposal of property and equipment		1,079,856	1,009,557
Short term investments - net		11,292,428	133,862,420
Long term loans and advances - net		781,749	(2,548,929)
Government grants received - net		2,209,490	5,396,465
Net cash (used in) / generated from investing activities		(39,897,213)	108,390,101
Cash flows from financing activities			
Additions to long term loans from banks		10,000,000	4,375,000
Repayment of long term loans from banks		(14,341,896)	(128,687,970)
Settlement of subordinated debt		-	(850,000)
Net investment in finance lease		(607,689)	-
Additions to vendor liability		14,330,274	8,655,566
Repayment of vendor liability		(19,082,462)	(26,062,997)
Repayment of license fee		(8,435,085)	(2,525,011)
Finance costs paid		(31,912,085)	(27,732,207)
Repayment of lease liabilities - principal		(17,684,685)	(7,626,791)
Repayment of lease liabilities - interest		(7,175,666)	(4,678,895)
Settlement of unclaimed dividend		(482)	(313)
Net cash used in financing activities		(74,909,776)	(185,133,618)
Net decrease in cash and cash equivalents		(14,570,834)	(14,442,307)
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	(47,304,160)	(41,979,942)

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



Chief Financial Officer



Chief Executive Officer



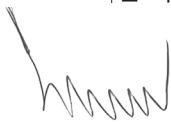
Chairman

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	Issued, subscribed and paid-up capital			Revenue reserves		Statutory investments measured at fair value through OCI	Total
	Class "A"	Class "B"	Total	General reserve	Accumulated losses		
(Rupees in '000)							
Balance as at January 01, 2025 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(43,575,731)	935,752	36,266,255
Total comprehensive income / (loss) for the period						409,162	
Loss for the nine months ended September 30, 2025	-	-	-	-	(11,175,579)	-	(11,175,579)
Other comprehensive income / (loss)	-	-	-	-	16,772,037	(325,557)	16,446,480
	-	-	-	-	5,596,458	(325,557)	5,270,901
Balance as at September 30, 2025 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	(37,979,273)	935,752	41,537,156
Profit for the three months ended December 31, 2025	-	-	-	-	1,429,462	-	1,429,462
Other comprehensive (loss) / income	-	-	-	-	(6,125,033)	-	(6,096,906)
	-	-	-	-	(4,695,571)	-	(4,667,444)
Transfer to statutory and other reserves	-	-	-	-	(18,811)	18,811	-
Balance as at January 01, 2026 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(42,693,655)	954,563	36,869,712
Total comprehensive income / (loss) for the period						111,732	
Profit for the nine months ended September 30, 2026	-	-	-	-	4,730,464	-	4,730,464
Other comprehensive loss	-	-	-	-	-	(70,987)	(70,987)
	-	-	-	-	4,730,464	(70,987)	4,659,477
First time adoption of IFRS-9 EIR impact	-	-	-	-	(437,750)	-	(437,750)
Balance as at September 30, 2026 (Un-audited)	37,740,000	13,260,000	51,000,000	27,497,072	(38,400,941)	954,563	41,091,439

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


Chief Financial Officer

Chief Executive Officer

Chairman

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

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 345, Plot No. 55, River View Avenue, Block B, Gulberg Greens, 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 honourable 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 repealed Companies Ordinance, 1984. TLDI had obtained license for LDI telephony services from Pakistan Telecommunication Authority (PTA) which has been surrendered during the period. TLDI is a wholly owned subsidiary of PTML (following the amalgamation of TP into PTML). Registered office of TLDI is located at 345, 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 web based applications and other related services including digital, technical products, business

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

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 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 Nest Office, 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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

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

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

Where the requirements of the Companies Act, 2017, the MFI Ordinance and the directives issued by the SECP and SBP differ with the requirements of IAS 34, the requirements of the Companies Act, 2017, the 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:

- 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.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments.
- 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).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 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	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
6. TRADE AND OTHER PAYABLES			
Trade creditors		29,664,975	32,579,244
Accrued and other liabilities	6.1	100,514,544	83,906,070
Technical services assistance fee		66,128,677	56,116,645
Advances from customers / contract liabilities		15,438,809	16,360,756
Retention money / payable to contractors and suppliers		6,458,957	7,135,436
Income tax collected from subscribers / deducted at source		2,596,746	1,878,987
Sales tax payable		2,922,679	2,766,554
		223,725,387	200,743,692
6.1 Accrued and other liabilities			
Accrued liability for operational expenses		48,723,022	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		23,686,556	22,784,701
Accrued wages		4,383,887	4,659,291
Others		12,169,276	7,899,381
		100,514,544	83,906,070
7. PROPERTY AND EQUIPMENT			
Operating fixed assets	7.1	304,822,352	297,630,700
Capital work-in-progress	7.3	70,234,037	63,808,343
		375,056,389	361,439,043

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Note	September 30, 2026 (Un-Audited) Rs '000	September 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	43,471,292	31,673,501
		341,101,992	270,571,394
Disposals during the period - at net book value		(454,197)	(227,626)
Transfers to assets held for sale		(23,005)	-
Depreciation for the period		(35,668,248)	(26,029,633)
Impairment during the period		(134,190)	(316,174)
		(36,279,640)	(26,573,433)
Closing net book value		304,822,352	243,997,961

7.2 Detail of additions during the period:

Buildings on freehold land	376,589	144,906
Buildings on leasehold land	-	194,613
Lines and wires	8,172,605	13,849,978
Apparatus, plant and equipment	31,489,125	16,606,209
Office equipment	1,544,297	378,843
Computer equipment	1,433,613	280,954
Furniture and fittings	45,884	2,497
Vehicles	103,344	96,190
Submarine cables	305,835	119,311
	43,471,292	31,673,501

7.3 Additions to CWIP during the nine months ended September 30, 2026 were Rs 52,775,381 thousand (September 30, 2025: Rs 36,362,317 thousand).

	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
8. TRADE DEBTS AND CONTRACT ASSETS		
Trade debts	105,850,740	87,726,157
Contract assets	8,087,955	7,702,939
	113,938,695	95,429,096
Allowance for expected credit loss	(14,703,093)	(12,604,869)
	99,235,602	82,824,227

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Note	September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
9. SHORT TERM INVESTMENTS			
Amortized cost			
Lending to Financial Institutions		11,850,160	13,278,380
Fair value through Profit or Loss			
Non Government debt securities		1,699,300	1,693,996
Mutual Funds		1,027,666	16,005,271
		2,726,966	17,699,267
Fair value through Other Comprehensive Income			
Federal Government securities		18,047,119	12,905,693
Non Government debt securities		33,331	66,664
		18,080,450	12,972,357
		32,657,576	43,950,004
10. CASH AND BANK BALANCES			
Cash in hand		1,173,748	990,498
Balances with banks:	10.1		
Local currency			
Current account maintained with SBP and NBP		4,122,457	3,677,545
Current accounts		3,121,987	3,724,991
Saving accounts		15,914,720	11,645,891
		23,159,164	19,048,427
Foreign currency			
Current accounts		13,963,658	17,210,676
Saving accounts		-	1,504,736
		13,963,658	18,715,412
		38,296,570	38,754,337

10.1 Bank balance includes Rs 7,580 thousand (December 31, 2025: Rs 642 thousand) carrying profit rates ranging from 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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

(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 PTCL / 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. 355,144 thousand was recognized in the consolidated statement of profit or loss, reflecting the increase in the defined benefit obligation arising from this reassessment.

11.4 A total of 1,037 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	September 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		22,717,554	21,966,250
Pakistan Telecommunication Authority Letter of guarantee issued in favor of IFC, BII and SRF		9,128,524	6,082,796
Others	11.5.1	112,049,240	112,049,240
		3,126,541	3,787,215
		147,021,859	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).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	September 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	-	415,289
Letters of comfort in favour of PTML	3,500,000	3,500,000
Contracts for capital expenditure	81,120,509	26,731,397
	84,620,509	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.

	Nine months ended	
	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	43,502,555	41,149,418
Cellular and other wireless services	160,985,196	69,357,204
Voice services - fixed line	5,302,220	6,054,419
Revenue from retail customers	209,789,971	116,561,041
Corporate and wholesale	52,380,327	41,551,586
International	24,156,976	9,365,521
Banking	18,070,690	20,844,252
Total revenue	304,397,964	188,322,400

12.1 Revenue is stated net of trade discount amounting to Rs 4,319,958 thousand (September 30, 2025: Rs 2,933,886 thousand) and Federal excise duty and sales tax amounting to Rs 48,035,150 thousand (September 30, 2025: Rs 27,604,769 thousand).

		Nine months ended	
	Note	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
13. OTHER INCOME			
Income from financial assets - net	13.1	5,051,785	6,669,085
Income from non-financial assets		7,436,669	5,190,287
		12,488,454	11,859,372

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Nine months ended	
	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
14. CASH GENERATED FROM OPERATIONS		
Profit / (loss) before tax	9,566,385	(14,224,697)
Adjustments for non-cash charges and other items:		
Depreciation of property and equipment	35,668,248	26,029,633
Impairment of property and equipment	134,190	316,174
Amortization of intangible assets	15,982,988	5,752,520
Amortization of contract costs	4,843,813	5,953,270
Depreciation of right of use assets	13,270,585	8,693,058
Expected credit losses on trade debts and contract assets	2,086,072	1,677,328
(Reversal) / impairment loss on non performing loans to banking customers	(1,797,618)	9,297,524
Amortization of transaction costs on long term loans - net	613,339	-
(Reversal) / provision for obsolete stores, spares and loose tools	(23,640)	88,020
Provision for employees retirement benefits	2,395,609	7,679,678
Imputed interest on lease liabilities	7,175,666	4,678,895
Imputed interest on asset retirement obligation	49,150	-
Interest cost on employee retirement benefits	2,842,879	3,384,362
Gain on disposal of property equipment	(625,659)	(781,931)
Gain on derecognition of lease liability and asset	(192,191)	-
Return on bank deposits and Government securities	(2,672,083)	(4,848,171)
Interest income on net investment in finance lease	(187,350)	-
Release of deferred government grants	(4,169,332)	(2,415,026)
Exchange loss - net	154,531	1,668,706
Finance costs	35,038,210	26,401,451
	120,153,792	79,350,794
Effect on cash flows due to working capital changes:		
(Increase) / Decrease in current assets:		
Stock in trade, stores and spares	(1,352,453)	685,498
Trade debts and contract assets	(19,273,399)	(8,914,099)
Loans to banking customers	126,336	(5,637,067)
Loans and advances	(3,167,623)	(31,771)
Deposits, prepayments and other receivables	2,274,593	1,018,224
	(21,392,546)	(12,879,215)
Increase / (Decrease) in current liabilities:		
Trade and other payables	22,738,000	5,782,067
Security deposits	776,330	305,077
	23,514,330	6,087,144
Cash generated from operations	122,275,576	72,558,723

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Nine months ended	
	September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	38,296,570	26,105,079
Short term financing	(85,600,730)	(68,085,021)
	(47,304,160)	(41,979,942)

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	Wireless	Banking	Total
	Rs '000	Rs '000	Rs '000	Rs '000
Nine months ended September 30, 2026				
Segment revenue	97,030,641	200,033,562	18,319,035	315,383,238
Inter segment revenue	(7,712,707)	(3,024,222)	(248,345)	(10,985,274)
Revenue from external customers	89,317,934	197,009,340	18,070,690	304,397,964
Segment results	(14,630,245)	20,235,142	(874,433)	4,730,464
Nine months ended September 30, 2025				
Segment revenue	89,228,201	83,966,532	21,091,752	194,286,485
Inter segment revenue	(4,944,345)	(772,240)	(247,500)	(5,964,085)
Revenue from external customers	84,283,856	83,194,292	20,844,252	188,322,400
Segment results	(1,205,020)	(3,227,468)	(6,743,091)	(11,175,579)
	Wireline	Wireless	Banking	Total
	Rs '000	Rs '000	Rs '000	Rs '000
As at September 30, 2026				
Segment assets	384,070,409	491,747,648	148,393,227	1,024,211,284
Segment liabilities	491,892,819	329,699,776	161,527,250	983,119,845
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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

		Nine months ended	
		September 30, 2026 (Un-Audited) Rs '000	September 30, 2025 (Un-Audited) Rs '000
Relationship with the Group	Nature of transaction		
i. Shareholders	Technical services assistance fee	10,012,032	5,872,540
ii. Associated undertakings	Sale of goods and services	5,863,472	6,076,415
	Purchase of goods and services	2,227,313	2,221,832
	Prepaid rent	569,675	750,830
iii. Employees benefits plans	PTCL Gratuity Fund	226,912	119,286
	PTML Gratuity Fund	445,981	163,160
	U Bank Gratuity Fund	79,663	102,512
iv. Employees contribution plans	PTCL PTCL Employees GPF Trust - net	132,078	50,017
	PTML Provident Fund	54,332	-
	U Bank Provident Fund	84,071	84,283
v. Directors, Chief Executive and Key Management Personnel	Fee and remuneration including benefits and perquisites	2,124,091	2,070,523
		September 30, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Trade debts			
- Associated undertakings		53,092,542	48,256,762
Other receivables			
- Pakistan Telecommunication Employees Trust (PTET)		83,369	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)		13,877,127	13,762,801
Trade and other payables			
Trade creditors			
- Associated Undertakings		6,130,445	5,596,339
Retention money payable to associated undertaking		2,940	8,993
Technical assistance services fee payable to Etisalat Pakistan Telecommunication Company Limited		66,128,677	56,116,645
Employees Gratuity Fund		1,135,569	993,435
PTML - Gratuity Fund		349,197	186,373
U Bank - Gratuity Fund		66,765	51,057

18 FAIR VALUE ESTIMATION

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

19. OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

	Gross amounts subject to offsetting Rs '000	Offset Rs '000	Net amount Rs '000	Amount not in scope of offsetting Rs '000	Net as per consolidated statement of financial position Rs '000
As at September 30, 2026 (Un-Audited)					
Trade debts and contract assets	48,762,934	(4,097,107)	44,665,827	69,272,868	113,938,695
Trade creditors	(5,264,363)	4,097,107	(1,167,256)	(28,497,719)	(29,664,975)
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 MANAGEMENT

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 September 30, 2026 (Un-audited)				
Long term other investments	-	-	51,427	51,427
Federal Government securities	-	18,047,119	-	18,047,119
Non Government debt securities	-	1,732,631	-	1,732,631
Mutual Funds	-	1,027,666	-	1,027,666
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 liabilities as of September 30, 2026 are carried at amortized 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 from those as disclosed in the audited consolidated financial statements of the Group for the year ended December 31, 2025.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

21. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for better presentation and comparison.

22. RECLASSIFICATION

There are reclassifications of certain expenses among cost of services, administrative and general expenses, and selling and marketing expenses from condensed interim consolidated financial statements for the six months period ended June 30, 2026 and for the three months period ended March 31, 2026.

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

These condensed interim consolidated financial statements for the nine months period ended September 30, 2026 were authorized for issue by the Board of Directors of the Holding Company on October 22, 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