



# PTCL Investor Call

Financial Results – Q2 2023

25<sup>th</sup> July, 2023

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# Business Overview

Hatem Bamatraf


President & Chief Executive Officer

PTCL Group



# PTCL Group

PTCL Group strengthening its position as the leading integrated Telecom Operator in Pakistan



▽


**Largest fiber footprint** of 60,000 km

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**Largest Broadband base** of 1.6 Mn

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**2<sup>nd</sup> largest** FTTH operator



▽


**Carrier of Carriers** with 6.6 Tbps traffic (~60% of country)

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**3 Tier-III Certified** Data Centers & Cloud

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Connects Pakistan to the rest of the world with **4 Submarine Cables**



▽


**24.5 Mn** mobile base with **Highest net adds share in industry in Q2'23**

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**10k 4G towers** with fast-paced network rollout & modernization

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Best in industry **network quality**



▽

**300+ Branches & 230+ ATM network**

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30 standalone **Islamic Branches**

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Strong **Balance Sheet** Footing with total asset base of **PKR 181 Bn**

# Strategic Priorities

Become the Largest Technology Player and National Champion to support Pakistan Digital Transformation



## Exceed market growth in mobile

Strengthen market positioning & brand value



## Lead Pakistan's FTTH transition

Become undisputed leader in Fixed & FMC



## Evolve into a B2B pioneer

Enable National digital transformation



## Venture boldly into adjacent services

MFS, Gaming, OTT, Digital Brand



## Achieve Excellence in Customer Experience

Quality of service & network health



## Transform culture & talent

Agility & efficiency



## Exit strategically

Monetization of non-core assets  
Unlock capital for growth

# Key Operational Highlights

PTCL Group demonstrated strong performance on all fronts during Q2 2023



## No. 1 Broadband & Business Solutions Provider

### Fixed Broadband

- Leader in **Fixed broadband segment** with market share of 70%

### FTTH

- **Flash Fiber** remains the fastest growing FTTH player by taking 56% share of the industry net adds
- **Subscriber base** increased by 2x
- Cumulative **Home Passes: 762k**

### Business Solutions

- **Revenue** grew by **27.2%** on YoY basis

## Emerging Mobile Broadband Operator

### Subscribers Growth

- Subscriber base reached **24.5 Mn** with **0.9 p.p** YoY increase in Market Share
- **353k Net Adds** in Q2 23 which is more than 11.3% share of industry Net Adds
- Increase in 4G data subscribers by **38%**

### Net Promotor Score

- Ufone's customer experience remains best in the industry

### Network Investment

- Network expansion & modernization moving at an aggressive pace (220 new sites deployed)

## Fastest Growing Microfinance Bank

### Digitization

- **75%** of fresh loans processed via Digital Loan Acquisition App

### Customer Base

- Deposit Customers : **4.2 M**
- Loan customers : **399 K**

### Key Financials

- **Deposit** base increased by **PKR 32 Bn** to reach **PKR 98 Bn** in **Q2 2023**
- **Loan** portfolio increased by **PKR 24 Bn** to reach **PKR 65 Bn** in **Q2 2023**
- **54%** of GLP is secured via Gold Backed Loans

# PTCL Group delivering strong on revenues

Revenue – Q2 2023

**PKR 47.8Bn** ▲ **30.3%**  
YoY Growth

PTCL Group achieved **30.3%** revenue growth compared to same period last year, despite the ongoing macroeconomic challenges

The sustainable growth in revenue is attributable to strong performance in fixed broadband, mobile data, business solutions and banking services



▲ **18%** YoY Growth



▲ **25%** YoY Growth



▲ **117%** YoY Growth



# Financial Highlights

Nadeem Khan

Chief Financial Officer

PTCL Group



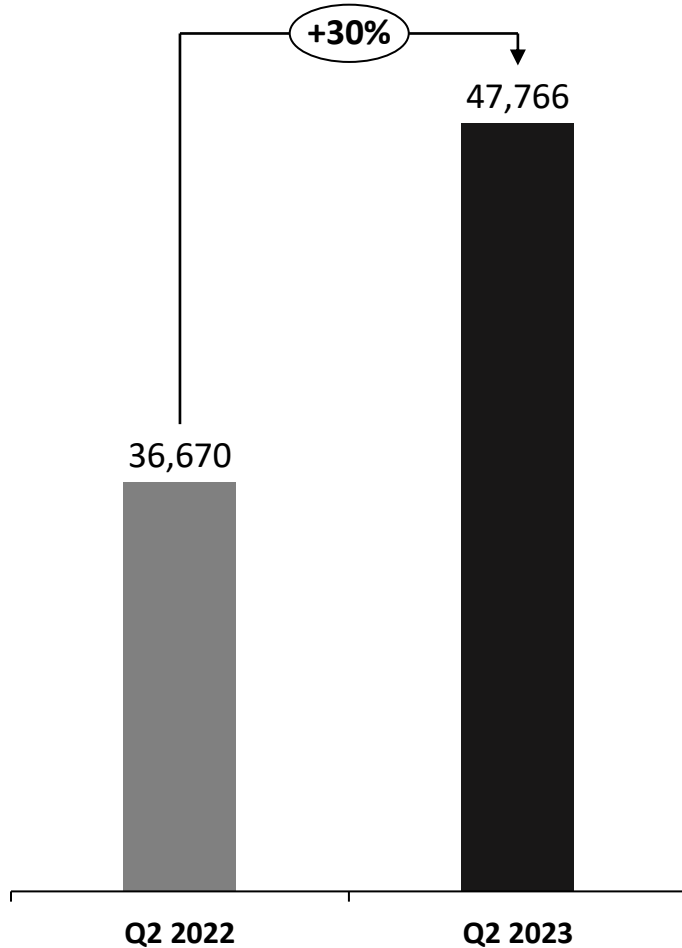


# PTCL Group Key Financials – Q2 2023

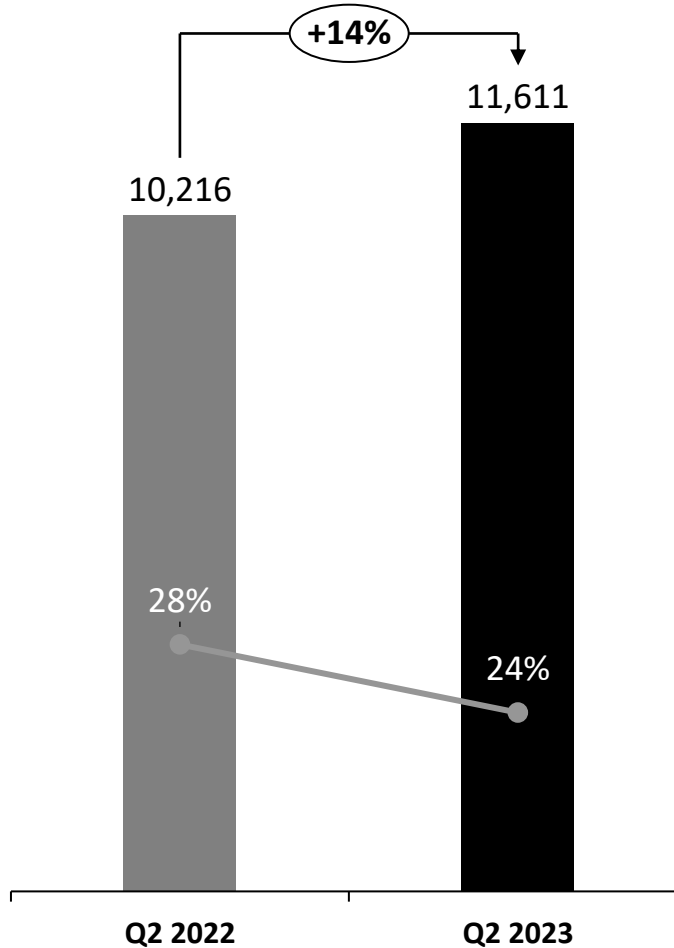
30% YoY growth in Revenue contributed by all OPCOs

PKR Million

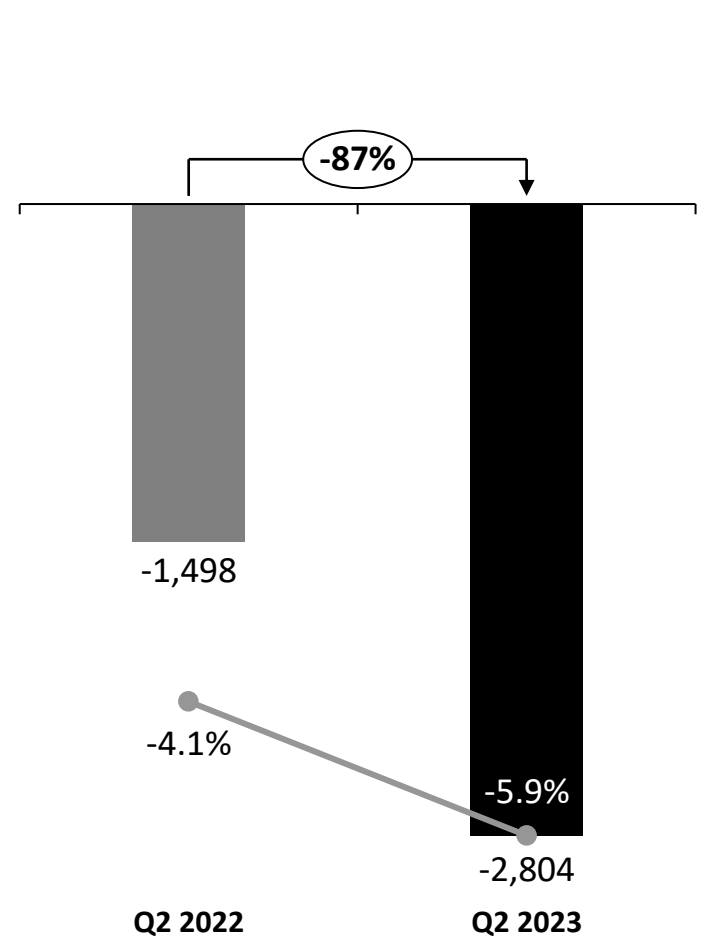
## Revenue



## EBITDA & Margin %



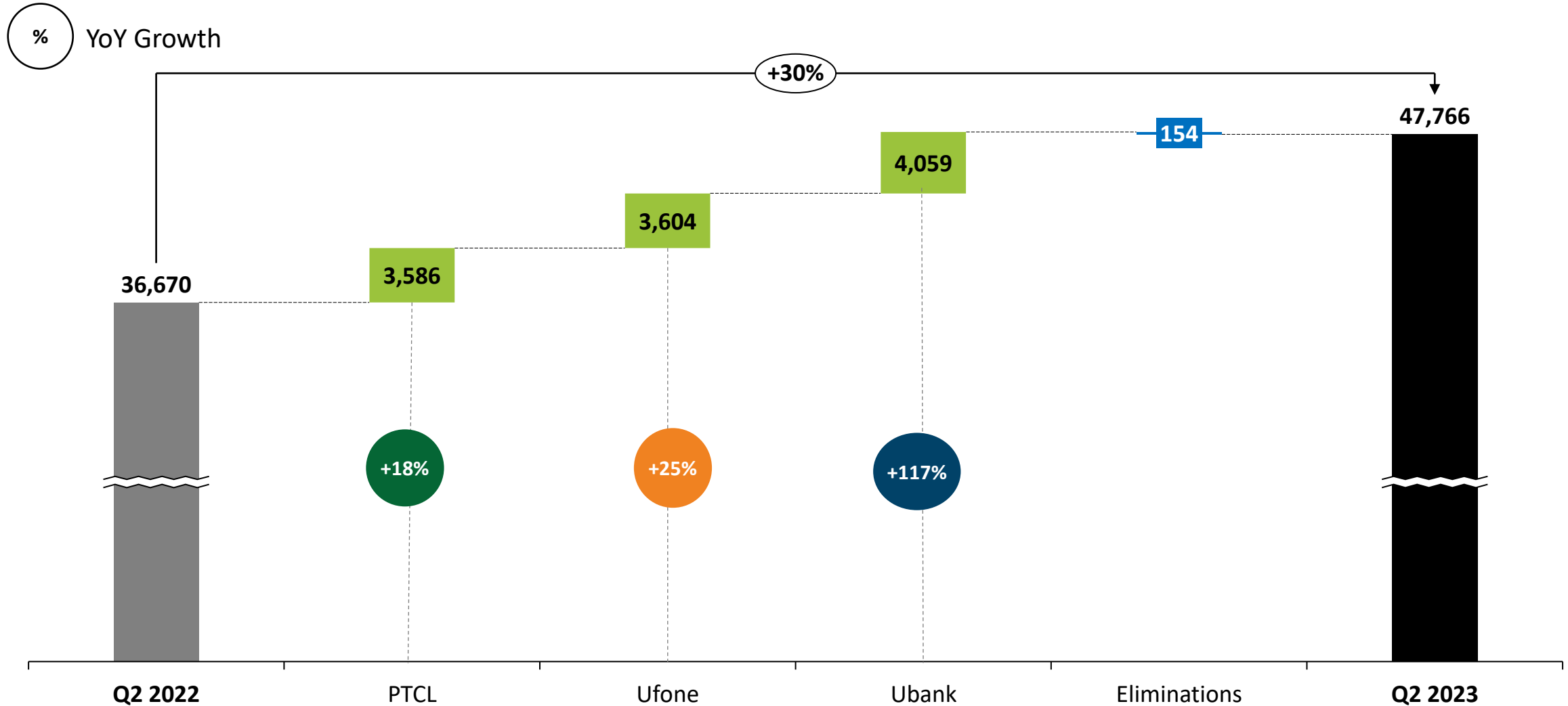
## Net Profit / Loss & Margin %



# PTCL Group – YoY Revenue Evolution Q2 2023

Double-digit revenue growth contributed by all OPCOs

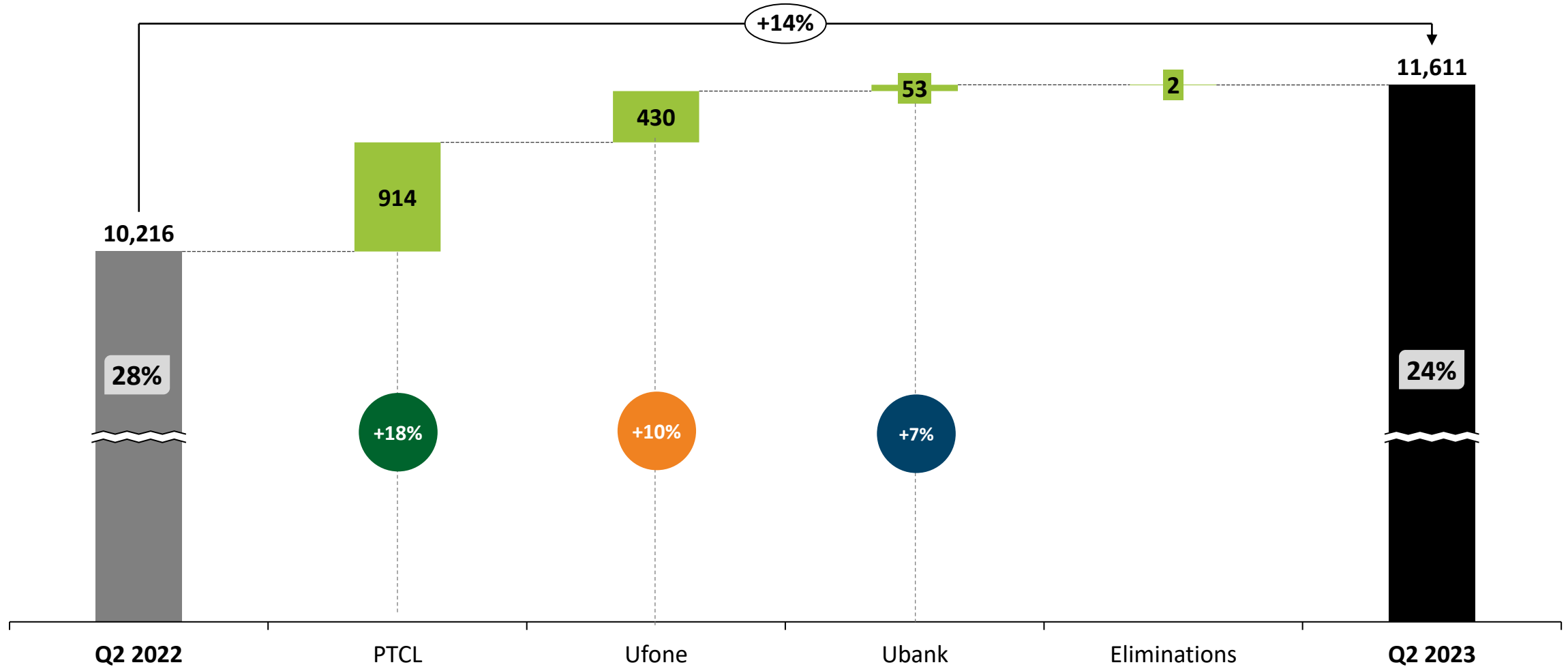
PKR Million



# PTCL Group – YoY EBITDA Evolution Q2 2023

EBITDA grew by 14% YoY mainly contributed by topline growth

PKR Million

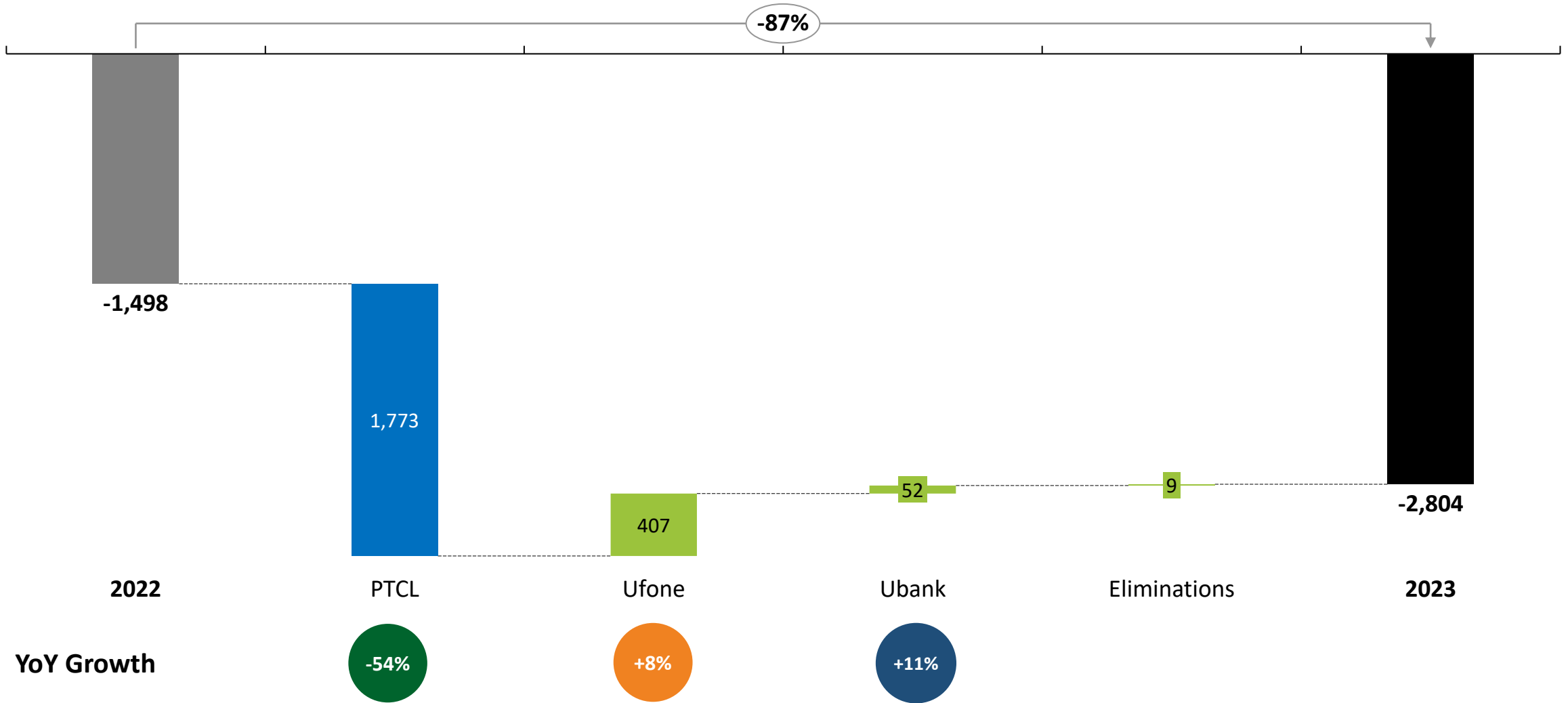


○ YoY Growth    % EBITDA Margin

# PTCL Group – YoY Net Profit Evolution Q2 2023

Bottom line impacted by significant fluctuation of Economic Variables & Network expansion in Ufone

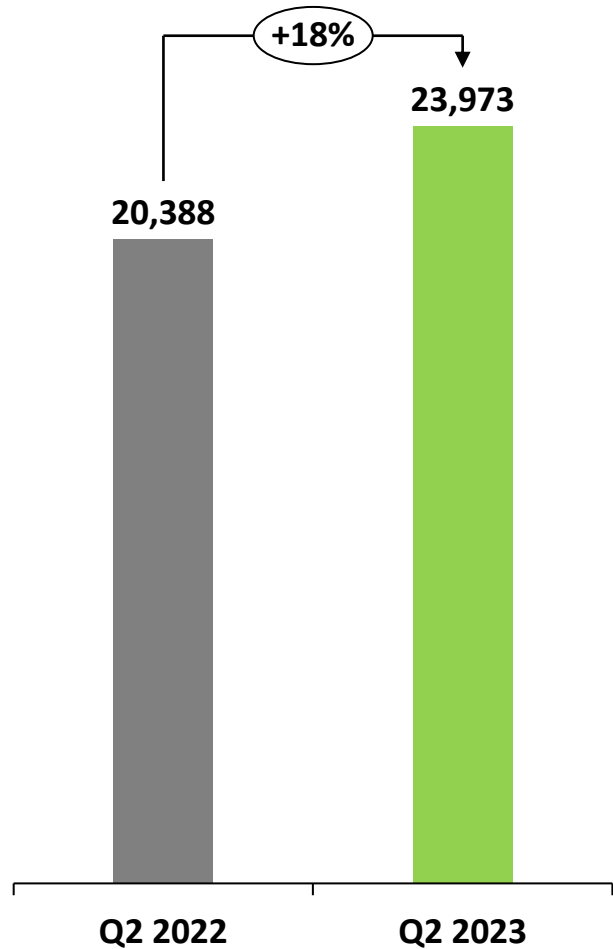
PKR Million



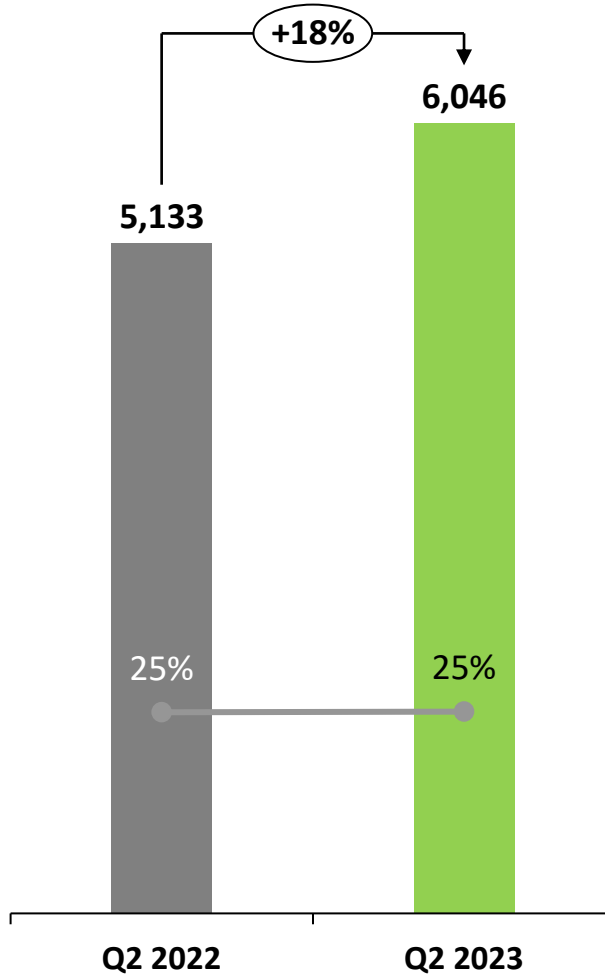
# PTCL Key Financials – Q2 2023

PKR Million

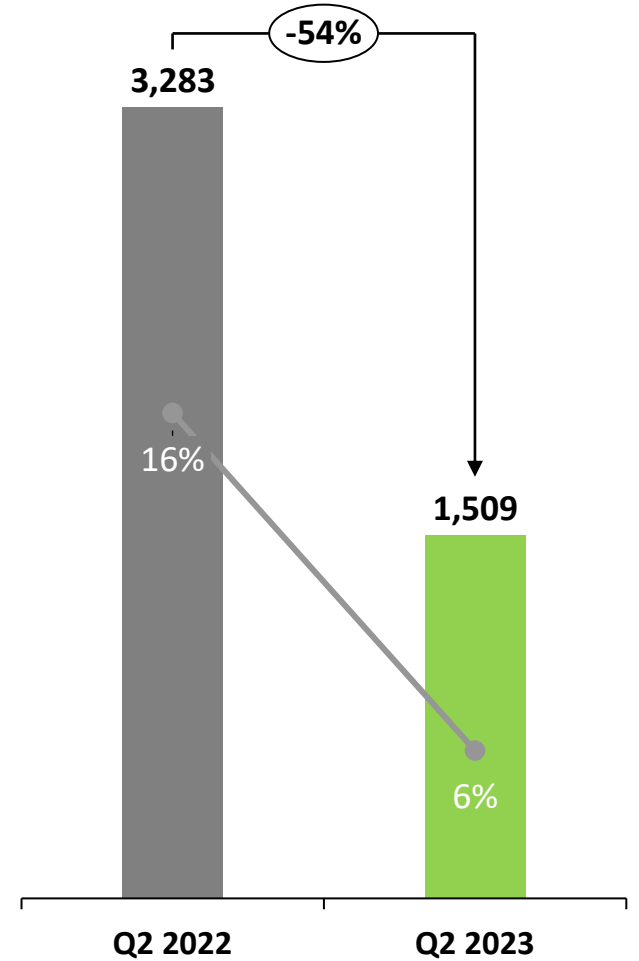
## Revenue



## EBITDA & Margin %



## Net Profit & Margin %



# PTCL showed significant Revenue growth, together with multiple key achievements

# 18%

## PTCL Revenue Growth

YoY: Q2'23 vs. Q2'22

# 291k

## FTTH Subscribers

Q2'23

**100%** YoY increase with in FTTH Base vs. **40%** industry leading to **107%** YOY revenue growth

# 46k

## FTTH Net Adds

Q2'23

Highest ever FTTH Net Adds in a quarter. Supported by higher Sales and conversions from copper

# +11pp

## FTTH Market Share Gain

YoY increase

**31%** Q2'23 vs. **20%** Q2'22

# 14%

## FBB ARPU

YoY growth

Supported by Price Optimization in FBB portfolio

# 27%

## Business Solutions Revenue

YoY growth

**11.4Bn** Q2'23 vs. **9Bn** Q2'22

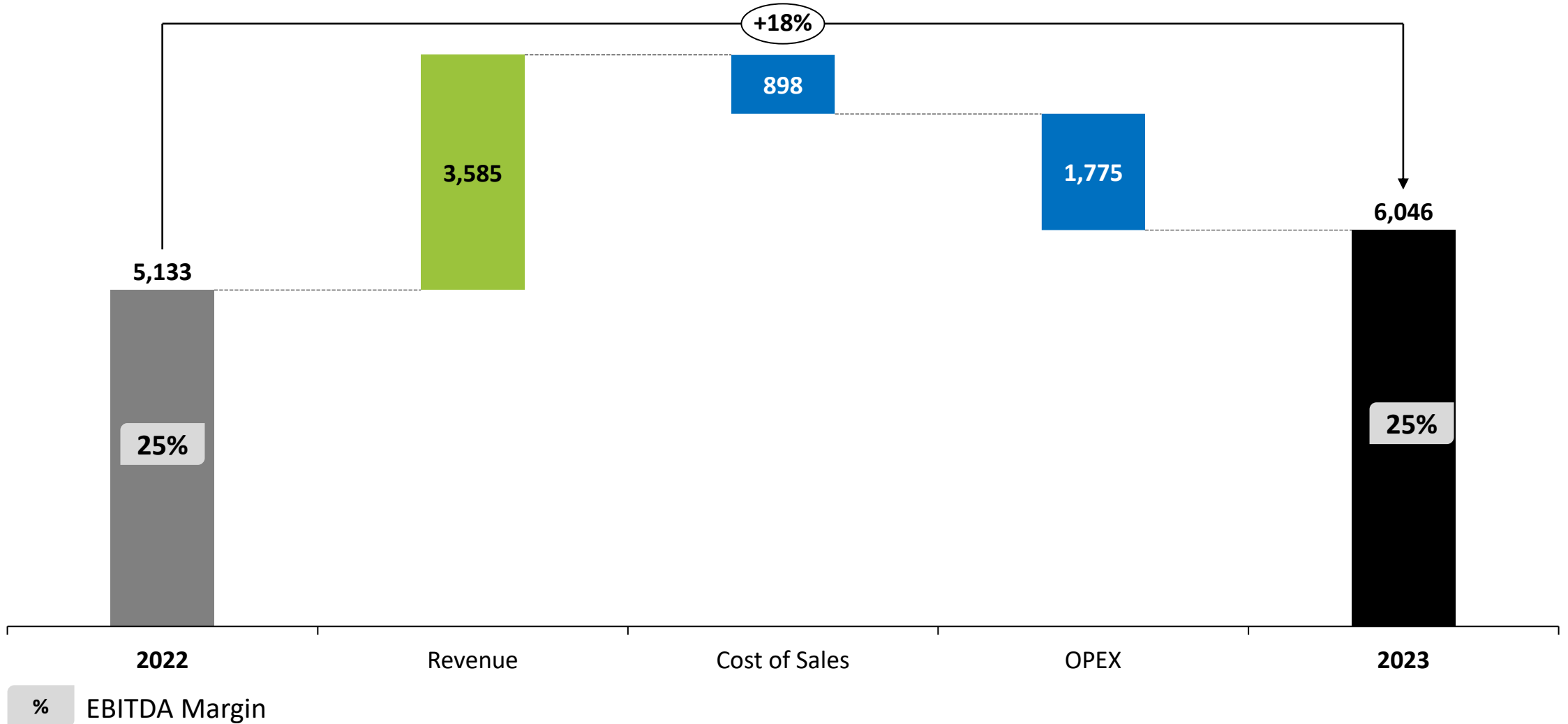
# PTCL Revenue

Achieved 18% revenue growth backed by growth in wireline data, corporate & wholesale and international segments

PKR Million	Q2 2023	Change %
		YoY
Wireline Data	10,035	17%
Wireless Data	422	-21%
Voice	2,056	-9%
<b>Retail</b>	<b>12,514</b>	<b>10%</b>
<b>Corporate &amp; Wholesale</b>	<b>8,180</b>	<b>33%</b>
<b>International</b>	<b>3,279</b>	<b>17%</b>
<b>Total</b>	<b>23,973</b>	<b>18%</b>

# PTCL – EBITDA YoY Evolution Q2 2023

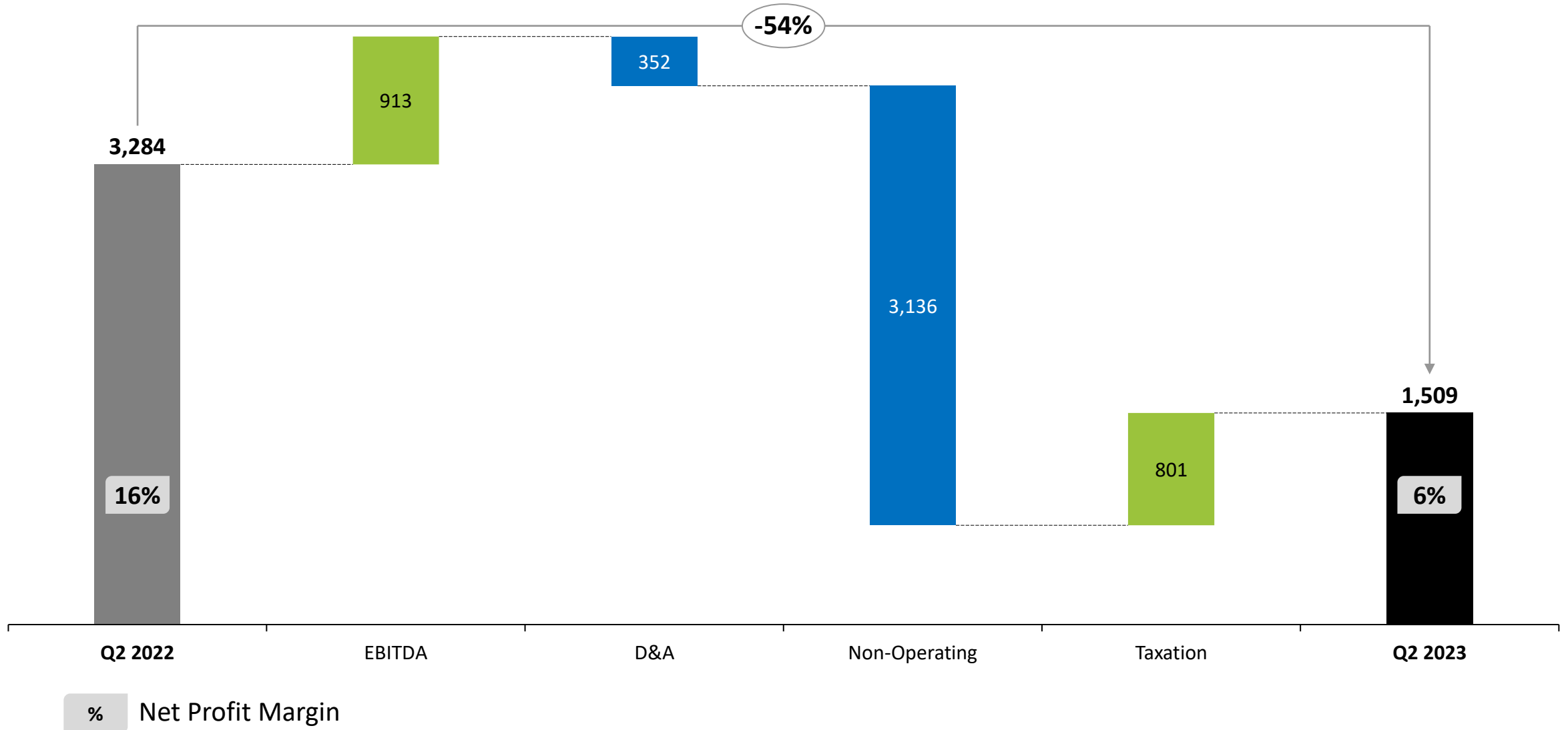
18% EBITDA growth despite rising energy tariffs





# PTCL – Net Profit YoY Evolution Q2 2023

PKR Million



# PTCL Balance Sheet

## Balance Sheet

<i>PKR Million</i>	<i>Dec-22</i>	<i>Jun-23</i>
Property, Plant and Equipment	131,490	133,509
Long term investments	44,736	60,236
Other Non Current Assets	21,301	24,935
<b>Non Current Assets</b>	<b>197,527</b>	<b>218,680</b>
Trade debts	39,293	48,611
Stores and spares	7,637	7,360
Cash & Cash Equivalents	5,685	7,589
Other current assets	55,018	58,138
<b>Current Assets</b>	<b>107,633</b>	<b>121,699</b>
<b>Total Assets</b>	<b>305,160</b>	<b>340,379</b>
Share capital	51,000	51,000
Reserves	57,054	64,036
<b>Equity</b>	<b>108,054</b>	<b>115,036</b>
Employees retirement benefits	29,208	30,549
Long term loans from banks	22,380	40,298
Other Non Current Liabilities	19,260	19,361
<b>Non-current liabilities</b>	<b>70,849</b>	<b>90,209</b>
<b>Current liabilities</b>	<b>126,257</b>	<b>135,134</b>
<b>Total Liabilities &amp; Equity</b>	<b>305,160</b>	<b>340,379</b>

# PTCL Cash Flow Statement

## Cash Flow Statement

<i>PKR Million</i>	Jun-22	Jun-23
Cash Flows from operating activities	5,972	1,630
Cash Flows from investing activities	(10,551)	(26,235)
Cash Flows from financing activities	4,815	17,675
<b>Net Inc/(Dec) in Cash &amp; Cash Equivalents</b>	<b>237</b>	<b>(6,929)</b>
Opening Cash & Cash Equivalents	2,556	5,592
<b>Closing Cash &amp; Cash Equivalents</b>	<b>2,793</b>	<b>(1,337)</b>

# Summary & Conclusion



# Summary & Conclusion

*PTCL Group reported double digit growth of 30% YoY in topline*

*PTCL achieved topline growth of 18% YoY supported by continuous growth in Fixed Broadband and business solutions segment with continued focus on data, managed services and cloud services.*

*Ufone topline grew by 25% YoY with significant increase in 4G data customer penetration and data traffic backed by 4G spectrum acquisition, multiple marketing initiatives and additional network rollout.*

*Ubank has doubled its topline YoY by increasing its advances portfolio and treasury investments.*



# Questions & Answers

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PTCL Investor Relations

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**THANK YOU**