

# **PTCL** **Corporate Briefing Session**

**For the Year 2020**



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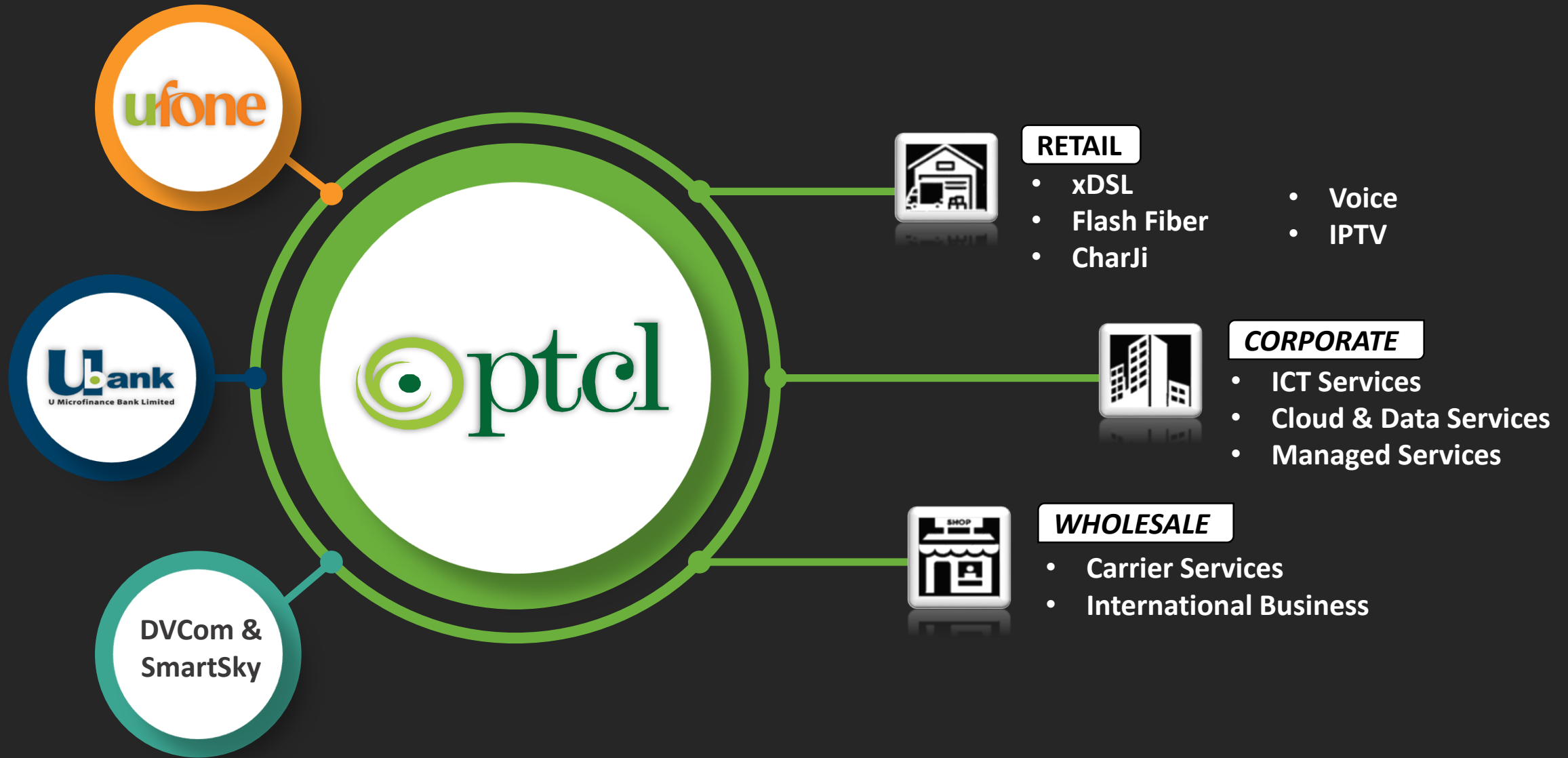
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# PTCL Group Overview





# PTCL – Vision, Mission & Corporate Values

## Vision

*To be the leading and most admired Telecom and ICT provider in and for Pakistan.*

## Mission

*To be the partner of choice for our customers, to develop our people and to deliver value to our shareholders.*

## Values we live by



WE  
CARE

WE TREAT EVERYONE  
WITH RESPECT,  
DIGNITY AND  
RESPONSIBILITY.



WE  
WORK AS  
ONE TEAM

WE SEEK AND VALUE  
EVERYONE'S  
CONTRIBUTION.  
TOGETHER WE ARE  
STRONG.



WE PUT  
CUSTOMER  
FIRST

WE ARE PASSIONATE ABOUT  
SERVING OUR  
CUSTOMERS. THEIR  
SATISFACTION IS A KEY  
MEASURE OF OUR  
SUCCESS.



WE  
EMBRACE  
CHANGE

WE SHAPE OUR  
OWN DESTINY BY BEING  
PROACTIVE AND  
OPEN TO NEW IDEAS.



# PTCL Management



**Mohammad Nadeem Khan**  
Group Chief Financial Officer



**M. Shahzad Yousaf**  
Chief Business Operations Officer



**Shahid Abbas**  
Group Chief Internal Audit



**Adnan Anjum**  
Group Chief Marketing Officer



**Zarrar Hasham Khan**  
Chief Business Services Officer



**Syed Mazhar Hussain**  
Group Chief Human  
Resources Officer



**Jafar Khalid**  
Group Chief Technology and  
Information Officer (Development)



**Naveed Khalid Butt**  
Group Chief Regulatory Officer



**Zahida Awan**  
Group Chief Legal Officer



**Saad Muzaffar Waraich**  
Group Chief Technology and  
Information Officer (Operations)



**Moqees Ul Haque**  
Chief Commercial and Group  
Corporate Strategy Officer



**Saima Akbar Khattak**  
Group Company Secretary

# PTCL Retail Services

## Wireline Broadband

Join the Nation's Favourite Connection



Digital Quality TV

Unlimited Internet

Crystal Clear Voice

Optel

## Fiber To The Home (FTTH)

**FIBER INTERNET**

Unlimited Downloads

Affordable Prices



Optel

## Voice

KEEP TALKING WITH PTCL

**FREEDOM VOICE PACKAGES**

Unlimited calls PTCL

International Calls

FREE 1000 minutes



Optel

## Wireless – Charji

**Unlimited Internet**

in your city



Optel

## Smart TV and Content

Subscribe to the **Taleem Ghar SVOD Bundle** and never miss a class



Download the App

Google Play

App Store

Optel

# PTCL Wholesale Services

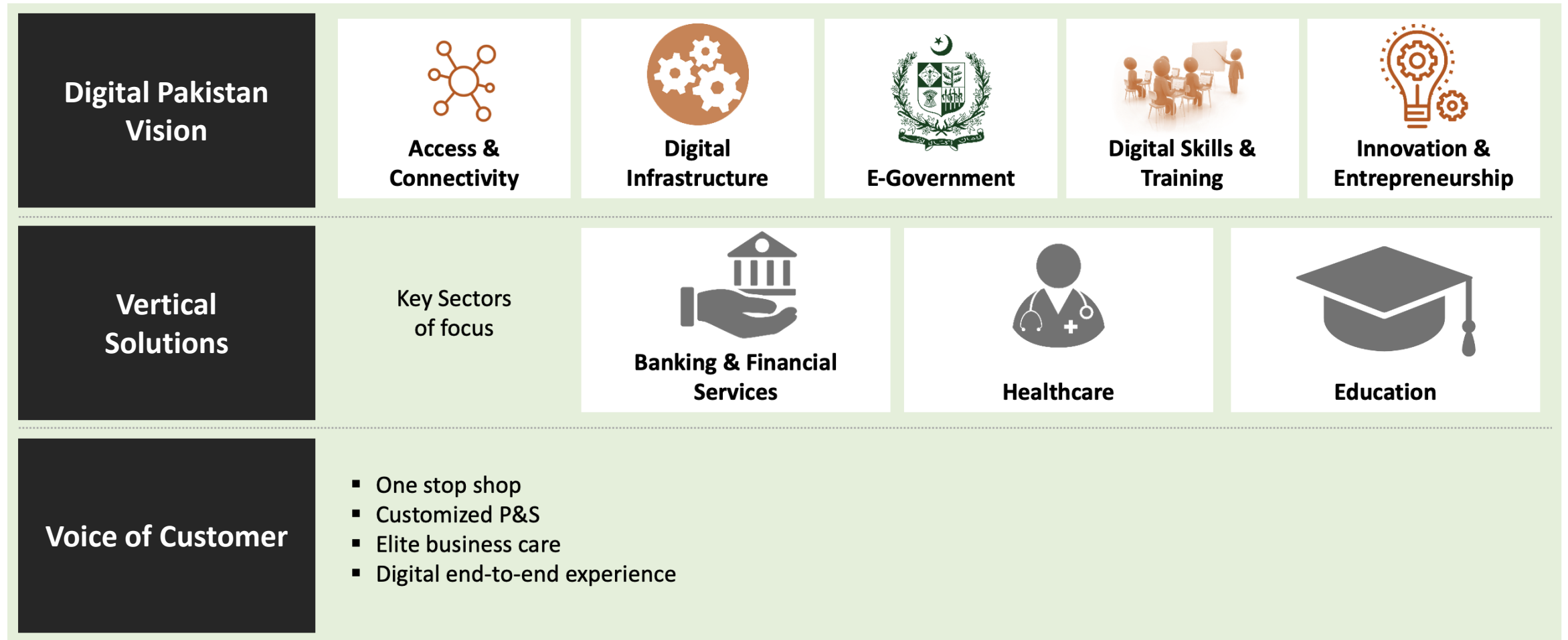


## Key Clients

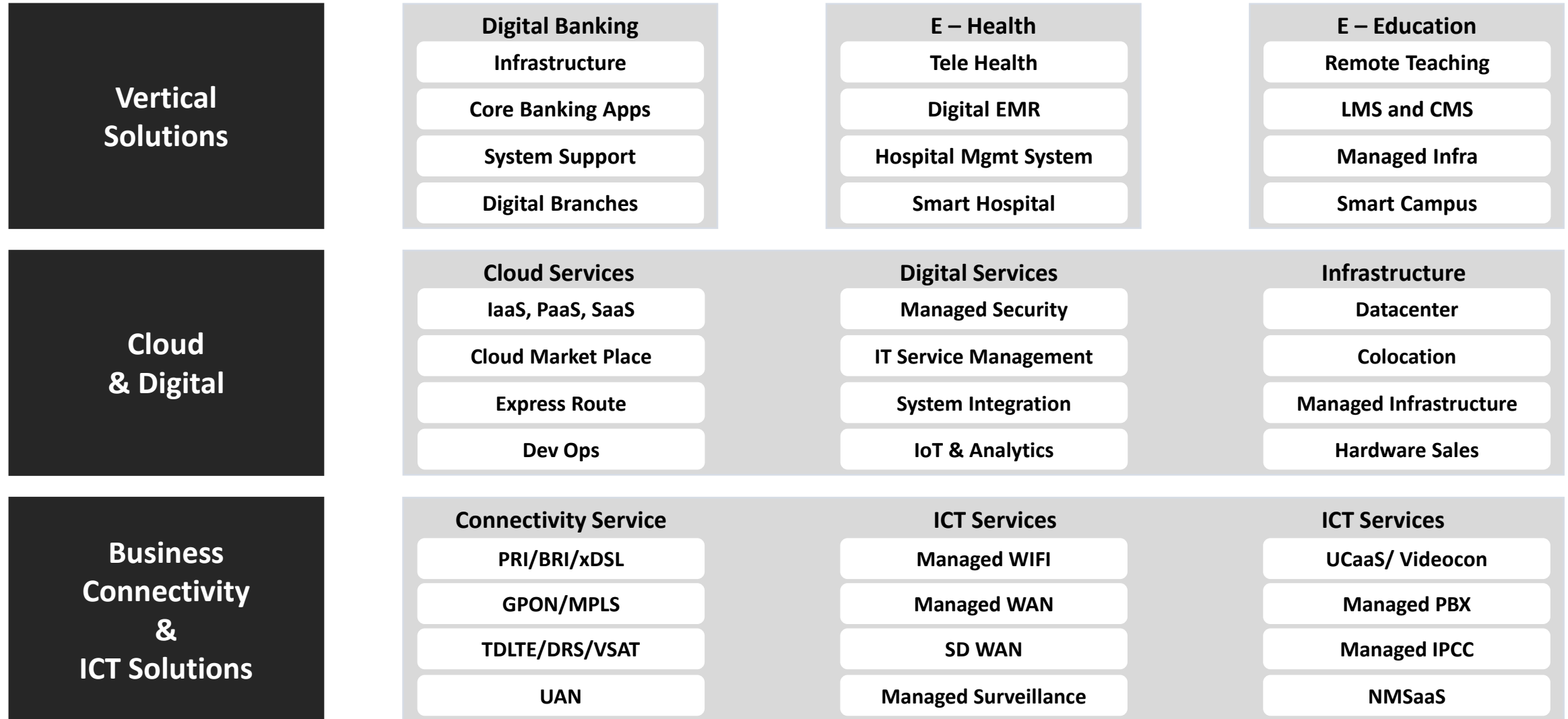




# PTCL's enablement of the the national digital agenda



# Product portfolio – Covering 360° Enterprise ICT Requirements



# Wide Multipath & Diversified Submarine Network



*Total Capacity  
(4,458 Tbps)*



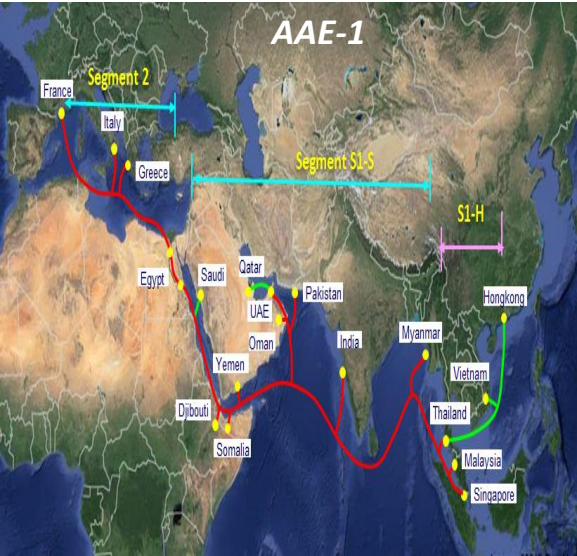
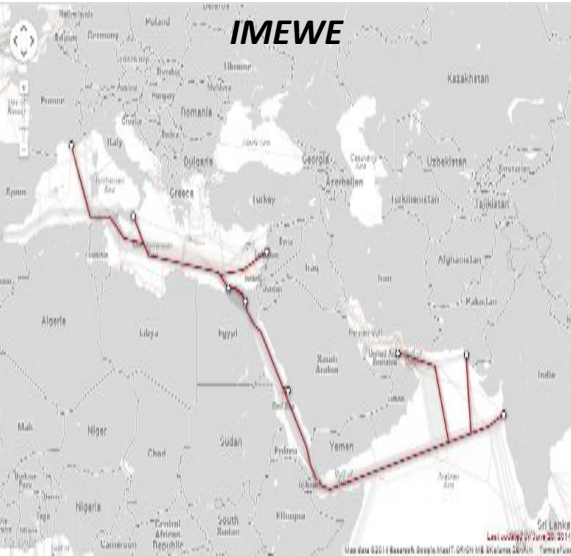
*Route Diversity / Multiple Path Redundancy*



*Optimum Connectivity &  
Quality of Service*



*New Projects  
Part of Africa-1 Submarine Cable*



# PTCL Technological Infrastructure

**BTS Sites**  
**~3,000**



**Optic Fiber**  
**~51,000 km**



**MSAGs**  
**~6,800**



**NGN**  
**Exchanges**  
**~800**





- Commenced operations on 29<sup>th</sup> January 2001
- Mobile Financial Services launched in 2013
- First operator in Pakistan to commercially launch 3G services – LTE services launched in 2019
- Flexible pricing structure which can be customized based on speed, volume and time validity.
- International Roaming facility – 310 live operators in more than 140 countries.
- Sales & Customer Service Centers as well as Franchise network spread nationwide
- Network coverage in more than 10,000 locations across the country



## Vision

Driven by the passion for disruptive innovation and the desire for financial inclusion, we aim to become the problem solver and enabler to Pakistani microfinance ecosystem.

**Microfinance  
Banking  
Services**

### Services

- Microfinance Loans
- Deposit Products
- Home Remittances

**Branchless  
Banking  
Services**

**Upaisa**  
(in collaboration with Ufone)

### Services

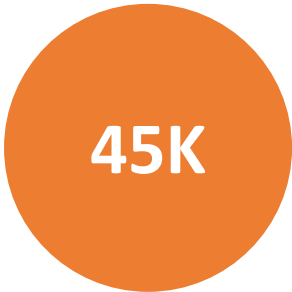
- Bill Payments
- Money Transfers
- Mobile Accounts



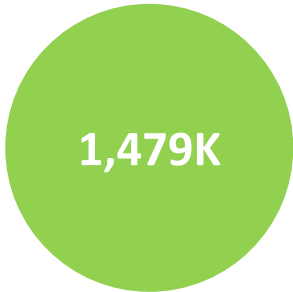
Branch Network (#)



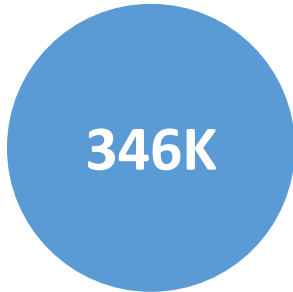
ATMs (#)



U Paisa Agents (#)



Deposit Customers (#)



Loan Customers (#)

# Key Highlights 2020



# Key Financial Highlights – 2020

## PTCL Group

- Top line remained stable, like for like\* revenue increased by 5%.
- Operating profit – PKR 5.6 B
- Net Profit increased by 38%

## PTCL

- Revenue grew by 0.4% YoY with growth in all segments except Voice.
- Wireline Data grew by 0.1%, Wireless Data grew by 8%, International grew by 4% and Corporate & Wholesale grew by 7% in 2020
- Net Profit – PKR 6 B
- VIS Credit Rating Company Limited (VIS) has reaffirmed entity ratings of PTCL at 'AAA/A-1+' (Triple A/A-One Plus). The medium to long term rating of 'AAA' denotes highest credit quality with negligible risk factors.



# Key Operational Highlights – 2020



- **Highest FBB** new sales in Dec 20 since Nov 2015
- **YoY > 100k** reduction in FBB churn (23% improvement)
- **1.7 Mn** fewer complaints in 2020 vs 19 (26% less)
- MTTR reduced to **23 hrs** (43% YoY reduction)
- Consistent **positive Net Adds** for FBB for the last 9 months of 2020 – 80K
- Turned around **Wireless BB business** (8% revenue growth YoY)
- **Business services** sustained growth (6.2% revenue growth YoY)
- PTCL revenue growth accelerated in Q4 of 2020. **Growth in Q4 was 3.7%** against 0.7% decline till Q3.



- Expansion in **LTE Subscribers (89%)**
- Network upgraded by **addition of 3G and LTE sites**
- Significant growth in **data traffic**
- **New sales** bounced back to pre-Covid levels
- Continuous **digitalization** leading to improvement in **online recharge ratio**
- Launch of new **MFS (UPaisa)** brand identity showing encouraging results



- **50%** revenue growth supported by increase in deposit base by **98%** and loan portfolio by **43%**.
- **47%** of GLP is secured via Gold Backed Loans
- **46%** of fresh loans have been processed via Digital Loan Acquisition App
- U bank, with its network of **201** branches and **199** ATMs across **183** cities and rural areas in Pakistan, disbursed loans in excess of PKR. **28 billion**.
- The balance sheet footing of the Bank rose to PKR. **70 billion**, thus covering a journey of PKR. **30 billion** in just 12 months.

# Corporate Social Responsibility – 2020

- **Cash donation** of PKR 100 Million to the Prime Minister's COVID-19 Relief Fund
- Reached around 13,000 direct beneficiaries through **Mobile Medical Units**
- **Clothing Drive** and **Ramzan Dastarkhwan** was able to benefit 7,000 families
- **Webinars for a Cause** - centered around the mentoring of interns and students
- **Justuju Internship Programme** - a flagship internship programme for persons with disabilities
- **Pink Club** at PTCL organized virtual sessions and campaigns for it's female employees



*PTCL was recognized by Global Diversity & Inclusion (D&I) Benchmarks through awards for progressive practices for D&I Communications and Social Responsibility.*

# Financial Highlights



# P&L - PTCL Group

*Stable topline & 38% growth in Net Profit despite challenges posed by COVID-19*

	2020	2019	Variance	
	Rs. M		Amount	%
<b>Revenue</b>	<b>129,422</b>	<b>129,543</b>	<b>-120</b>	<b>0%</b>
Cost of Sales	(96,312)	(95,659)	(653)	-1%
<b>Gross Profit</b>	<b>33,110</b>	<b>33,884</b>	<b>(773)</b>	<b>-2%</b>
Admin & Gen. Expense	(16,961)	(16,685)	(276)	-2%
Selling & Marketing Expense	(7,119)	(7,291)	172	2%
Impairment loss on trade debts	(3,391)	(3,225)	(165)	-5%
<b>Operating Profit</b>	<b>5,639</b>	<b>6,682</b>	<b>(1,042)</b>	<b>-16%</b>
Other Income	8,262	6,157	2,105	34%
Finance Cost	(9,335)	(9,203)	(132)	-1%
<b>Profit before Tax</b>	<b>4,567</b>	<b>3,636</b>	<b>931</b>	<b>26%</b>
Taxation	(1,294)	(1,259)	(35)	-3%
<b>Profit for the period</b>	<b>3,273</b>	<b>2,377</b>	<b>896</b>	<b>38%</b>
<b>Profit Like for Like</b>	<b>5,843</b>	<b>1,657</b>	<b>4,186</b>	<b>253%</b>



# P&L – PTCL

	2020	2019	Variance	
	Rs. M		Amount	%
<b>Revenue</b>	<b>71,804</b>	<b>71,548</b>	<b>256</b>	<b>0%</b>
Cost of Service	(56,807)	(54,569)	(2,238)	-4%
<b>Gross profit</b>	<b>14,997</b>	<b>16,979</b>	<b>(1,982)</b>	<b>-12%</b>
Admin & Gen. Expense	(6,687)	(6,760)	72	1%
Selling & Marketing Expense	(3,121)	(2,992)	(129)	-4%
Impairment loss on trade debts	(1,742)	(2,289)	547	24%
<b>Operating Profit</b>	<b>3,447</b>	<b>4,939</b>	<b>(1,492)</b>	<b>-30%</b>
Other Income	5,506	4,710	796	17%
Finance Cost	(460)	(318)	(142)	-45%
<b>Profit before Tax</b>	<b>8,493</b>	<b>9,331</b>	<b>(838)</b>	<b>-9%</b>
Taxation	(2,463)	(2,984)	521	17%
<b>Profit for the period</b>	<b>6,030</b>	<b>6,347</b>	<b>(317)</b>	<b>-5%</b>
<b>Profit Like for Like</b>	<b>6,528</b>	<b>6,347</b>	<b>181</b>	<b>3%</b>

# PTCL - Balance Sheet

PKR Million

*Strong Unleveraged Balance Sheet*

Balance Sheet		
	Dec-19	Dec-20
Property, Plant and Equipment	116,720	114,666
Long term loans and advances	12,387	10,748
Long term investments	8,936	17,736
Other Non Current Assets	3,116	3,706
<b>Non Current Assets</b>	<b>141,160</b>	<b>146,856</b>
Trade debts	20,259	23,150
Stores and spares	5,335	3,601
Cash & Cash Equivalents	4,174	11,977
Other current assets	39,066	38,016
<b>Current Assets</b>	<b>68,835</b>	<b>76,744</b>
<b>Total Assets</b>	<b>209,994</b>	<b>223,600</b>
Share capital	51,000	51,000
Reserves	36,751	43,010
<b>Equity</b>	<b>87,751</b>	<b>94,010</b>
<b>Non-current liabilities</b>	<b>43,008</b>	<b>40,035</b>
<b>Current liabilities</b>	<b>79,235</b>	<b>89,556</b>
<b>Total Liabilities &amp; Equity</b>	<b>209,994</b>	<b>223,600</b>

# PTCL - Cash Flow Statement

PKR Million

*Healthy cash position of PKR 12B*

## Cash Flow Statement

	2019	2020
Cash Flows from operating activities	24,772	31,719
Cash Flows from investing activities	(27,155)	(20,638)
Cash Flows from financing activities	(3,034)	(3,279)
<b>Net Inc/(Dec) in Cash &amp; Cash Equivalents</b>	<b>(5,417)</b>	<b>7,802</b>
Opening Cash & Cash Equivalents	9,591	4,174
<b>Closing Cash &amp; Cash Equivalents</b>	<b>4,174</b>	<b>11,977</b>

# Questions & Answers





THANK YOU

