



PTCL Investor Call

Financial Results – Q3 2021

26th October, 2021

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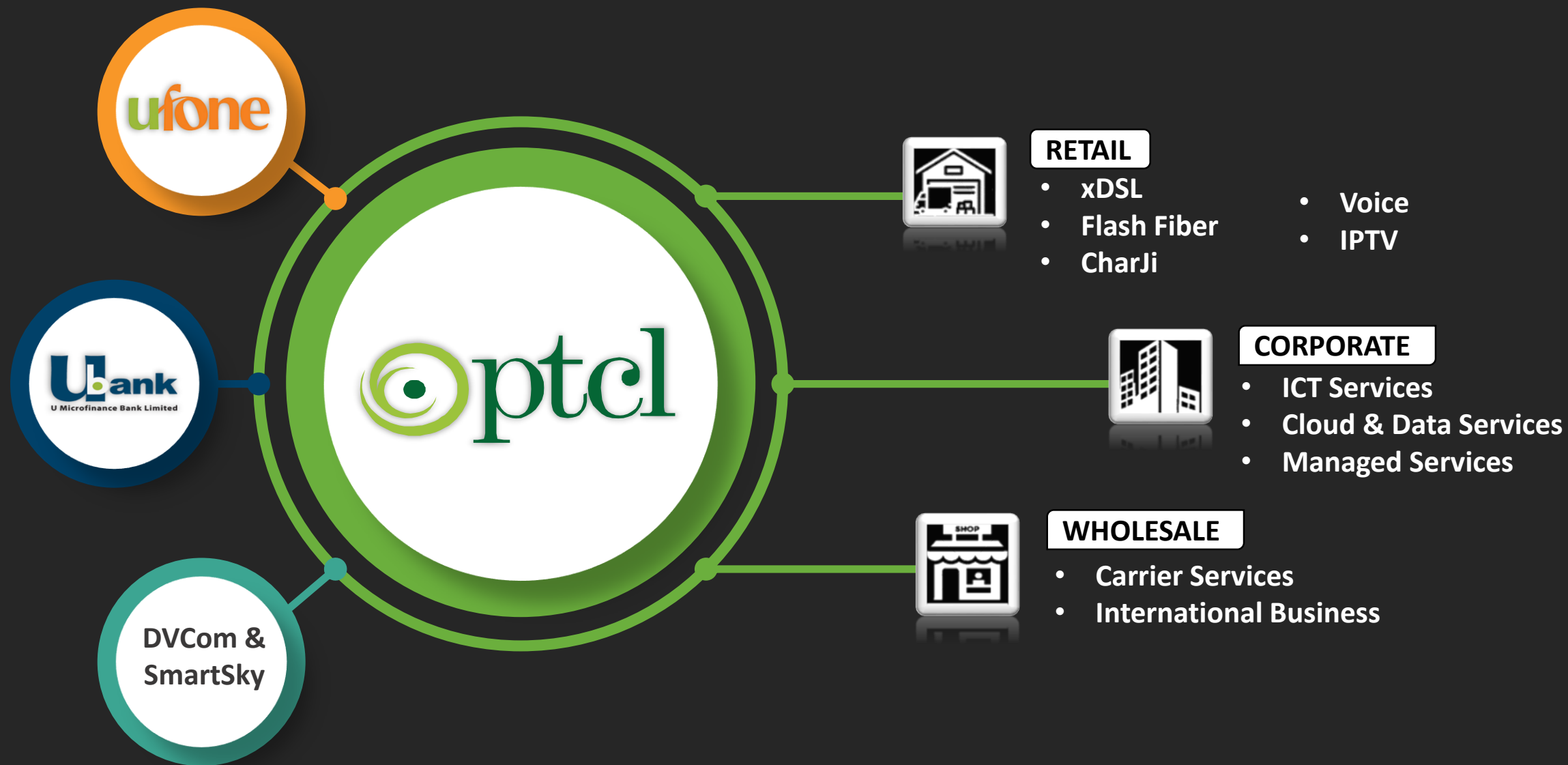
Business Overview

Hatem Bamatraf

President & Chief Executive Officer

PTCL Group





Key Highlights – Q3 2021

PTCL Group

- Topline grew by 5.4% YoY with positive contribution by all OPCOs.
- EBITDA of PKR 10 B
- Net Profit of PKR 747 M

PTCL

- Revenue increased by 6% YoY which is mainly contributed by growth of 11% Wireline Data , 11% Wireless Data and 11% Corporate & Wholesale.
- EBITDA of PKR 4.9 B
- Net Profit of PKR 1.9 B – improved by 41% YoY.

Key Developments – Q3 2021

PTCL

VIS Credit Rating Company Limited has reaffirmed entity rating of Pakistan Telecommunication Company Limited (PTCL) of “AAA” (Triple A) and short term rating of “A-1+” (A-One Plus).

Ufone

- Spectrum – 9MHz in 1800 MHz Band at Base Price (Sept 2021)
- AJK & GB License renewed and additional 1.2MHz spectrum

Key Operational Highlights – Q3 2021



- Strong performance in **FBB** continues with growth in subscribers (7%) & revenues (11%) YoY
- **Flash Fiber** is moving from strength to strength with 66% growth in revenues & 72% growth in subscriber base YoY
- **Wireless data** revenues grew by 11%, driven by double digit growth in Charji revenues.
- **Voice** revenues decline continues due to changing consumer behavior in favor of data
- Reduction in **complaints** by 19%
- **Service Provisioning Time** reduced to 10 hrs (49% YoY reduction)
- **MTTR** reduced to 22 hrs (14% YoY reduction)
- **Business Services** shows growth of 6.5% YoY, led by carrier and digital business.



- With **additional spectrum**, focus is on aggressive network rollout and upgrade, along with on ground activations, revamping existing portfolio and offering new packages
- **New Sales** in Q3 increased 23% YoY
- Ufone **4G subscribers** have grown by 30% on YoY basis
- **Online recharge ratio** has increased to 22% in Q3-21 from 15% in Q3-20.
- Focusing on digitalizing **Customer Interactions** while optimizing resources through mobile app



- **8%** revenue growth in comparison to last year supported by increase in deposit base by **20 B** and loan portfolio by **7 B**.
- **50%** of GLP is secured via Gold Backed Loans
- **31%** of fresh loans have been processed via Digital Loan Acquisition App
- U bank, with its network of **201** branches and **195** ATMs across **183** cities and rural areas in Pakistan, disbursed loans of PKR. **7.4 billion** in Q3 2021.
- The balance sheet footing of the Bank stands at PKR. **80 B**. Deposit book increased by **67%** and Borrowings increased by **71%**.

Financial Highlights

Nadeem Khan

Chief Financial Officer

PTCL Group



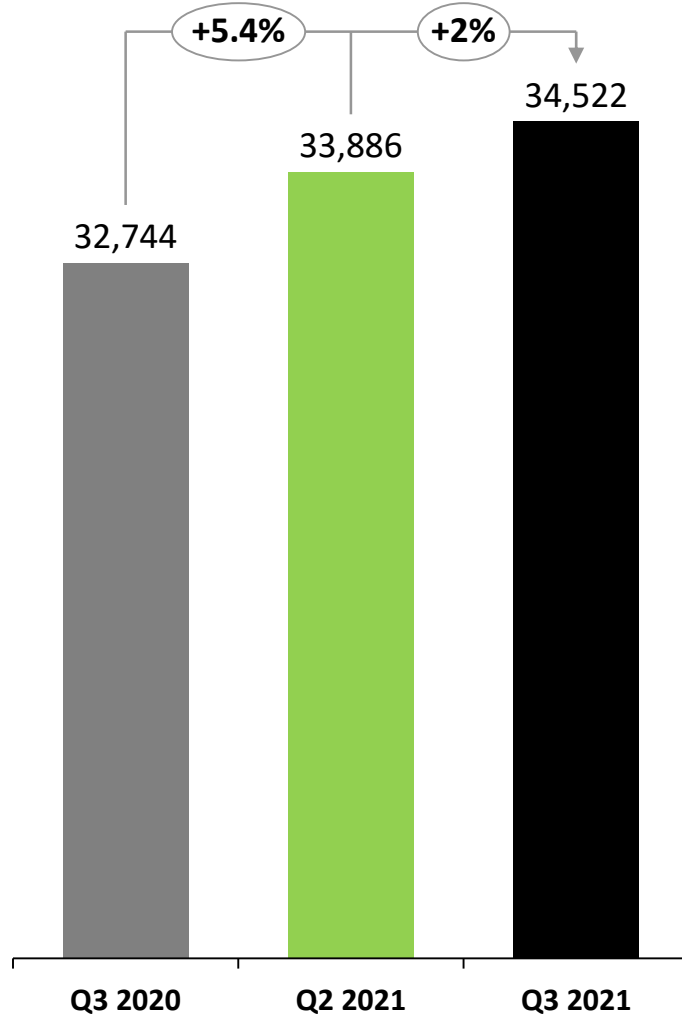
PTCL Group Key Financials – Q3 2021

5.4% YoY and 2% QoQ growth in Revenue

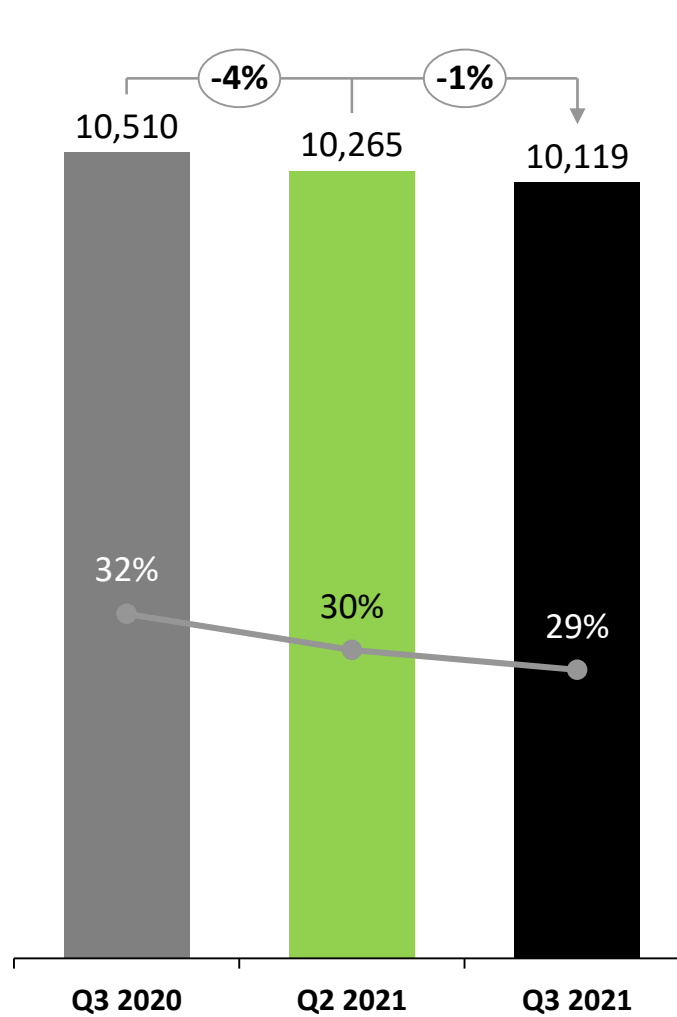


PKR Million

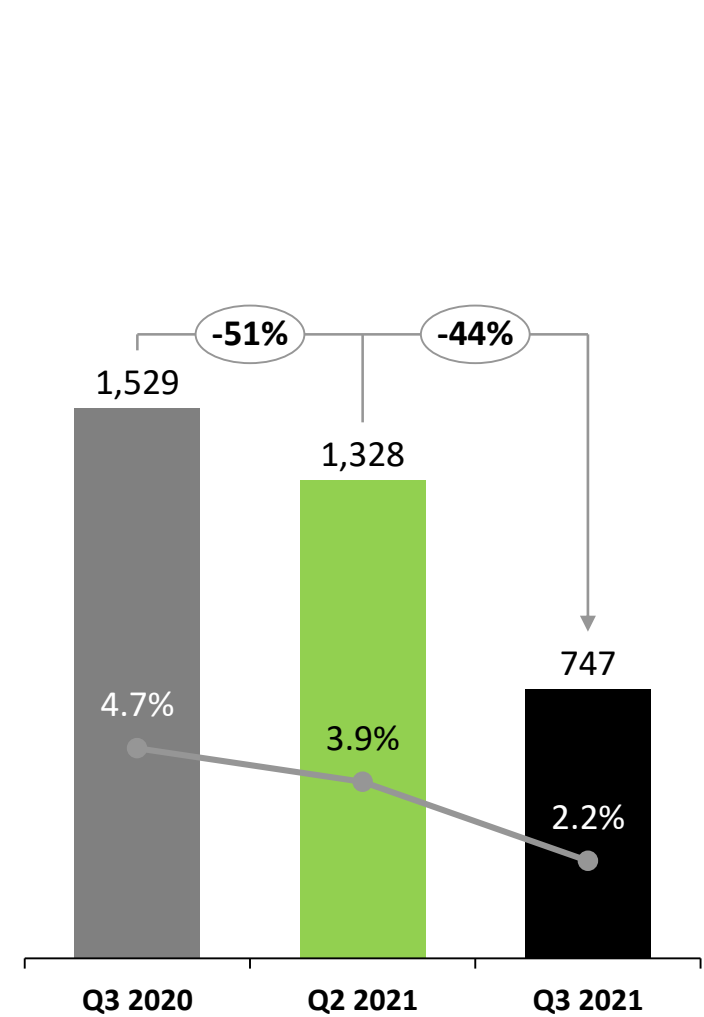
Revenue



EBITDA & Margin %

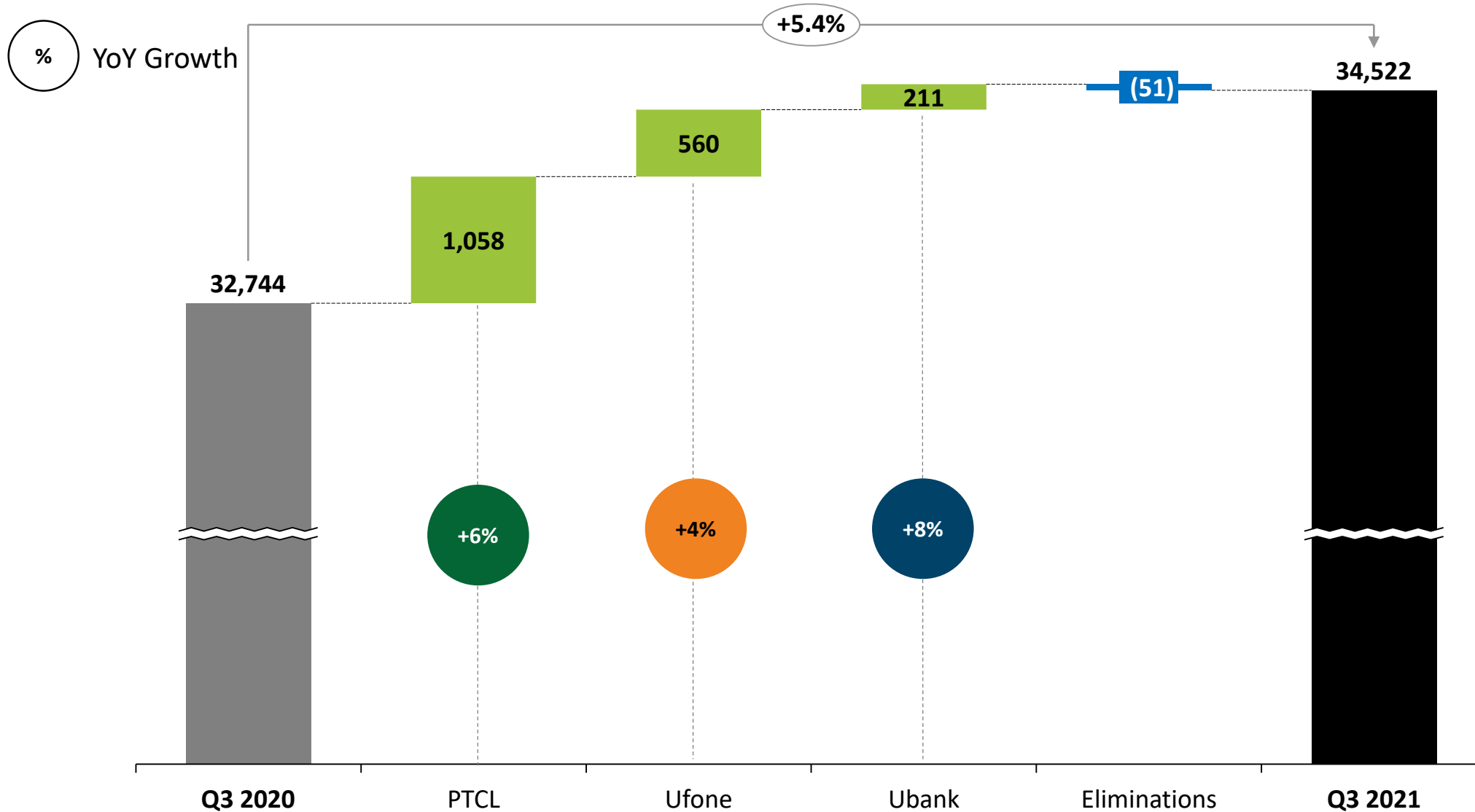


Net Profit & Margin %



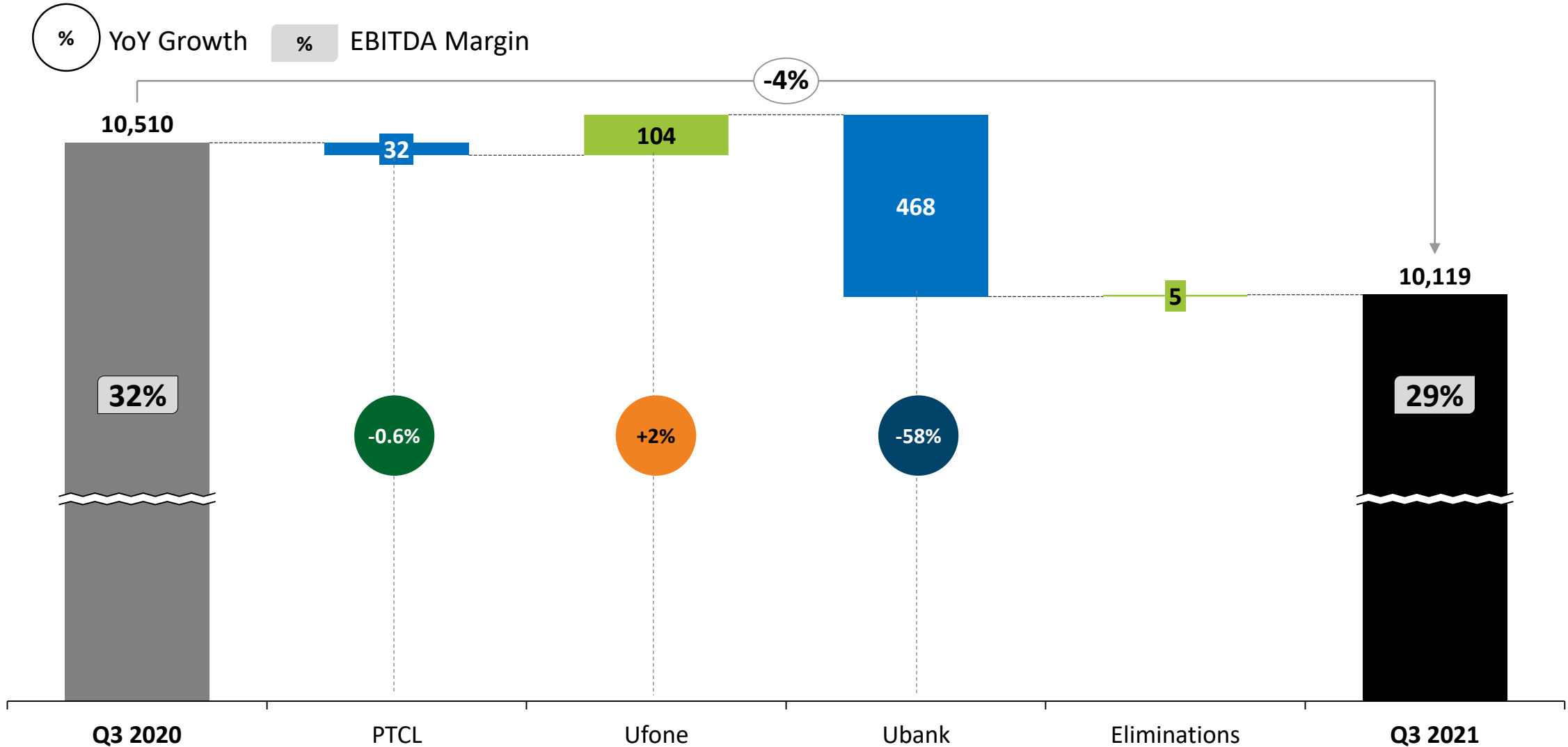
PTCL Group – YoY Revenue Evolution Q3 2021

5.4% increase in revenue contributed by all OPCOs



PTCL Group – YoY EBITDA Evolution Q3 2021

Stable PTCL EBITDA, 2% growth in Ufone EBITDA and decline in Ubank EBITDA

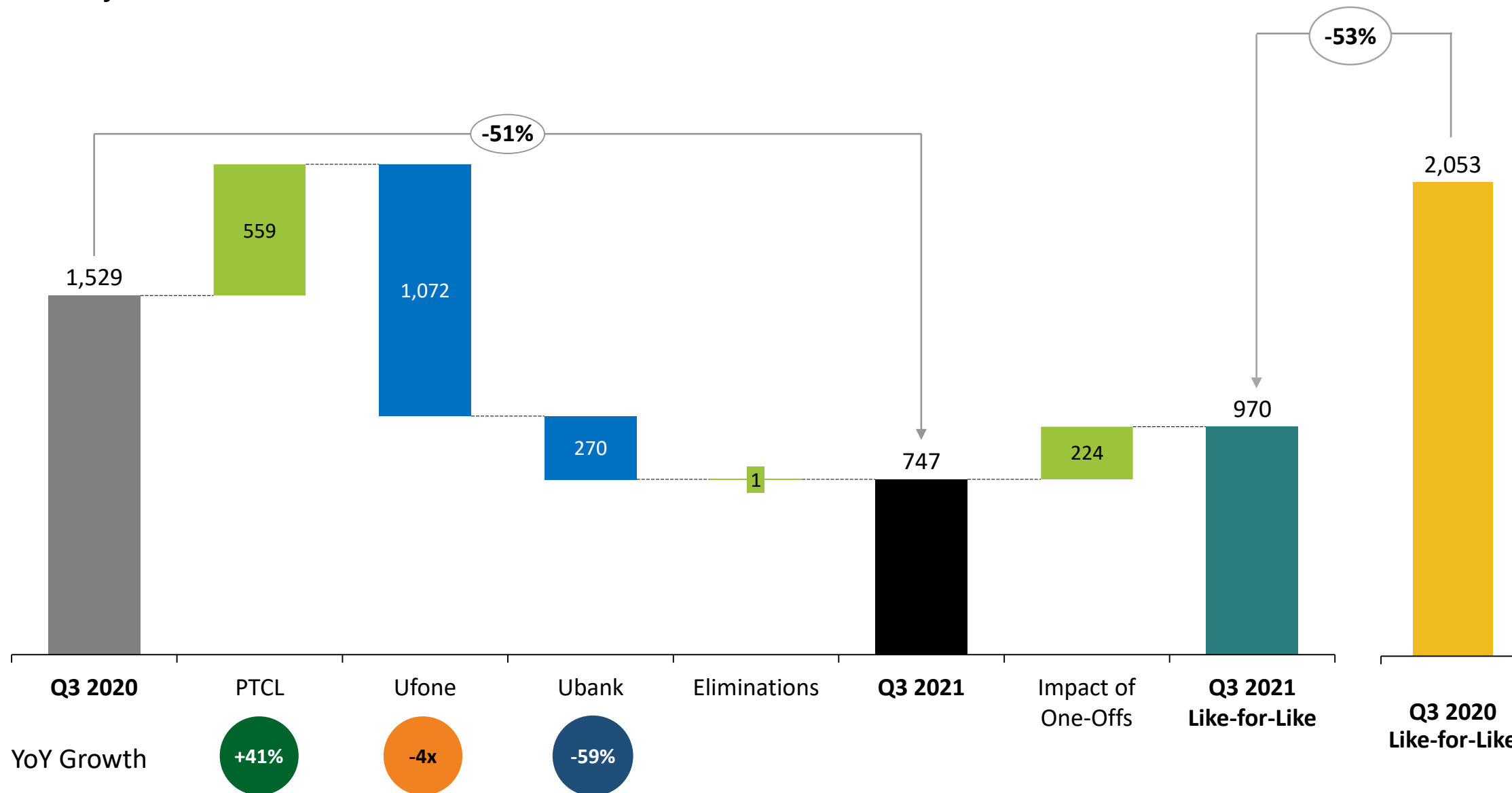


PTCL Group – YoY Net Profit Evolution Q3 2021

Net Profit decreased 51% YoY.



PKR Million

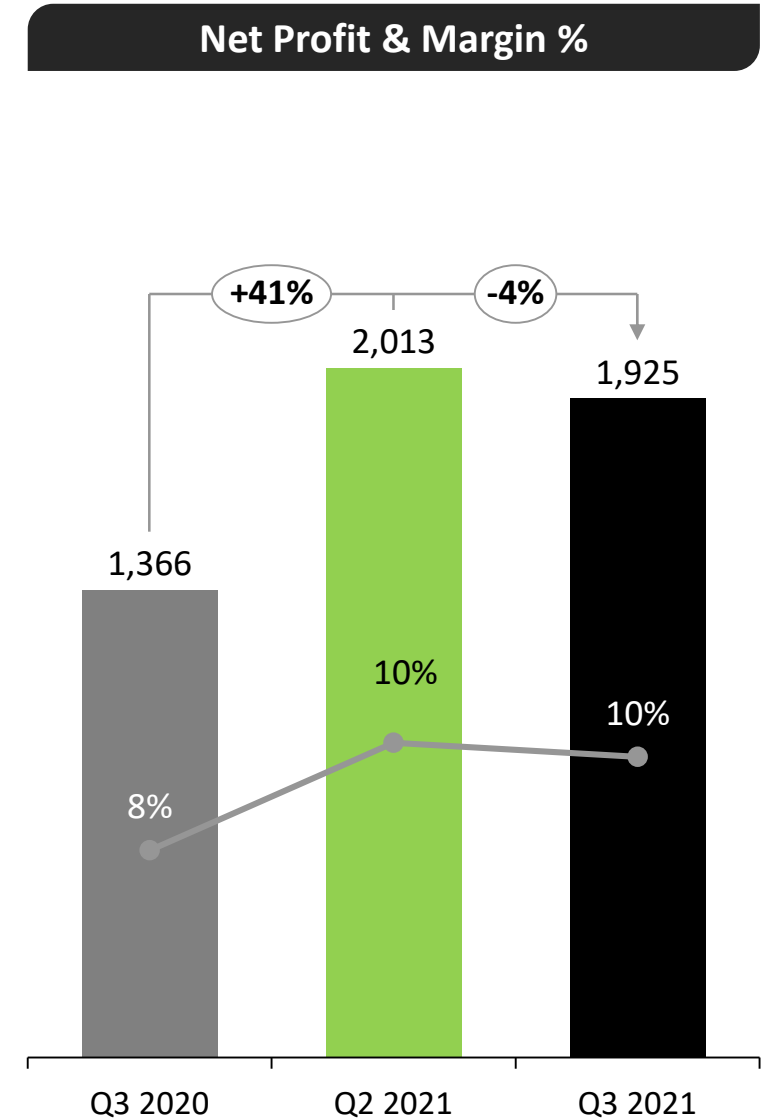
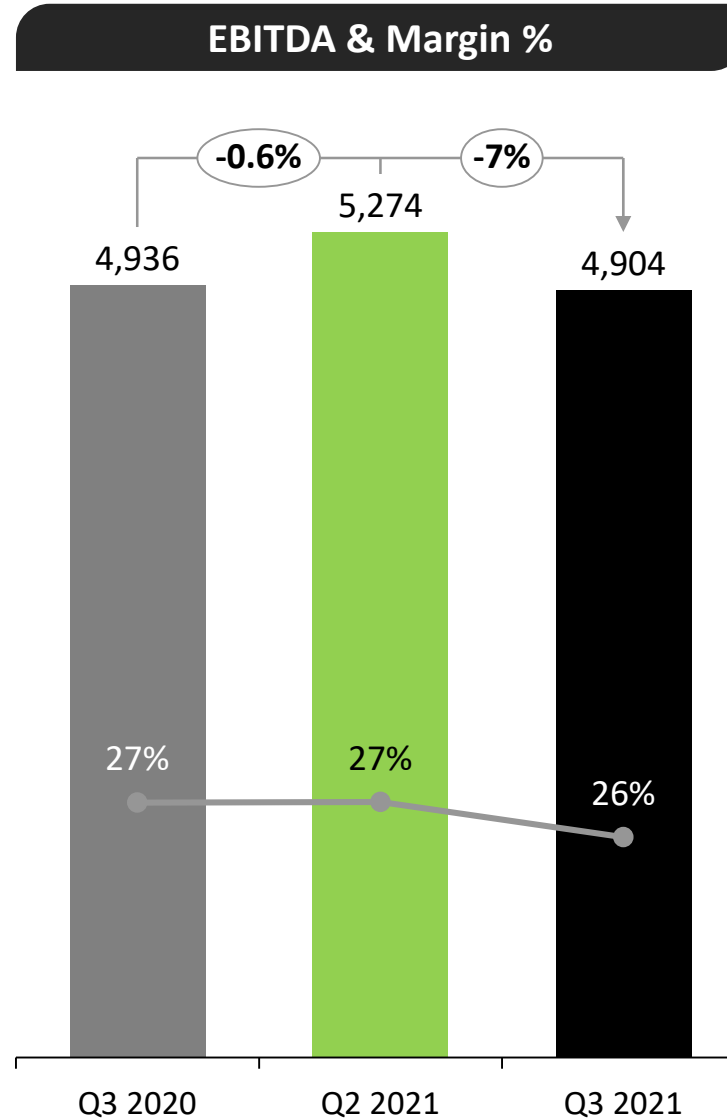
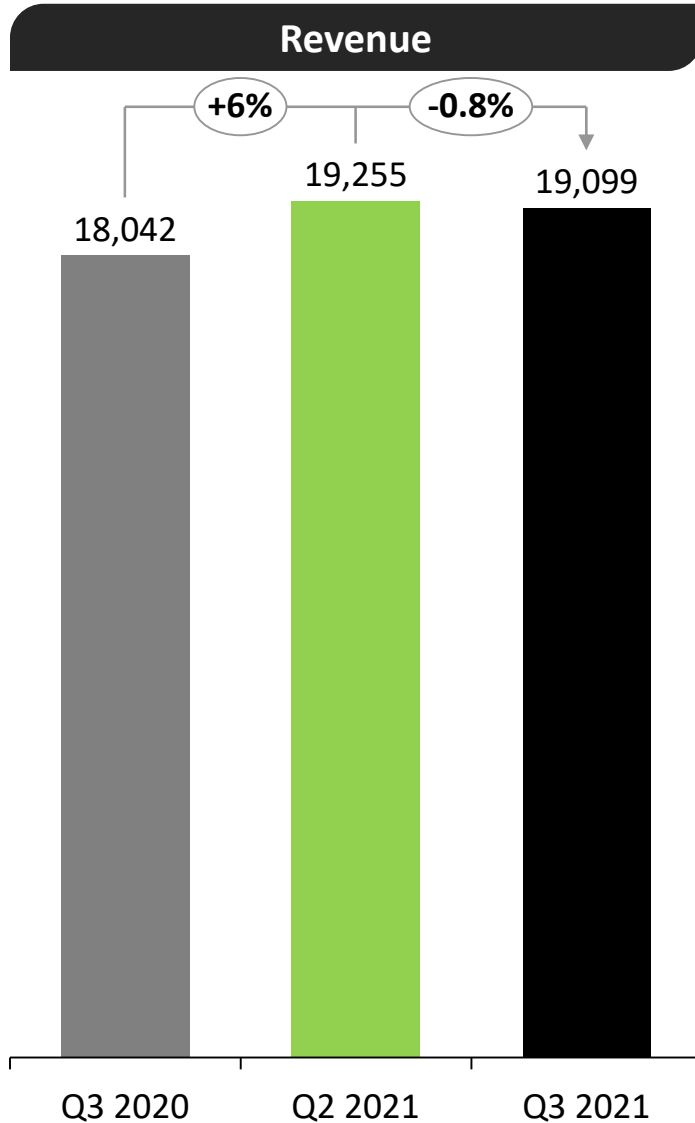


PTCL Key Financials – Q3 2021



6% increase in top line and higher non-operating income contributed to 41% increase in bottom line.

PKR Million



PTCL Revenue

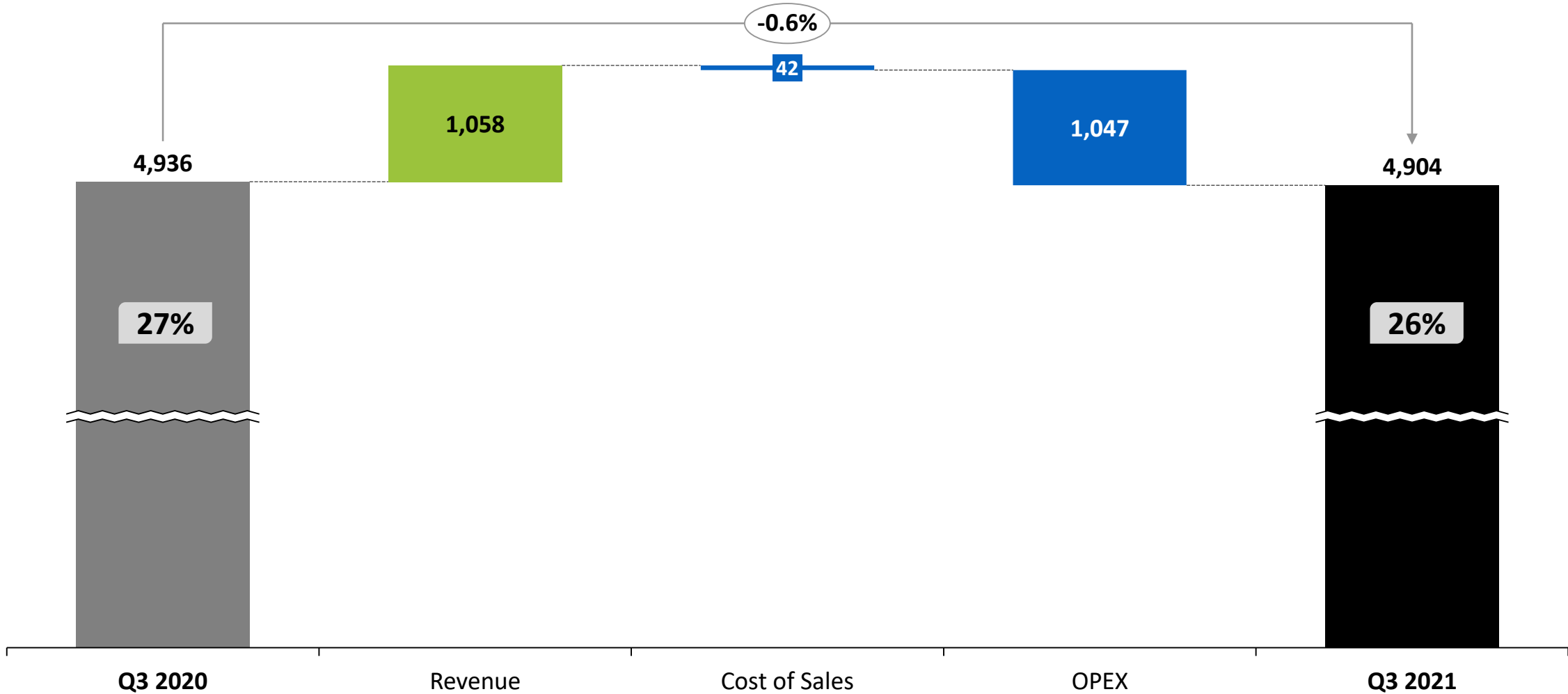
YTD growth of 7% YoY, with contribution from all growing segments



PKR Million	Q3 2021	Change %		2021	Change %
		YoY	QoQ		
Wireline Data	7,962	11%	3%	23,338	13%
Wireless Data	645	11%	0%	1,909	12%
Voice	2,465	-11%	-1%	7,545	-8%
Retail	11,072	5%	2%	32,793	7%
Corporate & Wholesale	5,262	11%	-3%	15,918	10%
International	2,766	-2%	-6%	8,576	3%
Total	19,099	6%	-0.8%	57,287	7%

PTCL – EBITDA YoY Evolution Q3 2021

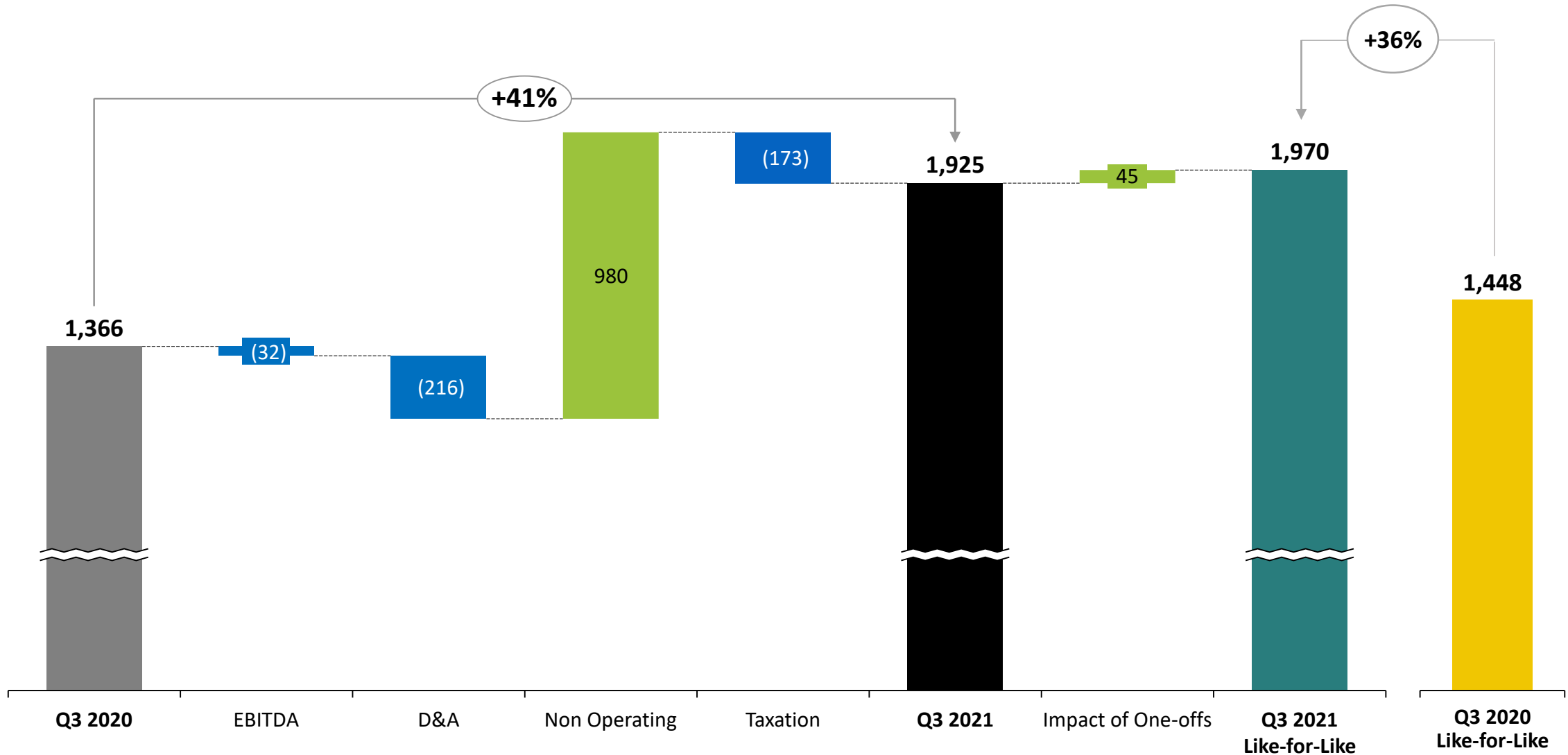
EBITDA remained stable



% EBITDA Margin

PTCL – Net Profit YoY Evolution Q3 2021

Increase in Non Operating Income resulted in 41% YoY increase in Net Profit



PKR Million	Q3 2021	Change %		2021	Change %
		YoY	QoQ		YoY
Revenue	34,522	5.4%	2%	102,369	7%
EBITDA	10,119	-4%	-1%	31,400	6%
EBITDA Margin	29%	-2.8 p.p	-1 p.p	31%	-0.2 p.p
Net Profit	747	-51%	-44%	3,682	136%
Net Profit Margin	2%	-2.5 p.p	-1.8 p.p	3.6%	2 p.p
Net Profit like-for-like	970	-53%	-40%	4,371	15%

41% YoY increase in Net Profit in Q3 2021

PKR Million	Q3 2021	Change %		2021	Change %
		YoY	QoQ		
Revenue	19,099	6%	-0.8%	57,287	7.3%
EBITDA	4,904	-0.6%	-7%	15,733	9%
EBITDA Margin	26%	-1.7 p.p	-1.7 p.p	27%	0.5 p.p
Net Profit	1,925	41%	-4%	5,665	39%
Net Profit Margin	10%	2.5 p.p	-0.4 p.p	9.9%	2.3 p.p
Net Profit like-for-like	1,970	36%	-4%	5,788	28%

PTCL Balance Sheet

Strong Unleveraged Balance Sheet



Balance Sheet		
PKR Million	Dec-20	Sep-21
Property, Plant and Equipment	114,666	118,903
Long term loans and advances	10,748	9,514
Other Non Current Assets	21,442	34,361
Non Current Assets	146,856	162,778
Trade debts	23,150	27,345
Stores and spares	3,601	4,991
Cash & Cash Equivalents	11,977	1,815
Other current assets	38,016	39,902
Current Assets	76,744	74,053
Total Assets	223,600	236,831
Share capital	51,000	51,000
Reserves	43,010	47,562
Equity	94,010	98,562
Non-current liabilities	40,035	42,215
Current liabilities	89,556	96,054
Total Liabilities & Equity	223,600	236,831

PTCL Cash Flow Statement



Cash Flow Statement

<i>PKR Million</i>	Sep-20	Sep-21
Cash Flows from operating activities	18,686	18,051
Cash Flows from investing activities	(11,358)	(27,884)
Cash Flows from financing activities	(3,013)	(328)
Net Inc/(Dec) in Cash & Cash Equivalents	4,314	(10,161)
Opening Cash & Cash Equivalents	4,174	11,977
Closing Cash & Cash Equivalents	8,489	1,815

Summary & Conclusion



Summary & Conclusion



PTCL Group reported 5.4% YoY growth in topline, with positive contribution by all OPCOs.



Growth in FTTH and strong performance in Corporate and Wholesale segments, along with focus on cost optimization program led to increased profitability.



After acquisition of 4G spectrum, Ufone intends to fully modernize its network and further enhance its coverage across Pakistan. The network upgradation and modernization has already started paying dividends with significant improvement in data user experience for customers.



Ubank continued its growth trajectory and has achieved topline growth, by increasing its advances portfolio and treasury investments.

Questions & Answers

PTCL Investor Relations

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THANK YOU