



PTCL Investor Call

Financial Results – Q4 & Year Ended Dec 31, 2020

17th February, 2021

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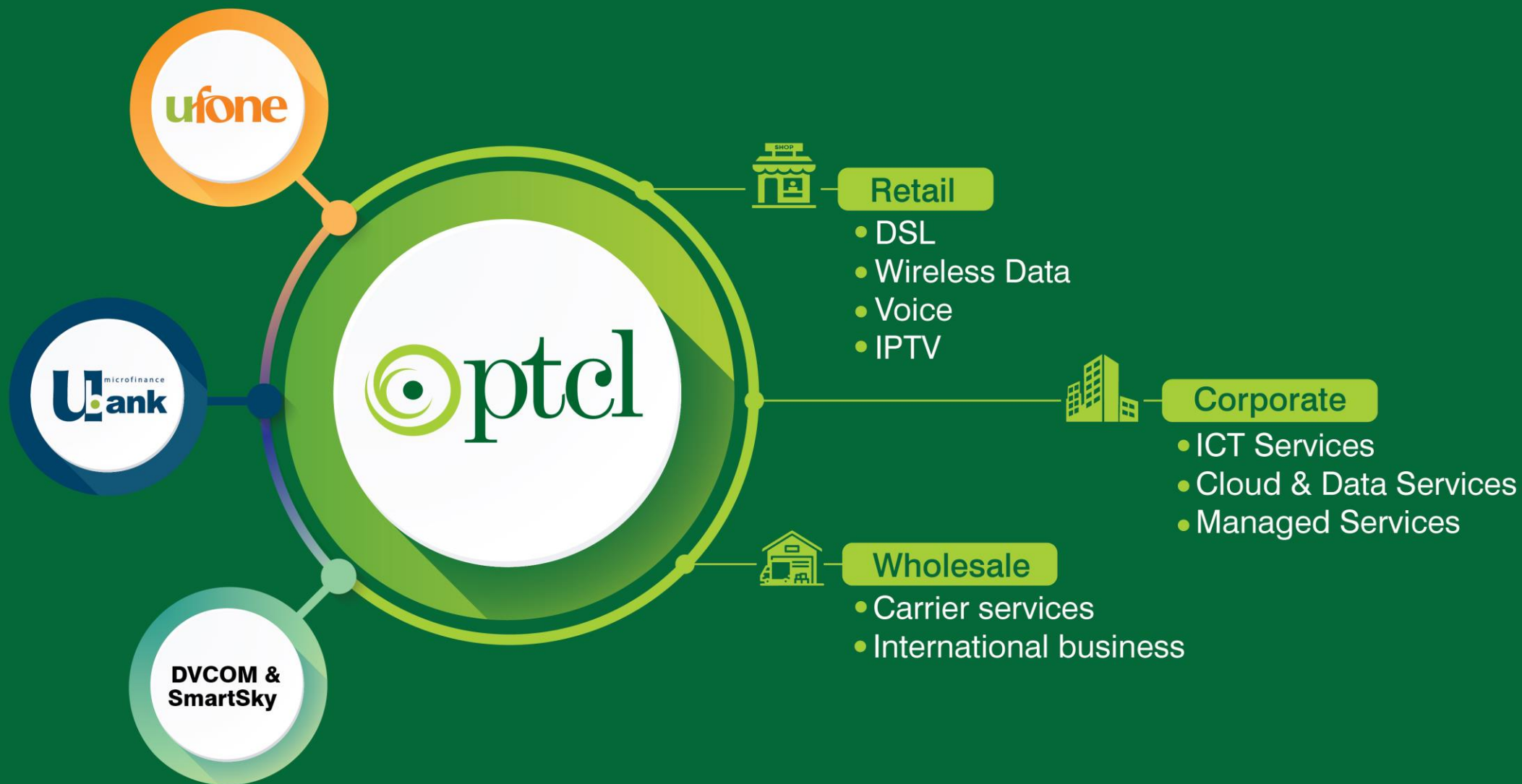
Business Overview

Nadeem Khan

Group Chief Financial Officer

PTCL Group





Key Highlights – Year Ended Dec 31, 2020



PTCL Group

- Top line remained stable, however, like for like revenue increased by 5.2%.
- EBITDA – PKR 40 B
- Net Profit increased by 38%. Normalized for one offs, Net Profit increased by 2.5 times.

PTCL

- Revenue increased by 0.4% YoY which is mainly contributed by growth of 8% Wireless Data, 7% Corporate & Wholesale and 5% International.
- Net Profit – PKR 6 B. Like for like, net profit improved by 3%.
- VIS Credit Rating Company Limited (VIS) has reaffirmed entity ratings of PTCL at 'AAA/A-1+' (Triple A/A-One Plus).

Key Operational Highlights – 2020



- **Highest FBB new sales & subscribers** in last 4-5 years
- **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 **4G Subscribers (89%)**
- Network upgraded by **addition of 3G and 4G 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

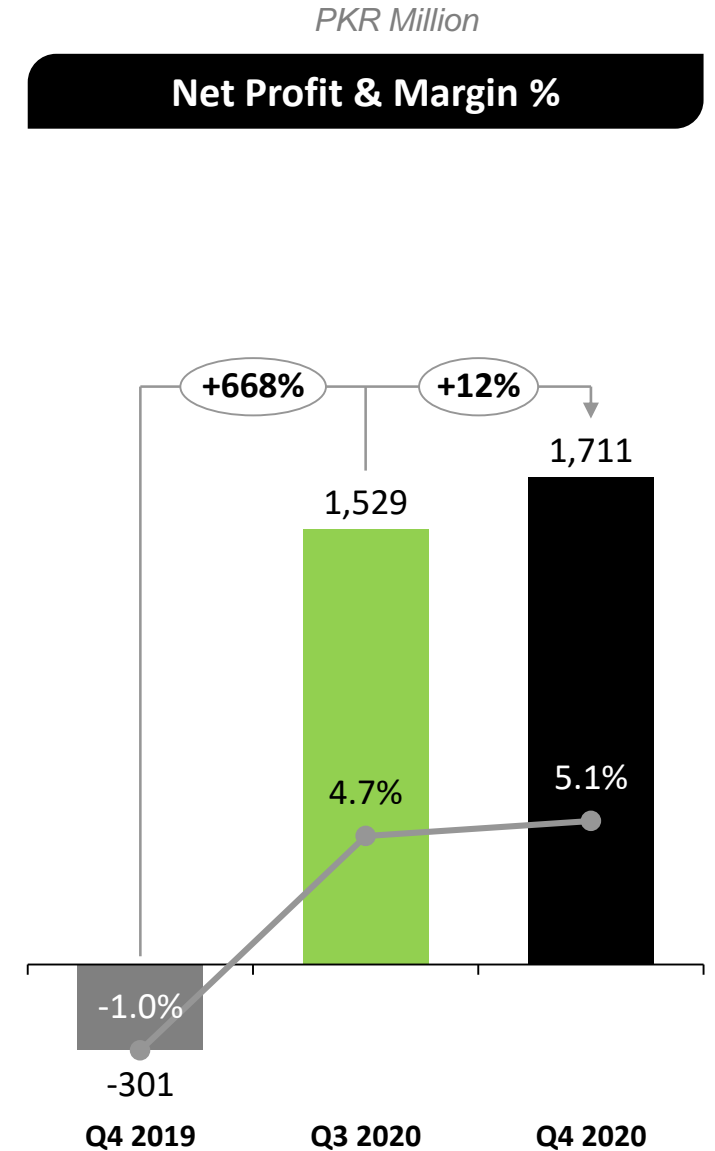
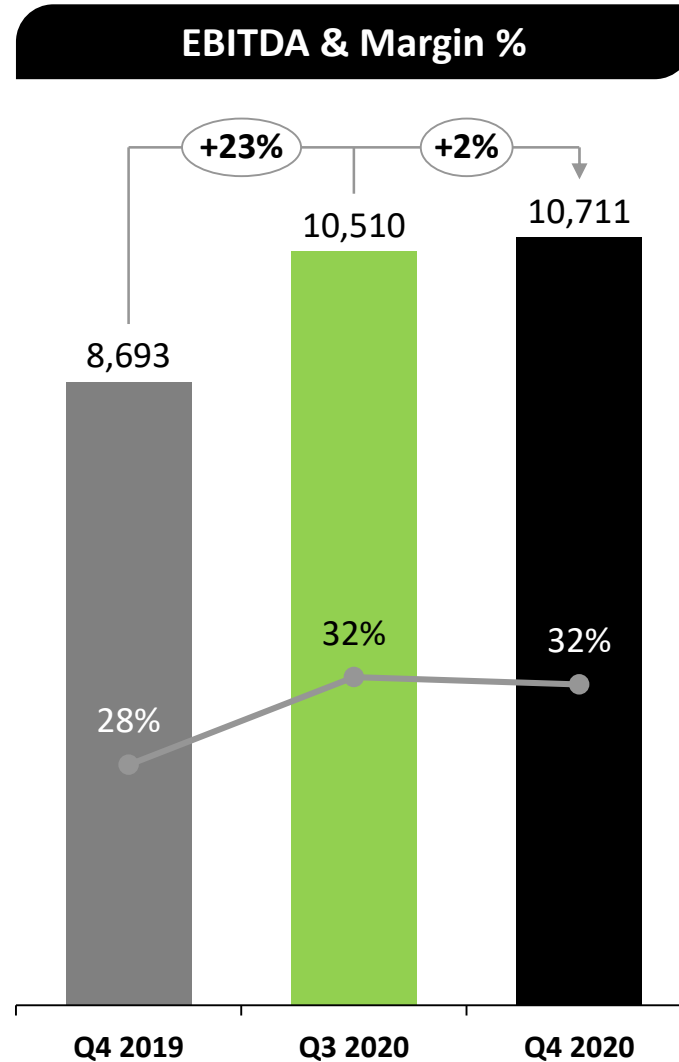
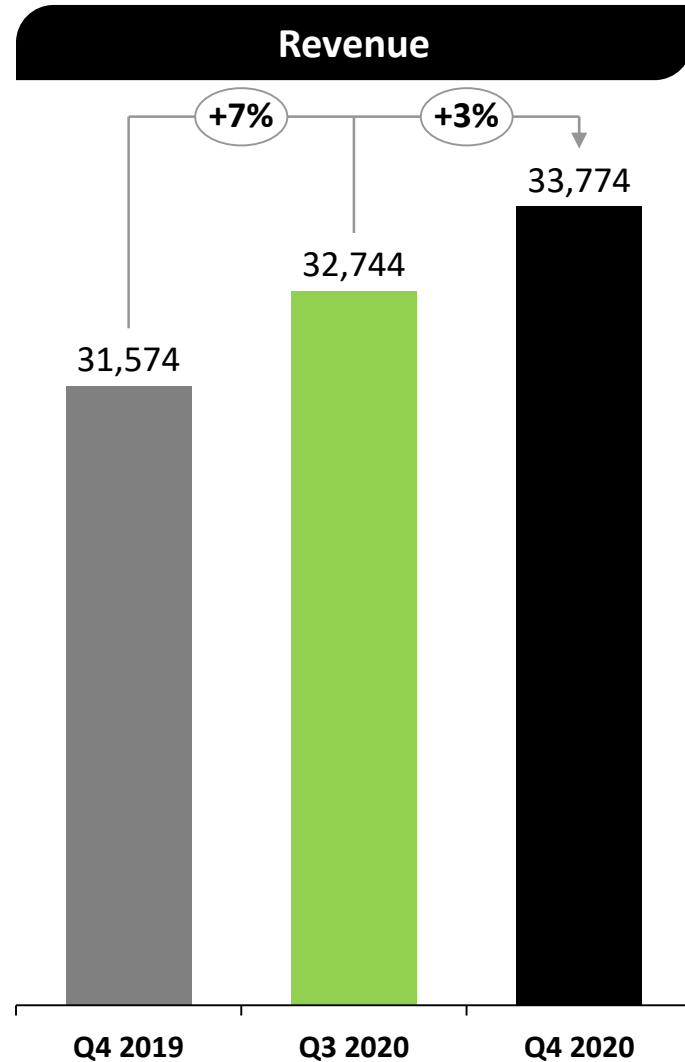


- **50%** revenue growth supported by increase in deposit base by **98%** and loan portfolio by **43%**.
- **47%** of GLP is secured via Gold Backed Loans
- **46%** of fresh loans have been processed via Digital Loan Acquisition App
- U bank, with its network of **201** branches and **199** ATMs across **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.

PTCL Group Key Financials – Q4 2020



Growth in Revenue, EBITDA and Net Profit

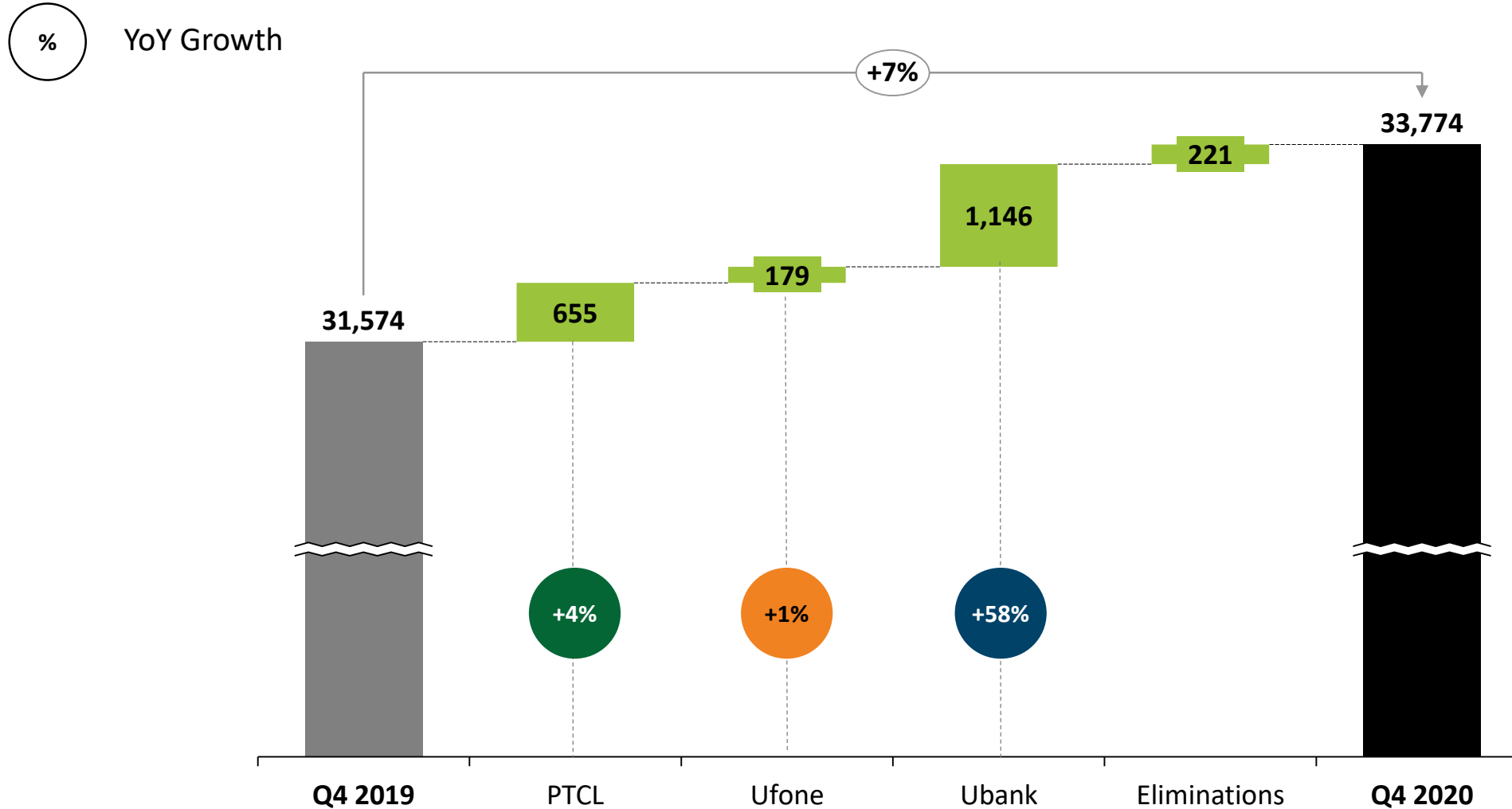


PTCL Group – YoY Revenue Evolution Q4 2020



7% increase in revenue with growth contributed by all OPCOs

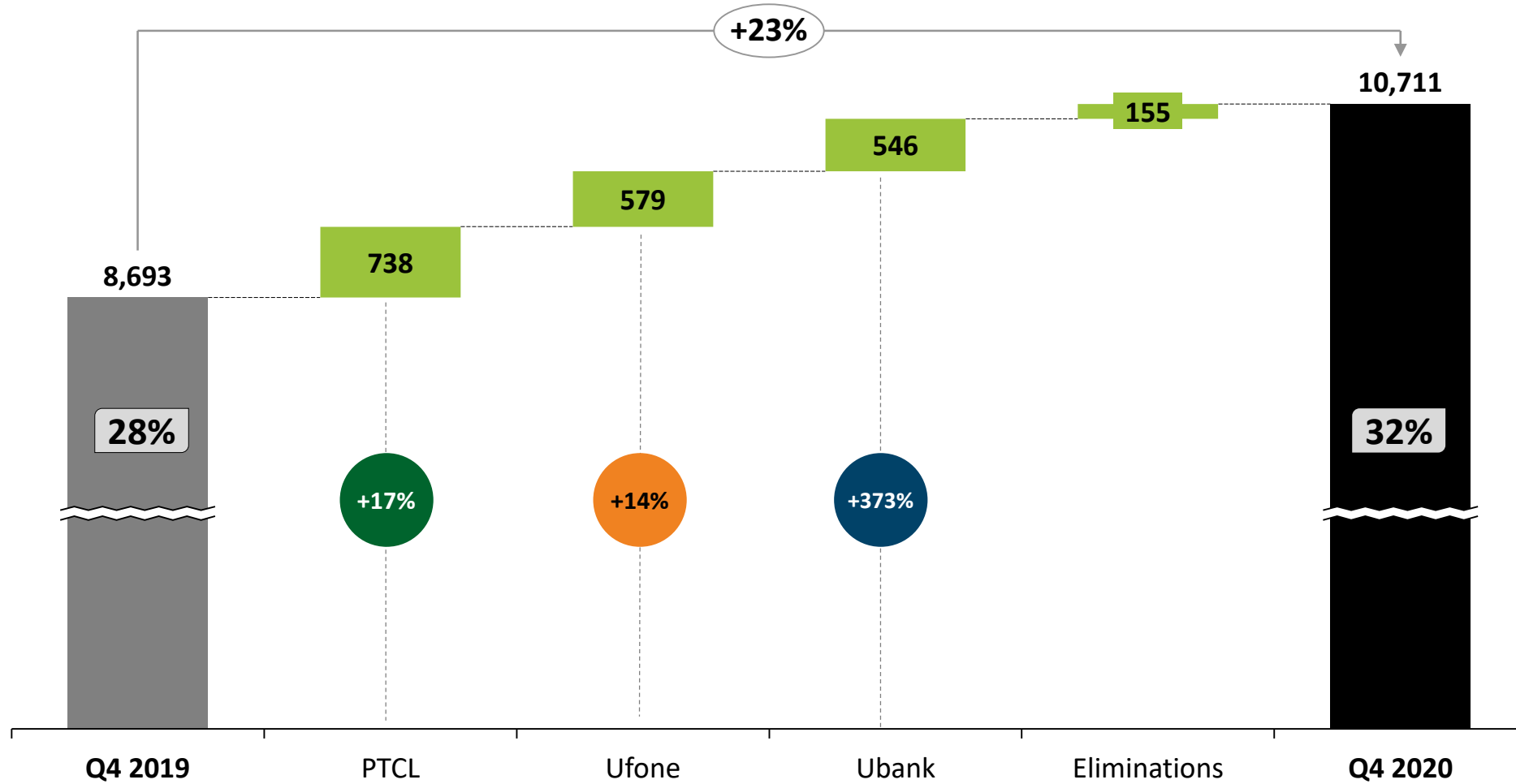
PKR Million


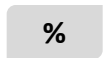


PTCL Group – YoY EBITDA Evolution Q4 2020

23% increase in EBITDA with positive contribution by all OPCOs

PKR Million



 YoY Growth  EBITDA Margin

PTCL Group – YoY Net Profit Evolution Q4 2020



Net Profit improved 6 times attributable to resilient efforts of all OPCOs

PKR Million



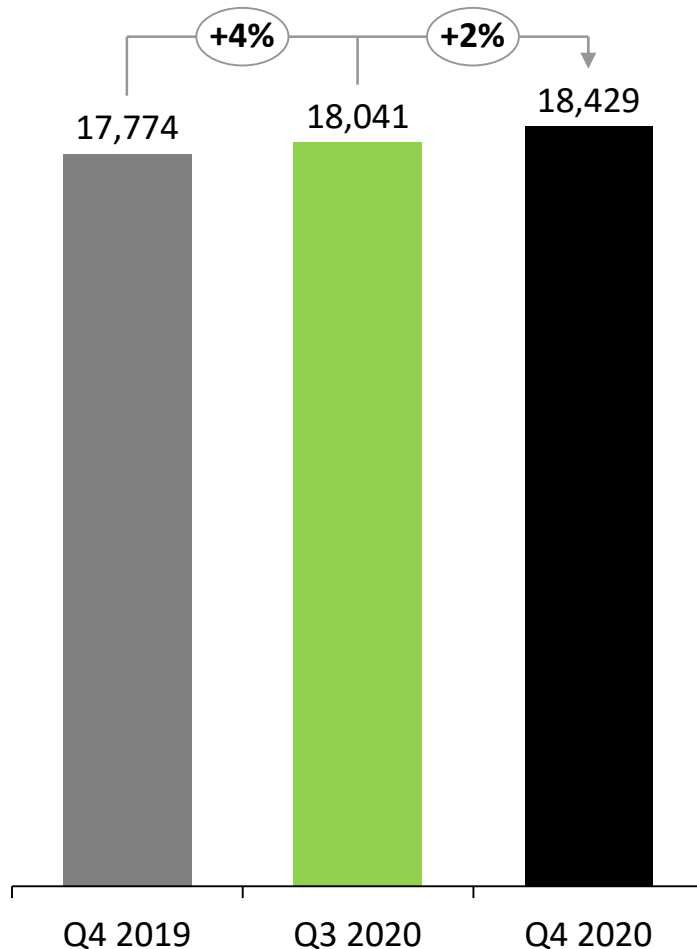
PTCL Key Financials – Q4 2020



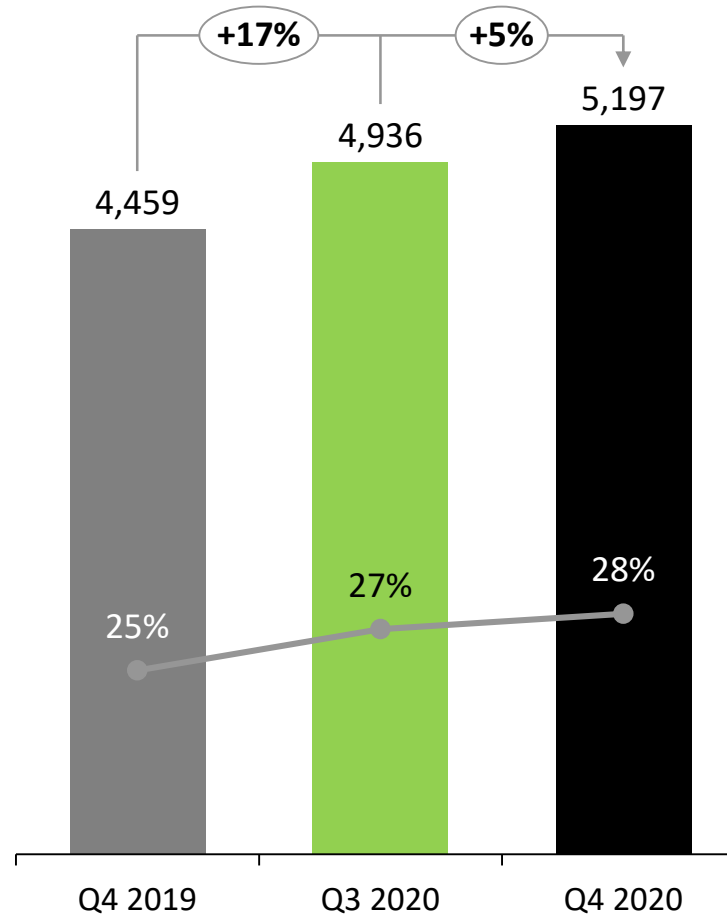
Revenue grew by 4% YoY, with an increase of 17% in EBITDA and 123% in Net Profit

PKR Million

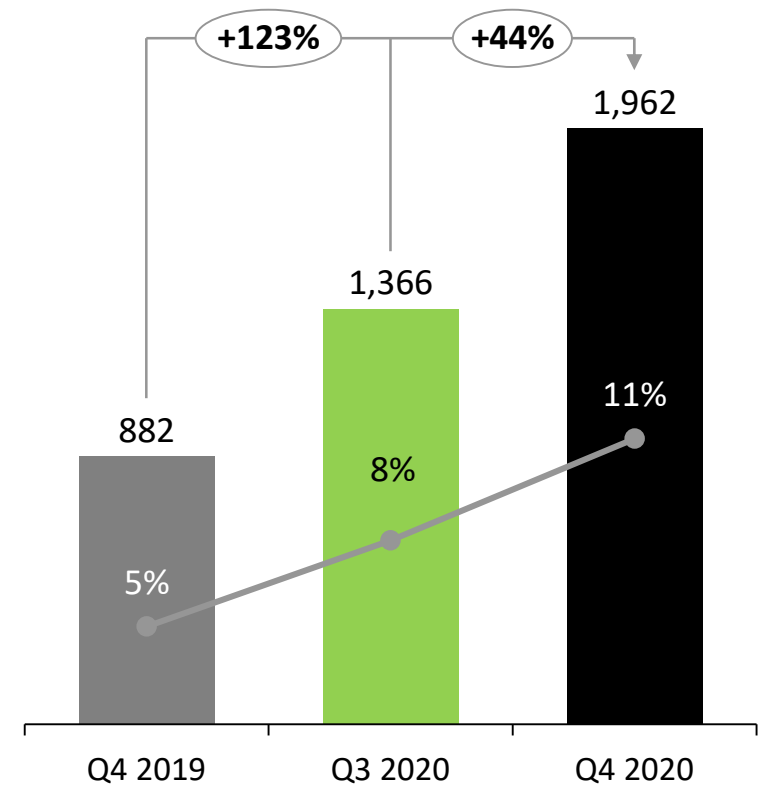
Revenue



EBITDA & Margin %



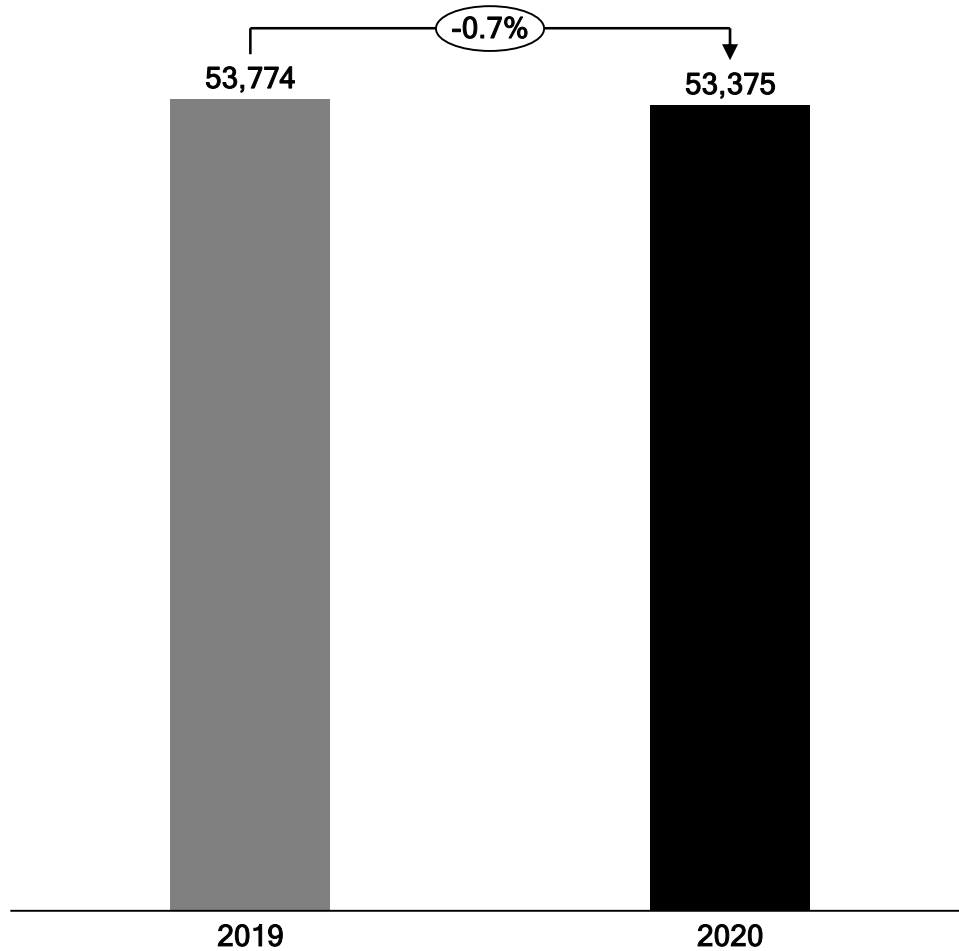
Net Profit & Margin %



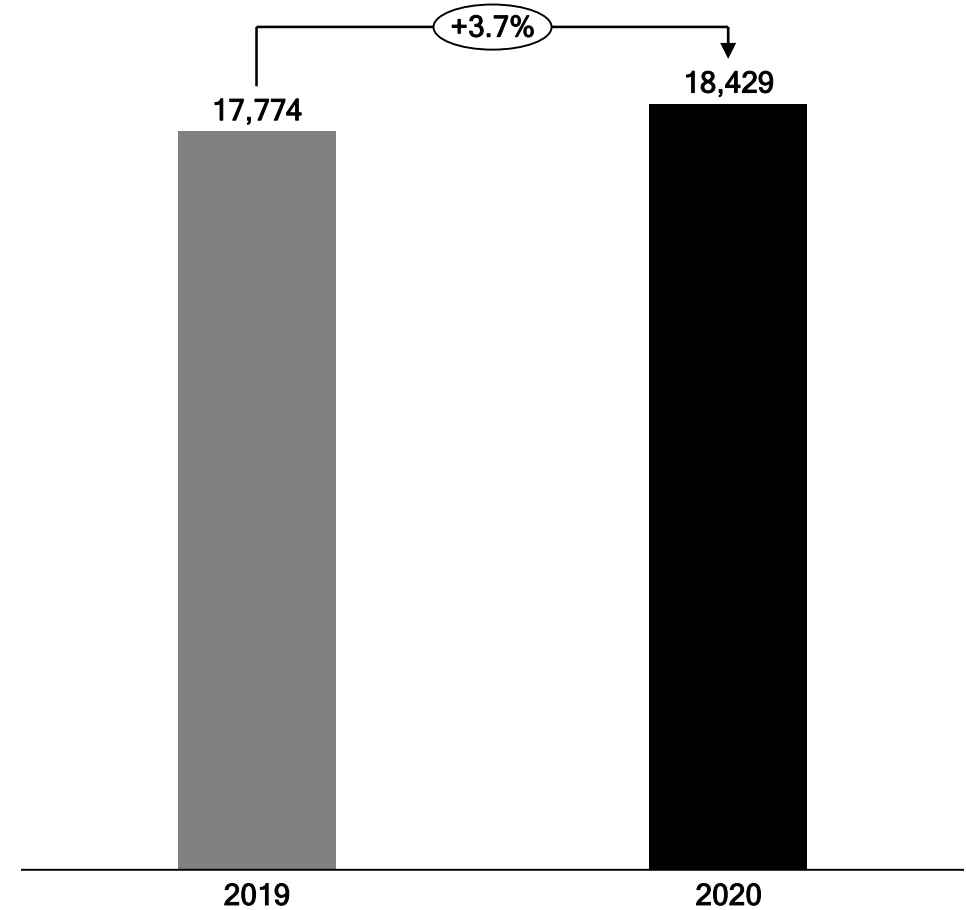
Revenue Growth in Q4 2020

From negative to positive revenue growth 3.7% in Q4 20 vs Q4 19

Q1-Q3 Revenue 2020



Q4 Revenue 2020



PTCL Revenue

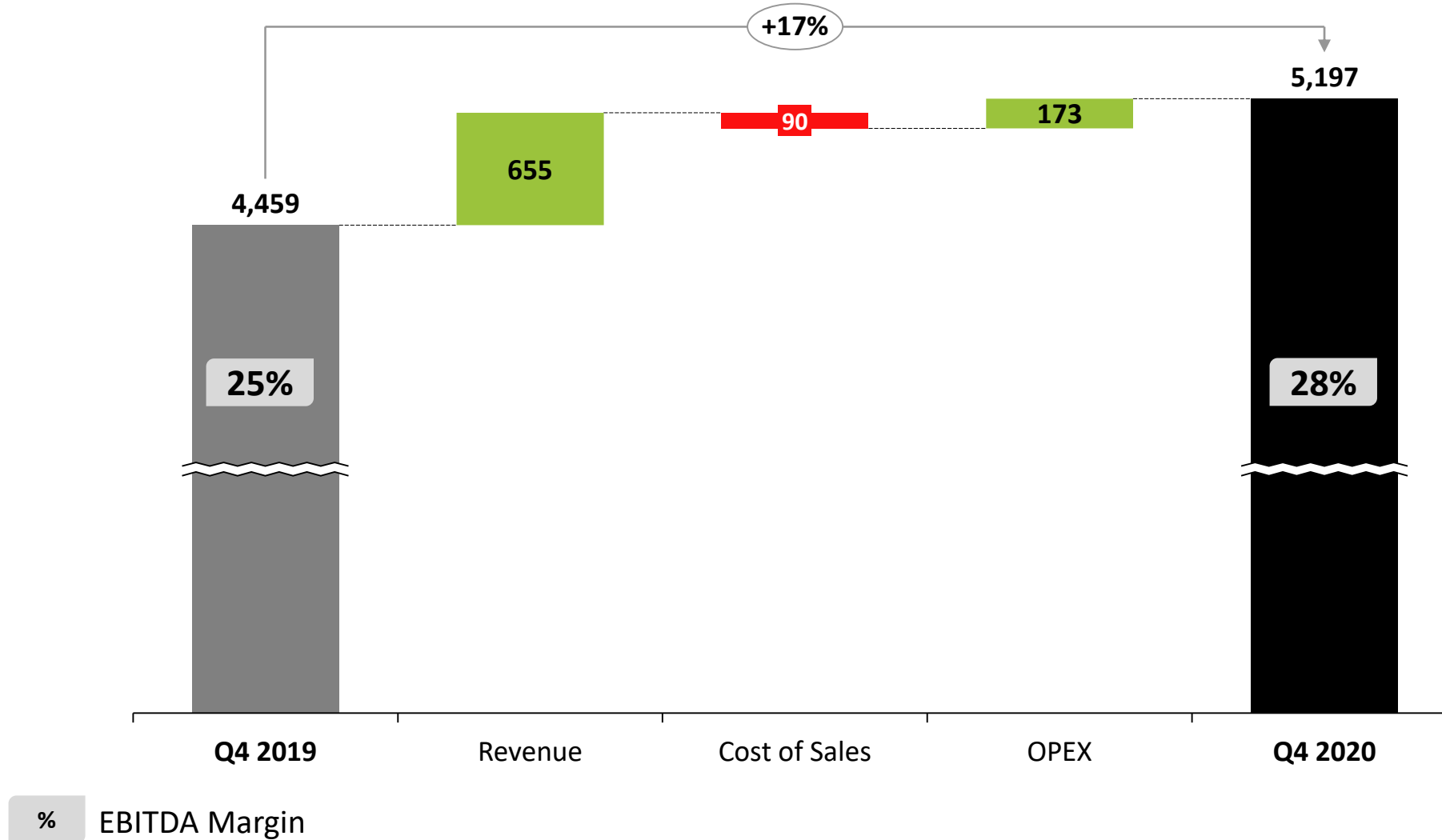
4% YoY growth with contribution from all growing segments



PKR Million	Q4 2020	Change %		2020	Change %
		YoY	QoQ		YoY
Wireline Data	7,451	6%	4%	28,151	0.1%
Wireless Data	579	4%	0%	2,287	8%
Voice	2,690	-12%	-3%	10,887	-14%
Retail	10,721	1%	2%	41,324	-4%
Corporate & Wholesale	5,105	12%	8%	19,559	7%
International	2,603	0%	-7%	10,921	5%
Total	18,429	4%	2%	71,804	0.4%

PTCL – EBITDA YoY Evolution Q4 2020

Increase in revenue and cost optimization measures resulted in 17% improvement in EBITDA

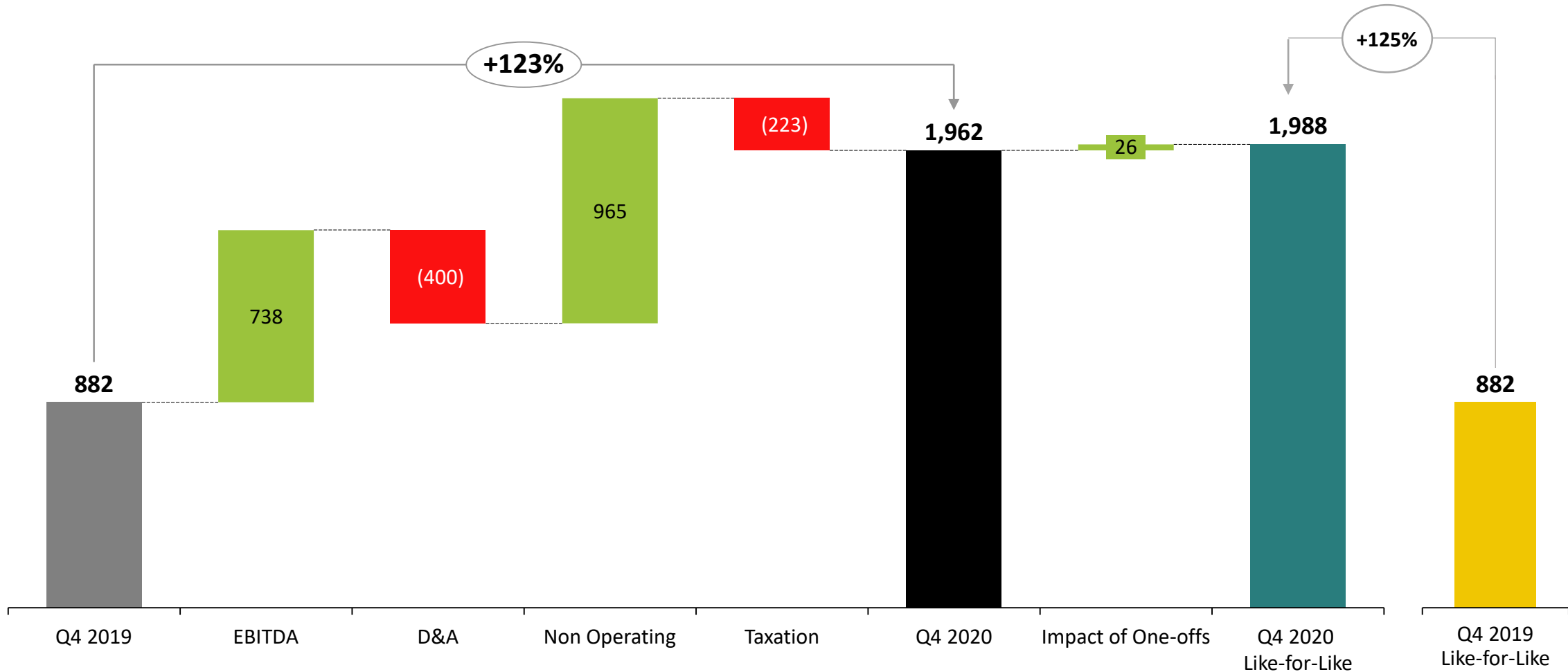


PTCL – Net Profit YoY Evolution Q4 2020



Increase in EBITDA and non-operating income resulted 123% YoY increase in Net Profit

PKR Million



PTCL Group

Net Profit grew 6 times in Q4 YoY.



PKR Million	Q4 2020	Change %		2020	Change %
		YoY	QoQ		YoY
Revenue	33,774	7%	3.1%	129,422	0%
EBITDA	10,711	23%	2%	40,251	-3%
EBITDA Margin	32%	4.2 p.p	-0.4 p.p	31%	-0.8 p.p
Net Profit	1,711	668%	12%	3,273	38%
Net Profit Margin	5%	6 p.p	0.4 p.p	2.5%	0.7 p.p
Net Profit like-for-like	1,991	1863%	0%	5,843	253%

PKR Million	Q4 2020	Change %		2020	Change % YoY
		YoY	QoQ		
Revenue	18,429	4%	2%	71,804	0.4%
EBITDA	5,197	17%	5%	19,591	-2%
EBITDA Margin	28%	3.1 p.p	0.8 p.p	27%	-0.6 p.p
Net Profit	1,962	123%	44%	6,030	-5%
Net Profit Margin	11%	5.7 p.p	3.1 p.p	8.4%	-0.5 p.p
Net Profit like-for-like	1,988	125%	44%	6,528	3%

PTCL Balance Sheet

Strong Unleveraged Balance Sheet



Balance Sheet		
PKR Million	Dec-19	Dec-20
Property, Plant and Equipment	116,720	114,666
Long term loans and advances	12,896	11,323
Long term investments	8,936	17,736
Other Non Current Assets	2,608	3,131
Non Current Assets	141,160	146,856
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
Current Assets	68,835	76,744
Total Assets	209,994	223,600
Share capital	51,000	51,000
Reserves	36,751	43,010
Equity	87,751	94,010
Non-current liabilities	43,008	40,035
Current liabilities	79,235	89,556
Total Liabilities & Equity	209,994	223,600

PTCL Cash Flow Statement

Healthy cash position of PKR 12B



Cash Flow Statement		
PKR Million	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)
Net Inc/(Dec) in Cash & Cash Equivalents	(5,417)	7,802
Opening Cash & Cash Equivalents	9,591	4,174
Closing Cash & Cash Equivalents	4,174	11,977

Summary & Conclusion



Summary & Conclusion



PTCL Group reported 38% growth in 2020 despite challenges posed by COVID-19.



PTCL revenue continue to grow based on wireline data, wireless data and wholesale service, despite declining trend in voice revenue.



Ufone is expanding network coverage and continues to show healthy growth on the back of increasing 4G subscriber base.



Ubank continues to deliver significant growth in revenue based on increasing loan portfolio and customer deposits.

Questions & Answers

PTCL Investor Relations
Email: amir.siddiqi@ptcl.net.pk



THANK YOU