

Optel
1st Quarter
Report

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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

Marwan Bin Shakar

Khaled Hegazy

CORPORATE INFORMATION

Management

Hatem Mohamed Bamatraf
President & Group Chief Executive Officer

Mohammad Nadeem Khan
Group Chief Financial Officer

Umer Farid
Group Chief People Officer

Naveed Khalid Butt
Group Chief Regulatory Officer

Zahida Awan
Group Chief Legal Officer &
Company Secretary

Jafar Khalid
Group Chief Technology &
Information Officer

Ahmad Kamal
Group Chief Customer Care Officer

Muhammad Shehzad Yousuf
Chief Retail Sales Officer-Fixed Line

Shahid Abbas
Group Chief Internal Auditor

Syed Atif Raza
Group Chief Commercial Officer &
Group Chief Marketing Officer

Asif Ahmad
Group Chief Business Solutions Officer

Khawaja Shehzad Ullah
Chief Retail Sales Officer

Syed Mazhar Hussain
Advisor to President & Group CEO

Legal Advisor & Company Secretary

Zahida Awan
Group 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.
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial Commercial Bank of China
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Bank Makramah 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

Islamic

Al Baraka Bank (Pakistan) Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited
MCB Islamic 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
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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 three months ended 31st March 2026.

During the first quarter of 2026, the PTCL Group maintained strong momentum, further solidifying its position as Pakistan's leading integrated telecom provider.

The Company made significant progress on strategic growth objectives by obtaining formal approval from Pakistan Telecommunication Authority (PTA) of the proposed amalgamation of Pak Telecom Mobile Limited and Telenor Pakistan (Private) Limited. The proposed amalgamation is to be implemented through a scheme of arrangement in accordance with applicable laws. Furthermore, the change of control of Telenor Pakistan (Private) Limited was completed on December 31, 2025, bringing Telenor Pakistan and its infrastructure under PTCL's full ownership. Building on this milestone, PTCL advanced integration planning during Q1 2026. This strategic consolidation is expected to create a stronger and more efficient telecom platform with enhanced nationwide coverage, improved service quality, and a significantly expanded customer base, positioning PTCL among the leading players in Pakistan's evolving digital and connectivity landscape. Effective January 1, 2026, the financial results of Telenor Pakistan have been consolidated into the PTCL Group.

The Group has achieved an impressive 58% increase in revenue compared to the same period last year, with the inclusion of Telenor Pakistan results into the PTCL Group and aided by sustained growth in fixed broadband, enterprise, wholesale, and mobile services. The Group recorded an operating profit of Rs. 16 billion reflecting 564% year-on-year growth primarily driven by the inclusion of Telenor Pakistan, strong recovery of Ubank, sustained improvement of Ufone financial performance and continuation of PTCL's strong operating results. The Group achieved a net profit of Rs. 3.1 billion, marking a turnaround from the net loss of Rs. 4 billion reported in the comparative period primarily as a result of strong operating profit. PTCL sustained its growth trajectory, delivering a 6.5% YoY increase in revenue to Rs. 31 billion, driven primarily by 27% growth in Flash Fiber and 11% growth in Business Solutions compared to the same quarter last year. Wireless segment revenue increased by 131% year-on-year, by the inclusion of Telenor Pakistan results and growth in both retail and corporate segments. Banking segment posted revenue of Rs. 5.8 billion.

PTCL's aggressive FTTH expansion has driven strong topline growth. Building on last year's momentum, the Company continued to focus on delivering fast and reliable internet through its flagship "Flash Fiber," maintaining its position as the leading FTTH service in Pakistan. In Q1 2026, Flash Fiber surpassed 850K customers nationwide, achieving a 20% year-on-year increase in subscribers. PTCL introduced an enhanced Flash Fiber portfolio in Q1, with entry-level speeds starting from 30 Mbps. This move underscores a strategic focus on elevating baseline broadband experience standards, aligning customer offerings with evolving digital consumption needs.

The Business Solutions segment sustained strong performance, with continued demand for ICT services, including cloud, data centers, managed services, and cybersecurity solutions. PTCL further strengthened its position as a trusted partner for government and enterprise customers. PTCL's Enterprise Business recorded a 12% increase compared to the same period last year, while the Carrier and Wholesale segment maintained strong momentum with 14% overall revenue growth.

As part of its transformation journey, PTCL Group achieved a major milestone in Q1 2026 by securing a significant share of spectrum in Pakistan's landmark 5G auction, positioning it at the forefront of next-generation connectivity. The acquisition of high-capacity spectrum in globally recognized 3.5 GHz and 2.6 GHz bands enables PTCL Group to deliver ultra-fast speeds, low latency, and advanced digital services across consumer and enterprise segments. Importantly, this spectrum will be leveraged across the combined Ufone and Telenor Pakistan footprint following their ongoing integration, creating the largest spectrum portfolio in the country serving more than 72 Million customers. This positions PTCL Group to accelerate nationwide 5G rollout, enhance network efficiency, and unlock new digital use cases across industries, reinforcing its leadership in enabling Pakistan's digital future.

PTCL Group maintained a strong performance in Q1 2026 as it continued to strengthen brand visibility and audience engagement through strategic campaigns aligned with culture, community, and consumer relevance. On World Education Day, PTCL launched a purpose-led campaign with Shehzad Roy to highlight the pressure often placed on children in the name of academic success, encouraging a more balanced and empathetic approach to learning through a national pledge initiative.

Ufone also rolled out the Super 5 campaign, featuring Babar Azam, to reinforce its “Data Bohhaat Hai” positioning through a shared connectivity proposition designed for up to five users. The campaign delivered strong traction, generating more than 91 million impressions, 15 million reach, and 10 million views. Ufone further strengthened its brand presence during the Pakistan Super League through its Peshawar Zalmi campaign, using anthem-led content, branded integrations, and fan engagement experiences to deepen cultural relevance and consumer affinity.

In Q1, 2026, Ufone continued its positive trajectory as market leader in digital recharge penetration with growth of 11% YoY in the digitally topped up value. Digital sim sales also registered a significant growth of 21% YoY. Both of these achievements were supported by company owned digital channels ‘selfcare app’, ‘website’ & ‘bot’ as well as with the collaboration of Ufone’s wide digital partner network.

Upaisa posted a solid 42% year-on-year growth, driven by effective customer acquisition and deeper wallet penetration.

Telenor Pakistan’s Retail revenue grew on the back of ARPU growth and increased customer engagement on larger data bundles with higher validity. During Q1, the Subscriber base grew by 1.7% with a high emphasis on good quality, data active customers. Focus on new customer segment through Gaming SIM, helped increase and retain high value customers.

Digitization remained a key focus area, with My Telenor App penetration continuing to rise steadily. A major redesign of the app user interface was delivered for improved customer experience, contributing to an 18% YoY increase in app user base. In parallel, multiple initiatives on digital distribution continued resulting in 34% YoY increase in digital recharge. Expansion of digitalization on Customer Care was supported with launch of the Whatsapp Chat Channel which helped improve digital customer experience and complaint resolution.

Telenor Pakistan successfully executed world’s largest single-go migration of entire provisioned customer base to a cloud based, 5G-enabled Charging and Billing System, unlocking 100+ APIs for a faster & more scalable digital foundation. AI Adoption remained a cornerstone of our strategy by showcasing AI-enabled startups at Indus AI Week 2026 and launching AI Seekho in collaboration with Google and public-sector partners to democratize AI learning nationwide.

Social Impact

During the quarter, PTCL advanced its social impact agenda through multiple initiatives focused on inclusion, public health, and basic needs. Under the Ba-Ikhtiar program, trainings were initiated across 22 districts, onboarding around 2,100 women for digital and entrepreneurial skill development.

In collaboration with UNICEF, SMS broadcasts were deployed for polio awareness, while similar outreach support was extended to charitable organisations during Ramadan in line with their awareness and humanitarian campaigns. Alongside these efforts, PTCL’s Water Project remains under implementation across South Punjab and Thar, aimed at providing sustainable access to clean drinking water to approximately 150,000 people in water-stressed regions.

Telenor Pakistan partnered with UNICEF Pakistan to conduct Child Online Protection sessions. Strategic partnership with Four Brothers Group, is bringing digital advisory services to the agricultural community for sustainable farming. An industry-first QR-enabled SmartShop initiative is converting retail outlets into digital service points. Telenor Pakistan’s Global recognition at the GDEIB Awards 2026 and the HR Metrics DEI Survey, affirm Telenor Pakistan’s serving as a benchmark for inclusive, future-ready workplaces.

The management and employees of PTCL Group remain committed to providing quality services at competitive prices through concerted efforts to be the partner of choice for our customers and to improve shareholders’ value.

On behalf of the Board

Zarrar Hasham Khan
Chairman, Board of Directors PTCL

Hatem Mohamed Bamatraf
President & Group Chief Executive Officer


Islamabad: April 21, 2026

طرح کا تعاون کیا گیا۔ ان اقدامات کے ساتھ ہی جنوبی پنجاب اور تھر میں پی ٹی سی ایل کا واٹر پروجیکٹ (Water Project) زیر عمل ہے، جس کا مقصد پانی کی کمی کا سامنا کرنے والے علاقوں میں تقریباً 1 لاکھ 50 ہزار (150,000) افراد کو پینے کے صاف پانی تک مستقل رسائی فراہم کرنا ہے۔

ٹیلی نار پاکستان نے بچوں کے آن لائن تحفظ سے متعلق سیشنز کے انعقاد کے لیے یونیسف (UNICEF) پاکستان کے ساتھ اشتراک کیا ہے۔ کاشت کاروں کو زراعت کے لیے فور برادرز گروپ (Four Brothers Group) کے ساتھ اسٹریٹجک شراکت داری کے ذریعے ڈیجیٹل مشاورتی خدمات فراہم کی جا رہی ہیں۔ کمیونیکیشن کے شعبے میں اپنی نوعیت کے پہلے ایو آر کوڈز (QR-enabled) سمارٹ شاپ اقدام کے ذریعے ریٹیل آؤٹ لیٹس کو ڈیجیٹل سروس پوائنٹس میں تبدیل کیا جا رہا ہے۔ عالمی سطح پر مستند سمجھے جانے والے جی ڈی ای آئی بی (GDEIB) ایوارڈز 2026 اور ایچ آر میٹریکس سروے ٹیلی نار پاکستان کو ایک جامع اور مستقبل کے لیے تیار کام کی جگہ (Workplace) ہونے کی تصدیق کرتے ہیں۔

پی ٹی سی ایل گروپ کی انتظامیہ اور ملازمین مسابقتی زخموں پر معیاری خدمات کی فراہمی کے لیے پرعزم ہیں، تاکہ باہمی اور مربوط کاوشوں سے اپنے صارفین کے لیے اولین ترجیح بن سکیں اور شیئر ہولڈرز کی قدر (Value) میں اضافہ کر سکیں۔

منجانب بورڈ



حاتم محمد باحرف

صدر و گروپ چیف ایگزیکٹو آفیسر



زیر ہاشم خان

چیرمین، پی ٹی سی ایل

اسلام آباد: 21 اپریل، 2026

2026 کی پہلی سہ ماہی میں، یوفون (Ufone) نے ڈیجیٹل ریچارج کے شعبے میں مارکیٹ لیڈر کے طور پر اپنی مثبت پیش رفت برقرار رکھی، اور ڈیجیٹل ذرائع سے کئے گئے ریچارج کی مالیت میں سالانہ بنیادوں پر 11 فیصد اضافہ ریکارڈ کیا۔ ڈیجیٹل سمرز کی فروخت میں بھی سالانہ بنیادوں پر 21 فیصد کا نمایاں اضافہ دیکھا گیا۔ ان دونوں شعبوں میں کامیابیوں کے لیے کمپنی کے سیلف کیئر ایپ، ویب سائٹ اور بوٹ جیسے ڈیجیٹل چینلز کے ساتھ ساتھ یوفون کے وسیع ڈیجیٹل پارٹنر نیٹ ورک کے تعاون نے کلیدی کردار ادا کیا۔

یو پیس نے بھی سالانہ بنیادوں پر 42 فیصد کی شاندار شرح نمو حاصل کی، جس کی بنیادی وجہ نئے صارفین کا مؤثر حصول اور ڈیجیٹل والٹ کے استعمال میں اضافہ ہے۔

ٹیلی نار پاکستان کی فی صارف اوسط آمدنی (ARPU) میں بہتری اور زیادہ مدت کے بڑے ڈیٹا بنڈلز پر صارفین کی بڑھتی شمولیت کے باعث ریٹیل آمدنی میں اضافہ ہوا۔ پہلی سہ ماہی کے دوران صارفین کی تعداد میں 1.7 فیصد اضافہ ہوا، جس میں بنیادی توجہ معیاری اور ڈیٹا استعمال کرنے والے فعال صارفین پر رہی۔ گیمنگ سب کے ذریعے صارفین کے نئے طبقے پر توجہ دینے سے 'ہائی ویلیو' (زیادہ منافع بخش) صارفین کی تعداد بڑھانے اور انہیں برقرار رکھنے میں مدد ملی۔

کمپنی کی توجہ کاسب سے اہم مرکز بنڈل ڈیجیٹائزیشن رہی، جس کی وجہ سے 'مائی ٹیلی نار ایپ (My TelenorApp)' کے استعمال میں مسلسل اور مستحکم اضافہ دیکھا جا رہا ہے۔ صارفین کے تجربے (Customer Experience) کو بہتر بنانے کے لیے ایپ کا انٹرفیس مکمل طور پر نئے انداز میں ڈیزائن کیا گیا، جس کی بدولت ایپ استعمال کرنے والوں کی تعداد میں سالانہ بنیادوں پر 18 فیصد اضافہ ہوا۔ اس کے ساتھ ہی ڈیجیٹل ڈسٹری بیوشن (Digital Distribution) کے متعدد اقدامات سے ڈیجیٹل ریچارج میں سالانہ بنیادوں پر 34 فیصد اضافہ ریکارڈ کیا گیا۔ کسٹمر کیئر کے شعبے میں 'وائس ایپ چیٹ چینل' کے آغاز سے ڈیجیٹائزیشن کو تقویت ملی، جس سے ڈیجیٹل کسٹمر ایکسپیرینس اور شکایات کے ازالے میں بہتری آئی۔

ٹیلی نار پاکستان نے دنیا کے سب سے بڑے سنگل گو (single-go) مائیگریشن آپریشن کے ذریعے اپنے تمام فعال صارفین کو کلاؤڈز پر مبنی اور 5 جی کے لیے تیار 'چار جنگ اینڈ بلنگ سسٹم' پر کامیابی سے منتقل کیا۔ جس سے 100 سے زائد APIs تک رسائی ملی، جو کمپنی کی ڈیجیٹل فاؤنڈیشن کو پہلے سے کہیں زیادہ تیز رفتار اور قابل توسیع بناتی ہے۔ مصنوعی ذہانت کو اپنانا ہماری حکمت عملی کا بنیادی ستون رہا ہے۔ اس سلسلے میں 'انڈس اے آئی ویک 2026 (Indus AI Week)' میں اے آئی سے چلنے والے اشارات ایپس کی نمائش کی گئی۔ اس کے ساتھ ساتھ Google اور سرکاری شعبے کے شراکت داروں کے تعاون سے ملک بھر میں مصنوعی ذہانت (AI) کی تعلیم عام کرنے کے لیے "اے آئی سیکھو" کے نام سے ایک پروگرام کا بھی آغاز کیا گیا۔

سماجی اثرات

اس سہ ماہی کے دوران پی ٹی سی ایل نے معاشرے پر سماجی اثرات کے ایجنڈے کو شمولیت، عوامی صحت اور بنیادی ضروریات پر مبنی متعدد اقدامات کے ذریعے آگے بڑھایا۔ 'بااختیار پروگرام' کے تحت 22 اضلاع میں ترقی سیشنز منعقد کئے گئے، جس میں تقریباً 2,100 خواتین کو ڈیجیٹل اور کاروباری مہارتوں (Entrepreneurial Skills) کی تربیت دی گئی۔

اقوام متحدہ کے ذیلی ادارے یونیسف کے اشتراک سے پولیوسے متعلق آگاہی کے لیے ایس ایم ایس (SMS) پیغامات جاری کئے گئے، اسی طرح رمضان المبارک کے دوران فلاحی اداروں کے ساتھ بھی ان کی آگاہی اور انسانی ہمدردی کمپینز کے لیے اسی

پوزیشن مستحکم رہی ہے۔ 2026 کی پہلی سہ ماہی کے دوران ملک بھر میں فلیش فائبر کے صارفین کی تعداد ساڑھے 8 لاکھ سے تجاوز کر گئی، جو سالانہ بنیادوں پر 20 فیصد اضافے کو ظاہر کرتی ہے۔ پہلی سہ ماہی کے دوران پی ٹی سی ایل نے فلیش فائبر کا بہتر اور جدید پورٹ فولیو متعارف کرایا، جس میں انٹرنیٹ کی بنیادی اسپید 30 ایم پی بی ایس سے شروع ہوتی ہے۔ کمپنی کا یہ اقدام براڈ بینڈ کا بنیادی معیار بلند کرنے اور صارفین کی بدلتی ڈیجیٹل ضروریات کے مطابق بہترین سروس فراہم کرنے کے اسٹریٹیجک عزم کا عکاس ہے۔

کاروباری خدمات (بزنس سلوشنز) کے شعبے نے اپنی بہترین کارکردگی کا سلسلہ جاری رکھا، جس کی وجہ کلاؤڈ، ڈیٹا سینٹر، مینیجڈ سروسز اور سائبر سیکیورٹی جیسے آئی سی ٹی (ICT) سلوشنز کی بڑھتی ہوئی طلب ہے۔ اس کے ساتھ پی ٹی سی ایل نے حکومتی اور انٹرپرائز سیکٹرز کے لیے قابل بھر و سہ شراکت دار کے طور پر اپنی پوزیشن مزید مستحکم کی ہے۔ پی ٹی سی ایل کے انٹرپرائز بزنس میں گزشتہ سال کے اسی دورانیے کے مقابلے میں 12 فیصد اضافہ ہوا ہے۔ اسی طرح کیریئر اور ہول سیل شعبے نے اپنی مستحکم کارکردگی کا تسلسل برقرار رکھا، جس سے مجموعی آمدن میں 14 فیصد کی گروتھ حاصل ہوئی۔

جدت کی راہ پر گامزن پی ٹی سی ایل گروپ نے 2026 کی پہلی سہ ماہی میں پاکستان کی تاریخ 5 جی نیلامی میں اسپیکٹرم کا ایک بڑا حصہ حاصل کر کے ایک اہم سنگ میل طے کیا، جس نے اسے نیکسٹ جی نیشنل کنیکٹیویٹی میں صف اول پر کھڑا کر دیا ہے۔ پی ٹی سی ایل گروپ نے عالمی سطح پر مسلمہ 3.5 گیگا ہرٹز اور 2.6 گیگا ہرٹز بینڈز میں ہائی کمپیسیٹی اسپیکٹرم حاصل کر کے صارفین اور انٹرپرائز شعبوں کو انتہائی تیز رفتار انٹرنیٹ، کم ترین تاخیر (Low Latency) اور جدید ڈیجیٹل خدمات فراہم کرنے کی صلاحیت حاصل کر لی ہے۔ اہم بات یہ ہے کہ اس اسپیکٹرم کو یوفون اور ٹیلی نار پاکستان کے انضمام کے بعد ان کے مشترکہ نیٹ ورک پر استعمال کیا جائے گا، جس سے ملک کا سب سے بڑا اسپیکٹرم پورٹ فولیو تشکیل پائے گا جو 72 ملین (سات کروڑ بیس لاکھ) سے زائد صارفین کو خدمات فراہم کرے گا۔ یہ پیش رفت پی ٹی سی ایل گروپ کو ملک بھر میں 5 جی کے پھیلاؤ میں تیزی لانے، نیٹ ورک کی کارکردگی بڑھانے اور مختلف صنعتوں میں نئے ڈیجیٹل استعمال کے مواقع پیدا کرنے کے قابل بناتی ہے، جو پاکستان کے ڈیجیٹل مستقبل کو بااختیار بنانے میں اس کی قیادت کو مزید مستحکم کرتی ہے۔

PTCL گروپ نے 2026 کی پہلی سہ ماہی میں مستحکم کارکردگی برقرار رکھتے ہوئے ثقافت، کمیونٹی اور صارفین سے مطابقت رکھنے والی اسٹریٹیجک کمپینز کے ذریعے برانڈ کی پہچان اور عوامی روابط کو مزید مضبوط کیا۔ عالمی یوم تعلیم (World Education Day) کے موقع پر پی ٹی سی ایل نے شہزاد رائے کے ساتھ مل کر ایک مہم کا آغاز کیا، جس کا مقصد تعلیمی کامیابی کے نام پر بچوں پر دباؤ کو اجاگر کرنا اور قومی عہد (National Pledge) کے ذریعے سیکھنے کے عمل میں توازن اور مشفقانہ رویہ اپنانے کی حوصلہ افزائی کرنا تھا۔

Ufone نے پانچ صارفین تک کے لیے مشترکہ کنیکٹیویٹی پیشکش پر مبنی اپنی 5 سہ ماہی میں باہر اعظم کو شامل کیا، تاکہ مزید موثر انداز میں اپنے برانڈ کے پیغام "ڈیٹا بہت ہے" کو صارفین تک پہنچایا جاسکے۔ اس کمپین کی غیر معمولی مقبولیت کی بدولت اسے 91 ملین سے زائد امپریٹرز، 15 ملین کی ریچ (Reach) اور 10 ملین یوزر حاصل ہوئے۔ Ufone نے پاکستان سپر لیگ (Pakistan Super League) کے دوران بھی اپنی برانڈ کے تاثر کو مضبوط کیا، بالخصوص "پشاور زلمی" کمپین کے دوران ثقافتی وابستگی اور صارفین کی دلچسپی برقرار رکھنے کے لیے نغماتی مواد، برانڈ انٹیگریشن اور شائقین کی شمولیت کے تجربات کیے گئے۔

ڈائریکٹرز کا جائزہ

پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ (PTCL) کے ڈائریکٹرز، کمپنی کے شیئر ہولڈرز کو 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

سال 2026 کی پہلی سہ ماہی کے دوران، PTCL گروپ نے اپنی ترقی کا سفر جاری رکھتے ہوئے پاکستان کے صف اول کے مربوط ٹیلی کمیونیکیشن فراہم کنندہ کے طور پر اپنی پوزیشن کو مزید مستحکم کیا۔

کمپنی نے پاک ٹیلی کام موٹائل لمیٹڈ اور ٹیلی نار پاکستان (پرائیویٹ) لمیٹڈ کے مجوزہ انضمام کے حوالے سے پاکستان ٹیلی کمیونیکیشن اتھارٹی (PTA) سے باقاعدہ منظوری حاصل کر کے اپنے اسٹریٹجک اہداف کے حصول میں نمایاں کامیابی حاصل کی ہے۔ اس مجوزہ انضمام پر متعلقہ قوانین کے مطابق اسکیم آف آرینجمنٹ (Scheme of Arrangement) کے ذریعے عمل کیا جائے گا۔ اس کے ساتھ ہی ٹیلی نار پاکستان (پرائیویٹ) لمیٹڈ کے انتظامی کنزول کی منتقلی 31 دسمبر 2025 کو مکمل ہو چکی ہے۔ جس کے بعد ٹیلی نار پاکستان اور اس کا انفراسٹرکچر مکمل طور پر پی ٹی سی ایل کی ملکیت بن چکا ہے۔ اس اہم سنگ میل کی بنیاد پر پی ٹی سی ایل نے 2026 کی پہلی سہ ماہی کے دوران انضمامی منصوبہ بندی کو مزید آگے بڑھایا۔ توقع ہے کہ اس اسٹریٹجک انضمام سے ملک گیر کوریج، سروس کے معیار میں بہتری اور صارفین کی تعداد میں خاطر خواہ اضافے کے ساتھ ایک مضبوط اور زیادہ موثر ٹیلی کام پلیٹ فارم تشکیل پائے گا، جو پی ٹی سی ایل کو پاکستان کے ابھرتے ہوئے ڈیجیٹل اور کینیٹیو بی کے منظر نامے میں صف اول کے اداروں میں شامل کر دے گا۔ یکم جنوری 2026 سے ٹیلی نار پاکستان کے مالیاتی نتائج کو پی ٹی سی ایل گروپ کے نتائج میں ضم کر دیا گیا ہے۔

ٹیلی نار پاکستان کے نتائج کو پی ٹی سی ایل گروپ میں شامل کرنے اور فلکسڈ براڈ بینڈ، انٹرپرائز، ہول سیل اور موٹائل سروسز کے مسلسل فروغ کی وجہ سے گروپ کی آمدنی میں گزشتہ سال کے اسی عرصے کے مقابلے میں 58 فیصد کا شاندار اضافہ ہوا۔ گروپ نے 16 ارب روپے کا آپریٹنگ منافع حاصل کیا جو سالانہ بنیادوں پر 564 فیصد گروتھ (شرح نمو) ظاہر کرتا ہے۔ اس کی بنیادی وجوہات میں ٹیلی نار پاکستان کی شمولیت، یوبینک (Ubank) کی کارکردگی میں نمایاں بہتری، یوفون (Ufone) کی مالیاتی کارکردگی میں مسلسل اضافہ اور پی ٹی سی ایل کے مضبوط آپریٹنگ نتائج کا تسلسل شامل ہیں۔ گروپ نے مضبوط آپریٹنگ منافع کی وجہ سے 3.1 ارب روپے کا خالص منافع حاصل کیا، جو کہ گزشتہ سال کے اسی عرصے میں ہونے والے 4 ارب روپے کے خالص نقصان کے مقابلے میں ایک مکمل تبدیلی ظاہر کرتا ہے۔ پی ٹی سی ایل نے اپنی ترقی کا تسلسل برقرار رکھا جس سے سالانہ بنیادوں پر آمدنی 6.5 فیصد اضافے کے ساتھ 31 ارب روپے تک پہنچ گئی، اس کی بنیادی وجوہات میں گزشتہ سال کی اسی سہ ماہی کے مقابلے میں فلیش فایبر (Flash Fiber) میں 27 فیصد اور کاروباری خدمات (بزنس سلوشنز) میں 11 فیصد اضافہ شامل ہے۔ ٹیلی نار پاکستان کے مالی نتائج اور ریٹیل و کارپوریٹ دونوں شعبوں میں بہترین ترقی کی وجہ سے وائرلس سیگنٹ کی آمدنی میں سالانہ بنیادوں پر 131 فیصد اضافہ ہوا۔ اسی طرح بینکنگ کے شعبے میں 5.8 ارب روپے کی آمدنی ریکارڈ کی گئی۔ پی ٹی سی ایل کے فائبر ٹودی ہوم (FTTH) کی ملک گیر توسیع نے کمپنی کی مجموعی آمدنی میں اضافے میں اہم کردار ادا کیا۔ کمپنی نے گزشتہ سال کے تسلسل کو برقرار رکھتے ہوئے اپنے فلیگ شپ برانڈ فلیش فایبر کے ذریعے تیز رفتار اور قابل بھروسہ انٹرنیٹ خدمات فراہم کرنے پر توجہ مرکوز رکھی، جس سے پاکستان میں صف اول کی FTTH سروس کے طور پر اس کی

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	Note	March 31, 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		49,501,388	48,598,534
		76,998,460	76,095,606
		127,998,460	127,095,606
Liabilities			
Non-current liabilities			
Employees retirement benefits		47,982,233	47,057,747
Deferred government grants		17,344,220	17,584,151
Long term loans from banks	6	209,499,713	210,520,271
Contract liabilities		1,570,786	1,620,648
Lease liabilities		724,101	715,554
		277,121,053	277,498,371
Current liabilities			
Trade and other payables	7	200,670,045	194,433,281
Short term financing	8	40,270,558	44,521,690
Security deposits		725,494	726,544
Unclaimed dividend		207,426	207,751
Current maturity of lease liabilities		408,079	385,390
Current portion of long term loans from banks		2,882,099	2,275,167
		245,163,701	242,549,823
Total equity and liabilities		650,283,214	647,143,800

Contingencies and commitments

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



Chief Financial Officer



President & CEO



Chairman

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Assets			
Non-current assets			
Property and equipment	9	180,284,833	178,931,022
Right of use assets		972,791	1,032,807
Intangible assets		836,243	929,626
		182,093,867	180,893,455
Long term investments	10	141,104,824	139,104,824
Long term loans and advances	11	118,724,151	122,369,475
Employees retirement benefits		13,917,648	13,762,801
Deferred income tax		1,695,992	2,636,218
Contract cost		100,860	130,673
		457,637,342	458,897,446
Current assets			
Stores and spares		5,902,493	5,561,621
Contract cost		2,924,139	3,220,788
Trade debts and contract assets	12	75,658,121	71,263,745
Loans and advances		7,710,424	3,905,211
Income tax recoverable		51,111,098	50,023,735
Prepayments and other receivables		33,672,168	31,661,562
Cash and bank balances	13	15,454,523	22,396,786
Asset classified as held for sale		212,906	212,906
		192,645,872	188,246,354
Total assets		650,283,214	647,143,800

Chief Financial Officer

President & CEO

Chairman

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2026 Rs '000	March 31, 2025 Rs '000
Revenue	15	31,515,434	29,600,884
Cost of services		(22,243,208)	(21,050,658)
Gross profit		9,272,226	8,550,226
Administrative and general expenses		(2,511,418)	(2,342,695)
Selling and marketing expenses		(1,562,441)	(1,487,025)
Impairment loss on financial assets		(588,580)	(556,400)
		(4,662,439)	(4,386,120)
Operating profit		4,609,787	4,164,106
Other income	16	4,404,911	2,379,966
Finance and other costs		(7,458,956)	(4,841,254)
Profit before tax		1,555,742	1,702,818
Taxation		(652,888)	(526,603)
Profit for the period		902,854	1,176,215
Earnings per share - basic and diluted (Rupees)		0.18	0.23

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



Chief Financial Officer



President & CEO



Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Three months ended	
	March 31, 2026 Rs '000	March 31, 2025 Rs '000
Profit for the period	902,854	1,176,215
Other comprehensive income for the period	-	-
Total comprehensive income for the period	902,854	1,176,215

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

Chief Financial Officer

President & CEO

Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2026 Rs '000	March 31, 2025 Rs '000
Cash flows from operating activities			
Cash generated from operations	17	11,893,469	4,100,805
Employees retirement benefits paid		(763,529)	(688,005)
Addition to contract costs		(989,411)	(605,107)
Advances from customers		3,295	147,787
Income tax paid		(800,026)	(759,760)
Net cash generated from operating activities		9,343,798	2,195,720
Cash flows from investing activities			
Acquisition of property and equipment		(6,643,391)	(6,969,084)
Acquisition of intangible assets		(23,470)	(229,480)
Proceeds from disposal of property and equipment		127,034	83,990
Long term loans and advances		(20,287)	(176,312)
Return on long term loan to subsidiaries		3,452,569	1,430,676
Investment in U Microfinance Bank Limited		(2,000,000)	(1,000,000)
Repayment of subordinated loans by Pak Telecom Mobile Limited		125,000	208,333
Return on short term investments and bank deposit		34,206	65,232
Government grants received		-	1,200,457
Net cash used in investing activities		(4,948,339)	(5,386,188)
Cash flows from financing activities			
Dividend paid		(325)	(29)
Interest paid on short term financing		(2,141,687)	(1,992,013)
Long term loan from banks - net		(833,029)	-
Interest paid on long term loans		(4,062,862)	(2,037,586)
Lease liabilities paid		(48,687)	(62,615)
Net cash used in financing activities		(7,086,590)	(4,092,243)
Net decrease in cash and cash equivalents		(2,691,131)	(7,282,711)
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	18	(24,816,035)	(42,311,329)

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



Chief Financial Officer



President & CEO



Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 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 three months period ended					
Profit for the period ended March 31, 2025	-	-	-	-	1,176,215
Other comprehensive income / (loss) - net of tax	-	-	-	-	-
Balance as at March 31, 2025 (Un-Audited)	37,740,000	13,260,000	51,000,000	27,497,072	37,786,648
Total comprehensive income for the nine months period ended					
Profit for the period ended December 31, 2025	-	-	-	-	206,039
Other comprehensive income - net of tax	-	-	-	-	10,605,847
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 three months period ended					
Profit for the period ended March 31, 2026	-	-	-	-	902,854
Other comprehensive income / (loss) - net of tax	-	-	-	-	-
Balance as at March 31, 2026 (Un-Audited)	37,740,000	13,260,000	51,000,000	27,497,072	49,501,388

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

Chief Financial Officer

President & CEO

Chairman

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 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 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 Pak Telecom Mobile Limited and Telenor Pakistan (Private) Limited. The proposed amalgamation shall be implemented through a scheme of arrangement in accordance with applicable laws.

2. STATEMENT OF COMPLIANCE

These condensed interim 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, directives and notification 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 separate financial statements of the Company. In addition to these condensed separate financial statements, the Company also prepares condensed consolidated financial statements.

3. BASIS OF PREPARATION

These condensed interim financial statements do not include all of the information required in the annual financial statements prepared in accordance with the approved 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 condensed interim 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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim 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 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 financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2025.

	Note	March 31, 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		7,000,000	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		62,669,916	62,887,636
British International Investment		13,957,665	14,006,155
Silk Road Fund		35,033,739	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		(3,328,274)	(3,528,665)
		211,333,046	212,353,604
Accrued Interest		1,048,766	441,834
		212,381,812	212,795,438
Current portion of long term loans from banks		(2,882,099)	(2,275,167)
		209,499,713	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 and equity injection or 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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
7. TRADE AND OTHER PAYABLES			
Trade creditors		15,019,115	15,773,238
Accrued and other liabilities	7.1	48,754,329	48,874,297
Technical services assistance fee	7.2	59,437,136	56,116,645
Advances from customers		8,180,462	7,171,691
Contract liabilities		909,135	943,272
Retention money / payable to contractors and suppliers		8,311,817	7,135,436
Payable to subsidiaries on account of group taxation		55,296,835	55,296,835
Sales tax payable		3,111,005	2,551,922
Income tax collected / deducted at source		1,650,211	569,945
		200,670,045	194,433,281
7.1 Accrued and other liabilities			
Accrued liability for operational expenses		15,978,450	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		18,862,133	17,736,378
Accrued wages		937,628	3,756,424
Others		865,315	845,343
		48,754,329	48,874,297

7.2 Liability has not been settled since State Bank of Pakistan has not yet acknowledged the extension of Technical Service Assistance (TSA) Agreement.

8. SHORT TERM FINANCING

These facilities are obtained from various commercial banks with an aggregate limit of Rs. 34,050,000 thousand (December 31, 2025: Rs. 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 0.21% (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. 20,000,000 thousand (December 31, 2025: Rs. 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 FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
9. PROPERTY AND EQUIPMENT			
Operating fixed assets	9.1	147,321,337	149,236,665
Capital work-in-progress	9.3	32,963,496	29,694,357
		180,284,833	178,931,022

	Note	March 31, 2026 (Un-Audited) Rs '000	March 31, 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	3,374,252	8,939,087
		152,610,917	147,233,976
Disposals during the period - at net book value		(17,532)	(31,362)
Depreciation charge for the period		(5,272,048)	(4,749,169)
		(5,289,580)	(4,780,531)
Closing net book value		147,321,337	142,453,445

9.2 Detail of additions during the period:

Buildings on freehold land	102,485	34,969
Buildings on leasehold land	-	111,736
Lines and wires	1,305,376	5,270,069
Apparatus, plant and equipment	1,857,546	3,412,615
Office equipment	1,902	16,185
Computer equipment	39,178	81,902
Submarine Cable	67,765	-
Vehicles	-	11,611
	3,374,252	8,939,087

9.3 Additions to Capital work-in-progress during the three months period ended Mar 31, 2026 were Rs 6,647,043 thousand (Mar 31, 2025: Rs 7,127,299 thousand).

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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11. LONG TERM LOANS AND ADVANCES			
Loans to PTML - unsecured		57,208,328	58,166,661
Loan to Telenor Pakistan - shareholder		60,551,480	63,184,153
Loans to employees - secured		710,950	785,555
Others		253,393	233,106
		118,724,151	122,369,475
12. TRADE DEBTS AND CONTRACT ASSETS			
Trade debts		77,415,220	72,195,070
Contract assets		6,885,506	7,122,700
		84,300,726	79,317,770
Allowance for expected credit loss		(8,642,605)	(8,054,025)
		75,658,121	71,263,745
13. CASH AND BANK BALANCES			
Cash in hand		66,533	53,539
Balances with banks:	13.1		
Deposit accounts local currency		683,986	752,788
Current accounts			
Local currency		1,989,786	4,379,783
Foreign currency		12,714,218	17,210,676
		14,704,004	21,590,459
		15,454,523	22,396,786

13.1 Bank balance includes Rs 1,076 thousand (December 31, 2025: Rs 642 thousand) carrying profit rates ranging from 2.5% to 9.8% (December 31, 2025: 6.7%) per annum from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

14. CONTINGENCIES AND COMMITMENTS

There has been no material change in contingencies as disclosed in note 15 to the last audited financial statements of the Company for the year ended December 31, 2025, except in note 15.6 as disclosed below:

14.1 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 54,928,287 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.

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
14.2 Guarantees and bid bonds issued in favor of:			
Universal Service Fund (USF) against government grants		7,383,746	7,604,921
Others	14.2.1	3,659,801	3,559,544
		11,043,547	11,164,465
Corporate guarantee in favor of PTML		72,997,000	72,997,000

14.2.1 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).

	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
14.3 Commitments		
Contracts for capital expenditure	13,452,982	5,638,130
Letter of comforts in favor of PTML	3,500,000	3,500,000
	16,952,982	9,138,130

15. REVENUE

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	14,259,880	13,595,081
Voice services	1,785,017	2,038,138
Wireless data	116,500	121,378
Revenue from retail customers	16,161,397	15,754,597
Corporate and wholesale	12,719,758	11,235,255
International	2,634,279	2,611,032
Total revenue	31,515,434	29,600,884

15.1 Revenue is stated net of trade discount amounting to Rs 4,449 thousand (March 31, 2025: Rs 4,939 thousand) and Federal Excise Duty and sales tax amounting to Rs 4,338,479 thousand (March 31, 2025: Rs 5,720,710 thousand).

	Note	March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
16. OTHER INCOME			
Income from financial assets	16.1	3,891,959	1,759,628
Income from non-financial assets		512,952	620,338
		4,404,911	2,379,966

16.1 Income from financial assets include Rs 66 thousand (March 31, 2025: Rs 3 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
17. CASH GENERATED FROM OPERATIONS		
Profit before tax	1,555,742	1,702,818
Adjustments for non-cash charges and other items:		
Depreciation of property and equipment	5,272,048	4,749,169
Amortization of intangible assets	116,853	193,644
Depreciation of right of use assets	92,043	115,550
Amortization of contract costs	1,315,873	1,554,772
Amortization of transaction costs on long term loans	200,390	9,368
Reversal of obsolete stores and spares	(22,493)	(1,042)
Impairment loss on financial assets	588,580	556,400
Provision for employees retirement benefits	602,653	548,205
Gain on disposal of property and equipment	(109,502)	(52,629)
Interest on bank deposits	(72,308)	(109,781)
Imputed interest on lease liabilities	47,896	60,530
Interest cost on employee retirement benefits	930,516	1,122,041
Interest on long term loan to subsidiaries	(3,419,450)	(1,290,258)
Interest on long term loans from banks	4,669,794	1,975,436
Interest on short term financing	1,638,297	1,527,478
Unearned revenue realized against advances from customers	(53,158)	(180,397)
Release of deferred government grants	(240,227)	(219,223)
Exchange (gain) / loss - net	(262,865)	229,842
	12,850,682	12,491,923
Effect on cash flows due to working capital changes:		
Increase in current assets:		
Stores and spares	(318,379)	(209,358)
Trade debts and contract assets	(5,110,568)	(3,733,496)
Loans and advances	(264,603)	(1,494,278)
Prepayments and other receivables	(2,005,623)	(4,024,984)
	(7,699,173)	(9,462,116)
Increase / (decrease) in current liabilities:		
Trade and other payables	6,743,010	1,014,009
Security deposits	(1,050)	56,989
	11,893,469	4,100,805

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

		Three months ended	
		March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
18. CASH AND CASH EQUIVALENTS			
	Short term financing	(40,270,558)	(56,139,191)
	Cash and bank balances	15,454,523	13,827,862
		(24,816,035)	(42,311,329)
19. TRANSACTIONS AND BALANCES WITH RELATED PARTIES			
Relationship with the Company	Nature of transaction		
i. Shareholders	Technical services assistance fee - note 19.1	1,023,137	981,205
ii. Subsidiaries	Sale of goods and services	2,371,420	1,563,548
	Purchase of goods and services	287,713	310,601
	Mark up on loans	3,419,450	1,291,801
	Long term investment in subsidiary	2,000,000	1,000,000
	Repayment of long term loans from subsidiary	125,000	208,333
iii. Associated undertakings	Sale of goods and services	1,951,861	1,713,356
	Purchase of goods and services	232,945	281,683
iv. Employees contribution plan	PTCL Employees GPF Trust - net	92,208	28,627
v. Employees retirement benefit plan	Contribution to the plan- Gratuity	59,134	25,868
vi. Directors, Chief Executive and Key management personnel	Fee and remuneration including benefits and perquisites	678,801	530,911

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Period / year-end balances		
Receivables from related parties		
Long term loans to subsidiaries	122,059,153	122,184,153
Trade debts		
- Subsidiaries	1,608,850	1,014,055
- Associated undertakings	47,259,467	48,204,971
Other receivables		
- Subsidiaries	28,281,888	23,461,750
- Associated undertakings	71,305	71,305
- Pakistan Telecommunication Employees Trust (PTET)	5,569	59,538
- Long term loans to executives and key management personnel	81,752	89,119
Pakistan Telecommunication Employees Trust (PTET)	13,917,648	13,762,801
Payables to related parties		
Trade creditors		
- Subsidiaries	2,151,298	1,974,494
- Associated undertakings	5,246,354	5,147,672
Payable to subsidiaries on account of group taxation	55,296,836	55,296,836
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	59,437,136	56,116,645
Pakistan Telecommunication Company Limited		
Employees Gratuity Fund	1,058,164	993,435

19.1 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 Pakistan Telecommunication Group's consolidated revenue.

20. 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 statement of financial position Rs '000
As At March 31, 2026 (Un-Audited)					
Trade debts and contract assets	43,825,890	(1,274,749)	42,551,141	33,106,980	75,658,121
Trade creditors	(2,266,088)	1,274,749	(991,339)	14,027,776	15,019,115
As At December 31, 2025 (Audited)					
Trade debts	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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

21. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

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 from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2025.

The carrying amount of all financial assets and financial liabilities are estimated to approximate their fair values.

22. CORRESPONDING FIGURES

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

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

23.1 These condensed interim financial statements for the three months period ended March 31, 2026 were authorized for issue by the Board of Directors of the Company on April 21, 2026.



Chief Financial Officer



President & CEO



Chairman

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**
FOR THE THREE MONTHS PERIOD ENDED
MARCH 31, 2026 (UN-AUDITED)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026 (UN-AUDITED)

	Note	March 31, 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		(40,177,812)	(42,693,655)
		(12,680,740)	(15,196,583)
Statutory and other reserves		954,563	954,563
Unrealized gain on investments measured at fair value through OCI		5,609	111,732
		39,279,432	36,869,712
Liabilities			
Non-current liabilities			
Long term loans from banks		232,171,385	238,351,273
Deposits from banking customers		140,630	141,394
Lease liabilities		51,785,651	52,171,230
Employees retirement benefits		48,918,363	47,893,345
Deferred government grants		48,294,174	49,165,643
Provision for asset retirement obligations		1,126,831	1,110,448
Advances from customers		519,879	535,140
License fee payable		24,471,207	2,390,154
Long term vendor liability		23,226,711	24,758,299
		430,654,831	416,516,926
Current liabilities			
Trade and other payables	6	210,901,181	200,743,692
Deposits from banking customers		164,311,271	156,058,475
Interest accrued		2,841,301	3,604,214
Short term running finance		64,376,660	71,487,663
Current portion of:			
Long term loans from banks		18,806,580	17,949,653
Subordinated debt		150,000	150,000
Lease liabilities		17,504,452	16,029,293
License fee payable		30,247,256	8,340,464
Long term vendor liability		26,376,010	23,789,108
Security deposits		2,355,388	2,290,615
Unclaimed dividend		207,426	207,751
		538,077,525	500,650,928
Total equity and liabilities		1,008,011,788	954,037,566

Contingencies and commitments

11

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Assets			
Non-current assets			
Property and equipment	7	361,723,324	361,439,043
Right of use assets		53,995,459	51,610,626
Intangible assets		178,067,983	135,060,288
		593,786,766	548,109,957
Long term investments		51,427	51,427
Long term loans and advances		1,405,614	2,196,892
Long term loans to banking customers		11,613,777	12,112,463
Deferred income tax		26,164,644	26,871,817
Employees retirement benefits		13,917,648	13,762,801
Contract costs		1,761,922	1,584,213
		648,701,798	604,689,570
Current assets			
Stock in trade, stores and spares		6,840,298	6,348,808
Trade debts and contract assets	8	89,017,760	82,824,227
Loans to banking customers		56,154,625	56,657,024
Loans and advances		9,592,556	4,944,890
Contract costs		5,288,911	5,514,961
Income tax recoverable		81,397,866	79,558,762
Deposits, prepayments and other receivables		27,266,717	30,794,051
Short term investments	9	50,176,116	43,950,004
Asset classified as held for sale		932	932
Cash and bank balances	10	33,574,209	38,754,337
		359,309,990	349,347,996
Total assets		1,008,011,788	954,037,566

Chief Financial Officer

President & CEO

Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2026 Rs '000	March 31, 2025 Rs '000
Revenue	12	97,845,378	61,849,794
Cost of services		(63,080,746)	(41,880,042)
Gross profit		34,764,632	19,969,752
Administrative and general expenses		(12,384,336)	(8,374,613)
Selling and marketing expenses		(6,323,691)	(3,954,675)
Reversal / (allowance) for expected credit losses		52,694	(5,215,412)
		(18,655,333)	(17,544,700)
Operating profit		16,109,299	2,425,052
Other income	13	3,949,688	5,526,070
Finance costs and other expenses		(14,868,975)	(13,492,657)
Profit / (loss) before tax		5,190,012	(5,541,535)
Taxation		(2,123,974)	1,576,446
Profit / (loss) for the period		3,066,038	(3,965,089)
Earnings / (loss) per share - basic and diluted (Rupees)		0.60	(0.78)

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Three months ended	
	March 31, 2026 Rs '000	March 31, 2025 Rs '000
Profit / (loss) for the period	3,066,038	(3,965,089)
Other comprehensive income for the period		
Items that may be subsequently reclassified to profit or loss:		
Loss on debt instruments arising during the period	(173,972)	(510,812)
Tax effect	67,849	148,135
Other comprehensive loss for the period - net of tax	(106,123)	(362,677)
Total comprehensive income / (loss) for the period	2,959,915	(4,327,766)

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	Three months ended	
		March 31, 2026 Rs '000	March 31, 2025 Rs '000
Cash flows from operating activities			
Cash generated from operations	14	44,410,475	15,525,529
Employees retirement benefits paid		(844,224)	(611,860)
Addition to contract costs		(2,079,003)	(1,297,160)
Deposits from banking customers		8,252,032	(13,407,949)
Return on long term loans and short term investments		749,455	3,036,977
Income tax paid		(3,323,754)	(1,977,877)
Net cash generated from operating activities		47,164,981	1,267,660
Cash flows from investing activities			
Acquisition of property and equipment		(12,294,795)	(9,809,769)
Acquisition of intangible assets		(4,014,657)	(419,508)
Proceeds from disposal of property and equipment		325,876	554,553
Short term investments - net		(6,226,112)	139,620,635
Long term loans and advances - net		791,278	(3,589,535)
Government grants received		495,260	2,757,993
Net cash (used in) / generated from investing activities		(20,923,150)	129,114,369
Cash flows from financing activities			
Loan from banks - net		(5,710,881)	(125,862,806)
Additions to vendor liability		2,893,435	2,171,936
Repayment of vendor liability		(2,237,564)	(8,527,897)
Finance costs paid		(11,165,217)	(9,554,710)
Lease liabilities paid		(8,090,404)	(3,965,499)
Dividend paid		(325)	(29)
Net cash used in financing activities		(24,310,956)	(145,739,005)
Net increase / (decrease) in cash and cash equivalents		1,930,875	(15,356,976)
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	(30,802,451)	(42,894,611)

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.



Chief Financial Officer



President & CEO



Chairman

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2026

	Issued, subscribed and paid-up capital			Revenue reserves		Statutory and other reserves	Unrealized gain on investments measured at fair value through OCI	Total
	Class "A"	Class "B"	Total	General reserve	Accumulated losses			
Balance as at January 01, 2025 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(43,575,731)	935,752	409,162	36,266,255
Total comprehensive income / (loss) for the three months period ended								
Loss for the three months ended March 31, 2025	-	-	-	-	(3,965,089)	-	-	(3,965,089)
Other comprehensive loss	-	-	-	-	-	-	(362,677)	(362,677)
Balance as at March 31, 2025 (Un-Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(47,540,820)	935,752	46,485	31,938,489
Total comprehensive income / (loss) for the nine months period ended								
Loss for the nine months ended December 31, 2025	-	-	-	-	(5,781,028)	-	-	(5,781,028)
Other comprehensive income	-	-	-	-	10,647,004	-	65,247	10,712,251
Transfer to statutory and other reserves	-	-	-	-	4,865,976	-	65,247	4,931,223
	-	-	-	-	(18,811)	18,811	-	-
Balance as at December 31, 2025 (Audited)	37,740,000	13,260,000	51,000,000	27,497,072	(42,693,655)	954,563	111,732	36,869,712
Total comprehensive income / (loss) for the three months period ended								
Profit for the three months ended March 31, 2026	-	-	-	-	3,066,038	-	-	3,066,038
Other comprehensive loss	-	-	-	-	-	-	(106,123)	(106,123)
First time adoption of IFRS-9 EIR impact	-	-	-	-	3,066,038	-	(106,123)	2,959,915
	-	-	-	-	(550,195)	-	-	(550,195)
Balance as at March 31, 2026	37,740,000	13,260,000	51,000,000	27,497,072	(40,177,812)	954,563	5,609	39,279,432

The annexed notes 1 to 22 are an integral part of these condensed consolidated interim financial statements.

Chief Financial Officer

President & CEO

Chairman

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Constitution and ownership

The condensed consolidated interim 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 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 Holding 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 and Telenor Pakistan (Private) Limited. The proposed amalgamation shall be implemented through a scheme of arrangement in accordance with applicable laws.

Pak Telecom Mobile Limited (PTML)

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 Ufone Tower, Plot No. 55-C, Jinnah Avenue, Blue Area, Islamabad.

Telenor Pakistan (Private) Limited (TP)

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 is to provide cellular mobile communication services in Pakistan and Azad Jammu & Kashmir (AJK) under a license from Pakistan Telecommunication Authority (PTA). It is a wholly owned subsidiary of the Holding Company. The registered office of TP is located at 345 Telenor Headquarters, Plot No. 55, River View Avenue, Block B, Gulberg Greens, Islamabad.

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 Companies Act, 2017. The principal activity of TLDI is to provide Long Distance and International (LDI) calls and allied telecommunication services. TLDI has obtained license for LDI telephony services from Pakistan Telecommunication Authority (PTA). It is a wholly owned subsidiary of the TP. Registered office of TLDI is located at 345 Telenor Headquarters, 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 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 the TP. The registered office of MVPL is located at 345 Telenor Headquarters, Plot No.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

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 TP 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 Jinnah Super Market, F-7 Markaz, 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 Headquarters, 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 and TP 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 consolidated interim 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.

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);

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

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 consolidated interim 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 Group's financial position and performance since the last annual consolidated financial statements. These condensed consolidated interim 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 consolidated interim 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 consolidated interim 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 consolidated interim 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.

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
6. TRADE AND OTHER PAYABLES			
Trade creditors		28,400,841	32,579,244
Accrued and other liabilities	6.1	89,358,089	83,906,070
Technical services assistance fee		59,437,136	56,116,645
Advances from customers / contract liabilities		18,032,341	16,360,756
Retention money / payable to contractors and suppliers		8,311,817	7,135,436
Income tax collected from subscribers / deducted at source		4,067,079	1,878,987
Sales tax payable		3,293,878	2,766,554
		210,901,181	200,743,692
6.1 Accrued and other liabilities			
Accrued liability for operational expenses		40,291,634	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		24,313,214	22,784,701
Accrued wages		1,791,533	4,659,291
Others		11,409,905	7,899,381
		89,358,089	83,906,070

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
7. PROPERTY AND EQUIPMENT			
Operating fixed assets	7.1	300,522,838	297,630,700
Capital work-in-progress	7.3	61,200,486	63,808,343
		361,723,324	361,439,043

	Note	March 31, 2026 (Un-Audited) Rs '000	March 31, 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	14,941,196	10,120,200
		312,571,896	249,018,093
Disposals during the period - at net book value		(206,414)	(145,732)
Depreciation for the period		(11,774,154)	(8,542,317)
Impairment during the period		(68,490)	-
		(12,049,058)	(8,688,049)
Closing net book value		300,522,838	240,330,044

7.2 Detail of additions during the period:			
Buildings on freehold land		123,187	34,969
Buildings on leasehold land		-	111,736
Lines and wires		1,305,376	5,270,069
Apparatus, plant and equipment		12,057,422	4,453,061
Office equipment		902,373	113,223
Computer equipment		480,573	125,531
Furniture and fittings		3,455	-
Vehicles		1,045	11,611
		14,941,196	10,120,200

7.3 Additions to CWIP during the three months ended March 31, 2026 were Rs 46,136,462 thousand (March 31, 2025: Rs 9,984,697 thousand).

**NOTES TO AND FORMING PART OF THE
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)**

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
8. TRADE DEBTS AND CONTRACT ASSETS			
Trade debts		94,647,349	87,726,157
Contract assets		7,590,857	7,702,939
		102,238,206	95,429,096
Allowance for expected credit loss		(13,220,446)	(12,604,869)
		89,017,760	82,824,227
9. SHORT TERM INVESTMENTS			
Amortized cost			
Lending to Financial Institution		15,678,420	13,278,380
Fair value through Profit or Loss			
Non Government debt securities		16,429,805	16,005,271
Market treasury bills - Maturity upto 6 months		1,693,973	1,693,996
		18,123,778	17,699,267
Fair value through Other Comprehensive Income			
Federal Government securities		16,312,254	12,905,693
Non Government debt securities		61,664	66,664
		16,373,918	12,972,357
		50,176,116	43,950,004
10. CASH AND BANK BALANCES			
Cash in hand		1,394,379	990,498
Balances with banks:	10.1		
Local currency			
Current account maintained with SBP and NBP		3,916,040	3,677,545
Current accounts		1,362,242	4,802,387
Saving accounts		12,673,964	10,568,495
		17,952,246	19,048,427
Foreign currency			
Current accounts		12,714,218	17,210,676
Saving accounts		1,513,366	1,504,736
		14,227,584	18,715,412
		33,574,209	38,754,337

10.1 Bank balance includes Rs 1,076 thousand [December 31, 2025: Rs 642 thousand] carrying profit rates ranging from 2.5% to 9.8% [December 31, 2025: 6.7%] per annum from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

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 in note 19.6 in the following:

- 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 (Appeals), ATIR as well as rectification orders tax impact of the disallowances is Rs 54,928,287 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.

	Note	March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11.2 Guarantees and bid bonds of Group issued in favor of:			
Universal Service Fund (USF) against government grants		24,607,648	21,966,250
Pakistan Telecommunication Authority Letter of guarantee issued in favor of IFC, BII and SRF		7,197,148	6,082,796
Others	11.2.1	111,661,320	112,049,240
		3,840,412	3,787,215
		147,306,528	143,885,501
Corporate guarantee in favour of PTML		72,997,000	72,997,000
		72,997,000	72,997,000

- 11.2.1** 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).

		March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
11.3 Commitments - Group			
Letters of credit for purchase of stock-in trade		221,673	415,289
Letters of comfort in favour of PTML		3,500,000	3,500,000
Contracts for capital expenditure		47,949,741	26,731,397
		51,671,414	30,646,686

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

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.

	Three months ended	
	March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
Revenue segments		
Broadband and IPTV	14,223,880	13,595,081
Cellular and other wireless services	50,866,068	22,948,298
Voice services - fixed line	1,785,017	2,038,138
Revenue from retail customers	66,874,965	38,581,517
Corporate and wholesale	19,599,792	13,556,560
International	5,696,415	3,113,697
Banking	5,674,206	6,598,020
Total revenue	97,845,378	61,849,794

12.1 Revenue is stated net of trade discount amounting to Rs 1,616,779 thousand (March 31, 2025: Rs 782,977 thousand) and Federal excise duty and sales tax amounting to Rs 16,143,363 thousand (March 31, 2025: Rs 10,606,136 thousand).

	Note	Three months ended	
		March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
13. OTHER INCOME			
Income from financial assets - net	13.1	2,438,542	4,063,567
Income from non-financial assets		1,511,146	1,462,503
		3,949,688	5,526,070

13.1 Income from financial assets include Rs 66 thousand (March 31, 2025: Rs 3 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Three months ended	
	March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
14. CASH GENERATED FROM OPERATIONS		
Loss before tax	5,190,012	(5,541,535)
Adjustments for non-cash charges and other items:		
Depreciation of property and equipment	11,774,154	8,542,317
Impairment of property and equipment	68,490	-
Amortization of intangible assets	4,865,612	1,971,066
Amortization of contract costs	2,127,344	2,288,861
Depreciation of right of use assets	4,591,874	2,959,525
Expected credit losses on trade debts and contract assets	608,149	610,811
Impairment loss on non performing loans to banking customers	(660,843)	4,650,056
Provision for obsolete stores, spares and loose tools	(21,946)	1,679
Provision for employees retirement benefits	766,932	1,755,316
Imputed interest on lease liabilities	2,386,177	1,453,470
Imputed interest on asset retirement obligation	16,383	-
Interest cost on employee retirement benefits	947,463	1,128,121
Gain on disposal of property and equipment	(119,462)	(408,821)
Gain on derecognition of lease liability and asset	(182,900)	-
Return on bank deposits and Government securities	(770,732)	(3,234,522)
Release of deferred government grants	(1,366,729)	(819,223)
Exchange loss / (gain) - net	322,780	-
Finance costs	10,798,278	10,865,611
	41,341,036	26,222,732
Effect on cash flows due to working capital changes:		
(Increase) / decrease in current assets:		
Stock in trade, stores and spares	(469,544)	(280,768)
Trade debts and contract assets	(6,837,905)	(5,936,232)
Loans to banking customers	1,661,928	(552,499)
Loans and advances	(4,647,666)	(1,564,580)
Deposits, prepayments and other receivables	2,960,142	(2,249,682)
	(7,333,045)	(10,583,761)
(Decrease) / Increase in current liabilities:		
Trade and other payables	10,337,711	(93,133)
Security deposits	64,773	(20,309)
	10,402,484	(113,442)
Cash generated from operations	44,410,475	15,525,529

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

	Three months ended	
	March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	33,574,209	23,681,269
Short term running finance	(64,376,660)	(66,575,880)
	(30,802,451)	(42,894,611)

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
Three months ended March 31, 2026				
Segment revenue	31,398,934	65,046,770	5,756,962	102,202,666
Inter segment revenue	(2,638,433)	(1,636,099)	(82,756)	(4,357,288)
Revenue from external customers	28,760,501	63,410,671	5,674,206	97,845,378
Segment results	625,829	2,695,912	(255,703)	3,066,038
Three months ended March 31, 2025				
Segment revenue	29,479,506	27,648,583	6,598,020	63,726,109
Inter segment revenue	(1,626,548)	(249,767)	-	(1,876,315)
Revenue from external customers	27,852,958	27,398,816	6,598,020	61,849,794
Segment results	1,178,379	(1,312,627)	(3,830,841)	(3,965,089)
	Wireline	Wireless	Banking	Total
	Rs '000	Rs '000	Rs '000	Rs '000
As at March 31, 2026				
Segment assets	358,897,424	483,878,769	165,235,595	1,008,011,788
Segment liabilities	463,807,044	327,858,326	177,066,986	968,732,356
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 CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 (UN-AUDITED)

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

		Three months ended	
		March 31, 2026 (Un-Audited) Rs '000	March 31, 2025 (Un-Audited) Rs '000
Relationship with the Group	Nature of transaction		
i. Shareholders	Technical services assistance fee	3,320,491	1,936,226
ii. Associated undertakings	Sale of goods and services	2,037,913	1,925,803
	Purchase of goods and services	763,799	692,530
	Prepaid rent	255,437	239,956
iii. Employees benefits plans	PTCL Gratuity Fund	92,208	28,627
	PTML Gratuity Fund	54,097	54,258
	TP Gratuity Fund	67,341	-
	U Bank Gratuity Fund	34,171	34,171
iv. Employees contribution plans	PTCL PTCL Employees GPF Trust - net	59,134	25,868
	TP Provident Fund	15,868	-
	U Bank Provident Fund	28,723	28,723
v. Directors, Chief Executive and Key Management Personnel	Fee and remuneration including benefits and perquisites	1,222,470	1,041,207
		March 31, 2026 (Un-Audited) Rs '000	December 31, 2025 (Audited) Rs '000
Trade debts			
	- Associated undertakings	47,317,134	48,256,762
Other receivables			
	- Pakistan Telecommunication Employees Trust (PTET)	5,569	59,538
	- Associated undertakings	71,305	71,305
	- Long term loans to executives and key management personnel	81,752	89,119
	Pakistan Telecommunication Employees Trust (PTET)	13,917,648	13,762,801
Trade and other payables			
Trade creditors			
	- Associated Undertakings	5,656,322	5,596,339
	Retention money payable to associated undertaking	2,940	8,993
	Technical assistance services fee payable to Etisalat Pakistan Telecommunication Company Limited	59,437,136	56,116,645
	Employees Gratuity Fund	1,058,164	993,435
	PTML - Gratuity Fund	240,471	186,373
	TP - Gratuity Fund	635,593	598,168
	U Bank - Gratuity Fund	60,066	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 CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 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 condensed consolidated statement of financial position Rs '000
As at March 31, 2026 (Un-Audited)					
Trade debts and contract assets	46,597,789	(3,657,893)	42,939,896	59,298,310	102,238,206
Trade creditors	(4,974,128)	3,657,893	(1,316,235)	(27,084,606)	(28,400,841)
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

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.

21. CORRESPONDING FIGURES

Prior year figure have been re-arranged, wherever necessary, for better presentation and comparison.

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

These condensed consolidated interim financial statements for the three months period ended March 31, 2026 were authorized for issue by the Board of Directors of the Holding Company on April 21, 2026.



Chief Financial Officer



President & CEO



Chairman



Pakistan Telecommunication
Company Limited

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