



Annual Report 2024



THE NEW FIN ANCIAL STATEMENTS

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VISION

We Strive To Win And Never Accept Defeat.

MISSION

To Become The Largest Technology Player By 2027

GROUP CORPORATE VALUES



**Be
Resilient**



**Think
Big**



**Win
Every Battle**



**Value
Success**

Board Of Directors

Mr. Azfar
Manzoor
CHAIRMAN



Mr. Abdulrahim
A. Al Nooryani
NON EXECUTIVE DIRECTOR



Mr. Ahad
Khan Cheema
NON EXECUTIVE DIRECTOR



Dr. Mohamed
Karim Bennis
NON EXECUTIVE DIRECTOR



Mr. Imdad
Ullah Bosal
NON EXECUTIVE DIRECTOR



Ms. Brooke
Marie Lindsay

NON EXECUTIVE DIRECTOR



Mr. Jawad
Paul Khawaja

NON EXECUTIVE DIRECTOR



Mr. Khaled
Hegazy

NON EXECUTIVE DIRECTOR



Mr. Khalid
Murshed

NON EXECUTIVE DIRECTOR



CORPORATE INFORMATION

Management

Mr. Hatem Mohamed Bamatraf
President and Group Chief Executive Officer

Mr. Mohammad Nadeem Khan
Group Chief Financial Officer

Mr. Naveed Khalid Butt
Group Chief Regulatory Officer

Ms. Zahida Awan
Group Chief Legal Officer & Company Secretary

Mr. Jafar Khalid
Group Chief Technology & Information Officer

Mr. Ahmad Kamal
Group Chief Customer Care Officer

Mr. Muhammad Shehzad Yousuf
Chief Retail Sales Officer-Fixed Line

Mr. Shahid Abbas
Group Chief Internal Auditor

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

Syed Mazhar Hussain
Advisor to President and Group CEO

Legal Advisor & Company Secretary

Ms. Zahida Awan
Group Chief Legal Officer & Company Secretary

Bankers

Conventional

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Citibank N.A.
Deutsche Bank A.G.
Industrial and Commercial Bank of China
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
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 Limited
Pak Brunei Investment Company Limited

Islamic

Al Barka Bank (Pakistan) Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited
MCB Islamic Bank Limited

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

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 # 021- 34380101-2
Fax # 021-34380106
Email: info.shares@famcosrs.com

Management Team



**Mr. Muhammad
Shehzad Yousuf**
*Chief Retail Sales
Officer-Fixed Line*



**Mr. Shahid
Abbas**
*Group Chief Internal
Auditor*



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



**Syed Mazhar
Hussain**
*Advisor to President &
Group CEO*



Operating and Financial Highlights

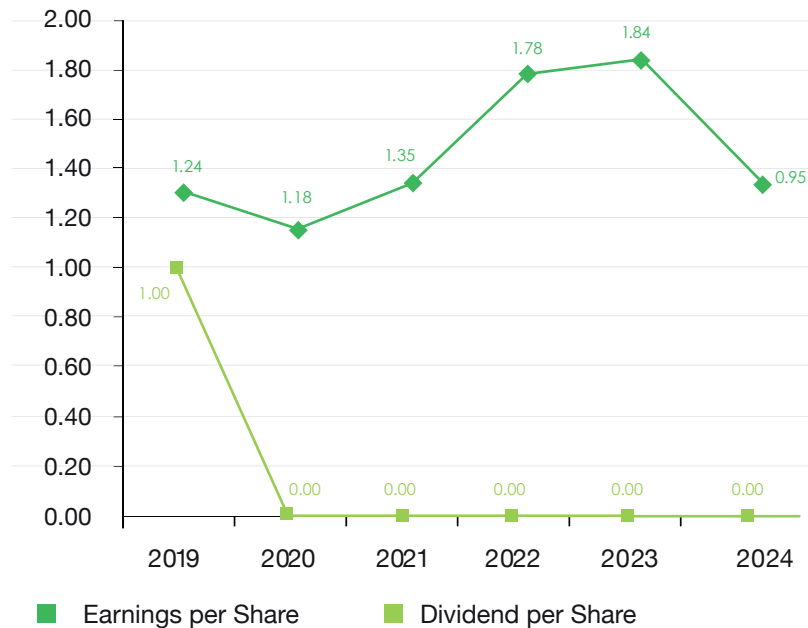
Year ended Dec 31		2024	2023
Key Indicators			
Operating			
Operating profit margin	%	11.37	8.23
Net profit margin	%	4.48	9.75
Performance			
Fixed assets turnover	Times	0.82	0.81
Debtors' turnover	Times	1.90	2.10
Return on equity	%	4.15	8.33
Return on capital employed	%	5.32	3.99
Earnings Retention	%	100.00	100.00
Leverage			
Gearing	Ratio	52:48	48:52
Debt ratio	%	74.85	69.72
Liquidity			
Current	Times	0.73	0.80
Quick	Times	0.70	0.74
Valuation			
Earnings per share	Rs	0.95	1.84
Breakup value per share	Rs	22.57	23.01
Dividend payout ratio	%	-	-
Price earnings ratio	Times	28.82	6.64
Market price to breakup value	Times	1.21	0.53
Dividend per share	Rs	-	-
Dividend Yield	%	-	-
Dividend cover ratio	Times	-	-
Market value per share	Rs	27.27	12.23
Historical Trends			
Operating Results			
Revenue	Rs (m)	107,766	96,267
Profit/ (loss) before tax	Rs (m)	6,885	13,906
Profit/ (loss) after tax	Rs (m)	4,826	9,391
Dividend	Rs (m)	-	-
Financial Position			
Share capital	Rs (m)	51,000	51,000
Reserves	Rs (m)	64,108	66,368
Shareholders' equity	Rs (m)	115,108	117,368
EBITDA	Rs (m)	31,927	26,286
Working capital	Rs (m)	(57,917)	(33,942)
Current assets	Rs (m)	160,037	133,153
Total assets	Rs (m)	457,686	387,602
Non Current Liabilities	Rs (m)	124,625	103,138
Operational*			
ALIS as on Dec 31	No. (000)	2,252	2,345
Average ALIS per employee	No.	156	156
* Exclusive of Primary and Basic Rate interface			

2022	2021	2020	2019
5.85 10.85	5.42 8.94	4.80 8.40	6.90 8.87
0.75 2.48 8.72 3.10 100.00	0.73 3.01 7.10 3.13 100.00	0.69 3.31 6.64 2.72 100.00	0.73 3.88 7.41 4.02 19.65
40:60 63.97	29:71 58.27	27:73 55.45	30:70 55.39
0.83 0.77	0.76 0.71	0.86 0.82	0.87 0.80
1.78 21.19 - 3.44 0.29 - - - 6.10	1.35 19.54 - 6.45 0.45 - - - 8.70	1.18 18.43 - 7.70 0.49 - - - 9.10	1.24 17.21 80.35 7.52 0.54 1.00 10.68 1.24 9.36
83,444 13,513 9,053 -	76,853 9,682 6,874 -	71,804 8,493 6,030 -	71,548 9,331 6,347 5,100
51,000 57,054 108,054 21,882 (21,058) 105,367 305,160 70,681	51,000 48,653 99,653 20,631 (24,662) 79,881 245,735 41,539	51,000 43,010 94,010 19,592 (12,812) 76,744 223,600 40,035	51,000 36,751 87,751 19,986 (10,400) 68,835 209,994 43,008
2,407 156	2,468 153	2,454 151	2,467 156

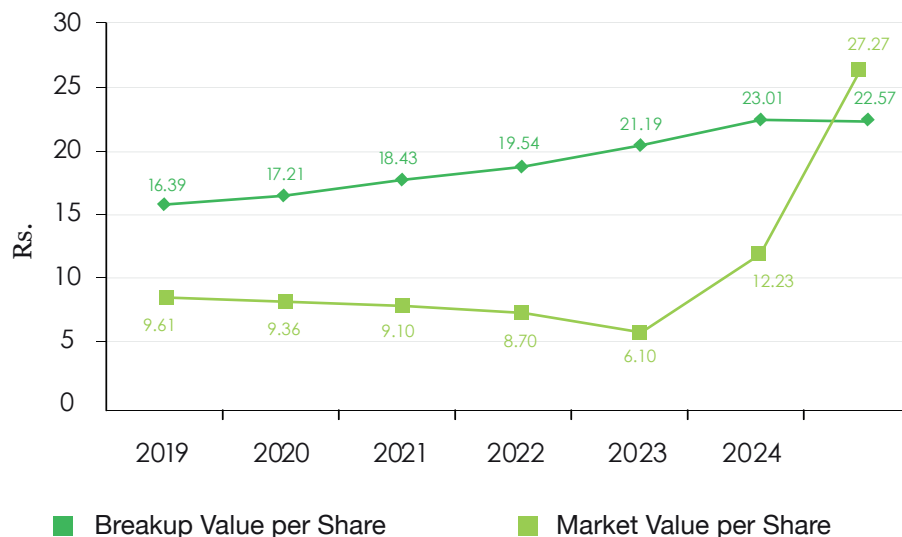
Operating and Financial Highlights

Graphical Presentation

DIVIDEND PAYOUT PER SHARE

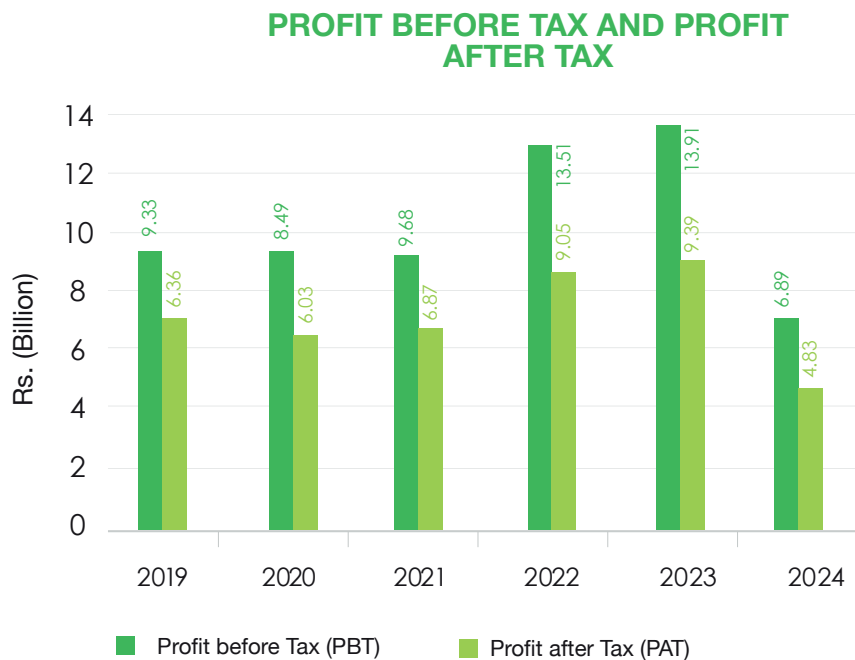
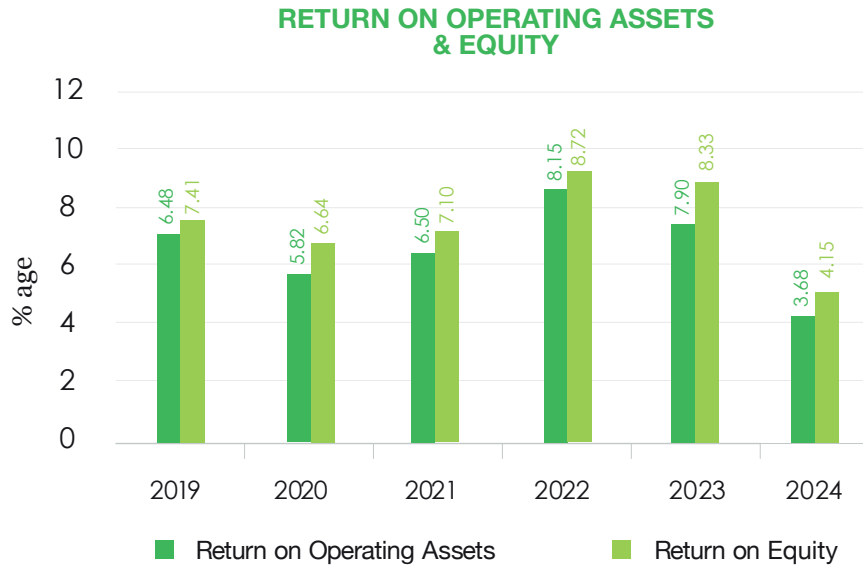


BREAKUP VALUE VS MARKET VALUE



Operating and Financial Highlights

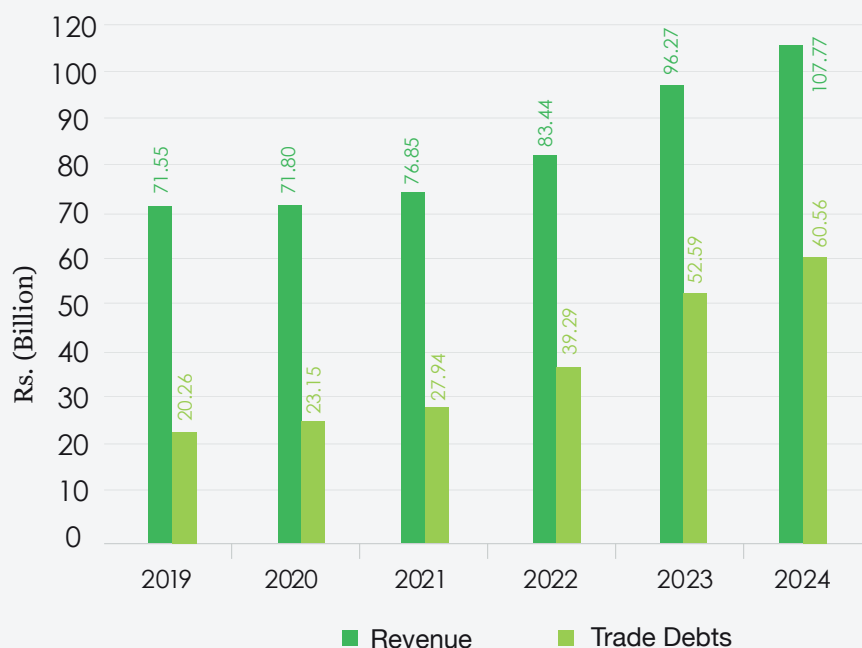
Graphical Presentation



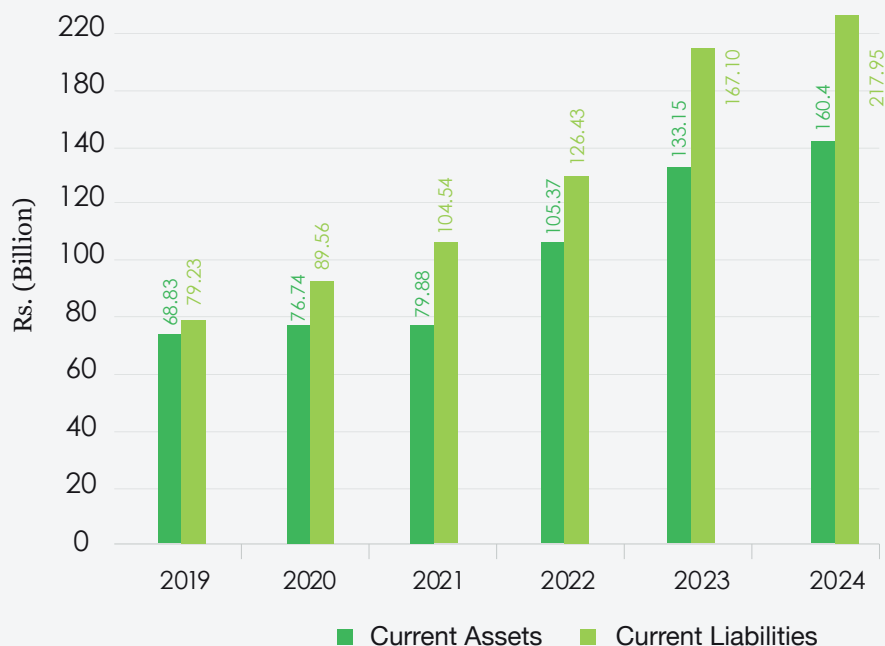
Operating and Financial Highlights

Graphical Presentation

REVENUE AND TRADE DEBTS

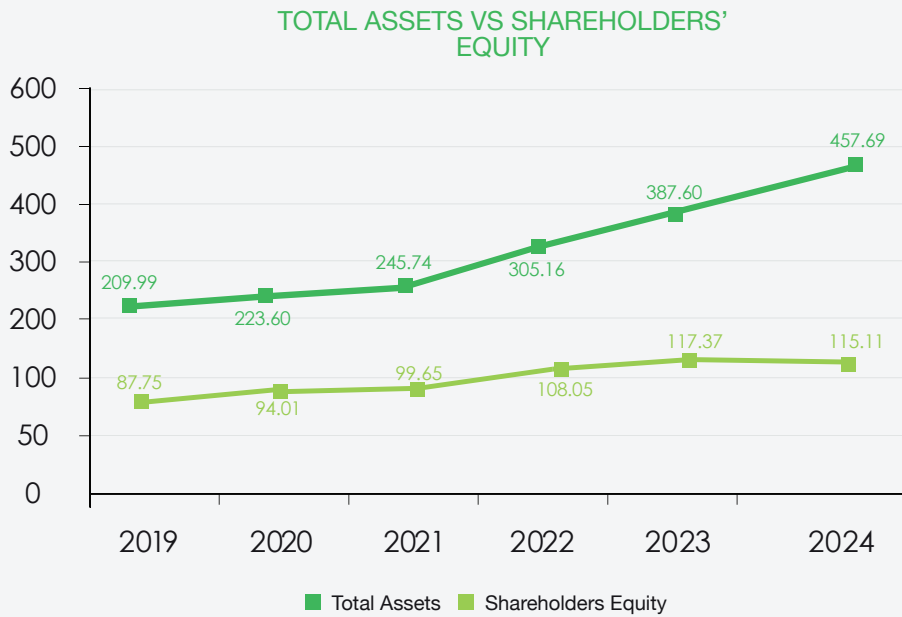


CURRENT ASSETS & CURRENT LIABILITIES



Operating and Financial Highlights

Graphical Presentation





TELEPHONE



CHAIRMAN'S

Review- 2024

The telecommunications sector in Pakistan driven by technological advancements, is witnessing growth due to increased demand for mobile and broadband services, and healthy market competition. Mobile services are expanding, with significant increases in mobile data usage and broadband subscriptions, indicating a shift towards digital connectivity. The sector benefits from innovation and competitive pricing, with improving ARPU (Average Revenue Per User). Broadband penetration is rising, with wireless at 56.58% and total broadband penetration at 58.08%, while mobile subscribers have reached 193 million. Competition among mobile operators is expected to intensify as they aim to increase ARPU and grow their subscriber base, whereas the investments for provision of high-speed data services will be key driving force for the industry.

PTCL Group's performance was driven by strong revenue growth across multiple segments. It retained its position as the leading FTTH operator, holding 36% market share. The mobile segment experienced the highest recharge growth in the industry, fueled by the expansion of 4G services and improved ARPU. Additionally, the Data Center, Cloud, and ICT services reflected a significant growth, supported by a broad customer base that includes public, private, and international clients. PTCL Group achieved an impressive 17% revenue growth and posted revenue of PKR 219.8 billion for the financial year 2024, reinforcing its status as Pakistan's top integrated telecom services provider, driven by strong performance in consumer segments like fixed broadband, mobile data, and wholesale & business solutions. PTCL registered a 12% year-on-year revenue increase, while Ufone (PTML) reported a 25% year-on-year growth. Ufone's improved financial position, supported by strong topline growth and cost optimization measures, enabled it to achieve a positive operating profit with an EBIT of PKR 4.6 billion. U Microfinance Bank (Ubank) was recognized as the Best Microfinance Bank for Islamic Retail Banking Offerings in Pakistan at the 2024 Islamic Retail Banking Awards.

PTCL's revenue for the year reached PKR 107.8 billion, driven by robust growth in fixed-line, wholesale, and business solutions. Flash Fiber, PTCL's premium FTTH service, led the market in 2024, capturing a significant share of the industry's net additions. The company reported an operating profit of PKR 12.2 billion, reflecting a 55% year-on-year growth, and a net profit of PKR 4.8 billion for 2024.

The share purchase agreement signed with Telenor Pakistan in December 2023, is expected to conclude in the first half of 2025, pending regulatory approval and customary conditions.

The PTCL Board of Directors and its sub-committees, through their proactive approach and conscious efforts, have played a key role in providing the roadmap that enabled management to achieve the

Source: PTA website for Industry related numbers.

milestones set for 2024. Throughout the year, the Board and its sub-committees remained mindful of the risks and challenges faced by the Company and the Group. By implementing proactive mitigation strategies and maintaining foresight, they closely monitored the Company's as well as Group's performance through regular meetings. The active engagement of the members provided the management with effective direction, leading to significant improvements in PTCL and PTCL Group's performance. The Board has also been actively pursuing Ubank to develop its transformational strategy, which is expected to drive its turnaround in the coming years, providing a fresh perspective for the Group. We are committed to harnessing our core strengths and directing our efforts to ensure PTCL Group continues to provide innovative solutions that drive growth and enhance the customer experience.

In conclusion, on behalf of the PTCL Board and PTCL Group, I would like to assure all shareholders that we are dedicated to utilizing our expertise to deliver maximum value to PTCL and its shareholders. We look forward to an even more prosperous year ahead for PTCL Group in 2025.



Azfar Manzoor

Chairman, PTCL Board
Islamabad: February 11, 2025



کو بھی زیرنگرانی رکھا۔ اراکین کی فعال شمولیت نے انتظامیہ کو موثر سمت فراہم کی، جس سے پی ٹی سی ایل اور پی ٹی سی ایل گروپ کی کارکردگی میں نمایاں اضافہ ہوا۔ بورڈ یو بینک کی جامع حکمت عملی کی تیاری کے لئے سرگرم ہے، جو آنے والے برسوں میں اس کو تبدیل کردے گی اور گروپ کو نیا منظر نامہ فراہم کرے گی۔ ہم اپنی بنیادی صلاحیتوں کو بروئے کار لاتے ہوئے ان کوششوں کو جاری رکھنے کے لئے پرعزم ہیں جن سے یہ یقینی بنایا جاسکے کہ پی ٹی سی ایل گروپ ترقی کے عمل اور صارفین کے تجربے کو بڑھانے والے جدید حل فراہم کرتا رہے۔

آخر میں، پی ٹی سی ایل بورڈ اور پی ٹی سی ایل گروپ کی جانب سے، میں تمام شیئر ہولڈرز کو یقین دلانا چاہوں گا کہ ہم پی ٹی سی ایل اور اس کے شیئر ہولڈرز کو زیادہ سے زیادہ فائدہ پہنچانے کے لئے اپنی مہارتیں استعمال کرنے کے لیے پرعزم ہیں۔ 2025 کو ہم پی ٹی سی ایل گروپ کے لیے اور بھی منافع بخش سال بنانے کے لیے پرامید ہیں۔

Asif Zaman

اظفر منظور

چیئرمین، پی ٹی سی ایل بورڈ
اسلام آباد: 11 فروری 2025

چیئرمین کا جائزہ-2024

پاکستان میں ٹیلی مواصلات کا شعبہ تکنیکی ترقی کی بدولت موبائل اور براڈ بینڈ خدمات کی بڑھتی مانگ اور صحت مند مارکیٹ مقابلے کی وجہ سے فروغ پارہا ہے۔ موبائل ڈیٹا کے استعمال اور براڈ بینڈ سبسکرپشن میں نمایاں اضافے سے موبائل خدمات بڑھ رہی ہیں، جو ڈیجیٹل رابطوں میں تبدیلی کی نشاندہی کرتی ہے۔ اس شعبے کو اے آر پی یو (اوسط آمدنی فی صارف) کو بہتر بنانے کے ساتھ اختراع اور مسابقتی قیمتوں سے فائدہ ہوتا ہے۔ براڈ بینڈ کی رسائی وائرلیس (موبائل فون) پر 56.58 فیصد جب کہ فکسڈ ڈرائع پر 58.08 فیصد تک پہنچ چکی ہے، جبکہ ملک میں موبائل صارفین 193 ملین تک پہنچ چکے ہیں۔ موبائل آپریٹرز کے درمیان مسابقت مزید بڑھنے کی توقع ہے کیونکہ ان کا مقصد اے آر پی یو اور اپنے صارفین کی تعداد کو بڑھانا ہے، صنعت میں تیز رفتار ڈیٹا خدمات کی فراہمی کے لیے سرمایہ کاری کلیدی محرک ثابت ہوگی۔

متعدد شعبوں کی آمدنی میں خاطر خواہ اضافے کی وجہ سے پی ٹی سی ایل گروپ کی کارکردگی نمایاں رہی۔ اس نے ایف ٹی ایچ آپریٹر کی حیثیت سے 36 فیصد مارکیٹ حصص کے ساتھ اپنی مضبوط پوزیشن برقرار رکھی۔ 4 جی خدمات کی توسیع اور بہتر اے آر پی یو کی وجہ سے یوفون نے صنعت میں سب سے زیادہ ریچارج نموریکارڈ کی۔ مزید برآں عوامی، نجی اور بین الاقوامی صارفین پر مشتمل وسیع صارفین بیس کی بدولت ڈیٹا سینٹر، کلاؤڈ، اور آئی سی ٹی خدمات میں بھی ترقی کی واضح جھلک دیکھی گئی۔ پی ٹی سی ایل گروپ نے مالی سال 2024 میں محصولات میں 17 فیصد کا متاثر کن اضافہ کر کے 219.8 ارب روپے کی آمدنی حاصل کی۔ فکسڈ براڈ بینڈ، موبائل ڈیٹا، اور ہول سیل و بزنس سلوشنز جیسے شعبوں میں بہترین کارکردگی کی وجہ سے پاکستان کے سب سے بڑے مربوط ٹیلی کام خدمات فراہم کنندہ کے طور پر اس کی حیثیت مستحکم ہوئی۔ سالانہ بنیادوں پر پی ٹی سی ایل نے آمدنی میں 12 فیصد جبکہ یوفون (پی ٹی ایم ایل) نے 25 فیصد اضافہ ریکارڈ کرایا۔ یوفون کی مستحکم مالی پوزیشن ٹاپ لائن نمو اور لاگتی اخراجات میں بہتری کے لیے کیے گئے اقدامات کی بدولت ممکن ہوئی، جس نے اسے 4.6 ارب روپے کے EBIT کے ساتھ مثبت آپریٹنگ منافع حاصل کرنے کے قابل بنایا۔ یو مائیکرو فنانس بینک (یو بینک) کو 2024 کے اسلامک ریٹیل بینکنگ ایوارڈز میں پاکستان میں اسلامی ریٹیل بینکنگ پیشکشوں کے لیے بہترین مائیکرو فنانس بینک کے طور پر تسلیم کیا گیا۔

فکسڈ لائن، ہول سیل اور بزنس سلوشنز کی زبردست شرح نمو کے باعث پی ٹی سی ایل کی سالانہ آمدنی 107.8 ارب روپے تک پہنچ گئی۔ پی ٹی سی ایل کی پریمئیم ایف ٹی ایچ سروس نے 2024 میں مارکیٹ کی قیادت کی اور اس شعبے میں خالص اضافے کا بڑا حصہ اپنے نام کیا۔ کمپنی نے 55 فیصد سال بہ سال شرح نمو کے ساتھ 12.2 ارب روپے کا آپریٹنگ منافع رپورٹ کیا اور اس کا خالص منافع سال 2024 کے لیے 4.8 ارب روپے رہا۔

دسمبر 2023 میں ٹیلی نار پاکستان کے ساتھ حصص کی خریداری کے معاہدے پر دستخط کیے، جو کہ ریگولیٹری منظوری اور روایتی شرائط کی وجہ سے زیر التوا ہے تاہم 2025 کی پہلی ششماہی میں اس کی تکمیل کا امکان ہے۔

پی ٹی سی ایل کے بورڈ آف ڈائریکٹرز اور اس کی ذیلی کمیٹیوں کی فعال سوچ اور شعوری کوششوں نے اس روڈ میپ کی تیاری میں کلیدی کردار ادا کیا جس سے انتظامیہ 2024 کے لئے طے شدہ مقاصد (سنگ میل) کو حاصل کرنے میں کامیاب ہوئی۔ سال بھر بورڈ اور اس کی ذیلی کمیٹیاں کمپنی اور گروپ کو درپیش خطرات اور چیلنجز سے آگاہ رہیں۔ انہوں نے دوراندیشی اور باقاعدہ میٹنگوں کے ذریعے مشکلات کے خاتمے کے لئے پالیسیاں نافذ کرتے ہوئے کمپنی کے ساتھ ساتھ گروپ کی کارکردگی

PRESIDENT & GROUP CEO'S (MESSAGE)

We are proud to share that 2024 has been a year of remarkable achievements and transformative milestones for PTCL Group. As we continue our journey to becoming Pakistan's leading techco, we remain dedicated to innovation, customer-centricity, and national digitalization.

One of the most defining moments of 2024 was our continued progress in the acquisition of Telenor Pakistan. With the signing of the Share Purchase Agreement in December 2023, we have taken a significant step forward in redefining the telecom landscape in Pakistan. Once completed, this acquisition will not only expand our reach but also strengthen our capabilities to offer seamless connectivity and a superior digital experience to millions of Pakistanis.

PTCL Group remained steadfast in its commitment to delivering best-in-class services. Our flagship FTTH service, Flash Fiber, has maintained its dominant position in the market, achieving significant growth in new connections. By prioritizing customer experience and aggressive network expansion, Flash Fiber has become synonymous with fast, reliable, and uninterrupted internet services. Similarly, our business solutions segment expanded significantly, with state-of-the-art Data Centers and Public Cloud platforms offering scalable, secure, and efficient digital infrastructure to government institutions, enterprises, and startups.

In 2024, we introduced a range of innovative services tailored to enhance the digital lifestyle of our customers. The launch of the SHOQ TV Box transformed the entertainment experience, offering a diverse selection of content through an Android TV-powered platform. Furthermore, our WhatsApp Bot revolutionized customer support, ensuring seamless self-service options for billing, service management, and product inquiries.

Ufone 4G continued its exceptional performance, with record-breaking growth in subscribers and a strengthened market position. The launch of value-added services, such as international roaming offers and digital financial solutions, reinforced Ufone 4G's position as a customer-centric brand. The digital brand ONIC also witnessed unprecedented success, with exponential growth in subscribers and revenue, proving that the future of telecom is truly digital-first.

Beyond business success, 2024 was a landmark year for PTCL Group in terms of recognition and partnerships. We were honored with multiple prestigious awards, including the GSMA Global Mobile Award for 'Best Mobile Innovation for Emerging Markets' and the SAMENA Telecommunications Council's 'Best Business Strategy and Expansion' award. Additionally, our brand partnerships with national sports icons such as Arshad Nadeem and the Pakistan Hockey Team helped us connect with the nation's youth and reinforce our commitment to sports development.

Corporate social responsibility remained at the heart of our mission. Through our 'Dil Se' platform, we empowered communities with initiatives that truly made a difference. Our 'Ba-Ikhtiar' program continued to uplift women entrepreneurs by providing them with digital tools, financial literacy, and vocational training. We took pride in facilitating the participation of exceptional women entrepreneurs at GITEX Global in Dubai, where they showcased their talent on an international stage.

We also launched impactful community initiatives under 'Act of Kindness,' ensuring access to clean drinking water, providing e-bikes to university-going girls, and enabling the deaf community with an AI-powered early warning system in partnership with GSMA. Our dedication to public health was evident through our collaboration with UNICEF and NEOC on a nationwide polio eradication campaign, leveraging Ufone's extensive network to raise awareness and encourage vaccinations.

Despite global economic uncertainties and industry challenges, PTCL Group remained resilient, adaptive, and

forward-thinking. As we look ahead to 2025, we are confident that our strategic vision, technological advancements, and unwavering commitment to customer satisfaction will drive us to even greater heights.

I extend my deepest gratitude to our valued customers, employees, and partners who have been integral to our success. Your trust and support inspire us to push boundaries, innovate fearlessly, and continue shaping the digital future of Pakistan. Together, we will forge ahead, creating new opportunities and redefining possibilities for the nation.

Thank you for being part of our journey.



**Hatem Mohamed
Bamatraf**

President and Group Chief Executive Officer
Islamabad: February 11, 2025



یونیسف (UNICEF) اور NEOC کے ساتھ تعاون حصول صحت عامہ کی ہماری لگن کا شاخصانہ ہے۔ جس میں آگاہی بڑھانے اور ویکسینیشن کی حوصلہ افزائی کے لیے یوفون کے وسیع نیٹ ورک کا استعمال کیا گیا۔

عالمی سطح پر غیر یقینی اقتصادی صورتحال اور صنعت کے درپیش چیلنجز کے باوجود پی ٹی سی ایل گروپ پر عزم، موافقت پذیر اور مستقبل کی سوچ کا حامل رہا۔ جیسا کہ ہم 2025 کی طرف دیکھتے ہیں ہمیں یقین ہے کہ ہمارا اسٹریٹجک نکتہ نظر، تکنیکی مہارت، اور صارفین کے اطمینان کے لیے غیر متزلزل عزم ہمیں مزید بلندیوں تک لے جائے گا۔

میں اپنے قابل قدر صارفین، ملازمین اور شراکت داروں کا دل سے شکریہ ادا کرتا ہوں جو ہماری کامیابی کا لازمی حصہ رہے ہیں۔ آپ کا اعتماد اور حمایت ہمیں اپنی حدود سے آگے بڑھنے، بے خوف ہو کر اختراعی عمل جاری رکھنے اور پاکستان کے ڈیجیٹل مستقبل کی تشکیل کی ترغیب دیتی ہے۔ ہم مل کر آگے بڑھیں گے، نئے مواقع پیدا کریں گے اور قوم کے لیے امکانات کو نئی جہد پر لے جائیں گے۔



حاتم محمد با مطرف

پریزیڈنٹ اینڈ گروپ

چیف ایگزیکٹو آفیسر

اسلام آباد: 11 فروری 2025

صدر اور گروپ سی ای او کا پیغام

ہمیں یہ بتانے پر فخر ہے کہ 2024 پی ٹی سی ایل گروپ کے لیے قابل ذکر کامیابیوں اور تبدیلی کا سال رہا ہے۔ جیسا کہ ہم پاکستان کی سرکردہ ٹیک کمپنی بننے کا اپنا سفر جاری رکھے ہوئے ہیں، ہم جدت طرازی، صارفین پر مرکوز توجہ اور قومی ڈیجیٹلائزیشن کے لیے پُر عزم ہیں۔

2024 کے سب سے اہم لمحات میں سے ایک ٹیلی نار پاکستان کے حصول میں ہماری مسلسل پیش رفت تھی۔ دسمبر 2023 میں حصص کی خریداری کے معاہدے پر دستخط کے ساتھ، ہم نے پاکستان میں ٹیلی کام شعبے کے منظر نامے کو نئی سمت فراہم کرنے کی جانب اہم پیش رفت کی۔ اس کے حصول سے ناصرف ہماری رسائی کو وسعت ملے گی بلکہ لاکھوں پاکستانیوں کو ہموار رابطے اور ایک اعلیٰ ڈیجیٹل تجربہ پیش کرنے کی ہماری صلاحیتیں بھی مزید مستحکم ہوں گی۔

پی ٹی سی ایل گروپ بہترین معیار کی خدمات فراہم کرنے کے اپنے عزم پر ثابت قدم رہا۔ ہماری فلیگ شپ ایف ٹی ایچ سروس، فلیش فائبر نے نئے صارفین میں نمایاں اضافے کے ساتھ مارکیٹ میں اپنی غالب پوزیشن کو برقرار رکھا۔ صارفین کے تجربے اور جارحانہ نیٹ ورک کی توسیع کو ترجیح دے کر، فلیش فائبر تیز، قابل اعتماد اور بلا تعطل انٹرنیٹ سروس کی پہچان بن گیا ہے۔ اسی طرح، ہمارے بزنس سلوشن کے شعبے نے بھی نمایاں فروغ پایا، جس کے جدید ترین ڈیٹا سینٹرز اور پبلک کلاؤڈ پلیٹ فارم سرکاری اداروں، کاروباری اداروں اور اسٹارٹ اپس کو محفوظ اور موثر ڈیجیٹل انفراسٹرکچر فراہم کرتے ہیں۔

2024 میں ہم نے اپنے صارفین کے ڈیجیٹل طرز زندگی کو بڑھانے کے لیے جدید خدمات کی ایک رینج متعارف کرائی۔ شوق ٹی وی باکس کے آغاز نے تفریحی تجربے کو تبدیل کر دیا، جو کہ اینڈرائیڈ ٹی وی سے چلنے والے پلیٹ فارم کے ذریعے متنوع مواد کا انتخاب کرنے میں مدد فراہم کرتا ہے۔ اس کے علاوہ ہمارے واٹس ایپ بوٹ نے صارفین سپورٹ میں انقلاب برپا کیا، بلنگ، سیلف سروس مینجمنٹ اور پروڈکٹ سے متعلق معلومات کے لیے بلا رکاوٹ سیلف سروس کو یقینی بنایا۔

یوفون 4 جی نے صارفین میں ریکارڈ اضافے اور مارکیٹ کی مضبوط پوزیشن کے ساتھ اپنی غیر معمولی کارکردگی جاری رکھی۔ بین الاقوامی رومنگ آفرز اور ڈیجیٹل فنانشل سلوشنز جیسی ویلیو ایڈڈ سروسز کے آغاز نے یوفون 4 جی کی پوزیشن کو مزید مستحکم بنایا۔ ڈیجیٹل برانڈ ONIC بھی غیر معمولی کامیابی سے ہمکنار ہوا۔ اس کے صارفین اور آمدن میں غیر معمولی اضافہ اس امر کا مظہر ہے کہ حقیقی معنوں میں ٹیلی کام کا مستقبل ڈیجیٹل فرسٹ ہے۔

حصول کاروباری کامیابیوں سے علاوہ ازیں، 2024 پی ٹی سی ایل گروپ کی خدمات کے اعتراف کے تناظر اور شراکت داری کے لحاظ سے ایک اہم سال رہا۔ ہمیں متعدد باوقار ایوارڈز سے نوازا گیا، جن میں جی ایس ایم اے (GSMA) گلوبل موبائل ایوارڈ برائے بیسٹ موبائل انوویشن فار ایمرجنگ مارکیٹس، اور سمینا (SAMENA) ٹیلی کمیونیکیشن کونسل کا 'بیسٹ بزنس اسٹریٹیجی اینڈ ایکسپینشن' کا ایوارڈ شامل ہے۔ اس کے علاوہ ارشد ندیم اور پاکستان ہاکی ٹیم جیسے قومی کھیلوں کے آئیکنز کے ساتھ ہماری برانڈ شراکت داری نے ہمیں ملک کے نوجوانوں سے جڑنے اور کھیلوں کی ترقی کے لیے ہمارے عزم کو تقویت دینے میں مدد کی۔

کارپوریٹ سماجی ذمہ داری ہمارے مشن کا مرکزی حصہ رہی۔ ہم نے 'دل سے' پلیٹ فارم کے ذریعے کئے گئے موثر اقدامات سے کمیونٹیز کو بااختیار بنایا جو واقعی پُراثر رہا۔ ہمارے 'بااختیار' پروگرام نے کاروبار سے منسلک خواتین کو ڈیجیٹل ٹولز، مالیاتی سوجھ بوجھ اور پیشہ ورانہ تربیت فراہم کر کے ان کی ترقی کا عمل جاری رکھا۔ ہمیں دبئی میں جی آئی ٹی ای ایکس گلوبل میں باصلاحیت کاروباری خواتین کی شرکت کو آسان بنانے پر فخر ہے، جہاں انہوں نے بین الاقوامی سطح پر اپنی صلاحیتوں کا مظاہرہ کیا۔

ہم نے "نیکی کا عمل" (ایکٹ آف کائنات) کے تحت پینے کے صاف پانی تک رسائی یقینی بنانے، یونیورسٹی جانے والی لڑکیوں کو ای بائیک کی فراہمی، اور جی ایس ایم اے کی شراکت سے قوت سماعت سے محروم افراد کو آئی سے چلنے والے ابتدائی انتہائی نظام کے استعمال کے قابل بنانے جیسے موثر سماجی اقدامات بھی شروع کیے۔ ملک گیر سطح پر پولیو خاتمے کی مہم میں ہمارا



FIBER-TO- THE -HOME (FTTH)

PTCL provides high-speed internet access to all mobile operators of the country through its FTTH services.



DIRECTORS' REPORT

The Directors of Pakistan Telecommunication Company Limited (PTCL) are pleased to present the Annual Report, along with the audited financial statements and the auditors' report, for the year ended December 31, 2024.

PTCL Group delivered an outstanding double-digit revenue growth of 17% in the financial year 2024. The Group's exceptional performance reaffirms its position as Pakistan's leading integrated telecom service provider.

PTCL's revenue surged to Rs 107.8 billion, reflecting a 12% increase from 2023, driven by strong growth in Fixed-line, Wholesale, and Business Solutions. Flash Fiber, PTCL's premium FTTH service, dominated the market in 2024, securing a substantial share of the industry's net additions. The company reported an operating profit of Rs 12.2 billion, marking a 55% growth over the previous year, and a net profit of Rs 4.8 billion for 2024.

An overview of the Company's performance during the year is outlined below.

Industry Outlook

In 2024, Pakistan's economy stabilized under an IMF-led plan, with key indicators showing significant improvement. Inflation and policy rates declined notably, the PKR maintained stability against the US Dollar, and GDP growth remained steady. The telecom sector navigated a dynamic landscape shaped by economic recovery, regulatory reforms, and shifting consumer preferences. While resilient, the industry faced challenges such as low ARPU levels, rising operational costs, and expensive imported equipment. Despite these hurdles, the telecom sector continued to be a key driver of digital transformation, financial inclusion, and enterprise connectivity, playing a pivotal role in the nation's economic advancement.

Cellular subscriptions grew to 193 million, a 2% increase from last year, with teledensity reaching 80%. Mobile broadband adoption expanded by 11% year-on-year, surpassing 138 million subscribers, driven by increasing digital service adoption and smartphone penetration. The number of 4G subscribers rose significantly, pushing 4G penetration to 63.3%. Ufone 4G showcased remarkable resilience, expanding its subscriber base to over 26 million—achieving a 4% increase compared to the industry's 2% growth. The company enhanced monetization through strategic data bundles and premium services, supporting ARPU growth. ONIC, Ufone 4G's digital-first brand, gained strong traction among tech-savvy consumers.

Fixed broadband subscriptions grew to 3 million, reflecting 24% growth in 2024. PTCL's continued investment in Flash Fiber accelerated fiber expansion, strengthening its market leadership with over 650K subscribers and the highest net additions in the industry. The transition from copper to fiber reshaped the fixed broadband landscape, enhancing network reliability and service quality. By the end of 2024, PTCL's total fixed broadband subscribers reached approximately 1.7 million, driven by growing household demand for high-speed internet and enterprise connectivity.

The industry contended with persistent cost pressures due to high energy tariffs and operational expenses, prompting telecom operators to implement cost-optimization strategies. Regulatory and taxation challenges, including high GST on telecom services and digital levies, further impacted affordability and investment potential. Operators focused on ARPU enhancement, cost efficiencies, and network modernization to sustain profitability. PTCL Group spearheaded fiber expansion efforts, reinforcing its infrastructure to support next-generation connectivity solutions.

Looking ahead, the telecom sector is poised for sustained growth, with key opportunities in 5G readiness and fiber network expansion. The industry continues to experience a surge in data consumption and digital services, with increasing demand for OTT platforms, video streaming, e-commerce, and business solutions. Additionally, the rising need for cloud computing, data centers, and ICT services—particularly among enterprises and SMEs—underscores the strategic role of telecom operators in Pakistan's digital transformation.

PTCL Group remains at the forefront of this evolution, leveraging its robust infrastructure and expertise to

enhance service offerings and support businesses in their digital acceleration journey. With a customer-centric approach, operational resilience, and strategic expansion, the Group is well-positioned to navigate challenges and capitalize on emerging opportunities in the evolving telecom landscape.

Financial Performance

PTCL Group posted a revenue of Rs 219.8 billion, driven by robust growth in consumer segments, including fixed broadband, mobile data, wholesale, and business solutions.

The Group's sustained topline growth and rigorous cost optimization measures resulted in a 169% increase in operating profit. Due to higher finance costs compared to the previous year, the Group reported a net loss of Rs 14.4 billion; however, this marks a 14% improvement over last year.

Revenues

PTCL maintained its strong financial performance in 2024, achieving a record-breaking annual revenue of Rs 107.8 billion, a 12% year-on-year increase from 2023. This growth was primarily driven by outstanding performance in broadband, wholesale, and business solutions.

PTCL's aggressive FTTH expansion enhanced its exceptional topline growth. Building on last year's momentum, PTCL prioritized delivering the fastest and most reliable internet services through its flagship FTTH brand, "Flash Fiber." This customer-centric strategy solidified PTCL's market dominance, capturing the majority share of net additions in the FTTH segment. The fixed broadband business recorded a 20% year-on-year growth, while Flash Fiber witnessed an unprecedented 104% year-on-year expansion.

In 2024, PTCL Group further cemented its position as Pakistan's premier digital enabler by significantly expanding its cutting-edge Data Centers and Public Cloud platforms, encompassing IaaS, PaaS, and SaaS. The company enhanced its enterprise offerings, delivering secure, scalable, and efficient Multi-Cloud solutions through its nationwide infrastructure to a diverse clientele, including government bodies, public and private institutions, major banks, startups, and system integrators. PTCL's commitment to innovation was evident in its next-generation Data Centers and Cloud Platforms, ensuring seamless connectivity, robust data security, faster processing speeds, and reliable disaster recovery solutions.

Ufone 4G achieved a 25% year-on-year growth in topline revenue during 2024, demonstrating remarkable resilience and expansion across multiple fronts. This growth was propelled by an enhanced customer experience and strategic digital engagement through data-centric products and key partnerships with leading digital platforms. Ufone 4G's impressive growth underscores its commitment to customer excellence and digital innovation.

Profitability

The company reported an operating profit of Rs 12.2 billion, reflecting a 55% growth over last year, and a net profit of Rs 4.8 billion for 2024. PTCL's earnings per share (EPS) for the year are Rs 0.95.

Ufone 4G achieved a positive operating profit with an EBIT of PKR 4.6 billion representing a 194% increase as compared to last year.

PTCL Group's reported a net loss of Rs 14.4 billion, reflecting an improvement of 14% compared to the previous year.

Cash Flows

PTCL strategically utilized its cash flows toward expanding its FTTH network to capitalize on the increasing demand for high-speed internet. Simultaneously, efforts were made to maintain copper network to sustain revenue streams and acquire customers in areas without FTTH coverage. Targeted investments were also directed toward strengthening the business services segment to drive revenue growth. In parallel, Ufone 4G

continued expanding its 4G network, optimizing spectrum utilization to enhance mobile internet services. PTCL Group's comprehensive strategy reflects its commitment to maintaining competitiveness and addressing evolving consumer demands.

Appropriations

No dividend was recommended by the Board of Directors for the financial year 2024 in view of the company's requirement for network expansion of PTCL's FTTH and Ufone 4G's, other network upgrade requirements and investment in subsidiaries.

Other Matters

There are no material changes and/or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

Your attention is drawn to note 14.7 of PTCL's financial statements as well as note 18.7 of the consolidated financial statements for the year, which explain that the matters relating to certain employees' rights under the PTCL pension scheme are pending with various courts, as highlighted by the external auditors in their audit reports.

PRODUCTS & SERVICES – CONSUMERS

The year 2024 has been a transformative one for PTCL Group, marked by remarkable achievements and significant milestones. Committed to delivering exceptional services, the organization continues to drive innovation, enhance customer satisfaction, and spearhead Pakistan's digital transformation. With an unwavering focus on becoming the country's leading technology company, PTCL Group has strengthened its position as a pioneer in the industry.

Wireline Broadband

PTCL's strategic expansion of its Fiber-to-the-Home (FTTH) network has been a key driver of its impressive revenue growth, reinforcing its position as the leading provider of home internet connectivity. Building on last year's momentum, PTCL's flagship Flash Fiber brand has set new benchmarks in speed and reliability, significantly enhancing customer satisfaction. This customer-first approach has enabled PTCL to capture a substantial share of FTTH subscribers, accounting for approximately 50% of industry net additions.

In 2024, PTCL's fixed broadband segment achieved an outstanding 20% year-over-year growth, with Flash Fiber experiencing an exceptional 104% increase. The company now serves over 650,000 FTTH subscribers, with ongoing network expansion delivering remarkable results. More than 1.5 million homes are now Flash Fiber-ready, underscoring PTCL's continued commitment to advancing Pakistan's high-speed internet infrastructure.

SHOQ

Beyond broadband, PTCL Group introduced the SHOQ TV Box, powered by Android TV by Google. This cutting-edge product is designed to redefine the TV viewing experience, offering an enriched mix of entertainment and news. PTCL has also led the way with the industry's first-ever cord-cutting initiative, enabling IPTV multicast transmission over wireless networks—setting new standards for digital entertainment.



WhatsApp Bot – A Game-Changer in Customer Service

As an industry-first initiative, PTCL's WhatsApp Bot has revolutionized customer service by streamlining interactions and enhancing user convenience. This AI-powered solution allows users to subscribe to speed bolt-ons instantly, register and track complaints effortlessly, access billing details, and make bill payments through PTCL's groundbreaking partnership with PayFast. With these innovations, PTCL continues to push boundaries, offering customers a seamless and more efficient digital experience.



PRODUCTS & SERVICES - BUSINESS

As a trailblazer in the telecommunications industry, PTCL Business Solutions continues to push the boundaries of innovation, solidifying its position as the undisputed technology leader in the B2B telecom market. The business segment achieved 11% YoY growth. By leveraging state-of-the-art solutions, cutting-edge infrastructure, and an unwavering commitment to digital transformation, we empower businesses to thrive in an increasingly interconnected world. In 2024, we achieved major milestones in cloud services and ICT solutions, including the successful deployment of Pakistan's first banking cloud. Our cloud offerings have redefined industry benchmarks for scalability, security, and performance, enabling businesses to transition seamlessly into hybrid and multi-cloud environments. These accomplishments underscore our ability to deliver transformative solutions that meet the evolving needs of our clients, ensuring they maintain a competitive edge in a dynamic marketplace.

Enterprise Solutions

PTCL Enterprise Solutions remained on track with several key initiatives and projects. The focus remained on expanding our existing portfolio—Cloud & Connectivity—while making inroads into emerging domains such as IoT and terminals. While our core offerings continued to serve businesses through connectivity, managed services, and cloud & security solutions, we also made a significant impact in the wireless connectivity sector, securing one of the largest GSM customers in the market and ensuring seamless connectivity for pilgrims during their sacred journey. Additionally, PTCL played a crucial role in powering a Safe City infrastructure, reinforcing security and surveillance capabilities through its robust network. Thanks to PTCL's trusted brand reputation, we are also managing the surveillance and security infrastructure of a major bank.

In 2024, Enterprise Solutions sustained consistent growth, securing strategic ICT and cloud projects while expanding its core connectivity business across both public and private sectors. This success grew by an aggressive sales strategy, innovative product management, and an unwavering focus on customer needs, allowing PTCL to broaden its customer base and penetrate new market segments.

As a key driver of Pakistan's digital transformation, PTCL has expanded its Enterprise Solutions portfolio beyond connectivity, positioning itself as a trusted digital partner for businesses. In alignment with its digital-first vision, PTCL expanded its corporate customer base by introducing pioneering IoT solutions, including U-Telematics and U-PTT. Additionally, we entered the Device-as-a-Service (DaaS) segment, offering IoT terminals bundled with connectivity, further strengthening customer engagement and retention.

With a sharp focus on acquiring new enterprise customers across diverse industries, PTCL successfully entered the Fintech sector, facilitating seamless transactions through handheld POS devices powered by PTCL's connectivity and integrated with Terminal Management Systems (TMS). Today, PTCL serves ICT and Cloud customers across key industries such as education, finance, healthcare, and FMCG. As the national carrier, PTCL continues to position itself as a key enabler of Pakistan's digital ecosystem, dedicated to accelerating digital transformation for businesses. Looking ahead, we remain committed to leveraging strategic partnerships with leading technology providers to deliver future-ready, cutting-edge solutions.

International Solutions

PTCL International Solutions has further strengthened its position as a leader in the telecommunications sector, driving innovation, expanding connectivity, and delivering unparalleled value to its customers. With a strategic focus on data centers, hyper-scaler connectivity, and next-generation technologies, we have achieved significant milestones that reflect our commitment to excellence and growth.

In alignment with global digital transformation trends, PTCL International Solutions has prioritized the expansion of hyper-scaler connectivity and the development of state-of-the-art data centers. By hosting nodes for global content and gaming providers, we have significantly enhanced the customer experience, reduced latency, and ensured seamless connectivity.

A key highlight of the year was the successful finalization of the A2P SMS contract with e&UAE. This strategic partnership not only secures long-term revenue but also introduces advanced firewall implementations, strengthening network security and ensuring reliable service. This collaboration underscores PTCL's commitment to leveraging global alliances to drive revenue growth while delivering secure, high-quality messaging solutions.

Additionally, the PTCL/Ufone 4G wholesale team made remarkable strides in expanding 5G (NSA) and LTE footprints worldwide. In 2024, we successfully extended 5G NSA services to 13 countries and expanded LTE coverage to over 50 destinations, reinforcing PTCL's role as a key player in the global telecommunications landscape.

Building on extensive terrestrial connectivity corridors with neighbouring countries, PTCL remains committed to becoming a regional transit hub for data and voice connectivity. This year, we capitalized on the Pak-China corridor (CPEC) for Trans-Pakistan Connectivity monetization, unlocking new revenue streams and fostering regional collaboration. Additionally, the expansion of submarine cable capacity has further strengthened digital sovereignty and international connectivity. PTCL's launch of PIE Karachi (powered by De-CIX) is set to revolutionize regional connectivity and data exchange.

Amid evolving industry challenges—such as OTT proliferation and grey traffic termination—PTCL International Solutions has demonstrated resilience by proactively collaborating with regulatory bodies like PTA, CMOs, and the LDI industry. This ensures the protection of voice business revenues while maintaining service excellence. Moving forward, PTCL International Solutions remains dedicated to driving innovation, expanding connectivity, and delivering exceptional value, reinforcing its role as a leader in the global telecom landscape.

Carrier Solutions

In FY 2024, PTCL Carrier Wholesale Business continued to strengthen strategic partnerships with all major telecom industry players, including Cellular Mobile Operators, LDI/FLL providers, Telecom Infrastructure providers, ISPs, and defence institutions.

With a state-of-the-art international submarine cable network, comprising four diverse routes (AAET, SMW4, IMEWE, and PEACE) and a new cable, Africa-1, in the pipeline, PTCL is well-positioned to cater to the nation's growing data needs. Additionally, PTCL's nationwide fiber-optic network, equipped with multiple redundant links, resilient core networks, metro access, and Tier-3 certified data centers, has solidified its reputation as the partner of choice for the carrier industry.

Recognizing the growing demand for carrier-grade ICT solutions, PTCL expanded its portfolio beyond connectivity, introducing Managed Security, Managed DDoS, Managed DNS, CDN-as-a-Service, and Carrier-neutral IXP services in collaboration with leading ICT suppliers. This transformation positions PTCL as a comprehensive solution provider rather than just a connectivity provider.



SME Solutions

Committed to excellence, PTCL SME Solutions maintained its strong growth trajectory in FY 2024 by strategically enhancing its product portfolio, elevating customer experience, and optimizing operational efficiency.

The digitalization of the Lead-to-Cash sales journey has improved operational transparency, enabling real-time monitoring of key performance metrics such as Mean Time to Provision (MTTP) and Mean Time to Resolve (MTTR). Additionally, the end-to-end customer support journey was revamped, including an upgraded IVR system and a dedicated short code (4000) for PTCL and Ufone 4G networks, ensuring seamless accessibility.

PTCL SME Solutions also pioneered next-generation technologies, rolling out m-Wi-Fi, NG Firewalls, and SaaS solutions to enhance operational efficiency and security for SMEs. A groundbreaking milestone was the deployment of Pakistan's first 5G-ready Digital Indoor System (DIS) for indoor mobility coverage in residential

and commercial projects. Additionally, PTCL developed ISP-as-a-Service, extending its reach beyond fixed-line infrastructure to tap into untapped market potential.

This progressive strategy underscores PTCL Group's commitment to driving digital transformation for SMEs, ensuring businesses receive value-added services beyond conventional connectivity.

SUPPORT FUNCTIONS

Network Infrastructure

The year 2024 has been a landmark period for PTCL Group, defined by groundbreaking technological advancements that have laid a strong foundation for future growth. The company has successfully executed strategic initiatives focused on network expansion, capacity enhancement, and the deployment of cutting-edge solutions to drive both commercial success and operational efficiency.

In the fixed broadband segment, PTCL achieved record-breaking milestones, delivering 500,000 FTTH home passes in 2024. This success was driven by meticulous planning, early ODN design provisioning, precise ISP forecasting, and efficient inventory management. The rapid expansion of GPON also facilitated the strategic fiberization of 238 Ufone 4G sites, contributing to PTCL's 5G readiness roadmap. Additionally, the successful deployment of the ONT Network Locking solution across existing vendors has effectively mitigated device pilferage, addressing critical commercial demands.

A breakthrough in transport infrastructure was the launch of PTCL's Super Core Transport Network, delivering 300/400G per wavelength over an ultra-long-haul network. Designed with industry-leading resilience, this network can withstand up to seven simultaneous physical fiber cuts, ensuring unparalleled reliability and performance.

These achievements underscore PTCL's unwavering commitment to innovation, efficiency, and service excellence. As we move into 2025, we remain focused on strengthening our network capabilities, embracing next-generation technologies, and delivering an unmatched customer experience.

Information Technology

PTCL excelled in executing projects that propelled digital transformation, enhanced operational efficiency, and elevated customer experiences. The successful implementation of major initiatives across IT Transformation, Cloud, Enterprise Data Network, Contact Center, and IT Platform Services reflects PTCL's commitment to technological innovation and business agility.

Under the IT Transformation Program, PTCL revamped its Fixed Product Portfolio, aligning offerings with business objectives and driving revenue growth through key strategic initiatives. A major breakthrough in supply chain management was the implementation of serialized inventory for Broadband GPEs, enabling end-to-end tracking and improved operational efficiency.

Customer experience was significantly enhanced through a Proactive Care approach for Broadband Services, reducing customer complaints via preventive measures. Additionally, the successful replacement of the legacy Unica Campaign Management System with a new Customer Value Management (CVM) System resulted in a 100%+ increase in customer engagement.

In Data Center Operations, PTCL reinforced its leadership by completing a 90-rack Data Center readiness project and obtaining TIA-942-C Rated 3 and ISO 9000 certifications, solidifying its position as Pakistan's largest certified co-location provider. The company also upgraded its Cloud Services infrastructure, achieving PCI DSS accreditation, ensuring the seamless migration of critical workloads with zero downtime.

The Enterprise Data Network (EDN) underwent a major infrastructure refresh at the CDC, incorporating SDN

solutions like ACL and next-generation firewalls, significantly improving security, agility, and efficiency. Meanwhile, IT Platform Optimizations saw the migration of OSS/BSS workloads to IBM Power10 servers and the deployment of Red Hat OpenShift, boosting scalability, performance, and cost efficiency.

The Contact Center domain witnessed a transformative upgrade with the migration to UCCE 12.6, integrating AI capabilities to optimize customer interactions, reduce response times, and onboard new BPO clients seamlessly. These accomplishments reaffirm PTCL's dedication to continuous innovation, operational excellence, and customer-centric service enhancement, positioning the company as a leader in Pakistan's digital transformation journey and a trusted partner for businesses nationwide.

People & Organization

In 2024, PTCL Group remained steadfast in cultivating a winning culture anchored in our corporate values—Be Resilient, Think Big, Win Every Battle, and Value Success. These principles were further reinforced through the Values in Action program, an experiential learning initiative designed for both management and non-management employees. This program fostered a culture of excellence, encouraged innovation, and promoted continuous professional growth across the organization.

Our unwavering commitment to employee engagement and workplace excellence was exemplified by an exceptional 78% engagement score in the Employee Voices Survey, surpassing both global and technology industry benchmarks. This remarkable achievement reflects the successful integration of our corporate values into the employee experience, solidifying PTCL Group's reputation as an employer of choice in the telecom sector.

Leadership engagement remained pivotal in fostering a dynamic and inclusive work environment. The Breakfast Series, an interactive platform that enabled employees to engage directly with leadership, continued to promote open dialogue, collaboration, and accountability. Prioritizing employee well-being, we dedicated an entire quarter to initiatives aimed at enhancing both mental and physical health. Programs such as Wellness Wednesdays and Team Days strengthened workplace relationships and promoted a holistic approach to well-being, enriching the overall employee experience.



PTCL Group reaffirmed its commitment to continuous learning and leadership development, achieving an impressive 123,551 learning hours, including 37,214 digital learning hours. Key initiatives, such as the Leadership Expectations Immersive Program for Vice Presidents, provided an in-depth understanding of the Leadership Expectations Model, helping shape the organization's leadership DNA. Additional programs, including the Leadership Academy for Directors and the People Manager Toolkit Workshops, were tailored to strengthen leadership capabilities at all levels. These comprehensive initiatives played a vital role in cultivating a resilient, future-ready leadership pipeline, equipping our leaders with the skills needed to navigate an ever-evolving business landscape.

Significant strides were made in talent management and employee recognition throughout 2024. To further embed a culture of appreciation, PTCL Group expanded its digital recognition initiatives, celebrating

employees with awards such as On-the-Spot Awards, Star of the Month, and Alpha of the Quarter.

Our talent management framework was further strengthened, facilitating over 400 talent moves through the Talent Management Suite. These included leadership advancements, lateral movements, secondments, attachments, and stretch assignments, ensuring that employees had ample opportunities for professional growth.



Our commitment to Diversity, Equity, and Inclusion (DEI) remains focused on gender, youth, and disability inclusion. As part of our progressive approach, we introduced the DEI Charter, a transformative framework designed to drive sustainable and meaningful change. This charter reinforces our dedication to inclusive hiring practices, leadership development, and equitable growth opportunities, fostering a workplace where individuals from all backgrounds feel valued, respected, and empowered. Beyond the workplace, we leverage digital and financial inclusion to bridge accessibility gaps, empower underrepresented communities, and create widespread social impact.

Through impactful DEI initiatives—such as the International Day of People with Disabilities, the Breast Cancer Awareness Campaign (Pinktober 2024), and International Women's Day—PTCL Group continues to champion workplace diversity and employee well-being. These efforts not only foster an inclusive corporate culture but also contribute to a broader societal vision where women and marginalized groups have equal opportunities to succeed.

As we advance this transformation, our vision remains clear: to be a catalyst for sustainable gender inclusion, paving the way for a more equitable and progressive future. Together, we are building a world of equal opportunities.

A robust Health, Safety, and Environmental (HSE) framework remained central to our operations in 2024. Key initiatives included the strengthening of safety protocols through risk webinars, emergency mock drills, and digital safety courses. The establishment of the HSE & Sustainability SteerCo, led by the President & Group CEO, played a crucial role in implementing life-saving rules, waste management programs, and workplace safety policies. Additionally, the publication of a biennial report covering GHG emissions, sustainability initiatives, CSR contributions, and solar energy projects reinforced PTCL Group's commitment to environmental responsibility. Enhancements to the HSE Reporting & Incident Management Tool further streamlined incident tracking and resolution processes.



Digital innovation remained a key strategic priority, driving significant advancements in fleet management and employee services. The launch of the #MyRide Fleet Management Solution transformed vehicle booking, driver database management, and real-time tracking. Additionally, 1,900 vehicles were successfully migrated to an advanced tracking platform, integrating geo-fencing and event-based alerts to enhance operational efficiency. Nationwide training programs ensured smooth adoption & effective utilization of these digital solutions.

The PeopleCare Experience Hub played a pivotal role in enhancing employee services in 2024, introducing the WhatsApp CareBot, which provides 24/7 real-time support. Further digitalization efforts included the launch of a digital housing facilitation platform, enabling employees to apply for housing, track application statuses, and streamline approval processes with ease. These initiatives demonstrate our ongoing commitment to enhancing the employee experience and operational efficiency.

Disclosure of Gender Pay Gap

At PTCL Group, we are deeply committed to fostering an inclusive and equitable workplace, ensuring that all employees are fairly compensated for their contributions, regardless of gender. Our Gender Pay Gap Report provides a transparent analysis of mean and median pay differences between male and female employees.

Gender Pay Gap - Mean	10%
Gender Pay Gap - Median	2.2%

	Median Hourly Wage	Mean Hourly Wage
Male	3,018	668
Female	2,952	600

While we have made significant strides in narrowing the gender pay gap, we remain focused on further advancing gender equity across the organization. Our goal is to create an environment where all employees have equal opportunities to grow, thrive, and succeed at PTCL Group.

Customer Care

PTCL Group remained steadfast in its commitment to enhancing the overall customer experience by strengthening network stability, reducing complaint resolution time, and improving broadband speed performance. Customer centricity has always been the cornerstone of PTCL Group's strategy, driving the launch of various initiatives to uphold Ufone 4G's market leadership in Net Promoter Score (NPS) and elevate the Customer Happiness Index (CHI).

As part of the customer experience program, PTCL Group executed a comprehensive customer journey transformation initiative, aimed at streamlining onboarding, complaint resolution, and other critical processes. This initiative marked a significant shift from reactive to proactive care by leveraging the cutting-edge capabilities of the Nokia Service Management Platform. Through proactive measures, PTCL Group can now identify and resolve customer issues even before they are reported, ensuring seamless service delivery.

With a vision to lead the industry in Flash Fiber customer experience, PTCL Group introduced a dedicated Flash Fiber Customer Experience Program, offering premium customer support and enhanced service levels. Additionally, in collaboration with e&, PTCL Group Customer Care has integrated industry best practices through the Customer Experience Framework and the Moments of Truth Program, further elevating the overall service experience.

AI & Automation: Transforming Customer Experience

AI and automation are at the heart of PTCL Group's customer experience strategy, driving the implementation of state-of-the-art AI-powered solutions across key areas of Customer Care. One of the most significant advancements has been the introduction of an AI-powered Quality Assurance Bot, which has revolutionized Quality Assurance processes, providing real-time sentiment analysis and deep insights to facilitate proactive service improvements.

Expanding its customer self-service capabilities, PTCL Group has integrated WhatsApp with Nokia's advanced Service Management Platform and consolidated self-care services on webchat. These digital innovations have empowered customers, significantly increased self-care adoption rates while streamlining service accessibility. Further reinforcing its digital transformation, PTCL Group successfully launched e-billing, resulting in a substantial surge in customer adoption.

Demonstrating its unwavering commitment to service excellence, PTCL Group maintained its top ranking in third-party mystery shopping assessments, reinforcing its dedication to delivering best-in-class customer service.

Contact Centers: Strengthening Customer Engagement

PTCL Group Contact Centers have played a pivotal role as a direct link between the company and its customers. By implementing segmented and prioritized treatment, PTCL and Ufone 4G helpline services have been significantly enhanced, ensuring faster and more personalized support.

Beyond seamless customer service, the Contact Center has emerged as a strategic business driver, contributing to revenue growth through new sales initiatives and outbound CVM campaigns. With a strong emphasis on customer retention and win-back strategies, PTCL Group's Customer Care team has positively impacted the company's bottom line, strengthening customer loyalty and long-term engagement.

Reaffirming its commitment to service excellence, PTCL Group has successfully maintained its ISO 9001:2018 certification, underscoring its dedication to continuous improvement and adherence to the highest quality standards.

Setting Industry Benchmarks in Customer Care

Through a strategic blend of innovation, operational excellence, and customer-centric initiatives, PTCL Group continues to redefine industry benchmarks. With an unwavering focus on digital transformation, AI-powered service enhancements, and proactive customer engagement, PTCL Group remains a leader in customer care, reinforcing its vision of delivering exceptional and seamless service experiences.

MARKETING & COMMUNICATION

It all began with a transformative milestone—the merger of Telenor Pakistan into the PTCL Group family. Once finalized, this strategic integration will not only reinforce PTCL Group's leadership in the telecom sector but also pave the way for a digital revolution, ensuring seamless connectivity for millions across Pakistan.

A GAME-CHANGING LEAP



Recognizing the nation's insatiable passion for cricket, we introduced SHOQ TV, offering free live streaming to bring the excitement of the game directly to fans across the country. This initiative cemented PTCL Group's role as a driving force in digital entertainment, ensuring that no moment of the action is missed.

Speed remains the defining factor in the fiber internet category, and to reinforce Flash Fiber's position—particularly among younger audiences—we brought on Haris Rauf and Naseem Shah as brand ambassadors. Their raw pace and electrifying energy perfectly embody the essence of Flash Fiber, making them the ideal faces of our high-speed connectivity revolution.

But our innovations extended far beyond connectivity. We redefined financial convenience with the introduction of UPaisa money transfers, Mastercard integration, and international remittance services, making transactions effortless, secure, and widely accessible. Further streamlining the digital experience, we launched the UPTCL app, which unified My Ufone and PTCL Touch into a single seamless platform. This innovation not only earned a stellar 4.4-star rating from users but also saw an impressive 3.97 million monthly active users, setting a new benchmark in digital convenience.

Empowering Communities, Transforming Lives

Our most impactful initiative of 2024, Dil Se Ba-Ikhtiar, empowered 100 women with digital skills, fostering financial independence and unlocking new opportunities for growth. However, this was just the beginning—PTCL Group is committed to expanding this movement to 20 more districts, reaching millions and driving meaningful, lasting change.

Through #MaaTheDigitalExpert, we equipped mothers with the confidence to navigate the digital world, while a dedicated Digital Safety Booklet ensured their online experiences remained secure. The Dil Se movement became a symbol of hope, spreading joy and empowerment—from Eid surprises for commuters to e-bikes for young women, enabling safer mobility. We also addressed basic human needs, installing hand pumps in Thar to provide clean drinking water to underserved communities.



Reviving Pakistan's Sporting Legacy

Sports are the heartbeat of Pakistan, and while cricket dominates the national stage, PTCL Group believes in uplifting all athletes and reviving non-mainstream sports. As a brand, we are committed to elevating underrepresented sports, giving them the recognition and support they deserve.

We proudly celebrated Pakistan's golden sporting moments, from Arshad Nadeem's historic gold medal win, immortalized in our "Aye Jawan Seenatan" campaign, to reigniting national pride in hockey through #HockeyHaiPakistanKiShaan. As Pakistan's hockey teams triumphed on the world stage, we stood at the forefront, reminding the nation of its rich sporting heritage and the glory it continues to achieve.



Building a Smarter, More Connected Future

2024 wasn't just a year of milestones; it was a testament to PTCL Group's unwavering commitment to shaping a smarter, more connected, and more empowered Pakistan. And as we look to the future, one thing is certain—this is just the beginning. With innovation, inclusivity, and impact at the core of our vision, we are building a future where every Pakistani has the power to thrive.

Procurement

In an ever-evolving global economic and logistical landscape, PTCL Group has remained steadfast in ensuring seamless supply chain management while cultivating strategic partnerships to drive long-term, sustainable value creation.

Throughout 2024, PTCL Group successfully implemented transformative initiatives aimed at optimizing procurement processes, strengthening vendor relationships, and enhancing cost efficiencies. A key milestone was the successful adoption of SAP Ariba, revolutionizing procurement operations by fully automating the vendor onboarding process. This cutting-edge advancement has not only streamlined operations and minimized manual intervention but also bolstered transparency across all procurement activities.

Furthering its digital transformation journey, PTCL Group enhanced workflow efficiencies, expanded automation, and reinforced data-driven decision-making to elevate procurement performance. Expanding the vendor base remained a strategic priority, with a strong emphasis on supplier diversity and inclusion. By fostering innovation through strategic collaborations, PTCL Group successfully mitigated risks and achieved significant cost savings without compromising quality or supply chain reliability.

Despite persistent global supply chain disruptions and market uncertainties, PTCL Group ensured the uninterrupted supply of critical goods and services through proactive risk mitigation strategies and seamless stakeholder coordination. By upholding robust governance standards, procurement processes were further strengthened to reinforce transparency, compliance, and operational excellence—ultimately enhancing service delivery and customer satisfaction.

Looking ahead, PTCL Group remains committed to continuous innovation, deepening supplier partnerships, and harnessing state-of-the-art procurement technologies to support its strategic objectives and drive sustainable growth.

Regulatory Affairs

In 2024, PTCL Group actively engaged with both internal and external stakeholders to create an enabling regulatory environment that facilitates the implementation of strategic initiatives, reinforcing its position as Pakistan's leading telecommunications service provider.

Key regulatory consultations included amendments to Telecom Rules, the Over-The-Top (OTT) Regulatory Framework, the Draft Framework for Mobile Virtual Network Operators (MVNO), Data CVAS Licenses, Tariff Regulations for Cellular Mobile Telecommunication Services, International Mobile Roaming Service Guidelines, the Regulatory Framework for Radio Local Area Networks (RLAN), Wholesale IP Bandwidth Reselling, Amendments to Accounting Separation Regulations, Revisions to Radio Base Station Charges, and Adjustments to Numbering Charges.

The sector regulator recognized PTCL Group's efforts in pioneering National Roaming in Pakistan, particularly for enhancing connectivity along the Makran Coastal Highway. Furthermore, PTCL Group continues to collaborate with other operators to leverage Infrastructure Sharing opportunities. By ensuring technical readiness for Active Sharing (MORAN) in alignment with the Framework for Telecom Infrastructure Sharing, PTCL Group is driving efficiency and expanding network accessibility.

These first-of-their-kind initiatives, supported by progressive policy and regulatory measures, alongside PTCL Group's strategic business collaborations with innovative service providers and its landmark merger and acquisition initiatives, will not only enhance operational efficiency and service quality but also deliver significant environmental benefits through energy conservation and a reduced carbon footprint.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility (CSR) is an integral part of a company's identity, reflecting its commitment to making a meaningful impact beyond financial success. Engaging in initiatives that benefit communities is not

just a responsibility but an opportunity to drive positive social change. By investing in community development, corporations play a crucial role in fostering sustainable and inclusive growth.

In 2024, PTCL Group continued its dedication to CSR through a diverse range of initiatives, reaffirming its commitment to making a tangible difference in society.

DIL SE – A Social Impact Platform

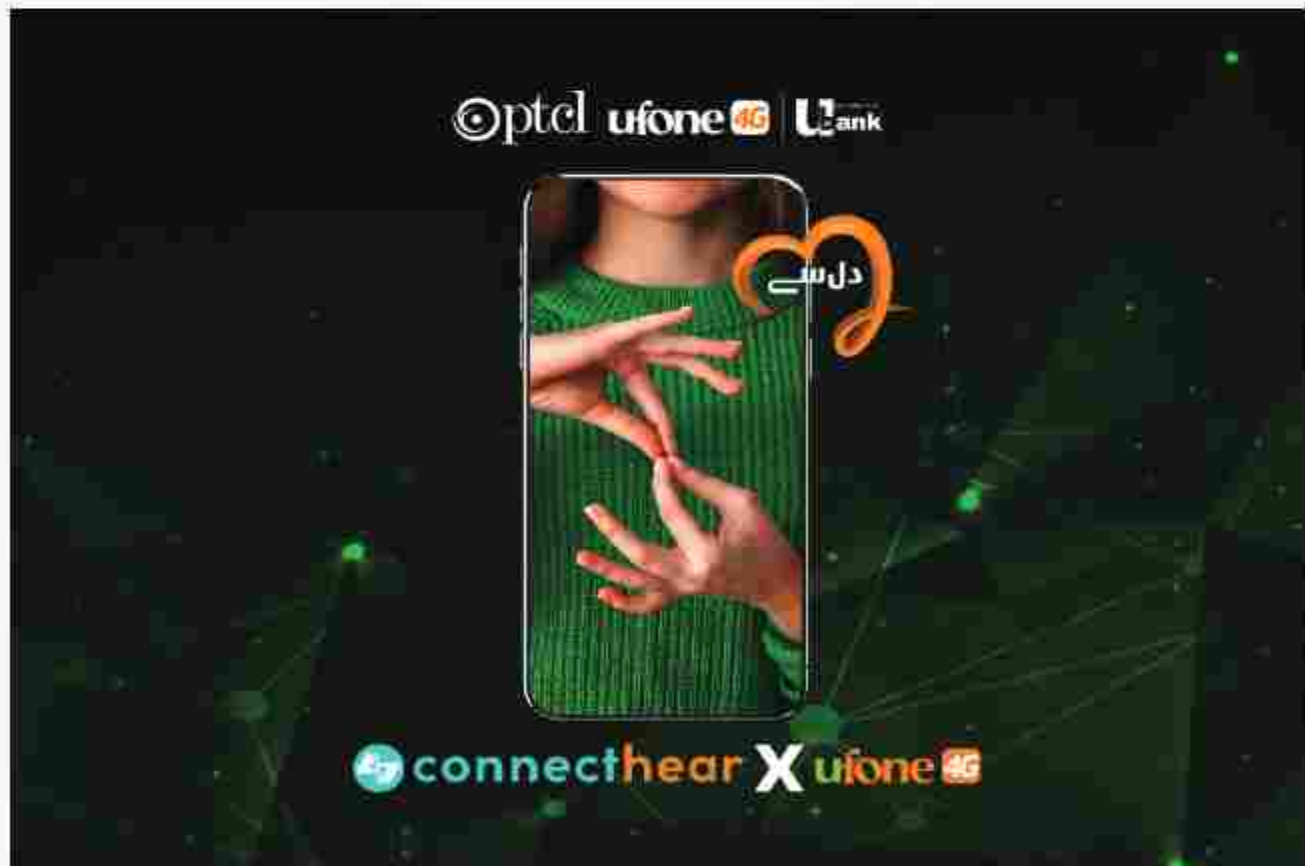
DIL SE is PTCL Group's social impact platform, designed to promote digital inclusion, compassion, and innovation. Built on three core pillars—Tech4Inclusion, Act of Kindness, and Social Innovation—it serves as a catalyst for uplifting communities and addressing critical societal challenges in Pakistan.

Under Tech4Inclusion, DIL SE spearheads transformative initiatives. Ba-Ikhtiar, the flagship project, empowers women by equipping them with digital skills, financial independence, and entrepreneurial capabilities. Another groundbreaking initiative is PTCL Group's partnership with ConnectHear, South Asia's leading assistive technology startup, revolutionizing disaster response for the deaf community in Pakistan. Through AI-powered solutions, this project ensures life-saving information reaches deaf individuals during emergencies, even in low-connectivity areas.

The Act of Kindness pillar is rooted in the belief that even the smallest acts can create profound change. This initiative fosters collective compassion, proving that simple gestures can have lasting impacts.

Meanwhile, Social Innovation supports startups tackling pressing societal issues, nurturing solutions that create meaningful, long-term change. By evolving with emerging challenges, this pillar ensures that technology and innovation continue to serve humanity.

Through DIL SE, PTCL Group is not just bridging gaps—it is building a future where technology, empathy, and progress go hand in hand.



Ba-Ikhtiar

The Ba-Ikhtiar Program is a collaborative initiative between PTCL Group and the Pakistan Poverty Alleviation Fund (PPAF) aimed at empowering women entrepreneurs by providing them with digital and financial tools to establish sustainable home-based businesses.

The pilot program was launched in Haripur, Khyber Pakhtunkhwa, identifying 100 semi-skilled women aged 18–26, most of whom held bachelor's or master's degrees but lacked formal business opportunities. These women received 15 days of advanced training at TEVTA Haripur, where they refined their craftsmanship and learned new techniques.

PTCL Group provided them with free smartphones equipped with Ufone 4G SIMs, offering a year of free internet access, along with activated UPaisa mobile wallets to facilitate digital transactions. U Microfinance Bank (U Bank), a PTCL Group subsidiary, conducted digital financial literacy sessions at PTCL Haripur Staff College, teaching participants how to manage bank accounts and mobile wallets, while also offering microfinance loans to eligible beneficiaries.

To further strengthen their entrepreneurial journey, Daraz, Pakistan's leading e-commerce platform, conducted hands-on training on setting up seller accounts, listing products, and managing online stores, followed by biweekly support sessions.

The program's success was evident as graduates began running their businesses online, marking the start of their socioeconomic mobility journey. PTCL Group continued to support them by providing opportunities to showcase their work on national and international platforms, including Lok Mela, Pakistan's largest cultural and heritage festival, where their handmade products received widespread recognition.

To honor their achievements, a high-profile graduation ceremony was held in Islamabad, attended by the UAE Ambassador, key stakeholders, and prominent personalities from various industries—including sports, fashion, entertainment, and business—who applauded these women's resilience and hard work.



The Road Ahead

PTCL Group's commitment to these women extends beyond training. Moving forward, the Group will:

- Facilitate startup registrations with seed funding to scale their businesses.
- Provide workspace at PTCL Haripur Staff College.
- Arrange exposure visits to textile factories in Faisalabad.
- Collaborate with leading brands, potentially securing dedicated retail space for their products.
- Offer advanced training on Shopify and Meta Suite to enhance digital sales expertise.
- Provide ongoing mentorship through PTCL's Razakaar Program, ensuring sustained business growth.

By bridging the digital divide and fostering entrepreneurship, Ba-Ikhtiar exemplifies PTCL Group's commitment to women's economic and digital empowerment, transforming lives and inspiring similar initiatives across Pakistan.

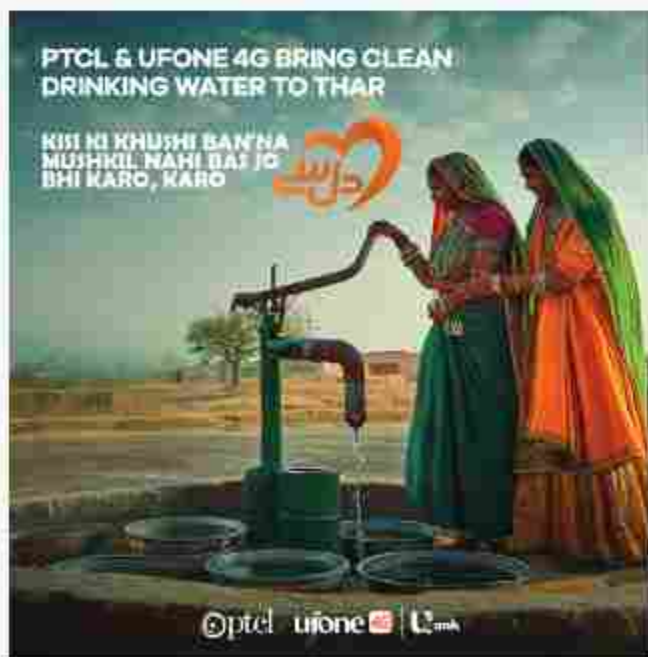
Act of Kindness – One Gesture at a time

The Act of Kindness pillar of DIL SE is driven by the belief that every gesture, no matter how small, can create waves of positive change. Through a series of meaningful initiatives, PTCL Group continues to spread compassion and inspire generosity in society.

From surprising Eid travellers with festive gifts to empowering young girls with e-bikes for independent commutes and installing clean water wells in Thar for 15,000 people, PTCL Group has impacted lives in diverse and meaningful ways.

Notable Initiatives Under Act of Kindness:

- **Khushiyan Bhari Eid Train:** Ufone 4G surprised travellers heading home for Eid with complimentary tickets and gifts, bringing unexpected joy to their journeys. A recipient summed it up: "Ufone 4G always says 'Turn Hi Tau Ho,' but today, they truly proved it."
- **E-Bike Initiative:** Female students received e-bikes, granting them independence and security. This initiative is more than just an upgrade in mobility—it's a step toward empowerment.
- **Thar Clean Drinking Water Project:** PTCL Group installed hand pumps in five villages in Umerkot-Thar, providing clean drinking water to over 15,000 people.



More CSR Highlights

- **Gandhara Citrus Festival 2024:** PTCL Group sponsored this event in Taxila, promoting citrus and olive cultivation while preserving Gandhara's rich heritage and traditional stone carving art.
- **Bano Achai Ki Misaal (Ramadan Campaign):** Encouraged nationwide charitable giving through digital outreach, supporting organizations like Shaukat Khanum, Pink Ribbon Pakistan, and Indus Hospital.
- **Disaster Relief in Balochistan:** Installed a state-of-the-art water filtration plant in Gwadar in partnership with Pakistan Red Crescent Society to provide clean drinking water to flood-affected communities.
- **Annual Blood Donation Drive:** Held on World Blood Donor Day (June 14), PTCL employees actively participate, reinforcing the company's culture of compassion.
- **Polio Awareness Campaign with UNICEF:** Launched awareness initiatives using Ufone 4G's extensive network, educating communities on polio vaccination.
- **Tech for Tomorrow (Pehli Kiran Schools Initiative):** Upgraded digital learning by replacing outdated internet devices with Blaze technology, ensuring uninterrupted education for underserved children.
- **Breast Cancer Awareness (Pinktober):** Illuminated PTCL Tower in pink, conducted awareness sessions, and supported Shaukat Khanum Memorial Hospital and Pink Ribbon Pakistan.
- **ConnectHear Partnership:** Developed AI-powered emergency alerts for the deaf community, addressing a critical gap in disaster response.
- **Empowering Youth through IT Incubation:** Provided free broadband services to Hope Uplift Foundation's IT center in Lahore, enabling digital skills training for underserved youth.
- **School Supplies for Cholistan's Mobile Schools:** Distributed school bags to children in remote desert areas, ensuring access to quality education.

Building a More Resilient Future

PTCL Group's participation in the Humanitarian Connectivity Charter Workshop 2024 further reaffirmed its commitment to leveraging technology for disaster resilience, ensuring seamless communication during emergencies.

Through these initiatives, PTCL Group is not just a telecommunications provider—it is a force for positive change, fostering digital inclusion, community empowerment, and sustainable development across Pakistan.

SUBSIDIARIES

Pak Telecom Mobile Limited

In 2024, Pakistan's economy showed signs of stabilization under an IMF-led plan, with key economic indicators improving significantly. Inflation and policy rates declined, the Pakistani Rupee maintained stability against the US Dollar, and GDP growth remained steady. Despite these positive trends, the telecom sector continued to grapple with persistent challenges, including low Average Revenue Per User (ARPU), high operational costs, and rising expenses for imported equipment. Nevertheless, the industry remained a cornerstone of digital transformation, financial inclusion, and enterprise connectivity, playing a crucial role in driving the country's economic progress.

The telecom industry experienced notable expansion, with cellular subscriptions rising to 193 million—a 2% increase from the previous year—while tele-density stood at 80%. This growth expanded primarily by increasing digital adoption and a surge in smartphone penetration. The number of 4G subscribers saw substantial growth, pushing 4G penetration to 63.3%. Amid this evolving landscape, Ufone 4G demonstrated resilience, expanding its subscriber base to over 26 million—a 4% increase that outpaced the industry's average growth of 2%. Ufone 4G's strategic focus on monetization through targeted data bundles & premium services contributed to its ARPU growth.

The outlook for the telecom sector remains optimistic, with significant opportunities emerging in 5G readiness. The rising demand for data consumption and digital services—including OTT platforms, video streaming, e-commerce, and business solutions—presents a substantial growth avenue for telecom operators.

In 2024, Ufone 4G achieved remarkable growth, recording a 25% year-on-year revenue increase. This success was driven by a strong emphasis on customer experience, digital engagement through data-centric products, and strategic partnerships with leading digital platforms. By the end of the year, Ufone 4G's subscriber base had exceeded 26 million, with more than 17 million being 4G users. This achievement was largely attributable to Ufone 4G's investments in network modernization, customer experience enhancement, and technological innovation.

The year 2024 marked a milestone for Ufone 4G, with significant technological advancements providing a strong foundation for future growth. The company's technology team successfully executed key strategic initiatives, including network expansion, capacity enhancement, and the deployment of cutting-edge solutions to drive commercial objectives and operational efficiency.

Ufone 4G reached a major milestone with the rollout of 2,046 LTE 2100 refarming sites, 303 x 4T6S sector splits, and the deployment of 50 Massive MIMO solutions to enhance capacity. Additionally, the company launched 91 new sites, contributing to a 28% year-on-year increase in 4G data traffic by December 2024. These improvements alleviated congestion in key markets, significantly enhancing the customer experience.

The company also made strides in national roaming, launching 2G/3G national roaming with Jazz along the Makran Highway and preparing for 2G/3G/4G roaming with Telenor on 47 sites—a move that is expected to reduce costs for the merged entity.

On the technological front, Ufone 4G made significant advancements in voice services, rapidly expanding its VoLTE certification to 6.2 million certified devices and reaching 2.8 million active VoLTE subscribers. This initiative aligned with the company's strategy to phase out its 3G network while modernizing its core infrastructure through the expansion of its Single Packet Core platform.

Ufone 4G's commitment to innovation translated into outstanding business performance, achieving the highest recharge growth in the industry with a 27% year-on-year increase in 2024. The company surpassed the PKR 9 billion and PKR 10 billion monthly recharge milestones, further solidifying its strong market position. Its success was largely driven by a customer-centric approach, enhancing user experience, and deepening digital engagement. A key factor in this growth was Ufone 4G's seamless integration of value-added services (VAS) into its core offerings, enriching the overall digital ecosystem.

One of the company's standout innovations was the launch of the UPTCL app, which merged My Ufone and PTCL Touch into a unified platform. This initiative was met with widespread customer approval, achieving an impressive 4.4 user rating and a monthly active user base of 3.97 million, setting a new benchmark for convenience and customer satisfaction in the telecommunications industry.

Ufone 4G remained steadfast in its commitment to enhancing the overall customer experience. The company focused on network stability, faster complaint resolution, and an improved wireless experience. With customer centricity at its core, Ufone 4G introduced several initiatives to uphold its leadership in Net Promoter Score (NPS), ensuring continued trust and satisfaction among its users.

In 2024, Ufone 4G further strengthened its presence in Pakistan's market through a strategic partnership with Peshawar Zalmi, one of the most prominent franchises in the Pakistan Super League (PSL). This collaboration underscored Ufone 4G's dedication to supporting sports and resonating with the nation's deep passion for cricket. The partnership significantly enhanced the brand's visibility during one of Pakistan's most-watched sporting events.

As part of its marketing strategy, Ufone 4G launched the highly engaging 'Data Bohhaat Hai' campaign, featuring cricket superstar Babar Azam. The campaign went beyond traditional advertising, employing disruptive and integrated marketing strategies that resonated with audiences. Ufone 4G's brand presence extended far beyond conventional media, making a significant impact during the PSL, T20 World Cup, and Zalmi Women's League, further strengthening its connection with cricket enthusiasts and sports fans.

As an annual practice, Ufone 4G partnered with Pink Ribbon Pakistan to launch a month-long breast cancer awareness campaign. This initiative was aimed at educating the public and making a meaningful impact in the fight against breast cancer, reflecting the company's commitment to social responsibility.

ONIC continues to redefine the telecom experience, driving remarkable growth in 2024. The company achieved a threefold increase in 90-day active subscribers, a sevenfold surge in revenue, and introduced over 40 feature enhancements throughout the year, reinforcing its commitment to innovation and customer-centric solutions.

U Microfinance Bank Limited – U Bank

Despite a challenging economic landscape characterized by inflation, uncertainty, and financial constraints, U Bank demonstrated remarkable resilience in FY 2024. Staying true to its mission of financial inclusion, the bank remained focused on expanding deposits and disbursements, diversifying its business segments, and ensuring capital preservation. With an extensive nationwide presence of 309 branches, U Bank continues to provide accessible and inclusive financial services to all segments of society across Pakistan.

Throughout 2024, U Bank enhanced its product portfolio and revenue streams while strengthening its market position. The bank disbursed over PKR 68.7 billion, reflecting substantial growth in total lending. Its loan portfolio exhibited a well-balanced mix of assets and liabilities, demonstrating improved financial strength. By the end of the year, U Bank reported a deposit closing of PKR 136.6 billion and a Gross Loan Portfolio of PKR 80.6 billion.

The Islamic Banking division experienced exceptional growth, closing the year with a Gross Financing Portfolio of PKR 6.4 billion and total annual disbursements of PKR 8.2 billion. Additionally, the division achieved its highest-ever deposit closing of PKR 8.8 billion, reinforcing its growing footprint in the Islamic finance sector.

Significant progress was made across the corporate, retail, digital, and Islamic banking segments, each playing a pivotal role in revenue growth. The bank's mobile wallet user base expanded by 800,000, and total remittance transactions surpassed 44,000, further strengthening U Bank's position in the digital banking space.

U Bank's achievements were recognized on multiple prestigious platforms in 2024. The bank was honored as the Best Microfinance Bank for Islamic Retail Banking Offerings in Pakistan at the Cambridge IFA Awards and received the Global Diversity, Equity, and Inclusion Benchmarks (GDEIB) Award in four categories. Notably, U Bank also became the first microfinance bank in Pakistan to be recognized as a Registered Training Organization outside Practice (T0oP) by the Institute of Chartered Accountants of Pakistan (ICAP).

Committed to community development, U Bank actively promoted financial literacy, agricultural training, and women's empowerment initiatives. As part of PTCL Group's 'Ba-Ikhtiar' CSR Program, the bank trained 100 women entrepreneurs in Haripur, fostering financial independence and business acumen. Additionally, U Bank played an active role in the State Bank of Pakistan's National Financial Literacy Program (NFLP) and Agriculture Financial Literacy Program (AFLP), reinforcing its commitment to economic empowerment.

With a year marked by remarkable achievements, U Bank continues to drive financial inclusion, economic upliftment, and digital transformation across Pakistan.

DVCOM Data (Private) Limited – DVCOM Data

DVCOM is a 100% owned subsidiary of PTCL with 5 MHz spectrum in the 1900 MHz band. The license for the spectrum being used by DVCOM Data has expired during the year. PTCL plans to merge the DVCOM into PTCL.

Smart Sky

Smart Sky, a wholly owned subsidiary of PTCL, was originally established to provide Direct-To-Home (DTH) entertainment services. However, the company was unable to secure the necessary license for DTH operations, limiting its ability to launch services.

CORPORATE GOVERNANCE

The Company has fully complied with all material requirements outlined in the Listed Companies (Code of Corporate Governance) Regulations, 2019 (hereinafter referred to as "the Regulations"), as well as the Pakistan Stock Exchange Regulations (PSX Regulations). The Board of Directors hereby confirms the following in adherence to these Regulations:

Compliance – General

- The Company's vision, mission statement, corporate values, and overall strategy are formulated, adopted, and periodically reviewed by the Board as deemed appropriate.
- A formal Code of Conduct is in place and publicly accessible on the Company's website.
- Robust systems and controls, including a whistle-blowing policy, have been implemented to identify and address grievances arising from unethical practices.
- The internal control framework, including financial controls, is well-structured in design and has been effectively implemented and continuously monitored.
- All material transactions and significant matters are decided by the Board of Directors and management, in accordance with the delegation of authority approved by the Board.
- A comprehensive record of significant policies is maintained, including details of their approval and any amendments made over time.
- The Company has not deviated from the best practices of corporate governance, as outlined in the Regulations.

Compliance - Financial Statements & Auditors

- The financial statements, prepared by the management, present a true and fair view of the Company's financial position, operational results, cash flows, and changes in equity.
- Proper books of accounts are maintained, ensuring financial transparency and accountability.
- Appropriate accounting policies have been consistently applied, and financial estimates are based on prudent and reasonable judgment.
- The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS), as applicable in Pakistan, with full disclosure of any deviations.
- There are no significant concerns regarding the Company's ability to continue as a going concern.
- The Audit Committee has recommended the appointment of EY Ford Rhodes, Chartered Accountants, as the Company's external auditors for the financial year ending December 31, 2025, and the Board has endorsed this recommendation.
- Information regarding outstanding taxes and levies is disclosed in the notes to the financial statements.
- Details of aggregate remuneration, perquisites, and benefits received by Directors have been disclosed in Note 39 of the financial statements.
- A comprehensive disclosure of related party transactions is provided in Note 43 of the financial statements.
- The statement of value of investments related to employees' retirement plans is included in Note 7.4 of the financial statements.

Compliance - Board Performance

- A structured and effective mechanism is in place to conduct an annual evaluation of the Board's performance, including that of its committees.
- At the beginning of each Director's term, the Chairman of the Board issues a formal letter outlining the Director's role, obligations, powers, responsibilities, remuneration, and entitlements, in accordance with the Companies Act, 2017, the Company's Articles of Association, and relevant policies.
- The Board has formally approved the Directors' Remuneration Policy, ensuring alignment with best corporate governance practices. Directors receive fees for attending Board and committee meetings, with the Board ensuring that such remuneration does not compromise their independence and incentivizes value creation within the Company.
- During the year, the Company arranged the Directors' Training Program (DTP) for two Directors, fulfilling the prescribed certification requirements. Additionally, a manual detailing Directors' roles, responsibilities, obligations, and powers was provided to them.
- In compliance with clauses 5.6.1 and 5.6.4 of the PSX Regulations, the Board of Directors has established the threshold for identifying employees of the Company who are classified as Executives.

Composition of Board

The Board of Directors ("Board") comprises nine Members. Pursuant to the provisions of the Shareholders Agreement between the President of Pakistan on behalf of the Government of Pakistan ("GOP") and Etisalat International Pakistan ("Strategic Investor"), as well as the Articles of Association of the Company, the GOP nominates four (04) Members on the Board of the Company, while Strategic Investor nominates five (05) Members. The present Board consists of nine (9) directors as follows:

Male: Eight

Female: One

The composition of the Board is as follows:

i	Independent Directors	None
ii	Non-executive Directors	1. Mr. Azfar Manzoor, Chairman
		2. Mr. Abdulrahim A. Al Nooryani
		3. Mr. Imdad Ullah Bosal
		4. Mr. Jawad Paul Khawaja
		5. Mr. Khaled Hegazy
		6. Mr. Ahad Khan Cheema
		7. Dr. Mohamed Karim Bennis
		8. Ms. Brooke Marie Lindsay
		9. Mr. Khalid Murshed
iii	Executive Directors	None
iv	Female Directors	1. Ms. Brooke Marie Lindsay

Further, during the year, the following persons were members of the Board:

Sr.	Name of Director-Member
1	Mr. Azfar Manzoor
2	Capt. (Retd) Muhammad Mahmood
3	Mr. Hassan Nasir Jami
4	Mr. Jawad Paul Khawaja
5	Mr. Imdad Ullah Bosal
6	Mr. Ahad Khan Cheema

Sr.	Name of Director-Member
7	Mr. Abdulrahim A. Al Nooryani
8	Ms. Brooke Marie Lindsay
9	Dr. Mohamed Karim Bennis
10	Mr. Khaled Hegazy
11	Mr. Mikhail Gerchuk
12	Mr. Khalid Murshed

The Directors, CEO and Executives, do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

The 'Closed Period', prior to the announcement of interim/final results, was determined, and business decisions, which may materially affect the market price of Company's securities, were determined, and intimated to Directors, employees, and the stock exchange. Material/price sensitive information was disseminated among all market participants through the stock exchange.

Compliance statement with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Auditors Review thereon by statutory auditors are part of this report. Chairman's Review, Notice of Annual General Meeting, historical business indicators, composition of the Audit Committee, the Human Resource & Remuneration Committee, the Investment & Finance Committee, the number of Board Meetings, attendance of Directors, and Shareholding Pattern are also part of this report.

RISK MANAGEMENT

Enterprise Risk Management (ERM) is a fundamental pillar of PTCL's strategic execution, recognizing the ever-evolving risk landscape and the uncertainties within our operating environment. The need for proactively identifying, assessing, and mitigating key risks has become increasingly critical over time. Ineffective risk management could hinder the achievement of our strategic goals, impact customer experience, damage our reputation, weaken our financial position, and fall short of shareholder expectations.

The Board, through the Audit Committee, provides oversight of PTCL's ERM, ensuring its seamless integration into decision-making processes. To support this, we have implemented a robust ERM Policy and Framework that shapes the company's risk profile. This profile undergoes continuous monitoring through the identification and evaluation of potential risks affecting PTCL's business. Our risk management approach aligns with globally recognized best practices, including Gartner, COSO principles, and ISO 31000.

Key risks with the potential to adversely impact Company's ability to achieve its strategic targets are identified as following:

- Ongoing litigations
- Competition from other operators
- Debt & Financing cost challenges of PTCL Group
- Delays in Telenor Pakistan merger transaction
- Tax recoverable and related outstanding cases
- Occupational, health and safety hazards

In collaboration with internal and external stakeholders, PTCL consistently assesses the potential impact of existing and emerging risks, implementing necessary measures to mitigate or minimize their effects in alignment with its approved Risk Appetite.

ETHICS & COMPLIANCE

Strengthening Governance and Integrity at PTCL Group

PTCL Group remains committed to fostering a culture of integrity, accountability, and ethical business practices. In 2024, the Ethics & Compliance (E&C) function underwent significant transformation, ensuring a proactive approach to governance, regulatory adherence, risk mitigation, and fostering a culture of ethical accountability across the PTCL Group.

Key Developments in 2024

PTCL Group Compliance transitioned from a regulatory compliance focus to a comprehensive E&C program, structured around a risk-based governance model aligned with global best practices. This transformation follows a structured approach—beginning with risk assessments to identify and mitigate compliance vulnerabilities, leading to the refinement of compliance policies and frameworks. To support these enhancements, PTCL Group invested in targeted training and awareness programs, ensuring employees understand their compliance obligations. Furthering this commitment, PTCL continues to drive compliance innovation through automation and data analytics, ensuring a dynamic approach to risk management and ethical governance.

PTCL Group has strengthened the ethical foundations with the updated PTCL Group Code of Conduct, aligning with global best practices and reinforcing ethical leadership at all levels. In parallel, PTCL Group continues its journey towards aligning with ISO 37301 Compliance Management System standards, highlighting PTCL's commitment to achieve and maintain compliance maturity in line with global benchmarks. Additionally, the PTCL Business Code of Conduct is to establish clear ethical expectations for third parties, ensuring their obligation to adhere to fair competition, anti-corruption, anti-money laundering, global sanctions, export controls, and responsible business practices such as the prevention of child labour and forced labour.

PTCL Group reinforced its commitment to regulatory compliance through the automation of compliance risk management, with two structured compliance matrices covering both telecom and non-telecom regulations. Greater awareness of third-party due diligence and engagement policy has strengthened risk management across business relationships. The Group also expanded its focus on global sanctions and export controls, ensuring employees are equipped to navigate complex regulatory requirements when interacting with third parties. Additionally, compliance clauses are now embedded into prospective contracts, addendums, and renewals, safeguarding PTCL from compliance risks and ensuring adherence to anti-bribery and anti-corruption, anti-money laundering, global sanctions, and export control requirements.

PTCL Group has prioritized embedding a strong culture of ethics across all levels. A 'tone from the top' approach has been actively reinforced through consistent communications from the CEO and CXOs, underscoring the Group's commitment to ethical business practices. Senior leadership has played a pivotal role in driving compliance initiatives. To further strengthen ethical awareness, multi-channel engagement campaigns were launched, including digital training, ethical dilemma case studies, and compliance workshops. The Conflict of Interest (COI) Disclosure Management System was automated, enhancing transparency and efficiency in managing COI disclosures. Additionally, compliance tools and resources were made readily accessible to all employees through the revamped compliance portal on the employee intranet.

In 2024, compliance governance structure was further strengthened with the establishment of the Ethics & Compliance Charter, which formally defines the function's mandate, roles, and responsibilities, reinforcing PTCL Group's commitment to ethical leadership. The Ethics & Compliance Steering Committee's charter was also revised, expanding its focus from regulatory compliance to a broader ethics and compliance governance model.

Recognition of Compliance Excellence

PTCL Group's advancements in compliance oversight, automation, and risk management have set high standards. These efforts were also acknowledged as part of the e& Group's compliance governance across its footprint, reinforcing PTCL Group's commitment to transparency, ethical leadership, and best-in-class compliance practices.

Continued Commitment to Ethical Governance

Looking ahead, PTCL Group remains steadfast in strengthening its compliance governance, integrating ethical leadership across all levels, and leveraging digital transformation to ensure transparent, responsible, and sustainable business operations. With a firm commitment to "Doing the Right Thing," PTCL Group will continue advancing its compliance function, setting new benchmarks for corporate integrity, trust, and long-term sustainability.

WAY FORWARD

As Pakistan's economy stabilizes, the telecom sector stands at a crossroads of opportunity and challenge. While easing inflation, lower policy rates, and a stable PKR parity foster a more conducive business environment, high energy costs and taxation continue to weigh on profitability. However, the surging demand for digital services, expanding broadband penetration, and the growing need for enterprise connectivity present significant avenues for growth. The industry remains steadfast in its commitment to infrastructure expansion, capacity building, and technological innovation, all of which are pivotal to propelling Pakistan's digital economy forward.

In the mobile segment, data consumption remains the primary growth driver. Telecom operators are actively enhancing ARPU through targeted data bundles, premium digital services, and personalized offerings, all while addressing rising operational costs. The industry's shift toward digital-first brands, app-based user experiences, and increasing smartphone penetration reflects evolving consumer preferences. In response, operators are focusing on energy efficiency and prudent resource management as key strategies to mitigate cost pressures and ensure long-term sustainability.

The fixed broadband sector is undergoing a rapid transformation, marked by accelerated fiber adoption replacing legacy copper infrastructure. PTCL's strategic investments in fiber expansion and high-speed connectivity solutions have not only reinforced its market leadership but also significantly enhanced network reliability and service quality. With the increasing demand for cloud computing, IPTV, and enterprise solutions, telecom operators are prioritizing long-haul network expansion, submarine cable investments, and Data Center capacity enhancements to meet the country's growing bandwidth needs.

To sustain momentum, the industry must continue modernizing infrastructure and ensuring 5G readiness. Future growth will be driven by data consumption, cloud computing, data centers, and ICT services, positioning telecom operators as key enablers of Pakistan's digital transformation. As the industry navigates evolving market dynamics, PTCL Group remains at the forefront, leveraging its strong infrastructure, digital innovation, and customer-centric approach to overcome challenges and seize emerging opportunities. By embracing technological advancements, optimizing operations, and expanding market reach, the telecom sector is well-positioned to drive sustained progress in 2025 and beyond.

ACKNOWLEDGEMENTS

The Board of Directors extends its sincere gratitude to our customers, suppliers, contractors, service providers, stakeholders, and shareholders for their unwavering support and trust.

We also acknowledge and deeply appreciate the hard work, diligence, and dedication of our employees across the country, whose commitment has ensured the seamless provision of services while enabling the Company to successfully navigate a highly competitive operating environment.

A special note of appreciation is extended to the Government of Pakistan and e& Group for their continued support and encouragement in our mission to enhance shareholder value and drive digital transformation.

On behalf of the Board of Directors



HATEM MOHAMED BAMATRAF

President and Group Chief Executive Officer
Islamabad: February 11, 2025



AZFAR MANZOOR

Chairman PTCL Board

در پیش مسائل اور مستقبل کا لائحہ عمل

پاکستان کی معیشت کے مستحکم ہونے کے ساتھ ساتھ ٹیلی کام کا شعبہ مواقع اور چیلنجز دونوں کا ایک سامنا کر رہا ہے۔ افراد زر میں کمی، کم پالیسی ریت، اور مستحکم کرنسی ایک زیادہ سازگار ماحول پیدا کرتی ہیں، توانائی کی بلند قیمتیں اور ٹیکس جیسے عوامل سے منافع پردباؤ کا سلسلہ جاری رہتا ہے۔ تاہم، ڈیجیٹل خدمات کی بڑھتی ہوئی طلب، براڈبینڈ کے اپنائے جانے میں اضافہ، اور کاروباری کنیکٹیویٹی کی ضروریات اہم ترقی کے مواقع فراہم کرتی ہیں۔ صنعت بنیادی ڈھانچے کی توسیع، صلاحیت کی تعمیر، اور ٹیکنالوجی کی ترقی پر توجہ مرکوز رکھے ہوئے ہے تاکہ ڈیجیٹل معیشت کو آگے بڑھایا جا سکے۔

موبائل کے شعبے میں، ڈیٹا اب بھی ترقی کا اہم محرک ہے۔ آپریٹرز مخصوص پیشکشوں، پریمیم ڈیٹا بندلز، اور ڈیجیٹل خدمات کی توسیع کے ذریعے اے آر پی کو بڑھا رہے ہیں ساتھ ہی بڑھتے ہوئے آپریشنل اخراجات کا بھی سامنا کر رہے ہیں۔ ڈیجیٹل فرسٹ برانڈز کی طرف تبدیلی، ایپ پر مبنی تجربات، اور اسمارٹ فون کے استعمال میں اضافہ صارفین کی ترقی پذیر ترجیحات کی عکاسی کرتا ہے۔ لاگت کے دباؤ کو کم کرنے اور طویل مدتی ترقی کو برقرار رکھنے کے لیے توانائی کی کارکردگی، وسائل کا دانشمندانہ انتظام اہم حکمت عملی ہیں۔

مستحکم براڈبینڈ کا شعبہ تیز رفتار تبدیلی کا مشاہدہ کر رہا ہے کیونکہ فائبر ٹیکنالوجی کی تیز رفتار اپنائیت نے روایتی کاپر انفراسٹرکچر کی جگہ لے لی ہے۔ بی ٹی سی ایل کی فائبر کی توسیع اور پالی اسپید کنیکٹیویٹی کے حل میں اسٹریٹجک سرمایہ کاری نے اس کی مارکیٹ کی قیادت کو مضبوط کیا ہے، نیٹ ورک کو قابل اعتماد اور سروس کے معیار کو بہتر بنایا ہے۔ کلاؤڈ سروسز، آئی ٹی وی، اور کاروباری حل کی طلب بڑھ رہی ہے، آپریٹرز طویل فاصلے کے نیٹ ورک کی توسیع، سمندری کیبل کی سرمایہ کاری، اور ڈیٹا سینٹر کی صلاحیت میں اضافہ پر توجہ مرکوز کر رہے ہیں تاکہ بڑھتی ہوئی بینڈوڈتھ کی ضروریات کو پورا کیا جا سکے۔

صنعت کو رفتار برقرار رکھنے کے لیے بنیادی ڈھانچے کی جدت کاری اور 5G کی تیاری میں سرمایہ کاری جاری رکھنی چاہیے۔ مستقبل کی ترقی کا انحصار بھی ڈیٹا کے استعمال، کلاؤڈ کمپیوٹنگ، ڈیٹا سینٹرز، اور آئی سی ٹی خدمات پر ہوگا، جس سے ٹیلی کام آپریٹرز پاکستان کی ڈیجیٹل تبدیلی کے معاون کے طور پر سامنے آئیں گے۔ صنعت مارکیٹ کی ترقی کی تجزیات کو طے کرتی ہے، بی ٹی سی ایل گروپ اپنے مضبوط انفراسٹرکچر، ڈیجیٹل جدت اور صارفین پر مبنی نکتہ نظر، چیلنجز کو نیویگیٹ کرنے اور ابھرتے ہوئے مواقع سے فائدہ اٹھاتے ہوئے سب سے آگے رہتا ہے۔ تکنیکی ترقی، آپریشنل افادیت، اور مارکیٹ کی توسیع کو اپناتے ہوئے، ٹیلی کام سیکٹر 2025 اور اس کے بعد پائیدار ترقی کو آگے بڑھانے کے لیے تیار ہے۔

اعترافات

کمپنی کے بورڈ آف ڈائریکٹرز اپنے تمام صارفین، سپلائرز، ٹھیکیداروں، سروس فراہم کنندگان، اسٹیک ہولڈرز، اور شیئر ہولڈرز کے مسلسل تعاون پر ان کے شکر گزار ہیں۔

ہم ملک بھر میں اپنے تمام ملازمین کی انتھک محنت اور لگن کی حوصلہ افزائی کرتے ہیں جن کی کاوشوں سے کمپنی کو درپیش مسائل اور چیلنجز سے نمٹنے میں مدد ملی اور بغیر کسی رکاوٹ کے خدمات کی فراہمی کا سلسلہ جاری رہا۔

شیئر ہولڈرز کی قدر بڑھانے اور ڈیجیٹل تبدیلی کو آگے بڑھانے کے ہمارے عزم میں حکومت پاکستان اور ای اینڈ گروپ کی مسلسل حمایت اور حوصلہ افزائی کے لیے ان کے خصوصی طور پر مشکور ہیں۔

منجانب بورڈ آف ڈائریکٹرز



اظفر منظور

چیئرمین بی ٹی سی ایل بورڈ



حاتم محمد با مطرف

پریزیڈنٹ اینڈ گروپ چیف ایگزیکٹو آفیسر

اسلام آباد: 11 فروری 2025

رِسک مینجمنٹ

انٹریپرائز رِسک مینجمنٹ (ERM) ہمارے خطرے کے ماحول کی متحرک نوعیت اور ہمارے آپرٹنگ منظر نامے کے اندر موجود تشبیہ و قراز کو تسلیم کرتے ہوئے، پی ٹی سی ایل کے اسٹریٹجک عمل کے لیے بنیادی حیثیت رکھتا ہے۔ اہم خطرات کو فعال طور پر شناخت کرنے، جانچنے اور ان کو کم کرنے کی اہمیت وقت کے ساتھ ساتھ بڑھتی جا رہی ہے۔ ان خطرات کو سنبھالنے میں تاگامی ہمارے اسٹریٹجک مقاصد، صارف کے تجربے، ساکھ، مالی پوزیشن اور شیئر ہولڈر کی توقعات کے حصول پر منفی اثر ڈال سکتی ہے۔

بورڈ، آڈٹ کمیٹی کے ذریعے، پی ٹی سی ایل کے ERM کی نگرانی کرتا ہے، فیصلہ سازی کے عمل میں اس کے انضمام کو یقینی بناتا ہے۔ اس کی سہولت کے لیے، ہم نے کمپنی کے رِسک پروفائل کو چالائے ہوئے ایک ERM پالیسی اور فریم ورک قائم کیا ہے۔ پی ٹی سی ایل کے کاروبار پر ممکنہ منفی اثرات کی شناخت اور تشخیص کے ذریعے اس پروفائل کی مسلسل نگرانی کی جاتی ہے۔ رِسک مینجمنٹ کے طریقے بین الاقوامی بہترین طریقوں کے ساتھ منسلک ہیں، جس میں گارنٹر، COSO اصول اور ISO 31000 شامل ہیں۔

اپنے اسٹریٹجک اہداف کو حاصل کرنے کے لیے کمپنی کی صلاحیت پر منفی اثر مرتب کرنے والے اہم خطرات کی نشاندہی درج ذیل ہے

- جاری قانونی چارہ جوئی
- دوسرے آپریٹرز سے مقابلہ
- پی ٹی سی ایل گروپ کے قرض اور فنانشنگ لاگت کے چیلنجز
- ٹیلی نار پاکستان کے انضمام کے معاہدے میں تاخیر
- ٹیکس کی وصولی اور زیر التوا کیسز
- پیشہ ورانہ، صحت اور تحفظ سے متعلق خطرات

اندرونی اور بیرونی اسٹیک ہولڈرز کے ساتھ ہم آہنگی سے، پی ٹی سی ایل ابھرتے ہوئے خطرات کے ساتھ ساتھ ان خطرات کے ممکنہ اثرات کا مسلسل جائزہ لیتا ہے اور اپنی منظور شدہ رِسک ایپیلیٹ کے مطابق اثرات کو کم کرنے کے لیے تمام ضروری اقدامات کرتا ہے۔

بورڈ کی تشکیل

بورڈ آف ڈائریکٹرز (" بورڈ ") نو اراکین پر مشتمل ہے - حکومت پاکستان (" GOP ") اور اتصالات انٹرنیشنل پاکستان اسٹریٹجک سرمایہ کار (" Strategic Investor ") کی جانب سے صدر پاکستان اور شیئر ہولڈرز کے درمیان ہونے والے معاہدے کی دفعات اور کمپنی کے آرٹیکلر آف ایسوسی ایشن کے تحت بورڈ کے چار اراکین کا انتخاب حکومت پاکستان کرتی ہے جب کہ اسٹریٹجک انویسٹریانچ (05) اراکین کو نامزد کرتا ہے - موجودہ بورڈ درج ذیل نو (9) ڈائریکٹرز پر مشتمل ہے -

مرد: آٹھ

خواتین: ایک

بورڈ کی تشکیل حسب ذیل ہے

i آزاد ڈائریکٹرز

ii نان ایگزیکٹو ڈائریکٹرز

جناب افضل منظور، چیئرمین

جناب عبدالرحیم اے النوریانی

جناب امداد اللہ بوسال

جناب جواد پال خواجہ

جناب خالد حجازی

جناب احمد خان چیمہ

ڈاکٹر محمد کریم بینس

محترمہ بروک میری لنڈسے

جناب خالد مرشد

کوئی نہیں

iii ایگزیکٹو ڈائریکٹرز

محترمہ بروک میری لنڈسے

iv خواتین ڈائریکٹرز

مزید برآں، دوران سال درج ذیل ارکان بورڈ میں شامل رہے

جناب افضل منظور

محترمہ بروک میری لنڈسے

ڈاکٹر محمد کریم بینس

جناب خالد حجازی

جناب میخائیل گرچوک

جناب خالد مرشد

کیپٹن (ر) محمد محمود

جناب حسن ناصر جامی

جناب جواد پال خواجہ

جناب امداد اللہ بوسال

جناب احمد خان چیمہ

ڈائریکٹرز، سی ای او اور ایگزیکٹوز کمپنی کے شیئرز میں کوئی ذاتی مفاد نہیں رکھتے ہیں۔ ماسوائے ان کے جو شیئر ہولڈنگ پیٹرن کے مطابق ظاہر کیے گئے ہیں۔

عبوری یا حتمی نتائج کے اعلان سے قبل بند ہونے والی مدت کا تعین کیا گیا تھا اور کمپنی سیکیورٹیز کی مارکیٹ قیمت کو مادی طور پر متاثر کرنے والے کاروباری فیصلوں کا تعین کیا گیا تھا جس کے بارے میں ڈائریکٹرز، ملازمین اور اسٹاک ایکسچینج کو آگاہ کیا گیا تھا۔ میٹریٹیل اور قیمت کے بارے میں حساس معلومات مارکیٹ کے تمام شرکا کو اسٹاک ایکسچینج کے ذریعے پہنچائی گئیں۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ساتھ تعمیل کا بیان اور قانونی آڈیٹرز کے ذریعہ اس پر آڈیٹرز کا جائزہ اس رپورٹ کا حصہ ہے۔ چیئرمین کا جائزہ، سالانہ عام اجلاس کا نوٹس، تاریخی کاروباری اشارے، آڈٹ کمپنی کی تشکیل، انسانی وسائل اور معاوضہ کمیٹی، سرمایہ کاری اور مالیاتی کمیٹی، بورڈ میٹنگز کی تعداد، ڈائریکٹرز کی حاضری، اور شیئر ہولڈنگ پیٹرن بھی اس رپورٹ کا حصہ ہیں۔

- کمپنی کی جانب سے کارپوریٹ گورننس کے بہترین اصولوں سے کوئی نمایاں انحراف نہیں کیا گیا، جیسا کہ ریگولیشنز میں بیان کیا گیا ہے

کمپلائنس - مالیاتی اسٹیٹمنٹس اور آڈیٹرز

- کمپنی کی انتظامیہ کی طرف سے پیش کردہ مالیاتی گوشواروں میں اس کے تمام معاملات، کیش فلو، اور ایکویٹی میں ہونے والی تبدیلی کو منصفانہ طریقوں سے بیان کیا گیا ہے۔
- کمپنی کے کھاتوں کو تحریری طور پر درست رکھا گیا ہے۔
- مالی معلومات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور حساب کتاب کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) کو مالی معلومات کی تیاری میں اپنایا گیا ہے، اور کسی بھی انحراف کی صورت میں اسے مناسب طور پر ظاہر کیا گیا ہے۔
- کمپنی کی صلاحیت کے بارے میں کوئی شک نہیں ہے اور اس پر مکمل اطمینان کا اظہار کیا گیا ہے۔
- آڈٹ کمیٹی نے 31 دسمبر 2025 کو ختم ہونے والے مالی سال کے لیے آڈیٹرز کے طور پر چارٹرڈ اکاؤنٹنٹس ای وائے فورڈ ریبوڈز کو مقرر کرنے کی سفارش کی ہے اور بورڈ نے اس سفارش کی توثیق کی ہے۔
- واجب الادا ٹیکس اور لیویز سے متعلق تمام معلومات مالیاتی گوشواروں کے نوٹس میں ظاہر کی گئی ہے۔
- ڈائریکٹرز کے معاوضے کی مجموعی رقم بشمول مراعات اور فوائد وغیرہ کی تفصیل مالیاتی گوشواروں کے نوٹ 39 میں ظاہر کی گئی ہے۔
- متعلقہ فریق کے لین دین کی تفصیلات مالیاتی گوشواروں کے نوٹ 34 میں ظاہر کی گئی ہیں۔
- ملازمین کے ریٹائرمنٹ پلانز کے سلسلے میں تجویز کردہ سرمایہ کاری منصوبوں کی ویلیو مالیاتی گوشواروں کے نوٹ 7.4 میں ظاہر کی گئی ہیں۔

کمپلائنس - بورڈ کی کارکردگی

- بورڈ کی اپنی کارکردگی اور اس کی کمیٹیوں کے سالانہ جائزے کے لیے ایک باضابطہ اور موثر طریقہ کار وضع کیا گیا ہے۔
- بورڈ کے چیئرمین نے ہر ڈائریکٹر کو مدت کے آغاز میں بذریعہ خط کمپنیز ایکٹ 2017 کمپنی کے آرٹیکلز آف ایسوسی ایشن اور پالیسیوں کے مطابق ان کے کردار، ذمہ داریوں، اختیارات، معاوضے اور استحقاق کے تعین سے آگاہ کیا۔
- بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے کی پالیسی کی منظوری دی ہے، جو بہترین کارپوریٹ اور گورننس کے طریقوں کے مطابق ہے۔ ڈائریکٹرز کو بورڈ اور اس کی ذیلی کمیٹیوں کے اجلاسوں میں شرکت کے لیے فیس دی جاتی ہے، بورڈ اس بات کو یقینی بناتا ہے کہ ڈائریکٹرز اور چیئرمین کا معاوضہ فیس اس سطح پر نہ ہو جس سے ان کی آزادی پر سمجھوتہ کیا جا سکتا ہو اور یہ کہ ڈائریکٹرز کا معاوضہ کمپنی کے انڈرویلو میں اضافے کا سبب بنے۔
- سال کے دوران کمپنی نے دو ڈائریکٹرز کے لیے ٹریننگ پروگرام کا اہتمام کیا۔ اس کے علاوہ ڈائریکٹرز کو ان کے کردار، ذمہ داریوں اور اختیارات سے روشناس کروانے کے لیے ایک ہدایت نامہ فراہم کیا گیا۔
- بورڈ آف ڈائریکٹرز نے PSX ریگولیشنز کی شق 5.6.1 اور 5.6.4 کے مقاصد کے لیے کمپنی کے ان ملازمین کی حد مقرر کی ہے جنہیں 'ایگزیکٹو' سمجھا جاتا ہے۔

بریسٹ کینسر آگاہی مہم (پنک ٹو بر)

- شوکت خانم میموریل اسپتال اور پنک رین پاکستان کی معاونت کے لیے آگاہی سیشنز وی ٹی سی ایل ٹاور کو گلابی روشنیوں سے منور کیا گیا۔

ConnectHear پارٹنرشپ

- ڈیزاسٹر ریسپانس میں ایک اہم خلا کو دور کرتے ہوئے قوت سماعت سے محروم افراد کے لیے اے آئی (مصنوعی ذہانت) سے چلنے والے ہنگامی الرٹس تیار کیے گئے۔

آئی ٹی انکیوبیشن کے ذریعے نوجوانوں کو باختیار بنانا

- لاہور میں ہوپ اپ لفٹ فاؤنڈیشن کے آئی ٹی سینٹر کو مفت براڈ بینڈ خدمات فراہم کیں، جس سے محروم نوجوانوں کے لیے ڈیجیٹل مہارت کی تربیت کو قابل بنایا جا سکے۔

چولستان کے موبائل اسکول کے طلباء میں اسکول بیگز کی تقسیم

- معیاری تعلیم تک رسائی کو یقینی بنانے کے لیے چولستان کے موبائل اسکولوں میں زیر تعلیم پرائمری طلبہ میں اسکول بیگز تقسیم کیے۔

مزید پر عزم مستقبل کی تعمیر

پی ٹی سی ایل گروپ نے ہیومن ریسورسز کنیکٹیوٹی جارٹر ورکشاپ 2024 میں شرکت کی جو اس کے ہنگامی حالات کے دوران بغیر کسی رکاوٹ کے مواصلات کو یقینی بناتے ہوئے آفات سے نمٹنے کے لیے ٹیکنالوجی سے فائدہ اٹھانے کے عزم کا اعادہ ہے۔

ان اقدامات کے ذریعے ثابت ہوا کہ پی ٹی سی ایل گروپ صرف ٹیلی کمیونیکیشن فراہم کرنے والا نہیں ہے بلکہ یہ مثبت تبدیلی، ڈیجیٹل شمولیت، کمیونٹی کو باختیار بنانے اور پاکستان بھر میں پائیدار ترقی کے لیے ایک بھرپور قوت ہے۔

کارپوریٹ گورننس

کمپنی نے لمٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (جسے "ریگولیشنز" کہا جاتا ہے) کے ساتھ ساتھ پاکستان اسٹاک ایکسچینج ریگولیشنز ("PSX ریگولیشنز") کی تمام شرائط کی تکمیل کی ہے۔ ڈائریکٹرز ذیل نکات کی توثیق کرتے ہوئے حوالہ شدہ ضوابط کی تعمیل کرتے ہیں

عمومی تعمیل

- بورڈ کی جانب سے حسب ضرورت کمپنی کے وژن، مشن، کارپوریٹ اقدار مجموعی کارپوریٹ حکمت عملی کی تیاری، منظوری اور اس کا جائزہ لیا جاتا ہے۔
- ایک رسمی ضابطہ اخلاق کمپنی کی ویب سائٹ پر موجود ہے۔
- غیر اخلاقی رویوں سے پیدا ہونے والی شکایات کی شناخت اور ازالے کے لیے مناسب سسٹمز اور کنٹرولز بشمول وسل بلوننگ پالیسی بھی نافذ العمل ہیں۔
- اندرونی کنٹرول کا نظام، بشمول مالیاتی کنٹرول کی درست تشکیل، اس کا موثر طریقے سے نفاذ اور اس کی نگرانی کا نظام بھی لاگو کیا گیا ہے۔ اور اس کی مستقل نگرانی کی جاتی ہے۔
- بورڈ آف ڈائریکٹرز اور انتظامیہ تمام لین دین، یا اہم معاملات کے حوالے سے فیصلے بورڈ کے منظور کردہ اختیارات کے مطابق کرتے ہیں۔
- اہم پالیسیوں کی تفصیلات کے ساتھ ان تاریخوں کا مکمل ریکارڈ برقرار رکھا گیا ہے جن پر ان کی منظوری یا ترمیم کی گئی تھی۔

نیکی کا عمل ایک وقت میں ایک اچھا کام

دل سے کے ایکٹ آف کائنات نیس سٹون میں یہ یقین سے کارفرما ہے کہ ہر اچھا کام خواہ کتنا ہی چھوٹا کیوں نہ ہو، مثبت تبدیلی پیدا کر سکتا ہے۔ بامعنی اقدامات کے ذریعے، پی ٹی سی ایل گروپ معاشرے میں رحمہالی اور سخاوت کی ترغیب دیتا رہتا ہے۔

عید کی ترین میں مسافروں کو حیرت انگیز تحفے دینے سے لے کر نوجوان لڑکیوں کو ان کے آزاد سفر کے لیے ای ہائیک کے ساتھ باختیار بنانے اور تھرمیں 15,000 لوگوں کے لیے صاف پانی کے کنویں لگانے تک، ہم نے متنوع اور برائے طریقے سے لوگوں کی زندگیوں تبدیل کرنے کی کوشش کی ہے۔

ایکٹ آف کائنات نیس کے تحت قابل ذکر اقدامات

- خوشیوں بھری عید ترین: یوفون 4 جی نے عید کے لیے گھر جانے والے مسافروں کو مفت ٹکٹوں اور تحائف کے ساتھ حیران کر دیا، جس سے انہیں سفر کے دوران غیر متوقع خوشی ہوئی۔ ایک وصول کنندہ نے اپنے جذبات کو یوں بیان کیا کہ: یوفون ہمیشہ کہتا ہے 'تم ہی تو ہو'، لیکن آج انہوں نے واقعی یہ ثابت کر دیا۔
- ای ہائیکس اقدام: مطالبات کو ای ہائیکس فراہم کی گئیں جن سے انہیں آزادی اور تحفظ ملا۔ یہ اقدام نقل و حرکت میں ایک بہتری سے زیادہ ہے۔ یہ خواتین کو اختیار بنانے کی طرف ایک اہم پیش رفت ہے۔
- تھر کلین ڈرننگنگ واٹر پراجیکٹ: پی ٹی سی ایل گروپ نے عمرکوٹ تھر کے پانچ دیہات میں پینڈ پمپ نصب کیے، جو 15,000 سے زیادہ لوگوں کو پینے کا صاف پانی فراہم کر رہے ہیں۔

کارپوریٹ سماجی ذمے داریوں کے مزید اہم نکات گندھارا سٹرس فیسٹیول 2024

پی ٹی سی ایل گروپ نے ٹیکسلا کے تاریخی شہر میں منعقدہ دوسرے گندھارا سٹرس فیسٹیول کو اسپانسر کیا۔ یہ رنگارنگ ایونٹ علاقے کی مال مال زراعت، سٹرس اور زیتون کی کاشت کی اہمیت کو اجاگر کرنے کا سبب بنا۔ جب کہ گندھارا کی بہترین ثقافت اور پتھروں پر نقش کاری کے روایتی فن کو تحفظ فراہم کیا گیا۔

بنو اچھائی کی مثال (رمضان مہم)

- اس مہم کے تحت ملک بھر میں ڈیجیٹل پلیٹ فارم کے ذریعے فلاحی کاموں کو فروغ دینے کی حوصلہ افزائی اور شوکت خانم، بینک رین اور انڈس اسپتال جیسے اداروں کی مدد کی گئی۔

آفات سے متاثرہ بلوچستان میں امدادی کارروائیاں

- پی ٹی سی ایل گروپ نے پاکستان ہلال احمر سوسائٹی کے ساتھ اشتراک کرتے ہوئے گوادر میں سیلاب سے متاثرہ کمیونٹیز میں پینے کے صاف پانی کی فراہمی کے لیے ایک جدید ترین واٹر فلٹریشن پلانٹ نصب کیا۔

خون کے عطیہ کی سالانہ مہم

- پی ٹی سی ایل ملازمین کی جانب سے خون کے عطیہ دہندگان کے عالمی دن کے موقع پر 14 جون کو خون کے عطیہ کی مہم میں سرگرمی سے حصہ لیا گیا جو کمپنی میں ہمدردی کلچر کی تائید کرتا ہے۔

یونیسف کے ساتھ اشتراک سے پولیو آگہی مہم

- یوفون کے وسیع 4G نیٹ ورک کے ذریعے ایک آگاہی مہم کا آغاز کیا گیا جس کے تحت کمیونٹیز کو پولیو ویکسینیشن کے حوالے سے معلومات فراہم کی گئی۔

ٹیک فار ٹومارو (پلی کریں اسکول اقدام)

- پرائی انٹرنیٹ ڈیوائسز کو پلیز ٹیکنالوجی سے تبدیل کرتے ہوئے ڈیجیٹل لرننگ سے اپ گریڈ کیا گیا، تاکہ مستحق بچوں کی بلا تعطل تعلیم کو یقینی بنایا جاسکے۔

بااختیار

بااختیار پروگرام پاکستان پاورٹی ایلیمینیشن فنڈ (پی ای ایف) کے ساتھ پی ٹی سی ایل گروپ کا ایک مشترکہ اقدام ہے جس کے ذریعے کاروبار کرنے والی خواتین کو بااختیار بنانے کے لیے انہیں ڈیجیٹل اور مالیاتی آلات سے آراستہ کر کے گھر سے ہی مستحکم کاروبار کا آغاز کیا جاسکتا ہے۔

اس پروگرام کا آغاز خیبر پختونخوا کے علاقے ہری پور میں 18 سے 26 برس کی 100 نیم پرمند خواتین کے ساتھ کیا گیا تھا۔ جو بیچلرز اور ماسٹرز کی ڈگری کی حامل ہونے کے باوجود محدود مواقع کی وجہ سے سلائی اور کڑھائی کا غیر رسمی کام کر رہی ہیں۔ ان خواتین نے ٹیوٹا (TEVTA) ہری پور میں 15 دن کی اعلیٰ تربیت حاصل کی، جہاں انہوں نے اپنے ہنر کو بہتر بنایا اور نئی مہارتوں پر عبور حاصل کیا۔

پی ٹی سی ایل گروپ نے انہیں یوفون 4 جی سمز سے لیس اسمارٹ فونز مفت فراہم کیے۔ جن کی مدد سے وہ سال بھر مفت انٹرنیٹ تک رسائی حاصل کر سکیں گے اور ان میں ڈیجیٹل لین دین کی سہولت کے لیے یو پی سی موبائل والٹس کو فعال کیا گیا۔ جس کے بعد پی ٹی سی ایل گروپ کے ذیلی ادارے، یو مائیکرو فنانس بینک (یو بینک) نے پی ٹی سی ایل ہری پور اسٹاف کالج میں ڈیجیٹل مالیاتی خواندگی کے سیشن کا انعقاد کیا، جس میں شرکاء کو بینک اکاؤنٹس اور موبائل والٹس کا انتظام کرنا سکھایا گیا۔ اس کے ساتھ ہی اہل شرکا کو مائیکرو فنانس قرضوں کی پیشکش بھی کی۔ پاکستان کے معروف ای کامرس پلیٹ فارم دراز نے دو ہفتہ وار سپورٹ سیشنز کے ساتھ خواتین کو سیلر اکاؤنٹس بنانے، پروڈکٹس کی فہرست بنانے اور آن لائن اسٹورز کا انتظام کرنے میں مدد کرنے کے لیے ای کامرس کے حوالے سے تربیت دی۔

پروگرام کی کامیابی اس بات سے ظاہر ہوتی ہے جب فارغ التحصیل طلباء نے آن لائن اپنے کاروبار شروع کیے، جو ان کی سماجی اور اقتصادی ترقی کے سفر کا آغاز تھا۔ پی ٹی سی ایل گروپ نے انہیں ملکی اور بین الاقوامی پلیٹ فارمز پر اپنے کام کا مظاہرہ کرنے کے مواقع فراہم کر کے حمایت جاری رکھی، بشمول لوک میلہ، جو پاکستان کا سب سے بڑا ثقافتی ایونٹ ہے، جہاں ان کی دست کاری کے فن کو وسیع پیمانے پر سراہا گیا۔

ان کی کامیابیوں کے اعتراف میں اسلام آباد میں ایک اعلیٰ سطح کی تقریب منعقد کی گئی، جس میں متحدہ عرب امارات کے سفیر، اہم اسٹیک ہولڈرز اور مختلف شعبوں جیسے کھیل، فیشن، تفریح اور کاروبار سے تعلق رکھنے والی ممتاز شخصیات نے شرکت کی جنہوں نے ان کی محنت اور ثابت قدمی کو سراہا۔

آگے بڑھنے کی لگن (آگے کا سفر)

ان خواتین کے ساتھ پی ٹی سی ایل گروپ کی وابستگی تربیت سے بھی بڑھ کر ہے۔ گروپ آگے پیش رفت کرتے ہوئے درج ذیل سہولیات فراہم کرے گا۔

- بنیادی فنڈنگ کے ساتھ اسٹارٹ اپ رجسٹریشن کی سہولت فراہم کرنا تاکہ ان کے کاروبار کو بڑھایا جاسکے۔
- پی ٹی سی ایل ہری پور اسٹاف کالج میں کام کی جگہ فراہم کرنا۔
- فیصل آباد میں ٹیکسٹائل فیکٹریوں کے دورے کا انتظام کرنا۔
- سرکردہ برانڈز کے ساتھ تعاون کرنا، ممکنہ طور پر ان کی مصنوعات کے لیے مخصوص ریٹیل اسپیس محفوظ کرنا۔
- ڈیجیٹل سیلز کی مہارت کو بڑھانے کے لیے شاہی فائی اور میٹا سوئٹ پر جدید تربیت فراہم کرنا۔
- پی ٹی سی ایل کے رضاکار پروگرام کے ذریعے مسلسل رہنمائی فراہم کرنا، کاروبار کی مسلسل ترقی کو یقینی بنانا۔

ڈیجیٹل تفریق ختم کرنے اور انٹرپرائیور کو فروغ دیتے ہوئے خواتین کو اقتصادی اور ڈیجیٹل طور پر بااختیار بنانے، ان کی زندگیوں میں تبدیلی لانے اور پورے پاکستان میں اسی طرح کے اقدامات کی ترغیب دینے کے لیے پی ٹی سی ایل گروپ عزم کی مثال قائم کرتا ہے۔

کائیکٹ سینٹرز کسٹمر سروس کی بلا رکاوٹ فراہمی کے علاوہ ایک اسٹریٹجک بزنس ڈرائیور کے طور پر سامنے آئے ہیں، جو سیلز کے نئے اقدامات اور آؤٹ باؤنڈ سی وی ایم مہمات کے ذریعے آمدنی میں اضافے میں معاونت کرتے ہیں۔ کسٹمر برقرار رکھنے اور انہیں اپنی جانب متوجہ کرنے کی حکمت عملی پر عمل پیرا ہونے کے ساتھ ہی سی ایل گروپ کی کسٹمر کیئر ٹیم نے کمپنی کے منافع میں مثبت بیش رفت کی، جس سے کسٹمر کی وفاداری اور طویل مدتی مشغولیت کو تقویت ملی ہے۔

سرٹیفیکیشن کو کامیابی کے ساتھ برقرار رکھا ہے، اور سروس کے معیار کو ISO 9001:2018 پی ٹی سی ایل گروپ نے اپنے برقرار رکھنے اور بڑھانے کے اپنے عزم کا اعادہ کیا ہے۔

صنعت میں کسٹمر کیئر کے نئے معیار قائم کرنا

اختراع، آپریشنل ایکسی لینس، اور صارفین پر مرکوز اقدامات کے اسٹریٹجک امتزاج کے ذریعے، پی ٹی سی ایل گروپ صنعتی معیارات کی نئی تعریف کا عمل جاری رکھے ہوئے ہے۔ ڈیجیٹل تبدیلی، اے آئی سے چلنے والی خدمات میں اضافے، اور فعال صارفین کی شمولیت پر غیر متزلزل توجہ کے ساتھ، پی ٹی سی ایل گروپ کسٹمر کیئر میں ایسا رہنما ہے، جو غیر معمولی اور ہموار خدمات کے تجربات فراہم کرنے کے اپنے ورژن کو تقویت بخشتا ہے۔

کارپوریٹ سماجی ذمہ داری (سی ایس آر)

کمپنی کی شناخت کا ایک اہم پہلو ہے، جو اس کے منافع کے مارجن سے آگے کے مثبت (CSR) کارپوریٹ سماجی ذمہ داری اثرات کے عزم کی عکاسی کرتی ہے۔ کمیونٹی کو واپس لوٹانے جیسے اقدامات میں شامل ہونا نہ صرف ایک ذمہ داری بلکہ سماجی بہتری میں حصہ ڈالنے کا ایک موقع ہے۔ کارپوریٹ سوشل ریسپانسیبلٹی کے لیے، کمیونٹی ڈیویلپمنٹ پروجیکٹس کے لیے وسائل مقاصد کو پورا کرنے کا ایک مستحکم طریقہ ہے۔ کمیونٹی کے فلاحی کاموں میں فعال طور پر حصہ CSR مختص کرنا ان کے لیے کر، کمپنیاں پالیسٹار اور جامع ترقی کو فروغ دینے میں اہم کردار ادا کرتی ہیں۔

2024 کے دوران، پی ٹی سی ایل گروپ مختلف قسم کی کارپوریٹ سماجی ذمہ داری (CSR) سرگرمیوں میں مصروف رہا، جو اس کے معاشرے پر مثبت اثرات مرتب کرنے کے عزم کو ظاہر کرتی ہیں۔

دل سے -- سماجی اثرات مرتب کرنے کا پلیٹ فارم

ڈی آئی ایل ایس ای ہمارا سماجی اثر پلیٹ فارم ہے جو ڈیجیٹل شمولیت، مہربانی اور اختراع کو فروغ دینے کے لیے وقف ہے۔ ٹیکنالوجی برائے شمولیت (Tech4Inclusion) (Act of Kindness) اور سماجی اختراع (Social Innovation) جیسی تین بنیادوں پر کھڑا "دل سے" کمیونٹی کو اپنے پیروں پر کھڑا کرنے اور پاکستان کی بنیادی سماجی ضروریات کی تکمیل کے لیے ہے۔

Tech4Inclusion کے تحت Dil Se تبدیلی کے اقدامات کو فروغ دے رہا ہے۔ باختیار، فلیگ شپ پروجیکٹ، خواتین کو ڈیجیٹل مہارتوں و آلات، مالی آزادی اور کاروباری صلاحیتوں سے آراستہ کر کے انہیں باختیار بناتا ہے۔ ایک اور اہم اقدام جنوبی ایشیا کے معروف معاون ٹیکنالوجی اسٹارٹ اپ ConnectHear کے ساتھ ہماری شراکت داری ہے۔ جو پاکستان میں قوت سماعت سے محروم افراد کے لیے قدرتی آفات کے دوران انقلاب برپا کر رہا ہے۔ اے آئی کی مدد سے چلنے والا یہ ٹول کم کنیکٹیوٹی والے علاقوں میں بھی ہنگامی حالات کے دوران زندگی بچانے والی معلومات قوت سماعت سے محروم افراد تک پہنچانے کے لیے کوشاں ہے۔

ایکٹ آف کائنڈنیس (Act of Kindness) کا ستون اس سوچ سے منسلک ہے کہ کوئی بھی عمل چھوٹا نہیں ہوتا۔ ہر مثبت طرز عمل میں گہرے اثرات مرتب کرنے کی صلاحیت ہوتی ہے۔ یہ پہل اجتماعی ہمدردی کی حوصلہ افزائی کرتی ہے، یہ ثابت کرتی ہے کہ رحم دلی کے سادہ اقدام بھی بامعنی تبدیلی لا سکتے ہیں۔

اس کے علاوہ سماجی اختراع (Social Innovation) سماجی مشکلات سے نمٹنے والے اسٹارٹ اپس کی حمایت کرتا ہے، ایسے حل تیار کرتا ہے جو دیرپا اثر ڈالتے ہیں۔ یہ ستون مسلسل فروغ پا رہا ہے، یہ ایک ایسے مستقبل کی راہ ہموار کرتا ہے جہاں ٹیکنالوجی اور اختراع انسانیت کی خدمت کرتے ہیں۔

دل سے کے ذریعے، ہم صرف ایک خلا کو ہی پُر نہیں کر رہے، بلکہ ہم ایک ایسے مستقبل کی تعمیر کر رہے ہیں جہاں ٹیکنالوجی، ہمدردی اور ترقی ساتھ ساتھ چلتے ہیں۔

یہ ترقی پسند حکمت عملی پی ٹی سی ایل گروپ کی مارکیٹ کی ضروریات کے مطابق ڈھلنے کے عزم کی نشاندہی کرتی ہے، جس سے صرف بنیادی کنیکٹیوٹی فروخت کرنے کے بجائے ویلیو ایڈڈ خدمات کی فراہمی کو یقینی بنایا جاتا ہے۔

کسٹمر کیئر

پی ٹی سی ایل گروپ نیٹ ورک کو مستحکم، شکایات کے حل کے وقت میں کمی اور براڈ بینڈ اسپید کے تجربے کو بہتر بنا کر مجموعی طور پر صارفین کے تجربے کو بڑھانے کے لیے پرعزم ہے۔ صارفین کی مرکزیت ہمیشہ پی ٹی سی ایل گروپ کی حکمت عملی کا محور رہی ہے، جو نیٹ پروموٹر اسکور (این پی ایس) میں یوفون کی مارکیٹ کی قیادت کو برقرار رکھنے اور مجموعی طور پر صارفین بیپی نیس انڈیکس (سی ایچ آئی) کو بڑھانے کے لیے مختلف اقدامات متعارف کراتی ہے۔

صارفین ایکسپریس پروگرام کے ایک حصے کے طور پر، صارفین ٹریول ٹرانسفارمیشن پہل پر عمل درآمد کیا گیا، جس میں آن بورڈنگ، شکایات کے حل اور دیگر اہم عمل کو ہموار کرنے پر توجہ دی گئی۔ یہ پہلی نوکیا سروس مینجمنٹ پلیٹ فارم کی جدید ترین صلاحیتوں کا فائدہ اٹھاتے ہوئے رد عمل سے فعال اقدامات کی طرف منتقل ہو گئی ہے۔ فعال اقدامات کے اقدامات کو نافذ کر کے، پی ٹی سی ایل گروپ اب صارفین کے مسائل کی اطلاع ملنے سے پہلے ہی ان کی شناخت اور حل کر سکتا ہے۔ فلیش فائبر صارفین کے تجربے میں صنعت کی قیادت کرنے کے وزن کے ساتھ پی ٹی سی ایل گروپ نے ایک وقف شدہ فلیش فائبر صارفین ایکسپیرٹس پروگرام شروع کیا، جو پریمیم صارفین سپورٹ اور بہتر سروس پیش کرتا ہے۔

فلیش فائبر کسٹمر کے تجربے میں صنعت کی قیادت کرنے کے وزن کے ساتھ، پی ٹی سی ایل گروپ نے ایک وقف شدہ (ڈیڈیکٹڈ) فلیش فائبر کسٹمر ایکسپیرٹس پروگرام متعارف کرایا، جو پریمیم کسٹمر سپورٹ اور بہترین سروس پیش کرتا ہے۔ مزید برآں، ای اینڈ کے تعاون سے پی ٹی سی ایل گروپ کسٹمر کیئر نے کسٹمر ایکسپیرٹس فریم ورک اور مومینٹس آف ٹروٹھ پروگرام کے ذریعے صنعت کے بہترین طریقوں کو مربوط کیا ہے، جس سے مجموعی سروس کے تجربے کو مزید تقویت ملی ہے۔

اے آئی اور آٹومیشن: صارفین کے تجربے کو یکسر تبدیل کرنا

اے آئی اور آٹومیشن پی ٹی سی ایل گروپ کی کسٹمر کیئر کی حکمت عملی کا مرکزی حصہ ہے، جو کسٹمر کیئر کے کلیدی شعبوں میں جدید ترین اے آئی سے چلنے والے حل کے نفاذ کو آگے بڑھاتے ہیں۔ سب سے اہم پیشرفت میں سے ایک اے آئی (مصنوعی ذہانت) سے چلنے والا کوالٹی ایسورنس بوٹ متعارف کرایا جاتا ہے، جس نے خدمت کے معیار کو برقرار رکھنے کے عمل میں انقلاب برپا کیا ہے، جو فعال خدمات کی بہتری کو آسان بنانے کے لیے رئیل ٹائم تجزیہ اور گہری بصیرت فراہم کرتا ہے۔

اپنی کسٹمر سیلف سروس کی صلاحیتوں کو بڑھاتے ہوئے پی ٹی سی ایل گروپ نے وائس ایپ کو نوکیا کے ایڈوانسڈ سروس مینجمنٹ پلیٹ فارم اور ویب چیٹ پر سیلف کیئر سروسز کے ساتھ مربوط کیا ہے۔ ان ڈیجیٹل اختراعات نے صارفین کو باختیار بنایا ہے، خدمات تک رسائی کو ہموار کرتے ہوئے سیلف کیئر اپنانے کی شرح میں نمایاں اضافہ کیا ہے۔ ڈیجیٹل تبدیلی کو مزید تقویت دیتے ہوئے، پی ٹی سی ایل گروپ نے کامیابی کے ساتھ ای-بلنگ کا آغاز کیا، جس کے نتیجے میں صارفین کے اختیار میں کافی اضافہ ہوا۔

بہترین سروس کے لیے کے لیے اپنے غیر متزلزل عزم کا مظاہرہ کرتے ہوئے پی ٹی سی ایل گروپ نے اپنی غیر متزلزل وابستگی کا مظاہرہ کرتے ہوئے، پی ٹی سی ایل گروپ نے تھرد پارٹی مسٹری شاہنگ اسپیسمنٹس میں اپنی ٹاپ رینکنگ کو برقرار رکھا، اور بہترین درجے کی کسٹمر سروس فراہم کرنے کے لیے اپنی لگن کو تقویت بخشی۔

کانٹیکٹ سینٹر: صارفین کی شمولیت کو مضبوط بنانا

پی ٹی سی ایل گروپ رابطہ مراکز نے کمپنی اور اس کے صارفین کے درمیان اہم ربط کے طور پر کام کرتے ہوئے ایک اہم کردار ادا کیا۔ منقسم اور سیگمنٹڈ ٹریٹمنٹ نے پی ٹی سی ایل اور یوفون کے صارفین دونوں کے لیے بیلن لائن کے تجربے کو بہتر بنانے میں مدد کی ہے۔

یقینی بنانے میں اہم کردار ادا کیا۔ پی ٹی سی ایل جدت طرازی میں سب سے آگے ہے، پی ٹی سی ایل کی پی آئی ای کراچی (ڈی۔سی۔آئی ایکس سے چلنے والا) کے متعارف ہونے سے متوقع ہے کہ یہ رابطے اور ڈیٹا کی منتقلی میں انقلاب برپا کرے گا۔

پی ٹی سی ایل انٹرنیشنل سلوشنز نے صنعتی چیلنجز جیسے کہ او ٹی ٹی پھیلاؤ اور گریڈ ٹریفک کے خاتمے کے لئے پی ٹی اے، سی ایم او، اور ایل ڈی آئی انڈسٹری جیسے ریگولیٹری اداروں کے ساتھ فعال طور پر تعاون کر کے اپنے عزم کا مظاہرہ کیا ہے۔ یہ سروس کی اہمیت کو برقرار رکھتے ہوئے صوتی کاروبار کی آمدنی کے تحفظ کو یقینی بناتا ہے۔ اس کے ساتھ ہی پی ٹی سی ایل انٹرنیشنل سلوشنز جدت کو بڑھانے، کنیکٹیویٹی کو بڑھانے، اور غیر معمولی قدر فراہم کرنے کے لیے وقف ہے، جس سے عالمی ٹیلی کام کے منظر نامے میں اپنے کردار کو تقویت ملتی ہے۔

کیرئیر سلوشنز

حالی سال 2024 میں پی ٹی سی ایل کیریئر بول سیل بزنس نے ٹیلی کام انڈسٹری کے تمام بڑے پلیئرز، بشمول سیلولر موبائل آپریٹرز، ایل ڈی آئی / ایف ایل ایل پرووائیڈرز، ٹیلی کام انفراسٹرکچر پرووائیڈرز، آئی ایس پی، اور دفاعی اداروں کے ساتھ اسٹریٹجک شراکت داری مستحکم کرنے کا سلسلہ جاری رکھا۔

جدید ترین بین الاقوامی سب میرین کیبل نیٹ ورک کے ساتھ، جس میں چار متنوع روٹس (اے اے ای 1، ایس ایم ڈبلیو 4، آئی ایم ای ڈبلیو ای، اور پیس) شامل ہیں ایک اور نئی کیبل افریقا-1، تکمیل کے مراحل میں ہے، پی ٹی سی ایل ملک کی بڑھتی ہوئی ڈیٹا کی ضروریات کو پورا کرنے کے لیے اچھی پوزیشن میں ہے۔ اس کے ساتھ ساتھ ریسپلنڈنٹ گورنمنٹ ورکس، میٹرو ٹک رسائی، اور ٹیپر-3 مصدقہ ڈیٹا سینٹرز سے لیس پی ٹی سی ایل کے ملک گیر فائبر آپٹک نیٹ ورک نے کیریئر انڈسٹری کے لیے پسندیدہ شراکت دار کے طور پر اپنی ساکھ کو مستحکم کیا ہے۔

کیریئر گریڈ آئی سی ٹی سلوشنز کی بڑھتی مانگ کو دیکھتے ہوئے پی ٹی سی ایل نے معروف آئی سی ٹی سپلائرز کے تعاون سے اپنے پورٹ فولیو کو کنیکٹیویٹی سے آگے بڑھایا، مینجڈ سیکیورٹی، مینجڈ ڈی ڈی او ایس، مینجڈ ڈی این ایس، سی ڈی این-ایز-ای، سروس، اور کیریئر-نیوٹرل آئی ایکس پی سروسز متعارف کروائیں۔ یہ تبدیلی پی ٹی سی ایل کو صرف کنیکٹیویٹی فراہم کرنے والے کے بجائے ایک جامع حل فراہم کرنے والے ادارے کے طور پر پیش کرتی ہے۔

ایس ایم ای سلوشنز

بہترین کارکردگی کے لیے پرعزم پی ٹی سی ایل ایس ایم ای سلوشنز نے مالی سال 2024 میں اپنے پروڈکٹ پورٹ فولیو کو اسٹریٹجک طور پر بڑھا کر، صارفین کے تجربے میں اضافہ، اور آپریشنل کارکردگی کو بہتر بنا کر اپنی مستحکم گروٹھ کی رفتار برقرار رکھی۔

لیڈ ٹو کیش سیل کی ڈیجیٹلائزیشن نے محتاط ریکارڈ رکھنے اور ٹریکنگ کو قابل بنایا ہے، جس سے تنصیب اور تعیناتی کے عمل کے لیے مین ٹائم ٹو پروویژن (ایم ٹی ٹی پی) اور مین ٹائم ٹو ریزولوشن (ایم ٹی ٹی آر) جیسے کلیدی کارکردگی کے میٹرکس کی موثر نگرانی کی جا سکتی ہے۔ مزید برآں صارفین سے صارفین تک سپورٹ کے عمل کی ازسرنو تشکیل کی گئی۔ اس میں آئی سی ٹی اور کنیکٹیویٹی پروڈکٹس کے بارے میں تفصیلی معلومات کے ساتھ آئی وی آر کو آپ گریڈ کرنا، پی ٹی سی ایل اور یوفون نیٹ ورکس کے لیے ایک وقف شدہ مختصر کوڈ 4000 متعارف کرانا شامل ہے تاکہ بلا تعطل رسائی کو یقینی بنایا جا سکے۔

ایس ایم ای سلوشنز ایس ایم ایز کے لیے ڈیجیٹل تبدیلی کو تیز کرنے اور کاروبار کو بااختیار بنانے کے لیے کم لاگتی ٹیکسٹ جنریشن ٹیکنالوجیز کا فائدہ اٹھانے میں سب سے آگے رہا ہے۔ اسٹریٹجک اقدامات کے ذریعے، ٹیم نے ایس ایم ای صارفین کے لیے آپریشنل کارکردگی اور تحفظ کو بڑھانے کے لیے ایم-وائی فائی، این جی فائر والز اور ایس اے ای ایس سلوشنز کا کامیاب آغاز کیا۔ ایس ایم ای سلوشنز نے 5 جی کے لیے تیار ڈی آئی ایس (ڈیجیٹل انڈورسٹم) کے رہائشی / تجارتی منصوبے کے لیے دروازے کی نقل و حرکت کے لیے پاکستان میں اپنی نوعیت کی پہلی تنصیب سمیت اسٹریٹجک آئی سی ٹی منصوبوں کو محفوظ بنانے کا سنگ میل حاصل کیا۔ پی ٹی سی ایل گروپ کی رسائی کو موجودہ فکسڈ لائن انفراسٹرکچر سے آگے بڑھانے کے لیے ایس ایم ای سلوشنز نے آئی ایس پی کو ایک سروس پروڈکٹ کے طور پر بھی تیار کیا تاکہ ادارے کی غیر مستعمل صلاحیت کو بروئے کار لایا جاسکے۔

انٹرنیشنل سلوشنز نے 2024 کے دوران مجموعی طور پر مسلسل بہتر کارکردگی دکھائی اور سرکاری و نجی شعبے کے متعدد اداروں کے ساتھ بنیادی رابطے کے کاروبار کے علاوہ نئے اور اسٹریٹجک آئی سی ٹی / کلاؤڈ منصوبوں کو محفوظ بنانے میں بھی کامیاب رہا۔ یہ کارکردگی فروخت کی جارحانہ حکمت عملی، مصنوعہ کی پروڈکٹ مینجمنٹ اور صارفین کے ساتھ تعلق کا نتیجہ ہے جس سے مستحکم شرح ترقی حاصل ہوئی۔ متنوع کاروباری معاملات میں نئے صارفین کی شمولیت پر توجہ مرکوز کرنے سے نئے شعبوں میں صارفین اور مصنوعات کی رسائی بڑھانے میں مدد ملی۔

پی ٹی سی ایل نے پاکستان میں ڈیجیٹل تبدیلی کی راہ ہموار کرتے ہوئے رابطہ کاری کی ضروریات پوری کر کے اپنے انٹرنیشنل سلوشنز پورٹ فولیو کو بڑھایا ہے تاکہ وہ نیٹ ورک سیکیورٹی کے لیے صارف کا قابل بھروسہ انتخاب بن سکے۔

پی ٹی سی ایل نے اپنے ڈیجیٹل وژن کے مطابق، یو۔ٹیلی میٹکس اور یو۔پی ٹی ٹی جیسے آئی او ٹی سلوشنز متعارف کرا کر اپنی کارپوریٹ صارفین بیس کو بڑھایا۔ اس کے ساتھ ہی پی ٹی سی ایل نے ڈیوائس۔ایس۔ای۔سروس (ڈی اے اے ایس) کے کاروبار میں قدم رکھا، جو کنیکٹیوٹی کے ساتھ ہنڈل والے آئی او ٹی ٹرمینلز پیش کرتے ہوئے صارفین کی ضروریات کو پورا کرتے ہوئے انہیں جوڑے رکھتے ہیں۔

پی ٹی سی ایل نے متنوع صنعتوں میں نئے انٹرنیشنل صارفین کو اپنی جانب راغب کرنے پر بھرپور توجہ کے ساتھ فن ٹیک کے شعبے میں کامیابی سے قدم رکھا، پی ٹی سی ایل کی کنیکٹیوٹی سے چلنے والے اور ٹرمینل مینجمنٹ سسٹم (Fintech) ایم ایس کے ساتھ مربوط ہینڈ بیلڈ پی او ایس ڈیوائسز کے ذریعے ہموار لین دین کی سہولت فراہم کی۔ آ پی ٹی سی ایل تعلیم، مالیات، صحت کی دیکھ بھال اور ایف ایم سی جی جیسی اہم صنعتوں میں آئی سی ٹی اور کلاؤڈ صارفین کو خدمات فراہم کرتا ہے۔ قومی ادارے کی حیثیت سے، پی ٹی سی ایل خود کو پاکستان کے ڈیجیٹل ماحولیاتی نظام کے کلیدی فعال کار کے طور پر قائم رکھے ہوئے ہے، جو کاروبار کے لیے ڈیجیٹل تبدیلی کو تیز کرنے کے لیے وقف ہے۔ ہم مستقبل کے لیے تیار، جدید ترین حل فراہم کرنے کے لیے معروف ٹیکنالوجی فراہم کنندگان کے ساتھ اسٹریٹجک شراکت داری سے فائدہ اٹھانے کے لیے پرعزم ہیں۔

انٹرنیشنل سلوشنز

پی ٹی سی ایل انٹرنیشنل سلوشنز نے ٹیلی کمیونیکیشن کے شعبے میں ایک لیڈر کی حیثیت سے اپنی پوزیشن کو مزید مضبوط کیا ہے، جدت کو فروغ اور کنیکٹیوٹی کو بڑھاتے ہوئے اپنے صارفین کو بے مثال ویلیو فراہم کی ہے۔ ڈیٹا سینٹرز، ہائپر اسکیلر کنیکٹیوٹی، اور نیکسٹ جنریشن ٹیکنالوجیز پر اسٹریٹجک توجہ کے ساتھ ہم نے اہم سنگ میل حاصل کیے ہیں جو ترقی کے لیے ہمارے عزم کی عکاسی کرتے ہیں۔

پی ٹی سی ایل انٹرنیشنل سلوشنز نے عالمی ڈیجیٹل تبدیلی کے رجحانات کے مطابق ہائپر اسکیلر کنیکٹیوٹی کو بڑھایا اور جدید ترین ڈیٹا سینٹرز کی ترقی کو ترجیح دی ہے۔ عالمی مواد اور گیمنگ پرووائڈرز کے لیے ہوسٹنگ نوڈز سے ہم نے صارف کے تجربے کو نمایاں طور پر بڑھایا، تاخیر کو کم، اور بلا تعطل کنیکٹیوٹی کو یقینی بنایا ہے۔

روان سال کی ایک سب سے خاص بات ای اینڈ یو اے ای (e&UAE) کے ساتھ اے 2 پی ایس ایم ایس معاہدے کو کامیابی کے ساتھ حتمی شکل دینا تھا۔ یہ اسٹریٹجک پارٹنرشپ نا صرف ریونیو لائنگ کو یقینی بناتی ہے بلکہ ہمارے نیٹ ورک کی حفاظت اور سروس پر بھروسے کو بڑھانے کے لیے فائروال کے جدید نفاذ کی پہچان بھی کراتی ہے۔ یہ تعاون آمدنی میں اضافے، محفوظ، اعلیٰ معیار کے پیغام رسانی کے حل کی فراہمی کے لیے عالمی اتحاد سے فائدہ اٹھانے کے ہمارے عزم کو واضح کرتا ہے۔

اس کے علاوہ یوقون 4 جی / پی ٹی سی ایل ہول سیل ٹیم نے دنیا بھر میں (5G این ایس اے) اور ایل ٹی ای فٹ پرنٹس کو پھیلانے میں نمایاں پیش رفت کی ہے۔ 2024 میں، ہم نے کامیابی کے ساتھ 5G NSA سروسز کو 13 ممالک اور LTE کوریج کو 50 سے زیادہ مقامات تک بڑھایا، جس سے عالمی مواصلاتی کمیونیکیشن کے منظر نامے میں PTCL کے کردار کو ایک کلیدی پلیئر کے طور پر شناخت ملی۔

ہمسایہ ممالک کے ساتھ ہمارے وسیع زمینی رابطہ راہداریوں کی تعمیر کے ساتھ ساتھ پی ٹی سی ایل ڈیٹا اور وائس کنیکٹیوٹی کے لیے ایک اہم علاقائی ہب بننے کی خواہش رکھتا ہے۔ اس سال، ہم نے ٹرانس پاکستان کنیکٹیوٹی موٹیٹائزیشن، آمدنی کے نئے ذرائع کو کھولنے اور علاقائی تعاون کو فروغ دینے کے لیے پاک چین اقتصادی راہداری (سی پیک) کی وسیع صلاحیت کا مزید فائدہ اٹھایا۔ اس کے ساتھ ہی زیر سمندر کیبلز کی ویٹ سیگمنٹ صلاحیت کی فروخت بڑھانے کے لیے ہماری کوششوں نے ڈیجیٹل خود مختاری کو مستحکم کرنے اور مضبوط بین الاقوامی رابطے کو

سال 2024 کے دوران پی ٹی سی ایل کے فکسڈ براڈ بینڈ شعبے نے سالانہ بنیادوں پر 20 فیصد کی شاندار گروتھ حاصل کی، جب کہ فلیش فائبر میں 104 فیصد کا غیر معمولی اضافہ ہوا۔ کمپنی اب 650,000 سے زیادہ ایف ٹی ٹی ایچ صارفین کو خدمات فراہم کرتی ہے، جس میں نیٹ ورک کی توسیع قابل ذکر نتائج فراہم کرتی ہے۔ 1.5 ملین سے زیادہ گھر اب فلیش فائبر سے منسلک ہیں، جو پاکستان کے تیز رفتار انٹرنیٹ انفراسٹرکچر کو آگے بڑھانے کے لیے پی ٹی سی ایل کے مسلسل عزم کی نشاندہی کرتے ہیں۔

شوق

براڈ بینڈ میں کامیابی حاصل کرنے کے ساتھ ساتھ پی ٹی سی ایل گلوگل کے اینڈرائیڈ سسٹم کے تحت چلنے والا ٹی وی باکس شوق متعارف کروایا۔ یہ اختراعی پروڈکٹ ٹی وی دیکھنے کے تجربے میں انقلاب لانے کے لیے تیار ہے، جو تفریح اور خبروں کے لیے ایک بھرپور پیشکش ہے۔ پی ٹی سی ایل نے ٹیلی کام صنعت میں پہلی بار تار کا خاتمہ کرتے ہوئے وائرلیس نیٹ ورک پر آئی ٹی وی ملٹی کاسٹ ٹرانسمیشن فعال کی۔

وائس ایپ بوٹ -- کسٹمر سروس میں گیم چینجرز

اس صنعت میں پہلی مرتبہ پی ٹی سی ایل کے وائس ایپ بوٹ نے تبادلاً خیال کو بہترینانے اور صارف کی سہولت کے لئے کسٹمر سروس میں انقلاب برپا کیا ہے۔ اے آئی سے چلنے والا یہ بوٹ صارفین کو فوری طور پر اسپید بولٹ آن کو سیسکرائب کرنے، آسانی سے شکایات کو رجسٹر کرنے اور ٹریک کرنے، بلنگ کی تفصیلات تک رسائی، اور پی ٹی سی ایل کی پی فاسٹ کے ساتھ شراکت داری کے ذریعے بل کی ادائیگی کرنے کی سہولت فراہم دیتا ہے۔ ان اختراعات کے ساتھ، پی ٹی سی ایل صارفین کو مسلسل اور زیادہ موثر ڈیجیٹل تجربہ پیش کرتے ہوئے ان کی حدود کو آگے بڑھانے کا عمل جاری رکھے ہوئے ہے۔

کاروبار سے متعلقہ خدمات اور پراڈکٹس

ٹیلی کمیونیکیشن کی صنعت میں سرخیل کی حیثیت سے پی ٹی سی ایل بزنس سلوشنز جدت کی حدود کو آگے بڑھا رہا ہے، جس سے پی 2 ٹی ٹیلی کام مارکیٹ میں غیر متنازع ٹیکنالوجی لیڈر کی حیثیت سے اس کی پوزیشن مستحکم ہوئی ہے۔ ہم اتھک لگن سے جدید ترین حل، جدید انفراسٹرکچر، اور ڈیجیٹل تبدیلی کی ترویج کرتے ہوئے کاروباروں کو تیزی سے جڑی دنیا میں زیادہ باختیار بناتے ہیں۔ 2024 میں ہم نے پاکستان کے پہلے بینکنگ کلاؤڈ کی کامیاب تنصیب سمیت کلاؤڈ سروسز اور آئی سی ٹی سلوشنز میں اہم ترین سنگ میل عبور کئے۔ اس کے ساتھ ہی ہمارے کلاؤڈ پیشکشوں نے سسٹم کی توسیع پزیر صلاحیت، سیکیورٹی اور کارکردگی کے لیے نئے معیار طے کیے ہیں، جو کاروباروں کو بغیر کسی رکاوٹ کے بائیرو سے ملٹی کلاؤڈ ماحول میں منتقلی کے قابل بناتے ہیں۔ یہ کامیابیاں تبدیلی کے حل فراہم کرنے کی ہماری صلاحیت کی نشاندہی کرتی ہیں جو ہمارے صارفین کی بدلتی ہوئی ضروریات کو پورا کرتی ہیں، اس بات کو یقینی بناتی ہیں کہ وہ مسابقتی اور متحرک منظر نامے میں آگے رہیں۔

انٹریٹز سلوشنز

پی ٹی سی ایل انٹریٹز سلوشنز کئی اہم اقدامات اور منصوبوں کے ساتھ سالانہ بنیادوں پر 11 فیصد کی بلند ترین شرح نمو کے ساتھ ترقی کی راہ پر گامزن ہے۔ کمپنی کی توجہ کا محور مینجڈ سروسز، کلاؤڈ ڈیٹا سینٹر، انفارمیشن سیکیورٹی اور انٹریٹ کے ساتھ آئی سی ٹی پورٹ فولیو میں مزید ترقی اور سرمایہ کاری پر رہا۔ وسیع اور جامع انٹریٹز (IOT) نیٹ آف تھنگز سلوشنز کنیکٹیوٹی پورٹ فولیو نے ایک بڑے کسٹمر بیس کو محفوظ، بہتر اور قابل اعتماد خدمات کی فراہمی جاری رکھیں۔ مارکیٹ میں دستیاب موجودہ اور مستقبل میں آنے والے مواقع کی بنیاد پر ڈیجیٹل اسپیس میں ہمارے پورٹ فولیو میں نئی مصنوعات شامل کرنے کے ساتھ ساتھ منظم نگرانی، منظم والی فائی، ڈیٹا سینٹر، کلاؤڈ اور سیکیورٹی کلیدی توجہ اور ترقی کے شعبے رہیں گے۔ ہم نے وائرلیس کنیکٹیوٹی کے شعبے میں حجاز مقدس کے سفر میں حاجیوں کو بلا تعطل خدمات کی فراہمی کے ساتھ جی ایس ایم مارکیٹ میں خود کو نمایاں ثابت کیا۔ مزید برآں پی ٹی سی ایل نے اپنے شان دار نیٹ ورک کے ذریعے سیف سٹی انفراسٹرکچر میں سیکیورٹی اور نگرانی کی صلاحیتوں کے نفاذ میں کلیدی کردار ادا کیا۔ پی ٹی سی ایل کے قابل بحروسہ برانڈ کی ساکھ کا شکریہ، جس کی بدولت ہم بڑے بینکوں کی سیکیورٹی اور نگرانی کا انتظام اور انصرام بھی سنبھال رہے ہیں۔

منافع

کمپنی نے 12.2 ارب روپے کا آپریشننگ نفع حاصل کیا ہے، جو گزشتہ سال کے مقابلے میں 55 فیصد زیادہ ہے، اور 2024 کے لئے 4.8 ارب روپے کا خالص منافع رہا۔ سال کے لیے پی ٹی سی ایل کی فی حصص آمدنی (EPS) 0.95 روپے رہی۔

یوفون 4 جی نے گزشتہ سال کے مقابلے میں 194 فیصد اضافے کے ساتھ 4.6 ارب روپے کا قبل از ادائیگی سود و ٹیکس آپریشننگ منافع (EBIT) حاصل کیا۔ پی ٹی سی ایل گروپ کو 14.4 ارب روپے کا خالص نقصان ہوا ہے جو پچھلے سال کے مقابلے میں 14 فیصد کم ہے۔

نقد رقوم (کیش فلو) کا بہاؤ

پی ٹی سی ایل نے تیز رفتار انٹرنیٹ کی بڑھتی ضرورت کا فائدہ اٹھانے کی غرض سے اپنے ایف ٹی ٹی ایچ نیٹ ورک کو وسعت دینے کے لئے نقد بہاؤ کو حکمت عملی کے ساتھ استعمال کیا۔ اس کے ساتھ ساتھ، ایف ٹی ٹی ایچ کوریج کے بغیر علاقوں میں آمدنی برقرار رکھنے اور صارفین کو اپنی جانب لانے کے لئے تانبے (عام تار) کے نیٹ ورک کو برقرار رکھنے کی کوششیں کی گئیں۔ آمدنی میں اضافے کے لیے کاروباری خدمات کے شعبے کو مضبوط بنانے کے لیے مقرر کئے گئے ہدف کے مطابق سرمایہ کاری کی بھی ہدایت کی گئی۔ اس کے ساتھ ہی یوفون نے موبائل انٹرنیٹ خدمات کو بڑھانے کے لیے اسپیکٹرم کا استعمال بہتر بناتے ہوئے اپنے 4 جی نیٹ ورک کو وسعت دینے کے عمل کو جاری رکھا۔ پی ٹی سی ایل گروپ کی جامع حکمت عملی مسابقت کو برقرار رکھنے اور صارفین کی بڑھتی ضروریات کو پورا کرنے کے لیے اس کے عزم کی عکاسی کرتی ہے۔

نفع

بورڈ آف ڈائریکٹرز نے پی ٹی سی ایل کے ایف ٹی ٹی ایچ اور یوفون کے 4 جی نیٹ ورک کی توسیع اور نیٹ ورک اپ گریڈ کی دیگر ضروریات کے پیش نظر مالی سال 2024 کے لیے کمپنی کی جانب سے کسی ڈیویڈنڈ کی سفارش نہیں کی۔

دیگر معاملات

مالی سال کے اختتام اور اس رپورٹ کی تیاری کی تاریخ کے دوران ایسی کوئی اہم تبدیلیاں یا وعدے نہیں کئے گئے ہیں جو کہ کمپنی کی مالی حیثیت کو متاثر کرتے ہوں۔

آپ کی توجہ پی ٹی سی ایل کے مالیاتی گوشواروں کے پیرا 14.7 کے ساتھ ساتھ سال کے مجموعی مالیاتی گوشواروں کے نوٹ 18.7 کی جانب مبذول کرائی گئی ہے، جو اس بات کی وضاحت کرتے ہیں کہ پی ٹی سی ایل پنشن اسکیم کے تحت بعض ملازمین کے حقوق سے متعلق معاملات مختلف عدالتوں میں زیر التوا ہیں، جن کو بیرونی آڈیٹرز کی جانب سے اپنی آڈٹ رپورٹس میں اجاگر کیا گیا ہے۔

صارفین کے لیے خدمات اور پراڈکٹس

سال 2024 پی ٹی سی ایل گروپ کے لیے قابل ذکر کامیابیوں اور حصول سنگ میل کے لیے نمایاں اوریہریور سال رہا۔ غیر معمولی خدمات کی فراہمی کے لیے ہر عزم، ادارہ اختراعی عمل کو بڑھانے، صارفین کے اطمینان میں اضافے، اور پاکستان کی ڈیجیٹل تبدیلی کو تیز کرنے کا عمل جاری رکھے ہوئے ہے۔ پی ٹی سی ایل گروپ نے ملک کی معروف ٹیکنالوجی کمپنی بننے پر غیر متزلزل توجہ کے ساتھ شعبے میں ایک لیڈر کے طور پر اپنی پوزیشن مضبوط کی ہے۔

وائر لائن پراڈ بینڈ

اپنے فائبر ٹو دی ہوم (ایف ٹی ٹی ایچ) نیٹ ورک کی اسٹریٹجک توسیع پی ٹی سی ایل کی آمدنی میں متاثر کن اضافے کا کلیدی محرک رہی ہے، جس نے انٹرنیٹ ہوم کنیکٹیویٹی میں اس کی صف اول آپریٹر کی حیثیت کو مستحکم کیا ہے۔ گزشتہ سال کی رفتار بڑھاتے ہوئے پی ٹی سی ایل کے فلیک شپ فلیش فائبر برانڈ نے انٹرنیٹ کی بے مثال رفتار اور بھروسہ قائم کیا ہے، جس سے صارفین کے اعتماد میں اضافہ ہوا ہے۔ صارفین پر مرکوز حکمت عملی کے نتیجے میں پی ٹی سی ایل نے ایف ٹی ٹی ایچ سبسکرائبر صنعت کے خالص اضافے کا کم و بیش 50 فیصد کا ایک اہم حصہ اپنے نام کیا ہے۔

ٹیلی کام کا شعبہ مستقبل قریب میں 5G کی آمد اور فائبر نیٹ ورک کی توسیع جیسے کلیدی مواقع کے ساتھ مسلسل ترقی کے لیے تیار ہے۔ ٹیلی کام سیکٹر او ٹی ٹی پلیٹ فارمز، ویڈیو اسٹریمنگ، ای کامرس، اور بزنس سلوشنز کے لیے ضروریات بڑھنے کی وجہ سے ڈیٹا کی کھپت اور ڈیجیٹل سروسز میں مسلسل اضافہ دیکھ رہا ہے۔ اس کے ساتھ ہی پاکستان کی ڈیجیٹل تبدیلی لانے بالخصوص کاروباری اداروں اور ایس ایم ایز میں کلاؤڈ کمپیوٹنگ، ڈیٹا سینٹرز اور آئی سی ٹی کی بڑھتی ضرورت ٹیلی کام آپریٹرز کے اسٹریٹجک کردار کو نمایاں کرتی ہے۔

پی ٹی سی ایل گروپ اس ارتقائی عمل میں سب سے آگے ہے، خدمات کی پیشکش کو بڑھانے اور کاروباروں کی ڈیجیٹل ایکسپریشن کے سفر میں مدد کرنے کے لیے اپنے مضبوط بنیادی ڈھانچے اور مہارت کا فائدہ اٹھاتا ہے۔ صارفین پر توجہ کی سوچ، آپریشنل عزائم اور اسٹریٹجک وسعت کے ساتھ گروپ چیلنجز سے نمٹنے اور ٹیلی کام کے ابھرتے منظر نامے میں آنے والے مواقع سے فائدہ اٹھانے کے لیے اچھی پوزیشن میں ہے۔

مالیاتی کارکردگی

پی ٹی سی ایل گروپ نے فکسڈ براڈ بینڈ، موبائل ڈیٹا، ہنڈل سیل اور بزنس سلوشنز سمیت صارفین کے مختلف شعبوں میں مستحکم گروتھ کی وجہ سے 219.8 ارب روپے کی آمدنی کی۔

مسلسل بہترین گروتھ اور لاگت کو کم کرنے کے اقدامات نے گروپ کے آپریٹنگ منافع میں 169 فیصد اضافے میں مدد کی ہے۔ گزشتہ سال کے مقابلے میں زیادہ مالیاتی لاگت کی وجہ سے گروپ کو 14.4 ارب روپے کا خالص نقصان ہوا تھا۔ تاہم یہ گزشتہ سال کے مقابلے میں 14 فیصد کم ہے۔

آمدنی

مالی سال 2024 میں پی ٹی سی ایل نے اپنی شاندار کارکردگی برقرار رکھتے ہوئے 107.8 ارب روپے کی ریکارڈ سالانہ آمدنی کی، جو کہ سالانہ بنیادوں پر 2023 کے مقابلے میں 12 فیصد زیادہ ہے۔ یہ اضافہ بنیادی طور پر براڈ بینڈ، ہنڈل سیل اور بزنس سلوشنز کے شعبوں کی نمایاں کارکردگی کی بدولت ہوا۔

ایف ٹی ٹی ایچ کی توسیع کے لیے جارحانہ اقدامات نے پی ٹی سی ایل کی ترقی کے عمل کو اور بھی تیز کیا۔ پچھلے سال کی رفتار کو مزید بڑھاتے ہوئے، پی ٹی سی ایل نے اپنے فلیگ شپ ایف ٹی ٹی ایچ برانڈ، "فلیش فائبر" کے ذریعے تیز ترین اور سب سے قابل اعتماد انٹرنیٹ خدمات کی فراہمی کو ترجیح دی۔ صارفین پر توجہ کی اس حکمت عملی نے پی ٹی سی ایل کی مارکیٹ پر اپنے غلبے کو مزید مضبوط کیا، اور ایف ٹی ٹی ایچ شعبے میں خالص اضافے کا بیشتر حصہ اپنے نام کیا۔ فکسڈ براڈ بینڈ کاروبار میں سالانہ بنیادوں پر 20 فیصد اضافہ ریکارڈ کیا گیا، جبکہ فلیش فائبر میں سالانہ بنیادوں پر 104 فیصد کی توسیع دیکھنے میں آئی۔

2024 میں، پی ٹی سی ایل گروپ نے آئی اے ایس، پی اے ایس اور ایس اے اے ایس جیسے کلاؤڈ کمپیوٹنگ ماڈلز کا احاطہ کرنے والے اپنے جدید ترین ڈیٹا سینٹرز اور پبلک کلاؤڈ پلیٹ فارمز کو نمایاں طور پر بڑھا کر پاکستان کے معروف ڈیجیٹل سہولت کار کے طور پر اپنے کردار کو مستحکم کیا۔ کمپنی نے اپنی انٹریپرائز پیشکشوں میں اضافہ کیا اور ملک گیر سطح پر اپنے مستحکم انفراسٹرکچر کے ذریعے حکومت، سرکاری و نجی اداروں، بینکوں، اسٹارٹ اپس اور سسٹم انٹیگریٹرز سمیت مختلف قسم کے کلائنٹس کو محفوظ، وسعت پذیر اور موثر ملٹی کلاؤڈ حل فراہم کیے۔ پی ٹی سی ایل کا اختراع کے لیے عزم ٹیکسٹ جنریشن ڈیٹا سینٹرز اور کلاؤڈ پلیٹ فارمز میں واضح رہا، جس نے ہموار رابطے، مضبوط ڈیٹا سیکورٹی، تیز پروسیسنگ اور آفات سے نمٹنے کے قابل اعتماد حل کو یقینی بنایا۔

2024 کے دوران یوفون 4 جی نے مختلف شعبوں میں قابل ذکر کارکردگی کا مظاہرہ کرتے ہوئے سالانہ بنیادوں پر 25 فیصد گروتھ حاصل کی۔ یہ اضافہ صارفین کے بہتر تجربے، کئی ڈیٹا سینٹر کی پروڈکٹس اور ڈیجیٹل مصروفیت کو بڑھانے والے معروف ڈیجیٹل پلیٹ فارمز کے ساتھ اسٹریٹجک شراکت کے ذریعے ممکن ہوا۔ یوفون 4 جی کی متاثر کن ترقی صارفین کے تجربے اور ڈیجیٹل اختراع کے عزم کا ثبوت ہے۔

مالیاتی جائزہ اور دیگر امور برائے 2024

پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ (PTCL) کے ڈائریکٹرز 31 دسمبر 2024 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالیاتی گوشواروں اور آڈیٹرز کی رپورٹ کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

پی ٹی سی ایل گروپ نے مالی سال 2024 کے دوران 17 فیصد کی متاثر کن شرح سے دہرے ہندسوں میں اپنی آمدنی میں اضافہ کیا۔ گروپ کی بہترین کارکردگی پاکستان کے اعلیٰ ترین مربوط ٹیلی کام سروس فراہم کنندہ کے طور پر اپنی پوزیشن کو مستحکم کرتی ہے۔

فکسڈ لائن، ہول سیل اور بزنس سلوشن کے شعبوں میں بہترین شرح نمو کی وجہ سے پی ٹی سی ایل کی آمدنی 107.8 ارب روپے ہو گئی، جو 2023 سے 12 فیصد زیادہ ہے۔ پی ٹی سی ایل کی پریمیم ایف ٹی ٹی ایچ سروس فلیش فائبر نے 2024 میں مارکیٹ پر غلبہ پاتے ہوئے انڈسٹری نیٹ اضافہ کے بڑے حصے کا حصول کیا۔ کمپنی نے 12.2 ارب روپے کا آپریشن منافع حاصل کیا جو گزشتہ سال کے مقابلے میں 55 فیصد اضافے کو ظاہر کرتا ہے، اور 2024 کے لئے 4.8 ارب روپے کا خالص منافع ہوا ہے۔

کمپنی کی سالانہ کارکردگی کا جائزہ درجہ ذیل ہے۔

شعبہ جاتی جائزہ

2024 میں پاکستان کی معیشت آئی ایم ایف کے زیر قیادت منصوبے کے تحت مستحکم ہوئی، جس کی وجہ سے اہم اشاریے نمایاں بہتری ظاہر کر رہے ہیں۔ افراط زر اور پالیسی کی شرحوں میں نمایاں کمی واقع ہوئی، پاکستانی کرنسی امریکی ڈالر کے مقابلے میں مستحکم رہی، اور جی ڈی پی کی گروتھ مستحکم رہی۔ ٹیلی کام سیکٹر نے معاشی بحالی، ریگولیٹری اصلاحات، اور صارفین کی ترجیحات میں تبدیلی کے ذریعے تشکیل پانے والے ایک متحرک منظر نامے کو آگے بڑھایا۔ پورمز ہونے کے باوجود، صنعت کو کم اے آر پی یو کی سطح، بڑھتی ہوئی آپریشنل لاگت، اور مہنگے درآمدی آلات جیسے چیلنجز کا سامنا کرنا پڑا۔ ان تمام رکاوٹوں کے باوجود ٹیلی کام سیکٹر ڈیجیٹل تبدیلی، مالی شمولیت، اور انٹرنیٹ کنیکٹیویٹی کا کلیدی محرک بنا رہا، جو ملک کی اقتصادی ترقی میں اہم کردار ادا کر رہا ہے۔

سیلولر سبسکرپشنز (گزشتہ سال سے 2 فیصد زیادہ) بڑھ کر 193 ملین ہو گئی جب کہ ٹیلی کٹافٹ 80 فیصد پر برقرار رہی۔ ٹاہم، موبائل براڈ بینڈ استعمال کرنے والوں کی تعداد میں سالانہ بنیادوں پر 11 فیصد کا اضافہ ہوا۔ ڈیجیٹل سروس اپنانے اور اسمارٹ فون کے استعمال میں اضافے کی وجہ سے یہ تعداد 138 ملین سے زیادہ ہو گئی۔ 4 جی صارفین کی تعداد میں نمایاں اضافہ ہوا اور اس تک رسائی 60.5 فیصد کی سطح تک پہنچ گئی۔ یوفون کی نمایاں کارکردگی کی بدولت اس کا سبسکرائبریس 26 ملین سے بھی تجاوز کر گیا۔ جبکہ اس معاملے میں سیکٹر کی 2 فیصد کی مجموعی ترقی کے مقابلے میں یوفون کی ترقی 4 فیصد رہی۔ کمپنی نے ٹارگیٹڈ ڈیٹا بنڈلز اور پریمیم سروسز کے ONIC ذریعے مونیٹائزیشن میں اضافہ کیا، جس سے اے آر پی یو کی ترقی میں مدد ملی۔ یوفون کا پہلا ڈیجیٹل برانڈ ٹیکنالوجی سے رغبت رکھنے والے صارفین میں مقبول ہوا۔

2024 میں فکسڈ براڈ بینڈ سبسکرپشن 24 فیصد اضافے کے ساتھ 3 ملین تک پہنچ گئی۔ فلیش فائبر پر پی ٹی سی ایل کی مسلسل سرمایہ کاری نے فائبر میں توسیع کی۔ 650 ہزار سے زیادہ صارفین اور صنعت میں سب سے زیادہ خالص اضافے کے ساتھ مارکیٹ کی اپنی قیادت کو مستحکم کیا۔ تانبے (عام تار) سے فائبر کی طرف منتقلی نے نیٹ ورک پر اعتماد اور خدمات کے معیار کو بہتر بناتے ہوئے مقررہ براڈ بینڈ کے منظر نامے کو نئی شکل دی۔ 2024 کے اختتام تک پی ٹی سی ایل کے کل فکسڈ براڈ بینڈ سبسکرائبرز کی تعداد تقریباً 1.7 ملین تک پہنچ گئی۔ جو کہ گھریلو سطح پر تیز رفتار انٹرنیٹ اور کاروباری رابطوں کی ضروریات کی وجہ سے ہوا۔

صنعت کو توانائی کے بلند نرخوں اور آپریشنل اخراجات کی وجہ سے لاگت کے مسلسل دباؤ کا سامنا کرنا پڑا، جس سے ٹیلی کام آپریٹرز لاگت میں کمی لانے کی حکمت عملی پر عمل درآمد کرنے پر رضامند ہوئے۔ ریگولیٹری اور ٹیکسوں کے چیلنجز بشمول ٹیلی کام سروسز پر جی ایس ٹی کی بلند شرح اور ڈیجیٹل ٹیویزیون استطاعت اور سرمایہ کاری کی گنجائش پر گھرا اثر ڈالا۔ آپریٹرز نے منافع کو برقرار رکھنے کے لئے اے آر پی یو میں اضافے، لاگت میں کمی اور نیٹ ورک میں جدت لانے پر توجہ دی۔ پی ٹی سی ایل گروپ نے فائبر کی توسیع کی کوششوں کی قیادت کی، اور نیکسٹ جنریشن کنیکٹیویٹی سلوشنز بڑھانے کے لئے اپنے بنیادی ڈھانچے کو مضبوط کیا۔



FIBER-TO-THE-TOWER (FTTT)

PTCL provides high-speed internet access to all mobile operators of the country through its FTTT services.



COMPOSITION OF AUDIT COMMITTEE AS AT FEBRUARY 11, 2025

1.	Dr. Mohamed Karim Bennis, Chairman
2.	Mr. Abdulrahim A. Al Nooryani
3.	Mr. Mohamed Dukandar
4.	Mr. Ahad Khan Cheema
5.	Mr. Imdad Ullah Bosal

ATTENDANCE OF DIRECTORS - MEMBERS OF THE COMMITTEE DURING FY-2024

Total 05 Meetings of the Audit Committee were held during the Financial Year ended December 31, 2024.

Sr.	Name of Director-Member	Attendance
1	Dr. Mohamed Karim Bennis	5
2	Mr. Abdulrahim A. Al Nooryani	5
3	Mr. Mohamed Dukandar	5
4	Mr. Ahad Khan Cheema	5
5	Mr. Jawad Paul Khawaja	1
	Mr. Imdad Ullah Bosal	4

FUNCTIONS OF AUDIT COMMITTEE

- Recommends to the Board in approving Company's financial statements and appointment of External Auditors.
- Reviews the scope of internal control.
- Monitors statutory and corporate governance compliances.
- Determines the appropriate measures to safeguard Company's assets.
- Reviews enterprise risk management processes, exposures and recommends appropriate policies to the Board.
- Reviews / recommends significant policies and Company's delegation of fiduciary powers.
- Oversees tax and fiscal exposures.
- Discuss major internal audit findings with external auditors.
- Reviews whistle blowing material cases.

COMPOSITION OF HUMAN RESOURCE & REMUNERATION COMMITTEE AS AT FEBRUARY 11, 2025

1.	Mr. Abdulrahim A. Al Nooryani, Chairman
2.	Mr. Khaled Hegazy
3.	Ms. Brooke Marie Lindsay
4.	Mr. Ahad Khan Cheema
5.	Mr. Jawad Paul Khawaja

ATTENDANCE OF DIRECTORS-MEMBERS OF THE COMMITTEE DURING FY-2024

Total 07 meetings of the HR & R Committee were held during the Financial Year ended December 31, 2024.

Sr.	Name of Director-Member	Attendance
1	Mr. Abdulrahim A. Al Nooryani	7
2	Ms. Brooke Marie Lindsay	7
3	Mr. Mikhail Gerchuk	2
	Mr. Khaled Hegazy	5
4	Mr. Ahad Khan Cheema	7
5	Mr. Imdad Ullah Bosal	1
	Mr. Jawad Paul Khawaja	6

FUNCTIONS OF HUMAN RESOURCE & REMUNERATION COMMITTEE

- Reviews / recommends development, maintenance of long-term HR policies, effective employee development programs, appropriate compensation & benefit plans and good governance model in line with statutory requirements as well as best practices of good corporate governance.
- Ensures that the governance, HR policies and procedures are aligned with the strategic vision and core objectives of the Company.
- Provides leadership and guidance for the organizational transformation required to achieve Company's corporate objectives.

COMPOSITION OF INVESTMENT & FINANCE COMMITTEE AS AT FEBRUARY 11, 2025

1.	Mr. Khaled Hegazy, Chairman
2.	Dr. Mohamed Karim Bennis
3.	Mr. Khalid Murshed
4.	Mr. Imdad Ullah Bosal
5.	Mr. Jawad Paul Khawaja

ATTENDANCE OF DIRECTORS-MEMBERS OF THE COMMITTEE DURING FY-2024

Total 06 meetings of the Investment and Finance Committee were held during the Financial Year ended December 31, 2024.

Sr.	Name of Director-Member	Attendance
1	Mr. Mikhail Gerchuk	2
	Mr. Khaled Hegazy	4
2	Dr. Mohamed Karim Bennis	6
3	Mr. Khalid Murshed	5
4	Mr. Imdad Ullah Bosal	4
5	Mr. Jawad Paul Khawaja	5

FUNCTIONS OF INVESTMENT AND FINANCE COMMITTEE

- Reviews / recommends the Company's annual budgets and business plans, Company's treasury policies and framework including investment / divestment strategy, financial risk management strategy and rules, execution of mergers and acquisition strategy, procurement policy and procedures, investment projects encompassing expansions and new technologies based on evaluation measurement indicators and Company's capital structure strategy including external funding requirements.
- Evaluates Company's dividend policies with regards to regulatory provisions and Company's funding and working capital requirements.

COMPOSITION OF PTCL BOARD AND ATTENDANCE OF PTCL BOARD MEMBERS DURING THE FY-2024

Total 09 Board Meetings were held during the Financial Year ended December 31, 2024.

Sr.	Name of Director	Portfolio	Attendance
1	Mr. Hassan Nasir Jamy	Chairman	2
	Capt. (Retd.) Muhammad Mahmood		3
	Mr. Azfar Manzoor		4
2	Mr. Imdad Ullah Bosal	Member	9
3	Mr. Jawad Paul Khawaja	Member	9
4	Mr. Ahad Khan Cheema	Member	9
5	Mr. Abdulrahim A. Al Nooryani	Member	9
6	Ms. Brooke Marie Lindsay	Member	8
7	Mr. Khalid Murshed	Member	9
8	Mr. Mikhail Gerchuk	Member	4
	Mr. Khaled Hegazy	Member	5
9	Dr. Mohamed Karim Bennis	Member	8

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 THE “REGULATIONS”)

Pakistan Telecommunication Company Limited (The “Company”) Year ending Decemeber 31, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are nine as per the following:
 - a. Male: Eight
 - b. Female: One
2. The composition of the Board of Directors (the “Board”) is as follows:

i	Independent Directors	None
ii	Non-executive Directors	1. Mr. Azfar Manzoor, Chairman
		2. Mr. Abdulrahim A. Al Nooryani
		3. Mr. Imdad Ullah Bosal
		4. Mr. Jawad Paul Khawaja
		5. Mr. Ahad Khan Cheema
		6. Dr. Mohamed Karim Bennis
		7. Ms. Brooke Marie Lindsay
		8. Mr. Khalid Murshed
		9. Mr. Khaled Hegazy
iii	Executive Directors	None
iv	Female Directors	1. Ms. Brooke Marie Lindsay

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of the significant policies along with their date of approval or updating, is maintained by the Company.
6. All the powers of the Board have been duly exercised, and decisions on relevant matters have been

taken by the Board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the "Act") and the Regulations.

7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations.
9. During the year, Directors Certifications under the Directors Training Program was arranged, for following:
 - Capt. (Retd) Muhammad Mahmood
 - Mr. Azfar Manzoor

Additionally, an information booklet to acquaint the Directors with their role, obligations, powers and responsibilities, has been provided to them.

10. The Board has approved appointment of Chief Financial Officer ("CFO"), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. The CFO and the Chief Executive Officer ("CEO") duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising members given below:
 - a) **Audit Committee**
 1. Dr. Mohamed Karim Bennis, Chairman
 2. Mr. Abdulrahim A. Al Nooryani
 3. Mr. Mohamed Dukandar
 4. Mr. Ahad Khan Cheema
 5. Mr. Imdad Ullah Bosal
 - b) **Human Resource and Remuneration Committee**
 1. Mr. Abdulrahim A. Al Nooryani, Chairman
 2. Mr. Khaled Hegazy
 3. Ms. Brooke Marie Lindsay
 4. Mr. Ahad Khan Cheema
 5. Mr. Jawad Paul Khawaja

c) Investment and Finance Committee

1. Mr. Khaled Hegazy, Chairman
2. Dr. Mohamed Karim Bennis
3. Mr. Khalid Murshed
4. Mr. Imdad Ullah Bosal
5. Mr. Jawad Paul Khawaja

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a) Audit Committee:

The frequency of meetings is on quarterly basis and as per the requirement of the Company. Total five meetings were held during year 2024.

b) Human Resource and Remuneration Committee:

The frequency of meetings is on quarterly basis and as per the requirement of the Company. Total seven meetings were held during year 2024.

c) Investment and Finance Committee:

The frequency of meetings is on quarterly basis and as per the requirement of the Company. Total six meetings were held during year 2024.

15. The Board has set up an effective internal audit function.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan ("ICAP"), and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants ("IFAC") guidelines on code of ethics as adopted by the ICAP, and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the CEO, CFO, Head of Internal Audit, Company Secretary or Directors of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. With regards to Regulations 6, 27 (1)(i), 27 (1)(ii), 28 (1) and 28 (2), we explain as follows:

The Board comprises nine members. Pursuant to the provisions of the Shareholders Agreement between the President of Pakistan on behalf of the Government of Pakistan and Etisalat International Pakistan, and the Articles of Association of the Company, the Government nominates four (04) Members, while Etisalat nominates five (05) Members.

19. The Company routinely arranges Directors' training whenever required. The election of the Board of Directors was held on November 06, 2024, and the current Board is not fully certified.



HATEM MOHAMED BAMATRAF

President and Group Chief Executive Officer
Islamabad: February 11, 2025



AZFAR MANZOOR

Chairman PTCL Board

Independent Auditors' Review Report

To the members of Pakistan Telecommunication Company Limited

Review Report on the Statement of Compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Pakistan Telecommunication Company Limited (the Company) for the year ended 31 December 2024 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors, for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the Regulations as applicable to the Company for the year ended 31 December 2024.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Paragraph reference to the Statement of Compliance	Description for non-compliances
18	There are no Independent Directors on the Board of the Company.
18	The Chairman of the Audit Committee is a non-executive director.

Ex. for R. H. H.

CHARTERED ACCOUNTANTS

Place: Karachi

Date: 05 April, 2025

UDIN: CR202410120Fc2ED1YH8



DATA CENTER & CLOUD SERVICES





Amin & Co.
CHARTERED ACCOUNTANTS

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Independent Assurance Report To The Board of Directors on the Statement of Compliance with the Shariah Governance Regulations, 2023 and Sukuk (Privately Placed) Regulations, 2017 for the year ended December 31, 2024

Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) and Sukuk (Privately Placed) Regulations, 2017 - External Shariah Audit of the Company for assessing compliance by Pakistan Telecommunication Company Limited's (the Company) financial arrangements, contracts and transactions, in relation to the Sukuk-2 amounting to Rs. 10,000 million, Sukuk-3 amounting to Rs. 5,000 million, Sukuk-4 amounting to Rs. 5,000 million, Sukuk-5 amounting to Rs. 2,500 million, Sukuk-6 amounting to Rs. 10,000 million, Sukuk-7 amounting to Rs. 5,000 million and Sukuk-8 amounting to Rs. 5,000 million (collectively referred to as "the Sukuk") having Shariah implications with the Shariah principles (criteria specified below) for the year ended December 31, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioner and independent Shariah Scholar.

Applicable Criteria

The criteria for the assurance engagement, against which the Statement of Compliance with the Shariah Governance Regulations, 2023 and Sukuk (Privately Placed) Regulations, 2017 for the year ended December 31, 2024 (the Statement) (underlying subject matter information) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under: a) legal and regulatory framework administered by the Commission; b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission; c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission; d) guidance and recommendations of the Shariah advisory committee, as notified by Commission; and, e) approvals, rulings or pronouncements of Shariah Supervisory Board or the Shariah Advisor of the Company, in line with (a) to (d) above. Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations in the above criteria. The above criteria were evaluated for their implications on the documents and transactions of the Sukuk issued by the company as reflected in the annexed Statement of Compliance for the year ended December 31, 2024.

Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts and transactions, in relation to the Sukuk, having Shariah implications, entered into by the Company with its sukuk holders, other financial institutions and stakeholders and related policies and procedures are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The

management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan (the Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The firm applies International Standard on Quality Management (ISQM-1) "Quality Management for firms that perform audits or reviews of financial statements, or other assurance or related services engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Company's financial arrangements, contracts, and transactions in relation to the Sukuk having Shariah implications with Shariah principles, in all material respects for the year ended December 31, 2024 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), "Assurance Engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement in relation to the Sukuk. The procedures selected by us for the engagement depend on our judgment, including an assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Company's compliance with Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions in relation to the Sukuk having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles. We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, the Company's financial arrangements, contracts and transactions for the year ended December 31, 2024 in relation to the Sukuk are in compliance with the Shariah principles, in all material respects.



Amin & Co
Chartered Accountants
Lahore
Dated: 28 March 2025

Statement of Compliance with the Shariah Governance Regulations, 2023 & Sukuk (Privately Placed) Regulations 2017

For The Year Ended December 31, 2024

This Statement of Compliance (the Statement) for the year ended December 31, 2024, is being presented to comply with the requirements under the Shariah Governance Regulations, 2023 and Sukuk (Privately Placed) Regulations, 2017 (the Regulations) issued by the Securities and Exchange Commission of Pakistan (SECP).

The financial arrangements, contracts and transactions, entered by The Pakistan Telecommunication Company Limited (the Company) in respect of Sukuk-2 amounting to Rs. 10,000 million, Sukuk-3 amounting to Rs. 5,000 million, Sukuk-4 amounting to Rs. 5,000 million, Sukuk-5 amounting to Rs. 2,500 million Sukuk-6 amounting to Rs. 10,000 million Sukuk-7 amounting to Rs. 5,000 and Sukuk-8 amounting to Rs. 5,000 million (collectively referred to as "the Sukuk") for the year ended December 31, 2024, are in compliance with the Sukuk features and Shariah requirements in accordance with the Regulations.

We also confirm that:

The Company has established procedures and processes for all Sukuk related transactions to comply with Sukuk features and applicable Shariah governance law requirements

- The Company has implemented and maintained such internal control and risk management system, that the management determines necessary to mitigate the risk of non-compliances of the Sukuk features and applicable
- Shariah governance law requirements, whether due to fraud or error.
- The Company has a process to ensure that the management and, where appropriate authorized personnel responsible to ensure the Company's compliance with the Sukuk related features and applicable Shariah governance law requirements, are properly trained and systems are properly updated.

We also confirm that the Company in respect of the Sukuk is in compliance with:

- a) Rules, regulations and directives issued by the SECP;
 - b) Pronouncements of Shariah Supervisory Board;
 - c) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP, if any;
- and
- d) Approvals and rulings given by the Shariah Advisor of the Sukuk which are in line with the Regulations and in accordance with the rulings of Shariah Advisory Committee.



HATEM MOHAMED BAMATRAF

President and Group Chief Executive Officer

SHARIAH COMPLIANCE REVIEW REPORT



February 6, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Secured Privately Placed Sukuk of PKR 10,000 million (Sukuk) issued by Pakistan Telecommunication Company Limited Sukuk-2.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-2 to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above; we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in Secured Privately Placed Sukuk of 10,000 million issued by Pakistan Telecommunication Company Limited Sukuk-2 is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Baidukda, CFA
Chief Executive

SHARIAH COMPLIANCE REVIEW REPORT



February 6, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Secured Privately Placed Sukuk of PKR 5,000 million (Sukuk) issued by Pakistan Telecommunication Company Limited Sukuk-3.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-3 to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above, we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in Secured Privately Placed Sukuk of PKR 5,000 million issued by Pakistan Telecommunication Company Limited Sukuk-3 is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Ali
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

SHARIAH COMPLIANCE REVIEW REPORT

March 28, 2025

The purpose of this report is to provide an opinion on the Shariah Compliance of the secured Privately placed Sukuk of PKR 5,000 million (Sukuk) Issued by Pakistan Telecommunication Company Limited Sukuk-4.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-4 to manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in Shariah guidelines. In the capacity of the Shariah Advisor, my responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. I express our opinion based on the review of information, provided by the issuer, to an extent where compliance with Shariah guidelines can be objectively verified.

Keeping in view the above; I certify that:

I have reviewed all the transaction, documents, procedures adopted by issuer as well as the operational activities of the Sukuk which included the review of all transaction and source of earning. I have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide any charity to purify the income. Therefore, it is resolved those investments in Secured Privately Placed Sukuk of PKR 5,000 million issued by Pakistan Telecommunication Company Limited Sukuk-4 is in accordance with Shariah principles as per the Shariah guidelines provided by Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

Issued by:



Mufti Muhammad Abdullah
Shariah Advisor
SECP/IFD/SA/115

SHARIAH COMPLIANCE REVIEW REPORT



February 4, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الألباء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Unsecured Privately Placed Sukuk of PKR 2,500 million (Sukuk) issued by Pakistan Telecommunication Company Limited Sukuk-5.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-5 to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above, we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in Unsecured Privately Placed Sukuk of PKR 2,500 million issued by Pakistan Telecommunication Company Limited Sukuk-5 is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Alijaz
Member Shariah Council



Faraz Younus Randukda, CFA
Chief Executive

SHARIAH COMPLIANCE REVIEW REPORT



February 4, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Unsecured Privately Placed Sukuk of PKR 10,000 million (Sukuk) issued by Pakistan Telecommunication Company Limited Sukuk-6.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-6 to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above, we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in Unsecured Privately Placed Sukuk of PKR 10,000 million issued by Pakistan Telecommunication Company Limited Sukuk-6 is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Baidukdo, CFA
Chief Executive

SHARIAH COMPLIANCE REVIEW REPORT



February 4, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Unsecured Privately Placed Sukuk of PKR 5,000 million (Sukuk) issued by Pakistan Telecommunication Company Limited Sukuk-7.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-7 to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above, we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved, those investments in Unsecured Privately Placed Sukuk of PKR 5,000 million issued by Pakistan Telecommunication Company Limited Sukuk-7 is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Aljaz
Member Shariah Council



Faraz Younus Baidukda, CFA
Chief Executive

SHARIAH COMPLIANCE REVIEW REPORT



February 4, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Unsecured Privately Placed Sukuk of PKR 5,000 million (Sukuk) issued by Pakistan Telecommunication Company Limited Sukuk-8.

It is the core responsibility of Pakistan Telecommunication Company Limited STS-8 to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above, we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended December 2024. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in Unsecured Privately Placed Sukuk of PKR 5,000 million issued by Pakistan Telecommunication Company Limited Sukuk-8 is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Aljaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive



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Financial Statements

NOTES

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Pakistan Telecommunication Company Limited** (the Company), which comprise the statement of financial position as at **31 December 2024**, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 14.7 to the unconsolidated financial statements, which describes matters relating to certain pensioners' claim under the Company's funded pension scheme, which are currently pending adjudication for the reasons explained in the above-mentioned note. The Company has not made provision against the said claims in the unconsolidated financial statements. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key audit matter	How our audit addressed the key audit matter
Revenue recognition	
<p>As more fully described in Note 5.19, Note 28, Note 23 and Note 11 to the unconsolidated financial statements, the Company reported revenue of Rs. 107,766 million (FY23: Rs. 96,267 million), trade debts and contract assets of Rs. 60,563 million (FY23: 52,587 million) and contract liability of Rs. 9,224 million (FY23: Rs. 9,067 million) for the year ended or as of 31 December 2024.</p> <p>Management records revenue according to the principles of IFRS 15, Revenue from Contracts with Customers, including following the 5-step model therein.</p> <p>We identified a risk of management override through inappropriate manual topside revenue journal entries, given revenue is a key performance indicator, both in external communication and for management incentives.</p> <p>We also consider auditing the revenue recorded by the Company to involve greater auditor effort and attention, due to the multiple IT systems and tools utilized in the initiation, processing and recording of transactions, which includes a high volume of individually low monetary value transactions. The involvement of IT professionals was required to determine the audit approach to test and evaluate the relevant data that was captured and aggregated, and to assess the sufficiency of the audit evidence obtained.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of, evaluating the design and testing the operating effectiveness of controls over the Company's revenue recognition process, which includes management's determination of the timing of revenue recorded. • With the support of our IT professionals, we also evaluated the design and tested the operating effectiveness of controls over the appropriate flow of transactional data through the IT systems and tools and the reconciliation of the transactional data to the accounting records. • For significant revenue streams, our audit procedures included the following, on a sample basis: <ul style="list-style-type: none"> - We used data analytic tools to identify revenue related manual journals posted to the general ledger and traced these back to underlying source documentation, to evaluate the propriety, completeness and accuracy of the postings. - Where it was deemed to be most effective, we extended the use of data analytics. - For revenue streams where the above procedures were not used, we obtained the billing data to general ledger reconciliation, which included the relevant adjustments to deferred and accrued revenue balances. We reperformed these reconciliations, including assessing the accuracy of the data inputs to underlying source documentation, including contractual agreements where applicable. In addition, we tested the

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matter	How our audit addressed the key audit matter
Revenue recognition	
	<p>mathematical accuracy and completeness of the reconciliations and material reconciling items, including significant revenue postings outside of the billing systems.</p> <ul style="list-style-type: none"> - We recalculated the revenue recognised to evaluate whether the processing of the revenue recognition by the Company's IT systems was materially correct. • For a sample of transactions, selected across all revenue streams, undertaken during the year, we traced the revenue recognized for each transaction in the general ledger to the relevant underlying supporting documents and cash receipts. • We also assessed the adequacy of the Company's disclosures in respect to the accounting policies on revenue recognition.
Income tax recoverable	
<p>As more fully described in Note 5.23 and Note 25 to the unconsolidated financial statements, the Company has recognized income tax recoverable in accordance with IAS 12, Income Taxes, being the amount already paid in respect of current and prior periods in excess of current tax due for those periods, based on whether management judges that it is expected that the amount will be recovered from the federal tax authorities.</p> <p>An income tax recoverable of Rs. 40,537 million (FY23: Rs. 22,599 million) has been recognized, as management has concluded that this amount will be recovered via a mixture of receipt of refunds and adjustment against amount of current tax due for future periods. Currently, a number of tax assessments are pending at different appellate forums.</p> <p>Auditing the Company's recognition and recoverability of income tax recoverable is significant to the audit because it involves material amounts, and the judgements and estimates in relation to the period of time over which it is expected to utilize these assets, results in increased estimation uncertainty.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of, evaluating the design effectiveness of controls over the Company's recognition and recoverability of income tax recoverable, including reassessment at each reporting date. • Involvement of tax specialist in assessment of whether the tax paid by/ on behalf of the Company to federal tax authorities is adjustable under the provisions of the Income Tax Ordinance, 2001, including review of underlying documentation relating to any related tax litigation/ income tax assessment before appellate forums and/ or federal tax authority. • Examination of income tax returns and tax refund applications, to assess existence, accuracy and valuation of amount recognized in the unconsolidated financial statements. • Inspecting correspondence with tax authorities, minutes of the meetings of the Board of Directors of the Company and direct replies against confirmations circularized by us to selected tax and legal advisor of the Company to identify any pending taxation matters relating to the income tax recoverable.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matter	How our audit addressed the key audit matter
Income tax recoverable	
	<ul style="list-style-type: none"> Evaluating the adequacy of the disclosures in respect of the recognition of the income tax recoverable.
Impairment of Investment in Pak Telecom Mobile Limited (PTML) – a subsidiary company	
<p>As more fully described in Note 4(d), Note 5.11 and Note 18 to the unconsolidated financial statements, in accordance with IAS 36, Impairment of Assets, the Company calculates the value in use ('VIU') for its equity investment in (and sub-ordinated loan to) determine whether an adjustment to the carrying values is required. As of 31 December 2024, the Company has recognized equity investment in and sub-ordinated loans to PTML of Rs. 65,000 million (FY23: Rs. 65,000 million) and Rs. 40,250 million (FY23: Rs. 23,250 million), respectively.</p> <p>The Company's assessment of the VIU of its equity investment involves estimation about the future performance of the wireless market. In particular, the determination of the VIU for PTML was sensitive to the significant assumptions regarding projected sales growth rate / Average Revenue Per User, operating margin / cost rationalization, long-term market growth-rate and discount rate.</p> <p>Auditing the Company's impairment test for PTML was complex and involved significant auditor judgement, given the estimation uncertainty related to the significant assumptions described above and the sensitivity to fluctuations in those assumptions.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> We obtained an understanding and evaluated the design effectiveness of controls over the Company's equity investment impairment review process, including, for example, management's controls over the significant assumptions described for the VIU assessment. For the impairment assessment as of 31 December 2024, we also evaluated, with the help of EY valuation specialists, the methodology applied in the PTML VIU model, as compared to the requirements of IAS 36, including the mathematical accuracy of management's model. We performed procedures to assess the significant assumptions used in PTML VIU model, including: <ul style="list-style-type: none"> Evaluating the estimate for free cashflows to firm, for example by comparing underlying assumptions to external data, such as economic and industry forecasts for Pakistani telecom market, supporting evidence provided by management, and for consistency with evidence obtained from other areas of our audit. Comparing the cash flow projections used in the PTML VIU model to the information approved by the Company's Board of Directors and evaluating the historical accuracy of management's business plans, which underpin the VIU model, by comparing prior years' forecasts to actual results. Comparing forecast capital expenditure to actual historical spend and market specific events.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matter	How our audit addressed the key audit matter
Impairment of Investment in Pak Telecom Mobile Limited (PTML) – a subsidiary company	
	<ul style="list-style-type: none"> - With the support of EY valuation specialists, comparing the discount rate and long-term growth-rate assumptions to EY independently determined ranges. - Performing sensitivity analyses on the above-described assumptions in the VIU model, to evaluate whether a reasonable change in assumptions would cause an impairment of the equity investment in PTML or indicate additional disclosures were appropriate; - In considering the existence of contrary evidence, for management's assessment of implied recoverable value, we compared the PTML EBITDA multiple. • We also assessed the adequacy of the related disclosures provided in Note 4(d) of the unconsolidated financial statements.
Impairment of Investment in U Microfinance Bank Limited (Ubank) – a subsidiary company	
<p>As more fully described in Note 4(d), Note 5.11 and Note 18 to the unconsolidated financial statements, in accordance with IAS 36, Impairment of Assets, the Company calculates the value in use ('VIU') for equity investment in Ubank to determine whether an adjustment to the carrying value of the equity investment in Ubank. As of 31 December 2024, the Company has recognized equity investment in Ubank of Rs. 11,084 million (FY23: Rs. 6,684 million plus sub-ordinated loans of Rs. 1,200 million).</p> <p>The Company's assessment of the VIU of its equity investment in Ubank involves estimation about the future performance of the microfinance market. In particular, the determination of the VIU for equity investment was sensitive to the significant assumptions of loan disbursement under secured portfolio, cost rationalization, the long-term growth rate, and the discount rate.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • We obtained an understanding and evaluated the design effectiveness of controls over the Company's equity investment impairment review process, including, for example, management's controls over the significant assumptions described for the VIU assessment. • For the impairment assessment as of 31 December 2024, we also evaluated, with the help of EY valuation specialists, the methodology applied in the Ubank VIU model, as compared to the requirements of IAS 36, including the mathematical accuracy of management's model.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matter	How our audit addressed the key audit matter
Impairment of Investment in U Microfinance Bank Limited (Ubank) – a subsidiary company	
<p>Auditing the Company's annual impairment test for the equity investment in Ubank was complex and involved significant auditor judgement, given the estimation uncertainty related to the significant assumptions described above and the sensitivity to fluctuations in those assumptions, as well as market specific factors.</p>	<ul style="list-style-type: none"> • We performed procedures to assess the significant assumptions used in Ubank VIU model, including: <ul style="list-style-type: none"> - Evaluating the estimate for dividend payout on the basis of expected Capital Adequacy Ratio, for example by comparing underlying assumptions to external data, such as economic and industry forecasts for Pakistani microfinance market, supporting evidence provided by management, and for consistency with evidence obtained from other areas of our audit. - Comparing the cash flow projections used in the Ubank VIU model to the information approved by the Company's Board of Directors and evaluating the historical accuracy of management's business plans, which underpin the VIU model, by comparing prior years' forecasts to actual results. - With the support of EY valuation specialists, comparing the long-term growth rate and discount rate assumptions to EY independently determined ranges. - Performing sensitivity analyses on the above-described assumptions in the VIU model, to evaluate whether a reasonable change in assumptions would cause an impairment of the equity investment in Ubank or indicate additional disclosures were appropriate. • We also assessed the adequacy of the related disclosures provided in Note 4(d) of the unconsolidated financial statements.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matter	How our audit addressed the key audit matter
Capitalization of property, plant and equipment	
<p>As more fully described in Note 5.10(a) and Note 15 to the unconsolidated financial statements, during the year, the Company has recognized additions to property, plant and equipment amounting to Rs. 33,090 million.</p> <p>In order to expand its network coverage and bring improvements to network quality, the Company continue to incur relatively high level of capital expenditure.</p> <p>Auditing the Company's recognition of additions to property, plant and equipment is significant to the audit because it involves material amounts, and the judgements and estimates in relation to measurement of cost on initial recognition, determination of point in time they are available for use, classification of property, plant and equipment and assessment of certain elements of expenditure as either capital or revenue expenditure.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's process for incurrence of capital expenditure. • For a sample of transactions, selected across all classes of property, plant and equipment, undertaken during the year, we: <ul style="list-style-type: none"> - Traced the amount capitalized in the general ledger to the relevant underlying supporting documents and cash payments. - Ascertained the nature of cost incurred to assess whether it meet the criteria for capitalization, as per IAS 16, Property, plant and equipment. - Traced the cost of completed projects, transferred from capital work in progress to operating fixed assets to underlying documentation including completion certificates, where relevant, and comparing the date of capitalization with supporting documentation. • Performing physical verification, including by observing their connection to network, of items of property, plant and equipment added during the year. • Analyzing repair and maintenance ledger to identify any items that may meet the capitalization criteria.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another auditor, whose report dated 05 May 2024 expressed an unmodified opinion along with an emphasis of matter paragraph.

The engagement partner on the audit resulting in this independent auditors' report is Omer Chughtai.



Chartered Accountants

Place: Islamabad

Date: 05 April, 2025

UDIN: AR202410120RMYJrSfuE

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
Equity and liabilities			
Equity			
Share capital and reserves			
Share capital	6	51,000,000	51,000,000
Revenue reserves			
General reserve		27,497,072	27,497,072
Unappropriated profit		36,610,433	38,871,108
		64,107,505	66,368,180
		115,107,505	117,368,180
Liabilities			
Non-current liabilities			
Employees retirement benefits	7	42,652,874	34,324,346
Deferred government grants	8	16,721,916	15,080,525
Long term loans from banks	9	62,780,360	50,781,306
Contract liabilities		1,442,432	1,661,536
Lease liabilities	10	1,027,777	1,290,725
		124,625,359	103,138,438
Current liabilities			
Trade and other payables	11	169,319,472	141,423,801
Short term running finance	12	47,116,732	24,214,700
Security deposits	13	653,373	616,031
Unclaimed dividend		208,131	209,256
Current maturity of lease liabilities	10	337,022	391,989
Current portion of long term loans from banks		318,719	239,408
		217,953,449	167,095,185
Total equity and liabilities		457,686,313	387,601,803

Contingencies and commitments

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The annexed notes 1 to 48 are an integral part of these financial statements.



Chief Financial Officer



President & CEO



Chairman

	Note	2024 Rs '000	2023 Rs '000
Assets			
Non-current assets			
Property, plant and equipment	15	161,172,503	144,017,787
Right of use assets	16	1,383,038	1,698,902
Intangible assets	17	1,467,066	1,742,663
		164,022,607	147,459,352
Long term investments	18	76,236,284	71,836,284
Long term loans and advances	19	51,780,602	32,225,182
Deferred income tax	20	5,470,851	2,745,195
Contract cost	21	139,135	183,092
		297,649,479	254,449,105
Current assets			
Stores and spares	22	8,201,385	9,433,265
Contract cost	21	3,707,304	2,593,728
Trade debts and contract assets	23	60,563,180	52,587,358
Loans and advances	24	2,778,971	4,628,442
Income tax recoverable	25	40,536,947	22,598,810
Prepayments and other receivables	26	32,160,933	31,281,778
Cash and bank balances	27	12,088,114	10,029,317
		160,036,834	133,152,698
Total assets		457,686,313	387,601,803


 Chief Financial Officer


 President & CEO


 Chairman

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
Revenue	28	107,766,309	96,266,714
Cost of services	29	(79,490,710)	(73,766,526)
Gross profit		28,275,599	22,500,188
Administrative and general expenses	30	(9,027,260)	(8,410,537)
Selling and marketing expenses	31	(4,853,017)	(4,544,951)
Impairment loss on trade debts and contract assets	23.3	(2,145,765)	(1,619,174)
		(16,026,042)	(14,574,662)
Operating profit		12,249,557	7,925,526
Other income	32	17,224,380	19,409,582
Finance and other costs	33	(22,588,481)	(13,429,171)
Profit before tax		6,885,456	13,905,937
Taxation	34	(2,059,613)	(4,515,394)
Profit after tax		4,825,843	9,390,543
Earnings per share - basic and diluted (Rupees)	35	0.95	1.84

The annexed notes 1 to 48 are an integral part of these financial statements.



Chief Financial Officer



President & CEO



Chairman

STATEMENT OF COMPREHENSIVE INCOME


FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 Rs '000	2023 Rs '000
Profit for the year	4,825,843	9,390,543
Other comprehensive income for the year		
Items that will not be reclassified to statement of profit or loss:		
Remeasurement loss on employees retirement benefits	(9,172,587)	(107,594)
Tax effect	2,086,069	31,202
Other comprehensive income / (loss) for the year - net of tax	(7,086,518)	(76,392)
Total comprehensive income / (loss) for the year	(2,260,675)	9,314,151

The annexed notes 1 to 48 are an integral part of these financial statements.



Chief Financial Officer



President & CEO



Chairman

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
Cash flows from operating activities			
Cash generated from operating activities	37	40,848,268	28,914,461
Payment to Pakistan Telecommunication Employees Trust (PTET)	7.3	(990,436)	(959,087)
Payment to PTCL Employees Gratuity Fund	7.3	(47,131)	-
Other employees retirement benefits paid		(2,409,533)	(1,986,808)
Advances from customers		(38,707)	268,188
Addition to contract cost		(5,795,303)	(4,232,159)
Income tax paid	25	(3,345,103)	(2,597,890)
Net cash from operating activities		28,222,055	19,406,705
Cash flows from investing activities			
Capital expenditure		(36,186,583)	(30,686,658)
Proceeds from disposal of property, plant and equipment		5,508,216	5,995,755
Long term subordinated loans to subsidiaries		(19,500,000)	(8,000,000)
Repayment of subordinated loans - Pak Telecom Mobile Limited		2,500,000	2,000,000
Investment in Pak Telecom Mobile Limited		-	(25,500,000)
Investment in U Microfinance Bank Limited		(3,200,000)	(1,600,000)
Return on long term loans, employee loans and deposits		6,594,679	4,753,678
Government grants received		3,071,005	1,457,834
Long term loans and advances		(2,005,426)	(6,585,831)
Dividend income - U Microfinance Bank Limited		-	443,743
Net cash used in investing activities		(43,218,109)	(57,721,479)
Cash flows from financing activities			
Dividend paid		(1,125)	(558)
Interest paid on short term running finance		(5,509,578)	(1,181,886)
Proceeds from long term loans		11,999,054	28,401,325
Interest paid on long term Loans		(11,308,509)	(8,064,259)
Repayment of lease liabilities - interest		(293,170)	(162,953)
Repayment of lease liabilities - principal		(733,853)	(454,651)
Net cash (used in) / generated from financing activities		(5,847,181)	18,537,018
Net decrease in cash and cash equivalents		(20,843,235)	(19,777,756)
Cash and cash equivalents at the beginning of the year		(14,185,383)	5,592,373
Cash and cash equivalents at the end of the year	38	(35,028,618)	(14,185,383)

The annexed notes 1 to 48 are an integral part of these financial statements.


Chief Financial Officer


President & CEO


Chairman

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2024

	Issued, subscribed and paid-up capital			Revenue reserves		Total
	Class 'A'	Class 'B'	Total	General reserve	Unappropriated profit	
(Rupees in '000)						
Balance as at January 01, 2023	37,740,000	13,260,000	51,000,000	27,497,072	29,556,957	108,054,029
Total comprehensive income for the year						
Profit for the year	-	-	-	-	9,390,543	9,390,543
Other comprehensive income / (loss)						
- net of tax	-	-	-	-	(76,392)	(76,392)
	-	-	-	-	9,314,151	9,314,151
Balance as at December 31, 2023	37,740,000	13,260,000	51,000,000	27,497,072	38,871,108	117,368,180
Balance as at January 01, 2024	37,740,000	13,260,000	51,000,000	27,497,072	38,871,108	117,368,180
Total comprehensive income for the year						
Profit for the year	-	-	-	-	4,825,843	4,825,843
Other comprehensive income / (loss)						
- net of tax	-	-	-	-	(7,086,518)	(7,086,518)
	-	-	-	-	(2,260,675)	(2,260,675)
Balance as at December 31, 2024	37,740,000	13,260,000	51,000,000	27,497,072	36,610,433	115,107,505

The annexed notes 1 to 48 are an integral part of these financial statements.


 Chief Financial Officer


 President & CEO


 Chairman

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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 Headquarters, Ufone Tower, Plot No. 55-C, Main Jinnah Avenue, Sector F-7/1, Blue Area 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 business units of the Company include the following:

Business unit	Geographical location
1 Headquarter	Ufone Tower, F-7/1, Islamabad.
2 PTCL Business Zone- North	Telecom House F-5/1, Islamabad.
3 PTCL Business Zone- Central	131, Tufail road Lahore.
4 PTCL Business Zone- South	Clifton Exchange, Hatim Alvi road Karachi.

The Company has signed a Share Purchase Agreement with Telenor Pakistan B.V. (Telenor) in 2023 to acquire a 100% stake in Telenor Pakistan (Pvt) Ltd (Telenor Pakistan) and Orion Towers (Pvt) Ltd based on an Enterprise Value of Rs. 108,000,000 thousands on a cash free, debt free basis. The transaction will be financed through a seven year (with one year grace period) US Dollar syndicated Financing Facility amounting to USD 400,000 thousand led by International Finance Corporation (IFC) and the relevant Financing agreements have been signed on June 27, 2024. This transaction is subject to necessary regulatory approvals.

2. Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprises of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017.
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These financial statements are the separate financial statements of the Company (PTCL). In addition to these separate financial statements, the Company also prepares consolidated financial statements.

2.1 Standards, interpretations and amendments adopted during the year

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering year, beginning on or after the following dates:

(a) New accounting standards / amendments and IFRSs interpretations that are effective for the year ended December 31, 2024.

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the classification of the Company's liabilities.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Company's financial statements.

Application Guidance on Accounting for Minimum Taxes and Final Taxes - IAS 12

Pursuant to the issuance of Circular 7 by the Institute of Chartered Accountants of Pakistan, in May 2024, the Company has changed the method of accounting for final and minimum taxes, chargeable under the Income Tax Ordinance, 2001.

The Circular 7 specifies that all final taxes, payable under the Income Tax Ordinance, 2001 (the Ordinance), calculated with reference anything other than "taxable income" is a levy within the scope of IAS 37 "Provisions, contingent liabilities and contingent assets" and IFRIC 21 "Levies". Previously, such a charge was recognized as "Current income tax".

Further, the Circular 7 specifies that an entity has an option to either recognize:

- (a) amount of tax chargeable under the Ordinance, calculated with reference to taxable income at notified rates (i.e., under the Normal Tax Regime (NTR)), as income taxes within the scope of IAS 12 "Income Taxes" and any excess amount of charge, resulting from application of requirements of the Ordinance relating to minimum tax under the section 153 and turnover tax under the section 113, will however be recognized as levy within the scope of IAS 37 "Provisions, contingent liabilities and contingent assets" and IFRIC 21 "Levies".
- (b) amount of minimum tax under the section 153 and turnover tax under the section 113 will be recognized as levy within the scope of IAS 37 and IFRIC 21, whereas, any excess amount under NTR will be recognized as income taxes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

The Company has applied the guidance in the Circular 7 in following manner:

Final taxes:

Final tax, calculated with reference to tax deductible from amount of payment receivable against export of services, under the section 154A, are recognized as "Final tax" before the sub-head "Profit before tax", in the statement of profit or loss. Previously, such a charge was also recognized as "Current income tax".

Minimum taxes:

The Company has elected to select approach (a) described above, as it considers that it is probable that amount of tax under NTR will be higher than the related minimum tax or turnover tax for the individual entities with the Company. Accordingly, amount of tax under NTR will continue to recognize such an amount as "Current income tax" expense. Any excess amount of charge, with reference to minimum tax resulting from amount of tax deductible from payments against provision of services, under the section 153(1b), and turnover tax under the section 113 has however been recognized as "Minimum tax differential", before the sub-head "Profit before tax", in the statement of profit or loss. Previously, such a charge was also recognized as "Current income tax".

The Company has, however, recognized the related income on deferred tax asset recognized for adjustable turnover tax as part of "Deferred income tax" income.

As required, the Company has retrospectively applied the above guidance, however, as none of the Company's income is subject to FTR whereas turnover tax is expected to be adjusted against tax payable under the NTR, the adoption of above-mentioned guidance has had no impact on the financial statements in the current and prior periods.

(b) New accounting standards / amendments and IFRS interpretations that are not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

	Effective date (annual periods beginning on or after)
<p>Lack of exchangeability – Amendments to IAS 21</p> <p>In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.</p> <p>The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.</p> <p>The amendments are not expected to have a material impact on the Company's financial statements.</p>	01 January 2025

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	Effective date (annual periods beginning on or after)
<p>Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7</p> <p>On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:</p> <ul style="list-style-type: none"> - A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date. - Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed - Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments - The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI). <p>The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Company is currently not intending to early adopt the Amendments.</p> <p>With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Company is currently performing an assessment of all material electronic payment systems it uses, in order to assess whether the amendments will result in a material change with respect to current practices and whether it meets the conditions to apply the accounting policy option to derecognise such financial liabilities before the settlement date. Moreover, the Company is reviewing all its other payment systems to ensure that the corresponding financial assets are derecognised when the right to cash flows are extinguished and that the corresponding financial liabilities are derecognised on settlement date.</p>	01 January 2026

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	Effective date (annual periods beginning on or after)
<p>IAS 7 - adjustments resulting from adoption of IFRS 18 Presentation and Disclosure in Financial Statements</p> <p>In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 is however still to be notified by Securities and Exchange Commission of Pakistan. Narrow-scope amendments have also been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.</p> <p>IAS 7 - adjustments resulting from adoption of IFRS 18 Presentation and Disclosure in Financial Statements</p> <p>IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. Upon adoption SECP may, however, prescribe a different effective date.</p> <p>The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.</p>	01 January 2027
<p>Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7</p> <p>In December 2024, IASB issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:</p> <ul style="list-style-type: none"> - Clarifying the application of the 'own-use' requirements - Permitting hedge accounting if these contracts are used as hedging instruments - Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. <p>The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.</p> <p>These amendments are not applicable to the Company.</p>	01 January 2026

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	Effective date (annual periods beginning on or after)
<p>IFRS 17 Insurance Contracts</p> <p>In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:</p> <ul style="list-style-type: none"> - A specific adaptation for contracts with direct participation features (the variable fee approach) - A simplified approach (the premium allocation approach) mainly for short-duration contracts. <p>IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.</p>	01 January 2026
<p>IFRS 10 and IAS 28 Consolidated financial statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendment)</p> <p>On 11 September 2014, the IASB issued Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28). The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.</p>	Not yet determined

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	Effective date (annual periods beginning on or after)
<p>In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.</p> <p>Further, IASB has issued annual improvements in IFRS in July 2024, wherein certain amendments have been made to various standards which are effective for annual periods beginning on and after 01 January 2026. The Company is currently evaluating the impact of these recently announced improvements.</p> <p>In addition to the above, the following new standards have been issued by IASB but are not notified by SECP for application in Pakistan:</p> <p>IFRS 1 - First time adoption of International Financial Reporting Standards</p> <p>IFRS 18 - Presentation and Disclosure in Financial Statements</p> <p>IFRS 19 - Subsidiaries without Public Accountability: Disclosures</p>	<p>01 January 2004</p> <p>01 January 2007</p> <p>01 January 2007</p>

The application of the above standards are not expected to have a material impact on the Company's financial statements, in the period of applicability, except for IFRS 18. The Company is currently working to identify all impacts IFRS 18 will have on the primary financial statements and notes to the financial statements.

3. Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments at fair value and the recognition of certain employees retirement benefits on the basis of actuarial assumptions.

4. Critical accounting estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires use of certain critical accounting estimates and assumptions. 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 historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

(a) Provision for employees retirement benefits

The actuarial valuation of pension, gratuity, medical, accumulating compensated absences plans and benevolent grants requires the use of certain assumptions related to future periods, including increase in future salary / pension / medical costs, rate of increase in benevolent grant, expected long-term returns on plan assets and the discount rate used to discount future cash flows to present values.

(b) Provision for current and deferred taxation

The Company recognizes income tax provision using estimates based upon expert opinions of its tax and legal advisors. Differences, if any, between the recorded income tax provision and the Company's tax

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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liability, are recorded on the final determination of such liability. Deferred income tax is calculated at the rates that are expected to apply to the periods when the temporary differences reverse, based on tax rates that have been enacted or substantively enacted, by the date of the statement of financial position. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of deferred tax assets to be utilised.

(c) Useful life and residual value of fixed assets

The Company reviews the useful lives and residual values of fixed assets on a regular basis. Any change in estimates may affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the related depreciation charge.

(d) Impairment of financial assets

Management exercises judgement in measuring the loss allowance on trade debts and contract assets under simplified approach and recognizes the expected credit loss using a provision matrix based on historic experience and forward looking assumptions equal to the life time expected credit losses inherent to trade debtors and contract assets. For other financial assets, expected credit loss is recognized based on a general approach which includes an assessment of expected credit risk underlying these financial assets.

The Company performed impairment tests for its equity investments in Pak Telecom Mobile Limited (PTML) and U Microfinance Bank Limited (Ubank), respectively, as on December 31, 2024, considering the current and historical financial performance and capital requirements of these entities.

(d)(i) PTML

The Company has determined recoverable amount of Investment in PTML, a subsidiary of the Company providing 3G and 4G cellular mobile services, based on a value-in-use determined through discounted cash flow method, which was higher than the carrying amount of investment in PTML in the Company's financial statements. Value-in-use was estimated using cash flow projections approved by the Board of Directors of PTML, covering a five-year period. The Company has applied a discount rate of 12.02% and the long-term steady growth-rate of 6.50%, to the cash flow projections. The calculation of value-in-use is most sensitive to the following assumptions:

(a) Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the Company.

(b) Key business assumptions

These assumptions are based on business plan approved by the Board of Directors which includes revenue improvements on the basis of multiple strategies planned including increase in Average Revenue per User (ARPU), increase in subscribers and rationalization of cost etc.

Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

(d)(ii) Ubank

The Company has determined recoverable amount of Investment in Ubank, a subsidiary of the Company providing microfinance and branchless banking services, based on a value-in-use determined through discounted cash flow method, which was higher than the carrying value of investment in Ubank in the Company's financial statements. Value-in-use was estimated using cash flow projections approved by the Board of Directors of Ubank, covering a five-year period. The Company has applied a discount rate of 17.2% and the long-term steady growth-rate of 6.00%, to the cash flow projections. The calculation of value-in-use is most sensitive to the following assumptions:

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(a) Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the Company.

(b) Key business assumptions

These assumptions are based on business plan approved by the Board of Directors which includes revenue improvements on the basis of multiple strategies planned, including increase in loan disbursement in secured portfolio, and cost rationalization.

Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

Other estimates and judgments

(a) Provision for stores and spares

A provision against stores and spares is recognized after considering their physical condition and expected future usage. It is reviewed by the management on a quarterly basis.

(b) Contract costs

Contract cost comprises incremental cost of acquiring the customers that are directly associated with the contracts as an asset if those costs are expected to be recoverable and the Company estimates the average life of the customer for amortization of capitalized contract cost.

(c) Government grants

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to fulfill conditions associated with grants. Further, the Company recognizes grant income on a systematic basis over the periods in which the Company recognizes its expenses, the related costs for which the grants are intended to compensate, restricted to the extent of any amount the Company determines is likely to be refunded back to the donor.

(d) Other provisions

Management exercises judgment in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigations or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

(e) Right of use assets and lease liability

The Company has applied incremental borrowing rate for recognition of lease liabilities and corresponding right of use assets under IFRS-16.

5. Summary of material accounting policies

The accounting policies as set out below have been applied consistently to all periods presented in these financial statements except for the change presented below.

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements. Management reviewed the accounting policies and made updates to the information disclosed in material accounting policies.

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Amendment to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction became effective on 1 January 2023 and accordingly the Company has presented separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Previously, deferred tax on lease liabilities and right-of-use assets were presented on a net basis because the balances qualify for offsetting under paragraph 74 of IAS 12. There was no impact on the statement of financial position and there was also no impact on the opening retained earnings as at 1 January 2022 as a result of the change.

5.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). These financial statements are presented in Pakistani Rupees (Rs), which is the Company's functional currency. The amounts presented in these financial statements have been rounded off to the nearest thousand.

5.2 Foreign currency transactions and translations

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in foreign currencies, are translated into the functional currency using the exchange rate prevailing on the date of the statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary items at end of the year exchange rates, are charged to statement of profit or loss for the year.

5.3 Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected as present expected to be paid, as present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

5.4 Government grants

Government grants are recognized at their fair values, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

5.5 Borrowings and borrowing costs

Borrowings are recognized equivalent to the value of the proceeds received by the Company. Any difference, between the proceeds (net of transaction costs) and the redemption value, is recognized to income, over the period of the borrowings, using the effective interest method.

Borrowing costs, which are directly attributable to the acquisition and construction of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of that asset. All other borrowing costs are charged to statement of profit or loss.

5.6 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for the goods or services received, whether or not billed to the Company.

5.7 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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5.8 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events, not wholly within the control of the Company; or when the Company has a present legal or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.9 Dividend distribution

The distribution of the final dividend, to the Company's shareholders, is recognized as a liability in the financial statements in the period in which the dividend is approved by the Company's shareholders; the distribution of the interim dividend is recognized in the period in which it is declared by the Board of Directors.

5.10 Non-current assets

(a) Property, plant and equipment

Property, plant and equipment, except freehold land and capital work in progress, is stated at cost less accumulated depreciation and any identified impairment losses. Freehold land is stated at cost less identified impairment losses, if any. Cost includes expenditure, related overheads, mark-up and borrowing costs that are directly attributable to the acquisition of the asset.

Subsequent costs, if reliably measurable, are included in the asset's carrying amount, or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Company. The carrying amount of any replaced parts as well as other repair and maintenance costs, are charged to statement of profit or loss during the period in which they are incurred.

Capital work in progress is stated at cost less impairment losses if any. It consists of expenditure incurred in respect of tangible fixed assets in the course of their construction and installation.

Depreciation on assets is calculated, using the straight line method, to allocate their cost over their estimated useful lives.

Depreciation on additions to property, plant and equipment, is charged from the month in which the relevant asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off. Impairment loss, if any, or its reversal, is also charged to statement of profit or loss for the year. Where an impairment loss is recognized, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life.

The gain or loss on disposal of an asset, calculated as the difference between the sale proceeds and the carrying amount of the asset, is recognized in statement of profit or loss for the year.

(b) Right of use assets

The Company assesses whether a contract is or contains a lease at inception of the contract. If the Company assesses contract contains a lease and meets requirements of IFRS 16, the Company recognises a right-of use asset and a lease liability at the lease commencement date. Right of use asset is calculated as the initial amount of the lease liability in terms of network sites and right of way at the lease contract commencement date. The right of use asset is subsequently depreciated using the straight line method.

(c) Intangible assets

(i) Licenses

These are carried at cost less accumulated amortization and any identified impairment losses. Amortization is calculated using the straight line method, to allocate the cost of the licenses over its estimated useful life, and is charged to statement of profit or loss for the year.

The amortization on licenses acquired during the year, is charged from the month in which a license is acquired / capitalized, while no amortization is charged in the month of expiry / disposal of the license.

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(iii) **Computer software**

These are carried at cost less accumulated amortization, and any identified impairment losses. Amortization is calculated, using the straight line method to allocate the cost of software over their estimated useful lives, and is charged to statement of profit or loss for the year. Costs associated with maintaining computer software, are recognized as an expense as and when incurred.

The amortization on computer software acquired during the year is charged from the month in which the software is acquired or capitalized, while no amortization is charged for the month in which the software is disposed off.

5.11 Investments in subsidiaries and associates

Investments in subsidiaries and associates, where the Company has control or significant influence, are measured at cost less impairment loss, if any.

5.12 Impairment of non-financial assets

Assets that have an indefinite useful life, for example freehold land, are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment on the date of the statement of financial position, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized, equal to the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized. An impairment loss, or the reversal of an impairment loss, are both recognized in the statement of profit or loss for the year.

5.13 Stores and spares

These are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost, comprising invoice values and other related charges incurred up to the date of the statement of financial position.

5.14 Earnings Per Share (EPS)

The Company presents basic earning per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

5.15 Trade debts / Contract assets

Trade debts are carried at their original invoice amounts, less any estimates made for expected credit losses based on review of all outstanding amounts at reporting date. Bad debts are written off as per Company policy.

5.16 Financial instruments

5.16.1 Classification

The Company classifies its financial assets on initial recognition in the following categories: at amortized cost, at fair value through profit or loss (FVTPL) and at fair value through other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial asset, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(a) Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) It is held within a business model whose objective is to hold assets to

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collect contractual cash flows; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Fair value through other comprehensive income

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

(c) Fair value through profit or loss

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company irrevocably designates a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

5.16.2 Recognition and measurement

Trade and other receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

5.16.3 Subsequent measurement and gains and losses

- | | |
|---|--|
| (i) Financial assets at amortized costs | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Any gain or loss on derecognition is recognized in statement of profit or loss. |
| (ii) Financial assets at FVOCI | <p>Debt investments are subsequently measured at fair value. Interest income calculated using effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.</p> <p>Equity investments are subsequently measured at fair value. Interest income calculated using effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss</p> |
| (iii) Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss. |

Financial assets of the Company include trade debts, contract assets, long term loans, deposits, other receivables and short term investments.

5.16.4 Impairment of financial assets

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowances at an amount equal to

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lifetime ECLs. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

5.16.5 Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss. The financial liabilities of the Company include short term security deposits and trade and other payables.

5.16.6 Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in statement of profit or loss.

5.17 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set off the recognized amounts, and the Company either intends to settle on a net basis, or realize the asset and settle the liability simultaneously.

5.18 Cash and cash equivalents

Cash and cash equivalents are carried at cost. Cash and cash equivalents comprise cash in hand, cash with banks and short term finances under mark up arrangements with banks. Cash equivalents are short term highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

5.19 Revenue recognition

Revenue is measured at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Company satisfies the performance obligations by transferring a promised good or service to a customer. Goods or services are transferred when the customer obtains control of the assets.

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The Company mainly generates revenue from providing telecommunication services such as data, voice, Internet Protocol Television (IPTV), connectivity services, interconnect, Information and Communication Technology (ICT), digital solutions and equipment sales etc.

Services are offered separately and as bundled packages along with other services and / or devices. For bundled packages, the Company accounts for individual products and services separately if they are distinct i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate product and services (i.e. distinct performance obligations, "POs") in a bundle based on their stand-alone selling prices.

The stand alone selling prices are determined based on the observable price at which the Company sells the products and services on a standalone basis. For items that are not sold separately, the Company estimates standalone selling prices using other methods (i.e. adjusted market assessment approach, cost plus margin approach or residual approach).

Nature and timing of satisfaction of performance obligations

Product and services	Nature, timing of satisfaction of performance obligation
Voice, Broadband, IPTV	The Company recognizes revenue as and when these services are provided (i.e. actual usage by the customer).
Devices	The Company recognizes revenue when the control of the device is transferred to the customer. This usually occurs at the contract inception when the customer takes the possession of the device.
Installation charges	Installation services provided for service fulfillment are not distinct performance obligations (PO) and the amount charged for installation service is recognized over the average customer life.
Corporate services	Revenue is recognized over the period when these services are provided to the customers. Where hardware (e.g. routers) are provided as part of the contract, the Company recognizes these as distinct PO only if the customer can benefit from them either by selling for more than scrap value or using with services from other service providers.
Carrier and Wholesale (C&WS)	Revenue from C&WS services is recognized when the services are rendered.
International revenue	International revenue represents revenue from foreign network operators, for calls originating outside Pakistan. It is recognized over the period when services are provided to the customers.

Principal versus agent presentation

When the Company sells goods or services as a principal, revenue and related cost is reported on a gross basis in revenue and operating costs. If the Company sells goods or services as an agent, revenue and related cost are recorded in revenue on a net basis, representing the margin earned.

Whether the Company is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the arrangement between the Company and its business partners; such judgments impact the amount of reported revenue and operating expenses but do not impact reported assets, liabilities or cash flows.

5.19.1 Income on bank deposits

Return on bank deposits is recognized using the effective interest method.

5.19.2 Dividend income

Dividend income is recognized when the right to receive payment is established.

5.20 Contract cost

The Company capitalizes the incremental costs of obtaining and fulfilling a contract, if they are expected to be recovered. The capitalized cost is amortized over the average customer life and recognized as cost of sales. Applying the practical expedient of IFRS 15, the Company recognizes the incremental cost of

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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obtaining and fulfilling a contract as expense when incurred if the amortization period of assets is less than one year.

5.21 Contract assets

The contract assets primarily relate to the Company's rights to consideration for postpaid services provided to subscribers but not billed at the reporting date. The contract assets are transferred to trade debts when the rights become unconditional.

5.22 Contract liability

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration or an amount of consideration is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company discharges its obligation under the contract.

5.23 Taxation

The tax expense for the year comprises of current and deferred income tax, and is recognized in income for the year, except to the extent that it relates to items recognized directly in other comprehensive income, in which case the related tax is also recognized in other comprehensive income.

(a) Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred

Deferred income tax is accounted for using the balance sheet liability method in respect of all temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred income tax is calculated at the rates that are expected to apply to the period when the differences reverse, and the tax rates that have been enacted, or substantively enacted, at the date of the statement of financial position.

(c) Group taxation

The Company is taxed as a one fiscal unit along with its other wholly own subsidiaries under section 59AA to the Income Tax Ordinance, 2001. Current and deferred income taxes are recognized by each entity within the group, regardless of who has the legal rights for the recovery of tax. However, current tax liability / receivable is shown by the Company as it has legal obligation / right of recovery of tax upon submission of annual tax return. Balances among the group entities as a result of group tax is shown as other income tax recoverable / payable to the respective group entities.

5.24 Employees retirement benefits

The Company provides various retirement / post retirement benefit schemes. The plans are generally funded through payments determined by periodic actuarial calculations or up to the limits allowed in the Income Tax Ordinance, 2001. The Company has constituted both defined contribution and defined benefit plans.

(a) PTCL Employees General Provident Fund (GPF) Trust

The Company operates an approved funded provident plan covering its permanent employees. For the purposes of this plan, a separate trust, the "PTCL Employees GPF Trust" (the Trust), has been established.

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Monthly contributions are deducted from the salaries of employees and are paid to the Trust by the Company. In line with the Trust's earnings for a year, the board of trustees approves a profit rate for payment to the members. The Company contributes to the fund, the differential, if any, of the interest paid/credited for the year and the income earned on the investments made by the Trust.

(b) Defined benefit plans

The Company provides the following defined benefit plans:

(i) Pension plans

The Company accounts for an approved funded pension plan operated through a separate trust, the "Pakistan Telecommunication Employees Trust" (PTET), for its employees recruited prior to January 01, 1996 when the Company took over the business from PTC. The Company operates an unfunded pension scheme for employees recruited on a regular basis, on or after January 01, 1996.

(ii) Gratuity plan

The Company operates an approved funded gratuity plan for its New Terms and Conditions (NTC) employees and contractual employees.

(iii) Medical benefits plan

The Company provides a post retirement medical facility to pensioners and their families. Under this unfunded plan, all ex-employees, their spouses, their children up to the age of 21 years (except unmarried daughters who are not subject to the 21 years age limit) and their parents residing with them and any other dependents, are entitled to avail the benefits provided under the scheme. The facility remains valid during the lives of the pensioner and their spouse. Under this facility, there are no annual limits to the cost of drugs, hospitalized treatment and consultation fees.

(iv) Accumulated compensated absences

The Company provides a facility to its employees for accumulating their annual earned leaves. Accumulated leaves can be encashed at the end of the employees service, based on the latest drawn basic salary as per Company policy.

(v) Benevolent grants

The Company pays prescribed benevolent grants to eligible employees / retirees and their heirs.

The liability recognized in the statement of financial position in respect of defined benefit plans, is the present value of the defined benefit obligations at the date of the statement of financial position less the fair value of plan assets.

5.25 Lease liability

The Company recognizes lease liabilities as per IFRS - 16 at the present value of the remaining lease payments using the Company's incremental borrowing rate. Lease liabilities are measured at their amortized cost using the effective interest method.

6. Share capital

6.1 Authorized share capital

2024 (Number of shares '000)	2023		2024 Rs '000	2023 Rs '000
11,100,000	11,100,000	"A" class ordinary shares of Rs 10 each	111,000,000	111,000,000
3,900,000	3,900,000	"B" class ordinary shares of Rs 10 each	39,000,000	39,000,000
15,000,000	15,000,000		150,000,000	150,000,000

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6.2 Issued, subscribed and paid up capital

2024 (Number of shares '000)	2023		2024 Rs '000	2023 Rs '000
3,774,000	3,774,000	"A" class ordinary shares of Rs 10 each issued as fully paid for consideration other than cash - note 6.3 and note 6.5.	37,740,000	37,740,000
1,326,000	1,326,000	"B" class ordinary shares of Rs 10 each issued as fully paid for consideration other than cash - note 6.3 and note 6.6.	13,260,000	13,260,000
5,100,000	5,100,000		51,000,000	51,000,000

6.3 These shares were initially issued to the Government of Pakistan, in consideration for the assets and liabilities transferred from Pakistan Telecommunication Corporation (PTC) to Pakistan Telecommunication Company Limited (PTCL), under the Pakistan Telecommunication (Re-organization) Act, 1996, as referred to in note 1.

6.4 Except for voting rights, the "A" and "B" class ordinary shares rank pari passu in all respects. "A" class ordinary shares carry one vote and "B" class ordinary shares carry four votes, for the purposes of election of directors. "A" class ordinary shares cannot be converted into "B" class ordinary shares; however, "B" class ordinary shares may be converted into "A" class ordinary shares, at the option, exercisable in writing and submitted to the Company, by the holders of three fourths of the "B" class ordinary shares. In the event of termination of the license issued to the Company, under the provisions of the Pakistan Telecommunication (Re-organization) Act, 1996, the "B" class ordinary shares shall be automatically converted into "A" class ordinary shares.

6.5 The Government of Pakistan, through an "Offer for Sale" document, dated July 30, 1994, issued to its domestic investors, a first tranche of vouchers exchangeable for "A" class ordinary shares of the Company; subsequently, through an Information Memorandum dated September 16, 1994, a second tranche of vouchers was issued to international investors, also exchangeable, at the option of the voucher holders, for "A" class ordinary shares or Global Depository Receipts (GDRs) representing "A" class ordinary shares of the Company. Out of 3,774,000 thousand "A" class ordinary shares, vouchers against 601,084 thousand "A" class ordinary shares were issued to the general public. Till December 31, 2024, 599,611 thousand (December 31, 2023: 599,610 thousand) "A" class ordinary shares had been exchanged for such vouchers.

6.6 In pursuance of the privatization of the Company, a bid was held by the Government of Pakistan on June 08, 2005 for sale of "B" class ordinary shares of Rs 10 each, conferring management control. Emirates Telecommunication Corporation (Etisalat), UAE was the successful bidder. The 26% (1,326,000,000 shares) "B" class ordinary shares, along with management control, were transferred, with effect from April 12, 2006, to Etisalat International Pakistan (EIP), UAE, which is a subsidiary of Etisalat.

	Note	2024 Rs '000	2023 Rs '000
7. Employees retirement benefits			
Liabilities for pension obligations			
Unfunded	7.1	15,278,509	12,283,715
		15,278,509	12,283,715
Gratuity - funded	7.1	-	47,131
Accumulated compensated absences - unfunded	7.1	2,143,511	2,052,020
Post retirement medical facility- unfunded	7.1	21,049,516	15,634,286
Benevolent grants - unfunded	7.1	4,181,338	4,307,194
		42,652,874	34,324,346

7.1

The latest actuarial valuations of the Company's defined benefit plans, were conducted at December 31, 2024 using the projected unit credit method. Details of obligations for defined benefit plans are as follows:

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	Pension		Gratuity		Accumulated compensated absences		Post-retirement medical facility		Benevolent grants		Total	
	Funded		Unfunded		Funded		Unfunded		Unfunded			
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
a) The amounts recognized in the statement of financial position:												
Present value of defined benefit obligations	159,483,002	142,863,607	15,278,509	12,283,715	3,322,418	2,831,040	21,049,516	15,634,286	4,181,338	4,307,194	205,458,294	179,971,862
Fair value of plan assets Note: 7.3	(162,434,441)	(149,115,429)	-	-	(3,444,019)	(2,783,909)	-	-	-	-	(165,878,460)	(151,899,338)
(Asset)/liability at end of the year	(2,951,439)	(6,251,822)	15,278,509	12,283,715	(121,601)	47,131	21,049,516	15,634,286	4,181,338	4,307,194	39,579,834	28,072,524
b) Changes in the present value of defined benefit obligations:												
Balance at beginning of the year	142,863,607	131,936,258	12,283,715	9,862,468	2,831,040	2,334,940	1,954,579	13,238,012	4,307,194	4,153,071	179,971,862	163,479,328
Current service cost	967,204	990,436	528,053	463,529	332,782	298,545	102,774	122,087	42,082	40,623	2,103,549	2,005,591
Interest expense	19,878,826	15,533,490	1,765,293	1,198,102	397,916	276,701	232,334	2,147,136	605,097	490,960	25,082,752	19,274,447
Actuarial gain on accumulated compensated absences	-	-	-	-	-	-	(121,710)	-	-	-	(183,375)	(121,710)
Remeasurements:												
Loss / (gain) due to financial / experience adjustments	7,309,895	4,667,944	920,005	923,709	(65,739)	73,159	-	4,798,906	(504,817)	(86,991)	12,458,250	7,608,026
Benefits paid	(11,536,530)	(10,264,521)	(218,557)	(164,093)	(173,581)	(152,305)	(115,957)	(1,652,899)	(268,218)	(290,469)	(13,974,744)	(12,273,820)
Balance at end of the year	159,483,002	142,863,607	15,278,509	12,283,715	3,322,418	2,831,040	21,049,516	15,634,286	4,181,338	4,307,194	205,458,294	179,971,862

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	Pension				Gratuity				Accumulated compensated absences				Post-retirement medical facility				Benevolent grants				Total			
	Funded		Unfunded		Funded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded	
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
c) Charge for the year:																								
Profit or loss:																								
Current service cost	967,204	990,436	528,053	443,529	332,782	299,545			111,341	102,774	122,087	109,684			42,082	40,623					2,103,549	2,005,591		
Net interest expense	(906,513)	(390,652)	1,765,293	1,198,102	(9,167)	(13,036)			288,484	232,334	2,147,136	1,542,860			605,097	490,960					3,890,330	3,060,568		
Actuarial gain on accumulated compensated absences	-	-	-	-	-	-			(183,375)	(121,710)	-	-			-	-					(183,375)	(121,710)		
Contribution from deputationists / employees	(13,801)	(5,589)	-	-	-	-			-	-	-	-			(15,620)	(16,903)					(29,421)	(22,492)		
Other comprehensive income	46,890	594,195	2,293,346	1,661,631	323,615	285,509			216,450	213,398	2,269,223	1,652,544			631,559	514,680					5,781,083	4,921,957		
Remeasurements:																								
Gain on remeasurement of assets	(3,079,767)	(7,371,461)	-	-	(205,896)	(128,971)			-	-	-	-			-	-					(3,285,663)	(7,500,432)		
Loss / (gain) due to change in financial assumptions	(42,134)	59,793	(18,058)	26,233	(3,185)	2,093			-	-	(3,820,651)	3,727			(3,073)	3,334					(3,887,101)	95,180		
Loss / (gain) due to experience adjustments	7,352,029	4,608,151	938,063	897,476	(62,554)	71,066			-	-	8,619,557	2,026,478			(501,744)	(90,325)					16,345,351	7,512,846		
	4,230,128	(2,703,517)	920,005	923,709	(271,635)	(55,812)			-	-	4,798,906	2,030,205			(504,817)	(86,991)					9,172,587	107,594		
	4,277,018	(2,109,322)	3,213,351	2,585,340	51,980	229,697			216,450	213,398	7,068,129	3,682,749			126,742	427,689					14,953,670	5,029,551		

d) Significant actuarial assumptions at the date of the statement of financial position:

Discount rate	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%
Future salary / medical cost increase	9.75%	12.50%	9.75%	12.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%	10.75%	13.50%
Future pension increase	8.00%	10.75%	8.00%	10.75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate of increase in benevolent grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Average duration of the obligation	16 years	20 years	17 years	26 years	6 years	6 years	6 years	6 years	6 to 9 years	6 to 9 years	16 years	21 years	16 years	16 years	16 years	16 years	16 years	16 years	16 years	16 years	16 years	16 years	16 years	16 years
Expected mortality rate	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC	SLIC
Expected withdrawal rate	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005	2001-2005
	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience

7.2 As more fully explained in note 14.7, the Company's obligation for funded pension is restricted to the extent of pension increases and benefits as determined by the Board of Trustees of the Pakistan Telecommunication Employees Trust (PTET).

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	Defined benefit pension plan Funded		Defined benefit gratuity plan Funded	
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
7.3 Changes in the fair value of plan assets				
Balance at beginning of the year	149,115,429	135,125,260	2,783,909	2,365,201
Expected return on plan assets	20,785,339	15,924,142	407,083	289,737
Payments made to members on behalf of fund	-	-	173,581	152,305
Gain on remeasurement of assets	3,079,767	7,371,461	205,896	128,971
Contributions made by the Company during the year	990,436	959,087	47,131	-
Benefits paid	(11,536,530)	(10,264,521)	(173,581)	(152,305)
Balance at end of the year	162,434,441	149,115,429	3,444,019	2,783,909

7.4 Plan assets for funded defined benefit pension plan are comprised as follows:

	2024		2023	
	Rs '000	Percentage	Rs '000	Percentage
Debt instruments - unquoted				
- Defense savings certificates	34,729,689	21.39	30,869,129	20.71
- Pakistan investment bonds	36,144,413	22.25	28,335,193	19.00
	70,874,102	43.64	59,204,322	39.71
Cash and cash equivalents				
- Term deposits receipts	24,600,000	15.15	24,692,000	16.57
- Sukuks	3,741,428	2.30	3,164,617	2.12
- Pakistan investment bond	1,866,330	1.15	816,314	0.55
- Term finance certificates	44,775	0.03	44,775	-
- Treasury bills	33,771,089	20.79	30,223,089	20.27
- Cash and bank balances	2,430	0.00	5,109	-
	64,026,052	39.42	58,945,904	39.51
Investment property				
- Telecom tower	11,807,573	7.26	11,795,667	7.92
- Telehouse	3,333,976	2.05	3,333,000	2.24
- Corporate offices	2,317,067	1.43	2,309,996	1.55
	17,458,616	10.74	17,438,663	11.71
Fixed assets	11,463	0.01	9,063	0.01
Other assets	11,789,622	7.26	15,050,684	10.09
	164,159,855	101.07	150,648,636	101.03
Liabilities				
- Staff retirement benefits	(166,051)	(0.10)	(126,866)	(0.09)
- Amount due to PTCL	(25,634)	(0.02)	(1,326)	-
- Accrued and other liabilities	(328,046)	(0.20)	(295,842)	(0.20)
- Provision for zakat	(1,205,683)	(0.75)	(1,109,173)	(0.74)
	(1,725,414)	(1.07)	(1,533,207)	(1.03)
	162,434,441	100.00	149,115,429	100.00

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7.5 Plan assets for defined gratuity fund are comprised as follows:

	2024		2023	
	Rs '000	Percentage	Rs '000	Percentage
Units of mutual funds	162,659	4.72	136,188	4.89
Term deposit receipt	1,500,000	43.55	1,500,000	53.89
Term finance certificate	450,000	13.07	450,000	16.16
Bank balances	1,331,360	38.66	697,721	25.06
	3,444,019	100.00	2,783,909	100.00

7.6 The expected contributions in the next financial year to be paid to the funded gratuity plan by the Company is Rs 173,581 thousand.

7.7 Sensitivity analysis

The calculations of the defined benefits obligation is sensitive to the significant actuarial assumptions set out in note 7.1 (d). The table below summarizes how the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of change in the respective assumptions.

	Impact on defined benefit obligation	
	1% Increase in assumption	1% Decrease in assumption
	Rs '000	Rs '000
Future salary / medical cost		
Pension - funded	10,092,295	(9,526,570)
Pension - unfunded	1,626,471	(1,473,199)
Gratuity - funded	210,247	(198,462)
Accumulating compensated absences - unfunded	181,027	(166,992)
Post-retirement medical facility - unfunded	3,673,647	(3,131,948)
Discount rate		
Pension - funded	(23,715,908)	27,521,063
Pension - unfunded	(2,400,767)	2,815,675
Gratuity - funded	(198,151)	204,352
Accumulating compensated absences - unfunded	(166,796)	177,148
Post-retirement medical facility - unfunded	(3,130,167)	3,632,394
Benevolent grants - unfunded	(621,786)	721,549
Future pension		
Pension - funded	27,833,623	(23,729,400)
Pension - unfunded	2,845,917	(2,402,047)
Benevolent grants		
Benevolent grants - unfunded	729,744	(622,139)
	Increase by 1 year	Decrease by 1 year
	Rs '000	Rs '000
Expected mortality rate		
Pension - funded	(6,497,243)	6,473,611
Pension - unfunded	(911,220)	939,737
Gratuity - funded	(38,782)	33,183
Accumulating compensated absences - unfunded	(25,021)	21,408
Post-retirement medical facility - unfunded	(1,057,465)	1,073,465
Benevolent grants - unfunded	(249,378)	257,182

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The above sensitivity analysis are based on changes in assumptions while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statement of financial position.

- 7.8** Through its defined benefit pension plans the Company is exposed to a number of actuarial and investment risks, the most significant of which include, interest rate risk, property market risk and longevity risk for pension plan and salary risk for all the plans.

	Note	2024 Rs '000	2023 Rs '000
8. Deferred government grants			
Balance at beginning of the year		15,080,525	14,205,487
Received during the year		3,071,005	1,457,834
		18,151,530	15,663,321
Income recognized during the year	32	(1,429,614)	(582,796)
Balance at end of the year		16,721,916	15,080,525

This represent grants received from the Universal Service Fund, as assistance towards the development of telecommunication infrastructure in rural areas, comprising telecom infrastructure projects for basic telecom access, transmission and broadband services spread across the country.

9. Long term loans from banks

Bank	Annual Mark-up Rate (3 month KIBOR Plus)	Repayment Commencement Date	Repayment Installment	Note	2024 Rs '000	2023 Rs '000	
					Interest	Principal	
9. Long term loans from banks							
MCB Bank Ltd	0.30%	September 15, 2022	December 15, 2026	Bi-Annual	9.1	11,000,000	11,000,000
Habib Bank Ltd	0.40%	March 31, 2023	June 30, 2027	Bi-Annual	9.2	35,000,000	35,000,000
Bank Alfalah Ltd	0.40% & 0.60%	January 25, 2024 & July 18 ,2024	January 25, 2028 & July 18, 2028	Quarterly	9.3	8,000,000	3,000,000
Faysal Bank Ltd	0.50%	October 01, 2024	October 01, 2028	Quarterly	9.4	7,000,000	-
BankIslami Pakistan Ltd	0.55%	March 28, 2024	March 28, 2028	Quarterly	9.5	2,000,000	2,000,000
Less: transaction costs						(219,640)	(218,694)
						62,780,360	50,781,306
Accrued Interest						318,719	239,408
						63,099,079	51,020,714
Current portion of long term loans from banks						(318,719)	(239,408)
						62,780,360	50,781,306

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

- 9.1** The Company entered into a syndicate term finance agreement dated 16 June 2022 to avail long term finance facility to the extent of Rs. 11,000,000 thousand for the purpose of equity injection into its wholly owned subsidiary PTML. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the MCB Bank Limited - Security Agent, which shall constitute a first charge in favour of MCB Bank Limited - Security Agent (for the benefit of the Syndicate). The loan is repayable in 6 bi-annual instalments commencing from 15 December 2026.
- 9.2** The Company entered into a syndicate term finance agreement dated 29 December 2022 to avail long term finance facility to the extent of Rs. 35,000,000 thousand for the purpose of equity injection into its wholly owned subsidiary PTML. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the HBL Bank Limited - Security Agent, which shall constitute a first charge in favour of HBL Bank Limited - Security Agent (for the benefit of the Syndicate). The loan is repayable in 6 bi-annual instalments commencing from 30 June 2027.
- 9.3** During the year, the Company has entered into a finance agreement dated 05 April 2024 to avail long term finance facility to the extent of Rs. 5,000,000 thousand for the purpose of equity/subordinated loan to its wholly owned subsidiary PTML. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the Bank Alfalah Limited - Security Agent, which shall constitute a first charge in favour of Bank Alfalah Limited - Security Agent. The loan is repayable in quarterly instalments commencing from 18 July 2028.

In 2023, the Company has entered into a finance agreement dated 24 October 2023 to avail long term finance facility to the extent of Rs. 3,000,000 thousand for the purpose of equity injection into its wholly owned subsidiary PTML. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the Bank Alfalah Limited - Security Agent, which shall constitute a first charge in favour of Bank Alfalah Limited - Security Agent. The loan is repayable in quarterly instalments commencing from 25 January 2028.

- 9.4** The Company entered into a new finance agreement dated August 29, 2024 to avail long term finance facility to the extent of Rs. 7,000,000 thousand for the purpose of subordinated loan, equity injection in PTML and to meet the capex requirements of the Company. The finance facility is secured by way of first pari passu charge on all assets (excluding land, building, licenses & international revenue receipts/receivables). The loan is repayable in seven years (with four year grace period), with installments on quarterly basis commencing from October 01, 2028.
- 9.5** The company has obtained finance facility under musharakah contract with bankIslami Pakistan Limited dated 28 Dec 2023 to avail the finance facility to the extent of Rs.2,000,000 thousand for the purchase of line & wire equipment. The effective rate of profit is 22% with a share of 96.08% (BankIslami) and 3.92% (PTCL). The contract is secured by creating a charge by way of hypothecation over hypothecated assets in favour of the BankIslami Pakistan Limited. The musharaka contract involve 12 quarterly payments and shall be wound up in the manner agreed. The musharaka agreement ends on 28 December 2030.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
10. Lease liabilities			
Balance at the beginning of year		1,682,714	1,619,093
Additions during the year		251,360	518,435
Modifications during the year		171,564	4,802
Terminations during the year		(6,986)	(4,965)
Interest expense	33	293,170	162,953
Lease rental paid		(1,027,023)	(617,604)
Balance at the end of the year		1,364,799	1,682,714
Current portion shown under current liabilities		(337,022)	(391,989)
Due after 12 months		1,027,777	1,290,725
Lease commitments			
Not later than one year		547,686	579,921
Later than one year and not later than 5 years		1,068,159	1,472,424
Later than 5 years		428,618	402,582
Total undiscounted lease commitments		2,044,463	2,454,927
Future finance cost		(679,664)	(772,213)
		1,364,799	1,682,714
11. Trade and other payables			
Trade creditors		13,264,221	16,719,184
Accrued and other liabilities	11.1	46,085,468	41,878,273
Technical services assistance fee	11.2	48,230,684	41,410,987
Advances from customer/ contract liability		9,155,557	7,405,126
Retention money / payable to contractors and suppliers		7,582,467	8,593,518
Payable to subsidiaries on account of group taxation	11.4	40,733,736	24,022,866
Sales tax payable		3,468,014	1,393,847
Income tax collected / deducted at source		799,325	-
	11.3	169,319,472	141,423,801
11.1 Accrued and other liabilities			
Accrued liability for operational expenses		13,169,211	11,244,451
Amount withheld on account of provincial levies (Sub-judice) for ICH operations	11.1.1	12,110,803	12,110,803
Accrual for Government / regulatory expenses		16,812,077	14,172,127
Accrued wages		3,253,401	3,395,566
Others		739,976	955,326
		46,085,468	41,878,273

11.1.1 This represents International Clearing House "ICH" revenue which were shared between the Company and other Long Distance and International "LDI" operators in the ratio of 50:50. Therefore, out of this, 50% of the amount represents revenue not recognized by the Company. As the ICH operator, the Company challenged the imposition of sales tax on ICH revenue and the matter is sub-judice in different courts of law; therefore, the relevant share of the ICH partners is being held by the Company till the finalization of the subject cases.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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

	2024 Rs '000	2023 Rs '000
11.3 Trade and other payables include payables to the following related parties:		
U Microfinance Bank Limited	895	643
DVCOM Data (Private) Limited (DVCOM)	1,955,000	1,785,000
Emirates Telecommunication Corporation	4,151,059	3,452,154
Etisalat - Afghanistan	53,718	59,434
Etihad Etisalat (Mobily)	3,941	19,475
Telecom Foundation	13,654	13,276
Government of Pakistan (GoP) related entities	2,293,643	2,070,961
TF Pipes Limited	4,630	4,630
PTCL Employees GPF Trust	89,535	56,563
Retention money / payable to contractors and suppliers		
TF Pipes Limited	2,940	2,940

These balances relate to the normal course of business of the Company and are interest free.

- 11.4** This represents payable to PTML Rs 36,754,667 thousand (December 31, 2023: Rs 23,607,121 thousand), Ubank Rs. 3,559,472 thousand (December 31, 2023: nil), DVCOM Rs 416,051 thousand (December 31, 2023: Rs 415,745 thousand) and Smart Sky Rs. 3,546 (December 31, 2023: nil) on account of group taxation.

12. Short term running finance

These facilities are obtained from various commercial banks with an aggregate limit of Rs.31,550,000 thousand (December 31, 2023: 17,500,000 thousand) and are secured against 1st pari passu charge on present and future current assets and all other movable assets of the Company. These facilities carry markup rates ranging from 1-month KIBOR to 6-month KIBOR plus weighted average rate of 0.17% (December 31, 2023: 1-month KIBOR to 3-month KIBOR plus weighted average rate of 0.20%) per annum.

This also include shariah compliant, rated, unlisted, unsecured, privately placed short term sukuk amounting to Rs. 20,000,000 thousand (December 31, 2023: 5,000,000 thousand) issued to meet the working capital requirements with a tenor of 6 months from the issue date at 6-months (December 31, 2023: 6 months from the issue date at 6-months) carrying mark-up rates of 3-month KIBOR to 6-month KIBOR plus weighted average rate of 0.13% (December 31, 2023: 6-month KIBOR plus weighted average rate of 0.20%) 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.

13. Security deposits

These security deposits are received from customers for services to be provided and are refundable / adjustable on termination of their relationship with the Company. These are non interest bearing and include security deposits of Rs 3,623 thousand (December 31, 2023: Rs 3,623 thousand) from Pak Telecom Mobile Limited (PTML), a related party. The Company has adjusted / paid a sum of Rs nil (December 31, 2023: Rs 4 thousand) to its customers during the year against their balances. Amount of these security deposits has been kept in a separate bank account.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

14. Contingencies and commitments

Contingencies

Indirect taxes

- 14.1** Against the decision of Appellate Tribunal Inland Revenue (ATIR) upholding tax authorities' decision to impose Federal Excise Duty (FED) amounting to Rs 365,098 thousand on Technical Services Assistance fee assuming that the fee is against franchise arrangement for the period from July 2008-09 & 2010-11, PTCL has filed reference in the Honorable Islamabad High Court. Accordingly, the stay order was granted by the Honorable Islamabad High Court. Similarly, against an order of the Punjab Revenue Authority (PRA) for the services sales tax, a demand of Rs 461,629 thousand on Technical Services Assistance fee was raised assuming that the fee is against franchise arrangement for the period from October 2012 to December 2014. The appeal is sub judice before the Commissioner Appeals - PRA, and the stay order from the Honorable Lahore High Court is also in place against any coercive measures.
- 14.2** Based on an audit of certain monthly returns of FED, a demand of Rs 1,289,957 thousand was raised on the premise that the Company did not apportion the input tax between allowable and exempt supplies. The Company is in appeal before ATIR, which is pending adjudication. Meanwhile, the Honorable Islamabad High Court has granted a stay order in this regard against any coercive measures.
- 14.3** Matters of international incoming has been raised by Sindh Revenue Board (SRB) and Khyber Pakhtunkhwa Revenue Authority (KPRA) with demands of Rs. 4,417,000 thousand and Rs. 2,374,000 thousand. For KPRA, Writ Petition has been filed before Peshawar High Court who has granted stay against the show cause notice. With reference to SRB, case has been decided against PTCL by Commissioner Appeals, against whom appeal has been filed before Tribunal. Tribunal SRB has granted stay in the case.
- 14.4** The Sindh Revenue Board (SRB) has assessed Sindh sales tax on services amounting to Rs 702 million on the premise that PTCL did not pay sales tax on invoices issued for services rendered to Cellular Mobile Operators (CMOs). Department view was not supported by the record and PTCL has submitted detailed evidence to refute the same before the learned Commissioner Appeals, SRB and stay has been granted. Management and tax advisors believe that this case would be settled in favor of PTCL owing to the evidence on record.

Income tax

- 14.5** For the tax years 2007, 2009, 2010, 2011 to 2023, 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 64,851,469 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.
- 14.6** For the Tax Year 2020, Taxation officer objected to the quarterly advance tax calculation submitted by the Company based on group taxation and raised demand amounting to Rs. 2,855,907 thousand despite that PTCL had filed option for group taxation within prescribed time. The Islamabad High Court has decided the case in favor of PTCL.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Others

- 14.7** In 2010, Pakistan Telecommunication Employees Trust ("PTET") board approved the pension increase which was less than the increase notified by the Government of Pakistan ("GoP"). Thereafter, pensioners filed several Writ Petitions. After a series of hearings, on June 12, 2015, the Apex Court decided the case in the interest of pensioners. On July 13, 2015, Review Petition was filed in Supreme Court of Pakistan against the Judgment of June 12, 2015.

The Honourable Supreme Court of Pakistan (Apex Court) disposed the Review Petitions filed by the Company, the Pakistan Telecommunication Employees Trust (PTET) and the Federal Government (collectively, the Review Petitioners) vide the order dated May 17, 2017. Through the said order, the Apex Court directed the Review Petitioners to seek remedy under section 12(2) CPC (Civil Procedure Code) which shall be decided by the concerned Court in accordance with the law, and to pursue all grounds of law and fact in other cases pending before High Courts. The Review Petitioners filed the applications under section 12(2) CPC before respective High Courts, however the same were dismissed by the Islamabad High Court vide Judgment dated January 22, 2018, as being not maintainable. The said order of the Islamabad High Court was challenged by the Company and PTET before the Supreme Court which was pleased to recently dispose of the Appeals vide its order dated April 29, 2024 and remanded back the 12(2) applications to the High Court(s) for recalling the earlier order in respect of those Petitioners who opted for VSS. The fresh 12(2) applications were filed before the Honourable Islamabad and Peshawar High court(s) and the cases have been admitted for hearing vide order dated June 24, 2024 and July 11, 2024, respectively. Both the high court have issued notices to the VSS optees seeking pension. The applications before the Islamabad High Court are fixed for hearing on April 17, 2025 and on April 08, 2025 before the Peshawar High Court.

PTET has implemented the Apex court decision dated June 12, 2015 to the extent of 342 pensioners who were the petitioners in the main case. Some of the interveners (pensioners) seeking the same relief as allowed vide order dated June 12, 2015, have been directed by the Apex Court to approach the appropriate forum on May 10, 2018. Islamabad High Court on November 02, 2021, has decided that the GOP increases are not allowed to VSS optees, PTC pensioners and to the workmen. To the extent of Civil Servants, the Islamabad High Court allowed the GOP increase. However, to the same extent appeal has been filed before Apex court within the limitation. The pension cases before the Supreme Court were fixed on February 11, 2025 and the Court directed the pensioners, PTCL and PTET to submit their written submissions/arguments. The court has reserved the judgment, however, the matter may be fixed for hearing if the Court requires any further clarification after thorough review of the submissions. Under the circumstances, management of the Company, on the basis of legal advice, believes that the Company's obligations against benefits is restricted to the extent of pension increases as determined solely by the Board of Trustees of the PTET in accordance with the Pakistan Telecommunication (Re-Organization) Act, 1996 and the Pension Trust Rules of 2012 and accordingly, no provision has been recognized in the Company's financial statements.

Due to complexity of the matter and varying decisions from courts in this regard, it is not practical to estimate reliably the financial impact, in case of unfavorable outcome of this matter, before its conclusion.

- 14.8** The Company implemented policy directives of Ministry of Information Technology conveyed by the Pakistan Telecommunication Authority regarding termination of all international incoming calls into Pakistan. On suspension of these directives by the Honorable Lahore High Court, the Honorable Supreme Court of Pakistan dismissed the pertinent writ petitions by directing Competition Commission of Pakistan (CCP) to decide the case. The Honorable Sindh High Court suspended the adverse decision of CCP. The case was fixed on September 12, 2024. Sindh High Court has disposed of the case, directing the Competition Commission Appellate Tribunal (CCAT) to decide the pending matter. The court has also granted a stay against any adverse action by the CCP until the appeals are finally decided by the CCAT. The Matter is pending before the Competition Appellate Tribunal.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

14.9 A total of 1452 cases (December 31, 2023: 1,348 cases) against PTCL involving Regulatory, Telecom Operators, Employees and Subscribers. Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and Legal advisors of the company are of the view that the outcome of these cases is expected to be favorable and liability, if any, arising out on the settlement is not likely to be material.

14.10 No provision on account of above contingencies has been made in these financial statements as the management and the tax / legal advisors of the Company are of the view, that these matters will eventually be settled in favor of the Company.

	Note	2024 Rs '000	2023 Rs '000
14.11 Guarantees and bid bonds issued in favour of:			
Bank guarantees			
Universal Service Fund (USF) against government grants		9,270,431	8,088,668
Others	14.11.1	3,252,806	3,009,705
		12,523,237	11,098,373
Corporate guarantee in favour of PTML		65,497,000	56,400,000
Corporate guarantee in favour of Ubank		10,000,000	10,000,000
		75,497,000	66,400,000

14.11.1 Others includes bank guarantees given on behalf of DVCOM Data (Private) Limited to PTA amounting to Rs 675,000 thousand (December 31, 2023: Rs. 675,000 thousand).

	Note	2024 Rs '000	2023 Rs '000
14.12 Commitments			
Contracts for capital expenditure		10,275,706	10,496,849
Letter of comforts in favour of PTML		3,500,000	3,500,000
		13,775,706	13,996,849
15. Property, plant and equipment			
Operating fixed assets	15.1	138,294,889	123,757,109
Capital work in progress	15.6	22,877,614	20,260,678
		161,172,503	144,017,787

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

15.1 Operating fixed assets

	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
As at December 31, 2022																						
Cost	1,637,680	100,782	13,990,091	1,456,158	146,570,020	244,785,008	1,395,450	18,840,800	3,842,415	2,630,509	900,022	3,527,649	439,676,584									
Accumulated depreciation and impairment	-	(44,216)	(7,011,186)	(728,910)	(102,216,289)	(193,624,263)	(1,254,570)	(12,624,036)	(2,157,375)	(2,350,916)	(649,731)	(2,914,225)	(325,575,717)									
Net book Value	1,637,680	56,566	6,978,905	727,248	44,353,731	51,160,745	140,880	6,216,764	1,685,040	279,593	250,291	613,424	114,100,867									
Movement during 2023																						
Additions	-	-	263,471	61,970	11,897,401	13,190,344	7,058	351,558	477,272	223,328	40,466	188,256	26,701,124									
Disposals																						
Cost					(10,634,755)	(1,846,744)		-	(49)	(76,233)		(112,669)	(12,670,450)									
Accumulated depreciation					10,609,596	1,820,404		-	40	38,324		104,436	12,572,800									
Depreciation charge for the year					(25,159)	(26,340)		-	(9)	(37,909)		(8,233)	(97,650)									
Impairment charge					(3,998,971)	(11,084,247)	(23,403)	(541,518)	(300,576)	(226,828)	(44,135)	(269,754)	(16,880,775)									
					(3,840)	(62,617)		-	-	-	-	-	(66,457)									
Net book value	1,637,680	54,923	6,890,001	751,893	52,223,162	53,177,885	124,535	6,026,804	1,861,727	238,184	246,622	523,693	123,757,109									
As at December 31, 2023																						
Cost	1,637,680	100,782	14,253,562	1,518,128	147,832,666	256,128,608	1,402,508	19,192,358	4,319,638	2,777,604	940,488	3,603,236	453,707,258									
Accumulated depreciation and impairment	-	(45,859)	(7,363,561)	(766,235)	(95,609,504)	(202,950,723)	(1,277,973)	(13,165,554)	(2,457,911)	(2,539,420)	(693,866)	(3,079,563)	(329,950,149)									
Net book value	1,637,680	54,923	6,890,001	751,893	52,223,162	53,177,885	124,535	6,026,804	1,861,727	238,184	246,622	523,693	123,757,109									
Movement during 2024																						
Additions	-	-	312,705	94,047	14,090,192	17,000,321	-	798,293	407,376	273,524	7,248	106,349	33,090,055									
Disposals - note 15.5																						
Cost					(6,808,300)	(20,113,699)	(12,975)	-	(3,871)	(209,650)		(175,345)	(27,323,840)									
Accumulated depreciation					6,795,727	19,894,554	7,658	-	3,235	102,341		158,261	26,961,776									
Depreciation charge for the year - note 15.6					(12,573)	(219,145)	(5,317)	-	(636)	(107,309)		(17,084)	(362,064)									
Impairment charge																						
					(4,359,765)	(12,073,901)	(20,638)	(581,156)	(337,515)	(148,305)	(44,025)	(211,627)	(18,190,211)									
					-	-	-	-	-	-	-	-	-									
Net book value	1,637,680	53,280	6,832,543	804,467	61,941,016	57,885,160	98,580	6,243,941	1,930,952	256,094	209,845	401,331	138,294,889									
As at December 31, 2024																						
Cost	1,637,680	100,782	14,566,267	1,612,175	155,114,558	253,015,230	1,389,533	19,990,651	4,723,143	2,841,478	947,736	3,534,240	459,473,473									
Accumulated depreciation and impairment	-	(47,502)	(7,733,724)	(807,708)	(93,173,542)	(195,130,070)	(1,290,953)	(13,746,710)	(2,792,191)	(2,585,384)	(737,891)	(3,132,909)	(321,178,584)									
Net book value	1,637,680	53,280	6,832,543	804,467	61,941,016	57,885,160	98,580	6,243,941	1,930,952	256,094	209,845	401,331	138,294,889									
Annual rate of depreciation (%)	-	1 to 3.3	2.5	2.5	5 to 7	10 to 20	10 to 15	5	10	33.33	10	20										

15.2 PTCL has over 3,000 properties located throughout Pakistan. Business zone-wise disclosure of these properties is given below:

Regions	No. of Properties	Area Sq Yards
Central	1,544	3,983,524
North	1,104	4,487,597
South	672	8,836,432
Grand Total	3,320	17,307,553

As explained in note 1, the property and rights vesting in the operating assets, as at January 01, 1996, were transferred to the Company from the Pakistan Telecommunication Corporation under the Pakistan Telecommunication (Re-organisation) Act, 1996; however, the possession and control or title of certain freehold land properties were not transferred in the name of the Company in the land revenue records, therefore, in pursuant to the disclosure required under Clause VI Sub clause 12 of Part 2 of the fourth schedule of the Companies Act 2017, the list of such properties is given below:

Sr. No.	Description	Address	The Person in whose name the property is registered	Person in Possession or control	Reasons for the property or asset not being in the name of or possession or control of the Company	(Rupees)
1	Zulfiqarabad Telephone Exchange	DSU-1, Pak Steel Link Road, Near Abass Engineering Co. & Pak Suzuki Motors Bin Qasim, Malir, Karachi East.	Pakistan Steel	PTCL	Ban imposed by the Supreme Court of Pakistan on transfer of Pak Steel Properties	20,598
2	Gulshan-e-Hadeed Telephone Exchange	Phase-II, Gulshan-e-Hadeed, Opposite Jahangir Hotel, Budh Bazar, Bin Qasim, Malir, Karachi.	Pakistan Steel	PTCL	Ban imposed by the Supreme Court of Pakistan on transfer of Pak Steel Properties	22,855
3	Manora Telephone Exchange	Survey No. 19/B, Near P.N.S Rehber, Keemari Town, Karachi South	Ministry of Defense	PTCL	Pakistan Navy refused to transfer the land	1
4	Dadu Telecom Building	City Survey No. 995,996,997 etc. Katchahary Road, Near Mukhtiar Kar Office, Dadu.	Ministry of Defense	PTCL	Being a Camping Ground, the case is Pending with Ministry of Defense	17,300
5	Morgah (Mini) Telephone Exchange	Army Housing Scheme, Morgah, Rawalpindi.	Ministry of Defense	PTCL	The land is under dispute between GHQ other parties	25,750
6	Dhanna Singh Wala	Near Johar Town, Canal Bank, Moza Dhanna Singh Wala, Lahore	Telegraph & Telephone (T&T)	Partially in Possession of PTCL	Partially under Litigation	5,587,354
7	T&T Land Kashmir/ Egerton Road	T&T Land Kashmir (Egerton Road), Near Awan-e-Iqbal, Lahore.	Federal Government	PTCL	Under Litigation	1
8	P&T Colony Multan Road Lahore	Khasra No. 1594, 85, 96, 97 etc. Khewat No. 4846, Khatoni No. 10439 (1995-96) etc. Near More Samanabad and Chuburji Quarters, Multan Road, Lahore.	Federal Government	Partially in Possession of PTCL	Under Litigation	3,303,375
9	Industrial Estate SGD	Plot # A-17 Small Industrial Estate Lahore Road Sargodha.	Punjab Small Industries Corporation	Not in Possession of PTCL.	Under Litigation	1
10	Wireless Receiving Station, Malir	Survey No. 74, 76, 77, 80, 81, 82, 83, 85, 86, 91, 92, 93 etc. National Highway, Opposite R.T.S Malir Halt, Deh Drigh Tappo, Malir Karachi East.	Telegraph & Telephone (T&T)	Partially in Possession of PTCL	Under Litigation	1,872,800
11	Clifton (Gizri) P&T Colony	Clifton P&T Colony, Ch. Khaliq-uz-Zaman Road, Opposite Ministry of Foreign Affairs, Clifton, Karachi South.	Provincial Government	Partially in Possession of PTCL	Under Litigation	1
12	Kundwal Telephone Exchange	Khata No. 160/760, Moza Kundwal, Pind Dadan Khan, Jhelum.	Private Name	PTCL	Under Litigation	81,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Sr. No.	Description	Address	The Person in whose name the property is registered	Person in Possession or control	Reasons for the property or asset not being in the name of or possession or control of the Company	(Rupees)
13	Korangi Plot No. 45, 46 Telephone Exchange	Plot No. 45, 46, Sector No. 22 etc. Township Korangi, KDA, Karachi South.	KM Enterprises	Not in Possession of PTCL.	Under Litigation	20,880
14	Mardan Central Telephone Exchange	Khasra No. 2114, 2109, 2110, 213, Khewat No. 1410, 1411, Khatoni No. 2029, 2030 [1999-2000] etc. Mardan.	Private Name	PTCL	Under Litigation	23,493
15	Havelian Telephone Exchange & Staff Quarters	Khasra No. 1195/2, 1194/2, 1197/2, 1198/3, [305], 306, 307, 286/2, 286, 288, 289 and 290 urban [1263] etc. Railway Station Road, Havelian, Abbottabad	Private Name	PTCL	Under Litigation	272,600
16	Rana Town Land	Khasra No. 8/2, 9/2, 12, 13/1/1, Sq. No. 52 etc. Rana Town, Chak No. 39/UCC, Ferozewala, Sheikupura.	Private Name	Not in Possession of PTCL.	Under Litigation	1
17	Maroot (Chak No. 318/HR) Telephone Exchange	Khewat No. 19/17, Khatoni No. 75-88 [2001-02] etc. Near Pull Hakra, Chak No. 318/HR, Maroot, Fort Abbas, Bahawalnagar.	Private Name	PTCL	Under Litigation	1
18	Wapda Town Gujranwala I Telephone Exchange	Commercial Area, Block B-3, Wapda Town, Gujranwala	Wapda Employees Cooperative Housing Society	Not in Possession of PTCL.	Plot cancelled by Wapda Employees Cooperative Housing Society due to non-construction of Telephone Exchange	762,500
19	Songal (Scheme-33) Staff Quarter	Deh Songal (Scheme-33) Staff Quarter, Malir, Karachi.	Provincial Government	Not in Possession of PTCL.	Sindh Government agreed to provide alternate land which is still awaited	94,059
20	Chak 121/NB Telephone Exchange	Khewat No. 18 Khatoni 57, Chak 121/NB, Sillanwali, Sargodha.	Private Name	PTCL	Under Litigation	487,700
21	Jhoke Ultra Telephone Exchange	Khata No. 58, Khasra No. 19/8, Killa No. 8, etc. Malkani Kaln Road, Chowk Shehbaz, Moza Malkani Khurd, Jhoke Ultra, D.G Khan.	Private Name	PTCL	Under Litigation	1
22	Tando Adam PTCL Qtrs.	Survey No. 204, Shahdad Pur Road, Near Siddique Akbar Masjid, Tando Adam, Sanghar.	Private Name	PTCL	Pending for Transfer with Sindh Government	1
23	Madeji Telephone Exchange	Federal Govt. Scheme, Station Road, Near Rice Mill, Madeji, Garhi Ysain, Shikarpur.	Private Name	PTCL	Pending for Transfer with Sindh Government	1,476,207
24	Compact Exchange Building, Mehmoodabad	Block No. 85, Village Ahmadiya, Deh Malhansar, Taluka Kunri, Umer kot.	Private Name	PTCL	Pending for Transfer with Sindh Government	46,055
25	Sakrand Telephone Exchange	Mehrabpur Road, Main Bazar, Sakrand, Nawabshah.	Provincial Government	PTCL	Pending for Transfer with Sindh Government	1

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Sr. No.	Description	Address	The Person in whose name the property is registered	Person in Possession or control	Reasons for the property or asset not being in the name of or possession or control of the Company	(Rupees)
26	Tando Muhammad Khan Telephone Exchange	Survey No. 40, 41 etc. Near Civil Hospital, Deh Tando Mohd. Khan, Hyderabad.	Private Name	PTCL	Pending for Transfer with Sindh Government	43,650
27	Sirikot Telephone Exchange	Khasra No. 895/896/897, etc. Sirikot Road, Moza Sirikot, Haripur.	Private Name	PTCL	Under Litigation	33,652
28	Wana Telephone Exchange	Azam Warsak Road, Wana, S.W. Agency H/Q Wana.	Provincial Government	PTCL	Exchange is located in Tehsil Office and not a PTCL Property.	1
29	Mirpur Khas Customer Service Center Building	Survey No. 1320, Hyderabad Road, Mirpur Khas	Private Name	PTCL	Pending for Transfer with Sindh Government	1
30	Shahi Bala Telephone Exchange	Khasra No. 968, 969, Khewat No.139 etc. Moza Shahi Bala, Peshawar.	Private Name	PTCL	Under Litigation	1
31	Baba Jee Khando Hill DRS	Khasra No. 73, Khatoni No. 169 etc. Baba Jee Kandoo Hill, Bunair.	Private Name	PTCL	Under Litigation	15,755
32	Sambrial - II	Near Petrol Pump & Annayat Group Factory, Moza Sambrial, Sialkot.	-	Not in Possession of PTCL.	The site delisted by PC because Sambrial T/E and Sambrial-II are the same sites.	2,800,000
33	Rashki Telephone Exchange	Khasra No. 40/121, Khata No. 210/844, Mutation No. 5282, Moza Rashki, Nowshera.	-	Not in Possession of PTCL.	The site delisted by PC because it came under Peshawar-Islamabad Motorway (MI).	1
34	Kharian Cantt Telegraph office (Site-III)	Behind GPO, Kharian, Gujrat.	-	Not in Possession of PTCL.	The site delisted by PC because a room was provided by MEO to facilitate Pakistan army in Cantt. Telegraph Office closed since 2006.	1
35	Sita Road RCD Microwave	Survey No. 814, Deh Bhagana, Tapa Danager-I, Sita Road RCD Microwave, Khairpur, Nathan Shah, Dadu.	-	Not in Possession of PTCL.	The site delisted by PC because the land is not transferred to PTCL & no network element existed on ground.	1
36	Tarnol (Additional Land)	Khasra No. 1552/683, Khewat No. 249 (1980-81) etc. Moza Saraiy Kharboza, G.T. Road, Islamabad	-	Not in Possession of PTCL.	The site delisted by PC because the land owned by private party	2
37	Chakra (Chowker) Telephone Exchange	Khasra No. 1499-1502, Khewat No. 97-98, 115, Khatoni No. 171, 196 etc. Moza Chowker, Rawalpindi.	-	Not in Possession of PTCL.	The site delisted by PC because no PTCL land exists there	260,000
38	Sindhri Telephone Exchange	Survey No. 153 etc. Near Police Station, Deh Khani Mangri, Sindhri, Khipro, Sanghar.	Private Name	PTCL	Conditionally Transferred not accepted by PTCL	1

Apart from the above disclosed [38] properties, there are additional properties that are not part of the Financial Statements because they are also not held in the name or control of the Company since legal title to them has not been transferred from the relevant parties/authorities to the Company. Some of these additional properties were also listed in the SRO 4301(I)/2004 dated 7th June 2004 (the SRO) to be transferred to the Company free from any charge, burden, hypothecation or encumbrances and no stamp duty or transfer charges shall be payable under any law in relation to the transfer or vesting of these properties to the Company. These properties are under discussion between the Government of Pakistan and the Ultimate Parent Company and upon the conclusion of the matter, appropriate accounting treatment or disclosure will be made in the subsequent Financial Statements, if required.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

15.4 Disposals of property, plant and equipment:

Following assets were disposed off during the year with book value exceeding five hundred thousand rupees.

	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / Gain on disposal	Mode of disposal	Particulars of purchaser / relationship with Company
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000		
Apparatus, plant and equipment	13,555	10,104	3,451	237	(3,214)	Auction	M/S Gujranwala Cables
Apparatus, plant and equipment	25,016	14,502	10,514	429	(10,085)	Auction	M/S Rehmani Traders
Apparatus, plant and equipment	127,989	100,449	27,540	2,240	(25,300)	Auction	M/S Bismillah Metals Impex
Apparatus, plant and equipment	110,981	94,730	16,251	1,943	(14,308)	Auction	M/S Latif Brothers
Vehicle	19,091	15,273	3,818	3,818	-	Company Policy	Ms. Zahida Awan, GCL0 & CS
Vehicle	21,625	10,134	11,491	9,011	(2,480)	Company Policy	Mr. Muhammad Shoaib Baig, GCPO
Vehicle	17,105	13,682	3,423	3,423	-	Company Policy	Mr. Zarrar Hasham Khan, GCBS0
	335,362	258,874	76,488	21,101	(55,387)		

15.5 The depreciation charge for the year has been allocated as follows:

	Note	2024 Rs '000	2023 Rs '000
Cost of services	29	17,854,225	16,528,561
Administrative and general expenses	30	210,037	218,522
Selling and marketing expenses	31	125,949	133,692
		18,190,211	16,880,775

15.6 Capital work in progress

Buildings	433,337	584,810
Lines and wires	12,737,776	10,710,193
Apparatus, plant and equipment	4,337,792	4,066,036
Turnkey projects	5,368,709	4,899,639
	22,877,614	20,260,678

15.7 Movement during the year

Balance at beginning of the year	20,260,678	17,388,774
Additions during the year	35,902,977	30,434,490
Transfers during the year		
- operating fixed assets	(32,806,449)	(26,448,956)
- intangible assets	(479,592)	(1,113,630)
	(33,286,041)	(27,562,586)
Balance at end of the year	22,877,614	20,260,678

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

16. Right of use (ROU) assets

	Note	Lease rentals Rs '000	Right of way Rs '000	2024 Rs '000	2023 Rs '000
Movement during the year					
Balance as at January 01, 2024		880,452	818,450	1,698,902	1,777,706
Additions during the year		212,332	39,028	251,360	518,435
Modifications during the year		1,558	170,006	171,564	4,802
Terminations during the year		(4,585)	(2,402)	(6,987)	(4,965)
Depreciation for the year	29	(472,931)	(258,870)	(731,801)	(597,076)
Balance as at December 31, 2024		616,826	766,212	1,383,038	1,698,902

16.1 The right-of-use assets are depreciated over the life of 1 to 15 years.

	Note	Licenses and spectrum Rs '000	Computer software Rs '000	Total Rs '000
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17. Intangible assets

As at December 31, 2022				
Cost		4,639,013	3,373,351	8,012,364
Accumulated amortization		(3,805,726)	(2,761,374)	(6,567,100)
Net book value		833,287	611,977	1,445,264
Movement during 2023				
Opening net book value		833,287	611,977	1,445,264
Additions		-	1,113,630	1,113,630
Amortization charge for the year	29	(214,982)	(601,249)	(816,231)
Net book value	17.1	618,305	1,124,358	1,742,663
As at December 31, 2023				
Cost		4,639,013	4,486,981	9,125,994
Accumulated amortization		(4,020,708)	(3,362,623)	(7,383,331)
Net book value		618,305	1,124,358	1,742,663
Movement during 2024				
Opening net book value		618,305	1,124,358	1,742,663
Additions		-	479,592	479,592
Amortization charge for the year	29	(169,434)	(585,755)	(755,189)
Net book value	17.1	448,871	1,018,195	1,467,066
As at December 31, 2024				
Cost		4,639,013	4,966,573	9,605,586
Accumulated amortization		(4,190,142)	(3,948,378)	(8,138,520)
Net book value		448,871	1,018,195	1,467,066
Annual rate of amortization (%)		4 - 10	6.67 - 33	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
17.1	Breakup of net book values as at year end is as follows :		
Licenses and spectrum			
Telecom	17.2	396,662	415,552
WLL spectrum	17.2	-	134,223
WLL and LDI License - AJK & GB	17.3	44,651	58,047
IPTV	17.4	7,558	10,483
		448,871	618,305
Computer software		1,018,195	1,124,358
		1,467,066	1,742,663

17.2 The Pakistan Telecommunication Authority (PTA) renewed the license of the Company, to provide telecommunication services in Pakistan, for a period of 25 years, commencing January 01, 2021, at an agreed license fee of Rs 472,219 thousand. In June 2005 PTA modified the previously issued license to provide telecommunication services to include a spectrum license at an agreed license fee of Rs 3,646,884 thousand. Wireless Local Loop (WLL) license under which the Company provided WLL services in Pakistan, over a period of 20 years, commencing October 2004, expired in October 2024 and accordingly has been derecognised from the financial statements.

17.3 PTA issued a license under section 5 of the Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 1996, the Northern Areas Telecommunication (Re-organization) Act, 2005 and the Northern Areas Telecommunication (Re-organization) (Adaptation and Enforcement) Order 2006, to the Company to establish, maintain and operate a telecommunication system in Azad Jammu and Kashmir and Gilgit-Baltistan, for a period of 20 years, commencing May 28, 2008, at an agreed license fee of Rs 109,270 thousand. During 2015, PTA had allocated additional spectrum for WLL services in Azad Jammu & Kashmir (AJ&K) and Gilgit-Baltistan (GB) for Rs 98,487 thousand. The duration of the License shall be for the remaining period of the existing WLL licenses. The cost of the licenses is being amortized, on a straight line basis, over the period of the licenses.

17.4 Pakistan Electronic Media Regulatory Authority (PEMRA) had renewed the IPTV license effective from its last renewal date i.e. November 02, 2016, at an agreed license fee of Rs 37,000 thousand. The cost of the license is being amortized, on a straight line basis, over a period of 10 years.

	Note	2024 Rs '000	2023 Rs '000
18. Long term investments			
Investments in subsidiaries and associate	18.1	76,184,857	71,784,857
Other investments	18.2	51,427	51,427
		76,236,284	71,836,284

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 Rs '000	2023 Rs '000
18.1 Investments in subsidiaries and associate - at cost (unquoted)		
Wholly owned subsidiaries		
Pak Telecom Mobile Limited - Islamabad 6,500,000,000 (December 31, 2023: 6,500,000,000) ordinary shares of Rs 10 each	65,000,000	65,000,000
U Microfinance Bank Limited - Islamabad 808,571,420 (December 31, 2023: 408,571,420) ordinary shares of Rs 10 each 100,000,000 (December 31, 2023: 100,000,000) Preference shares of Rs 10 each Advance for purchase of shares	8,083,857 1,000,000 2,000,000 11,083,857	4,083,857 1,000,000 1,600,000 6,683,857
DVCOM Data (Private) Limited - Karachi 10,000 (December 31, 2023: 10,000) ordinary shares of Rs 100 each Shares held 100% (December 31, 2023: 100%)	1,000	1,000
Smart Sky (Private) Limited - Islamabad 10,000,000 (December 31, 2023: 10,000,000) ordinary shares of Rs 10 each Shares held 100% (December 31, 2023: 100%)	100,000	100,000
	76,184,857	71,784,857
Associate		
TF Pipes Limited - Islamabad 1,658,520 (December 31, 2023: 1,658,520) ordinary shares of Rs 10 each Shares held 40% (December 31, 2023: 40%) Less: accumulated impairment loss on investment	23,539 (23,539) -	23,539 (23,539) -
	76,184,857	71,784,857

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
18.2 Other investments			
Fair value through other comprehensive income (FVOCI) - unquoted			
Thuraya Satellite Telecommunication Company - Dubai, UAE			
3,670,000 (December 31, 2023: 3,670,000)			
ordinary shares of AED 1 each		63,900	63,900
Less: accumulated impairment loss on investment		(32,473)	(32,473)
		31,427	31,427
Alcatel - Lucent Pakistan Limited - Islamabad			
2,000,000 (December 31, 2023: 2,000,000)			
ordinary shares of Rs 10 each		20,000	20,000
		51,427	51,427
19. Long term loans and advances - considered good			
Loans to PTML - unsecured	19.1	40,250,000	23,250,000
Loans to Ubank - unsecured	19.1	-	1,200,000
Loans to employees - secured	19.2	1,172,074	1,153,297
		41,422,074	25,603,297
Advances to vendors and suppliers		11,435,439	9,449,178
		52,857,513	35,052,475
Current portion shown under current assets			
Loans to subsidiaries - unsecured	24	(750,005)	(2,500,000)
Loans to employees - secured	24	(326,906)	(327,293)
		(1,076,911)	(2,827,293)
		51,780,602	32,225,182

These represent various unsecured loans given to PTML and Ubank under subordinated debts agreements, from 2017 to 2024 on following terms:

PTML

	First loan	Second loan	Third loan	Fourth loan	Fifth loan	Sixth loan
Disbursement Date	December 04, 2017	August 03, 2018	December 24, 2019	July 20, 2022	October 28, 2022	April 18, 2023
Loan (Rs '000)	5,000,000	1,000,000	1,500,000	4,000,000	7,500,000	4,500,000
Mark-up Rate - 3 months KIBOR Plus	24 basis points	25 basis points	60 basis points	50 basis points	50 basis points	50 basis points
Grace Period	4 years	4 years	4 years	4 years	4 years	4 years
Repayment method	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments
Due date of first installment	March 04, 2022	November 04, 2022	March 24, 2024	October 20, 2026	January 28, 2027	July 18, 2026

PTML

	Seventh loan	Eighth loan	Ninth loan	Tenth loan	Eleventh loan	Ubank First loan
Disbursement Date	August 24, 2023	March 22, 2024	September 16, 2024	November 28, 2024	December 17, 2024	December 31, 2018
Loan (Rs '000)	3,500,000	5,000,000	8,000,000	1,500,000	5,000,000	4,000,000
Mark-up Rate - 3 months KIBOR Plus	50 basis points	50 basis points	70 basis points	70 basis points	70 basis points	200 basis points
Grace Period	4 years	4 years	4 years	4 years	4 years	5 years
Repayment method	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments	Twelve equal quarterly installments	Four equal semi annual installments
Due date of first installment	November 24, 2027	June 22, 2028	December 16, 2028	February 28, 2028	March 17, 2029	June 30, 2024

Maximum amount of outstanding subsidiary loans at any time during the year was Rs. 40,250,000 thousand (December 31, 2023: Rs. 25,366,667 thousand). During the year 2024, the Company converted the subordinated loan amounting to Rs. 1,200,000 thousand given to Ubank into its ordinary share capital.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

19.2 Reconciliation of carrying amounts of loans to executives and other employees:

	As at January 01, 2024 Rs '000	Disbursements Rs '000	Repayments Rs '000	As at December 31, 2024 Rs '000
Executives	128,394	69,774	(24,123)	174,045
Other employees	1,024,903	396,732	(423,606)	998,029
	1,153,297	466,506	(447,729)	1,172,074

	As at January 01, 2023 Rs '000	Disbursements Rs '000	Repayments Rs '000	As at December 31, 2023 Rs '000
Executives	56,221	170,557	(98,384)	128,394
Other employees	1,072,729	233,519	(281,345)	1,024,903
	1,128,950	404,076	(379,729)	1,153,297

Maximum amount of loan to executives and other employees outstanding at any time during the year:

	2024 Rs '000	2023 Rs '000
Executives	114,501	282,377
Other employees	1,516,354	1,253,363

19.3 These loans and advances are for house building and purchase of vehicles and motor cycles. These loans are recoverable in equal monthly installments spread over a period of 5 to 10 years and are secured against retirement benefits of the employees.

Loans to executive employees include loan balances of key management personnel aggregating Rs 96,680 thousand (December 2023: 34,525 thousand).

List of key management personnel having outstanding balances of loans up till December 31, 2024 are as under:

No.	Name of employees	No.	Name of Employees
1	Mr. Arslan Haider	9	Mr. Saleem Ullah Baig
2	Mr. Abdullah Hameed	10	Mr. Salman Ali Bajwa
3	Mr. Ch Mudasser Shafiq	11	Mr. Syed Muhammad Shoaib
4	Mr. Ishtiaq Naveed Gill	12	Mr. Syed Muhammad Imran Ali
5	Mr. Muhammad Fahim Ur Rehman	13	Ms. Zahida Awan
6	Mr. Muhammad Shehzad Yousaf		
7	Mr. Muhammad Nadeem Khan		
8	Mr. Muhammad Amir Siddiqi		

The maximum aggregate amount of loans to key management personnel outstanding at any time during the year was Rs 110,226 thousand (December 31, 2023: Rs. 36,194 thousand).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 Rs '000	2023 Rs '000
20. Deferred income tax		
Deferred tax asset / (liability) relating to:		
Taxable temporary difference		
Accelerated tax depreciation	(7,839,125)	(6,997,072)
Accelerated tax amortization	(69,577)	(100,543)
Contract cost	(1,115,467)	(805,278)
Right of use assets	(401,081)	(492,682)
Deductible temporary difference		
Provision for obsolete stores	57,751	58,076
Impairment loss on trade debts and other receivables	2,148,569	1,981,969
Liabilities claimable on payment	6,006,333	6,006,333
Lease liabilities	395,792	487,987
Long term investment and other receivables	288,196	215,696
Minimum tax	5,080,490	2,381,292
Tax losses	909,553	-
Others	9,417	9,417
	5,470,851	2,745,195
20.1 Movement during the year		
Balance at the beginning of the year	2,745,195	(1,898,305)
Charge / (Reversal) for the year in respect of		
Accelerated tax depreciation	(842,053)	205,172
Accelerated tax amortization	30,966	50,786
Provision for obsolete stores	(325)	(217,407)
Impairment loss on trade debts and other receivables	166,600	(927,967)
Right of use assets	91,601	93,965
Lease liabilities	(92,195)	(46,314)
Contract cost	(310,189)	45,862
Long term investment and other receivables	72,500	215,696
Liabilities claimable on payment	-	2,842,415
Tax losses	909,553	-
Minimum tax	2,699,198	2,381,292
Recognized in statement of profit or loss	2,725,656	4,643,500
Balance at end of the year	5,470,851	2,745,195

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
21. Contract cost			
Cost to obtain a contract		472,930	454,110
Cost to fulfil a contract		3,373,509	2,322,710
	21.1	3,846,439	2,776,820
Current maturity of contract costs		(3,707,304)	(2,593,728)
		139,135	183,092
21.1 Movement during the year			
Balance at the beginning of the year		2,776,820	2,579,213
Capitalization during the year		5,795,303	4,232,159
	29	8,572,123	6,811,372
Amortization during the year		(4,725,684)	(4,034,552)
Balance at end of the year		3,846,439	2,776,820
22. Stores and spares			
Stores and spares		8,400,527	9,633,528
Provision for obsolescence	22.1	(199,142)	(200,263)
		8,201,385	9,433,265
22.1 Provision for obsolescence			
Balance at beginning of the year		200,263	834,799
Reversal during the year		(1,121)	(634,536)
	22.2	199,142	200,263
Balance at end of the year			
22.2	The company has written-off stores amounting to Rs. 161,000 (December 31, 2023: Rs. nil). Furthermore, the company has reversed Rs. 1,121 thousand (December 31, 2023 : Rs. 634,536 thousand) of the store and spares provision during the year.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
23. Trade debts and contract assets - unsecured			
Trade debts		54,074,869	46,903,456
Contract asset		6,488,311	5,683,902
		60,563,180	52,587,358
Domestic			
Considered good	23.1	16,517,529	14,531,971
Considered doubtful		7,351,384	6,776,902
		23,868,913	21,308,873
International			
Considered good	23.2	44,045,651	38,055,387
Considered doubtful		57,475	57,475
		44,103,126	38,112,862
Expected credit loss on trade debts and contract assets	23.3	67,972,039 (7,408,859)	59,421,735 (6,834,377)
	23.4	60,563,180	52,587,358

23.1 These include amounts due from the following related parties:

	Maximum aggregate amount Rs '000	Up to 6 months Rs '000	More than 6 months Rs '000	2024 Rs '000	2023 Rs '000
U Microfinance Bank Limited	29,946	29,946	-	29,946	96,054
GoP related entities	3,773,998	790,472	2,121,886	2,912,358	4,171,000
	3,803,944	820,418	2,121,886	2,942,304	4,267,054

23.2 These include amounts due from the following related parties:

	Maximum aggregate amount Rs '000	Up to 6 months Rs '000	More than 6 months Rs '000	2024 Rs '000	2023 Rs '000
Emirates Telecommunication Corporation	42,005,179	3,254,208	38,750,971	42,005,179	36,387,482
Etisalat - Afghanistan	-	-	-	-	638,348
GoP related entities	-	-	-	-	199,239
	42,005,179	3,254,208	38,750,971	42,005,179	37,225,069

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 Rs '000	2023 Rs '000
23.3 Expected credit loss on trade debts and contract assets		
Balance at beginning of the year	6,834,377	8,097,166
Expected credit loss on trade debts and contract assets	2,145,765	1,619,174
Write off against expected credit loss on trade debts and contract assets	(1,571,283)	(2,881,963)
Balance at end of the year	7,408,859	6,834,377

23.4 These amounts are interest free and are accrued in the normal course of business.

	Note	2024 Rs '000	2023 Rs '000
24. Loans and advances - considered good			
Current portion of long term loans to employees	19	326,906	327,293
Current portion of long term loans to subsidiaries	19	750,005	2,500,000
Advances to suppliers and contractors	24.1	1,702,060	1,801,149
		2,778,971	4,628,442

24.1 These include Rs 26,774 thousand (December 31, 2023: Rs 26,774 thousand) to TF Pipes Limited, a related party.

	Note	2024 Rs '000	2023 Rs '000
25. Income tax recoverable			
Balance at beginning of the year		(842,694)	5,687,108
Current tax charge for the year - profit or loss		(2,699,198)	(9,158,894)
Tax impact on re-measurement gains / (loss) - OCI		-	31,202
Tax paid during the year		3,345,103	2,597,890
		(196,789)	(842,694)
Tax receivable on behalf of subsidiaries under group taxation	11.4	40,733,736	23,441,504
Balance at end of the year		40,536,947	22,598,810

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
26. Prepayments and other receivables			
Prepayments			
- Pakistan Telecommunication Authority - related party		9,647	29,060
- Others		1,031,509	892,752
		1,041,156	921,812
Other receivables			
Due from related parties	26.1	22,297,710	18,041,660
Funded pension	7.1	2,951,439	6,251,822
Gratuity - funded	7.1	121,601	-
Receivable from Government of Pakistan	26.2	2,164,072	2,164,072
Federal Excise Duty (FED)	26.3	3,283,111	3,283,111
Others		1,738,259	1,805,716
Less: Impairment loss on other receivables	26.4	(1,436,415)	(1,186,415)
		32,160,933	31,281,778

	Note	Maximum aggregate amount Rs '000	Up to 6 months Rs '000	More than 6 months Rs '000	2024 Rs '000	2023 Rs '000
26.1						
Pak Telecom Mobile Limited	26.5	17,620,708	3,241,532	14,796,546	18,038,078	12,883,636
DVCOM Data (Pvt) Limited		3,384,878	-	3,384,878	3,384,878	3,358,528
Emirates Telecommunication Corporation		71,305	-	71,305	71,305	71,305
Interest on subordinated loan to PTML		821,743	674,895	-	674,895	848,909
Interest on subordinated loan to Ubank		85,634	-	85,634	85,634	280,161
Pakistan Telecommunication Employees Trust		25,634	24,308	1,326	25,634	1,326
U Microfinance Bank Limited		639,883	16,426	-	16,426	596,054
Smart Sky (Pvt) Limited		1,891	-	860	860	1,741
		22,651,676	3,957,161	18,340,549	22,297,710	18,041,660

26.2 This represents the balance amount receivable from the Government of Pakistan, on account of its agreed share in the Voluntary Separation Scheme, offered to the Company's employees during the year ended June 30, 2008.

26.3 This represents payments under protest on account of FED on interconnect charges. The Honourable Supreme Court has decided the case in favor of PTCL.

26.4 This includes provision for impairment of Rs. 535,000 thousand (December 31, 2023: 535,000 thousand) in respect of DVCOM Data (Pvt) Limited.

26.5 This amount includes TSA fee receivable from PTML Rs 13,822,359 thousand (December 31, 2023: Rs 10,574,719 thousand).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
27. Cash and bank balances			
Cash in hand		112,080	163,532
Balances with banks:			
Deposit accounts - local currency	27.1	1,440,655	984,056
Current accounts			
Local currency		1,213,715	2,105,847
Foreign currency- USD 33,465 thousand (December 31, 2023: USD 24,040 thousand)		9,321,664	6,775,882
		10,535,379	8,881,729
	27.2	12,088,114	10,029,317

27.1 The balances in deposit accounts, carry mark-up ranging between 7% and 21% (December 31, 2023: 7% and 21%) per annum. These deposit accounts include Rs 1,498 thousand (December 31, 2023: Rs. 690 thousand) with U Microfinance Bank Limited - a related party. The maximum aggregate amount outstanding at any time during the year amounts to Rs 1,498 thousand.

27.2 Bank balance includes Rs. 212,391 thousand (December 31, 2023: Rs. 81,812 thousand) carrying profit at the rate of 5.87% (December 31, 2023: 11.1%) per annum from Shariah arrangements.

	Note	2024 Rs '000	2023 Rs '000
28. Revenue			
Broadband and IPTV		49,280,794	41,184,622
Voice services		8,685,123	8,254,353
Wireless data		1,058,630	1,664,009
Revenue from retail customers		59,024,547	51,102,984
Corporate and wholesale		38,624,476	34,872,807
International		10,117,286	10,290,923
Total revenue	28.1	107,766,309	96,266,714

28.1 Revenue is stated net of trade discount amounting to Rs 31,684 thousand (December 31, 2023: Rs 38,032 thousand) and Federal Excise Duty and sales tax amounting to Rs 16,955,531 thousand (December 31, 2023: Rs 15,074,900 thousand). International revenue represents revenue from foreign network operators, for calls that originate outside Pakistan. Revenue amounting to Rs. 1,153,383 thousand (2023: Rs. 1,115,260 thousand) has been recognized during the year from opening contract liability.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
29. Cost of services			
Staff cost	29.1	15,042,936	14,557,528
Outsourced staff cost		2,653,333	2,395,431
Interconnect costs		1,157,552	1,269,678
Foreign operators costs and satellite charges		8,113,950	8,063,539
Fuel and power		11,633,974	10,411,431
Cost of devices sold		3,643,032	2,546,212
Amortization of contract costs	21.1	4,725,684	4,034,552
Rent, rates and taxes		1,406,157	1,926,067
Repairs and maintenance and IT cost		7,907,841	7,218,028
Annual license fee and regulatory charges	29.2	2,842,722	2,482,841
Security service charges		861,435	734,980
Depreciation on property, plant and equipment	15.5	17,854,225	16,528,561
Depreciation on ROU assets	16	731,801	597,076
Amortization of intangible assets	17	755,189	816,231
Other expenses		160,879	184,371
		79,490,710	73,766,526

29.1 This includes Rs 1,465,093 thousand (December 31, 2023: Rs 1,420,239 thousand) in respect of employees retirement benefits.

29.2 This represents the Company's contribution to the National Information Communication Technology Research and Development Fund (National ICT R&D Fund), Universal Service Fund (USF), annual license fee and other regulatory charges, in accordance with the terms and conditions of its license to provide telecommunication services.

	Note	2024 Rs '000	2023 Rs '000
30. Administrative and general expenses			
Staff cost	30.1	2,563,017	2,480,313
Outsourced staff cost		63,426	57,261
Fuel and power		466,566	466,205
Rates and taxes		235,118	230,861
Repairs and maintenance cost		370,190	326,354
Gas and water		155,829	128,551
Travelling and conveyance		128,097	141,374
Technical services assistance fee	30.2	3,550,846	3,148,385
Legal and professional charges	30.3	734,191	589,622
Billing and printing expenses		363,234	412,312
Depreciation on property, plant and equipment	15.5	210,037	218,522
Other expenses		186,709	210,777
		9,027,260	8,410,537

30.1 This includes Rs 249,623 thousand (December 31, 2023: Rs 241,982 thousand) in respect of employees retirement benefits.

30.2 This represents the Company's share of the amount payable to Etisalat - UAE, a related party, under an agreement for technical services, at the rate of 3.5%, of the PTCL Group's consolidated revenue.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
30.3 This includes auditors' remuneration			
Statutory audit, including half yearly review	30.3.1	14,456	10,800
Out of pocket expenses		-	700
		14,456	11,500

30.3.1 This fee is inclusive of out of pocket expenses.

	Note	2024 Rs '000	2023 Rs '000
31. Selling and marketing expenses			
Staff cost	31.1	2,109,560	2,041,488
Outsourced staff cost		806,923	728,491
Advertisement and publicity	31.2	720,358	750,713
Sales and distribution charges		1,090,227	890,567
Depreciation on property, plant and equipment	15.5	125,949	133,692
		4,853,017	4,544,951

31.1 This includes Rs 205,459 thousand (December 31, 2023: Rs 199,169 thousand) in respect of employees retirement benefits.

31.2 It includes donation Rs. nil thousand (December 31, 2023: Rs 5,000 thousand). Donations that exceed Rs 1,000 thousand are given to the parties given hereunder:

	Note	2024 Rs '000	2023 Rs '000
Name of Donees			
Rashid Khan Trust		-	5,000
		-	5,000

32. Other income

Income from financial assets:

Return on bank deposits	32.1	366,773	278,778
Late payment surcharge from subscribers		550,142	14,539
Interest on subordinated long term loan to subsidiaries		5,792,408	4,976,955
Exchange gain		-	3,870,271
Dividend income from U Bank		-	443,743
		6,709,323	9,584,286

Income from non-financial assets:

Government grants recognised		1,429,614	582,796
Re-chargeable projects income		599,676	1,087,626
Gain on disposal of property, plant and equipment		5,146,152	5,898,105
Imputed interest income on employee loans		345,027	-
Scrap sales		2,334,271	1,673,036
Rental income		459,275	370,809
Others		201,042	212,924
		17,224,380	19,409,582

32.1 Income from financial assets include Rs 268 thousand (December 31, 2023: Rs 63 thousand) earned from Shariah arrangements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
33. Finance and other costs			
Bank and other charges		288,709	190,526
Interest on long term Loans		11,387,820	8,235,281
Interest on running finance		6,389,277	1,740,054
Imputed interest expense on employee loans		-	39,789
Interest Expense - Employee Benefits		3,859,624	3,060,568
Interest on lease liabilities		293,170	162,953
		22,218,600	13,429,171
Exchange loss		369,881	-
		22,588,481	13,429,171
34. Taxation			
Current tax			
Current year		4,785,269	5,604,855
Prior year		-	3,554,039
		4,785,269	9,158,894
Deferred tax			
Current year		(2,725,656)	(1,432,079)
Prior year		-	(3,211,421)
	20.1	(2,725,656)	(4,643,500)
		2,059,613	4,515,394
		2024	2023
34.1 Reconciliation of effective tax rate			
Profit before tax (Rupees in thousand)		6,885,456	13,905,937
		Percentage	Percentage
Applicable tax rate		29.00	29.00
Super tax		-	2.46
Effect of change in tax rate		-	(1.66)
Others		0.91	2.67
		0.91	3.47
Average effective tax rate		29.91	32.47
		2024	2023
35. Earnings per share - basic and diluted			
Profit for the year	Rupees in thousand	4,825,843	9,390,543
Weighted average number of ordinary shares	Numbers in thousand	51,000,000	51,000,000
Earnings per share	Rupees	0.95	1.84

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

36. Non-funded finance facilities

The Company has non funded financing facilities available with banks, which include facilities to avail letters of credit and letters of guarantee. The aggregate facility of Rs 26,350,000 thousand (December 31, 2023: Rs 27,600,000 thousand) and Rs 17,350,000 thousand (December 31, 2023: Rs 18,350,000 thousand) is available for letters of credit and letters of guarantee respectively, out of which the facility availed at the year end is Rs 9,313,640 thousand (December 31, 2023: Rs 13,448,900 thousand) and Rs 15,074,000 thousand (December 31, 2023: Rs 11,098,373 thousand) respectively. The letter of guarantee facility is secured by a hypothecation charge over certain assets of the Company, amounting to Rs 176,250,000 thousand (December 31, 2023: Rs 125,650,000 thousand).

		2024	2023
Note		Rs '000	Rs '000
37. Cash generated from operating activities			
Profit before tax		6,885,456	13,905,937
Adjustments for non-cash charges and other items:			
Depreciation of property, plant and equipment		18,190,211	16,880,775
Impairment of property, plant and equipment		-	66,457
Amortization and impairment of intangible assets		755,189	816,231
Depreciation of right of use assets		731,801	597,076
Amortization of contract cost		4,725,684	4,034,552
Provision for obsolete stores and spares		161,000	-
Reversal of obsolete stores and spares		(1,121)	(9,323)
Impairment loss on trade debts and contract assets		2,145,765	1,619,174
Provision for employees retirement benefits		5,781,823	4,921,957
Gain on disposal of property, plant and equipment		(5,146,152)	(5,898,105)
Return on bank deposits		(366,773)	(278,778)
Imputed (income) / expense on long term loans		-	39,789
Imputed interest on lease liabilities		293,170	162,953
Return on subordinated long term loans to subsidiaries		(5,792,408)	(4,976,955)
Interest on long term Loans-Syndicate Partners		11,387,820	8,235,281
Interest on short term running finance		6,389,277	1,740,054
Dividend income		-	(443,743)
Unearned revenue realised		(180,397)	(166,615)
Release of deferred government grants		(1,429,614)	(582,796)
Exchange loss / (gain)		319,146	(3,013,171)
		44,849,877	37,650,750
Effect of cash flows due to working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		1,072,002	(1,787,355)
Trade debts and contract assets		(10,406,096)	(10,370,632)
Loans and advances		99,476	1,217,262
Prepayments and other receivables		(4,493,437)	(3,893,660)
		(13,728,055)	(14,834,385)
Increase in current liabilities:			
Trade and other payables		9,689,104	6,088,489
Security deposits		37,342	9,607
Cash generated from operating activities		40,848,268	28,914,461
38. Cash and cash equivalents			
Cash and bank balances	27	12,088,114	10,029,317
Short term running finance	12	(47,116,732)	(24,214,700)
		(35,028,618)	(14,185,383)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

38.1 Reconciliation of movement of liabilities to cash flow arising from financing activities.

	Liabilities		Long term	Total
	Lease liabilities	Unpaid / unclaimed dividend	loans from banks	
	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at January 01, 2024	1,682,714	209,256	51,020,714	52,912,684
Addition during the year - net	709,108	-	-	709,108
Changes from financing cash flow	(1,027,023)	(1,125)	79,311	(948,837)
Total liability related changes	-	-	11,999,054	11,999,054
Balance as at December 31, 2024	1,364,799	208,131	63,099,079	64,672,009
Balance as at January 01, 2023	1,619,093	209,814	22,448,367	24,277,274
Addition during the year - net	681,225	-	-	681,225
Changes from financing cash flow	(617,604)	(558)	20,337,066	19,718,904
Total liability related changes	-	-	8,235,281	8,235,281
Balance as at December 31, 2023	1,682,714	209,256	51,020,714	52,912,684

39. Remuneration of Directors, Chief Executive Officer and Executives

The aggregate amount charged in the financial statements for remuneration, including all benefits, to the Chairman, Chief Executive Officer and Executives of the Company are as follows:

	Chairman		Chief Executive Officer		Executives			
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	Key management personnel		Other executives	
					2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
Managerial remuneration	-	-	129,806	109,485	375,872	330,128	3,385,449	2,164,167
Honorarium	300	300	-	-	-	-	-	-
Retirement benefits	-	-	-	-	24,544	19,090	284,707	154,258
Medical	-	-	-	-	41,615	37,021	296,868	177,310
Housing	-	-	98,993	78,825	-	-	1,400	1,805
Utilities	-	-	50,800	27,098	27,892	20,375	1,392	1,686
	300	300	279,599	215,408	469,923	406,614	3,969,816	2,499,226
Bonus paid	-	-	119,960	66,868	157,761	132,538	1,170,190	586,136
	300	300	399,559	282,276	627,684	539,152	5,140,006	3,085,362
Number of persons	1	1	1	1	32	35	1115	822

The Company also provides free medical and limited residential telephone facilities, to all its Executives, including the Chief Executive Officer (CEO). The Chairman is entitled to free transport and a limited residential telephone facility, whereas, the Directors of the Company are provided only with limited telephone facilities; certain executives are also provided with the Company maintained cars. Approximate value of medical and car facility is Rs. 157,327 thousand (December 31, 2023 : Rs. 93,507 thousand).

Aggregate amount charged in the financial statements for the year ended December 31, 2024 as fee to 9 directors including chairman fee is Rs 176,798 thousand (December 31, 2023: Rs 156,441 Thousand) for attending Board of Directors and sub-committee meetings.

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40. Rates of exchange

Assets in US dollars have been translated into Rupees at USD 1 = Rs 278.55 (December 31, 2023: USD 1 = Rs 281.86), while liabilities in US dollars have been translated into Rupees at USD 1 = Rs 278.55 (December 31, 2023: USD 281.86).

41. Employees' provident fund

Investments out of the provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

42. Financial instruments and risk management

42.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board has prepared a 'Risk Management Policy' covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of this policy.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions, or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), Arab Emirates Dirham (AED), EURO (EUR) and Chinese Yuan (CNY). Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable from / payable to foreign entities. The Company's exposure to currency risk is as follows:

	2024 Rs '000	2023 Rs '000
USD		
Trade and other payables	(11,000,505)	(12,247,473)
Trade debts	43,690,293	38,321,795
Cash and bank balances	9,321,664	6,775,882
Net exposure	42,011,452	32,850,204
AED		
Trade and other payables	-	(5,570)
EUR		
Trade and other payables	(3,017)	(617)
CNY		
Trade and other payables	(651,283)	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

The following significant exchange rates were applied during the year:

	2024	2023
Rupees per USD		
Average rate	278.48	279.98
Reporting date rate	278.55	281.86
Rupees per AED		
Average rate	75.82	76.23
Reporting date rate	75.84	76.74
Rupees per EUR		
Average rate	301.24	302.74
Reporting date rate	290.08	311.50
Rupees per CNY		
Average rate	38.71	39.55
Reporting date rate	38.16	39.63

If the functional currency, at the reporting date, had fluctuated by 5% against the USD, AED, EUR and CNY with all other variables held constant, the impact on profit after taxation for the year would have been Rs 1,468,178 thousand (December 31, 2023: Rs 1,116,033 thousand) respectively lower / higher, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

(iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the date of the statement of financial position, the interest rate profile of the Company's interest bearing financial instruments is:

	2024 Rs '000	2023 Rs '000
Financial assets		
Fixed rate instruments:		
Staff loans	1,571,404	1,498,324
Bank balances - deposit accounts	1,440,655	984,056
	3,012,059	2,482,380
Variable rate instruments:		
Subordinated long term loan to PTML	40,250,000	23,250,000
Subordinated long term loan to Ubank 19.1	-	1,200,000
	40,250,000	24,450,000
Financial liability		
Variable rate instruments:		
Syndicate Term Finance Facility	63,099,079	51,020,714
	63,099,079	51,020,714

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value. Therefore, a change in interest rates at the date of the statement of financial position would not affect the total comprehensive income of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on long-term loans to subsidiaries (PTML and U-Bank) and syndicate term finance facility (PTCL) at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rs 389,552 thousand (December 31, 2023: Rs 420,687 thousand) higher / lower, mainly as a result of higher / lower mark-up income on floating rate loans / investments.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge an obligation. The maximum exposure to credit risk at the reporting date is as follows:

	2024 Rs '000	2023 Rs '000
Long term loans and advances	40,345,163	22,776,004
Trade debts and contract assets	60,563,180	52,587,358
Loans and advances	1,076,911	2,827,293
Other receivables	24,035,969	19,847,376
Bank balances	11,976,034	9,865,785
	137,997,257	107,903,816

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

The credit risk on liquid funds is limited, because the counter parties are banks with reasonably high credit ratings. In case of trade debts, the Company believes that it is not exposed to major concentrations of credit risk, as its exposure is spread over a large number of counter parties and subscribers. The long term loans include a sub-ordinated loan of Rs 40,250,000 thousand (December 31, 2023: Rs 23,250,000 thousand) to the subsidiary-PTML. Impairment loss on trade debts and contract assets arising from contract with customers amounts to Rs 2,145,765 thousand (December 31, 2023: Rs 1,619,174 thousand). Trade debts include receivable of Rs. 44,947,483 thousand (December 31, 2023: Rs 41,292,884 thousand) from related parties.

The credit quality of bank balances and short term investments, that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating
	Short term	Long term	Agency
National Bank of Pakistan	A-1+	AAA	PACRA
Bank Alfalah Limited	A-1+	AAA	PACRA
MCB Bank Limited	A-1+	AAA	PACRA
Soneri Bank Limited	A-1+	AA-	PACRA
Habib Metropolitan Bank Limited	A-1+	AA+	PACRA
The Bank of Punjab	A-1+	AA+	PACRA
Habib Bank Limited	A-1+	AAA	VIS
Askari Bank Limited	A-1+	AA+	PACRA
Allied Bank Limited	A-1+	AAA	PACRA
United Bank Limited	A-1+	AAA	VIS
BankIslami Pakistan Limited	A-1	AA-	PACRA
Bank Al-Habib Limited	A-1+	AAA	PACRA
Faysal Bank Limited	A-1+	AA	PACRA
Citi Bank, N.A	P-1	Aa3	Moody's
Albaraka Bank (Pakistan) Limited	A-1	A+	VIS
Mobilink Microfinance Bank Limited	A-1	A	PACRA
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS
JS Bank Limited	A-1+	AA	PACRA
Sindh Bank Limited	A-1+	AA-	VIS
Silk Bank Limited	A-2	A-	VIS
Standard Chartered Bank (Pakistan) Limited	A-1+	AAA	PACRA
Meezan Bank Limited	A-1+	AAA	VIS
The Bank of Khyber	A-1	A+	VIS
First Women Bank Limited	A-2	A-	PACRA
Samba Bank Limited	A-1	AA	VIS
U Microfinance Bank Limited	A-1	A+	VIS
Khushhali Microfinance Bank Limited	A-2	A-	VIS
Telenor Microfinance Bank Limited	A-1	A	VIS

Due to the Company's long standing business relationships with these counterparties, and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company follows an effective cash management policy and continuously monitors its liquidity position to ensure availability of funds, and to take appropriate measures for new requirements.

The following are the contractual maturities of financial liabilities as at December 31, 2024:

	Carrying amount Rs '000	Less than one year Rs '000	One to five years Rs '000	More than five years Rs '000
Syndicate Term Finance Facility	62,780,360	-	62,780,360	-
Security deposits	653,373	653,373	-	-
Short term running finance	47,116,732	47,116,732	-	-
Trade and other payables	126,973,696	126,973,696	-	-
Unclaimed dividend	208,131	208,131	-	-
Current portion of long term loans from banks	318,719	318,719	-	-
Lease liabilities	2,044,463	547,686	1,068,159	428,618
	240,095,474	175,818,337	63,848,519	428,618

The following are the contractual maturities of financial liabilities as at December 31, 2023:

	Carrying amount Rs '000	Less than one year Rs '000	One to five years Rs '000	More than five years Rs '000
Syndicate Term Finance Facility	50,781,306	-	48,781,306	2,000,000
Security deposits	616,031	616,031	-	-
Short term running finance	24,214,700	24,214,700	-	-
Trade and other payables	106,341,898	106,341,898	-	-
Unclaimed dividend	209,256	209,256	-	-
Current portion of long term loans from banks	239,408	239,408	-	-
Lease liabilities	2,454,927	579,921	1,472,424	402,582
	184,857,526	132,201,214	50,253,730	2,402,582

42.2 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the financial statements, approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and significance of the inputs to the fair value measurement in its entirety, which is as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Details of the Company's assets' fair value hierarchy as at December 31, 2023 are as follows:

	Level 1 Rs '000	Level 2 Rs '000	Level 3 Rs '000	Total Rs '000
Long term other investments 2024	-	-	51,427	51,427
Long term other investments 2023	-	-	51,427	51,427

There has been no transfers from one level of hierarchy to another level during the year.

Measurement of fair value

Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Sensitivity of input to fair value
Non listed equity investments - Thuraya Satellite Telecommunication Company	Discounted cash flows: The valuation model considers the present value of projected cash flows, discounted using long term discount rate that reflect the risk inherent to the investment in these equity instruments	Long term discount rate 9% (31 December 2023: 9%)	1% (31 December 2023: 1%) increase (decrease) in the discount rate would decrease (increase) the fair value by Rs. 5,570 thousand (Rs. 6,960 thousand) (31 December 2023: Rs.5,545 thousand (Rs. 6,933 thousand)).
		Future free cash flows	1% (31 December 2023: 1%) increase (decrease) in the future free cash flows would increase (decrease) the fair value by Rs. 2,360 thousand (Rs. 2,270 thousand) (31 December 2023: Rs. 2,351 thousand (Rs. 2,263 thousand))
Non listed equity investments - Alcatel - Lucent Pakistan Limited	Discounted cash flows: The valuation model considers the present value of projected cash flows, discounted using long term discount rate that reflect the risk inherent to the investment in these equity instruments	Long term discount rate 15.5% (31 December 2023: 15.5%)	1% (31 December 2023: 1%) increase (decrease) in the discount rate would decrease (increase) the fair value by Rs.264,820 thousand (Rs. 298,970 thousand) (31 December 2023: Rs. 363,425 thousand (Rs. 413,156 thousand))
		Future free cash flows	1% (31 December 2023: 1%) increase (decrease) in the future free cash flows would increase (decrease) the fair value by Rs. 189,040 thousand (Rs. 182,800 thousand) (31 December 2023: Rs. 246,260 thousand (Rs. 231,748 thousand))

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	FVOCI - equity instruments Rs '000	FVTPL - equity instruments Rs '000	Assets at amortized cost Rs '000	Total Rs '000
42.3 Financial instruments by categories - 2024				
Financial assets as per statement of financial position				
Long term other investments	51,427	-	-	51,427
Long term loans and advances	-	-	51,780,602	51,780,602
Trade debts and contract assets	-	-	60,563,180	60,563,180
Loans and advances	-	-	2,778,971	2,778,971
Other receivables	-	-	32,160,933	32,160,933
Cash and bank balances	-	-	12,088,114	12,088,114
	51,427	-	159,371,800	159,423,227
Financial liabilities as per statement of financial position				
	Liabilities at amortized cost			
Trade and other payables	155,896,576			
Securities deposits	653,373			
Unclaimed dividend	208,131			
Lease liabilities	1,364,799			
	158,122,879			
	FVOCI - equity instruments Rs '000	FVTPL - equity instruments Rs '000	Assets at amortized cost Rs '000	Total Rs '000
Financial instruments by categories - 2023				
Financial assets as per statement of financial position				
Long term other investments	51,427	-	-	51,427
Long term loans and advances	-	-	32,225,182	32,225,182
Trade debts and contract assets	-	-	52,587,358	52,587,358
Loans and advances	-	-	4,628,442	4,628,442
Other receivables	-	-	31,281,778	31,281,778
Cash and bank balances	-	-	10,029,317	10,029,317
	51,427	-	130,752,077	130,803,504
Financial liabilities as per statement of financial position				
	Liabilities at amortized cost			
Trade and other payables	132,624,828			
Securities deposits	616,031			
Unclaimed dividend	209,256			
Lease liabilities	1,682,714			
	135,132,829			

42.4 Capital risk management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence, and to sustain the future development of the Company's business. The Board of Directors

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- (ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

For working capital and capital expenditure requirements, the Company primarily relies on internal cash generation and does not have any significant borrowings.

43. Transactions with related parties

The Government of Pakistan and Etisalat International Pakistan (EIP), UAE are the majority shareholders of the Company. Additionally, the Company's subsidiaries Pak Telecom Mobile Limited, U Microfinance Bank Limited, DVCOM Data (Private) Limited, Smart Sky (Private) Limited, associate T.F. Pipes Limited, Directors, Chief Executive Officer, Key management personnel and employee funds are also related parties of the Company. The remuneration of the Directors, Chief Executive Officer and Executives is given in note 39 to the financial statements. The amounts due from and due to these related parties are disclosed in the respective notes including note 8,9,11,13,18,19,23,24,25,26 and 27. The Company has also issued a letter of comfort and corporate guarantee in favour of PTML as disclosed in note 14.12. The Company had transactions with the following related parties during the year:

Particulars	Aggregate % of shareholding in the Company
Shareholders	
The Government of Pakistan	62.18%
Etisalat International Pakistan	26%
Subsidiaries	
Pak Telecom Mobile Limited	Not applicable
U Microfinance Bank Limited	Not applicable
DVCOM Data (Private) Limited	Not applicable
Smart Sky (Private) Limited	Not applicable
Associated undertakings	
Emirates Telecommunication Corporation - Ultimate Parent Company	Not applicable
Etisalat - Afghanistan	Not applicable
Etisalat - Egypt	Not applicable
Etihad Etisalat Company	Not applicable
TF Pipes Limited	Not applicable
Telecom Foundation	Not applicable
Employees retirement benefits plans	
Pakistan Telecommunication Employees Trust	Not applicable
Pakistan Telecommunication Company Limited General Provident Fund Trust	Not applicable
Pakistan Telecommunication Company Limited Employees Gratuity Fund	Not applicable
Other related parties	
Pakistan Telecommunication Authority	Not applicable
Universal Service Fund	Not applicable
National ICT R&D Fund	Not applicable
Pakistan Electronic Media Regulatory Authority	Not applicable

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Chief Executive, directors and key management personnel

The Company also has transactions with Chief Executive Officer, directors and other key management personnel transactions with whom are disclosed in note 19 and 39 to these financial statements.

Following particulars relate to holding and associated companies incorporated outside Pakistan with whom the Company had entered into transactions during the year:

Names	Country of incorporation	Basis of association
- Holding Company Etisalat International Pakistan	United Arab Emirates	Holding Company
- Associated Companies Emirates Telecommunication Corporation	United Arab Emirates	Associate of the Holding Company
Etisalat - Afghanistan	Afghanistan	Associate of the Holding Company
Etisalat - Egypt	Egypt	Associate of the Holding Company
Etihad Etisalat Company (Mobily)	Kingdom of Saudi Arabia	Associate of the Holding Company

	2024 Rs '000	2023 Rs '000
Details of transactions with related parties		
Shareholders		
Technical services assistance fee	3,550,846	3,148,385
Subsidiaries		
Sale of goods and services	6,376,676	5,355,549
Purchase of goods and services	1,927,623	1,589,423
Mark up on long term loans	5,792,408	4,976,784
Rental income	47,557	40,890
Dividend income	-	443,743
Return on deposit accounts	15,017	-
Long term loans to subsidiaries	19,500,000	8,000,000
Long term investment in subsidiaries	4,400,000	27,100,000
Repayment of Long term loan from Subsidiaries	2,500,000	2,000,000
Associated undertakings		
Sale of goods and services	7,198,677	8,698,356
Purchase of goods and services	952,976	1,002,461
Contribution to:		
Pakistan Telecommunication Employees Trust	990,436	959,087
PTCL Employees Gratuity Fund	47,131	-
Charge under license obligations	2,842,722	2,482,838

Transactions with the entities controlled by Government of Pakistan, have not been separately disclosed as these are ordinary transactions conducted in normal course of business.

44. Offsetting of financial assets and liabilities

	Gross amount 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 December 31, 2024					
Trade debts	43,809,880	(5,649,369)	38,160,511	22,402,669	60,563,180
Trade creditors	(6,624,898)	5,649,369	(975,529)	12,288,692	13,264,221
As at December 31, 2023					
Trade debts	39,457,746	(1,351,055)	38,106,691	14,480,667	52,587,358
Trade creditors	(2,414,577)	1,351,055	(1,063,522)	15,655,662	16,719,184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 (Number)	2023 (Number)
45. Number of employees		
Total number of persons employed at end of the year	14,466	15,008
Average number of employees during the year	14,715	15,182

46. Corresponding Figures

Prior year figure have been re-arranged , wherever necessary, for better presentation and comparison. Reclassification of corresponding figures of the financial statements is given below:

Reclassification from	Reclassification to	2024 Rs '000
Cost of services	Finance costs	2,335,213
Administrative and general expenses	Finance costs	397,874
Selling and marketing expenses	Finance costs	327,481
Receivable from Government of Pakistan	Prepayments and other receivables	2,164,072

47. Disclosure Requirements For Shariah Compliant Companies

As per the requirements of the fourth Schedule to the Companies Act, 2017, Shariah compliant companies and companies listed on the Islamic index shall disclose the following:

	Note	2024 Rs '000	2023 Rs '000
Long term loans from banks	9	16,000,000	9,000,000
Short term running finance	12	23,688,746	7,468,545
Revenue			
Revenue earned from shariah compliant business	28	107,766,309	96,266,714
Other income earned from Shariah-compliant sources			
Return on bank deposits	32	268	63

48. Date of authorization for issue

48.1 These financial statements were authorized for issue by the Board of Directors of the Company on February 11, 2025.



Chief Financial Officer



President & CEO



Chairman

NOTES

[illegible]



Consolidated Financial Statements

NOTES

[illegible]

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Pakistan Telecommunication Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 18.7 to the consolidated financial statements, which describes matters relating to certain pensioners' claim, under the Holding Company's funded pension scheme, which are currently pending adjudication for the reasons explained in the above-mentioned note, the Holding Company has not made provision against the said claim in the consolidated financial statements. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key audit matters	How our audit addressed the key audit matter
Revenue recognition from telecom business	
<p>As more fully described in Note 5.28(a), Note 34, Note 26 and Note 15 to the consolidated financial statements, the Group reported revenue of Rs. 194,903 million (FY23: Rs. 164,315 million), trade debts and contract assets of Rs. 64,356 million (FY23: 56,377 million) and contract liabilities of Rs. 13,982 million (FY2023: Rs. 11,488 million), for the year ended or as of 31 December 2024, from its telecom operations.</p> <p>Management records revenue according to the principles of IFRS 15, Revenue from Contracts with Customers, including following the 5-step model therein.</p> <p>We identified a risk of management override through inappropriate manual topside revenue journal entries, given revenue is a key performance indicator, both in external communication and for management incentives.</p> <p>We also consider auditing the revenue recorded by the Group to involve greater auditor effort and attention, due to the multiple IT systems and tools utilized in the initiation, processing and recording of transactions, which includes a high volume of individually low monetary value transactions. The involvement of IT professionals was required to determine the audit approach to test and evaluate the relevant data that was captured and aggregated, and to assess the sufficiency of the audit evidence obtained.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of, evaluating the design and testing the operating effectiveness of controls over the Group's revenue recognition process, which includes management's determination of the timing of revenue recorded. • With the support of our IT professionals, we also evaluated the design and tested the operating effectiveness of controls over the appropriate flow of transactional data through the IT systems and tools and the reconciliation of the transactional data to the accounting records. • For significant revenue streams, our audit procedures included the following, on a sample basis: <ul style="list-style-type: none"> - We used data analytic tools to identify revenue related manual journals posted to the general ledger and traced these back to underlying source documentation, to evaluate the propriety, completeness and accuracy of the postings. - Where it was deemed to be most effective, we extended the use of data analytics. - For revenue streams where the above procedures were not used, we obtained the billing data to general ledger reconciliation, which included the relevant adjustments to deferred and accrued revenue balances. We reperformed these reconciliations, including assessing the accuracy of the data inputs to underlying source documentation, including contractual agreements where applicable. In addition, we tested the mathematical accuracy and completeness of the reconciliations and material reconciling items, including significant revenue postings outside of the billing systems. - We recalculated the revenue recognised to evaluate whether the processing of the revenue recognition by the Group's IT systems was materially correct.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matters	How our audit addressed the key audit matter
Revenue recognition from telecom business	
	<ul style="list-style-type: none"> For a sample of transactions, selected across all revenue streams, undertaken during the year, we traced the revenue recognized for each transaction in the general ledger to the relevant underlying supporting documents and cash receipts. We also assessed the adequacy of the Group's disclosures in respect to the accounting policies on revenue recognition.
Income tax recoverable	
<p>As more fully described in Note 5.33 and Note 30 to the consolidated financial statements, the Group has recognized income tax recoverable in accordance with IAS 12, Income Taxes, being the amount already paid in respect of current and prior periods in excess of current tax due for those periods, based on whether management judges that it is expected that the amount will be recovered from the federal tax authorities.</p> <p>An income tax recoverable of Rs. 52,305 million (FY23: Rs. 32,356 million) has been recognized, as management has concluded that this amount will be recovered via a mixture of receipt of refunds and adjustment against amount of current tax due for future periods. Currently, a number of tax assessments are pending at different appellate forums.</p> <p>Auditing the Group's recognition and recoverability of income tax recoverable is significant to the audit because it involves material amounts, and the judgements and estimates in relation to the period of time over which it is expected to utilize these assets, results in increased estimation uncertainty.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> Obtaining an understanding of and evaluating the design effectiveness of controls over the Group's recognition and recoverability of income tax recoverable, including reassessment at each reporting date. Involvement of tax specialist in assessment of whether the tax paid by/ on behalf of the Group to federal tax authorities is adjustable under the provisions of the Income Tax Ordinance, 2001, including review of underlying documentation relating to any related tax litigation/ income tax assessment before appellate forums and/ or federal tax authority. Examination of income tax returns and tax refund applications, to assess existence, accuracy and valuation of amount recognized in the consolidated financial statements. Inspecting correspondence with tax authorities, minutes of the meetings of the Board of Directors of the Group and direct replies against confirmations circularized by us to selected tax and legal advisor of the Group to identify any pending taxation matters relating to the income tax recoverable. Evaluating the adequacy of the disclosures in respect of the recognition of the income tax recoverable.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matters	How our audit addressed the key audit matter
Capitalization of property, plant and Equipment	
<p>As more fully described in Note 5.17(a) and Note 19 to the consolidated financial statements, during the year, the Group has recognized additions to property, plant and equipment amounting to Rs. 57,310 million.</p> <p>In order to expand its network coverage and bring improvements to network quality, the Group continue to incur relatively high level of capital expenditure.</p> <p>Auditing the Group's recognition of additions to property, plant and equipment is significant to the audit because it involves material amounts, and the judgements and estimates in relation to measurement of cost on initial recognition, determination of point in time they are available for use, classification of property, plant and equipment and assessment of certain elements of expenditure as either capital or revenue expenditure.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Group's process for incurrence of capital expenditure. • For a sample of transactions, selected across all classes of property, plant and equipment, undertaken during the year, we: <ul style="list-style-type: none"> - Traced the amount capitalized in the general ledger to the relevant underlying supporting documents and cash payments. - Ascertained the nature of cost incurred to assess whether it meet the criteria for capitalization, as per IAS 16, Property, plant and equipment. - Traced the cost of completed projects, transferred from capital work in progress to operating fixed assets to underlying documentation including completion certificates, where relevant, and comparing the date of capitalization with supporting documentation. • Performing physical verification, including by observing their connection to network, of items of property, plant and equipment added during the year. • Analyzing repair and maintenance ledger to identify any items that may meet the capitalization criteria.
Impairment of non-current assets of Pak Telecom Mobile Limited (PTML), a component of the Group	
<p>As more fully described in Note 4(e) to the consolidated financial statements, in accordance with IAS 36, Impairment of Assets, in view of identification of indicators of impairment, the Group calculated the Value In Use ('VIU') for property, plant and equipment, right of use assets and intangibles of PTML (hereinafter referred as "Wireless Cash Generating Unit (CGU)"), with carrying values of Rs. 117,743 million (FY23: Rs. 108,483 million), Rs. 12,488 million (FY23: Rs. 9,902 million) and Rs. 50,861 million (FY23: Rs. 57,003 million), respectively, to determine whether an adjustment to the carrying values is required.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • We obtained an understanding, evaluated the design effectiveness of controls over the Group's impairment review process, including, for example, management's controls over the significant assumptions described for the VIU assessment. • For the impairment assessment as of 31 December 2024, we also evaluated, with the help of EY valuation specialists, the methodology applied in the Wireless CGU VIU model, as compared to the requirements of IAS 36, including the mathematical accuracy of management's model.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matters	How our audit addressed the key audit matter
Impairment of non-current assets of Pak Telecom Mobile Limited (PTML), a component of the Group	
<p>The Group has concluded that no impairment is required to be recognized in the consolidated financial statements, as VIU of Wireless CGU exceeds its' carrying value. The Group's assessment of the VIU of Wireless CGU involves estimation about the future performance of the wireless operations. In particular, the determination of the VIU of Wireless CGU was sensitive to the significant assumptions regarding the projected sales growth rate, operating margin, long-term market growth-rate and discount rate.</p> <p>Auditing the Company's impairment test for Wireless CGU was complex and involved significant auditor judgement, given the estimation uncertainty related to the significant assumptions described above and the sensitivity to fluctuations in those assumptions.</p>	<ul style="list-style-type: none"> • We performed procedures to assess the significant assumptions used in Wireless CGU VIU model, including: <ul style="list-style-type: none"> - Evaluating the estimate for the projected sales growth rate and operating margin, for example by comparing underlying assumptions to external data, such as economic and industry forecasts for Pakistani telecom market, supporting evidence provided by management, and for consistency with evidence obtained from other areas of our audit. - Comparing the cash flow projections used in the Wireless CGU VIU model to the information approved by PTML's Board of Directors and evaluating the historical accuracy of management's business plans, which underpin the VIU model, by comparing prior years' forecasts to actual results. - Comparing forecast capital expenditure to actual historical spend and market specific events. - With the support of EY valuation specialists, comparing the long-term growth rate and discount rate assumptions to EY independently determined ranges. - Performing sensitivity analyses on the above-described assumptions in the VIU model, to evaluate whether a reasonable change in assumptions would cause an impairment of Wireless CGU or indicate additional disclosures were appropriate. - In considering the existence of contrary evidence, for management's assessment of implied recoverable value, we compared the Wireless CGU's EBITDA multiple. • We also assessed the adequacy of the related disclosures provided in Note 4(e) of the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matters	How our audit addressed the key audit matter
Expected credit loss allowance against advances	
<p>As more fully described in Note 5.27.iv.a and Note 28 to the consolidated financial statements, in accordance with requirements of IFRS 9, Financial Instruments (as applicable in Pakistan), the Group recognizes expected credit allowance against its portfolio of advances to the customers, extended by U Microfinance Bank Limited (Ubank, a component of the Group), and amounting to Rs. 81,377 million (FY23: Rs. 77,475 million), which is spread across various branches.</p> <p>The Group has applied IFRS 9 – “Financial Instruments” (as applicable in Pakistan) which requires application of a forward looking, expected credit loss (“ECL”) impairment model.</p> <p>We consider this as a key audit matter, as the determination of ECL involves significant estimation and management judgement and this has a material impact on consolidated financial statements of the Group. The key area of judgement includes:</p> <ol style="list-style-type: none"> 1. Categorization of advances into Stage 1,2 and 3 based on identification of: <ol style="list-style-type: none"> a. Exposures with a significant increase in credit risk (“SICR”) since their origination. b. Classified portfolio, in accordance with requirements of the Prudential Regulations (Non-performing Loans [NPL]). c. Other Individually impaired / defaulted exposures. 2. Assumptions used in the ECL model for determining probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”) including, and not limited to, assessment of financial condition of the counterparties, expected future cashflows, developing and incorporating forward looking assumptions, macroeconomic factors and the associated scenarios and expected probability weightages. 	<p>We applied a range of audit procedures to audit the Group’s estimate of IFRS 9 expected credit loss including the following:</p> <ul style="list-style-type: none"> • We reviewed the management’s process of assessment of allowance for ECL against advances including the Group’s accounting policy and ECL model methodology adopted during the year. • We assessed the design effectiveness of the key controls over: <ul style="list-style-type: none"> - The governance of ECL model, its validation and any model updates performed during the year, including relevant approvals. - The classification of advances into Stages 1, 2 and 3 and timely identification of SICR and the determination of NPL / individually impaired exposures. - The integrity of data inputs into the ECL model. • Where required, we involved our IFRS 9 experts to assist us in assessing the reasonableness of ECL models (including EADs, PDs and LGDs) methodology/functionality and assumptions used in the ECL models. • For a sample of exposure / borrowers, we performed procedures to test the accuracy of critical data used in ECL estimations such as Probability of Default (PDs) determined by management and its reasonableness, accuracy of cash flows used in ECL models, including the impact of collaterals and the accuracy of other critical data and assumption used in ECL models. • In addition, we selected a representative sample of borrowers from the advance portfolios and performed tests and procedures such as review of credit documentation, past due status, nature of collateral held by the Group. <p>We also assessed adequacy of disclosures as included in Note 28 to the consolidated financial statements regarding the advances.</p>

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Key audit matters	How our audit addressed the key audit matter
Going concern	
<p>As stated in note 1.4 to the consolidated financial statements for the year ended 31 December 2024, the Group has incurred loss after tax amounting to Rs. 14,394 million, for the year ended 31 December 2024 (FY 23: Rs. 16,729 million) and its accumulated losses as at 31 December 2024 amount to Rs. 43,576 million (FY23: Rs. 22,078 million). As of 31 December 2024, current liabilities of the Group exceed its current assets by Rs 82,494 million (FY 23: Rs. 39,240 million).</p> <p>Management has prepared the financial statements of the Group on a going concern basis. This involves judgement in assessing group's ability to meet its obligations. Given the level of judgement required in the forecasting process and assessment of uncertainty related to going concern, we considered it as a key audit matter.</p>	<p>Our audit procedures included among others the following:</p> <ul style="list-style-type: none"> • Inspected business plan duly approved by the Board of Directors of the Group. • Assessed the appropriateness of methodology used by the management in preparation of projections. • Analyzed the Group's history of actual performance versus budget to evaluate historical forecasting accuracy. • Checked accuracy and relevance of source data used in projections along with the overall mathematical accuracy of the projected financial information. • Assessed reasonableness of the assumptions used in projections along with performing stress testing on the assumptions such as Average revenue per user (ARPU), Subscribers growth, inflation, Deposit and advances growth rates, interest rate yields etc. • Checked that the disclosure of uncertainty related to going concern made by the management is in accordance the requirements of applicable financial reporting framework.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended 31 December 2024, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Telecommunication Company Limited

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The financial statements of the Group for the year ended 31 December 2023 were audited by another auditor, whose report dated 05 May 2024 expressed an unmodified opinion along with an emphasis of matter paragraph.

The engagement partner on the audit resulting in this independent auditors' report is Omer Chughtai.



Chartered Accountants

Place: Islamabad

Date: 05 April 2025

UDIN: AR202410120YPXzBTgM3

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

		2024	2023
	Note	Rs '000	Restated Rs '000
Equity and liabilities			
Equity			
Share capital and reserves			
Share capital	6	51,000,000	51,000,000
Revenue reserves			
General reserve		27,497,072	27,497,072
Accumulated loss		(43,575,731)	(22,077,634)
		(16,078,659)	5,419,438
Statutory and other reserves		935,752	909,981
Unrealized gain / (loss) on investments measured at fair value through OCI		409,162	(39,198)
		36,266,255	57,290,221
Liabilities			
Non-current liabilities			
Long term loans from banks	7	104,867,250	97,086,269
Subordinated debt	8	-	1,149,701
Deposits from banking customers	9	39,870,286	38,543,311
Lease liabilities	10	12,429,735	12,844,406
Employees retirement benefits	11	42,846,083	34,654,516
Deferred government grants	12	35,252,992	31,563,512
Advances from customers		1,442,432	1,661,536
License fee payable	13	8,799,401	11,265,626
Long term vendor liability	14	30,816,234	50,212,883
		276,324,413	278,981,760
Current liabilities			
Trade and other payables	15	158,600,800	140,130,306
Deposits from banking customers	9	96,741,897	65,519,233
Interest accrued		6,716,644	4,973,189
Short term running finance	16	51,678,636	48,138,253
Current portion of:			
Long term loans from banks	7	134,887,702	25,294,133
Subordinated debt	8	1,000,000	-
Lease liabilities	10	4,458,672	4,221,954
License fee payable	13	2,328,854	125,862
Long term vendor liability	14	35,565,847	17,403,361
Security deposits	17	1,654,053	1,439,771
Unpaid / unclaimed dividend		208,131	209,256
		493,841,236	307,455,318
Total equity and liabilities		806,431,904	643,727,299

Contingencies and commitments

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The annexed notes 1 to 55 are an integral part of these consolidated financial statements.



Chief Financial Officer



President & CEO



Chairman

		2024	2023
	Note	Rs '000	Restated Rs '000
Assets			
Non-current assets			
Property, plant and equipment	19	283,621,411	256,368,893
Right of use assets	20	15,528,532	14,798,834
Intangible assets	21	52,713,512	59,351,525
		351,863,455	330,519,252
Long term investments	22	51,427	51,427
Long term loans and advances	23	12,280,602	10,275,182
Long term loans to banking customers	28	13,664,090	14,619,521
Deferred income tax	29	16,896,173	19,692,379
Contract costs	24	329,145	354,707
		395,084,892	375,512,468
Current assets			
Stock in trade, stores and spares	25	8,891,967	10,472,670
Trade debts and contract assets	26	64,355,709	56,377,374
Loans to banking customers	28	60,802,770	57,344,695
Loans and advances	27	3,706,842	3,381,459
Contract costs	24	5,575,409	4,254,928
Income tax recoverable	30	52,304,986	32,356,188
Deposits, prepayments and other receivables	31	30,337,039	32,748,886
Short term investments	32	161,231,289	51,149,234
Cash and bank balances	33	24,141,001	20,129,397
		411,347,012	268,214,831
Total assets		806,431,904	643,727,299


 Chief Financial Officer


 President & CEO


 Chairman

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

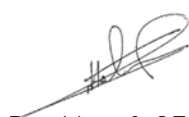
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Restated Rs '000
Revenue	34	219,781,968	188,666,827
Cost of services	35	(162,382,454)	(145,931,615)
Gross profit		57,399,514	42,735,212
Administrative and general expenses	36	(32,859,412)	(26,800,788)
Selling and marketing expenses	37	(13,305,289)	(12,267,834)
Impairment loss on trade debts and contract assets	38	(5,117,163)	(1,393,543)
		(51,281,864)	(40,462,165)
Operating profit		6,117,650	2,273,047
Other income	39	25,618,798	30,401,316
Finance costs and other expenses	40	(52,633,552)	(55,536,951)
Loss before tax		(20,897,104)	(22,862,588)
Income tax	41	6,502,944	6,133,422
Loss for the year		(14,394,160)	(16,729,166)
Loss per share - basic and diluted (Rupees)	42	(2.82)	(3.28)

The annexed notes 1 to 55 are an integral part of these consolidated financial statements.



Chief Financial Officer



President & CEO



Chairman

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME


FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 Rs '000	2023 Restated Rs '000
Loss for the year	(14,394,160)	(16,729,166)
Other comprehensive (loss) / income for the year		
Items that will not be subsequently reclassified to consolidated statement of profit or loss:		
Remeasurement (loss) / gain on employees retirement benefits	(9,190,006)	(237,294)
Tax effect	2,086,069	31,202
	(7,103,937)	(206,092)
Items that may be subsequently reclassified to consolidated statement of profit or loss:		
Gain / (loss) on debt instruments arising during the year	631,493	(60,956)
Tax effect	(183,133)	23,773
Unrealized gain / (loss) on debt instrument - net of tax	448,360	(37,183)
	(6,655,577)	(243,275)
Total comprehensive loss for the year	(21,049,737)	(16,972,441)

The annexed notes 1 to 55 are an integral part of these consolidated financial statements.



Chief Financial Officer



President & CEO



Chairman

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Restated Rs '000
Cash flows from operating activities			
Cash generated from operations	44	82,735,612	23,054,628
Employees retirement benefits paid		(2,786,139)	(2,217,817)
Deposits from banking customers		32,549,639	23,737,229
Return on long term loans and short term investments		5,068,552	13,493,813
Advances from customers		2,455,189	(1,957,915)
Payment made to Pakistan Telecommunication Employees Trust (PTET)		(990,436)	(959,087)
Income tax paid		(8,746,712)	(5,657,722)
Net cash inflows from operating activities		110,285,705	49,493,129
Cash flows from investing activities			
Capital expenditure		(60,911,472)	(57,692,676)
Acquisition of intangible assets		(1,085,163)	(3,209,203)
Proceeds from disposal of property, plant and equipment		6,298,815	6,331,256
Additions to contract costs		(8,789,152)	(7,000,528)
Long term loans and advances		(1,660,393)	(6,585,831)
Short term investments		(109,633,695)	91,773,016
Government grants received		8,137,042	4,952,587
Net cash (used in) / generated from investing activities		(167,644,018)	28,568,621
Cash flows from financing activities			
Loans from banks - net		117,374,550	(29,520,197)
Subordinated debt		(149,701)	(22,095)
Finance cost paid		(47,352,012)	(40,441,832)
License fee - repayments		(263,233)	(4,834,344)
Vendor liability - net		(1,234,163)	1,294,774
Lease liabilities - repayments		(10,544,782)	(8,289,445)
Dividend paid		(1,125)	(558)
Net cash generated from / (used in) financing activities		57,829,534	(81,813,697)
Net increase / (decrease) in cash and cash equivalents		471,221	(3,751,947)
Cash and cash equivalents at beginning of the year		(28,008,856)	(24,256,909)
Cash and cash equivalents at end of the year	44.2	(27,537,635)	(28,008,856)

The annexed notes 1 to 55 are an integral part of these consolidated financial statements.



Chief Financial Officer



President & CEO



Chairman

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2024

	Issued, subscribed and paid-up capital			Revenue reserves		Statutory and other reserves	Unrealized loss on investments measured at fair value through OCI	Total
	Class 'A'	Class 'B'	Total	General reserve	Accumulated losses			
(Rupees in '000)								
Balance as at December 31, 2022	37,740,000	13,260,000	51,000,000	27,497,072	(5,371,204)	813,661	(2,015)	73,937,514
Effect of restatement	-	-	-	-	228,828	66,107	-	294,935
Balance as at January 01, 2023 (restated)	37,740,000	13,260,000	51,000,000	27,497,072	(5,142,376)	879,768	(2,015)	74,232,449
Total comprehensive loss for the year								
Loss for the year (Restated)	-	-	-	-	(16,729,166)	-	-	(16,729,166)
Other comprehensive loss	-	-	-	-	(206,092)	-	(37,183)	(243,275)
	-	-	-	-	(16,935,258)	-	(37,183)	(16,972,441)
Statutory and other reserves	-	-	-	-	-	30,213	-	30,213
Balance as at December 31, 2023 (restated)	37,740,000	13,260,000	51,000,000	27,497,072	(22,077,634)	909,981	(39,198)	57,290,221
Total comprehensive loss for the year								
Loss for the year	-	-	-	-	(14,394,160)	-	-	(14,394,160)
Other comprehensive (loss) / income	-	-	-	-	(7,103,937)	-	448,360	(6,655,577)
	-	-	-	-	(21,498,097)	-	448,360	(21,049,737)
Statutory and other reserves	-	-	-	-	-	25,771	-	25,771
Balance as at December 31, 2024	37,740,000	13,260,000	51,000,000	27,497,072	(43,575,731)	935,752	409,162	36,266,255

The annexed notes 1 to 55 are an integral part of these consolidated financial statements.


Chief Financial Officer


President & CEO


Chairman

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

1. Legal status and nature of business

1.1 Constitution and ownership

The consolidated financial statements of the Pakistan Telecommunication Company Limited and its subsidiaries (the Group) comprise of the financial statements 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), 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 # 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&.

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 has signed a Share Purchase Agreement with Telenor Pakistan B.V. (Telenor) in 2023 to acquire a 100% stake in Telenor Pakistan (Pvt) Ltd (Telenor Pakistan) and Orion Towers (Pvt) Ltd based on an Enterprise Value of Rs. 108,000,000 thousand on a cash free, debt free basis. The transaction will be financed through a seven year (with one year grace period) US Dollar syndicated Financing Facility amounting to USD 400,000 thousand led by International Finance Corporation (IFC) and the relevant Financing agreements have been signed on June 27, 2024. This transaction is subject to necessary regulatory approvals.

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.

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 simulating 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.

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.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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 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.

1.3 The principal business units of the Group include the following:

Business units	Geographical locations
PTCL Headquarters	Ufone Tower, Blue Area, F-7/1, Islamabad
PTCL Business Zone- North	Telecom House, F-5/1, Islamabad
PTCL Business Zone- Central	131, Tufail Road, Lahore
PTCL Business Zone- South	Hatim Alvi Road, Clifton, Karachi
PTML Headquarters	Ufone Tower, Blue Area, Islamabad
U Bank Headquarters	F-7 Markaz, Islamabad
DVCOM Data	Hatim Alvi Road, Clifton, Karachi
Smart Sky	PTCL Office, G-8/4, Islamabad

1.4 Going concern basis of accounting

The Group has incurred loss after tax amounting to Rs 14,394,160 thousand, for the year ended 31 December 2024 (2023: Rs 16,729,166 thousand) and its accumulated losses as at 31 December 2024 amount to Rs 43,575,731 thousand (2023: Rs 22,077,634 thousand). As of 31 December 2024, current liabilities of the Group exceed its current assets by Rs 82,494,224 thousand (2023: Rs 39,240,487 thousand).

However, as part of annual budgetary process of the Group, the Group has prepared five years projections for the years ending 31 December 2029 duly approved by the Board of Directors of the Group. These projections are based on individual business plans for the Holding Company, and each of its subsidiaries approved by those charged with governance. As per these projections, the Group will continue to generate sufficient cashflows to meet its obligations as they fall due. The existence of material uncertainty, if any, is mitigated based on the following factors: a) there has been increase in number of subscribers in the Group in 2024, the consumption of data per day prices of its products have also increased in 2024 resulting in overall increase average revenue per user. These are expected to increase further in future years; b) there has been increase in Wireline segment's revenue in 2024 due to introduction of Flash Fiber, Fiber-to-the-Home (FTTH) service and is expected to continue to grow in future years; c) the reduction in policy rate from 22% to 12% in 2024 is expected to result in significant decrease in finance cost. Reduction in inflation has been noted in Pakistan in 2024 which is expected to have positive impact on operational cost of the Group; d) secured lending as a proportion of total advances in Banking segment is expected to increase which will result in lower delinquency ratio and improved profitability; and e) the Banking segment has closed certain banking branches which is expected to have positive impact on the profit of the Banking segment.

Accordingly, considering the aforesaid factors, these consolidated financial statements have been prepared on a going concern basis.

2. Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017.
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

The applicable financial reporting framework for the consolidated subsidiary U Bank also includes the following:

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of the Chartered Accountants of Pakistan as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Microfinance Institutions Ordinance, 2001 (the MFI Ordinance) and the Companies Act, 2017; and
- directives issued by the State Bank of Pakistan (SBP) as well as U Bank's specific communication with SBP on specific matters and the directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Microfinance Institution Ordinance, 2001, Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Microfinance Institution Ordinance, 2001, the Companies Act, 2017 and the said directives shall prevail.

These financial statements are consolidated financial statements of the Group. In addition to these consolidated financial statements, the Holding Company and subsidiary companies (PTML, U Bank, DVCOM Data and Smart Sky) prepare separate statutory financial statements.

2.1 Standards, interpretations and amendments adopted during the year

The following amendments to existing standards have been published that are applicable to the Group's financial statements covering year, beginning on or after the following dates:

a) New accounting standards / amendments and IFRS interpretations that are effective for the year ended December 31, 2024.

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the classification of the Group's liabilities.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial

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statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group's consolidated financial statements.

Application Guidance on Accounting for Minimum Taxes and Final Taxes - IAS 12

Pursuant to the issuance of Circular 7 by the Institute of Chartered Accountants of Pakistan, in May 2024, the Group has changed the method of accounting for final and minimum taxes, chargeable under the Income Tax Ordinance, 2001.

The Circular 7 specifies that all final taxes, payable under the Income Tax Ordinance, 2001 (the Ordinance), calculated with reference anything other than "taxable income" is a levy within the scope of IAS 37 "Provisions, contingent liabilities and contingent assets" and IFRIC 21 "Levies". Previously, such a charge was recognized as "Current income tax".

Further, the Circular 7 specifies that an entity has an option to either recognize:

- (a) amount of tax chargeable under the Ordinance, calculated with reference to taxable income at notified rates (i.e., under the Normal Tax Regime (NTR)), as income taxes within the scope of IAS 12 "Income Taxes" and any excess amount of charge, resulting from application of requirements of the Ordinance relating to minimum tax under the section 153 and turnover tax under the section 113, will however be recognized as levy within the scope of IAS 37 "Provisions, contingent liabilities and contingent assets" and IFRIC 21 "Levies".
- (b) amount of minimum tax under the section 153 and turnover tax under the section 113 will be recognized as levy within the scope of IAS 37 and IFRIC 21, whereas, any excess amount under NTR will be recognized as income taxes.

The Group has applied the guidance in the Circular 7 in following manner:

Final taxes:

Final tax, calculated with reference to tax deductible from amount of payment receivable against export of services, under the section 154A, are recognized as "Final tax" before the sub-head "Profit before profit", in the statement of profit or loss. Previously, such a charge was also recognized as "Current income tax".

Minimum taxes:

The Group has elected to select approach (a) described above, as it considers that it is probable that amount of tax under NTR will be higher than the related minimum tax or turnover tax for the individual entities with the Group. Accordingly, amount of tax under NTR will continue to recognize such an amount as "Current income tax" expense. Any excess amount of charge, with reference to minimum tax resulting from amount of tax deductible from payments against provision of services, under the section 153(1b), and turnover tax under the section 113 has however been recognized as "Minimum tax differential", before the sub-head "Profit before profit", in the statement of profit or loss. Previously, such a charge was also recognized as "Current income tax".

The Group has, however, recognized the related income on deferred tax asset recognized for adjustable turnover tax as part of "Deferred income tax" income.

As required, the Group has retrospectively applied the above guidance, however, as none of PTCL's income is subject to FTR whereas turnover tax is expected to be adjusted against tax payable under the NTR, the adoption of above-mentioned guidance has had no impact on the financial statements in the current and prior periods.

(b) New accounting standards / amendments and IFRS interpretations that are not yet effective

Amendments to the following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and interpretations thereto will be effective for accounting period beginning on after January 01, 2025. The management is currently in the process of evaluating the potential impact on these financial statements.

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Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Annual periods beginning on or after 1 January 2025

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Group is currently not intending to early adopt the Amendments.

Annual periods beginning on or after 1 January 2026

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With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Group is currently performing an assessment of all material electronic payment systems it uses, in order to assess whether the amendments will result in a material change with respect to current practices and whether it meets the conditions to apply the accounting policy option to derecognise such financial liabilities before the settlement date. Moreover, the Group is reviewing all its other payment systems (such as cheques, credit cards, debit cards) to ensure that the corresponding financial assets are derecognised when the right to cash flows are extinguished and that the corresponding financial liabilities are derecognised on settlement date.

IAS 7 - adjustments resulting from adoption of IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 is however still to be notified by Securities and Exchange Commission of Pakistan. Narrow-scope amendments have also been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. Upon adoption SECP may, however, prescribe a different effective date.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Annual periods beginning on or after 1 January 2027

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, IASB issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Annual periods beginning on or after 1 January 2025

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

These amendments are not applicable to the Group.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

Annual periods beginning on or after 1 January 2026

IFRS 10 and IAS 28 Consolidated financial statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (amendment)

On 11 September 2014, the IASB issued Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28). The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an

Effective date not yet determined

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<p>associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.</p> <p>In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.</p> <p>Further, IASB has issued annual improvements in IFRS in July 2024, wherein certain amendments have been made to various standards which are effective for annual periods beginning on and after 01 January 2026. The Group is currently evaluating the impact of these recently announced improvements.</p> <p>In addition to the above, the following new standards have been issued by IASB but are not notified by SECP for application in Pakistan:</p> <p>IFRS 1 - First time adoption of International Financial Reporting Standards</p> <p>IFRS 18 - Presentation and Disclosure in Financial Statements</p> <p>IFRS 19 - Subsidiaries without Public Accountability: Disclosures</p> <p>The application of the above standards are not expected to have a material impact on the Group's consolidated financial statements, in the period of applicability, except for IFRS 18. The Group is currently working to identify all impacts IFRS 18 will have on the primary financial statements and notes to the financial statements.</p>	<p>Annual periods beginning on or after 1 January 2004</p> <p>Annual periods beginning on or after 1 January 2007</p> <p>Annual periods beginning on or after 1 January 2007</p>
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3. Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments at fair value and the recognition of certain employees retirement benefits on the basis of actuarial assumptions.

4. Critical accounting estimates and judgments

The preparation of consolidated 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 Group'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. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are as follows:

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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(a) Provision for employees retirement benefits

The actuarial valuation of pension, gratuity, medical, accumulating compensated absences and benevolent grant plans requires the use of certain assumptions related to future periods, including increase in future salary, pension, medical costs, expected long term returns on plan assets, rate of increase in benevolent grant and the discount rate used to discount future cash flows to present values.

(b) Provision for income tax

The Group recognizes income tax provisions using estimates based upon expert opinions of its tax and legal advisors. Differences, if any, between the recorded income tax provision and the Group's tax liability, are recorded on the final determination of such liability. Deferred income tax is calculated at the rates that are expected to apply to the period when these temporary differences reverse, based on tax rates that have been enacted or substantively enacted, by the date of the consolidated statement of financial position.

(c) Useful life and residual value of fixed assets

The Group reviews the useful lives and residual values of fixed assets on a regular basis. Any change in estimates may affect the carrying amounts of the respective items of property, plant and equipment and intangible assets, with a corresponding effect on the related depreciation / amortization charge.

(d) Provision for doubtful receivables and contract assets

A provision against overdue receivable balances is recognized after considering the pattern of receipts from, and the future financial outlook of, the concerned receivable party. It is reviewed by the management on a regular basis. Contract assets arise when the Group performs its performance obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due.

(e) Impairment of non - financial assets

Management exercises judgment in measuring the recoverable amount of assets at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of impairment of such assets.

As at the reporting date, the Group performed an impairment test for its wireless and banking segments.

Wireless

The Group has determined recoverable amount of wireless segment, consisting of property, plant and equipment, right of use assets and intangible of based on a value-in-use determined through discounted cash flow method, which was higher than the carrying amount of the wireless segment in the consolidated financial statements. Value-in-use was estimated using cash flow projections approved by the Board of Directors, covering a five-year period. The Group has applied a discount rate of 12.02% and the long-term steady growth-rate of 6.50%, to the cash flow projections. The calculation of value-in-use is most sensitive to the following assumptions:

- a) discount rates
- b) key business assumptions

Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the wireless segment.

Key business assumptions

These assumptions are based on business plan approved by the Board of Directors which includes revenue improvements on the basis of multiple strategies planned including increase in Average Revenue per User (ARPU), increase in subscribers and rationalization of cost etc.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

Banking

The Group has determined recoverable amount of banking segment, consisting of property, plant and equipment, right of use assets, intangible, long term investments and loans to banking customers based on a value-in-use determined through discounted cash flow method, which was higher than the carrying amount of the banking segment in the consolidated financial statements. Value-in-use was estimated using cash flow projections approved by the Board of Directors, covering a five-year period. The Group has applied a discount rate of 17.2% and the long-term steady growth-rate of 6.0%, to the cash flow projections. The calculation of value-in-use is most sensitive to the following assumptions:

- a) discount rates
- b) key business assumptions

Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the banking segment.

Key business assumptions

These assumptions are based on business plan approved by the Board of Directors which includes revenue improvements on the basis of multiple strategies planned, including increase in loan disbursement in secured portfolio, and cost rationalization.

Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

Other estimates and judgments

(a) Provision for stores and spares

A provision against stores and spares is recognized after considering their physical condition and expected future usage. It is reviewed by the management on quarterly basis.

(b) Revenue from contracts with customers

The Group applies probability approach and constrains the unused resources pertaining to remaining performance obligations as at the reporting date for recognition of revenue against cash consideration received. Contract costs comprise incremental cost of acquiring the customers and the Group estimates the average life of the customer for amortization of capitalized contract cost.

(c) Recognition of government grants

The Group recognizes government grants when there is reasonable assurance that grants will be received and the Group will be able to comply with conditions associated with grants.

(d) Right of use assets and lease liability

The Group has applied incremental borrowing rate for recognition of lease liabilities and corresponding right of use assets under IFRS-16.

(e) Expected credit losses on advances (Note 5.27 Financial instruments (U Bank))

(f) Contingent Assets and Liabilities (Note 18. Contingencies and Commitments)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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(g) Other provisions

The management exercises judgment in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

5. Material accounting policies

The accounting policies as set out below have been applied consistently to all periods presented in these financial statements except for the changes presented below and referred in note 54.1 related to exemption from application of Effective Interest Rate (EIR) Method.

The Group adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements. Management reviewed the accounting policies and made updates to the information disclosed in material accounting policies.

Amendment to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction became effective on 1 January 2023 and accordingly the Group has presented separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Previously, deferred tax on lease liabilities and right-of-use assets were presented on a net basis because the balances qualify for offsetting under paragraph 74 of IAS 12. There was no impact on the statement of financial position and there was also no impact on the opening retained earnings as at 1 January 2022 as a result of the change.

5.1 Consolidation

a) Subsidiaries

Subsidiaries are entities over which the Group has the power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee; or the ability to use its power over the investee to affect its returns. The consolidated financial statements include Pakistan Telecommunication Company Limited and all companies in which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date control ceases to exist.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and amount of any non controlling interest in the acquiree. For each business combination, the acquirer measures the non controlling interest in the acquiree either at fair value or at the proportionate share of the acquirer's identifiable net assets. Acquisition costs incurred are expensed. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or liability, will be recognized in accordance with IFRS 9, either in profit or loss or charged to other comprehensive income. If the contingent consideration is classified as equity, it is remeasured until it is finally settled within equity.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any non controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in income.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses on assets transferred are also eliminated and considered an impairment indicator of such assets. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

b) Associates

Associates are entities over which the Group has significant influence, but not control, and generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, and are initially recognized at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognized in the consolidated statement of profit or loss, and its unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses on the assets transferred are also eliminated to the extent of the Group's interest and considered an impairment indicator of such asset. Accounting policies of the associates are changed where necessary to ensure consistency with the policies adopted by the Group.

5.2 Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). These consolidated financial statements are presented in Pakistan Rupees (Rs), which is the Group's functional currency. The amounts presented in these financial statements have been rounded off to the nearest thousand.

5.3 Foreign currency transactions and translations

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in foreign currencies, are translated into the functional currency using the exchange rate prevailing on the date of the consolidated statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary items at year end exchange rates, are charged to consolidated statement of profit or loss for the year.

5.4 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When it is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in the consolidated profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

5.5 Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

5.6 Dividend distribution

The distribution of the final dividend, to the Holding Company shareholders, is recognized as a liability in the consolidated financial statements in the period in which the dividend is approved by the Holding Company's shareholders; the distribution of the interim dividend is recognized in the period in which it is declared by the Board of Directors of the Holding Company.

5.7 Statutory reserve

In compliance with the requirements of the Regulation R-4, U Bank maintains statutory reserve to which an appropriation equivalent to 20% of the profit after tax is made till such time the reserve fund equals the paid up capital of the U Bank. However, thereafter, the contribution is reduced to 5% of the profit after tax.

5.8 Depositors' protection fund

In compliance with the requirements of section 19 of the Microfinance Institutions Ordinance 2001, U Bank contributes 5% of annual profit after tax to the Depositors' Protection Fund for the purpose of providing security or guarantee to the persons depositing money in U Bank.

5.9 Cash reserve

In compliance with the requirements of the Regulation R-3A, U Bank maintains a cash reserve equivalent to not less than 5% of its deposits (including demand deposits and time deposits with tenure of less than 1 year) in a current account opened with the State Bank of Pakistan (SBP) or its agent.

5.10 Statutory liquidity requirement

In compliance with the requirements of the Regulation R-3B, U Bank maintains liquidity equivalent to at least 10% of its total demand liabilities and time liabilities with tenure of less than one year in the form of liquid assets i.e. cash, gold, unencumbered treasury bills, Pakistan Investment Bonds and Government of Pakistan Sukuk bonds. Treasury bills and Pakistan Investment Bonds held under Depositors' protection fund are excluded for the purposes of determining liquidity.

5.11 Borrowings and borrowing costs

Borrowings are recognized equivalent to the value of the proceeds received by the Group. Any difference, between the proceeds (net of transaction costs) and the redemption value, is recognized in statement of profit or loss, over the period of the borrowings, using the effective interest method.

Borrowing costs, which are directly attributable to the acquisition and construction of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of that asset. All other borrowing costs are charged to statement of profit or loss.

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5.12 Deposits from banking customers

Deposits are initially recorded at the amounts of proceeds received. Mark-up accrued on deposits is recognized separately as part of other liabilities and is charged to the consolidated statement of profit or loss over the period.

5.13 Sale and repurchase agreements

Assets sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognized in the consolidated statement of financial position and are measured in accordance with the accounting policies for investment securities by U Bank. The counter party liability for consideration received is included in borrowings from financial institutions. The difference between sale and repurchase price is treated as markup / return / interest expense over the period of the transaction. Assets purchased with a corresponding commitment to resell at a specified future date (reverse repo) are not recognized as investment in the consolidated statement of financial Position. Amounts paid under these agreements are included in lending to financial institutions. The difference between the purchase and resale price is treated as markup / return / interest income over the period of the transaction.

5.14 Employees retirement benefits

The Group provides various retirement / post retirement benefit schemes to its employees. The plans are generally funded through payments determined by periodic actuarial calculations or up to the limits allowed in the Income Tax Ordinance, 2001. The Group has constituted both defined contribution and defined benefit plans.

The main features of these benefits provided by the Group in the Holding Company and its subsidiaries - PTML and U Bank are as follows:

(a) PTCL Employees General Provident Fund (GPF) Trust

The Holding Company operates an approved funded provident plan covering its permanent employees. For the purpose of this plan, a separate trust, the 'PTCL Employees GPF Trust' (the Trust), has been established. Monthly contributions are deducted from the salaries of employees and are paid to the Trust by the Holding Company. In line with the Trust's earnings for a year, the Board of Trustees approves a profit rate for payment to the members. The Holding Company contributes to the fund, the differential, if any, of the interest paid / credited for the year and the income earned on the investments made by the Trust.

(b) Defined benefit plans

The Holding Company provides the following defined benefits:

(i) Pension plans

The Holding Company accounts for an approved funded pension plan operated through a separate trust, the 'Pakistan Telecommunication Employees Trust' (PTET), for its employees recruited prior to January 01, 1996 when the Holding Company took over the business from PTC. The Holding Company also operates an unfunded pension scheme for employees recruited on a regular basis, on or after January 01, 1996.

(ii) Gratuity plan

The Holding Company operates an approved funded gratuity plan for its New Terms and Conditions (NTC) employees and contractual employees.

(iii) Medical benefits plan

The Holding Company provides a post retirement medical facility to pensioners and their families. Under this unfunded plan, all ex-employees, their spouses, their children up to the age of 21 years (except unmarried daughters who are not subject to the 21 years age limit) and their parents residing with them and any other dependents, are entitled to avail the benefits provided under the scheme. The facility remains valid during the lives of the pensioner and their spouse. Under this facility there are no annual limits to the cost of medicines, hospitalized treatment and consultation fees.

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(iv) Accumulated compensated absences

The Holding Company provides a facility to its employees for accumulating their annual earned leaves. Accumulated leaves can be encashed at the end of the employees' service, based on the latest drawn gross salary as per Holding Company policy.

(v) Benevolent grants

The Holding Company pays prescribed benevolent grants to eligible employees / retirees and their heirs.

The liability recognized in the consolidated statement of financial position in respect of defined benefit plans, is the present value of the defined benefit obligations at the date of the consolidated statement of financial position less the fair value of plan assets.

PTML

(i) Gratuity plan

PTML operates a funded gratuity scheme, a defined benefit plan, for all permanent employees which has been approved by the Commissioner of Income Tax in accordance with Part III of Sixth Schedule to the Income Tax Ordinance, 2001. Gratuity is payable to each permanent employee with a minimum qualifying service period of three years.

The liability recognized in the consolidated statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. Defined benefit obligation is based on actuarial valuation by independent actuary based on projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in Pakistan rupee and have terms to maturity approximating to the terms of the related liability.

The current service cost of the defined plan, recognized in the profit or loss for the year reflects the increase in the defined benefit obligation resulting from employee service in the current year. Past service costs are recognized immediately in the profit or loss for the year. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, and is recognized in the profit or loss for the year.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

(ii) Provident fund

PTML operates an approved contributory provident fund, a defined contribution plan, for all permanent employees which has been approved by the Commissioner of Income Tax in accordance with Part III of Sixth Schedule to the Income Tax Ordinance, 2001. PTML's obligation for contribution to the provident fund is charged to profit or loss for the year.

U Bank

(i) Gratuity plan

U Bank operates defined benefit plan comprising an funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service (three years) as specified by the scheme.

(ii) Provident fund

U Bank operates a defined contribution provident fund scheme for permanent employees. Contributions to the fund are made on monthly basis by U Bank and employees at an agreed rate of salary (8% of the

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basic salary of the employee), the fund is managed by its Board of Trustees. The contribution of U Bank is charged to profit or loss.

5.15 Government grants

Government grants are recognized at their fair values, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate the Group for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

5.16 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for the goods or services received, whether or not billed to the Group.

5.17 Non current Assets

(a) Property, plant and equipment

Property, plant and equipment, except freehold land and capital work in progress, is stated at cost less accumulated depreciation and any identified impairment losses. Freehold land is stated at cost less identified impairment losses, if any. Cost includes expenditure, related overheads, mark-up and borrowing costs that are directly attributable to the acquisition of the asset.

Subsequent costs, if reliably measurable, are included in the asset's carrying amount, or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Group. The carrying amount of any replaced parts as well as other repair and maintenance costs, are charged to consolidated statement of profit or loss during the year in which they are incurred.

Capital work in progress is stated at cost less impairment value, if any. It consists of expenditure incurred in respect of tangible and intangible fixed assets in the course of their construction and installation.

Depreciation on assets is calculated, using the straight line method, to allocate their cost over their estimated useful lives.

Depreciation on additions to property, plant and equipment, is charged from the month in which the relevant asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off. Impairment loss, if any, or its reversal, is also charged to consolidated statement of profit or loss for the year. Where an impairment loss is recognized, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life.

An item of property plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss from the disposal are determined as the difference between the net disposal proceeds, if any and the carrying amount of the item and are included in consolidated statement of profit or loss for the year.

(b) Intangible assets

(i) Goodwill

Goodwill is initially measured at cost being the excess of the consideration transferred, over the fair value of subsidiary's identifiable assets acquired and liabilities assumed. Goodwill is tested for impairment annually.

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(ii) Licenses

These are carried at cost less accumulated amortization and any identified impairment losses. Amortization is calculated using the straight line method, to allocate the cost of the license over its estimated useful life, and is charged to consolidated statement of profit or loss for the year.

The amortization on licenses acquired during the year, is charged from the month in which a license is acquired / capitalized, while no amortization is charged in the month of expiry / disposal of the license.

(iii) Computer software

These are carried at cost less accumulated amortization, and any identified impairment losses. Amortization is calculated, using the straight line method, to allocate the cost of software over their estimated useful life, and is charged to income for the year. Costs associated with maintaining computer software, are recognized as an expense as and when incurred.

The amortization on computer software acquired during the year, is charged from the month in which the software is acquired or capitalized, while no amortization is charged for the month in which the software is disposed off.

If payment for an intangible asset is deferred beyond normal credit terms, it is recognized at the cash price equivalent. The difference between the cash price equivalent and the total payments is recognized as interest expense over the period of credit.

(c) Impairment of Goodwill

Impairment of goodwill is recognised when the recoverable amount of goodwill falls below the previously recorded value at the time of acquisition.

(d) Right of use assets

The Group assesses whether a contract is or contains a lease at inception of the contract. If the Group assesses contract contains a lease and meets requirements of IFRS 16, the Group recognizes a right-of use asset and a lease liability at the lease commencement date. Right of use asset is calculated as the initial amount of the lease liability in terms of network sites, offices, vehicles and right of way at the lease contract commencement date. The right of use asset is subsequently depreciated using the straight line method.

5.18 Impairment of non financial assets

Assets that have indefinite useful lives, for example freehold land and goodwill, are not subject to depreciation and amortization and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment on the date of consolidated statement of financial position, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized, equal to the amount by which the assets' carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non financial assets that suffered an impairment, are reviewed for possible reversal of the impairment at each consolidated statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized. An impairment loss, or the reversal of an impairment loss, are both recognized in the consolidated statement of profit or loss for the year.

5.19 Long term loans

Long term loans are initially recognized at present value of loan amount disbursed to employees. On initial recognition, the discount representing difference between loan disbursed and its present value is recognized as deferred employee benefit in the consolidated statement of financial position. Subsequently, the unwinding of discount on present value of loans is recognized as income over the loan term using the effective interest method.

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5.20 Stock in trade

Stock in trade is valued at the lower of cost and net realizable value. Cost comprises the purchase price of items of stock, including import duties and other related costs. Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

5.21 Stores and spares

Store and spares are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost, comprising invoice values and other related charges incurred up to the date of the consolidated statement of financial position.

5.22 Trade debts and contract assets

Trade debts are carried at their original invoice amounts, less any estimates made for expected credit losses based on review of all outstanding amounts at reporting date. Bad debts are written off as per Group policy.

Securities and Exchange Commission of Pakistan issued an SRO through which only financial assets due from Government of Pakistan in respect of circular debt will be exempt from the requirements of calculating expected credit loss as per the requirements of IFRS 9 "Financial Instruments" till 30 June 2022. As the Holding Company's receivable from Government of Pakistan is not in respect of circular debt, the Holding Company has recorded the impact of expected credit loss on opening balances of financial assets due from Government of Pakistan in the Statement of Changes in Equity. There has been no change in classification of financial assets and financial liabilities due to this change in accounting policy.

5.23 Lease liability

The Group recognizes lease liabilities as per IFRS - 16 at the present value of the remaining lease payments using the Group's incremental borrowing rate. Lease liabilities are measured at their amortized cost using the effective interest method.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

5.24 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, cash with banks and short term finances under mark up arrangements with banks. Cash equivalents are short term highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

5.25 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each consolidated statement of financial position date and are adjusted to reflect the current best estimate.

5.26 Contingent liabilities

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events, not wholly within the control of the Group; or when the Group has a present legal

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or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.27 Financial instruments

The Group (other than U Bank):

Classification

The Group classifies its financial assets on initial recognition in the following categories: at amortized cost, at fair value through profit or loss (FVTPL) and at fair value through other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial asset, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(i) Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair value through other comprehensive income

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL: (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

(iii) Fair value through profit or loss

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial instruments. On initial recognition, the Group irrevocably designates a financial instrument that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Recognition and measurement

Trade and other receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequent measurement and gains and losses

- | | |
|--|---|
| a) Financial assets at amortized costs | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gain and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss. |
|--|---|

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|------------------------------|---|
| b) Financial assets at FVOCI | <p>Debt investments are subsequently measured at fair value. Interest income calculated using effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.</p> <p>Equity investments are subsequently measured at fair value. Net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to accumulated profits.</p> |
| c) Financial assets at FVTPL | <p>These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.</p> |

Financial assets of the Group include trade debts, contract assets, long term loans, deposits, other receivables, short term investments and forward exchange contracts.

(iv) Impairment of financial assets

The Group recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Group measures loss allowances at an amount equal to lifetime ECLs. The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

At each reporting date, the Group assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial liabilities

Financial liabilities, are classified and measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in consolidated profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is also recognized in consolidated profit or loss. The financial liabilities of the Group include subordinated debt, long term loans from banks, long term vendor liability, long term security deposits, interest accrued, short term running finance and trade and other payables.

Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the

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Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognized at fair value and are subsequently remeasured at fair value. These are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative financial instruments is charged to profit or loss for the year.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position, if the Group has a legally enforceable right to set off the recognized amounts, and the Group either intends to settle on a net basis, or realize the asset and settle the liability simultaneously.

U Bank:

Financial assets and financial liabilities are recognised when U Bank becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, the date on which the U Bank commits to purchase or sell the asset.

Financial instruments – initial recognition

All financial assets are initially recognised on the trade date, i.e. the date at which the U bank becomes a party to the contractual provisions of the instruments. This includes purchases or sale of financial assets that require delivery of asset within the time frame generally established by regulations in market conventions.

All financial assets and financial liabilities are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss where transaction cost is taken directly to the consolidated statement of profit or loss.

Classification and measurement

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL"). This classification is generally based on the business model in which a financial asset is managed and is based on its contractual cash flows.

Financial assets

IFRS has different requirements for debt or equity financial assets. Debt instruments are classified and measured either at:

- Amortized cost, where the effective interest rate method will apply;
- Fair value through other comprehensive income, with subsequent recycling to the statement of profit or loss upon disposal of the financial asset; or
- Fair value through profit or loss.

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Equity instruments, other than those to which consolidation or equity accounting apply, are classified and measured either at:

- Fair value through profit or loss; or
- Fair value through other comprehensive income, with no subsequent recycling to the statement of profit or loss upon disposal of the financial asset (if the instrument by instrument option is to classify at fair value through other comprehensive income is elected).

When classifying a financial asset (other than derivatives and equity instruments), IFRS requires that the contractual cash flows test is performed, commonly referred to as the solely payments of principal and interest test ("SPPI") test. If an instrument fails the SPPI test, it is classified as Fair Value through profit or loss. When an instrument passes the SPPI test, it undergoes the business model test, on a portfolio level.

Business model	Classification basis
Hold to collect	Portfolio accounted at amortized cost
Hold to collect and sell	Portfolio accounted at fair value through other comprehensive income with recycling
Others	Portfolio accounted at fair value through profit or loss

All instruments held for trading are classified as Fair value through profit or loss.

Equity instruments are by default classified as fair value through profit or loss, however, the U bank has an irrevocable choice on an instrument by instrument basis, to elect that the fair value changes on the equity investment are accounted for through other comprehensive income. Upon disposal of the investment, the gain or loss on disposal is recognized in equity. Dividends received are recognized in the profit and loss account. The following table summarizes the two-stage approach for financial assets classification on their initial recognition.

At initial recognition		Contractual cash flow characteristics test	
		Pass	Fail
Business model	Held within a business model whose objective is to hold financial assets in order to collect contractual cash flows	Amortized cost	Fair value through profit or loss (FVTPL)
	Held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets	Fair value through other comprehensive income (FVOCI) with recycling (debt)	Fair value through profit or loss (FVTPL)
	Financial assets which are neither held at amortized nor at fair value through other comprehensive income	Fair value through profit or loss (FVTPL)	Fair value through profit or loss (FVTPL)
Options	Conditional fair value option is elected	Fair value through profit or loss (FVTPL)	Fair value through profit or loss (FVTPL)
	Option elected to present changes in fair value of an equity instrument not held for trading in OCI	N/A	Fair value through other comprehensive income (FVOCI) without recycling (equity)

Financial liabilities

All financial liabilities are carried at amortized cost (i.e. loan payables) and are subsequently accounted in accordance with the effective interest rate method.

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Recognition and measurement

The U bank recognizes a financial asset or a financial liability in its financial statements when and only when it becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

Financial assets and liabilities not measured at fair value through profit or loss

When a financial asset or financial liability is recognized initially, the U Bank measures it at its fair value plus or minus, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Examples of transaction costs include fees and commissions paid to agents such as broker commissions and stamp duty.

Financial assets and liabilities at fair value through profit or loss.

Financial asset or financial liability are measured at initial recognition at the fair value excluding transaction costs. Transaction costs for this class of financial instrument are recognized directly in the profit and loss account.

Subsequent measurement of financial assets

Financial assets can be categorized into the following categories:

- i. Amortized cost (expected credit losses need to be provided);
- ii. Fair value through other comprehensive income with recycling (expected credit losses need to be provided);
- iii. Fair value through other comprehensive income without recycling (for equity instruments for which the FVOCI option was elected)
- iv. Fair value through profit and loss.

The categorization of the instrument determines the manner of subsequent measurement.

Derecognition

Financial assets

A financial asset is derecognized when, and only when:

- the contractual rights to the cash flows from the financial asset expire; or
- the entity transfers the financial asset and the transfer qualifies for derecognition (substantially all risks and rewards are transferred meaning that no control is retained).

Financial liabilities

A financial liability (e.g. debt) is derecognized from the balance sheet when it is extinguished, that is when the obligation is discharged, cancelled or expired. This condition is met when the debtor either:

- Discharges the liability (or part of it) by paying the creditor, normally with cash, other financial assets, goods or services; or
- is legally released from primary responsibility for the liability (or part of it) either by process of law or by the creditor.

Impairment requirement for financial assets

a) Impairment of financial assets:

U Bank records allowance for expected credit losses for all loans and other debt financial assets held at amortised cost or FVOCI, together with loan commitments, letters of credit and financial guarantee contracts (if there is any). Under the SBP's instructions, local currency credit exposures guaranteed by the Government and Government Securities are exempted from the application of ECL.

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The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL) as outlined below.

The 12 month ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 month after the reporting date. Both LTECLs and 12 month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

U Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. U Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as account becoming forborne. Regardless of the change in credit grades, generally, U Bank considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, U Bank applies the similar principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Based on the above process, U Bank groups its loans into Stage 1, Stage 2, and Stage 3, as described below:

- Stage 1** When loans are first recognised, U Bank recognises an allowance based on 12 month ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. The 12 month ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. U Bank calculates the 12 month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12 month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original effective interest rate (EIR). This calculation is made for all the scenarios.
- Stage 2** When a loan has shown a significant increase in credit risk since origination, U Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- Stage 3** For loans considered credit-impaired, U Bank recognises the lifetime expected credit losses for these loans. U Bank uses a PD of 100% and LGD as computed for each portfolio or as prescribed by the SBP under the prudential regulations which ever is higher.

Calculation of ECLs

U Bank calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. PDs for Non rated

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portfolios are calculated based on Days Past Due (DPD) bucket level for each segment separately. PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward looking information.

LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless U Bank has the legal right to call it earlier.

The interest rate used to discount the ECLs is based on the effective interest rate that is expected to be charged over the expected period of exposure to the facilities. In the absence of computation of the effective interest rate (at reporting date), U Bank uses an approximation e.g. contractual rate (at reporting date) due to specific exemption received from SBP till 31st December 2025 regarding application of EIR.

When estimating the ECLs, U Bank considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

ECL is accounted for and changes in these ECLs at each reporting date is updated relating to the loss allowance to reflect changes in credit risk since initial recognition.

U Bank uses minimum seven years historical data for computation of LGD or since the inception of product, where product has been launched within seven year.

5.28 (a) Revenue recognition

Revenue is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Group satisfies the performance obligations by transferring a promised good or service to a customer. Goods or services are transferred when the customer obtains control of that assets.

The Group mainly generates 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 etc.

Services are offered separately and as bundled packages along with other services and/or devices.”

For bundled packages, the Group accounts for individual products and services separately if they are distinct i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate product and services (i.e. distinct performance obligations, “POs”) in a bundle based on their stand-alone selling prices.

The stand-alone selling prices are determined based on the observable price at which the Group sells the products and services on a standalone basis. For items that are not sold separately, the Group estimates standalone selling prices using other methods (i.e. adjusted market assessment approach, cost plus margin approach or residual approach).

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Nature and timing of satisfaction of Performance obligations are as follows:

Product and services	Nature and timing of satisfaction of Performance obligations
Voice, Broadband, IPTV	The Group recognizes revenue as and when these services are provided (i.e. actual usage by the customer).
Installation charges	Installation services provided for service fulfillment are not distinct performance obligation and the amount charged for installation service is recognized over the average customer life.
Corporate Services	Revenue is recognized over the period when these services are provided to the customers. Where hardware (e.g. routers) are provided as part of the contract, the Group recognizes these as distinct POs only if the customer can benefit from them either by selling for more than scrap value or using with services from other service providers.
Carrier and Wholesale (C&WS)	Revenue from C&WS services is recognized when the services are rendered.
Mobile telecommuni- communication services	Mobile telecommunication services include voice, data and messaging services. The Group recognizes revenue as and when these services are provided. These services are either prepaid or billed, in which case they are paid for on a monthly basis. Revenue for SIM activation and special numbers is recognized on the date of activation.
Equipment revenue	Group recognizes revenue when the control of the device is transferred to the customer. This usually occurs at the contract inception when the customer takes the possession of the device.
International Revenue	Revenue is recognized over the period when services are provided to the customers.

Principal versus agent presentation

When the Group sells goods or services as a principal, revenue and related cost is reported on a gross basis in revenue and operating costs. If the Group sells goods or services as an agent, revenue and related cost are recorded in revenue on a net basis, representing the margin earned.

Whether the Group is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Group and its business partners; such judgments impact the amount of reported revenue and operating expenses but do not impact reported assets, liabilities or cash flows.

Transaction price allocated to the remaining performance obligations

The Group applies the practical expedient in para 121 of IFRS - 15 and does not disclose information about the remaining performance obligations that have original expected duration of one year or less.

Constraining of transaction price under pre-paid customer contracts

The Group constrains the unused subscriber resources to the historic pattern of usage for calculation of the unsatisfied performance obligations as at the reporting date. The Group does not expect adjustment to the amount of revenue recognized based on such constraining of resources.

5.28 (b) Contract liabilities

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

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5.28 (c) Contract assets

The contract assets primarily relate to the Group's rights to consideration for postpaid services provided to subscribers but not billed at the reporting date. The contract assets are transferred to trade debts when the rights become unconditional.

5.28 (d) Contract costs

The Group capitalizes the incremental costs of obtaining and fulfilling a contract, if they are expected to be recovered. The capitalized cost is amortized over the average customer life and recognized as cost of sales. Applying the practical expedient of IFRS 15, the Group recognizes the incremental cost of obtaining and fulfilling a contract as expense when incurred if the amortization period of assets is less than one year.

5.28 (e) U Bank revenue recognition

(i) Mark up/ Return/ Interest earned on advances

Mark up income is recognised in profit and loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

When calculating the effective interest rate for financial assets other than purchased or originated credit impaired assets, U Bank estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The effective interest rate of a financial asset is calculated on initial recognition of a financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired). The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest.

(ii) Fee, commission and brokerage income

Fee, commission and brokerage income are recognized as services are performed.

(iii) Income from investments

Income on investments is recognized on accrual basis or the effective Interest rate method where applicable. Where debt securities are purchased at premium or discount, those premiums / discounts are made part of EIR of investments.

5.29 Income on bank deposits

Return on bank deposits is recognized using the effective interest method.

5.30 Income on inter bank deposits

Income from inter bank deposits in saving accounts are recognized in the consolidated statement of profit or loss using the effective interest method.

5.31 Income from investment

Mark-up / return on investments is recognized on time proportion basis using effective interest method. Where debt securities are purchased at premium or discount, the related premiums or discounts are amortized through the consolidated profit or loss statement over the remaining period of maturity of said investment. Gain or loss on sale of securities is accounted for in the period in which the sale occurs.

5.32 Dividend income

Dividend income is recognized when the right to receive payment is established.

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5.33 Taxation

The tax expense for the year comprises of current and deferred income tax, and is recognized in consolidated statement of profit or loss, except to the extent that it relates to items recognized directly in the consolidated statement of comprehensive income, in which case the related tax is also recognized in the consolidated statement of comprehensive income.

(a) Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the consolidated statement of financial position. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred

Deferred income tax is accounted for using the balance sheet liability method in respect of all temporary differences arising between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred income tax is calculated at the rates that are expected to apply to the year when the differences reverse, and the tax rates that have been enacted, or substantively enacted, at the date of the consolidated statement of financial position.

(c) Group taxation

The Group is taxed as a one fiscal unit along with Holding Company and its other wholly owned subsidiaries under section 59AA to the Income Tax Ordinance, 2001. Current and deferred income taxes are recognized by each entity within the Group in their respective statement of comprehensive income, regardless of who has the legal rights or obligation for the recovery or payment of tax from or to the tax authorities. However, tax liability / receivable is shown by the parent, on submission of annual tax return, who has the legal obligation to pay or right of recovery of tax from the taxation authorities. Balances between the group entities on account of group tax are shown as other receivables / liabilities by the respective group entities.

5.34 Subordinated debt

Deposits, borrowings and subordinated debt represents sources of funding of U Bank. Deposits, debt securities in issue and subordinated liabilities are initially measured at fair value minus incremental direct transaction costs. Subsequently, they are measured at their amortised cost using the effective interest method, except where U Bank designates liabilities at FVTPL

5.35 Loans to banking customers

Advances are stated net of ECL provisions determined in accordance with policies stated in note 5.27. However, for advances that has been classified in Stage 3, provision is determined based on higher of ECL provision determined in accordance with note 5.27 and provision as per Prudential Regulations for Microfinance Banks (the Prudential Regulations) issued by SBP as explained below. Advances are written off according to the Prudential Regulations or when there is no realistic prospect of recovery. These regulations prescribe a time based criteria for classification of non-performing advances into the following categories:

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Category	General loans	Housing loans	Microenterprise loans
Other Assets Especially Mentioned (OAEM)	Loan (principal / mark-up) is overdue for 30 or more but less than 60 days	Loan (principal / mark-up) is overdue for 90 or more but less than 180 days	Loan (principal / mark-up) is overdue for 90 or more but less than 180 days
Substandard	Loan (principal / mark-up) is overdue for 60 or more but less than 90 days	Loan (principal / mark-up) is overdue for 180 or more but less than one year	Loan (principal / mark-up) is overdue for 180 or more but less than one year
Doubtful	Loan (principal / mark-up) is overdue for 90 or more but less than 180 days	Loan (principal / mark-up) is overdue for one year or more but less than two years	Loan (principal / mark-up) is overdue for one year or more but less than 18 months
Loss	Loan (principal / mark-up) is overdue for 180 days or more	Loan (principal / mark-up) is overdue for two year or more	Loan (principal / mark-up) is overdue for 18 months or more

In accordance with the Prudential Regulations, U Bank maintains specific provision for potential loan losses for all non-performing advances. The provision is determined on the basis of outstanding principal net of collaterals (such as gold) realizable without recourse to a Court of Law.

Category	General loans	Housing loans	Microenterprise loans
Other Assets Especially Mentioned (OAEM)	Nil	Nil	10%
Substandard	25%	25%	25%
Doubtful	50%	50%	50%
Loss	100%	100%	100%

Specific and general provisions against loans and advances are made in accordance with the requirements of the Prudential Regulations issued by the SBP from time to time and management assumptions.

Non-performing advances are written off after the loan is classified as "Loss" as per the below criteria. However, U Bank continues its efforts for recovery of the written off balances.

Categories	Criteria for Charging Off NPLs
General loans	One month after being classified as "Loss."
Housing loans	One month after 05 years from the date of classification of loan.
Microenterprise Loans	Loan secured against Mortgaged residential, commercial and industrial properties (Land & building only) is charged off, one month after 05 years from the date of classification of loan. All other loan shall be charged off, one month after 03 years from the date of classification.

5.36 Operating segments

Operating segments are reported in a manner consistent with the internal reporting of the Group in note 51 to the consolidated financial statements.

5.37 Earnings Per Share

The Group presents basic earning per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

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6. Share capital

6.1 Authorized share capital

2024 (Number of shares '000)	2023		2024 Rs '000	2023 Rs '000
11,100,000	11,100,000	"A" class ordinary shares of Rs 10 each	111,000,000	111,000,000
3,900,000	3,900,000	"B" class ordinary shares of Rs 10 each	39,000,000	39,000,000
15,000,000	15,000,000		150,000,000	150,000,000

6.2 Issued, subscribed and paid up capital

2024 (Number of shares '000)	2023		2024 Rs '000	2023 Rs '000
3,774,000	3,774,000	"A" class ordinary shares of Rs 10 each issued as fully paid for consideration other than cash - note 6.3 and note 6.5.	37,740,000	37,740,000
1,326,000	1,326,000	"B" class ordinary shares of Rs 10 each issued as fully paid for consideration other than cash - note 6.3 and note 6.6.	13,260,000	13,260,000
5,100,000	5,100,000		51,000,000	51,000,000

6.3 These shares were initially issued to the Government of Pakistan, in consideration for the assets and liabilities transferred from Pakistan Telecommunication Corporation (PTC) to the Holding Company, under the Pakistan Telecommunication (Re-organization) Act, 1996, as referred to in note 1.1.

6.4 Except for voting rights, the "A" and "B" class ordinary shares rank pari passu in all respects. "A" class ordinary shares carry one vote and "B" class ordinary shares carry four votes, for the purposes of election of directors. "A" class ordinary shares cannot be converted into "B" class ordinary shares; however, "B" class ordinary shares may be converted into "A" class ordinary shares, at the option, exercisable in writing and submitted to the Holding Company, by the holders of three fourths of the "B" class ordinary shares. In the event of termination of the license issued to the Holding Company, under the provisions of Pakistan Telecommunication (Re-organization) Act, 1996, the "B" class ordinary shares shall be automatically converted into "A" class ordinary shares.

6.5 The Government of Pakistan, through an "Offer for Sale" document, dated July 30, 1994, issued to its domestic investors, a first tranche of vouchers exchangeable for "A" class ordinary shares of the Holding Company; subsequently, through an Information Memorandum dated September 16, 1994, a second tranche of vouchers was issued to international investors, also exchangeable, at the option of the voucher holders, for "A" class ordinary shares or Global Depository Receipts (GDRs) representing "A" class ordinary shares of the Holding Company. Out of 3,774,000 thousand "A" class ordinary shares, vouchers against 601,084 thousand "A" class ordinary shares were issued to the general public. Till December 31, 2024, 599,610 thousand (December 31, 2023: 599,610 thousand) "A" class ordinary shares had been exchanged for such vouchers.

6.6 In pursuance of the privatization of the Holding Company, a bid was held by the Government of Pakistan on June 08, 2005 for sale of "B" class ordinary shares of Rs 10 each, conferring management control. Emirates Telecommunication Corporation (Etisalat), UAE was the successful bidder. The 26% (1,326,000,000 shares) "B" class ordinary shares, along with management control, were transferred, with effect from April 12, 2006, to Etisalat International Pakistan (EIP), UAE, which is a subsidiary of Etisalat.

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7. Long term loans from banks

7.1 Borrowings from Banks

These represent secured loans from the following banks:

	Annual markup rate (3/6 months KIBOR plus)	Repayment commencement date		Repayment installments	Note	2024	2023
		Interest	Principal			Rs '000	Restated Rs '000
United Bank Limited	0.25%	May 2016	May 2020	Quarterly		-	166,667
Allied Bank Limited	0.25%	May 2016	May 2020	Quarterly		-	250,000
MCB Bank Limited	0.24%	Mar. 2018	Mar. 2020	Quarterly		-	833,333
MCB Bank Limited	0.25%	Apr. 2019	Apr. 2023	Quarterly		1,000,000	1,666,667
Bank Islami Pakistan Limited	0.50%	Mar. 2020	Mar. 2024	Quarterly		666,667	1,000,000
Askari Bank Limited	0.60%	Mar. 2020	Mar. 2024	Quarterly		1,333,333	2,000,000
MCB Bank Limited	0.50%	Sep. 2020	Sep. 2024	Quarterly		2,500,000	3,000,000
Meezan Bank Limited	0.50%	Sep. 2020	Sep. 2024	Quarterly		1,666,667	2,000,000
Meezan Bank Limited	0.50%	Mar. 2021	Mar. 2025	Quarterly		1,500,000	1,500,000
Faysal Bank Limited	0.50%	Mar. 2021	Mar. 2025	Quarterly		1,000,000	1,000,000
MCB Islamic Bank Limited	0.50%	Mar. 2021	Mar. 2025	Quarterly		500,000	500,000
Syndicate loan MCB	0.55%	Sep. 2021	Feb. 2026	Bi-Annual	7.1.1	20,926,703	20,897,445
Faysal Bank Limited	0.60%	Apr. 2021	Jul. 2025	Quarterly		4,000,000	4,000,000
Meezan Bank Loan	0.50%	Aug. 2022	Nov. 2026	Quarterly		4,000,000	4,000,000
Askari Bank	0.60%	Oct. 2022	Jan 2027	Quarterly		2,000,000	2,000,000
Bank Alfalah Limited	0.60%	Dec. 2022	Mar 2027	Quarterly		2,000,000	2,000,000
Bank Alfalah Limited	0.60%	Jun. 2023	Sep 2027	Quarterly		2,000,000	2,000,000
					7.1.2	45,093,370	48,814,112
	Annual markup rate (1/3/6/12 months KIBOR plus)						
State Bank of Pakistan	-1.00%	Jun. 2019	Jun. 2025	Bi-Annual	7.1.3	1,500,000	1,432,973
State bank of Pakistan	-1.00%	Jun. 2023	Jun. 2026	Bi-Annual	7.1.4	1,015,743	964,242
MCB Bank Limited	-2.00%	Mar. 2025	Apr. 2025	Quarterly	7.1.5	24,916,872	-
Askari Bank Limited	-1.50%	Feb. 2025	Feb. 2025	Quarterly	7.1.6	49,780,500	-
Allied Bank Limited	1.25%	May. 2022	May. 2023	Bi-Annual	7.1.7	750,000	1,500,000
Allied Bank Limited	0.95%	May. 2022	Dec. 2022	Bi-Annual	7.1.8	222,222	333,333
Bank Alfalah Limited	0.50%					-	8,096,168
Bank of Punjab	0.95%	Dec. 2021	Jun. 2022	Bi-Annual	7.1.9	85,714	257,143
JS Bank Limited	0.10%	Nov. 2023	Aug. 2025	Quarterly	7.1.10	2,000,000	2,000,000
Bank Alfalah Limited	1.50%	Jun. 2021	Dec. 2022	Bi-Annual		-	1,750,000
MCB Bank Limited	0.75%	Mar. 2022	Mar. 2023	Quarterly	7.1.11	166,667	313,550
Meezan Bank Limited	0.05%	Aug. 2023	Aug. 2023	Annual		-	2,989,834
National Bank of Pakistan	0.75%					-	1,000,000
National Bank of Pakistan	0.65%	May. 2023	May. 2024	Bi-Annual	7.1.12	1,125,000	1,500,000
PMRC	-1.00%	Dec. 2021	Mar. 2023	Quarterly		-	250,000
United Bank Limited	0.85%	Dec. 2021	Jun. 2022	Monthly		-	158,333
Bank of Punjab	0.00%	Dec. 2024	Mar. 2025	Quarterly	7.1.13	49,999,785	-
						131,562,503	22,545,576

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	Annual markup rate (3/6 months KIBOR plus)	Repayment commencement date		Repayment installments	Note	2024	2023
		Interest	Principal			Rs '000	Restated Rs '000
MCB Bank Ltd	0.30%	Sep. 2022	Dec. 2026	Bi-Annual	7.1.14	11,000,000	11,000,000
Habib Bank Ltd	0.40%	Mar. 2023	Jun. 2027	Bi-Annual	7.1.15	35,000,000	35,000,000
Bank Alfalah Ltd	0.40% & 0.60%	Jan. 2024 Jul. 2024	Jan. 2028 Jul. 2028	Quarterly	7.1.16	8,000,000	3,000,000
Faysal Bank Ltd	0.50%	Mar. 2024	Jun. 2027	Quarterly	7.1.17	7,000,000	-
Bank Islami Pakistan Ltd	0.55%	Mar. 2024	Mar. 2028	Quarterly	7.1.18	2,000,000	2,000,000
Accrued Interest						318,719	239,408
Less: Transaction cost						(219,640)	(218,694)
						63,099,079	51,020,714
Current portion of long term loans from banks						239,754,952 (134,887,702)	122,380,402 (25,294,133)
						104,867,250	97,086,269

- 7.1.1** PTML in 2021 entered into an arrangement with MCB Bank Limited for syndicated term finance facility of Rs. 21 billion. The facility is secured against hypothecation over fixed and current assest (excluding land, building and cellular licenses) and corporate guarantee of PTCL amounting to Rs. 21 billion.
- 7.1.2** All loans are secured by way of first charge ranking pari passu by way of hypothecation over all present and future movable equipment and other assets (excluding land, building and licenses) of PTML. Three months KIBOR stands at 12.14% at December 31, 2024 (December 31, 2023: 21.46%) and six months KIBOR stands at 12.16% at December 31, 2024 (December 31, 2023: 21.49%). These loans also require PTML to comply with the financial covenants and other operational requirements.
- 7.1.3** This represents a term finance facility amounting to Rs.1,500 million with State Bank of Pakistan. The loan is repayable in a single bullet after 5 years. Markup is chargeable at the rate of six month KIBOR with a negative spread of 1% (6-months KIBOR - 1%) per annum payable semi-annually by 15th day of subsequent month of half year.
- 7.1.4** U Bank entered into a term finance facility agreement amounting to Rs.1,039 million with State Bank of Pakistan. The loan is repayable in a single bullet after 3 years. Markup is chargeable at the rate of six month KIBOR with a negative spread of 1% (6-months KIBOR - 1%) per annum payable semi-annually by 15th day of subsequent month of half year.
- 7.1.5** U Bank entered into a Rs. 25,000 million credit facility agreement with MCB on October 21, 2024,. The agreement is set to expire on April 30, 2025. The principal is repayable as a bullet payment at maturity, and the markup is calculated quarterly at a rate of KIBOR minus 2%.

The facility is secured by a lien on government securities, with no margin for T-bills and a 10% margin for PIBs, along with the registration of a first exclusive charge with SECP (covering T-bills and PIBs under lien at a 10% margin).

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- 7.1.6** U Bank entered into a Rs. 50 billion credit facility agreement with Askari bank limited on November 01, 2024,. The tenor is upto 3 months from the date of disbursement. The principal is repayable as a bullet payment at maturity, and the markup is payable on maturity at the rate of 3 months KIBOR minus 1.5%.

The purpose of the facility is to finance working capital requirements / financing investments.

- 7.1.7** U Bank entered into a syndicated term finance facility agreement for an aggregate amount of Rs.3,000 million inclusive of Rs.1.5 million green shoe option with Allied Bank Limited. The first payment shall be due and payable at the end of eighteen months(18) from disbursement date and subsequently every six (06) months thereafter. Markup is chargeable at 6-months KIBOR plus 1.25% per annum payable semi annually in arrears.

This loan is secured against First Pari Passu charge over all present and future assets of U Bank with the margin of 25%.

- 7.1.8** U Bank entered into a loan agreement for house financing amounting to Rs 500 million with Allied Bank Limited. This loan is repayable in 9 equal semi-annual instalments of Rs. 55.55 million each inclusive of 6 months grace period. Markup is chargeable at the rate of 6-months KIBOR + 0.95% per annum. The loan was drawn on December 17, 2021.

This is secured against first pari-passu hypothecated charge on all present and future assets (excluding land and building) of U Bank inclusive of 25% margin.

- 7.1.9** U Bank entered into a term finance facility agreement amounting to Rs 600 million with Bank of Punjab. This loan is repayable in seven (07) equal semi-annual instalments with the first principal repayment falling due on twelfth (12th) month from the first disbursement date. Markup is chargeable at the rate of 6-months KIBOR + 0.95% per annum payable semi-annually in arrears. The purpose of the loan was to finance housing portfolio of the customer supporting the microfinance growth.

The loan was secured against first pari passu charge of Rs. 800 million inclusive of 25% margin on all present and future assets excluding land and building.

- 7.1.10** U Bank entered into a Term finance Agreement amounting to Rs 2,000 million with JS bank Limited to grow their advances portfolio. The principal amount is payable in full as a single bullet payment at the date of maturity. Markup was chargeable quarterly at the rate of 3-month KIBOR + 0.10%. The tenor of the loan is 2 years.

The loan is secured against U Bank's investment in JS Asset Management Units with 10% margin as well as ranking hypothecation charge over U Bank's current assets.

- 7.1.11** U Bank entered into a loan agreement for house financing amounting to Rs 500 million with MCB Bank Limited. This loan is repayable in twelve (12) quarterly instalments of Rs. 41.67 million starting from fifteenth (15th) month each inclusive of 1 year grace period. Markup is chargeable at the rate of 3-month KIBOR plus 0.75% per annum.

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This is secured against first pari passu charge amounting to Rs.667 million over all current and future assets (excluding land and building) of U Bank including but not limited to advances/microcredit receivables and investments (excluding CRR & SLR requirements , any lien over cash/ TDRs etc.). Disbursement will be allowed against ranking charge which will be upgraded to first pari passu charge within 120 days from date of AOF i.e. 03 Dec 2021.

7.1.12 U Bank entered into a term finance facility agreement amounting to Rs.1,500 million with National Bank of Pakistan. The loan term was five years inclusive of 1 year grace period. The loan is repayable in 8 equal semi annual installments from the eighteenth (18th) month from disbursement. Markup is chargeable at the rate of 6-months KIBOR plus 0.65% per annum.

The first markup payment shall fall due at the end of 6th month from first disbursement date. The facility is secured against First pari passu hypothecation charge over all present and future assets (excluding land and building) of U Bank including but not limited to advances, microcredit receivables, and investments beyond CRR and SLR requirements of U Bank with 25% margin.

7.1.13 This represents loan from bank of Punjab amounting to Rs.50 billion. The purpose of loan is to finance working capital requirements of the customer. Maximum tenor of the loan is upto 90 days. Principle is repayable in a single bullet upon maturity. Markup is chargeable at the rate of 3 month KIBOR plus/minus spread to be finalised at the time of facility drawdown. The loan is 100% secured against T-Bills/ PIBs parked in IPS account maintained with Bank of Punjab under lien and set off in favour of BOP.

7.1.14 The Holding Company entered into a syndicate term finance agreement dated 16 June 2022 to avail long term finance facility to the extent of Rs. 11,000,000 thousand for the purpose of equity injection into its wholly owned subsidiary Pak Telecom Mobile Limited. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the MCB Bank Limited - Security Agent, which shall constitute a first charge in favour of MCB Bank Limited - Security Agent (for the benefit of the Syndicate). The loan is repayable in 6 bi-annual instalments commencing from 15 December 2026.

7.1.15 The Holding Company entered into a syndicate term finance agreement dated 29 December 2022 to avail long term finance facility to the extent of Rs. 35,000,000 thousand for the purpose of equity injection into its wholly owned subsidiary Pak Telecom Mobile Limited. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the HBL Bank Limited - Security Agent, which shall constitute a first charge in favour of HBL Bank Limited - Security Agent (for the benefit of the Syndicate). The loan is repayable in 6 bi-annual instalments commencing from 30 June 2027.

7.1.16 During the year, the Holding Company has entered into a finance agreement dated 05 April 2024 to avail long term finance facility to the extent of Rs. 5,000,000 thousand for the purpose of equity/subordinated loan to its wholly owned subsidiary PTML. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the Bank Alfalah Limited - Security Agent, which shall constitute a first charge in favour of Bank Alfalah Limited - Security Agent. The loan is repayable in quarterly instalments commencing from 18 July 2028.

In 2023, the Holding Company has entered into a finance agreement dated 24 October 2023 to avail long term finance facility to the extent of Rs. 3,000,000 thousand for the purpose of equity injection into its wholly owned subsidiary PTML. The finance facility is secured by creating a charge by way of hypothecation over the Hypothecated Assets in favour of the Bank Alfalah Limited - Security Agent, which shall constitute a first charge in favour of Bank Alfalah Limited - Security Agent. The loan is repayable in quarterly instalments commencing from 25 January 2028.

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7.1.17 The Holding Company entered into a new finance agreement dated 29 August 2024 to avail long term finance facility to the extent of Rs. 7,000,000 thousand for the purpose of subordinated loan, equity injection in PTML and to meet the capex requirements of the Holding Company. The finance facility is secured by way of first pari passu charge on all assets (excluding land, building, licenses & international revenue receipts/receivables). The loan is repayable in seven years (with four year grace period), with installments on quarterly basis commencing from 01 October 2028.

7.1.18 The Holding Company has obtained finance facility under musharakah contract with Bank Islami Pakistan Limited dated 28 December 2023 to avail the finance facility to the extent of Rs.2,000,000 thousand for the purchase of line & wire equipment. The effective rate of profit is 22% with a share of 96.08% (BankIslami) and 3.92% (PTCL). The contract is secured by creating a charge by way of hypothecation over hypothecated assets in favour of the BankIslami Pakistan Limited. The musharaka contract involve 12 quarterly payments and shall be wound up in the manner agreed. The musharaka agreement ends on 28 December 2030.

8. Subordinated debt

This represents the fully paid up, rated, privately placed / DSLR listed, unsecured, subordinated, perpetual and non cumulative debt instrument in the nature of Additional TIER 1 Capital Term Finance Certificates of Rs. 1,000 million (inclusive of Green shoe option of Rs. 250 million) (The "TFC") as instrument of redeemable capital under section 66 (1) of Companies Act, 2017 carrying markup at the rate of 6 months KIBOR plus 3.5% payable semi-annually on a non-cumulative basis on the outstanding issue amount. U Bank has full discretion over the amount and timing of profit distribution and waiver of any profit distribution or other payment does not constitute an event of default. U Bank may call the TFCs at par (either partially or in full) with prior approval of State Bank of Pakistan (SBP), on any profit payment date after 5 years from the issue date. The instrument is subordinated as to payment of principal and profit to all other claims except common shares. These term finance certificates are convertible into fixed number of ordinary shares of U Bank upon CET 1 trigger event, the point of non viability (PONV) trigger event of failure by U Bank to comply with the lock in clause.

			2024	2023
	Conventional	Islamic	Rs '000	Restated Rs '000
9. Deposits from banking customers				
Fixed deposits	62,116,323	2,369,009	64,485,332	50,618,743
Saving deposits	52,804,033	4,730,388	57,534,421	43,595,700
Current deposits	13,040,159	1,552,271	14,592,430	9,848,101
	9.1	127,960,515	8,651,668	136,612,183
Current portion			(96,741,897)	(65,519,233)
			39,870,286	38,543,311

9.1 Deposits include related parties balances amounting to Rs 8,782,201 thousand (2023: Rs 9,434,760 thousand).

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	2024 Rs '000	2023 Restated Rs '000
10. Lease liabilities		
Lease commitments		
Balance at the beginning of year	17,066,360	18,470,840
Additions during the year	7,919,620	4,826,952
Modifications during the year	171,564	4,802
Terminations during the year	(811,401)	(21,322)
Interest expense	3,087,046	2,074,533
Lease rental paid	(10,544,782)	(8,289,445)
Balance at the end of the year	16,888,407	17,066,360
Current portion shown under current liabilities	(4,458,672)	(4,221,954)
Due after 12 months	12,429,735	12,844,406
- Not later than one year	6,511,550	5,344,936
- Later than one year and not later than five years	12,812,163	13,560,302
- Later than five years	2,481,040	2,404,660
Total undiscounted lease commitments	21,804,753	21,309,898
Future finance cost	4,916,346	4,243,538
	16,888,407	17,066,360

	Note	2024 Rs '000	2023 Rs '000
11. Employees retirement benefits			
Liabilities for pension obligations			
PTCL (Unfunded)	11.1	15,278,509	12,283,715
		15,278,509	12,283,715
Gratuity funded - PTCL, PTML and U Bank	11.1	193,209	377,301
Accumulated compensated absences - PTCL (Unfunded)	11.1	2,143,511	2,052,020
Post retirement medical facility - PTCL (Unfunded)	11.1	21,049,516	15,634,286
Benevolent grants - PTCL (Unfunded)	11.1	4,181,338	4,307,194
		42,846,083	34,654,516

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11.1 The latest actuarial valuations of the Group's defined benefit plans, were conducted at December 31, 2024 using the projected unit credit method. Details of obligations for defined benefit plans are as follows:

	Pension				Gratuity		Accumulated compensated absences		Post-retirement medical facility		Benevolent grants		Total	
	Funded		Unfunded		Funded		Unfunded		Unfunded		Unfunded			
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
a) The amounts recognized in the consolidated statement of financial position:														
Present value of defined benefit obligations	159,483,002	142,863,607	15,278,509	12,283,715	5,144,676	4,228,643	2,143,511	2,052,020	21,049,516	15,634,286	4,181,338	4,307,194	207,280,552	181,369,465
Fair value of plan assets - note 11.3	(162,434,441)	(149,115,429)	-	-	(4,951,467)	(3,851,342)	-	-	-	-	-	-	(167,385,908)	(152,966,771)
(Asset) / Liability at end of the year - note 11.2	(2,951,439)	(6,251,822)	15,278,509	12,283,715	193,209	377,301	2,143,511	2,052,020	21,049,516	15,634,286	4,181,338	4,307,194	39,894,644	28,402,694
b) Changes in the present value of defined benefit obligations:														
Balance at beginning of the year	142,863,607	131,936,258	12,283,715	9,862,468	4,228,643	3,315,379	2,052,020	1,954,579	15,634,286	13,238,012	4,307,194	4,153,071	181,369,465	164,459,167
Current service cost	967,204	990,436	528,053	463,529	646,424	550,229	111,341	102,774	122,087	109,684	42,082	40,623	2,417,191	2,257,275
Interest expense	19,878,826	15,533,490	1,765,293	1,198,102	593,181	388,794	288,484	232,334	2,147,136	1,542,860	605,097	490,960	25,278,017	19,386,540
Actuarial gain on accumulated compensated absences	-	-	-	-	-	-	(183,375)	(121,710)	-	-	-	-	(183,375)	(121,710)
Remeasurements:														
Gain due to experience adjustments	7,309,995	4,667,944	920,005	923,709	(72,668)	300,339	-	-	4,798,906	2,030,205	(504,817)	(86,991)	12,451,321	7,835,206
Benefits paid	(11,536,530)	(10,264,521)	(218,557)	(164,093)	(250,904)	(326,098)	(124,959)	(115,957)	(1,652,899)	(1,286,475)	(268,218)	(290,469)	(14,052,067)	(12,447,313)
Balance at end of the year	159,483,002	142,863,607	15,278,509	12,283,715	5,144,676	4,228,643	2,143,511	2,052,020	21,049,516	15,634,286	4,181,338	4,307,194	207,280,552	181,369,465

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	Pension				Gratuity				Accumulated compensated absences				Post-retirement medical facility				Benevolent grants				Total			
	Funded		Unfunded		Funded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded		Unfunded	
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
c) Charge for the year																								
Profit or loss:																								
Current service cost	967,204	990,436	528,053	463,529	646,424	550,229			111,341	102,774	122,087	109,684			42,082	40,623					2,417,191	2,257,275		
Net interest expense	(906,513)	(390,453)	1,745,293	1,199,102	12,154	(13,826)			288,484	232,334	2,147,136	1,542,860			605,097	490,960					3,911,651	3,059,777		
Actuarial gain on accumulated compensated absences	-	-	-	-	-	-			(183,375)	(121,710)	-	-			-	-					(183,375)	(121,710)		
Contribution from deputationists / employees	(13,801)	(5,589)	-	-	-	-			-	-	-	-			(15,620)	(16,903)					(29,421)	(22,492)		
Other comprehensive income																								
Remeasurements:																								
Gain on remeasurement of assets	(3,079,767)	(7,371,461)	-	-	(190,623)	(170,115)			-	-	-	-			-	-					(3,270,390)	(7,541,576)		
Gain due to change in financial assumptions	(42,134)	59,793	(18,058)	26,233	22,135	2,777			-	-	(3,820,651)	3,727			(3,073)	3,334					(3,861,781)	95,864		
Loss due to experience adjustments	7,352,029	4,608,151	938,063	897,476	(94,803)	297,563			-	-	8,619,557	2,026,478			(501,744)	(90,325)					16,313,102	7,739,343		
	4,230,128	(2,703,517)	920,005	923,709	(263,291)	130,225			-	-	4,798,906	2,030,205			(504,817)	(86,991)					9,180,931	293,631		
	4,277,018	(2,109,323)	3,213,351	2,585,340	395,287	666,628			216,450	213,398	7,068,129	3,682,749			126,742	427,689					15,296,977	5,466,481		
d) Significant actuarial assumptions at the date of consolidated statement of financial position:																								
Discount rate	11.75%	14.50%	11.75%	14.50%	11.75%	14.50%			11.75%	14.50%	11.75%	14.50%			11.75%	14.50%					11.75%	14.50%		
Future salary / medical cost increase	9.75%	12.50%	9.75%	12.50%	10.75%	13.50%			10.75%	13.50%	10.75%	13.50%			10.75%	13.50%					10.75%	13.50%		
Future pension increase	8.00%	10.75%	8.00%	10.75%	-	-			-	-	-	-			-	-					-	-		
Rate of increase in benevolent grants	-	-	-	-	-	-			-	-	-	-			3.75%	6.50%					3.75%	6.50%		
Average duration of obligation	20 years	20 years	26 years	26 years	6 years	6 years			6 to 9 years	6 to 9 years	21 years	21 years			16 years	16 years					16 years	16 years		
Expected mortality rate	SLIC 2001-2005	SLIC 2001-2005	SLIC 2001-2005	SLIC 2001-2005	SLIC 2001-2005	SLIC 2001-2005			SLIC 2001-2005	SLIC 2001-2005	SLIC 2001-2005	SLIC 2001-2005			SLIC 2001-2005	SLIC 2001-2005					SLIC 2001-2005	SLIC 2001-2005		
Expected withdrawal rate	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience	Based on experience			Based on experience	Based on experience	Based on experience	Based on experience			Based on experience	Based on experience					Based on experience	Based on experience		

11.2 As more fully explained in note 18.7, the Holding Company's obligation for funded pension is restricted to the extent of pension increases and benefits as determined by the Board of Trustees of the Pakistan Telecommunication Employees Trust (PTET).

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11.3 Changes in the fair value of plan assets:

	Defined benefit pension plan - funded		Defined benefit gratuity plan - funded		Total plan assets	
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
Balance at beginning of the year	149,115,429	135,125,260	3,851,342	3,209,576	152,966,771	138,334,836
Expected return on plan assets	20,785,339	15,924,142	581,479	402,620	21,366,818	16,326,762
Payments made to members on behalf of fund	-	-	173,581	152,305	173,581	152,305
Gain on remeasurement of assets	3,079,767	7,371,461	190,623	170,115	3,270,390	7,541,576
Contributions made by the Group during the year	990,436	959,087	377,303	194,741	1,367,739	1,153,828
Benefits paid	(11,536,530)	(10,264,521)	(222,861)	(278,015)	(11,759,391)	(10,542,536)
Balance at end of the year	162,434,441	149,115,429	4,951,467	3,851,342	167,385,908	152,966,771

11.4 Plan assets for funded defined benefit pension plan are comprised as follows:

	2024		2023	
	Rs '000	Percentage	Rs '000	Percentage
Debt instruments - unquoted				
- Defence saving certificates	34,729,689	21.39	30,869,129	20.71
- Pakistan investment bonds	36,144,413	22.25	28,335,193	19.00
	70,874,102	43.64	59,204,322	39.71
Cash and cash equivalents				
- Term deposits	24,600,000	15.15	24,692,000	16.57
- Sukuks	3,741,428	2.30	3,164,617	2.12
- Pakistan investment bond	1,866,330	1.15	816,314	0.55
- Term finance certificates	44,775	0.03	44,775	0.00
- Treasury bills	33,771,089	20.79	30,223,089	20.27
- Cash and bank balances	2,430	0.00	5,109	0.00
	64,026,052	39.42	58,945,904	39.51
Investment property				
- Telecom tower	11,807,573	7.26	11,795,667	7.92
- Telehouse	3,333,976	2.05	3,333,000	2.24
- Corporate offices	2,317,067	1.43	2,309,996	1.55
	17,458,616	10.74	17,438,663	11.71
Fixed assets	11,463	0.01	9,063	0.01
Other assets	11,789,622	7.26	15,050,684	10.09
	164,159,855	101.07	150,648,636	101.03
Liabilities				
- Staff retirement benefits	(166,051)	(0.10)	(126,866)	(0.09)
- Amount due to PTCL	(25,634)	(0.02)	(1,326)	-
- Accrued & other liabilities	(328,046)	(0.20)	(295,842)	(0.20)
- Provision for zakat	(1,205,683)	(0.75)	(1,109,173)	(0.74)
	(1,725,414)	(1.07)	(1,533,207)	(1.03)
	162,434,441	100.00	149,115,429	100.00

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11.5 Plan assets for defined gratuity fund are comprised as follows:

	2024		2023	
	Rs '000	Percentage	Rs '000	Percentage
Units of mutual funds	162,659	3.29	136,188	3.53
Term deposit receipts	2,000,000	40.39	1,950,000	52.80
Term finance certificates	450,000	9.09	450,000	11.68
Other assets	103,745	2.10	109,836	2.94
Bank balances	2,235,063	45.13	1,205,318	29.05
	4,951,467	100.00	3,851,342	100.00

11.6 The expected contributions in the next financial year to the funded gratuity plan by the Group is Rs 541,884 thousand.

11.7 Sensitivity analysis

The calculations of the defined benefit obligations are sensitive to the significant actuarial assumptions set out in note 11.1 (d). The table below summarizes how the defined benefit obligations at the end of the reporting period would have increased / (decreased) as a result of change in the respective assumptions.

	Impact on defined benefit obligation	
	1% increase in assumption	1% decrease in assumption
	Rs '000	Rs '000
Future salary / medical cost		
Pension - funded	10,092,295	(9,526,570)
Pension - unfunded	1,626,471	(1,473,199)
Gratuity - funded	800,548	(711,841)
Accumulated compensated absences - unfunded	181,027	(166,992)
Post-retirement medical facility - unfunded	3,673,647	(3,131,948)
Discount rate		
Pension - funded	(23,715,908)	27,521,063
Pension - unfunded	(2,400,767)	2,815,675
Gratuity - funded	(713,296)	793,252
Accumulated compensated absences - unfunded	(166,796)	177,148
Post-retirement medical facility - unfunded	(3,130,167)	3,632,394
Benevolent grants - unfunded	(621,786)	721,549
Future pension		
Pension - funded	27,833,623	(23,729,400)
Pension - unfunded	2,845,917	(2,402,047)
Benevolent grants		
Benevolent grants - unfunded	729,744	(622,139)
	Increase by 1 year	Decrease by 1 year
	Rs '000	Rs '000
Expected mortality rates		
Pension - funded	(6,497,243)	6,473,611
Pension - unfunded	(911,220)	939,737
Gratuity - funded	(38,782)	33,183
Accumulated compensated absences - unfunded	(25,021)	21,408
Post-retirement medical facility - unfunded	(1,057,465)	1,073,465
Benevolent grants - unfunded	(249,378)	257,182

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The above sensitivity analysis is based on changes in assumptions while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligations to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the pension liability recognized within the consolidated statement of financial position.

- 11.8** Through its defined benefit pension plans, the Group is exposed to a number of actuarial and investment risks, the most significant of which include, interest rate risk, property market risk, longevity risk for pension plan and salary increase risk for all the plans.

	Note	2024 Rs '000	2023 Restated Rs '000
12. Deferred government grants			
Balance at beginning of the year		31,563,512	29,183,173
Received during the year		8,137,042	4,952,587
		39,700,554	34,135,760
Income recognized during the year	39	(4,447,562)	(2,572,248)
Balance at end of the year		35,252,992	31,563,512

This includes grants received from the Universal Service Fund, as assistance towards the development of telecommunication infrastructure in rural areas, comprising telecom infrastructure projects for basic telecom access, transmission and broadband services spread across the country.

Further, this also includes grant recognized on below market interest rate loan of Rs 1,000 million from State Bank of Pakistan (SBP) to meet the business funding requirements / financing investments of U Bank. The differential between the market rate and the actual rate of the loan is recognized as deferred grant.

	Note	2024 Rs '000	2023 Rs '000
13. License Fee Payable			
Interest bearing	13.1	9,972,090	10,090,613
Non interest bearing	13.2	1,156,165	1,300,875
		11,128,255	11,391,488
Current portion		(2,328,854)	(125,862)
		8,799,401	11,265,626
13.1 Interest bearing			
Gross amount payable	13.3	9,972,090	10,090,613
Current portion		(2,200,545)	-
		7,771,545	10,090,613
13.2 Non Interest bearing			
Gross amount payable	13.4	1,416,198	1,637,747
Imputed deferred interest		(260,033)	(336,872)
Present value of obligation		1,156,165	1,300,875
Current portion		(128,309)	(125,862)
		1,027,856	1,175,013

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- 13.3** In September 2021, PTML acquired 4G license throughout Pakistan excluding Azad Jammu & Kashmir (AJK) and Gilgit-Baltistan (GB) at a fee of USD 279 million. 50% of the license fee had been paid at the time of acquisition of license and remaining is being paid as per the agreed terms.
- 13.4** (i) In June 2021, PTML acquired 2G license for operations in AJK and GB at a fee of USD 13.5 million. 50% of the license fee had been paid at the time of acquisition of license and the remaining 50% of the amount is to be paid in 10 equal annual installments on June 24th each year in US Dollars or equivalent Pak Rupees. Accordingly, at initial recognition, the aggregate amount payable is discounted to the present value of future cash flows at the rate of 6% per annum.
- (ii) In Oct 2021, PTML acquired 4G license for operations in AJK and GB at a fee of USD 1.026 million. 50% of the license fee had been paid at the time of acquisition of license and the remaining 50% of the amount is to be paid in 10 equal annual installments on October 11th each year in US Dollars or equivalent Pak Rupees. Accordingly, at initial recognition, the aggregate amount payable is discounted to the present value of future cash flows at the rate of 6% per annum.

14. Long term vendor liability

This represents amount payable to a vendor in respect of procurement of network and allied assets which comprises:

	Note	2024 Rs '000	2023 Restated Rs '000
Obligation under acceptance of bills of exchange			
Interest bearing	14.1	23,875,788	20,194,532
Non interest bearing	14.2	39,406,915	41,258,507
		63,282,703	61,453,039
Other accrued liabilities		3,099,378	6,163,205
		66,382,081	67,616,244
Current portion		(35,565,847)	(17,403,361)
		30,816,234	50,212,883

- 14.1** These liabilities carries interest in the range of 12.14% to 21.99% per annum (December 31, 2023: 17.05% to 24.71% per annum).

- 14.2** At initial recognition, the amount payable is discounted to the present value of future cash flows at the rate ranging from 3.9% to 4.8% (December 31, 2023: 2.7% to 5.5%) per annum.

	Note	2024 Rs '000	2023 Restated Rs '000
15. Trade and other payables			
Trade creditors		24,062,927	22,168,379
Accrued and other liabilities	15.1	60,108,504	54,412,420
Technical services assistance fee	15.2	48,230,684	41,410,987
Advances from customers / contract liability		13,982,012	11,488,116
Retention money / payable to contractors and suppliers		7,582,467	8,593,518
Income tax collected from subscribers / deducted at source		1,048,418	641,585
Sales tax payable		3,585,788	1,415,301
	15.3	158,600,800	140,130,306

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	Note	2024 Rs '000	2023 Rs '000
15.1 Accrued and other liabilities comprise:			
Accrued liability for operational expenses		21,084,640	18,550,881
Amount withheld on account of provincial levies (sub judice) for ICH operations	15.1.1	12,110,803	12,110,803
Accrual for Government / regulatory expenses		18,172,960	15,455,046
Accrued wages		4,163,239	4,403,373
Others		4,576,862	3,892,317
		60,108,504	54,412,420

15.1.1 This represents International Clearing House "ICH" revenue which were shared between the Holding Company and other Long Distance and International "LDI" operators in the ratio of 50:50. Therefore, out of this, 50% of the amount represents revenue not recognized by the Holding Company. As the ICH operator, the Holding Company challenged the imposition of sales tax on ICH revenue and the matter is sub-judice in different courts of law; therefore, the relevant share of the ICH partners is being held by the Holding Company till the finalization of the subject cases.

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

	2024 Rs '000	2023 Rs '000
15.3 Trade and other payables include payable to the following related parties:		
Emirates Telecommunication Corporation	4,431,239	3,712,085
Etisalat's subsidiaries and associates	224,790	37,005
Etisalat - Afghanistan	53,718	59,434
Etihad Etisalat (Mobily)	3,941	19,475
Emirates data clearing house	89,179	46,851
Telecom Foundation	13,654	13,276
TF Pipes Limited	4,630	4,630
GoP related entities	2,293,643	2,070,961
PTCL Employees GPF Trust	89,535	56,563
Retention money / payable to contractors and suppliers TF Pipes Limited	2,940	2,940

These balances relate to the normal course of business and are interest free.

16. Short term running finance

	Note	2024 Rs '000	2023 Rs '000
PTML	16.1	4,061,904	7,019,721
U Bank	16.2	500,000	16,903,832
PTCL	16.3	47,116,732	24,214,700
		51,678,636	48,138,253

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16.1 Under mark-up arrangements with banks, total facilities available amounts to Rs. 8,080 million (December 31, 2023: Rs 5,980 million), out of which amount availed at the year end was Rs. 3,543 million (December 31, 2023: Rs. 4,567 million). The current balance of Rs. 4,062 million represents book overdrawn as at December 31, 2024 (December 31, 2023: Rs. 7,020 million). These facilities secured by first ranking pari passu charge by way of hypothecation over all present and future assets of PTML, excluding land, building and licenses. These facilities carry markup rates ranging from 1-month KIBOR to 3-month KIBOR plus weighted average spread of 0.18% (December 31, 2023: 1-month KIBOR to 3-month KIBOR plus weighted average spread of 0.23%) per annum.

16.2 This facility is obtained from MCB Bank Limited with an aggregate limit of Rs. 500,000 thousand and are secured against first pari passu charge on all the current and future book debts, advances and receivables of U Bank. These facilities carry markup rate of 1-month KIBOR plus weighted average rate of 0.5% per annum.

16.3 These facilities are obtained from various commercial banks with an aggregate limit of Rs. 31,550,000 thousand (December 31, 2023: 17,500,000 thousand) and are secured against 1st pari passu charge on present and future current assets and all other movable assets of the Holding Company. These facilities carry markup rates ranging from 1-month KIBOR to 6-month KIBOR plus weighted average rate of 0.17% (December 31, 2023: 1-month KIBOR to 3-month KIBOR plus weighted average rate of 0.20%) per annum.

The also include shariah compliant, rated, unlisted, unsecured, privately placed short term sukuk amounting to Rs. 20,000,000 thousand (December 31, 2023: 5,000,000 thousand) issued to meet the working capital requirements with a tenor of 6 months from the issue date at 6-months (December 31, 2023: 6 months from the issue date at 6-months) carrying mark-up rates of 3-month KIBOR to 6-month KIBOR plus weighted average rate of 0.13% (December 31, 2023: 6-month KIBOR plus weighted average rate of 0.20%) 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.

	Note	2024 Rs '000	2023 Rs '000
17. Security deposits			
Utilizable in business	17.1	792,069	614,544
Others	17.2	861,984	825,227
		1,654,053	1,439,771

17.1 These represent utilizable interest free security deposits received from distributors, franchisees and customers for services to be provided and are refundable / adjustable on termination of their relationship with the Group. The amount is being fully utilized for the purpose of Group's business.

17.2 These security deposits are received from customers for services to be provided and are refundable / adjustable on termination of their relationship with the Group. These are non interest bearing. Amount of these security deposits has been kept in a separate bank account.

18. Contingencies and commitments

Contingencies

PTCL

Indirect Taxes

18.1 Against the decision of Appellate Tribunal Inland Revenue (ATIR) upholding tax authorities' decision to impose Federal Excise Duty (FED) amounting to Rs 365,098 thousand on Technical Services Assistance fee assuming that the fee is against franchise arrangement for the period from July 2008-09 & 2010-11, PTCL has filed reference in the Honorable Islamabad High Court. Accordingly, the stay order was granted by the Honorable Islamabad High Court. Similarly, against an order of the Punjab Revenue Authority (PRA) for

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the services sales tax, a demand of Rs 461,629 thousand on Technical Services Assistance fee was raised assuming that the fee is against franchise arrangement for the period from October 2012 to December 2014. The appeal is sub judice before the Commissioner Appeals - PRA, and the stay order from the Honorable Lahore High Court is also in place against any coercive measures.

- 18.2** Based on an audit of certain monthly returns of FED, a demand of Rs 1,289,957 thousand was raised on the premise that PTCL did not apportion the input tax between allowable and exempt supplies. PTCL is in appeal before ATIR, which is pending adjudication. Meanwhile, the Honorable Islamabad High Court has granted a stay order in this regard against any coercive measures.
- 18.3** Matters of international incoming has been raised by Sindh Revenue Board (SRB) and Khyber Pakhtunkhwa Revenue Authority (KPRA) with demands of Rs. 4,417,000 thousand and Rs. 2,374,000 thousand. For KPRA, Writ Petition has been filed before Peshawar High Court who has granted stay against the show cause notice. With reference to SRB, case has been decided against PTCL by Commissioner Appeals, against whom appeal has been filed before Tribunal. Tribunal SRB has granted stay in the case.
- 18.4** The Sindh Revenue Board (SRB) has assessed Sindh sales tax on services amounting to Rs 702 million on the premise that PTCL did not pay sales tax on invoices issued for services rendered to Cellular Mobile Operators (CMOs). Department view was not supported by the record and PTCL has submitted detailed evidence to refute the same before the learned Commissioner Appeals, SRB and stay has been granted. Management and tax advisors believe that this case would be settled in favor of PTCL owing to the evidence on record.

Income Tax

- 18.5** For the tax years 2007, 2009, 2010, 2011 to 2023, 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 64,851,469 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.
- 18.6** For the Tax Year 2020, Taxation officer objected to the quarterly advance tax calculation submitted by PTCL based on group taxation and raised demand amounting to Rs. 2,855,907 thousand despite that PTCL had filed option for group taxation within prescribed time. The Islamabad High Court has decided the case in favor of PTCL.

Others

- 18.7** In 2010, Pakistan Telecommunication Employees Trust ("PTET") board approved the pension increase which was less than the increase notified by the Government of Pakistan ("GoP"). Thereafter, pensioners filed several Writ Petitions. After a series of hearings, on June 12, 2015, the Apex Court decided the case in the interest of pensioners. On July 13, 2015, Review Petition was filed in Supreme Court of Pakistan against the Judgment of June 12, 2015.

The Honourable Supreme Court of Pakistan (Apex Court) disposed the Review Petitions filed by PTCL, the Pakistan Telecommunication Employees Trust (PTET) and the Federal Government (collectively, the Review Petitioners) vide the order dated May 17, 2017. Through the said order, the Apex Court directed the Review Petitioners to seek remedy under section 12(2) CPC (Civil Procedure Code) which shall be decided by the concerned Court in accordance with the law, and to pursue all grounds of law and fact in other cases pending before High Courts. The Review Petitioners filed the applications under section 12(2) CPC before respective High Courts, however the same were dismissed by the Islamabad High Court vide Judgment dated January 22, 2018, as being not maintainable. The said order of the Islamabad High Court was challenged by PTCL and PTET before the Supreme Court which was pleased to recently dispose of the Appeals vide its order dated April 29, 2024 and remanded back the 12(2) applications to the High Court(s) for recalling the earlier order in respect of those Petitioners who opted for VSS. The fresh 12(2) applications were filed before the Honourable Islamabad and Peshawar High court(s) and the cases have been admitted for hearing vide order dated June 24, 2024 and July 11, 2024, respectively. Both the high

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courts have issued notices to the VSS optees seeking pension. The applications before the Islamabad High Court are fixed for hearing on April 17, 2025 and on April 08, 2025 before the Peshawar High Court.

PTET has implemented the Apex court decision dated June 12, 2015 to the extent of 342 pensioners who were the petitioners in the main case. Some of the interveners (pensioners) seeking the same relief as allowed vide order dated June 12, 2015, have been directed by the Apex Court to approach the appropriate forum on May 10, 2018. Islamabad High Court on November 02, 2021, has decided that the GOP increases are not allowed to VSS optees, PTC pensioners and to the workmen. To the extent of Civil Servants, the Islamabad High Court allowed the GOP increase. However, to the same extent appeal has been filed before Apex court within the limitation. The pension cases before the Supreme Court were fixed on February 11, 2025 and the Court directed the pensioners, PTCL and PTET to submit their written submissions/arguments. The court has reserved the judgment, however, the matter may be fixed for hearing if the Court requires any further clarification after thorough review of the submissions. Under the circumstances, management of PTCL, on the basis of legal advice, believes that PTCL's obligations against benefits is restricted to the extent of pension increases as determined solely by the Board of Trustees of the PTET in accordance with the Pakistan Telecommunication (Re-Organization) Act, 1996 and the Pension Trust Rules of 2012 and accordingly, no provision has been recognized in these consolidated financial statements.

Due to complexity of the matter and varying decisions from courts in this regard, it is not practical to estimate reliably the financial impact, in case of unfavorable outcome of this matter, before its conclusion.

18.8 PTCL implemented policy directives of Ministry of Information Technology conveyed by the Pakistan Telecommunication Authority regarding termination of all international incoming calls into Pakistan. On suspension of these directives by the Honorable Lahore High Court, the Honorable Supreme Court of Pakistan dismissed the pertinent writ petitions by directing Competition Commission of Pakistan (CCP) to decide the case. The Honorable Sindh High Court suspended the adverse decision of CCP. The case was fixed on September 12, 2024. Sindh High Court has disposed of the case, directing the Competition Commission Appellate Tribunal (CCAT) to decide the pending matter. The court has also granted a stay against any adverse action by the CCP until the appeals are finally decided by the CCAT. The Matter is pending before the Competition Appellate Tribunal.

18.9 A total of 1452 cases (December 31, 2023: 1,348 cases) against PTCL involving Regulatory, Telecom Operators, Employees and Subscribers. Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and Legal advisors of PTCL are of the view that the outcome of these cases is expected to be favorable and liability, if any, arising out on the settlement is not likely to be material.

PTML

Indirect Taxes

18.10 The Federal Board of Revenue (FBR) has raised multiple tax demands, by assessing Federal Excise Duty (FED) on PTML's payments of technical services fee to Etisalat as fee for "Franchise Services", for multiple periods - from July 2006 till December 2021. PTML is contesting such assessments and demands before Commissioner Inland Revenue (Appeals) [CIR-A], Appellate Tribunal Inland Revenue (ATIR) and the Islamabad High Court (IHC). Management contends that payments of technical services fee are outside the ambit of the Federal Excise Act, 2005; and also lack the "franchiser-franchisee" arrangement, essential for the payments to be considered franchise services fee. Against the demands created by FBR, PTML has paid Rs 521.76 million in prior years under protest, being carried as receivable from taxation authorities as reflected in note 31.4 to these consolidated financial statements. Overall exposure on this issue is Rs. 3,282 million (December 31, 2023: Rs. 2,957 million).

Income Tax

18.11 The taxation authorities (FBR) had raised demands aggregating to Rs 1,830 million for tax years 2008 to 2014, by disallowing advance income tax paid by PTML on import of telecommunication equipment, on the premise that the same was final tax and could not be adjusted against normal tax liability. The earliest case was instituted in December 2011. PTML contends that these demands are not based on sound taxation principles: PTML's telecommunication services have been subject to normal tax since inception and the imported equipment is used in-house for provision of those services, not sold as commercial imports. On

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PTML's tax references filed before the IHC against the unfavourable order of the ATIR, the IHC remanded the cases back to ATIR for fresh hearing. The tax authorities responded by filing constitutional petition before the Supreme Court (SC). SC has remanded the matter to ATIR with order of no interference with the directions of IHC.

- 18.12** Since April 2011, PTML is subject to assessments proceedings under Section 122(5A) of the Income Tax Ordinance, 2001 for tax years 2008 to 2018, on account of verification of expenses and tax withholding. The proceedings are pending before the CIR-A, ATIR and IHC.
- 18.13** Since December 2006, PTML has been contesting various notices and orders in front of the Federal, provincial and Azad Jammu and Kashmir tax authorities, CIR-A, ATIR and the high courts in respect of Income Tax, FED and Federal and provincial sales taxes.
- 18.14** Certain Provincial Tax Authorities have disallowed PTML's claim of input tax credit for the period in which Honorable Supreme Court of Pakistan had suspended collection of taxes from cellular subscribers. This matter is sub-judice before different forums.
- 18.15** On 30 July 2020, PTA imposed a fine of Rs. 50 million on PTML on account of suspected grey traffic on their network and directed it to submit the fine within ten working days of the order. PTML filed appeal before the High Court of Sindh on 10 August 2020 which suspended the operation of the PTA's determination.
- 18.16** A total of 269 cases against PMTL involving Regulatory, Telecom Operators, Employees and Subscribers. Because of number of cases and their uncertain nature, it is not possible to quantify their financial impact. Management and Legal advisors of PTML are of the view that the outcome of these cases is expected to be favorable and liability, if any, arising out on the settlement is not likely to be material.

U Bank

- 18.17** A super tax at rates ranging from 1% to 4% of taxable income was imposed through the Finance Act, 2022 for Tax Year 2022 and onwards through promulgation of section 4C in the Income Tax Ordinance, 2001. The Holding Company along with other petitioners has successfully challenged this levy before the Sindh High Court who held through its Order dated December 22, 2022 that the said tax was to apply effective Tax Year 2023. However, the honourable Court suspended its judgment for 60 days as per the procedure given in the Code of Civil Procedure, in order for FBR to take up the matter before the Supreme Court. Keeping in view the Court's judgment in the petitioner's favour, no provision has been recorded in these accounts for super tax for Tax Year 2022 as management is confident for a favorable outcome upon the conclusion of the proceedings.
- 18.18** For the tax years 2015, 2016, 2017 & 2019, Taxation Officer disallowed certain expenses, tax credits, levied short deduction of WHT and adjustment of ACT & minimum tax. 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, the tax impact amounts to Rs 290,980 thousand. Appeals on the remaining outstanding items are pending adjudication before ATIR.
- 18.19** The Sindh Revenue Board (SRB) has passed an order dated December 8, 2022 requiring U Bank to deposit Sindh sales tax amounting to Rs 9.70 million along with penalty and default surcharge on account of non-payment of withholding Sindh sales tax and adjustment of inadmissible input tax during the period from January 2017 to December 2017. U Bank has filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), which is pending for adjudication.
- 18.20** The Sindh Revenue Board (SRB) has passed orders dated June 2, 2020 and March 12, 2021 requiring U Bank to deposit Sindh sales tax amounting to Rs 10.23 million and Rs 5.19 million retrospectively along with penalty and default surcharge on account of short payment of sales tax during the tax year 2015 (January 2014 to December 2014) and 2018 (January 2017 to December 2017) respectively. U Bank has filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), which is pending for adjudication.
- 18.21** The Punjab Revenue Authority (PRA) has passed an order dated February 24, 2020 requiring U Bank to deposit Punjab sales tax amounting to Rs 7.89 million along with penalty and default surcharge on account of adjustment of inadmissible input tax for the tax years 2013, 2014, 2015 and 2018. U Bank filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), who decided the matter in favour of PRA vide order dated November 28, 2023. U Bank has filed an appeal against the decision of CIR-A before the ATIR which is pending for adjudication.

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18.22 The Punjab Revenue Authority (PRA) has passed an order dated May 2, 2019 requiring U Bank to deposit Punjab sales tax amounting to Rs 10.06 million along with penalty and default surcharge on account of adjustment of inadmissible input tax for the tax years 2016 and 2017. U Bank has filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), which decided the matter in favour of PRA in order dated November 25, 2019. The said order was received by U Bank on July 2, 2020 making the order-in-appeal time barred as per the time limit prescribed in Punjab Sales Tax (PST) Act. Being aggravated, U Bank has filed an appeal against the decision of CIR-A before the ATIR who has decided the matter in favour of PRA. U Bank has filed an appeal against the decision of ATIR before the Punjab High Court which is pending for adjuration.

18.23 No provision on account of above contingencies has been made in these financial statements as the management and the tax / legal advisors of the Group are of the view, that these matters will eventually be settled in favor of the Group.

	Note	2024 Rs '000	2023 Rs '000
18.24 Bank guarantees and bid bonds of Group issued in favour of:			
Universal Service Fund (USF) against government grants		19,079,452	18,113,688
Pakistan Telecommunication Authority		4,387,163	4,509,770
Others	18.24.1	3,514,199	3,013,891
		26,980,814	25,637,349
Corporate guarantee in favour of PTML		65,497,000	56,400,000
Corporate guarantee in favour of U Bank		10,000,000	10,000,000
		75,497,000	66,400,000

18.24.1 Others includes bank guarantees given on behalf of DVCOM Data to PTA amounting to Rs 675,000 thousand (December 31, 2023: Rs. 675,000 thousand).

18.25 Commitments

	Note	2024 Rs '000	2023 Rs '000
18.25.1 Standby letter of guarantee	18.25.2	-	18,000
Letter of credit for purchase of stock		401,084	467,691
Letters of comfort in favour of PTML		3,500,000	3,500,000
Contracts for capital expenditure		47,273,417	40,877,921
		51,174,501	44,863,612

18.25.2 This represents letter of guarantee issued on behalf of U Bank to China Union Pay International Company Limited for interbank settlements.

	Note	2024 Rs '000	2023 Restated Rs '000
19. Property, plant and equipment			
Operating fixed assets	19.1	238,897,893	215,247,214
Capital work in progress	19.6	44,723,518	41,121,679
		283,621,411	256,368,893

19.1 Operating fixed assets

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	Land		Buildings on		Lines and wires	Apparatus, plant and equipment	Passive maintenance and allied systems	Office equipment	Computer and electrical equipment	Furniture and fittings	Vehicles	Submarine cables	Total
	Freehold - note 19.2	Leasehold	Freehold land	Leasehold land									
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
As at December 31, 2022													
Cost	1,650,684	100,782	13,990,091	3,219,409	146,570,020	441,394,979	43,338,342	3,842,415	14,908,358	1,958,984	3,874,873	18,840,800	693,689,737
Accumulated depreciation and impairment	-	(44,216)	(7,011,186)	(2,399,419)	(102,216,289)	(315,529,505)	(34,797,170)	(2,157,375)	(12,067,515)	(1,028,137)	(3,163,775)	(12,624,036)	(493,038,623)
Net book value	1,650,684	56,566	6,978,905	819,990	44,353,731	125,865,474	8,541,172	1,685,040	2,840,843	930,847	711,098	6,216,764	200,651,114
Movement during 2023													
Additions	-	-	263,471	67,017	11,897,401	24,541,153	4,333,788	477,272	1,978,158	819,971	194,294	351,558	44,924,083
Disposals													
Cost	-	-	-	(496)	(10,634,755)	(3,661,654)	(171,950)	(49)	(300,739)	(4,070)	(129,098)	-	(14,902,811)
Accumulated depreciation	-	-	-	496	10,609,596	3,527,816	154,176	40	259,717	1,968	114,294	-	14,668,103
Depreciation charge for the year - note 19.5	-	-	-	-	(25,159)	(133,838)	(17,774)	(9)	(41,022)	(2,102)	(14,804)	-	(234,708)
Impairment charge	-	(1,643)	(352,375)	(80,667)	(3,998,971)	(21,304,055)	(1,741,874)	(300,576)	(1,213,903)	(197,175)	(294,061)	(541,518)	(30,026,818)
	-	-	-	-	(3,840)	(62,617)	-	-	-	-	-	-	(66,457)
Net book value	1,650,684	54,923	6,890,001	806,340	52,223,162	128,906,117	11,115,312	1,861,727	3,564,076	1,551,541	596,527	6,026,804	215,247,214
As at December 31, 2023													
Cost	1,650,684	100,782	14,253,562	3,285,930	147,832,666	462,274,478	47,500,180	4,319,638	16,585,777	2,774,885	3,940,069	19,192,358	723,711,009
Accumulated depreciation	-	(45,859)	(7,363,561)	(2,479,590)	(95,609,504)	(333,368,361)	(36,384,868)	(2,457,911)	(13,021,701)	(1,223,344)	(3,343,542)	(13,165,554)	(508,463,795)
Net book value	1,650,684	54,923	6,890,001	806,340	52,223,162	128,906,117	11,115,312	1,861,727	3,564,076	1,551,541	596,527	6,026,804	215,247,214
Movement during 2024													
Additions	-	-	312,705	169,216	14,090,192	34,362,412	4,518,485	407,376	2,089,143	455,462	106,349	798,293	57,309,633
Disposals - note 19.4													
Cost	-	-	-	(99)	(6,808,300)	(21,230,705)	(491,846)	(3,871)	(269,004)	(88,099)	(176,424)	-	(29,068,348)
Accumulated depreciation	-	-	-	99	6,795,727	20,918,616	453,524	3,235	160,127	51,636	159,340	-	28,542,304
	-	-	-	-	(12,573)	(312,089)	(38,322)	(636)	(108,877)	(34,463)	(17,084)	-	(526,044)
Depreciation charge for the year - note 19.5	-	(1,643)	(370,163)	(82,869)	(4,359,765)	(22,995,133)	(2,056,333)	(337,515)	(1,370,855)	(256,059)	(234,782)	(581,156)	(32,646,273)
Impairment charge	-	-	-	-	-	-	-	-	(81,771)	(404,866)	-	-	(486,637)
Net book value	1,650,684	53,280	6,832,543	892,687	61,941,016	139,961,307	13,539,142	1,930,952	4,091,716	1,309,615	451,010	6,243,941	238,897,893
As at December 31, 2024													
Cost	1,650,684	100,782	14,566,267	3,455,047	155,114,558	475,406,185	51,526,819	4,723,143	18,405,916	3,142,248	3,869,994	19,990,651	751,952,294
Accumulated depreciation and impairment	-	(47,502)	(7,733,724)	(2,562,360)	(93,173,542)	(335,444,878)	(37,987,677)	(2,792,191)	(14,314,200)	(1,832,633)	(3,418,984)	(13,746,710)	(513,054,401)
Net book value	1,650,684	53,280	6,832,543	892,687	61,941,016	139,961,307	13,539,142	1,930,952	4,091,716	1,309,615	451,010	6,243,941	238,897,893
Annual rate of depreciation (%)	-	1 to 3.3	2.5	2.5-20	5 to 7	10 to 33	6.67-33	10	20 to 33.33	10	20	5	

19.2 In view of large number of properties i.e. over three thousand, located across Pakistan, it is impracticable to disclose the details of properties in the consolidated financial statements as required under paragraphs VI.1 sub clause (ii) of the 4th Schedule to the Companies Act, 2017, therefore, this information/record is available for inspection at the registered office of the Holding Company on request and the copy of the details of said properties will be provided on request to the said shareholders who are unable or unwilling to visit the Holding Company's registered office, i.e. PTCL Headquarters, Ufone Tower, F-7/1, Blue Area Islamabad.

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19.3 As explained in note 1.1, the property and rights vesting in the operating assets, as at January 01, 1996, were transferred to the Holding Company from the Pakistan Telecommunication Corporation under the Pakistan Telecommunication (Re-organisation) Act, 1996; however, the possession and control or title to of certain freehold land properties were not transferred in the name of the Holding Company in the land revenue records, therefore, in pursuant to the disclosure required under Clause VI Sub clause 12 of Part 2 of the fourth schedule of the Companies Act 2017, the list of such properties is given below:

Sr. No.	Description	Address	The Person in whose name the property is registered	Person in Possession or control	Reasons for the property or asset not being in the name of or possession or control of the Holding Company	Carring Amount (Rupees)
1	Zulfiqarabad Telephone Exchange	DSU-1, Pak Steel Link Road, Near Abass Engineering Co. & Pak Suzuki Motors Bin Qasim, Malir, Karachi East.	Pakistan Steel	The Holding Company	Ban imposed by the Supreme Court of Pakistan on transfer of Pak Steel Properties	20,598
2	Gulshan-e-Hadeed Telephone Exchange	Phase-II, Gulshan-e-Hadeed, Opposite Jahangir Hotel, Budh Bazar, Bin Qasim, Malir, Karachi.	Pakistan Steel	The Holding Company	Ban imposed by the Supreme Court of Pakistan on transfer of Pak Steel Properties	22,855
3	Manora Telephone Exchange	Survey No. 19/B, Near P.N.S Rehber, Keemari Town, Karachi South	Ministry of Defense	The Holding Company	Pakistan Navy refused to transfer the land	1
4	Dadu Telecom Building-I	City Survey No. 995/96, 997 etc. Katchahary Road, Near Mukhtiar Kar Office, Dadu.	Ministry of Defense	The Holding Company	Being a Camping Ground, the case is pending with Ministry of Defense	17,300
5	Morgah (Mini) Telephone Exchange	Army Housing Scheme, Morgah, Rawalpindi.	Ministry of Defense	The Holding Company	The land is under dispute between GHQ other parties	25,750
6	Dhanna Singh Wala	Near Johar Town, Canal Bank, Moza Dhanna Singh Wala, Lahore	Telegraph & Telephone (T&T)	Partially in Possession of the Holding Company	Partially under Litigation	5,587,354
7	T&T Land Kashmir/ Egerton Road	T&T Land Kashmir (Egerton Road), Near Awan-e-Iqbal, Lahore.	Federal Government	The Holding Company	Under Litigation	1
8	P&T Colony Multan Road Lahore	Khasra No. 1594, 85, 96, 97 etc. Khewat No. 4846, Khatoni No. 10439 (1995-96) etc. Near More Samanabad and Chuburji Quarters, Multan Road, Lahore.	Federal Government	Partially in Possession of the Holding Company	Under Litigation	3,303,375
9	Industrial Estate SGD	Plot # A-17 Small Industrial Estate Lahore Road Sargodha.	Punjab Small Industries Corporation	Not in Possession of the Holding Company	Under Litigation	1
10	Wireless Receiving Station, Malir	Survey No. 74, 76, 77, 80, 81, 82, 83, 85, 86, 91, 92, 93 etc. National Highway, Opposite R.T.S Malir Halt, Deh Drigh Tappo, Malir Karachi East.	Telegraph & Telephone (T&T)	Partially in Possession of the Holding Company	Under Litigation	1,872,800
11	Clifton (Gizri) P&T Colony	Clifton P&T Colony, Ch. Khaliq-uz-Zaman Road, Opposite Ministry of Foreign Affairs, Clifton, Karachi South.	Provincial Government	Partially in Possession of the Holding Company	Under Litigation	1

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Sr. No.	Description	Address	The Person in whose name the property is registered	Person in Possession or control	Reasons for the property or asset not being in the name of or possession or control of the Holding Company	Carrying Amount (Rupees)
12	Kundwal Telephone Exchange	Khata No. 160/760, Moza Kundwal, Pind Dadan Khan, Jhelum.	Private Name	The Holding Company	Under Litigation	81,000
13	Korangi Plot No. 45, 46 Telephone Exchange	Plot No. 45, 46, Sector No. 22 etc. Township Korangi, KDA, Karachi South.	KM Enterprises	Not in Possession of the Holding Company	Under Litigation	20,880
14	Mardan Central Telephone Exchange	Khasra No. 2114, 2109, 2110, 213, Khewat No. 1410, 1411, Khatoni No. 2029, 2030 [1999-2000] etc. Mardan.	Private Name	The Holding Company	Under Litigation	23,493
15	Havellian Telephone Exchange & Staff Quarters	Khasra No. 1195/2, 1196/2, 1197/2, 1198/3, [305], 306, 307, 286/2, 286, 288, 289 and 290 urban [1263] etc, Railway Station Road, Havellian, Abbottabad	Private Name	The Holding Company	Under Litigation	272,600
16	Rana Town Land	Khasra No. 8/2, 9/2, 12, 13/1/1, Sq. No. 52 etc. Rana Town, Chak No. 39/UCC, Ferozewala, Sheikupura.	Private Name	Not in Possession of the Holding Company	Under Litigation	1
17	Maroot (Chak No. 318/HR) Telephone Exchange	Khewat No. 19/17, Khatoni No. 75-88 [2001-02] etc. Near Pull Hakra, Chak No. 318/HR, Maroot, Fort Abbas, Bahawalnagar.	Private Name	The Holding Company	Under Litigation	1
18	Wapda Town Gujranwala I Telephone Exchange	Commercial Area, Block B-3, Wapda Town, Gujranwala	Wapda Employees Cooperative Housing Society	Not in Possession of the Holding Company	Plot cancelled by Wapda Employees Cooperative Housing Society due to non-construction of Telephone Exchange	762,500
19	Songal (Scheme-33) Staff Quarter	Deh Songal (Scheme-33) Staff Quarter, Malir, Karachi.	Provincial Government	Not in Possession of the Holding Company	Sindh Government agreed to provide alternate land which is still awaited	94,059
20	Chak 121/NB Telephone Exchange	Khewat No. 18 Khatoni 57, Chak 121/NB, Sillanwali, Sargodha.	Private Name	The Holding Company	Under Litigation	487,700
21	Jhoke Ultra Telephone Exchange	Khata No. 58, Khasra No. 19/8, Killa No. 8, etc. Malkani Kain Road, Chowk Shehbazi, Moza Malkani Khurd, Jhoke Ultra, D.G Khan.	Private Name	The Holding Company	Under Litigation	1
22	Tando Adam PTCL Qtrs.	Survey No. 204, Shahdad Pur Road, Near Siddique Akbar Masjid, Tando Adam, Sanghar.	Private Name	The Holding Company	Pending for Transfer with Sindh Government	1
23	Madeji Telephone Exchange	Federal Govt. Scheme, Station Road, Near Rice Mill, Madeji, Garhi Ysain, Shikarpur.	Private Name	The Holding Company	Pending for Transfer with Sindh Government	1,476,207
24	Compact Exchange Building, MEHMOODABAD	Block No. 85, Village Ahmadiya, Deh Malhansar, Taluka Kurri, Umer kot.	Private Name	The Holding Company	Pending for Transfer with Sindh Government	46,055
25	Sakrand Telephone Exchange	Mehrappur Road, Main Bazar, Sakrand, Nawabshah.	Provincial Government	The Holding Company	Pending for Transfer with Sindh Government	1

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Sr. No.	Description	Address	The Person in whose name the property is registered	Person in Possession or control	Reasons for the property or asset not being in the name of or possession or control of the Holding Company	Carrying Amount (Rupees)
26	Tando Muhammad Khan Telephone Exchange	Survey No. 40, 41 etc. Near Civil Hospital, Deh Tando Mohd. Khan, Hyderabad.	Private Name	The Holding Company	Pending for Transfer with Sindh Government	43,650
27	Sirikot Telephone Exchange	Khasra No. 895/896/897, etc. Sirikot Road, Moza Sirikot, Haripur.	Private Name	The Holding Company	Under Litigation	33,652
28	Wana Telephone Exchange	Azam Warsak Road, Wana, S.W. Agency H/Q Wana.	Provincial Government	The Holding Company	Exchange is located in Tehsil Office and not a PTCL Property.	1
29	Mirpur Khas Customer Service Center Building	Survey No. 1320, Hyderabad Road, Mirpur Khas	Private Name	The Holding Company	Pending for Transfer with Sindh Government	1
30	Shahi Bala Telephone Exchange	Khasra No. 968, 969, Khewat No.139 etc. Moza Shahi Bala, Peshawar.	Private Name	The Holding Company	Under Litigation	1
31	Baba Jee Khando Hill DRS	Khasra No. 73, Khatoni No. 169 etc. Baba Jee Kandoo Hill, Bunair.	Private Name	The Holding Company	Under Litigation	15,755
32	Sambrial -II	Near Petrol Pump & Annayat Group Factory, Moza Sambrial, Sialkot.	-	Not in Possession of the Holding Company	The site delisted by PC because Sambrial T/E and Sambrial-II are the same sites.	2,800,000
33	Rashki Telephone Exchange	Khasra No. 40/121, Khata No. 210/844, Mutation No. 5282, Moza Rashki, Nowshera.	-	Not in Possession of the Holding Company	The site delisted by PC because it came under Peshawar-Islamabad Motorway (MI).	1
34	Kharian Cantt Telephone office (Site-III)	Behind GPO, Kharian, Gujrat.	-	Not in Possession of the Holding Company	The site delisted by PC because a room was provided by MEO to facilitate Pakistan army in Cantt. Telegraph Office closed since 2006.	1
35	Sita Road RCD Microwave	Survey No. 814, Deh Bhagana, Tapa Danager-I, Sita Road RCD Microwawe, Khairpur, Nathan Shah, Dadu.	-	Not in Possession of the Holding Company	The site delisted by PC because the land is not transferred to PTCL & no network element existed on ground.	1
36	Tarnol (Additional Land)	Khasra No. 1552/683, Khewat No. 249 (1980-81) etc. Moza Sariay Kharboza, G.T. Road, Islamabad	-	Not in Possession of the Holding Company	The site delisted by PC because the land owned by private party	2
37	Chakra (Chowker) Telephone Exchange	Khasra No. 1499-1502, Khewat No. 97-98, 115, Khatoni No. 171, 196 etc. Moza Chowker, Rawalpindi.	-	Not in Possession of the Holding Company	The site delisted by PC because no PTCL land exists there	260,000
38	Sindhri Telephone Exchange	Survey No. 153 etc. Near Police Station, Deh Khani Mangri, Sindhri, Khipro, Sanghar.	Private Name	The Holding Company	Conditionally Transferred not accepted by PTCL	1

Apart from the above disclosed [38] properties, there are additional properties that are not part of these Consolidated Financial Statements because they are also not held in the name or control of the Holding Company since legal title to them has not been transferred from the relevant parties / authorities to the Holding Company. Some of these additional properties were also listed in the SRO 430(1)/2004 dated 7th June 2004 (the SRO) to be transferred to the Holding Company free from any charge, burden, hypothecation or encumbrances and no stamp duty or transfer charges shall be payable under any law in relation to the transfer or vesting of these properties to the Holding Company. These properties are under discussion between the Government of Pakistan and the Ultimate Parent Company and upon the conclusion of the matter, appropriate accounting treatment or disclosure will be made in the subsequent Consolidated Financial Statements, if required.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

19.4 Disposal of property, plant and equipment:

The assets disposed off during the year with book value exceeding five hundred thousand rupees.

	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain on disposal	Mode of disposal	Particulars of purchaser / Relationship with the Group
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000		
Apparatus, plant and equipment	13,555	10,104	3,451	237	(3,214)	Auction	M/S Gujranwala Cables
Apparatus, plant and equipment	25,016	14,502	10,514	429	(10,085)	Auction	M/S Rehmani Traders
Apparatus, plant and equipment	127,989	100,449	27,540	2,240	(25,300)	Auction	M/S Bismillah Metals Impex
Apparatus, plant and equipment	110,981	94,730	16,251	1,943	(14,308)	Auction	M/S Latif Brothers
Vehicle	19,091	15,273	3,818	3,818	-	Company Policy	Ms. Zahida Awan, GCLO & CS
Vehicle	21,625	10,134	11,491	9,011	(2,480)	Company Policy	Mr. Muhammad Shoaib Baig, GCPD
Vehicle	17,105	13,682	3,423	3,423	-	Company Policy	Mr. Zarrar Hasham Khan, GCBSO
Network and allied systems	315,732	311,546	4,186	11,197	7,011	Scrap Sale	Various vendors
Network and allied systems	951,265	908,607	42,658	650,000	607,342	Disposal against sale proceeds	Enfrashare
Network and allied systems	328,979	249,874	79,105	79,299	194	Insurance Claim	Insurance company
Computer and accessories	15,521	15,033	488	1,165	677	Company policy	Company employees
Motor vehicle	1,079	1,079	-	1,045	1,045	Insurance Claim	Insurance company
Furniture and fittings	1,278	724	554	58	(496)	Scrap Sale	Sheikh Trader Lahore
Furniture and fittings	1,329	775	554	33	(521)	Scrap Sale	Yaseen Neelam Ghar
Furniture and fittings	47,822	24,571	23,251	7,452	(15,799)	Auction	M/S Ideal Computer

19.5 The depreciation charge for the year has been allocated as follows:

	Note	2024 Rs '000	2023 Restated Rs '000
Cost of services	35	30,811,152	28,466,840
Administrative and general expenses	36	1,709,172	1,426,286
Selling and marketing expenses	37	125,949	133,692
		32,646,273	30,026,818

19.6 Capital work in progress

Buildings	433,337	584,810
Lines and wires	12,737,776	10,710,193
Apparatus, plant and equipment	23,351,322	23,165,122
Turnkey Projects	5,368,709	4,899,639
Others	2,832,374	1,761,915
19.6.1	44,723,518	41,121,679

19.6.1 Movement during the year

Balance at beginning of the year	41,121,679	29,378,642
Additions during the year	62,430,681	60,228,035
Transfers during the year to:		
- Operating fixed assets	(57,770,284)	(45,558,992)
- Intangible assets	(1,058,558)	(2,926,006)
	(58,828,842)	(48,484,998)
Balance at end of the year	44,723,518	41,121,679

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

20. Right of use assets (ROU)

	Note	Site rentals	Right of way	2024 Rs '000	2023 Restated Rs '000
Movement during the year:					
Balance as at January 01, 2024		13,980,384	818,450	14,798,834	16,585,079
Additions		7,880,592	39,028	7,919,620	4,826,952
Lease modifications during the year		1,558	170,006	171,564	4,802
Terminations during the year		(901,502)	(2,402)	(903,904)	(18,309)
Depreciation for the year	20.2	(6,198,712)	(258,870)	(6,457,582)	(6,599,690)
		781,936	(52,238)	729,698	(1,786,245)
Balance as at December 31, 2024		14,762,320	766,212	15,528,532	14,798,834

20.1 The right-of-use assets are depreciated over the life of 1 to 15 years.

20.2 Depreciation charge for the year is allocated as follows:

	Note	2024 Rs '000	2023 Restated Rs '000
Cost of services	35	4,915,492	5,148,942
Administrative and general expenses	36	1,542,090	1,447,737
		6,457,582	6,596,679
21. Intangible assets			
Goodwill on acquisition of U Bank	21.1	78,790	78,790
Goodwill on acquisition of DVCOM Data	21.2	-	-
Other intangible assets	21.3	52,634,722	59,272,735
		52,713,512	59,351,525

21.1 Goodwill

These represent excess of the amount paid over fair value of net assets of U Bank on its acquisition on August 30, 2012. The recoverable amount of goodwill is tested for impairment annually based on its value in use, determined by discounting the future free cash flows to be generated by the respective Cash Generating Units (CGUs).

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate is determined based on management's estimate of the long-term compound annual 'Earnings Before Interest, Tax, Depreciation and Amortization' (EBITDA) growth rate, consistent with the assumptions that a market participant would make.

Budgeted growth is based on expectations of future outcomes taking into account past experience and is adjusted for anticipated revenue growth. Revenue growth is projected taking into account the average growth levels experienced in the recent years and the estimated sales volume and price growth for the next five years.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
21.2 Impairment of Goodwill - DVCOM Data			
Opening Balance		-	656,102
Impairment loss recognized	40	-	(656,102)
		-	-

The subsidiary's license has been expired on 04 November 2024 and in absence of a viable business plan, the subsidiary is not viewed as a going concern. Consequently, the amount of goodwill recognized is considered impaired.

	Note	Licenses and spectrum Rs '000	Computer software Rs '000	Total Rs'000
21.3 Other intangible assets				
As at December 31, 2022				
Cost		93,034,572	7,426,286	100,460,858
Accumulated amortization and Impairment		(30,962,198)	(6,093,627)	(37,055,825)
Net book value		62,072,374	1,332,659	63,405,033
Movement during the year 2023				
Opening net book value		62,072,374	1,332,659	63,405,033
Additions		159,621	3,068,060	3,227,681
Amortization charge for the year		(6,290,701)	(1,069,278)	(7,359,979)
Closing net book value		55,941,294	3,331,441	59,272,735
As at December 31, 2023				
Cost		93,194,193	10,494,346	103,688,539
Accumulated amortization and Impairment		(37,252,899)	(7,162,905)	(44,415,804)
Net book value		55,941,294	3,331,441	59,272,735
Movement during the year 2024				
Opening net book value		55,941,294	3,331,441	59,272,735
Additions		-	1,085,163	1,085,163
Amortization charge for the year	21.9	(6,231,287)	(1,491,889)	(7,723,176)
Closing net book value		49,710,007	2,924,715	52,634,722
As at December 31, 2024				
Cost		93,194,193	11,579,509	104,773,702
Accumulated amortization and impairment		(43,484,186)	(8,654,794)	(52,138,980)
Net book value	21.4	49,710,007	2,924,715	52,634,722
Amortization rate per annum (%)		4 - 10	6.67 - 33.33	

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

21.4 Breakup of the net book value as at the year end is as follows:

	Note	2024 Rs '000	2023 Restated Rs '000
Licenses and spectrum - PTCL			
Telecom	21.5	396,662	415,552
WLL spectrum	21.5	-	134,223
WLL and LDI License	21.6	44,651	58,047
IPTV	21.7	7,558	10,483
Next Generation Mobile Services (NGMS) Licenses - PTML	21.8	41,014,714	45,177,058
Mobile cellular Licenses - PTML	21.8	8,177,594	9,922,879
WLL licenses- DVCOM Data		-	126,893
Licenses - U Bank		68,828	-
		49,710,007	55,845,135
Computer software		2,924,715	3,427,600
		52,634,722	59,272,735

21.5 The Pakistan Telecommunication Authority (PTA) has renewed the license of the Holding Company, to provide telecommunication services in Pakistan, for a period of 25 years, commencing January 01, 2021, at an agreed license fee of Rs 472,219 thousand. In June 2005 PTA modified the previously issued license to provide telecommunication services to include a spectrum license at an agreed license fee of Rs 3,646,884 thousand. This license allows the Holding Company to provide Wireless Local Loop (WLL) services in Pakistan, over a period of 20 years, commencing October 2004, expired in October 2024 and accordingly has been derecognised from the financial statements.

21.6 PTA has issued a license under section 5 of the Azad Jammu and Kashmir Council Adaptation of Pakistan Telecommunication (Re-organization) Act, 1996, the Northern Areas Telecommunication (Re-organization) Act, 2005 and the Northern Areas Telecommunication (Re-organization) (Adaptation and Enforcement) Order 2006, to the Holding Company to establish, maintain and operate a telecommunication system in Azad Jammu and Kashmir and Gilgit-Baltistan, for a period of 20 years, commencing May 28, 2008, at an agreed license fee of Rs 109,270 thousand. During the year 2015, PTA allocated additional spectrum for WLL services in Azad Jammu & Kashmir (AJ&K) and Gilgit-Baltistan (GB) for Rs 98,487 thousand. The duration of the license shall be for the remaining period of the existing WLL licenses. The cost of the licenses is being amortized, on a straight line basis, over the period of the licenses.

21.7 Pakistan Electronic Media Regulatory Authority (PEMRA) had renewed the IPTV licence effective from its last renewal date i.e. November 02, 2016, at an agreed license fee of Rs 37,000 thousand. The cost of the license is being amortized, on a straight line basis, over a period of 10 years.

- 21.8 (i) NGMS License includes acquisition of 4G license by PTML throughout Pakistan (excluding Azad Jammu & Kashmir (AJK) and Gilgit-Baltistan (GB)) in September 2021 at a fee of USD 279 million. The term of the license is 15 years commencing from the date of its acquisition.
- (ii) NGMS Licenses also include acquisition of 4G license for operations in AJK and GB in October 2021 at a fee of USD 1.026 million. The term of the license is 15 years from the date of its acquisition.
- (iii) Mobile Cellular License include renewal of 2G license by PTML for operations in AJK and GB in June 2021 at a fee of USD 13.5 million. The term of the license is 15 years from the date of its acquisition.

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FOR THE YEAR ENDED DECEMBER 31, 2024

21.9 The amortization charge for the year has been allocated as follows:

	Note	2024 Rs '000	2023 Rs '000
Cost of services	35	6,754,805	6,828,244
Administrative and general expenses	36	968,371	531,736
		7,723,176	7,359,980

22. Long term investments

Investment in associate	22.1	-	-
Other investments	22.2	51,427	51,427
		51,427	51,427

22.1 Investment in associate - unquoted

TF Pipes Limited - Islamabad 1,658,520 (December 31, 2023: 1,658,520) ordinary shares of Rs 10 each			
Shares held 40% (December 31, 2023: 40%)		23,539	23,539
Less: accumulated impairment loss on investment		(23,539)	(23,539)
		-	-

22.2 Other investments

Fair value through other comprehensive income - unquoted			
Thuraya Satellite Telecommunication Company - Dubai, UAE 3,670,000 (December 31, 2023: 3,670,000) ordinary shares of AED 1 each		31,427	31,427
Alcatel - Lucent Pakistan Limited - Islamabad, Pakistan 2,000,000 (December 31, 2023: 2,000,000) ordinary shares of Rs 10 each		20,000	20,000
		51,427	51,427

23. Long-term loans and advances - considered good

Loans to employees - secured	23.1	1,172,074	1,153,297
Advances to vendors and suppliers		11,435,439	9,449,178
		12,607,513	10,602,475
Current portion shown under current assets			
Loans to employees - secured	27	(326,911)	(327,293)
		12,280,602	10,275,182

23.1 These loans and advances are for house building and purchase of vehicles and motor cycles. These loans are recoverable in equal monthly installments spread over a period of 5 to 10 years and are secured against retirement benefits of the employees.

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Reconciliation of the gross amounts of loans to executives and other employees:

	As at January 01, 2024	Disbursements	Repayments	As at December 31, 2024
	Rs '000	Rs '000	Rs '000	Rs '000
Executives	128,394	69,774	(24,123)	174,045
Other employees	1,024,903	396,732	(423,606)	998,029
	1,153,297	466,506	(447,729)	1,172,074

	As at January 01, 2023	Disbursements	Repayments	As at December 31, 2023
	Rs '000	Rs '000	Rs '000	Rs '000
Executives	56,221	170,557	(98,384)	128,394
Other employees	1,072,729	233,519	(281,345)	1,024,903
	1,128,950	404,076	(379,729)	1,153,297

Maximum amount of loan to executives and other employees outstanding at any time during the year:

	2024 Rs '000	2023 Rs '000
Executives	114,501	282,377
Other employees	1,516,354	1,253,363

Loans to executive employees include loan balances of key management personnel aggregating Rs 96,680 thousand (December 2023: 34,525 thousand).

List of key management personnel having outstanding balances of loans up till December 31, 2024 are as under:

No.	Names of Employees	No.	Names of Employees
1	Mr. Arslan Haider	9	Mr. Saleem Ullah Baig
2	Mr. Abdullah Hameed	10	Mr. Salman Ali Bajwa
3	Mr. Ch Mudasser Shafiq	11	Mr. Syed Muhammad Shoaib
4	Mr. Ishtiaq Naveed Gill	12	Mr. Syed Muhammad Imran Ali
5	Mr. Muhammad Fahim Ur Rehman	13	Ms. Zahida Awan
6	Mr. Muhammad Shehzad Yousaf		
7	Mr. Muhammad Nadeem Khan		
8	Mr. Muhammad Amir Siddiqi		

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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24. Contract costs

	Note	2024 Rs '000	2023 Rs '000
Cost to obtain a contract		2,531,045	2,286,925
Cost to fulfill a contract		3,373,509	2,322,710
	24.1	5,904,554	4,609,635
Current maturity of contract costs		(5,575,409)	(4,254,928)
		329,145	354,707
24.1 Movement during the year			
Balance at the beginning of the year		4,609,635	3,900,476
Capitalization during the year		8,789,152	7,000,528
		13,398,787	10,901,004
Amortization during the year	24.2	(7,494,233)	(6,291,369)
Balance at the end of the year		5,904,554	4,609,635

24.2 Amortization charge for the year has been allocated as follows:

	Note	2024 Rs '000	2023 Rs '000
Cost of services	35	5,023,263	4,293,687
Selling and marketing expenses	37	2,470,970	1,997,682
		7,494,233	6,291,369

	Note	2024 Rs '000	2023 Restated Rs '000
25. Stock in trade, stores and spares			
Stores and spares	25.1	8,201,385	9,433,265
Stock in trade	25.2	690,582	1,039,405
		8,891,967	10,472,670
25.1 Stores and spares			
Provision for obsolescence	25.1.1	8,400,527	9,633,528
		(199,142)	(200,263)
		8,201,385	9,433,265
25.1.1 Provision for obsolescence			
Balance at beginning of the year		200,263	834,799
Reversal / Written off during the year	25.1.2	(1,121)	(634,536)
Balance at end of the year		199,142	200,263

25.1.2 The Group has written-off stores amounting to Rs. 161,000 (December 31, 2023: Rs. nil). Furthermore, the Group has reversed Rs. 1,121 thousand (December 31, 2023 : Rs. 634,536 thousand) of the store and spares provision during the year.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Rs '000
25.2 Stock in trade			
SIM cards		305,362	469,054
Mobile phones and accessories		321,857	387,977
Scratch cards		75,033	117,904
ATM cards and stationary		12,384	64,470
		714,636	1,039,405
Provision for slow moving stock	25.2.2	(24,054)	-
		690,582	1,039,405

25.2.1 The Group also holds the sim cards having aggregate cost of Rs. 2,590 thousand (December 31, 2023: Rs. 33,800 thousand) on behalf of Digital Technology Managed Services Private limited (ONIC), a related party.

	Note	2024 Rs '000	2023 Rs '000
25.2.2 Provision for obsolescence			
Balance at beginning of the year		-	38,009
Provision during the year		24,893	87,801
		24,893	125,810
Reversal / Written off during the year		(839)	(125,810)
Balance at end of the year		24,054	-

26. Trade debts and contract assets

Trade debts			
- Secured	26.1	729,815	514,567
- Unsecured		56,861,071	49,928,295
Contract assets		6,764,823	5,934,512
		64,355,709	56,377,374
Domestic			
Considered good	26.2	20,310,058	18,321,987
Considered doubtful		7,907,572	7,244,064
		28,217,630	25,566,051
International			
Considered good	26.2	44,045,651	38,055,387
Considered doubtful		57,475	57,475
		44,103,126	38,112,862
Expected credit loss on trade debts and contract assets	26.3	(7,965,047)	(7,301,539)
	26.4	64,355,709	56,377,374

26.1 These are secured against customer and dealer deposits having aggregate amount of Rs. 792,070 thousand (December 31, 2023: Rs. 614,540 thousand). The normal credit period of the debtors is not more than one month.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

26.2 These include amounts due from the following related parties:

	Maximum aggregate amount Rs '000	Up to 6 months Rs '000	More than 6 months Rs '000	2024 Rs '000	2023 Rs '000
Domestic					
GoP related entities	3,773,998	790,472	2,121,886	2,912,358	4,171,000
International					
Emirates Telecommunication Corporation	42,005,179	3,254,208	38,750,971	42,005,179	36,399,974
Etisalat - Afghanistan	-	-	-	-	638,348
Etisalat's subsidiaries and associates	23,545	16,209	-	16,209	67,209
GoP related entities	-	-	-	-	199,239
	42,028,724	3,270,417	38,750,971	42,021,388	37,304,770

	Note	2024 Rs '000	2023 Rs '000
26.3 Expected credit loss on trade debts and contract assets			
Balance at beginning of the year		7,301,539	8,516,769
Expected credit loss on trade debts and contract assets	38	2,286,069	1,703,713
		9,587,608	10,220,482
Write off against expected credit loss on trade debts and contract assets		(1,622,561)	(2,918,943)
Balance at end of the year		7,965,047	7,301,539

26.4 These amounts are interest free and are accrued in the normal course of business.

26.5 Contract assets primarily relate to the Group's rights to consideration for services provided to customers but not billed at the reporting date. Contract assets are transferred to trade debts when the rights become unconditional.

	Note	2024 Rs '000	2023 Restated Rs '000
27. Loans and advances			
Loans			
Current portion of long term loans to employees - secured	23	326,911	327,293
Advances - considered good			
Advances to employees	27.1	1,343,258	1,253,017
Advances to suppliers and contractors	27.2	2,036,673	1,801,149
		3,379,931	3,054,166
		3,706,842	3,381,459

27.1 This includes advances & loans provided by U Bank to its employees as per their HR policies.

27.2 These include Rs 26,774 thousand (December 31, 2023: Rs 26,774 thousand) to TF Pipes Limited, a related party.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

28. Long term loans to banking customers

	Performing				Non performing		Total	
	Stage 1		Stage 2		Stage 3		2024 Rs '000	2023 Restated Rs '000
	2024 Rs '000	2023 Restated Rs '000	2024 Rs '000	2023 Restated Rs '000	2024 Rs '000	2023 Restated Rs '000		
Micro credit								
Secured	44,742,049	37,911,982	52,559	276,803	1,186,033	152,248	45,980,641	38,341,033
Unsecured	23,601,817	26,314,135	2,397,167	6,433,537	7,592,985	2,859,732	33,591,969	35,607,404
Islamic financing	1,475,629	3,348,217	13,499	106,704	315,273	71,493	1,804,401	3,526,414
Staff loan	-	-	-	-	-	-	-	-
Advances - gross	69,819,495	67,574,334	2,463,225	6,817,044	9,094,291	3,083,473	81,377,011	77,474,851
Credit loss allowance against long term loans								
- Stage 1	(1,278,360)	(1,000,885)	-	-	-	-	(1,278,360)	(1,000,885)
- Stage 2	-	-	(863,697)	(2,391,727)	-	-	(863,697)	(2,391,727)
- Stage 3	-	-	-	-	(4,768,094)	(2,118,023)	(4,768,094)	(2,118,023)
	(1,278,360)	(1,000,885)	(863,697)	(2,391,727)	(4,768,094)	(2,118,023)	(6,910,151)	(5,510,635)
Advances - net of credit loss allowance	68,541,135	66,573,449	1,599,528	4,425,317	4,326,197	965,450	74,466,860	71,964,216
Long term portion shown under non-current assets							(13,664,090)	(14,619,521)
							60,802,770	57,344,695

28.1 Advances - Particulars of credit loss allowance

28.1.1 Advances - Exposure

	2024			2023 Restated		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rs '000			Rs '000		
Gross carrying amount at beginning of the year	67,574,334	6,817,045	3,083,473	40,446,963	7,992,537	1,163,522
New advances	54,888,976	62,592	440,314	63,529,293	3,608,945	1,279,370
Advances derecognized or repaid	(48,256,387)	(992,456)	417,137	(35,193,185)	(4,663,236)	(413,466)
Transfer to stage 1	284,917	(226,221)	(58,697)	48,148	(41,005)	(7,143)
Transfer to stage 2	(350,360)	486,383	(136,023)	(416,819)	421,229	(4,410)
Transfer to stage 3	(3,312,003)	(2,991,420)	6,303,423	(695,496)	(420,692)	1,116,188
	3,255,143	(3,661,122)	6,966,154	27,271,941	(1,094,759)	1,970,539
Amounts written off / charged off	(1,009,983)	(692,697)	(955,336)	(144,571)	(80,733)	(50,588)
Other changes	-	-	-	-	-	-
Closing balance	69,819,494	2,463,226	9,094,291	67,574,333	6,817,045	3,083,473

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

28.1.2 Advances - Credit loss allowance

	2024			2023 Restated		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rs '000			Rs '000		
Balance at beginning of the year	1,000,885	2,391,727	2,118,023	725,042	3,746,177	502,593
New advances	549,300	16,580	187,514	773,490	1,096,947	430,539
Advances derecognized or repaid	(1,199,508)	(127,601)	(68,106)	(265,999)	(2,420,452)	(22,312)
Transfer to Stage 1	13,064	(11,213)	(1,851)	2,480	(1,939)	(541)
Transfer to Stage 2	(141,655)	197,957	(56,302)	(143,368)	144,857	(1,489)
Transfer to Stage 3	(1,313,195)	(1,342,423)	2,655,618	(408,814)	(322,879)	731,693
	(2,091,994)	(1,266,700)	2,716,873	(42,211)	(1,503,466)	1,137,890
Amounts written off / charged off	(29,807)	(231,149)	(589,015)	(7,870)	(14,284)	(21,580)
Change in exposure	2,399,276	(30,181)	522,213	325,924	163,300	499,120
Closing balance	1,278,360	863,697	4,768,094	1,000,885	2,391,727	2,118,023

28.2 Advances - Credit loss allowance details

	2024			2023 Restated		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rs '000			Rs '000		
Outstanding gross exposure						
Performing - Stage 1 to be specified	69,819,494	1,744,146	15,149	67,574,333	5,313,690	126,483
Under Performing	-	30,370	1,193,468	-	1,503,355	17,169
Other assets especially mentioned						
Non - Performing						
Substandard	-	171,520	2,502,235	-	-	1,079,125
Doubtful	-	513,738	3,355,855	-	-	888,794
Loss	-	3,452	2,027,584	-	-	971,902
	-	688,710	7,885,674	-	-	2,939,821
Total	69,819,494	2,463,226	9,094,291	67,574,333	6,817,045	3,083,473
Corresponding credit loss allowance						
Stage 1	(1,278,360)	-	-	(1,000,885)	-	-
Stage 2	-	(863,697)	-	-	(2,391,727)	-
Stage 3	-	-	(4,768,094)	-	-	(2,118,023)
	(1,278,360)	(863,697)	(4,768,094)	(1,000,885)	(2,391,727)	(2,118,023)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

28.2.1 This portfolio is classified into different stages based on SBP implementation guidance for IFRS-9 and specific communication by U Bank with the SBP.

	2024 Rs '000	2023 Restated Rs '000
28.3 Particulars of write offs / charge offs		
Against credit loss allowance	(2,658,016)	(406,777)
Directly charged to profit & loss account	-	(97,738)
	(2,658,016)	(504,515)

28.4 Movement in impairment allowance for credit losses is as follows:

	2024 Rs '000	2023 Restated Rs '000
Balance at beginning of the year	5,547,784	4,973,816
Impairment charge for the period / year	2,731,019	(390,060)
Write off reversals	-	815,759
Write off recoveries	-	246,007
Advances written off	(1,125,708)	(97,738)
Balance at end of the year	7,153,095	5,547,784

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	2024 Rs '000	2023 Restated Rs '000
29. Deferred income tax		
Deferred tax (asset) / liability relating to:		
Accelerated tax depreciation	10,735,915	9,715,598
Accelerated tax amortization	3,102,961	3,489,888
Provision for stock in trade, stores and spares	(226,021)	(144,966)
Allowance for expected credit loss	(4,437,450)	(4,185,734)
ROU assets	155,830	(67,711)
Surplus / (deficit) on revaluation of fair value through OCI securities	164,498	(18,635)
Lease liability	(550,195)	(609,771)
Contract cost	1,712,319	1,091,558
Liabilities claimable on payment	(11,458,663)	(11,458,663)
Vendor liability	470,250	-
Tax Loss	(8,252,034)	(13,026,611)
Minimum Tax	(5,131,781)	(2,363,515)
Long term investment and other receivable	(288,196)	(215,696)
Remeasurement of employees retirement benefits	(232)	(71,295)
Others	(129,061)	(107,109)
Impact of remeasurement of financial assets	-	5,029
Unrealised exchange loss	(2,764,313)	(1,724,746)
	(16,896,173)	(19,692,379)
Movement during the year		
Balance at the beginning of the year	(19,692,379)	(8,940,736)
(Reversal) / Charge for the year in respect of:		
Accelerated tax depreciation	1,020,317	2,599,333
Accelerated tax amortization	(386,927)	2,716,384
Provision for stock in trade, stores and spares	(81,055)	264,585
Allowance for expected credit loss	(251,716)	991,702
ROU assets	223,541	(66,236)
Lease liability	59,576	(2,904)
Contract cost	620,761	83,463
Liabilities claimable on payment	-	(5,281,870)
Vendor liability	470,250	-
Tax Loss	(9,473,181)	(13,955,248)
Minimum Tax	(2,768,266)	(812,159)
Long term investment and other receivable	(72,500)	(215,696)
Remeasurement of employees retirement benefits	13,060	(9,307)
Impact of remeasurement of financial assets	(5,029)	(308,818)
Surplus / (deficit) on revaluation of fair value through OCI securities	183,133	(17,643)
Others	(21,952)	(100,563)
Unrealised exchange loss	(1,039,567)	(1,724,746)
	(11,509,555)	(15,839,723)
Tax loss claimed / submitted for claim	14,305,761	5,088,080
Balance at the end of the year	(16,896,173)	(19,692,379)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

29.1 Recovery of deferred tax asset against minimum turnover tax and other deductible temporary differences is based on the Group achieving sufficient profitability. The Group estimates recoverability of these deferred tax assets based on future taxable projections. Significant assumptions used in preparation of future taxable projections are average revenue per user growth, subscribers/customer growth, increase in loan disbursement and cost optimization.

	Note	2024 Rs '000	2023 Restated Rs '000
30. Income tax recoverable			
Balance at beginning of the year		32,356,188	28,865,114
Current tax charge for the year - P&L		(3,103,675)	(9,417,516)
Tax loss claimed / submitted for claim		14,305,761	5,088,080
Tax (charge) / credit on re-measurement gains - OCI		-	31,202
		11,202,086	(4,298,234)
Tax paid during the year		8,746,712	7,789,308
Balance at end of the year	30.1	52,304,986	32,356,188

30.1 This balance will be adjusted against future tax liability.

	Note	2024 Rs '000	2023 Rs '000
31. Deposits, prepayments and other receivables			
Deposits		415,550	325,425
Prepayments			
- Pakistan Telecommunication Authority - a related party		9,647	29,060
- Prepaid rent and others		2,056,174	2,235,833
		2,065,821	2,264,893
Other receivables			
Due from related parties	31.1	96,939	72,631
Accrued interest receivable	31.2	14,878,989	12,834,746
Funded Pension	11.1	2,951,439	6,251,822
Receivable from Government of Pakistan	31.3	2,164,072	2,164,072
Federal Excise Duty (FED)	31.4	3,804,870	3,804,870
Grant receivable		368,023	167,550
Others		4,806,912	6,777,849
Less: Impairment loss on other receivables		(1,215,576)	(1,914,972)
		30,337,039	32,748,886

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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	Maximum aggregate amount Rs '000	Up to 6 months Rs '000	More than 6 months Rs '000	2024 Rs '000	2023 Rs '000
31.1 Emirates Telecommunication Corporation	71,305	-	71,305	71,305	71,305
Pakistan Telecommunication Employees Trust	25,634	24,308	1,326	25,634	1,326
	96,939	24,308	72,631	96,939	72,631

31.2 This represents mark-up accrued on advances and investments.

31.3 This represents the balance amount receivable from the Government of Pakistan, on account of its agreed share in the Voluntary Separation Scheme, offered to the Holding Company's employees during the year ended June 30, 2008.

31.4 This includes payments under protest on account of FED on interconnect charges. The Honourable Supreme Court has decided the case in favor of the Holding Company.

This also includes federal excise duty on technical service fee of Rs 521,759 thousand (December 31, 2023: Rs 521,759 thousand) paid by PTML to the taxation authority under protest.

	Note	2024 Rs '000	2023 Restated Rs '000
32. Short term investments			
Amortized cost			
Lending to Financial Institution	32.1	12,195,250	453,672
Federal Government securities		-	4,610,832
Fair value through Profit or Loss			
Non Government debt securities		-	2,274,782
Market treasury bills - Maturity upto 6 months		1,697,008	5,670,394
Fair value through Other Comprehensive Income			
Federal Government securities		147,255,738	37,839,658
Non Government debt securities		83,293	299,896
		161,231,289	51,149,234

32.1 These are secured against underlying Market Treasury Bills. The differential between the contracted rate and resale price is amortized over the period of related contracts and recorded under mark-up / return / interest earned. These carried mark-up at the rate of 12.5% to 22.9% (2023: 22.80%) per annum.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rs '000	2023 Restated Rs '000
33. Cash and bank balances			
Cash in hand		1,827,897	1,956,673
Balances with banks:			
Local currency			
Current account maintained with SBP and NBP	33.1	5,140,886	4,165,678
Current accounts		1,280,430	2,339,866
Saving accounts	33.2	5,035,063	3,458,450
		11,456,379	9,963,994
Foreign currency			
Current accounts - USD 33,465 thousand (December 31, 2023: USD 24,040 thousand)		9,321,664	6,775,882
Saving accounts - USD 4,690 thousand (December 31, 2023: USD 4,240); and EUR 790 thousand (December 31, 2023: EUR 760 thousand)		1,535,061	1,432,848
		10,856,725	8,208,730
	33.3	24,141,001	20,129,397

33.1 This includes balance maintained with SBP to comply with the requirement of Prudential Regulations for Microfinance Banks to maintain minimum cash reserve not less than 5% (2023: 5%) of the U Bank's time and demand deposits liabilities with tenure of less than one year.

33.2 These carry mark-up ranging between 5.86% and 23.5% (December 31, 2023: 6.5% and 23.5%) per annum.

33.3 Bank balance includes Rs. 212,391 thousand (December 31, 2023: Rs. 81,812 thousand) carrying profit at the rate of 5.87% (December 31, 2023: 11.1%) per annum from Shariah arrangements.

	2024 Rs '000	2023 Restated Rs '000
34. Revenue		
Broadband & IPTV	49,280,794	41,184,622
Cellular and other wireless	81,241,114	64,050,623
Fixed line voice services	8,685,123	8,254,353
Revenue from retail customers	139,207,031	113,489,598
Corporate and wholesale	43,573,895	38,568,386
International	12,121,637	12,257,113
Banking	24,879,405	24,351,730
Total revenue	219,781,968	188,666,827

34.1 Revenue is net of trade discount amounting to Rs 3,154,454 thousand (December 31, 2023: Rs 2,988,412 thousand) and Federal Excise Duty / Sales tax amounting to Rs 34,299,081 thousand (December 31, 2023: Rs 28,524,740 thousand).

34.2 Revenue amounting to Rs. 5,236,373 thousand (December 31, 2023: Rs. 4,757,439 thousand) has been recognized during the year from opening contract liability.

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FOR THE YEAR ENDED DECEMBER 31, 2024

		2024	2023
	Note	Rs '000	Restated Rs '000
35. Cost of services			
Staff cost	35.1	16,415,322	15,835,992
Outsourced staff cost		2,652,533	2,391,431
Security service charges		1,552,925	1,420,741
Interconnect cost		3,957,755	3,949,220
Foreign operators cost and satellite charges		9,568,871	9,197,354
Fuel and power cost		27,814,527	25,545,329
Cost of devices sold		3,863,862	2,800,379
Amortization of contract costs	24.2	5,023,263	4,293,687
Rent, rates and taxes		8,288,959	5,296,424
Repairs and maintenance and IT cost		11,702,915	10,586,931
Depreciation on property, plant and equipment	19.5	30,811,152	28,466,840
Depreciation on ROU assets	20.2	4,915,492	5,148,942
Amortization of intangible assets	21.9	6,754,805	6,828,244
Annual license fee and regulatory charges	35.2	4,994,528	4,173,099
Markup / interest expense - U Bank		18,971,242	15,491,094
Other expenses		5,094,303	4,505,908
		162,382,454	145,931,615

35.1 This includes Rs 1,518,233 thousand (December 31, 2023: Rs 1,467,699 thousand) in respect of employees retirement benefits.

35.2 This represents the Group's contribution to the National Information Communication Technology Research and Development Fund (National ICT R&D Fund), Universal Service Fund (USF), annual license fee and other regulatory charges, in accordance with the terms and conditions of its license to provide telecommunication services.

		2024	2023
	Note	Rs '000	Restated Rs '000
36. Administrative and general expenses			
Staff cost	36.1	10,654,493	8,781,151
Outsourced staff cost		2,415,242	2,047,063
Technical services assistance fee	36.2	6,798,458	5,759,237
Fuel and power cost		1,085,497	901,866
Gas and water		155,829	128,551
Rent, rates and taxes		556,297	441,392
Repairs and maintenance		1,883,867	1,616,364
Travelling and conveyance		956,669	876,249
Legal and professional charges	36.3	1,150,927	916,410
Billing and printing expenses		363,234	412,312
Depreciation on property, plant and equipment	19.5	1,709,172	1,426,286
Depreciation on ROU assets	20.2	1,542,090	1,447,737
Amortization of intangible assets	21.9	968,371	531,736
Impairment of property, plant and equipment		704,947	72,111
Other expenses	37.2	1,914,319	1,442,323
		32,859,412	26,800,788

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36.1 This includes Rs 387,195 thousand (December 31, 2023: Rs 397,557 thousand) in respect of employees retirement benefits.

36.2 This represents the amount payable to Etisalat - UAE, a related party, under an agreement for technical services at the rate of 3.5% of the Group's consolidated revenue.

	Note	2024 Rs '000	2023 Rs '000
36.3	This includes auditor's remuneration as follows:		
	Statutory audit, including half yearly review	36,978	20,500
	Other non-audit services including advisory services	2,704	30,096
		39,682	50,596

36.3.1 This fee is inclusive of out of pocket expenses.

	Note	2024 Rs '000	2023 Rs '000
37. Selling and marketing expenses			
Staff cost	37.1	3,480,197	3,352,140
Outsourced staff cost		806,923	728,491
Sales and distribution charges		2,051,369	1,750,090
Contract cost amortization	24.2	2,470,970	1,997,682
Advertisement and publicity	37.2	4,213,314	4,119,118
Depreciation on property, plant and equipment	19.5	125,949	133,692
Others		156,567	186,621
		13,305,289	12,267,834

37.1 This includes Rs 58,529 thousand (December 31, 2023: Rs 247,819 thousand) in respect of employees retirement benefits.

37.2 (i) Donations that exceed Rs 1,000 thousand are given to the parties given hereunder:

	2024 Rs '000	2023 Rs '000
Names of Donees		
Rashid Khan Trust	-	5,000
Shifa Foundation	1,000	-
	1,000	5,000

(ii) This also includes penalty paid during the year related to various non-compliances identified by the State Bank of Pakistan during its inspection of U Bank.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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	Note	2024 Rs '000	2023 Restated Rs '000
38. Impairment loss on trade debts and contract assets			
Impairment loss on:			
Trade debts and contract assets	26.3	2,286,069	1,703,713
Loans to banking customers	28.4	2,731,019	(293,322)
Provision for diminution in the value of investments		100,075	(16,848)
		5,117,163	1,393,543
39. Other income			
Income from financial assets:			
Return on bank deposits	39.1	7,334,682	12,336,902
Dividend income		580,643	3,157,687
Interest on investment in Government securities		221,887	1,156,911
Late payment surcharge from subscribers		550,142	14,539
Gain on fair value remeasurement of forward exchange contracts		-	257,720
Exchange gain		953,189	-
Others		1,110,428	781,493
		10,750,971	17,705,252
Income from non-financial assets:			
Gain on disposal of property, plant and equipment		5,772,771	6,096,548
Government grants recognized	12	4,447,562	2,572,248
Re-chargeable projects income		599,676	1,087,626
Rental income		1,323,148	1,089,939
Scrap sales		2,334,271	1,673,036
Others		390,399	176,667
		14,867,827	12,696,064
		25,618,798	30,401,316

39.1 Return on bank deposits includes Rs 268 thousand (December 31, 2023: Rs 63 thousand) earned from Shariah arrangements.

	Note	2024 Rs '000	2023 Restated Rs '000
40. Finance costs and other expenses			
Interest on:			
Long term loans from banks		31,522,825	35,622,368
Short term running finance		7,125,423	2,527,630
Long term vendor liability		4,149,775	4,315,653
Lease liabilities		3,087,046	2,074,533
License fee		904,524	941,419
Employee retirement benefits		3,883,563	3,069,926
Exchange loss		-	5,431,396
Impairment of goodwill on acquisition of DVCOM Data	21.2	-	656,102
Bank and other charges		1,960,396	897,924
		52,633,552	55,536,951

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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	Note	2024 Rs '000	2023 Restated Rs '000
41. Income tax			
Current tax	30		
Current year		5,199,930	6,311,662
Prior year		(10,186)	3,105,854
Deferred	29		
Current year		(11,692,688)	(12,339,517)
Prior year		-	(3,211,421)
		(11,692,688)	(15,550,938)
		(6,502,944)	(6,133,422)
41.1 Reconciliation of effective tax rate:			
Profit before tax (Rupees in thousand)		(20,897,104)	(22,862,588)
		2024 Percentage	2023 Percentage
Applicable tax rate		29.00	29.00
Tax effect of amounts that are not deductible for tax purposes		0.91	-
Others		1.21	(2.17)
		2.12	(2.17)
Average effective tax rate charged to the consolidated statement of profit or loss		31.12	26.83
		2024 Rs '000	2023 Restated Rs '000
42. Earnings / (loss) per share - basic and diluted			
Profit for the year	Rupees in thousand	(14,394,160)	(16,729,166)
Weighted average number of ordinary shares	Numbers in thousand	5,100,000	5,100,000
Earnings per share	Rupees	(2.82)	(3.28)

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43. Non-funded financing facilities

The Holding Company has non funded financing facilities available with banks, which include facilities to avail letters of credit and letters of guarantee. The aggregate facility of Rs 26,100,000 thousand (December 31, 2023: Rs 27,600,000 thousand) and Rs 17,350,000 thousand (December 31, 2023: Rs 18,350,000 thousand) is available for letters of credit and letters of guarantee respectively, out of which the facility availed at the year end is Rs 9,313,640 thousand (December 31, 2023: Rs 13,448,900 thousand) and Rs 15,074,000 thousand (December 31, 2023: Rs 11,098,373 thousand) respectively. The letter of guarantee facility is secured by a hypothecation charge over certain assets of the Holding Company, amounting to Rs 176,250,000 thousand (December 31, 2023: Rs 125,650,000 thousand).

	2024 Rs '000	2023 Restated Rs '000
44. Cash generated from operations		
Profit before tax	(20,897,104)	(22,862,588)
Adjustments for non-cash charges and other items:		
Depreciation of property, plant and equipment	32,646,273	30,026,818
Impairment of property, plant and equipment	486,637	66,457
Depreciation of right of use assets	6,457,015	6,599,690
Amortization of intangible assets	7,723,176	7,359,979
Amortization of contract costs	7,494,233	6,291,369
Reversal for obsolete stores and spares	22,933	(672,545)
Impairment loss on trade debts and contract assets	2,386,144	1,784,603
Impairment loss on non performing loans to banking customers	2,731,019	(391,060)
Provision for employees retirement benefits	6,078,519	5,186,640
Gain on disposal of property, plant and equipment	(5,772,771)	(6,096,548)
Return on bank deposits and Government securities	(7,112,795)	(11,179,991)
Release of deferred government grants	(4,447,562)	(2,572,248)
Finance cost	49,095,467	46,956,962
Impairment of goodwill on acquisition of DVCOM Data	-	656,102
Unearned revenue realized	(180,397)	-
Exchange (gain) / loss	(953,189)	5,431,396
Imputed interest on loans and advances	(345,027)	39,789
Imputed interest on lease liabilities	3,180,117	2,352,427
	78,592,688	68,977,252
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets:		
Stock in trade, stores and spares	1,557,770	(1,256,272)
Trade debts and contract assets	(10,364,479)	(12,163,003)
Loans to banking customers	(5,233,663)	(26,659,706)
Loans and advances	(325,383)	828,093
Deposits, prepayments and other receivables	3,924,395	(14,670,038)
	(10,441,360)	(53,920,926)
Increase / (decrease) in current liabilities:		
Trade and other payables	14,370,002	8,090,229
Security deposits	214,282	(91,927)
	14,584,284	7,998,302
	82,735,612	23,054,628

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44.1. Reconciliation of movement of liabilities to cash flows arising from financing activities

	Liabilities							Equity	
	Sub-ordinated loan	Loans from banks	Vendor liability	Licence fee payable	Lease liabilities	Unpaid / unclaimed dividend	Interest accrued	Revenue reserve	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance at December 31, 2023	1,149,701	122,380,402	67,616,244	11,391,488	17,066,360	209,256	4,973,189	5,419,438	230,206,078
Changes from financing cash flows									
Draw-downs / additions	-	-	17,397,323	-	7,919,620	-	-	-	25,316,943
Repayments	(149,701)	117,374,550	(18,631,486)	(263,233)	(10,544,782)	(1,125)	(47,352,012)	-	40,432,211
	(149,701)	117,374,550	(1,234,163)	(263,233)	(2,625,162)	(1,125)	(47,352,012)	-	65,749,154
Other changes									
Interest cost on lease liabilities	-	-	-	-	3,180,117	-	-	-	3,180,117
Liability related changes	-	-	-	-	(732,908)	-	49,095,467	-	48,362,559
	-	-	-	-	2,447,209	-	49,095,467	-	51,542,676
Total equity related changes	-	-	-	-	-	-	-	(21,498,097)	(21,498,097)
Balance at December 31, 2024	1,000,000	239,754,952	66,382,081	11,128,255	16,888,407	208,131	6,716,644	(16,078,659)	325,999,811

Balance at December 31, 2022

as previously reported	1,450,227	153,365,933	59,835,318	13,769,419	18,327,587	209,814	1,916,674	22,125,868	271,000,840
Changes from financing cash flows									
Draw-downs / additions	-	-	1,294,774	-	-	-	-	-	1,294,774
Repayments	(22,095)	(29,520,197)	-	(4,834,344)	(8,289,445)	(558)	(40,441,832)	-	(83,108,471)
	(22,095)	(29,520,197)	1,294,774	(4,834,344)	(8,289,445)	(558)	(40,441,832)	-	(81,813,697)
Other changes									
Interest cost on lease liabilities	-	-	-	-	2,352,427	-	-	-	2,352,427
Liability related changes	(278,431)	(1,465,334)	6,486,152	2,456,413	4,675,791	-	43,498,347	-	55,372,938
Effect of restatement	-	-	-	-	-	-	-	228,828	228,828
	(278,431)	(1,465,334)	6,486,152	2,456,413	7,028,218	-	43,498,347	228,828	57,954,193
Total equity related changes	-	-	-	-	-	-	-	(16,935,258)	(16,935,258)
Balance at December 31, 2023	1,149,701	122,380,402	67,616,244	11,391,488	17,066,360	209,256	4,973,189	5,419,438	230,206,078

	Note	2024 Rs '000	2023 Rs '000
44.2 Cash and cash equivalents			
Cash and bank balances	33	24,141,001	20,129,397
Short term running finance	16	(51,678,636)	(48,138,253)
		(27,537,635)	(28,008,856)

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45. Remuneration of Directors, Chief Executive Officer and Executives

The aggregate amount charged in the consolidated financial statements for remuneration, including all benefits, to the Chairman, Chief Executive Officer and Executives of the Group is as follows:

	Chairman		Chief Executive Officer		Executives			
	2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000	Key management personnel		Other executives	
					2024 Rs '000	2023 Rs '000	2024 Rs '000	2023 Rs '000
Managerial remuneration	-	-	268,180	212,887	859,155	804,017	6,284,296	4,291,833
Honorarium	300	300	-	-	-	-	-	-
Retirement benefits	-	-	6,998	5,071	56,096	50,452	478,470	302,098
Medical	-	-	-	-	44,518	39,115	329,170	203,045
Housing	-	-	179,987	143,055	43,724	42,781	264,750	250,423
Utilities	-	-	60,195	34,990	87,472	62,264	472,770	302,627
	300	300	515,360	396,003	1,090,965	998,629	7,829,456	5,350,026
Bonus paid	-	-	218,108	122,297	275,041	286,389	1,603,948	930,518
	300	300	733,468	518,300	1,366,006	1,285,018	9,433,404	6,280,544
Number of persons	1	1	1	1	63	67	2,107	1,590

The Group also provides free medical and limited residential telephone facilities, to all its executives, including the Chief Executive Officer. The Chairman is entitled to free transport and a limited residential telephone facility, whereas, the Directors of the Group are provided only with limited telephone facilities. Certain executives are also provided with the Group maintained cars.

The aggregate amount charged in the consolidated financial statements for the year as fee paid to 20 directors including chairman (December 31, 2023: 21) is Rs 302,168 thousand (December 31, 2023: Rs 291,789 thousand) for attending the Board of Directors, and its sub-committee meetings.

46. Rates of exchange

Assets in US dollars have been translated into Rupees at USD 1 = Rs 278.55 (December 31, 2023: USD 1 = Rs 281.86), while liabilities in US dollars have been translated into Rupees at USD 1 = Rs 278.55 (December 31, 2023: USD 281.86).

47. Financial instruments and risk management

47.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board has prepared a 'Risk Management Policy' covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of this policy.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions, or receivables and payables that exist due to transactions in foreign currencies.

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The Group is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), Arab Emirates Dirham (AED), Euro (EUR) and Chinese Yuan (CNY). Currently, the Group's foreign exchange risk exposure is restricted to the amounts receivable from / payable to foreign entities. The Group's exposure to currency risk is as follows:

	2024 Rs '000	2023 Restated Rs '000
USD		
Trade and other payables	(11,183,995)	(12,356,841)
Long term vendor liability	(1,339,344)	(1,695,853)
License fee payable	(13,198,607)	(12,650,466)
Trade debts	44,099,114	38,506,594
Cash and bank balances	10,626,594	7,971,704
Net exposure	29,003,762	19,775,138
EUR		
Trade and other payables	(523,476)	(426,151)
Trade debts	193,364	280,647
Long term vendor liability	(136,220)	(432,657)
Cash and bank balances	230,129	237,024
Net exposure	(236,203)	(341,137)
AED		
Trade and other payables	-	(5,570)
CNY		
Vendor liability	(41,807,357)	(41,886,156)

The following significant exchange rates were applied during the year:

	2024	2023
Rupees per USD		
Average rate	278.48	279.98
Reporting date rate	278.55	281.86
Rupees per EUR		
Average rate	301.24	302.74
Reporting date rate	290.08	311.50
Rupees per AED		
Average rate	75.82	76.23
Reporting date rate	75.84	76.74
Rupees per CNY		
Average rate	38.71	39.55
Reporting date rate	38.16	39.63

If the functional currency, at the reporting date, had fluctuated by 5% against the USD, AED, EUR and CNY with all other variables held constant, the impact on profit after taxation for the year would have been Rs 468,765 thousand (December 31, 2023: Rs 797,249 thousand) respectively higher / lower, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

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(ii) **Other price risk**

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Financial assets include investments of nil (December 31, 2023: 5,570,319 thousand) which were subject to price risk.

If redemption price on mutual funds at the year end date, fluctuate by 5% higher / lower with all other variables held constant, total comprehensive income for the year would have been nil (December 31, 2023: 222,813 thousand) higher / lower, mainly as a result of higher / lower redemption price on units of mutual funds.

(iii) **Interest rate risk**

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the date of the consolidated statement of financial position, the interest rate profile of the Group's interest bearing financial instruments at the year end:

	2024 Rs '000	2023 Restated Rs '000
Financial assets		
Fixed rate instruments:		
Staff loans	1,172,074	1,153,297
Short term investments	1,697,008	5,670,394
Bank balances - savings accounts	6,570,124	4,891,298
	9,439,206	11,714,989
Variable rate instruments:		
Market treasury bills	159,534,281	45,478,840
Loans to banking customers	74,466,860	71,964,216
	234,001,141	117,443,056
	243,440,347	129,158,045
Financial liabilities		
Fixed rate instruments:		
Deposits from banking customers	136,612,183	104,062,544
Floating rate instruments:		
Long term loans from banks	239,754,952	122,380,402
Long term vendor liability	63,282,703	61,453,039
License fee payable	9,972,090	10,090,613
Short term running finance	51,678,636	48,138,253
	364,688,381	242,062,307
	501,300,564	346,124,851

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Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value. Therefore, a change in interest rates at the date of consolidated statement of financial position would not affect the total comprehensive income of the Group.

Cash flow sensitivity analysis for floating rate instruments

If interest rates on variable rate instruments of the Group, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rs 927,879 thousand (December 31, 2023: Rs 996,954 thousand) lower / higher, mainly as a result of higher / lower markup income on floating rate loans / investments.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge an obligation. The maximum exposure to credit risk at the reporting date is as follows:

	2024 Rs '000	2023 Restated Rs '000
Long term loans and advances	12,607,513	10,602,475
Trade debts and contract assets	64,355,709	56,377,374
Loans to banking customers	74,466,860	71,964,216
Loans and advances	3,379,931	3,054,166
Deposits and other receivables	25,681,924	28,594,095
Short term investments	161,231,289	51,149,234
Bank balances	22,313,104	18,172,724
	364,036,330	239,914,284

The credit risk on liquid funds is limited, because the counter parties are banks with reasonably high credit ratings. In case of trade debts, the Group believes that it is not exposed to a major concentration of credit risk, as its exposure is spread over a large number of counter parties and subscribers. Allowance for expected credit loss from contracts with customers amounts to Rs 5,117,163 thousand (December 31, 2023: Rs 1,393,543 thousand).

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The credit quality of bank balances and short term investments, that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating Agency
	Short term	Long term	
National Bank of Pakistan	A-1+	AAA	PACRA
Bank Alfalah Limited	A-1+	AAA	PACRA
MCB Bank Limited	A-1+	AAA	PACRA
MCB Islamic Bank Limited	A-1	A+	PACRA
Soneri Bank Limited	A-1+	AA-	PACRA
Habib Metropolitan Bank Limited	A-1+	AA+	PACRA
The Bank of Punjab	A-1+	AA+	PACRA
Habib Bank Limited	A-1+	AAA	VIS
Askari Bank Limited	A-1+	AA+	PACRA
Allied Bank Limited	A-1+	AAA	PACRA
United Bank Limited	A-1+	AAA	VIS
BankIslami Pakistan Limited	A-1	AA-	PACRA
Bank Al-Habib Limited	A-1+	AAA	PACRA
Faysal Bank Limited	A-1+	AA	PACRA
Citi Bank, N.A	P-1	Aa3	Moody's
Albaraka Bank (Pakistan) Limited	A-1	A+	VIS
Mobilink Microfinance Bank Limited	A-1	A	PACRA
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS
JS Bank Limited	A-1+	AA	PACRA
Sindh Bank Limited	A-1+	AA-	VIS
Silk Bank Limited	A-2	A-	VIS
Bank Makramah Limited	A-3	BBB-	JCR-VIS
Standard Chartered Bank (Pakistan) Limited	A-1+	AAA	PACRA
Meezan Bank Limited	A-1+	AAA	VIS
The Bank of Khyber	A-1	A+	VIS
First Women Bank Limited	A-2	A-	PACRA
Samba Bank Limited	A-1	AA	VIS
U Microfinance Bank Limited	A-1	A+	VIS
Khushhali Microfinance Bank Limited	A-2	A-	VIS
Telenor Microfinance Bank Limited	A-1	A	VIS

Due to the Group's long standing business relationships with these counter parties, and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Group. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group follows an effective cash management and planning policy to ensure availability of funds, and to take appropriate measures for new requirements.

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The following are the contractual maturities of the Group's financial liabilities:

	Carrying amount Rs '000	Less than one year Rs '000	One to five years Rs '000	More than five years Rs '000
As at December 31, 2024				
Long term loans from banks	239,754,952	134,887,702	104,533,917	333,333
Lease liabilities	16,888,407	4,458,672	10,263,014	2,166,721
Security deposits	1,654,053	1,654,053	-	-
Long term vendor liability	66,382,081	35,565,847	30,816,234	-
Trade and other payables	139,984,582	139,984,582	-	-
Interest accrued	6,716,644	6,716,644	-	-
License fee payable	11,128,255	2,328,854	8,414,833	384,568
Unpaid / Unclaimed Dividend	208,131	208,131	-	-
Short term running finance	51,678,636	51,678,636	-	-
Deposits from banking customers	136,612,183	96,741,897	39,870,286	-
	671,007,924	474,225,018	193,898,284	2,884,622
As at December 31, 2023				
Long term loans from banks	140,988,976	41,958,557	93,697,086	5,333,333
Lease liabilities	21,016,844	5,353,044	13,713,388	1,950,412
Security deposits	1,439,771	1,439,771	-	-
Long term vendor liability	68,209,769	17,403,361	50,806,408	-
Trade and other payables	97,035,783	97,035,783	-	-
Interest accrued	4,973,189	4,973,189	-	-
License fee payable	11,391,488	125,862	10,701,167	564,459
Unpaid / Unclaimed Dividend	209,256	209,256	-	-
Short term running finance	48,138,253	48,138,253	-	-
Deposits from banking customers	105,796,975	85,465,584	20,331,391	-
	499,200,304	302,102,660	189,249,440	7,848,204

47.2 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and significance of the inputs to the fair value measurement in its entirety, which is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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Details of the Group's assets / (liabilities) fair value hierarchy as at December 31 are as follows:

		Level 1 Rs '000	Level 2 Rs '000	Level 3 Rs '000	Total Rs '000
Long term other investments	2024	-	-	51,427	51,427
Market treasury bills	2024	-	1,697,008	-	1,697,008
Federal Government securities	2024	-	147,255,738	-	147,255,738
Forward exchange contracts	2024	-	(260,294)	-	(260,294)
Long term other investments	2023	-	-	51,427	51,427
Market treasury bills	2023	-	5,670,394	-	5,670,394
Federal Government securities	2023	-	37,839,658	-	37,839,658
Forward exchange contracts	2023	-	(184,598)	-	(184,598)

Measurement of fair value

Valuation techniques and significant unobservable inputs for assets / liabilities categorized into level 3

Type	Valuation technique	Significant unobservable inputs	Sensitivity of input to fair value
Non listed equity investments - Thuraya Satellite Telecommunication Company	Discounted cash flows: The valuation model considers the present value of projected cash flows, discounted using long term discount rate that reflect the risk inherent to the investment in these equity instruments	Long term discount rate 9% (31 December 2023: 9%)	1% (31 December 2023: 1%) increase (decrease) in the discount rate would decrease (increase) the fair value by Rs. 5,570 thousand (Rs. 6,960 thousand) (31 December 2023: Rs.5,545 thousand (Rs. 6,933 thousand)).
		Future free cash flows	1% (31 December 2023: 1%) increase (decrease) in the future free cash flows would increase (decrease) the fair value by Rs. 2,360 thousand (Rs. 2,270 thousand) (31 December 2023: Rs. 2,351 thousand (Rs. 2,263 thousand))
Non listed equity investments - Alcatel - Lucent Pakistan Limited	Discounted cash flows: The valuation model considers the present value of projected cash flows, discounted using long term discount rate that reflect the risk inherent to the investment in these equity instruments	Long term discount rate 15.5% (31 December 2023: 15.5%)	1% (31 December 2023: 1%) increase (decrease) in the discount rate would decrease (increase) the fair value by Rs.264,820 thousand (Rs. 298,970 thousand) (31 December 2023: Rs. 363,425 thousand (Rs. 413,156 thousand))
		Future free cash flows	1% (31 December 2023: 1%) increase (decrease) in the future free cash flows would increase (decrease) the fair value by Rs. 189,040 thousand (Rs. 182,800 thousand) (31 December 2023: Rs. 246,260 thousand (Rs. 231,748 thousand))

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Valuation techniques for assets / liabilities categorized into level 3

Type Valuation technique

Market Treasury Bills	The fair value of market treasury bills is determined using the prices / rates from Mutual Funds Association of Pakistan (MUFAP).
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates from Mutual Funds Association of Pakistan (MUFAP).
Forward exchange contracts	The fair values of forward exchange contracts transactions are determined using forward pricing calculations.

	FVOCI - equity instruments Rs '000	FVTPL - equity instruments Rs '000	FVTPL - debt instruments Rs '000	FVOCI - debt instruments Rs '000	Financial assets at amortized cost Rs '000	Total Rs '000
47.3 Financial instruments by categories - 2024						
Financial assets as per consolidated statement of financial position						
Long term other investments	51,427	-	-	-	-	51,427
Loans and advances	-	-	-	-	15,987,444	15,987,444
Trade debts and contract assets	-	-	-	-	64,355,709	64,355,709
Loans to banking customers	-	-	-	-	74,466,860	74,466,860
Other receivables	-	-	-	-	27,855,668	27,855,668
Short term investments	-	-	1,697,008	147,339,031	12,195,250	161,231,289
Cash and bank balances	-	-	-	-	24,141,001	24,141,001
Financial liabilities as per consolidated statement of financial position						
	Amortized cost					
Loans from Banks	239,754,952					
Subordinated debts	1,000,000					
Vendor liability	66,382,081					
Trade and other payables	139,984,582					
Security deposits	1,654,053					
Unpaid / unclaimed dividend	208,131					
License fee payable	11,128,255					
Lease liabilities	16,888,407					
Interest accrued	6,716,644					
Short term running finance	51,678,636					

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	FVOCI - equity instruments Rs '000	FVTPL - equity instruments Rs '000	FVTPL - debt instruments Rs '000	FVOCI - debt instruments Rs '000	Financial assets at amortized cost Rs '000	Total Rs '000
Financial instruments by categories - 2023						
Financial assets as per consolidated statement of financial position						
Long term other investments	51,427	-	-	-	-	51,427
Loans and advances	-	-	-	-	12,979,467	12,979,467
Trade debts and contract assets	-	-	-	-	56,377,374	56,377,374
Loans to banking customers	-	-	-	-	82,087,560	82,087,560
Other receivables	-	-	-	-	30,158,568	30,158,568
Short term investments	-	5,670,394	2,274,782	38,139,554	5,064,504	51,149,234
Cash and bank balances	-	-	-	-	20,127,045	20,127,045
Financial liabilities as per consolidated statement of financial position						
	Amortized cost					
Loans from banks	122,380,402					
Subordinated debts	1,149,701					
Vendor liability	67,616,244					
Trade and other payables	126,585,304					
Security deposits	1,439,771					
Unpaid / unclaimed dividend	209,256					
License fee payable	11,391,488					
Lease liabilities	17,066,360					
Interest accrued	4,973,189					
Short term running finance	48,138,253					

48. Capital Risk Management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence, and to sustain the future development of the Group's business. The Board monitors the return on capital employed, which the Group defines as operating income divided by total capital employed. The Board also monitors the level of dividends to ordinary shareholders.

The Group's objectives when managing capital are:

- (i) to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- (ii) to provide an adequate return to shareholders.

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce the debt.

The capital of U Bank is managed keeping in view the minimum CAR (15%) required by the Prudential Regulations for Microfinance Banks / Institutions. The adequacy of the capital is tested with reference to the risk-weighted assets of U Bank. The calculation of capital adequacy enables U Bank to assess the long-term soundness. As U Bank conducts business on a wide area network basis, it is critical that U Bank continuously monitor the exposure across the entire organization.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

49. Employees' Provident Funds

Investments out of the provident funds have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

50. Transactions with related parties

The Government of Pakistan and Etisalat International Pakistan (EIP), UAE are the majority shareholders of the Group. Additionally, the Group's associate T.F. Pipes Limited, Directors, Chief Executive, Key management personnel and employees retirement benefits are also related parties of the Group. The remuneration of the Directors, Chief Executive and Executives is given in note 45 to these Consolidated Financial Statements. The amounts due from and due to these related parties are disclosed in the respective notes including note 12, 13, 15, 22, 23, 25, 26, 29, 30, and 31. The Holding Company has also issued a letter of comfort and corporate guarantee in favor of PTML and U Bank as disclosed in note 18.24. The Group had transactions with the following related parties during the year:

Particulars	Aggregate % of shareholding in the Holding Company
Shareholders	
The Government of Pakistan	62.18%
Etisalat International Pakistan	26%
Associated undertakings	
Emirates Telecommunication Corporation - Ultimate Parent Company	Not applicable
Etisalat - Afghanistan	Not applicable
Etihad Etisalat Company	Not applicable
Etisalat - Egypt	Not applicable
Etisalat - Nigeria	Not applicable
Emirates Data Clearing House	Not applicable
TF Pipes Limited	Not applicable
Telecom Foundation	Not applicable
Pakistan MNP Database (Guarantee) Limited	Not applicable
Employees retirement benefit plans	
Pakistan Telecommunication Employees Trust	Not applicable
PTCL - General Provident Fund Trust	Not applicable
PTML - Employees Provident Fund	Not applicable
PTCL - Employees Gratuity Fund	Not applicable
PTML - Employees Gratuity Fund	Not applicable
U Bank - Employees Provident Fund	Not applicable
U Bank - Employees Gratuity Fund	Not applicable
Other related parties	
Pakistan Telecommunication Authority	Not applicable
Universal Service Fund - The Government of Pakistan	Not applicable
National ICT R&D Fund	Not applicable
Pakistan Electronic Media Regularity Authority	Not applicable

Chief Executive, directors and key management personnel

The Group also has transactions with Chief Executive Officer, directors and other key management personnel which are disclosed in note 23 and 45 to these financial statements.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Following particulars relate to the Holding and associated companies incorporated outside Pakistan with whom the Group had entered into transactions during the year:

Names	Country of Incorporation	Basis of Association
Holding Company		
Etisalat International Pakistan	United Arab Emirates	Holding Company
Associated Companies		
Emirates Telecommunication Corporation	United Arab Emirates	Associate of the Holding Company
Etisalat - Afghanistan	Afghanistan	Associate of the Holding Company
Etihad Etisalat Company (Mobily)	Kingdom of Saudi Arabia	Associate of the Holding Company
Etisalat - Nigeria	Nigeria	Associate of the Holding Company
Emirates Data Clearing House	United Arab Emirates	Associate of the Holding Company

Details of Transactions with related parties

	2024 Rs '000	2023 Rs '000
Shareholders		
Technical services assistance fee	6,798,458	5,759,237
Associates		
Sale of goods and services	7,840,169	9,369,982
Purchase of goods and services	2,190,919	1,761,323
Expenses reimbursed to Pakistan		
MNP Database (Guarantee) Limited	-	-
Rentals paid to Pakistan Telecommunication Employees Trust (PTET)	945,750	831,626
Employees retirement benefit plan		
Contribution to PTET	990,436	959,087
Contribution to Gratuity Fund	382,094	250,894
Contribution to Provident Fund	106,322	82,610
Other related party		
Charge under license obligations	2,842,722	2,482,838

Transactions with the entities controlled by Government of Pakistan, have not been separately disclosed as these are ordinary transactions conducted in normal course of business.

51. Operating segment information

- 51.1** Management has determined the operating segments based on the information that is presented to the Board of Directors for allocation of resources and assessment of performance. 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.
- 51.2** The Board of Directors monitor the results of the above mentioned segments for the purpose of making decisions about the resources to be allocated and for assessing performance based on consolidated comprehensive income for the year.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

51.3 The segment information for the reportable segments is as follows:

	Wireline Rs '000	Wireless Rs '000	Banking Rs '000	Total Rs '000
Year ended December 31, 2024				
Segment revenue	106,707,679	95,493,660	24,879,405	227,080,744
Inter - segment revenue	(6,302,413)	(996,363)	-	(7,298,776)
Revenue from external customers	100,405,266	94,497,297	24,879,405	219,781,968
Segment results	4,801,121	(9,858,724)	(9,336,557)	(14,394,160)
Year ended December 31, 2023				
Segment revenue	94,602,705	77,290,777	24,352,151	196,245,633
Inter - segment revenue	(6,340,686)	(1,237,699)	(421)	(7,578,806)
Revenue from external customers	88,262,019	76,053,078	24,351,730	188,666,827
Segment results	8,778,196	(24,966,827)	(540,535)	(16,729,166)

Information on assets and liabilities of the segments is as follows:

	Wireline Rs '000	Wireless Rs '000	Banking Rs '000	Total Rs '000
As at December 31, 2024				
Segment assets	312,773,909	217,760,775	275,897,220	806,431,904
Segments liabilities	296,343,468	194,236,144	279,586,037	770,165,649
As at December 31, 2023				
Segment assets	269,026,776	216,245,839	158,454,684	643,727,299
Segments liabilities	238,860,349	192,751,809	154,824,920	586,437,078

51.4 Other segment information is as follows:

	Wireline Rs '000	Wireless Rs '000	Banking Rs '000	Total Rs '000
Year ended December 31, 2024				
Depreciation	18,008,309	13,823,969	813,995	32,646,273
Amortization	747,637	6,848,703	126,836	7,723,176
Finance cost	21,995,397	19,106,143	11,532,012	52,633,552
Interest income	516,713	1,626,582	8,607,676	10,750,971
Income tax expense	2,039,017	(3,947,542)	(4,594,419)	(6,502,944)
Year ended December 31, 2023				
Depreciation	16,543,159	12,827,888	655,771	30,026,818
Amortization	799,906	6,426,415	133,659	7,359,980
Finance cost	9,428,521	28,771,286	17,337,144	55,536,951
Interest income	278,778	(3,662,172)	16,877,207	13,493,813
Income tax expense	4,425,086	(9,895,679)	(662,828)	(6,133,421)

51.5 The Group's customer base is diverse with no single customer accounting for more than 10% of net revenues.

51.6 The amounts of revenue from external parties, total segment assets and segment liabilities are measured in a manner consistent with that of the financial information reported to the Board of Directors.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

52. Number of employees

	2024 (Number)	2023 (Number)
Total number of persons employed at year end	20,718	22,093
Average number of employees during the year	21,383	21,768

53. Offsetting of financial assets and liabilities

	Gross amount 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 December 31, 2024					
Trade debts	43,855,454	(5,940,017)	37,915,437	34,405,319	72,320,756
Trade creditors	(6,708,478)	5,940,017	(768,461)	(23,294,466)	(24,062,927)
As at December 31, 2023					
Trade debts	46,130,906	(6,953,681)	39,177,225	24,501,688	63,678,913
Trade creditors	(9,941,501)	6,953,681	(2,987,820)	(19,180,559)	(22,168,379)

54. Restatement and reclassifications

54.1 Restatements

Certain prior period adjustments have been made in these consolidated financial statements, nature of material adjustments are stated below:

- One of the subsidiaries of the Holding Company, recognized deferred tax asset at a rate of 39% while the Group's effective tax rate is 29%. The comparative figures have been adjusted at 29%.
- The Group has obtained exemption from the State Bank of Pakistan (SBP) from applying the Effective Interest Rate (EIR) method, in respect of its financial assets of U Bank. This has resulted in change in accounting policy. Accordingly, the Group has adjusted the comparative figures.
- Loans issued to employees at no interest or below-market rates, the difference between the fair value and nominal value was recognized as an immediate loss in the statement of profit or loss, instead of being treated as a deferred employee benefit. This deferred benefit reflects the value of interest savings for employees. Accordingly, the Group has adjusted the comparative figures.
- During the years ended December 31, 2022 and 2023, grant income recognized in the statement of profit or loss resulted in overstatement of 'deferred government grant'. This has been adjusted by recognizing additional grant income in appropriate periods.
- Remaining adjustments, primarily relating to certain lease arrangements, property, plant and equipment acquired under vendor liability and other assets of the Group, did not have significant impact on figures reported in the statement of profit or loss. The Group has, however, adjusted the comparative figures to enhance comparability.
- The above-mentioned corrections have been retrospectively incorporated in these consolidated financial statements, under the International Accounting Standard - 8 'Accounting Policies, Changes in Accounting Estimates and Errors', and the comparative financial amounts have been restated.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

The impact of these restatements along with reclassification as described in note 54.2 is reflected below:

Statement of Financial Position	As at December 31, 2023			
	As previously reported Rs '000	Impact of Reclassification Rs '000	Impact of Restatement Rs '000	As Restated Rs '000
Assets				
Property, Plant and Equipment	257,309,044	115,598	(1,055,749)	256,368,893
ROU Assets	14,819,391	-	(20,557)	14,798,834
Intangible Assets	59,366,749	-	(15,224)	59,351,525
Loans to Banking Customers	23,012,862	(8,683,267)	289,926	14,619,521
Deferred Tax Asset	18,673,013	2,396,303	(1,376,937)	19,692,379
Stock in Trade, Stores and Spares	10,509,772	-	(37,102)	10,472,670
Loans to Banking Customers	59,074,698	(1,730,003)	-	57,344,695
Loans and Advances	2,704,285	107,568	569,606	3,381,459
Receivable from Government of Pakistan	2,164,072	(2,164,072)	-	-
Prepayments and Other Receivables	20,017,711	12,968,774	(237,599)	32,748,886
Short Term Investments	52,145,297	(883,269)	(112,794)	51,149,234
Cash and Bank Balances	20,127,045	2,352	-	20,129,397
Others	103,669,806	-	-	103,669,806
Total Assets	643,593,745	2,129,984	(1,996,430)	643,727,299
Liabilities				
Long Term Loans from Banks	(98,551,603)	1,465,334	-	(97,086,269)
Subordinated Debt	(577,894)	(571,807)	-	(1,149,701)
Customer Deposits	(20,331,391)	(18,211,920)	-	(38,543,311)
Lease Liability	(12,933,697)	150,950	(61,659)	(12,844,406)
Employees' Retirement Benefits	(34,656,221)	1,705	-	(34,654,516)
Deferred Government Grants	(32,074,477)	-	510,965	(31,563,512)
Long Term Vendor Liability	(50,806,408)	(68,322)	661,847	(50,212,883)
Trade and Other Payables	(134,588,742)	(5,541,564)	-	(140,130,306)
Customer Deposits	(85,465,584)	19,946,351	-	(65,519,233)
Subordinated debt	(850,238)	850,238	-	-
Lease Liability	(4,071,005)	(150,949)	-	(4,221,954)
Others	(110,510,987)	-	-	(110,510,987)
Total Liabilities	(585,418,247)	(2,129,984)	1,111,153	(586,437,078)
Equity				
Accumulated loss	(21,313,850)	-	(763,784)	(22,077,634)
Statutory and other reserves	1,031,474	-	(121,493)	909,981
Others	78,457,874	-	-	78,457,874
Total Equity	58,175,498	-	(885,277)	57,290,221

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

	For the year ended December 31, 2023			
	As previously reported Rs '000	Impact of Reclassification Rs '000	Impact of Restatement Rs '000	As Restated Rs '000
Statement of Profit and Loss				
Revenue	188,074,785	-	592,042	188,666,827
Cost of services	(151,884,838)	5,889,115	64,108	(145,931,615)
Administrative and general expenses	(25,640,613)	(843,611)	(316,564)	(26,800,788)
Selling and marketing expenses	(10,734,108)	(1,533,726)	-	(12,267,834)
Impairment loss on trade debts and contract assets	(1,191,121)	-	(202,422)	(1,393,543)
Other income	30,247,758	9,359	144,199	30,401,316
Finance costs and other expenses	(51,778,864)	(3,521,137)	(236,950)	(55,536,951)
Income tax	7,362,767	-	(1,229,345)	6,133,422
Loss after taxation	(15,544,234)	-	(1,184,932)	(16,729,166)
Earning per share (EPS) - basic	(3.05)	-	(0.23)	(3.28)

54.2 Reclassifications

Prior year figures have been rearranged, wherever necessary, for better presentation and comparison. Reclassification of corresponding figures of the financial statements is given below:

From	To	Amount Rs '000
Balance sheet		
Receivable from Government of Pakistan	Prepayments and other receivables	2,164,072
Prepayments and other receivables	Long Term Vendor Liability	68,322
Prepayments and other receivables	Trade and Other Payables	144,901
Prepayments and other receivables	Cash and bank balances	2,352
Short term investments	Prepayments and other receivables	883,269
Trade and other payables	Property, plant and equipment	115,598
Long term loans to banking customers	Prepayments and other receivables	8,683,267
Loans to banking customers	Prepayments and other receivables	1,730,003
Prepayments and other receivables	Deferred tax asset	1,815,973
Trade and other payables	Deferred tax asset	580,330
Prepayments and other receivables	Loans and advances	107,568
Long term loans from banks	Trade and Other Payables	1,465,334
Deposits from banking customers (ST)	Deposits from banking customers (LT)	18,211,920
Deposits from banking customers (ST)	Trade and Other Payables	1,734,431
Subordinated debt (ST)	Subordinated debt (LT)	571,807
Subordinated debt (ST)	Trade and Other Payables	278,431
Lease liability (LT)	Lease liability (ST)	150,950
Employees retirement benefits	Trade and Other Payables	1,705
Profit and loss account		
Cost of services	Finance costs	2,335,213
Administrative and general expenses	Finance costs	397,874
Selling and marketing expenses	Finance costs	327,481
Selling and marketing expenses	Cost of services	395,610
Cost of services	Administrative and general expenses	1,341,760
Cost of services	Administrative and general expenses	2,256,817
Other income	Finance costs	9,358
Cost of services	Finance costs	350,935
Selling and marketing expenses	Finance costs	100,275

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024


54.3 Further, as the impact of above restatement and reclassification on balances presented as of January 01, 2023 is not material, the consolidated statement of financial position as of that date has not been presented in these consolidated financial statements.

55. Date of authorization for issue

55.1 These consolidated financial statements were authorized for issue by the Board of Directors of the Holding Company as on February 11, 2025.



Chief Financial Officer



President & CEO



Chairman

NOTES

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Annexes

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PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2024

No. of shareholders	From	Shareholdings	To	Total shares held
25,075	1		100	2,428,112
8,676	101		500	2,634,242
2,598	501		1,000	2,254,314
2,574	1,001		5,000	6,744,674
698	5,001		10,000	5,644,423
264	10,001		15,000	3,389,133
186	15,001		20,000	3,469,585
132	20,001		25,000	3,127,950
91	25,001		30,000	2,596,307
49	30,001		35,000	1,628,448
49	35,001		40,000	1,902,854
24	40,001		45,000	1,041,847
90	45,001		50,000	4,456,396
18	50,001		55,000	962,287
15	55,001		60,000	882,920
16	60,001		65,000	1,000,821
14	65,001		70,000	953,510
13	70,001		75,000	958,654
15	75,001		80,000	1,191,691
8	80,001		85,000	676,000
13	85,001		90,000	1,149,806
7	90,001		95,000	650,046
46	95,001		100,000	4,585,544
4	100,001		105,000	413,118
5	105,001		110,000	543,833
7	115,001		120,000	829,702
8	120,001		125,000	993,875
5	125,001		130,000	641,100
7	130,001		135,000	927,321
4	135,001		140,000	556,602
3	140,001		145,000	426,521
17	145,001		150,000	2,535,228
3	150,001		155,000	452,013
3	155,001		160,000	478,500
5	160,001		165,000	818,707
3	165,001		170,000	508,945
6	170,001		175,000	1,044,500
3	175,001		180,000	530,600
3	180,001		185,000	545,700
1	185,001		190,000	185,500
1	190,001		195,000	195,000
20	195,001		200,000	3,987,417
1	205,001		210,000	210,000
3	210,001		215,000	641,297
1	215,001		220,000	217,000
2	220,001		225,000	445,500
1	225,001		230,000	229,068
2	230,001		235,000	470,000
1	235,001		240,000	236,000
3	240,001		245,000	733,500
6	245,001		250,000	1,498,000
2	255,001		260,000	514,000
2	265,001		270,000	537,000
3	270,001		275,000	822,500
1	285,001		290,000	290,000
6	295,001		300,000	1,794,200
5	300,001		305,000	1,513,037
1	305,001		310,000	310,000
1	310,001		315,000	312,500
2	325,001		330,000	651,732
1	330,001		335,000	335,000
2	335,001		340,000	678,215
3	345,001		350,000	1,046,000

PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2024

No. of shareholders	From	Shareholdings	To	Total shares held
1	350,001		355,000	353,900
1	355,001		360,000	360,000
1	360,001		365,000	365,000
1	370,001		375,000	375,000
1	385,001		390,000	387,073
3	395,001		400,000	1,200,000
2	400,001		405,000	801,377
1	405,001		410,000	410,000
1	430,001		435,000	430,500
1	435,001		440,000	439,218
1	440,001		445,000	445,000
3	445,001		450,000	1,350,000
1	450,001		455,000	451,500
1	470,001		475,000	475,000
1	490,001		495,000	494,000
6	495,001		500,000	2,997,006
1	505,001		510,000	509,877
1	520,001		525,000	525,000
1	525,001		530,000	526,000
1	540,001		545,000	545,000
1	545,001		550,000	550,000
1	565,001		570,000	566,490
1	595,001		600,000	599,000
2	605,001		610,000	1,214,374
1	625,001		630,000	626,000
1	645,001		650,000	650,000
1	675,001		680,000	678,500
1	690,001		695,000	690,400
3	695,001		700,000	2,100,000
1	745,001		750,000	750,000
1	765,001		770,000	770,000
1	790,001		795,000	793,175
1	795,001		800,000	800,000
1	800,001		805,000	803,605
1	825,001		830,000	830,000
1	870,001		875,000	870,500
1	880,001		885,000	883,000
1	890,001		895,000	890,318
1	895,001		900,000	900,000
1	900,001		905,000	902,645
1	940,001		945,000	941,100
1	945,001		950,000	950,000
1	975,001		980,000	980,000
4	995,001		1,000,000	4,000,000
1	1,080,001		1,085,000	1,083,103
1	1,125,001		1,130,000	1,130,000
1	1,170,001		1,175,000	1,171,330
1	1,245,001		1,250,000	1,250,000
1	1,250,001		1,255,000	1,254,849
1	1,255,001		1,260,000	1,260,000
1	1,325,001		1,330,000	1,326,000
1	1,375,001		1,380,000	1,378,643
1	1,395,001		1,400,000	1,400,000
1	1,495,001		1,500,000	1,500,000
1	1,505,001		1,510,000	1,505,500
1	1,510,001		1,515,000	1,510,300
1	1,530,001		1,535,000	1,530,600
1	1,545,001		1,550,000	1,550,000
1	1,570,001		1,575,000	1,572,500
1	1,580,001		1,585,000	1,581,500
1	1,625,001		1,630,000	1,630,000
1	1,635,001		1,640,000	1,635,790
1	1,795,001		1,800,000	1,800,000

No. of shareholders	From	Shareholdings	To	Total shares held
1	1,855,001		1,860,000	1,860,000
1	2,000,001		2,005,000	2,004,498
1	2,030,001		2,035,000	2,032,962
1	2,095,001		2,100,000	2,100,000
1	2,140,001		2,145,000	2,140,189
1	2,195,001		2,200,000	2,200,000
1	2,205,001		2,210,000	2,208,931
2	2,270,001		2,275,000	4,549,455
1	2,335,001		2,340,000	2,339,884
1	2,395,001		2,400,000	2,400,000
1	2,495,001		2,500,000	2,500,000
1	2,515,001		2,520,000	2,516,029
1	2,615,001		2,620,000	2,617,562
1	2,720,001		2,725,000	2,721,500
1	2,735,001		2,740,000	2,737,000
1	2,825,001		2,830,000	2,825,067
1	2,995,001		3,000,000	3,000,000
1	3,080,001		3,085,000	3,084,050
1	3,280,001		3,285,000	3,284,139
1	3,345,001		3,350,000	3,347,600
1	3,685,001		3,690,000	3,688,900
1	3,895,001		3,900,000	3,900,000
2	3,995,001		4,000,000	8,000,000
1	4,495,001		4,500,000	4,500,000
1	4,985,001		4,990,000	4,989,500
1	4,995,001		5,000,000	5,000,000
1	5,135,001		5,140,000	5,138,126
1	5,335,001		5,340,000	5,335,915
1	5,495,001		5,500,000	5,500,000
1	5,945,001		5,950,000	5,950,000
1	6,545,001		6,550,000	6,550,000
1	6,860,001		6,865,000	6,865,000
1	6,995,001		7,000,000	7,000,000
1	8,015,001		8,020,000	8,016,992
1	8,150,001		8,155,000	8,153,908
1	8,635,001		8,640,000	8,635,019
1	9,000,001		9,005,000	9,000,010
1	22,590,001		22,595,000	22,595,000
1	48,070,001		48,075,000	48,072,693
1	50,875,001		50,880,000	50,879,599
1	55,890,001		55,895,000	55,893,800
1	57,060,001		57,065,000	57,060,074
1	61,060,001		61,065,000	61,060,637
1	196,385,001		196,390,000	196,387,991
1	407,805,001		407,810,000	407,809,524
1	918,190,001		918,195,000	918,190,476
1	2,974,680,001		2,974,685,000	2,974,680,002
40,956				5,100,000,000

CATEGORIES OF SHAREHOLDERS

AS AT DECEMBER 31, 2024

S. No.	Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
1	Directors, Chief Executive Officer, and their spouses and minor children	9	9	0.00
2	President of Pakistan	2	3,171,067,993	62.18
3	Associated Companies, Undertakings and related Parties	2	1,326,000,000	26.00
4	NIT and ICP	2	3,000	0.00
5	Banks, Development Financial Institutions, Non Banking Financial Institutions	17	100,002,804	1.96
6	Insurance Companies	9	70,678,531	1.39
7	Modarabas and Mutual Funds	34	50,244,774	0.99
8	Shareholders holding 10%	1	2,974,680,002	58.33
9	General Public :			
	a. local	40,461	219,701,545	4.31
	b. Foreign	192	126,700	0.00
10	Others	228	162,174,644	3.18
Total (excluding : shareholders holding 10%)		40,956	5,100,000,000	100.00

Trades in PTCL Shares

The Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses and minor children have not traded in PTCL shares during the year ended December 31, 2024.

INFORMATION OF SHAREHOLDERS

AS AT DECEMBER 31, 2024

S. No.	Shareholder's category	Number of shareholders	Number of shares held
i.	Associated Companies, Undertaking and Related Parties		
	ETISALAT INTERNATIONAL PAKISTAN (LLC) - FIRST CDC ACCOUNT	1	918,190,476
	ETISALAT INTERNATIONAL PAKISTAN (LLC) SECOND CDC ACCOUNT	1	407,809,524
	TOTAL	2	1,326,000,000
ii.	Mutual Funds		
	CDC - TRUSTEE AKD INDEX TRACKER FUND	1	7,000,000
	CDC - TRUSTEE AL HABIB ASSET ALLOCATION FUND	1	248,000
	CDC - TRUSTEE AL HABIB STOCK FUND	1	2,275,000
	CDC - TRUSTEE ALFALAH GHP ALPHA FUND	1	5,950,000
	CDC - TRUSTEE ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND	1	60,000
	CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	1	195,127
	CDC - TRUSTEE ALFALAH GHP STOCK FUND	1	599,000
	CDC - TRUSTEE ALFALAH GHP VALUE FUND	1	5,335,915
	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	1	250,000
	CDC - TRUSTEE HBL - STOCK FUND	1	2,140,189
	CDC - TRUSTEE HBL EQUITY FUND	1	2,737,000
	CDC - TRUSTEE HBL FINANCIAL SECTOR INCOME FUND PLAN I - MT	1	165,000
	CDC - TRUSTEE HBL GROWTH FUND	1	2,274,455
	CDC - TRUSTEE HBL INVESTMENT FUND	1	750,000
	CDC - TRUSTEE HBL ISLAMIC EQUITY FUND	1	1,083,103
	CDC - TRUSTEE JS MOMENTUM FACTOR EXCHANGE TRADED FUND	1	3,284,139
	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	1	1,000,000
	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	1	3,688,900
	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	1,860,000
	CDC - TRUSTEE NBP INCOME OPPORTUNITY FUND	1	135,000
	CDC - TRUSTEE NBP MAHANA AMDANI FUND - MT	1	10,000
	CDC - TRUSTEE NBP SAVINGS FUND - MT	1	830,000
	CDC - TRUSTEE NBP STOCK FUND	1	2,339,884
	CDC - TRUSTEE NIT STATE ENTERPRISE FUND	1	1,378,643
	CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	902,645
	CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	1	50,000
	CDC - TRUSTEE UBL ASSET ALLOCATION FUND	1	365,000
	CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	1	229,068
	CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	1	2,208,931
	TOTAL	29	49,344,999
iii	Directors and their spouses		
	MR. ABDULRAHIM A. AL NOORYANI	1	1
	DR. MOHAMED KARIM BENNIS	1	1
	MR. AHAD KHAN CHEEMA	1	1
	MS. BROOKE MARIE LINDSAY	1	1
	MR. KHALID MURSHED	1	1
	MR. IMDAD ULLAH BOSAL	1	1
	MR. JAWAD PAUL KHAWAJA	1	1
	MR. KHALED HEGAZY	1	1
	MR. AZFAR MANZOOR	1	1
	TOTAL	9	9

INFORMATION AS REQUIRED UNDER CODE OF CORPORATE GOVERNANCE

AS AT DECEMBER 31, 2024


S. No.	Shareholder's category	Number of shareholders	Number of shares held
iv.	Executives		
	TOTAL	-	-
v.	Public Sector Companies and Corporations		
	TOTAL	3	113,307,774
vi.	Banks, Development Financial Institutions, Non-Banking Financial Institutions, Insurance Companies, Takaful, Modaraba and Pension Funds		
	TOTAL	33	115,076,113
vii.	Shareholders holding five percent or more voting Rights in the Listed Company		
	ETISALAT INTERNATIONAL PAKISTAN (LLC) - FIRST CDC ACCOUNT	1	918,190,476
	ETISALAT INTERNATIONAL PAKISTAN (LLC) SECOND CDC ACCOUNT	1	407,809,524
	PRESIDENT OF PAKISTAN	1	2,974,680,002
	PRESIDENT OF PAKISTAN	1	196,387,991
	TOTAL	4	4,497,067,993

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING

Notice is hereby given that the thirtieth Annual General Meeting (the 'meeting') of Pakistan Telecommunication Company Limited (the 'Company') will be held on Wednesday, April 30, 2025 at 10:30 a.m. at PTCL Nest Office, Sector G-8/4, Islamabad, to transact the following business:

1. To confirm minutes of the 8th Extraordinary General Meeting held on November 6, 2024.
2. To receive, consider and adopt the Audited Accounts for the year ended December 31, 2024, together with the Auditors' and Directors' reports.

Pursuant to the provisions of Section 223(6) of the Companies Act, 2017 (the "Act"), the Annual Audited Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link and/or QR enabled code:

Weblink	QR Code
https://ptcl.com.pk/uploads/Annual%20Report%202024.pdf	

3. To appoint Auditors for the financial year ending December 31, 2025 and to fix their remuneration.
4. To transact any other business with the permission of the Chair.

By order of the Board



Zahida Awan

Group Company Secretary

Islamabad
Dated: April 7, 2025.

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING

Notes:

1. Participation in the Annual General Meeting

In compliance with the instructions of Securities and Exchange Commission of Pakistan (the 'Commission') promulgated vide its various Circulars, the Members are encouraged to attend the AGM through video-link or by consolidating their attendance through proxies. The Members who are willing to attend and participate at the AGM through video-link are required to register their particulars by sending an email at company.secretary@ptclgroup.com. Such Members are requested to register by providing their credentials i.e. Name, Folio Number, Scanned copy of CNIC (both sides), Cell Phone Number and Number of Shares held in their name through email with subject 'Registration for PTCL's AGM'. Video link and login details will be shared with only those Members whose emails, containing all the required particulars, are received at the given email address before 05:00 p.m. on April 28, 2025. The Members can also provide their comments and suggestions related to the agenda items of the AGM at email address: company.secretary@ptclgroup.com

The Company will follow the best practices and comply with the instructions of the Government and the Commission to ensure protective measures are in place for wellbeing of its Members.

As per directions of the Commission, no gifts will be distributed at the meeting.

Any member of the Company entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend and vote on his/her behalf. A corporate entity, being a member, may appoint any person, regardless of whether he is a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors /Power of Attorney with specimen signatures of the person nominated to represent and vote on behalf of the corporate entity shall be submitted to the Company along with a completed proxy form. Proxies in order to be effective must be received by the Company at the Registered Office not less than 48 hours before the time fixed for holding the meeting.

2. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from April 19, 2025 to April 30, 2025 (both days inclusive). Transfers received by our Share Registrar, FAMCO Share Registration Services (Pvt.) Limited at 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi at the close of business on April 18, 2025 will be treated in time for the purpose to attend the Annual General Meeting.

3. Change of Address

Members holding shares in physical form are requested to notify any change in address immediately to our Share Registrar, FAMCO Share Registration Services (Pvt.) Limited. Members holding shares in CDC/Participants accounts are requested to update their addresses with CDC or their Participants/Stock Brokers.

4. Notice to shareholders who have not provided their CNICs

As per directives of the Securities and Exchange Commission of Pakistan ("SECP") issued vide S.R.O No. 831(I)/2012 dated July 5, 2012, the dividend warrants should bear the Computerized National Identity Card Number ("CNIC") of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s). Members who have not yet submitted photocopies of their valid CNICs are once again requested to provide the same with their respective folio numbers to Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited to ensure disbursement of their dividend withheld with the Company. Members holding shares in CDC/Participants accounts are also requested to update their CNIC/NTN with CDC or their Participants/Stock Brokers.

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING

5. Payment of dividend electronically (e-mandate)

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders holding shares in physical form are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited at 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi.

Shareholders who hold shares with CDC or Participants/ Stock Brokers, are advised to provide the mandate to CDC or their Participants/ Stock Brokers.

6. Further Guidelines for CDC Account Holders

CDC account holders will have to follow the guidelines issued by the SECP through its Circular 1 of January 26, 2000, stated herein below:

A. For Attending the Meeting

- (i) In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the Meeting.
- (ii) In case of corporate entity, a resolution of the Board of Directors / Power of Attorney with specimen signature of the nominee shall be produced (unless the same has been provided to the Company earlier) at the time of the Meeting.

B. For appointing Proxies

- (i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- (ii) The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be stated on the proxy form.
- (iii) Attested copies of CNICs or passports of the beneficiary owner and the proxy shall be attached with the proxy form.
- (iv) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
- (v) In case of corporate entity, a resolution of the Board of Directors/ Power of Attorney with specimen signature should be submitted along with the proxy form to the Company.

7. Consent for Video Conference Facility

Members can also avail video conference facility in Karachi & Lahore. In this regard, please fill the following and submit to registered address of the Company at least 10 days before holding of the meeting.

The video facility will be provided only if the Company receives consent from members holding in aggregate 10% or more shareholding residing at Karachi or Lahore, to participate in the meeting through video conference at least 10 days prior to date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of meeting along with complete information necessary to enable them to access such facility.

I/we _____ of _____, being a member of Pakistan Telecommunication Company Limited holder of _____ Ordinary Shares(s) as per Register Folio No. _____ hereby opt for video conference facility at _____.

Signature of member

8. Circulation of annual audited financial statements through QR enabled code and weblink

As allowed by the Securities and Exchange Commission of Pakistan (SECP) vide its Notification S.R.O. 389(I)/2023 dated March 21, 2023, the shareholders of the Company in their general meeting held on April 28, 2023 had authorized the Company to circulate the annual audited financial statements through QR enabled code and weblink instead of circulating the same through CD/DVD/USB. Soft copies of the Annual Audited Financial Statements are available on Company's official website www.ptcl.com.pk.

9. Deduction of withholding tax on the amount of dividend

The following information is being disseminated for information of the members in accordance with the instructions of the SECP promulgated vide its Circular No. 19/2014 of October 24, 2014;

- (i) The Government of Pakistan through Finance Act has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

- a) For filers of income tax returns: 15%
- b) For non-filers of income tax returns: 30%

All shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of future cash dividend otherwise tax on their cash dividend will be deducted as per the rates prescribed by the authority.

- (ii) For any further query / problem / information, the investors may contact Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi (Ph. # +9221- 34380101 and +9221-34380102. Email: info.shares@famcosrs.com).
- (iii) The corporate shareholders having CDC accounts are required to have their National Tax Number ("NTN") updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to Company or its Share Registrar, FAMCO Share Registration Services (Pvt.) Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

10. Conversion of physical shares into book entry form

Pursuant to the provisions of Section 72(2) of the Companies Act, 2017, Shareholders having physical shareholding are encouraged to open a CDC Sub - Account with any authorized Broker or Investor Account directly with CDC, to convert their existing physical shares into scrip less form. It would be pertinent to note that per the existing regulations of the Pakistan Stock Exchange Limited, trading of physical shares is not permitted. Conversion of physical shares into scrip less form will facilitate the shareholders in many ways e.g. safe custody and ease of sale or purchase of shares at their convenience.

FORM OF PROXY

PAKISTAN TELECOMMUNICATION COMPANY LIMITED



I / We _____
 of _____
 being a member of **Pakistan Telecommunication Company Limited**, and a holder of _____
 Ordinary Shares as per Share Register Folio No. _____ and / or CDC Participant 1.D. No. _____
 _____ hereby appoint Mr./Mrs./Miss _____
 of _____ as my / our proxy to vote for me / us and on my / our behalf
 at the Thirtieth Annual General Meeting of the Company to be held on Wednesday, April 30, 2025 at 10:30 a.m. and at any
 adjournment thereof.

Signed this _____ day of _____ 2025.

Five Rupees
Revenue stamp

For beneficial owners as per CDC List.

1. Witness

_____ Signature

Name _____

Address _____

CNIC No.

					-										-	
--	--	--	--	--	---	--	--	--	--	--	--	--	--	--	---	--

or Passport No. _____

2. Witness

_____ Signature

Name _____

Address _____

CNIC No.

					-										-	
--	--	--	--	--	---	--	--	--	--	--	--	--	--	--	---	--

or Passport No. _____

Notes:

- i) The proxy need not be a member of the Company.
- ii) The instrument appointing a proxy must be duly stamped, signed and deposited at the office of the Company Secretary PTCL, PTCL Head Office, Ufone Tower, Plot 55C, Jinnah Avenue, Blue Area, Islamabad, not less than 48 hours before the time fixed for holding the meeting.
- iii) Signature of the appointing member should match with his / her specimen signature registered with the Company.
- iv) If a proxy is granted by a member who has deposited his / her shares into Central Depository Company of Pakistan Limited, the proxy must be accompanied with participant's ID number and account / sub-account number along with attested copies of the Computerized National Identity Card (CNIC) or the Passport of the beneficial owner. Representatives of corporate members should bring the usual documents required for such purpose.

AFFIX
CORRECT
POSTAGE

To,
The Company Secretary,
Pakistan Telecommunication Company Limited
Room # 100, Block E, PTCL Nest Office,
Sector G-8/4, Islamabad-44000

پراکسی فارم پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ

میں مسمیٰ / مسما ت _____
 ساکن _____
 بحیثیت ممبر پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ، حامل _____
 درج شدہ فولیو نمبر / سی ڈی سی (CDC) اکاؤنٹ نمبر _____، اپنی جگہ مسمیٰ / مسما ت _____
 ساکن _____ کو بطور مختار (پراکسی) مقرر کرتا / کرتی ہوں تاکہ وہ میری جگہ اور
 میری طرف سے کمپنی کے 30 ویں سالانہ اجلاس عام، جو بتاریخ 30 اپریل 2025ء بروز بدھ بوقت 10:30 بجے صبح منعقد ہو رہا ہے یا اس کے ملتوی
 شدہ اجلاس میں شرکت کر سکیں اور ووٹ ڈال سکیں۔
 مورخہ: _____

جگہ برائے 5 روپے
 کے رسیدی ٹکٹ
 اور اُن پر حصے دار کے
 درج شدہ (رجسٹرڈ) دستخط

گواہان:

1. _____ دستخط: _____ نام گواہ: _____
 2. _____ دستخط: _____ نام گواہ: _____

پتہ: _____ پتہ: _____

 شناختی کارڈ / پاسپورٹ نمبر: _____ شناختی کارڈ / پاسپورٹ نمبر: _____

نکٹہ
یہاں چسپاں کریں

To,
The Company Secretary,
Pakistan Telecommunication Company Limited
Room # 100, Block E, PTCL Nest Office,
Sector G-8/4, Islamabad-44000

کمپنی سیکریٹری
پاکستان ٹیلی کمیونیکیشن کمپنی لمیٹڈ
کمرہ نمبر 100- بلاک E، پی ٹی سی نیسٹ آفس
سیکٹر G-8/4 اسلام آباد-44000 پاکستان



Pakistan Telecommunication
Company Limited

PTCL Head Office Room #17, Ufone
Tower, Plot #55-C, Main Jinnah Avenue,
Sector F-7/1, Blue Area, Islamabad