

Pakistan Telecommunication Company Limited (PTC)

Corporate Briefing Notes

Pakistan Telecommunication Company Limited (PTC) held its corporate briefing session to discuss the financial results for CY22 and its outlook.

Key Highlights

- Net sales for the group increased by 10% YoY to PKR 152bn in CY22, compared to PKR138bn in SPLY. The growth is attributed to positive revenue growth by all three companies in the group. However, company's consolidated bottom-line was affected by various macro factors including higher energy prices, additional tax, massive rupee devaluation and increase in interest rates.
- On standalone basis, company has recorded highest ever revenue of PKR83.4bn, up by 9% YoY in CY22 against PKR77bn in CY21. The growth is mainly due to 12% YoY increase in the Wireline data.
- The management shared that with the majority market share, PTCL continued to dominate the Fixed Broadband industry. Its Fiber-To-The-Home (FTTH) service subscriber base doubled on a YoY basis and the segment's market share grew from 17% to 27% during the period ended in Dec'22.
- Ubank, the group's microfinance bank, achieved a double-digit revenue growth of 35% YoY in CY22, on the back of increase in deposit base of 68% YoY to PKR37bn and loan amount of 39% YoY to PKR14bn, respectively. To note, around 57% of loan amount is secured by gold. Ubank is continuously focusing to increase its footprints across the country. The bank's branch network increased by 300 branches by the end of Dec'22. Moreover, Ubank has acquired commercial License for nationwide Islamic banking services.
- Ufone's revenue increased by 7% YoY in CY22. During the year, Ufone has added 12% of the new site, taking the total number of site to 11.4K and similarly total subscriber base also increased by 1mn to 23.6mn, respectively.

Future Outlook

- Going-forward, volatility in interest rates coupled with high energy prices continuous PKR devaluation pose a challenge to company's growth. However, the company is optimistic towards growth strategy of expanding its FTTH network.

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