AIRLINK

YOUR SMART DEVICE PARTNER

HALF YEARLY REPORT

COVER STORY

Air Link recognizes the importance of access to technology for a better, more digitally literate Pakistan. Therefore, the Company has worked towards the provision of affordable technology to every household of this country. The vertical and backward integration of the business supports Air Link's vision of putting Pakistan on the global technological map by synchronizing its business functions for bringing innovation for the betterment of its consumers.

The Company's structure is built around effective strategies and visionary leadership that provides a strong foundation for expanding its business functions and sustainable growth. Starting off with distribution of mobile phones to manufacturing, retail and e-commerce, Air Link has always aspired to be a fully integrated Omni channel with consumer centric approach. During the pandemic our aim and priority was to deliver excellence by providing seamless services and solutions to the end consumer.

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Muzzaffar Hayat Piracha
Chief Executive Officer /Executive Director

Mr. Aslam Hayat Piracha
Chairman / Non-executive Director

Mrs. Rabiya Muzzaffar
Non-executive Director

Mr. Syed Nafees Haider
Executive Director

Mr. Sharique Azim Siddiqui
Independent Director

Mr. Hussain Kuli Khan
Independent Director

Mr. Aqdus Faraz Tahir
Independent Director

AUDIT COMMITTEE

Mr. Hussain Kuli Khan
(Independent Director)-Chairman

Mr. Sharique Azim Siddiqui
(Independent Director)-Member

Ms. Rabiya Muzzaffar
(Non-executive Director) -Member

Mr. Qaiser Ali
(Head of Internal Audit)-Secretary

HR COMMITTEE

Mr. Sharique Azim Siddiqui
(Independent Director)-Chairman

Mr. Aqdus Faraz Tahir
(Independent Director)-Member

Mr. Muzzaffar Hayat Piracha
(Chief Executive Officer)-Member

Mr. Amer Latif
(Company Secretary & Head of Legal)-Secretary

CHIEF FINANCIAL OFFICER

Mr. Nusrat Mahmood

COMPANY SECRETARY

Mr. Amer Latif

BANKS

Bank Al Habib Limited

JS Bank Limited

United Bank Limited

Askari Bank Limited

Standard Chartered Limited

The bank of Punjab Limited

The Bank of Khyber Limited

Habib Metro Limited

Bank Alfalah Limited

Dubia Islamic Bank Limited

Habib Bank Limited

Meezan Bank Limited

Bank Islami Limited

Soneri Bank Limited

LEGAL ADVISOR

Punjab Law Associate

FACTORY ADDRESS

152-m, Quaid-e-azam industrial estate. Kotlakhpat lahore. Airlink Factory.

COMPANY'S REGISTERED ADDRESS (HEAD OFFICE)

LG-2, Al Qadir Heights, 1 Babar Block, New Garden Town, Lahore, Pakistan.

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B' S.M.C.H.S Main Shahra-e-Faisal, Karachi

EXTERNAL AUDITORS

EY Ford Rhodes (Chartered Accountant) 96/B-1, 4th Floor, Pace tower, M.M. Alam Road, Gulberg 3, Lahore, 54000, Pakistan

08 DIRECTORS' REPORT

The board of directors of Air Link Communication Ltd is pleased to present the Financial Statements for the half year ended December 31,2021 along with the review report of auditors thereon.

During the six months ended December 31, 2021, your Company managed to achieve the Gross profit margin of 11% during first half of fiscal year 2021-22, representing an increase of 2% as compared to the corresponding previous period. This led to net profit of PKR 1,026 million, representing an increase of 7% as compared to the corresponding last year.

During the period under review the company has established the wholly owned subsidiary under the name "Select Technologies (Pvt.) Limited" which is in a process of setting up state-of-the-art smartphone assembly plant in Lahore for mobile phones and allied products of Xiaomi. Xiaomi is one of the leading smartphone brand in the world. The organization is a strong proponent of investment in Pakistan and is invested heavily in the local industry. The idea is to promote 'Made in Pakistan' products and to create employment opportunities for skilled and unskilled labour.

The Company has taken all precautions by following proper SOPs for employees coming to work at the factory. Allah has been kind that we have not had any Corona case fatality.

We would like to record our appreciation and gratitude to our stakeholders, banks, financial institutions and business partners for the continuous support in the ongoing operations. We also acknowledge the support of relevant ministries and regulators for their continued support and guidance. We acknowledge the hard work put in by employees of the Company and look forward for their continued and active involvement.

CHIEF EXECUTIVE OFFICER

DIRECTOR

ائرلنک کمیونیکیشن لمیٹڈ کے بورڈ آف ڈائریکٹرز کو 31 دسمبر، 2021 کو ختم ہونے والی ششماہی کے مالی حسابات، مع ان کے بارے میں آڈیٹرز کی جائزہ رپورٹ پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔

31 دسمبر، 2021 کو ختم ہونے والے چھ ماہ کے دوران آپ کی کمپنی نے مالی سال 22-2021 کی پہلی ششماہی میں 11% مجموعی منافع حاصل کیا جو اس سے پچھلی مدت کے مقابلے میں 2% اضافہ ظاہر کرتا ہے۔ اس نے 1,026 ملین پاکستانی روپے کے خالص منافع کی راہ ہموار کی جو گزشتہ سال کے مقابلے میں 7% اضافہ کی نمائندگی کرتا ہے۔

کمپنی نے زیر جائزہ مدت کے دوران "**سلیکٹ ٹیکنالوجیز (پرائیویٹ) لمیٹڈ**" کے نام سے مکمل ملکیتی سبسڈری قائم کی جو Xiaomi کے موبائل فونز اور ملحقہ مصنوعات کے لیے لاہور میں اپنی مثال آپ سمارٹ فون اسمبلی پلانٹ کے قیام کے مرحلے میں ہے۔ Xiaomi دنیا کے ممتاز سمارٹ فون برانڈز میں سے ایک ہے۔ یہ ادارہ پاکستان میں سرمایہ کاری کا زبردست حامی ہے اور اس نے مقامی انڈسٹری میں بھرپور سرمایہ کاری کی ہے۔ اس کے پیچھے "Made in Pakistan" پراڈکٹس اور ہنرمند اور غیر ہنرمند لیبر کے لیے روزگار کے مواقع پیدا کرنے کا تصور کارفرما ہے۔

کمپنی نے فیکٹری میں کام پر آنے والے ملازمین کے لیے مناسب SOPs پر عمل کرتے ہوئے تمام احتیاطی اقدامات کیے ہیں۔ اللہ پاک کا کرم ہے ہمارے ہاں کورونا سے کسی کی جان نہیں گئی۔

ہم جاری و ساری آپریشنز کی مسلسل مدد پر اپنے سٹیک ہولڈرز، بینکوں، مالیاتی اداروں اور کاروباری شراکت داروں کے ممنون و مشکور ہیں۔ ہم مسلسل مدد اور رہنمائی پر متعلقہ وزارتوں اور اور ریگولیٹرز کے بھی شکر گزار ہیں۔ ہم کمپنی کے ملازمین کی انتھک محنت کا بھی شکریہ ادا کرتے ہیں اور ان کی مسلسل اور فعال شرکت کی امید کرتے ہیں۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

10

FINANCIAL STATEMENT

Building a better
working world

AIR LINK COMMUNICATION LIMITED

UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED
31 DECEMBER 2021

EY Ford Rhodes
Chartered Accountants
96-B-I, 4th Floor, Pace Mall Building
M. M. Alam Road, Gulberg-II
P.O. Box 104, Lahore-54660

Tel: +9242 3577 8402-11
Fax: +9242 3577 8412-13
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ey.com/pk

EY
Building a better working world

EY Ford Rhodes
Chartered Accountants
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Air Link Communication Limited

Report on review of Unconsolidated Condensed Interim Financial Statements for the six-month period ended 31 December 2021

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Air Link Communication Limited** as at **31 December 2021** and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three-month periods ended 31 December 2021 and 31 December 2020 along with related notes have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 31 December 2021.

The engagement partner on the review resulting in this independent auditor's report is Abdullah Fahad Masood.

EY Ford Rhodes

EY Ford Rhodes
Chartered Accountants
Lahore: 28 February 2022
UDIN: RR2021101774VSu2LA8I

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	1,162,247,018	1,253,900,236
Intangibles		18,740,145	18,016,354
Investment in subsidiary	6	1,058,511,220	-
		2,239,498,383	1,271,916,590
CURRENT ASSETS			
Stock in trade	7	4,879,736,921	3,533,673,866
Stores and spares		13,019,563	7,560,647
Trade debts	8	5,315,693,492	5,391,262,155
Loans and advances		1,155,500,852	171,674,967
Trade deposits and short term prepayments		9,793,467	32,468,109
Other receivables		2,855,415,471	3,753,344,917
Tax refunds due from the Government		255,101,533	244,859,633
Short term investments		860,170,091	509,500,786
Cash and bank balances		987,277,888	832,153,312
		16,331,709,278	14,476,498,392
TOTAL ASSETS		18,571,207,661	15,748,414,982
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Authorized share capital 600,000,000 (30 June 2021: 400,000,000) ordinary shares of Rs.10 each		6,000,000,000	4,000,000,000
Issued, subscribed and paid up capital	9	3,952,692,310	3,000,000,000
Share premium - capital reserve		3,556,176,808	-
General reserves - revenue reserve		44,559,977	44,559,977
Accumulated profit - revenue reserve		3,572,070,425	2,991,850,517
Long term loan - equity portion		21,372,477	42,744,954
Share deposit money		-	400,000,000
		11,146,871,997	6,479,155,448
NON CURRENT LIABILITIES			
Long term loan	10	1,042,550,172	145,487,575
Lease liabilities	11	539,275,930	621,155,313
Defined benefit liability		36,720,691	34,722,393
Deferred tax liability		12,310,279	15,239,805
		1,630,857,072	816,605,086
CURRENT LIABILITIES			
Trade payables, accrued and other liabilities		918,610,319	1,399,995,041
Contract liabilities		80,001,199	82,882,488
Refund liabilities		11,794,755	30,221,644
Current portion of long term loans	10	625,580,371	438,747,989
Current maturity of lease liabilities	11	161,108,192	89,901,750
Unclaimed dividend		95,308,792	-
Short term borrowings	12	3,459,601,369	6,085,626,053
Accrued markup		82,050,200	110,730,936
Provision for taxation		359,423,395	214,548,547
		5,793,478,592	8,452,654,448
TOTAL EQUITY AND LIABILITIES		18,571,207,661	15,748,414,982
CONTINGENCIES AND COMMITMENTS	13		

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive | **Chief Financial Officer** | **Director**

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

		Six month period ended		Three month period ended	
	Note	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)
		(Rupees)	(Rupees)	**(Rupees)**	(Rupees)
Revenue from contracts with customers - net	**14**	**24,002,302,672**	28,123,770,180	**14,565,647,106**	12,980,046,374
Cost of sales	**15**	**(21,404,719,465)**	(25,509,600,016)	**(13,004,595,100)**	(11,400,407,411)
Gross profit		**2,597,583,207**	2,614,170,164	**1,561,052,006**	1,579,638,963
Administrative expenses		**(469,205,267)**	(284,859,246)	**(316,353,568)**	(137,576,910)
Selling and distribution cost		**(266,680,274)**	(311,764,371)	**(138,111,238)**	(180,292,431)
		(735,885,541)	(596,623,617)	**(454,464,806)**	(317,869,341)
Operating profit		**1,861,697,666**	2,017,546,547	**1,106,587,200**	1,261,769,622
Other income		**18,603,371**	55,010,702	**8,242,379**	32,486,504
Other expenses		**(25,735,962)**	(3,942,134)	**(25,735,962)**	(3,942,134)
Finance cost		**(512,699,549)**	(570,052,762)	**(317,331,977)**	(310,496,027)
Profit before taxation		**1,341,865,526**	1,498,562,353	**771,761,640**	979,817,965
Taxation		**(315,356,313)**	(539,581,045)	**(165,135,241)**	(300,448,024)
Profit for the period		**1,026,509,213**	958,981,308	**606,626,399**	679,369,941
Earnings per share					
- Basic		**3.02**	3.20	**1.65**	2.26
- Diluted		**2.99**	3.08	**1.63**	2.24

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive | Chief Financial Officer | Director

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

		Six month period ended		Three month period ended	
	Note	**31 December 2021 (Un-audited) (Rupees)**	31 December 2020 (Un-audited) (Rupees)	**31 December 2021 (Un-audited) (Rupees)**	31 December 2020 (Un-audited) (Rupees)
Profit for the period	A	**1,026,509,213**	958,981,308	**606,626,399**	679,369,941
Items not to be reclassified to profit or loss in subsequent periods					
Re-measurement losses on defined benefit plan		**(11,332,954)**	(1,067,582)	**(11,332,954)**	-
Tax effect		**3,286,557**	309,600	**3,286,557**	-
Re-measurement losses on defined benefit plan - net of tax		**(8,046,397)**	(757,982)	**(8,046,397)**	-
Items to be reclassified to profit or loss in subsequent periods		-	-	-	-
Other comprehensive loss	B	**(8,046,397)**	(757,982)	**(8,046,397)**	-
Total comprehensive income for the period		**1,018,462,816**	958,223,326	**598,580,002**	679,369,941

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive

Chief Financial Officer

Director

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

		Capital reserve	--------- Revenue reserve ---------					
	Issued, subscribed and paid up capital	Share Premium	General reserves	Accumulated profit	Long term loan - equity portion	Loan from Director	Share deposit money	Total
	(Rupees)							
Balance as at 1 July 2020 (Audited)	3,000,000,000	-	44,559,977	1,487,720,145	42,744,954	21,557,155	-	4,596,582,231
Profit for the period (Un-audited)	-	-	-	958,981,308	-	-	-	958,981,308
Other comprehensive income for the period (Un-audited)	-	-	-	(757,982)	-	-	-	(757,982)
Total comprehensive income for the period (Un-audited)	-	-	-	958,223,326	-	-	-	958,223,326
Loan repaid	-	-	-	-	-	(21,557,155)	-	(21,557,155)
Balance as at 31 December 2020 (Un-audited)	3,000,000,000	-	44,559,977	2,445,943,471	42,744,954	-	-	5,533,248,402
Balance as at 1 July 2021 (Audited)	**3,000,000,000**	**-**	**44,559,977**	**2,991,850,517**	**42,744,954**	**-**	**400,000,000**	**6,479,155,448**
Transactions with owners in their capacity as owners:								
Conversion of long term loan amounting Rs. 400 million at the rate of Rs. 52 per share (note 10.1)	**76,923,080**	**323,076,920**	**-**	**21,372,477**	**(21,372,477)**	**-**	**(400,000,000)**	**-**
Issuance of shares against initial public offering (note 1.2)	**600,000,000**	**3,690,000,000**	**-**	**-**	**-**	**-**	**-**	**4,290,000,000**
Transaction cost on issuance of ordinary shares (note 1.2)	**-**	**(181,130,882)**	**-**	**-**	**-**	**-**	**-**	**(181,130,882)**
Final dividend for the year ended 30 June 2021 at the rate of Rs. 1.25 per share	**-**	**-**	**-**	**(459,615,385)**	**-**	**-**	**-**	**(459,615,385)**
Issue of bonus shares for the year ended 30 June 2021 at rate of 7.5%	**275,769,230**	**(275,769,230)**	**-**	**-**	**-**	**-**	**-**	**-**
Profit for the period (Un-audited)	**-**	**-**	**-**	**1,026,509,213**	**-**	**-**	**-**	**1,026,509,213**
Other comprehensive income for the period (Un-audited)	**-**	**-**	**-**	**(8,046,397)**	**-**	**-**	**-**	**(8,046,397)**
Total comprehensive income for the period (Un-audited)	**-**	**-**	**-**	**1,018,462,816**	**-**	**-**	**-**	**1,018,462,816**
Balance as at 31 December 2021 (Un-audited)	**3,952,692,310**	**3,556,176,808**	**44,559,977**	**3,572,070,425**	**21,372,477**	**-**	**-**	**11,146,871,997**

Chief Executive

Chief Financial Officer

Director

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

	Six month period ended	
	31 December 2021 (Un-audited)	31 December 2020 (Un-audited)
CASH FLOW FROM OPERATING ACTIVITIES	**(Rupees)**	(Rupees)
Profit before taxation	**1,341,865,526**	1,498,562,353
Adjustments for :		
Depreciation of property, plant and equipment	**146,238,225**	86,757,139
Amortization of intangible assets	**4,197,555**	2,843,070
Provision for net realizable value reversed	**(11,216,176)**	(3,757,979)
Allowance for expected credit loss - trade debts	**13,191,235**	-
Provision for gratuity	**9,365,561**	4,667,324
Provision for workers welfare fund	**25,735,962**	-
Gain on lease termination	**(441,594)**	3,942,134
Finance cost	**512,699,549**	570,052,762
Provision written off	**-**	(6,594,008)
Unrealized gain on financial assets	**(1,923,869)**	-
Finance income	**(16,237,908)**	(41,545,650)
	681,608,540	616,364,792
Operating profit before working capital changes	**2,023,474,066**	2,114,927,145
(Increase)/decrease in current assets		
Stock in trade	**(1,334,846,879)**	869,152,377
Stores and spares	**(5,458,916)**	-
Trade debts	**62,377,428**	(126,226,181)
Loans and advances	**(983,825,885)**	83,149,533
Trade deposits and short term prepayments	**22,674,642**	24,217,763
Other receivables	**897,929,446**	2,984,440,857
Tax refunds due from the Government	**(10,241,900)**	22,438,854
	(1,351,392,064)	3,857,173,203
Increase/(decrease) in current liabilities		
Trade payables, accrued and other liabilities	**(525,547,573)**	(2,714,926,770)
Contract liabilities	**(2,881,289)**	(50,168,455)
	143,653,140	3,207,005,123
Financial cost paid	**(501,466,452)**	(538,758,415)
Gratuity paid	**(18,343,183)**	(3,427,200)
Income tax paid	**(170,481,465)**	(487,689,953)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	**(546,637,960)**	2,177,129,555
CASH FLOW FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment - owned assets	**(12,088,032)**	(43,743,748)
Additions in capital work in progress	**-**	(424,343,236)
Investment in subsidiary	**(1,058,511,220)**	-
Additions in intangibles	**(4,921,346)**	(6,601,224)
Interest income received	**16,237,908**	41,545,650
Short term investments	**(348,745,436)**	(6,281,513)
NET CASH USED IN INVESTING ACTIVITIES	**(1,408,028,126)**	(439,424,071)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease liability repaid	**(92,642,158)**	(77,984,086)
Long term loans repaid	**(45,067,084)**	(21,557,153)
Long term loans obtained	**1,128,962,063**	45,691,020
Proceeds from issuance of shares	**4,290,000,000**	-
Share issuance cost	**(181,130,882)**	-
Dividend paid	**(364,306,593)**	-
Short term borrowings repaid - net	**(2,626,024,684)**	(1,719,479,195)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	**2,109,790,662**	(1,773,329,414)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**155,124,576**	(35,623,930)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**832,153,312**	814,288,761
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**987,277,888**	778,664,831

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive | Chief Financial Officer | Director

1 THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated in Pakistan on 02 January 2014 as a private limited company, later on converted to a public limited company on 24 April 2019, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) having registered office at LG 2, Al - Qadeer Heights, 1 Babar Block, New Garden Town, Lahore, Punjab. The Company is engaged in the business of import, export distribution, indenting, wholesale, retail of communication and IT related products and services including cellular mobile/smart phones, tablets, laptops, accessories and allied products.

The Company also has a facility for assembly of smart phones and feature phones located at 152-M, Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan. Initial assembling capacity has been planned for 400,000 mobile sets per month which is expandable according to market demand.

1.2 In prior financial year, the Company initiated the process to raise funds through Initial Public Offering (IPO) to meet working capital requirements in order to expand the existing business of the Company. During the period, the Securities and Exchange Commission of Pakistan (SECP) granted approval dated 19 July 2021 to the Company to issue, circulate and publish Prospectus for the Initial Public Offering (IPO) of 90 million ordinary shares. On 31 August 2021, book-building and institutional / large investors' bidding process was completed for new issue of 60 million shares at strike price of Rs. 71.5 per share, whereas public subscription of remaining 30 million shares was completed on 07 September 2021. Consequently, 25% of the total share capital of the Company stands offered to the public and institutional investors whilst the process of listing of shares on Pakistan Stock Exchange was completed on 22 September 2021.

2 STATEMENT OF COMPLIANCE

2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2021.

2.3 These unconsolidated condensed interim financial statements are unaudited but subject to limited scope review by the auditors and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Companies (Code of Corporate Governance) Regulations, 2019.

2.4 The unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for the defined benefit obligation which are measured at present value. These financial statements are prepared in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest Pak Rupees unless otherwise stated.

2.5 Provisions in respect of taxation, retirement benefit obligations and Workers' Welfare Fund (WWF) are provisional and subject to final adjustments in the annual audited financial statements.

2.6 These are unconsolidated condensed interim financial statements where the investment in subsidiary is shown at cost less any identified impairment losses; consolidated financial statements are separately presented.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new amended standards effective for annual period beginning on 01 July 2021, as listed below. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New Standards, Interpretations and Amendments

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform – Phase 2 – Amendments

The adoption of above amendments applied for the first time in the period did not have any material impact on the unconsolidated condensed interim financial statements of the Company.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the Company for the year ended 30 June 2021.

	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
5 PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	**506,018,542**	567,454,504
Right-of-use assets	5.2	**656,228,476**	686,445,732
		1,162,247,018	1,253,900,236
5.1 Movement in operating fixed assets is as follows:			
Opening balance		**567,454,504**	71,165,594
Additions during the period / year	5.1.1	**12,088,032**	582,661,563
Depreciation for the period / year		**(73,523,994)**	(86,372,653)
Closing balance		**506,018,542**	567,454,504
5.1.1 Additions in operating fixed assets during the period / year are as follows:			
Building on lease hold land		**1,307,190**	108,158,357
Plant & machinery		**4,766,218**	224,328,857
Furniture and fixtures		**1,238,613**	8,627,719
Computers		**1,689,795**	27,669,629
Office equipment		**3,086,216**	207,435,166
Motor vehicles		**-**	6,441,835
		12,088,032	582,661,563
5.2 Movement in right-of-use assets is as follows:			
Opening balance		**686,445,732**	405,806,551
Additions during the period / year	5.2.1	**49,335,269**	510,674,516
Termination during the period / year		**(6,838,294)**	(83,479,095)
Depreciation for the period / year		**(72,714,231)**	(146,556,240)
Closing balance		**656,228,476**	686,445,732
5.2.1 Additions in right-of-use assets during the period / year are as follows:			
Motor vehicles		**17,471,000**	19,315,600
Lease hold land		**-**	344,940,738
Rented premises-buildings		**31,864,269**	146,418,178
		49,335,269	510,674,516
6 INVESTMENT IN SUBSDIARY			
Investment in Select Technologies (Private) Limited - at cost		**1,058,511,220**	-

During the period, the Company incorporated a wholly-owned subsidiary under the name of Select Technologies (Private) Limited. The principal line of business of the subsidiary shall be to set up, establish and operate plants for the assembly and production of mobile phones of all sorts and description, accessories, components, attachments and bodies used for or in connection with the aforementioned mobile phones.

7 STOCK IN TRADE	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
Raw material		771,614,344	393,763,974
Work in process		11,846,858	19,576,154
Mobile phones		1,409,600,592	1,254,026,953
Spare parts		131,211,295	79,678,663
		2,324,273,089	1,747,045,744
Provision for net realizable value	7.1	(2,583,448)	(13,799,624)
		2,321,689,641	1,733,246,120
Goods in transit		2,558,047,280	1,800,427,746
		4,879,736,921	3,533,673,866

7.1 Movement in provision for net realizable value is as follows:

Opening balance	13,799,624	32,675,515
Reversal during the period / year	(11,216,176)	(18,875,891)
Closing balance	2,583,448	13,799,624

8 TRADE DEBTS		
Considered good - unsecured		
Local	5,397,864,463	4,034,354,128
Exports	-	1,425,887,763
	5,397,864,463	5,460,241,891
Allowance for expected credit loss	(82,170,971)	(68,979,736)
	5,315,693,492	5,391,262,155

9 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	31 December 2021 (Un-audited) No. of shares	30 June 2021 (Audited) No. of shares	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
Opening Balance				
- Ordinary shares of Rs. 10 each fully paid in cash	125,000,000	125,000,000	1,250,000,000	1,250,000,000
- Bonus shares of Rs. 10 each	175,000,000	175,000,000	1,750,000,000	1,750,000,000
Movement during the period				
- Conversion of long term loan amounting Rs. 400 million at the rate of Rs. 52 per share	7,692,308	-	76,923,080	-
- Issuance of shares (see note 1.2)	60,000,000	-	600,000,000	-
- Bonus shares of Rs. 10 each	27,576,923	-	275,769,230	-
Closing Balance				
- Ordinary shares of Rs. 10 each fully paid in cash	192,692,308	125,000,000	1,926,923,080	1,250,000,000
- Bonus shares of Rs. 10 each	202,576,923	175,000,000	2,025,769,230	1,750,000,000
	395,269,231	300,000,000	3,952,692,310	3,000,000,000

10 LONG TERM LOANS		
JS Bank Limited and PCF Communication Investments (Private) Limited	400,000,000	393,435,951
JS Bank Limited	45,582,232	68,251,302
Orix Leasing Pakistan Limited	122,548,311	122,548,311
Saudi Pak Industrial and Agricultural Investment Company Limited	800,000,000	-
Pak Oman Investment Company	300,000,000	-
Add: Accrued markup	19,121,023	28,318,519
	1,687,251,566	612,554,083
Less: Current portion shown under current liabilities	(625,580,371)	(438,747,989)
Less: Accrued markup presented in current liabilities	(19,121,023)	(28,318,519)
	1,042,550,172	145,487,575

10.1 On 13 September 2021, long term loan amounting Rs. 400 million from JS Bank Limited and PCF Communication Investments (Private) Limited has been converted in to 7,692,308 ordinary shares of Rs. 10 at conversion rate of Rs. 52 per share

11 LEASE LIABILITIES		
Opening balance	711,057,063	370,486,836
Reassessment of lease	-	32,573,783
Lease liabilities acquired during the period / year	49,335,269	458,439,687
Mark-up on lease liabilities - rented premises	39,913,834	84,447,089
Termination of lease	(7,279,886)	(72,715,662)
	793,026,280	873,231,733
Lease rentals paid	(92,642,158)	(162,174,670)
	700,384,122	711,057,063
Less: Current portion of long term lease	(161,108,192)	(89,901,750)
	539,275,930	621,155,313

	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
12 SHORT TERM BORROWINGS		
JS Bank Limited	**1,261,596,734**	2,958,308,505
Bank AL Habib Limited	**1,465,605,151**	1,937,956,517
Dubai Islamic Bank	**343,552,327**	263,972,993
Bank Alfalah Limited	**-**	439,388,038
Habib Metropolitan Bank	**241,647,157**	-
Askari Bank Limited	**147,200,000**	486,000,000
Accrued markup	**62,929,177**	82,412,417
	3,522,530,546	6,168,038,470
Less: Accrued markup presented in current liabilities	**(62,929,177)**	(82,412,417)
	3,459,601,369	6,085,626,053

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There is no material change in the contingencies since the last audited financial statements for the year ended 30 June 2021.

	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
13.2 Commitments		
Letters of credit	**1,297,400,865**	2,283,571,862
Bank guarantees	**3,000,000**	3,000,000
	1,300,400,865	2,286,571,862

	Six month period ended		Three month period ended	
	31 December 2021 (Un-audited) (Rupees)	31 December 2020 (Un-audited) (Rupees)	31 December 2021 (Un-audited) (Rupees)	31 December 2020 (Un-audited) (Rupees)
14 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET				
Sales - local	**25,037,563,887**	30,168,598,490	**15,046,285,373**	13,605,535,325
Sales - export	**60,588,645**	-	**-**	-
Service income	**34,193,418**	19,816,103	**17,648,960**	6,267,100
Gross sales	**25,132,345,950**	30,188,414,593	**15,063,934,333**	13,611,802,425
Less: Sales tax	**(31,326,448)**	(24,505,544)	**(19,857,756)**	(15,514,499)
	25,101,019,502	30,163,909,049	**15,044,076,577**	13,596,287,926
Less: Discount	**(1,098,716,830)**	(2,040,138,869)	**(478,429,471)**	(616,241,552)
	24,002,302,672	28,123,770,180	**14,565,647,106**	12,980,046,374
Geographical region:				
Pakistan	**25,071,757,305**	30,188,414,593	**15,063,934,333**	13,611,802,425
UAE	**60,588,645**	-	**-**	-
	25,132,345,950	30,188,414,593	**15,063,934,333**	13,611,802,425
Timing of transfer of goods and services:				
At a point in time	**25,132,345,950**	30,188,414,593	**15,063,934,333**	13,611,802,425
15 COST OF SALES				
Cost of local sales	**11,461,440,360**	22,316,830,023	**9,229,310,686**	10,052,578,129
Cost of goods assembled	**8,136,552,108**	-	**2,792,733,014**	-
Cost of export sales	**36,107,226**	-	**-**	-
Sales tax - mobiles	**305,165,150**	1,013,383,270	**176,296,471**	471,473,044
Sales tax- tablets	**7,608,143**	13,571,782	**6,101,775**	10,446,375
Regulatory duty	**1,295,250,140**	2,106,723,180	**733,071,400**	837,578,220
Insurance	**2,143,118**	8,481,368	**1,452,876**	3,453,498
Clearing charges	**12,050,611**	34,460,379	**6,146,196**	14,917,257
Salaries, wages and benefits	**131,934,964**	-	**50,479,393**	-
Custom duty- tablets	**2,501,112**	6,016,437	**1,896,044**	4,992,623
Depreciation	**13,161,440**	6,073,000	**6,678,085**	-
Staff retirement benefits - Gratuity scheme	**98,193**	-	**32,731**	2,214,472
Domestic carriage	**706,900**	4,060,577	**396,429**	2,753,793
	21,404,719,465	25,509,600,016	**13,004,595,100**	11,400,407,411

16 RELATIONSHIPS AND TRANSACTIONS WITH RELATED PARTIES

The related party transactions includes remuneration of key management personnel which is disclosed in note 18

17 OPERATING SEGMENT INFORMATION

	Distribution and retail		Assembly		Inter segment eliminations		Total	
	Amount in Rupees							
	Six-month period ended		Six-month period ended		Six-month period ended		Six-month period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	(Un-audited)							
Revenue								
-External customer	24,002,302,672	28,123,770,180	-	-	-	-	24,002,302,672	28,123,770,180
-Inter-segment	-	-	8,691,489,056	-	(8,691,489,056)	-	-	-
	24,002,302,672	28,123,770,180	8,691,489,056	-	(8,691,489,056)	-	24,002,302,672	28,123,770,180
Cost of sales	(21,959,656,413)	(25,509,600,016)	(8,136,552,108)	-	8,691,489,056	-	(21,404,719,465)	(25,509,600,016)
Gross profit	2,042,646,259	2,614,170,164	554,936,948	-	-	-	2,597,583,207	2,614,170,164
Administrative expenses	(387,279,461)	(284,859,246)	(81,925,806)	-	-	-	(469,205,267)	(284,859,246)
Selling and distribution cost	(265,834,348)	(311,764,371)	(845,926)	-	-	-	(266,680,274)	(311,764,371)
					-	-		
Operating profit	1,389,532,450	2,017,546,547	472,165,216	-	-	-	1,861,697,666	2,017,546,547
Other income	18,603,371	55,010,702	-	-	-	-	18,603,371	55,010,702
Other expenses	-	(3,942,134)	(25,735,962)	-	-	-	(25,735,962)	(3,942,134)
Finance cost	(512,699,549)	(570,052,762)	-	-	-	-	(512,699,549)	(570,052,762)
Profit before taxation	895,436,272	1,498,562,353	446,429,254	-	-	-	1,341,865,526	1,498,562,353
Taxation	(315,356,313)	(539,581,045)	-	-	-	-	(315,356,313)	(539,581,045)
Profit for the period	580,079,959	958,981,308	446,429,254	-	-	-	1,026,509,213	958,981,308

	31 December 2021 (Un-audited)	30 June 2021 (Audited)	31 December 2021 (Un-audited)	30 June 2021 (Audited)	31 December 2021 (Un-audited)	30 June 2021 (Audited)	31 December 2021 (Un-audited)	30 June 2021 (Audited)
Segment assets	24,325,052,606	14,836,247,990	1,573,051,449	2,170,622,104	(7,326,896,394)	(1,258,455,112)	18,571,207,661	15,748,414,982
Segment liabilities	(4,608,163,451)	(7,025,265,931)	(1,499,193,283)	(2,896,150,643)	(1,316,978,930)	652,157,040	(7,424,335,664)	(9,269,259,534)
Capital expenditure	5,985,692	94,685,023	6,102,340	487,976,540	-	-	12,088,032	582,661,563

17.1 Geographical information

The Company's revenue from external customers by geographical location is detailed below:

	Six month period ended	
	31 December 2021 (Un-audited) (Rupees)	31 December 2020 (Un-audited) (Rupees)
Pakistan	23,941,714,027	28,123,770,180
UAE	60,588,645	-
	24,002,302,672	28,123,770,180

All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

17.2 The Company's revenue is earned from a large mix of customers.

17.3 Inter segment sales, purchases and balances have been eliminated.

18 REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the interim financial statements in respect of remuneration, including all benefits to Chief Executives and Executives of the Company are as follows:

	Chief Executive		Executives	
	Six month period ended		Six month period ended	
	31 December 2021 (Un-audited) (Rupees)	31 December 2020 (Un-audited) (Rupees)	**31 December 2021 (Un-audited) (Rupees)**	31 December 2020 (Un-Audited) (Rupees)
Managerial remuneration	**24,000,000**	24,000,000	**86,560,676**	74,217,600
Number of persons	**1**	1	**41**	49

19 FINANCIAL INSTRUMENTS - FAIR VALUES

19.1 Fair value measurement of financial instruments

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.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value
The carrying value of all financial assets and liabilities not carried at fair value in the financial statements approximate their fair values and accordingly, detailed disclosures of fair value are not being presented in these financial statements.
The following table shows the carrying amounts and fair values of financial instruments and non-financial instruments including their levels in the fair value hierarchy:

	Fair value			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
31 December 2021 (Un-audited)				
Financial assets at fair value through profit or loss				
Investment in mutual funds	**43,234,493**	-	-	**43,234,493**
	43,234,493	-	-	**43,234,493**
30 June 2021 (Audited)				
Financial assets at fair value through profit or loss				
Investment in mutual funds	13,103,651	-	-	13,103,651
	13,103,651	-	-	13,103,651

19.2 Movement in financial assets at fair value through profit or loss is as follows:

	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
Opening balance	**13,103,651**	35,683,564
Additions / (deletions)	**28,206,973**	(26,000,000)
Unrealized gain on investment	**1,923,869**	3,420,087
Closing balance	**43,234,493**	13,103,651

20 GENERAL

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Company on 25th February 2022.

Chief Executive | Chief Financial Officer | Director

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS HALF YEAR ENDED DECEMBER 31, 2021

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	**1,929,887,687**	1,253,900,236
Intangibles		**18,740,145**	18,016,354
Long term deposit		**5,736,000**	-
		1,954,363,832	1,271,916,590
CURRENT ASSETS			
Stock in trade	6	**4,888,115,921**	3,533,673,866
Stores and spares		**13,019,563**	7,560,647
Trade debts	7	**5,381,247,094**	5,391,262,155
Loans and advances		**1,155,500,852**	171,674,967
Trade deposits and short term prepayments		**12,437,479**	32,468,109
Other receivables		**3,166,051,962**	3,753,344,917
Tax refunds due from the Government		**255,101,533**	244,859,633
Short term investments		**860,170,091**	509,500,786
Cash and bank balances		**1,001,806,777**	832,153,312
		16,733,451,272	14,476,498,392
TOTAL ASSETS		**18,687,815,104**	15,748,414,982
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Authorized share capital			
600,000,000 (30 June 2021: 400,000,000) ordinary shares of Rs.10 each		**6,000,000,000**	4,000,000,000
Issued, subscribed and paid up capital	8	**3,952,692,310**	3,000,000,000
Share premium - capital reserve		**3,556,176,808**	-
General reserves - revenue reserve		**44,559,977**	44,559,977
Accumulated profit - revenue reserve		**3,570,682,706**	2,991,850,517
Long term loan - equity portion		**21,372,477**	42,744,954
Share deposit money		**-**	400,000,000
		11,145,484,278	6,479,155,448
NON CURRENT LIABILITIES			
Long term loan	9	**1,042,550,172**	145,487,575
Lease liabilities	10	**539,275,930**	621,155,313
Defined benefit liability		**36,720,691**	34,722,393
Deferred tax liability		**12,310,279**	15,239,805
		1,630,857,072	816,605,086
CURRENT LIABILITIES			
Trade payables, accrued and other liabilities		**1,033,470,202**	1,399,995,041
Contract liabilities		**80,803,780**	82,882,488
Refund liabilities		**11,794,755**	30,221,644
Current portion of long term loans	9	**625,580,371**	438,747,989
Current maturity of lease liabilities	10	**161,108,192**	89,901,750
Unclaimed dividend		**95,308,792**	-
Short term borrowings	11	**3,459,601,369**	6,085,626,053
Accrued markup		**82,050,200**	110,730,936
Provision for taxation		**361,756,093**	214,548,547
		5,911,473,754	8,452,654,448
TOTAL EQUITY AND LIABILITIES		**18,687,815,104**	15,748,414,982
CONTINGENCIES AND COMMITMENTS	12		

Chief Executive

Chief Financial Officer

Director

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

		Six month period ended		Three month period ended	
	Note	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)
		(Rupees)	(Rupees)	**(Rupees)**	(Rupees)
Revenue from contracts with customers - net	**13**	**24,129,543,514**	28,123,770,180	**14,692,887,948**	12,980,046,374
Cost of sales	**14**	**(21,530,484,515)**	(25,509,600,016)	**(13,130,360,150)**	(11,400,407,411)
Gross profit		**2,599,058,999**	2,614,170,164	**1,562,527,798**	1,579,638,963
Administrative expenses		**(469,736,080)**	(284,859,246)	**(316,884,381)**	(137,576,910)
Selling and distribution cost		**(266,680,274)**	(311,764,371)	**(138,111,238)**	(180,292,431)
		(736,416,354)	(596,623,617)	**(454,995,619)**	(317,869,341)
Operating profit		**1,862,642,645**	2,017,546,547	**1,107,532,179**	1,261,769,622
Other income		**18,603,371**	55,010,702	**8,242,379**	32,486,504
Other expenses		**(25,735,962)**	(3,942,134)	**(25,735,962)**	(3,942,134)
Finance cost		**(512,699,549)**	(570,052,762)	**(317,331,977)**	(310,496,027)
Profit before taxation		**1,342,810,505**	1,498,562,353	**772,706,619**	979,817,965
Taxation		**(317,689,011)**	(539,581,045)	**(167,467,939)**	(300,448,024)
Profit for the period		**1,025,121,494**	958,981,308	**605,238,680**	679,369,941
Attributable to:					
Equity holders of the parent		**1,025,121,494**	958,981,308	**605,238,680**	679,369,941
Earnings per share					
- Basic		**3.02**	3.20	**1.65**	2.26
- Diluted		**2.98**	3.08	**1.63**	2.24

Chief Executive

Chief Financial Officer

Director

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

		Six month period ended		Three month period ended	
	Note	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)
		(Rupees)	(Rupees)	**(Rupees)**	(Rupees)
Profit for the period	**A**	**1,025,121,494**	958,981,308	**605,238,680**	679,369,941
Items not to be reclassified to profit or loss in subsequent periods					
Re-measurement losses on defined benefit plan		**(11,332,954)**	(1,067,582)	**(11,332,954)**	-
Tax effect		**3,286,557**	309,600	**3,286,557**	-
Re-measurement losses on defined benefit plan - net of tax		**(8,046,397)**	(757,982)	**(8,046,397)**	-
Items to be reclassified to profit or loss in subsequent periods		**-**	-	**-**	**-**
Other comprehensive loss	**B**	**(8,046,397)**	(757,982)	**(8,046,397)**	**-**
Total comprehensive income for the period		**1,017,075,097**	958,223,326	**597,192,283**	679,369,941
Attributable to:					
Equity holders of the parent		**1,017,075,097**	958,223,326	**597,192,283**	679,369,941

Chief Executive

Chief Financial Officer

Director

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

		Capital reserve	--------- Revenue reserve ---------					
	Issued, subscribed and paid up capital	Share Premium	General reserves	Accumulated profit	Long term loan - equity portion	Loan from Director	Share deposit money	Total
	---------- (Rupees) ----------							
Balance as at 1 July 2020 (Audited)	3,000,000,000	-	44,559,977	1,487,720,145	42,744,954	21,557,155	-	4,596,582,231
Profit for the period (Un-audited)	-	-	-	958,981,308	-	-	-	958,981,308
Other comprehensive income for the period (Un-audited)	-	-	-	(757,982)	-	-	-	(757,982)
Total comprehensive income for the period (Un-audited)	-	-	-	958,223,326	-	-	-	958,223,326
Loan repaid	-	-	-	-	-	(21,557,155)	-	(21,557,155)
Balance as at 31 December 2020 (Un-audited)	3,000,000,000	-	44,559,977	2,445,943,471	42,744,954	-	-	5,533,248,402
Balance as at 1 July 2021 (Audited)	**3,000,000,000**	**-**	**44,559,977**	**2,991,850,517**	**42,744,954**	**-**	**400,000,000**	**6,479,155,448**
Transactions with owners in their capacity as owners:								
Conversion of long term loan amounting Rs. 400 million at the rate of Rs. 52 per share (note 10.1)	**76,923,080**	**323,076,920**	**-**	**21,372,477**	**(21,372,477)**	**-**	**(400,000,000)**	**-**
Issuance of shares against initial public offering (note 1.2)	**600,000,000**	**3,690,000,000**	**-**	**-**	**-**	**-**	**-**	**4,290,000,000**
Transaction cost on issuance of ordinary shares (note 1.2)	**-**	**(181,130,882)**	**-**	**-**	**-**	**-**	**-**	**(181,130,882)**
Final dividend for the year ended 30 June 2021 at the rate of Rs. 1.25 per share	**-**	-	**-**	**(459,615,385)**	**-**	**-**	**-**	**(459,615,385)**
Issue of bonus shares for the year ended 30 June 2021 at rate of 7.5%	**275,769,230**	**(275,769,230)**	**-**	**-**	**-**	**-**	**-**	**-**
Profit for the period (Un-audited)	**-**	**-**	**-**	**1,025,121,494**	**-**	**-**	**-**	**1,025,121,494**
Other comprehensive income for the period (Un-audited)	**-**	**-**	**-**	**(8,046,397)**	**-**	**-**	**-**	**(8,046,397)**
Total comprehensive income for the period (Un-audited)	**-**	**-**	**-**	**1,017,075,097**	**-**	**-**	**-**	**1,017,075,097**
Balance as at 31 December 2021 (Un-audited)	**3,952,692,310**	**3,556,176,808**	**44,559,977**	**3,570,682,706**	**21,372,477**	**-**	**-**	**###########**

Chief Executive

Chief Financial Officer

Director

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

	Six month period ended	
	31 December 2021 (Un-audited)	31 December 2020 (Un-audited)
CASH FLOW FROM OPERATING ACTIVITIES	**(Rupees)**	(Rupees)
Profit before taxation	**1,342,810,505**	1,498,562,353
Adjustments for :		
Depreciation of property, plant and equipment	**146,238,225**	86,757,139
Amortization of intangible assets	**4,197,555**	2,843,070
Provision for net realizable value reversed	**(11,216,176)**	(3,757,979)
Allowance for expected credit loss - trade debts	**13,191,235**	-
Provision for gratuity	**9,365,561**	4,667,324
Provision for workers welfare fund	**25,735,962**	-
Gain on lease termination	**(441,594)**	3,942,134
Finance cost	**512,699,549**	570,052,762
Provision written off	**-**	(6,594,008)
Unrealized gain on financial assets	**(1,923,869)**	-
Finance income	**(16,237,908)**	(41,545,650)
	681,608,540	616,364,792
Operating profit before working capital changes	**2,024,419,045**	2,114,927,145
(Increase)/decrease in current assets		
Stock in trade	**(1,343,225,879)**	869,152,377
Stores and spares	**(5,458,916)**	-
Trade debts	**(3,176,174)**	(126,226,181)
Loans and advances	**(983,825,885)**	83,149,533
Trade deposits and short term prepayments	**20,030,630**	24,217,763
Other receivables	**587,292,955**	2,984,440,857
Tax refunds due from the Government	**(10,241,900)**	22,438,854
	(1,738,605,169)	3,857,173,203
Increase/(decrease) in current liabilities		
Trade payables, accrued and other liabilities	**(410,687,690)**	(2,714,926,770)
Contract liabilities	**(2,078,708)**	(50,168,455)
	(126,952,522)	3,207,005,123
Financial cost paid	**(501,466,452)**	(538,758,415)
Gratuity paid	**(18,343,183)**	(3,427,200)
Income tax paid	**(170,481,465)**	(487,689,953)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	**(817,243,622)**	2,177,129,555
CASH FLOW FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment - owned assets	**(12,088,032)**	(43,743,748)
Additions in capital work in progress	**(767,640,669)**	(424,343,236)
Additions in intangibles	**(4,921,346)**	(6,601,224)
Long term deposits	**(5,736,000)**	-
Interest income received	**16,237,908**	41,545,650
Short term investments	**(348,745,436)**	(6,281,513)
NET CASH USED IN INVESTING ACTIVITIES	**(1,122,893,575)**	(439,424,071)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease liability repaid	**(92,642,158)**	(77,984,086)
Long term loans repaid	**(45,067,084)**	(21,557,153)
Long term loans obtained	**1,128,962,063**	45,691,020
Proceeds from issuance of shares	**4,290,000,000**	-
Share issuance cost	**(181,130,882)**	-
Dividend paid	**(364,306,593)**	-
Short term borrowings repaid - net	**(2,626,024,684)**	(1,719,479,195)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	**2,109,790,662**	(1,773,329,414)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**169,653,465**	(35,623,930)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**832,153,312**	814,288,761
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**1,001,806,777**	778,664,831

Chief Executive

Chief Financial Officer

Director

1 THE GROUP AND ITS OPERATIONS

1.1 Air Link Communication Limited ("ACL") is part of Air Link Group ("The Group") which consist of:

Parent (Holding) Company
Air Link Communication Limited ("ACL")

Subsidiary Company
Select Technologies (Private) Limited ("STPL") - 100% shareholding by ACL

1.2 Air Link Communication Limited - Parent (Holding) Company

Air Link Communication Limited ('the Holding Company') was incorporated in Pakistan on 02 January 2014 as a private limited company, later on converted to a public limited company on 24 April 2019, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) having registered office at LG 2, Al - Qadeer Heights, 1 Babar Block, New Garden Town, Lahore, Punjab. The Company is engaged in the business of import, export distribution, indenting, wholesale, retail of communication and IT related products and services including cellular mobile/smart phones, tablets, laptops, accessories and allied products.

The Holding Company also has a facility for assembly of smart phones and feature phones located at 152-M, Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan. Initial assembling capacity has been planned for 400,000 mobile sets per month which is expandable according to market demand.

In prior financial year, the Holding Company initiated the process to raise funds through Initial Public Offering (IPO) to meet working capital requirements in order to expand the existing business of the Company. During the period, the Securities and Exchange Commission of Pakistan (SECP) granted approval dated 19 July 2021 to the Holding Company to issue, circulate and publish Prospectus for the Initial Public Offering (IPO) of 90 million ordinary shares. On 31 August 2021, book-building and institutional / large investors' bidding process was completed for new issue of 60 million shares at strike price of Rs. 71.5 per share, whereas public subscription of remaining 30 million shares was completed on 07 September 2021. Consequently, 25% of the total share capital of the Holding Company stands offered to the public and institutional investors whilst the process of listing of shares on Pakistan Stock Exchange was completed on 22 September 2021.

1.3 Select Technologies (Private) Limited - Subsidiary Company

Select Technologies (Private) Limited ('the subsidiary company') was incorporated in Pakistan on 13 October 2021 as a private limited company under the Companies Act, 2017 having registered office at 152-M, Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan. The principal line of business of the subsidiary shall be to set up, establish and operate plants for the assembly and production of mobile phones of all sorts and description, accessories, components, attachments and bodies used for or in connection with the aforementioned mobile phones.

2 STATEMENT OF COMPLIANCE

2.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Group for the year ended 30 June 2021.

2.3 The consolidated condensed interim financial statements have been prepared under the historical cost convention except for the defined benefit obligation which are measured at present value. These financial statements are prepared in Pak Rupees, which is the functional currency of the Group. Figures have been rounded off to the nearest Pak Rupees unless otherwise stated.

2.4 Provisions in respect of taxation, retirement benefit obligations and Workers' Welfare Fund (WWF) are provisional and subject to final adjustments in the annual audited financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new amended standards effective for annual period beginning on 01 July 2021, as listed below. The Group has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New Standards, Interpretations and Amendments

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform – Phase 2 – Amendments

The adoption of above amendments applied for the first time in the period did not have any material impact on the consolidated condensed interim financial statements of the Group.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the Group for the year ended 30 June 2021.

	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
5 PROPERTY AND EQUIPMENT			
Operating fixed assets	**5.1**	**506,018,542**	567,454,504
Capital work in progress	**5.2**	**767,640,669**	-
Right-of-use assets	**5.3**	**656,228,476**	686,445,732
		1,929,887,687	1,253,900,236
5.1 Movement in operating fixed assets is as follows:			
Opening balance		**567,454,504**	71,165,594
Additions during the period / year	**5.1.1**	**12,088,032**	582,661,563
Depreciation for the period / year		**(73,523,994)**	(86,372,653)
Closing balance		**506,018,542**	567,454,504
5.1.1 Additions in operating fixed assets during the period / year are as follows:			
Building on lease hold land		**1,307,190**	108,158,357
Plant & machinery		**4,766,218**	224,328,857
Furniture and fixtures		**1,238,613**	8,627,719
Computers		**1,689,795**	27,669,629
Office equipment		**3,086,216**	207,435,166
Motor vehicles		**-**	6,441,835
		12,088,032	582,661,563
5.2 Movement in capital work in progress is as follows:			
Opening balance		**-**	-
Additions during the period / year		**767,640,669**	-
Closing balance		**767,640,669**	-
5.3 Movement in right-of-use assets is as follows:			
Opening balance		**686,445,732**	405,806,551
Additions during the period / year	**5.3.1**	**49,335,269**	510,674,516
Termination during the period / year		**(6,838,294)**	(83,479,095)
Depreciation for the period / year		**(72,714,231)**	(146,556,240)
Closing balance		**656,228,476**	686,445,732
5.3.1 Additions in right-of-use assets during the period / year are as follows:			
Motor vehicles		**17,471,000**	19,315,600
Lease hold land		**-**	344,940,738
Rented premises-buildings		**31,864,269**	146,418,178
		49,335,269	510,674,516

6	STOCK IN TRADE	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
	Raw material		**771,614,344**	393,763,974
	Work in process		**11,846,858**	19,576,154
	Mobile phones		**1,417,979,592**	1,254,026,953
	Spare parts		**131,211,295**	79,678,663
			2,332,652,089	1,747,045,744
	Provision for net realizable value	**6.1**	**(2,583,448)**	(13,799,624)
			2,330,068,641	1,733,246,120
	Goods in transit		**2,558,047,280**	1,800,427,746
			4,888,115,921	3,533,673,866

6.1 Movement in provision for net realizable value is as follows:

Opening balance	**13,799,624**	32,675,515
Reversal during the period / year	**(11,216,176)**	(18,875,891)
Closing balance	**2,583,448**	13,799,624

7	TRADE DEBTS		
	Considered good - unsecured		
	Local	**5,463,418,065**	4,034,354,128
	Exports	**-**	1,425,887,763
		5,463,418,065	5,460,241,891
	Allowance for expected credit loss	**(82,170,971)**	(68,979,736)
		5,381,247,094	5,391,262,155

8	ISSUED, SUBSCRIBED AND PAID UP CAPITAL	31 December 2021 (Un-audited) No. of shares	30 June 2021 (Audited) No. of shares	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
	Opening Balance				
	- Ordinary shares of Rs. 10 each fully paid in cash	**125,000,000**	125,000,000	**1,250,000,000**	1,250,000,000
	- Bonus shares of Rs. 10 each	**175,000,000**	175,000,000	**1,750,000,000**	1,750,000,000
	Movement during the period				
	- Conversion of long term loan amounting Rs. 400 million at the rate of Rs. 52 per share	**7,692,308**	-	**76,923,080**	-
	- Issuance of shares (see note 1.2)	**60,000,000**	-	**600,000,000**	-
	- Bonus shares of Rs. 10 each	**27,576,923**	-	**275,769,230**	-
	Closing Balance				
	- Ordinary shares of Rs. 10 each fully paid in cash	**192,692,308**	125,000,000	1,926,923,080	1,250,000,000
	- Bonus shares of Rs. 10 each	**202,576,923**	175,000,000	2,025,769,230	1,750,000,000
		395,269,231	300,000,000	**3,952,692,310**	3,000,000,000

9 LONG TERM LOANS

JS Bank Limited and PCF Communication Investments (Private) Limited	**400,000,000**	393,435,951
JS Bank Limited	**45,582,232**	68,251,302
Orix Leasing Pakistan Limited	**122,548,311**	122,548,311
Saudi Pak Industrial and Agricultural Investment Company Limited	**800,000,000**	-
Pak Oman Investment Company	**300,000,000**	-
Add: Accrued markup	**19,121,023**	28,318,519
	1,687,251,566	612,554,083
Less: Current portion shown under current liabilities	**(625,580,371)**	(438,747,989)
Less: Accrued markup presented in current liabilities	**(19,121,023)**	(28,318,519)
	1,042,550,172	145,487,575

9.1 On 13 September 2021, long term loan amounting Rs. 400 million from JS Bank Limited and PCF Communication Investments (Private) Limited has been converted in to 7,692,308 ordinary shares of Rs. 10 at conversion rate of Rs. 52 per share

10 LEASE LIABILITIES

Opening balance	**711,057,063**	370,486,836
Reassessment of lease	**-**	32,573,783
Lease liabilities acquired during the period / year	**49,335,269**	458,439,687
Mark-up on lease liabilities - rented premises	**39,913,834**	84,447,089
Termination of lease	**(7,279,886)**	(72,715,662)
	793,026,280	873,231,733
Lease rentals paid	**(92,642,158)**	(162,174,670)
	700,384,122	711,057,063
Less: Current portion of long term lease	**(161,108,192)**	(89,901,750)
	539,275,930	621,155,313

	31 December 2021 (Un-audited)	30 June 2021 (Audited)
11 SHORT TERM BORROWINGS	**(Rupees)**	(Rupees)
JS Bank Limited	**1,261,596,734**	2,958,308,505
Bank AL Habib Limited	**1,465,605,151**	1,937,956,517
Dubai Islamic Bank	**343,552,327**	263,972,993
Bank Alfalah Limited	**-**	439,388,038
Habib Metropolitan Bank	**241,647,157**	-
Askari Bank Limited	**147,200,000**	486,000,000
Accrued markup	**62,929,177**	82,412,417
	3,522,530,546	6,168,038,470
Less: Accrued markup presented in current liabilities	**(62,929,177)**	(82,412,417)
	3,459,601,369	6,085,626,053

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There is no material change in the contingencies since the last audited financial statements for the year ended 30 June 2021.

	31 December 2021 (Un-audited)	30 June 2021 (Audited)
12.2 Commitments	**(Rupees)**	(Rupees)
Letters of credit	**1,763,347,065**	2,283,571,862
Bank guarantees	**3,000,000**	3,000,000
	1,766,347,065	2,286,571,862

	Six month period ended		Three month period ended	
	31 December 2021 (Un-audited)	31 December 2020 (Un-audited)	**31 December 2021 (Un-audited)**	31 December 2020 (Un-audited)
13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	**(Rupees)**	(Rupees)	**(Rupees)**	(Rupees)
Sales - local	**25,164,804,729**	30,168,598,490	**15,173,526,215**	13,605,535,325
Sales - export	**60,588,645**	-	**-**	-
Service income	**34,193,418**	19,816,103	**17,648,960**	6,267,100
Gross sales	**25,259,586,792**	30,188,414,593	**15,191,175,175**	13,611,802,425
Less: Sales tax	**(31,326,448)**	(24,505,544)	**(19,857,756)**	(15,514,499)
	25,228,260,344	30,163,909,049	**15,171,317,419**	13,596,287,926
Less: Discount	**(1,098,716,830)**	(2,040,138,869)	**(478,429,471)**	(616,241,552)
	24,129,543,514	28,123,770,180	**14,692,887,948**	12,980,046,374
Geographical region:				
Pakistan	**25,198,998,147**	30,188,414,593	**15,191,175,175**	13,611,802,425
UAE	**60,588,645**	-	**-**	-
	25,259,586,792	30,188,414,593	**15,191,175,175**	13,611,802,425
Timing of transfer of goods and services:				
At a point in time	**25,259,586,792**	30,188,414,593	**15,191,175,175**	13,611,802,425

14 COST OF SALES				
Cost of local sales	**11,587,205,410**	22,316,830,023	**9,355,075,736**	10,052,578,129
Cost of goods assembled	**8,136,552,108**	-	**2,792,733,014**	-
Cost of export sales	**36,107,226**	-	**-**	-
Sales tax - mobiles	**305,165,150**	1,013,383,270	**176,296,471**	471,473,044
Sales tax- tablets	**7,608,143**	13,571,782	**6,101,775**	10,446,375
Regulatory duty	**1,295,250,140**	2,106,723,180	**733,071,400**	837,578,220
Insurance	**2,143,118**	8,481,368	**1,452,876**	3,453,498
Clearing charges	**12,050,611**	34,460,379	**6,146,196**	14,917,257
Salaries, wages and benefits	**131,934,964**	-	**50,479,393**	-
Custom duty- tablets	**2,501,112**	6,016,437	**1,896,044**	4,992,623
Depreciation	**13,161,440**	6,073,000	**6,678,085**	-
Staff retirement benefits - Gratuity scheme	**98,193**	-	**32,731**	2,214,472
Domestic carriage	**706,900**	4,060,577	**396,429**	2,753,793
	21,530,484,515	25,509,600,016	**13,130,360,150**	11,400,407,411

15 RELATIONSHIPS AND TRANSACTIONS WITH RELATED PARTIES

The related party transactions includes remuneration of key management personnel which is disclosed in note 16.

16 REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the interim financial statements in respect of remuneration, including all benefits to Chief Executives and Executives of the Group are as follows:

	Chief Executive		Executives	
	Six month period ended		Six month period ended	
	31 December 2021 (Un-audited)	31 December 2020 (Un-audited)	**31 December 2021 (Un-audited)**	31 December 2020 (Un-Audited)
	(Rupees)	(Rupees)	**(Rupees)**	(Rupees)
Managerial remuneration	**24,000,000**	24,000,000	**86,560,676**	74,217,600
Number of persons	**1**	1	**41**	49

17 OPERATING SEGMENT INFORMATION

	Distribution and retail		Assembly		Inter segment eliminations		Total	
	Amount in Rupees							
	Six-month period ended		Six-month period ended		Six-month period ended		Six-month period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	(Un-audited)							
Revenue								
-External customer	**24,002,302,672**	28,123,770,180	**127,240,842**	-	**-**	-	**24,129,543,514**	28,123,770,180
-Inter-segment	**-**	-	**8,750,864,056**	-	**(8,750,864,056)**	-	**-**	-
	24,002,302,672	28,123,770,180	**8,878,104,898**	-	**(8,750,864,056)**	-	**24,129,543,514**	28,123,770,180
Cost of sales	**(21,959,656,413)**	(25,509,600,016)	**(8,321,692,158)**	-	**8,750,864,056**	-	**(21,530,484,515)**	(25,509,600,016)
Gross profit	**2,042,646,259**	2,614,170,164	**556,412,740**	-	**-**	-	**2,599,058,999**	2,614,170,164
Administrative expenses	**(387,279,461)**	(284,859,246)	**(82,456,619)**	-	**-**	-	**(469,736,080)**	(284,859,246)
Selling and distribution cost	**(265,834,348)**	(311,764,371)	**(845,926)**	-	**-**	-	**(266,680,274)**	(311,764,371)
					-	-		
Operating profit	**1,389,532,450**	2,017,546,547	**473,110,195**	-	**-**	-	**1,862,642,645**	2,017,546,547
Other income	**18,603,371**	55,010,702	**-**	-	**-**	-	**18,603,371**	55,010,702
Other expenses	**-**	(3,942,134)	**(25,735,962)**	-	**-**	-	**(25,735,962)**	(3,942,134)
Finance cost	**(512,699,549)**	(570,052,762)	**-**	-	**-**	-	**(512,699,549)**	(570,052,762)
Profit before taxation	**895,436,272**	1,498,562,353	**447,374,233**	-	**-**	-	**1,342,810,505**	1,498,562,353
Taxation	**(315,356,313)**	(539,581,045)	**(2,332,698)**	-	**-**	-	**(317,689,011)**	(539,581,045)
Profit for the period	**580,079,959**	958,981,308	**445,041,535**	-	**-**	-	**1,025,121,494**	958,981,308
	31 December 2021	30 June 2021	**31 December 2021**	30 June 2021	**31 December 2021**	30 June 2021	**31 December 2021**	30 June 2021
	(Un-audited)	(Audited)	**(Un-audited)**	(Audited)	**(Un-audited)**	(Audited)	**(Un-audited)**	(Audited)
Segment assets	**24,325,052,606**	14,836,247,990	**2,748,170,112**	2,170,622,104	**(8,385,407,614)**	(1,258,455,112)	**18,687,815,104**	15,748,414,982
Segment liabilities	**(4,608,163,451)**	(7,025,265,931)	**(1,617,188,445)**	(2,896,150,643)	**(1,316,978,930)**	652,157,040	**(7,542,330,826)**	(9,269,259,534)
Capital expenditure	**5,985,692**	94,685,023	**6,102,340**	487,976,540	**-**	-	**12,088,032**	582,661,563

17.1 Geographical information

The Group's revenue from external customers by geographical location is detailed below:

	Six month period ended	
	31 December 2021 (Un-audited)	31 December 2020 (Un-audited)
	(Rupees)	(Rupees)
Pakistan	**24,068,954,869**	28,123,770,180
UAE	**60,588,645**	-
	24,129,543,514	28,123,770,180

All non-current assets of the Group as at reporting dates are located and operating in Pakistan.

17.2 The Group's revenue is earned from a large mix of customers.

17.3 Inter segment sales, purchases and balances have been eliminated.

18 REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the interim financial statements in respect of remuneration, including all benefits to Chief Executives and Executives of the Company are as follows:

	Chief Executive		Executives	
	Six month period ended		Six month period ended	
	31 December 2021 (Un-audited)	31 December 2020 (Un-audited)	31 December 2021 (Un-audited)	31 December 2020 (Un-Audited)
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Managerial remuneration	24,000,000	24,000,000	86,560,676	74,217,600
Number of persons	1	1	41	49

19 FINANCIAL INSTRUMENTS - FAIR VALUES

19.1 Fair value measurement of financial instruments

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.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value.
The carrying value of all financial assets and liabilities not carried at fair value in the financial statements approximate their fair values and accordingly, detailed disclosures of fair value are not being presented in these financial statements.
The following table shows the carrying amounts and fair values of financial instruments and non-financial instruments including their levels in the fair value hierarchy:

	Fair value			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
31 December 2021 (Un-audited)				
Financial assets at fair value through profit or loss				
Investment in mutual funds	**43,234,493**	-	-	**43,234,493**
	43,234,493	-	-	**43,234,493**
30 June 2021 (Audited)				
Financial assets at fair value through profit or loss				
Investment in mutual funds	13,103,651	-	-	13,103,651
	13,103,651	-	-	13,103,651

19.2 Movement in financial assets at fair value through profit or loss is as follows:

	31 December 2021 (Un-audited)	30 June 2021 (Audited)
	(Rupees)	(Rupees)
Opening balance	**13,103,651**	35,683,564
Additions / (deletions)	**28,206,973**	(26,000,000)
Unrealized gain on investment	**1,923,869**	3,420,087
Closing balance	**43,234,493**	13,103,651

20 GENERAL

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Company on 25th February 2022

Chief Executive | Chief Financial Officer | Director

AIR LINK COMMUNICATION

YOUR SMART DEVICE PARTNER

HEAD OFFICE

LG-2, Al Qadir Heights, 1 Babar Block,
New Garden Town, Lahore, Pakistan

FACTORY ADDRESS

152-m, Quaid-e-azam industrial estate.
Kotlakhpat lahore. Airlink Factory.