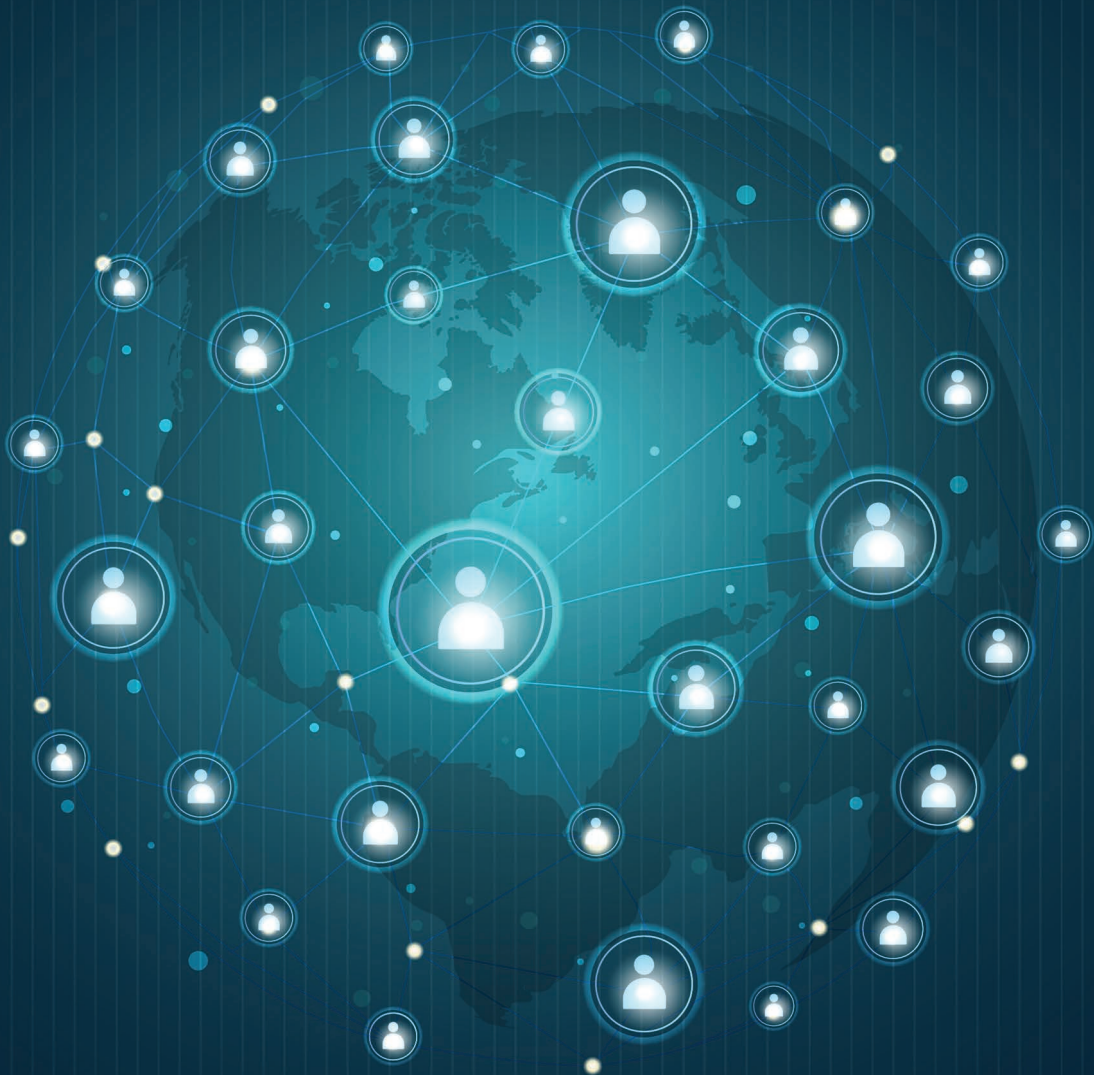


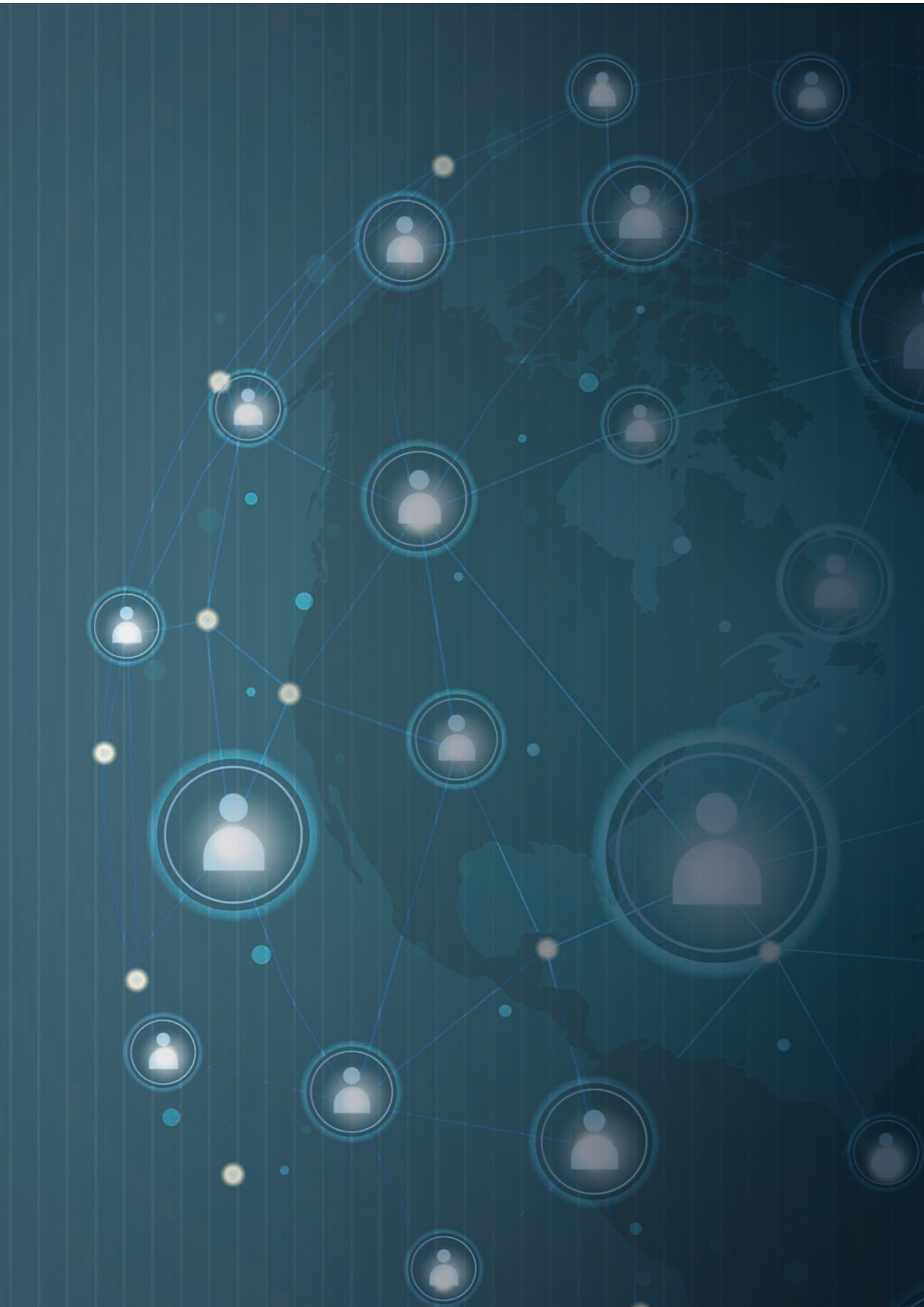


YOUR SMART DEVICE PARTNER



# THE POWER OF **CONNECTION**

HALF YEARLY REPORT AS AT DECEMBER 31, 2023



# VISION

To be the largest and most reliable distributor, manufacturer and retailer in Pakistan

# MISSION

To establish strong network in Pakistan by providing state of the art services to customers.

# V A L U E S



Transparency



Diversity



Customer  
Satisfaction



Passion



Quality



Integrity





  
AIRLINK

SALES & SERVICE CENTRE

# COMPANY PROFILE

## Board of Directors

**Mr. Aslam Hayat Piracha**  
Chairman / Non-executive Director

**Mr. Muzaffar Hayat Piracha**  
Chief Executive Officer /Executive Director

**Mr. Sharique Azim Siddiqui**  
Independent Director

**Mr. Hussain Kuli Khan**  
Independent Director

**Mr. Aqdu Faraz Tahir**  
Independent Director

**Mrs. Rabiya Muzaffar**  
Non-executive Director

**Mr. Syed Nafees Haider**  
Executive Director

## Audit Committee

Mr. Hussain Kuli Khan  
(Independent Director)-Chairman

Mr. Sharique Azim Siddiqui  
(Independent Director)-Member

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

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

## HR & Remuneration Committee

Mr. Sharique Azim Siddiqui  
(Independent Director)-Chairman

Mr. Aqdu Faraz Tahir  
(Independent Director)-Member

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

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

## Chief Financial Officer

Mr. Nusrat Mahmood

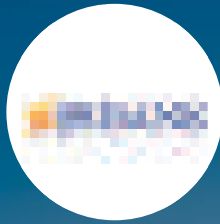
## Company Secretary

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



Dubai Islamic Bank Limited



Habib Bank Limited



Meezan Bank Limited



Bank Islami Limited



Soneri Bank Limited



Sindh Bank Limited



ICBC

## Non Banking Financial Institutes



Saudi Pak Industrial & Agricultural Investment Co. Ltd



Pak Oman Investment Company Limited



OLP Financial Services Pakistan Limited

## Legal Advisor

Punjab Law Associates

## Factory Address

152/1 - M, Quaid-e-Azam, Industrial Estate, Kot lakh pat, Lahore

## Company's Registered Office Address (Head office)

152/1 - M, Quaid-e-Azam, Industrial Estate, Kot Lakhpat, Lahore

## External auditors

BDO Ebrahim & Co. (Chartered Accountants) Office No. 4, 6th Floor, Askari Corporate Tower, 75/76 D-1, Main Boulevard, Gulberg III, Lahore, 54660, Pakistan





# Directors' Report

## 1. Introduction

The Directors of Air Link Communication Limited are pleased to present the standalone and consolidated financial statements for the half year ended December 31, 2023, along with the review report of the auditors thereon.

## 2. Economic Environment

During the fiscal year 2022-23, Pakistan faced various economic challenges, including import restrictions, floods, and disruptions stemming from the Russia-Ukraine conflict. These factors contributed to a fiscal deficit, trade imbalance, and increased inflation. The imposition of high-interest rates also hindered business expansion, indicating a potential prolonged economic downturn. However, FY2024 has shown positive developments as import restrictions were eased, and the Company has proactively addressed these challenges to boost its growth.

## 3. Financial Performance

- **Standalone Performance:**
  - Sales grew by 107.02% to PKR 29,105 million from PKR 14,059 million in the same period last year.
  - Gross profit margin increased to 9.51% from 7.83% compared to the same period last year.
  - Earnings per share increased to PKR 3.45 from PKR 1.75, representing a growth of 97.14%.
- **Consolidated Performance:**
  - Sales grew by 160.19% to PKR 60,594 million from PKR 23,288 million in the same period last year.
  - Consolidated gross profit margin and consolidated net profit margin were PKR 4,361 million and PKR 2,041 million, respectively, compared to PKR 2,037 million and PKR 791 million in the same period last year.
  - Consolidated earnings per share increased to PKR 5.17 from PKR 2.05, representing a growth of 152%.

## 4. Future Outlook

The Board expects the growth momentum to continue during the remainder of the current financial year, and the Company is geared to enhance its share in the market.

## 5. Acknowledgement

The Board of Directors wishes to express their gratitude to:

- Almighty Allah for His blessings and guidance.
- Valued shareholders for their continued support and trust.
- Banks and financial institutions for their cooperation and financial assistance.
- Customers and suppliers for their patronage and partnership.
- Employees for their hard work, dedication, and commitment, particularly during challenging times.

## 6. Looking Ahead

The Company remains committed to delivering sustainable growth and value to its stakeholders. We are confident that with the continued support of our stakeholders, we will achieve our strategic objectives and further enhance the Company's performance in the future.



---

Chief Executive Officer



---

Director

# ڈائریکٹرز رپورٹ

## 1. تعارف

ایئر لنک کمیونیکیشن لمیٹڈ کے ڈائریکٹرز کو یہ خوشی ہے کہ وہ 31 دسمبر، 2023ء کو ختم ہونے والے نصف سال کے لیے منفرد اور مجموعی مالیاتی بیانات، ساتھ ہی ان پر آڈیٹرز کی جانب سے دی گئی جائزہ رپورٹ پیش کرتے ہیں۔

## 2. معاشی ماحول

مالی سال 2022-23ء کے دوران پاکستان کو مختلف معاشی چیلنجوں کا سامنا رہا، جن میں درآمدی پابندیاں، سیلاب اور روس-یوکرین تنازعہ سے پیدا ہونے والی درختوں شامل ہیں۔ ان عوامل نے مالی خسارے، تجارتی عدم توازن اور بڑھتی ہوئی مہنگائی میں حصہ لیا۔ بلند شرح سود کے نفاذ نے بھی کاروباری توسیع میں رکاوٹ ڈالی، جو ایک ممکنہ طویل معاشی تنازلی کی نشاندہی کرتا ہے۔ تاہم، مالی سال 2024ء نے مثبت پیش رفت دکھائی ہے کیونکہ درآمدی پابندیاں نرم کر دی گئی ہیں اور کمپنی نے فعال طور پر اپنی ترقی کو تیز کرنے کے لیے ان چیلنجوں سے نمٹا ہے۔

## 3. مالی کارکردگی

### • منفرد کارکردگی:

- گزشتہ سال اسی عرصے میں 14,059 ملین روپے سے بڑھ کر 29,105 ملین روپے تک فروخت میں 107.02% اضافہ ہوا۔
- گزشتہ سال اسی عرصے کے مقابلے میں گراس منافع کی شرح 7.83% سے بڑھ کر 9.51% ہو گیا۔
- فی حصہ آمدنی 1.75 روپے سے بڑھ کر 3.45 روپے ہو گئی، جو 97.14% کی ترقی کی نمائندگی کرتی ہے۔

### • مجموعی کارکردگی:

- گزشتہ سال اسی عرصے میں 23,288 ملین روپے سے بڑھ کر 60,594 ملین روپے تک فروخت میں 160.19% اضافہ ہوا۔
- مجموعی گراس منافع کی شرح اور مجموعی خالص منافع کی شرح بالترتیب 4,361 ملین روپے اور 2,041 ملین روپے تھے، جو کہ گزشتہ سال اسی عرصے میں 2,037 ملین روپے اور 791 ملین روپے کے مقابلے میں تھے۔

○ گزشتہ سال اسی عرصے کے مقابلے میں 2.05 روپے سے بڑھ کر 5.17 روپے فی حصہ آمدنی میں 152% اضافہ ہوا۔

#### 4. مستقبل کا منظر نامہ

بورڈ کو توقع ہے کہ موجودہ مالی سال کے بقیہ عرصے میں ترقی کی رفتار برقرار رہے گی اور کمپنی مارکیٹ میں اپنے حصے کو بڑھانے کے لیے تیار ہے۔

#### 5. اعتراف

بورڈ آف ڈائریکٹرز اپنے تہ دل سے شکریہ کا اظہار کرتا ہے:

- خدائے بزرگ و برتر کی عنایتوں اور رہنمائی پر۔
- قیمتی حصص داروں کی مسلسل حمایت اور اعتماد پر۔
- تعاون اور مالی امداد کے لیے بینکوں اور مالیاتی اداروں پر۔
- سرپرستی اور شراکت کے لیے گاہکوں اور سپلائرز پر۔
- ملازمین کی محنت، لگن اور عزم پر، خاص طور پر چیلنجنگ اوقات کے دوران۔

#### 6. مستقبل

کمپنی اپنے تمام شرکاء کو پائیدار ترقی اور قدر پہنچانے کی پابند ہے۔ ہمیں یقین ہے کہ اپنے تمام شرکاء کی مسلسل حمایت سے ہم اپنے حکمت عملی کے مقاصد حاصل کر لیں گے اور مستقبل میں کمپنی کی کارکردگی کو مزید بہتر بنائیں گے۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر



# BALANCE SHEET

Assets	Liabilities	Equity
Cash	Accounts Payable	Common Stock
Accounts Receivable	Notes Payable	Retained Earnings
Inventory	Long-Term Debt	
Property, Plant, & Equipment		
Intangible Assets		
Other Assets		

# CASHFLOW STATEMENT

Operating Activities	Investing Activities	Financing Activities
Net Income	Capital Expenditures	Issuance of Debt
Depreciation & Amortization	Acquisition of Investments	Dividend Payments
Change in Working Capital	Proceeds from Sale of Assets	Debt Repayments
Change in Accounts Receivable		
Change in Inventory		
Change in Accounts Payable		



92%





# FINANCIAL STATEMENT



Tel: +92 42 3587 5707-10  
Fax: +92 42 3571 7351  
www.bdo.com.pk

Office No. 4, 6th Floor,  
Askari Corporate Tower,  
75/76 D-1, Main Boulevard  
Gulberg III, Lahore-54660  
Pakistan.

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF AIRLINK COMMUNICATION LIMITED

### Report on review of interim financial statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Airlink Communication Limited (the "Company") as at December 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 interim 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 interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

#### Other matter

The figures for the quarters ended December 31, 2023 and December 31, 2022 in the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The condensed interim financial statements of Airlink Communication Limited for the half year ended December 31, 2022 and for year ended June 30, 2023 were reviewed and audited by another firm of chartered accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 27, 2023 and October 05, 2023, respectively.

The engagement partner on the review resulting in this independent auditor's review report is Sajjad Hussain Gill.

Lahore

DATED: January 30, 2024

UDIN: RR202310087ysK3YhGO9

  
BDO EBRAHIM & CO.  
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**AIR LINK COMMUNICATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

		<b>December 31, 2023 (Un-audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	895,028,473	430,762,820
Intangibles		9,382,353	10,267,435
Investment in subsidiary	8	6,800,000,000	5,500,000,000
Long-term investment		300,000,000	300,000,000
Deferred tax asset		-	16,809,425
		<u>8,004,410,826</u>	<u>6,257,839,680</u>
<b>CURRENT ASSETS</b>			
Stores and spares		33,828,924	20,357,378
Stock in trade	9	3,390,633,858	3,087,267,709
Trade debts	10	2,978,551,052	2,046,766,881
Loans and advances		2,834,069,907	1,748,484,448
Trade deposits and short-term prepayments		90,849,739	8,661,897
Other receivables		2,233,000,820	5,687,540,960
Tax refunds		383,766,618	226,188,147
Short-term investments	11	659,407,733	257,414,751
Cash and bank balances		1,171,199,832	546,558,296
		<u>13,775,308,483</u>	<u>13,629,240,467</u>
<b>TOTAL ASSETS</b>		<u><u>21,779,719,309</u></u>	<u><u>19,887,080,147</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY AND RESERVES</b>			
Authorized share capital 600,000,000 (June 30, 2023: 600,000,000) ordinary shares of Rs.10 each	12	<u>6,000,000,000</u>	<u>6,000,000,000</u>
Issued, subscribed and paid up capital	12	3,952,692,310	3,952,692,310
Share premium - capital reserve		3,556,176,808	3,556,176,808
Accumulated profit - revenue reserve		5,096,438,512	4,723,711,779
General reserves - revenue reserve		44,559,977	44,559,977
		<u>12,649,867,607</u>	<u>12,277,140,874</u>
<b>NON CURRENT LIABILITIES</b>			
Long-term loans	13	400,000,000	530,000,000
Lease liabilities	14	93,489,463	96,142,001
Deferred liabilities		50,172,423	27,129,907
		<u>543,661,886</u>	<u>653,271,908</u>
<b>CURRENT LIABILITIES</b>			
Current portion of long-term loans	13	390,000,000	448,282,214
Current portion of lease liabilities	14	61,526,520	71,978,305
Short-term borrowings	15	4,820,686,482	2,627,254,146
Accrued markup		117,458,606	102,622,746
Refund liabilities		-	-
Contract liabilities		1,194,680,924	1,671,813,287
Provision for taxation		644,328,772	489,247,729
Trade payables, accrued and other liabilities		685,755,090	1,382,981,889
Unclaimed dividend		671,753,422	162,487,049
		<u>8,586,189,816</u>	<u>6,956,667,365</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>21,779,719,309</u></u>	<u><u>19,887,080,147</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	16		

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**



**AIR LINK COMMUNICATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Note	Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
----- (Rupees) -----					
Revenue from contracts with customers - net	17	29,105,062,589	14,059,312,186	14,989,751,737	7,230,098,589
Cost of sales	18	(26,337,832,226)	(12,959,098,469)	(13,327,774,171)	(6,659,672,333)
<b>Gross profit</b>		2,767,230,363	1,100,213,717	1,661,977,566	570,426,256
Administrative expenses		(529,998,625)	(320,069,773)	(345,956,868)	(223,429,831)
Selling and distribution cost		(112,974,259)	(175,536,467)	(65,711,191)	(55,646,612)
		(642,972,884)	(495,606,240)	(411,668,059)	(279,076,443)
<b>Operating profit</b>		2,124,257,479	604,607,477	1,250,309,507	291,349,813
Other income		56,100,775	51,824,554	41,263,004	32,354,240
Other expenses		(118,472,106)	(24,231,682)	(118,472,106)	(12,115,841)
Finance cost		(497,908,738)	(289,083,933)	(296,970,655)	(144,541,967)
<b>Profit before taxation</b>		1,563,977,410	343,116,416	876,129,750	167,046,245
Taxation	19	(201,017,462)	329,781,766	(166,577,958)	179,845,626
<b>Profit for the period</b>		1,362,959,948	672,898,182	709,551,792	346,891,871
Earnings per share					
- Basic		3.45	1.75	1.80	0.90

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

BDO  
  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended		Quarter ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Profit for the period</b>	1,362,959,948	672,898,182	709,551,792	346,891,871
Items not to be reclassified to statement of profit or loss in subsequent periods				
Re-measurement losses on defined benefit plan	(3,377,273)	(9,617,177)	(1,688,637)	(4,808,589)
Related tax effect	1,317,136	2,788,981	658,568	1,394,491
Re-measurement losses on defined benefit plan - net of tax	(2,060,137)	(6,828,196)	(1,030,069)	(3,414,098)
Other comprehensive loss	(2,060,137)	(6,828,196)	(1,030,069)	(3,414,098)
<b>Total comprehensive income for the period</b>	<b>1,360,899,811</b>	<b>666,069,986</b>	<b>708,521,723</b>	<b>343,477,773</b>

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

BDO



**CHIEF EXECUTIVE**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Capital reserve -----		Revenue reserve -----		Total	
	Issued, subscribed and paid up capital	Share Premium	General reserves	Accumulated profit		Long-term loan equity component
	(Rupees)					
<b>Balance as at July 01, 2022 (audited)</b>	3,952,692,310	3,556,176,808	44,559,977	4,199,708,939	21,372,477	11,774,510,511
Extinguishment of equity component on repayment of long-term loan	-	-	-	21,372,477	(21,372,477)	-
Final dividend for the year ended June 30, 2022 at the rate of Rs. 1 per share	-	-	-	(395,269,231)	-	(395,269,231)
Profit for the period (unaudited)	-	-	-	672,898,182	-	672,898,182
Other comprehensive loss for the period (unaudited)	-	-	-	(6,828,196)	-	(6,828,196)
Total comprehensive income for the period (unaudited)	-	-	-	666,069,986	-	666,069,986
<b>Balance as at December 31, 2022 (unaudited)</b>	<b>3,952,692,310</b>	<b>3,556,176,808</b>	<b>44,559,977</b>	<b>4,491,882,171</b>	<b>-</b>	<b>12,045,311,266</b>
<b>Balance as at July 01, 2023 (audited)</b>	3,952,692,310	3,556,176,808	44,559,977	4,723,711,779	-	12,277,140,874
Final dividend for the year ended June 30, 2023 at the rate of Rs. 2.5 per share	-	-	-	(988,173,078)	-	(988,173,078)
Profit for the period	-	-	-	1,362,959,948	-	1,362,959,948
Other comprehensive loss for the period (unaudited)	-	-	-	(2,060,137)	-	(2,060,137)
Total comprehensive income for the period (unaudited)	-	-	-	1,360,899,811	-	1,360,899,811
<b>Balance as at December 31, 2023 (unaudited)</b>	<b>3,952,692,310</b>	<b>3,556,176,808</b>	<b>44,559,977</b>	<b>5,096,438,512</b>	<b>-</b>	<b>12,649,867,607</b>

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended	
	December 31, 2023	December 31, 2022
	(Rupees)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,563,977,410	343,116,416
<b>Adjustments for :</b>		
Depreciation of property, plant and equipment	82,374,181	145,030,697
Amortization of intangible assets	885,082	4,274,416
Provision for net realizable value reversed	-	(363,577)
Allowance for expected credit loss	-	3,200,000
Provision for gratuity	8,699,829	9,511,184
Provision for Workers' Welfare Funds	33,633,923	7,727,615
Provision for Workers' Profit Participation Funds	84,084,807	16,504,067
Finance cost	497,908,738	289,083,933
Unrealized gain on financial assets	-	(3,215,948)
Profit on investments	(56,100,775)	(48,608,606)
	<u>651,485,785</u>	<u>423,143,781</u>
<b>Operating profit before working capital changes</b>	<u>2,215,463,195</u>	<u>766,260,197</u>
<b>(Increase) / decrease in current assets</b>		
Stores and spares	(13,471,546)	7,473
Stock in trade	(303,366,149)	787,227,415
Trade debts	(931,784,171)	2,178,936,012
Loans and advances	(1,085,585,459)	(12,703,673)
Trade deposits and short term prepayments	(82,187,842)	12,799,170
Other receivables	3,454,540,140	1,596,257,072
Tax refunds	(110,578,471)	(29,346,144)
	<u>927,566,502</u>	<u>4,533,177,325</u>
<b>(Decrease) / increase in current liabilities</b>		
Contract liabilities	(477,132,363)	17,317,044
Trade payables, accrued and other liabilities	(814,945,529)	178,338,638
	<u>1,850,951,805</u>	<u>5,495,093,204</u>
Financial charges paid	(474,544,608)	(337,105,433)
Gratuity paid	-	(18,940,571)
Income tax paid	(52,000,000)	(36,082,714)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<u>1,324,407,197</u>	<u>5,102,964,486</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions in operating fixed assets	(146,049,510)	(766,576)
Additions in intangible assets	-	(1,283,203)
Investment in subsidiary	(1,300,000,000)	(3,173,344,301)
Additions in capital work in progress	(400,590,324)	-
Interest income received	54,755,178	26,171,395
Short-term investments - net	(400,000,000)	-
Short term investments made	-	(265,000,000)
Short term investments disposed off	-	172,600,000
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<u>(2,191,884,656)</u>	<u>(3,241,622,685)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Lease liability repaid	(34,124,422)	(54,566,101)
Long term loans repaid	(188,282,214)	(230,995,180)
Dividend paid	(478,906,705)	(328,080,409)
Short term borrowings repaid	-	(1,952,312,401)
Short term borrowings obtained	2,193,432,336	683,771,513
<b>NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)</b>	<u>1,492,118,995</u>	<u>(1,882,182,578)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<u>624,641,536</u>	<u>(20,840,777)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>546,558,296</u>	<u>990,297,235</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>1,171,199,832</u>	<u>969,456,458</u>

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

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**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 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 152-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan. 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 converted to a public limited company on 24 April 2019 and got itself registered on Pakistan Stock Exchange (PSX) on 22 September 2021 as a result of completion of its Initial Public Offering (IPO).
- 1.2 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.

**2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

The locations of Company's head office, assembling facility, retail outlets and flagship store are as below:

<b>BUSINESS UNIT</b>	<b>ADDRESS</b>
Head Office	152-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan
Assembling Facility	152-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan
Samsung Retail Store	Shop No. LG-19, Lucky One Mall, LA-2/B, Block 21, Opp. UBL Sports Complex, Rashid Minhas Road, Karachi, Pakistan
Air Link Flagship Store	Shop No. 1, Xinhua Mall, 24-B/2, Mian Mehmood Ali Kasoori Road, Block B2 Gulberg III, Lahore, Pakistan
Samsung Retail Store	Shop No. 27, Ground Floor, Emporium Mall, Johar Town, Lahore, Pakistan
Air Link Retail Store	Shop No. SF-7, Lucky One Mall, LA-2/B, Block 21, Opp. UBL Sports Complex, Rashid Minhas Road, Karachi, Pakistan
Air Link Retail Store	Shop No. 1080 Opposite Carrefour, Packages Mall, Walton Road, Lahore, Pakistan
Air Link Retail Store	Shop No. SF-51, Dolmen Mall Clifton, Karachi, Pakistan

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Samsung Retail Store	Shop No. 1 Near Bank Alfalah, Saddar Cantt. Hyderabad, Pakistan
Air Link Retail Store	Shop No. 2, Al Kareem Plaza, Circular Road, Bahawalpur,
Samsung Retail Store	Shop No. 5, Ground Floor, Shareef Complex, Tehsil Chowk,
Samsung Retail Store	City Centre, DC Office Chowk, Bahawalpur
Samsung Retail Store	Shop-1079, 1st Floor, Packages Mall, Walton Road, Lahore
Air Link Retail Store	Shop G-56, Ground Floor, Emporium Mall, Johar Town,
MI Retail Store	Shop No. LG-20, Lucky One Mall, LA-2/B, Block 21, Opp.

### **3 BASIS OF PREPARATION**

#### **Statement of compliance**

- 3.1** 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.

- 3.2** These condensed interim financial statements are unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.
- 3.3** These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2023 which have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2022.

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### **3.4 Basis of measurement**

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

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

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.

### **3.5 Functional and presentation currency**

These condensed interim financial statements are presented in Pak Rupee, which is the functional and presentation currency for the Company.

## **4 USE OF ESTIMATES AND JUDGMENTS**

The preparation of unconsolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2023.

## **5 SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THERE IN**

5.1 The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2023.

### **5.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards**

#### **5.2.1 Amendments to published accounting and reporting standards which became effective during the period:**

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

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### 5.2.2 Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

## 6 TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2023, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate for the Tax Year 2024 is 29%. Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

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	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		(Rupees)	
<b>7</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets	407,299,216	329,881,997
	Capital work in process	400,590,324	-
	Right of use assets	87,138,933	100,880,823
		<u>895,028,473</u>	<u>430,762,820</u>
<b>7.1</b>	<b>Operating fixed assets</b>		
	Opening net book value at the start of the period/ year	329,881,997	462,819,390
	Additions during the period/ year	133,408,510	1,246,933
	Net book value of assets disposed off during the period/ year	-	(231,000)
	Depreciation charge for the period/ year	(55,991,291)	(133,953,326)
	Closing net book value at the end of the period/ year	<u>407,299,216</u>	<u>329,881,997</u>
7.1.1	Following is the details of additions during the period/year - at cost:		
	Furniture and fixtures	-	203,582
	Computers	8,651,865	193,371
	Office equipment	1,159,647	849,980
	Motor vehicles	123,596,998	-
		<u>133,408,510</u>	<u>1,246,933</u>
7.1.2	Following is the detail of disposals during the period / year - at net book value (NBV):		
	Furniture and fixtures	-	(135,000)
	Office equipment	-	(96,000)
		<u>-</u>	<u>(231,000)</u>
<b>7.2</b>	<b>Capital work in process</b>		
	Opening balance at the start of the period / year	-	-
	Additions (at cost)	400,590,324	-
	Transferred to operating fixed assets/adjustments	-	-
	Closing balance at the end of the period / year	<u>400,590,324</u>	<u>-</u>
<b>7.3</b>	<b>Right of use assets</b>		
	Opening net book value at the start of the period / year	100,880,823	273,769,550
	Additions during the period / year	12,641,000	-
	Depreciation charge for the period / year	(26,382,890)	(79,559,278)
	Net book value of assets disposed off during the period	-	(93,329,449)
	Closing net book value at the end of the period / year	<u>87,138,933</u>	<u>100,880,823</u>
<b>8</b>	<b>INVESTMENT IN SUBSIDIARY</b>		
	Investment in subsidiary - at cost	<u>6,800,000,000</u>	<u>5,500,000,000</u>

8.1 The Company directly hold 5,500 million (2023: 5,500 million) shares representing 100% ownership in Select Technologies (Private) Limited, a subsidiary Company. The subsidiary company has a registered office located at 152-1-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, in Pakistan. The subsidiary has set up a state-of-the-art smartphone assembly plant in Lahore. The principal line of business of the subsidiary is the assembly and production of mobile phones of all sorts and descriptions, accessories, components, attachments, and bodies used for or in connection with the aforementioned mobile phones. Further, this includes advance against issuance of shares amounting to Rs. 1,300 million at par value (2023: Nil).

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		<b>December 31, 2023 (Un-audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>9 STOCK IN TRADE</b>			
Raw material		1,151,939,579	379,018,995
Work in process		26,414,872	8,827,123
Mobile phones		1,457,348,540	165,069,255
Spare parts		154,807,997	144,007,330
		2,790,510,988	696,922,703
Provision for net realizable value	9.1	(1,910,788)	(1,910,788)
		2,788,600,200	695,011,915
Goods in transit		602,033,658	2,392,255,794
		<u>3,390,633,858</u>	<u>3,087,267,709</u>

**9.1** Movement in provision for net realizable value is as follows:

As at July 01,	1,910,788	2,274,365
Reversal during the period/ year	-	(363,577)
	<u>1,910,788</u>	<u>1,910,788</u>

**10 TRADE DEBTS - UNSECURED**

Considered good-unsecured			
Due from customers		2,978,551,052	2,046,766,881
Considered doubtful			
Due from customers		15,087,132	15,087,132
Allowance for expected credit losses	10.1	(15,087,132)	(15,087,132)
		-	-
		<u>2,978,551,052</u>	<u>2,046,766,881</u>

10.1 During the period, impact of expected credit loss is insignificant (June 30, 2023: Rs. 5.048 million).

**10.2 Movement in allowance for ECL**

Opening balance at start of the period/ year	15,087,132	10,038,682
Allowance for ECL for the period/ year	-	5,048,450
Closing balance at end of the period/ year	<u>15,087,132</u>	<u>15,087,132</u>

**11 SHORT-TERM INVESTMENTS**

Financial assets at amortized cost			
Term deposits	11.1	600,000,000	200,000,000
Accrued markup		59,407,733	57,113,452
		659,407,733	257,113,452
Financial assets at fair value through profit or loss			
Investment in mutual funds		-	301,299
		<u>659,407,733</u>	<u>257,414,751</u>

11.1 This relates to term deposits (TDRs) having face value of Rs. 600 million (June 30, 2023: Rs. 200 million) and carrying markup ranging from 12.25% to 20.50% (June 30, 2023: 12.25% to 20.50%), having a maturity period of 30 days to 365 days (June 30, 2023: 30 days to 365 days). These TDRs are under lien against funded facilities obtained from financial institutions.

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11.2 Movement in financial assets is as follows:

	At fair value through		Profit and loss	Total
	Amortized cost			
	Term Deposits	Term Finance Certificates	Investment in mutual funds	
<b>December 31, 2023</b>	(Rupees)			
As at July 01,	257,113,452	-	301,299	257,414,751
Additions	400,000,000	-	-	400,000,000
Deletions	-	-	(301,299)	(301,299)
Markup accrued	56,016,673	-	-	56,016,673
Fair value gain on investment	-	-	-	-
Markup received	(53,722,392)	-	-	(53,722,392)
	<u>659,407,733</u>	<u>-</u>	<u>-</u>	<u>659,407,733</u>
<b>June 30, 2023</b>				
As at July 01,	864,693,864	100,000,000	44,833,159	1,009,527,023
Additions	220,460,000	471,634,488	1,285,659	693,380,147
Deletions	(866,060,000)	(571,634,488)	(49,071,802)	(1,486,766,290)
Mark up accrued	83,305,026	14,147,746	-	97,452,772
Fair value gain on investment	-	-	3,254,283	3,254,283
Mark up received	(45,285,438)	(14,147,746)	-	(59,433,184)
	<u>257,113,452</u>	<u>-</u>	<u>301,299</u>	<u>257,414,751</u>

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
(Rupees)			
<b>12 SHARE CAPITAL</b>			
<b>12.1 Authorized share capital</b>			
600,000,000 (June 30, 2023: 600,000,000) ordinary shares of Rs.10 each		<u>6,000,000,000</u>	<u>6,000,000,000</u>
<b>12.2 Issued, subscribed and paid up share capital</b>			
192,692,308 (June 30, 2023: 192,692,308) ordinary shares of Rs. 10/- each		1,926,923,080	1,926,923,080
202,576,923 (June 30, 2023: 202,576,923) bonus shares of Rs. 10/- each		<u>2,025,769,230</u>	<u>2,025,769,230</u>
		<u>3,952,692,310</u>	<u>3,952,692,310</u>
<b>13 LONG TERM LOANS</b>			
Orix Leasing Pakistan Limited	13.1	-	28,282,214
Saudi Pak Industrial and Agricultural Investment Company Limited		700,000,000	800,000,000
Pak Oman Investment Company		90,000,000	150,000,000
Add: Accrued markup		<u>32,137,250</u>	<u>58,249,616</u>
		822,137,250	1,036,531,830
Less: Current portion shown under current liabilities		(390,000,000)	(448,282,214)
Less: Accrued markup presented in current liabilities		<u>(32,137,250)</u>	<u>(58,249,616)</u>
		<u>400,000,000</u>	<u>530,000,000</u>

13.1 During the period, entire amount of loan from Orix Leasing Pakistan Limited was repaid.

13.2 There is no material change in terms and conditions of long term loans since the last audited financial statements.

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	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
(Rupees)			
<b>14 LEASE LIABILITIES</b>			
Opening balance		168,120,306	346,246,222
Lease liabilities acquired during the year		12,641,000	-
Mark-up on lease liabilities		8,379,099	25,830,460
Termination of lease		-	(99,389,528)
		<u>189,140,405</u>	<u>272,687,154</u>
Lease rentals paid		(34,124,422)	(104,566,848)
Less: current portion of lease liabilities		(61,526,520)	(71,978,305)
Closing balance		<u><u>93,489,463</u></u>	<u><u>96,142,001</u></u>

#### 15 SHORT TERM BORROWINGS

JS Bank Limited		1,813,325,971	1,183,936,619
Bank AL Habib Limited		631,318,065	631,318,969
Dubai Islamic Bank Limited		454,906,000	525,420,000
Faysal Bank Limited	15.1	999,537,991	-
National Bank of Pakistan	15.2	921,598,455	-
Industrial and Commercial Bank of China		-	286,578,558
Accrued markup		85,321,356	44,373,130
		<u>4,906,007,838</u>	<u>2,671,627,276</u>
Less: Accrued markup presented in current liabilities		(85,321,356)	(44,373,130)
		<u><u>4,820,686,482</u></u>	<u><u>2,627,254,146</u></u>

15.1 This represents funded facility obtained from Faysal Bank of Pakistan to meet the working capital requirements comprise Local Murabaha amounting to Rs. 1,000 million. The rate of mark up on funded facilities is 6 Months KIBOR + 2% p.a. These facilities are secured against overall present and future current assets.

15.2 This represents funded and non-funded facilities obtained from National Bank of Pakistan comprise of letter of credit (LC) amounting to Rs. 1,250 million, shipping guarantee of Rs. 1,250 million, FATR (finance against trust receipt) of Rs. 1,000 million (sublimit of letter of credit) and Running Finance of Rs. 100M (sublimit of FATR). The rate of mark up on funded facilities is 1 Month KIBOR + 1.25% p.a. These facilities are secured against overall present and future current assets.

15.3 There is no material change in terms and conditions of short term borrowings since the last audited financial statements except for those stated above.

#### 16 CONTINGENCIES AND COMMITMENTS

##### 16.1 Contingencies

There is no material change in contingencies since the last audited financial statements for the year ended June 30, 2023.

##### 16.2 Commitments

Letters of credit		1,488,305,441	3,245,404,143
Bank guarantees		3,500,000	3,500,000
		<u>1,491,805,441</u>	<u>3,248,904,143</u>

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17 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

(Unaudited)

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	(Rupees)			
Sales - local	30,013,161,753	15,155,731,157	15,532,136,053	7,849,633,474
Service income	34,676,711	17,504,653	21,540,404	7,631,343
Gross sales	30,047,838,464	15,173,235,810	15,553,676,457	7,857,264,817
Less: Sales tax	(14,801,537)	(21,666,024)	(8,618,618)	(2,720,661)
	30,033,036,927	15,151,569,786	15,545,057,839	7,854,544,156
Less: Discount	(927,974,338)	(1,092,257,600)	(555,306,102)	(624,445,567)
	29,105,062,589	14,059,312,186	14,989,751,737	7,230,098,589
<b>Geographical region:</b>				
Pakistan	30,047,838,464	15,173,235,810	15,553,676,457	7,857,264,817
<b>Timing of transfer of goods and services:</b>				
At a point in time	30,047,838,464	15,173,235,810	15,553,676,457	7,857,264,817

18 COST OF SALES

Raw material consumed	10,036,868,629	3,094,905,594	4,527,762,116	1,324,331,370
Packing material consumed	2,515,125	908,777	1,156,958	426,141
Sales tax on mobiles	18,928,767	7,704,193	9,464,384	3,221,898
Regulatory duty	273,934,319	66,629,317	126,009,787	528,350
Insurance	3,305,581	595,166	1,520,567	308,707
Clearing charges	90,562,420	15,637,834	41,658,713	5,934,568
Salaries, wages and benefits	10,384,200	16,002,000	5,192,100	8,001,000
Custom duty - tablets	-	1,775,338	-	1,188,259
Depreciation	42,572,676	42,572,672	21,286,338	24,719,439
Amortization	1,009,697	1,097,103	504,848	548,552
Staff retirement benefits - gratuity scheme	-	103,672	-	-
Domestic carriage	4,268,000	1,198,100	1,963,280	872,500
	10,484,349,414	3,249,129,766	4,736,519,091	1,370,080,784
Increase in work-in-process	(26,414,872)	(3,230,714)	(19,471,756)	(3,770,693)
Cost of goods assembled	10,457,934,542	3,245,899,052	4,717,047,335	1,366,310,091
(Increase)/ decrease in finished goods	(52,368,928)	(1,063,557)	(2,846,844)	1,063,556
Cost of goods sold - own assembled	10,405,565,614	3,244,835,495	4,714,200,491	1,367,373,647
Cost of goods sold - imported for resale	3,614,552	69,993,136	204,512	9,220,789
Cost of goods sold - purchased locally for resale	15,928,652,060	9,644,269,838	8,635,177,916	5,283,077,898
	26,337,832,226	12,959,098,469	13,349,582,919	6,659,672,334
18.1 As at July 01,	387,846,118	437,698,159	1,049,362,897	218,849,080
Purchases during the year	10,953,229,002	3,048,811,185	4,782,605,710	1,301,284,166
	11,341,075,120	3,486,509,344	5,831,968,607	1,520,133,246
Closing	(1,304,206,491)	(391,603,750)	(1,304,206,491)	(195,801,875)
Raw material consumed	10,036,868,629	3,094,905,594	4,527,762,116	1,324,331,371

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	Half year ended	
	December 31, 2023	December 31, 2022
<b>19 TAXATION</b>		
Current year income tax		
Charge for the year	329,028,043	13,002,094
Adjustments in respect of current income tax of previous year	(168,947,000)	(321,157,273)
Deferred tax		
Relating to origination of temporary differences	40,936,419	(21,626,587)
	<u>201,017,462</u>	<u>(329,781,766)</u>

## 20 RELATIONSHIPS AND TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary, and the Company's directors and key management personnel. Balances with related parties are disclosed in respective notes to the financial statements. Significant transactions with related parties other than those disclosed elsewhere in the financial statements are as follows:

Name of related party	Basis of relationship	Nature of transaction	December 31, 2023 Rupees	December 31, 2022 Rupees
Select Technologies (Private) Limited	Subsidiary	Investment in subsidiary	1,300,000,000	3,173,344,301

## 21 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Company's financial position and performance during the period have been adequately disclosed in the notes to these financial statements.

## 22 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2023 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December 31, 2022.

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23 OPERATING SEGMENT INFORMATION

	Distribution and Retail		Assembly		Inter segment eliminations		Total	
-----Amount in Rupees-----								
	Half year ended		Half year ended		Half year ended		Half year ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
----- (Un-audited) -----								
Revenue								
-External customer	17,600,175,466	10,388,495,612	11,504,887,123	3,670,816,574	-	-	29,105,062,589	14,059,312,186
-Inter-segment	-	-	-	-	-	-	-	-
	17,600,175,466	10,388,495,612	11,504,887,123	3,670,816,574	-	-	29,105,062,589	14,059,312,186
Cost of sales								
-External customer	(15,891,880,042)	(9,714,366,646)	(10,445,952,184)	(3,244,731,823)	-	-	(26,337,832,226)	(12,959,098,469)
-Inter-segment	-	-	-	-	-	-	-	-
Gross profit	1,708,295,424	674,128,966	1,058,934,939	426,084,751	-	-	2,767,230,363	1,100,213,717
Administrative expenses	(391,710,838)	(249,143,967)	(138,287,787)	(70,925,806)	-	-	(529,998,625)	(320,069,773)
Selling and distribution cost	(111,215,486)	(174,690,541)	(1,758,773)	(845,926)	-	-	(112,974,259)	(175,536,467)
Operating profit	1,205,369,100	250,294,458	918,888,379	354,313,019	-	-	2,124,257,479	604,607,477
Other income	56,100,775	51,824,554	-	-	-	-	56,100,775	51,824,554
Other expenses	(118,472,106)	-	-	(24,231,682)	-	-	(118,472,106)	(24,231,682)
Finance cost	(497,908,738)	(289,083,933)	-	-	-	-	(497,908,738)	(289,083,933)
Profit before taxation	645,089,031	13,035,079	918,888,379	330,081,337	-	-	1,563,977,410	343,116,416
Taxation	(201,017,462)	329,781,766	-	-	-	-	(201,017,462)	329,781,766
Profit for the period	444,071,569	342,816,845	918,888,379	330,081,337	-	-	1,362,959,948	672,898,182
	<b>December 31, 2023</b>	<b>June 30, 2023</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>	<b>(Un-audited)</b>	<b>(Audited)</b>	<b>(Un-audited)</b>	<b>(Audited)</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
Segment assets	20,178,124,254	25,640,925,092	1,588,069,027	1,573,051,449	13,526,028	(7,326,896,394)	21,779,719,309	19,887,080,147
Segment liabilities	(286,632,346)	(4,793,767,060)	(8,710,598,553)	(1,499,193,283)	(132,620,803)	(1,316,978,930)	(9,129,851,702)	(7,609,939,273)
Capital expenditure	144,707,748	93,917,777	1,341,762	408,712,586	-	-	146,049,510	502,630,363

Half year ended	
December 31, 2023	December 31, 2022
(Un-audited)	(Un-audited)
(Rupees)	(Rupees)
29,105,062,589	14,059,312,186

23.1 Geographical information

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

Pakistan

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

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

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

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**24 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were authorized by Board of Directors on January 29, 2024.

**25 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE**

The Board of Directors in their meeting held on January 29 2024 have proposed a interim cash dividend for the period ended December 31 2023 of Rs. 2 per share (June 30, 2023: Rs. 2.5 per share), amounting to Rs. 790,538,462 (June 30, 2023: Final cash dividend Rs. 988,173,078).

**26 GENERAL**

Figures have been rounded off to the nearest Rupee.

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**CHIEF EXECUTIVE**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**AIR LINK COMMUNICATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
Rupees			
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	7,971,288,047	6,151,751,064
Investment property		1,356,200,398	1,350,758,464
Intangibles		9,708,625	10,662,139
Long term investment		300,000,000	300,000,000
Long term deposit		7,116,000	7,116,000
Deferred tax asset		-	16,809,425
		9,644,313,070	7,837,097,092
<b>CURRENT ASSETS</b>			
Stores and spares		39,795,743	20,956,864
Stock in trade	6	8,481,022,525	7,175,108,245
Trade debts	7	2,978,551,046	2,713,922,206
Loans and advances		2,834,069,907	1,748,484,448
Trade deposits and short term prepayments		98,453,395	14,722,608
Other receivables		7,513,286,414	5,978,182,489
Tax refunds		420,821,477	291,706,903
Short term investments		2,444,294,384	1,833,624,327
Cash and bank balances	8	1,735,970,185	1,020,769,669
		26,546,265,076	20,797,477,759
<b>TOTAL ASSETS</b>		<b>36,190,578,146</b>	<b>28,634,574,851</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY AND RESERVES</b>			
Authorized share capital 600,000,000 (30 June 2023: 600,000,000 of Rs.10 each) ordinary shares of Rs.10 each		6,000,000,000	6,000,000,000
Issued, subscribed and paid up capital	9	3,952,692,310	3,952,692,310
Share premium - capital reserve		3,556,176,808	3,556,176,808
Accumulated profit - revenue reserve		5,722,660,078	4,671,112,539
General reserves - revenue reserve		44,559,977	44,559,977
		13,276,089,173	12,224,541,634
<b>NON CURRENT LIABILITIES</b>			
Long term loans		2,264,381,205	2,175,000,000
Lease liabilities	10	93,489,463	96,142,001
Deferred liabilities		119,220,862	311,756,162
		2,477,091,530	2,582,898,163
<b>CURRENT LIABILITIES</b>			
Current portion of long term loans		485,000,000	820,782,214
Current portion of lease liabilities	10	61,526,520	71,978,305
Short term borrowings		10,463,794,435	5,138,117,603
Accrued markup		276,012,465	186,911,068
Contract liabilities		1,215,483,503	1,692,615,868
Provision for taxation		1,018,547,696	527,822,992
Trade payables, accrued and other liabilities	11	6,245,279,402	5,226,419,955
Unclaimed dividend		671,753,422	162,487,049
		20,437,397,443	13,827,135,054
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>36,190,578,146</b>	<b>28,634,574,851</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

Note	Half year ended		Quarter ended		
	2023	December 31, 2022	2023	2022	
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	
	Rupees	Rupees	Rupees	Rupees	
Revenue from contracts with customers - net	13	60,594,000,690	23,288,081,698	35,485,489,307	13,870,668,207
Cost of sales		(56,232,468,269)	(21,250,703,836)	(32,742,848,879)	(12,745,961,986)
<b>Gross profit</b>		4,361,532,421	2,037,377,862	2,742,640,428	1,124,706,221
Administrative expenses		(836,949,787)	(513,189,816)	(462,295,946)	(316,059,217)
Selling and distribution cost		(112,974,259)	(175,536,467)	(65,711,191)	(55,646,612)
		(949,924,046)	(688,726,283)	(528,007,137)	(371,705,829)
<b>Operating profit</b>		3,411,608,375	1,348,651,579	2,214,633,291	753,000,392
Other income		161,142,576	98,574,109	37,226,044	79,103,795
Other expenses		(118,472,106)	(24,231,786)	(118,472,106)	(12,115,841)
Finance cost		(1,114,830,016)	(960,656,659)	(644,451,655)	(574,301,557)
<b>Profit before taxation</b>		2,339,448,829	462,337,243	1,488,935,574	245,686,789
Taxation		(297,668,075)	329,438,603	(235,745,570)	179,845,626
<b>Profit for the period</b>		2,041,780,754	791,775,846	1,253,190,004	425,532,415
<b>Attributable to: Equity holders of the parent</b>		2,041,780,754	791,775,846	1,253,190,004	425,532,415
Earnings per share - Basic		5.17	2.05	3.17	1.10

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended		Quarter ended	
	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
	----- (Rupees) -----			
Profit for the period	2,041,780,754	791,775,846	1,253,190,004	425,532,415
Items not to be reclassified to profit or loss in subsequent periods				
Re-measurement losses on defined benefit plan	(3,377,273)	(9,617,177)	(1,688,637)	(9,617,177)
Related tax effect	1,317,136	2,788,981	658,568	2,788,981
Re-measurement losses on defined benefit plan - net of tax	(2,060,137)	(6,828,196)	(1,030,069)	(6,828,196)
Other comprehensive loss for the period	(2,060,137)	(6,828,196)	(1,030,069)	(6,828,196)
Total comprehensive income for the period	<u>2,039,720,617</u>	<u>784,947,650</u>	<u>1,252,159,935</u>	<u>418,704,219</u>
Attributable to:				
Equity holders of the parent	<u>2,039,720,617</u>	<u>784,947,650</u>	<u>1,252,159,935</u>	<u>418,704,219</u>

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.



**CHIEF EXECUTIVE**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Capital reserve		Revenue reserve			Total
	Issued, subscribed and paid up capital	Share Premium	General reserves	Accumulated profit	Long term loan - equity portion	
	----- (Rupees) -----					
Balance as at July 01, 2022 (audited)	3,952,692,310	3,556,176,808	44,559,977	4,081,140,221	21,372,477	11,655,941,793
Extinguishment of equity upon repayment of long term loan	-	-	-	21,372,477	(21,372,477)	-
Final dividend for the year ended June 30, 2022 at the rate of Rs. 1.25 per share	-	-	-	(395,269,231)	-	(395,269,231)
Profit for the period (un-audited)	-	-	-	791,775,846	-	791,775,846
Other comprehensive loss for the period (un-audited)	-	-	-	(6,828,196)	-	(6,828,196)
Total comprehensive income for the period (un-audited)	-	-	-	784,947,650	-	784,947,650
Balance as at December 31, 2022 (un-audited)	3,952,692,310	3,556,176,808	44,559,977	4,492,191,117	-	12,045,620,212
Balance as at July 01, 2023 (audited)	3,952,692,310	3,556,176,808	44,559,977	4,671,112,539	-	12,224,541,634
Final dividend for the year ended June 30, 2023 at the rate of Rs. 2.5 per share	-	-	-	(988,173,078)	-	(988,173,078)
Profit for the period (un-audited)	-	-	-	2,041,780,754	-	2,041,780,754
Other comprehensive loss for the period (un-audited)	-	-	-	(2,060,137)	-	(2,060,137)
Total comprehensive income for the period (un-audited)	-	-	-	2,039,720,617	-	2,039,720,617
Balance as at December 31, 2023 (un-audited)	3,952,692,310	3,556,176,808	44,559,977	5,722,660,078	-	13,276,089,173

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>Half year ended</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>(Un-audited)</b>	<b>(Un-audited)</b>
	<b>(Rupees)</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,339,448,829	462,337,243
<b>Adjustments for :</b>		
Depreciation of property, plant and equipment	233,096,808	296,563,897
Amortization of intangible assets	1,071,214	4,308,065
Allowance for expected credit loss - trade debts	-	3,200,000
Provision for workers welfare fund	33,633,923	7,727,615
Provision for gratuity	8,699,829	9,511,184
Provision for WPPF	84,084,807	16,504,067
Finance cost	954,637,867	617,361,563
Unrealized gain on financial assets	-	(3,215,948)
Short term investment written off	301,299	-
Finance Income	(161,142,576)	(48,608,606)
	<u>1,154,383,171</u>	<u>903,351,837</u>
<b>Operating profit before working capital changes</b>	3,493,832,000	1,365,689,080
<b>(Increase)/ decrease in current assets</b>		
Stock in trade	(1,305,914,280)	(674,516,963)
Stores and spares	(18,838,879)	(656,734)
Trade debts	(264,628,840)	2,175,735,997
Loans and advances	(1,085,585,459)	(884,934,564)
Trade deposits and short term prepayments	(113,176,003)	12,226,563
Other receivables	(1,535,103,925)	(3,411,451,466)
Tax refunds	(77,114,574)	(28,227,462)
	<u>(4,400,361,960)</u>	<u>(2,811,824,629)</u>
<b>(Decrease) / increase in current liabilities</b>		
Contract liabilities	(352,967,031)	37,317,044
Trade payables, accrued and other liabilities	901,140,717	3,030,507,346
	<u>(358,356,274)</u>	<u>1,621,688,841</u>
Financial cost paid	(858,196,190)	(642,740,803)
Gratuity paid	(11,844,444)	(18,940,571)
Income tax paid	(52,000,000)	(36,425,877)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>	<u>(1,280,396,908)</u>	<u>923,581,590</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions in property, plant and equipment - owned assets	(156,325,671)	(622,560,991)
Additions in capital work in progress	(1,896,679,839)	(8,900,656)
Addition in investment property	(5,441,934)	-
Additions in intangibles	(1,822,671)	(1,283,203)
Interest income received	193,122,843	26,171,395
Short term investments made	(703,500,000)	(1,857,400,000)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(2,570,647,272)</u>	<u>(2,463,973,455)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Lease liability repaid	(34,124,422)	(54,566,101)
Long term loans repaid	(246,401,009)	(231,982,598)
Dividend paid	(478,906,705)	(328,080,409)
Long term loans obtained	-	1,250,000,000
Short term borrowings obtained	5,325,676,832	790,697,430
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<u>4,566,244,696</u>	<u>1,426,068,322</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>715,200,516</u>	<u>(114,323,543)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>1,020,769,669</u>	<u>1,101,488,794</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u><u>1,735,970,185</u></u>	<u><u>987,165,251</u></u>

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AIR LINK COMMUNICATION LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**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 January 02, 2014 as a private limited company, later on converted to a public limited company on April 24, 2019, under Companies Act, 2017 having registered office at 152-M, Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan. 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.

**1.3 Select Technologies (Private) Limited - Subsidiary Company**

Select Technologies (Private) Limited ('the subsidiary company') was incorporated in Pakistan on October 13, 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 is 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 been followed.

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 June 30, 2023.

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.

## 2.5 Investment properties

Property held for the purpose of rental income and long-term capital appreciation is classified as investment property. Investment property is initially recognized at cost which is equal to the fair value of consideration paid at the time of acquisition or construction of the asset. Subsequent to initial recognition, investment property is carried at historical cost less accumulated depreciation and accumulated impairment losses, if any.

## 3 SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THERE IN

3.1 The accounting policies adopted and methods of computation followed in the preparation of these consolidated condensed interim financial statements are same as those for the preceding consolidated annual financial statements for the year ended June 30, 2023.

### 3.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

#### 3.2.1 Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Group during the period. However, the amendments did not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

#### 3.2.2 Amendments to published accounting and reporting standards which became effective during the period:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

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 ASSUMPTION

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 June 30,

	<b>December 31, 2023 (Un-audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>(Rupees)</b>	
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets	5,962,364,902	6,039,178,197
Capital work in progress	1,908,371,883	11,692,044
Right-of-use assets	100,551,262	100,880,823
	<u>7,971,288,047</u>	<u>6,151,751,064</u>
<b>6 STOCK IN TRADE</b>		
Raw material	3,952,166,061	724,939,669
Work in process	169,529,285	33,664,619
Mobile phones	2,526,364,843	451,546,354
Spare parts	154,807,998	144,007,330
	6,802,868,187	1,354,157,972
Provision for net realizable value	(1,910,788)	(1,910,788)
	<u>6,800,957,399</u>	<u>1,352,247,184</u>
Goods in transit	1,680,065,126	5,822,861,061
	<u>8,481,022,525</u>	<u>7,175,108,245</u>

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
<b>7 TRADE DEBTS</b>			
Considered good-unsecured Due from customers		2,978,551,046	2,713,922,206
Considered doubtful Due from customers		15,087,132	15,087,132
Allowance for expected credit loss		(15,087,132)	(15,087,132)
		-	-
		<u>2,978,551,046</u>	<u>2,713,922,206</u>
<b>8 CASH AND BANK BALANCES</b>			
Cash in hand		55,161,636	23,136,255
Cash at bank - current accounts		1,680,808,549	997,633,414
		<u>1,735,970,185</u>	<u>1,020,769,669</u>
<b>9 SHARE CAPITAL</b>			
<b>9.1 Authorized share capital</b>			
600,000,000 (June 30, 2023: 600,000,000) ordinary shares of Rs.10 each		<u>6,000,000,000</u>	<u>6,000,000,000</u>
<b>9.2 Issued, subscribed and paid up share capital</b>			
192,692,308 (June 30, 2023: 192,692,308) ordinary shares of Rs. 10/- each		1,926,923,080	1,926,923,080
202,576,923 (June 30, 2023: 202,576,923) bonus shares of Rs. 10/- each		2,025,769,230	2,025,769,230
		<u>3,952,692,310</u>	<u>3,952,692,310</u>
<b>10 LEASE LIABILITIES</b>			
Opening balance		168,120,306	346,246,222
Lease liabilities acquired during the year		12,641,000	-
Mark-up on lease liabilities		8,379,099	25,830,460
Termination of lease		-	(99,389,528)
		<u>189,140,405</u>	<u>272,687,154</u>
Lease rentals paid		(34,124,422)	(104,566,848)
		<u>155,015,983</u>	<u>168,120,306</u>
Less: current portion of lease liabilities		(61,526,520)	(71,978,305)
Closing balance		<u>93,489,463</u>	<u>96,142,001</u>
<b>11 TRADE PAYABLES, ACCRUED AND OTHER LIABILITIES</b>			
Trade payables		3,234,698,497	4,715,368,872
Incentives and promotions payable		1,540,983,621	-
Accrued expenses		582,305,384	134,594,911
Sales tax payable		29,819,927	17,635,260
Other payables		857,471,973	358,820,912
		<u>6,245,279,402</u>	<u>5,226,419,955</u>
<b>12 CONTINGENCIES AND COMMITMENTS</b>			
<b>12.1 Contingencies</b>			
There is no material change in contingencies since the last audited financial statements for the year ended June 30, 2023.			



## 12.2 Commitments

Letter of credit	3,437,264,638	4,583,860,399
Bank of guarantees	3,500,000	3,500,000
Shipping guarantee	1,182,146,426	858,646,525
	<u>4,622,911,064</u>	<u>5,446,006,924</u>

## 13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	----- (Unaudited) -----			
	Half year ended		Quarter ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	(Rupees)			
Sales - local	61,502,099,854	24,384,500,669	36,027,873,623	14,490,203,092
Service income	34,676,711	17,504,653	21,540,404	7,631,343
Gross sales	61,536,776,565	24,402,005,322	36,049,414,027	14,497,834,435
Less: Sales tax	(14,801,537)	(21,666,024)	(8,618,618)	(2,720,661)
	61,521,975,028	24,380,339,298	36,040,795,409	14,495,113,774
Less: Discount	(927,974,338)	(1,092,257,600)	(555,306,102)	(624,445,567)
	<u>60,594,000,690</u>	<u>23,288,081,698</u>	<u>35,485,489,307</u>	<u>13,870,668,207</u>
<b>Geographical region:</b>				
Pakistan	<u>61,536,776,565</u>	<u>24,402,005,322</u>	<u>36,049,414,027</u>	<u>14,497,834,435</u>
<b>Timing of transfer of goods and services:</b>				
At point in time	<u>61,536,776,565</u>	<u>24,402,005,322</u>	<u>36,049,414,027</u>	<u>14,497,834,435</u>

## 14 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on January 29, 2024 have proposed an interim cash dividend for the period ended December 31 2023 of Rs. 2 per share (June 30, 2023: Rs. 2.5 per share), amounting to Rs. 790,538,462 (June 30, 2023: Final cash dividend Rs. 988,173,078).

## 15 GENERAL

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Group on 29 January 2024.



Chief Executive



Director



Chief Financial Officer