



Air Link Communication Ltd

Corporate Briefing Session dated 14-Dec-2022

Financial performance – FY2022

Consolidated (Rsmn)	FY22	FY21	YoY	Un Consolidated (Rsmn)	FY22	FY21	YoY
Sales	49,165	47,373	4%	Sales	46,160	47,373	-3%
Cost of sales	-43,968	-42,571	3%	Cost of sales	-41,388	-42,571	-3%
Gross profit	5,197	4,802	8%	Gross profit	4,772	4,802	-1%
<i>Gross margins (%)</i>	<i>10.57%</i>	<i>10.14%</i>	0.43%	<i>Gross margins (%)</i>	<i>10.33%</i>	<i>10.14%</i>	0.19%
Admin expenses	-1005	-725	39%	Admin expenses	-875	-725	21%
Selling and dist. Cost	-542.6	-581	-7%	Selling and dist. Cost	-543	-581	-7%
Operating profit	3,649	3,496	4%	Operating profit	3,354	3,496	-4%
<i>Operating margin (%)</i>	<i>7.42%</i>	<i>7.38%</i>	0.14%	<i>Operating margin (%)</i>	<i>7.27%</i>	<i>7.38%</i>	-0.11%
Other Income	220	67	228%	Other Income	227	68	234%
Other Expenses	-88	-57	54%	Other Expenses	-88	-57	54%
Finance cost	-1175	-1102	7%	Finance cost	-1025	-1102	-7%
Profit before taxation	2,606	2,404	8%	Profit before taxation	2,468	2,405	3%
Taxation	-1076	-899	20%	Taxation	-819	-899	-9%
Net Profit	1,530	1,505	2%	Net Profit	1,649	1,506	9%
<i>Net margin (%)</i>	<i>3.11%</i>	<i>3.18%</i>	-0.07%	<i>Net margin (%)</i>	<i>3.57%</i>	<i>3.18%</i>	0.39%
EPS – Diluted (Rs.)	3.99	4.47	-11%	EPS – Diluted (Rs.)	4.3	4.47	-4%

Financial performance – FY2022



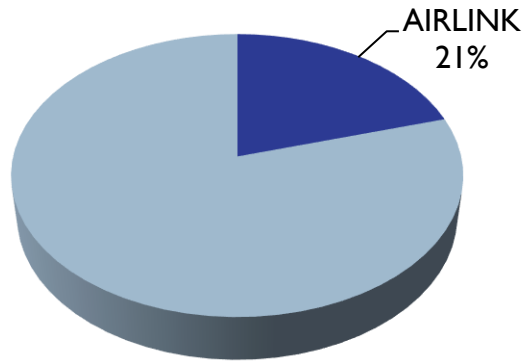
- ▶ Higher margins from assembling operations expand margins
- ▶ Assembling operations contribute ~14% to gross profit and to net profit
- ▶ Increase in interest rates lead to higher finance cost

Sales break up

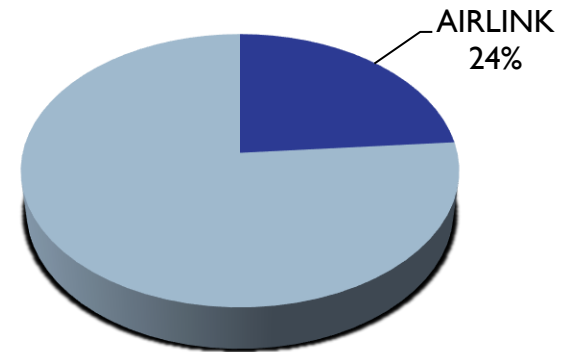
FY2022	Local sales (units)	Gross Local Sales (Rs)
Tecno	1,086,053	17,771,795,415
Samsung	377,036	16,047,576,309
Xiaomi	255,315	7,104,357,304
Itel	1,124,543	5,211,318,875
Realme	61,845	1,523,994,316
Apple	8,756	1,362,893,877
Alcatel/TCL	7,818	101,059,251
QMobile	14,560	25,140,333
Huawei	1,647	17,665,249
Total	2,937,573	49,165,800,930

Market share – FY2022 (CBU & SKD units)

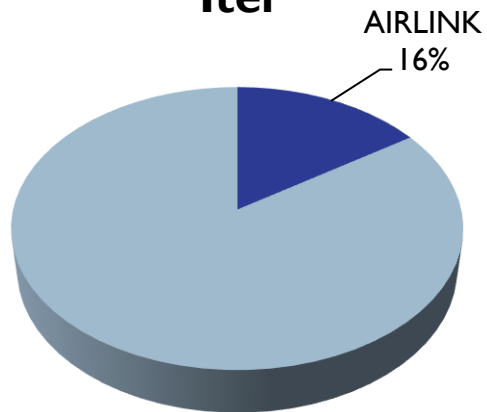
Samsung



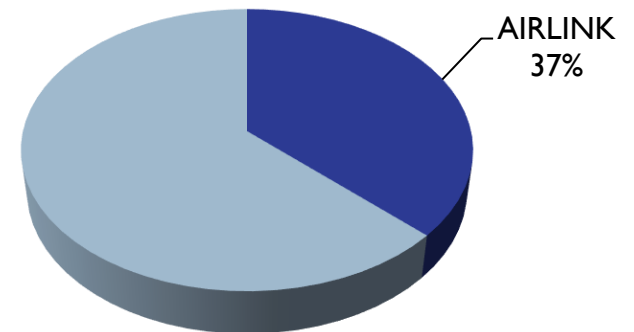
Xiaomi



Itel



Tecno



Financial performance

	FY17	FY18	FY19	FY20	FY21	FY2022
Sales Growth (YoY)	33%	82%	23%	44%	10%	3.8%
Net Profit Growth (YoY)	16%	83%	20%	-1%	3%	1.7%
Gross Margin	14%	13%	13%	11%	10%	10.57%
Operating Margin	11%	11%	11%	9%	7%	7.42%
Net Margin	5%	5%	5%	3%	3%	3.11%
Diluted EPS (Rs.)	N/A	N/A	-	4.88	4.86	3.99
Book Value per Share (Rs.)	N/A	N/A	12.28	15.11	21.60	29.11
Current Ratio (x)	1.56	1.34	1.33	1.30	1.71	2.51
Working Capital Cycle (Days)	64.46	42.38	32.33	21.64	59.83	54.05
Interest Coverage (x)	9.94	6.90	4.14	2.82	3.18	3.40
Debt to Equity Ratio (x)	0.97	1.61	2.51	2.04	1.14	0.37
Debt to Capital Ratio (x)	0.49	0.62	0.71	0.67	0.53	0.27

Outlook

- ▶ Assembling operations started under the approval machination of SBP and will improve the sales of select technologies
- ▶ Continuous increase in 3G/4G subscriber base
- ▶ Increasing proportion of low-cost smartphones grows and replacement demand
- ▶ Ongoing expansion of E-commerce industry in Pakistan
- ▶ Introduction of 5G in Pakistan

Disclaimer ****

The information contained herein reflects our latest business statement as at Jun 30, 2022. Except the historical information contained herein, statements in this Release which contain words or phrases such as ‘will’, ‘would’, ‘indicating’ expected to’ etc., and similar expressions or variations of such expressions may constitute ‘forward-looking statements’. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion in business, the impact of any acquisitions, our exposure to market risks as well as other risks detailed in the reports filed by us with various regulatory authorities as per applicable laws and regulations. AIRLINK undertakes no obligations to update forward-looking statements to reflect event or circumstances after the date thereof.

Thank you