

HALF YEARLY REPORT



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



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



O BRECTORS' 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.

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DIRECTOR

CHIEF EXECUTIVE OFFICER

ائر کنک کمیونیکیشن کمیٹر کے بورڈ آف ڈائر یکٹرز کو 31 دسمبر، 2021 کوختم ہونے والی ششما ہی کے مالی حسابات ،مع ان کے بارے میں آ ڈیٹرز کی جائز ہ رپورٹ پیش کرتے ہوئے مسرت محسوں ہورہی ہے۔

31 دسمبر،2021 کوختم ہونے دالے چھدماہ کے دوران آپ کی کمپنی نے مالی سال22-2021 کی پہلی ششماہی میں %11 مجموعی منافع حاصل کیا جو اس سے پچچلی مدت کے مقابلے میں %2اضافہ ظاہر کرتا ہے۔اس نے1,026 ملین پا کستانی روپے کے خالص منافع کی راہ ہموار کی جوگز شتہ سال کے مقابلے میں %1اضافہ کی نمائند گی کرتا ہے۔

تسمینی نے زیر جائز ہدت کے دوران " **سلیکٹ ٹیکنالوجیز (پرائیویٹ) کمیٹڈ** " کے نام سے کلمل ملکیتی سبیڈری قائم کی جو Xiaomi کے موبائل فونز اور ملحقہ صنوعات کے لیےلا ہور میں اپنی مثال آپ سارٹ فون اسمبلی پلانٹ کے قیام کے مرحلے میں ہے۔Xiaomi دنیا کے ممتاز سارٹ فون برانڈ زمیں سے ایک ہے۔ بیادارہ پاکستان میں سرما بیکاری کاز بردست حامی ہے اوراس نے مقامی انڈ سٹری میں بھر پورسرما بیکاری کی ہے۔اس کے پیچھے "Made in Pakistan" پراڈکٹس اور ہنر منداور غیر ہنر مند لیبر کے لیے روزگار کے مواقع پیدا کرنے کا تصور کار فرماہے۔

تمینی نے فیکٹری میں کام پرآنے والے ملاز مین کے لیے مناسب SOPs پڑ کس کرتے ہوئے تمام احتیاطی اقدامات کیے ہیں۔اللہ پاک کا کرم ہے ہمارے ہاں کورونا سے کسی کی جان نہیں گئی۔

ہم جاری وساری آپریشنز کی مسلسل مدد پراپنے سٹیک ہولڈرز ، ہینکوں ، مالیاتی اداردں ادرکار دباری شرا کت داردں کے منون دمشکور ہیں۔ ہم مسلسل مدداور رہنمائی پر متعلقہ وزارتوں اورا ورریگولیٹرز کے بھی شکرگز ار ہیں ۔ ہم کمپنی کے ملا زمین کی انتخاب محنت کا بھی شکر بیادا کرتے ہیں اوران کی مسلسل اور فعال شرکت کی امید

کرتے ہیں۔

Hussi VL.KL

ڈائریکٹر

چيف ايگزيکٽوآ فيسر



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 96-8-1, 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 ey.ltr:≌pk.ey.com ey.com/pk



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 Tet: +9242 3577 8402-11 Fax: +9242 3577 8412-13 ey.lbr@pk.ey.com ey.com/pk

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INDEPENDENT AUDITOR'S REVIEW REPORT SUBJECT TO RESOLUTION OF OUTSTANDING MATTERS

To the members of Air Link Communication Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

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 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 Chartered Accountants Lahore

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AIR LINK COMMUNICATION LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

ASSETS How (Rupees) (Rupees) NON CURRENT ASSETS Property, plant and equipment Intangibles Investment in subsidiary 5 1,162,247,018 18,740,145 1,253,900,236 18,740,145 Investment in subsidiary 6 2,239,498,383 1,271,916,560 CURRENT ASSETS 5 3,533,673,665 7,560,647 Stores and advances 8 5,315,693,492 1,271,916,560 CURRENT ASSETS 8 5,315,693,492 1,271,916,560 Trade debs 8 5,315,693,492 1,324,810 1,155,500,852 9,793,467 2,2468,109 Take deposits and short term prepayments 0,860,170,091 2,24,88,109 3,012,26,151 Total ASSETS 18,571,207,661 15,748,44,917 2,468,109 EQUITY AND LABILITIES 18,571,207,661 15,748,414,982 24,859,937 EQUITY AND RESERVES Authorized share capital 000,000,000 (30 (30 June 2021: 400,000,000) ordinary shares of Rs.10 each 9 3,952,692,310 3,000,000,000 Issued, subscribed and paid up capital 01 9 3,952,692,310 3,000,000,000 1,144,76,487,575 Long term loa		Note	31 December 2021 (Un-audited)	30 June 2021 (Audited)
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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			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.

us ·V Director

Chief Executive

Chief Financial Officer

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

Hussi VI.KI

Director

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

		Six month pe	eriod 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	А	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	1				
Re-measurement losses on defined benefit plar Tax effect		(11,332,954) 3,286,557	(1,067,582) 309,600	(11,332,954) 3,286,557	:
Re-measurement losses on defined benefi plan - net of tax	t	(8,046,397)	(757,982)	(8,046,397)	
Items to be reclassified to profit or loss in subsequent periods					
Other comprehensive loss	в	(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

Husse VIVI

Chief Financial Officer

Director

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

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

	Six month pe 31 December 2021	31 December 2020
	(Un-audited)	(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 Gain on lease termination	25,735,962	2 042 124
Finance cost	(441,594) 512,699,549	3,942,134 570,052,762
Provision written off	512,099,549	(6,594,008)
Unrealized gain on financial assets	(1,923,869)	(0,004,000)
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	(1 001 010 070)	000 450 077
Stock in trade Stores and spares	(1,334,846,879) (5,458,916)	869,152,377
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 Share issuance cost	4,290,000,000 (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
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	301,211,008	110,004,031

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

Chief Executive

Husse

Chief Financial Officer

Director

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AIR LINK COMMUNICATION LIMITED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

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, AI - 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 - Interest Rate Benchmark Reform – Phase 2 – Amendments IFRS 16

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)	30 June 2021 (Audited)
5	PROPERTY AND EQUIPMENT		(Rupees)	(Rupees)
	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 fo	llows:		
	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 follow	/S:		
	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	-
			and the second sec	

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.

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AIRLINK COMMUNICATION LIMITED

				31 December 2021	30 June 2021
	7 STOCK IN TRADE		Note	(Un-audited)	(Audited)
1				(Rupees)	(Rupees)
	Raw material			771,614,344	393,763,974
				11,846,858	19,576,154
	Work in process			1,409,600,592	1,254,026,953
	Mobile phones			131,211,295	79,678,663
	Spare parts				1,747,045,744
			- 4	2,324,273,089	
	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
	Citaling balance				
	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
		31 December 2021	30 June 2021	31 December 2021	30 June 2021
				(Un-audited)	(Audited)
	9 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	(Un-audited) No. of t	(Audited)	(Rupees)	(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			275,769,230	
	- Bonus shares of Rs. To each	27,576,923		213,103,230	-
	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 Communicat	ion Investments (Private) l	imited	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 In	vestment Company Limited	4	800,000,000	
	Pak Oman Investment Company	Countern Company Linner		300,000,000	-
	Add: Accrued markup			19,121,023	28,318,519
	Aud. Accided markup			1,687,251,566	612,554,083
	Less Ormal as the share of the	ant linhilition			
	Less: Current portion shown under curr			(625,580,371)	
	Less: Current portion shown under current portion shown under current Less: Accrued markup presented in cur			(625,580,371) (19,121,023) 1,042,550,172	(438,747,989) (28,318,519) 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

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		31 December 2021 (Un-audited)	30 June 2021 (Audited)
12	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

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	30 June 2021
				(Un-audited)	(Audited)
13.2	Commitments			(Rupees)	(Rupees)
	Letters of credit			1,297,400,865	2,283,571,862
	Bank guarantees			3,000,000	3,000,000
	burk galanceo			1,300,400,865	2,286,571,862
		Six month p	eriod ended	Three month	period ended
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
14	REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	(Rupees)	(Rupees)	(Rupees)	(Rupees)
	Sales - local Sales - export	25,037,563,887 60,588,645	30,168,598,490	15,046,285,373	13,605,535,325
	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:	and an other statements			
	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
		the second se			

16 RELATIONSHIPS AND TRANSACTIONS WITH RELATED PARTIES

The related party transactions includes remuneration of key management personnel which is disclosed in note 14.

AIR LINK COMMUNICATION LIMITED

17 OPERATING SEGMENT INFORMATION

Distribution and retail

Assembly

Amount in Rupees---

Inter segment eliminations

	7.1													
The Original States of the Sta	7.1 Geographical information	Capital expenditure	Segment liabilities	Segment assets		Profit for the period	Taxation	Profit before taxation	Other income Other expenses Finance cost	Operating profit	Administrative expenses Selling and distribution cost	Cost of sales Gross profit	Revenue -External customer -Inter-segment	
		5,985,692	(4,608,163,451)	24,325,052,606	31 December 2021 (Un-audited)	580,079,959	(315,356,313)	895,436,272	18,603,371 - (512,699,549)	1,389,532,450	(387,279,461) (265,834,348)	(21,959,656,413) 2,042,646,259	24,002,302,672 24,002,302,672	Six-month period ended 31 December 2021 31 Decemb
		94,685,023	(7,025,265,931)	14,836,247,990	30 June 2021 (Audited)	958,961,308	(539,581,045)	1,498,562,353	55,010,702 (3,942,134) (570,052,762)	2,017,546,547	(284,859,246) (311,764,371)	(25,509,600,016) 2,614,170,164	28,123,770,180 28,123,770,180	ber 2020
		6,102,340	(1,499,193,283)	1,573,051,449	31 December 2021 (Un-audited)	446,429,254		446,429,254	(25,735,962) -	472,165,216	(81,925,806) (845,926)	(8,136,552,108)	8,691,489,056 8,691,489,056	Six-month period ended 31 December 2021 31 Decemi
		487,976,540	(2,896,150,643)	2,170,622,104	30 June 2021 (Audited)			•					, , ,	riod ended 31 December 2020 31 D (Un-audited)
			(1,316,978,930)	(7,326,896,394)	31 December 2021 (Un-audited)							8,691,489,056	(8,691,489,056) (8,691,489,056)	Six-month period ended 31 December 2021 31 Decemt lited)
			652,157,040	(1,258,455,112)	30 June 2021 (Audited)									ber 2020
	Six month period ended 31 December 2021 31 Decemi (Un-audited) (Un-audited) (Rupees) (Rup	12,088,032	(7,424,335,664)	18,571,207,661	31 December 2021 (Un-audited)	1,026,509,213	(315,356,313)	1,341,865,526	18,603,371 (25,735,962) (512,699,549)	1,861,697,666	(469,205,267) (266,680,274)	(21,404,719,465) 2,597,583,207	24,002,302,672 - 24,002,302,672	Six-month period ended 31 December 2021 31 Decemi
	31 December 2020 (Un-audited) (Rupees)	582,661,563	(9,269,259,534)	15,748,414,982	30 June 2021 (Audited)	958,981,308	(539,581,045)	1,498,562,353	55,010,702 (3,942,134) (570,052,762)	2,017,546,547	(284,859,246) (311,764,371)	(25,509,600,016) 2,614,170,164	28,123,770,180 _ 	31 December 2020

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

Pakistan UAE

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

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

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

23,941,714,027 60,588,645 24,002,302,672 28,123,770,180

28,123,770,180

Total

21

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 E	xecutive	Executives			
	Six month p	eriod ended	Six month p	eriod 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 Total Level 1 Level 2 Level 3 (Rupees) 31 December 2021 (Un-audited) Financial assets at fair value through profit or loss 43.234.493 43.234.493 Investment in mutual funds 43,234,493 43.234.493 30 June 2021 (Audited) Financial assets at fair value through profit or loss 13,103,651 13.103.651 Investment in mutual funds 13,103,651 13,103,651 30 June 2021 31 December 2021 19.2 Movement in financial assets at fair value through profit or loss is as follows: (Audited) (Un-audited) (Rupees) (Rupees) 35,683,564 13,103,651 Opening balance 28,206,973 (26,000,000) Additions / (deletions) 1,923,869 3,420,087 Unrealized gain on investment 43,234,493 13,103,651 Closing balance

20 GENERAL

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

Chief Executive

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Chief Financial Officer

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

A00570	Note	31 December 2021 (Un-audited)	30 June 2021 (Audited)
ASSETS		(Rupees)	(Rupees)
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	<u> </u>	4 000 445 004	2 522 672 866
Stock in trade Stores and spares	6	4,888,115,921 13,019,563	3,533,673,866 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
		40.007.045.404	45 740 444 000
TOTAL ASSETS		18,687,815,104	15,748,414,982
EQUITY AND LIABILITIES			
EQUIT FAND LIABILITIES			
EQUITY AND RESERVES			
Authorized share capital			
600,000,000 (30 June 2021: 400,000,000) ordinary share	s		
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 Long term loan - equity portion		3,570,682,706 21,372,477	2,991,850,517 42,744,954
Share deposit money		21,372,477	400,000,000
Share deposit money		11,145,484,278	6,479,155,448
		,,,	0,110,100,110
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
CURRENT LIABILITIES		1,630,857,072	816,605,086
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
		10,001,010,104	10,710,717,002

CONTINGENCIES AND COMMITMENTS

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Chief Executive

Chief Financial Officer

Director

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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	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Note	(Un-audited)	(Un-audited)	(Un-audited)	(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:		4 005 404 404	050 004 000	COE 020 000	670 200 044
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

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Chief Financial Officer

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Director

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

		Six month p	eriod ended	Three month	period ended
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Note	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Profit for the period	Α	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	в	(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

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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	e reserve				
	Issued, subscribed and paid up capital	Share Premium	General reserves	Accumulated profit	Long term Ioan - equity portion	Loan from Director	Share deposit money	Total
				(Rup	oees)			
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) Other comprehensive income for the period (Un-audited)	-	-	-	958,981,308 (757,982)	-	-	-	958,981,308 (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) Total comprehensive income for the period (Un-audited)	-			(8,046,397) 1,017,075,097		-	-	(8,046,397) 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	<u> </u>		#################

Chief Executive

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Chief Financial Officer

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

	Six month per	riod ended
	31 December 2021	31 December 2020
	(Un-audited)	(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 Provision for net realizable value reversed	4,197,555	2,843,070
Allowance for expected credit loss - trade debts	(11,216,176) 13,191,235	(3,757,979)
Provision for gratuity	9,365,561	4,667,324
Provision for workers welfare fund	25,735,962	-,007,024
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)
One veting prefit hefers working conital changes	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
Increase/(decrease) in current liabilities	(1,738,605,169)	3,857,173,203
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 Short term borrowings repaid - net	(364,306,593) (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

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Chief Financial Officer

AIR LINK COMMUNICATION LIMITED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021

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, AI - 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 - Interest Rate Benchmark Reform – Phase 2 – Amendments IFRS 16

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.

	pees) 7,454,504
Operating fixed assets 51 506 018 512 56	7,454,504
Capital work in progress 5.2 767,640,669	
	6,445,732
1,929,887,687 1,25	3,900,236
5.1 Movement in operating fixed assets is as follows:	
Opening balance 567,454,504 7	1,165,594
Additions during the period / year 5.1.1 12,088,032 58	2,661,563
	6,372,653)
Closing balance 506,018,542 56	7,454,504
5.1.1 Additions in operating fixed assets during the period / year are as follows:	
Building on lease hold land 1,307,190 10	8,158,357
Plant & machinery 4,766,218 22	4,328,857
Furniture and fixtures 1,238,613	8,627,719
Computers 1,689,795 2	7,669,629
Office equipment 3,086,216 20	7,435,166
	6,441,835
12,088,032 58	2,661,563
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 40	5,806,551
	0,674,516
	3,479,095)
	6,556,240)
	6,445,732
5.3.1 Additions in right-of-use assets during the period / year are as follows:	
Motor vehicles 17,471,000 1	9,315,600
Lease hold land - 34	4,940,738
	6,418,178
49,335,269 51	0,674,516

6	STOCK IN TRADE	-	Note	31 December 2021 (Un-audited) (Rupees)	30 June 2021 (Audited) (Rupees)
	Raw material Work in process Mobile phones Spare parts			771,614,344 11,846,858 1,417,979,592 131,211,295	393,763,974 19,576,154 1,254,026,953 79,678,663
	Provision for net realizable value		6.1	2,332,652,089 (2,583,448) 2,330,068,641	1,747,045,744 (13,799,624) 1,733,246,120
	Goods in transit			2,558,047,280 4,888,115,921	1,800,427,746 3,533,673,866
6.1	Movement in provision for net realizable v	alue is as follows:			
	Opening balance Reversal during the period / year Closing balance			13,799,624 (11,216,176) 2,583,448	32,675,515 (18,875,891) 13,799,624
7	TRADE DEBTS				
	Considered good - unsecured Local Exports			5,463,418,065	4,034,354,128 1,425,887,763
	Allowance for expected credit loss			5,463,418,065 (82,170,971) 5,381,247,094	5,460,241,891 (68,979,736) 5,391,262,155
8	ISSUED, SUBSCRIBED AND PAID	31 December 2021 (Un-audited)	30 June 2021 (Audited)	31 December 2021 (Un-audited)	30 June 2021 (Audited)
	UP CAPITAL	No. of s	hares	(Rupees)	(Rupees)
	Opening Balance - Ordinary shares of Rs. 10 each fully paid in cash - Bonus shares of Rs. 10 each	125,000,000 175,000,000	125,000,000 175,000,000	1,250,000,000 1,750,000,000	1,250,000,000 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 Issuance of shares (see note 1.2) Bonus shares of Rs. 10 each 	7,692,308 60,000,000 27,576,923	- -	76,923,080 600,000,000 275,769,230	- - -
	Closing Balance - Ordinary shares of Rs. 10 each fully paid in cash - Bonus shares of Rs. 10 each	192,692,308 202,576,923	125,000,000 175,000,000	1,926,923,080 2,025,769,230	1,250,000,000 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
	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

1

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

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

		Six month period ended		Three month	period ended
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		(Un-audited)	(Un-audited)	(Un-audited)	(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 E	xecutive	Executives Six month period ended		
	Six month p	eriod ended			
	31 December 2021	31 December 2020	31 December 2021	31 December 2020 (Un-Audited)	
	(Un-audited)	(Un-audited)	(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	Asser	nblv	Inter segment	eliminations	To	tal	
	Diotribution		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Amount in Rupees					
	Six-month pe	eriod ended 31 December 2020	Six-month pe	31 December 2020	Six-month pe 31 December 2021	riod ended 31 December 2020	Six-month period ended 31 December 2021 31 December 2020		
	31 December 2021	31 December 2020	31 December 2021		dited)	31 December 2020	31 December 2021	31 December 2020	
				(011-0	uuiteu)				
Revenue									
-External customer	24,002,302,672	28,123,770,180	127,240,842	-		-	24,129,543,514	28,123,770,180	
-Inter-segment	- 24,002,302,672	28.123.770.180	8,750,864,056		(8,750,864,056)		- 24.129.543.514	28.123.770.180	
	24,002,302,672	20,123,770,100	8,878,104,898	-	(8,750,864,056)	-	24,129,543,514	20,123,770,100	
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 Selling and distribution cost	(387,279,461)	(284,859,246) (311,764,371)	(82,456,619)	-	-	-	(469,736,080)	(284,859,246) (311,764,371)	
Sening and distribution cost	(265,834,348)	(311,704,371)	(845,926)	-		-	(266,680,274)	(311,704,371)	
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 Finance cost	- (512,699,549)	(3,942,134) (570,052,762)	(25,735,962)	-	-	-	(25,735,962) (512,699,549)	(3,942,134) (570,052,762)	
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	
	000,010,0000	000,001,000					.,020,121,101	000,001,000	
	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	
	2021	2021	2021	2021	2021	2021	2021	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)	
Canital averagiture	5,985,692	94,685,023	6,102,340	487,976,540			12,088,032	582,661,563	
Capital expenditure	5,965,692	94,000,023	6,102,340	401,910,540		-	12,000,032	202,001,203	

17.1 Geographical information

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

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.

24,068,954,869 60,588,645	28,123,770,180
24,129,543,514	28,123,770,180

18 FINANCIAL INSTRUMENTS - FAIR VALUES

18.1 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 Group 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 Group 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 Group 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 Group'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		
				31 December 2021	30 June 2021		
18.2	18.2 Movement in financial assets at fair value through profit or loss is as follows:		(Un-audited)	(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		

19 GENERAL

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

Chief Executive

ial Alah

Jusse VI

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.