



AIRLINK
YOUR SMART DEVICE PARTNER

**QUARTERLY
REPORT AS AT
MARCH 31,
2025**

YOUR
SMART
DEVICE
PARTNER

Table of Contents

- 01** Introduction
- 02** Company Profile
- 03** Directors Report
- 04** Financials

The background of the page is a dark, blue-tinted photograph of a modern building at night. On the left side, a large vertical sign reads "AIRLINK" in a stylized font. The building has several windows and a prominent entrance. The overall atmosphere is professional and modern.

ORGANIZATIONAL OVERVIEW

AirLink Communication Ltd. is one of the top names in the telecom sector in Pakistan. We have achieved this position through consistent efforts to deliver high-quality and affordable technology across the country.

We proudly partner with top global brands such as Samsung, Xiaomi, Acer Gadgets Inc., Tecno and iPhone. Our operational model focuses on importing premium raw materials, which are meticulously assembled locally, celebrating and enhancing the value of domestically produced technology.

This journey started with the distribution of Huawei and Samsung smartphones and has now progressed to manufacturing the Xiaomi smartphones, TV and Tecno smartphones.

Our cutting-edge smartphone production facility is poised to deliver top-tier products, extending advanced technology to every corner of the country.



VISION

To become a global leader in telecommunication and technology, driving innovation and excellence to establish Pakistan as a recognized technological hub.



MISSION

To enhance connectivity and improve lives through high-quality, affordable products, while driving Pakistan's transformation into a global technological leader. With a steadfast commitment to customer satisfaction, integrity, and excellence, we aim to set industry benchmarks and foster a culture of continuous improvement and innovation.

VALUES



TRANSPARENCY



INTEGRITY



QUALITY



**CUSTOMER
SATISFACTION**



INNOVATION



**DIVERSITY &
INCLUSION**

Airlink Communication Limited is a prominent player in Pakistan's technology and telecommunication sector, excelling in the distribution, retail and manufacturing of mobile phones and varied electronics. The company has partnered with leading global brands such as



SAMSUNG

TECNO

acer

delivering innovative products to a broad consumer market.



DISTRIBUTION



RETAIL



**SMARTPHONE
PRODUCTION FACILITY**

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

Syed Nafees Haider
Executive Director

AUDIT COMMITTEE

Mr. Hussain Kuli Khan
(Independent Director) - Chairman

Mr. Sharique Azim Siddiqui
(Independent Director) - Member

Mrs. 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



Bank Al Habib Limited



JS Bank Limited



United Bank Limited



Askari Bank Limited



Standard Chartered Limited



The bank of Punjab Limited



The Bank of Khyber Limited



Habib Metro Limited



Bank Alfalah Limited



Dubia Islamic Bank Limited



Habib Bank Limited



Meezan Bank



Bank Islami Limited



Soneri Bank Limited



Sindh Bank



ICBC Industrial and Commercial Bank of China Limited (Pakistan Operations)



Faysal Bank Limited



National Bank of Pakistan

NON-BANKING FINANCIAL INSTITUTE



LEGAL ADVISOR

Punjab Law Associate

FACTORY ADDRESS

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

COMPANY'S REGISTERED ADDRESS (HEAD OFFICE)

AirLink Communication
152/1M, Shan Road, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore, Pakistan

EXTERNAL AUDITORS

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

DIRECTOR'S REPORT

Directors' Report

For the Nine Months Ended March 31, 2025

1. Introduction

The Directors of Air Link Communication Limited are pleased to present the standalone and consolidated financial statements for the nine months ended March 31, 2025.

2. Economic Environment

Pakistan's economic outlook has strengthened due to sustained structural reforms, particularly in revenue mobilization and energy sector performance. Signs of macroeconomic resilience are evident, with a downward trend in inflation driven by moderated commodity prices. Budgetary discipline is delivering concrete progress, reflected in a manageable fiscal gap and a surplus in primary accounts. External indicators also portray a positive trajectory. Investor confidence is gaining momentum, evidenced by the sustained upward trajectory of the Pakistan Stock Exchange.

Amid shifting economic conditions, the Company maintained its forward momentum by prioritizing agility, prudent resource management, and value-driven strategies. With reforms gaining traction and a renewed emphasis on sustainable practices, we are well-positioned to harness emerging opportunities while maintaining a balanced and resilient growth trajectory.

3. Financial Performance

- **Standalone Performance:**
 - Sales grew by 9.72% to PKR 45,156 million from PKR 41,156 million in the same period last year.
 - Earnings per share increased to PKR 5.25 from PKR 4.38, representing a growth of 19.91% compare to the same period last year.
- **Consolidated Performance:**
 - Sales decline by 7.82% from PKR 92,805 million to PKR 85,552 million in the same period last year.
 - Consolidated earnings per share declined to PKR 7.22 from PKR 7.79.

4. Future Outlook

The Board remains confident that the current growth momentum will persist throughout the remainder of the financial year. The Company is well-positioned to strengthen its market share, with management actively pursuing optimal strategies to ensure operational efficiency and effectiveness. Our focus remains on maintaining high

product quality, achieving targeted production levels, and meeting overall business objectives under prevailing market conditions.

5. Looking Ahead

The Company remains dedicated to delivering sustainable growth and long-term value for its stakeholders. With the continued support and trust of our stakeholders, we are confident in our ability to achieve our strategic objectives and drive further improvements in the Company's performance.

6. Acknowledgement

The Board wishes to formally acknowledge and extend its sincere appreciation to all stakeholders for their continued support and commitment. This includes the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange, the State Bank of Pakistan, banks and financial institutions, as well as the Company's valued customers, vendors, and suppliers. The Board also expresses its deep gratitude to all employees for their dedication, hard work, and exemplary performance in carrying out their responsibilities.



Chief Executive Officer



Director

ڈائریکٹرز کی رپورٹ

31 مارچ 2025 کو ختم ہونے والے نو مہینوں کے لیے

1. تعارف

اینٹر لنک کمیونیکیشن لمیٹڈ کے ڈائریکٹرز کو 31 مارچ 2025 کو ختم ہونے والے نو مہینوں کے لیے اسٹینڈالون اور کنسولیدٹیڈ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

2. معاشی ماحول

پاکستان کے معاشی امکانات میں مسلسل ساختی اصلاحات، خاص طور پر ریونیو متحرک کرنے اور توانائی کے شعبے کی کارکردگی کی وجہ سے بہتری آئی ہے۔ میکرو اکنامک لچک کے آثار نمایاں ہیں، جس میں اجناس کی قیمتوں میں کمی کی وجہ سے افراط زر میں کمی کا رجحان ہے۔ بجٹ کی پابندی ٹھوس پیش رفت فراہم کر رہی ہے، جو کہ قابل انتظام مالیاتی فرق اور بنیادی کھاتوں میں سرپلس سے ظاہر ہے۔ بیرونی اشارے بھی ایک مثبت رجحان پیش کرتے ہیں۔ سرمایہ کاروں کا اعتماد بڑھ رہا ہے، جس کا ثبوت پاکستان اسٹاک ایکسچینج کی مسلسل صعودی رفتار ہے۔

تبدیل ہوتی ہوئی معاشی صورتحال کے درمیان، کمپنی نے چستی، کفایت شعاری پر مبنی وسائل کے انتظام اور قدر پر مبنی حکمت عملیوں کو ترجیح دے کر اپنی پیش رفت کو برقرار رکھا۔ اصلاحات کے زور پکڑنے اور پائیدار طریقوں پر نئے سرے سے توجہ مرکوز کرنے کے ساتھ، ہم متوازن اور لچکدار ترقی کی رفتار کو برقرار رکھتے ہوئے ابھرتے ہوئے مواقع سے فائدہ اٹھانے کے لیے اچھی طرح سے تیار ہیں۔

3. مالیاتی کارکردگی

اسٹینڈالون کارکردگی:

- گزشتہ سال کی اسی مدت میں 41,156 ملین روپے کے مقابلے میں فروخت میں 9.72 فیصد اضافہ ہوا اور یہ 45,156 ملین روپے تک پہنچ گئی۔
- فی حصص آمدنی گزشتہ سال کی اسی مدت کے مقابلے میں 19.91 فیصد اضافے کے ساتھ 4.38 روپے سے بڑھ کر 5.25 روپے ہو گئی۔

کنسولیدٹیڈ کارکردگی:

- گزشتہ سال کی اسی مدت میں 92,805 ملین روپے کے مقابلے میں فروخت میں 7.82 فیصد کمی واقع ہوئی اور یہ 85,552 ملین روپے رہی۔
- کنسولیدٹیڈ فی حصص آمدنی 7.79 روپے سے کم ہو کر 7.22 روپے ہو گئی۔

4. مستقبل کا منظر نامہ

بورڈ کو یقین ہے کہ موجودہ ترقی کی رفتار پورے مالی سال کے بقیہ حصے میں جاری رہے گی۔ کمپنی اپنی مارکیٹ شیئر کو مضبوط بنانے کے لیے اچھی پوزیشن میں ہے، اور انتظامیہ فعال طور پر آپریشنل کارکردگی اور تاثیر کو یقینی بنانے کے لیے بہترین حکمت عملیوں پر عمل پیرا ہے۔ ہماری توجہ اعلیٰ معیار کی مصنوعات کو

برقرار رکھنے، مقررہ پیداواری سطحوں کو حاصل کرنے اور موجودہ مارکیٹ کی صورتحال کے تحت مجموعی کاروباری مقاصد کو پورا کرنے پر مرکوز ہے۔

5. مستقبل کی جانب

کمپنی اپنے اسٹیک ہولڈرز کے لیے پائیدار ترقی اور طویل مدتی قدر کی فراہمی کے لیے پرعزم ہے۔ اپنے اسٹیک ہولڈرز کی مسلسل حمایت اور اعتماد کے ساتھ، ہمیں اپنی اسٹریٹجک مقاصد کو حاصل کرنے اور کمپنی کی کارکردگی میں مزید بہتری لانے کی اپنی صلاحیت پر یقین ہے۔

6. شکریہ

بورڈ تمام اسٹیک ہولڈرز کی مسلسل حمایت اور وابستگی کو باضابطہ طور پر تسلیم کرتا ہے اور ان کا دلی شکریہ ادا کرتا ہے۔ اس میں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، اسٹیٹ بینک آف پاکستان، بینک اور مالیاتی ادارے، نیز کمپنی کے قابل قدر صارفین، وینڈرز اور سپلائرز شامل ہیں۔ بورڈ تمام ملازمین کی ان کی لگن، محنت اور اپنی ذمہ داریاں نبھانے میں مثالی کارکردگی پر گہری تشکر کا اظہار کرتا ہے۔

H. K. K.

ڈائریکٹر

چیف ایگزیکٹو آفیسر

FINANCIALS

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

		March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
	Note	------(Rupees)-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	592,396,314	441,776,053
Intangible assets		19,124,962	7,312,382
Investment in subsidiary		8,000,000,000	8,000,000,000
Long term loans		105,534,777	25,225,678
Deferred tax asset		254,916,524	191,615,119
		8,971,972,577	8,665,929,232
CURRENT ASSETS			
Stores and spares		33,749,526	32,970,164
Stock in trade	7	4,642,245,859	2,837,017,237
Trade debts	8	6,185,351,316	3,527,099,204
Loans and advances	9	4,567,270,325	4,145,760,804
Trade deposits, prepayments and other receivables		4,977,597,557	2,545,644,559
Tax refunds due from government		422,063,101	541,520,529
Short term investments		1,123,124,198	621,195,618
Cash and bank balances		2,295,802,950	1,219,456,144
		24,247,204,832	15,470,664,259
TOTAL ASSETS		33,219,177,409	24,136,593,491
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 600,000,000 (June 30, 2024: 600,000,000) ordinary shares of Rs. 10 each		6,000,000,000	6,000,000,000
Issued, subscribed and paid up capital		3,952,692,310	3,952,692,310
Share premium - capital reserve		3,556,176,808	3,556,176,808
Accumulated profit - revenue reserve		5,507,051,804	6,002,365,424
General reserves - revenue reserve		44,559,977	44,559,977
		13,060,480,899	13,555,794,519
NON CURRENT LIABILITIES			
Long term loans		192,000,000	300,000,000
Lease liabilities		182,720,998	106,407,928
Defined benefit liability		32,620,823	32,674,356
		407,341,821	439,082,284
CURRENT LIABILITIES			
Current portion of long term loans		208,000,000	330,000,000
Current maturity of lease liabilities		74,632,521	43,576,203
Trade payables, accrued and other liabilities		712,627,801	961,887,150
Contract liabilities		604,353,119	578,399,044
Short term borrowings	10	15,401,257,801	6,287,760,506
Accrued markup		479,507,510	318,154,209
Provision for taxation		833,818,537	835,501,683
Unclaimed dividend		1,437,157,400	786,437,893
		19,751,354,689	10,141,716,688
TOTAL EQUITY AND LIABILITIES		33,219,177,409	24,136,593,491
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR
Page 19 of 42

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Nine months period ended		Quarter ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
----- (Rupees) -----					
Revenue from contracts with customers - net	12	45,156,701,109	41,156,214,434	15,586,545,931	12,051,151,845
Cost of revenue		(39,756,073,569)	(36,967,023,210)	(13,651,005,745)	(10,629,190,984)
Gross profit		5,400,627,540	4,189,191,224	1,935,540,186	1,421,960,861
Administrative expense		(793,336,770)	(822,842,040)	(345,168,699)	(292,843,415)
Selling and distribution expenses		(286,049,910)	(179,240,150)	(99,515,477)	(66,265,891)
		(1,079,386,680)	(1,002,082,190)	(444,684,176)	(359,109,306)
Operating profit		4,321,240,860	3,187,109,034	1,490,856,010	1,062,851,555
Other income		477,104,453	46,256,381	34,387,874	(9,844,394)
Other expense		(234,307,375)	(160,370,675)	(118,442,012)	(41,898,569)
Finance cost		(1,781,970,879)	(779,290,087)	(642,965,284)	(281,381,349)
Profit before income tax and minimum tax		2,782,067,059	2,293,704,653	763,836,588	729,727,244
Profit before income tax		2,782,067,059	2,293,704,653	763,836,588	729,727,243
Income tax		(705,178,601)	(561,609,791)	(360,875,025)	(360,592,329)
Profit for the period		2,076,888,458	1,732,094,862	402,961,563	369,134,914
Earnings per share					
- Basic and diluted		5.25	4.38	1.02	0.93

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Nine months period ended		Quarter ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Profit for the period	2,076,888,458	1,732,094,862	402,961,563	369,134,913
Items not to be reclassified to statement of profit or loss in subsequent periods				
Re-measurement losses on defined benefit plan	(4,839,469)	(3,377,273)	-	-
Related tax effect	1,887,393	1,114,500	-	-
Other comprehensive loss	(2,952,076)	(2,262,773)	-	-
Total comprehensive income for the period	2,073,936,382	1,729,832,089	402,961,563	369,134,913

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Issued, subscribed and paid up capital	Reserves		Total	
		Capital reserves	Revenue reserves		
		Share premium	General reserves		Accumulated profit
-----Rupees-----					
Balance as at July 01, 2023 - audited	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)
Interim dividend for the period ended December 31, 2023 at the rate of Rs. 2 per share				(790,538,462)	(790,538,462)
Total comprehensive income for the period					
Profit for the period	-	-	-	1,732,094,862	1,732,094,862
Other comprehensive loss for the period	-	-	-	(2,262,773)	(2,262,773)
	-	-	-	1,729,832,089	1,729,832,089
Balance as at March 31, 2024 - unaudited	<u>3,952,692,310</u>	<u>3,556,176,808</u>	<u>44,559,977</u>	<u>4,674,832,328</u>	<u>12,228,261,423</u>
Balance as at July 01, 2024 - audited	3,952,692,310	3,556,176,808	44,559,977	6,002,365,424	13,555,794,519
Final dividend for the year ended June 30, 2024 at the rate of Rs. 4 per share	-	-	-	(1,581,076,924)	(1,581,076,924)
Interim dividend for the period ended December 31, 2024 at the rate of Rs. 2.5 per share				(988,173,078)	(988,173,078)
Total comprehensive income for the period					
Profit for the period	-	-	-	2,076,888,458	2,076,888,458
Other comprehensive loss for the period	-	-	-	(2,952,076)	(2,952,076)
	-	-	-	2,073,936,382	2,073,936,382
Balance as at March 31, 2025 - unaudited	<u>3,952,692,310</u>	<u>3,556,176,808</u>	<u>44,559,977</u>	<u>5,507,051,804</u>	<u>13,060,480,899</u>

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Nine months ended	
	March 31, 2025	March 31, 2024
	------(Rupees)-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,782,067,059	2,293,704,653
Adjustments for non cash and other items		
Depreciation on property, plant and equipment	65,925,685	95,479,786
Amortization on intangible assets	4,654,107	1,221,647
Provision for net realizable value reversed	-	(363,577)
Allowance for expected credit loss - trade debts- net	1,030,108	-
Provision for gratuity	12,384,829	8,699,829
Provision for Workers' Welfare Funds	55,641,341	45,874,093
Provision for Workers' Profit Participation Funds	139,103,353	114,685,233
Finance cost	1,724,851,552	699,470,600
Loss on disposal of operating fixed assets	5,700,489	-
Markup on loan given to subsidiary	(304,491,583)	-
Profit on investments	(172,612,870)	(46,256,381)
	1,532,187,011	918,811,230
Operating profit before working capital changes	4,314,254,070	3,212,515,883
(Increase) / decrease in current assets		
Stock in trade	(1,805,228,622)	(1,892,740,692)
Stores and spares	(779,362)	(12,557,046)
Trade debts	(2,659,282,220)	(1,533,478,040)
Loans and advances	(197,327,037)	(1,095,570,035)
Trade deposits, prepayments and other receivable	(2,431,952,998)	(133,260,585)
Other receivables	-	2,459,132,815
Tax refunds due from the Government	119,457,428	37,439,092
(Decrease) / increase in current liabilities		
Trade payables, accrued and other liabilities	(444,004,043)	(643,515,931)
Contract liabilities	25,954,075	(457,447,988)
	(7,393,162,779)	(3,271,998,410)
Cash (used in) / generated from operations	[A] (3,078,908,709)	(59,482,527)
Finance cost paid	(1,598,164,459)	(787,799,568)
Gratuity paid	(17,069,031)	(11,736,672)
Income tax paid	(706,861,747)	(52,000,000)
	(2,322,095,237)	(851,536,240)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	(5,401,003,946)	(911,018,767)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions in operating fixed assets	(163,574,452)	(162,483,219)
Proceeds from disposal of operating fixed assets	71,000,000	-
Investment in subsidiary	-	-
Additions in capital work in progress	-	(400,601,121)
Additions in intangible assets	(16,466,687)	-
Interest income received	418,684,290	72,273,388
Short term investments - net	(748,000,000)	(400,000,000)
NET CASH USED IN FROM INVESTING ACTIVITIES	[B] (438,356,849)	(890,810,952)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease liability repaid	(49,258,149)	(93,195,158)
Long term loans repaid	(230,000,000)	(318,734,291)
Dividend paid	(1,918,531,545)	(885,116,290)
Short term borrowings - net	9,113,497,295	3,547,747,674
NET CASH GENERATED FROM FINANCING ACTIVITIES	[C] 6,915,707,601	2,250,701,935
NET INCREASE IN CASH AND CASH EQUIVALENTS	[A+B+C] 1,076,346,806	448,872,216
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,219,456,144	546,558,296
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,295,802,950	995,430,512

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2025

1 THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated in Pakistan on January 02, 2014, under the Companies Act, 2017 and got itself registered on Pakistan Stock Exchange (PSX) on September 22, 2021 as a result of completion of its Initial Public Offering (IPO). The registered office of the Company is located at 152-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan. The Company is engaged in the business of manufacturing, assembling, import, export distribution, indenting, wholesale, retail of communication and IT related products and services including cellular

1.2 Subsidiary company: Select Technologies (Private) Limited

Select Technologies (Private) Limited (STPL), an unlisted public company registered under the Companies Act, 2017, is a wholly owned subsidiary of the Company. STPL is engaged in the business of assembly and production of smartphones and related accessories, and has its registered office and assembly unit at 152-1-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore.

The subsidiary has set up a state-of-the-art smartphone assembly plant in Lahore. The principal line of business of the subsidiary is to set up, establish, and operate plants for the assembly and production of smart TV's and mobile phones of all sorts and descriptions, accessories, components, attachments, and bodies used for or in connection with the aforementioned mobile phones.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

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

BUSINESS UNIT	ADDRESS
Head Office / Assembling Facility	152-M Quaid-e-Azam Industrial Area, Kot Lakhpat, Lahore, Punjab, Pakistan.
BUSINESS UNIT	ADDRESS
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.
Samsung Retail Store	Shop No. 1 Near Bank Alfalah, Saddar Cantt. Hyderabad, Pakistan.
Samsung Retail Store	Shop No. 5, Ground Floor, Shareef Complex, Tehsil Chowk, Multan, Pakistan.
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, Lahore.
MI Retail Store	Shop No. LG-20, Lucky One Mall, LA-2/B, Block 21, Opp. UBL Sports Complex, Rashid Minhas Road, Karachi, Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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 applicable in Pakistan 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision 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 unconsolidated condensed interim financial statements do not include all the information and the disclosures required in the annual financial statements, and should be read in conjunction with annual audited financial statements of the Company for the year ended June 30, 2024.

Comparative unconsolidated condensed interim statement of financial position is stated from annual audited financial statements as of June 30, 2024, whereas comparatives for unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows are extracted from unaudited unconsolidated condensed interim financial statements of the Company for the nine months period ended March 31, 2024.

3.3 These unconsolidated 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.

3.4 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except defined benefit liability which is measured through actuarial technique.

3.5 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupee which is the functional and presentation currency of the Company. The figures have been rounded off to the nearest of Rupees unless otherwise stated.

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.

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, 2024.

Provision in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation in these condensed interim financial statements are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

5 MATERIAL ACCOUNTING POLICY INFORMATION

5.1 The accounting policies adopted and methods of computation followed in the preparation of these unconsolidated condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.

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

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.

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, 2025. 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.

	Note	March 31, 2025 (Un-audited) ------(Rupees)-----	June 30, 2024 (Audited)
6 PROPERTY AND EQUIPMENT			
Operating fixed assets		330,829,198	295,206,774
Right of use assets		261,567,116	146,569,279
		<u>592,396,314</u>	<u>441,776,053</u>
7 STOCK IN TRADE			
Raw material		1,495,060,218	1,034,578,931
Work in process		22,913,441	221,741,475
Mobile phones		1,243,256,624	1,540,046,527
TV		124,275,646	-
Spare parts		97,842,384	59,007,786
		<u>2,983,348,313</u>	<u>2,855,374,719</u>
Impairment allowance for slow moving and obsolete stock		<u>(18,357,482)</u>	<u>(18,357,482)</u>
		<u>2,964,990,831</u>	<u>2,837,017,237</u>
Goods in transit		1,677,255,028	-
		<u>4,642,245,859</u>	<u>2,837,017,237</u>
8 TRADE DEBTS			
Due from customers - considered good		6,185,351,316	3,527,099,204
Considered doubtful - others		9,378,784	8,348,676
Allowance for expected credit losses		(9,378,784)	(8,348,676)
		-	-
		<u>6,185,351,316</u>	<u>3,527,099,204</u>
9 LOANS AND ADVANCES			
Receivable from related party			
Loan for working capital requirements	9.1	3,695,508,417	3,758,361,688
Markup accrued on loan		304,491,583	40,291,966
		<u>4,000,000,000</u>	<u>3,798,653,654</u>
Advances considered good - unsecured			
Advances to suppliers		532,837,614	324,186,583
Advance to employees against Salaries		34,432,711	22,710,132
Advance to employees against Company expenses		-	64,300
Advance to employees against loaned / mobile sets		-	146,135
		<u>567,270,325</u>	<u>347,107,150</u>
		<u>4,567,270,325</u>	<u>4,145,760,804</u>

- 9.1 This represents an amount receivable against expenses incurred to meet working capital requirement of the subsidiary company. This amount carries markup charged at 3 month KIBOR plus 1.5% and is expected to be repaid within one month from the reporting year end. The maximum aggregated amount outstanding at any month end is Rs. 3,998 million (June 30, 2024: Rs. 3,649 million).

	Note	March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
------(Rupees)-----			
10 SHORT TERM BORROWINGS			
Sukuks	10.1	7,000,000,000	3,000,000,000
Commercial banks	10.2	8,401,257,801	3,287,760,506
		<u>15,401,257,801</u>	<u>6,287,760,506</u>

- 10.1 This represents Shariah compliant, privately placed and unsecured Sukuks of six months tenor issued during the year. The proceeds therefrom were utilized to finance the Company's working capital requirement. They carry profit at the rate of 6 months KIBOR + 1.75%.
- 10.2 The limit of aggregate commercial bank facilities amounts to Rs. 8,401 million (June 30, 2024: Rs. 3,287 million). The rate of markup ranges from 1 month KIBOR to 6 months KIBOR 12.16% to 20.83% + 1.25% to 2.5% with no floor and no cap (June 30, 2024: 1 month KIBOR to 6 months KIBOR 20.14% to 22.09% + 1.25% TO 2.5% with no floor and no cap). These facilities are secured against joint pari passu charge on the present and future current assets of the Company.

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingent liabilities

There is no material change in the status of contingencies as reported in the audited financial statements of the Company for the period ended June 30, 2024.

11.2 Commitments

Letters of credit established for the import of raw materials

<u>2,633,468,427</u>	<u>1,511,716,936</u>
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Contractual obligations in respect of the acquisition of land

<u>214,500,000</u>	<u>-</u>
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12 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	----- (Unaudited) -----			
	Nine months period ended		Quarter ended	
	March 31,		March 31,	
	2025	2024	2025	2024
	----- (Rupees) -----			
Sales - local	49,589,049,000	42,668,342,539	16,679,321,184	12,655,180,786
Service income	43,076,888	39,043,588	17,129,311	4,366,877
Gross sales	49,632,125,888	42,707,386,127	16,696,450,495	12,659,547,663
Less: Sales tax	(1,588,286,473)	(18,569,975)	(283,408,140)	(3,768,438)
	48,043,839,415	42,688,816,152	16,413,042,355	12,655,779,225
Less: Discount	(2,887,138,306)	(1,532,601,718)	(826,496,424)	(604,627,380)
	<u>45,156,701,109</u>	<u>41,156,214,434</u>	<u>15,586,545,931</u>	<u>12,051,151,845</u>
Geographical region:				
Pakistan	<u>45,156,701,109</u>	<u>41,156,214,434</u>	<u>15,586,545,931</u>	<u>12,051,151,845</u>
Timing of transfer of goods and services:				
At a point in time	<u>45,156,701,109</u>	<u>41,156,214,434</u>	<u>15,586,545,931</u>	<u>12,051,151,845</u>

13 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized by Board of Directors on April 29, 2025.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Note	March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
-----Rupees-----			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	8,637,174,328	8,334,755,859
Investment property		1,401,500,000	1,401,500,000
Intangible assets		19,268,335	7,445,148
Long term loans and deposits		9,099,173	37,572,751
Deferred tax asset		254,916,524	191,615,119
		10,321,958,360	9,972,888,877
CURRENT ASSETS			
Stores and spares		36,977,918	35,089,855
Stock in trade	6	9,285,375,628	8,109,466,346
Trade debts	7	6,361,003,497	3,527,099,204
Loans and advances	8	675,628,645	347,107,150
Trade deposits, prepayments and other receivables		16,833,751,198	12,811,384,377
Tax refunds due from the Government		1,114,917,261	626,740,754
Short term investments		2,892,190,658	2,800,401,233
Cash and bank balances		3,564,533,809	2,288,039,864
		40,764,378,614	30,545,328,783
TOTAL ASSETS		51,086,336,974	40,518,217,660
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
600,000,000 (June 30, 2024: 600,000,000) ordinary shares of Rs.			
10 each		6,000,000,000	6,000,000,000
Issued, subscribed and paid up capital		3,952,692,310	3,952,692,310
Share premium - capital reserve		3,556,176,808	3,556,176,808
Accumulated profit - revenue reserve		7,797,683,806	7,515,922,412
General reserves - revenue reserve		44,559,977	44,559,977
		15,351,112,901	15,069,351,507
NON CURRENT LIABILITIES			
Long term loans		959,117,479	1,609,175,638
Lease liabilities		311,717,788	157,896,016
Deferred tax liability		192,567,961	425,969,321
Defined benefit liability		32,620,823	32,674,356
		1,496,024,051	2,225,715,331
CURRENT LIABILITIES			
Trade payables, accrued and other liabilities		1,633,659,276	5,167,302,651
Contract liabilities		604,353,119	578,399,044
Short term borrowings	9	26,803,889,137	13,722,586,937
Accrued markup		937,748,901	508,511,593
Provision for taxation		2,179,894,044	1,531,025,380
Current portion of non current liabilities		643,382,521	928,887,324
Unclaimed dividend		1,436,273,024	786,437,893
		34,239,200,022	23,223,150,822
TOTAL EQUITY AND LIABILITIES		51,086,336,974	40,518,217,660
CONTINGENCIES AND COMMITMENTS	10		

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Nine months period ended		Quarter ended	
		March 31, 2025 (Un-audited)	March 31, 2024 (Un-audited)	March 31, 2025 (Un-audited)	March 31, 2024 (Un-audited)
		----- (Rupees) -----			
Revenue from contracts with customers - net	11	85,552,054,859	92,804,957,262	28,238,163,380	32,210,956,572
Cost of revenue		(77,188,712,505)	(85,266,575,014)	(25,302,996,276)	(29,034,106,745)
Gross profit		<u>8,363,342,354</u>	<u>7,538,382,248</u>	<u>2,935,167,104</u>	<u>3,176,849,827</u>
Administrative expense		(1,132,754,790)	(1,357,030,591)	(457,686,611)	(520,080,804)
Selling and distribution costs		(286,049,910)	(179,279,851)	(96,955,718)	(66,305,592)
Operating profit		<u>6,944,537,654</u>	<u>6,002,071,806</u>	<u>2,380,524,775</u>	<u>2,590,463,431</u>
Other income		437,077,731	325,864,234	93,807,842	164,721,658
Other expense		(315,533,424)	(160,559,326)	(168,946,536)	(42,087,220)
Finance cost		(3,141,716,956)	(1,978,377,102)	(1,426,596,644)	(863,547,086)
Profit before income tax and levy		<u>3,924,365,005</u>	<u>4,188,999,612</u>	<u>878,789,437</u>	<u>1,849,550,783</u>
Levy		-	-	-	-
Profit before income tax		<u>3,924,365,005</u>	<u>4,188,999,612</u>	<u>878,789,437</u>	<u>1,849,550,783</u>
Income tax		(1,070,401,533)	(1,111,311,552)	(343,485,632)	(813,643,477)
Profit for the period		<u>2,853,963,472</u>	<u>3,077,688,060</u>	<u>535,303,805</u>	<u>1,035,907,306</u>
Attributable to:				-	
Equity holders of the parent		<u>2,853,963,472</u>	<u>3,077,688,060</u>	<u>535,303,805</u>	<u>1,035,907,306</u>
Earnings per share					
- Basic and diluted		<u>7.22</u>	<u>7.79</u>	<u>1.35</u>	<u>2.62</u>

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Nine months ended		Quarter ended	
	March 31, 2025 (Un-audited)	March 31, 2024 (Un-audited)	March 31, 2025 (Un-audited)	March 31, 2024 (Un-audited)
	----- (Rupees) -----			
Profit for the period	2,853,963,472	3,077,688,060	535,303,805	1,035,907,306
Items not to be reclassified to profit or loss in subsequent periods				
Re-measurement losses on defined benefit plan	(4,839,469)	(3,377,273)	-	-
Related tax effect	1,887,393	1,114,500	-	(202,636)
Re-measurement losses on defined benefit plan - net of tax	(2,952,076)	(2,262,773)	-	(202,636)
Other comprehensive loss for the period	(2,952,076)	(2,262,773)	-	(202,636)
Total comprehensive income for the period	<u>2,851,011,396</u>	<u>3,075,425,287</u>	<u>535,303,805</u>	<u>1,035,704,670</u>
Attributable to:				
Equity holders of the parent	<u>2,851,011,396</u>	<u>3,075,425,287</u>	<u>535,303,805</u>	<u>1,035,704,670</u>

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
AS AT MARCH 31, 2025

	Capital reserve		Revenue reserve		Total
	Share Premium		General reserves	Accumulated profit	
	----- (Rupees) -----				
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)
Interim dividend for the period ended Dec 31, 2023 at the rate of Rs. 2 per share	-	-	-	(790,538,462)	(790,538,462)
Profit for the period	-	-	-	3,077,688,060	3,077,688,060
Other comprehensive loss for the period	-	-	-	(2,262,773)	(2,262,773)
Total comprehensive income for the period	-	-	-	3,075,425,287	3,075,425,287
Balance as at March 31, 2024 (un-audited)	3,952,692,310	3,556,176,808	44,559,977	5,967,826,286	13,521,255,381
Balance as at July 01, 2024 (audited)	3,952,692,310	3,556,176,808	44,559,977	7,515,922,412	15,069,351,507
Final dividend for the year ended June 30, 2024 at the rate of Rs. 4 per share	-	-	-	(1,581,076,924)	(1,581,076,924)
Interim dividend for the period ended Dec 31, 2024 at the rate of Rs. 2.5 per share	-	-	-	(988,173,078)	(988,173,078)
Profit for the period	-	-	-	2,853,963,472	2,853,963,472
Other comprehensive loss for the period	-	-	-	(2,952,076)	(2,952,076)
Total comprehensive income for the period	-	-	-	2,851,011,396	2,851,011,396
Balance as at March 31, 2025 (un-audited)	3,952,692,310	3,556,176,808	44,559,977	7,797,683,806	15,351,112,901

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Nine months ended	
	March 31, 2025 (Un-audited)	March 31, 2024 (Un-audited)
------(Rupees)-----		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,924,365,005	4,188,999,612
Adjustments for non cash and other items:		
Depreciation of property, plant and equipment	328,682,962	294,495,138
Amortization of intangible assets	2,191,639	1,428,993
Provision for net realizable value reversed	-	(363,577)
Allowance for expected credit loss - trade debts	1,030,107	-
Provision for workers welfare fund	81,828,718	45,874,093
Provision for gratuity	12,384,829	-
Provision for WPPF	204,394,141	114,685,233
Finance cost	3,059,191,135	1,655,254,971
Loss on disposal of operating fixed assets	5,700,489	-
Finance Income	(437,077,731)	(325,864,234)
	<u>3,258,326,289</u>	<u>1,785,510,617</u>
Operating profit before working capital changes	<u>7,182,691,294</u>	<u>5,974,510,229</u>
(Increase) / Decrease in current assets		
Stock in trade	(1,175,909,282)	(3,020,268,327)
Stores and spares	(1,888,063)	(13,006,514)
Trade debts	(2,833,904,293)	(985,581,817)
Loans and advances	(328,521,495)	(1,097,610,035)
Trade deposits, prepayments and other receivables	(4,022,366,821)	(164,346,836)
Other receivables	-	(4,195,725,972)
Tax refunds	(488,176,507)	(62,326,936)
	<u>(8,850,766,461)</u>	<u>(9,538,866,437)</u>
(Decrease) / increase in current liabilities		
Contract liabilities	25,954,075	(446,449,160)
Trade payables, accrued and other liabilities	(3,533,643,375)	5,075,985,348
Cash (used in) / generated from operations	<u>(5,175,764,467)</u>	<u>1,065,179,980</u>
Financial cost paid	(2,712,479,648)	(1,259,256,550)
Gratuity paid	(17,069,031)	(11,736,672)
Income tax paid	(689,152,042)	(52,000,000)
NET CASH USED IN OPERATING ACTIVITIES	[A] (8,594,465,188)	(257,813,242)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment - owned assets	(694,868,376)	(2,609,483,353)
Proceeds from disposal of operating fixed assets	71,000,000	-
Addition in investment property	-	(29,049,775)
Additions in intangibles	(23,314,838)	-
Interest income received	713,288,306	-
Short term investments net	(368,000,000)	(628,656,622)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	[B] (301,894,908)	(3,267,189,750)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease liability repaid	(54,354,702)	(93,195,158)
Long term loans repaid	(935,562,962)	(514,219,609)
Dividend paid	(1,918,530,495)	(885,116,290)
Short term borrowings net	13,081,302,200	6,748,409,677
NET CASH GENERATED FROM FINANCING ACTIVITIES	[C] 10,172,854,041	5,255,878,620
NET INCREASE IN CASH AND CASH EQUIVALENTS	[A+B+C] 1,276,493,945	1,730,875,628
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>2,288,039,864</u>	<u>1,020,769,669</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>3,564,533,809</u>	<u>2,751,645,297</u>

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

AIR LINK COMMUNICATION LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2025

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 smart TV's and 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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, 2024.
- 2.3 Comparative consolidated condensed interim statement of financial position is stated from annual audited consolidated financial statements as of June 30, 2024, whereas comparatives for consolidated condensed interim statement of profit or loss consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows are extracted from unaudited consolidated condensed interim financial statements of the Company for the half year ended December 31, 2023.
- 2.4 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, 2024.

2.5 Basis of measurement

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 "Rs", which is the functional currency of the Group. Figures have been rounded off to the nearest Pak Rupees "Rs" unless otherwise stated.

2.6 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupee which is the functional and presentation currency of the Company. The figures have been rounded off to the nearest of Rupees unless otherwise stated.

3 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.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are the same as those applied in the consolidated annual audited financial statements of the Company for the year ended June 30, 2024.

Provision in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation in these condensed consolidated interim financial statements are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

- 4.1 The accounting policies adopted and methods of computation followed in the preparation of these condensed consolidated interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.

4.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

4.2.1 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 consolidated condensed interim financial statements.

4.2.2 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, 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

		March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
		----- (Rupees) -----	
5	PROPERTY AND EQUIPMENT		
	Operating fixed assets	6,726,436,766	5,736,778,021
	Capital work in progress	1,598,485,662	2,400,723,775
	Right of use assets	312,251,900	197,254,063
		<u>8,637,174,328</u>	<u>8,334,755,859</u>
6	STOCK IN TRADE		
	Raw material	4,921,082,088	6,145,945,764
	Work in process	44,362,484	308,310,985
	Mobile phones	1,556,392,328	1,614,559,293
	TV	101,457,789	-
	Spare parts	97,842,384	59,007,786
		<u>6,721,137,073</u>	<u>8,127,823,828</u>
	Impairment allowance for slow moving and obsolete stock	<u>(18,357,482)</u>	<u>(18,357,482)</u>
		<u>6,702,779,591</u>	<u>8,109,466,346</u>
	Goods in transit	2,582,596,037	-
		<u>9,285,375,628</u>	<u>8,109,466,346</u>
7	TRADE DEBTS		
	Due from customers - considered good	6,361,003,497	3,527,099,204
	Considered doubtful - others	9,378,783	8,348,676
	Allowance for expected credit loss	<u>(9,378,783)</u>	<u>(8,348,676)</u>
		<u>-</u>	<u>-</u>
		<u>6,361,003,497</u>	<u>3,527,099,204</u>
8	LOANS AND ADVANCES		
	Advances considered good - unsecured		
	Advances to suppliers	675,628,645	324,186,583
	Current portion of long term loans and deposits	-	22,710,132
	Advance to employees against group expenses	-	64,300
	Advance to employees against loaned / mobile sets	-	146,135
		<u>675,628,645</u>	<u>347,107,150</u>

8.1 This represents amount given as advance to suppliers against purchase of stock in trade.

9 SHORT TERM BORROWINGS

Sukuk	7,000,000,000	3,000,000,000
Commercial banks	19,803,889,137	10,722,586,937
Accrued markup	937,748,901	392,507,244
	<u>27,741,638,038</u>	<u>14,115,094,181</u>
Less: Accrued markup presented in current liabilities	<u>(937,748,901)</u>	<u>(392,507,244)</u>
	<u><u>26,803,889,137</u></u>	<u><u>13,722,586,937</u></u>

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingent liabilities

There is no material change in contingencies since the last audited financial statements for the period ended June 30, 2024.

10.2 Commitments

Letters of credit established for the import of raw materials	<u>6,736,802,986</u>	<u>4,255,406,245</u>
Contractual obligations in respect of the acquisition of land	<u>214,500,000</u>	<u>-</u>

11 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	----- (Unaudited) -----			
	Nine month ended		Quarter ended	
	March 31,		March 31,	
	2025	2024	2025	2024
	----- (Rupees) -----			
Sales - local	97,265,666,393	94,317,085,369	31,618,329,742	32,814,985,515
Service income	43,076,888	39,043,588	17,129,311	4,366,877
Gross sales	<u>97,308,743,281</u>	<u>94,356,128,957</u>	<u>31,635,459,053</u>	<u>32,819,352,392</u>
Less: Sales tax	<u>(8,869,550,116)</u>	<u>(18,569,975)</u>	<u>(2,570,799,249)</u>	<u>(3,768,438)</u>
	<u>88,439,193,165</u>	<u>94,337,558,982</u>	<u>29,064,659,804</u>	<u>32,815,583,954</u>
Less: Discount	<u>(2,887,138,306)</u>	<u>(1,532,601,720)</u>	<u>(826,496,424)</u>	<u>(604,627,382)</u>
	<u><u>85,552,054,859</u></u>	<u><u>92,804,957,262</u></u>	<u><u>28,238,163,380</u></u>	<u><u>32,210,956,572</u></u>
Geographical region:				
Pakistan	<u>85,552,054,859</u>	<u>92,804,957,262</u>	<u>28,238,163,380</u>	<u>32,210,956,572</u>
Timing of transfer of goods and services:				
At point in time	<u>85,552,054,859</u>	<u>92,804,957,262</u>	<u>28,238,163,380</u>	<u>32,210,956,572</u>

12 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized by Board of Directors on April 29, 2025.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR