



# AIR LINK COMMUNICATION LIMITED

Ref: ALC/PUCAR/2023-14

May 25, 2023

Syed Ahmad Abbas  
Chief Listing Officer,  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

Subject: **Submission of Half-Yearly & Annual Progress Reports under Public Offering Regulations, 2017**

Dear Sir,

Please refer to your Letter No. PSX/C-1173-785 dated May 18, 2023.

In this context, kindly find enclosed herewith following Progress Reports in terms of Regulation 16 (i) & (ii) of the Public Offering Regulations, 2017 for your ready reference and record:

S. No.	Progress Report	Period
1	Half-yearly Progress Report	March 22, 2022
2	Annual Progress Report (Reviewed by the Auditor)	September 22, 2022
3	Half-yearly Progress Report	March 22, 2023

Thanking you.

Yours Sincerely,  
For Air Link Communication Limited

  
**Amer Latif**  
Company Secretary



## **AGREED UPON PROCEDURES ON PROGRESS REPORT OF AIRLINK COMMUNICATION LIMITED FOR THE PERIOD FROM 22 SEPTEMBER 2022 TO 22 MARCH 2023**

The Chief Executive Officer  
Airlink Communication Limited  
152/1-M Quaid-e-Azam industrial Estate,  
Kot Lakh pat,  
Lahore

### **Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution**

Our report is solely for the purpose of assisting the Securities and Exchange Commission of Pakistan (SECP) in determining whether Airlink Communication Limited's Progress Report is compliant with Clause 16 (ii) of the Public Offering Regulations, 2017 and may not be suitable for another purpose. This report is intended solely for Airlink Communication Limited and the SECP, and should not be used by, or distributed to, any other parties.

### **Responsibilities of**

Airlink Communication Limited has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

Airlink Communication Limited (also the Responsible Party) is responsible for the subject matter on which the agreed-upon procedures are performed

### **Practitioner's Responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with Airlink Communication Limited, and reporting the findings, which are the factual results of the agreed-upon procedures performed.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

### **Professional Ethics and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies International Standard on Quality Control 1 "Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with

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ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Procedures and Findings

We have performed the procedures described below, which were agreed upon with Airlink Communication Limited in the terms of engagement dated 23 May 2023, on the Progress Report containing implementation status of the project, disclosed in prospectus, till 22 March 2023 ('the Progress Report').

Sr. No.	Procedure	Finding
1	<p>Obtain following from management:</p> <ul style="list-style-type: none"> <li>• The Progress Report for the following periods: <ul style="list-style-type: none"> <li>a) 22 September 2021 to 22 March 2022</li> <li>b) 22 September 2021, to 22 September 2022</li> <li>c) 23 September 2022, to 22 March 2023</li> </ul> </li> <li>• Books and accounts of the Company for period from 22 September 2021 to 22 March 2023.</li> <li>• Prospectus for issue of shares dated 22 August 2021 ('the Prospectus').</li> </ul>	<p>We have obtained:</p> <ul style="list-style-type: none"> <li>• The Progress Report for the following periods: <ul style="list-style-type: none"> <li>a) 23 September 2021 to 22 March 2022</li> <li>b) 23 September 2021, to 22 September 2022</li> <li>c) 23 September 2022, to 22 March 2023</li> </ul> </li> <li>• Books and accounts of the Company for period from 123 September 2021 to 22 March 2023; and</li> <li>• Prospectus for issue of shares dated 22 August 2021.</li> </ul>
2	<p>Match the amount shown as funds required under the heading of 'Implementation status' on page 2 of the Progress Report of each period with the Prospectus.</p>	<p>We have matched the amount shown as funds required under the heading of 'Implementation status' on page 2 of the Progress Report of each period with the Prospectus and no difference was found.</p>
3	<p>Match actual expenditure incurred on working capital from IPO proceeds under the heading of 'Net IPO proceed' on page 1 of the Progress Report of each period with books and accounts of the Company.</p>	<p>We have matched actual expenditure incurred working capital from IPO proceeds under the heading of 'Net IPO proceed' on page 1 of the Progress Report of each period with books and accounts of the Company and no difference was found.</p>

*EY Fahad Masood*

**Chartered Accountants**  
Engagement Partner: Abdullah Fahad Masood  
Lahore: 24 May 2023



# AIR LINK COMMUNICATION LIMITED

## PROGRESS REPORT PREAMBLE

We are pleased to share the Half yearly progress report for the period starting from September 22, 2021 to March 22, 2022 along with Agreed Upon Procedures Report as issued by our External Auditors, M/S EYFord Rhodes, Chartered Accountants, on the implementation status of the project. This progress report is being submitted in compliance with the requirement of Clause 16(i)(ii) of post issue reporting and disclosures of the "Public Offering Regulations, 2017" and in pursuance of the requirement specified in the clause 4.1.5 of the prospectus to the issue of the Company.

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. 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.

The detail of utilization of IPO proceeds and progress status of the expansion project as on March 22, 2022 is herein under:

### NET IPO PROCEEDS

The Company had raised funds through issuance of 90 million ordinary shares at strike price of Rupees 71.5 per share. The net IPO proceeds generated through this transaction is detailed below:

Description	Amount (PKR)
Issuance of 90,000,000 ordinary shares at floor price of Rs.71.5	6,435,000,000
Less: IPO expenses	(181,130,882)
<b>Net IPO proceeds</b>	<b>6,253,869,118</b>
Less: OFS transaction of 30,000,000 ordinary shares to sponsor	(2,145,000,000)
Less: Expenditures incurred on working capital (Purchase of stock)	(4,040,375,729)
Less: Duties paid	(68,493,389)
<b>Balance amount</b>	<b>-</b>

### IMPLEMENTATION STATUS

Funds raised from the IPO will be immediately utilized by the Company for procurement of additional inventory of mobile phones.

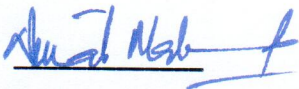
Implementation status of the project/commitment made in the Prospectus as per format given below:

**PROGRESS REPORT**

Implementation status of the project/commitment made in the Prospectus as per format given below:

<b>Commitment made in the Prospectus</b>	<b>Start date (disclosed in the Prospectus)</b>	<b>Completion date</b>	<b>Funds required from IPO</b>	<b>Actual Expenditure incurred</b>	<b>Current status</b>	<b>Rationale for delay, if any.</b>
Proceeds from the new issue will be utilized for financing working capital requirements, which include expansion of the Company's distribution by purchase of inventory	22 September 2021	2Q FY 2021	3,900,000,000	4,040,375,729	Completed	N/A

Yours truly,



Chief Financial Officer





# AIR LINK COMMUNICATION LIMITED

## PROGRESS REPORT

### PREAMBLE

We are pleased to share the Annual progress report for the period starting from September 23, 2021 to September 22, 2022 along with Agreed Upon Procedures Report as issued by our External Auditors, M/S EYFord Rhodes, Chartered Accountants, on the implementation status of the project. This progress report is being submitted in compliance with the requirement of Clause 16(i)(ii) of post issue reporting and disclosures of the “Public Offering Regulations, 2017” and in pursuance of the requirement specified in the clause 4.1.5 of the prospectus to the issue of the Company.

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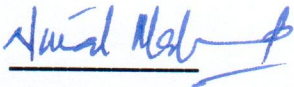
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**PROGRESS REPORT**

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