WAVES
نام ہی کافی ہے

QUARTERLY REPORT | 30 SEPTEMBER 2026

WAVES CORPORATION LIMITED

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Waves Corporation Limited (WAVES)

1. CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. Muhammad Zafar Hussain	Chairman/Independent Director
2. Mr. Tajammal Hussain Bokharee	Independent Director
3. Mr. Haroon Ahmad Khan	Chief Executive Officer
4. Mr. Moazzam Ahmad Khan	Non-Executive Director
5. Mrs. Nighat Haroon Khan	Non-Executive Director
6. Mr. Hamza Ahmad Khan	Executive Director
7. Mr. Khalid Azeem	Non-Executive Director

AUDIT COMMITTEE

1. Mr. Tajammal Hussain Bokharee	Chairman/Independent Director
2. Mr. Moazzam Ahmad Khan	Member/Non-Executive Director
3. Mrs. Nighat Haroon Khan	Member/Non-Executive Director
4. Mr. Ahmad Bilal Zulfiqar	Secretary

HR & REMUNERATION COMMITTEE

1. Mr. Muhammad Zafar Hussain	Chairman/Independent Director
2. Mr. Khalid Azeem	Member/Non-Executive Director
3. Mr. Moazzam Ahmad Khan	Member/Non-Executive Director
4. Mr. Haroon Ahmad Khan	Member/ Executive Director
5. Mr. Ahmad Bilal Zulfiqar	Secretary

CHIEF FINANCIAL OFFICER

Mr. Hamza Ahmad Khan

COMPANY SECRETARY

Mr. Ahmad Bilal Zulfiqar

HEAD OF INTERNAL AUDIT

Mr. Salaar Ahmad Khan

LEGAL ADVISOR

Law Wings Advocates & Solicitors

EXTERNAL AUDITOR

Rizwan and Company
Chartered Accountants

SHARE REGISTRAR

Corplink (Private) Limited

REGISTERED OFFICE/PLANT

Factory: 9-KM Multan Road, Lahore
PH. No. 042-35415421-5, 35421502-4
UAN: 042-111-31-32-33

COMPANY REGISTRATION NO.

CUIN 0001286
Email: cs@waves.com.pk
Website: www.waves.net.pk

Waves Corporation Limited (WAVES)

BANKERS

Al Baraka Bank (Pakistan) Limited	National Bank of Pakistan
Askari Bank Limited	Pak Brunei Investment Company Limited
Bank Al Falah Limited	Pak Libya Holding Company Limited
Dubai Islamic Bank Pakistan Limited	Pak Oman Investment Company Limited
Faysal Bank Limited	Samba Bank Limited
First Prudential Modaraba	Silk Bank Limited
Habib Bank Limited	Sindh Bank Limited
Habib Metropolitan Bank Limited	The Bank of Khyber
Industrial & Commercial Bank of China	The Bank of Punjab

Contact Information:

Registered Office:	042-35415421-5, 042-35421502-4
Email:	cs@waves.com.pk
Web Site:	www.waves.net.pk

2. DIRECTORS' REPORT

2.1 OPERATING RESULTS

On behalf of the Board of Directors of Waves Corporation Limited (WAVES or the Company), we submit the Directors' Review Report together with the condensed interim un-audited consolidated and standalone financial statements of the Company for the nine months ended 30 September 2026.

During the quarter under review, Pakistan's economy continued to consolidate the gains of macroeconomic stabilisation, with the recovery becoming more broad-based across productive sectors. Large-scale manufacturing grew by 3.03% year-on-year in July 2026, led by a strong rebound in automobile production, while electrical equipment, fabricated metal products and furniture also recorded growth. Vehicle sales increased by 29.9% during July–August FY2027, and early agricultural indicators remained favourable on the back of higher Kharif acreage and a 16.4% increase in agricultural credit disbursements, which is supportive of rural incomes, an important driver of demand for home appliances.

The recovery has, however, been accompanied by renewed price pressures. Headline CPI inflation rose to 11.1% in August 2026 from 3.1% a year earlier, mainly due to the pass-through of higher international oil prices into domestic energy, transport and food costs, and is projected to remain in the range of 10% to 11% in September 2026. The State Bank of Pakistan maintained the policy rate at 11.5% in September 2026 (September 2025: 11.0%) to anchor inflation expectations, keeping borrowing costs elevated. This was raised to ~12% in October 2026. Higher energy and input costs, together with the pressure on household purchasing power, weighed on discretionary spending on consumer durables during the quarter.

On the external front, the current account deficit narrowed to USD 543 million in July–August FY2027 from USD 853 million a year earlier, supported by a 14.7% increase in workers' remittances and strong growth in services exports. Foreign investment inflows increased by 80.2%, and the USD 3.0 billion Eurobond issuance in September 2026 lifted SBP's liquid reserves to USD 21.4 billion, equivalent to about three months of imports. The Rupee remained broadly stable at around PKR 277 per US Dollar, which is beneficial for the appliances industry given its reliance on imported components. Going forward, economic activity is expected to strengthen further during the year as the recovery broadens across agriculture, manufacturing and private sector credit; however, elevated global oil prices remain the principal risk to this outlook through their impact on inflation, input costs and consumer purchasing power. The Group continues to operate in a challenging economic and financial environment; however, the restructuring of its debt liabilities is progressing, which will provide adequate cushion to the Group to achieve stability.

Waves Corporation Limited (WAVES)

The financial highlights of the Group for the nine months ended 30 September 2026 are presented hereunder:

Consolidated Operating Results

	9 Months	
	30 Sep 26	30 Sep 25
	Rs. in '000	
Net Sales	3,554,696	3,544,111
Gross Profit	984,986	1,054,806
Profit from Operations	1,728,540	1,151,547
Profit before Levies and Taxation	1,135,799	720,031
Profit after taxation	1,131,617	647,957
Earnings Per Share (Rupees)	4.02	2.30

During the nine months ended 30 September 2026, the Group's net sales remained stable at PKR 3,554.70 million compared with PKR 3,544.11 million in the corresponding period last year. However, net sales for the third quarter declined by 10.8% to PKR 763.44 million, reflecting softer consumer demand amid rising inflation. Gross profit decreased by 6.6% to PKR 984.99 million, with the gross margin at 27.7% (2025: 29.8%) owing to higher input and energy costs. Profit from operations increased by 50.1% to PKR 1,728.54 million, mainly due to higher other income of PKR 1,532.78 million, which includes a gain of PKR 780.21 million on present value discounting of accrued mark-up arising from the restructuring of borrowings and a fair value gain of PKR 524.90 million on investment property. Finance cost increased to PKR 592.74 million from PKR 431.52 million. Consequently, profit after taxation increased to PKR 1,131.62 million from PKR 647.96 million, of which PKR 951.92 million is attributable to the owners of the Holding Company, and earnings per share stood at PKR 4.02 (2025: PKR 2.30).

As a significant portion of the profit for the period comprises non-cash gains, and operating activities used cash of PKR 318.41 million mainly on account of working capital, management's priority remains on improving sales volumes, recovering receivables and converting profitability into operating cash flows. During the period, the sponsors continued their financial support, and the Holding Company provided PKR 515.32 million to Waves Home Appliances Limited as advance against issue of right shares to strengthen its capital base.

Standalone Results of the Company

The standalone results of the Company are given hereunder:

	9 Months	
	30 Sep 26	30 Sep 25
	Rs. in '000	
Income from Subsidiaries	256,844	278,671
Other Income	795,106	315,561
Profit after Taxation	101,081	188,451
Earnings Per Share	0.36	0.67

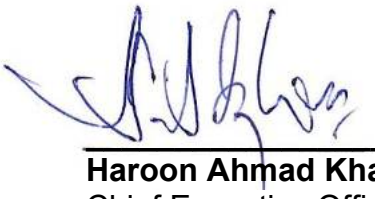
On a standalone basis, income from subsidiaries decreased by 7.8% to PKR 256.84 million, while other income increased to PKR 795.11 million, mainly comprising a fair value gain of PKR 486.65 million on investment property and a gain of PKR 263.94 million on present value discounting of deferred mark-up. Other operating expenses include a loss of PKR 703.74 million on the sale of part of the Company's shareholding in a subsidiary, against which sale proceeds of PKR 381.97 million were received. As a result, profit after taxation for the period was PKR 101.08 million compared with PKR 188.45 million in the corresponding period last year, translating into earnings per share of PKR 0.36 (2025: PKR 0.67). During the period, the sponsors provided additional loans of PKR 325.80 million to support the Company's liquidity.

Based on the financial results and in view of the prevailing economic conditions and the ongoing restructuring of debt liabilities, the Board of Directors does not recommend any pay-out to the shareholders of the Company.

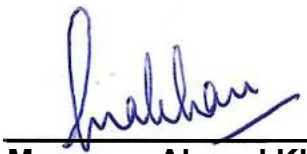
ACKNOWLEDGEMENTS

We express our utmost gratitude to all our stakeholders, encompassing our esteemed customers, suppliers, business associates, financial institutions, and regulators, for their unwavering trust and support. We remain confident that our management and staff remain committed to meet any challenges coming ahead with steadfast dedication, diligence and full backing.

For and on behalf of the Board:



Haroon Ahmad Khan
Chief Executive Officer
Lahore
27 October 2026



Moazzam Ahmad Khan
Director

3. QUARTERLY FINANCIAL STATEMENTS

The Condensed Interim Consolidated Financial Statements and the Standalone Financial Statements for the period ended 30 September 2026 are attached to this Report.

3.1 Consolidated Financial Statements

Waves Corporation Limited and its Subsidiaries

Condensed Interim Consolidated Statement of Financial Position

As at 30 September 2026

EQUITY AND LIABILITIES	Note	(Un-audited) 30 September 2026	(Audited) 31 December 2025
		---------- (Rupees in '000) ----------	
Share capital and reserves			
Authorised capital 300,000,000 (2025: 300,000,000) ordinary shares of Rs. 10 each		**3,000,000**	3,000,000
Share Capital	6	**2,814,062**	2,814,062
Capital reserves		**5,030,661**	5,030,661
Loan from drirectors		**519,873**	401,473
Revaluation surplus		**331,585**	336,340
Unappropriated profit		**1,876,254**	1,623,325
Equity attributable to owners of the company		**10,572,436**	10,205,861
Non-contolling interest		**4,699,493**	3,434,078
		15,271,929	13,639,939
Non-current liabilities			
Long term loans - secured	7	**6,207,479**	5,653,435
Lease liabilities		**948**	2,424
Employee retirement benefits		**12,178**	4,084
Deferred tax liability - *net*		**132,626**	186,926
Deferred income		**3,082**	3,838
		6,356,313	5,850,707
Current liabilities			
Trade and other payables		**3,101,284**	3,257,066
Accrued mark-up on borrowings		**236,721**	405,023
Short term borrowings	8	**2,008,545**	800,449
Current portion of long term liabilities		**791,233**	1,077,354
		6,137,784	5,539,892
Contingencies and commitments	9	-	-
		27,766,026	25,030,538

ASSETS	Note	(Un-audited) 30 September 2026	(Audited) 31 December 2025
		---------- (Rupees in '000) ----------	
Non-current assets			
Property, plant and equipment	10	**8,558,819**	8,365,465
Intangible assets	11	**2,701,578**	2,728,125
Investment property		**5,040,457**	4,515,557
Long term deposits and receivables		**26,674**	29,654
		16,327,527	15,638,801
Current assets			
Stores, spares and loose tools		**31,963**	19,590
Stock-in-trade		**2,657,878**	2,503,786
Trade debts			
- Retail		**1,662,885**	1,593,927
-Whole Sales		**4,619,000**	4,409,138
Advances, deposits, prepayments and other receivables		**821,848**	682,608
Taxation - *net*		**121,864**	109,384
Cash and bank balances	12	**1,523,061**	73,304
		11,438,498	9,391,737
		27,766,026	25,030,538

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Profit or Loss Account
For the nine months ended 30 September 2026

	Note	Nine months ended		Three months ended	
		30 September 2026	30 September 2025	**30 September 2026**	30 September 2025
		---------- (Rupees in '000) ----------			
Sales - net of sales return		**4,882,729**	4,894,950	**1,049,950**	1,187,401
Sales tax and trade discount on invoices		**(1,328,033)**	(1,350,839)	**(286,508)**	(331,402)
Sales - net	*13*	**3,554,696**	3,544,111	**763,442**	855,999
Cost of sales		**(2,569,710)**	(2,489,305)	**(521,189)**	(570,969)
Gross profit		**984,986**	1,054,806	**242,253**	285,030
Marketing, selling and distribution costs		**(404,814)**	(412,894)	**(92,366)**	(105,314)
Administrative expenses		**(260,920)**	(281,109)	**(100,037)**	(94,347)
Other expenses		**(123,495)**	(100,313)	**(16,592)**	(49,534)
Other income		**1,532,783**	891,057	**619,089**	319,977
		743,554	96,741	**410,094**	70,782
Profit from operations		**1,728,540**	1,151,547	**652,347**	355,812
Finance cost		**(592,741)**	(431,516)	**(87,652)**	(109,091)
Profit before levies and income tax		**1,135,799**	720,031	**564,694**	246,721
Levies	*14*	**(58,482)**	(60,096)	**(12,976)**	(6,018)
Profit before income tax		**1,077,317**	659,935	**551,718**	240,703
Income tax expense	*15*	**54,300**	(11,978)	**(2,546)**	(1,228)
Profit for the period		**1,131,617**	647,957	**549,172**	239,475
Attributable to:					
Owners of the Group		**951,919**	520,150	**460,063**	185,615
Non-controlling interests		**179,698**	127,807	**89,110**	53,860
		1,131,617	647,957	**549,172**	239,475
Earnings per share - basic and diluted *(Rupees)*		**4.02**	2.30	**1.95**	0.85

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Comprehensive Income
For the nine months ended 30 September 2026

	Nine months ended		Three months ended	
	30 September 2026	30 September 2025	**30 September 2026**	30 September 2025
	---------- (Rupees in '000) ----------			
Profit for the period	**1,131,617**	647,957	**549,172**	239,475
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss account:	-	-	-	-
Total comprehensive income for the period	**1,131,617**	647,957	**549,172**	239,475

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Changes In Equity
For the nine months ended 30 September 2026

	Share Capital	Capital reserves			Revenue reserve	Total	Non controling interest	Total
		Capital reserves	Loan from Directors	Revaluation Surplus	Unappropriated profits			
	---------- Rupees in '000 ----------							
As at 01 January 2025	2,814,062	5,030,661	430,084	463,028	1,328,316	**10,066,151**	2,966,718	**13,032,869**
Total comprehensive income for the period								
Profit for the period	-	-	-	-	436,596	**436,596**	93,864	**530,460**
Other comprehensive income	-	-	-		1,247	**1,247**	1,227	**2,474**
	-	-	-	-	437,843	**437,843**	95,091	**532,934**
Surplus transferred to accumulated profits								
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(19,019)	19,019	-		-
Realisation of surplus on disposal				(107,669)	107,669	-		-
Increase in non-controlling interest on dilution of investment							372,269	**372,269**
Transaction with owners of the Company								
Loss on sale of divestment of subsidiary company					(269,522)	**(269,522)**	-	**(269,522)**
Sponsors loans obtained during the year			(28,611)			**(28,611)**		**(28,611)**
As at 31 December 2025	**2,814,062**	**5,030,661**	**401,473**	**336,340**	**1,623,325**	**10,205,861**	**3,434,078**	**13,639,939**
Total comprehensive income for the period								
Profit for the period	-	-	-	-	951,919	**951,919**	179,698	**1,131,617**
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	951,919	**951,919**	179,698	**1,131,617**
Surplus transferred to accumulated profits								
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(4,755)	4,755	-		-
Transfer to retained earnings upon disposal of investment properties					(703,744)	**(703,744)**		**(703,744)**
Increase in non-controlling interest on dilution of investment							1,085,717	**1,085,717**
								-
Transactoions with owners of the company								
Sponsors loans obtained/(repaid) during the period			118,400			**118,400**	-	**118,400**
Balance as at 30 September 2026	**2,814,062**	**5,030,661**	**519,873**	**331,585**	**1,876,254**	**10,572,436**	**4,699,493**	**15,271,929**

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Cash Flow
For the nine months ended 30 September 2026

	Note	**(Un-audited) 30 September 2026**	(Un-audited) 30 September 2025
		--------- (Rupees in '000) ---------	
Cash flows from operating activities			
Profit before taxation		**1,135,799**	720,031
Adjustments for non-cash and other items:			
Depreciation on property, plant and equipment	*10.1*	**200,371**	209,467
Amortisation of intangible assets		**26,547**	26,546
Finance cost		**460,323**	305,364
Allowance for expected credit loss		**89,566**	71,374
Gain on sale of property, plant and equipment		**(3,473)**	(6,644)
Effect of present value discounting of accrued mark up		**(780,214)**	(292,182)
Effect of unwinding of deferred mark up		**132,419**	126,152
Fair value gain on investment property		**(524,900)**	(387,675)
Debit balances written off		**8,493**	-
Credit balances written back		**-**	(293)
Amortisation of deferred income		**(756)**	(639)
Unrealised exchange Loss		**-**	1,924
		744,174	773,425
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		**(12,373)**	(4,000)
Stock-in-trade		**(154,092)**	90,512
Trade debts and other receivables		**(365,406)**	(1,471)
Advances, deposits, prepayments and other receivables		**(139,240)**	(165,239)
Increase in current liabilities:			
Trade and other payables		**(349,003)**	(709,322)
		(1,020,113)	(789,521)
Cash used in operations		**(275,939)**	(16,096)
Income tax (paid)/refund received - net		**(70,962)**	(3,155)
Employee retirement benefits paid		**(399)**	854
Net cash used in operating activities		**(347,300)**	(18,397)
Cash flow from investing activities			
Capital expenditure - net		**(251,725)**	(53,864)
Proceeds from disposal of property, plant and equipment		**3,473**	126,660
Net cash generated from investing activities		**(248,252)**	72,796
Cash flow from financing activities			
Long term loan received/(repaid)		**(181,296)**	(183,919)
Loan from sponsors received/(repaid)		**118,400**	128,389
Proceeds from sale of shares		**381,973**	102,747
Finance costs paid		**(77,503)**	(82,606)
Short term borrowing - net		**336,401**	37,217
Lease rentals paid		**(7,646)**	(10,601)
Net cash generated from financing activities		**570,329**	(8,773)
Net increase in cash and cash equivalents		**(25,222)**	45,627
Cash and cash equivalents - at beginning of the period		**73,304**	(91,645)
Cash and cash equivalents - at end of the period	*12*	**48,082**	(46,018)

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Director** **Chief Financial Officer**

1 Status and nature of business

The Group comprises of:

Holding Company

- Waves Corporation Limited
(formerly, Waves Singer Pakistan Limited)

	30 September 2026	31 December 2025
	(Holding percentage)	
Subsidiary Companies		
- Waves Home Appliances Limited *(formerly, Samin Textiles Limited)*	**33.43**	50.39
- Waves Marketplace Limited *(formerly, Electronics Marketing Company (Private) Limited)*	**100.00**	100.00
- Waves Builders & Developers (Private) Limited *(formerly, Waves Marketing (Private) Limited)*	**100.00**	100.00

Waves Corporation Limited (formerly, Waves Singer Pakistan Limited) (the Holding Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public company limited by shares and is quoted on the Pakistan Stock Exchange. The company is principally engaged in the manufacturing and assembly of domestic consumer appliances alongwith retailing and trading of the same and other light engineering products. The registered office of the company is located at 9-K.M, Hanjarwal, Multan Road, Lahore.

Geographical locations of the manufacturing facilities of the Group are located at:

- 9-K.M, Hanjarwal, Multan Road, Lahore.
- Dina Nath, Mouza Rakh Serai Cheenba, Tehsil Pattoki, District Kasur.
- Mouza Mustafabad, 41-KM Ferozepur Road, Off 2-KM Rohi Nala Road, Tehsil & District Kasur

The Holding Company, Waves Corporation Limited (WCL), acquired WHAL (formerly Samin Textiles Limited) as a subsidiary Company through a scheme of arrangement. As per the term of the scheme, WCL 'Carved out / seperated home appliances business by transferring certain assets, liabilities, obligations, contracts and undertakings to the subsidiary Company as of the effective date of 01 September 2021. 'The Honourable Lahore High Court (the Court) through its Order dated 27 May 2022, has approved the Scheme of Arrangement as proposed and granted sanction order for the carving out of home appliances business from the Holding Company and amalgamation of the same into the subsidiary Company, WHAL.

Waves Home Appliances Limited

Waves Home Appliances Limited (WHAL) (formerly as Samin Textiles Limited) was incorporated in Pakistan on November 27, 1989 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Company is situated at 9-KM Hanjarwal, Multan Road, Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company previously was trading, import and export of textile products. Consequent to approval of scheme of arrangement, the principal line of business shall be amended to include manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products.

Waves Marketplace Limited.

Waves Marketplace Limited (formerly, Electronics Marketing Company (Private) Limited) is a private limited company which was incorporated on 09 September 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the company was to carry out distribution / wholesales / retail business of all kinds of electronic appliances, its components and accessories, etc.

Waves Builders and Developers (Private) Limited

Waves Builders and Developers (Private) Limited (formerly, Waves Marketing (Private) Limited) is a private limited company which was incorporated on 10 April 2017 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the company is located at 9-KM Hanjarwal, Multan Road, Lahore. The principal activity of the company was to sale, distribution and marketing of consumer appliances being a trading concern. The MOA/AOA was changed to undertake real estate buisiness, however the board of WBDPL and WCL have decided to merge WBDPL with and into WCL, subject to completion of necessary corporate legal formalities.

2 Basis of preparation

Statement of compliance

2.1 These condensed interim Consolidated financial statements of the Company 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 Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IFRS standards , the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim consolidated financial statements comprise the condensed interim consolidated statement of financial position of the Company as at 30 September 2026 and the related condensed interim consolidated statement of profit or loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flow and notes to the financial information for the nine months period then ended.

2.3 These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2025. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

2.4 Comparative consolidated statement of financial position's numbers are extracted from the annual audited consolidated financial statements of the Company for the year ended 31 December 2025, whereas comparative Consolidated statement of profit or loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim Consolidated financial statement of the Company for the nine months period ended 30 September 2026.

3 Use of estimates and judgments

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions for the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation are the same as those applied in the preparation of annual audited financial statements for the nine months ended 30 September 2026.

4 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2025.

5 Adoption of application Guidance on Accounting for Minimum Taxes and Final Taxes under International Accounting Standard 12, Income taxes.

The Company has classified its current income tax to the extent of income tax based on revenue i.e. final tax under the Section of 113 the Income Tax Ordinance, 2001 to levies as explained in International Financial Reporting Interpretation Committee (IFRIC) 21 "Levies" pursuant to "IAS 12 Application Guidance on Accounting for minimum and final taxes" issued by the Institute of Chartered Accountants of Pakistan clarifying that levies whose calculation use data such as gross amount of revenues, assets and liabilities do not meet the definition of income taxes provided in International Accounting Standard 12, Income taxes i.e. not within the scope International Accounting Standard 12, Income taxes rather are within the scope of International Accounting Standard 37, Provision, contingent liabilities and contingent assets".

The Company has adopted to designate the amount calculated on taxable income using notified tax rate as an income tax within the scope of International Accounting Standard 12, Income taxes and recognises it as current income tax expense. Any excess over the amount designated as income tax is recognised as a levy falling under the scope of IFRIC 21 / Provision, contingent liabilities and contingent assets. The respective changes have been explained in note 13 and 14 to these financial statements.

6 Issued, subscribed and paid up capital

	(Un-audited) 30 September 2026	(Audited) 31 December 2025	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
	---------- Number of shares ----------		---------- (Rupees in '000) ----------	
Issued for cash	**105,263,597**	105,263,597	**1,052,636**	1,052,636
Issued for consideration other than cash	**703,733**	703,733	**7,037**	7,037
Issued as paid bonus shares	**78,988,759**	78,988,759	**789,888**	789,888
Issued under scheme of amalgamation	**96,450,000**	96,450,000	**964,500**	964,500
	281,406,089	281,406,089	**2,814,061**	2,814,061

6.1 Ordinary shares of the Company held by associated persons and undertaking are as follows:

	(Un-audited) 30 September 2026	(Audited) 31 December 2025	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
Chief Executive Officer and his spouse	---------- Percentage held ----------		---------- Number of shares ----------	
- Haroon Ahmad Khan (CEO)	**33.99%**	33.99%	**95,640,286**	95,640,286
- Nighat Haroon Khan (Wife of CEO)	**6.16%**	6.16%	**17,332,411**	17,332,411
	40.15%	40.15%	**112,972,697**	112,972,697

6.2 The holders of ordinary shares are entitled to receive dividends as declared (if any), and are entitled to one vote per share at meetings of the Holding Company.

	Note	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
		---------- (Rupees in '000) ----------	
7 Long term financings			
Long term loans - Banking companies		**4,682,597**	4,397,183
Long term loans - Non-banking companies		**772,617**	829,262
		5,455,214	5,226,445
Deferred accrued markup		**1,489,941**	1,492,840
		6,945,155	6,719,285
Less: Current maturity including overdue amounts		**(784,552)**	(1,065,850)
		6,160,602	5,653,435

7.1 Deferred accrued mark up on long term financing

Balance at the beginning of the year	**1,492,840**	908,530
Transfer upon restructuring of loans	**644,882**	637,614
Effect of present value discounting	**(784,244)**	(194,465)
Effect of unwinding of present value	**136,463**	141,161
Balance at the end of the year	**1,489,941**	1,492,840

	Note	(Un-audited) 30 September 2026	(Audited) 31 December 2025
		---------- (Rupees in '000) ----------	
8 Short term borrowings			
from banking companies - secured:			
Running finance under mark-up arrangements	*8.1*	**1,474,979**	-
Finance against trust receipt	*8.1*	**-**	198,809
Short term borrowings under 'Murahaba' arrangement		**174,311**	196,940
		1,649,290	395,749
from Fintech companies		**17,700**	19,700
from others - unsecured			
Demand finance		**72,000**	89,000
Loan from employees provident fund		**269,555**	296,000
		2,008,545	800,449

8.1 These facilities are secured against charge over current assets of the company and carries markup rate of three month KIBOR + 2% per annum payable monthly in arrears and KIBOR + 2.5% per annum.

9 Contingencies and commitments

9.1 Contingencies

There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 31 December 2025.

9.2 Commitments

The Company has the following commitments in respect of:

(i) Commitments for the import of stock in trade outstanding at period end were for Rs. Nill (31 December 2025: Rs. Nill).

(ii) Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were Rs. Nill (31 December 2025: Rs. Nill).

		Note	(Un-audited) 30 September 2026	(Audited) 31 December 2025
			---------- (Rupees in '000) ----------	
10	**Property, plant and equipment**			
	Operating fixed assets	*10.1*	**3,767,536**	3,836,638
	Right of-use asset	*10.2*	**2,775**	7,386
	Capital work-in-progress	*10.3*	**4,788,508**	4,521,441
			8,558,819	8,365,465
10.1	**Operating fixed assets**			
	Opening balance - as at 01 January		**3,836,638**	3,586,774
	Additions during the period / year		**11,158**	-
	Transfers from capital work in progress		**115,500**	753,427
			3,963,296	4,340,201
	Book value of property, plant and equipment disposed off during the period / year		**-**	(177,961)
	Depreciation charged during the period / year		**(195,760)**	(325,602)
	Closing balance		**3,767,536**	3,836,638
10.2	**Right of-use asset**			
	Balance as at 01 January		**7,386**	16,633
	Transfers to owned assets		**-**	-
	Depreciation charge for the period / year		**(4,611)**	(9,247)
	Closing balance		**2,775**	7,386
10.3	**Capital work-in-progress**			
	Freehold land		**611,457**	611,457
	Civil work / Factory Building		**1,960,214**	1,736,601
	Plant and machinery		**94,889**	162,785
	Plant and machinery-in transit		**122,726**	122,726
	Advance to suppliers		**136,442**	130,488
	Borrowing costs		**1,862,780**	1,757,384
			4,788,508	4,521,441

		(Un-audited) 30 September 2026	(Audited) 31 December 2025
		---------- (Rupees in '000) ----------	
11	**Intangible assets and goodwill**		
	Software	**10,701**	14,202
	Goodwill	**1,070,207**	1,070,207
	Brand value	**1,582,147**	1,582,147
	Customer relationships	**38,523**	61,569
		2,701,578	2,728,125

		(Un-audited) 30 September 2026	(Audited) 31 December 2025
		---------- (Rupees in '000) ----------	
12	**Cash and cash equivalents**		
	Cash and bank balances	**1,523,061**	73,304
	Short term running finance - secured	**(1,474,979)**	-
		48,082	73,304

		(Un-audited) 30 September 2026	(Un-audited) 30 September 2025
		---------- (Rupees in '000) ----------	
13	**Sales - net**		
	Gross sales:		
	- Local	**4,882,729**	4,894,950
	Sales return	**-**	
		4,882,729	4,894,950
	Sales tax	**(729,441)**	(671,611)
	Trade discounts	**(598,592)**	(679,228)
		(1,328,033)	(1,350,839)
		3,554,695	3,544,111

		(Un-audited) 30 September 2026	(Un-audited) 30 September 2025
		---------- (Rupees in '000) ----------	
14	**Levies**		
	Mininmum tax	**58,482**	60,096

14.1 This represents minimum tax on sale of goods under Section 113 of the Income Tax Ordinance, 2001 representing levy in terms of requirements of interpretation issued by International Financial Reporting Interpretation Committee (IFRIC) 21 / International Accounting Standard 37, Provision, contingent liabilities and contingent assets.

		(Un-audited) 30 September 2026	(Un-audited) 30 September 2025
		---------- (Rupees in '000) ----------	
15	**Income tax expense**		
	Current		
	- for the period	**-**	-
	- prior period	**-**	-
		-	-
	Deferred	**(54,300)**	11,978
		(54,300)	11,978

16 Transactions with related parties

Related parties comprise of associated undertakings, directors, entities with common directorship, post employment plans and key management personnel. Amounts due from and to related parties are shown under respective notes in these unconsolidated condensed interim financial statements. Significant transactions with related parties are as follows:

Name of the Company	Relationship	Nature of transactions	(Un-audited) 30 September 2026	(Un-audited) 30 September 2025
			---------- (Rupees in '000) ----------	
Employee's Provident Fund	Post employee contribution pla	Contribution for the period	**6,842**	9,278
Directors	Employees	Loan from sponsors	**118,400**	128,389

17 Financial risk management and fair value of financial instruments

17.1 The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 31 December 2025.

17.2 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:

		30 September 2026					
		Carrying amount			Fair value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Note	Rupees in '000					
Financial instruments							
30 September 2026							
Financial assets - not measured at fair value							
Trade debts		**6,281,885**	**-**	**6,281,885**	**-**	**-**	**-**
Security deposits		**26,674**	**-**	**26,674**	**-**	**-**	**-**
Other receivables		**18,151**	**-**	**18,151**	**-**	**-**	**-**
Cash & Bank Balances		**1,523,061**	**-**	**1,523,061**	**-**	**-**	**-**
	17.3	**7,849,771**	**-**	**7,849,771**	**-**	**-**	**-**
Financial liabilities - not measured at fair value							
Long term loans - secured		**-**	**5,455,214**	**5,455,214**	**-**	**-**	**-**
Liabilities against assets subject to finance lease		**-**	**6,932**	**6,932**	**-**	**-**	**-**
Trade and other payables		**-**	**602,512**	**602,512**	**-**	**-**	**-**
Short term borrowings		**-**	**2,008,545**	**2,008,545**	**-**	**-**	**-**
Mark-up accrued		**-**	**236,721**	**236,721**	**-**	**-**	**-**
	17.3	**-**	**8,309,923**	**8,309,923**	**-**	**-**	**-**

		31 December 2025					
		Carrying Amount			Fair value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Note	---------- Rupees in '000 ----------					
Financial instruments							
31 December 2025							
Financial assets - not measured at fair value							
Security deposits		29,654	-	29,654	-	-	-
Trade debts		6,003,065	-	6,003,065	-	-	-
Other receivables		9,745	-	9,745	-	-	-
Bank balances		73,304	-	73,304	-	-	-
	17.3	6,115,768	-	6,115,768	-	-	-
Financial liabilities - not measured at fair value							
Long term loans - secured		-	5,226,445	5,226,445	-	-	-
Lease liabilities		-	13,228	13,228	-	-	-
Trade and other payables		-	985,182	985,182	-	-	-
Short term borrowings		-	800,449	800,449	-	-	-
Mark-up accrued		-	405,023	405,023	-	-	-
	17.3	-	7,430,327	7,430,327	-	-	-

17.3 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprise over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

Non financial assets measured at fair value

Land and Building

Revalued Property, plant and equipment	*Date of valuation*	*31 December 2023*
Investment property	*Date of valuation*	*31 December 2025*

Valuation approach and inputs used

The valuation model is based on price per square metre. In determining the valuation for land and building the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.

The fair value are subject to change owing to changes in input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.

18 Date of authorization

This condensed interim Consolidated financial information has been approved by the Board of Directors of the Company and authorized for issue on 26 October 2026.

19 General

Corresponding figures have been re-arranged and re-classified where necessary, for the purpose of comparison and better presentation as per reporting framework.

Figures have been rounded off to nearest thousand unless stated otherwise.

Chief Executive	Director	Chief Financial Officer

3.2 Standalone Financial Statements

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Financial Position
As at 30 September 2026

	Note	(Un-audited) 30 September 2026	(Audited) 31 December 2025
		Rupees in ('000)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	9	**2,814,062**	2,814,062
Capital reserves	10	**5,030,661**	5,030,661
Loan from sponsors	11	**360,800**	35,000
Unappropriated profit		**787,680**	686,599
Revaluation surplus		**7,884**	7,884
		9,001,087	8,574,206
Non-current liabilities			
Long term financing	12	**1,740,293**	1,719,682
Current liabilities			
Trade and other payables		**53,338**	53,056
Accrued mark-up on borrowings		**14,346**	13,159
Short term borrowings		**1,546,979**	89,000
Current portion of long term liabilities	12	**162,000**	269,000
Unclaimed dividend		**1,179**	1,179
Income tax payable		**10,130**	10,130
		1,787,971	435,524
Contingencies and commitments	13		
		12,529,351	10,729,411

	Note	(Un-audited) 30 September 2026	(Audited) 31 December 2025
		Rupees in ('000)	
ASSETS			
Non-current assets			
Investment property	14	**4,339,207**	3,852,557
Investment in subsidiaries	15	**2,640,964**	3,726,682
Long term receivable		**3,099,517**	-
		10,079,688	**7,579,239**
Current assets			
Advances and other receivables		**947,656**	575,455
Advance for issue of shares		**515,319**	-
Current portion of long term receivable		**-**	2,535,169
Cash and bank balances		**986,687**	39,548
		2,449,662	3,150,172
		12,529,351	10,729,411

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

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Profit or Loss Account
For the Nine months ended 30 September 2026

		Nine months ended		Three months ended	
		30 September 2026	30 September 2025	**30 September 2026**	30 September 2025
	Note	---------- Rupees in ('000) ----------			
Revenue		**256,844**	278,671	**91,728**	76,149
Other income		**795,106**	315,561	**392,219**	141,667
		1,051,950	594,232	**483,948**	217,816
Administrative expenses		**(28,140)**	(30,538)	**(9,878)**	(12,870)
Other operating expenses		**(716,241)**	(150,244)	**(413,381)**	(55,829)
Operating profit		**307,570**	413,450	**60,689**	149,117
Finance costs		**(206,489)**	(224,999)	**(50,408)**	(77,728)
Profit before levies and income tax		**101,081**	188,451	**10,281**	71,389
Levies		**-**	-	**-**	-
Profit before income tax		**101,081**	188,451	**10,281**	71,389
Income tax expense		**-**	-	**-**	321
profit after taxation		**101,081**	188,451	**10,281**	71,710
Earnings per share - basic and diluted (Rupees)		**0.36**	0.67	**0.04**	0.25

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

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Comprehensive Income
For the Nine months ended 30 September 2026

	Nine months ended		Three months ended	
	30 September 2026	30 September 2025	**30 September 2026**	30 September 2025
	---------- Rupees in ('000) ----------			
profit after taxation	**101,081**	188,451	**10,281**	71,710
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss account:	-	-	-	-
Items that may be reclassified to profit or loss account:	-	-	-	-
Total comprehensive income for the period	**101,081**	188,451	**10,281**	71,710

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

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Comprehensive Income
For the Nine months ended 30 September 2026

	Nine months ended		Three months ended	
	30 September 2026	30 September 2025	**30 September 2026**	30 September 2025
	---------- Rupees in ('000) ----------			
profit after taxation	**101,081**	188,451	**10,281**	71,710
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss account:	-	-	-	-
Items that may be reclassified to profit or loss account:	-	-	-	-
Total comprehensive income for the period	**101,081**	188,451	**10,281**	71,710

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

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Changes in Equity
For the Nine months ended 30 September 2026

	Share Capital	Capital Reserves	Loan from Sponsors	Revaluation Surplus	Revenue Reserve	Total
					Unappropriated profits	
	(Rupees in '000')					
As at 01 January 2025	2,814,062	5,030,661	-	115,475	453,180	8,413,378
Profit after taxation	-	-	-	-	125,828	125,828
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-		-	125,828	125,828
Transactions with owners						
Sponsors loan received during the period	-	-	35,000	-	-	35,000
Transfer upon disposal of investment property	-	-		(107,591)	107,591	-
Balance as at 31 December 2025	2,814,062	5,030,661	35,000	7,884	686,599	8,574,206
Profit after taxation	-	-	-	-	101,081	101,081
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	101,081	101,081
Transactions with owners						
Sponsors loan received during the period	-	-	325,800	-	-	325,800
Balance as at 30 September 2026	**2,814,062**	**5,030,661**	**360,800**	**7,884**	**787,680**	**9,001,087**

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

Chief Executive | **Director** | **Chief Financial Officer**

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Cash Flow (Un-audited)
For the Nine months ended 30 September 2026

	Note	(Un-audited) 30 September 2026	(Un-audited) 30 September 2025
		Rupees in ('000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income tax		**101,081**	188,451
Adjustment for non-cash charges / items:			
Finance costs		**163,543**	176,205
Fair value gain on investment property	14	**(486,650)**	(249,568)
Loss on sale of shares		**703,744**	150,244
Mark up income on amount due from subsidiaries		**(256,844)**	(251,448)
Present value discounting of deferred markup		**(263,936)**	(62,964)
Unwinding of present value discounting		**42,946**	48,794
Gain on sale of investment property		**-**	(1,500)
		3,884	(1,786)
Effect on cash flows due to working capital changes:			
(Increase) / decrease in current assets:			
Advances, deposits, prepayments and other receivables		**(314,716)**	(141,704)
Increase in current liabilities:			
Trade and other payables		**282**	5,043
Cash (used in) / generated from working capital changes		**(314,433)**	(136,661)
Cash used in operating activities		**(310,549)**	(138,447)
Income tax paid		**-**	-
Finance cost paid		**(25,754)**	-
Net cash used in operating activities		**(336,304)**	(138,447)
CASH FLOW FROM INVESTING ACTIVITIES			
Sale proceeds against sale of investment property		**-**	121,500
Sale proceeds against sale of long term investments		**381,974**	102,747
Loan paid to holding comany		**(364,990)**	-
Advance paid against share deposit money		**(515,319)**	-
Net cash used in investing activities		**(498,335)**	224,247
CASH FLOW FROM FINANCING ACTIVITIES			
Short term borrowing - net		**(17,000)**	-
Long term loans (repaid)		**(2,000)**	(121,500)
Loan from directors received/(returned)		**325,800**	35,000
Net cash generated from financing activities		**306,800**	(86,500)
Net decrease in cash and cash equivalents		**(527,839)**	(700)
Cash and cash equivalents used at beginning of the period		**39,548**	17,932
Cash and cash equivalents - at end of the period		**(488,291)**	17,232

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

Chief Executive **Director** **Chief Financial Officer**

Waves Corporation Limited
Notes to the Condensed Interim Unconsolidated Financial Information (Un-audited)
For the Nine months ended 30 September 2026

1 STATUS AND NATURE OF BUSINESS

Waves Corporation Limited (formerly Waves Singer Pakistan Limited) (the Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public company limited by shares and is quoted on the Pakistan Stock Exchange. Consequent to approval of scheme of arrangement, the principal line of business has been amended which includes managing its investment in subsidiaries, which are principally engaged in manufacturing and assembly of domestic consumer appliances along with retailing and trading the same and real estate development. The registered office of the Company is located at 9-K.M, Hanjarwal, Multan Road, Lahore.

2 As per Scheme of Compromises, Arrangement and Reconstruction (the Scheme) as sanctioned by the Honorable Lahore High Court, Lahore on May 27, 2022, the Company transferred its manufacturing undertaking to its subsidiary Company, i.e. Waves Home Appliances Limited with effect from effective date, i.e. September 01, 2021.

3 SEPARATE FINANCIAL STATEMENTS

These financial statements are the separate financial statements of the Company in which investments in subsidiaries are accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investees. Consolidated financial statements of the Company are prepared and presented separately. The Company has the following long term investments:

Name of subsidiary companies	**30 September 2026** (Direct holding percentage)	31 December 2025 (Direct holding percentage)
- **Waves Builders and Developers (Private) Limited** (formerly, Waves Marketing (Private) Limited)	**100%**	100%
- **Waves Marketplace Limited** (formerly, Electronics Marketing Company (Private) Limited)	**100%**	100%
- **Waves Home Appliances Limited** (formerly, Samin Textiles Limited)	**33.43%**	50.39%

4 BASIS OF PREPARATION

4.1 Statement of compliance

These condensed interim unconsolidated financial statements of the Company 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 International Accounting Standard 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4.2 These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at 30 September 2026 and the related condensed interim unconsolidated statement of profit or loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flow and notes to the financial information for the Nine months period then ended.

4.3 These condensed interim unconsolidated financial statements are unaudited but subject to limited scope review by external auditors and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

4.4 These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2025. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

4.5 Comparative unconsolidated statement of financial position's numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended 31 December 2025, whereas comparative unconsolidated statement of profit or loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statement of the Company for the nine months period ended 30 September 2026.

5 BASIS OF MEASUREMENT

These unconsolidated interim financial statements have been prepared under the historical cost convention except for investment property which are stated at fair value less impairment losses.

6 FUNCTIONAL AND PRESENTATION CURRENCY

These unconsolidated interim financial statements are presented in Pakistani Rupee which is also the Company's functional and presentation currency and have been rounded off to the nearest thousand.

7 USE OF ESTIMATES AND JUDGMENTS

The preparation of condensed interim unconsolidated financial statements requires management to make judgments, estimates and assumptions for the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim unconsolidated financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation are the same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2025.

8 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2025.

		(Un-audited) 30 September 2026	(Audited) 31 December 2025	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
9	**SHARE CAPITAL**	**(Number of shares)**		**(Rupees in '000)**	
9.1	Authorised share capital	**300,000,000**	300,000,000	**3,000,000**	3,000,000

9.1.1 The authorized share capital stands at Rupees 3,000 million divided into 300,000,000 shares of Rupees 10 each, according to the Memorandum and Articles of Association the Company.

	(Un-audited) 30 September 2026	(Audited) 31 December 2025	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
	(Number of shares)		**(Rupees in '000)**	
9.2 Issued, subscribed and paid-up capital				
Fully paid-up ordinary shares of Rupees 10 each:				
Issued for cash	**105,263,597**	105,263,597	**1,052,636**	1,052,636
Issued for consideration other than cash	**703,733**	703,733	**7,037**	7,037
Issued as paid bonus shares	**78,988,759**	78,988,759	**789,888**	789,888
Issued under scheme of amalgamation	**96,450,000**	96,450,000	**964,500**	964,500
	281,406,089	281,406,089	**2,814,061**	2,814,061

	Note	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
		(Rupees in '000)	
10 CAPITAL RESERVES			
Share premium		**5,025,662**	5,025,662
Other capital reserve		**5,000**	5,000
		5,030,662	5,030,662

11 LOAN FROM SPONSORS

These represent interest free loans from sponsoring directors of the Company to meet business requirements of the Company. These loan are designated interest free and are repayable at the discretion of the Company. Further, in accordance with Technical Release - 32 Accounting Directors' Loan issued by the Institute of Chartered Accountants of Pakistan, the loan has been classified as part of equity.

	Note	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
		(Rupees in '000)	
12 LONG TERM FINANCING			
National Bank of Pakistan - Term Finance		**1,500,000**	1,500,000
Sindh Bank Limited - Term Finance		**56,596**	58,596
		1,556,596	1,558,596
Deferred markup		**345,697**	430,085
		1,902,293	1,988,682
Current maturity presented under current liabilities		**(162,000)**	(269,000)
		1,740,293	1,719,682

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 31 December 2025.

Based on the legal opinion, due to the Scheme of Compromises, Arrangement and Reconstruction (the Scheme); the routing of transactions in order to pass on the impact of sales tax to subsidiary company is in line with the Scheme sanctioned by the Honorable Court. Therefore, there will be no non-compliance at this point of time, however, at any stage if there will be negative inference; then the same will be dealt accordingly.

13.2 Commitments

There has been no significant changes in commitments as reported in the annual audited financial statements of the Company for the year ended 31 December 2025.

	Note	**(Un-audited) 30 September 2026**	(Audited) 31 December 2025
		(Rupees in '000)	
14 INVESTMENT PROPERTY			
Opening balance		**3,852,557**	3,775,432
Disposed off during the period		**-**	(182,000)
		3,852,557	3,593,432
Fair value adjustments		**486,650**	259,125
Closing balance		**4,339,207**	3,852,557
15 INVESTMENT IN SUBSIDIARIES			
Waves Marketplace limited			
50,000,000 (2025: 50,000,000) fully paid ordinary shares of Rupees 10 each		**500,000**	500,000
Equity held: 100% (2025: 100%)			
Chief Executive Officer - Moazzam Ahmad Khan			
Waves Builders and Developers (Private) Limited			
100,000 (2025: 100,000) fully paid ordinary shares of Rupees 10 each		**1,000**	1,000
Equity held: 100% (2025: 100%)			
Chief Executive Officer - Moazzam Ahmad Khan			
Waves Home Appliance Limited			
89,561,299 (2025: 135,000,500) fully paid ordinary shares of Rupees 10 each		**2,139,964**	3,225,682
Equity held: 33.43% (2025: 50.39%)			
Chief Executive Officer - Haroon Ahmad Khan			
		2,640,964	3,726,682

16 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated undertakings, directors, entities with common directorship, post employment plans and key management personnel. Amounts due from and to related parties are shown under respective notes in these unconsolidated condensed interim financial statements. Significant transactions with related parties are as follows:

Name of company	Nature of transactions	30 September 2026	30 September 2025
		Rupees in ('000)	
Waves Marketpalce Limited	Mark-up income	**57,486**	49,391
	Rental income	**990**	1,530
	Management fee charged	**-**	9,000
Waves Home Appliances Limited	Mark-up income	**199,358**	202,057
	Management fee charged	**-**	18,000
Directors	Loan from sponsors obtained	**325,800**	35,000

17 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

17.1 The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 31 December 2025.

17.2 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:

		30 September 2026					
		Carrying amount			Fair value		
	Note	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		Rupees in '000'					
Financial instruments							
Financial assets							
Long term receivable		**3,099,517**	**-**	**3,099,517**	**-**	**-**	**-**
Advances and other receivables		**947,656**	**-**	**947,656**	**-**	**-**	**-**
Accrued profit on long term receivable		**-**	**-**	**-**			
Cash and bank balances		**986,687**	**-**	**986,687**	**-**	**-**	**-**
		5,033,861	**-**	**5,033,861**	**-**	**-**	**-**
Financial liabilities							
Long term financing	**12**	**-**	**1,556,596**	**1,556,596**	**-**	**-**	**-**
Deferred mark up		**-**	**345,697**	**345,697**	**-**	**-**	**-**
Trade and other payables		**-**	**53,338**	**53,338**	**-**	**-**	**-**
Short term borrowings		**-**	**1,546,979**	**1,546,979**	**-**	**-**	**-**
Accrued mark-up on borrowings		**-**	**14,346**	**14,346**	**-**	**-**	**-**
Unclaimed dividend		**-**	**1,179**	**1,179**	**-**	**-**	**-**
		-	**3,518,134**	**3,518,134**	**-**	**-**	**-**

	Note	31 December 2025					
		Carrying amount			Fair value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		Rupees in '000'					
Financial assets							
Long term receivable		2,535,169	-	2,535,169	-	-	-
Advances and other receivables		575,455	-	575,455	-	-	-
Accrued profit on long term receivable		-	-	-	-	-	-
Cash and bank balances		39,548	-	39,548	-	-	-
		3,150,172	-	3,150,172	-	-	-
Financial liabilities							
Long term financing	12	-	1,558,597	1,558,597	-	-	-
Deferred mark up		-	430,085	430,085	-	-	-
Trade and other payables		-	53,056	53,056	-	-	-
Accrued mark-up on borrowings		-	13,159	13,159	-	-	-
Short term borrowings		-	89,000	89,000	-	-	-
Unclaimed dividend		-	1,179	1,179	-	-	-
		-	2,145,075	2,145,075	-	-	-

17.3 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprise over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

Non-financial asset measured at fair value

Investment property Date of valuation 31 December 2025

Valuation approach and inputs used

The valuation model is based on price per square metre. In determining the valuation for investment property the value refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of investment property are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.

The fair value are subject to change owing to changes in input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.

19 DATE OF AUTHORISATION

This condensed interim unconsolidated financial information has been approved by the Board of Directors of the Company and authorised for issue on 26 October 2026.

20 GENERAL

20.1 Figures have been rounded off to nearest thousand unless stated otherwise.

Chief Executive **Director** **Chief Financial Officer**

WAVES
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