WAVES
نام ہی کافی ہے

ANNUAL REPORT 2023

WAVES CORPORATION LIMITED

Contents

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 COMMTTEE

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. Arslan Shahid Butt

COMPANY SECRETARY

Mr. Ahmad Bilal Zulfiqar

HEAD OF INTERNAL AUDITOR

Mr. Usman Khalid

LEGAL ADVISOR

Law Wings Advocates & Solicitors

EXTERNAL AUDITORS

Rizwan and Company
Chartered Accountants

SHARE REGISTRAR

Corplink (Private) Limited

RESISTERED 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.net.pk
Website: www.waves.net.pk

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.net.pk
Web Site:	www.waves.net.pk

** Election of the Board of Directors and Committees were held during the year*

2. CHAIRMAN REVIEW

On behalf of the Board of Directors of Waves Corporation Limited (WAVES or the Company), Annual Report for the year ended 31 December 2022 (Consolidated and Standalone) is presented to our stakeholders.

The Board oversees the Company's overall management and fulfills its fiduciary duties with impartial judgment for the Company and its stakeholders' benefit. It comprises seven (7) directors, including two (2) non-executive, two (2) independent (one being female), and two (2) executive directors. These directors bring diverse expertise in business, finance, banking, and regulations, providing strategic direction and guidance to the Management.

The Board regularly assesses its performance and committees to enhance the effectiveness of its members as a cohesive team. Director elections and appointments occurred during the year, maintaining a well-diversified and experienced board with relevant competencies. WAVES adheres to corporate governance best practices and regulatory requirements.

Board meetings throughout the period reviewed and approved financial statements, annual budgets, capital expenditures, and other matters. The Board ensures strategic guidance to the Management.

WAVES brand leadership has fostered a transparent and fair business environment, adapting to macro and micro-economic challenges in 2023. This commitment to transparency and adaptability is expected to persist in the future.

We would like to conclude by extending our gratitude and thanks to the Directors for their energy, knowledge, advice, and earnest contributions towards the advancement of the Company to achieve new heights in a socially responsible and ethical manner

Chairman

3. DIRECTORS' REPORT

3.1 Operating Results

On behalf of the Board of Directors of Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVES or the Company), we are obliged to submit the Directors' report and audited financial statements of your Company for the year ended December 31, 2023 (Consolidated and Standalone), together with the Auditors' report thereon. Alhamdullilah, the demand for WAVES branded products remains robust, driven by our commitment to delivering high-quality, market oriented and innovative products.

The new government, following the 8th February General Elections, is expected to implement a dynamic strategy to rejuvenate the economy, with recent measures boosting market confidence and economic activity. GDP growth surged to 2.1% in Q1 FY2024, driven by a 5% expansion in the agriculture sector and a 2.5% increase in manufacturing activity. The lifting of import bans and other restrictions has further fueled economic momentum, with anticipated GDP growth for Q2 FY2024 around 3%. Additionally, the interim government has taken measures to address economic challenges, including reducing unproductive spending and increasing tax revenues, resulting in a strengthened fiscal position and successful IMF reviews. These efforts are expected to lead to a decline in inflation and stable growth in both advanced and emerging market economies. (Source: Ministry of Finance)

The business model of the Company remained resilient owing to the timely decisions and strategies. Owing to the economic and financial challenges, the wholly owned subsidiary Waves Marketplace Limited (WAVES Plus) continued facing challenges, whereas the business model for real estate development (which was improved to include sizeable commercial portion) to increases its top and bottom line, remained at a very slow pace. The Board decided to merge the real estate SPV, Waves Builders & Developers (Private) Limited with and into WAVES. This was necessitated in order to reduce extra corporate and regulatory costs, while the real estate project is still in the incubation phase.

The home appliances business undertaken by the Company's subsidiary Waves Home Appliances Limited (WAVESAPP) faced challenges as the whole appliances industry was under pressure due to availability of capital from the financial institutions, restrictive import policies, very high level of interest rates and growing inflation. However, WAVESAPP was able to position itself to substantially rely on locally manufactured material vis-à-vis its competitors thus reducing production risks. The completion of state-of-the-art purpose-built owned factory by WAVESAPP is continuing but at a compact pace in line with current economic environment. Owing to the tough economic and financial challenges the Board of WAVESAPP requested to extend the tenure of the repayment of the payable to holding company which was created pursuant to the Scheme of Demerger between WAVES and WAVESAPP, sanctioned by the honorable Lahore High Court, Lahore. The Board of WAVES has considered the request and placed the matter for approval of the shareholders of the Company. Though the Scheme does not provide definite time period for repayment, however, this approval is taken in view of good corporate governance.

The Company's Consolidated Revenues are PKR 5,206 million with net profit of PKR 321 million as compared to previous years of PKR 9,939 million, whereas net profit of PKR 283 million. It is commendable that this still achieved in a challenging business environment where all macro indicators had been lower as compared to previous years. Continued improvement in knowledge management, operational management, cost rationalization, process re-engineering and strategical measures taken during the whole year etc., helped the Company in its sustenance. Further analysis is given separately in this Annual Report.

The challenge of economic slowdown is diminishing as coordinated efforts to revitalize different sectors gather momentum. Importantly, the real sector is experiencing substantial growth, leading to a positive market response and signs of recovery. The stability of the Pakistani Rupee (PKR) and the consistent positive performance of the Pakistan Stock Exchange (PSX) indicate a favorable environment for economic activities. Though the pace of expansion may be gradual, significant improvements in key economic indicators suggest a promising GDP outlook for FY2024

Moving forward, we maintain a positive outlook and confidence in the future of the Company. With a cohesive team of management, staff, and workforce, along with a strong brand name, excellent product line, and a nationwide distribution and after-sales service network, we are well-positioned to reach customers and provide them with exceptional service in both urban and rural areas. We extend our gratitude to all our stakeholders.

Financial Highlights

Financial highlights are presented as hereunder for consolidated financial statements, wherein financial results of standalone financial statements are also provided in this report:

Consolidated Operating Results

		Restated
	FY23	**FY22**
	Rs. in '000	**Rs. in '000**
Gross revenue	6,295,795	11,870,232
Net revenues	5,206,326	9,938,668
Gross profit	1,401,187	1,933,199
Operating profit	566,365	749,337
Profit before taxation	300,862	313,372
Profit after taxation	256,781	237,478
Earnings per share	0.91	0.84

Based on the current economic and financial challenges the Board has not recommended any payout for the shareholders of the Company.

The Board has considered and is providing operating results and business performance for consolidated financial results as it better reflects the performance of the Company as a holding entity. The individual standalone operating results of the Company are also given.

Consolidated Operating Performance

During the year the Company on consolidated basis achieved revenues of PKR 6,290 million as compared to PKR 11,989 million last year, whereas the Net Profit is PKR 321 million from PKR 283 million last year. Though there is a dip in overall revenues but gross profit margin has increased to 27% as compared to 20% previous year. The earning per share for the year is PKR 1.20 as compared to PKR 1.01 of previous year. With the improvement in the economic conditions coupled with increase in urbanization, lowering of interest rates and growing metropolitan areas on the back of rural population migrating towards the cities for employment, better life style we expect results to improve.

Investments in Subsidiaries

The **standalone** 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. The Consolidated financial statements of the Company are prepared and presented separately. The Company has the following investments in the subsidiary companies:

	FY 2023	**FY 2022**
Waves Home Appliances Limited	74.5%	74.5%
Electronic Marketing (Private) Limited	100.0%	100.0%
Waves Builders & Developers (Private) Limited*	100.0%	100.0%

The Board has decided to merge Waves Builders & Developers (Private) Limited, with and into WAVES in order to reduce corporate and regulatory costs, as the real estate project is in the incubation and slow pace.

Standalone Results of the Company

The standalone results of the Company are given hereunder:

		Restated
	FY23	**FY22**
	Rs. in '000	**Rs. in '000**
Gross Revenue	321,430	238,669
Operating Profit	213,932	172,333
Profit before Tax	159,571	132,567
Profit for the year	148,186	208,901
Earnings per Share	0.53	0.74

The brief information on the subsidiary companies is given in this Annual Report.

Business Overview – Activities and Development

WAVES or the Company is listed on Pakistan Stock Exchange Limited (PSX). The Company has recently gone under a Scheme of Arrangement (the Scheme) wherein the home appliances business is demerged and merged into Waves Home Appliances Limited, formerly Samin Textiles Limited (WAVESAPP), while retaining the real estate development business and retail shop network for consumer appliances and other consumer goods. The Scheme was sanctioned by the honorable Lahore High Court, Lahore on 27 May 2022. The effective date of Scheme was 31 August 2021. WAVESAPP is now a subsidiary company of the Company. The retail business is currently undertaken by Waves Market Place Limited, whereas a project company Waves Builders & Developers (Private) Limited to undertake the real estate project (which is now being merged into holding company). WAVESAPP is predominantly involved in manufacturing, assembling, and distributing a variety of home appliances and other light engineering products. WAVES has a vast range of product lines which were sold through dealer networks spread all over Pakistan and also via retail outlets owned and operated by the Company. WAVESAPP's product line includes:

Waves Home Appliances Limited (WAVESAPP)

Waves Home Appliances Limited (formerly Samin Textiles Limited) was incorporated in Pakistan on 27 November, 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, Multan Road, Lahore at the same premises where the existing Registered office of the Company exists. WAVESAPP is currently listed on Pakistan Stock Exchange. The principal business of the Company was trading, import and export of appliances and other textile related products. Consequent to approval of scheme of arrangement, the principal line of business has been amended to include manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products. The appliances' manufacturing plant is being moved to a new purpose-built larger factory for which construction speed is slow but is continuing.

WAVESAPP is operating a nationwide set-up of warehouses in cities such as Karachi, Lahore, Gujranwala, Peshawar, Multan, etc., along with substantial dealers, after-sales service center and service workshop spread nationwide. The Company's sales infrastructure is comparable to any other leading Home Appliance Company operating within Pakistan.

			Restated
		FY23	**FY22***
		Rs. in '000	**Rs. in '000**
Gross Revenue		5,061,929	8,956,449
Gross Profit		1,037,052	1,454,318
Profit for the Year		115,717	13,127

Since the manufacturing of home appliances is a technology-intensive business and requires technical know-how and R&D comparable with that of the global players, local companies must either heavily invest in developing such R&D and technical teams or alternatively join hands with one of the global players already looking to enter the country. The time lag in these two options clearly pushes all the local companies to join hands with the foreign players or face stiff competition. To position the Company for becoming a part of the network of the Global Player, WAVESAPP has completed corporate reorganization creating a dedicated listed company involved solely in the manufacturing and sales of domestic appliances under the WAVES brand name.

High interest rates, L/C opening process by commercial banks and imports continue posing challenges for WAVESAPP. It is actively transitioning to local sources of materials to reduce import dependence and developing certain imported components in-house through vendors. There is significant potential for corporate sales of deep freezers and vizi-coolers, not only to Coca-Cola but also for the broader frozen food and beverages industry. Despite ongoing challenges, WAVESAPP remains fully committed to ensuring operational continuity.

Waves Marketplace Limited (WML)

Waves Marketplace Limited is a wholly owned subsidiary of the Company is a pioneer of retail sales of home appliances, offering cash and installment sales to its treasured customers to shop with convenience at 100+ nationwide spread outlets in rural and urban areas of Pakistan. WML has shown robust growth and in order to fund its expansion plans, the Board in principle decided that it may be listed on Pakistan Stock Exchange Limited (PSX) at an appropriate time when market is conducive for listing. However, due to the current tough political and economic conditions, the pace for listing preparation is slowed, until market sentiments are improved. The Gross revenues have decreased owing to high level of inflation and interest rates and weak market sentiments.

	FY23 Rs. in '000	*Restated* FY22 Rs. in '000
Gross Revenue	1,445,127	3,340,835
Gross Profit	361,578	512,049
Profit before Taxation	2,779	95,893
Profit after Taxation	111	59,668

The management in parallel is also considering alternate options of funds arrangement for growth by way of securitization of receivables and/or strategic equity investors/partners. With high interest rates, growing population and high rate of urbanization, the business model of Buy Now Pay Later (BNPL) has immense growth potential similar to other parts of the developed economies.

However, WAVES Plus will focus on a balance sales mix between Installment Sales and Cash Sales keeping in view the risk and rewards. Waves network has a potential to grow its sales multifold on the same network in line with the industry averages.

Waves Builders and Developers (Private) Limited (WBDL)

The Company was incorporated as an SPV by the holding company to undertake the real estate business. All the project development costs were incurred by the holding company and then were to be allocated to WBDL once the project is at an execution phase. Since the development of real estate project is at a slower pace owing to the tough economic and financial challenges, therefore, the Board decided that WBDL be merged with and into the Company in order to reduce regulatory and corporate costs.

	FY23 Rs. in '000	FY22 Rs. in '000
Operating Loss	(479)	(278)
Loss for the Year	(480)	(285)

Scheme of Arrangement

During the FY 22 the honorable Lahore High Court, Lahore sanctioned the Scheme of Arrangement by and between WAVES and WAVESAPP wherein home appliances business was carved out into WAVESAPP, while retaining the retail and real estate business. This will provide several benefits including unique identities of individual companies, more focused business, customer base, supervision and controlling the business/direction of WAVESAPP, while the management of WAVESAPP can operate and manage the business of WAVESAPP on a regular day-to-day basis. Accordingly, 199,724,956 ordinary shares were issued to WAVES by WAVESAPP out of the total issue of 256,006,196 ordinary shares pursuant to the Scheme, which resulted in becoming WAVESAPP as a subsidiary of the Company. In addition, as a Settlement Consideration WAVESAPP also issued 56,281,240 shares of WAVESAPP to the shareholders of WAVES. The balance of PKR 2 billion cash was to be settled within two (2) years of the sanction of the Scheme. No profit/mark-up shall accrue on such outstanding amount if the said amounts is settled within two (2) years of the sanction of the Scheme. The Board has approved the extension of repayment of PKR 2.0 billion for another period of 2 years. For further details please refer the paragraphs at the start of the Notes to the Annual Financial Statements. Due to the economic and financial challenges including persistent high interest rates, the Management is in discussion with the financial institutions to restructure and optimize the Company's debt profiles.

In addition, WAVES and WAVESAPP are in the process of completing outstanding formalities post sanction of Scheme of Arrangement related to the taxation matters as the case may be, since it is taking sometimes owing to regulatory challenges. The management is moving ahead in an appropriate and planned manner for the best interest of the Company and its shareholders. It is envisaged that these formalities shall be completed soon.

Economic and Industry Analysis

Pakistan faces imminent economic challenges due to insufficient macroeconomic management, rising global commodity prices, tightening global monetary policies, 2022 flooding, and political instability. The International Monetary Fund (IMF) sanctioned a new Stand-By Arrangement (SBA) program in July 2023 to address these issues. Implementation of the program, including fiscal discipline and energy tariff adjustments, led to improved confidence levels and some relaxation of import controls. However, economic recovery remains in its early stages, with growth projected at only 1.8 percent in FY24.

After the 8th February General Elections, the new government aims to implement a dynamic strategy to rejuvenate the economy. Recent measures have restored market confidence, with GDP growth rebounding to 2.1% recently. Manufacturing and agriculture sectors have shown notable expansions, driven by the removal of import bans. Anticipated GDP growth is expected to reach approximately 3%, led by increased manufacturing output and crop production.

A clear and ambitious economic reform agenda is crucial to address ongoing challenges and instill confidence. Risks persist due to policy reserves deficiency, high debt levels, and constrained foreign exchange reserves. Without substantial structural reforms, growth prospects remain subdued, necessitating continued management measures to address external imbalances. Meaningful poverty alleviation requires significant reforms for a more robust medium-term recovery.

The agriculture sector in Pakistan is showing robust growth, driven by favorable climatic conditions and timely wheat sowing for the Rabi season 2023-24, targeting a production of 32.12 million tons. There's a notable increase in farm tractor production and sales, indicating positive momentum in the agricultural machinery sector. The Large-Scale Manufacturing (LSM) sector has witnessed slight growth, with 12 out of 22 sectors showing positive growth. Despite persistent high inflation, relief measures like the Ramzan Relief package aim to alleviate pressure on vulnerable segments of society. Fiscal pressures persist due to higher interest payments, resulting in a fiscal deficit of 2.3% of GDP, although the trade balance has improved, leading to a narrowing of the Current Account deficit, supported by increased exports and foreign investment inflows. While workers' remittances have seen a slight decrease overall, there was a significant year-on-year increase observed in January 2024. The Monetary Policy Committee (MPC) has kept the policy rate steady at 22.0%, expecting a decline in inflation in the coming months. Overall, positive trends in key economic indicators are observed, with expectations of continued momentum contingent upon prudent economic policies.

FUTURE OUTLOOK

Economic instability is diminishing as efforts to revitalize various sectors gain momentum. The real sector is experiencing significant growth, prompting a favorable market response and signs of recovery. Both the stability of the Pakistani Rupee (PKR) and the sustained positive performance of the Pakistan Stock Exchange (PSX) create a conducive environment for economic activity. Notable improvements in key economic indicators suggest an optimistic GDP outlook for FY2024.

Given the technology-intensive nature of home appliance manufacturing, local companies must invest heavily in R&D and technical expertise or collaborate with global players entering the market. To position itself within the global network, the Group has undergone corporate reorganization, focusing solely on manufacturing and selling domestic appliances under the WAVES brand.

Waves Home Appliances prioritizes ERP solutions and has transitioned to SAP B1 for enhanced data transparency and operational efficiency. It holds ISO certifications ensuring product quality, worker safety, environmental protection, and compliance with international standards. As a supplier to The Coca-Cola Company, it has achieved a green-rating in SGP. Continuous training and upskilling of labor and management are ongoing, with plans to modernize and expand manufacturing facilities.

Waves Marketplace has a huge network that can cater for multiple products and reach out to far-end of consumers. Its network has huge potential for sale. A retail network of home appliances stores strategically distributed across major cities presents a prime opportunity for our company to solidify its market presence and serve a diverse customer base.

As the stores are conveniently located in urban hubs, it can effectively reach a wide audience of consumers seeking quality home appliances. This expansive footprint not only enhances brand visibility but also enables us to tap into the purchasing power of urban populations. Moreover, the retail presence extends beyond urban centers, allows access to suburban and rural markets, further expanding our customer reach. The widespread network, present opportunity to become the go-to destination for home appliances, driving sales growth and reinforcing the position as a leader in the industry.

The real estate project is located at a prime location near the center of the Lahore with one of the largest traffic counts. The project is surrounded by the dense population which is growing in size. No other sizeable project exists near the project location. As the economic and financial conditions improve, a sizeable project will attract all the benefits to the Company.

Anticipated inflation is expected to decline due to improved crop yields and consistent commodity supply, along with favorable conditions for input resources boosting Rabi crop production. Despite sector-specific slowdowns, industrial activity remains positive, supported by improved cyclical conditions in export markets and stabilization measures promoting business confidence and exchange rate stability. As the economy strengthens, the Company's operations and returns to shareholders are expected to improve.

RISKS, UNCERTAINTIES AND MITIGATIONS

The Company recognizes that risk is an integral part of business and is committed to managing the risks proactively and efficiently. The Company periodically assesses risks, in the internal and external environment and incorporates risk mitigation plans in its strategy and business/operational plans. Every risk is carefully looked into, as in some of the cases post-analysis it may lead to a new business opportunity.

The Company has a well-defined risk management framework in place. The risk management framework works at various levels from top to bottom across the enterprise. These levels form the strategic defense cover of the Company’s risk management. The Company’s Risk Management Committee monitors and reviews the risk mitigation plan.

Waves Corporation Limited (WAVES)

Key Business Risks	Mitigants
Operational excellence – These are risks associated with internal factors, administrative and operational procedures like employee turnover, supply chain disruption, IT system shutdowns or control failures.	• Your Company has initiated vendor rationalization, emphasis on in-house manufacturing and scorecard evaluation of vendors has been put in place. • Your Company has put in place a quality and process improvement program across the Company, including strategic vendors, during the year with progress being tracked at regular Management reviews.
Branding/Innovation Risk – Risk that applies to innovative areas of your business such as product research and to cope up with latest market trends and product innovation.	• Your Company has put in place a centralized marketing structure during the year, thereby strengthening its consumer insight process and filling up competency gaps in the concerned function. • Company's research and development department has been strengthened and is continuously looking into and implementing product innovation strategies.
Organization Excellence – Ability to attract and retain the right talent may lead to your Company's inability to achieve organization's goals.	• Your Company has put in place Succession Planning framework mapping career development and progression opportunities for suitable employees and thereby ensuring talent retention
Liquidity Risk- is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset	• Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans
Credit Risk- Credit risk represents the risk of a loss if the counterparties fail to perform as contracted.	• The risk is mitigated by applying individual credit limits and by securing the majority of trade debts against bank guarantees and inland letter of credit. The credit risk arising on account of acceptance of these bank guarantees is managed by ensuring that the bank guarantees are issued by banks of reasonably high credit ratings as approved by the Board of Directors.
Price Risk- with new entrants in the market, there is a likelihood of price competition which might squeeze margins.	• The Company is constantly sourcing competitive suppliers, improving its technology, efficiency and productivity. Also, since WAVES has in-house capability to develop products with fast turnaround time,

	that by itself obviates possibilities of competition affecting WAVES.
Competitive Risk- Increasing entrants making their way into the plastic industry.	• WAVES's diversified product line and unique dealer plus retail sale structure and technical expertise makes it adequately prepared to face these challenges.
Regulatory Risk- Imposition/enhancement of duties, taxes, levies and other conditions may adversely affect the operations.	• New levies go across the board, so we stay competitive

ENVIRONMENT, HEALTH & SAFETY

We are committed to achieve excellence in health, safety, and the environment across our business. We prioritize the safety of our employees and work hard to provide a positive environment, good health, and safety culture, particularly at our manufacturing facilities while vigilantly fulfilling our environmental duties and responsibilities. Our company gives importance to the occupational safety and health of our workers. We maintain a safe working environment and takes responsibility for the health and wellbeing of our staff and stakeholders. The Company actively trains all employees to ensure their safety at both the workplace and beyond. Besides, our manufacturing, distribution, and retail operations have developed SOPs that seek to reduce the risk of accidents.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

We believe in collective effort and therefore, have created a strong organizational culture that extends benefits to all employees and stakeholders. We embrace social responsibility as one of our core values and it is shared by every member of the group. Sustainable and responsible development is not only binding by local laws on corporate entities, but it is more about moral obligation which needs to be followed and practiced with the best spirit.

We strongly believe that improving its environmental and social performance is inevitable for its financial success. The Company always emphasizes a culture of excellence, good governance, transparency, integrity, and accountability. WAVES has been consistently running the following diverse CSR initiatives each fulfilling in achieving our goals towards our CSR vision.

INVESTMENT IN HUMAN CAPITAL

At Waves Corporation, we believe in attracting the best talent in the marketplace and giving them the skills and opportunities, they need to become high-achievers.

Human Assets

The Company treats its people as its most important asset. We are always on the lookout to recruit, train and promote the best human resource talent available. Besides attractive remuneration packages, our corporate culture is designed to boost employee performance. Our succession planning framework proactively guides our recruitment and promotion activities.

Learning & Organizational Development

Our workforce regularly undergoes training in their respective functional areas. The Singer Retail Academy is instrumental in taking the employees through a comprehensive workforce training calendar. We also conduct workshops to make our employees aware of new developments in the field to remain abreast of the changing market landscape.

Adequacy of Internal Financial Controls

The internal control framework has been effectively implemented through an in-house Internal Audit function established by the Board which is independent of the External Audit function. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy. The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company, and the shareholders' wealth at all levels within the Company. The Internal Audit function has carried out its duties under the charter defined by the Audit Committee. The Audit Committee has reviewed material Internal Audit findings, took appropriate action or brought the matters to the Board's attention where required. Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

BEST PRACTICS OF CORPORATE GOVERNANCE

Our Code of Conduct lists Ethics as one of our core values, therefore Waves Corporation Limited has a zero-tolerance policy towards any form of discrimination and harassment. Similarly, honesty and open communication is also expected on the reporting front, we care how we get results. We believe it is essential for everyone associated with Waves Corporation Limited to embrace this culture and live by the highest standards of integrity and accountability. The Board of directors adopted the Code of Conduct for Directors and employees and the same has been circulated to board members and employees in terms of requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019. The code of conduct is also placed on the Company's website.

Directors' Statement

As required by the Code, we, the Directors of the Company, are pleased to state that:

a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity;
b) Proper books of account have been maintained by the Company;
c) Appropriate accounting policies have been consistently applied in the preparation of financial statements;
d) The accounting estimates are based on reasonable and prudent judgment;
e) International Accounting Standards (IAS) and IFRS, as applicable in Pakistan, have been followed in the preparation of financial statements;
f) The system of internal control is sound in design and has been effectively implemented and monitored;
g) There are no significant doubts upon the Company's ability to continue as a going concern; and
h) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations except to the extent mentioned in this Annual Report.

Statement of Compliance

The Company adheres to the best practices of governance. The Company has issued a "Statement of Compliance with the Code of Corporate Governance" as stipulated in listed Companies (Code of Corporate Governance) Regulations 2019, which has also been reviewed and certified by the Auditors of the Company.

Meetings and Activities during the Financial Year

During the year, four (4) meetings of the Board of Directors were held, which were presided over by the Chairman. The Chief Financial Officer and Company Secretary also attended the meetings to the extent required.

Board of Directors

No	Name of Director	Status	Meetings Attended
1	Mr. Haroon Ahmad Khan	CEO / Director	4
2	Mr. Moazzam Ahmad Khan	Non-Executive Director	4
3	Mrs. Nighat Haroon Khan	Non-Executive Director	4
4	Mr. Hamza Ahmad Khan	Executive Director	4
5	Mr. Tajammal Hussain Bokharee	Independent	4
6	Mr. Khalid Azim	Non-Executive Director	4
7	Mr. Zafar Hussain	Independent	4

Note: During the year on 11 August 2023, election of directors was held and the Board was re-appointed for a term of 3 years. Accordingly, the Audit Committee and the Human Resource Committees were also reconstitution.

Audit Committee

An Audit Committee of the Board has been in existence since the enforcement of the Code of Corporate Governance. It comprises of three (3) members.

The Chairman is an Independent Director. Other members include two (2) Non-Executive Directors. Four (4) meetings of the Audit Committee were held during the year. Attendance of each Member is given hereunder: –

No.	Name of the Director	Status	Meetings Attended
1	Mr. Tajammal Hussain Bokharee	Independent Director	4
2	Mrs. Nighat Haroon Khan	Non-Executive Director	4
3	Mr. Moazzam Ahmad Khan	Non-Executive Director	4

The Audit Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Human Resource and Remuneration Committee

The Human Resource & Remuneration Committee comprises of Four (4) members out of which one (1) member is independent and there are one (1) Executive Directors and two (2) Non-Executive Directors. One meeting of the Human Resource and Remuneration Committee was held during the year. Attendance of each Member is given hereunder –

No.	Name of the Director	Designation	Attended
1	Mr. Muhammad Zafar Hussain	Chairman/Independent	1
2	Mr. Moazzam Ahmad Khan	Non-Executive Director	1
3	Mr. Khalid Azeem	Non-Executive Director	1
4	Mr. Haroon Ahmad Khan	Executive Director	1

The Human Resource and Remuneration Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019

Evaluation of the Board's Performance and Directors' Training Program

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019, a formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board, and of its committees against pre-determined operational and strategic goals. Effective boards make sound collective decisions to meet the company's strategic objectives and provide oversight and support on key matters to management for optimal operational performance. A well-conducted evaluation helps the board and its committees to perform to their maximum capabilities, crucial for the continuing success and growth in the long-term sustainable value of the Company.

Notice of Annual General Meeting

The notice of Annual General Meeting is also attached to this Report.

Pattern of Shareholding

The total number of the Company's shareholders as of 31 December 2023 were 6,980 in numbers. The pattern of Shareholding of the Company as of 31 December 2023, along with a pattern of shareholding of certain classes of shareholders whose disclosure is required under the reporting framework as well as the statement of purchase and sale of shares by Directors, executives, and their spouses including minor children (if any) during financial year 2023 is given in the report.

Election of Directors

The existing Board of Directors were elected on 11 August 2023 comprising of seven (7) Directors including one (1) Female non-executive Director, two (2) Independent Directors, one of them is Chairman of the Board also, two (2) non-executive Directors and two (2) executive Directors including Chief Executive Director. Detailed composition as per the Listed Companies (Code of Corporate Governance) Regulations, 2019, is given in "Statement of Compliance" annexed to the Annual Report. These Directors were re-appointed during the year.

Directors' Remuneration

The Board of Directors has duly approved the policy and procedure for remuneration of the Directors for attendance of Board and Committee meetings in compliance with the requirements of the Company's Article of Association, Companies Act, 2017 and the listed companies (Code of Corporate Governance) Regulations, 2019. The remuneration is determined by the level of responsibility and expertise, to attract and retain the best talent while ensuring that their independence is not compromised in any manner. Its main features include that Independent Directors are entitled to meeting fees as remuneration for attending meetings of the Board of Directors and other committees of the Board. Details of the remuneration paid to Directors during the year is given in relevant Note of the Financial Statements.

Investor Relations & Website

We want our investors, shareholders, and customers to be well informed about us and our operations so we can continue to build lasting and mutually beneficial relationships. We are determined to service our Shareholders and Stakeholders by delivering material information as soon as the same are available for circulation. As a practice, we will regularly publish all material communiqués on the official website of the company (www.waves.net.pk) such as the Company's financial, operational performance, a pattern of shareholding, material disclosures, and any other information deemed essential for the investors.

Our investor complaint section also covers detail of the person to contact in case of investor grievances so that your concerns may be duly addressed.

EXTERNAL AUDITORS

The Audit Committee has recommended the reappointment of M/s. Rizwan & Co., Chartered Accountants, Lahore, an independent member of DFK International, as Statutory Auditors of the Company for the year ending 31 December 2023, at a fee to be mutually agreed upon. The Board has endorsed this recommendation.

ACKNOWLEDGEMENTS

We would like to thank all our stakeholders, especially our valued customers, suppliers, business partners, financial institutions, regulators, who have positioned their trust in us. The Company's accomplishments and present standing could not have been possible without the unswerving commitment, hard work, immense support, and efforts of our management team and other employees who deserve a full compliment. We are confident that the team will continue to grow and constantly deliver on the expectations of all stakeholders. The Board would also like to place its appreciation for the Securities & Exchange Commission of Pakistan, State Bank of Pakistan, and the management of the Pakistan Stock Exchange for their continued support and cooperation. We would also like to extend our sincerest gratitude to our shareholders for the confidence and trust they have reposed in us and for their unwavering support.
For and on behalf of the Board:

For and on behalf of the Board:

Haroon Ahmad Khan
Chief Executive Officer
Lahore

Moazzam Ahmad Khan
Director

4. CORPORATE VALUE STATEMENTS

4.1 Corporate Values

Vision & Mission

Vision Statement

- To be an innovative company that is driven by modern ideas, committed to constantly strive for surpassing customer expectations in Quality and Value for Money and to be a leading company engaged in home appliances and light engineering business in Pakistan.

Mission Statement

- To inspire the Customers and Consumer with our innovative products & designs through R&D, improve the standard of life by offering high-quality products and services at affordable prices and create and reshape the Future.

Core Values

Code of Conduct

WAVESAPP has committed itself to conduct its business in an honest, ethical and legal manner. The Company wants to be seen as a role model in the community by its conduct and business practices. All this depends on the Company's personnel, as they are the ones who are at the forefront of Company's affairs with the outside world.

This statement in general is in accordance with Company goals and principles that must be interpreted and applied within the framework of laws and customs in which the Company operates. This code will be obligatory for each director and employee to adhere to. Waves Group endeavors for implementation of similar code in other companies that it controls.

RESPECT, HONESTY AND INTEGRITY

Directors and employees are expected to exercise honesty, objectivity and due diligence in the performance of their duties and responsibilities. They are also directed to perform their work with due professionalism.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Company is committed to comply and take all reasonable actions for compliance with all applicable laws, rules and regulations of state or local jurisdiction in which the Company conducts business. Every director and employee, no matter what position he or she holds, is responsible for ensuring compliance with applicable laws.

FULL AND FAIR DISCLOSURE

Directors and employees are expected to help the Company in making full, fair, accurate, timely and understandable disclosure, in compliance with all applicable laws and regulations, in all reports and documents that the Company files with, furnishes to or otherwise submits to, any governmental authorities in the applicable jurisdiction and in all other public communications made by the Company. Employees or directors who have complaints or concerns regarding accounting, financial reporting, internal accounting control or auditing matters are expected to report such complaints or concerns in accordance with the procedures established by the Company's Board of Directors.

PREVENT CONFLICT OF INTEREST

Directors and employees, irrespective of their function, grade or standing, must avoid conflict of interest situations between their direct or indirect (including members of immediate family) personal interests and the interest of the Company. Employees must notify their direct supervisor of any actual or potential conflict of interest situation and obtain a written ruling as to their individual case. In case of directors, such ruling can only be given by the Board and will be disclosed to the shareholders.

TRADING IN COMPANY SHARES

Trading by directors and employees in the Company shares is possible only in accordance with the more detailed guidelines issued from time to time by corporate management in accordance with applicable laws. This also includes shares of the companies that are directly/indirectly controlled by the Company.

INSIDE INFORMATION

Directors and employees may become aware of information about Company that has not been made public. The use of such non-public or “inside” Directors and employees becoming aware of information which might be price sensitive with respect to the Company’s shares have to make sure that such information is treated strictly confidential and not disclosed to any colleagues or to third parties other than on a strict need-to know basis. Potentially price sensitive information pertaining to shares must be brought promptly to the attention of the Management, who will deliberate on the need for public disclosure. Only the Management will decide on such disclosure. In case of doubt, seek contact with the Company Secretary and/or the Chief Financial Officer.

MEDIA RELATIONS AND DISCLOSURES

To protect commercially sensitive information, financial details released to the media should never exceed the level of detail provided in Quarterly and Annual Reports or official statements issued at the presentation of these figures. As regards topics such as financial performance, acquisitions, divestments, joint ventures and major investments, no information should be released to the press without prior consultation with the Management. Employees should not make statements that might make third parties capable of “insider trading” on the stock market.

COMPETITION AND FAIR DEALING

The Company seeks to outperform its competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent or inducing such disclosures by past or present employees of other companies is prohibited. Each director and employee are expected to deal fairly with Company’s customers, suppliers, competitors and other employees. No one is to take unfair advantage of anyone through manipulation, abuse of privileged information or any other unfair practice.

The Company is committed to selling its products and services honestly and will not pursue any activity that requires to act unlawfully or in violation of this Code. Bribes, kickbacks and other improper payments shall not be made on behalf of the Company in connection with any of its businesses. However, tip, gratuity or hospitality may be offered if such act is customary and is not illegal under applicable law. Any commission payment should be justified by a clear and traceable service rendered to the Company. The remuneration of agents, distributors and commissioners cannot exceed normal business rates and practices. All such expenses should be reported and recorded in the Company’s books of accounts.

EQUAL EMPLOYMENT OPPORTUNITY

The Company believes in providing equal opportunity to everyone around. The Company laws in this regard have to be complied with and no discrimination upon race, religion, age, national origin, gender or disability is acceptable. No harassment or discrimination of any kind will be tolerated; directors and employees need to adhere standards with regard to child labor and forced labor.

WORK ENVIRONMENT

All employees are to be treated with respect. The Company is highly committed to providing its employees and directors with a safe, healthy and open work environment, free from harassment, intimidation or personal behavior not conducive to a productive work climate. In response the Company expects consummate employee allegiance to the Company and due diligence in his job.

The Company also encourages constructive reasonable criticism by the employees of the management and its policies. Such an atmosphere can only be encouraged in an environment free from any prospects of retaliation due to the expression of honest opinion.

PROTECT HEALTH, SAFETY AND SECURITY

The Company intends to provide each director and employee with a safe work environment and comply with all applicable health and safety laws. Employees and directors should avoid violence and threatening behavior and report to work in fair condition to perform their duties.

RECORD KEEPING

The Company is committed to compliance with all applicable laws and regulations that require the Company to maintain proper records and accounts which accurately and fairly reflect the Company's transactions. It is essential that all transactions be recorded and described truthfully, timely and accurately on the Company's books.

No false, artificial or misleading transactions or entries shall be reflected or made in the books or records of the Company for any reason. Records must always be retained or destroyed according to the Company's record retention policies.

PROTECTION OF PRIVACY AND CONFIDENTIALITY

All directors and employees, both during and after their employment, must respect the exclusivity and trade secrets of the Company, its customers, suppliers and other colleagues and may not disclose any such information unless the individual or firm owning the information properly authorizes the release or disclosure.

All the Company's assets (processes, data, designs, etc.) are considered as certified information of the Company. Any disclosure will be considered as grounds, not only for termination of services/employment, but also for criminal prosecution, legal action or other legal remedies available during or after employment with the Company to recover the damages and losses sustained.

PROTECTION & PROPER USE OF COMPANY ASSETS / DATA

Each director and employee are expected to be the guardian of the Company's assets and should ensure its efficient use. Theft, carelessness and waste have a direct and negative impact on the Company's profitability. All the Company assets should be used for legitimate business purposes only. The use, directly or indirectly, of Company funds for political contributions to any organization or to any candidate for public office is strictly prohibited. Corporate funds and assets will be utilized solely for lawful and proper purposes in line with the Company's objectives.

GIFT RECEIVING

Directors and employees will not accept gifts or favors from existing or potential customers, vendors or anyone doing or seeking to do business with the Company. However, this does not preclude giving or receiving gifts or entertainment, which are customary and proper in the circumstances, provided that no obligation could be or be perceived to be, expected in connection with the gifts or entertainment.

COMMUNICATION

All communications, whether internal or external, should be accurate, forthright and where ever required, confidential. The Company is committed to conduct business in an open and honest manner and provide open communication channels that encourage candid dialogue relative to employee concerns.

The Company strongly believes in a clean desk policy and expects its employees to adhere to it not only for neatness but also security purposes.

EMPLOYEE RETENTION

High quality employee's attraction and retention is very important. The Company will offer competitive packages to the deserving candidates. The Company strongly believes in personnel development and employee training programs are arranged regularly.

INTERNET USE / INFORMATION TECHNOLOGY

As a general rule, all Information Technology related resources and facilities are provided only for internal use and/or business-related matters. Information Technology facilities which have been provided to employees should never be used for personal gain or profit, should not be misused during work time and remain the property of the Company.

Disclosure or dissemination of confidential or proprietary information regarding the Company, its products or its customers outside the official communication structures is strictly prohibited.

COMPLIANCE WITH BUSINESS TRAVEL POLICIES

The safety of employees while on a business trip is of vital importance to the Company. The Company encourages the traveler and his/her supervisor to exercise good judgment when determining whether travel to a high-risk area is necessary and is for the Company's business purposes.

It is not permitted to combine business trips with a vacation or to take along spouse, relative or friend without the prior written authorization from Management.

COMPLIANCE

It is the responsibility of each director and employee to comply with this code. Failure to do so will result in appropriate disciplinary action, including possible warning issuance, suspension and termination of employment, legal action and reimbursement to the Company for any losses or damages resulting from such violation.

Compliance also includes the responsibility to promptly report any apparent violation of the provisions of this code. Any person meeting with difficulties in the application of this code should refer to the Management.

4.2 Corporate Objectives & Strategies

Objectives	Strategies
Enhance shareholders' Returns	To manage business in an efficient manner with a constant focus on the topline and bottom-line performance of the Company
Become Price-Competitive	Improve production efficiency through both technological upgrades and optimal resource utilization
Broaden the Product Portfolio	Enter into strategic trading relationships with global brands to improve standing in segments where product standing is weak
Exceed Customer Expectations	Invest in customer-centric initiatives to improve geographical touch-points and after-sales services
Create a Pro-Growth, Learning Organization	Promote employee training & development and ethical business
Knowledge Management	Promote tacit and explicit knowledge within the Group to effectively create, gather, store and re-use knowledge as an asset for ultimate Group benefits

5. HISTORY OF WAVES

5.1 Brief History and Holding Company

Waves Home Appliances Limited, formerly Samin Textiles Limited (WAVESAPP or the Company) is listed on Pakistan Stock Exchange Limited (PSX). The principal line of business was trading, import and export of textile products. Consequent to the approval of the Scheme of Arrangement (the Scheme) by and between the Company and Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVES) home appliances business of WAVES was acquired with effect from 31 August 2021 by the Company, under the sanction order of the honorable Lahore High Court, Lahore on 27 May 2022). As per the Scheme the Company shall be a subsidiary company of WAVES.

Waves Corporation (WAVES or Holding company) history has its legacy from the Singer's brand where Singer's history dates back to 1850, when Isaac Merritt Singer manufactured the first ever sewing machine in Boston, USA. I. M Singer & Company was duly incorporated during the same year. The name changed to Singer Manufacturing Company during 1853 when the factory of the Company was also relocated to New York, USA. Singer established its presence in the Indian sub-continent during 1877. Over the years, and after the independence of Pakistan, Singer continued its business of sewing machines in the country, but also started dealing in domestic consumer appliances, besides manufacturing and assembling light engineering products. In 1985, Singer became a public listed company. Later with global restructuring of Singer, the local Singer company was sold out to professional team having expertise in home appliances and light engineering businesses. Under Singer brand the Holding company manufactured variety of consumer appliances including refrigerators, air conditioners, LED TVs, washing machines, microwave ovens, in addition to its more traditional offerings of sewing machines, water heaters and gas ovens etc. In addition, it had an extensive retail network in Pakistan that covered mostly small towns and metropolitan cities of the country.

Later the Holding company acquired WAVES brand through a merger sanctioned by the honorable high court, wherein Cool Industries (Private) Limited (owner of Waves brand) and Link Well (Private) Limited were merged with and into the Company and the name of the Company was changed from Singer Pakistan Limited to Waves Singer Pakistan Limited. With the growth in business, the management of Holding Company felt prudent to demerge home appliances business into a separate entity Waves Home Appliances Limited, formerly Samin Textiles Limited (WAVESAPP), while retaining the real estate development business and retail shop network for consumer appliances and other consumer goods.

The Holding company was in discussion with Singer International since year 2021 in respect of relinquishment of Singer brand. During the first quarter of year 2022, the deal with the Singer International was not conclusive. Efforts are still in pipeline for re-negotiation of royalty to Singer International. However, in order to avoid legal complication, the Holding company halted the use of Singer brand and its related production. Accordingly, the name of the Holding company was also changed to exclude the word "Singer" from the name of the Company.

WAVES brand of consumer appliances was established by Cool Industries (Private) Limited in 1971 by a family of entrepreneurs from Lahore. Within a span of four decades, the Company became a household brand in the country. The history of the company is filled with many milestones. Back in 1976, it started the production of refrigerators. By 2002, the company had become the sole producer of Split Air Conditioners in

Pakistan. The company started producing Microwaves in 2003, under an agreement with GALANZ, a Chinese company. The product take-off was impressive, thanks to product durability. The production of Washing Machines started in 2004, when Waves pioneered single-tub and double-tub washing machines in this market. The company continued its growth path until 2015, when a tough competitive landscape and succession issues within the sponsors family created many bottlenecks in the smooth operations of the company. Subsequently, WAVES was acquired by the sponsors of Waves Corporation Limited (formerly Waves Singer Pakistan Limited).

The Holding company has two other subsidiary companies i.e., Electronic Marketing Company Limited which is a pioneer retail of retail sales offering cash and installment sales to our treasured customers to shop with convenience at our 141 nationwide spread outlets in rural and urban areas of Pakistan; and Waves Builders and Developers (Private) Limited, which is formed to undertake real estate projects.

Restructuring of the Company

During the year, effective from 01 September 2021 Waves Home Appliances Limited (WAVESAPP or the Company) and Waves Corporation Pakistan Limited, formerly Waves Singer Pakistan Limited (WAVES) completed a Scheme of Arrangement as follows:

1. Carving out / separation of home appliances business from WAVES by transferring certain assets, liabilities, obligations, contracts and undertakings and amalgamating the same with and into WAVESAPP as of the effective date 01 September 2021 against allotment and issue of WAVESAPP shares to WAVES and its shareholders.

2. The Honorable Lahore High Court (the Court) through its Order dated 27 May 2022 which was issued on 22 June 2022, has approved the Scheme of Arrangement as proposed and granted sanction order for the carving out of home appliances business from the WAVES and amalgamation of the same into the subsidiary WAVESAPP.

As consideration for the transfer of the home appliances business, WAVESAPP shall issue a total of 256,006,196 shares as follows:

1. 199,724,956 shares shall be issued and allotted to WAVES.

2. Remaining 56,281,240 shares of WAVESAPP shall to be issued and allotted to shareholders of the WAVES in the ratio of 20 shares for every 100 shares of the WAVES.

3. Rs. 2 billion in cash is payable to the WAVES by WAVESAPP; no additional compensation shall be applicable against this amount if the said amount is settled by the WAVESAPP within 2 years of sanction of this scheme. However, if the said amount is still wholly or partially outstanding at the end of 2 years of the sanction of scheme, then a profit/mark-up shall be payable on outstanding amount on a quarterly basis in arrears at such profit/mark-up rate as determined by the Board(s) of Directors of each of the Company at the relevant time, provided such profit/mark-up rate shall not be less than the rate prescribed under applicable laws

As part of the arrangement hereunder, subsequent to the Scheme completion date, but prior to the issuance/allotment of WAVESAPP Shares to WAVES and its shareholders, share capital of WAVESAPP is consolidated from every 225 shares to 100 shares i.e., total paid up capital from 26,728,000 to 11,879,111 shares. The WAVES Group expects several benefits after this scheme of arrangement including the synergies of operations, allowing them to become leading suppliers / service providers, resulting in greater revenue. Furthermore, by separating the business segments (as contemplated in this Scheme), the individual companies shall have unique identities and a more focused business and customer base. At the same time, as a consequence of the arrangement, WAVESAPP has become a subsidiary of the Company and this will allow the management of each Company to focus on the business segment, resulting in better performance of the same. Further, this will enable WAVES to oversee, supervise and control the business / direction of WAVESAPP, while the management of WAVESAPP can operate and manage the business of WAVESAPP on a regular / day-to-day basis.

The shares have been issued to WAVES and the shareholders of WAVES.

Subsequent to the period end and pursuant to the Scheme, the previous Board of Directors of the Company resigned and new Board was appointed by the Company which took effective charge on 02 August 2022. The new Board is in the process of reviewing and updating the systems, procedures and other corporate formalities in the best interest of the Company.

Holding Company

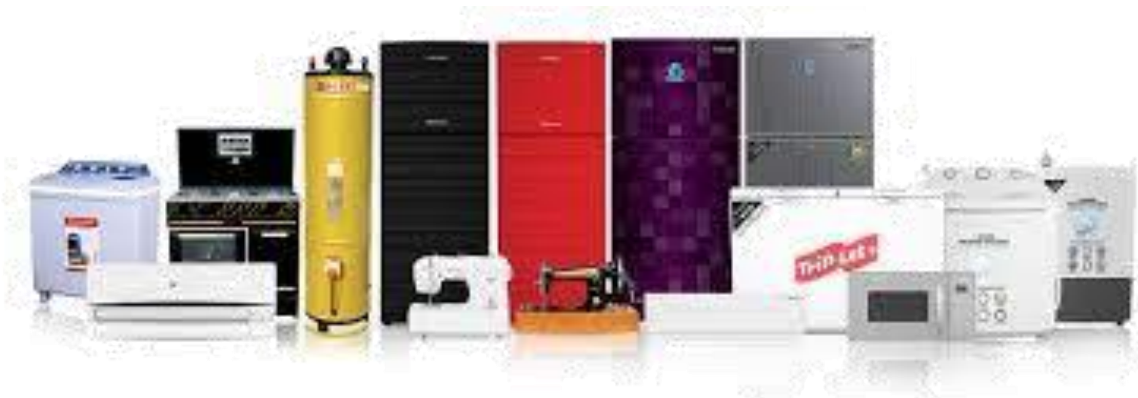
Pursuant to the Scheme, Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVE) has now become a holding company of WAVESAPP. Currently the new shares issuance pursuant to the Scheme are in process of issuance for which necessary notices of book closures has already been issued by WAVES.

The registered office of WAVES is located at 9-KM Multan Road, Lahore. The registered office of the Company is being shifted to the Registered Office of the Holding Company.

6. WAVES PRODUCTS

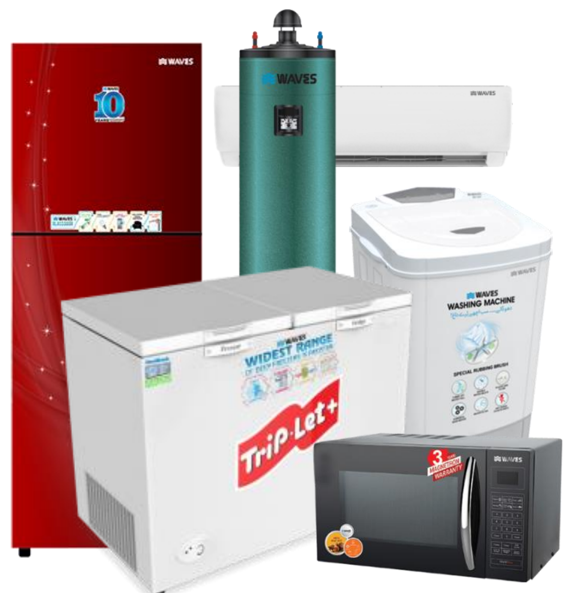
6.1 Products

Waves Branded Product Range



Waves Brand

- Deep Freezers
- Visi Coolers
- Refrigerators
- Air Conditioners
- Washing Machines
- Microwaves
- Water Dispensers
- Water Heaters
- Instant Geysers
- Cooking Ranges

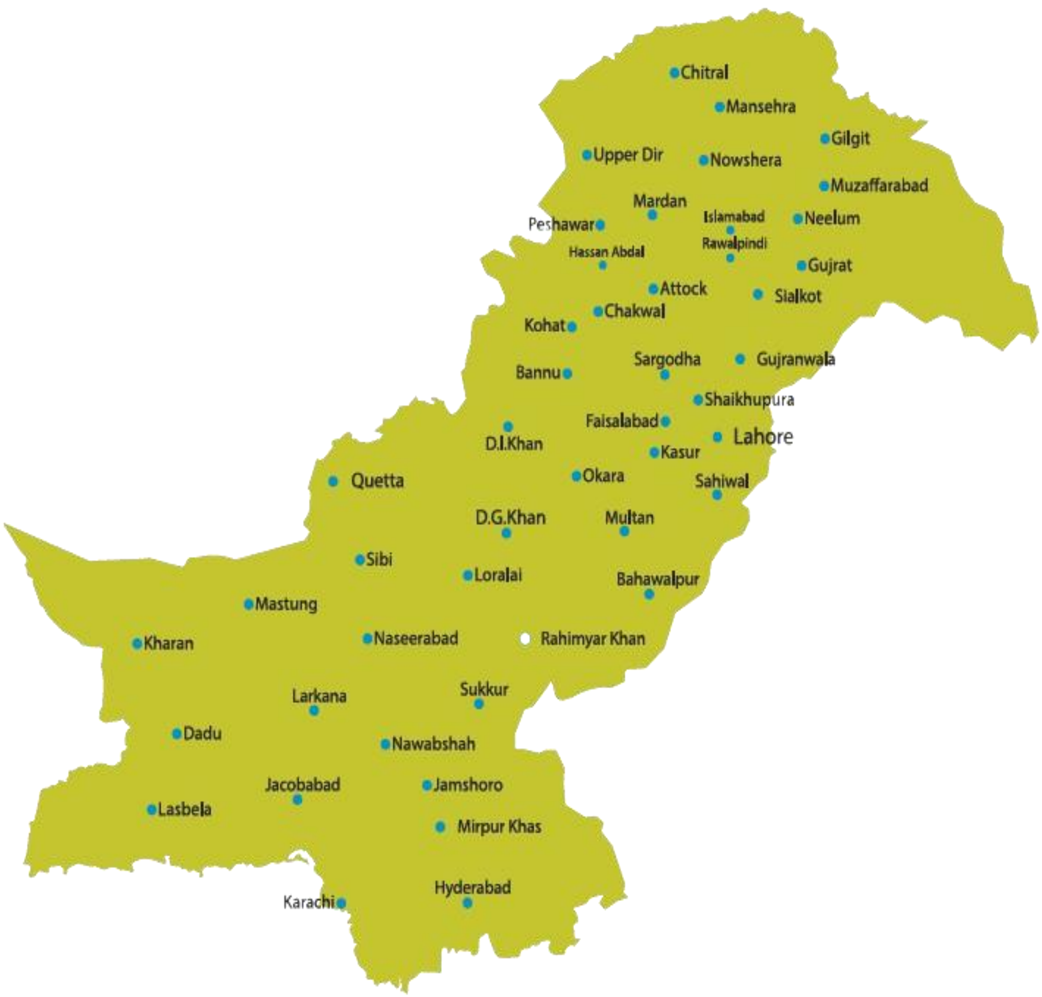


6.2 Quality Management

Waves standardized manufacturing processes and rigorous quality control management procedures are followed to achieve consistency in product performance and enhance customer satisfaction. The Company recognizes the importance of Quality Management System as an integrated function; combined with Innovation, Research & Development and Information Technology. The Company complies with the International Standard ISO 9001:2015 accredited by IAF & UKAS.

The Company has developed extensive In-house Quality Checks and Controls to assure complete risk coverage from the Designing to the Customer usage. The controls encompass the processes of Design & Development, Material Ordering & Receiving, Initial Material Inspection, Manufacturing and Product Testing to End User.

6.3 Geographical Presence & Distribution



7. OTHER INFORMATION

7.1 Pattern of Shareholding

THE COMPANIES ACT, 2017
Form 34
Section 227(2)(f)
PATTERN OF SHAREHOLDING

1.1 Name of the Company: Waves Corporation Limited
2.1 Pattern of holding of shares held by the shareholders as at: **31 December 2023**

2.2 No. of Shareholders	------Shareholdings------ From	To	Total Shares Held
457	1	100	11,055
876	101	500	358,391
939	501	1,000	881,412
2300	1,001	5,000	6,594,812
878	5,001	10,000	7,106,049
353	10,001	15,000	4,576,779
251	15,001	20,000	4,670,758
179	20,001	25,000	4,233,524
113	25,001	30,000	3,238,656
76	30,001	35,000	2,521,909
63	35,001	40,000	2,439,150
39	40,001	45,000	1,680,775
79	45,001	50,000	3,910,706
24	50,001	55,000	1,254,339
31	55,001	60,000	1,819,670
24	60,001	65,000	1,517,395
15	65,001	70,000	1,022,500
21	70,001	75,000	1,546,237
13	75,001	80,000	1,020,000
7	80,001	85,000	581,250
8	85,001	90,000	702,000
4	90,001	95,000	372,700
36	95,001	100,000	3,586,062
12	100,001	105,000	1,240,299
6	105,001	110,000	654,500
2	110,001	115,000	224,500
9	115,001	120,000	1,070,882
9	120,001	125,000	1,110,664
6	125,001	130,000	766,367
2	130,001	135,000	261,500
4	135,001	140,000	552,500
5	140,001	145,000	709,817
7	145,001	150,000	1,050,000
2	150,001	155,000	302,500

3	155,001	160,000	470,000
5	160,001	165,000	817,500
2	165,001	170,000	336,500
2	170,001	175,000	348,500
2	175,001	180,000	360,000
2	180,001	185,000	370,000
3	185,001	190,000	565,500
1	190,001	195,000	192,000
8	195,001	200,000	1,595,862
3	200,001	205,000	609,000
1	210,001	215,000	211,500
2	215,001	220,000	433,750
4	220,001	225,000	900,000
2	235,001	240,000	475,500
1	240,001	245,000	244,134
3	245,001	250,000	745,100
1	250,001	255,000	253,000
1	260,001	265,000	263,000
1	265,001	270,000	265,500
1	270,001	275,000	273,000
1	275,001	280,000	280,000
1	280,001	285,000	285,000
2	285,001	290,000	576,000
9	295,001	300,000	2,697,000
1	300,001	305,000	300,697
2	325,001	330,000	656,000
1	335,001	340,000	337,000
1	340,001	345,000	341,500
1	360,001	365,000	362,500
1	370,001	375,000	375,000
4	395,001	400,000	1,598,000
2	400,001	405,000	808,000
1	415,001	420,000	415,418
2	420,001	425,000	845,000
1	425,001	430,000	427,500
1	430,001	435,000	434,500
2	440,001	445,000	885,750
1	445,001	450,000	450,000
1	460,001	465,000	460,000
1	470,001	475,000	472,830
2	480,001	485,000	968,000
1	490,001	495,000	493,512
1	495,001	500,000	500,000
1	530,001	535,000	532,000
1	535,001	540,000	539,327
1	550,001	555,000	553,500
1	560,001	565,000	562,500
2	595,001	600,000	1,195,500
1	620,001	625,000	624,000
1	645,001	650,000	647,694
2	695,001	700,000	1,400,000

1	780,001	785,000	782,000
1	820,001	825,000	822,005
1	880,001	885,000	882,500
1	970,001	975,000	975,000
2	995,001	1,000,000	2,000,000
1	1,000,001	1,005,000	1,001,012
1	1,095,001	1,100,000	1,100,000
1	1,115,001	1,120,000	1,120,000
1	1,195,001	1,200,000	1,198,500
1	1,295,001	1,300,000	1,300,000
1	1,320,001	1,325,000	1,322,500
1	1,400,001	1,405,000	1,405,000
1	1,580,001	1,585,000	1,584,000
1	1,610,001	1,615,000	1,613,000
1	1,690,001	1,695,000	1,690,361
1	1,710,001	1,715,000	1,711,657
1	1,730,001	1,735,000	1,735,000
1	1,795,001	1,800,000	1,799,803
1	2,175,001	2,180,000	2,177,500
1	2,180,001	2,185,000	2,183,000
1	2,390,001	2,395,000	2,391,657
1	2,795,001	2,800,000	2,800,000
1	3,085,001	3,090,000	3,090,000
1	3,170,001	3,175,000	3,173,190
1	3,255,001	3,620,000	3,258,315
1	3,790,001	3,795,000	3,792,159
1	7,510,001	7,515,000	7,511,024
1	4,180,001	4,185,000	4,181,500
1	20,620,001	20,625,000	20,621,387
1	40,245,001	40,250,000	40,250,000
1	67,590,001	67,595,000	67,590,286
6,980			**281,406,088**

WAVES CORPORATION LIMTIED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As at 31 December 2023

2.3 Categories of Shareholders		Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children		136,220,911	48.4072%
2.3.2 Associated Companies, undertakings and related parties. (Holding Company)		0	0%
2.3.3 NIT and ICP		52	0.0000%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.		1,130,000	0.4016%
2.3.5 Insurance Companies		80,000	0.0284%
2.3.6 Modarabas and Mutual Funds		777,250	0.2762%
2.3.7 Shareholders holding 10% or more		107,840,286	38.3219%
2.3.8 General Public			
	a. Local	132,105,703	46.9449%
	b. Foreign	135,000	0.0480%
2.3.9 Others (to be specified)			
- Investment Companies		484,500	0.1722%
- Joint Stock Companies		10,212,045	3.6289%
– Others Companies *		260,627	0.0926%

	Shareholders holding more than 5% of the capital	Shares	%age
1	Mr. Haroon Ahmad Khan	107,840,286	38.3219%
2	Mrs. Nighat Haroon Khan	28,132,411	9.9971%

WAVES CORPORATION LIMTIED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As at 31 December 2023

S. No.	NAME	Shares	% AGE
A	**Directors, CEO, their Spouse and Minor Children**		
1	Mr. Haroon Ahmad Khan	107,840,286	38.3219
2	Mr. Moazzam Ahmad Khan	1,825	0.0006
3	Mrs. Nighat Haroon Khan	28,132,411	9.9971
4	Mr. Hamza Ahmad Khan	244,134	0.0868
5	Mr. Tajammal Hussain Bokharee	500	0.0002
6	Mr. Khalid Azeem	50	0.0000
7	Mr. Muhammad Zafar Hussain	1,705	0.0006
	Sub-Total	136,220,911	48.4072
B	**Associated Companies**	0	0.0000
C	**Executives**	5,000	0.0018
D	**NIT & ICP**	52	0.0000
E	**Financial Institutions**	1,130,000	0.4016
F	**Insurance Companies**	80,000	0.0284
G	**Pension Funds**		
H	**Investment Companies**	484,500	0.1722
I	**Modaraba and Mutual Funds**	777,250	0.2762
J	**Joint Stock Companies**	10,212,045	3.6298
K	**Other Companies**	260,627	0.0926
L	**General Public**	132,235,703	46.9928
	Sub-Total	145,185,177	51.5928
	Total	**281,406,088**	**100**

	Shareholders holding more than 5% of the capital		
1	Mr. Haroon Ahmad Khan	107,840,286	38.2319
2	Mrs. Nighat Haroon Khan	28,132,411	9.9970
	Total		

Waves Corporation Limited (WAVES)

WAVES CORPORATION LIMTIED
All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their Spouses and minor children during FY 2023

No.	Name	Designation	Opening	Purchase	Sale	Closing
1	Mr. Haroon Ahmad Khan	CEO	107,840,286	-	-	107,840,286
2	Mr. Moazzam Ahmad Khan	Director	1,825	-	-	1,825
3	Mrs. Nighat Haroon Khan	Director	28,132,411	-	-	28,132,411
4	Mr. Hamza Ahmad Khan	Director	244,134	-	-	244,134
5	Mr. Tajammal Hussain Bokharee	Director	500	-	-	500
6	Mr. Khalid Azeem	Director	-	50	-	50
7	Mr. Muhammad Zafar Hussain	Director	1,705	-	-	1,705
8	Mr. Arslan Shahid	CFO	5,000	-	-	5,000
9	Mr. Ahmad Bilal Zulfiqar	CS	-	-	-	-

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8. INDEPENDENT AUDITOR REVIEW REPORT

Independent Auditor's Review Report

To the members of Waves Corporation Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Waves Corporation Limited (the Company) for the year ended December 31, 2023 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions, with the requirements of Section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2023.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Reference Paragraph	Description
9	As required under clause 19 (1)(i) of the regulations, it is encouraged that by June 30, 2022; all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it. However, out of 7 directors; only 4 have completed their Training from the approved institutions under Directors Training Program.

Rizwan & Company
Chartered Accountants
Engagement Partner: Imran Bashir

Lahore:

UDIN: CR202310140QMcKsiWJz

9. STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of the Company: Waves Corporation Limited
Year ended: 31 December 2023

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are Seven (7) as per the following:

    a. Male: Six (6)
    b. Female: One (1)

2. The composition of the Board is as follows:

Category	Number	Name
Independent Directors*	2	Mr. Muhammad Zafar Hussain Mr. Tajammal Hussain Bokharee
Non-Executive Directors (Excluding Female Director)	2	Mr. Moazzam Ahmad Khan Mr. Khalid Azeem
Executive Director	2	Mr. Haroon Ahmad Khan Mr. Hamza Ahmad Khan
Female director (Non-Executive Directors)	1	Mrs. Nighat Haroon Khan

**Best practices of corporate governance entail having an optimal number and mix of board members with adequate skills and experience. The current Board of Directors of the Company (7) adequately meets this requirement. Further, existing independent directors play an effective part within the Board and make valuable contributions. Therefore, the fraction (2.33) for independent directors has not been rounded up.*

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies including the Company.

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. Four out of seven directors have already attended the Directors' Training Program (DTP). The Company is in the process of arranging formal DTP training for remaining directors including two directors who have time to complete Directors Training Program within period of one year from the date of their appointments, i.e. February 10, 2024. However, the directors have been provided with periodic in-house training to apprise them with the changes in laws, rules and regulations along with their duties and responsibilities etc., to keep them updated.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed following committees comprising of members given below:

a) Audit Committee

Mr. Tajammal Hussain Bokharee	Member and Chairman
Mr. Moazzam Ahmad Khan	Member
Mrs. Nighat Haroon Khan	Member

b) HR and Remuneration Committee

Mr. Muhammad Zafar Hussain	Member and Chairman
Mr. Khalid Azeem	Member
Mr. Moazzam Ahmad Khan	Member
Mr. Haroon Ahmad Khan	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the committees are as follows:

Name of Committees	Meeting Frequency
Audit Committee	Quarterly
HR and Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function that is suitably staffed with qualified and experienced personnel who are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouses, parent, dependent

and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 of the regulations have been complied with.

19. Explanations for non-compliance with the requirements other than of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 are as follows:

   a) The management is taking steps to arrange training for the remaining directors under Directors Training Program. The directors have been provided with periodic in-house training to apprise them with the changes in laws, rules and regulations along with their duties and responsibilities etc., to keep them updated. The Company is committed to comply with this requirement and is planning to arrange the Directors' Training Program as per requirements of the Regulations.

On behalf of the Board of Directors

Muhammad Zafar Hussain
Chairman

Lahore

10. NOTICE OF ANNUAL GENERAL MEETING

WAVES CORPORATION LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (AGM) of the shareholders of Waves Corporation Limited (WAVES or the Company) will be held on Monday, 29 April 2024 at 12:30 p.m. at the Registered Office, 9-Km Multan Road, Lahore (Waves Factory Premises) physically as well electronically to transact the following businesses:

Ordinary Businesses

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended 31 December 2023, together with Directors' Report and Auditor's Reports thereon.

   As required under section 223(6) of the Companies Act, 2017 (the "Act"), Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link and/or QR enabled code:

   https://waves.net.pk/financial-reports/

2. To appoint Statutory Auditors of the Company for the year ending 31 December 2024 and to fix their remuneration. The Board and Audit Committee have recommended the name of M/s Rizwan and Company, Chartered Accountants, Lahore (an Independent Member Firm of DFK International) being the retiring auditors, for re-appointment as Auditors of the Company.

Special Businesses

3. To consider and if deemed fit pass the following special resolutions with or without modifications:

   "Resolved that the transactions carried out by the Company with Waves Home Appliances Limited, Waves Marketplace Limited, Waves Builders and Developers (Private) Limited and Employees' Pension/Gratuity/Provident Fund (as the case may be) as the case may be, during the financial year 31 December 2023 as given in the related party note of the Annual Audited Financial Statements of the Company for the year ended 31 December 2023, be and hereby are approved."

   "**Resolved further that** the Board of Directors of the Company is authorized to approve all related party transactions to be carried out on case-to-case basis during the financial year 31 December 2024. These transactions shall be deemed to be approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval"

4. To consider and if deemed fit pass the following special resolutions with or without modifications to extend the tenure of receivable of PKR 2.0 billion from Waves Home Appliances Limited (WAVESAPP) a subsidiary of the Company, which was approved by way of Scheme of Arrangement for demerger of home appliances business from the Company with and into WAVESAPP. The purpose of approving the resolution is subject to terms and conditions disclosed to the members in the statement under Section 134(3) of the Companies Act, 2017:

"Resolved that the consent and approval be and is hereby accorded to the Company to extend the tenure of receivable of PKR 2.0 billion from Waves Home Appliances Limited (WAVESAPP), a subsidiary of the Company, which was approved by way of Scheme of Arrangement for demerger of home appliances business from the Company to WAVESAPP, sanctioned by the honorable Lahore High Court, Lahore on 27 May 2022, on similar terms and conditions as given in the Scheme, for a period of further 02 (two) year, starting from the expiry of its existing term on 27 May 2024"

"Resolved further that the receivable of Rs. 2.0 billion shall be subject to such return which shall not be less than the borrowing cost of the Company. The Board of Directors of the Company is authorized to determine mechanism for settlement of receivable/return from WAVESAPP in a manner as it may deem appropriate taking into consideration negotiation/discussion with the Board of WAVESAPP."

"Resolved further that in case any return on receivable is outstanding at the end of a year during the extended/renewed tenure of investment, then such outstanding return shall be added in PKR 2.0 billion and the remaining markup shall be calculated on the revised amount of receivable. For this purposes approval is granted to enhance the existing amount of outstanding receivable of PKR 2.0 billion to upto PKR 3.0 billion (being the maximum limit).

"Resolved further that the Chief Executive Officer is authorized to undertake all necessary corporate and regulatory formalities which may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential in order as and when required including negotiating mechanism of settlement of the receivable/return, signing of necessary agreement/documents or any other formalities that may be required subject to approval of the Board where required. The Chief Executive Officer is also authorized to appoint any person of the Company as his/her attorney for any matter that he may deems appropriate.

By the order of the Board

Ahmad Bilal Zulfiqar
Company Secretary

08 April 2024
Lahore

Notes:

1. The share transfer Books of the Company will remain closed from 22 April 2024 to 29 April 2024 (both days inclusive). Transfers received in order at the office of our Share Registrar Corplink (Private) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore at the close of business on 21 April 2024 will be treated in time for the purposes of entitlement to the transferees.

2. A Member entitled to attend and vote at the Meeting may appoint another Member as his/her Proxy to attend, speak and vote at the Meeting on his/her behalf. Instrument appointing Proxy must be deposited at the Head Office of the Company not less than 48 hours before the time of holding the meeting. Proxy form is available at the Company's website i.e., www.waves.net.pk However, in case of electronic attendance, the relevant procedure given in the precedent paragraph may be followed.

3. CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan:

a. For attending the meeting:

i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting
ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

b. For appointment proxies:

i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC Numbers shall be mentioned on the form.
iii. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
iv. The proxy shall produce his / her original CNIC or original Passport at the time of the meeting.
v. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company

4. Shareholders are requested to notify the Company's Share Registrar if there is any change in their registered postal addresses.

5. Voting Procedure for Special Business

Concerning the special business to be transacted at the AGM, it is hereby notified that pursuant to the requirements of Companies (Postal Ballot) Regulations, 2018 (the Postal Ballot Regulations), the members will be allowed to exercise their right to vote in accordance with the conditions mentioned in the said regulations. Accordingly, the Company shall provide its members with the following options for voting:

Electronic Voting:

a. Detail of the E-Voting facility will be shared through email with those members of the Company who have valid cell numbers/e-mail addresses available in the Register of Members of the Company by the end of business on 21 April 2024 by Corplink (Private) Limited being the E-Voting service provider.

b. The identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.

c. Members shall cast vote online from 26 April 2024 9.00 a.m. till 28 April 2024 at 05:00 p.m. Voting shall close on 28 April 2024 at 05:00 p.m. Once the vote on the resolution has been casted by a Member, he/she shall not be allowed to change it subsequently.

Voting through Postal Ballot:

a. The Members may fill and sign the ballot paper, which for convenience of the members is annexed to this notice and the same is also available on the Company's website (www.waves.net.pk) for download

b. Thereafter, the members must ensure that the duly filled and signed Ballot Paper along with a copy of the Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's Registered Office, 9-KM, Multan Road, Lahore, (WAVES Factory Premises) or email at cs@waves.net.pk, at least one day before the date of AGM i.e., on 28 April 2024 before 05:00 p.m. A postal ballot received after this time shall not be considered for voting. The signature on the Ballot Paper should match with the signature on the CNIC

Scrutinizer

In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Rizwan & Co, Chartered Accountants, a QCR rated audit firm, to act as the Scrutinizer of the Company for the special business to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations

6. The shareholders of the Company interested to participate in the general meeting through video link are requested to send their particulars (as given below) along with a valid copy of their CNIC (both sides)/passport, attested copy of the board resolution / power of attorney (in case of corporate shareholders) through email at cs@waves.net.pk (or through post/courier) with the subject similar to "Registration for AGM 31 December 2023 of WAVES" at least 48 hours before the holding of the general meeting. The original signed documents are required to be sent to the Company separately through courier or post, for record purposes.

Name of Shareholder	CNIC No.	Folio No.	Cell/WhatsApp No.	Email Address

** Where applicable, please also give the above particulars of proxy-holder or nominee of shareholder*

The video link and login credential will be shared with only those members whose emails, containing all the required particulars are received well within time. This notice of video link shall also cover providing vide link facility to the members holding 10% or more shareholding (in aggregate) in the Company, residing at a geographical location.

7. Pursuant to SECP's Circular No 10 dated 21 May 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location other than the city of the Meeting, to participate in the meeting through video conference at least 07 (seven) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following and submit to Head Office address of the Company at least 07 (seven) days before the date of general meeting.

I/We _______ of ________, being member(s) of Waves Corporation Limited holder of__________ Ordinary share(s) as per Register Folio No. ____ hereby opt for video conference facility at _______.

8. The Company can transmit annual financial statements through email for which shareholders may provide their relevant information to Share Registrar or the Company Secretary by filling the Standard Request Form available on the Company's website. The shareholders can submit their request for minutes of the previous general meetings at the Registered Office of the Company.

9. The Annual Audited Financial Statements along with relevant Reports/Reviews shall be available at the Company's website at www.waves.net.pk. These accounts are also available for inspection during office hours at the registered office of the Company.

10. In compliance with the requirements of Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017. Members having physical share certificates are requested to convert their shares from the physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares, and readily available for sale and purchase in open market at better rates.

11. The Company will electronically transmit the Annual Accounts 2024 including proxy form through email to Shareholders whose email addresses are available with the Company's Share Registrar based on the consent. In those cases, where email addresses are not available with the Company's Share Registrar, printed notices of AGM along with the weblink and QR enabled code to download the said Annual Report have been dispatched. However, the Company will provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request.

12. For any query / clarification / information, the shareholders may contact the Company at email cs@waves.net.pk and/or the Share Registrar of the Company at email akbar@corplink.com.pk.

Statement of Material Facts in respect of the Special Businesses

Agenda Item No. 3 – Approval of Related Party Transactions during the Financial Year ended 31 December 2023 and to authorize the Board to approve Related Party Transactions during the Financial Year ended 31 December 2024

The Company has undertaken related party transactions with the following entities which includes holding and associated companies/undertakings as the case may be.

a. Waves Home Appliances Limited (WAVESAPP), a wholly owned subsidiary

b. Waves Marketplace Limited (WMPL), a wholly owned subsidiary

c. Waves Builders & Developers (Private) Limited (WBDL), a wholly owned subsidiary

d. Employee's Provident Fund / Employees' Pension Fund / Employees' Gratuity Fund

All the transactions with related parties during financial year are entered into by the Company in the ordinary course of business and at arm's length basis, under the policy of the Company for related party transactions. All transactions entered into with related parties require the approval and recommendation of the Audit Committee of the Board. Upon recommendation of the Audit Committee, such transactions are placed before the Board of Directors for approval.

All transactions with the related parties are disclosed in the relevant note of the audited financial statements for the year ended 31 December 2023. The transactions with WAVESAPP may include transactions which are arising out of the implementation process of the Scheme and results in inter-company balances appearing in the financial statements, till such time the implementation process pursuant to the Scheme is fully complete. The nature of these relationships is also disclosed in the relevant note.

The Company shall be conducting transactions with the related parties during the year ending 31 December 2024 in the ordinary course of business and at arm's length basis under the policy of the Company for related party transactions. All transactions entered into with related parties require the approval of the Audit Committee of the Board. Upon recommendation of the Audit Committee, such transactions shall be placed before the Board of Directors for approval.

The transactions with WAVESAPP may include transactions which are arising out of the implementation process of the Scheme and results in inter-company balances appearing in the financial statements, till such time the implementation process pursuant to the Scheme is fully complete.

In order to promote transparent business practices, the shareholders are recommended to authorize the Board of Directors of the Company to approve transactions with the related parties from time-to-time on case-to-case basis for the year ending 31 December 2024, which transactions shall be deemed to be approved by the shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal ratification/approval. The Directors are interested in the resolutions only to the extent of their common directorship in such related parties.

Agenda Item No. 4 – Approval to extend the tenure of receivable of PKR 2.0 billion from Waves Home Appliances Limited (WAVESAPP) a subsidiary of the Company, which was approved by way of Scheme of Arrangement for demerger of home appliances business from the Company with and into WAVESAPP

Waves Home Appliances Limited (formerly Samin Textiles Limited) was incorporated in Pakistan on 27 November, 1989 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Company is located at Multan Road, Lahore. WAVESAPP is listed on Pakistan Stock Exchange. The principal business of the Company includes manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products. WAVESAPP is operating a nationwide set-up of warehouses, after sales service center, service workshops. The Company's sales infrastructure is comparable to any other leading Home Appliance Company operating within Pakistan.

In the year 2022 the honorable Lahore High Court, Lahore sanctioned the Scheme of Arrangement by and between WAVES and WAVESAPP wherein home appliances business was carved out into WAVESAPP, while retaining the retail and real estate business. This was to provide several benefits including unique identities of individual companies, more focused business, customer base, supervision and controlling the business/direction of WAVESAPP, while the management of WAVESAPP can operate and manage the business of WAVESAPP on a regular day-to-day basis. Accordingly, 199,724,956 ordinary shares were issued to WAVES by WAVESAPP out of the total issue of 256,006,196 ordinary shares pursuant to the Scheme, which resulted in becoming WAVESAPP as a subsidiary of the Company. In addition, as a Settlement Consideration WAVESAPP also issued 56,281,240 shares of WAVESAPP to the shareholders of WAVES. The balance of PKR 2 billion was to be settled within two (02) years of the Sanction of the Scheme (i.e. 27 May 2022). No profit/mark-up shall accrue on such outstanding amount if the said amounts is settled within two (02) years of the sanction of the Scheme. In case the receivable of PKR 2 billion is not settled after a period of 2-years, then such amount outstanding shall be subject to a quarterly minimum markup prescribed as per applicable law. For further details please refer the paragraphs at the start of the Notes to the Annual Financial Statements of WAVESAPP and also Scheme which is also available on PSX's website and can be inspected along with other documents of the Company.

The carving out of Appliances business from the Company was initiated and informed to PSX/Shareholders, was with the strategic objectives to bring more focus on growth of Appliances business and to enter into a Strategic Alliances/JV with a global player in the Appliances Business. This was followed by the Scheme of Demerger as stated above.

In the year 2022, the world observed multitude of events that slowed down the economy such as increase in the geopolitical tensions on account of Russia-Ukraine conflict, intensifying of climate change impacts, energy crises and supply chain disruptions. These articulated the most difficult set of global challenges impacting Pakistan by soaring food and fuel prices, leading to highest inflation since past decades which was further intensified by high interest rates to curb inflation. The unparalleled floods and delays in IMF agreement only added further challenges.

During the same year, the policy changes by the Government of Pakistan in restricting import of materials/components by the home appliances industry, the L/C opening process by the commercial banks went slow. Consequently, dependence on foreign sources of materials continued to be challenging, therefore, WAVESAPP had to make arrangements for achieving major import substitution in order to ensure uninterrupted continuity of operations. In these circumstances market sizes of domestic appliances did not reach the expected levels. It also deferred the planned capital expenditure. Accordingly, WAVESAPP substantially switched to local source of materials, which ensured less dependence on imports and inhouse development of certain imported components through WAVESAPP vendors.

In the subsequent year 2023 also, the economic activity in major advanced economies remained challenging, mainly due to the continuation of monetary tightening measures. Inflation has fallen in some economies due to lower energy prices, but food and services prices continue to rise, contributing to persistent high inflation. Monetary tightening measures were and are still in place (even in Pakistan). Similarly, the emerging market economies also faced challenges from the tough global financial conditions such as higher debt servicing costs, capital outflows, and reduced credit availability from foreign lenders. Moreover, rising geopolitical tensions and concerns about supply chain security prompted several countries to implement trade and investment restrictions. Increasingly restrictive trade policies risk curtailing the gains from global trade and harming the development prospects of low-income countries. All these factors contributed to impact the bottom line of WAVESAPP, resulting in seeking extension in settlement/recovery of PKR 2 billion by WAVESAPP, which was considered by the Board of WAVES.

Now the election process has been completed and the new government is slowly making positive impact in the economy, which is also evident from the rising stock market index. As per Government of Pakistan, the Economic instability is fading, with revival efforts aimed at boosting the activity across sectors. The real sector is experiencing notable growth, leading to a positive market response and signs of recovery. The PKR has stabilized to some extent and the PSX has shown sustained performance improvements, reflecting a conducive environment for the economic activity. Though the pace of overall expansion is slow, but improvements in major economic indicators signifying an optimistic GDP outlook in FY2024. It is expected that this trend will continue.

Amid all the challenging economic conditions it yet opened up new avenues of growth and opportunities for WAVESAPP, which remains committed to growth and expansion with a vision to contribute to Pakistan's GDP. Going forward as the economy strengthens the outstanding amount from WAVESAPP shall be settled/recovered. For this a timeline of 02 year is suggested (till 27 May 2026) by the Board for renewing/extending settlement/recovery of PKR 2.0 billion from WAVESAPP. Though the sanctioned Scheme of Arrangement between WAVES and WAVESAPP provides power to the Board of Directors of both companies to determine the profit/markup after 02 years from the sanction of the Scheme on the outstanding amount and does not require any shareholders approval for extension of receivable. However, the Board under the best corporate governance practices, felt prudent to take the matter to the shareholders of the Company for formal approval for extending the tenure of receivable, in order to support WAVESAPP.

The Board of Directors of the Company is also considering various options/mechanism and is in discussion with the Board of Directors of WAVESAPP to fully settle this outstanding receivable, since it is created out of a Scheme of Arrangement. Till such time this receivable is not converted into equity or an alternative mode is not finalized for settlement, this receivable shall carry markup which will not be less than the borrowing cost of WAVES, subject to any intercompany payable adjustment. Any un-settled amount (if any) may be settled/recovered by way of addition in the total outstanding receivable. The Board of Directors of the Company is authorized to determine mechanism for settlement of receivable/return from WAVESAPP in a manner as it may deem appropriate and subject to negotiation/discussion with the Board of WAVESAPP.

The Board of Directors of WAVES (subject to negotiation/discussion) with the Board of Directors of WAVESAPP will sign an agreement in writing and such agreement shall inter-alia will include the terms and conditions specifying the nature, purpose, period of the loan, rate of return, fees or commission, repayment schedule for principal and return, penalty clause in case of default or late repayments and security, if any, for the loan subject to the approval of the members in the general meeting. The Board certifies that it has conducted that this extension/renewal of the receivable of PKR 2.0 billion is made after the due-diligence and financial health of WAVESAPP and it has ability to settle/repay the loan as per the agreement to be entered into between both the parties. The projected business plan including financial projections are available for inspection for the members.

The Board has authorized the Chief Executive Officer to undertake all necessary corporate and regulatory formalities which may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential in order as and when required including negotiating mechanism of settlement of the receivable/return, signing of necessary agreement/documents or any other formalities that may be required subject to approval of the Board where required. The Chief Executive Officer is also authorized to appoint any person of the Company as his/her attorney for any matter that he may deems appropriate.

Information in respect of the Associated Company to extend/renew the receivable of PKR 2.0 billion for which approval from members/shareholders is sorted.

General Disclosure

1. The name of the Associated Company is Waves Home Appliances Limited (WAVESAPP)

2. The basis of relationship is holding of 74.5% shareholding of WAVES in WAVESAPP

3. The Earning Per share of WAVESAPP is, FY21 is PKR 0.20 per share, FY22: 0.05, FY23: 0.58. The results of FY21 comprise of only four months operations after the effective date of demerger of appliances business through the sanctioned scheme of arrangement. The detailed financials are also available on the Company's website www.waves.net.pk

4. Breakup value per share as of 31 December 2023 is PKR 29.6 per share

5. Financial position as per latest audited accounts as of 31 December 2023 is given hereunder:

Financial Position	PKR Mn		Financial Performance	PKR Mn
Share Capital	2,678		Gross Revenue	5,061
Equity	7,614		Net Revenue	4,176
Non-Current Liabilities	3,134		Gross Profit	1,037
Current Liabilities	6,549		Operating Profit	516
Non-Current Assets	10,484		Profit before Tax	142
Current Assets	6,815		Profit for the Year	115

6. The investment approval is not related to a new project, but is related to the renewal/extension of an already approved investment (receivable) which was created by way of sanction of Schem3 of Arrangement by the honorable Lahore High Court, Lahore

Additional Disclosure

1. The maximum amount of investment is renewal of receivable of PKR 2.0 billion. However, in case that in case any return on receivable is outstanding at the end of the year during the extended/renewed tenure of investment, then such outstanding return shall be added in PKR 2.0 billion and the remaining markup shall be calculated on the revised amount of receivable. For this

purposes approval is granted to enhance the existing amount of outstanding receivable of PKR 2.0 billion to upto PKR 3.0 billion (which is the maximum limit).

2. The purpose of this renewal/extension of receivable for a period of 02 years is to be provide support to the WAVESAPP in terms of its operations and achieve its long-term business objectives. The business of WAVESAPP was original managed and operated by WAVES, which after the operations of the Scheme has been transferred to WAVESAPP, which is fully managed and controlled by WAVES. The receivable arising is on account of the implementation of the Scheme, whereas the return/profit is being charged. Around 85% of the shareholding of WAVESAPP is held by WAVES and its Sponsors, with WAVES itself holding around 74.5% shareholding. Moreover, shareholding from the public substantially is the same who are also the shareholders of WAVES. By providing the support to WAVESAPP, it will benefit WAVES and its shareholders as improvement in the financial performance of WAVESAPP will translate into returns/dividends available for WAVES and its shareholders. Additionally, the profit/markup received during the tenure of investment will also add to the bottom line of WAVES and its shareholders.

3. As explained in the previous paragraphs, the receivable of PKR 2.0 billion from WAVESAPP is arising pursuant to the Scheme of Arrangement by and between WAVES and WAVESAPP sanctioned by the honorable Lahore High Court, Lahore. There has been no direct cash funding made to WAVESAPP.

4. Upon approval granted by the shareholders, the Board of Directors of the Company and WAVESAPP will mutually decide upon the mechanism of settlement of receivable/return. However, the maximum amount of approval from the shareholders is required of PKR 3.0 billion which includes PKR 1.0 billion limit for any such amount of return/profit outstanding at the end of year, which then will be added up in the PKR 2.0 billion. The next calculation of return/profit shall be based on the incremental amount of receivable. The salient features of the agreement will include items related to nature, purpose, period of the loan, rate of return, fees or commission, repayment schedule for principal and return, penalty clause in case of default or late repayments and security, if any. Information on all such items is already given in this notice of general meeting. Though there will be no requirement of the security as WAVESAPP is a subsidiary company and is managed by WAVES. A draft copy of the agreement containing the subject terms is placed for inspection for the members of the Company.

5. The Company has only one class of members. The effect of resolutions on the interests of directors of the Company does not differ from the effect of interest of other members except stated herein and the Directors are interested in the resolution only to the extent of their common directorship in such related parties and that the directors of the Company and the related parties performing full time executive functions are also interested to the extent of remunerations, benefits and allowances as per the respective policies of the Company and the related parties, therefore may be regarded as interested to that extent in the resolutions.

6. As explained in previous paragraphs that the investment has already been made pursuant to the sanctioned Scheme of Arrangement from the honorable Lahore High Court, Lahore. The financial performance of WAVESAPP is given in this notice, whereas the detailed accounts can also be reviewed on the PSX and the Company's website. The Gross Sales of WAVESAPP are at PKR 5.06 billion whereas the Gross Margin is PKR 1.03 billion. The net profit is PKR 0.155 billion. The breakup value of WAVESAPP is 28.6 per share. An impairment test has been conducted (as part of the due diligence) which shows that the investment is not impaired. WAVESAPP profit after tax has substantially increased as compared to the previous year. The brand name of WAVESAPP "Naam Hi Kaafi Hai" has a good brand recall and brand recognition in the market. It has key business relationships with well reputed companies such as Coca Cola, Pepsi, KNN, Gourmet etc. As the

economic environment improves, it is envisaged that the financial and operating performance of WAVESAPP will improve. WAVESAPP is also in the process of completing its state-of-the-art new factor premises which will provide better operating capacity, large volumes, cost-optimization and profitability. Despite facing challenges WAVESAPP has shown strong survival against the economic headwinds and it is expected to improve its results provided adequate financial and operational support is available including support from its holding company, WAVES

7. The members have been provided all the related information on best judgement basis, however, even still if member intends to inquire or require any clarification on any item related to the special business, they may freely contact the Company Secretary at cs@waves.net.pk

Specific Disclosure

1. The category of this investment can be categorized as receivable from WAVESAPP which may be named/considered as loan as profit/return is to be charged, being an associated company (a subsidiary of the Company)

2. The average borrowing cost of the Company is 3-months Karachi Inter Bank Offered Rate (KIBOR) plus risk premium ranging from 0.7% to 1.5%.

3. The Company will charge 0.1% over and above the average borrowing cost charged to WAVESAPP on outstanding balances or KIBOR for the relevant period, which ever higher.

4. No collateral is required since WAVESAPP is a subsidiary company

5. The receivable does not carry any conversion features. The Board is evaluating the options of settlement/recovery of all outstanding amount through various means. In case any particular option seems lucrative and requires and change in terms and condition then the matter shall be placed before the shareholders for consideration and approval. However, these option analysis does not have any impact on the current approval that is sorted from the shareholders of the Company through this general meeting notice.

6. The principal amount of receivable (loan) of PKR 2.0 billion is unsecured with a tenure of 02 years. Return/Profit shall be charged quarterly at least at the rate of average borrowing cost of the Company, which shall be settled/recovered quarterly. The principal shall become due after a period of 02 years however, early payments can be made. The return/profit shall be calculated by taking into consideration any outstanding payable due towards WAVESAPP. The resulting profit/return shall be settled/recovered accordingly.

   In case if at the end of a year any profit/return is outstanding, then the same shall be added up in the principal of PKR 2.0 billion and the next profit/return shall be charged on the revised receivable (loan) amount. For this purpose, total investment limit is enhanced to PKR 3.0 billion. The Scheme of Arrangement does not require any approval of shareholders/members once initial time of 02 years from 27 May 2022 has elapsed except that profit/return shall be charged not less than the borrowing cost of WAVES. However, practicing best corporate governance, this renewal/extension for two years is being obtained from the members/shareholders.

Interest of Directors

The Company has only one class of members. The effect of resolutions on the interests of directors of the Company does not differ from the effect of interest of other members except stated herein and the

Waves Corporation Limited (WAVES)

Directors are interested in the resolution only to the extent of their common directorship in such related parties and that the directors of the Company and the related parties performing full time executive functions are also interested to the extent of remunerations, benefits and allowances as per the respective policies of the Company and the related parties, therefore may be regarded as interested to that extent in the resolutions.

Material Information

All material information in respect of the special business including MOA/AOA, financial statements of the Company and its subsidiary/wholly-owned subsidiaries including interim financial statements if any, related party transactions and record, minutes of the previous general meetings, as the case may be, shareholding of directors of the Company and related parties along with their interest (if any), Scheme of Arrangement sanctioned by honorable Lahore High Court, Lahore, draft copy of the agreement between WAVES and WAVESAPP, financial projections of the Company and the WAVESAPP, statement of material facts and other necessary documents in respect of the notice of AGM are kept at the registered office of the Company and shall be available for inspection from the date of this notice till the conclusion of the AGM and also placed to the extent applicable on the Company's website www.waves.net.pk.

Shareholding of Directors

The shareholding of the Directors and Major Shareholders of WAVES and WAVESAPP can be reviewed in the Annual Financial Statements of the Company and WAVESAPP, which are available on the PSX's website and also on the website of the Company. These shareholdings are also kept for inspection of the members/shareholders.

Proxy Form

The Proxy Form is attached with the notice of Notice of Annual General Meeting.

Postal Ballot Form

The Postal Ballot Form is attached with the notice of Notice of Annual General Meeting.

WAVES CORPORATION LIMITED
FORM OF PROXY

The Company Secretary
Waves Corporation Limited
9 KM, Multan Road, Lahore

I/ We ____
of ____
being a member of **Waves Corporation Limited** hereby appoint
____
of____
or failing him ____
of ____
as my proxy in my absence to attend, speak and vote for me on my behalf at the Annual General Meeting of the Company to be held on Monday, 29 April 2024 at 12:30 p.m. and at any adjournment thereof.

As witness my / our hand this _______day of _________.

Rs. 50/- Revenue Stamp

Witness No.1
Name : ______________________________
Address : ______________________________
____
CNIC No.: ______________________________

____
Signature of Member(s)

Witness No. 2
Name : ______________________________
Address : ______________________________
____
CNIC No.: ______________________________

(Name in Block letters)

Folio No. ___________________
Participant ID No. ____________
No. of shares _______________
Account No. in CDC __________

Important:

1. CDC Account Holders are requested to strictly follow the guidelines mentioned in the Notice of Meeting.
2. A Member entitled to attend a General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
3. Members are requested:
   (a) To affix Revenue Stamp of Rs. 50/- at the place indicated above.
   (b) To sign across the Revenue Stamp in the same style of signature as is registered with the Company.
   (c) To write down their Folio Numbers.
4. This form of proxy, duly completed and signed across a Rs. 5/- revenue stamp, must be deposited/sent at the Company's Registered Office not less than 48 hours before the time for holding the meeting or may be sent through the email as given in this notice followed by courier/post to the Company's registered office.

WAVES CORPORATION LIMITED
BALLOT PAPER FOR VOTING THROUGH POST

For poll at the Annual General Meeting of Waves Corporation Limited (WAVES or the Company) to be held on Monday, 29 April 2024 at 12:30 p.m. at the Registered Office of the Company.

The designated email address for the Chairman at which the duly filled in ballot paper can be sent at cs@waves.net.pk

Name of shareholder/joint shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with sub-account No	
Number of shares held (shall be taken as of book closure in notice)	
CNIC, NICOP/Passport No. (for foreigner) (Copy to be attached)	
Additional Information ((In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - (Copy to be attached)	

Special Business: Resolution 3

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the relevant box below or may write "Approve" or "Disapprove"

"**Resolved that** the transactions carried out by the Company with Waves Home Appliances Limited, Waves Marketplace Limited, Waves Builders and Developers (Private) Limited and Employees' Pension/Gratuity/Provident Fund (as the case may be), during the financial year 31 December 2023 as given in the related party note of the Annual Audited Financial Statements of the Company for the year ended 31 December 2023, be and hereby are approved."

"**Resolved further that** the Board of Directors of the Company is authorized to approve all related party transactions to be carried out on case-to-case basis during the financial year 31 December 2024. These transactions shall be deemed to be approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval"

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 3	For:	Against:

Signature of Shareholder
Number of Shares Held
Place and Date

Waves Corporation Limited (WAVES)

Special Business: Resolution 4

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the relevant box below or may write “Approve” or “Disapprove”

“**Resolved that** the consent and approval be and is hereby accorded to the Company to extend the tenure of receivable of PKR 2.0 billion from Waves Home Appliances Limited (WAVESAPP), a subsidiary of the Company, which was approved by way of Scheme of Arrangement for demerger of home appliances business from the Company to WAVESAPP, sanctioned by the honorable Lahore High Court, Lahore on 27 May 2022, on similar terms and conditions as given in the Scheme, for a period of further 02 (two) years, starting from the expiry of its existing term on 27 May 2024”.

“**Resolved further that** the receivable of Rs. 2.0 billion shall be subject to such return which shall not be less than the borrowing cost of the Company. The Board of Directors of the Company is authorized to determine mechanism for settlement of receivable/return from WAVESAPP in a manner as it may deem appropriate and subject to negotiation/discussion with the Board of WAVESAPP.”

“Resolved further that in case any return on receivable is outstanding at the end of the year during the extended/renewed tenure of investment, then such outstanding return shall be added in PKR 2.0 billion and the remaining markup shall be calculated on the revised amount of receivable. For this purposes approval is granted to enhance the existing amount of outstanding receivable of PKR 2.0 billion to upto PKR 3.0 billion (being the maximum limit).

“**Resolved further that** the Chief Executive Officer is authorized to undertake all necessary corporate and regulatory formalities which may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential in order as and when required including negotiating mechanism of settlement of the receivable/return, signing of necessary agreement/documents or any other formalities that may be required. The Chief Executive Officer is also authorized to appoint any person of the Company as his/her attorney for any matter that he may deems appropriate.”

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 4	For:	Against:

Signature of Shareholder
Number of Shares Held
Place and Date

Notes:
1. Dully filled postal ballot should be sent to Chairman of the Company, at 9-KM, Multan Road, Lahore (Waves Factory Office) along with the copy of CNIC, NICOP/Passport (for foreigner). The form should reach 48 hours before the meeting. The Signature on the postal ballot should match with the signatures on the CNIC, NICOP/Passport.
2. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten, expired identification copy shall be rejected.

11. ANNUAL FINANCIAL STATEMENTS

The annual audited Consolidated financial statements and the Standalone Financial Statements for the year ended 31 December 2023 are attached to this Report

12. PAST YEARS FINANCIAL PERFORMANCE

The past years consolidated financial performance is given hereunder:

(Rs. in '000)

Financial Position	2023	Re-stated 2022	Re-stated 2021	2020	2019
Equity and Liabilities					
Share Capital and Reserves	11,220,116	10,795,166	10,561,942	8,840,924	8,339,999
Non-Current Liabilities	1,109,632	1,214,112	1,581,569	2,628,564	2,191,889
Current Liabilities	9,831,214	9,761,258	8,660,973	6,397,940	6,644,328
	22,160,963	**21,770,536**	**20,804,484**	**17,867,428**	**17,176,216**
Assets					
Non–Current Assets	10,993,651	9,085,125	9,204,417	8,549,217	8,693,203
Current Assets	11,167,311	12,685,411	11,600,067	9,318,211	8,483,013
	22,160,963	**21,770,536**	**20,804,484**	**17,867,428**	**16,231,549**

(Rs. in '000)

Financial Performance	2023	Re-stated 2022	2021	2020	2019
Gross Revenue	6,295,795	11,872,232	12,321,443	10,230,068	11,660,266
Net Revenue	5,206,326	9,938,668	10,439,010	8,525,481	9,483,974
Gross Profit	1,401,187	1,933,199	2,282,366	1,844,377	2,629,372
Net Profit	256,781	237,478	327,887	127,468	378,300
Earnings per Share	0.91	0.84	1.13	0.61	2.02

Note:

The above financial position and financial results are presented for the results of consolidated financial statements of the holding company which are available at the website www.waves.net.pk

12.1 Consolidated Financial Statements

12.2 Standalone Financial Statements

Given after the Consolidated Financial Statements

WAVES CORPORATION LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

114-A,Tipu Block,
New Garden Town, Lahore, Pakistan.
+92 42 35 84 66 44-6
info@dfk-pk.com
rcolhr@gmail.com
www.dfk-pk.com

Independent Auditor's Report

To the members of Waves Corporation Limited

Report on the Audit of the consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Waves Corporation Limited (the Parent Company) and its subsidiary companies ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the key audit matters:

1. Revenue Recognition

The Group's revenue is principally generated from manufacturing and assembly of home appliances along with retailing and trading.

We identified recognition of revenue (against sale of goods) as a key audit matter because revenue is one of the key performance indicators of the Group which give rise to an inherent risk of the occurrence and the accuracy of the revenue.

Our audit procedures to assess the recognition of revenue, amongst others, included the following:

- Assessed the design, implementation and operating effectiveness of the key internal controls over the Group's systems which govern the revenue recognition.
- Inspected sales contracts with customers on a sample basis to understand and assess the terms and conditions therein which may affect the recognition of revenue;
- Compared revenue transactions recorded during the current year on sample basis with invoices, sale contracts and goods delivery notes to assess whether the related revenue was recognized in accordance with the Group's revenue recognition accounting policies.
- Compared on a sample basis, revenue transactions recorded just before and after the year end with the underlying goods delivery notes and other relevant documents to assess whether the revenue had been recognized in the appropriate accounting period.

2. Impairment of intangible assets

Refer note 20 to the financial statements and the accounting policy note 4.5 to the financial statements.

Our audit procedures included the following:

- Assessed the methodology used by management to

As at December 31, 2023, the Group's intangible assets were Rupees 2,798.912 million. In accordance with International Accounting Standard 36 "Impairment of Assets", the Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired.

Where an impairment indicator is identified for any asset, an impairment test is performed by the Group based on estimate of the value-in-use of that asset.

The calculation of value-in-use required the management to make significant estimates and judgements.

We considered this matter as key audit matter due to the significant value of intangible assets and due to significance of judgements / estimates used by the management in determining their value in use.

estimate value-in-use of each asset.

- Assessed the assumptions used in discounted cash flow projections for calculation of the value-in-use of assets, evaluating the reasonableness of key assumptions and discount rates based on our knowledge of the business and industry and by comparing the assumptions to historical results and published market and industry data.
- Performed sensitivity analysis in consideration of the potential impact of reasonably possible changes in assumptions and discount rates and considering managements process for approving these estimates.
- Involving our internal valuation specialists to assist us in assessing the significant estimates, assumptions and judgements applied in the valuation of intangible assets and goodwill, including discount rate, growth rate, terminal value and attrition rate, with reference to available market information.

3. **First year audit**

We have been engaged to perform the audit of the Group for the first time i-e. for the year ended December 31, 2023. Initial audit engagement involves a number of considerations not associated with recurring audits.

Additional planning activities and considerations necessary to establish an appropriate audit strategy and audit plan include gaining an initial understanding of the Group and its business including its control environment and information systems sufficient to make audit risk assessment and develop the audit strategy and plan, obtaining sufficient appropriate audit evidence regarding the opening balances including the selection and application of accounting principles.

We performed various procedures to obtain sufficient appropriate audit evidence regarding opening balances including the following:

- We evaluated the key accounting position and audit matters from prior years;
- We assessed the overall control environment of the Group including communication with members of those charged with governance and other key executives; and
- We evaluated whether accounting policies reflected in the opening balances have been consistently applied in the currents years' financial statements and whether changes in the accounting policies have been appropriately accounted for and adequately presented and disclosed in accordance with applicable financial reporting framework.
- We performed appropriate audit procedures in the current year to obtain sufficient appropriate audit evidence regarding opening balances.

4. **Contingencies**

Refer to note 18 to the financial statements various tax matters are pending adjudication at various levels with the taxation authorities and other legal forums. Also, there are major litigations in the name of former company "Samin Textile Limited"

The tax contingencies require the management of the Group to make judgements and estimates in relation to the interpretation of tax laws and regulations and the recognition and measurement of any provisions that may be required against such contingencies. Due to inherent uncertainties and the time period such matters may take to resolve, the managements judgements and estimates in relation to such contingencies may be complex and can significantly impact the financial statements.

For such reason we have considered tax contingencies as a key audit matter.

Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:

- Obtained and reviewed detail of the pending matters and discussed the same with the Group's management.
- Reviewed the correspondence of the Group with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved.
- Obtained and reviewed confirmations from the Group's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies.
- Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters.

- Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.

Emphasis of matter

As fully explained in note 2 and note 18.1.12 to these consolidated financial statements, subsequent to completion of the Scheme of Compromises, Arrangement and Reconstruction and transfer of home appliance business by the parent company to the subsidiary company, legal and procedural formalities including registration / updation of the name of the subsidiary company with the relevant departments / utility companies could not be completed till the date of issuance of audit report. Due to certain impediments of such routing of the transactions; the impact of non-compliance, if any, cannot be ascertained at this point of time. Our opinion in respect of this matter is not modified.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

The consolidated financial statements for the Company for the year ended December 31, 2022 were audited by another firm of chartered accountants who expressed unmodified opinion on those financial statements on May 08, 2023.

The Engagement partner on the audit resulting in this independent auditors' report is Mr. Imran Bashir.

Rizwan & Co.

Rizwan & Company
Chartered Accountants

Lahore:

UDIN: AR202310140qEJ9ugQ4h

Waves Corporation Limited and its subsidiaries
Consolidated statement of financial position
As at December 31, 2023

	Note	2023	(Restated) 2022	(Restated) January 01, 2022
		(Rupees in '000)		
Equity and liabilities				
Share capital and reserves				
Share capital	5	**2,814,062**	2,814,062	2,814,062
Capital reserves	6	**5,030,661**	5,030,661	5,030,661
Loan from directors	7	**229,017**	119,497	115,300
Revaluation surplus	8	**550,280**	528,895	561,698
Unappropriated profit		**1,002,556**	753,581	490,668
Equity attributable to owners of the parent company		**9,626,576**	9,246,696	9,012,389
Non-controlling interest		**1,593,540**	1,548,470	1,549,553
		11,220,116	10,795,166	10,561,942
Non-current liabilities				
Long term financings	9	**766,333**	789,415	1,131,341
Lease liabilities	10	**33,295**	100,227	139,187
Employee retirement benefits	11	**19,955**	29,646	36,587
Deferred taxation	12	**284,817**	288,347	266,675
Deferred income	13	**5,232**	6,477	7,779
		1,109,632	1,214,112	1,581,569
Current liabilities				
Trade and other payables	14	**3,516,169**	3,595,006	2,297,179
Accrued markup	15	**819,660**	400,468	184,229
Short term borrowings	16	**4,780,395**	5,203,965	5,188,205
Current portion of long term liabilities	17	**713,811**	560,640	990,181
Unclaimed dividend		**1,179**	1,179	1,179
		9,831,214	9,761,258	8,660,973
		22,160,963	21,770,536	20,804,484
Contingencies and commitments	18			

	Note	2023	(Restated) 2022	(Restated) January 01, 2022
		(Rupees in '000)		
Assets				
Non-current assets				
Property, plant and equipment	19	**8,113,460**	6,174,216	6,289,556
Intangible assets	20	**2,798,912**	2,838,198	2,878,386
Investment property	21	**17,421**	-	-
Long term trade receivables	25	**962**	1,301	19,230
Long term deposits	22	**46,804**	55,318	17,245
Employee retirement benefits	11	**16,092**	16,092	-
		10,993,651	9,085,125	9,204,417
Current assets				
Inventories	22	**6,071,464**	5,993,442	4,167,736
Stores, spares and loose tools	24	**28,110**	44,143	45,723
Trade debts	25	**4,193,678**	5,674,489	6,855,892
Advances, deposits, prepayments and other receivables	26	**483,997**	528,820	129,750
Short term investment	27	**3,000**	3,000	3,000
Advance income tax		**327,188**	325,705	243,643
Cash and bank balances	28	**59,874**	114,342	152,853
		11,167,311	12,683,941	11,598,597
Non current assets held for sale	29	**-**	1,470	1,470
		22,160,963	21,770,536	20,804,484

The annexed notes from 1 to 49 form an integral part of these financial statements.

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

Waves Corporation Limited and its subsidiaries
Consolidated Statement of profit or loss
For the year ended December 31, 2023

	Note	2023	(Restated) 2022
		(Rupees in '000)	
Revenue - net of sales returns		**6,295,795**	11,870,232
Less: Sales tax and trade discounts		**(1,089,469)**	(1,931,564)
Revenue - net		**5,206,326**	9,938,668
Cost of sales	31	**(3,805,139)**	(8,005,469)
Gross profit		**1,401,187**	1,933,199
Marketing, selling and distribution costs	32	**(666,683)**	(954,557)
Administrative expenses	33	**(424,481)**	(561,293)
Other operating expenses	34	**(124,212)**	(109,791)
Other income	35	**380,554**	441,778
Operating profit		**566,365**	749,337
Finance costs	36	**(265,503)**	(435,965)
Profit before taxation		**300,862**	313,372
Income tax expense	37	**(44,081)**	(75,894)
Profit after taxation		**256,781**	237,478
Attributable to:			
Owners of the Group		**226,692**	236,402
Non-controlling interests		**30,089**	1,075
		256,781	237,478
Earnings per share - basic and diluted *(Rupees)*	38	**0.91**	0.84

The annexed notes from 1 to 49 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Waves Corporation Limited and its subsidiaries
Consolidsated statement of comprehensive income
For the year ended December 31, 2023

	Note	2023	(Restated) 2022
		(Rupees in '000)	
Profit after taxation		**256,781**	237,478
Other comprehensive income			
Items that will never be reclassified to profit or loss account:			
- Surplus on revaluation of property, plant and equipment net of tax		**56,856**	-
- Actuarial gain / (loss) on employee retirement benefits	**11.6**	**7,425**	13,560
		64,281	13,560
Items that may be reclassified to profit and loss account		**-**	-
Total comprehensive income for the year		**321,062**	251,038
Attributable to:			
Owners of the Group		**274,553**	246,499
Non-controlling interests		**46,509**	4,539
		321,062	251,038

The annexed notes from 1 to 49 form an integral part of these financial statements.

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

Waves Corporation Limited and its subsidiaries
Consolidated statement of changes in equity
For the year ended December 31, 2023

	Attributable to owners of the parent company							
	Share capital	Capital reserves			Revenue Reserve	Sub-total	Non-controling interest	Total
		Capital reserves (Note 6)	Loan from directors	Revaluation surplus	Unappropriated profit			
	(Rupees in '000)							
Balance as at December 31, 2021 - as reported	2,814,062	5,030,661	115,300	561,698	318,322	8,840,043	1,549,553	10,389,596
Effect of correction of error	-	-	-	-	172,346	172,346	-	172,346
Balance as at December 31, 2021 - as restated	2,814,062	5,030,661	115,300	561,698	490,668	9,012,389	1,549,553	10,561,942
Profit for the year	-	-	-	-	236,402	236,402	1,075	237,478
Other comprehensive income	-	-	-	-	10,096	10,096	3,464	13,560
Total comprehensive income for the year	-	-	-	-	246,499	246,499	4,539	251,038
Effect of incremental depreciation on revaluation surplus - net of tax	-	-	-	(32,803)	32,803	-	-	-
Share issuance costs of subsidiary company	-	-	-	-	(16,388)	(16,388)	(5,623)	(22,011)
Transactions with owners of the Company								
Loan obtained	-	-	4,197	-	-	4,197	-	4,197
Balance as at December 31, 2022 (Restated)	2,814,062	5,030,661	119,497	528,895	753,581	9,242,499	1,548,470	10,795,166
Profit for the year	-	-	-	-	**226,692**	**226,692**	**30,089**	**256,781**
Other comprehensive income	-	-	-	**47,861**	-	**47,861**	**16,420**	**64,281**
Total comprehensive income for the year	-	-	-	**47,861**	**226,692**	**274,553**	**46,509**	**321,062**
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	**(26,476)**	**26,476**	-	-	-
Share issuance costs of subsidiary company	-	-	-	-	**(4,193)**	**(4,193)**	**(1,439)**	**(5,632)**
Transactions with owners of the Company								
Loan obtained	-	-	**109,520**	-	-	**109,520**	-	**109,520**
Balance as at December 31, 2023	**2,814,062**	**5,030,661**	**229,017**	**550,280**	**1,002,556**	**9,622,379**	**1,593,540**	**11,220,117**

The annexed notes from 1 to 49 form an integral part of these financial statements.

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

Waves Corporation Limited and its subsidiaries
Consolidated statement of cash flows
For the year ended December 31, 2023

	Note	2023	(Restated) 2022
		(Rupees in '000)	
Cash flows from operating activities			
Profit before taxation		300,862	313,372
Adjustments for non-cash items:			
Depreciation on property, plant and equipment	19.0	342,677	339,594
Amortisation of intangible assets	20	39,331	41,530
Finance costs	36	265,503	435,965
Gain on sale of property, plant and equipment	35	(29,744)	(15,225)
Allowance / (reversal) for expected credit loss	34	59,218	(21,751)
Allowance for doubtful receivables	34	5,757	-
Reversal of provision for obsolete stock	35	(26,069)	-
Fair value gain in investment property	35	(171)	-
Effect of termination of lease	35	(1,366)	(36,805)
Amortisation of deferred income	13.1	1,384	9,006
Unrealised exchange loss	34	22,867	68,137
Credit balance written back	35	(53,916)	-
Employee retirement benefits	11	4,145	1,112
Profit before working capital changes		930,478	1,134,935
Effect on cash flows due to working capital changes			
(Increase) / decrease in current assets			
Stores, spares and loose tools		16,033	1,580
Inventories	22	(51,953)	530,294
Trade receivables	25	1,421,593	1,203,154
Long term trade receivables	25	339	17,929
Advances, deposits, prepayments and other receivables	26	39,066	(399,070)
Increase / (decrease) in current liabilities:			
Increase / (decrease) in trade and other payables	14	(47,788)	1,229,690
		1,377,289	2,583,577
Cash generated from operations		2,307,767	3,718,513
Income tax paid		(130,550)	(141,481)
Finance costs paid		(153,689)	(219,726)
Employee retirement benefits paid		(3,378)	(12,222)
Net cash generated from operating activities		2,020,150	3,345,083
Cash flows from investing activities			
Additions in property, plant and equipment	19	(1,898,287)	(2,578,423)
Additions in intangibles		(45)	(1,342)
Long term deposits	22	8,514	(38,073)
Proceeds from disposal of property, plant and equipment		41,366	53,418
Net cash used in investing activities		(1,848,452)	(2,564,420)
Cash flows from financing activities			
Long term financings	9	163,409	(814,542)
Lease liabilities		(98,747)	(24,588)
Short term borrowings	16	(424,243)	(1,429,142)
Loan from sponsoring directors	7	109,520	4,197
Net cash used in financing activities		(250,061)	(2,264,075)
Net decrease in cash and cash equivalents		(78,362)	(1,483,413)
Cash and cash equivalents at beginning of the year		(2,674,100)	(1,190,687)
Cash and cash equivalents at end of the year	28	(2,752,462)	(2,674,100)

The annexed notes from 1 to 49 form an integral part of these financial statements.

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

Waves Corporation Limited and its subsidiaries
Notes to the consolidated Financial Statements
For the year ended December 31, 2023

1 Legal status and nature of business

1.1 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. The principal line of business 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.

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.

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 parent 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.

After transfer of manufacturing undertaking, certain bills, invoices and contracts relating to the subsidiary company's business activities continued in the name of the parent company owing to non-completion of legal and procedural formalities. Consequently, the parent company reported all such transactions in its sales tax returns on account of utilities, supplies, imports, local stores and spares to subsidiary company. The above stated transactions have been recorded to absorb the impact of sales tax inputs available in sales tax records of the parent company, that could have been lost in absence of any legitimate sales tax output available to the subsidary compny. The summary of the transactions has been given hereunder:

	2023 Rupees in "000"
Sales	**4,176,119**
Purchases	**2,367,440**
Others	**149,055**

2.1 The Group operated un-funded Gratuity and a Funded Pension Scheme for its eligible executives and managers (Formerly Singer Pakistan Limited) other than field staff, which was terminated by the Management on August 31, 2018. At that point in time, independent actuarial valuations were conducted and the liabilities determined against Gratuity and Pension Scheme, which were frozen.

For Gratuity, the actuarial valuation determined that it is payable to 59 employees, whose total liability was equal to Rupees 29.825 million. As of the date of reporting, total Gratuity payable in the Group stands as Rupees 7.627 million (for 09 employees). This balance of Rupees 7.627 million shall be paid upon separation of the eligible employees from the Group. The management of the Group is of the view that yearly Actuarial Valuation is not required as the total gratuity amount is already determined and fixed and there will be no change, except for any discounting of liability factor.

For Pension Scheme; the actuarial valuation determined that total 29 employees are entitled to Pension Scheme with a maximum liability of Rupees 600,000 per month with a discounted present value of Rupees 69.34 million. Accordingly, the Group provided funds to Pension Scheme whose fair value of the assets amounted to Rupees 79.28 million, making it excess funded. Since the Pension Scheme was frozen, therefore the current monthly liability against the fully funded plan assets stands at Rupees 0.587 million as compared to Rupees 0.600 million determined in year 2018. This monthly liability will continue to reduce with the passage of time. The last Actuarial Valuation was conducted in previous year 2022 through which Pension obligations stood at Rupees 47.480 million, whereas plan assets were Rupees 63.572 million.

The management of the Group is of the view that yearly Actuarial Valuation is not required as the total monthly amount to be paid as Pension is already determined and the related Plan Assets are fully funded and are managed independently by the management of Pension Scheme. The only change can be through discounting of the liability which is linked to interest rates. There will be no incremental change in the per month payment and there will be no impact of any demographic or salary changes. The Group does not bear the financial risk associated with the Pension Plan including investment risk and longevity risk. However, the management of the Group will continue monitor the Pension Scheme periodically and any deficit or surplus amount shall be accounted for by the Group .

3 Basis of preparation

3.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan 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.

Where provisions of directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 Initial application of standards, amendments or interpretations to existing standards

a) Standards, interpretations and amendments to published approved accounting and reporting standards which became effective during the year.

There were certain amendments to accounting and reporting standards which became effective on the Group for the current year. However, these do not have any significant impact on the Group's financial reporting and, therefore, have not been disclosed in these financial statements except for the following:

Amendment in IAS 1 "Presentation of financial statements" (IAS 1) and IFRS Practice Statement 2:

Amendment in IAS 1 "Presentation of financial statements" (IAS 1) and IFRS Practice Statement 2: This amendment provides guidance and examples to help entities apply material judgements in order to determine the accounting policy information which should be disclosed. This amendment aims to help entities in providing accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment only had an impact on the Company's disclosure of accounting policies, but not on the measurement, recognition or presentation of any item in these financial statements.

b) Revised and amended standards and interpretation that are not yet effective and not early adopted by the Group

There are standards and certain amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Group for the financial year beginning on January 01, 2023. These standards and amendments are not expected to have any material impact on the Group's financial reporting and, therefore, have not been disclosed in these financial statements.

3.3 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments, which are carried at their fair values and obligations for staff retirement benefits which are carried at present values of defined benefit obligation net of fair value of plan assets determined through actuarial valuation.

3.4 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These consolidated financial statements are presented in Pak Rupees, which is the Group's functional currency.

3.5 Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future

The areas where various assumptions and estimates are significant to the Group's consolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

	Note
- Estimate of useful life of property, plant and equipment	**4.2**
- Measurement and recognition of Investment property	**4.3**
- Provisions and contingencies	**4.8**
- Provision for taxation	**4.11**
- Impairment of financial and non-financial assets	**4.16**
- Estimate of useful life of intangible assets	**4.5**
- Employee retirement benefits	**4.4**
- Provision for slow moving spares and stock in trade	**4.12.2**
- Provision for warranty obligation	**4.21**
Estimate of fair value of financial liabilities at initial recognition	**4.14.7**
- Estimate of recoverable amount of goodwill	**4.5**
- Expected credit loss allowance	**4.16**
- Right of use assets and corresponding lease liabilities	**4.22**

3.6 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair value, both for financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4 Material Accounting Policies information

The Group adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2) from January 01, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Basis of consolidation

These consolidated financial statements include the financial statements of Waves Corporation Limited and its subsidiary companies, Waves Marketplace Limited 100% owned (2022: 100% owned), Waves Builders (Private) Limited 100% owned (2022: 100% owned), Waves Home Appliances Limited, 75.44% owned (2022: 75.44%).

4.1.1 Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognized from the date the control ceases. These consolidated financial statements include Waves Corporation Limited, and all companies in which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the subsidiaries).

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

4.1.2 Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

4.1.3 Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is premeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. This means that amounts previously recognized in comprehensive income are reclassified to profit or loss.

4.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for the land which is stated at revalued amount less impairment loss, if any, and buildings and plant and machinery which are stated at the revalued amounts less accumulated depreciation and impairment losses, if any. Cost includes expenditure directly attributable to the acquisition of an asset. As explained in note 2, as a result of scheme of arrangement, the property, plant and equipment other than freehold land has been transferred to Waves Home Appliances Limited.

Land, buildings and plant and machinery are revalued by professionally qualified valuer with sufficient regularity to ensure that the net carrying amount does not differ materially from the fair value (market value). In case of revalued assets, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated at the revalued amount of the asset.

Increase in the carrying amount arising on revaluation of property, plant and equipment is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the asset’s original cost is transferred to retained earnings. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to retained earnings. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred tax.

Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation is charged to the statement of profit or loss applying the straight-line method whereby the depreciable amount of an asset is depreciated over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use and up to the month of disposal.

The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant. The Group’s estimate of the residual value of its property, plant and equipment as at balance sheet date has not required any adjustment as its impact is considered insignificant.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. Normal repairs and maintenance are charged to the consolidated statement of profit or loss as and when incurred, gains and losses on disposal of assets are taken to the statement of profit or loss.

Capital work in progress

It is stated at cost less impairment losses, if any. It includes expenditure incurred and advances made in respect of assets in the course of their construction and installation. These cost are transferred to relevant assets category as and when assets are available for intended use.

4.3 Investment property

Property, comprising land or a building or part thereof, held to earn rentals or for capital appreciation or both are classified as investment property. These are not held for use in the production or supply of goods or services or for administrative purposes. The Group's business model i.e. the Group's intentions regarding the use of property is the primary criterion for classification as an investment property.

Investment property is initially measured at cost (including the transaction costs). However when an owner occupied property carried at fair value becomes an investment property because its use has changed, the transfer to the investment property is at fair value on the date of transfer and any balance of surplus on the revaluation of the related assets, on the date of such a transfer continues to be maintained in the surplus account on revaluation of property, plant and equipment. Upon disposal, any surplus previously recorded in the revaluation surplus account is directly transferred to retained earnings and the transfer is not made through the statement of profit or loss. However any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the consolidated statement of profit or loss.

The transfer to investment property is made when, and only when, there is a change in use, evidenced by the end of owner occupation. In case of dual purpose properties, the same is classified as investment property, only if the portion could be sold or leased out separately under finance lease.

Subsequent to initial recognition, the Group measures the investment property at fair value at each reporting date and any subsequent change in fair value is recognized in the statement of profit or loss (i.e. in case where the owner occupied property carried at fair value becomes an investment property, the fair value gain to be recognized in the statement of profit or loss would be the difference between the fair value at the time of initial classification as investment property and fair value at the time of subsequent remeasurement). The revaluation of investment properties are carried out by independent professionally qualified valuers on the basis of active market price.

4.4 Employee retirement and other service benefits

4.4.1 *Defined benefit plans*

The Group operates a funded defined benefit pension scheme for the eligible executives and managers and a unfunded gratuity scheme for eligible employees other than field staff. Provisions / contributions are made in the consolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually under the Projected Unit Credit Method.

Amount recognized in statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets, if any. All actuarial gains and losses are recognized in 'Other Comprehensive Income' as they occur. Past service cost resulting from the changes to defined benefit plan is immediately recognized in the statement of profit or loss. Current service cost together with net interest cost are also charged to the statement of profit or loss.

Calculation of gratuity and pension require assumptions to be made of future outcomes which mainly includes increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

4.4.2 Defined contribution plan

The Group operates a recognised provident fund scheme covering all eligible employees. The Group and employees make equal monthly contributions to the fund.

4.4.3 *Staff Compensated absences*

The Group recognizes the liability for compensated absences in respect of employees in the period in which they are earned up to the reporting date on the basis of un-availed earned leaves balance at the end of the year.

4.5 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries or businesses and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired the difference is recognized directly in the profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less cost of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

With finite useful life
Intangibles are stated at the cash price equivalent of the consideration given less accumulated amortization and impairment loss, if any. Intangibles with finite useful lives are amortized over the period of their useful lives. Rates for amortization are disclosed in note 20 to these consolidated financial statements. Amortization is charged on a straight line basis over the estimated useful life and is included in the profit or loss.

4.6 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with banks on current, saving and deposit accounts, short term borrowings and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

4.7 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Account balances are classified as current liabilities if payment is due within one year or less (or in the normal operating cycles of business if longer). If not, they are classified as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.8 Provisions

A provision is recognized in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

The Group accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

4.9 Revenue recognition

Revenue represents the fair value of consideration received or receivable for sale of goods, net of sales tax, sales returns and related discounts. Revenue is recognized when or as performance obligation is satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or point in time.

a) Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when or as performance obligations are satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or at a point in time and control transfers upon delivery of goods to the customer. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies. Scrap sales and miscellaneous receipts are recognized on realized amounts.

b) Rental income from investment property is recognized as other income on a straight-line basis over the term of lease.

c) Dividend income and entitlement of bonus shares are recognized when the right to receive is established.

d) Earned carrying charges representing the difference between the cash sale price and hire purchase price are recognised in the statement of profit or loss.

e) Income on investments and profit and loss sharing bank accounts are recognized on accrual basis using the effective interest rate method.

f) All other income items are recognised on accrual basis.

4.10 Contract liabilities

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. It also includes refund liabilities arising out of customers' right to claim amounts from the Group on account of contractual delays in delivery of performance obligations and incentive on target achievements.

4.11 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity / surplus on revaluation of fixed assets or in other comprehensive income. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, contingent liabilities and Contingent assets.

The Group has opted for Group Taxation under section 59AA of the Income Tax Ordinance, 2001. Under Group Taxation, the Group is accounting for the related taxes under standalone taxpayer approach. Under this approach, current and deferred taxes are recognized as if the entity was taxable in its own right.

Current taxation

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred taxation

Deferred tax is accounted for using liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax is charged or credited in the statement of profit or loss, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity.

4.12 Inventories

4.12.1 Under developed properties

Residential apartments and commercial area available for future sale are classified as stock-in trade. These are carried at the lower of cost and net realizable value. Work-in-process comprises of apartments and commercial area in the process of construction / development. Cost in relation to work-in-process comprises of proportionate cost of land, cost of direct materials, labor and appropriate overheads. Cost in relation to land transferred from investment property is the fair value of the land on the date of transfer and any subsequent expenditures incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.

The Group reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

4.12.2 Stock in trade

Stocks are valued at the lower of cost and net realizable value.

Cost is determined as follows:

- Raw materials at weighted average purchase cost;
- Work in process and finished goods at weighted average cost of purchase, raw materials and applicable manufacturing expenses;

Cost of raw material, work in process and finished goods comprises of direct materials, labor and appropriate manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The Group companies review the carrying amount of stock in trade on a regular basis and as appropriate, it is written down to its net realizable value or provision is made for obsolescence if there is any change in usage pattern and / or physical form of related inventory.

4.13 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in consolidated statement of profit or loss in the period in which they are incurred.

4.14 Financial instruments

4.14.1 Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

4.14.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI), fair value through statement of profit or loss (FVTPL) and in case of an equity instrument it is classified as FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is recognized in consolidated statement of profit or loss.

Financial assets measured at amortized cost comprise of cash and bank balances and other receivables.

4.14.3 *Debt Instrument - FVOCI*

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit or loss. However, the Group has no such instrument at the reporting date.

4.14.4 *Equity Instrument - FVOCI*

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in consolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and these investments are never reclassified to consolidated statement of profit or loss. However, the Group has no such instrument at the reporting date.

4.14.5 *Fair value through statement of profit or loss (FVTPL)*

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in consolidated statement of profit or loss. The Group has no such investments at the reporting date.

4.14.6 ***Financial assets – Business model assessment***

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

4.14.7 ***Financial liabilities***

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, while the interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

The Group's financial liabilities comprise trade and other payables, long and short term borrowings, accrued markup and dividend payable.

4.14.8 Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in consolidated statement of profit or loss.

4.15 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated financial statements only when the Group has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.16 Impairment

Financial assets

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities, bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The Group has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group reviews the recoverability of its trade debts, deposits, advances and other receivables to assess amount of loss allowance required on an annual basis. Impairment of cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Non - Financial assets

The carrying amount of the Group’s non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in consolidated statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group’s other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

4.17 Foreign currency transactions and translation

Transactions and balances

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to profit or loss. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences are generally included in the consolidated statement of profit or loss.

4.18 Dividends and appropriations to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved. Transfer between reserves approved subsequent to the reporting date is considered as non-adjusting event and is recognized in the consolidated financial statements in the period in which such transfers are made.

4.19 Earnings per share

The Group presents basic and diluted earnings per share (the "EPS") data for its ordinary shares. Basic EPS is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

4.20 Deferred income

Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed. Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is recognised and measured in accordance with IFRS 9 “Financial Instruments”. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. Government grant that has been awarded for the purpose of giving immediate financial support to the Group is recognised in profit or loss of the period in which the entity qualifies to receive it.

Grant in aid

Grant in aid represents the amount received from the World Bank under a project to phase out the Ozone Depleting Substances (ODS) by acquiring asset (production facility) which manufactures such products which are free from such substances. This grant is classified as deferred income and is being amortized over the useful life of such asset.

4.21 Warranty obligations

The Group accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

4.22 Leases

- At the inception of a contract, the Group assesses whether a contract is or contains lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

- The Group recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct cost incurred less any lease incentive received. The right of use asset is subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability, if any. The right of use assets is depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or cost of the right of use asset reflects that the Group will exercise a purchase option.

- In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. Right of use asset is disclosed in the property, plant and equipment as referred to in note 19 of the financial statements."

- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Group’s incremental borrowing rate. The Group has used it incremental borrowing rate as the discount rate for leases where rate is not readily available. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made.

- The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in rate or a change in the terms of the lease arrangement, if there is change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

- When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in statement of profit or loss if the carrying amount of the right of use asset has been reduced to zero. Refer note to these financial statements for disclosure of lease liability.

Short term leases and leases of low value assets

The Group has elected not to recognize right of use assets and liabilities for some leases of low value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight line basis over the lease term.

4.23 Non-current asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group’s other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

4.24 Related party transaction and transfer pricing

Transactions and contracts with the related parties are based on the policy that all transactions between the Group and related parties are carried out at an arm’s length.

4.25 Allocation of expenses

Certain expenses are allocated by the parent company to its subsidiaries in accordance to a basis approved by the Company and its subsidiaries.

4.26 Correction of Errors

In corresponding year; the management kept project under development as "Non-current assets held for sale" in the financial statements for the year 2022 despite the fact the project development costs were charged to non-current assets held for sale rather than the same should have classified as inventories being project under development. Moreover, amortization of deffered income amounting to Rupees 18.834 million was not recongized in the financials year 2021 and 2022. Furthermore, the managment has erroneously capitalised borrowing costs of Rupees 35.585 million in the above project instead of charging the same to finance costs in the statement of profit or loss for the year 2022. These errors have now been corrected retrospectively under the provisions of International Accounting Standard 8 (Accounting Policies, Changes in Accounting Estimates and Errors).

	As at December 31, 2022		
Description	Rupees in ('000)		
	As reported	**As re-stated**	**Re-statement**
Effect on statement of financial position			
Accumulated profit	716,756	753,581	36,825
Non-current assets held for sale	2,740,879	-	(2,740,879)
Inventories	-	2,705,294	2,705,294
Effect on statement of profit or loss			
Administrative expenses	564,427	561,293	(3,134)
Finance costs	392,451	435,965	43,514
Other operating expenses	92,899	109,791	16,892
Income tax expense	21,502	75,894	54,392
Effect on statement of other comprehensive income			
Actuarial gain / (loss) on employee retirement benefits	19,099	13,560	(5,539)

Effect on statement of changes in equity

Opening unappropriated profit	318,322	490,668	172,346
Net profit for the year	366,088	237,478	(128,610)
Closing unappropriated profit	716,756	753,581	36,825

Effect on statement of cash flows

There was no effect on statement of statement of cash flows.

Effect earning per share

Basic and diluted (Rupees)	1.25	0.84	(0.41)

		2023	2022	2023	(Restated) 2022
		(Number of shares)		**(Rupees in '000)**	
5	**Share capital**				
5.1	**Authorized share capital**	**300,000,000**	300,000,000	**3,000,000**	3,000,000

5.1.1 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 parent company.

5.2 Issued, subscribed and paid-up capital

	2023	2022	2023	2022
	(Number of shares)		**(Rupees in '000)**	
Fully paid-up ordinary shares of Rupees 10 each				
Issued for cash	**105,263,597**	105,263,597	**1,052,637**	1,052,637
Issued for consideration other than cash	**703,733**	703,733	**7,037**	7,037
Issued as fully paid bonus shares	**78,988,759**	78,988,759	**789,888**	789,888
Issued under schemes of amalgamation	**96,450,000**	96,450,000	**964,500**	964,500
	281,406,089	281,406,089	**2,814,062**	2,814,062

5.3 Reconciliation of ordinary shares

	2023	2022	2023	2022
	(Number of shares)		**(Rupees in '000)**	
Balance as at January 01	**281,406,086**	281,406,086	**2,814,062**	2,814,062
Shares issued during the year	**-**	-	**-**	-
Balance as at December 31	**281,406,086**	281,406,086	**2,814,062**	2,814,062

5.4 Ordinary shares of the parent company held by associated persons and undertaking at year end are as follows:

	2023	2022	2023	(Restated) 2022
	(Percentage held)		**(Number of shares)**	
Chief Executive Officer and his spouse				
- Haroon Ahmad Khan (CEO)	**38.32%**	25.55%	**107,840,286**	71,893,524
- Nighat Haroon Khan (Wife of CEO)	**10.00%**	7.33%	**28,132,411**	20,617,274
	48.32%	32.87%	**135,972,697**	92,510,798

5.5 Pursuant to Scheme of Arrangement, approved by Honourable Sindh High Court through its Order dated May 22, 2018, Singer Pakistan Limited was merged and combined with Cool Industries (Private) Limited and Link Wel (Private) Limited. The parent company has issued 96,450,000 shares to the shareholders of Cool Industries (Private) Limited and Link Wel (Private) Limited pursuant to the said scheme.

6 Capital reserves

	Note	2023	(Restated) 2022
		(Rupees in '000)	
Share premium reserve	**6.1**	**5,025,661**	5,025,661
Other capital reserve		**5,000**	5,000
		5,030,661	5,030,661

6.1 Share premium reserve

This represents excess of consideration received / market value of share acquired under scheme of arrangement over the face value of shares issued amounting to Rupees 4,581 million in result of 2017 scheme of arrangement and Rupees 445 million as a result of 2021 scheme of arrangement. This reserve can only be utilized by the parent company for the purpose specified in Section 81(2) of the Companies Act, 2017.

6.2 Other capital reserve

This represents the value assigned to a shop acquired by the company in exchange for a shop on rent in 1993.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
7	**Loan from directors**			
	Loan from sponsoring directors	**7.1**	**229,017**	119,497
7.1	**Reconciliation of loan from sponsoring directors is as under:**			
	Balance at beginning of the year		**119,497**	115,300
	Obtained during the year		**151,473**	4,917
			270,970	120,217
	Repayment during the year		**(41,953)**	(720)
	Balance at the end of year		**229,017**	119,497

7.2 These represent interest free loans from ex-members of the subsidiary company (novated to major shareholders) to meet financing requirements. These loan are designated interest free and are repayable at the discretion of the parent 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	2023	(Restated) 2022
			(Rupees in '000)	
8	**Revaluation surplus**			
	Surplus on revaluation at beginning of the year		**609,152**	646,167
	Revaluation surplus recognized during the year		**80,079**	-
	Surplus on revaluation recognized during the year transfer to unappropriated profit in respect of:			
	- Incremental depreciation on revalued assets		**(26,476)**	(26,281)
	- Related deferred tax liability		**(10,814)**	(10,734)
			(37,290)	(37,015)
	Surplus on revaluation as at the end of the year		**651,941**	609,152
	Related deferred tax liabilities on revaluation at the beginning of the year		**114,982**	125,716
	- Effect of revaluation surplus recognised during the year		**23,223**	-
	-Incremental depreciation on revalued assets		**(10,814)**	(10,734)
			12,409	(10,734)
	Deferred tax at the end of the year		**127,391**	114,982
			524,550	494,170

8.1 This includes balance of revaluation surplus of land amounting to Rupees 207.117 million (2022: Rupees 207.117 million), building on freehold land amounting to Rupees 9.814 million (2022: Rupees 7.53 million) and plant and machinery of Rupees 307.814 million (2022: Rupees 279.52 million).

8.2 The Group has revalued its building on freehold land and plant and machinery during the financial year and latest revaluation was carried out as on December 31, 2023. The latest revaluation was conducted by M/S Unicorn International Surveyors. Assets were revalued on the basis of depreciated market values. The most significant input into this valuation approach is price per square foot for buildings, present operational condition and age of plant and machinery.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
9	**Long term financings**			
	Long term loans - Banking Companies	**9.2**	**563,079**	316,097
	Long term loans - Non-banking Companies	**9.3**	**900,945**	984,518
			1,464,024	1,300,615
	Less: Current maturity including overdue amounts presented under current liabilities	**18**	**(697,691)**	(511,200)
			766,333	789,415
9.1	**Reconciliation of long term financing is as under:**			
	Balance at beginning of the year		**1,300,615**	2,042,701
	Obtained during the year		**328,625**	522,700
			1,629,240	2,565,401
	Repayment during the year		**(165,216)**	(1,264,786)
	Balance at the end of year		**1,464,024**	1,300,615

9.2 Long term finances utilized under mark-up arrangements from banking companies are composed of:

Bank Name	Facility	2023	(Restated) 2022	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
		(Rupees in '000)				
Sindh Bank Limited	Term Finance	**161,958**	161,958	3 Months KIBOR plus 3% per annum, payable quarterly.	Balance was payable in two equal instalments payable on March 16, 2023 and September 16, 2023. During the year; the Bank has deferred the facility and now facility is payable on two equal instalments payable on March 15, 2024 and September 15, 2024.	This facility along with short term running finance facility is secured by way of first joint pari passu charge over all present and future fixed assets including but not restricted to land, building and plant & machinery of the Company to the extent of Rupees 1,116.378 million. This facility has been obtained to meet long term working capital requirements of the Company.
The Bank of Khyber	SBP Salary Refinance Scheme	**-**	47,464	3% SBP spread 0% plus BoK spread rate 3% per annum, payable quarterly.	This balance became due on December 31, 2022 and was paid during the year.	This facility was secured by way of ranking charge to the extent of Rupees 264 million over present and future fixed assets of the Company.
Dubai Islamic Bank Limited	Term Finance	**75,000**	75,000	3 Months KIBOR plus 2% per annum, payable quarterly.	Balance payable in three quarterly instalments starting from January 2024 and ending on October 2024.	This facility is secured by way of first pari passu charge of Rs. 524 million on present and future fixed assets of the Company with 25% margin and Cross corporate guarantees of group concerns of the Company. i-e Electronic Marketing Company (Private) Limited and Waves Marketing (Private) Limited.

Bank Name	Facility	2023	(Restated) 2022	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
		(Rupees in '000)				
Bank Alfalah Limited	Term Finance	**326,120**	-	1 Month KIBOR plus 2.25% per annum, payable monthly.	Balance payable on monthly basis in 30 equal instalments starting from September 28, 2023 and ending on March 28, 2026	This facility is secured by way of first joint pari passu charge over present and future fixed assets for Rupees 440 million including Land, Building and Machinery. (land located at Ferozepur Road, Lahore whereas machinery installed at Multan Road, Lahore on the property owned by parent company), First joint pari passu charge of Rupees 934 million over current assets of the Company, personal guarantees of sponsoring directors of the Company, cross corporate guarantee of parent company and post dated cheques for the repayment of monthly instalments.
		563,079	284,422			

9.3 Long term finances utilized under mark-up arrangements from non banking companies are composed of:

Bank Name	Facility	2023	(Restated) 2022	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
		(Rupees in '000)				
Pak Brunei Investment Company Limited	Term Finance	**59,375**	82,813	1 Month KIBOR plus 3% per annum, payable quarterly starting from the effective restructuring date till Nov 30, 2023. After this markup payments shall be made on monthly basis.	Principal payable in twelve equal monthly instalments started from February 2022 and ending on January 2024.	This facility is secured by way of constructive equitable mortgage of Rupees 79.166 million, first pari passu hypothecation charge over all moveable fixed assets, including plant and machinery of the Company, first pari passu mortgage charge over all immoveable fixed assets, including land and building, joint pari passu ranking hypothecation charge and ranking mortgage charge over all moveable and immoveable fixed assets, including plant and machinery of the Company, post dated cheques of all instalments and personal guarantees of three sponsoring directors of the Company. This facility has been obtained to meet long term working capital requirements and balance sheet re-profiling of the Company.
AWWAL Modaraba (A subsidiary of Pak Brunei Investment Company Limited)	Syndicated Musharaka Facility	**209,070**	222,705	3 Month KIBOR plus 2.5% per annum, with floor of 10% and cap of 30%.	Principal payable in monthly instalments started from January 20, 2022 and ending on December 20, 2027.	This facility is secured against title of Musharaka assets to be transferred to agents name, ranking charge on all present and future fixed assets of the Company including land and building with 25% margin over facility amount, ranking charge on all present and future current and moveable fixed assets of the Company with 25% margin over facility amount, post dated cheques of all instalments and personnel guarantees of two sponsoring directors of the Company. This facility has been obtained to meet long term working capital requirements and balance sheet re-profiling of the Company.
Pak Oman Investment Company Limited	Term Finance	**187,500**	225,000	3 Months KIBOR plus 2.5% per annum, payable quarterly.	Balance payable in quarterly instalments starting from December 06, 2024 and ending on March 06, 2027.	This facility is secured by way of joint pari passu charge of Rupees 375 million on fixes assets of the Company including land, building, plant and machinery and personal guarantees of two sponsoring directors of the Company. This facility has been obtained to meet long term working capital requirements and CAPEX for shifting of existing manufacturing unit to new place.

Bank Name	Facility	2023	(Restated) 2022	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
		(Rupees in '000)				
Pak Libya Investment Company Limited	Term Finance	**195,000**	204,000	6 Months KIBOR plus 2.5% per annum, payable quarterly.	Balance payable in 31 quarterly instalments starting from January 05, 2025 (Restructuring date) and ending on January 04, 2028.	This facility is secured by way of first pari passu charge on all present and future fixed assets of the Company to the extent of Rupees 400 million, equitable mortgage over land and building to the extent of Rupees 400 million and personnel guarantee of main sponsoring director of the Company. This facility has been obtained to finance the expansion of production facility.
Pak Libya Investment Company Limited	SBP Salary Refinance Scheme	**-**	31,675	3% SBP spread 0% plus BoK spread rate 3% per annum, payable quarterly.	Balance amount of loan was payable in January 2023.	This facility is secured by way of joint pari passu charge of Rupees 264 million on present and future fixed assets of the Company.
Pak Libya Investment Company Limited	Term Finance	**250,000**	250,000	3 KIBOR plus 2.75% per annum, payable quarterly.	Payable in 16 equal quarterly instalments started from February 17, 2024 and ending on November 17, 2027.	This facility is secured by way of pari passu charge of Rupees 334 million on all present and future fixed assets of the subsidiary company including land and building, corporate guarantees of Waves Corporation Limited and Waves Builder and Developers Limited and personal guarantees of three sponsoring directors of the Company.
		900,945	1,016,193			

9.4 The financing facilities (funded and unfunded) obtained from Sindh Bank Limited are secured against collateral at group level and are secured against first exclusive charge over fixed assets of Rupees 300 million including first exclusive equitable mortgage charge, token registered mortgage over shop located at Shaheen Tower, Karachi, showrooms located at Zaib-un-nisa Street Sadar, Karachi, over shop located at Suleman Centre, Dawood Pota Road, Karachi, over shop located at Nawab Manzil, Shahrah-e-Liaqat Karachi (having aggregate market value of these properties of Rupees 310.00 million and Forced Sale Value is Rupees 263.700 million), personal guarantee of Mr. Haroon Ahmed Khan (Chief Executive), Cross Corporate guarantees of the parent company.

9.5 As per financing arrangements, the Group is required to comply with certain financial covenants and other conditions imposed by the providers of finance.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
10	**Lease liabilities**			
	Premises under right of use - unsecured	**10.2**	**-**	71,037
	Vehicles under right of use - secured	**10.3**	**48,252**	77,328
			48,252	148,365
	Less: Current maturity of lease liabilities	**17**	**(14,957)**	(48,138)
			33,295	100,227

10.1 The future minimum lease payments and their present values to which the subsidiary companies are committed under various lease arrangements are as follows:

10.2 Premises under right of use - unsecured

	2023			(Restated) 2022		
	Minimum lease payments	**Future finance charges**	**Present value of minimum lease payments**	Minimum lease payments	Future finance charges	Present value of minimum lease payments
	(Rupees in '000)					
Not later than one year	**-**	**-**	**-**	35,883	6,532	29,350
Later than one year and not later than five years	**-**	**-**	**-**	52,110	10,423	41,687
	-	**-**	**-**	87,993	16,955	71,037

10.1.1 The subsidiary company had recognized lease of premises under operating lease arrangement in accordance with IFRS 16. During the year, the subsidiary company has modified/terminated lease contracts and accordingly lease liability has been relinquished. Lease liability was calculated at discount rate ranging from 8.93% to 17.07% per annum.

10.3 Vehicles under right of use - secured

	2023			(Restated) 2022		
	Minimum lease payments	**Future finance charges**	**Present value of minimum lease payments**	Minimum lease payments	Future finance charges	Present value of minimum lease payments
	(Rupees in '000)					
Not later than one year	**22,806**	**7,849**	**14,957**	28,416	9,628	18,788
Later than one year and not later than five year	**38,715**	**5,421**	**33,294**	67,690	9,150	58,540
	61,521	**13,270**	**48,252**	96,106	18,778	77,327

10.4 The above represents leases entered into with certain banking companies for lease of vehicles. Monthly payments of leases carry mark-up rates at respective KIBOR plus 2.5% to 3% per annum. At the year-end the applicable rates range between 19.00% to 24.66% per annum (2022: 9.16% to 19.08% per annum). Title to the assets acquired under the leasing arrangements are transferable to the subsidiary upon full payment of entire lease obligations.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
11	**Employee retirement benefits**			
	Receivable from pension fund	**11.1**	16,092	16,092

11.1 Pension scheme was available to permanent full-time employees in the executive and manager cadre including full-time working directors but excluding persons working as temporary, trainees or apprentice employees. Minimum years of service for qualifying to pension was 15 years. Employees were entitled to pension on retirement at 57 years of age.

Gratuity to the permanent employees was payable on normal retirement at the age of 57 years, natural death, etc. and is payable only on the minimum completion of 5 years of service with the Company. Both of these benefits pertained to old employees of former Singer Pakistan Limited (before the effective date of amalgamation) and this benefit has been freezed at the level that existed as at May 31, 2019. Given the fact that the Group had discontinued gratuity and pension fund schemes with effect from May 31, 2019 except for field staff of a subsidiary; the liability payable against retirement benefits are not subject to actuarial evaluation. Accordingly, the management has not arranged actuarial valuation for the year 2023.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
11.2	**The amounts recognized in the statement of financial position are as follows:**			
	Present value of defined benefit obligation			
	- Receivable from pension fund	**11.3**	**16,092**	16,092
	- Payable against gratuity fund	**11.3**	**(19,955)**	(29,646)

		Pension Fund		Gratuity	
		2023	2022	**2023**	2022
		(Rupees in '000)			
11.3	**Amounts recognised in statement of financial**				
	Present value of defined benefit obligation	**(47,480)**	(47,480)	**(20,143)**	(29,834)
	Fair value of plan assets	**63,572**	63,572	**188**	188
	Liability on the reporting date	**16,092**	16,092	**(19,955)**	(29,646)
11.4	**Movement in the liability recognized in the statement of financial position:**				
	Liability at beginning of the year	**(16,092)**	467	**29,646**	36,120
	Charge to statement of profit or loss	**-**	47	**4,145**	1,065
	Benefits paid during the year	**-**	-	**(3,378)**	(5,045)
	Actuarial gain on defined benefit obligation	**-**	(16,606)	**(10,458)**	(2,494)
	Liability at end of the year	**(16,092)**	(16,092)	**19,955**	29,646
11.5	**The amounts recognized in these statement of profit or loss account**				
	Current service cost	**-**	-	**1,365**	-
	Past service cost	**-**	-	**-**	-
	Interest cost net of expected return on plan assets	**-**	47	**2,780**	1,382
		-	47	**4,145**	1,382
11.6	**Included in other comprehensive income:**				
	Actuarial loss / (gain) on obligation	**-**	(16,123)	**(10,458)**	(2,759)
	Actuarial loss on plan assets	**-**	(483)	**-**	265
	Total actuarial loss / (gain) recognised in OCI	**-**	(16,606)	**(10,458)**	(2,494)

Net actuarial gain on funded gratuity amounts to Rupees 10.458 million (2022: Rupees 19.9 million) has been taken to other comprehensive income.

		Pension Fund		Gratuity	
11.7	**Staff retirement benefit charge to profit or loss for the year has been allocated as follows:**				
	Cost of sales	**-**	31	**-**	899
	Marketing, selling and distribution costs	**-**	12	**4,145**	137
	Administrative expenses	**-**	5	**-**	346
		-	47	**4,145**	1,382

		2023	(Restated) 2022
		(Rupees in '000)	
12	**Deferred tax liability**		

Deferred tax liability / (asset)	**284,817**	288,347

12.1 This comprises of following:

	2023			
	Opening balance	**Charge / (reversal) to P&L**	**Charge / (reversal) to OCI**	**Closing balance**
	(Rupees in '000)			
Taxable / (Deductible) temporary differences				
Accelerated tax depreciation	**360,912**	**9,911**	**-**	**370,823**
Right of use asset	**45,122**	**(34,840)**	**-**	**10,282**
Revaluation surplus	**114,982**	**(10,734)**	**23,223**	**127,470**
Staff retirement benefits	**(3,931)**	**5,844**	**(3,033)**	**(1,120)**
Allowance for expected credit loss	**(23,739)**	**(17,173)**	**-**	**(40,912)**
Provisions against other receivables	**(40,452)**	**(1,670)**	**-**	**(42,121)**
Provisions for slow moving items	**(16,384)**	**7,560**	**-**	**(8,824)**
Intangibles	**(224)**	**224**	**-**	**-**
Lease liabilities	**(42,054)**	**28,061**	**-**	**(13,993)**
Unused tax credits	**(96,316)**	**(18,123)**	**-**	**(114,439)**
Effect of Group Taxation	**(8,891)**	**8,891**	**-**	**-**
Other provisions	**(679)**	**(1,670)**	**-**	**(2,349)**
	288,347	**(23,719)**	**20,190**	**284,817**

	(Restated) 2022			
	Opening balance	Charge / (reversal) to P&L	Charge / (reversal) to OCI	Closing balance
	(Rupees in '000)			
Taxable / (Deductible) temporary differences				
Accelerated tax depreciation	383,464	(22,551)	-	360,913
Right of use asset	65,661	(20,539)	-	45,122
Revaluation surplus	125,715	(10,733)	-	114,982
Staff retirement benefits	(10,610)	(1,121)	7,801	(3,931)
Allowance for expected credit loss	(78,475)	54,736	-	(23,739)
Provisions against other receivables	(40,452)	-	-	(40,452)
Provisions for slow moving items	(16,384)	-	-	(16,384)
Intangibles	(224)	-	-	(224)
Lease liabilities	(62,601)	20,547	-	(42,054)
Unused tax credits	(89,937)	(6,379)	-	(96,316)
Effect of Group Taxation	(8,891)	-	-	(8,891)
Other provisions	(592)	(87)	-	(679)
Deferred tax liability - net	266,675	13,872	7,801	288,347

12.2 Deferred tax has been recognised at rates enacted at the reporting date at which these are expected to be settled / realized.

12.3 Deferred tax asset on tax credits has been recorded based on financial projections indicating the absorption of deferred tax asset over future years against future expected taxable profits. The financial projections involve certain key assumptions such as sales price and composition, raw materials, labour prices etc. Any significant change in the key assumptions may have an effect on the absorption of the deferred tax asset. Nonetheless, the management of the Group is confident of the achievement of its targeted results.

	Note	**2023**	(Restated) 2022
		(Rupees in '000)	
13 Deferred Income			
Grant in aid	**13.1**	**6,395**	7,639
Government grant	**13.2**	**-**	140
		6,395	7,779
Less: Current portion		**(1,163)**	(1,302)
		5,232	6,477

13.1 **Reconciliation of carrying amounts**

Description	Grant in aid	Total
	(Rupees in '000)	
Cost		
Balance as at January 01, 2022	13,953	13,953
Addition during the year	-	-
Balance as at December 31, 2022- Restated	13,953	13,953
Balance as at December 31, 2022- Restated	**13,953**	**13,953**
Additions during the year	**-**	**-**
Balance as at December 31, 2023	**13,953**	**13,953**
Amortization		
Balance as at January 01, 2022- Restated	(5,152)	(5,152)
Charge for the year	(1,162)	(1,162)
Balance as at December 31, 2022- Restated	(6,314)	(6,314)
Balance as at December 31, 2022- Restated	**(6,314)**	**(6,314)**
Charge for the year	**(1,244)**	**(1,244)**
Balance as at December 31, 2023	**(7,558)**	**(7,558)**
Written down value as at December 31, 2022 (Restated)	7,639	7,639
Written down value as at December 31, 2023	**6,395**	**6,395**
Rates of amortization / useful life	**8.33%**	

13.1.1 Grant in aid represents the amount received from the World Bank under a project to phase out the Ozone Depleting Substances (ODS) by acquiring asset (production facility) which manufactures products that are free from such substances. This grant is classified as deferred income and is being amortized over the useful life of the asset. Amortization for the year is based on 8.33% of the balance in accordance with the depreciation charged on plant and machinery for which the grant was received.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
13.2	**Government grant**			
	Balance as at January 01		**140**	4,181
	Recognised during the year		**-**	-
	Amortisation for the year		**(140)**	(4,041)
			-	140
	Current portion		**-**	(140)
	Balance as at December 31		**-**	-
14	**Trade and other payables**			
	Trade creditors		**1,640,805**	2,222,948
	Payable against capital work in progress		**56,970**	59,171
	Bills payable		**370,586**	163,705
	Due to parent company		**-**	-
	Due to subsidiary companies		**-**	-
	Due to associated company		**-**	-
	Accrued liabilities	**14.1**	**100,756**	136,804
	Advances from customers		**16,837**	103,636
	Retention from employees	**14.2**	**117,348**	142,249
	Advance from employees against vehicle		**32,420**	30,153
	Security deposits from dealers	**14.3**	**14,407**	13,987
	Provisions in respect of warranty obligations		**4,176**	7,423
	Sales tax payable		**695,891**	407,767
	Withholding income tax payable		**269,776**	198,172
	Payable to workers' profit participation fund	**14.4**	**8,582**	6,889
	Payable to workers' welfare fund	**14.5**	**14,284**	3,751
	Payable to the provident fund		**29,265**	4,860
	Book overdraft		**42,805**	6,889
	Other payable	**14.6**	**101,260**	86,602

	3,516,169	3,595,006

14.1 This includes remuneration payable to ex-directors and ex-executives amounting to Rupees 2.28 million (2022: Rupees 2.28 million).

14.2 This represents amount withheld by a subsidiary company and is paid at the time of final settlement to employees.

14.3 These amounts are not kept in a separate bank account as required by Section 217 of the Companies Act, 2017.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
14.4	**Payable to workers' profit participation fund**			
	Opening balance		**6,889**	21,954
	Add: Charge for the year	**34**	**7,511**	6,889
	Add: Markup on workers' profit participation fund	**36**	**1,071**	-
			15,471	28,843
	Less: Payments made during the year		**(6,889)**	(21,954)
	Closing balance		**8,582**	6,889
14.5	**Payable to workers' welfare fund**			
	Opening balance		**3,751**	8,889
	Add: Charge for the year	**34**	**10,533**	3,751
			14,284	12,640
	Less: Payments made during the year		**-**	(8,889)
	Closing balance		**14,284**	3,751

14.6 It includes provisions aggregating to Rupees 27.87 million (2022: Rupees 27.87 million) in respect of probable loss from pending litigation of the Company against Income Tax and Sales Tax Authorities. The above provisions have been made as per the management's best estimate against various demands raised by the authorities that are being contested by the Group at various forums as explained in Note 16.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
15	**Accrued markup**			
	Mark-up based borrowings from banking companies			
	- Long term loans - secured		**46,867**	24,024
	- Short term borrowings - secured		**585,781**	319,257
	Mark-up based borrowings from non-banking companies			
	- Long term loan - secured		**97,976**	28,604
	Islamic mode of borrowings			
	- Short term borrowings - secured		**29,943**	21,990
	- Loan from provident fund trust		**59,093**	6,593
			819,660	400,468
16	**Short term borrowings**			
	From banking companies - secured			
	Running finance under markup arrangement	**16.2**	**2,789,115**	2,788,442
	Finance against trust receipt	**16.3**	**1,191,472**	1,796,224
	Borrowings under Murabaha arrangement	**16.4**	**284,941**	296,341
	Demand finance	**16.5**	**69,511**	-
			4,335,039	4,881,007
	From Fintech companies	**16.6**	**30,297**	74,958
	From others - unsecured			
	Short term borrowings under Musharaka arrangement	**16.7**	**127,059**	-
	Loan from employees provident fund	**16.8**	**288,000**	248,000
			4,780,395	5,203,965

	2023	(Restated) 2022
	(Rupees in '000)	
16.1 Particulars of borrowings		
Interest / mark-up based borrowings	**4,368,395**	4,907,624
Islamic mode of borrowings	**412,000**	296,341
	4,780,395	5,203,965

16.2 Running finance under markup arrangement

This represents utilized amount of short term running finance facilities under mark-up arrangements availed from various commercial banks aggregating to Rupees 1,065.162 million (2022: Rupees 1,063.44 million). These facilities are secured by way of equitable mortgage charge on building on freehold land of the Group, charge over all current assets and fixed assets of the Group and personal guarantees of the sponsoring directors and carry mark-up ranging from 19.00 % to 25.47% (2022: 11.89% to 18.77%) per annum, payable monthly and quarterly in arrears. These facilities are expiring on various dates (Latest by April 30, 2023 and maximum by July 31, 2024).

16.3 Finance against trust receipt

This represents Finance Against Trust Receipt (FATR) available from commercial banks aggregating to Rupees 1,191.472 million (2022: Rupees 1,796.23 million). These facilities were secured against charge over current assets of the Group and personal guarantees of the sponsor directors of the Group and carries mark-up rate ranging between 21.00% to 25.62% (2022: 9.42% to 19.56%) per annum. These borrowings has been repayable on different dates starting from September 30, 2023 to July 31, 2024.

16.4 Borrowings under Murabaha arrangement

This represents utilized amount of Musharaka / Tijara borrowings availed from Islamic banking institutions aggregating to Rupees 284.941 million (2022: Rupees 296.34 million). These facilities were secured against joint pari passu charge over all present and future current assets (stocks and receivables) of the Company for Rupees 107 million and joint pari passu charge over fixed assets (Plant and machinery) of Rupees 133.333 million and cross corporate guarantees of parent company and carrying mark-up rates ranging from 17.93% to 25.47% (2022: 10.09% to 19.56%) per annum payable quarterly in arrears. These borrowings is now repayable on different dates starting from May 31, 2023 to November 18, 2023.

16.5 Demand finance

This represents demand finance facility under mark-up arrangements availed from Bank of Khyber amounting to Rupees 69.511 million (2022: Rupees Nil). This facility is secured by joint pari passu charge on the Group's present and future current assets to the extent of Rupees 400 million and joint pari passu of Rupees 533 million on present and future current assets of the Group including charge against running finance and Rupees 133.33 million over fixed assets of the Group. This facility carry mark-up ranging from 24.48% to 25.16% (2022: Nil) per annum, payable monthly and quarterly in arrears.

16.6 From Fintech companies

This represents utilised amount of short term running finance facilities under mark-up arrangements availed from fintech companies aggregating to Rupees 30.297 million (2022: Rupees 74.958 million). It carries mark-up ranging from 30% to 36% (2022: 30% to 36%) per annum, payable monthly and quarterly in arrears. One of the facility is secured against post dated cheques provided by the subsidiary company in favor of lending company as referred in note 18.2.2.

16.7 Short term borrowings under Musharaka arrangement

This represents short term borrowing obtained under modaraba arrangements from Elahi Group of Companies amounting Rupees 127.059 million (2022: Rupees Nil). The facility is secured against lien of title deeds in respect of Musharaka property in favour of Elahi group of companies and demand promissory note along with security cheques amounting to the extent of principal exposure of Musharaka to be held by Elahi Group of companies.

16.8 Loan from employees provident fund

This represent borrowings availed from employees provident fund aggregating to Rupees 373.86 million (2022: Rupees Nil). The loan is repayable on demand and carries markup rate ranging between 19.30% to 19.52% per annum (2022: Nil).

16.9 Unavailed credit facilities

The facilities as at December 31, 2023 were Rupees 5,263.280 million (2022: Rupees 4,707.1 million) of which remaining unutilized amount was Rupees 1188.171 million (2022: Rupees 3,102.23 million).

16.10 As per the financing arrangements, the Group is required to comply with certain financial covenants and other conditions imposed by the providers of finance.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
17	**Current portion of long term liabilities**			
	Long term loans - Banking Companies	**9**	**468,277**	241,097
	Long term loans - Non Banking Companies	**9**	**229,414**	270,103
	Lease liabilities	**10**	**14,957**	48,138
	Deferred income	**13**	**1,163**	1,302
			713,811	560,640

18 Contingencies and commitments

18.1 Contingencies

Parent Company

18.1.1 The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi, challenging the vires of Rule 58T of the Sales Tax Special Procedure Rules relating to 2% extra sales tax on certain home appliances. This is based on the view that the said vires are not applicable on the Company. The case is pending before the Honorable Sindh High Court. An interim order was received in favour of the Company. The Company is confident that no liability is expected to occur. Amount involved is Rupees 84.80 million as of December 31, 2020 against which no provision has been made as the parent company, based on the opinion of legal advisor's advice, is confident of a favourable decision.

During the financial year 2014, the Company received a show cause notice from the Federal Board of Revenue (FBR) in respect of short payment of 2% extra sales tax under the Sales Tax Procedures Rules, 2007 as amended by SRO. 896(I)/2013 dated October 04, 2013 and deduction of input tax more than the limit defined under section 8 read with chapter IV of Sales Tax Rules, 2006. The tax authority in the said notice raised a demand of Rupees 19.91 million and Rupees 11.15 million respectively for the period from January 01, 2014 to September 30, 2014. The Company after consultation with its tax advisors has replied and submitted explanation with the tax authorities along with revised workings for the apportionment of input tax which in the case of the parent company for the above period was Rupees 0.52 million. Since then, no further action has been initiated by the tax authorities.

The parent company had earlier received a sales tax recovery order from the sales tax authorities amounting to Rupees 195.63 million, for the financial year ended December 31, 2010 against which the Company had filed an appeal with the Commissioner Inland Revenue - Appeals (CIR-A). CIR-A had deleted one item while the remaining matters were set aside. Moreover, the management, based on consultation with its tax advisor, is of the view that matter would be decided in favour of the Company. However, CIR has filed an appeal against Company on the matters of SRO 647/2007 regarding input tax adjustments against 90% output tax and payment of sales tax on instalment sales at the time of receipt of instalment instead at the time when instalment sales are actually being made for which no hearing has yet taken place. Amount involved is Rupees 171.71 million. However, based on advice of legal consultant, management is of the view that that no potential liability is expected to occur.

18.1.2 Income tax assessments of the Company have been finalized up to and including the tax year 2007. The Company had applied for Income tax refund for the tax years from 2006 to 2011. Income tax refund orders were earlier determined for the tax years 2009, 2010 and 2011. Income tax refund was released for the tax year 2009. However, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed orders under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax years from 2009 to 2012 and raised additional income tax demand of Rupees 19.98 million. However, the Company had filed an application for the rectification of orders after which the net tax additional demand was reduced to Rupees 2.02 million (after the adjustment of the refund of related years) under section 221 of the Income Tax Ordinance, 2001. Appeals have been filed to Commissioner Inland Revenue - Appeals (CIR-A) against these orders and the parent company is hopeful that, as per advice of the legal counsel, the matter shall be decided in its favor.

The Company has received appellate orders for the tax years from 2009 to 2012, dated June 29, 2015, where the CIR-A has set aside certain issues for reassessment, deleted certain items and maintained certain disallowances. The financial impact of the items set aside for reassessment and continued disallowances amount to Rupees 43.72 million. Appeal has been filed with Appellate Tribunal Inland Revenue (ATIR) against these issues. The Company based on the merits of matters is of the view that ultimate decisions are expected in its favour and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

18.1.3 The Finance Act, 2017 introduced a tax under section 5A of the Income Tax ordinance, 2001 on every pubic Company other than a scheduled bank or Modaraba, that derives profit for the tax year and does not distribute at least 40% of the after tax profit within six months of the end of said tax year through cash or bonus issue. Under the earlier section, tax was not mandatorily leviable in case the Company's reserves were not in excess of the paid up capital (which was the case with the Company as it had accumulated losses). Provision for the above referred tax amounting to Rupees 9.35 million has not been paid as the Company's management is of the view that the amendment was made after the closure of Company's financial year ended December 31, 2016 and for certain other legal reasons. The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi challenging the vires of Section 5A of the Income Tax Ordinance, 2001 and a stay order has been granted against any coercive action against the Company under the newly inserted Section 5A. The Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

18.1.4 The Deputy Commissioner Inland Revenue (DCIR), via order dated April 30, 2014, under Section 161(1) and Section 205(3) of the Income Tax Ordinance, 2001 for the tax year 2014 raised a tax demand of Rupees 0.83 million for non-deduction of advance income tax for the period from November 01, 2013 to April 30, 2014 under section 236(G) and 236(H) of the aforesaid Ordinance. Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was remanded back to DCIR. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the parent company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

18.1.5 During the financial year 2014, the Company received a notice by Commissioner Inland Revenue - Zone I for selection of audit under section 214C for the tax year 2012. The Company filed an appeal against the said notice before Honorable Lahore High Court which was decided against the Company and audit proceedings were initiated. The Deputy Commissioner Inland Revenue issued an amended assessment order under section 122(1) and 122(5) through which certain additions were made and demand order was raised amounting to Rupees 48.10 million. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), who vide his Order No. 9 dated April 04, 2019 deleted certain additions. Being aggrieved with the order of CIR-A the Company filed an appeal before the Honorable Appellate Tribunal Inland Revenue, which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

18.1.6 During the financial year 2014, the Assistant Commissioner Inland Revenue imposed penalty vide order dated April 27, 2014 under section 182(1) of the Income Tax Ordinance, 2001 amounting Rupees 0.91 million for the tax year 2013 for the late filling of income tax return under section 114 of the Income Tax Ordinance, 2001.The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) against the above order. The CIR-A decided the matter against the Company vide order dated March 25, 2014. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

18.1.7 During the financial year 2015, the Additional Commissioner Inland Revenue (ACIR), vide order dated April 30, 2015, under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2010, raised an amended demand of Rupees 7.85 million after disallowing certain expenses amounting to Rupees 29.15 million. The Company filed an appeal for the rectification of order before Commissioner Inland Revenue - Appeals (CIR-A) who vide its order dated December 30, 2015 deleted certain items amounting to Rupees 19.94 million. ACIR has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

18.1.8 During the financial year 2017, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed return vide its order dated June 19, 2017 under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2011. The ACIR disallowed certain expenses amounting to Rupees 9.58 million and raised the additional income tax demand of Rupees 1.02 million. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A). The CIR-A vide order No. 19 dated September 21, 2020 decided the appeal partially in favour of the Company by deleting the additions amounting to Rupees 4.62 million under the head financial charges and directed the ACIR to verify the said contention and adjust the refund of Rupees 1.02 million if still available to the Company for adjustment in the current year. Being aggrieved with of the CIR-A order, the Company preferred an appeal before the Honorable Appellate Tribunal Inland Revenue, Lahore, which is still pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

18.1.9 During the financial year 2018, the Company received a show cause notice issued by Deputy Commissioner Inland Revenue under section 161 for the tax year 2017 on non deduction of withholding tax amounting to Rupees 6.03 million on payments against purchase of plant and machinery, packing material and other miscellaneous payments. The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) where the case was remanded back to the Department. Being aggrieved, the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

18.1.10 During the financial year 2018, the Taxation Officer, after conducting audit under Section 177 of the Income Tax Ordinance, 2001 (the Ordinance) for the tax year 2014, passed an amended assessment order under section 122 of the

Ordinance raising tax demands of Rupees 25.29 million alleging that the Company suppressed its sales and adjusted inadmissible expenses. Being aggrieved, the Company has filed appeal before Commissioner Inland Revenue - Appeals (CIR-A). CIR-A vide order, deleted certain additions amounting to Rupees 80 million and the rest of the additions amounting to Rupees 26 million were confirmed.

Hence there is no outstanding amount payable against the Company. The department filed an appeal before Income Tax Appellate Tribunal (ITAT) which is pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

18.1.11 During the financial year 2016, the Deputy Commissioner Inland Revenue raised an order under section 161/205 of the Income Tax Ordinance, 2001 for non-deduction of tax amounting Rupees 6.45 million and Rupees 3.76 million for tax years 2009 and 2010 respectively. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was decided against the Company. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending for adjudication. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

18.1.12 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.

Subsidiary company - Waves Home Appliances Limited

18.1.13 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.

18.1.14 During the financial year 2019, the Company received a show cause notice from Collector of Customs dated April 05, 2019 and respective order dated October 17, 2019 in which the Company was directed to deposit an amount of Rupees 24,118,794 for the consignment of Polymethylene polyphenylene isocynate which was cleared through erroneous application of SRO 659/2007 dated June 30, 2007. The Company has filed an appeal against the order which is in progress. Accordingly as per the advice of the legal counsel of the Company there is every likelihood that matter will be resolved in favour of the Company.

18.1.15 The Company received a show cause notice from Collector of Customs and respective order dated December 14, 2017 in which the Company was directed to deposit an amount of Rupees 10,449,214 for the consignment of Polymethylene polyphenylene isocynate which was cleared through erroneous application of SRO 659/2007 dated June 30, 2007. The Company has filed an appeal against the order which is in progress. As per the advice of the legal counsel of the Company there is every likelihood that matter will be resolved in favour of the Company.

Contingencies related to Samin Textile Limited

18.1.16 A petition for execution of decree of the Civil Court relating to land of the Company situated in village Rousa, Kasur which has been sold last year is pending before Civil Judge, Kasur.

18.1.17 A suit has been initiated by Dynamic Equipment & Control (Pvt.) Limited on October 12, 2018 seeking the recovery of Rupees 8.4 million from the Company. Notices have been issued and the Company is actively defending its rights in the ongoing legal proceedings. As per advice of the legal counsel the Company has already recorded payable amounting to Rupees 7.1 million and there is every likelihood that no additional liability is required in these financial statements.

18.1.18 An appeal has been lodged against the Company in a separate recovery suit by a customer of Samin Textile Limited. The customer alleges damages stemming from the supply of defective cloth amounting to Rupees 11.383 million along with an additional claim for damages totalling Rupees 5 million. The matter is currently subjudice before the Lahore High Court, Lahore. As per advice of the legal counsel the Company there is every likelihood that the matter will be resolved in favour of the Company. Accordingly, no provision/liability is required in these financial statements.

18.1.19 An appeal effect order under section 124 for Tax Year 2008 was issued following the direction provided in the communication from the Commissioner Inland Revenue (Appeals) -II dated 16-04-2014. This order resulted in the determination of total losses amounting to Rupees 128,915,283 with a corresponding demand of Rupees 28,482,019 being vacated. Subsequently, both the Company and tax department have pursued further legal recourse by approaching the Appellate Tribunal Inland Revenue against the order of Commissioner Inland Revenue (Appeals) - II, As of the present date, this matter remains pending adjudication before the Appellate Tribunal Inland Revenue. Based on the circumstances and legal consideration surrounding the case and as per advice of the legal counsel of the Company there is every likelihood that the matter will be resolved in favour of the Company.

18.1.20 An order under section 122(5A) for Tax Year 2009 was issued on October 27, 2014 by the Additional Commissioner Inland Revenue (Add. CIR), resulting in the raising of a demand amounting to Rupees 4.8 million. Following this order, an appeal was filed before the Commissioner Inland Revenue Appeals, who granted partial relief. Notably, interest on Workers' Profit Participation Fund (WPPF) and on short term borrowings was disallowed against export sale. Subsequently, the Subsidiary Company opted to challenge the decision by filling an appeal before the Commissioner Inland Revenue (Appeals). As of the current date, this appeal remains pending adjudication before the Appellate Tribunal Inland Revenue. Based on the merits of the case and the legal arguments presented and accordingly as per the advice of the legal counsel of the Company there is every likelihood that the matter will be resolved in the favour of the Company.

18.1.21 An order under section 122(5A) for Tax Year 2010 was issued on October 31, 2012 by the Additional Commissioner Inland Revenue (Add. CIR), which reduced the Income Tax Refunds to Rupees to Rupees 521,334 by imposing a minimum tax under section 113 at a rate of 0.5% on local sales amounting to Rupees 4,412,674. Subsequently, an appeal was filed before the Commissioner Inland Revenue (CIR) Appeals, who upheld the stance of the Additional Commissioner Inland Revenue. Following this decision, an appeal against the order of Commissioner Inland Revenue (CIR) Appeals was filed on July 04, 2013 before the Appellate Tribunal Inland Revenue (ATIR). The appeal was heard on April 11, 2019, where the Appellate Tribunal Inland Revenue upheld the decision of the Commissioner Inland Revenue. In response to these legal developments, the Company has taken further recourse by approaching the Honorable High Court, Lahore, against such order. Accordingly, as per the advice of legal counsel of the Company there is every likelyhood that the matter will be resolved in the favour of the Company.

18.1.22 Additionally, orders for Tax Year 2010 under section 122(5A) dated September 16, 2015 and November 26, 2015, were passed by the Commissioner Inland Revenue, which reduced brought forward losses and created a liability amounting to Rupees 1,640,269 and Rupees 1,775,510 respectively. Subsequntly, an appeal against these orders of the Comissioner Inland Revenue was filed before Commissioner Inland Revenue Appeals-II, who annulled the aforementioned orders and remanded the case back to the Department for re-examination through an order dated February 06, 2019. In response, an appeal has been filed by the tax department before the Appellate Tribunal Inland Revenue, which is currenly pending adjusdication. Accordingly as per the advice of the legal counsel of the Company there is every likelihood that the matter will be resolved in the favour of the Company.

18.1.23 An order under section 122(5A) for Tax Year 2011 was issued on February 02, 2016 by the Commissioner Inland Revenue (CIR), reducing the Income Tax Refunds from Rupees 8,939,819 to Rupees 2,925,744. Subsequntly, an appeal against this order was filed before the Commissioner Inland Revenue Appeals-II, Lahore. After considering the arguments presented, the Commissioner Inland Revenue Appeals-II deleted the additions made under section 158(a) of the Ordinance by the Commissioner Inland Revenue. Additionally, a direction was issued to re-examine the issue of refunds by the department through an order dated February 06, 2019. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), on March 22, 2019. As of the current date, this appeal remains pending adjudication before the Appellate Tribunal Inland Revenue (ATIR). Based on the merits of the case and the legal arguments presented and upon the advice of legal counsel of the Company, there is every likelihood that the matter will be resolved in the favour of the Company.

18.1.24 The Addtional Commissioner Inland Revenue (ACIR) passed an order on June 23, 2018 under section 122(5A) of the Ordinance, along with a notice of demand under Section 137 of the Ordinance. This resulted in the raising of a tax demand amounting to Rupees 3,971,666 and made an impugned addition/disallowance of Rupees 22,739,169. Subsequntly, the Company filed an appeal before the Commissioner Appeals-II. The appellate order no. 18/A-V dated July 26, 2021 was passed by Commissioner Appeals-II, wherein the addition made on account of 'Markup' amounting to Rupees 22,530,747 was deleted. However, the remaining additions have been remanded back to the Addtional Commissioner Inland Revenue for reexamination. As of the present date, the department has not challenged this order of Commissioner Appeals-II.

18.1.25 An order under section122(1)(5) for Tax Year 2014 was issued on July 29, 2017 by Additional Commissioner Inland Revenue (ACIR), Unit-02, Zone-VII, This order resulted in the addition of Rupees 23,525,775 and the raising of a tax demand of Rupees 1,293,704. Subsequently, an appeal against the order of the Additional Commissioner Inland Revenue was filed before the Commissioner Inland Revenue Appeals-II (CIR Appeals-II). The appellate order, numbered 33/A-V and dated June 25, 2021 was passed by Commissioner Inland Revenue Appeals-II. In this order, the additions made on account of salaries amounting to Rupees 900,000 were reduced by 50%. Additionally, the disallowance of 'power and fuel charges' amounting to Rupees 1,500,000 was deleted. However, the remaining additions were remanded back to the Additional Commissioner Inland Revenue for re-examination. As of the present date, the department has not been challenged this order of Commissioner Inland Revenue Appeals-II.

18.1.26 An order under section 122(1) for Tax Year 2015 was issued by the Additional Commissioner Inland Revenue (ACIR), whereby an addition of Rupees 18,856,268 was made and the tax refund claimed demand was reduced from Rupees 17,462,076 to Rupees 17,099,006. Subsequently , an appeal against the order of the Additional Commissioner Inland Revenue was filed before the Commissioner Inland Revenue Appeal (CIR-A). The appellate order numbered 19/A-V and dated July 26, 2021 was passed by Commissioner Inland Revenue appeals. In this order, the additions made on account of donations amounting to Rupees 300,000 were deleted. However, the remaining additions were remanded back to the Additional Commissioner Inland Revenue for re-examination. As of the present date, the department has not been challenged this order of Additional Commissioner Inland Revenue.

18.1.27 According to clause 4 of the Share purchase agreement dated January 22, 2021 between Ex-sponsors, New sponsors and the Company, all liabilities whether disclosed or undisclosed including but not limited to direct or indirect liabilities, indebtedness, claim including demand, suit, litigation, arbitration, assessment or proceeding made or brought against the Company and the Purchaser and loss, damage, taxes (direct or indirect), settlement agreements, secured or unsecured related to the Company and pertaining to the period up-to consummation of this transaction shall be responsibility and liability of the Sellers. Accordingly no further providing is required in respect of above mentioned other contingencies.

Based on the opinion of the legal and tax advisors handling the above litigations, the management believes that the Company has strong legal grounds against each case and that no financial liability is expected to accrue. Accordingly, no provision (in addition to already held in respect of certain cases of the Company) has been made in these financial

18.2 Commitments

18.2.1 Commitments, for capital expenditures, against irrevocable letters of credit outstanding at year end were for Rupees Nil (2022: Rupees 6.5 million).

18.2.2 The subsidiary has given undated cheques amounting to Rupee 90 million to Finja Lending Services Limited as a collateral against borrowings as disclosed in note 16.6.

18.2.3 There are no other material commitments to report as at reporting date (2022: Nil).

	Note	**2023**	(Restated) 2022
		(Rupees in '000)	
19 Property, plant and equipment			
Operating fixed assets	**19.1**	**3,885,356**	2,699,641
Right of use assets	**19.1**	**55,176**	161,105
Capital work in progress	**19.2**	**4,172,928**	3,313,470
		8,113,460	6,174,216

19.1 Operating fixed assets - tangible
At revalued amount

	Operating fixed assets							Right of use assets					
	Freehold land	Buildings on freehold land	Leasehold improvements	Plant and machinery	Furniture and equipment	Computers	Vehicles	Land & Buildings	Plant and machinery	Furniture and equipment	Computers	Vehicles	Total
	(Rupees in 000)												
As at January 01, 2022 - Restated													
Cost	2,894,165	753,387	586,274	1,789,548	126,628	79,398	148,002	351,568	74,432	1,360	3,917	82,344	6,891,023
Accumulated depreciation	-	(7,533)	(324,044)	(49,238)	(71,786)	(77,162)	(87,354)	(229,787)	(16,274)	(1,360)	(3,917)	(30,353)	(898,808)
Net book value	2,894,165	745,854	262,230	1,740,310	54,842	2,236	60,648	121,781	58,158	-	-	51,991	5,992,215
Year ended December 31, 2022													
Net book value at January 01, 2022	2,894,165	745,854	262,230	1,740,310	54,842	2,236	60,648	121,781	58,158	-	-	51,991	5,992,215
Additions during the year	375,389	-	80,850	-	10,528	4,044	246	42,973	-	-	-	34,782	548,812
Transfers													
Cost	(903,554)	-	-	48,480	-	-	10,770	-	(48,480)	-	-	(10,770)	(903,554)
Accumulated depreciation	-	-	-	(1,913)	-	-	(8,749)	-	1,913	-	-	8,749	-
	(903,554)	-	-	46,567	-	-	2,021	-	(46,567)	-	-	(2,021)	(903,554)
Disposal / Write offs													
Cost	(2,356,000)	(30,000)	-	-	(57)	-	(28,562)	(127,331)	-	-	-	(2,966)	(2,544,916)
Accumulated depreciation	-	-	-	-	6	-	17,528	82,509	-	-	-	742	100,784
	(2,356,000)	(30,000)		-	(51)	-	(11,034)	(44,822)	-	-	-	(2,225)	(2,444,132)
Effect of revaluation	-	7,000	-	-	-	-	-	-	-	-	-	-	7,000
Depreciation charge	-	(20,217)	(71,708)	(152,931)	(14,470)	(2,604)	(24,718)	(34,567)	(2,339)	-	-	(16,040)	(339,594)
Net book value	10,000	702,636	271,372	1,633,946	50,849	3,676	27,162	85,365	9,252	-	-	66,488	2,860,747
As at January 01, 2023													
Cost	10,000	730,387	667,124	1,838,028	137,099	83,443	130,455	267,210	25,952	1,360	3,917	103,390	3,998,365
Accumulated depreciation	-	(27,750)	(395,752)	(204,082)	(86,250)	(79,766)	(103,293)	(181,845)	(16,700)	(1,360)	(3,917)	(36,903)	(1,137,618)
Net book value	10,000	702,636	271,372	1,633,946	50,849	3,676	27,162	85,365	9,252	-	-	66,488	2,860,747
Year ended December 31, 2023													
Net book value at January 01, 2022	10,000	702,636	271,372	1,633,946	50,849	3,676	27,162	85,365	9,252	-	-	66,488	2,860,747
Additions during the year	-	-	3,481	-	2,541	356	2,081	-	-	-	-	1,976	10,435
Revaluation surplus	-	3,541	-	76,537	-	-	-	-	-	-	-	-	80,079
Transfers from capital work in progress	-	-	-	1,416,173	-	-	-	-	-	-	-	-	1,416,173
Transferred from leased assets													
Cost	-	-	-	25,952	1,360	3,917	26,443	-	(25,952)	(1,360)	(3,917)	(26,443)	-
Accumulated depreciation	-	-	-	(3,784)	(1,360)	(3,917)	(15,281)	-	3,784	1,360	3,917	15,281	-
	-	-	-	22,168	-	-	11,162	-	(22,168)	-	-	(11,162)	-
Transfers to investment property													
Cost	-	(18,500)	-	-	-	-	-	-	-	-	-	-	(18,500)
Accumulated depreciation	-	1,250	-	-	-	-	-	-	-	-	-	-	1,250
	-	(17,250)	-	-	-	-	-	-	-	-	-	-	(17,250)
Disposals													
Cost	-	-	(71)	-	(760)	-	(54,329)	(253,678)	-	-	-	-	(308,838)
Accumulated depreciation	-	-	56	-	294	-	42,722	184,586	-	-	-	-	227,658
Net book value	-	-	(15)	-	(466)	-	(11,607)	(69,092)	-	-	-	-	(81,180)
Depreciation charge	-	(31,657)	(75,820)	(178,490)	(14,393)	(6,401)	(16,226)	-	(1,290)	-	-	(18,399)	(342,677)
Net book value	10,000	657,271	199,017	2,970,335	38,531	(2,369)	12,571	16,273	-	-	-	38,903	3,846,249
Depreciation rate (% per annum)	Nil	3	10 - 33	8.33	10	20	20	3	8.33	10	20	20	

19.1.1 Particulars of operating fixed assets disposed off during the year in accordance with the requirements of Fourth Schedule to the Companies Act,

Particulars of assets	Cost/ Revalued amount	Accumulated depreciation	Net book value	Sale proceeds	Gain/Loss on disposal	Relationship	Particulars of purchaser	Mode of disposal
	(Rupees in 000)							
Furniture and equipment								
Items having book value less than Rupees 500,000	760	294	466	503	37	Employee / Independent	Various	Negotiation
Vehicle								
Suzuki Alto	1,472	715	756	1,975	1,219	Independent	Muhammad Sohail Akhtar	Negotiation
Suzuki Alto VXR	1,733	289	1,444	2,525	1,081	Independent	Suzuki mini motors	Negotiation
Suzuki Alto VXR	1,785	382	1,403	2,400	997	Independent	Muhammad Amjad	Negotiation
Suzuki Cultus AGS	2,026	1,517	509	2,600	2,091	Employee	Muhammad Aslam	Negotiation
Toyota Yaris	3,903	879	3,023	4,000	977	Independent	Mrs. Humaira	Negotiation
Toyota Yaris	3,903	879	3,023	4,000	977	Independent	Faisal Shahzad	Negotiation
	14,821	4,662	10,159	17,500	7,341			
Items having book value less than Rupees 500,000	38,820	37,823	997	23,363	22,367	Employee / Independent	Various	Negotiation
	54,401	**42,778**	**11,622**	**41,366**	**29,744**			

19.1.2 Had there been no revaluation of property, plant, and equipment, value as of December 31, 2023 would have been as follows:

	2023	(Restated) 2022
	(Rupees in '000)	
Land	**10,000**	10,000
Buildings	**297,167**	402,161
Plant and machinery	**2,634,888**	1,242,463
	2,942,055	1,654,624

19.1.3 The latest revaluation was carried on December 30, 2023 by Unicorn International Surveyors. As per the revaluation report, forced sale value of freehold land, buildings on freehold land and plant and machinery were Rupees 9.000 million (2022: Rupees 9.000 million), Rupees 284.75 million (2022: Rupees 390.60 million) and Rupees 2,524.78 million (2022: Rupees 1,488.75 million) respectively.

19.1.4 Particulars of immovable property (i.e. land and building) in the name of Group are as follows:

Location	**Usage of immovable property**	**Total area (Kanals/Marla)**	**Covered area (Square Feet)**
Dina Nath, Mouza rakh Serai Cheenba, Tehsil Pattoki, District Kasur	Warehouse and provided to tenant under operating lease arrangement	8.45	18,069
Muaza Mustafabad, 41 KM Ferozepur Road, Off 2-KM Rohi Nala Road, Tehsil & District Kasur	Manufacturing facility	278.00	-
Commercial Property Bearing Shop No.5, 6 & 15, Ground Floor, Al Amna Complex, Block B, Alamgir Road, Civil Line Cantonment, Hyderabad	Own use	3.4 Marlas	915
Commercial Property Bearing City Survey No. C-420, Ward No.C, Ground Floor Marhaba Centre, Opposite Muhammad Bin Qasim Park, Taluka & District Sukkur.	Own use	7.284 Marlas	1,983

19.1.5 Depreciation for the year has been allocated as follows:

	Note	**2023**	(Restated) 2022
		(Rupees in '000)	
Cost of sales	**31**	**186,873**	161,718
Marketing, selling and distribution costs	**32**	**75,820**	106,183
Administrative expenses	**33**	**61,041**	64,373
		323,734	332,274
			(Restated)

		2023	2022
		(Rupees in '000)	

19.2 Capital work-in-progress

	2023	2022
Opening balance	**3,313,470**	825,505
Additions during the year	**2,332,949**	2,487,965
	5,646,419	3,313,470
Transfers during the year	**(1,473,492)**	-
	4,172,927	3,313,470

Breakup of capital work in progress is as follows:

	2023	2022
- Freehold land	**903,554**	903,554
- Civil work	**1,142,150**	1,108,446
- Plant and machinery	**854,887**	876,240
- Electric installation	**1,359**	11,945
- Borrowing costs	**1,270,978**	413,285
	4,172,928	3,313,470

20 Intangible assets

	2023	2022
Goodwill	**1,070,207**	1,070,207
Software	**23,533**	32,091
Brand value	**1,582,147**	1,582,147
Customer relationships	**123,025**	153,753
	2,798,912	2,838,198

20.1 Reconciliation of carrying amounts

Description	**Software**	**Goodwill**	**Brand value**	**Customer relationships**	**Total**
			(Rupees in '000)		
Cost					
Balance as at January 01, 2022	122,440	1,070,207	1,582,147	261,289	3,036,083
Addition during the year	1,342	-	-	-	1,342
Balance as at December 31, 2022	123,782	1,070,207	1,582,147	261,289	3,037,425
Balance as at December 31, 2022	**123,782**	**1,070,207**	**1,582,147**	**261,289**	**3,037,425**
Additions during the year	**45**	**-**	**-**	**-**	**45**
Balance as at December 31, 2023	**123,827**	**1,070,207**	**1,582,147**	**261,289**	**3,037,470**
Amortization and impairment losses					
Balance as at January 01, 2022	(80,889)	-	-	(76,808)	(157,697)
Charge for the year	(10,802)	-	-	(30,728)	(41,530)
Balance as at December 31, 2022	(91,691)	-	-	(107,536)	(199,227)
Balance as at December 31, 2022	**(91,691)**	**-**	**-**	**(107,536)**	**(199,227)**
Charge for the year	**(8,603)**	**-**	**-**	**(30,728)**	**(39,331)**
Balance as at December 31, 2023	**(100,294)**	**-**	**-**	**(138,264)**	**(238,558)**
Written down value as at December 31, 2022	32,091	1,070,207	1,582,147	153,753	2,838,198
Written down value as at December 31, 2023	**23,533**	**1,070,207**	**1,582,147**	**123,025**	**2,798,912**
Rates of amortization / useful life	**5-10 years**	**Nil**	**Nil**	**10.5 years**	

20.2 Goodwill and other intangible assets acquired in business combination

Effective September 01, 2021, Waves Home Appliances Limited (WHAL) completed a 'Scheme of Arrangement' as approved by the Honorable Lahore High Court through its Order dated June 22, 2022 for the demerger of home appliances business of Waves Corporation Limited (WCL) and amalgamation of the same into the subsidiary company. These intangibles have been transferred from WCL at their carrying values in compliance with the Accounting Standard "Accounting for Common Control Transactions" as issued by ICAP and notified through SRO 53(I) 2022 dated January 12, 2022.

20.2.1 Impairment testing

The recoverable amount of goodwill including intangible assets (brand value and customer relationships) acquired through a business combination has been tested for impairment as at December 31, 2023, by allocating the amount of goodwill and intangible assets to respective assets on which it arose, based on value in use in accordance with IAS 36 "Impairment of Assets". The recoverable amount was calculated on the basis of four years business plan approved by the Board of Directors which includes a comprehensive analysis of existing operational deployments of the Company along with strategic business plans and business growth. The value in use calculations are based on cash flow projections derived from aforesaid business plan, which have been extrapolated beyond five years, by using a steady 10.00% growth rate. The financial projections involve certain key assumptions such as sales price and composition and raw materials etc. The cash flows are discounted using such discount rates for use in calculation of value in use which are sensitive to discount rate and local inflation rates. The values assigned to the key assumptions represent management's assessment of future business trends and have been based on historical data from both external and internal sources. Based on this calculation no impairment is required to be accounted for against the carrying amount of goodwill and other intangible assets.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
20.3	Amortisation for the period has been allocated as follows:			
	Marketing, selling and distribution costs	32	**30,728**	4,689
	Administrative expenses	33	**8,603**	10,805
			39,331	15,494

21	**Investment property**			
	Balance as at January 01		**-**	-
	Addition during the year		**17,250**	-
	Disposals during the year		**-**	-
	Fair value gain		**171**	-
	Balance as at December 31		**17,421**	-

21.1 As at reporting date; investment property having fair value of Rupees 17.421 million (2022: Rupees Nil) whereas Forced sale value of the property was Rupees 14.807 million (2022: Rupees Nil). Changes in fair value of investment property has been recognised in statement of profit or loss as 'Other Income' as referred to in note 35. The fair value of investment properties as of December 30, 2023 has been determined by an external independent property valuer Unicorn International Surveyors based on independent inquiries from active local realtors, recent experience in the location and the records of the valuer.

21.2 The fair value measurement of the investment property had been categorized as a level 3 fair value based on the input to the valuation technique used.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
22	**Long term deposits**			
	Deposits against Leases	22.1	**7,932**	10,675
	Deposits against rented premises		**31,450**	31,440
	Deposits against Utilities		**7,422**	13,203
			46,804	55,318

22.1 These have been deposited against leased vehicles and rented premises and are refundable on completion or termination of contracts in accordance with terms of contract. These are classified as 'amortized cost' under the requirement of International Financial Reporting Standard 9 "Financial Instruments". However, these, being held for an indefinite period with no fixed maturity date, are carried at cost as their amortized cost is impracticable to determine.

		Note	2023	2022
			Rupees in ('000)	
23	**Inventories**			
	Under developed properties	23.1	**3,126,042**	2,705,294
	Stock in trade		**2,945,422**	3,288,148
			6,071,464	5,993,442

	Note	2023	2022
		Rupees in ('000)	

23.1 Under developed properties

	Note	2023	2022
Balance at the beginning of the year		**2,705,294**	-
Add: transfer from non-current assets held for sale		**-**	2,356,000
Add: Costs incurred during the year	23.2	**420,748**	349,294
Less: Costs transferred to cost of revenue during the year		**-**	-
Balance at end of the year		**3,126,042**	2,705,294

23.2 This represents inventories being developed by the parent company for the purposes of sale upon completion of the project. In November 2021, the Board decided that the freehold land on which existing manufacturing facility of the WCL is located shall be used for real estate project/apartment complex.

23.3 This includes borrowing costs of Rupees 351.67 million (2022: Rupees 349.294 million) and amount of Rupees 69.069 million (2022: Rupees Nil) incurred in connection with the project development.

23.4 Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and include the costs of:

- Cost of freehold land;
- Amounts directly incurred relating to construction of infrastructure;
- Amounts paid to contractors for construction including the cost of construction of infrastructure; and
- Planning and design costs, costs of site preparation, professional fees for legal services, construction overheads and other related costs.

The development span of the development property is estimated in 4 years.

	Note	2023	(Restated) 2022
		(Rupees in '000)	
Raw material		**678,147**	616,158
Packing material		**1,657,906**	1,706,155
Raw and packing materials in bonded warehouse		**11,062**	11,007
Work in process		**74,340**	141,300
Finished goods		**584,262**	884,892
In transit		**-**	15,000
		3,005,717	3,374,512
Provision for slow moving and damaged stock	23.5	**(60,295)**	(86,364)
		2,945,422	3,288,148

23.5 Movement in provision for obsolete stock

Balance at the beginning of year		**86,364**	86,364
Charge / (reversal) during the year		**(26,069)**	-
Written off during the year		**-**	-
Balance at the end of year		**60,295**	86,364

24 Stores, spares and loose tools

Stores		**7,836**	17,790
Spares		**19,391**	25,205
Loose tools		**883**	1,148
		28,110	44,143

25 Trade debts

Unsecured- considered good:			
Local receivables from customers		**3,056,953**	4,226,855
Trade receivables under hire purchase arrangement			
- Retail		**1,282,714**	1,525,209
- Institutional (employees of the corporate entities)		**96,281**	198,806
Trade receivables - others		**1,563**	1,289
		4,437,511	5,952,159
Less: Long term portion of trade debts		**(962)**	(1,301)
Current portion of trade debts		**4,436,549**	5,950,858
Unearned carrying charges		**(93,043)**	(185,759)
		4,343,506	5,765,099
Less: Allowance for expected credit loss	25.1	**(149,828)**	(90,610)
		4,193,678	5,674,489

		(Restated)
	2023	2022

		(Rupees in '000)	
25.1	**Allowance for expected credit losses**		
	Balance at the beginning of year	**90,610**	112,361
	Charge / (reversal) during the year	**59,218**	(21,751)
	Balance at the end of year	**149,828**	90,610

25.2 The expected credit allowance for trade debts as at reporting date was determined as follows:

Aging Bucket	Exposure at default	Expected Credit Loss (ECL)
	(Rupees)	
Not yet due	**1,286,066**	**2,123**
Over due up to 30 days	**121,272**	**939**
Overdue by more than 31 days but less than 60 days	**150,569**	**1,963**
Overdue by more than 61 days but less than 90 days	**135,509**	**2,347**
Overdue by more than 91 days but less than 180 days	**1,513,494**	**30,481**
Overdue by more than 180 days	**1,229,639**	**111,976**
	4,436,549	**149,829**

		Note	2023	(Restated) 2022
			(Rupees in '000)	
26	**Advances, deposits, prepayments and other receivables**			
	Un-secured - consider good:			
	Advances to employees		**33,584**	6,422
	Advances to suppliers		**237,453**	328,281
	Advances against imports		**185,445**	152,125
	Trade deposits		**350**	850
	Security deposits		**10,129**	16,068
	Sales tax receivable		**-**	12,958
	Prepayments		**5,628**	6,359
	Accrued mark up on investment		**45**	-
	Others		**11,363**	-
	Un-secured - consider doubtful:			
	Other receivables		**8,099**	8,099
	Loss allowances against other receivables	26.2	**(8,099)**	(2,342)
			-	5,757
			483,997	528,820

26.1	**Movement in loss allowance against other receivables**		
	Balance as at 01 January	**141,831**	141,831
	Loss allowance for the year	**5,757**	-
	Balance as at 31 December	**147,588**	141,831

26.2 This includes claims receivable from insurance companies, suppliers and product claims amounting to Rupees 8.099 million against which provision of Rupees 8.099 million (2022: Rupees 2.34 million) has already been provided.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
27	**Short term investment**			
	Term deposit receipts		**3,000**	3,000

27.1 This represents Term Deposit Receipts issued by the Bank of Khyber and carry expected mark-up rate ranging from 12.2% to 18.60% (2022: 5.52% to 13.50%) per annum and are held for the period of monthly on rollover basis. Accrued markup recoverable as at reporting date has been included in Mark up receivable in note 26 to the financial statements.

2023	(Restated) 2022
(Rupees in '000)	

28 Cash and bank balances

Cash in hand	**36,737**	66,103
Cash at bank in:		
- Current accounts	**23,130**	44,155
- Deposit accounts	**8**	4,086
	59,874	114,342

29 Non current assets held for sale

Office equipment	**-**	286
Vehicles	**-**	1,184
	-	1,470

29.1 Office equipment

Opening balance	**286**	286
Disposal during the year	**-**	-
Transfer to operating fixed assets	**(286)**	-
	-	286

29.2 Vehicles

Opening balance	**1,184**	1,184
Disposal during the year	**-**	-
Transfer to operating fixed assets	**(1,184)**	
	-	1,184

29.3 During the year; the parent company has reclassified non-current assets held for sale to operating fixed assets as assets could not be disposed off with stipulated time period in accordance with the requirements of International Financial Reporting Standard 5 "Non-current assets held for sale and discontinued operations". Upon reclassification of non-currents assets held for sale to operating fixed assets; depreciation for the period in which theses non-current assets held for sale have been charged to statement of profit or loss.

31 Cost of sales

	Note	2023	(Restated) 2022
		(Rupees in '000)	
Raw material consumed	**31.1**	**2,110,707**	3,984,103
Packing material consumed	**31.2**	**115,783**	219,617
Stores, spares and loose tools consumed	**31.3**	**66,514**	136,805
Salaries, wages and other benefits	**31.4**	**185,995**	380,018
Fuel and power		**85,864**	111,792
Freight charges		**49,010**	86,029
Insurance expense		**7,943**	9,888
Repairs and maintenance		**7,288**	21,703
Printing and stationery		**6,334**	19,369
Travelling and conveyance		**560**	256
Rent, rates and taxes		**4,941**	12,170
Communication		**37**	64
Depreciation	**31**	**186,873**	161,718
Others		**1,023**	1,964
Cost of goods manufactured		**2,828,872**	5,145,496
Work in process			
- Opening stock		**141,300**	239,286
- Closing stock		**(74,340)**	(141,300)
Cost of goods available for sale		**2,895,832**	5,243,482
Finished Goods			
- Opening stock		**899,891**	1,624,101
- Purchase during the year		**593,678**	2,037,779
- Closing stock		**(584,262)**	(899,893)
		909,307	2,761,987
Cost of goods sold		**3,805,139**	8,005,469

(Restated)

		2023	2022
		(Rupees in '000)	
31.1	**Raw material consumed**		
	Opening stock	**616,158**	767,830
	Raw material purchases	**2,172,696**	3,832,431
		2,788,854	4,600,261
	Less: Closing stock	**(678,147)**	(616,158)
	Raw material consumed	**2,110,707**	3,984,103
31.2	**Packing material consumed**		
	Opening stock	**11,007**	11,714
	Packing material purchases	**115,839**	218,910
		126,846	230,624
	Closing stock	**(11,062)**	(11,007)
	Packing material consumed	**115,783**	219,617
31.3	**Stores, spares and loose tools consumed**		
	Opening stock	**44,061**	45,723
	Purchases	**48,900**	135,143
		92,961	180,866
	Less: Closing stock	**(26,447)**	(44,061)
	Stores consumed	**66,514**	136,805

31.4 These include provision of Rupees Nil (2022: Rupees 0.031 million), Rupees Nil (2022: Rupees 0.899 million) and Rupees 5.900 million (2022: Rupees 10.132 million) in respect of pension, gratuity and provident funds respectively.

		Note	2023	(Restated) 2022
			(Rupees in '000)	
32	**Marketing, selling and distribution costs**			
	Salaries and benefits	**32.1**	**230,024**	322,049
	Commission expense		**55,636**	158,558
	Rent, rates and taxes		**143,128**	130,665
	Publicity and sales promotion		**9,615**	42,756
	Depreciation	**31**	**75,820**	106,183
	Warranty expense		**45,895**	61,791
	Utilities		**28,681**	40,863
	Communication		**4,785**	5,127
	Travelling and conveyance		**26,961**	35,271
	Repair and maintenance		**5,564**	37,843
	Printing and stationery		**4,967**	6,821
	Amortisation	**20.3**	**30,728**	4,689
	Others		**4,879**	1,941
			666,683	954,557

32.1 These include provision of Rupees Nil (2022: Rupees 0.012 million), Rupees 4.145 million (2022: Rupees 0.137 million) and Rupees 4.556 million (2022: Rupees 7.824 million) in respect of pension, gratuity and provident funds respectively.

Note	2023	(Restated) 2022
	(Rupees in '000)	

33 Administrative expenses

Salaries wages and other benefits	**33.1**	**274,990**	357,237
Legal and professional charges		**11,387**	16,896
Communication		**8,201**	11,123
Travelling and conveyance		**16,680**	33,538
Repair and maintenance		**1,755**	3,721
Utilities		**8,148**	14,076
Printing and stationery		**2,711**	7,018
Rent, rates and taxes		**1,168**	3,910
Insurance expense		**13,916**	16,318
Entertainment expense		**8,208**	10,121
Fees and subscription		**5,132**	8,414
Amortisation of intangible assets	**20.3**	**8,603**	10,805
Depreciation on right of use		**55,800**	59,947
Charity and donations	**33.2**	**310**	737
Depreciation on operating fixed assets	**31**	**5,241**	4,426
Others		**2,230**	3,007
		424,481	561,293

33.1 These include provision of Rupees Nil (2022: Rupees 0.005 million), Rupees Nil (2022: Rupees 0.346 million) and Rupees 4.018 million (2022: Rupees 5.073 million) in respect of pension, gratuity and provident funds respectively.

33.2 None of the donations were made to an entity in which any director or his / her spouse had an interest.

			(Restated)
		2023	2022
	Note	**(Rupees in '000)**	

34 Other operating expenses

Legal and professional		**2,986**	8,661
Allowance for expected credit loss		**59,218**	-
Allowance for doubtful receivables		**5,757**	-
Auditor's remuneration	**33.2**	**7,846**	7,846
Workers' profits participation fund	**14.4**	**7,511**	6,889
Exchange loss - net		**23,277**	68,137
Notional interest on amount due to holding company		**-**	-
Effect of termination of lease			-
Fair value loss in investment property		**-**	-
Loss on disposal of investment property		**-**	385
Research and development expenditure		**7,064**	8,454
Debit balance written off		**20**	-
Workers' welfare fund		**10,533**	9,419
		124,212	109,791

33.2 Auditors' remuneration

Statutory audit fee	**3,718**	3,328
Fee for the audit of financial statement of subsidiary companies	**2,036**	1,982
Fee for the review of interim financial information of subsidiary companies	**392**	392
Fee for the review of interim financial information	**513**	513
Fee for the review of code of corporate governance and other certifications under agreed upon procedures	**368**	758
Out of pocket expenses	**819**	873
	7,846	7,846

	(Restated)
2023	2022

35 Other income

	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Income from financial assets			
Profit on bank deposits		**3,571**	1,219
Profit on term deposit receipts		**518**	156
Mark-up on amount due from subsidiary company			
Income from other than financial assets			
Reversal for expected credit losses			21,751
Scrap sales		**2,985**	4,956
Rental income		**-**	-
Reversal of provision for obsolete stock		**26,069**	-
Unwinding of long term receivables to subsidiary		**-**	-
Gain on modification / termination of lease		**1,366**	36,805
Fair value gain in investment property	**21**	**171**	-
Amortisation of deferred income	**13**	**1,384**	9,006
Credit balance written back		**53,916**	-
Gain on sale of property, plant and equipment		**29,744**	15,225
Earned carrying charges		**260,831**	332,020
Others		**-**	20,640
		380,554	441,778

36 Finance costs

	Note	2023	2022
Mark up on long term financing		**90,007**	102,605
Mark up on short term borrowings		**152,119**	302,410
Lease finance charges		**11,844**	17,430
Interest on Workers' Profit Participation Fund	**14.4**	**1,071**	-
Bank charges		**10,462**	13,520
		265,503	435,965

37 Income tax expense

	Note	2023	2022
Current:			
- for the year	**37.2**	**70,071**	130,555
- prior year		**762**	(76,334)
		70,833	54,221
Deferred tax		**(26,752)**	21,672
	37.3	**44,081**	75,894

37.1 The parent company has opted for Group taxation and the Group taxation has been determined under minimum tax under Section 113 of the Income Tax Ordinance, 2001. During the year, the Group's income falls under minimum tax regime and accordingly provision for taxation has been made after taking into account applicable tax credits, rebates and allowances.

37.2 The parent company has filed tax returns up to tax year 2022 which stands assessed under Section 120 of the Income Tax Ordinance, 2001. However tax authorities are empowered to question the assessment at any time within five years at the end of the financial year in which the return are filed. Numerical reconciliation between tax expense and accounting profit for the year is not meaningful owing to application of minimum tax under Section 113 of the Income Tax Ordinance, 2001.

38 Earnings per share - basic and diluted

The calculation of earnings per share (basic and diluted) is based on earnings attributable to the owners of ordinary shares of the Group.

No figure for diluted earnings per share has been presented as the Group has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

The Group's earnings per share have been calculated as follows:

	2023	(Restated) 2022

		Note	(Rupees in '000)	
	Profit for the year after taxation attributable to equity holders of Holding Company		**256,781**	237,478
	Weighted-average number of ordinary shares	**38.1**	**281,406**	281,406
	Earning per share - basic and diluted	**Rupees**	**0.91**	0.84
38.1	**Weighted-average number of ordinary shares (basic and diluted)**			
	Opening as at the beginning of the year		**281,406**	281,406
	Issued during the year		**-**	-
	Weighted-average number of ordinary shares		**281,406**	281,406
39	**Cash and cash equivalents**			
39.1	Cash and cash equivalents as at December 31			
			59,874	114,342
	Cash and bank balances		**(2,789,115)**	(2,788,442)
	Short term borrowings		**(2,729,241)**	(2,674,100)

39.2 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities				Equity		
	Short term borrowings	Long term loans	Lease liabilities	Mark-up accrued on borrowings	Share capital	Capital reserves - Note 6	Loan from Sponsors
	(Rupees in '000)						
Balance as at January 01, 2023	**5,203,965**	**1,300,615**	**148,365**	**400,468**	**2,814,062**	**5,030,661**	**119,497**
Cash flows							
Short term borrowings payment - net receipts	**(423,570)**	**-**	**-**	**-**	**-**	**-**	**-**
Long term loans received/(repaid)	**-**	**163,409**	**-**	**-**	**-**	**-**	**109,520**
Loan from sponsors received	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Finance cost paid	**-**	**-**	**-**	**(1,117,288)**	**-**	**-**	**-**
Repayment of lease rentals-net	**-**	**-**	**(111,957)**	**-**	**-**	**-**	**-**
	(423,570)	**163,409**	**(111,957)**	**(1,117,288)**	**-**	**-**	**109,520**
Non-cash changes							
Changes in running finance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Addition in lease liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Finance cost / deferred grant	**-**	**-**	**11,844**	**1,536,481**	**-**	**-**	**-**
	-	**-**	**11,844**	**1,536,481**	**-**	**-**	**-**
Balance as at December 31, 2023	**4,780,395**	**1,464,024**	**48,252**	**819,661**	**2,814,062**	**5,030,661**	**229,017**
Balance as at January 01, 2022	5,188,205	2,042,561	187,325	184,229	2,814,062	5,030,661	115,300
Cash flows							
Short term borrowings repaid net of receipts	(827,416)	-	-	-	-	-	-
Shares capital issuance expenses paid						-	-
Long term loans received/ (repaid)	-	(742,086)	-	-	-	-	4,197
Finance cost paid	-	-	-	(633,011)	-	-	-
Repayment of lease rentals-net	-	-	(56,390)	-	-	-	-
	(827,416)	(742,086)	(56,390)	(633,011)	-	-	4,197
Non-cash changes							
Changes in running finance	843,176	-	-	-	-	-	-
Unwinding of loan		36,368					
Deferred grant		(36,228)					
Addition in lease liability	-	-		-	-	-	-
Finance cost / deferred grant	-		17,430	849,250	-	-	-
	843,176	140	17,430	849,250	-	-	-
Balance as at December 31, 2022	5,203,965	1,300,615	148,365	400,468	2,814,062	5,030,661	119,497

Total
15,017,634
(423,570)
272,929
-
(1,117,288)
(111,957)
(1,379,886)
-
-
1,548,325
1,548,325
15,186,072
15,562,344
(827,416)
-
(737,889)
(633,011)
(56,390)
(2,254,706)
843,176
-
866,680
1,709,856
15,017,494

40 Provident fund related disclosure

The management is of the view that the investments out of provident fund have not been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated thereunder.

41 Remuneration of Chief Executive, Directors And Executives

The aggregate amounts charged in the financial statements in respect of remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Group are as follows:

	Chief Executive		Directors		Executives	
	2023	2022	**2023**	2022	**2023**	2022
			(Rupees in '000)			
Managerial remuneration	**43,394**	27,845	**8,437**	4,162	**88,532**	92,863
Contribution to provident fund	**3,614**	2,834	**703**	346	**6,441**	7,348
Housing allowance	**238**	936	**1,940**	1,665	**31,708**	36,475
Medical allowance	**4,101**	7,392	**844**	-	**2,508**	6,602
	51,347	39,007	**11,924**	6,173	**129,189**	143,288
Number of persons	**2**	2	**2**	2	**44**	54

41.1 In addition to the above, Directors and certain Executives are provided with free use of the Group's maintained vehicles, club facility and certain items of furniture and fixtures in accordance with their entitlement. The Group also makes contributions based on actuarial calculations to gratuity and pension funds.

41.2 In addition, aggregate amount charged in the financial statements for payments on account of the meeting fee of non-executive directors was Rupees 0.30 million (2022: Rupees 0.5 million).

42 Related parties and related party transactions

The related parties comprise the companies under common control, the companies where key management personnel have control, the directors of the Group and the key management personnel of the Group. Detail of related parties (with whom the Group has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

42.1

Name and nature of relationship	Number of shares held	Relationship
Mr. Haroon Ahmad Khan (CEO)	**26,208,977**	Sponsor
Mr. Hamza Ahmad Khan (Director)	**49,048**	Sponsor
Mrs. Nighat Haroon Khan (Director)	**5,626,703**	Sponsor
Mr. Moazzam Ahmad Khan (Director)	**1,000**	Sponsor
Mr. Tajamal Hussain Bokharee (Director)	**100**	Independent director
Mr. Muhammad Zafar Hussain (Director)	**340**	Independent director
Mr. Khalid Azim (Director)	**222**	Executive Director
Waves Employees Provident Fund	**-**	Others
Mr. Arslan Sahid Butt	**-**	Key management personnel
Mr. Ahmed Bilal	**-**	Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Group considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel.

42.2 Transactions with related parties

Nature of relationship	Nature of transactions	(Rupees in '000)	
Employee's Provident Fund	Contribution for the year	**24,339**	26,163
	Loan obtained during the year	**288,000**	248,000
	Loan repaid during the year	**288,000**	248,000
	Interest charged	**62,649**	21,056
Employee's Pension Fund	Contribution for the year	**-**	47
Employee's Gratuity Fund	Contribution for the year	**-**	1,382

Directors	Loan obtained	**109,520**	4,197

43 Financial risk management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees policies for managing each of the risks.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of 'which are reported to the Board of Directors. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

43.1 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation. Credit risk of the Group arises principally from trade debts, advances, deposits, other receivables and bank balances.

43.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk before any credit enhancements at the reporting date was:

		(Restated)
	Carrying amount	
	2023	2022
	(Rupees in '000)	
Security deposits	**56,933**	71,386
Trade debts	**4,193,678**	5,674,489
Other receivables	**-**	5,757
Balances with banks	**23,138**	44,155
	4,273,749	5,795,787

43.1.2 Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the Group's performance for developments affecting a particular industry. Maximum exposure to credit risk by type of counterparty is as follows:

		(Restated)
	2023	2022
	(Rupees in '000)	
Trade debts	**4,193,678**	5,674,489
Security deposits	**25,483**	39,946
Insurance Company	**-**	5,757
Bank balances	**23,138**	44,155
	4,242,299	5,764,347

43.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or historical information about the counterparty default rates. All counterparties, with the exception of customers and utility Companies, have external credit ratings determined by various credit rating agencies and other regulatory authorities. Credit quality of customer is assessed by reference to historical default rates and present ages.

(a) Counterparties with external credit ratings

These include banking companies and financial institutions, which are counterparties to bank balances and deposits. Impairment on cash and cash equivalents has been measured on a 12 month expected loss basis and reflects the short maturities of the exposures. Credit risk is considered minimal as these counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Group. Following are the credit ratings of counterparties with external credit ratings:

Banks	**Rating**		**Rating**	**2023**	2022
	Short term	**Long term**	**agency**	**(Rupees in '000)**	
AlBaraka Bank (Pakistan) Limited	A-1	A+	VIS	**232**	834
Allied Bank Limited	A-1+	AAA	PACRA	**124**	124
Askari Bank Limited	A-1+	AA+	PACRA	**135**	136
Bank Alfalah Limited	A-1+	AA+	PACRA	**750**	2,038
Bank Islamic Pakistan Limited	A-1	AA	PACRA	**1**	2
The Bank of Khyber	A-1	A+	PACRA	**552**	240
The Bank of Punjab	A-1+	AA+	PACRA	**-**	726
Dubai Islamic Bank Limited	A-1+	AA	VIS	**75**	6
Faysal Bank Limited	A-1+	AA	PACRA	**3,756**	3,746
Finca Microfinance Bank Limited	A2	A-	PACRA	**169**	373
Habib Bank Limited	A-1+	AAA	VIS	**3,925**	26,931
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**356**	356
JS Bank Limited	A1+	AA-	PACRA	**4**	4
MCB Bank Limited	A1+	AAA	PACRA	**2,074**	1,157
Meezan Bank Limited	A-1+	AAA	VIS	**4,940**	7,480
National Bank Of Pakistan	A1+	AAA	PACRA	**558**	60
Samba Bank Limited	A-1	AA	VIS	**81**	81
Summit Bank Limited	A-2	A-	VIS	**2,374**	-
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	**1,090**	1,090
United Bank Limited	A-1+	AAA	VIS	**1,075**	1,270
Sindh Bank limited	A-1	A+	VIS	**-**	9
Silk Bank Limited	A-2	A-	VIS	**2**	-
U Microfinance Bank Limited	A-1	A+	VIS	**4**	4
Telenor Micro Finance Bank Limited	A-1	A	PACRA	**1**	452
Industrial Commercial Bank of China	N/A	A	SBP	**859**	1,121
				23,137	48,241

(b) Counterparties without external credit ratings

These include customers which are counter parties to trade debts and other receivables. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer / dealers. The Group applies the IFRS 9 simplified approach to measure expected credit losses. The management has established a credit policy under which each new customer is analysed individually for credit worthiness. The analysis of ages of trade debts and loss allowance using the aforementioned approach was disclosed in note 25.

None of the financial assets of the Group are secured or impaired except as those mentioned in these financial statements. Deposits and other receivables are mostly due from banks and individuals. Impairment on these assets has been measured on a 12 month expected loss basis and reflects the short maturities of the exposures. Based on past experience the management believes that no impairment allowance is necessary in respect of these financial assets. There are reasonable grounds to believe that these amounts will be recovered in short course of time.

43.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation. The Group’s liquidity management involves forecasting future cash flow requirements, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The Group maintains committed lines of credit to ensure flexibility in funding. In addition, the Group has unavailed facilities of running finances to meet the deficit, if required to meet the short term liquidity commitment.

Exposure to liquidity risk

Following are the contractual maturities of the financial liabilities (based on the remaining period as of the period-end), including interest obligations:

		2023				
		Carrying amount	**Contractual cash flows**	**One year or less**	**One to two years**	**Two to five years**
	Note	**(Rupees in '000)**				
Financial liabilities						
Long term financings	**9**	**1,464,024**	**(1,464,024)**	**(697,691)**	**(402,739)**	**(363,594)**
Lease liabilities	**10**	**48,252**	**(48,252)**	**(22,806)**	**(22,419)**	**(3,027)**
Trade and other payables	**14**	**2,274,554**	**(2,274,554)**	**(2,274,554)**	**-**	**-**
Accrued markup	**15**	**819,660**	**(819,660)**	**(819,660)**	**-**	**-**
Short term borrowings	**16**	**4,780,395**	**(4,780,395)**	**(4,780,395)**	**-**	**-**
		9,386,885	**(9,386,885)**	**(8,595,106)**	**(425,158)**	**(366,621)**

		2022 - Restated				
		Carrying amount	Contractual cash flows	One year or less	One to two years	Two to five years
		(Rupees in '000)				
Financial liabilities						
Long term financings	**9**	1,300,615	(1,300,615)	(479,524)	(697,692)	(123,399)
Lease liabilities	**10**	148,365	(148,365)	(122,578)	(22,806)	(2,981)
Trade and other payables	**14**	2,676,653	(2,676,653)	(2,676,653)	-	-
Accrued markup	**15**	400,468	(400,468)	(400,468)	-	-
Short term borrowings	**16**	5,203,965	(5,203,965)	(5,203,965)	-	-
		9,730,066	(9,730,067)	(8,883,188)	(720,498)	(126,380)

43.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Group's income or the value of its holdings of financial instruments. The Group is exposed to currency risk and interest rate risk.

43.3.1 Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Group. The functional currency of the Group is Pak Rupee. The currency in which these transactions are predominately is in US dollar.

Exposure to currency risk

The Group is mainly exposed to currency risk on import of raw materials and merchandise denominated in US dollar. The Group's exposure to foreign currency risk at the reporting date is as follows:

	2023	2022	**2023**	(Restated) 2022
	(US$ in "000")		**(Rupees in '000)**	
Trade creditors	**1,001**	432	**278,578**	97,964

Following significant exchange rates have been applied:

	Average rate		Reporting date Spot rate	
	2023	2022	**2023**	2022
USD to PKR	**279.53**	201.53	**278.30**	226.55

Sensitivity analysis

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, loss for the year would have been lower by the amount shown below, as a result of net foreign exchange gain on translation of foreign currency bills payables.

	2023	(Restated) 2022
	(Rupees in '000)	
Effect on statement of profit or loss	**27,858**	9,796

The weakening of the PKR by 10% against US Dollar would have had an equal but opposite impact on the profit for the year.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the Group.

43.3.2 Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

(a) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through statement of profit or loss. Therefore a change in interest rate at the reporting date would not affect statement of profit or loss.

(b) Mismatch of interest rate sensitive financial assets and financial liabilities

The Group's interest / mark-up and non-interest / mark-up bearing financial instruments as at the reporting date are as follows:

	2023		
	Carrying amount	**Interest bearing / variable rate financial instruments**	**Non-interest bearing / fixed rate financial instruments**
	(Rupees in '000)		
Financial assets			
Security deposits	**56,933**	**-**	**56,933**
Trade debts	**4,193,678**	**-**	**4,193,678**
Other receivables	**-**	**-**	**-**
Cash and bank balances	**59,874**	**-**	**59,874**
	4,310,485	**-**	**4,310,485**
Financial liabilities			
Long term financings	**(1,464,024)**	**(1,464,024)**	**-**
Lease liabilities	**(48,252)**	**(48,252)**	**-**
Trade and other payables	**(2,274,554)**	**-**	**(2,274,554)**
Accrued markup	**(819,660)**	**(819,660)**	**-**
Short term borrowings	**(4,780,395)**	**(4,780,395)**	**-**
	(9,386,885)	**(7,112,331)**	**(2,274,554)**
	(5,076,400)	**(7,112,331)**	**2,035,931**

	2022- Restated		
	Carrying amount	Interest bearing / variable rate financial instruments	Non-interest bearing financial instruments
	(Rupees in '000)		
Financial assets			
Security deposits	71,386	-	71,386
Trade debts	5,674,489	-	5,674,489
Other receivables	5,757	-	5,757
Cash and bank balance	114,342	-	114,342
	5,865,974	-	5,865,974
Financial liabilities			
Long term financings	1,300,615	1,300,615	-
Lease liabilities	148,365	148,365	-
Trade and other payables	2,676,653	-	2,676,653
Accrued markup	400,468	400,468	-
Short term borrowings	5,203,965	5,203,965	-
	9,730,067	7,053,413	2,676,653
	15,596,041	7,053,413	8,542,627

43.3.2.1 Effective interest / mark-up rates for the financial assets and financial liabilities are as follows:

	2023	(Restated) 2022
	Percentage	
Financial liabilities		
Long term loans - *secured*	**3.00% to 26.09%**	3.00% to 10.58%
Lease liabilities	**15.68% to 24.66%**	9.16% to 19.08%
Short term borrowings - *secured*	**17.93% to 36.00%**	11.89% to 18.77%

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the period by Rupees 76.76 million (2022: Rupees 80.98 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

43.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). At reporting date the Group did not have financial instruments exposed to other price risk.

43.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Group is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

43.4.1 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:

On statement of financial position - Financial instruments

	2023					
	Carrying Amount			Fair value		
	At amortised cost	Others	Total	Level 1	Level 2	Level 3
	(Rupees in '000)					
Financial assets						
Security deposits	56,933	-	56,933	-	-	-
Trade debts	4,193,678	-	4,193,678	-	-	-
Other receivables	-	-	-	-	-	-
Cash and bank balances	59,874	-	59,874	-	-	-
	4,310,485	-	4,310,485	-	-	-
Financial liabilities						
Long term financings	-	1,464,024	1,464,024	-	-	-
Lease liabilities	-	48,252	48,252	-	-	-
Trade and other payables	-	2,274,554	2,274,554	-	-	-
Accrued markup	-	819,660	819,660	-	-	-
Short term borrowings	-	4,780,395	4,780,395	-	-	-
	-	9,386,885	9,386,885	-	-	-

	(Restated) 2022					
	Carrying Amount			Fair value		
	At amortised	Others	Total	Level 1	Level 2	Level 3
Financial assets	(Rupees in '000)					
Security deposits	71,386	-	71,386	-	-	-
Trade debts	5,674,489	-	5,674,489	-	-	-
Other receivables	5,757	-	5,757	-	-	-
Cash and bank balances	114,342	-	114,342	-	-	-
	5,865,974	-	5,865,974	-	-	-
Financial liabilities						
Long term financings	-	1,300,615	1,300,615	-	-	-
Lease liabilities	-	148,365	148,365	-	-	-
Trade and other payables	-	2,676,653	2,676,653	-	-	-
Accrued markup	-	400,468	400,468	-	-	-
Short term borrowings	-	5,203,965	5,203,965	-	-	-
	-	9,730,067	9,730,067	-	-	-

The Group has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair values.

Non-financial assets measured at fair value

Land, building and plant and machinery

Revalued Property, plant and equipment   Date of valuation   December 30, 2023

Valuation approach and inputs used

The valuation model for land and building is based on price per square meter. 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 valuation for plant and machinery is based on present operational condition and age of plant and machinery. The valuation experts used a market-based approach to arrive at the fair value of the Group's properties. The fair valuation of land, building and plant and machinery are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.

The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these financial statements. The fair value are subject to change owing to changes in input.

44 Capital risk management

The Group's objectives when managing capital are:

a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

b) to provide an adequate return to shareholders.

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio calculated as total debt (current and non-current borrowings) to debt plus equity.

The debt to equity ratios were as follows:

	2023	(Restated) 2022
	(Rupees in '000)	
Total debt	**6,293,834**	6,601,988
Total equity	**9,626,576**	9,246,696
Total debt and equity	**15,920,410**	15,848,684
Debt to equity ratio	**39.53%**	41.66%

The Group is not subject to externally imposed capital requirements.

45 Events after the reporting date

Subsequent to reporting date; the board of directors of the Holding company and its subsidiary company, i.e. Waves Builders and Developers (Private) Limited in their meetings held on April 05, 2024 have decided to amalgamate the subsidiary company with the Holding company under the provisions of Section 284 (1) of the Companies Act, 2017. As per Scheme; all assets, liabilities and obligations comprising the subsidiary company shall stand amalgamated with, transferred to, vested in and be assumed by Holding company with effect from effective date.

Plant capacity and actual production

	Capacity		Production	
	2023	**2022**	**2023**	**2022**
	Units		Units	
Refrigerators	**125,000**	125,000	**23,213**	38,235
Deep Freezer	**115,000**	115,000	**28,750**	95,239
Microwave ovens	**60,000**	60,000	**32**	89
Air conditioners	**60,000**	60,000	**-**	-
Washing Machines	**40,000**	40,000	**474**	2,640
Gas appliances	**25,000**	25,000	**-**	3,209
Televisions	**22,500**	22,500	**-**	-
Water dispenser	**20,000**	20,000	**-**	-
	467,500	467,500	**52,469**	139,412

46 Number of employees

	2023	2022
	(Number of persons)	
Total number of employees as at 31 December	**1,236**	1,575

47 Corresponding figures

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. Following significant reclassification has been made:

Reclassified from component	Reclassified to component	(Restated) 2022 (Rupees in '000)
Operating fixed assets - tangible	Capital work-in-progress	903,554
Advances, deposits, prepayments and other receivables	Short term investment	3,000
Trade creditors	Short term borrowings	248,000
Capital work-in-progress	Payable against capital work in progress	59,171
Trade deposits	Deposits against rented premises	26,297
Trade creditors	Advances to suppliers	299,878
Accrued liabilities	Sales tax receivables	12,958
Lease liabilities	Deposits against leases	3,351
Administrative expenses - others	Fee and subscription	2,672
Bank balances in current accounts	Bank balances in deposit accounts	4,086

48 General

Figures have been rounded off to the nearest rupees, unless otherwise stated.

49 Date of authorization of issue

These financial statements were authorised for issue by the Board of Directors in their meeting held on 05 April 2024.

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

WAVES CORPORATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2023

114-A,Tipu Block, New Garden Town, Lahore, Pakistan.
+92 42 35 84 66 44-6
info@dfk-pk.com
rcolhr@gmail.com
www.dfk-pk.com

Independent Auditor's Report

To the members of Waves Corporation Limited

Report on the audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Waves Corporation Limited (the Company), which comprise the statement of financial position as at December 31, 2023, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2023 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the key audit matters:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1.	**Impairment testing of investment in subsidiaries** The Company has made significant investments in subsidiaries amounting to Rupees 5,270.481 million as at reporting date and are carried at cost less impairment loss. Refer to note 19 to the unconsolidated financial statements The impairment testing of the investment in subsidiaries has been identified as a key audit matter due to the significant judgment and estimation involved, the potential material impact on the unconsolidated financial statements, and the importance of ensuring the accuracy and reliability of the impairment assessment, which directly affects the unconsolidated financial position and performance of the company.	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • We assessed the reasonableness of management's forecasted cash flows by comparing them to historical performance, industry benchmarks, and external economic indicators, ensuring consistency and reliability in the impairment assessment. • We scrutinized the appropriateness of the discount rates applied by management by evaluating market-based data, such as comparable company multiples and risk premiums, to validate the assumptions underlying the impairment testing process.

- We independently evaluated the sensitivity analysis performed by management to assess the potential impact of changes in key assumptions on the recoverable amount of the investment, ensuring adequate disclosure of the range of possible outcomes and their implications for the financial statements.

2. Contingencies

As disclosed in Note 16 to the accompanying unconsolidated financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law.

Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards.

we have identified contingencies as a significant area of focus for this audit engagement, particularly due to the inherent uncertainty and complexity surrounding pending litigations. This marks our first year of auditing the company, and our examination has revealed the need for enhanced scrutiny in evaluating the adequacy of provisions for potential liabilities arising from legal proceedings.

Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:

- Obtained and reviewed detail of the pending matters and discussed the same with the Company's management.
- Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved.
- Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies.
- Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters.
- Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.

Emphasis of matter

As fully explained in note 2 and note 16.1.11 to these unconsolidated financial statements, subsequent to completion of the Scheme of Compromises, Arrangement and Reconstruction and transfer of home appliance business by the parent company to the Company, legal and procedural formalities including registration / updation of the name of the subsidiary company with the relevant departments / utility companies could not be completed till the date of issuance of report. Due to certain impediments of such routing of the transactions; the impact of non-compliance, if any, cannot be ascertained at this point of time. Our opinion is not modified in respect of this matter.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the unconsolidated financial statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
b) the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Other matter

The unconsolidated financial statements for the Company for the year ended December 31, 2022 were audited by another firm of chartered accountants who expressed unmodified opinion on those financial statements on May 06, 2023.

The Engagement partner on the audit resulting in this independent auditors' report is **Mr. Imran Bashir.**

Rizwan & Co

Lahore: **Rizwan & Company**
UDIN: AR202310140g1L26J9uX **Chartered Accountants**

Waves Corporation Limited
Unconsolidated Statement of Financial Position
As at December 31, 2023

EQUITY AND LIABILITIES	Note	2023	(Restated) 2022	(Restated) January 01, 2022
		Rupees in ('000)		
Share capital and reserve				
Share capital	6	**2,814,062**	2,814,062	2,814,062
Capital reserves	7	**5,030,661**	5,030,661	5,030,661
Revaluation surplus	8	**151,467**	151,467	151,467
Accumulated profit / (loss)		**355,357**	207,171	(1,730)
		8,351,547	8,203,361	7,994,460
Non-current liabilities				
Long term financings	9	-	-	368,165
Deferred income	10	-	-	140
		-	-	368,305
Current liabilities				
Trade and other payables	12	**586,524**	324,358	284,103
Accrued mark-up	13	**301,267**	114,084	54,421
Short term borrowings	14	**1,723,953**	1,725,000	1,274,661
Current portion of long term liabilities	15	-	31,815	733,683
Unclaimed dividend		**1,179**	1,179	1,179
Income tax payable		**1,732**	-	76,408
		2,614,655	2,196,436	2,424,455
		10,966,202	10,399,797	10,787,220
Contingencies and commitments	16			

ASSETS	Note	2023	(Restated) 2022	(Restated) January 01, 2022
		Rupees in ('000)		
Non-current assets				
Property	17	-	10,000	10,000
Investment property	18	**250,000**	300,480	323,480
Investment in subsidiaries	19	**5,270,481**	5,270,481	5,270,481
Long term receivables	20	**1,926,938**	1,746,083	1,582,202
Deferred tax asset	11	-	8,891	115,810
		7,447,419	7,335,935	7,301,973
Current assets				
Inventories	21	**3,126,042**	2,705,294	-
Advances and deposits	22	**370,879**	338,577	715,288
Advance income tax - net		-	-	340,405
Cash and bank balances	23	**21,862**	19,991	73,554
		3,518,783	3,063,862	1,129,247
Non-current assets held for sale		-	-	2,356,000
		10,966,202	10,399,797	10,787,220

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director

Waves Corporation Limited
Unconsolidated Statement of Profit or Loss
For the year ended December 31, 2023

	Note	2023	(Restated) 2022
		Rupees in ('000)	
Other income	24	321,430	238,669
Administrative and general expenses	25	(51,222)	(60,283)
Other operating expenses	26	(56,276)	(6,053)
Operating profit		213,932	172,333
Finance costs	27	(54,358)	(39,766)
Profit before taxation		159,571	132,567
Income tax expense	28	(11,385)	76,334
Profit after taxation		148,186	208,901
Earnings per share			
Basic and diluted (Rupees)	29	0.53	0.74

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

Waves Corporation Limited
Unconsolidated Statement of Comprehensive Income
For the year ended December 31, 2023

	Note	2023	(Restated) 2022
		Rupees in ('000)	
Profit after taxation		**148,186**	208,901
Items that will never be reclassified to profit and loss account:			
Revaluation surplus on land originated during the year		-	-
Related deferred tax		-	-
		-	-
Items that may be reclassified to profit and loss account		-	-
Total comprehensive income for the year		**148,186**	208,901

The annexed notes from 1 to 39 form an integral part of these financial statements.

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

Waves Corporation Limited
Unconsolidated Statement of Changes in Equity
For the year ended December 31, 2023

		Capital reserves		Revenue Reserve	
	Share capital	Capital reserves (Note 7)	Revaluation surplus	Accumulated profit / (loss)	Total
	Rupees ('000)				
Balance as at December 31, 2021 - as reported	2,814,062	5,030,661	151,467	17,774	8,013,964
Effect of correction of error				(19,504)	(19,504)
Balance as at December 31, 2021 - as restated	2,814,062	5,030,661	151,467	(1,730)	7,994,460
Profit for the year ended December 31, 2022	-	-	-	208,901	208,901
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	208,901	208,901
Balance as at December 31, 2022 - as restated	2,814,062	5,030,661	151,467	207,171	8,203,361
Profit for the year ended December 31, 2023	-	-	-	**148,186**	**148,186**
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	**148,186**	**148,186**
Balance as at December 31, 2023	**2,814,062**	**5,030,661**	**151,467**	**355,357**	**8,351,547**

The annexed notes from 1 to 39 form an integral part of these financial statements.

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

Waves Corporation Limited
Unconsolidated Statement of Cash Flows
For the year ended December 31, 2023

	Note	2023	(Restated) 2022
		Rupees in ('000)	
Cash flows from operating activities			
Profit after taxation		**159,571**	132,567
Adjustments for non-cash items:			
Fair value (gain) / loss on remeasurement of investment property	26	**50,480**	(7,000)
Markup income on loan to subsidiary	24	**(114,495)**	(224,268)
Credit balance witten back	24	**(37,224)**	-
(Gain)/loss on sale of property	24	**(22,580)**	385
Worker's Welfare Fund	26	**5,796**	5,668
Finance costs	27	**54,358**	39,766
Amortisation of deferred government grant	24	**(140)**	(4,041)
Operating profit / (loss) before working capital changes		**95,766**	(56,923)
Changes in working capital			
(Increase) / decrease in current assets:			
Inventories		**-**	(349,294)
Advances and deposits		**(98,662)**	437,098
Increase / (decrease) in current liabilities:			
Trade and other payables		**256,343**	835,312
Net changes in working capital		**157,681**	923,116
Cash generated from operations		**253,447**	866,193
Finance costs paid		**(218,854)**	(329,397)
Net cash generated from operating activities		**34,593**	536,796
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**-**	29,615
Net cash generated from investing activities		-	29,615
Cash flows from financing activities			
Long term financings		**(31,675)**	(1,070,313)
Short term borrowings			(924,683)
Net cash used in financing activities		**(31,675)**	(1,994,996)
Net decrease in cash and cash equivalents		**2,918**	(1,428,585)
Cash and cash equivalents at beginning of the year		**(1,705,009)**	(276,424)
Cash and cash equivalents at end of the year	30	**(1,702,091)**	(1,705,009)

The annexed notes from 1 to 39 form an integral part of these financial statements.

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

Waves Corporation Limited
Notes to the Unconsolidated Financial Statements
For the year ended December 31 2023

1 Legal status and nature of business

1.1 Waves Corporation Limited (formerly, Waves Singer Pakistan Limited) ("the Company") is 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 as discussed in note 2, the principal line of business has been amended which includes managing its investment in subsidiaries (explained in note 20) 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.

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

- 9-K.M, Hanjarwal, Multan Road, Lahore.
- Dina Nath, Mouza Rakh Serai Cheenba, Tehsil Pattoki, District Kasur.

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.

After transfer of manufacturing undertaking, certain bills, invoices and contracts relating to the company’s business activities continued in the name of the Company due to non-completion of legal and procedural formalities. Consequently, the Company reported all such transactions in its sales tax returns on account of utilities, supplies, imports, local stores and spares to subsidiary company, i.e. Waves Home Appliances Limited. The above stated transactions have been recorded to absorb the impact of Sales Tax Input available in sales tax records of the Company, that could have been lost in absence of any legitimate sales tax output available to the Company. The summary of the transactions has been given hereunder:

	2023 Rupees in “000”
Sales	**4,176,119**
Purchases	**2,367,440**
Others	**149,055**

As at reporting reporting date; the Company has transferred all transactions pertaining to advance income tax, advance against imports and sales tax payable appearing in the books of the Company with effect from January 01, 2022 to the subsidiary company, i.e. Waves Home Appliances Limited as these amount should have been transferred to the subsidiary Company pursuant to the scheme of arrangement as stated in note 2 and 16.1.12 upon transfer of Home appliance business.

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	*Waves Corporation Limited* **2023**	2022
	(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)	**74.56**	74.56

4 Basis of preparation

4.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan 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.

Where provisions of directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4.2 Initial application of standards, amendments or interpretations to existing standards

a) Standards, interpretations and amendments to published approved accounting and reporting standards which became effective during the year.

There were certain amendments to accounting and reporting standards which became effective on the Company for the current year. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements except for the following:

Amendment in IAS 1 "Presentation of financial statements" (IAS 1) and IFRS Practice Statement 2:

Amendment in IAS 1 "Presentation of financial statements" (IAS 1) and IFRS Practice Statement 2: This amendment provides guidance and examples to help entities apply material judgements in order to determine the accounting policy information which should be disclosed. This amendment aims to help entities in providing accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment only had an impact on the Company's disclosure of accounting policies, but not on the measurement, recognition or presentation of any item in these financial statements.

b) Revised and amended standards and interpretation that are not yet effective and not early adopted by the Company

There are standards and certain amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 01, 2023. These standards and amendments are not expected to have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

4.3 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except for freehold land which is carried at revalued amount and investment property which are stated at fair value less impairment losses as referred to in note 5.1 and 5.2.

4.4 Functional and presentation currency

These unconsolidated 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.

4.5 Use of estimates and judgments

The preparation of these unconsolidated financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, and the results of which form the basis for making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

	Note
- Residual value, market values and useful lives of property, plant and equipment	5.1
- Investment property	5.2
- Provisions	5.7
- Taxation	5.10
- Impairment of financial and non-financial assets	5.15

4.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair value, both for financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified. When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable
If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Material Accounting Policies information

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2) from January 01, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

5.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for the land which is stated at revalued amount less impairment loss, if any, and buildings and plant and machinery which are stated at the revalued amounts less accumulated depreciation and impairment losses, if any. Cost includes expenditure directly attributable to the acquisition of an asset. As explained in note 2, as a result of scheme of arrangement, the property, plant and equipment other than freehold land has been transferred to Waves Home Appliances Limited.

Land, buildings and plant and machinery are revalued by professionally qualified valuer with sufficient regularity to ensure that the net carrying amount does not differ materially from the fair value (market value). In case of revalued assets, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated at the revalued amount of the asset.

Increase in the carrying amount arising on revaluation of property, plant and equipment is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the asset’s original cost is transferred to retained earnings. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to retained earnings. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred tax.

Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation is charged to the statement of profit or loss applying the straight-line method whereby the depreciable amount of an asset is depreciated over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use and up to the month of disposal.

The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant. The Company’s estimate of the residual value of its property, plant and equipment as at balance sheet date has not required any adjustment as its impact is considered

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. Normal repairs and maintenance are charged to the unconsolidated statement of profit or loss as and when incurred, gains and losses on disposal of assets are taken to the statement of profit or loss.

Capital work in progress

It is stated at cost less impairment losses, if any. It includes expenditure incurred and advances made in respect of assets in the course of their construction and installation. These cost are transferred to relevant assets category as and when assets are available for intended use.

5.2 Investment property

Property, comprising land or a building or part thereof, held to earn rentals or for capital appreciation or both are classified as investment property. These are not held for use in the production or supply of goods or services or for administrative purposes. The Company's business model i.e. the Company's intentions regarding the use of property is the primary criterion for classification as an investment property.

Investment property is initially measured at cost (including the transaction costs). However when an owner occupied property carried at fair value becomes an investment property because its use has changed, the transfer to the investment property is at fair value on the date of transfer and any balance of surplus on the revaluation of the related assets, on the date of such a transfer continues to be maintained in the surplus account on revaluation of property, plant and equipment. Upon disposal, any surplus previously recorded in the revaluation surplus account is directly transferred to retained earnings and the transfer is not made through the statement of profit or loss. However any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the unconsolidated statement of profit or loss.

The transfer to investment property is made when, and only when, there is a change in use, evidenced by the end of owner occupation. In case of dual purpose properties, the same is classified as investment property, only if the portion could be sold or leased out separately under finance lease.

Subsequent to initial recognition, the Company measures the investment property at fair value at each reporting date and any subsequent change in fair value is recognized in the statement of profit or loss (i.e. in case where the owner occupied property carried at fair value becomes an investment property, the fair value gain to be recognized in the statement of profit or loss would be the difference between the fair value at the time of initial classification as investment property and fair value at the time of subsequent remeasurement). The revaluation of investment properties are carried out by independent professionally qualified valuers on the basis of active market price.

5.3 Employee retirement and other service benefits

Defined benefit plans

The Company operates a funded defined benefit pension scheme for the eligible executives and managers (old Singer Pakistan Limited's employees) and a funded gratuity scheme for eligible employees (old Singer Pakistan Limited's employees) other than field staff. Provisions / contributions are made in the unconsolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually under the Projected Unit Credit Method.

Amount recognized in statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets, if any. All actuarial gains and losses are recognized in 'Other Comprehensive Income' as they occur. Past service cost resulting from the changes to defined benefit plan is immediately recognized in the statement of profit or loss. Current service cost together with net interest cost are also charged to the statement of profit or loss.

Calculation of gratuity and pension require assumptions to be made of future outcomes which mainly includes increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

Staff Compensated absences

The Company recognizes the liability for compensated absences in respect of employees in the period in which they are earned up to the reporting date on the basis of un-availed earned leaves balance at the end of the year.

5.4 Investment in subsidiaries

Investments in subsidiaries are measured at cost less impairment, if any, in the Company's separate financial statements. At subsequent reporting date, the recoverable amounts of investments are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly.

Impairment losses are recognized as an expense in the statement of profit or loss. Investments in subsidiaries that have suffered an impairment are reviewed for possible reversal of impairment at each reporting date. Where impairment losses are subsequently reversed, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. Impairment losses recognized in the statement of profit or loss on investments in subsidiaries are reversed through the statement of profit or loss.

The Company is required to issue consolidated financial statements along with its separate financial statements, in accordance with the requirements of IAS 27, 'Separate Financial Statements'.

5.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, and deposits held with banks having original maturities of three months or less and where these are held for the purpose of meeting short term cash commitments rather than for investments or other purposes. Short term running finance facilities availed by the Company are also included as part of cash and cash equivalents for the purpose of cash flow statement.

5.6 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Account balances are classified as current liabilities if payment is due within one year or less (or in the normal operating cycles of business if longer). If not, they are classified as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.7 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

The Company accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

5.8 Revenue recognition

5.8.1 Sale of goods

Revenue represents the fair value of consideration received or receivable for sale of goods, net of sales tax, sales returns and related discounts. Revenue is recognized when or as performance obligation is satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or point in time.

5.8.2 Return on investments

Income on investments and profit and loss sharing bank accounts are recognized on accrual basis using the effective interest rate method.

5.8.3 Rental income

Rental income from investment property is recognized as other income on a straight-line basis over the term of lease.

5.8.4 Dividend income

Dividend income and entitlement of bonus shares are recognized when the right to receive is established.

5.9 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract. It also includes refund liabilities arising out of customers' right to claim amounts from the Company on account of contractual delays in delivery of performance obligations and incentive on target achievements.

5.10 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity / surplus on revaluation of fixed assets or in other comprehensive income. The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, contingent liabilities and Contingent assets.

The Company has opted for Group Taxation under section 59AA of the Income Tax Ordinance, 2001. The Company and two subsidiaries Waves Builders and Developers (Private) Limited and Waves Marketplace Limited are part of the Group Taxation. Under Group Taxation, the Company is accounting for the related taxes under standalone taxpayer approach. Under this approach, current and deferred taxes are recognized as if the entity was taxable in its own right.

Current taxation

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred taxation

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the unconsolidated financial statements and the corresponding tax bases used in the computation of the taxable profit.

However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax is charged or credited in the statement of profit or loss, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity.

5.11 Inventories

Residential apartments and commercial area available for future sale are classified as stock-in trade. These are carried at the lower of cost and net realizable value. Work-in-process comprises of apartments and commercial area in the process of construction / development. Cost in relation to work-in-process comprises of proportionate cost of land, cost of direct materials, labor and appropriate overheads. Cost in relation to land transferred from investment property is the fair value of the land on the date of transfer and any subsequent expenditures incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.

The Company reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

5.12 Borrowing cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in unconsolidated statement of profit or loss in the period in which they are incurred.

5.13 Financial instruments

5.13.1 Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

5.13.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI), fair value through statement of profit or loss (FVTPL) and in case of an equity instrument it is classified as FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in unconsolidated statement of profit or loss. Any gain or loss on derecognition is recognized in unconsolidated statement of profit or loss.

Financial assets measured at amortized cost comprise of cash and bank balances and other receivables.

5.13.3 ***Debt Instrument - FVOCI***

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to unconsolidated statement of profit or loss. However, the Company has no such instrument at the reporting date.

5.13.4 ***Equity Instrument - FVOCI***

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in unconsolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and these investments are never reclassified to unconsolidated statement of profit or loss. However, the Company has no such instrument at the reporting date.

5.13.5 ***Fair value through statement of profit or loss (FVTPL)***

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in unconsolidated statement of profit or loss. The Company has no such investments at the reporting date.

5.13.6 *Financial assets – Business model assessment*

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, while the interest expense and foreign exchange gains and losses are recognized in unconsolidated statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

The Company's financial liabilities comprise trade and other payables, long and short term borrowings, accrued markup and dividend payable.

5.13.7 Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in unconsolidated statement of profit or loss.

5.14 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the unconsolidated financial statements only when the Company has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

5.15 Impairment

Financial assets

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities, bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Company reviews the recoverability of its trade debts, deposits, advances and other receivables to assess amount of loss allowance required on an annual basis. Impairment of cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Non - Financial assets

The carrying amount of the Company’s non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in unconsolidated statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company’s other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

5.16 Foreign currency transactions and translation

Transactions and balances

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to profit or loss. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences are generally included in the unconsolidated statement of profit or loss.

5.17 Dividends and appropriations to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved. Transfer between reserves approved subsequent to the reporting date is considered as non-adjusting event and is recognized in the unconsolidated financial statements in the period in which such transfers are made.

5.18 Earnings per share

As required under IAS 33 Earnings Per Share, basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The Company is not exposed to the dilutive effect on EPS.

5.19 Deferred income

5.19.1 *Government grant*

The Company recognizes the benefit of a government loan at a below-market rate of interest as Government grant. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received and is presented as deferred grant. The recognition of government grants in profit or loss is done on a systematic basis over the periods in which the expenses for which the grants are intended to compensate.

5.20 Non-current asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company’s other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

5.21 Allocation of expenses

Certain expenses are allocated by the Company to its subsidiaries in accordance to a basis approved by the Company and its subsidiaries.

5.22 Correction of Errors

The management identified that amount of Rupees 2,000.00 million which was receivable from Waves Home Appliances Limited (WHAL) was discounted under IFRS 9 from the effective date of Scheme of arrangement, which should have been discounted from the date of the Sanction of Scheme by the Honorable Lahore High Court, Lahore.

Tax credit under minimum tax was erroneously recognised on the basis of group level in the Company rather than recognising the same on proportionate level.

Sales tax payable, advance income tax and advances to custom authorities pertaing to home appliance business which were not transferred by the parent company at the time transfer of assets and liabilities to the Company.

The management identified an error where the Company kept project under development as "Non-current assets held for sale" in the financial statements for the year 2022 despite the fact the project development costs were charged to non-current assets held for sale rather than the same should have classified as inventories being project under development. Moreover, the Company has erroneously capitalised borrowing costs of Rupees 35.585 million in the above project instead of charging the same to finance costs in the statement of profit or loss for the year 2022.

Now the impact of these errors have been corrected in these financial statements and errors have been corrected retrospectively. The comparative amounts have been restated as per the requirement of IAS 8 "Changes in accounting policy, estimates and errors".

Cumulative effect of correction of errors are being presented hereunder:

Description	As at December 31, 2022 Rupees in ('000)		
	As reported	As re-stated	Re-statement
Effect on statement of financial position			
Accumulated profit	271,528	207,171	(64,357)
Current portion of long term liabilities	14,281	31,815	17,534
Investment in subsidiaries	5,079,797	5,270,481	190,684
Long term receivables	1,721,340	1,746,083	24,743
Non-current assets held for sale	2,740,879	-	(2,740,879)
Inventories	-	2,705,294	2,705,294
Trade and other payables	487,126	324,358	(162,768)
Advance income tax - net	388,394	-	(388,394)
Sales tax payable	262,641	-	(262,641)
Effect on statement of profit or loss			
Unwinding of long term receivables to subsidiary	168,968	163,881	(5,087)
Finance costs	-	35,585	(35,585)
Finance costs	-	4,181	(4,181)

Effect on statement of other comprehensive income

There was no effect on statement of other comprehensive income.

Effect on statement of changes in equity			
Opening unappropriated profit	17,774	(1,730)	(19,504)
Net profit for the year	253,754	208,901	(44,853)
Closing unappropriated profit	271,528	207,171	(64,357)
Effect on statement of cash flows			
Finance costs paid	59,663	(329,397)	(389,060)
Cash generated from operations	633,274	923,116	289,842
Effect earning per share			
Basic and diluted (Rupees)	0.63	0.74	0.11

			2023	2022	2023	2022
6	**Share capital**		**(Number of shares)**		**(Rupees in '000)**	
6.1	Authorised share capital	**6.1.1**	**300,000,000**	300,000,000	**3,000,000**	3,000,000

6.1.1 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.

6.2 Issued, subscribed and paid-up capital

	2023	2022	**2023**	2022
	(Number of shares)		**(Rupees in '000)**	
Fully paid-up ordinary shares of Rupees 10 each				
Issued for cash	**105,263,597**	105,263,597	1,052,637	1,052,637
Issued for consideration other than cash	**703,733**	703,733	7,037	7,037
Issued as fully paid bonus shares	**78,988,759**	78,988,759	789,888	789,888
Issued under schemes of amalgamation	**96,450,000**	96,450,000	964,500	964,500
	281,406,089	281,406,089	**2,814,062**	2,814,062

6.3 Reconciliation of ordinary shares

	2023	2022	**2023**	2022
	(Number of shares)		**(Rupees in '000)**	
Balance as at 01 January	**281,406,086**	281,406,086	**2,814,062**	2,814,062
Shares issued during the year	**-**	-	**-**	-
Balance as at December 31	**281,406,086**	281,406,086	**2,814,062**	2,814,062

6.4 Ordinary shares of the Company held by associated persons and undertaking at year end are as follows:

	2023	2022	**2023**	2022
	(Percentage held)		**(Number of shares)**	
Chief Executive Officer and his spouse				
- Haroon Ahmad Khan (CEO)	**38.32%**	25.55%	**107,840,286**	71,893,524
- Nighat Haroon Khan (Wife of CEO)	**10.00%**	7.33%	**28,132,411**	20,617,274
	48.32%	32.88%	**135,972,697**	92,510,798

6.5 Pursuant to Scheme of Arrangement, approved by Honourable Sindh High Court through its Order dated May 22, 2018, Singer Pakistan Limited was merged and combined with Cool Industries (Private) Limited and Link Wel (Private) Limited. The Company has issued 96,450,000 shares to the shareholders of Cool Industries (Private) Limited and Link Wel (Private) Limited pursuant to the said scheme.

			2023	2022
			(Rupees in '000)	
7	**Capital Reserves**			
	Share premium	**7.1**	**5,025,661**	5,025,661
	Other capital reserve		**5,000**	5,000
			5,030,661	5,030,661

7.1 Share premium

This represents excess of consideration received / market value of share acquired under scheme of arrangement over the face value of shares issued amounting to Rupees 4,581 million in result of 2017 scheme of arrangement and Rupees 445 million as a result of 2021 scheme of arrangement. This reserve can only be utilized by the Company for the purpose specified in Section 81(2) of the Companies Act, 2017.

7.2 Other capital reserve

This represents the value assigned to a shop acquired by the company in exchange for a shop on rent in 1993.

		Note	2023	2022
			Rupees in ('000)	
8	**Revaluation surplus**			
	Revaluation surplus - as on January 01	**8.1**	**151,467**	151,467
	Originated during the year		**-**	-
	Disposed off during the year		**-**	-
	Revaluation surplus - as at December 31		**151,467**	151,467

8.1 This includes Rupees 149.97 million (2022: Rupees 149.97 million) representing revaluation surplus on buildings and balance of Rupees 1.50 million (2022: Rupees 1.50 million) on land at the time classification of land and building as investment property.

		Note	2023	(Restated) 2022
			Rupees in ('000)	
9	**Long term loans - Secured**			
	Long term loans - Banking and non-banking companies	**9.2**	**-**	31,675
	Less: Deferred Government Grant		**-**	-
			-	31,675
	Less: Current maturity presented under current liabilities	**15**	**-**	(31,675)
		9.1	**-**	-

9.1 Movement of long term loans during the year

	2023	2022
Opening Balance	**-**	1,101,988
Add: Financing obtained during the year	**-**	-
Less: Repayment made during the year	**-**	(1,101,988)
Closing Balance	**-**	-
	-	-

9.2 State Bank of Pakistan introduced a 'Refinance Scheme for payment of wages and salaries to support the companies in payment of salaries during COVID-19 pandemic. Under this scheme, the Company availed financing of Rupees 197.46 million and Rupees 182.37 million from Bank of Khyber and Pak Libya Holding Company (Private) Limited respectively. Loans were utilized for payment of salaries for the months from April 2020 to September 2020. These facilities were recognized at fair value under International Financial Reporting Standard 9, "Financial Instrument" using an effective rate of interest of 9.76% per annum, difference being recorded as deferred grant in accordance with the requirements IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance". This facility is secured by way of joint pari passu charge of Rupees 264 million on present and future fixed assets of the Company. Balance was repayable in quarterly instalments ending on January 2023 at SBP rate plus 3% per annum, payable quarterly.

		Note	2023	2022
			Rupees in ('000)	
10	**Deferred income**			
	Government grant	**10.1**	**-**	-

10.1 Government grant

	Note	2023	2022
Balance as at January 01		140	4,181
Recognised during the year		-	-
Amortisation for the year	**24**	(140)	(4,041)
		-	140
Current portion	**15**		(140)
Balance as at December 31		**-**	-

		Note	2023	2022
			Rupees in ('000)	
11	**Deferred tax (asset) / liability-net**			
	Deferred tax asset	**11.1**	**-**	(8,891)

11.1 Deferred taxation

	2023			
	Opening balance	**Charge / (reversal) to P&L**	**Charge / (reversal) to OCI**	**Closing balance**
	Rupees in ('000)			
Taxable temporary difference				
Accelerated tax depreciation	**-**	**-**	**-**	**-**
(Deductible) temporary differences				
Effect of "Group Taxation"	**(8,891)**	**8,891**	**-**	**-**
	(8,891)	**8,891**	**-**	**-**

	2022			
	balance	Charge /	Charge /	balance
	Rupees ('000)			
Taxable temporary difference				
Accelerated tax depreciation	-	-	-	-
(Deductible) temporary differences				
Effect of "Group Taxation"	(115,810)	106,919	-	(8,891)
Effect of minimum tax	-	-	-	-
	(115,810)	106,919	-	(8,891)

		Note	2023	2022
			Rupees in ('000)	
12	**Trade and other payables**			
	Accrued liabilities		**4,396**	4,423
	Due to subsidiary companies	**12.1**	**545,507**	284,452
	Payable to provident fund		**1,952**	655
	Workers' welfare fund payable		**5,796**	-
	Book overdraft		**-**	262
	Other payable	**12.2**	**28,873**	34,566
			586,524	324,358

12.1 This represents amount payable to subsidiary companies in connection with certain expenses incurred and adjustments made by subsidiary company on behalf of holding company.

12.2 It includes provisions aggregating to Rupees 27.87 million (2022: Rupees 27.87 million) in respect of probable loss from pending litigation of the Company against Income Tax and Sales Tax Authorities. The above provisions have been made as per the management's best estimate against various demands raised by the authorities that are being contested by the Company at various forums as explained in Note 16.

		Note	2023	2022
			Rupees in ('000)	
13	**Accrued markup**			
	Accrued mark-up on:			
	Long term financings		-	23,777
	Short term borrowings		**301,267**	90,307
			301,267	114,084

		Note	2023	2022
			Rupees in ('000)	
14	**Short term borrowings - secured**			
	From banking companies			
	Running finance under mark-up arrangements	**14.1**	**1,723,953**	1,725,000

14.1 This represents utilised amount of short term financing facilities under mark-up arrangements availed from various commercial banking companies aggregating to Rupees 1,723 million (2022: Rupees 1,725 million) and carry mark-up ranging from 24.91% to 25.66% (2022: 13.54% to 18.77%) per annum, payable monthly / quarterly in arrears. These facilities are secured by way of equitable mortgage charge on building on freehold land, all current assets of the Company amounting to Rupees 2,300 million (2022: Rupees 2,300 million) and personal guarantees of sponsoring directors of the Company. As per financing arrangements; the Company is required to comply with certain financial covenants and other conditions imposed by the providers of finance.

		Note	2023	2022
			Rupees in ('000)	
15	**Current portion of long term liabilities**			
	Long term loans - secured	**9**	**-**	31,675
	Deferred income	**10**	**-**	140
			-	31,815

16 **Contingencies and commitments**

16.1 **Contingencies**

16.1.1 The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi, challenging the vires of Rule 58T of the Sales Tax Special Procedure Rules relating to 2% extra sales tax on certain home appliances. This is based on the view that the said vires are not applicable on the Company. The case is pending before the Honorable Sindh High Court. An interim order was received in favour of the Company. The Company is confident that no liability is expected to occur. Amount involved is Rupees 84.80 million as of December 31, 2020 against which no provision has been made as the Company, based on the opinion of legal advisor's advice, is confident of a favourable decision.

During the financial year 2014, the Company received a show cause notice from the Federal Board of Revenue (FBR) in respect of short payment of 2% extra sales tax under the Sales Tax Procedures Rules, 2007 as amended by SRO. 896(I)/2013 dated October 04, 2013 and deduction of input tax more than the limit defined under section 8 read with chapter IV of Sales Tax Rules, 2006. The tax authority in the said notice raised a demand of Rupees 19.91 million and Rupees 11.15 million respectively for the period from January 01, 2014 to September 30, 2014. The Company after consultation with its tax advisors has replied and submitted explanation with the tax authorities along with revised workings for the apportionment of input tax which in the case of the Company for the above period was Rupees 0.52 million. Since then, no further action has been initiated by the tax authorities.

The Company had earlier received a sales tax recovery order from the sales tax authorities amounting to Rupees 195.63 million, for the financial year ended December 31, 2010 against which the Company had filed an appeal with the Commissioner Inland Revenue - Appeals (CIR-A). CIR-A had deleted one item while the remaining matters were set aside. Moreover, the management, based on consultation with its tax advisor, is of the view that matter would be decided in favour of the Company. However, CIR has filed an appeal against Company on the matters of SRO 647/2007 regarding input tax adjustments against 90% output tax and payment of sales tax on instalment sales at the time of receipt of instalment instead at the time when instalment sales are actually being made for which no hearing has yet taken place. Amount involved is Rupees 171.71 million. However, based on advice of legal consultant, management is of the view that that no potential liability is expected to occur.

16.1.2 Income tax assessments of the Company have been finalized up to and including the tax year 2007. The

Company had applied for Income tax refund for the tax years from 2006 to 2011. Income tax refund orders were earlier determined for the tax years 2009, 2010 and 2011. Income tax refund was released for the tax year 2009. However, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed orders under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax years from 2009 to 2012 and raised additional income tax demand of Rupees 19.98 million. However, the Company had filed an application for the rectification of orders after which the net tax additional demand was reduced to Rupees 2.02 million (after the adjustment of the refund of related years) under section 221 of the Income Tax Ordinance, 2001. Appeals have been filed to Commissioner Inland Revenue - Appeals (CIR-A) against these orders and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

Company has received appellate orders for the tax years from 2009 to 2012, dated June 29, 2015, where the CIR-A has set aside certain issues for reassessment, deleted certain items and maintained certain disallowances. The financial impact of the items set aside for reassessment and continued disallowances amount to Rupees 43.72 million. Appeal has been filed with Appellate Tribunal Inland Revenue (ATIR) against these issues. The Company based on the merits of matters is of the view that ultimate decisions are expected in its favour and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

16.1.3 The Finance Act, 2017 introduced a tax under section 5A of the Income Tax ordinance, 2001 on every pubic Company other than a scheduled bank or Modaraba, that derives profit for the tax year and does not distribute at least 40% of the after tax profit within six months of the end of said tax year through cash or bonus issue. Under the earlier section tax was not mandatorily leviable in case the Company's reserves were not in excess of the paid up capital (which was the case with the Company as it had accumulated losses). Provision for the above referred tax amounting to Rupees 9.35 million has not been paid as the Company's management is of the view that the amendment was made after the closure of Company's financial year ended December 31, 2016 and for certain other legal reasons. The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi challenging the vires of Section 5A of the Income Tax Ordinance, 2001 and a stay order has been granted against any coercive action against the Company under the newly inserted Section 5A. The Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

16.1.4 The Deputy Commissioner Inland Revenue (DCIR), via order dated April 30, 2014, under Section 161(1) and Section 205(3) of the Income Tax Ordinance, 2001 for the tax year 2014 raised a tax demand of Rupees 0.83 million for non-deduction of advance income tax for the period from November 01, 2013 to April 30, 2014 under section 236(G) and 236(H) of the aforesaid Ordinance. Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was remanded back to DCIR. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

16.1.5 During the financial year 2014, the Company received a notice by Commissioner Inland Revenue - Zone I for selection of audit under section 214C for the tax year 2012. The Company filed an appeal against the said notice before Honorable Lahore High Court which was decided against the Company and audit proceedings were initiated. The Deputy Commissioner Inland Revenue issued an amended assessment order under section 122(1) and 122(5) through which certain additions were made and demand order was raised amounting to Rupees 48.10 million. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), who vide his Order No. 9 dated April 04, 2019 deleted certain additions. Being aggrieved with the order of CIR-A the Company filed an appeal before the Honorable Appellate Tribunal Inland Revenue, which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

16.1.6 During the financial year 2014, the Assistant Commissioner Inland Revenue imposed penalty vide order dated April 27, 2014 under section 182(1) of the Income Tax Ordinance, 2001 amounting Rupees 0.91 million for the tax year 2013 for the late filling of income tax return under section 114 of the Income Tax Ordinance, 2001.The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) against the above order. The CIR-A decided the matter against the Company vide order dated March 25,

2014. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

16.1.7 During the financial year 2015, the Additional Commissioner Inland Revenue (ACIR), vide order dated April 30, 2015, under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2010, raised an amended demand of Rupees 7.85 million after disallowing certain expenses amounting to Rupees 29.15 million. The Company filed an appeal for the rectification of order before Commissioner Inland Revenue - Appeals (CIR-A) who vide its order dated December 30, 2015 deleted certain items amounting to Rupees 19.94 million. ACIR has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

16.1.8 During the financial year 2017, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed return vide its order dated June 19, 2017 under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2011. The ACIR disallowed certain expenses amounting to Rupees 9.58 million and raised the additional income tax demand of Rupees 1.02 million. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A). The CIR-A vide order No. 19 dated September 21, 2020 decided the appeal partially in favour of the Company by deleting the additions amounting to Rupees 4.62 million under the head financial charges and directed the ACIR to verify the said contention and adjust the refund of Rupees 1.02 million if still available to the Company for adjustment in the current year. Being aggrieved with of the CIR-A order, the Company preferred an appeal before the Honorable Appellate Tribunal Inland Revenue, Lahore, which is still pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

16.1.9 During the financial year 2018, the Company received a show cause notice issued by Deputy Commissioner Inland Revenue under section 161 for the tax year 2017 on non deduction of withholding tax amounting to Rupees 6.03 million on payments against purchase of plant and machinery, packing material and other miscellaneous payments. The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) where the case was remanded back to the Department. Being aggrieved, the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

16.1.10 During the financial year 2018, the Taxation Officer, after conducting audit under Section 177 of the Income Tax Ordinance, 2001 (the Ordinance) for the tax year 2014, passed an amended assessment order under section 122 of the Ordinance raising tax demands of Rupees 25.29 million alleging that the Company suppressed its sales and adjusted inadmissible expenses. Being aggrieved, the Company has filed appeal before Commissioner Inland Revenue - Appeals (CIR-A). CIR-A vide order, deleted certain additions amounting to Rupees 80 million and the rest of the additions amounting to Rupees 26 million were confirmed.

Hence there is no outstanding amount payable against the Company. The department filed an appeal before Income Tax Appellate Tribunal (ITAT) which is pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

16.1.11 During the financial year 2016, the Deputy Commissioner Inland Revenue raised an order under section 161/205 of the Income Tax Ordinance, 2001 for non-deduction of tax amounting Rupees 6.45 million and Rupees 3.76 million for tax years 2009 and 2010 respectively. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was decided against the Company. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending for adjudication. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

16.1.12 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.

16.2 Commitments

16.2.1 As at reporting date, aggregate credit limits (funded and unfunded facilities) amounting Rupees 1.047 million (2022: Nil) from commercial banks remain unutilized.

16.2.2 There are no other material commitments to report as at reporting date (2022: Nil).

	Note	2023	2022
		Rupees in ('000)	

17 Property
Operating fixed assets - Tangible

Freehold land			
Balance at the beginning of the year		**10,000**	10,000
Disposed off during the year		**(10,000)**	-
Balance at the end of the year		**-**	10,000

17.1 Particulars of operating fixed assets disposed off during the year are as follows:

Description	Net book value	Sale proceeds	Gain on disposal	Mode of disposal	Particulars of purchaser	Relationship
	Rupees in ('000)					
Freehold land						
Freehold land located at Dina Nath	10,000	32,580	22,580	Negotiation	Waves Home Appliances Limited	Subsidiary

17.2 As at reporting date; the land has not been transferred in the name of the buyer, Waves Home Appliances Limited

17.3 Had there been no revaluation of the freehold land; net book value of freehold land as at December 31, 2023 would be Rupees Nil (2022: 10.000 million).

17.4 Particulars of immovable property (i.e. land and building) in the name of Company as at reporting date is as under:

Location	Usage of immovable property	Total area (Kanals)	Covered area (Square Feet)
9-K.M, Hanjarwal, Multan Road, Lahore.	Head Office and manufacturing facility	61.90	340,134

	Note	2023	2022
		Rupees in ('000)	

18 Investment property

Balance as at January 01		**300,480**	323,480
Disposals during the year		**-**	(30,000)
Fair value loss		**(50,480)**	7,000
Balance as at December 31		**250,000**	300,480

18.1 The Company has rented out the owned shops to its subsidiary Company (Waves Marketplace Limited). Rental income of Rupees 3.36 million (2022: Rupees 3.36 million) has been recognized on the above property during the period ended December 31, 2023. Agreements for the rental arrangements are valid up to 1 year and carries options for renewable. Revaluation surplus of the above properties amounting to Rupees 149.97 million as of December 31, 2023 continues to be maintained in the "Surplus on Revaluation of Property, Plant and Equipment" mentioned in note 8 to these unconsolidated financial statements.

18.2 As at reporting date; investment property having fair value of Rupees 250.00 million (2022: Rupees 300.48 million) whereas Forced sale value of these properties is amounting to Rupees 212.50 million (2022: Rupees 255.41 million). Fair value loss of Rupees 50.48 million (2022: Gain of Rupees 7 million) based on the fair market value of shops determined on December 30, 2023 have been recognised in the unconsolidated statement of profit or loss as 'Other Expenses' as referred to in note 26.

18.3 The fair value of investment properties as of December 30, 2023 has been determined by an external independent property valuer Unicorn International Surveyors based on independent inquiries from active local realtors, recent experience in the location and the records of the valuer. The fair value measurement of the investment property had been categorized as a level 3 fair value based on the input to the valuation technique used.

		Note	2023	2022
			Rupees in ('000)	
19	**Investment in subsidiaries**			
	Waves Marketplace limited			
	50,000,000 (2022: 50,000,000) fully paid ordinary shares of Rupees 10 each	**19.1**	**500,000**	500,000
	Equity held: 100% (2022: 100%)			
	Chief Executive Officer - Moazzam Ahmad Khan			
	Waves Builders and Developers (Private) Limited			
	100,000 (2022: 100,000) fully paid ordinary shares of Rupees 10 each	**19.2**	**1,000**	1,000
	Equity held: 100% (2022: 100%)			
	Chief Executive Officer - Moazzam Ahmad Khan			
	Waves Home Appliance Limited			
	199,724,956 (2022: 199,724,956) fully paid ordinary shares of Rupees 10 each	**19.3**	**4,769,481**	4,769,481
	Equity held: 74.56% (2022: 74.56%)			
	Chief Executive Officer - Haroon Ahmad Khan			
			5,270,481	5,270,481

19.1 Waves Marketplace Limited (formerly, Electronics Marketing Company (Private) Limited), a wholly owned subsidiary, was incorporated on September 09, 2016. The principal activity of the subsidiary Company is to carry out distribution / wholesales and retail business of all kinds of electronic appliances, its components and accessories etc. The registered office of the subsidiary Company is located at 9KM Multan Road, Hanjarwal, Lahore, Punjab.

19.2 Waves Builders and Developers Private Limited (formerly, Waves Marketing (Private) Limited) is a private limited company which was incorporated on April 10, 2017 under the repealed Companies Ordinance, 1984 (Now the Companies Act, 2017). The registered office of the company is located at 15/3 A Model Town, Lahore. The principal activity of the company is real estate development.

19.3 Waves Home Appliances Limited (formerly, Samin Textiles Limited) was incorporated in Pakistan on November 27, 1989 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is situated at 8.7 KM Multan Road Hanjarwal Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company is trading, import and export of textile products and electric appliances.

		Note	2023	(Restated) 2022
			Rupees in ('000)	
20	**Long term receivables**			
	Receivable from a subsidiary company		**1,926,938**	1,746,083
	Less: Current portion		**-**	-
			1,926,938	1,746,083
20.1	**Movement of long term advance**			
	Carrying value as at January 01		**1,746,083**	1,582,202
	Unwinding of long term receivables to subsidiary	**20.2**	**180,855**	163,881
	Carrying value as at December 31		**1,926,938**	1,746,083

20.2 This represents unwinding of loan discounted at average borrowing rate (9.87%) per annum and has been accounted for as part of consideration paid under the Scheme of Arrangement.

20.3 As per scheme of arrangement for the demerger of Waves Home Appliances Limited (the "WHAL"), the Company is entitled to receive Rupees 2,000 million from the WHAL within two years of the sanction of the scheme, i.e. May 27, 2024. However, if the said amount is still wholly or partially receivable from WHAL, then WHAL is also subject to pay profit / markup on the outstanding amount on a quarterly basis in arrears and such rate shall be decided by the BOD of the Company and should not be less than the prescribed rate as per applicable laws.

The subsidiary company has requested the company to allow an extension in time for a period of five years for payment of amount. The board of directors of the company has agreed to extend the time for repayment of the amount subject to approval of the shareholders. As there is no intention of the subsidiary company to repay the amount in next 12 months nor the company shall demand the amount; therefore, the amount has been classified as long term liability.

20.4 Receivable from a subsidiary company is as under:

Name of related party	Gross due amount	Past due amount	Provision	Reversal of provision	Written off	Net amount	Maximum amount outstanding at any time during the year
	Rupees						
2023							
Waves Home Appliances Limited	**1,926,938**	**-**	**-**	**-**	**-**	**1,926,938**	**1,926,938**
2022							
Waves Home Appliances Limited	1,746,083	-	-	-	-	1,746,083	1,746,083

20.5 Age analysis of amount due from related party

Name of related party	Amount not past due	Amount past due					Total gross amount due
		1-30 days	31-60 days	61-90 days	91-365 days	365 days	
	Rupees						
2023							
Waves Home Appliances Limited	**1,926,938**	**-**	**-**	**-**	**-**	**-**	**1,926,938**
2022							
Waves Home Appliances Limited	1,746,083	-	-	-	-	-	1,746,083

		2023	2022
		Rupees in ('000)	
21 Inventories			
21.1 Under developed properties			
Balance at the beginning of the year		**2,705,294**	-
Add: transfer from non-current assets held for sale		**-**	2,356,000
Add: Costs incurred during the year	**21.2**	**420,748**	349,294
Less: Costs transferred to cost of revenue during the year		**-**	-
Balance at end of the year		**3,126,042**	2,705,294

21.2 This represents inventories being developed by the Company for the purposes of sale upon completion of the project. In November 2021, the Board decided that the freehold land on which existing manufacturing facility of the WCL is located shall be used for real estate project/apartment complex.

21.3 This includes borrowing costs of Rupees 351.67 million (2022: Rupees 349.294 million) and amount of Rupees 69.069 million (2022: Rupees Nil) incurred in connection with the project development.

21.3 Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and include the costs of:

- Cost of freehold land;
- Amounts directly incurred by the Company relating to construction of infrastructure;
- Amounts paid to contractors for construction including the cost of construction of infrastructure; and
- Planning and design costs, costs of site preparation, professional fees for legal services, construction overheads and other related costs.

The development span of the development property is estimated in 4 years.

	Note	**2023**	2022
		Rupees in ('000)	
22 Advances and deposits			
Due from subsidiary companies			
Waves Marketplace Limited	**22.1**	**370,879**	325,915
Waves Builders and Developers (Private) Limited		**-**	12,662
		370,879	338,577

22.1 This represents amounts due on account of expenses incurred on behalf of subsidiary in accordance to a basis approved by the Board of Directors of the Company. The balance is unsecured and receivable on demand. Mark-up is charged at average quarterly borrowing rate of the Company. Details of loan to related parties as at reporting date was as under:

Name of related party	Gross amount due	Past due amount	Provision for doubtful receivables	Reversal of provision of doubtful receivables	Amount written off	Net amount	Maximum amount outstanding at any time during the year
	Rupees in ('000)						
December 31, 2023							
Waves Marketplace Limited	**370,579**	**370,579**	**-**	**-**		**370,579**	**370,579**
Waves Builders and Developers (Private) Limited	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	370,579	**370,579**	**-**	**-**	**-**	**370,579**	**370,579**
December 31, 2022							
Waves Marketplace Limited	325,915	325,915	-	-	-	325,915	325,915
Waves Builders and Developers (Private) Limited	12,662	12,662	-	-	-	12,662	12,662
	338,577	338,577	-	-	-	338,577	338,577

22.2 Age analysis of amount due from related party

Name of related party	Amount not past due	Amount past due					Total gross amount due
		1-30 days	31-60 days	61-90 days	91-365 days	365 days	
	Rupees in ('000)						
December 31, 2023							
Waves Marketplace Limited	78,433			840	1,400	289,906	370,579
Waves Builders and Developers (Private) Limited	-	-	-	-	-	-	-
	78,433	**-**	**-**	**840**	**1,400**	**289,906**	**370,579**

Name of related party	Amount not past due	Amount past due 1-30 days	31-60 days	61-90 days	91-365 days	365 days	Total gross amount due
	Rupees in ('000)						
December 31, 2022							
Waves Marketplace Limited	63,747	-	-	33,653	-	228,514	325,914
Waves Builders and Developers (Private) Limited	12,662	-	-	-	-	-	12,662
	76,409	-	-	33,653	-	228,514	338,576

	Note	2023	2022
		Rupees in ('000)	
23 Cash and bank balances			
Cash in hand		**-**	-
Cash at bank			
- Current accounts		**21,862**	19,991
		21,862	19,991
24 Other income			
Income from financial instruments			
Mark-up on amount due from subsidiary company	**22**	**77,271**	60,387
Income from non-financial instruments			
Unwinding of long term receivables to subsidiary	**20**	**180,855**	163,881
Credit balance written back		**37,224**	7,000
Gain on disposal of operating fixed assets	**17**	**22,580**	-
Rental income		**3,360**	3,360
Amortization of deferred income	**10**	**140**	4,041
		321,430	238,669

24.1 This represents mark-up charged on the amount due from the subsidiary company at an average quarterly borrowing rate of the Company.

	Note	2023	(Restated) 2022
		Rupees in ('000)	
25 Administrative and general expenses			
Salaries wages and other benefits	**25.1**	**44,328**	55,468
Legal and professional		**233**	-
Fees and subscription		**1,846**	-
Auditors' remuneration	**25.2**	**4,815**	4,815
		51,222	60,283

25.1 Salaries, wages and other benefits include staff retirement benefits of Rupees 5.18 million (2022: Rupees 6.77 million).

	2023	(Restated) 2022
	Rupees in ('000)	
25.2 Auditors' remuneration		
Rizwan & Company		
Statutory audit fee	**3,718**	-
Review of statement of compiance and other certifications		
Out of pocket expenses	**467**	-
Awais Haider Nauman Liaquat		
Statutory audit fee	**-**	3,328
Fee for the review of interim financial information	**513**	513
Review of statement of compiance and other certifications	**-**	390
Out of pocket expenses	**117**	584
	4,815	4,815

		2023	(Restated) 2022
		Rupees in ('000)	
26	**Other operating expenses**		
	Fair value loss in investment property	**50,480**	-
	Loss on disposal of investment property	**-**	385
	Workers' welfare fund	**5,796**	5,668
		56,276	6,053
27	**Finance costs**		
	Markup on:		
	- Long term financing	**-**	4,181
	- Short term borrowings	**54,355**	35,585
	Bank charges and commission	**3**	-
		54,358	39,766
28	**Income tax expense**		
	Current tax		
	- For the year	**1,732**	-
	- Prior years	**762**	(76,334)
		2,494	(76,334)
	Deferred tax	**8,891**	-
		11,385	(76,334)

28.1 Current year's provision for taxation has been charged on the basis of normal tax regime or minimum tax on turnover under Section 113 or Alternate Corporate tax (ACT) on accounting profit under Section 113C of the Income Tax Ordinance 2001 or tax on taxable income by applying income tax rates applicable to companies, whichever is higher.

28.2 Tax charge reconciliation

Numerical reconciliation between current tax expense and accounting profit:

	2023	(Restated) 2022
	Rupees in ('000)	
Profit before taxation	**159,571**	132,567
Tax at applicable rate of 29%	**46,276**	38,444
Exempt income owing to group taxation	**(44,544)**	(63,825)
Deferred tax asset not recognized on tax losses	**-**	15,061
Prior year charge	**762**	(76,334)
Effect of restatement	**-**	10,320
	2,494	(76,334)

29 Earnings per share - basic and diluted

The calculation of earnings per share (basic and diluted) is based on earnings attributable to the owners of ordinary shares of the Company.

No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

	2023	2022
	Rupees in ('000)	
Profit for the year	**148,186**	208,901
Weighted average number of ordinary shares (Number of shares)	**281,406**	281,406
Earnings per share - basic and diluted	**0.53**	0.74

29.1 Weighted average number of ordinary shares

Issued ordinary shares at January 01	**281,406**	281,406
Issued during the year	**-**	-
Weighted-average number of ordinary shares at December 31	**281,406**	281,406

30 Cash and cash equivalents

Cash and bank balances	**21,862**	19,991
Short term running finances under mark-up arrangements - secured	**(1,723,953)**	(1,725,000)
	(1,702,091)	(1,705,009)

30.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2023						
	Liabilities				Equity		
	Long term financings	Short term borrowings	Mark-up on borrowings	Unclaimed dividend	Share capital	Capital reserves (Note 7)	Total
	Rupees in ('000)						
Balance as at January 01	**31,815**	**1,725,000**	**114,084**	**1,179**	**2,814,062**	**5,030,661**	**9,716,801**
Cash flows							
Short term borrowings repaid net of receipts	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Finance costs paid	**-**	**-**	**-**				
	-	**-**	**-**	**-**	**-**	**-**	**-**
Non-cash changes							
Long term loans repaid	**(31,955)**						**(31,955)**
Deferred grant	**140**	**(1,047)**		**-**	**-**	**-**	**(907)**
Finance cost net of receipts	**-**	**-**	**187,183**	**-**	**-**	**-**	**187,183**
	(31,815)	**(1,047)**	**187,183**	**-**	**-**	**-**	**154,321**
Balance as at December 31	**-**	**1,723,953**	**301,267**	**1,179**	**2,814,062**	**5,030,661**	**9,871,122**

	2022- Restated						
	Liabilities				Equity		
	Long term loans	Short term borrowings	Mark-up on borrowings	Unpaid dividend	Share capital	Capital reserves (Note 7)	Total
	Rupees in ('000)						
Balance as at January 01	1,101,988	1,274,661	54,421	1,179	2,814,062	5,030,661	10,276,972
Cash flows							
Short term borrowings repaid net of receipts	-	(924,683)	-	-	-	-	(924,683)
Long term loans repaid	(1,070,313)	-	-	-	-	-	(1,070,313)
Finance cost paid	-	-	59,663	-	-	-	59,663
	(1,070,313)	(924,683)	59,663	-	-	-	(1,935,333)
Non-cash changes							
Changes in running finance	-	1,375,022	-	-	-	-	1,375,022
Unwinding of loan	17,534						17,534
Deferred grant	(17,394)	-	-	-	-	-	(17,394)
Finance costs	-	-	-	-	-	-	-
	140	1,375,022	-	-	-	-	1,375,162
Balance as at December 31	31,815	1,725,000	114,084	1,179	2,814,062	5,030,661	9,716,801

31 Provident Fund

The Company operates approved contributory provident fund for all the employees eligible under the scheme. Till 2018, the Company was operating two separate provident funds in the name of SPL and CIPL but with effect from January 01, 2019, the Company has merged its funds. The investments out of provident fund have not been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated thereunder.

32 Remuneration of Chief Executive, Directors And Executives

The aggregate amounts charged in the unconsolidated financial statements in respect of remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Director		Executives	
	2023	2022	**2023**	2022	**2023**	2022
			Rupees ('000)			
Managerial remuneration	**16,691**	18,480	**4,909**	-	**15,832**	11,423
Contribution to provident fund	**1,390**	2,099	**409**	-	**1,085**	952
House rent allowance	**-**	-	**-**	-	**4,000**	-
Medical allowance	**1,669**	7,392	**491**	-	**1,211**	4,569
	19,750	27,971	**5,809**	-	**22,128**	16,944
Number of persons	**1**	1	**1**		**6**	6

32.1 In addition to the above, Directors and certain Executives are provided with free use of the Company maintained vehicles, club facility and certain items of furniture and fixtures in accordance with their entitlement. The Company also makes contributions based on actuarial calculations to gratuity and pension funds.

32.2 In addition, aggregate amount charged in the unconsolidated financial statements for payments on account of the meeting fee of non-executive directors was Rupees 0.15 million (2022: Rupees 0.5 million).

33 Related parties comprise of associated undertakings, directors, entities with common directorship, post employment plans and key management personnel. Amounts due from related parties are shown under advances, deposits, prepayments and other receivables note 20 and remuneration of directors and key management personnel note 31. Other significant transactions with related parties are as follows:

			2023	2022
Name of the Company	**Relationship**	**Nature of transactions**	**Rupees in ('000)**	
Waves Home Appliances Limited	Subsidiary	Finance costs	351,679	349,294
		Funds received on behalf	7,129	19,459
		Funds provided on behalf	4,995	562
		Land transferred at fair value	32,580	-
Waves Marketplace Limited	Wholly owned subsidiary	Mark-up charged	77,271	60,387
		Rental income	3,360	3,360
Waves Builders and Developers (Private) Limited	Wholly owned subsidiary Wholly owned subsidiary	Capital expenditure incured on behalf of company	69,069	-
Employee's Provident Fund	Post employee contribution plan	Contribution for the year	1,799	3,385
Directors	Employees	Fee for meetings	150	500

34 Financial Instruments

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk, and the Company’s management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of Company’s risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees policies for managing each of these risks.

34.1 Credit risk and concentration of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk, the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

34.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	2023	(Restated) 2022
	Rupees in ('000)	
Long term receivables	**1,926,938**	1,746,083
Due from subsidiary companies	**370,879**	338,577
Bank balances	**21,862**	19,991
	2,319,679	2,104,651

34.1.2 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

	2023	(Restated) 2022
	Rupees in ('000)	
Long term receivables	**1,926,938**	1,746,083
Other receivables	**370,879**	338,577
Bank balances	**21,862**	19,991
	2,319,679	2,104,651

34.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Out of total amount of Rupees 2,319.679 million (2022: 2,104.651 million); aggregate amount of Rupees 2,297.817 million (2022: 2,084.660 million) are receivable from subsidiary companies, therefore, there is no risk of non-recovery of the amount.

Counterparties with external credit ratings

These include banking companies and financial institutions. These counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Following are the credit ratings of counterparties with external credit ratings:

Banks	Rating		Rating Agency	2023	2022
	Short term	Long term		Rupees in ('000)	
AlBaraka Bank (Pakistan) Limited	A-1	A+	VIS	**231**	834
Allied Bank Limited	A-1+	AAA	PACRA	**83**	83
Askari Bank Limited	A-1+	AA+	PACRA	**135**	136
Bank Alfalah Limited	A-1+	AA+	PACRA	**169**	1,447
Bank Islamic Pakistan Limited	A-1	AA	PACRA	**1**	2
The Bank of Khyber	A-1	A+	PACRA	**552**	4
The Bank of Punjab	A-1+	AA+	PACRA	**-**	726
Dubai Islamic Bank Limited	A-1+	AA	VIS	**75**	6
Faysal Bank Limited	A-1+	AA	PACRA	**3,500**	3,500
Finca Microfinance Bank Limited	A2	A-	PACRA	**169**	373
Habib Bank Limited	A-1+	AAA	VIS	**3,792**	704
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**356**	356
JS Bank Limited	A1+	AA-	PACRA	**4**	4
MCB Bank Limited	A1+	AAA	PACRA	**1,839**	922
Meezan Bank Limited	A-1+	AAA	VIS	**4,940**	7,480
National Bank Of Pakistan	A1+	AAA	PACRA	**544**	55
Samba Bank Limited	A-1	AA	VIS	**81**	81
Summit Bank Limited	A-2	A-	VIS	**2,374**	-
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	**1,090**	1,090
United Bank Limited	A-1+	AAA	VIS	**1,068**	1,067
Industrial Commercial Bank of China		A	SBP	**859**	1,121
				21,862	19,991

34.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets, or that such obligations will have to be settled in a manner unfavorable to the Company. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of financial position liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

34.2.1 Exposure to liquidity risk

(a) Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting

	2023				
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 1 to 5 years**	**Above 5 years**
Non-derivative financial liabilities	**Rupees in ('000)**				
Trade and other payables	**580,728**	**(580,728)**	**(580,728)**	**-**	**-**
Accrued mark-up	**301,267**	**(301,267)**	**(301,267)**	**-**	**-**
Short term borrowings	**1,723,953**	**(1,723,953)**	**(1,723,953)**	**-**	**-**
	2,605,948	**(2,605,948)**	**(2,605,948)**	**-**	**-**

	2022 - Restated				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
Non-derivative financial liabilities	Rupees in ('000)				
Long term financing - secured	31,675	(31,675)	(31,675)	-	-
Trade and other payables	324,096	(324,096)	(324,096)	-	-
Accrued mark-up	114,084	(114,084)	(114,084)	-	-
Short term borrowings	1,725,000	(1,725,000)	(1,725,000)	-	-
	2,194,855	(2,194,855)	(2,194,855)	-	-

34.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. As at December 31, 2023; the Company is not exposed to market risk.

34.3.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which advances, sales and purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The currency in which these transactions are primarily denominated is US dollar. The Company is not exposed to currency risk as at December 31, 2023.

34.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments were as follows:

	Carrying amount	
	2023	2022
Financial liabilities:	**Rupees in ('000)**	
Fixed rate instruments		
Long term financing	**-**	31,675
	-	31,675
Variable rate instruments		
Financial liabilities:		
Short term borrowings	**1,723,953**	1,725,000

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 150 basis points in interest rates at the reporting date would have (decreased) / increased profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2023.

		Changes in interest rate %	Effects on profit before tax Rupees in ('000)
Cash flow sensitivity-fixed rate			
Long term financing	**2023**	**+1.50**	**-**
		-1.5	**-**
	2022	+1.50	475
		-1.5	(475)
Short term borrowings	**2023**	**+1.50**	**25,859**
		-1.5	**(25,859)**
	2022	+1.50	25,875
		-1.5	(25,875)
Due to subsidiary companies	**2023**	**+1.50**	**8,183**
		-1.5	**(8,183)**
	2022	+1.50	4,267
		-1.5	(4,267)

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company's significant borrowings are based on variable rate pricing that is mostly dependent on Karachi Inter Bank Offer Rate ("KIBOR") as indicated in respective notes.

34.3.3 Price risk

Price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments trading in market.

34.4 Fair values of financial assets and liabilities

All financial assets and financial liabilities are initially recognized at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortized cost, as indicated in the tables below.

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate to the fair values.

Financial assets and liabilities	**Measured at amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive Income**	**Total**
December 31, 2023	**Rupees in ('000)**			
Long term receivables	**1,926,938**	**-**	**-**	**1,926,938**
Due from subsidiary companies	**370,879**	**-**	**-**	**370,879**
Bank balances	**21,862**	**-**	**-**	**21,862**
Total Financial assets	**2,319,679**	**-**	**-**	**2,319,679**
Non financial assets				**8,646,523**
Total assets				**10,966,202**

	Financial liabilities	**Total**
December 31, 2023	**Rupees in ('000)**	
Financial liabilities		
Trade and other payables	**334,536**	**334,536**
Short term borrowings	**1,723,953**	**1,723,953**
Unpaid dividend	**1,179**	**1,179**
Total Financial liabilities		**2,059,668**
Non financial liabilities		**554,987**
Total liabilities		**2,614,655**

(Restated)

Financial assets and liabilities	Measured at amortised cost	Fair value through profit or loss	Fair value through other comprehensive Income	Total
December 31, 2022	Rupees in ('000)			
Long term receivables	1,746,083	-	-	1,746,083
Due from subsidiary companies	338,577	-	-	338,577
Bank balances	19,991	-	-	19,991
Total Financial assets	2,104,651	-	-	2,104,651
Non financial assets				8,295,146
Total assets				10,399,797

	Financial	Total
December 31, 2022	Rupees in ('000)	
Financial liabilities		
Long term financing - secured	31,675	31,675
Trade and other payables	324,096	324,096
Short term borrowings	1,723,953	1,723,953
Unpaid dividend	1,179	1,179
Total Financial liabilities		2,080,903
Non financial liabilities		115,533
Total liabilities		2,196,436

34.5 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or

liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at reporting date, the Company has following item to report in these levels:

Recurring fair value measurements

	Level 1	Level 2	Level 3	Total
	Rupees in ('000)			
31-Dec-23				
Non financial assets				
Investment property	**-**	**250,000**	**-**	**250,000**
31-Dec-22				
Non financial assets				
Property	-	10,000	-	10,000
Investment property	-	300,480	-	300,480
	-	310,480	-	310,480

34.6 Capital management

The Board’s policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

(i) To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
(ii) To provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets

Neither there were any changes in the Company’s approach to capital management during the year nor the Company is subject to externally imposed capital requirements, except those, related to maintenance of debt covenants, commonly imposed by the providers of debt finance.

	2023	(Restated) 2022
The debt to equity ratios were as follows:	**(Rupees in '000)**	
Total debt	**1,723,953**	1,756,815
Total equity and debt	**10,075,500**	9,960,176
Debt to equity ratio	**17%**	18%

The Company is not subject to externally imposed capital requirements.

	2023	2022
	(Number)	
35 Number of employees		
The Company has employed following number of persons:		
Number of employees as at December 31	**9**	8
Average number of employees during the year	**9**	9

36 Corresponding figures

36.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. Following significant reclassification has been made:

Reclassified from component	Reclassified to component	2022 Amount in ('000)
Long term receivables	**Trade and other payables**	
Short term payable	Due to related party	226,805

37 Events after the reporting date

Subsequent to reporting date; the board of directors of the Company and its subsidiary company, i.e. Waves Builders and Developers (Private) Limited in their meetings held on April 05, 2024 have decided to amalgamate the subsidiary company with the Company under the provisions of Section 284 (1) of the Companies Act, 2017. As per Scheme; all assets, liabilities and obligations comprising the subsidiary company shall stand amalgamated with, transferred to, vested in and be assumed by parent company with effect from effective date.

38 General

38:1 Figures have been rounded off to the nearest rupees, unless otherwise stated.

39 Date of authorisation

These financial statements have been authorised for issue by Board of Directors of the Company on 05 APR 2024

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

اظہار تشکر

ہم اپنے تمام اسٹیک ہولڈرز، خاص طور پر اپنے قابل قدر صارفین، سپلائرز، کاروباری شراکت داروں، مالیاتی اداروں، ریگولیٹرز، جنہوں نے ہم پر اپنا اعتماد ظاہر کیا کا شکریہ ادا کرتے ہیں۔ کمپنی کی کامیابیاں اور موجودہ تشخص غیر متزلزل عزم، سخت محنت، بے پناہ تعاون، اور ہماری انتظامی ٹیم اور دیگر ملازمین کی کوششوں کے بغیر ممکن نہیں تھا جو بھرپور تعریف کے مستحق ہیں۔ ہمیں یقین ہے کہ ٹیم ترقی کرتی رہے گی اور تمام اسٹیک ہولڈرز کی توقعات پر مسلسل پورا اترے گی۔ بورڈ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کی مسلسل حمایت اور تعاون کا بھی اعتراف کرتا ہے۔

ہم اپنے شیئر ہولڈرز اور ان کی غیر متزلزل حمایت کے بھی تہہ دل سے شکرگزار ہیں کہ انہوں نے ہم پر اعتماد اور بھروسہ کا اظہار کیا ہے۔

منجانب بورڈ:

ڈائریکٹر	ڈائریکٹر

لاہور

کے ساتھ عمل کرنے کی ضرورت ہے۔

ہمارا پختہ یقین ہے کہ اس کی مالیاتی کامیابی کے لیے اس کی ماحولیاتی اور سماجی کارکردگی کو بہتر بنانا ناگزیر ہے۔ کمپنی ہمیشہ فضیلت، گڈ گورننس، شفافیت، دیانتداری اور جوابدہی کے کلچر پر زور دیتی ہے۔ WAVES مسلسل درج ذیل متنوع CSR اقدامات کر رہی ہے، جس میں سے ہر ایک ہمارے CSR وژن کی طرف ہمارے اہداف کو پورا کرتا ہے۔

انسانی کیپٹل میں سرمایہ کاری

ویوز کارپوریشن میں، ہم مارکیٹ پلیس میں بہترین ٹیلنٹ کو اپنی طرف متوجہ کرنے اور انہیں مہارت اور مواقع دینے، انہیں اعلیٰ کامیاب بننے کی ضرورت پر یقین رکھتے ہیں۔

انسانی اثاثے

کمپنی اپنے لوگوں کو اپنا سب سے اہم اثاثہ سمجھتی ہے۔ ہم ہمیشہ دستیاب انسانی وسائل کی بہترین صلاحیتوں کو بھرتی، تربیت اور فروغ دینے کے لیے کوشاں رہتے ہیں۔ پُرکشش معاوضے کے پیکجوں کے علاوہ، ہمارا کارپوریٹ کلچر ملازمین کی کارکردگی کو بڑھانے کے لیے ڈیزائن کیا گیا ہے۔ ہمارا جانشینی کی منصوبہ بندی کا فریم ورک ہماری بھرتی اور فروغ کی سرگرمیوں کی فعال طور پر رہنمائی کرتا ہے۔

لرننگ اور تنظیمی ترقی

ہماری افرادی قوت باقاعدگی سے اپنے متعلقہ شعبوں میں تربیت حاصل کرتی ہے۔ سنگر ریٹیل اکیڈمی ملازمین کو ایک جامع ورک فورس ٹریننگ کیلنڈر کے ذریعے لے جانے میں اہم کردار ادا کرتی ہے۔ ہم اپنے ملازمین کو اس شعبے میں ہونے والی نئی پیشرفتوں سے آگاہ کرنے کے لیے ورکشاپس کا انعقاد بھی کرتے ہیں تا کہ مارکیٹ کے بدلتے ہوئے منظرنامے سے باخبر رہیں۔

کافی داخلی مالیاتی کنٹرول

داخلی کنٹرول کا فریم ورک مؤثر طریقے سے بورڈ کی طرف سے قائم کردہ داخلی آڈٹ فنکشن کے ذریعے نافذ کیا گیا ہے جو بیرونی آڈٹ فنکشن سے آزاد ہے۔ کمپنی کا داخلی کنٹرول کا نظام ڈیزائن کے لحاظ سے مستحکم ہے اور تاثیر اور مناسبیت کے لیے اس کا مسلسل جائزہ لیا جاتا ہے۔ آڈٹ کمیٹی نے کمپنی کے اندر تمام سطحوں پر آپریشنل تعمیل، رسک مینجمنٹ، مالیاتی رپورٹنگ اور کنٹرول کے مقاصد، کمپنی کے اثاثوں کی حفاظت اور شیئر ہولڈرز کی دولت کے حصول کو یقینی بنایا ہے۔

داخلی آڈٹ فنکشن نے آڈٹ کمیٹی کی طرف سے بیان کردہ چارٹر کے تحت اپنے فرائض سرانجام دیئے ہیں۔ آڈٹ کمیٹی نے داخلی آڈٹ کے مواد کا جائزہ لیا، مناسب کارروائی کی ہے یا جہاں ضرورت ہو معاملات بورڈ کی توجہ میں لائے ہیں۔ ایک قابل اعتماد مالیاتی رپورٹنگ سسٹم اور قوانین وضوابط کی تعمیل سمیت کمپنی کے مقاصد میں کارکردگی اور شراکت کو یقینی بنانے کے لیے بیرونی اور اندرونی آڈیٹرز کے درمیان ہم آہنگی کو آسان بنایا گیا ہے۔

کارپوریٹ گورننس کے بہترین طرز عمل

ہمارے ضابطہ اخلاق کو اخلاقیات کی ہماری بنیادی اقدار میں سے ایک کے طور پر درج کیا گیا ہے، اس لیے ویوز کارپوریشن لمیٹڈ کسی بھی قسم کے امتیازی سلوک اور ایذا رسانی کے خلاف صفر رواداری کی پالیسی رکھتی ہے۔ اسی طرح رپورٹنگ کے محاذ پر بھی ایمانداری اور کھلی بات چیت کی توقع کی جاتی ہے، ہمیں اس بات کی پرواہ ہے کہ ہم کیسے نتائج حاصل کرتے ہیں۔ ہمارا ماننا ہے کہ ویوز کارپوریشن لمیٹڈ سے وابستہ ہر فرد کے لیے اس کلچر کو اپنانا اور دیانتداری اور جوابدہی کے اعلیٰ ترین معیارات کے مطابق زندگی گزارنا ضروری ہے۔ بورڈ آف ڈائریکٹرز نے ڈائریکٹرز اور ملازمین کے لیے کوڈ آف کنڈکٹ کو اپنایا اور اسے بورڈ کے ممبران اور ملازمین کو لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضرورت کے مطابق ترسیل کیا گیا ہے۔ کوڈ آف کنڈکٹ کمپنی کی ویب سائٹ پر بھی رکھا گیا ہے۔

ڈائریکٹرز کا بیان

ضابطہ کی ضرورت کے مطابق، ہم، کمپنی کے ڈائریکٹرز، بخوشی بیان کرتے ہیں کہ:

a) کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔

b) کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔

c) مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے۔

d) اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

e) مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IAS) اور IFRS کی پیروی کی گئی ہے۔

f) اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

لیکویڈیٹی رسک- وہ خطرہ ہے جس سے کمپنی کو اپنی مالی ذمہ داریوں سے وابستہ ذمہ داریوں کو پورا کرنے میں دشواری کا سامنا کرنا پڑے گا جو نقد یا کسی اور مالیاتی اثاثوں کی فراہمی سے طے پاتے ہیں۔	• پروڈنٹ لیکویڈیٹی رسک مینجمنٹ کا مطلب کافی نقدی اور قابل فروخت سیکیورٹیز کو برقرار رکھنا، قرض کی مناسب سہولتوں کے ذریعے فنڈنگ کی دستیابی ہے۔ کاروبار کی متحرک نوعیت کی وجہ سے، کمپنی پرعزم کریڈٹ لائنوں کو برقرار رکھتے ہوئے فنڈنگ میں لچک برقرار رکھتی ہے۔ کمپنی کے لیکویڈیٹی مینجمنٹ میں کیش فلو کا تخمینہ لگانا اور ان کو پورا کرنے کے لیے ضروری مائع اثاثوں کی سطح پر غور کرنا، اندرونی اور بیرونی ریگولیٹری تقاضوں کے مقابلے میں مالیاتی پوزیشن کے لیکویڈیٹی تناسب کی نگرانی اور قرض کی مالی اعانت کے منصوبوں کو برقرار رکھنا شامل ہے۔
کریڈٹ رسک- کریڈٹ رسک نقصان کے خطرے کی نمائندگی کرتا ہے اگر کاؤنٹر فریقین معاہدے کے مطابق کارکردگی کا مظاہرہ کرنے میں ناکام رہتے ہیں۔	• انفرادی کریڈٹ کی حدوں کو لاگو اور بینک گارنٹیوں اور اندرون ملک لیٹر آف کریڈٹ کے عوض زیادہ تر تجارتی قرضے حاصل کر کے اس خطرے کو کم کیا جاتا ہے۔ ان بینک گارنٹیوں کو قبول کرنے کی وجہ سے پیدا ہونے والے کریڈٹ رسک کا انتظام اس بات کو یقینی بنا کر کیا جاتا ہے کہ بینک گارنٹی معقول حد تک اعلیٰ کریڈٹ ریٹنگ والے بینکوں کی طرف سے جاری کی گئی ہیں جیسا کہ بورڈ آف ڈائریکٹرز نے منظور کیا ہے۔
قیمت کا خطرہ- مارکیٹ میں نئے آنے والوں کے ساتھ، قیمت کے مقابلے کا امکان ہے جو مارجن کو کم کر سکتا ہے۔	• کمپنی اپنی ٹیکنالوجی، کارکردگی اور پیداواری صلاحیت کو بہتر بنا کر مسابقتی سپلائرز کو مسلسل سورسنگ کر رہی ہے۔ نیز، چونکہ WAVES میں تیزی سے تبدیلیء وقت کے ساتھ مصنوعات تیار کرنے کی اندرون ملک صلاحیت موجود ہے، جو خود ہی WAVES کو متاثر کرنے والے مسابقت کے امکانات کو ختم کر دیتی ہے۔
مسابقتی خطرہ- پلاسٹک کی صنعت میں داخل ہونے والوں میں اضافہ۔	•WAVES کی متنوع مصنوعات کی لائن اور منفرد ڈیلر کے علاوہ خوردہ فروخت کا ڈھانچہ اور تکنیکی مہارت اسے ان چیلنجوں کا سامنا کرنے کے لیے مناسب طریقے سے تیار کرتی ہے۔
ریگولیٹری رسک- ڈیوٹیز، ٹیکسز، لیویز اور دیگر شرائط کا نفاذ/اضافہ آپریشنز کو بری طرح متاثر کر سکتا ہے۔	• نئے لیویز پورے بورڈ میں ہوتے ہیں، اس لیے ہم مسابقتی رہتے ہیں۔

ماحولیات، صحت اور حفاظت

ہم اپنے پورے کاروبار میں صحت، حفاظت اور ماحول میں عمدگی حاصل کرنے کے لیے پُرعزم ہیں۔ ہم اپنے ملازمین کی حفاظت کو ترجیح دیتے ہیں اور ایک مثبت ماحول، اچھی صحت، اور حفاظتی کلچر فراہم کرنے کے لیے، خاص طور پر اپنی مینوفیکچرنگ سہولیات پر اپنے ماحولیاتی فرائض اور ذمہ داریوں کو چوکس طریقے سے پورا کرتے ہوئے سخت محنت کرتے ہیں۔ ہماری کمپنی اپنے کارکنوں کی پیشہ ورانہ حفاظت اور صحت کو اہمیت دیتی ہے۔ ہم کام کرنے کا ایک محفوظ ماحول برقرار رکھتے ہیں اور اپنے عملے اور اسٹیک ہولڈرز کی صحت اور تندرستی کی ذمہ داری لیتے ہیں۔ کمپنی تمام ملازمین کو کام کی جگہ اور اس سے باہر دونوں جگہوں پر ان کی حفاظت کو یقینی بنانے کے لیے فعال طور پر تربیت دیتی ہے۔ اس کے علاوہ، ہمارے مینوفیکچرنگ، ڈسٹری بیوشن، اور ریٹیل آپریشنز نے SOPs تیار کیے ہیں جو حادثات کے خطرے کو کم کرنے کی کوشش کرتے ہیں۔

کارپوریٹ سماجی ذمہ داری (CSR)

ہم اجتماعی کوششوں پر یقین رکھتے ہیں اور اس لیے، ایک مضبوط تنظیمی کلچر بنایا ہے جو تمام ملازمین اور اسٹیک ہولڈرز کو فوائد فراہم کرتا ہے۔ ہم سماجی ذمہ داری کو اپنی ایک بنیادی اقدار کے طور پر قبول کرتے ہیں اور اسے گروپ کے ہر ممبر کے ساتھ شیئر کیا گیا ہے۔ پائیدار اور ذمہ دارانہ ترقی نہ صرف کارپوریٹ اداروں پر مقامی قوانین کی پابند ہے، بلکہ یہ اخلاقی ذمہ داری کے بارے میں زیادہ ہے جس پر بہترین جذبے

معروف صارف برانڈ ادارہ میں سے ایک کے طور پر، WAVES توانائی، افراط زر، سپلائی چین اور انسانی ترقی سے متعلق ہمارے وقت کے چند اہم ترین مسائل کو حل کرنے کے لیے مسلسل کوشاں ہے۔ہم اس اہم موڑ پر اپنی معیشت کی بحالی کے لیے اپنا کردار ادا کرتے رہیں گے۔ ہماری مجموعی حکمت عملی میں یہ خواہش جاری رہے گی کیونکہ ہم گروپ کی مجموعی کارکردگی اور منافع میں ہم آہنگی کو بڑھا کر اپنے پورٹ فولیو میں ویلیو ایڈیشن پیدا کرنے کا تصور کرتے ہیں۔ ہمارے لوگ ہماری کلیدی محرک قوت بنے ہوئے ہیں۔ WAVES کی کامیابی ان کی مہارتوں اور تخلیقی صلاحیتوں پر مبنی ہے، اور اس بات کو یقینی بناتے ہوئے ہم انسانی ترقی کے لیے پُرعزم ہیں کہ ہمارے پاس تمام پس منظر سے بہترین ممکنہ ٹیلنٹ موجود ہے، جو ہماری ترقی اور خواہشات کو آگے بڑھاتا ہے۔ ہم ایک بااختیار تعلیمی ادارے کو مزید ترقی دینے کے لیے پُرعزم ہیں۔

خطرات، غیر یقینی صورتحال اور تخفیف

آپ کی کمپنی اس بات کو تسلیم کرتی ہے کہ خطرہ کاروبار کا ایک لازمی حصہ ہے اور خطرات کو فعال اور مؤثر طریقے سے منظم کرنے کے لیے پُرعزم ہے۔ آپ کی کمپنی وقتاً فوقتاً اندرونی اور بیرونی ماحول میں خطرات کا جائزہ لیتی ہے اور اپنی حکمت عملی اور کاروباری/آپریشنل پلانز میں خطرے کے تخفیف کے منصوبوں کو شامل کرتی ہے۔ ہر خطرے کا بغور جائزہ لیا جاتا ہے، جیسا کہ تجزیہ کے بعد کی بعض صورتوں میں یہ کاروبار کے نئے مواقع کا باعث بن سکتا ہے۔ آپ کی کمپنی میں رسک مینجمنٹ کا ایک اچھی طرح سے طے شدہ فریم ورک موجود ہے۔ رسک مینجمنٹ فریم ورک پورے انٹرپرائز میں اوپر سے نیچے تک مختلف سطحوں پر کام کرتا ہے۔ یہ سطحیں کمپنی کے رسک مینجمنٹ کا اسٹریٹجک دفاعی احاطہ تشکیل دیتی ہیں۔ کمپنی کی رسک مینجمنٹ کمیٹی خطرے میں کمی کے منصوبے کی نگرانی اور جائزہ لیتی ہے۔

کلیدی کاروباری خطرات	کمی کے اقدامات
آپریشنل ایکسیلنس – یہ اندرونی عوامل، انتظامی اور آپریشنل طریقہ کار جیسے کہ ملازمین کے کاروبار، سپلائی چین میں خلل، IT سسٹم کے بند ہونے یا کنٹرول کی ناکامیوں سے وابستہ خطرات ہیں۔	• آپ کی کمپنی نے وینڈر ریشنلائزیشن، اندرون ملک مینوفیکچرنگ پر زور دینا شروع کر دیا ہے اور وینڈرز کے سکور کارڈ کی تشخیص رکھ دی گئی ہے۔ • آپ کی کمپنی نے سال کے دوران پوری کمپنی میں معیار اور عمل میں بہتری کا پروگرام ترتیب دیا ہے، جس میں اسٹریٹجک وینڈرز بھی شامل ہیں، باقاعدہ انتظامی جائزوں میں پیش رفت کا پتہ لگایا جا رہا ہے۔
برانڈنگ/انوویشن رسک – وہ خطرہ جو آپ کے کاروبار کے جدید شعبوں پر لاگو ہوتا ہے جیسے کہ پروڈکٹ ریسرچ اور مارکیٹ کے تازہ ترین رجحانات اور مصنوعات کی جدت سے نمٹنے کے لیے۔	• آپ کی کمپنی نے سال کے دوران ایک مرکزی مارکیٹنگ کا ڈھانچہ قائم کیا ہے، اس طرح اس کے صارفین کی بصیرت کے عمل کو تقویت ملی ہے اور متعلقہ فنکشن میں قابلیت کے خلا کو پُر کیا گیا ہے۔ • کمپنی کے ریسرچ اینڈ ڈویلپمنٹ ڈیپارٹمنٹ کو مضبوط کیا گیا ہے اور وہ مسلسل مصنوعات کی جدت طرازی کی حکمت عملیوں کو دیکھ اور ان پر عمل درآمد کر رہا ہے۔
آرگنائزیشن ایکسیلنس – صحیح ٹیلنٹ کو اپنی طرف متوجہ کرنے اور برقرار رکھنے کی صلاحیت آپ کی کمپنی کی تنظیم کے مقاصد کے حصول میں ناکامی کا باعث بن سکتی ہے۔	• آپ کی کمپنی نے موزوں ملازمین کے لیے کیریئر کی ترقی اور ترقی کے مواقع کی نقشہ سازی کے لیے Succession Planning فریم ورک قائم کیا ہے اور اس طرح ٹیلنٹ کو برقرار رکھنے کو یقینی بنایا گیا ہے۔

اپریل 2023 کے دوران، کنزیومر پرائس انڈیکس (CPI) افراطِ زر سال بہ سال (YoY) کی بنیاد پر بڑھ کر 36.4% ہو گیا، جو پچھلے مہینہ میں 35.4% تھا۔ سی پی آئی میں 34.58 فیصد اوسط کے ساتھ "فوڈ اینڈ نان الکوحل بیوریجز" نے اپریل 2023 میں سالانہ بنیادوں پر 48.07 فیصد مہنگائی دیکھی۔ اسی طرح، "رہائش، پانی، بجلی، گیس اور ایندھن" (23.63 فیصد اوسط) میں اضافہ ہوا۔ 16.94 فیصد سے بڑے پیمانے پر مینوفیکچرنگ سیکٹر (LSM) نے مالی سال 2023 کے جولائی تا فروری کے دوران گزشتہ سال کی اسی مدت کے مقابلے میں 5.56 فیصد کی کمی ظاہر کی ہے۔

آئی ایم ایف کی طرف سے جاری کردہ تازہ ترین جی ڈی پی تخمینہ، مالی سال 2023 میں 0.5 فیصد کی سست شرح نمو کی پیش گوئی کرتا ہے۔ مالی محاذ پر، موجودہ FY کے پہلے نو مہینوں کے دوران، گزشتہ سال کی اسی مدت میں 399 بلین روپے کے مقابلے 781 بلین روپے کا پرائمری سرپلس تھا۔ سال بہ سال ٹیکس ریونیو میں 18% اور نان ٹیکس لیویز میں 35% نمو کے باوجود، مالی وسائل نے قرض کی سروس کی بڑھتی ہوئی ضروریات کو پورا کرنے کے لیے ابھی تک پورا کیا ہے۔ مزید یہ کہ ٹیکس وصولیوں میں نمایاں بہتری کے باوجود مجموعی کارکردگی رواں مالی سال کے پہلے نو مہینوں کے لیے مقررہ ہدف سے اب بھی کم ہے، تعطل کا شکار آئی ایم ایف پروگرام مالیاتی مشکلات میں اضافہ کر رہا ہے۔ (ماخذ: بزنس ریکارڈر)

مستقبل کا نقطہ نظر/ آگے بڑھنے کے بیانات

ہمارا بنیادی مقصد اعلیٰ معیار اور مؤثر گھریلو آلات کی مصنوعات فراہم کرنا ہے۔ ہم طویل مدتی اہمیت کے منصوبوں میں منافع اور سرمایہ کاری میں توازن رکھتے ہوئے شیئر ہولڈر کی قدر کو بڑھانے کے لیے پُرعزم ہیں۔

پاکستان بیورو آف سٹیٹسٹکس (پی بی ایس) نے گزشتہ برسوں میں ریفریجریٹرز، ایئر کنڈیشنرز اور ڈیپ فریزر کی پیداوار میں اضافے کی اطلاع دی ہے۔ تاہم، وہ کمپنیاں جن کے پاس گھریلو آلات کی مصنوعات ہیں جیسے کہ ٹیلی ویژن، ایئر کنڈیشنر وغیرہ، جن میں کافی غیر ملکی اجزاء شامل ہیں، انہیں چیلنجز کا سامنا کرنا پڑے گا۔ مجموعی طور پر موسمی حالات میں تبدیلی کے ساتھ ریفریجریشن اور ایئر کنڈیشنگ میں اضافے کا تجربہ کیا جائے گا۔ چونکہ پاکستان کی معیشت کا بڑا حصہ ابھی تک غیر دستاویزی ہے جس کے لیے کوششیں کی جارہی ہیں کہ اس کو دستاویزی بنایا جائے، اس لیے اس معیشت میں پیسے کی گردش اور خرچ کرنے کی طاقت بھی مہنگائی کو ہوا دے رہی ہے۔ ایسی غیر دستاویزی معیشت میں زیادہ خرچ کرنے کی عادت مقامی مارکیٹ میں قابل استعمال اور پائیدار مصنوعات کی طلب کو جاری رکھے گی۔

سیاسی اور معاشی چیلنجوں کے حل کے ساتھ، پاکستان میں آلات کی کم گھریلو رسائی (عالمی اوسط سے کم) کمپنیوں کو اپنی رسائی بڑھانے کے مواقع فراہم کرے گی۔ تمام خطوں میں جدید خوردہ اور کمپنی کے خصوصی آؤٹ لیٹس کی توسیع سے گھریلو آلات کی رسائی میں اضافہ متوقع ہے۔ غیر میٹرو شہروں (تمام دو اور تین شہروں اور دیہی علاقوں) میں بھی آلات سے مضبوط ترقی کی توقع ہے۔ صارفین کے آلات کی ترقی پر مثبت اثرات مرتب کرنے والے دیگر عوامل دوہری آمدنی والے خاندانوں میں اضافہ، قرض کی آسان دستیابی، طرز زندگی میں تبدیلی، نئے ماڈلز کا تعارف، اور صارفین کی بیداری میں اضافہ ہیں۔ صارفین کی پائیدار اشیاء کے لیے تیزی سے سکڑتے ہوئے متبادل کا سلسلہ بھی جاری رہنے کی توقع ہے اور اس لیے کنزیومر الیکٹرانکس کے لیے تیز طلب میں اضافہ ہوگا۔

معاشی جھٹکوں جیسے ناموافق حالات کے درمیان، حکومت پاکستان مالیاتی اور کرنٹ اکاؤنٹ کے عدم توازن کو درست کرنے اور مہنگائی کو کنٹرول کرنے کے لیے مختلف اقدامات کر رہی ہے۔ موجودہ پالیسی موقف نے حکومت کو بی آئی ایس پی اور غربت کے خاتمے کے فنڈ کے ذریعے معاشرے کے کمزور طبقات پر اخراجات بڑھانے کے قابل بنایا ہے۔ آمدنی کے لحاظ سے، اقتصادی سرگرمیوں میں سست روی کے باوجود، ٹیکس اور نان ٹیکس وصولی میں بہتری آئی ہے۔ خاص طور پر ایف بی آر کی ٹیکس وصولی نے نمو کی رفتار کو برقرار رکھا ہے۔ حوصلہ افزاء بات یہ ہے کہ گھریلو ٹیکس کی وصولی، خاص طور پر براہ راست ٹیکس تیزی سے بڑھ رہے ہیں جو کہ انتظامی اور نافذ کرنے والے اقدامات کے مؤثر نفاذ کی نشاندہی کرتے ہیں۔ اگرچہ معاشی سرگرمیوں اور نمو کی سست روی کی وجہ سے گھریلو وسائل کو متحرک کرنے کی کوششوں کو خطرات لاحق ہیں۔

آئندہ مہینوں میں مہنگائی زیادہ رہنے کی توقع ہے اس سے پہلے کہ بتدریج نرمی ہو جائے۔ اہم وجوہات غیر یقینی سیاسی اور معاشی ماحول، کرنسی کی قدر میں کمی، توانائی کی قیمتوں میں حالیہ اضافہ اور زیر انتظام قیمتوں میں اضافہ ہیں۔ اگرچہ، اسٹیٹ بینک سخت مانیٹری پالیسی بنا رہا ہے، لیکن افراط زر کی توقع کو طے ہونے میں کچھ وقت لگے گا۔ تاہم، وفاقی حکومت، صوبائی حکومتوں کے ساتھ رابطے میں، اشیائے ضروریہ کی طلب و رسد کے فرق کو قریب سے مانیٹر کر رہی ہے اور ان کی قیمتوں کو مستحکم کرنے کے لیے ضروری اقدامات کر رہی ہے۔ امید ہے کہ اقتصادی استحکام پروگرام کی بحالی سے معاشی استحکام حاصل کرنے میں مدد ملے گی جس کے نتیجے میں شرح مبادلہ میں استحکام آئے گا اور اجناس کی بین الاقوامی قیمتوں میں کمی کا فائدہ اٹھانے کا موقع ملے گا۔ اس سے لاگت کو بڑھانے والی افراط زر پر قابو پانے میں بھی مدد ملے گی اور حکومت کو اشیاء کی کم قیمتوں کو گھریلو صارفین تک پہنچانے میں مدد ملے گی۔

آگے بڑھتے ہوئے، حکومت آئی ایم ایف ڈیل کو محفوظ بنانے کے لیے تمام کوششیں کر رہی ہے جو موجودہ وزیر اعظم کے مطابق آخری مرحلے میں ہے۔ اس سے ملک کو آئندہ چند سہ ماہیوں میں مستحکم ذخائر، کنٹرول شدہ مالیاتی توازن اور پائیدار اقتصادی ترقی کی صورت میں مدد ملے گی۔ تاہم، جب کہ موجودہ سیاسی درجہ حرارت میں اضافہ ہو رہا ہے، توانائی کے پاس تھرو اور سخت مالیاتی / مالی پالیسی کے تیز رفتار نفاذ کا اثر مختصر مدت میں پڑے گا۔ جیسا کہ کرنٹ اکاؤنٹ خسارہ کم ہوا ہے اور سیاسی اور سماجی جذبات میں بہتری آئی ہے، ہم پوری توقع کرتے ہیں کہ روپیہ کی قدر بڑھے گی اور مانیٹری پالیسی میں نرمی کی جائے گی۔ یہ آنے والے سالوں میں بحالی اور پائیدار ترقی کا نقطہ آغاز ہوگا۔

انتظامات کی اسکیم

سال کے دوران معزز لاہور ہائی کورٹ، لاہور نے WAVES اور WHALE کے درمیان انتظامات کی اسکیم کی منظوری دی جس میں خوردہ اور رئیل اسٹیٹ کے کاروبار کو برقرار رکھتے ہوئے گھریلو آلات کے کاروبار کو WHALE میں تبدیل کر دیا گیا۔ یہ انفرادی کمپنیوں کی منفرد شناخت، زیادہ توجہ مرکوز کاروبار، کسٹمر بیس، نگرانی اور WHALE کے کاروبار/سمت کو کنٹرول کرنے سمیت متعدد فوائد فراہم کرے گا، جب کہ WHALE کی انتظامیہ باقاعدہ یومیہ بنیاد پر WHALE کے کاروبار کو چلا سکتی اور اس کا انتظام کر سکتی ہے۔ اسکیم کے مطابق 256,006,196 عام حصص کے کل اجراء میں سے WHALE کی طرف سے 199,724,956 عام حصص WAVES کو جاری کیے گئے، جس کے نتیجے میں WHALE کمپنی کی ذیلی کمپنی بن گئی۔ اس کے علاوہ، تصفیہ پر غور کرتے ہوئے WHALE نے WAVES کے حصص یافتگان کو WHALE کے 56,281,240 حصص بھی جاری کیے ہیں۔ اسکیم کی منظوری کے دو (2) سالوں کے اندر 2 بلین روپے کیش کا بیلنس طے کیا جانا ہے۔ اس طرح کی بقایا رقم پر کوئی منافع/مارک اپ جمع نہیں ہوگا اگر مذکورہ رقم اسکیم کی منظوری کے دو (2) سالوں کے اندر طے کی جاتی ہے۔ مزید تفصیلات کے لیے براہ کرم سالانہ مالیاتی بیانات کے نوٹس کے آغاز میں پیراگراف ملاحظہ کریں۔

معاشی اور صنعتی تجزیہ

عالمی نمو 2024 میں 3.1 فیصد تک بڑھنے سے پہلے 2023 میں 2.9 فیصد تک گرنے کا امکان ہے (ماخذ: ورلڈ اکنامک آؤٹ لک- جنوری 2023)۔ جبکہ 2023 کے لیے نقطہ نظر پچھلی پیشین گوئیوں سے 0.2% پوائنٹ زیادہ ہے، لیکن یہ اب بھی 3.8% کی تاریخی اوسط سے نیچے ہے۔ اس سست نمو کی وجہ شرح سود میں اضافہ اور روس اور یوکرین کے درمیان جاری تنازعہ قرار دیا جا رہا ہے، جو اقتصادی سرگرمیوں پر بوجھ ڈال رہے ہیں۔ تاہم، چین کے حالیہ دوبارہ کھلنے سے توقع سے زیادہ تیزی سے بحالی ممکن ہوئی ہے اور توقع ہے کہ آئندہ سالوں میں عالمی نمو پر مثبت اثر پڑے گا۔ عالمی افراط زر 2023 میں 6.6 فیصد سے کم ہو کر 2024 میں 4.3 فیصد رہنے کی توقع ہے، لیکن یہ اب بھی وبائی بیماری سے پہلے کی سطح سے اوپر رہنے کا امکان ہے۔ تجارت اور نمو پر اقوام متحدہ کی کانفرنس (یو این سی ٹی اے ڈی) کے منصوبوں سے گلوبل ٹریڈ اپ ڈیٹ کہ عالمی تجارت میں جو سست روی سال کی دوسری ششماہی میں شروع ہوئی تھی، 2023 میں بدستور ابتر ہوتی جائے گی۔ اس کی بنیادی وجہ جغرافیائی سیاسی تناؤ کی برقراری ہے اور سخت مالی حالات ہیں۔ کئی عوامل، جیسے کہ جغرافیائی سیاسی جھٹکے، عالمگیریت، آب و ہوا کی کارروائی، اور ٹیکنالوجی، کے آئندہ سال میں تجارت اور سرمایہ کاری پر بھی نمایاں اثر پڑنے کی توقع ہے۔

عالمی سطح پر معاشی عدم استحکام نے ملکی معیشت کو متاثر کیا ہے جس کے نتیجے میں افراط زر میں اضافہ اور ملک کے کرنٹ اکاؤنٹ خسارے میں بھی اضافہ ہوا ہے جس کے نتیجے میں شرح سود اور کرنسی کی قدر میں کمی واقع ہوئی ہے۔ مہنگائی کے لیے کنزیومر پرائس انڈیکس (سی پی آئی) کا پیمانہ سالانہ بنیادوں پر 27.6% ہے، جو پچھلے مہینے کے 24.5% اور جنوری 2022 میں 13% سے زیادہ ہے۔ مہنگائی بتدریج کم ہونے سے پہلے آئندہ مہینوں میں بلند رہنے کی توقع ہے۔ توقع ہے کہ آئندہ مہینوں میں مہنگائی 28 سے 30 فیصد کے قریب رہے گی۔ اہم وجوہات غیر یقینی سیاسی اور معاشی ماحول، کرنسی کی قدر میں کمی، توانائی کی قیمتوں میں حالیہ اضافہ اور زیر انتظام قیمتوں میں اضافہ ہیں۔ اگرچہ، اسٹیٹ بینک سخت مانیٹری پالیسی بنا رہا ہے، لیکن افراط زر کی توقع کو طے ہونے میں کچھ وقت لگے گا۔ تاہم، وفاقی حکومت، صوبائی حکومتوں کے ساتھ رابطے میں، اشیائے ضروریہ کی طلب کی رسد کے فرق کو قریب سے مانیٹر کر رہی ہے اور ان کی قیمتوں کو مستحکم کرنے کے لیے ضروری اقدامات کر رہی ہے۔ امید ہے کہ اقتصادی استحکام پروگرام کی بحالی سے معاشی استحکام حاصل کرنے میں مدد ملے گی جس کے نتیجے میں شرح مبادلہ میں استحکام آئے گا اور اجناس کی بین الاقوامی قیمتوں میں کمی کا فائدہ اٹھانے کا موقع ملے گا۔ اس سے لاگت کو بڑھانے والی افراط زر پر قابو پانے میں بھی مدد ملے گی اور حکومت کو اشیاء کی کم قیمتوں کو گھریلو صارفین تک پہنچانے میں مدد ملے گی۔

درآمدی پابندی سے تجارتی خسارہ کافی حد تک کم ہوا ہے۔ رواں مالی سال کے پہلے نو مہینوں کے دوران تجارتی خسارہ کم ہو کر 20.4 بلین امریکی ڈالر رہ گیا ہے جو گزشتہ مالی سال کے اسی عرصے میں 38 بلین امریکی ڈالر تھا۔ جنوری سے مارچ 2023 کی سہ ماہی کے دوران، کرنٹ اکاؤنٹ بیلنس 388 ملین امریکی ڈالر کے سرپلس کے ساتھ مثبت ہو گیا، جس سے جولائی تا مارچ 2023 کے دوران مجموعی کرنٹ اکاؤنٹ خسارہ (CAD) 13.01 بلین امریکی ڈالر کے مقابلے میں 3.37 بلین امریکی ڈالر تک کم ہو گیا، جس میں 74 فیصد کی نمایاں کمی واقع ہوئی۔ رواں مالی سال کے پہلے نو مہینوں کے دوران کارکنوں کی ترسیلات زر کم ہو کر 20.5 بلین امریکی ڈالر رہ گئیں، جو گزشتہ سال کی اسی مدت کے 23.2 بلین امریکی ڈالر سے تقریباً 10.8 فیصد کم ہیں۔ پاکستانی روپیہ کی قدر میں مسلسل کمی، سپلائی چین میں رکاوٹوں کے ساتھ، کاروباری سرگرمیوں کو بُری طرح متاثر اور مہنگائی کو بڑھا رہی ہے۔ (ماخذ: بزنس ریکارڈر)

ٹیکس سے پہلے منافع	-	373,419
ٹیکسیشن-منقطع آپریشنز	76,334	(110,186)
سال کے لیے منافع -منقطع آپریشنز**	76,334	263,233
سال کے لیے منافع -جاری اور منقطع آپریشنز	253,754	173,952
فی شیئر آمدنی -جاری اور منقطع آپریشن***	0.90	0.62

*جاری آپریشنز میں انویسٹمنٹ پراپرٹیپر پرفیئر ویلیوگین، ماتحت ادارہ کو قرض پر سود، ماتحت ادارہ سے وصولیوں پر مارک اپ، کرایہ کی آمدنی اور مؤخر آمدنی کی امورٹائزیشن شامل ہے۔

**منقطع آپریشنز 31 اگست 2021 کو ختم ہونے والی آٹھ ماہی مدت کے لیے آپریشنز کی نمائندگی کرتے ہیں، اس کے بعد، آپریشنز WHALE کو منتقل کر دیے گئے ہیں۔

***ای پی ایس پر مزید تفصیلات نظر ثانی شدہ مالیاتی حسابات کے نوٹ میں دی گئی ہیں۔

مالیاتی نتائج کی بنیاد پر مشکل موجودہ معاشی حالات کے پیشِ نظر بورڈ آف ڈائریکٹرز کمپنی کے شیئر ہولڈرز کو کسی قسم کی ادائیگی کی سفارش نہیں کرتا ہے۔

ذیلی کمپنیوں کے بارے میں مختصر معلومات اس سالانہ رپورٹ کی سیکشن ہسٹری اور ذیلی کمپنیوں میں دی گئی ہیں۔

کاروبار کا جائزہ

اصل سرگرمیاں اور ترقی

WAVES یا کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) پر مندرج ہے۔ کمپنی حال ہی میں ایک سکیم آف ارینجمنٹ (اسکیم) کے تحت گئی ہے جس میں ہوم اپلائنسز کے کاروبار کو ڈیمرج کر کے ویوز ہوم اپلائنسز لمیٹڈ، سابقہ سمین ٹیکسٹائلز لمیٹڈ (WHALE) میں ضم کر دیا گیا ہے، جبکہ کنزیومر اپلائنسز اور دیگر کنزیومر گڈز کے لیے رئیل اسٹیٹ ڈویلپمنٹ بزنس اور ریٹیل شاپ نیٹ ورک کو برقرار رکھا گیا ہے۔ اس اسکیم کی منظوری لاہور ہائی کورٹ، لاہور نے 27 مئی 2022 کو دی تھی۔ اسکیم کی مؤثر تاریخ 31 اگست 2021 ہے۔ WHALE اب کمپنی کی ایک ذیلی کمپنی ہے۔ ریٹیل بزنس فی الحال ویوز مارکیٹ پلیس لمیٹڈ کو دیا گیا ہے، جب کہ کمپنی کا ایک رئیل اسٹیٹ پروجیکٹ، ویوز بلڈرز اینڈ ڈویلپرز (پرائیویٹ) لمیٹڈ کو دیا گیا ہے۔ WHALE بنیادی طور پر گھریلو آلات اور دیگر ہلکی انجینئرنگ مصنوعات کی تیاری، اسمبلنگ اور تقسیم میں مشغول ہے۔ WAVES کے پاس پروڈکٹ لائنز کی ایک وسیع رینج ہے جو معروف برانڈ Waves کے تحت پورے پاکستان میں پھیلے ہوئے ڈیلر نیٹ ورکس کے ذریعے اور کمپنی کے زیرِ ملکیت اور چلائے جانے والے ریٹیل آؤٹ لیٹس کے ذریعے فروخت کی جاتی ہیں۔ WHALE کی پروڈکٹ لائن میں شامل ہیں:

Waves Brand

- Deep Freezers
- Visi Coolers
- Refrigerators
- Air Conditioners
- Washing Machines
- Microwaves
- Water Dispensers

Singer Brand

- Deep Freezers
- Refrigerators
- Air Conditioners
- Washing Machines
- Microwaves
- Water Dispensers
- Sewing Machines
- Water Heaters
- Instant Geysers
- Cooking Ranges

ویوز ہوم اپلائنسز لمیٹڈ (WHALE)

ویوز ہوم اپلائنسز لمیٹڈ (سابقہ سمین ٹیکسٹائلز لمیٹڈ) پاکستان میں 27 نومبر 1989 کمپنیز آرڈیننس، 1984 (اب کمپنیز ایکٹ، 2017) کے تحت ایک پبلک لمیٹڈ کمپنی کے طور پر شامل ہوئی۔ کمپنی کا رجسٹرڈ آفس 15/3 بلاک اے، ماڈل ٹاؤن، لاہور میں واقع ہے، جسے اب KM-9، ملتان روڈ پر اسی جگہ پر منتقل کیا جا رہا ہے جہاں کمپنی کا موجودہ رجسٹرڈ دفتر موجود ہے۔ WHALE اس وقت پاکستان اسٹاک ایکسچینج میں مندرج ہے۔ کمپنی کا اصل کاروبار تجارت، آلات اور ٹیکسٹائل سے متعلقہ دیگر مصنوعات کی درآمد اور برآمد تھا۔ انتظامات کی اسکیم کی منظوری کے نتیجے میں، کاروبار کی اصل لائن میں ترمیم کی گئی ہے جس میں گھریلو صارفین کے آلات اور دیگر ہلکی انجینئرنگ مصنوعات کی مینوفیکچرنگ، اسمبلی اور ہول سیل شامل ہیں۔ آلات کے مینوفیکچرنگ پلانٹ کو ایک نئے مقصد سے تعمیر کی گئی بڑی فیکٹری میں منتقل کیا جا رہا ہے جس کے لیے زمین پہلے ہی خریدی جا چکی ہے اور تعمیراتی کام پہلے ہی سے جاری ہے۔ نئی فیکٹری کے احاطے کی تعمیر پر پیش رفت کیلنڈر سال 2023 کی دوسری ششماہی میں مکمل ہونے کی اُمید ہے۔

ویوز کارپوریشن لمیٹڈ

حصص داران کو ڈائریکٹرز کی رپورٹ

جائزہ

ویوز کارپوریشن لمیٹڈ، سابقہ ویوز سنگر پاکستان لمیٹڈ (ویوز یا کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 31 دسمبر کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے ڈائریکٹرز کی رپورٹ اور نظرثانی شدہ مالیاتی گوشوارے معہ اس پر آڈیٹرز کی رپورٹ جمع کرانے کے پابند ہیں۔ الحمدللہ، WAVES برانڈ مصنوعات کی طلب بدستور مضبوط ہے کیونکہ ہمارا وژن اعلیٰ معیار، مارکیٹ پر مبنی اور جدید مصنوعات تیار کر کے فرق پیدا کرنا ہے۔

سال کے دوران، دنیا نے بہت سارے واقعات جیسے کہ روس-یوکرین تنازعہ کی وجہ سے جغرافیائی سیاسی کشیدگی میں اضافہ، موسمیاتی تبدیلیوں کے اثرات میں شدت، توانائی کے بحران اور سپلائی چین میں خلل کا مشاہدہ کیا جس نے معیشت کو سست کیا۔ انہوں نے خوراک اور ایندھن کی قیمتوں میں اضافے سے پاکستان کو متاثر کرنے والے عالمی چیلنجوں کا سب سے مشکل مجموعہ بیان کیا ہے، جس کی وجہ سے پچھلی دہائیوں کے بعد سب سے زیادہ مہنگائی ہوئی جسے مہنگائی کو روکنے کے لیے بلند شرح سود کی وجہ سے مزید شدت ملی۔ آئی ایم ایف کے عملے کی سطح کے معاہدے میں شدید سیلاب اور تاخیر نے مزید چیلنجز کا اضافہ کیا۔ تمام چیلنجنگ معاشی حالات کے درمیان اس نے نمو کی نئی راہیں اور WAVES گروپ کے لیے مواقع پیدا کئے ہیں۔ کمپنی پاکستان کے جی ڈی پی میں حصہ ڈالنے کے وژن کے ساتھ ترقی اور توسیع کے لیے پُرعزم ہے۔

بروقت فیصلوں اور حکمت عملیوں کی وجہ سے کمپنی کا کاروباری نمونہ مستحکم رہا۔ مکمل ملکیتی ذیلی کمپنی ویوز مارکیٹ پلیس لمیٹڈ (ویوز پلس) نے اپنی ترقی کے انداز کو جاری رکھا، جب کہ ریئل اسٹیٹ کی ترقی کے لیے کاروباری ماڈل کو بہتر کیا گیا تاکہ بڑے تجارتی حصہ کو شامل کیا جا سکے، جس سے اس کی بالائی اور زیریں لائن میں بہتری آئی ہے۔ کمپنی کی ذیلی کمپنی ویوز ہوم اپلائنسز لمیٹڈ (WHALE) کی طرف سے شروع کیے گئے ہوم اپلائنسز کے کاروبار کو چیلنجز کا سامنا کرنا پڑا کیونکہ خام مال کی درآمد پر پابندی کی وجہ سے پوری آلات کی صنعت دباؤ میں تھی۔ تاہم، WHALE اپنے حریفوں کے مقابلے میں مقامی طور پر تیار کردہ مواد پر کافی حد تک انحصار کرنے کے قابل تھا اس طرح پیداواری خطرات کو کم کیا گیا۔ نتیجتاً اس نے نہ صرف WAVES کو مسابقتی برتری فراہم کی ہے بلکہ غیر ملکی کرنسی پر انحصار کو کم کرتے ہوئے بڑھتی ہوئی ایمپلائمنٹ کے ساتھ مقامی صنعت کی ترقی کی راہ بھی ہموار کی ہے۔ WHALE کی طرف سے جدید ترین مقصد لیکن موجودہ اقتصادی ماحول کے مطابق ایک مختصر رفتار سے تعمیر شدہ ملکیتی فیکٹری کی تکمیل جاری ہے۔ مالی سال 23 کی دوسری ششماہی میں نئے کارخانے میں آلات کی مینوفیکچرنگ کی منتقلی متوقع ہے جو کمپنی کے ریئل اسٹیٹ پروجیکٹ کے سافٹ لانچ کے ساتھ اچھی طرح فٹ بیٹھتی ہے۔

کمپنی کی مجموعی آمدنی گزشتہ سالوں کے 12,321 ملین روپے، جبکہ خالص منافع 327 ملین روپے کے مقابلے میں 11,989 ملین روپے جس کا خالص منافع 366 ملین روپے (10% اضافہ) ہے۔ یہ قابل ستائش ہے کہ یہ ایک مشکل کاروباری ماحول میں حاصل کیا گیا جہاں تمام میکرو اشارے پچھلے سالوں کے مقابلے میں کم تھے۔ نالج مینجمنٹ، آپریشنل مینجمنٹ، لاگت کی معقولیت، پروسیس ری انجینئرنگ اور پورے سال کے دوران اٹھائے گئے اسٹریٹجیکل اقدامات وغیرہ میں مسلسل بہتری نے کمپنی کو اس کی آمدنی میں مدد فراہم کی۔ اس سالانہ رپورٹ میں مزید تجزیہ الگ سے دیا گیا ہے۔

آگے بڑھتے ہوئے، جغرافیائی سیاسی تناؤ اور سخت مالی حالات سے متاثرہ، عالمی نمو دوبارہ بڑھنے سے پہلے سست ہونے کا امکان ہے۔ پاکستان کی حکومت مالیاتی اور کرنٹ اکاؤنٹ کے عدم توازن کو درست کرنے اور مہنگائی کو کنٹرول کرنے کے لیے اقدامات پر عمل درآمد کر رہی ہے، جس سے ملکی حالات بہتر ہو رہے ہیں۔ حکومت کا مقصد IMF کے معاہدے کو محفوظ بنانا ہے، اور یہ توقع ہے کہ روپیہ کی قدر بڑھے گی اور مانیٹری پالیسی میں نرمی آئے گی۔

آگے دیکھتے ہوئے ہم کمپنی کے مستقبل کے بارے میں پُرامید اور پُراعتماد ہیں۔ ہمارے پاس انتظامیہ، عملہ اور افرادی قوت، برانڈ نام، بہترین پروڈکٹ لائن، اور ملک گیر تقسیم اور فروخت کے بعد سروس نیٹ ورک کی ایک مربوط ٹیم ہے جو ہمیں صارفین تک پہنچنے اور انہیں شہری اور دیہی علاقوں میں بہترین ممکنہ شرائط پر خدمات فراہم کرنے کی اجازت دیتا ہے۔ ہم اپنے تمام شیئر ہولڈرز اور بورڈ آف ڈائریکٹرز کا بھرپور تعاون کے لیے شکریہ ادا کرنا چاہیں گے۔ کمپنی کی کامیابیاں اور موجودہ موقف ہمارے ملازمین کے عزم اور کوششوں کے بغیر ممکن نہیں تھا جو پوری تعریف کے مستحق ہیں۔ ہمیں یقین ہے کہ ٹیم ترقی کرتی رہے گی اور تمام اسٹیک ہولڈرز کی توقعات پر مسلسل پورا اترے گی۔

مالیاتی جھلکیاں

مجموعی مالیاتی گوشواروں کی مالیاتی جھلکیاں درج ذیل میں پیش کی گئی ہیں جہاں واحد مالیاتی گوشواروں کے مالیاتی نتائج بھی اس رپورٹ میں فراہم کئے گئے ہیں۔

جائیں گی جن میں حصص کی محفوظ تحویل، حصص کا گم نہ ہونا، ڈپلیکیٹ حصص کے اجراء کے لیے درکار رسمی کارروائیوں سے گریز اور اوپن مارکیٹ میں بہتر نرخوں پر فروخت اور خریداری کے لیے آسانی سے دستیاب ہے۔

13۔ گزشتہ AGM میں شیئر ہولڈرز کی منظوری کے بعد، AGM کا نوٹس، سالانہ اکاؤنٹس اور پراکسی فارم کمپنی کے شیئر ہولڈرز کو DVD / USB / CD کے ذریعے بھیجا جائے گا اور کمپنی کی ویب سائٹ پر بھی دستیاب ہوگا۔ کوئی بھی شیئر ہولڈر جسے ہارڈ کاپی میں سالانہ اکاؤنٹس کی کاپی درکار ہو، وہ کمپنی سیکریٹری کو لکھ سکتا ہے (یا ای میل بھیج سکتا ہے)، جو شیئر ہولڈرز کو بغیر کسی لاگت کے یہ فراہم کرے گا۔

14۔ کسی استفسار/وضاحت/معلومات کے لئے، حصص یافتگان کمپنی سے ای میل cs@waves.net.pk پر اور/یا کمپنی کے شیئر رجسٹرار سے ای میل akbar@corplink.com.pk پر رابطہ کر سکتے ہیں:

4۔شیئر ہولڈر سے التماس ہے کہ اپنے رجسٹرڈ ڈاک کے پتوں میں کسی تبدیلی بارے کمپنی کے شیئر رجسٹرار کو مطلع کریں۔

5۔الیکٹرانک ووٹنگ:

a۔ کمپنیز (پوسٹل بیلٹ) ریگولیشن،2018 (ریگولیشنز) کے مطابق، دیگر باتوں کے ساتھ ساتھ کمپنیز ایکٹ، 2017 کے تحت خصوصی امور کے طور پر درجہ بند تمام کاروباری طریقہ کار اور ضوابط میں موجود شرائط کے تابع ڈاک کے ذریعے ووٹ دینے کا حق ہر لسٹڈ کمپنی کے ممبران کو فراہم کیا جائے گا۔

b۔ ای ووٹنگ کی سہولت کی تفصیل ای میل کے ذریعے کمپنی کے ان ممبروں کے ساتھ شیئر کی جائے گی جن کے پاس 19 مئی 2023 کو کاروبار کے اختتام تک ای ووٹنگ سروس فراہم کنندہ کی حیثیت سے کارپ لنک (پرائیویٹ) لمیٹڈ کے ذریعے کمپنی کے ممبران کے رجسٹر میں کارآمد سیل نمبر/ای میل ایڈریس موجود ہیں۔

c۔ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کے ذریعے کی جائے گی۔

d۔ممبران 26 مئی 2023 صبح 9:00 بجے سے 28 مئی 2023 شام 05:00 بجے تک آن لائن ووٹ ڈالیں گے۔ ووٹنگ 28 مئی 2023 کو شام 05:00 بجے بند ہوگی۔ ایک بار جب کسی رکن کی طرف سے قرارداد پر ووٹ ڈال دیا گیا تو اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

6۔ پوسٹل بیلٹ کے ذریعے ووٹنگ کا طریقہ کار:

a۔اراکین متبادل کے طور پر پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا انتخاب کر سکتے ہیں۔ اراکین کی سہولت کے لیے، بیلٹ پیپر اس نوٹس کے ساتھ منسلک ہے اور یہ کمپنی کی ویب سائٹ (www.waves.net.pk) پر بھی ڈاؤن لوڈ کے لیے دستیاب ہے۔

b۔اراکین اس بات کو یقینی بنائیں کہ کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کے ساتھ صحیح طریقے سے بھرا ہوا اور دستخط شدہ بیلٹ پیپر اجلاس کے چیئرمین تک کمپنی کے رجسٹرڈ آفس، 9-KM، ملتان روڈ، لاہور (ویوز فیکٹری پریمسز) میں ڈاک یا cs@waves.net.pk پر ای میل کے ذریعے AGM کی تاریخ سے کم از کم ایک دن پہلے، یعنی 28 مئی 2023 کو شام 05:00 بجے سے پہلے پہنچ جائیں۔ اس وقت کے بعد موصول ہونے والا پوسٹل بیلٹ ووٹنگ کے لیے قبول نہیں کیا جائے گا۔ بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہونا چاہیے۔

7۔ ویڈیو لنک کے ذریعے اجلاس عام میں شرکت کرنے میں دلچسپی رکھنے والے کمپنی کے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات (جیسا کہ ذیل میں دیا گیا ہے) اپنے CNIC (دونوں اطراف)/ پاسپورٹ کی مؤثر کاپی، بورڈ کی قرارداد/ پاور آف اٹارنی (کارپوریٹ شیئر ہولڈرز کی صورت میں) cs@waves.net.pk پر ای میل کے ذریعے (یا پوسٹ/کوریئر کے ذریعے) جس کا عنوان "WAVES کی AGM 31 دسمبر 2022 کے لیے رجسٹریشن" کے ساتھ اجلاس عام کے انعقاد سے کم از کم 48 گھنٹے پہلے ارسال کریں۔ اصل دستخط شدہ دستاویزات کو ریکارڈ کے مقاصد کے لیے الگ سے کوریئر یا ڈاک کے ذریعے کمپنی کو بھیجنا ضروری ہے۔

نام شیئر ہولڈر	CNIC نمبر	فولیو نمبر	موبائل/واٹس ایپ نمبر	ای میل ایڈریس

*جہاں قابل اطلاق ہو، براہِ مہربانی شیئر ہولڈر کے پراکسی ہولڈر یا نامزد کے بالا کوائف بھی دیں۔

وڈیو لنک اور لاگ اِن کریڈنشل صرف ان ممبران کے ساتھ شیئر کی جائے گی جن کی ای میلز، بشمول تمام مطلوبہ تفصیلات بروقت موصول ہوگئی ہیں۔ وڈیو لنک کا یہ نوٹس جغرافیائی محل وقوع میں سکونتی، کمپنی میں 10% یا زیادہ شیئر ہولڈنگ (مجموعی) کے مالک ارکان کو وڈیو لنک سہولت فراہم کرنے کے تقاضہ کو بھی پورا کرے گا۔

8۔SECP کے سرکلر نمبر 10 مورخہ 21 مئی 2014 کی پیروی میں، اگر کمپنی اجلاس کے شہر کے علاوہ جغرافیائی مقام میں رہنے والے اور مجموعی 10% یا زیادہ شیئرز رکھنے والے ارکان سے وڈیو کانفرنس کے ذریعے اجلاس میں شرکت کے لئے رضامندی اجلاس کی تاریخ سے کم از کم 7 (سات) یوم قبل وصول کرتی ہے تو، کمپنی اس شہر میں ایسی سہولت کی دستیابی کے حوالہ سے اس شہر میں وڈیو کانفرنس سہولت کا انتظام کرے گی۔ اس سلسلہ میں، براہِ مہربانی درج ذیل فارم کو پُر کریں اور کمپنی کے صدر دفتر کے پتہ پر اجلاس عام کی تاریخ سے کم از کم 07 (سات) یوم قبل جمع کروائیں۔

میں/ہم ____________ ویوز کارپوریشن لمیٹڈ کے ممبر ہونے کی حیثیت سے ____________ عام حصص بمطابق رجسٹرڈ فولیو نمبر ____________ بذریعہ ہذا ____________ پر ویڈیو کانفرنس کی سہولت کا انتخاب کرتے ہیں۔

9۔کمپنی ای میل کے ذریعے سالانہ مالی حسابات ترسیل کرسکتی ہے جس کے لئے حصص داران کمپنی کی ویب سائٹ پر دستیاب معیاری درخواست فارم داخل کروا کر شیئر رجسٹرار یا کمپنی سیکرٹری کو اپنی متعلقہ معلومات فراہم کریں۔ حصص داران کمپنی کے رجسٹرڈ دفتر پر گزشتہ عام اجلاسوں کی کاروائیوں کے لئے اپنی درخواست جمع کرا سکتے ہیں۔

10۔حصص داران، جو کسی وجہ سے، اپنے ڈیویڈینڈز/ حصص، اگر کوئی ہوں، کلیم نہیں کرسکے، کو ہدایت ہے کہ اپنے ڈیویڈینڈز/ حصص کے بارے دریافت کرنے کے لئے، ہمارے شیئر رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ ونگز آرکیڈ، 1-K، کمرشل، ماڈل ٹاؤن لاہور سے رابطہ کریں۔

11۔سالانہ نظرثانی شدہ مالی حسابات معہ متعلقہ رپورٹس/ جائزے کمپنی کی ویب سائٹ www.waves.net.pk پر بھی دستیاب ہیں۔ یہ اکاؤنٹس کمپنی کے رجسٹرڈ دفتر میں دفتری اوقات کے دوران معائنہ کے لئے بھی دستیاب ہیں۔

12 کمپنیز ایکٹ، 2017 کے سیکشن 72 کے تقاضوں کی تعمیل میں، ہر موجودہ لسٹڈ کمپنی پر لازم ہوگا کہ وہ اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ SECP کی طرف سے مطلع کردہ تاریخ سے اور اس انداز میں تبدیل کرے جیسا کہ بیان کیا گیا ہو جس کی مدت کمپنیز ایکٹ کے آغاز یعنی 30 مئی 2017 سے چار سال سے زیادہ نہ ہو۔ فزیکل شیئر سرٹیفکیٹ رکھنے والے ممبران سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو فزیکل فارم سے جلد از جلد بک انٹری فارم میں تبدیل کروائیں۔ اس سے اراکین کو کئی طریقوں سے سہولیات فراہم کی

ویوز کارپوریشن لمیٹڈ

اطلاع سالانہ اجلاسِ عام

بذریعہ ہٰذا مطلع کیا جاتا ہے کہ ویوز کارپوریشن لمیٹڈ (ویوز یا کمپنی) کے حصص داران کا سالانہ اجلاسِ عام، کمپنی کے رجسٹرڈ دفتر 9 کلومیٹر ملتان روڈ، لاہور (ویوز فیکٹری پریمسز) میں فزیکلی اور الیکٹرونیکلی بروز سوموار 29 مئی 2023ء کو دوپہر 12:30 بجے درج ذیل اُمور کی انجام دہی کیلئے منعقد ہوگا۔

عام اُمور:

1۔ 31 دسمبر 2022ء مختتمہ سال کیلئے کمپنی کے نظر ثانی شدہ مجموعی اور واحد مالی حسابات معہ ڈائریکٹران کی رپورٹس اور چیئرمین کے جائزہ کی وصولی، غور وخوض اور منظوری دینا۔

2۔ 31 دسمبر 2023ء مختتمہ سال کیلئے کمپنی کے قانونی آڈیٹران کا تقرر اور اُن کے صلہء خدمت کا تعین کرنا۔ بورڈ اور آڈٹ کمیٹی نے ریٹائر ہونے والے میسرز RSM اویس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس، بواقع مکان نمبر B-136، گلی نمبر، سیکٹر F-10/4، اسلام آباد، کو کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔

خصوصی امور

3۔ درج ذیل عمومی قرارداد پر غور وخوض اور اگر بہتر خیال کیا گیا تو اصطلاحات کے ساتھ اور کے بغیر منظوری دینا۔

" قرار پایا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے نوٹیفکیشن نمبر S.R.O. 389(I)/2023 مورخہ 21 مارچ 2023ء کے حوالہ سے سالانہ نظرثانی شدہ مالی حسابات اپنے ارکان / حصص داران کو CD/DVD/USB کے ذریعے کی بجائے کوئیک ریسپانس (QR) انیبلڈ کوڈ اور ویب لنک کے ذریعے ترسیل کرنے کی منظوری اور کمپنی کو اجازت دی جاتی ہے"۔

4۔ غور وخوض اور اگر بہتر خیال کیا گیا تو درج ذیل خصوصی قراردادوں کو اصطلاحات کے ساتھ اور کے بغیر منظور کرنا۔

"قرار پایا کہ کمپنی کی جانب سے مالی سال 31 دسمبر 2022 کے دوران ویوز ہوم اپلائنسز لمیٹڈ، ویوز مارکیٹ پلیس لمیٹڈ اور ایمپلائز پنشن/ گریچوٹی/ پراویڈنٹ فنڈ جو بھی صورت ہو کے ساتھ کیے گئے لین دین جیسا کہ 31 دسمبر 2022 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ نظر ثانی شدہ مالیاتی حسابات کے متعلقہ پارٹی نوٹ میں دیا گیا ہے، اس کی منظوری دی جاتی ہے۔

"مزید قرار پایا کہ کمپنی کا بورڈ آف ڈائریکٹرز مالی سال 31 دسمبر 2023 کے دوران کیس ٹو کیس کی بنیاد پر کیے جانے والے تمام متعلقہ پارٹی ٹرانز یکشنز کو منظور کرنے کا مجاز ہے۔ ان ٹرانز یکشنز کو شیئر ہولڈرز کی جانب سے منظور تصور کیا جائے گا اور اگلے AGM میں حصص یافتگان کے سامنے ان کی باضابطہ توثیق/منظوری کے لیے پیش کیا جائے گا۔

لاہور

بحکم بورڈ

احمد بلال ذوالفقار

(کمپنی سیکرٹری)

مادی حقائق کا بیان نوٹس سالانہ اجلاس عام کے ہمراہ ترسیل کیا جا رہا ہے۔

نوٹ:

1۔ کمپنی کی حصص منتقلی کتابیں 19 مئی 2023ء تا 29 مئی 2023ء (بشمول ہر دو ایام) بند رہیں گی۔ 18 مئی 2023 کو کاروبار کے اختتام پر ہمارے شیئر رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1، کمرشل ماڈل ٹاؤن، لاہور کے دفتر میں موصول ہونے والی منتقلیاں ٹرانسفریز کے استحقاق کے مقاصد کے لئے بروقت تصور ہونگی۔

2۔ اجلاس ہٰذا میں شرکت اور ووٹ دینے کا مستحق ممبر اپنے بجائے شرکت، تقریر اور ووٹ دینے کیلئے کسی دیگر ممبر کو بطور پراکسی مقرر کر سکتا/سکتی ہے۔ پراکسی تقرری کے آلات کمپنی کے صدر دفتر پر اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل لازماً جمع کرایا جانا چاہئے۔ پراکسی فارم کمپنی کی ویب سائٹ یعنی www.waves.net.pk پر دستیاب ہے۔ تاہم، گزشتہ پیراگراف میں دیئے گئے متعلقہ طریقہ کار کے مطابق الیکٹرونک حاضری کی اجازت ہوگی۔

3۔ سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے جاری کردہ سرکلر 1 مورخہ 26 جنوری 2000 میں دی گئی گائیڈ لائنز کی پیروی کرنا ہوگی۔

a۔ اجلاس میں شرکت کیلئے:

i)۔ بصورت افراد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور /یا افراد جن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن تفصیلات، ریگولیشنز کے مطابق اپ لوڈ ہیں، کو اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھا کر اپنی شناخت ثابت کرنا ہوگی۔

ii)۔ بصورت کارپوریٹ اینٹٹی، بورڈ آف ڈائریکٹرز قرارداد/ مختار نامہ معہ نامزد کے نمونہ دستخط اجلاس کے وقت مہیا کرنا ہونگے (اگر پہلے فراہم نہیں کئے گئے ہیں)۔

b۔ پراکسیز کی تقرری کیلئے

i۔ بصورت افراد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور /یا شخص جن کی سیورکرٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن تفصیلات قواعد وضوابط کے مطابق اپ لوڈ ہیں کو مذکورہ بالا ضروریات کے مطابق پراکسی فارم جمع کرانا ہوگا۔

ii۔ پراکسی فارم دو افراد کا گواہی شدہ ہوگا جن کے نام، پتے اور CNIC نمبرز فارم پر درج ہونگے۔

iii۔ بینیفشل مالکان اور پراکسی کے CNIC/ پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ جمع کرانا ہونگی۔

iv۔ پراکسی، اجلاس کے وقت اپنا اصل CNIC یا اصل پاسپورٹ مہیا کرے گا۔

v۔ کارپوریٹ اینٹٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ مختار نامہ معہ نمونہ دستخط، کمپنی کو پراکسی فارم کے ہمراہ جمع کرانا ہوگا (اگر پہلے فراہم نہیں کیا گیا ہے)۔

WAVES CORPORATION LIMITED
FORM OF PROXY

The Company Secretary
Waves Corporation Limited
9 KM, Multan Road, Lahore

I/ We ____
of ____
being a member of **Waves Corporation Limited** hereby appoint
____
of ____
or failing him ____
of ____
as my proxy in my absence to attend, speak and vote for me on my behalf at the Annual General Meeting of the Company to be held on Monday, 29 April 2024 at 12:30 a.m and at any adjournment thereof.

As witness my / our hand this _______day of _________.

Rs. 50/- Revenue Stamp

Witness No.1
Name : ______________________________
Address : ______________________________
____
CNIC No.: ______________________________

____
Signature of Member(s)

Witness No. 2
Name : ______________________________
Address : ______________________________
____
CNIC No.: ______________________________

(Name in Block letters)

Folio No. ___________________
Participant ID No. ___________
No. of shares _______________
Account No. in CDC _________

Important

1. CDC Account Holders are requested to strictly follow the guidelines mentioned in the Notice of Meeting.
2. A Member entitled to attend a General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
3. Members are requested:
   (a) To affix Revenue Stamp of Rs. 50/- at the place indicated above.
   (b) To sign across the Revenue Stamp in the same style of signature as is registered with the Company.
   (c) To write down their Folio Numbers.
4. This form of proxy, duly completed and signed across a Rs. 50/- revenue stamp, must be deposited/sent at the Company's Registered Office not less than 48 hours before the time for holding the meeting or may be sent through the email as given in this notice followed by courier/post to the Company's registered office.

ویوز کارپوریشن لمٹیڈ

پراکسی فارم

کمپنی سیکرٹری
ویوز کارپوریشن لمٹیڈ
9 کلومیٹر، ملتان روڈ، لاہور

میں/ہم ____________________
ساکن ____________________
بحیثیت رکن ویوز کارپوریشن لمٹیڈ اور حامل __________ عام حصص بمطابق شیئر رجسٹر فولیو نمبر __________
(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر __________ پارٹیسپنٹ (شرکت) آئی ڈی نمبر __________)
بذریعہ ہذا
محترم/محترمہ __________ ساکن __________
جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فولیو نمبر __________
(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر __________ پارٹیسپنٹ (شرکت) آئی ڈی نمبر __________)
یا اسکی غیر موجودگی میں محترم/محترمہ __________ ساکن __________
جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فولیو نمبر __________
(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر __________ پارٹیسپنٹ (شرکت) آئی ڈی نمبر __________) کو
مورخہ 29، اپریل 2024ء میں منعقد ہونے والے سالانہ اجلاس عام یا کسی متبادل دن جو بھی ہوگا میں رائے دہندگی کے لئے نمائندہ مقرر کرتا/ کرتی/ کرتے ہوں/ہیں۔

دستخط.......... آج بروز.......... بتاریخ.......... 2024ء

50 روپے کا رسیدی ٹکٹ چسپاں کریں

دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخطوں کے مطابق ہونے چاہئیں

گواہ:

۱۔		۲۔	
دستخط:	__________	دستخط:	__________
نام:	__________	نام:	__________
پتہ:	__________	پتہ:	__________
	__________		__________
شناختی کارڈ نمبر:	__________	شناختی کارڈ نمبر:	__________

اہم ترین

1. CDC اکاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ میٹنگ کے نوٹس میں بیان کردہ رہنما خطوط پر سختی سے عمل کریں۔
2. جنرل میٹنگ میں شرکت کا حقدار رکن اس کے بجائے شرکت کرنے اور ووٹ دینے کے لیے ایک پراکسی مقرر کرنے کا حقدار ہے۔
3. اراکین سے درخواست کی جاتی ہے:
(a) اوپر بتائی گئی جگہ پر -/50 روپے کا ریونیو سٹیمپ چسپاں کرنا۔
(b) ریونیو سٹیمپ پر دستخط کے اسی انداز میں دستخط کرنا جس طرح کمپنی کے ساتھ رجسٹرڈ ہے۔
(c) ان کے فولیو نمبر لکھنا۔
4. پراکسی کا یہ فارم، جس پر مکمل اور دستخط شدہ -/50 روپے ریونیو سٹیمپ، میٹنگ کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں جمع/ بھیجا جانا چاہیے یا ای میل کے ذریعے بھیجا جاسکتا ہے جیسا کہ اس نوٹس میں دیا گیا ہے اور اس کے بعد کمپنی کے رجسٹرڈ آفس کو کوریئر/ پوسٹ کے ذریعے بھیجا جاسکتا ہے۔

WAVES CORPORATION LIMITED
BALLOT PAPER FOR VOTING THROUGH POST

For poll at the Annual General Meeting of Waves Corporation Limited (WAVES or the Company) to be held on Monday, 29 May 2023 at 12:30 p.m. at the Registered Office of the Company.

The designated email address for the Chairman at which the duly filled in ballot paper can be sent at cs@waves.net.pk

Name of shareholder/joint shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with sub-account No	
Number of shares held (shall be taken as of book closure in notice)	
CNIC, NICOP/Passport No. (for foreigner) (Copy to be attached	
Additional Information ((In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - (Copy to be attached)	

Special Business: Resolution 3

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick () mark in the relevant box below or may write "Approve" or "Disapprove"

"**Resolved that** the transactions carried out by the Company with Waves Home Appliances Limited, Waves Marketplace Limited, Waves Builders and Developers (Private) Limited and Employees' Pension/Gratuity/Provident Fund (as the case may be), during the financial year 31 December 2023 as given in the related party note of the Annual Audited Financial Statements of the Company for the year ended 31 December 2023, be and hereby are approved."

"**Resolved further that** the Board of Directors of the Company is authorized to approve all related party transactions to be carried out on case-to-case basis during the financial year 31 December 2024. These transactions shall be deemed to be approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval"

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 3	For:	Against:

Signature of Shareholder
Number of Shares Held
Place and Date

Special Business: Resolution 4

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick () mark in the relevant box below or may write "Approve" or "Disapprove"

"**Resolved that** the consent and approval be and is hereby accorded to the Company to extend the tenure of receivable of PKR 2.0 billion from Waves Home Appliances Limited (WAVESAPP), a subsidiary of the Company, which was approved by way of Scheme of Arrangement for demerger of home appliances business from the Company to WAVESAPP, sanctioned by the honorable Lahore High Court, Lahore on 27 May 2022, on similar terms and conditions as given in the Scheme, for a period of further 02 (two) years, starting from the expiry of its existing term on 27 May 2024".

"**Resolved further that** the receivable of Rs. 2.0 billion shall be subject to such return which shall not be less than the borrowing cost of the Company. The Board of Directors of the Company is authorized to determine mechanism for settlement of receivable/return from WAVESAPP in a manner as it may deem appropriate and subject to negotiation/discussion with the Board of WAVESAPP."

"Resolved further that in case any return on receivable is outstanding at the end of the year during the extended/renewed tenure of investment, then such outstanding return shall be added in PKR 2.0 billion and the remaining markup shall be calculated on the revised amount of receivable. For this purposes approval is granted to enhance the existing amount of outstanding receivable of PKR 2.0 billion to upto PKR 3.0 billion (being the maximum limit).

"**Resolved further that** the Chief Executive Officer is authorized to undertake all necessary corporate and regulatory formalities which may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential in order as and when required including negotiating mechanism of settlement of the receivable/return, signing of necessary agreement/documents or any other formalities that may be required. The Chief Executive Officer is also authorized to appoint any person of the Company as his/her attorney for any matter that he may deems appropriate."

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 4	For:	Against:

Signature of Shareholder
Number of Shares Held
Place and Date

Notes:

1. Dully filled postal ballot should be sent to Chairman of the Company, at 9-KM, Multan Road, Lahore (Waves Factory Office) along with the copy of CNIC, NICOP / Passport (for foreigner). The form should reach 48 hours before the meeting. The Signature on the postal ballot should match with the signatures on the CNIC, NICOP / Passport.
2. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten, expired identification copy shall be rejected.

Printed Matter

Book Post / UPC

If Undelivered, Please Return To:

WAVES CORPORATION LIMITED

9 KM, Multan Road, Lahore.

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Waves Corporation Limited
9-KM, Multan Road, Lahore
Ph. No. 042-35415421-5, 35421502-
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