

**QUARTERLY
REPORT**

**31 March
2024**

WAVES HOME APPLIANCES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

- | | | |
|----|-------------------------------|-------------------------------|
| 1. | Mr. Tajammal Hussain Bokharee | Chairman/Independent Director |
| 2. | Mr. Moazzam Ahmad Khan | Non-Executive Director |
| 3. | Mr. Hamza Ahmad Khan | Non-Executive Director |
| 4. | Mr. Khurram Zahoor | Secretary |

HR & REMUNERATION COMMITTEE

- | | | |
|----|----------------------------|-------------------------------|
| 1. | Mr. Muhammad Zafar Hussain | Chairman/Independent Director |
| 2. | Mr. Hamza Ahmad Khan | Non-Executive Director |
| 3. | Mr. Moazzam Ahmad Khan | Non-Executive Director |
| 4. | Mr. Haroon Ahmad Khan | Executive Director |
| 5. | Mr. Khurram Zahoor | Secretary |

CHIEF FINANCIAL OFFICER

Mr. Muhammad Usman

COMPANY SECRETARY

Mr. Khurram Zahoor

HEAD OF INTERNAL AUDITOR

Mr. Waleed Afzal

LEGAL ADVISOR

Law Wings, Advocates & Solicitors

EXTERNAL AUDITORS

Rizwan and Company
Chartered Accountants

SHARE REGISTRAR

Corplink (Private) Limited

REGISTERED OFFICE

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

REGISTRATION NUMBER

CUIN 0020624

BANKERS

National Bank of Pakistan
Bank Al Falah Limited
JS Bank Limited

Habib Bank Limited
MCB Bank Limited

CONTACT INFORMATION

UAN: 042-111-31-32-33,
042-35415421-5, 042-35421502-4

Email: cs@waves.net.pk
Website: www.waves.net.pk

DIRECTORS' REPORT

The Board of Directors of Waves Home Appliances Limited (WAVESAPP or the Company), are pleased to present the Directors' report and reviewed financial statements of your Company for the period concluding on 31 March 2024. The key financial highlights from this period are provided herein:

	3 Months	
	31 Mar 24	31 Mar 23
	<u>Rs. in '000</u>	<u>Rs. in '000</u>
Sales (Gross)	1,144,160	1,381,116
Sales (Net)	857,446	1,140,438
Gross Profit	215,602	284,445
Profit from Operations	132,941	152,128
Profit before Taxation	33,281	14,637
Profit for the Period	26,103	6,163
Earnings Per Share – Basic and Diluted (Rupees)	0.10	0.02

Based on the financial results in view of the tough current economic conditions the Board of Directors do not recommend any pay-out to the shareholders of the Company.

The variance in results is primarily due to the challenging economic and financial environment, where supply was constrained and demand was under pressure due to high inflationary situation.

The global GDP growth forecast has increased from 2.1 percent to 2.4 percent (by Fitch), mainly driven by the United States' upward revision to 2.1 percent. Despite slight adjustments in China's and the eurozone's forecasts, Fitch Ratings remains optimistic, projecting global growth to hit 2.5 percent by 2025 with the eurozone's recovery. Meanwhile, S&P Global's prediction of global inflation highlights the influence of major central bank policy rate cuts. The FAO food price index saw a dip in February 2024, while global commodity prices showed a mixed trend, indicating fluctuating but overall manageable conditions.

Pakistan's economic and financial outlook has seen steady improvement, thanks to prudent policy management and increased support from international partners. The successful conclusion of the IMF's Stand-By Arrangement program resulted in a \$1.1 billion disbursement, and policy reforms have eased pressures on gross financing needs, contributing to economic recovery and confidence. Despite a minor decline in Large-Scale Manufacturing, January 2024 witnessed year-over-year output growth.

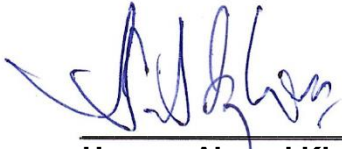
Headline inflation is on a downward trend, supported by government relief measures, and although there's been a slight widening of the fiscal deficit, fiscal surplus has increased. Enhanced trade balance, rising Foreign Direct Investment (FDI), and remittances have improved the current account deficit. The State Bank of Pakistan (SBP) has maintained the policy rate amidst inflation concerns, underscoring the importance of continued policy and reform efforts for economic stability and financial sustainability in the final quarter of the fiscal year.

As one of the leading consumer brand entities, WAVES continuously strives to address the pressing issues of our time, such as energy, inflation, supply-chain, and human development. Our team's skills and hard work remain the cornerstone of our continuity, and we are committed to human development, ensuring that we have the best possible talent driving our growth.

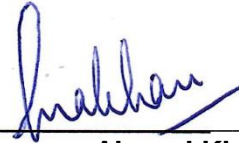
We extend our gratitude to all stakeholders, including our valued customers, suppliers, business partners, financial institutions, regulators, who have placed their trust in us. The Company's past achievements and current continuity is a testament to the unwavering commitment, hard work, and tremendous support from our management team and employees.

We are appreciative of the continued support from the Regulators and all other Stakeholders including management and human capital. Our sincere gratitude goes to our shareholders for their trust, confidence, and unwavering support.

For and on behalf of the Board:



Haroon Ahmad Khan
Chief Executive Officer
Lahore



Moazzam Ahmad Khan
Director

QUARTERLY FINANCIAL STATEMENTS

The Condensed Interim Consolidated Financial Statements for the period ended 31 March 2024 are attached to this Report.

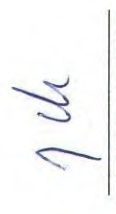
Waves Home Appliances Limited
Condensed Interim Statement of Financial Position (Un-audited)
As at 31 March 2024

	(Un-audited) 31 March 2024	(Audited) 31 December 2023		(Un-audited) 31 March 2024	(Audited) 31 December 2023
		----- (Rupees in '000) -----			
EQUITY AND LIABILITIES					
Share capital and reserves					
Authorised capital 425,000,000 (2023: 425,000,000) ordinary shares of Rs. 10 each	4,250,000	4,250,000			
Share capital	2,678,853	2,678,853			
Capital reserves	3,690,235	3,690,235			
Loan from sponsors	227,817	229,017			
Unappropriated profit	675,941	643,268			
Revaluation surplus	366,709	373,279			
	7,639,556	7,614,653			
	4,250,000	4,250,000			
	3,389,556	3,364,653			
	10,634,544	10,483,736			
Non-current liabilities					
Long term financings			Property, plant and equipment		
Due to holding company	805,608	766,333	Intangible assets	7,691,193	7,532,279
Lease liabilities	1,974,876	1,926,938	Investment property	2,779,949	2,788,355
Employee retirement benefits	18,531	20,504	Long term deposits	135,007	135,007
Deferred tax liability - net	7,627	7,627	Employee retirement benefits	12,303	12,003
Deferred income	404,154	407,694		16,092	16,092
	4,942	5,232			
	3,215,738	3,134,328			
	800,322	778,934			
	432,142	419,082			
	21,562	5,453			
	6,688,134	6,814,660			
Current liabilities					
Trade and other payables			Stores, spares and loose tools	26,450	28,109
Accrued mark-up on borrowings	2,114,213	2,245,887	Stock-in-trade	2,499,385	2,595,322
Short term borrowings	675,629	516,548	Trade debts	2,908,273	2,987,760
Current portion of long term liabilities	2,958,669	3,026,145	Advances, deposits, prepayments and other receivables	800,322	778,934
Income tax payable	654,598	707,277	Advance income tax	432,142	419,082
	64,275	53,557	Cash and bank balances	21,562	5,453
	6,467,385	6,549,414			
Contingencies and commitments					
	17,322,678	17,298,395			
	17,322,678	17,298,395			

The annexed notes 1 to 16 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited
Condensed Interim Statement of Profit or Loss Account (Un-audited)
For the three months period ended 31 March 2024

	Three months ended	
	31 March 2024	(re-stated) 31 March 2023
	----- (Rupees in '000) -----	
	<i>Note</i>	
Sales - net of sales return	1,144,160	1,381,116
Sales tax and trade discount on invoices	(286,714)	(240,678)
Sales - net	857,446	1,140,438
Cost of sales	(641,844)	(855,994)
Gross profit	215,602	284,445
Marketing, selling and distribution costs	(51,151)	(65,497)
Administrative expenses	(46,426)	(72,945)
Other expenses	(4,504)	(1,751)
Other income	19,420	7,877
	(82,661)	(132,316)
Profit from operations	132,941	152,128
Finance cost	(99,660)	(137,491)
Profit before taxation	33,281	14,637
Taxation	(7,178)	(8,474)
Profit for the period	26,103	6,163
Earnings per share - basic and diluted (<i>Rupees</i>)	0.10	0.02

The annexed notes 1 to 16 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited
Condensed Interim Statement of Comprehensive Income (Un-audited)
For the three months period ended 31 March 2024

	<u>Three months ended</u>	
	<u>31 March 2024</u>	<u>31 March 2023</u>
	----- (Rupees in '000) -----	
Profit for the period	26,103	6,163
<u>Other comprehensive income for the period</u>		
<i>Items that will not be reclassified to profit or loss account:</i>	-	-
Total comprehensive income for the period	<u>26,103</u>	<u>6,163</u>

The annexed notes 1 to 16 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

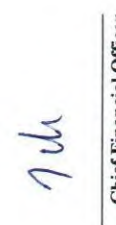
Waves Home Appliances Limited
Condensed Interim Statement of Changes in Equity (Un-audited)
For the three months period ended 31 March 2024

	Paid-up Share Capital	Capital Reserves			Revenue Reserve Unappropriated Profits	Total
		Capital Reserves	Loan from Sponsors	Revaluation Surplus		
As at 01 January 2023	2,678,853	3,695,868	119,497	342,704	501,270	7,338,193
(Rupees in '000)						
<u>Other comprehensive income for the year</u>						
Profit for the period	-	-	-	-	115,717	115,717
Surplus on revaluation of property	-	-	-	56,856	-	56,856
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax				(26,280)	26,280	-
<u>Transactions with owners of the Company</u>						
Shares capital issuance expenses	-	(5,632)	109,520	-	-	(5,632)
Sponsors loan during the year	-	(5,632)	109,520	-	-	109,520
As at 31 December 2023 (Audited)	2,678,853	3,690,235	229,017	373,279	643,268	7,614,653
<u>Total comprehensive income for the year</u>						
Profit after taxation	-	-	-	-	26,103	26,103
Effect of change in tax rate on account of surplus on property, plant and equipment	-	-	-	-	-	-
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax				(6,570)	6,570	-
<u>Transactions with owners of the Company</u>						
Sponsors loan paid during the year	-	-	(1,200)	-	-	(1,200)
Shares capital issuance expenses	-	-	(1,200)	-	-	(1,200)
As at 31 March 2024 (Un-audited)	2,678,853	3,690,235	227,817	366,709	675,941	7,639,556

The annexed notes 1 to 16 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director



Chief Financial Officer

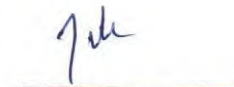
Waves Home Appliances Limited
Condensed Interim Statement of Cash Flow (Un-audited)
For the three months period ended 31 March 2024

	Note	Three months ended	
		31 March 2024	31 March 2023
----- (Rupees in '000) -----			
<u>Cash flows from operating activities</u>			
Profit before taxation		33,281	14,637
<i>Adjustments for non-cash and other items:</i>			
Depreciation on property, plant and equipment	8.1	66,256	59,167
Amortisation of intangible assets		8,406	7,455
Finance cost		99,660	137,491
Gain on sale of property, plant and equipment		(18,158)	(3,114)
Amortisation of deferred income		(290)	(291)
		<u>189,156</u>	<u>215,344</u>
<i>(Increase) / decrease in current assets:</i>			
Stores, spares and loose tools		1,659	5,466
Stock-in-trade		95,937	(241,945)
Trade debts and other receivables		79,487	231,735
Advances, deposits, prepayments and other receivables		(21,388)	(14,632)
<i>Increase in current liabilities:</i>			
Trade and other payables		(131,674)	(186,499)
		<u>24,021</u>	<u>(205,875)</u>
Cash used in operations		<u>213,177</u>	<u>9,469</u>
Income tax paid		(23,778)	(15,381)
Employee retirement benefits paid		(0)	(50)
Long term deposits - net		(300)	-
Net cash used in operating activities		<u>189,099</u>	<u>(5,962)</u>
<u>Cash flow from investing activities</u>			
Capital expenditure -net		(225,257)	(181,187)
Proceeds from disposal of property, plant and equipment		18,244	3,500
Net cash generated from investing activities		<u>(207,013)</u>	<u>(177,687)</u>
<u>Cash flow from financing activities</u>			
Long term loans received / (repaid)		(13,404)	(57,681)
Due to holding company		47,938	137,951
Income tax payable		10,718	11,942
Finance costs paid		59,421	(150,623)
Short term borrowing - net		(68,444)	(373,827)
Loan from sponsors - unsecured		(1,200)	42,892
Lease rentals - net		(1,973)	10,838
Net cash generated from financing activities		<u>33,057</u>	<u>(378,508)</u>
Net increase in cash and cash equivalents		<u>15,142</u>	<u>(562,157)</u>
Cash and cash equivalents - at beginning of the period		<u>(1,059,709)</u>	<u>(1,057,813)</u>
Cash and cash equivalents - at end of the period	10	<u>(1,044,567)</u>	<u>(1,619,970)</u>

The annexed notes 1 to 16 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited

Notes to the Condensed Interim Financial Information (Un-audited)

For the three months period ended 31 March 2024

1 Status and nature of business

Waves Home Appliances Limited (formerly, Samin Textiles Limited) ("the Company") is incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public limited company. The registered office of the Company is situated at 8.7 KM Hanjarwal, Multan Road Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company was trading, import and export of textile products. Consequent to approval of scheme of arrangement as discussed in note 2, the principal line of business has been amended to include manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products.

The Company is a subsidiary of Waves Corporation Limited (formerly Waves Singer Pakistan Limited), the ultimate parent Company.

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

- 9-K.M, Hanjarwal, Multan Road, Lahore.
- Mouza Mustafabad, 41-K.M., Ferozpur Road, Off 2-K.M. Rohi Nala Road, Tehsil & District Kasur

- 1.1 The Holding Company, Waves Corporation Limited (WCL), acquired WHAL (formerly Samin Textiles Limited) as a subsidiary Company through a scheme of arrangement. As per the term of the scheme, WCL Carved out / seperated home appliances business by transferring certain assets, liabilities, obligations, contracts and undertakings to the subsidiary Company as of the effective date of 01 September 2021.

The Honourable Lahore High Court (the Court) through its Order dated 27 May 2022, has approved the Scheme of Arrangement as proposed and granted sanction order for the carving out of home appliances business from the Holding Company and amalgamation of the same into the subsidiary Company, WHAL.

2 Basis of preparation

Statement of compliance

- 2.1 These condensed interim unconsolidated financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017; and

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at 31 March 2024 and the related condensed interim unconsolidated statement of profit or loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flow and notes to the financial information for the three months period ended.
- 2.3 These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2023. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3 Use of estimates and judgments

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

In preparing these condensed interim unconsolidated financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation are the same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2023.

4 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2023.

5 Issued, subscribed and paid up capital

	(Un-audited) 31 March 2024	(Audited) 31 December 2023	(Un-audited) 31 March 2024	(Audited) 31 December 2023
	----- Number of shares -----		----- (Rupees in '000) -----	
Issued for cash	11,879,111	11,879,111	118,791	118,791
Issued under scheme of arrangement	256,006,196	256,006,196	2,560,062	2,560,062
	<u>267,885,307</u>	<u>267,885,307</u>	<u>2,678,853</u>	<u>2,678,853</u>

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

	----- Percentage held -----		----- Number of shares -----	
- Waves Corporation Limited	74.56%	74.56%	199,724,956	199,724,956
- Haroon Ahmad Khan (CEO)	9.60%	9.60%	25,722,281	25,722,281
	<u>84.16%</u>	<u>84.16%</u>	<u>225,447,237</u>	<u>225,447,237</u>

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

	(Un-audited) 31 March 2024	(Audited) 31 December 2023
	----- (Rupees in '000) -----	
6 Short term borrowings		
<i>from banking companies - secured</i>		
Running finance under mark-up arrangements	1,066,130	1,065,162
Finance against trust receipt	1,183,446	1,191,472
Short term borrowings under 'Murahaba' arrangement	284,941	284,941
Demand finance	62,474	69,511
<i>from others - unsecured</i>		
Short term borrowings under 'Musharaka' arrangement	73,679	127,059
Loan from employees provident fund	288,000	288,000
	<u>2,958,669</u>	<u>3,026,145</u>

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

7 Contingencies and commitments

7.1 Contingencies

There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 31 December 2023.

7.2 Commitments

The Company has the following commitments in respect of:

- (i) Commitments for the import of stock in trade outstanding at period end were for Rs. Nil (31 December 2023: Rs. Nil).
- (ii) Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were Rs. Nil (31 December 2023: Rs. Nil).

	(Un-audited)	(Audited)
	31 March 2024	31 December 2023
<i>Note</i>	-----	-----
	(Rupees in '000)	(Rupees in '000)
8 Property, plant and equipment		
Operating fixed assets	8.1 3,276,016	3,341,525
Right of use asset	8.2 16,935	17,826
Capital work-in-progress	8.3 4,398,242	4,172,927
	7,691,193	7,532,279

	(Un-audited)	(Audited)
	31 March 2024	31 December 2023
	-----	-----
	(Rupees in '000)	(Rupees in '000)
8.1 Operating fixed assets		
Opening balance - as at 01 January	3,341,525	2,111,736
Additions during the period	66	3,321
Transfers from capital work in progress	-	1,416,173
Revaluation gain / (loss)	-	80,079
Transfer to investment property	-	(68,813)
Transfers from right to use to owned assets	-	33,330
	3,341,591	3,575,826
Book value of property, plant and equipment disposed off during the period	(210)	(11,317)
Depreciation charged during the period	(65,365)	(222,984)
Closing balance	3,276,016	3,341,525

	(Un-audited)	(Audited)
	31 March 2024	31 December 2023
	-----	-----
	(Rupees in '000)	(Rupees in '000)
8.2 Right of-use asset		
Balance as at 01 January	17,826	131,641
Additions during the period	-	1,976
Transfers to owned assets	-	(33,330)
Disposed off during the period	-	(69,092)
Depreciation charge for the period	(891)	(13,369)
Closing balance	16,935	17,826

	(Un-audited)	(Audited)
	31 March 2024	31 December 2023
	----- (Rupees in '000) -----	
8.3 Capital work-in-progress		
Balance as at 01 January	4,172,927	3,256,151
Additions during the period	225,315	2,332,949
Transfers to owned assets	-	(1,416,173)
Closing balance	<u>4,398,242</u>	<u>4,172,927</u>
Breakup of capital work in progress:		
Land	903,554	903,554
Building / Civil works	1,281,784	1,142,150
Plant and machinery	703,937	854,887
Electric installation	1,371	1,359
Borrowing costs	<u>1,507,597</u>	<u>1,270,978</u>
	<u>4,398,242</u>	<u>4,172,927</u>
	(Un-audited)	(Audited)
	31 March 2024	31 December 2023
	----- (Rupees in '000) -----	
9 Intangible assets and goodwill		
Software	12,252	12,976
Goodwill	1,070,207	1,070,207
Brand value	1,582,147	1,582,147
Customer relationships	<u>115,343</u>	<u>123,025</u>
	<u>2,779,949</u>	<u>2,788,355</u>
	(Un-audited)	(Audited)
	31 March 2024	31 December 2023
	----- (Rupees in '000) -----	
10 Cash and cash equivalents		
Cash and bank balances	21,562	5,453
Short term running finance - secured	<u>(1,066,130)</u>	<u>(1,065,162)</u>
	<u>(1,044,568)</u>	<u>(1,059,709)</u>
	(Un-audited)	(Un-audited)
	31 March 2024	31 March 2023
	----- (Rupees in '000) -----	
11 Sales - net		
Gross sales:		
- Local	1,144,160	1,384,106
Sales return	-	(2,900)
	<u>1,144,160</u>	<u>1,381,206</u>
Sales tax	<u>(243,177)</u>	<u>(207,798)</u>
Trade discounts	<u>(43,537)</u>	<u>(32,880)</u>
	<u>(286,714)</u>	<u>(240,678)</u>
	<u>857,446</u>	<u>1,140,528</u>
12 Taxation		
The company has opted for group taxation and the group falls under normal tax regime. Provision for taxation has been calculated as group taxation.		

13 Transactions with related parties

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

Name of the Company	Relationship	Nature of transactions	(Un-audited) 31 March 2024	(Un-audited) 31 March 2023
Waves Marketplace Limited	Associated undertaking	Sale of inventory - gross	813	121,550
Employee's Provident Fund	Post employee contribution plan	Contribution for the period	5,715	6,473
Directors	Director	Loan obtained/(returned) to sponsors	(1,200)	42,892

14 Financial risk management and fair value of financial instruments

14.1 The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 31 December 2023.

14.2 The following table shows the carrying amounts and fair values of financial instruments and non-financial instruments including their levels in the fair value hierarchy:

		31 March 2024				
		Carrying amount		Fair value		
	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3

Note ----- Rupees in '000 -----

Financial instruments

Financial assets - not measured at fair value

Security deposits	12,303	-	12,303	-	-	-
Trade debts	2,908,273	-	2,908,273	-	-	-
Other receivables	800,322	-	800,322	-	-	-
Cash & Bank Balances	21,562	-	21,562	-	-	-
14.3	<u>3,742,460</u>	<u>-</u>	<u>3,742,460</u>	<u>-</u>	<u>-</u>	<u>-</u>

Financial liabilities - not measured at fair value

Long term loans - secured	-	1,460,206	1,460,206	-	-	-
Trade and other payables	-	2,114,213	2,114,213	-	-	-
Employee retirement benefit	-	7,627	7,627	-	-	-
Short term borrowings - secured and unsecured	-	2,958,669	2,958,669	-	-	-
Mark-up accrued on short term finances and long term loans	-	675,629	675,629	-	-	-
14.3	<u>-</u>	<u>7,216,344</u>	<u>7,216,344</u>	<u>-</u>	<u>-</u>	<u>-</u>

		31 December 2023					
		Fair value					
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
<i>Note</i>		Rupees in '000					
Financial instruments							
<u>31 December 2023</u>							
<u>Financial assets - not measured at fair value</u>							
		12,003	-	12,003	-	-	-
		2,987,760	-	2,987,760	-	-	-
		778,934	-	778,934	-	-	-
		5,453	-	5,453	-	-	-
	14.3	<u>3,784,150</u>	<u>-</u>	<u>3,784,150</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Financial liabilities - not measured at fair value</u>							
		-	1,473,610	1,473,610	-	-	-
		-	2,245,887	2,245,887	-	-	-
		-	7,627	7,627	-	-	-
		-	3,026,145	3,026,145	-	-	-
		-	516,548	516,548	-	-	-
	14.3	<u>-</u>	<u>7,269,817</u>	<u>7,269,817</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Non financial assets measured at fair value

Land and Building and plant and machinery

Revalued Property, plant and equipment

Date of valuation

31 December 2023

Valuation approach and inputs used

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

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

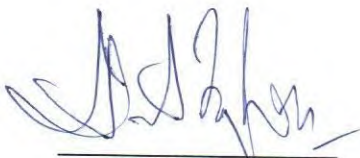
15 Date of authorization

This condensed interim Un-Consolidated financial information has been approved by the Board of Directors of the Company and authorized for issue on 30 April 2024.

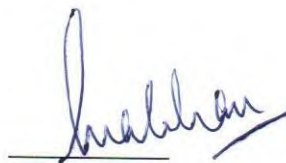
16 General

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

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



Chief Executive Officer



Director



Chief Financial Officer



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