



WAVES HOME APPLIANCES LIMITED

FORMERLY SAMIN TEXTILES LIMITED



Condensed Interim Financial Statements Three Months Ended 31 March 2022

Table of Contents

| | | |
|------------|--|----------|
| 1. | CORPORATE INFORMATION | 3 |
| 2. | CORPORATE VALUE STATEMENTS | 5 |
| 2.1 | Vision & Mission | 5 |
| 2.2 | Core Values | 5 |
| 3. | DIRECTORS' REPORT | 6 |
| 3.1 | Operating Results | 6 |
| 3.2 | Performance Overview | 7 |
| 3.3 | Company's Future Outlook / Forward Looking Statements | 7 |
| 3.4 | Acknowledgements | 8 |
| 4. | INTERIM FINANCIAL STATEMENTS – FIRST QUARTER 2022 | 9 |

1. CORPORATE INFORMATION

BOARD OF DIRECTORS*

| | | |
|----|-------------------------|-------------------------------|
| 1. | Mr. Muhammad Adnan Afaq | Chairman/Independent Director |
| 2. | Mr. Shoaib Dastgir | Independent Director |
| 3. | Mr. Khalid Azim | Non-Executive Director |
| 4. | Mr. Hamza Ahmad Khan | Non-Executive Director |
| 5. | Mr. Haroon Ahmad Khan | Chief Executive Officer |
| 6. | Mrs. Nighat Haroon Khan | Non-Executive Director |
| 7. | Mr. Moazzam Ahmad Khan | Non-Executive Director |

AUDIT COMMITTEE*

| | | |
|----|------------------------|-------------------------------|
| 1. | Mr. Shoaib Dastgir | Chairman/Independent Director |
| 2. | Mr. Moazzam Ahmad Khan | Non-Executive Director |
| 3. | Mr. Hamza Ahmad Khan | Non-Executive Director |
| 4. | Mr. Tariq Majeed | Secretary |

HR & REMUNERATION COMMITTEE*

| | | |
|----|------------------------|-------------------------------|
| 1. | Mr. Shoaib Dastgir | Chairman/Independent Director |
| 2. | Mr. Khalid Azim | Non-Executive Director |
| 3. | Mr. Moazzam Ahmad Khan | Non-Executive Director |
| 4. | Mr. Haroon Ahmad Khan | Executive Director |
| 5. | Mr. Tariq Majeed | Secretary |

CHIEF FINANCIAL OFFICER

Mr. Muhammad Usman

COMPANY SECRETARY

Mr. Tariq Majeed

HEAD OF INTERNAL AUDIT

Mr. Waleed Afzal

LEGAL ADVISOR

Law Wings Advocates & Solicitors

EXTERNAL AUDITORS

RSM Avais Hyder Liaqat Nauman
Chartered Accountants
H.No.136-B, Street 43, F/10, Islamabad

SHARES REGISTRAR & TRANSFER AGENTS

Corplink (Private) Limited

** New Board appointed on 02 August 2022*

WAVES HOME APPLIANCES LIMTIED (FORMERLY SAMIN TEXTILES LIMITED)

RESISTERED OFFICE

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

REGISTRATION NUMBER

CUIN 20624

BANKERS

Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Al Falah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
First Prudential Modaraba
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial & Commercial Bank of China

National Bank of Pakistan
Pak Brunei Investment Company Limited
Pak Libya Holding Company Limited
Pak Oman Investment Company Limited
Samba Bank Limited
Silk Bank Limited
Sindh Bank Limited
The Bank of Khyber
The Bank of Punjab

CONTACT INFORMATION

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

Email: cs@waves.net.pk,

Website: www.samintextile.com, www.waves.net.pk

2. CORPORATE VALUE STATEMENTS

2.1 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.

2.2 Core Values



3. DIRECTORS' REPORT

3.1 Operating Results

On behalf of the Board of Directors of Waves Home Appliances Limited, formerly Samin Textiles Limited (WHALE or the Company), we are obliged to submit the Directors' Review Report on condensed interim financial statement (un-audited) for the period ended 31 March 2022 as under:

| | For 3 months 31 March 2022 | For 3 months 31 March 2021 |
|---|---------------------------------------|---------------------------------------|
| | <u>Rs. in '000</u> | <u>Rs. in '000</u> |
| Sales – Net of Sales return | 3,382,762 | - |
| Sales tax and trade discount on invoices | (647,164) | - |
| Sales – Net | 2,735,598 | - |
| Cost of Sales | (2,149,106) | - |
| Gross Profit | 586,492 | - |
| Marketing, selling and distribution costs | (184,511) | - |
| Administrative expenses | (78,255) | (4,707) |
| Other expenses | (4,382) | - |
| Other income | 7,009 | - |
| | (260,140) | (4,707) |
| Profit/(Loss) from Operations | 326,352 | (4,707) |
| Finance Costs | (199,065) | (1,924) |
| Profit/(Loss) before taxation | 127,287 | (6,631) |
| Taxation | (34,195) | - |
| Profit/(Loss) for the period | 93,092 | (6,631) |
| Earnings Per Share | 0.35 | (0.56) |

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.

3.2 Performance Overview

These are the first quarter interim unaudited financial statements prepared for the period ended 31 March 2022 after the implementation of Scheme of Arrangement (the Scheme) by and between Waves Home Appliances Limited, formerly Samin Textiles Limited (WHALE or the Company) and Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVES), wherein home appliances business of WAVES has been demerged and merged with and into WHALE with effect from 31 August 2021, sanctioned by the honorable Lahore High Court, Lahore (LHC or Court). Resultantly the Company is now a subsidiary of WAVES, being the holding company.

Consequent to the approval of the Scheme by the Court, the financial year of the Company was changed from 30 June to 31 December. This change has been made to bring the financial year in line with the financial year of the Holding company. These financial statements are prepared for three months period ended 31 March 2022.

The corresponding figures shown in the financial statements pertain to financial statements for the period ended 31 March 2021 and therefore, are **not entirely comparable** in respect of profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows. For consolidated results and analysis of home appliance business, please refer to the interim financial statements of Waves Corporation Limited, formerly Waves Singer Pakistan Limited, which are placed on its website at www.waves.net.pk.

The Company is operating a nationwide set-up of 15 warehouses in cities such as Karachi, Lahore, Gujranwala, Peshawar, Multan, etc., a network of around 1,500 + dealers, approx. 16 after-sales service centers and 509 service workshops spread nationwide. The Company's sales infrastructure is comparable to any other leading Home Appliance Company operating within Pakistan.

The product line being manufactured and sold by the Company under its flagship brand "Waves" includes Deep Freezers, Visa Coolers, Refrigerators, Air Conditioners, Washing Machines, Microwaves, Water Dispenser etc. These accounts are prepared based upon implementation of the Scheme.

3.3 Company's Future Outlook / Forward Looking Statements

Our primary objective is to provide high-quality and effective home appliance products. We remain committed to enhancing shareholder value while balancing profitability and investments into projects of long-term significance.

Going forward, as the current account deficit is curtailed and sentiment improves, we fully expect the Rupee to appreciate. The construction of the new factory and planning shifting of manufacturing operations before end of this calendar year are in smooth progress. This fits well with the ongoing situation of materials availability and any expected break in production during these months.

As the Government of Pakistan is to ease import restrictions, opening of fresh LCs for import of materials/components required for appliances industry from end August 2022, arrival of fresh materials/components is expected in another couple of months. Commissioning of new factory in the last quarter Insha Allah, will ensure continuity of operations during ongoing challenging times.

The Company is actively monitoring its production and operations and is closely working with the industry players, Government and SBP to alleviate present challenges.

The Board remains positive and confident in respect of the future of the Company. We have a rational and lucid team of management, staff & workforce, brand name, excellent product line, and a nationwide distribution and after sales service network which allows us to reach customers and provide them service both in urban & rural areas at the best possible terms.

3.4 Acknowledgements

We would like to thank all our stakeholders, especially our valued customers, suppliers, business partners, Banks, 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.

- Sd -

Haroon Ahmad Khan
Chief Executive Officer
Lahore

- Sd -

Moazzam Ahmad Khan
Director

WHALE Interim Financial Statements
First Quarter 2022
(Unaudited)

Waves Home Appliances Limited (formerly, Samin Textiles Limited)

Condensed Interim Statement of Financial Position (Un-audited)

As at 31 March 2022

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 | | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|--|------|---------------------------------|----------------------------------|--|------|---------------------------------|----------------------------------|
| | Note | (Rupees in '000) | | | Note | (Rupees in '000) | |
| EQUITY AND LIABILITIES | | | | ASSETS | | | |
| <u>Share capital and reserves</u> | | | | <u>Non-current assets</u> | | | |
| Authorised capital 425,000,000 (2021: 425,000,000) ordinary shares of Rs. 10 each | | <u>4,250,000</u> | <u>4,250,000</u> | | | | |
| Issued, subscribed and paid up capital | 5 | 118,791 | 118,791 | Property, plant and equipment | 8 | 4,152,559 | 3,218,819 |
| Shares to be issued under scheme of arrangement | | 2,560,062 | 2,560,062 | Intangible assets and goodwill | 9 | 2,831,950 | 2,865,672 |
| Share premium reserve | | 3,642,002 | 3,642,002 | Long term advance | | 8,545 | 8,545 |
| Other Reserves | | 493 | 493 | | | <u>6,993,055</u> | <u>6,093,036</u> |
| Revenue reserve - unappropriated profit | | 508,827 | 375,924 | | | | |
| Surplus on revaluation of property, plant and equipment - net of tax | | 329,173 | 368,984 | | | | |
| | | <u>7,159,348</u> | <u>7,066,256</u> | | | | |
| <u>Non-current liabilities</u> | | | | <u>Current assets</u> | | | |
| Long term loans - secured | | 913,855 | 748,146 | Stores, spares and loose tools | | 48,174 | 45,723 |
| Amount due to holding company | | 1,828,104 | 1,779,177 | Stock-in-trade | | 3,678,714 | 3,626,538 |
| Lease liabilities | | | | Trade debts | | 5,523,092 | 6,165,741 |
| - Assets under right of use - secured | | 21,709 | 22,806 | Advances, deposits, prepayments and other receivables | | 274,444 | 298,309 |
| - Building under right of use - unsecured | | 30,405 | 33,487 | Cash and bank balances | 10 | 145,732 | 732 |
| Employee retirement benefits - obligation | | 16,758 | 14,020 | | | <u>9,670,156</u> | <u>10,137,043</u> |
| Deferred tax liability - net | | 446,088 | 463,394 | Non current assets held for sale | | 1,470 | 1,470 |
| Deferred income | | 7,167 | 7,639 | | | <u>9,671,626</u> | <u>10,138,513</u> |
| | | <u>3,264,087</u> | <u>3,068,669</u> | | | | |
| <u>Current liabilities</u> | | | | | | | |
| Trade and other payables | | 1,571,044 | 1,815,288 | | | | |
| Mark-up accrued on borrowings | | 102,856 | 129,808 | | | | |
| Short term borrowings - secured | 6 | 4,320,863 | 3,913,544 | | | | |
| Provision for tax | | 489 | 5,971 | | | | |
| Current portion of long term liabilities | | 245,993 | 232,013 | | | | |
| | | <u>6,241,246</u> | <u>6,096,624</u> | | | | |
| Contingencies and commitments | 7 | | | | | | |
| | | <u>16,664,681</u> | <u>16,231,549</u> | | | <u>16,664,681</u> | <u>16,231,549</u> |

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

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited (formerly, Samin Textiles Limited)

Condensed Interim Statement of Profit or Loss Account (Un-audited)

For the three month period ended 31 March 2022

| | For the three month period ended | |
|--|---|-----------------------|
| | 31 Mar 2022 | 31 Mar 2021 |
| <i>Note</i> | ----- (Rupees in '000) ----- | |
| Sales - net of sales return | 3,382,762 | - |
| Sales tax and trade discount on invoices | (647,164) | - |
| Sales - net | <u>2,735,598</u> | - |
| Cost of sales | (2,149,106) | - |
| Gross profit | <u>586,492</u> | - |
| Marketing, selling and distribution costs | (184,511) | - |
| Administrative expenses | (78,255) | (4,707) |
| Other expenses | (4,382) | - |
| Other income | 7,009 | - |
| | <u>(260,140)</u> | <u>(4,707)</u> |
| Profit from operations | <u>326,353</u> | <u>(4,707)</u> |
| Finance cost | (199,065) | (1,924) |
| Profit before taxation | <u>127,287</u> | <u>(6,631)</u> |
| Taxation | (34,195) | - |
| Profit for the period | <u><u>93,092</u></u> | <u><u>(6,631)</u></u> |
| Earnings per share - basic and diluted (<i>Rupees</i>) | <u><u>0.35</u></u> | <u><u>(0.02)</u></u> |

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

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited (*formerly, Samin Textiles Limited*)

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three month period ended 31 March 2022

| <u>For the three month period ended</u> | |
|---|--------------------|
| <u>31 Mar 2022</u> | <u>31 Mar 2021</u> |

----- (Rupees in '000) -----

Profit for the period **93,092** (6,631)

Other comprehensive income for the period

Items that will not be reclassified to profit or loss account:

- -

Total comprehensive income for the period **93,092** (6,631)

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

Lahore



Chief Executive Officer



Director



Chief Financial Officer

Waves Home Appliances Limited (formerly, Samin Textiles Limited)

Statement of Changes in Equity

For the three month period ended 31 March 2022

| Issued, subscribed and paid-up capital | Shares to be issued under scheme of arrangement | Other Reserves | | | Capital Reserves | | Revenue Reserve | Total |
|---|---|----------------------------|----------------|--------------------|-----------------------|---|---|-----------|
| | | Capital redemption reserve | Merger reserve | Loan from sponsors | Share premium reserve | Surplus on revaluation of land and building | (Accumulated losses) / Unappropriated profits | |
| ----- (Rupees in '000) ----- | | | | | | | | |
| As at 01 July 2020 | 267,280 | | | 73,019 | | | (401,652) | (61,353) |
| <u>Total comprehensive income for the year</u> | | | | | | | | |
| Profit after taxation | - | - | - | 40,837 | - | - | (18,695) | (18,695) |
| Sponsors loan during the year | - | - | - | 40,837 | - | - | (18,695) | 40,837 |
| | | | | | | | | 22,142 |
| As at 30 June 2021 - restated | 267,280 | - | - | 113,856 | - | - | (420,347) | (39,211) |
| <u>Other comprehensive income for the year</u> | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 36,496 | 36,496 |
| Remeasurement of defined benefit obligation | - | - | - | - | - | - | 1,013 | 1,013 |
| Surplus on revaluation of property | - | - | - | - | - | - | - | - |
| Transferred from Waves Corporation Limited. | - | - | - | - | - | 377,745 | 750,000 | 1,127,745 |
| Related deferred tax on surplus arisen | - | - | - | - | - | - | - | - |
| | | | | | | 377,745 | 787,509 | 1,165,254 |
| <u>Surplus transferred to accumulated profits</u> | | | | | | | | |
| Transfer against sale of land and building - net of tax | - | - | - | - | - | - | - | - |
| Incremental depreciation relating to surplus on revaluation - net of tax | - | - | - | - | - | (8,761) | 8,761 | - |
| | | | | | | (8,761) | 8,761 | - |
| <u>Transactions with owners of the Company</u> | | | | | | | | |
| Consolidation of shares under scheme of arrangement | (148,489) | 148,489 | (263,296) | | 3,642,002 | | | 3,378,706 |
| Shares to be issued under scheme of arrangement | | 2,560,062 | | | | | | |
| Sponsors loan during the year | | | | 1,445 | | | | 1,445 |
| Right shares issued | | | | | | | | |
| | (148,489) | 2,560,062 | 148,489 | (263,296) | 1,445 | 3,642,002 | - | 3,380,151 |
| Balance as at 31 December 2021 | 118,791 | 2,560,062 | 148,489 | (263,296) | 115,301 | 3,642,002 | 368,984 | 375,923 |
| <u>Total comprehensive income for the year</u> | | | | | | | | |
| Profit after taxation | - | - | - | - | - | - | 93,092 | 93,092 |
| <u>Other comprehensive income</u> | | | | | | | | |
| Remeasurement of defined benefit obligation | - | - | - | - | - | - | - | - |
| <u>Surplus transferred to accumulated profits</u> | | | | | | | | |
| Transfer against sale of land and building - net of tax | - | - | - | - | - | - | - | - |
| Impact of change in accounting policy | - | - | - | - | - | - | - | - |
| Revaluation of PPE | - | - | - | - | - | - | - | - |
| Incremental depreciation relating to surplus on revaluation - net of tax | - | - | - | - | - | (39,811) | 39,811 | - |
| Related deferred tax on revaluation surplus | - | - | - | - | - | - | - | - |
| Effect of change in tax rate on account of surplus on property, plant and equipment | - | - | - | - | - | - | - | - |
| | | | | | | (39,811) | 132,903 | 93,092 |
| <u>Transactions with owners of the Company</u> | | | | | | | | |
| Shares issued under scheme of amalgamation | - | - | - | - | - | - | - | - |
| Right shares issued | - | - | - | - | - | - | - | - |
| Final dividend for the year ended | - | - | - | - | - | - | - | - |
| | | | | | | | | |
| Balance as at 31 March 2022 | 118,791 | 2,560,062 | 148,489 | (263,296) | 115,301 | 3,642,002 | 329,173 | 508,827 |
| | | | | | | | | 4,599,287 |

The annexed notes form an integral part of these unconsolidated financial statements.

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited (formerly, Samin Textiles Limited)

Condensed Interim Statement of Cash Flow (Un-audited)

For the three month period ended 31 March 2022

| | (Un-audited) 31 March 2022 | (Un-audited) 31 March 2021 |
|---|----------------------------------|----------------------------------|
| | -----Rupees in '000----- | |
| <u>Cash flows from operating activities</u> | | |
| Profit before taxation | 127,287 | (6,631) |
| <i>Adjustments for non-cash and other items:</i> | | |
| Depreciation on property, plant and equipment | 63,017 | - |
| Amortisation of intangible assets | 33,722 | |
| Gain on sale of property, plant and equipment | | |
| Finance cost | - | 1,923 |
| Amortisation of deferred income | (472) | |
| | 223,553 | (4,707) |
| <i>(Increase) / decrease in current assets:</i> | | |
| Deferred tax liability - net | (2,451) | |
| Stock-in-trade | (52,176) | |
| Trade debts and other receivables | 642,649 | |
| Advances, deposits, prepayments and other receivables | 23,865 | - |
| <i>Increase in current liabilities:</i> | | |
| Trade and other payables | (244,244) | 223 |
| | 367,643 | 223 |
| Cash used in operations | 591,196 | (4,484) |
| Income tax paid | (28,970) | |
| Workers' Profit Participation Fund paid | - | |
| Employee retirement benefits paid | 2,738 | |
| Net cash used in operating activities | 564,964 | (4,484) |
| <u>Cash flow from investing activities</u> | | |
| Capital expenditure -net | (1,019,286) | - |
| Net cash generated from investing activities | (1,019,286) | - |
| <u>Cash flow from financing activities</u> | | |
| Long term loans repaid | 574,785 | |
| Loan from holding Company | 48,927 | |
| Provision for tax | (5,482) | |
| Finance costs paid | (26,952) | 3,453 |
| Current portion of long term liabilities | 13,980 | |
| Short term borrowing - net | | |
| Lease rentals paid | (4,179) | |
| | 601,080 | 3,453 |
| Net cash generated from financing activities | 601,080 | 3,453 |
| Net increase in cash and cash equivalents | 146,758 | (1,031) |
| Cash and cash equivalents - at beginning of the period | (992,830) | 1,149 |
| Cash and cash equivalents - at end of the period | (846,072) | 118 |

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

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Waves Home Appliances Limited (formerly, Samin Textiles Limited)

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

For the three month period ended 31 March 2022

1 Status and nature of business

- 1.1 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 15/3 Block A, Model Town, 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

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 Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017.
- Provisions of and directives issued under the Companies Act, 2017; and

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

- 2.2 These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at 31 March 2022 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 month period then 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 2021. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

- 2.4 Comparative unconsolidated statement of financial position's numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended 31 December 2021, whereas comparative unconsolidated statement of profit or loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statement of the Company for the three month period ended 31 March 2021.

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 2021.

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 2021.

5 Issued, subscribed and paid up capital

| | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 |
|-----------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | - - - Number of shares - - - | | - - - Rupees in '000 - - - | |
| Issued for cash | 11,879,111 | 11,879,111 | 118,791 | 118,791 |
| | <u>11,879,111</u> | <u>11,879,111</u> | <u>118,791</u> | <u>118,791</u> |

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

| | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 |
|---------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| - Haroon Ahmad Khan (CEO) | 34.97% | 34.97% | 4,154,224 | 4,154,224 |
| | <u>34.97%</u> | <u>34.97%</u> | <u>4,154,224</u> | <u>4,154,224</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.

6 Short term borrowings

From banking companies - secured:

| | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 |
|--|----------------------------------|----------------------------------|
| Running finance under mark-up arrangements | 991,805 | 993,562 |
| Finance against trust receipt | 2,775,935 | 2,568,459 |
| Cash finance | 212,182 | - |
| Short term borrowings under 'Murahaba' arrangement | 340,941 | 351,523 |
| | <u>4,320,863</u> | <u>3,913,544</u> |

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 2021.

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. 466.39 million (2021: Rs. 124.89 million).
- (ii) Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were Rs. 0.947 million (31 December 2021: Rs. 0.79 million).

| | | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 |
|--|-------------|----------------------------------|----------------------------------|
| | <i>Note</i> | (Rupees in '000) | |
| 8 Property, plant and equipment | | | |
| Operating fixed assets | 8.1 | 3,208,786 | 2,797,121 |
| Right of use asset | 8.2 | 144,976 | 156,115 |
| Capital work-in-progress | 8.3 | 798,797 | 265,582 |
| | | <u>4,152,559</u> | <u>3,218,818</u> |
| 8.1 Operating fixed assets | | | |
| Opening balance - as at 01 January | | 2,797,121 | - |
| Transferred from Waves Corporation Limited. | | | 2,848,210 |
| Additions / (deletion) during the period / year | | 463,689 | 19,675 |
| Transfers from right to use to owned assets | | - | |
| | | <u>3,260,810</u> | <u>2,867,885</u> |
| Book value of property, plant and equipment disposed off during the period / year | | (146) | (10,162) |
| Depreciation charged during the period / year | | (51,878) | (60,602) |
| Closing balance | | <u>3,208,786</u> | <u>2,797,121</u> |
| 8.2 Right of-use asset | | | |
| Balance as at 01 January | | 156,115 | - |
| Transferred from Waves Corporation Limited. | | | 177,903 |
| Additions / (deletion) during the period / year | | - | |
| Revaluation gain / (loss) | | - | - |
| Transfers to owned assets | | - | |
| Disposed off during the period / year | | - | |
| Depreciation charge for the period / year | | (11,139) | (21,788) |
| Closing balance | | <u>144,976</u> | <u>156,115</u> |
| 8.3 Capital work-in-progress | | | |
| Balance as at 01 January | | 265,582 | - |
| Transferred from Waves Corporation Limited. | | | 202,307 |
| Additions / (deletion) during the period / year | | 533,215 | 63,275 |
| Transfers to owned assets | | | |
| Closing balance | | <u>798,797</u> | <u>265,582</u> |

Breakup of capital work in progress:

| | | |
|---------------------------------|----------------|----------------|
| Building | 27 | 27 |
| Plant and machinery | 111,638 | 95,838 |
| Electric installation | 1,344 | 1,208 |
| Development of new factory land | 685,788 | 168,509 |
| | <u>798,797</u> | <u>265,582</u> |

| | (Un-audited) 31 March 2022 | (Audited) 31 December 2021 |
|---|----------------------------------|----------------------------------|
| | (Rupees in '000) | |
| 9 Intangible assets and goodwill | | |
| Software | 27,140 | 28,837 |
| Brand value | 1,582,147 | 1,582,147 |
| Customer relationships | 152,456 | 184,481 |
| Goodwill | 1,070,207 | 1,070,207 |
| | <u>2,831,950</u> | <u>2,865,672</u> |
| 10 Cash and cash equivalents | | |
| Cash and bank balances | 145,732 | 732 |
| Short term running finance - secured | (991,805) | (993,562) |
| | <u>(846,073)</u> | <u>(992,830)</u> |
| | (Un-audited) 31 March 2022 | (Un-audited) 31 March 2021 |
| | (Rupees in '000) | |
| 11 Sales - net | | |
| <i>Gross sales:</i> | | |
| - Local | 3,387,225 | |
| - Export | - | |
| Sales return | (4,463) | |
| | <u>3,382,762</u> | - |
| Sales tax | (492,486) | |
| Trade discounts | (154,678) | |
| | <u>(647,164)</u> | - |
| | <u>2,735,598</u> | - |

12 Taxation

The provision for current taxation has been determined under 'Normal Tax Regime'.

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 2022 | (Un-audited) 31 March 2021 |
|---|---------------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| i. Associated Undertakings | | | | |
| Electronics Marketing Company (Private) Limited | Subsidiary of Holding Company | Sale of inventory - gross | 40,928 | - |
| Employee's Provident Fund | Post employee contribution plan | Contribution for the period | 9,848 | - |
| Employee's Pension Fund | Post employee benefit plan | Contribution for the period | 25 | - |
| Employee's Gratuity Fund | Post employee benefit plan | Contribution for the period | 127 | - |

The CEO and Directors are not drawing any remuneration including meeting fee.

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 2021.

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 2022 | | | | | |
|--|--------------------------------|------------------|------------------|----------|----------|
| Carrying amount | | | 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 March 21 - (Un-audited)</u> | | | | | |
| <u>Financial assets - not measured at fair value</u> | | | | | |
| Security deposits | - | - | - | - | - |
| Trade debts | 5,523,092 | - | 5,523,092 | - | - |
| Other receivables | 274,444 | - | 274,444 | - | - |
| Cash & Bank Balances | 145,732 | - | 145,732 | - | - |
| | 5,943,268 | - | 5,943,268 | - | - |
| <u>Financial liabilities - not measured at fair value</u> | | | | | |
| Long term loans - secured | - | 276,398 | 276,398 | - | - |
| Trade and other payables | - | 1,571,044 | 1,571,044 | - | - |
| Employee retirement benefit | - | 16,758 | 16,758 | - | - |
| Short term borrowings - secured and unsecured | - | 4,320,863 | 4,320,863 | - | - |
| Mark-up accrued on short term finances and long term loans | - | 102,856 | 102,856 | - | - |
| | - | 6,287,920 | 6,287,920 | - | - |

| 31 December 2021 | | | | | |
|--|--------------------------------|------------------|------------------|----------|----------|
| | | | Fair value | | |
| Financial assets at amortized cost | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 |
| ----- Rupees in '000 ----- | | | | | |
| Financial instruments | | | | | |
| <u>31 December 2021</u> | | | | | |
| <u>Financial assets - not measured at fair value</u> | | | | | |
| Security deposits | - | - | - | - | - |
| Trade debts | 6,165,741 | - | 6,165,741 | - | - |
| Other receivables | 298,309 | - | 298,309 | - | - |
| Bank balances | 732 | - | 732 | - | - |
| | <u>6,464,782</u> | <u>-</u> | <u>6,464,782</u> | <u>-</u> | <u>-</u> |
| <u>Financial liabilities - not measured at fair value</u> | | | | | |
| Long term loans - secured | - | 265,500 | 265,500 | - | - |
| Trade and other payables | - | 1,815,288 | 1,815,288 | - | - |
| Employee retirement benefit | - | 14,020 | 14,020 | - | - |
| Short term borrowings - secured and unsecured | - | 3,913,544 | 3,913,544 | - | - |
| Mark-up accrued on short term finances and long term loans | - | 129,808 | 129,808 | - | - |
| | <u>-</u> | <u>6,138,160</u> | <u>6,138,160</u> | <u>-</u> | <u>-</u> |

Note

Financial instruments

31 December 2021

Financial assets - not measured at fair value

Security deposits

Trade debts

Other receivables

Bank balances

Financial liabilities - not measured at fair value

Long term loans - secured

Trade and other payables

Employee retirement benefit

Short term borrowings - secured and unsecured

Mark-up accrued on short

term finances and long term loans

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 02 August 2022

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.

Lahore



Chief Executive Officer



Director



Chief Financial Officer

ویوز ہوم اپلائنسز لمیٹڈ
(سابقہ سیمین ٹیکسٹائل لمیٹڈ)

مجموعی عبوری مالیاتی گوشوارے
برائے 31 مارچ 2022 مختتمہ سرمایہ
ویوز ہوم اپلائنسز لمیٹڈ (سابقہ سیمین ٹیکسٹائل لمیٹڈ)
ڈائریکٹرز کی رپورٹ

3.1 آپریٹنگ نتائج

ویوز ہوم اپلائنسز لمیٹڈ، سابقہ سیمین ٹیکسٹائل لمیٹڈ (WHALE) کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 31 مارچ 2022 کو ختم ہونے والی پہلی سرمایہ کے لیے ایشتمال شدہ عبوری مجموعی گوشوارے (غیر نظر ثانی شدہ) پر ڈائریکٹرز کی جائزہ رپورٹ جمع کرانے کے پابند ہیں:

| 31 مارچ 2021 مختتمہ سرمایہ | 31 مارچ 2022 مختتمہ سرمایہ | |
|----------------------------|----------------------------|---|
| روپے '000 | روپے '000 | |
| - | 3,382,762 | فروخت - خالص فروخت ریٹرن |
| - | (647,164) | سیلز ٹیکس اور انوائسز پر تجارتی ڈسکاؤنٹ |
| - | 2,735,598 | خالص فروخت |
| - | (2,149,106) | فروخت لاگت |
| - | 586,492 | مجموعی منافع |
| - | (184,511) | مارکیٹنگ، فروخت اور تنظیم کی لاگت |
| (4,707) | (78,255) | انتظامی اخراجات |
| - | (4,382) | دیگر اخراجات |
| - | 7,009 | دیگر آمدنی |
| (4,707) | (260,140) | |
| (4,707) | 326,352 | آپریشن سے منافع / (نقصان) |
| (1,924) | (199,065) | مالی لاگت |
| (6,631) | 127,287 | ٹیکس سے قبل منافع / (نقصان) |
| - | (34,195) | عمیسیشن |
| (6,631) | 93,092 | مدت کے لئے منافع / (نقصان) |
| (0.56) | 0.35 | فی شیئر آمدنی |

موجودہ سخت معاشی حالات کے مد نظر مالیاتی نتائج کی بناء پر بورڈ آف ڈائریکٹرز نے کمپنی کے شیئرز ہولڈرز کو کسی ادائیگی کی سفارش نہیں کی ہے۔

3.2 کارکردگی کا جائزہ

یہ ویوز ہوم اپلائنسز لمیٹڈ، سابقہ سیمین ٹیکسٹائل لمیٹڈ (WHALE) کمپنی اور ویوز کارپوریشن لمیٹڈ سابقہ ویوز سنگر پاکستان لمیٹڈ (WAVES) کے درمیان سکیم آف آرٹیمینٹ (اسکیم) کے نفاذ کے بعد 31 مارچ 2022 کو ختم ہونے والی مدت کے لیے تیار کیے گئے پہلی سرمایہ کے عبوری غیر نظر ثانی شدہ مالیاتی حسابات ہیں، جس میں WAVES کے گھریلو آلات کے کاروبار کو 31 اگست 2021 سے ڈیمرج کر کے WHALE کے ساتھ اور WHALE میں ضم کر دیا گیا ہے، جس کی منظوری لاہور ہائی کورٹ، لاہور (LHC) عدالت نے دی ہے۔ نتیجتاً کمپنی ہولڈنگ کمپنی ہونے کی حیثیت سے اب WAVES کا ذیلی ادارہ ہے۔

عدالت کی طرف سے اسکیم کی منظوری کے نتیجے میں، کمپنی کا مالی سال 30 جون سے 31 دسمبر تک تبدیل کر دیا گیا۔ یہ تبدیلی مالی سال کو ہولڈنگ کمپنی کے مالی سال کے مطابق لانے کے لیے کی گئی ہے۔ یہ مالی

حسابات 31 مارچ 2022 کو ختم ہونے والی سماہی مدت کے لیے تیار کیے گئے ہیں۔

مالی حسابات میں دکھائے گئے متعلقہ اعداد و شمار 31 مارچ 2021 کو ختم ہونے والی مدت کے مالی حسابات سے متعلق ہیں اور اس وجہ سے، منافع یا نقصان اور دیگر جامع آمدنی، ایکویٹی میں تبدیلیوں کے بیان اور نقد بہاؤ کے حسابات کے حوالے سے مکمل طور پر موازنہ نہیں کیا جاسکتا۔ گھریلو آلات کے کاروبار کے مستحکم نتائج اور تجزیہ کے لیے، براہ کرم ویوز کارپوریشن لمیٹڈ، سابقہ ویوزنگر پاکستان لمیٹڈ، کے عبوری مالیاتی گوشوارے ملاحظہ کریں، جو کمپنی کی ویب سائٹ www.waves.net.pk پر رکھے گئے ہیں۔

کمپنی کراچی، لاہور، گوجرانوالہ، پشاور، ملتان وغیرہ جیسے شہروں میں 15 گوداموں، تقریباً 1,500 + ڈیلرز کا نیٹ ورک، 16 بعد از فروخت سروس سینٹرز کا ملک گیر سیٹ اپ چلا رہی ہے اور 509 سروس ورکشاپس ملک بھر میں پھیلی ہوئی ہیں۔ کمپنی کا سیکز انفراسٹرکچر پاکستان کے اندر کام کرنے والی کسی بھی سرکردہ ہوم ایپلائنس کمپنی کے مقابلے کا ہے۔

کمپنی کی طرف سے اپنے فلیگ شپ برانڈ "ویوز" کے تحت تیار اور فروخت کی جانے والی پروڈکٹ لائن میں ڈیپ فریزرز، وینا کولرز، ریفریجریٹرز، ایئر کنڈیشنرز، واشنگ مشین، مائیکرو ویوز، واٹر ڈسپنسر وغیرہ شامل ہیں۔ یہ اکاؤنٹس اسکیم کے نفاذ کی بنیاد پر تیار کیے گئے ہیں۔

مستقبل کا نقطہ نظر / آگے بڑھنے کے بیانات

ہمارا بنیادی مقصد اعلیٰ معیار اور موثر گھریلو آلات کی مصنوعات فراہم کرنا ہے۔ ہم طویل مدتی اہمیت کے منصوبوں میں منافع اور سرمایہ کاری میں توازن رکھتے ہوئے شیئر ہولڈرز کی قدر کو بڑھانے کے لیے پُر عزم ہیں۔

آگے بڑھتے ہوئے، جیسا کہ کرنٹ اکاؤنٹ خسارہ کم ہو گیا ہے اور جذبات میں بہتری آئی ہے، ہم روپیہ کی قدر کے بڑھنے کی پوری توقع کرتے ہیں۔ اس کیلنڈر سال کے اختتام سے قبل نئی فیکٹری کی تعمیر اور مینوفیکچرنگ آپریشنز کی منتقلی کی منصوبہ بندی ہموار پراگرس میں ہے۔ یہ مواد کی دستیابی کی جاری صورتحال اور ان مہینوں کے دوران پیداوار میں متوقع وقفے کے ساتھ اچھی طرح سے موزوں ہے۔

چونکہ حکومت پاکستان نے اگست 2022 سے آلات کی صنعت کے لیے درآمدی پابندیوں کو نرم کر دیا، درکار مواد / اجزاء کی درآمد کے لیے نئے ایل بیز کھول رہی ہے۔ نئے مواد / اجزاء کی آمد آئندہ چند مہینوں میں متوقع ہے۔ انشاء اللہ آخری سماہی میں نئی فیکٹری کا افتتاح جاری مشکل اوقات کے دوران آپریشنز کے تسلسل کو یقینی بنائے گا۔

کمپنی اپنی پیداوار اور آپریشنز کی فعال نگرانی کر رہی ہے اور موجودہ مشکلات پر قابو پانے کے لئے انڈسٹری پلیٹرز، حکومت اور SBP کے ساتھ کام کر رہی ہے۔

بورڈ کمپنی کے مستقبل کے حوالے سے مثبت اور پُر اعتماد ہے۔ 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 عقلمند اور واضح ٹیم ہے جو ہمیں صارفین تک پہنچنے اور انہیں شہری اور دیہی دونوں علاقوں میں بہترین ممکنہ شرائط پر سروس فراہم کرنے کی اجازت دیتی ہے۔

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 تھکے بغیر 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 سیکورٹیز 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 شکر گزار ہیں کہ انہوں نے ہم پر اعتماد اور بھروسہ کا اظہار کیا ہے۔

منجانب بورڈ:

معظم احمد خان

ڈائریکٹر

ہارون احمد خان

چیف ایگزیکٹو آفیسر

لاہور

WAVES

نام ہی کافی ہے



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