



**WAVES HOME APPLIANCES LIMITED**  
Formerly Samin Textiles Limited

## **Condensed Interim Financial Statements**

For Nine Months Period Ended 30 September 2022

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## 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 LIMITED

### REGISTERED 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

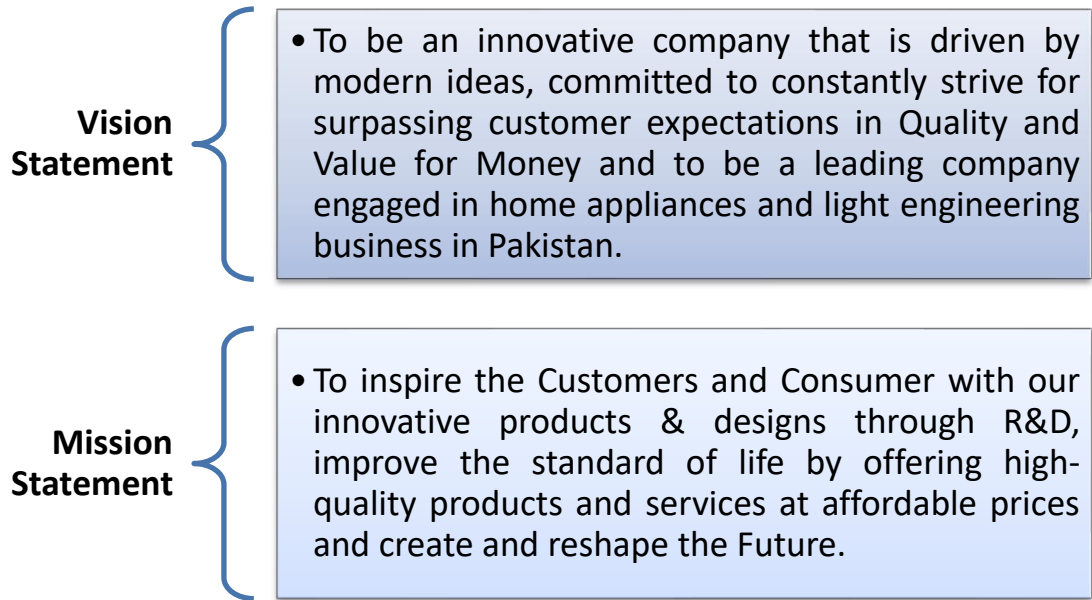
UAN: 042-111-31-32-33, 042-35415421-5, 042-35421502-4

Email: [cs@waves.net.pk](mailto:cs@waves.net.pk),

Website: [www.samintextile.com](http://www.samintextile.com), [www.waves.net.pk](http://www.waves.net.pk)

**2. CORPORATE VALUE STATEMENTS**

**2.1 Vision & Mission**



**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 nine months period ended 30 September 2022 as under:

	<b>For 9 months 30 Sep 2022</b>	<b>For 9months 30 Sep 2021</b>
	<b><u>Rs. in '000</u></b>	<b><u>Rs. in '000</u></b>
Gross Sales – Net of Sales return	8,403,625	33,259
Sales tax and trade discount on invoices	(1,462,301)	-
<b>Sales – Net</b>	<b>6,941,326</b>	<b>33,259</b>
Cost of Sales	(5,451,484)	(31,014)
<b>Gross Profit</b>	<b>1,489,841</b>	<b>2,245</b>
Marketing, selling and distribution costs	(369,229)	-
Administrative expenses	(247,486)	(8,294)
Other expenses	(72,411)	-
Other income	56,259	-
	<b>(632,867)</b>	<b>(8,294)</b>
<b>Profit/(Loss) from Operations</b>	<b>856,973</b>	<b>(6,049)</b>
Finance Costs	(479,673)	(1,924)
<b>Profit/(Loss) before taxation</b>	<b>377,300</b>	<b>(7,973)</b>
Taxation	(66,516)	(442)
<b>Profit/(Loss) for the period</b>	<b>310,784</b>	<b>(8,415)</b>
<b>Earnings Per Share</b>	<b>1.16</b>	<b>(0.03)</b>

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

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These are the interim unaudited financial statements for the nine months period ended 30 September 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. Accordingly, these financial statements are prepared for the nine months period ended 30 September 2022.

The corresponding figures shown in the financial statements pertain to financial statements for the period ended 30 September 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 for the period ended 30 September 2022 of Waves Corporation Limited, formerly Waves Singer Pakistan Limited, which are placed on its website at [www.waves.net.pk](http://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, Visi-Coolers, Refrigerators, Air Conditioners, Water Heaters, etc.

### 3.3 Future Outlook

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

The global economy is suffering from slower growth, high inflation and tight monetary policy. Pakistan's situation remains delicate with political conflict adding increasing pressure on economy. In addition, floods have adversely impacted economic activity, putting pressures on both inflation and balance of payments. Despite these winds, IMF program is providing temporary relief. Due to the economic challenges the country's risk is priced in front of international rating agencies such as Fitch and S&P Global.

Going forward, as the current account deficit is curtailed and sentiment improves, we fully expect the Rupee to appreciate, while the political instability calms down.

The construction of the new factory and its plan for shifting are in smooth progress. The Company is actively monitoring its production and operations and is closely working with the industry players, Government and SBP to alleviate present challenges.

## WAVES HOME APPLIANCES LIMITED

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

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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 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 -

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**Haroon Ahmad Khan**  
Chief Executive Officer  
Lahore

- Sd -

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**Khalid Azim**  
Director



**WHALE Interim Financial Statements**  
**For the Third Quarter Period Ended 30 September 2022**  
**(Unaudited)**

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Waves Home Appliances Limited (formerly, Samin Textiles Limited)

Condensed Interim Statement of Financial Position (Un-audited)

As at 30 September 2022

		(Unaudited) 30 September 2022	(Audited) 31 December 2021			(Unaudited) 30 September 2022	(Audited) 31 December 2021
		----- (Rupees in '000) -----				----- (Rupees in '000) -----	
<b>EQUITY AND LIABILITIES</b>	<i>Note</i>			<b>ASSETS</b>	<i>Note</i>		
<u><i>Share capital and reserves</i></u>				<u><i>Non-current assets</i></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	6	118,791	118,791	Property, plant and equipment	9	5,073,740	3,218,819
Shares to be issued as per scheme of arrangement		2,560,062	2,560,062	Intangible assets and goodwill		2,836,612	2,865,672
Other reserves		3,527,195	3,527,195	Long term Deposits	10	21,613	8,545
Revenue reserve - unappropriated profit		732,379	375,923			<u>7,931,965</u>	6,093,036
Surplus on revaluation of property, plant and equipment - net of tax		323,312	368,984				
		<u>7,261,739</u>	6,950,955				
<u><i>Non-current liabilities</i></u>				<u><i>Current assets</i></u>			
Long term loans - secured		681,536	748,146	Stores, spares and loose tools		52,276	45,723
Amount due to holding company		1,254,034	1,779,177	Stock-in-trade		3,032,137	3,626,538
Lease liabilities				Trade debts		4,548,285	6,359,421
- Assets under right of use - secured		35,759	22,806	Advances, deposits, prepayments and other receivables		188,074	104,629
- Building under right of use - unsecured		33,820	33,487	Cash and bank balances	11	7,649	732
Employee retirement benefits - obligation		15,155	14,020			<u>7,828,420</u>	10,137,043
Deferred tax liability - net		443,144	463,394	Non current assets held for sale		1,470	1,470
Deferred income		8,637	7,639			<u>7,829,890</u>	10,138,513
		<u>2,472,085</u>	3,068,669				
<u><i>Current liabilities</i></u>							
Trade and other payables		1,552,663	1,815,289				
Mark-up accrued on borrowings		250,837	129,808				
Short term borrowings - secured	7	3,617,429	3,913,544				
Provision for tax		87,256	5,971				
Loan from sponsors		117,467	115,300				
Current portion of long term liabilities		402,379	232,013				
		<u>6,028,031</u>	6,211,925				
<b>Contingencies and commitments</b>	8						
		<u>15,761,855</u>	<u>16,231,549</u>			<u>15,761,855</u>	<u>16,231,549</u>

The annexed notes 1 to 17 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 nine months period ended 30 September 2022

	For the nine months period ended		For the three month period ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	----- (Rupees in '000) -----			
Sales - net of sales return	8,403,625	33,259	1,562,358	33,259
Sales tax and trade discount on invoices	(1,462,301)	-	(197,449)	-
Sales - net	6,941,325	33,259	1,364,910	33,259
Cost of sales	(5,451,484)	(31,014)	(1,050,739)	(31,014)
<b>Gross profit</b>	<b>1,489,841</b>	<b>2,245</b>	<b>314,171</b>	<b>2,245</b>
Marketing, selling and distribution costs	(369,229)	-	(94,354)	-
Administrative expenses	(247,486)	(8,294)	(79,187)	(720)
Other expenses	(72,411)	-	(1,278)	-
Other income	56,259	-	18,517	-
	(632,867)	(8,294)	(156,302)	(720)
<b>Profit from operations</b>	<b>856,973</b>	<b>(6,049)</b>	<b>157,869</b>	<b>1,525</b>
Finance cost	(479,673)	(1,924)	(130,242)	-
<b>Profit before taxation</b>	<b>377,300</b>	<b>(7,973)</b>	<b>27,626</b>	<b>1,525</b>
Taxation	(66,516)	(442)	(7,061)	(442)
<b>Profit for the period</b>	<b>310,784</b>	<b>(8,415)</b>	<b>20,565</b>	<b>1,083</b>
Earnings per share - basic and diluted ( <i>Rupees</i> )	<b>1.16</b>	<b>(0.03)</b>	<b>0.08</b>	<b>0.00</b>

The annexed notes 1 to 17 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 nine months period ended 30 September 2022

	<u>For the nine months period ended</u>	
	<u>30 September</u>	<u>30 September</u>
	<u>2022</u>	<u>2021</u>
	----- (Rupees in '000) -----	
<b>Profit for the period</b>	<b>310,784</b>	<b>(8,415)</b>
<b><u>Other comprehensive income for the period</u></b>		
<i>Items that will not be reclassified to profit or loss account:</i>		
	-	-
<b>Total comprehensive income for the period</b>	<b><u>310,784</u></b>	<b><u>(8,415)</u></b>

The annexed notes 1 to 17 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 Changes in Equity

For the nine months period ended 30 September 2022

Issued, subscribed and paid-up capital	Capital Reserves					Revenue Reserve	Total
	Shares to be issued under scheme of arrangement	Capital redemption reserve	Share premium reserve	Merger reserve	Surplus on revaluation of land and building	(Accumulated losses) / Unappropriated profits	
----- (Rupees in '000) -----							
As at 01 July 2020	267,280					(401,652)	(134,372)
<b><u>Total comprehensive income for the year</u></b>							
Profit after taxation	-	-	-	-	-	(18,695)	(18,695)
Sponsors loan during the year	-	-	-	-	-	(18,695)	(18,695)
As at 30 June 2021 - restated	267,280	-	-	-	-	(420,347)	(153,067)
<b><u>Other comprehensive income for the year</u></b>							
Profit for the period	-	-	-	-	-	36,496	36,496
Remeasurement of defined benefit obligation	-	-	-	-	-	1,013	1,013
Surplus on revaluation of property	-	-	-	-	-	-	-
Related deferred tax on surplus arisen	-	-	-	-	-	-	-
	-	-	-	-	-	37,509	37,509
<b><u>Surplus transferred to accumulated profits</u></b>							
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	-
<b><u>Transactions with owners of the Company</u></b>							
Consolidation of shares under scheme of arrangement	(148,489)	148,489					-
Shares to be issued under scheme of arrangement	2,560,062		3,642,002				6,202,064
Transferred from Waves Corporation Limited.					377,745	750,000	1,127,745
Merger reserve under scheme of arrangement				(263,296)			(263,296)
Right shares issued							-
	(148,489)	2,560,062	148,489	3,642,002	(263,296)	377,745	750,000
							7,066,513
Balance as at 31 December 2021	118,791	2,560,062	148,489	3,642,002	(263,296)	368,984	6,950,955
<b><u>Total comprehensive income for the year</u></b>							
Profit after taxation	-	-	-	-	-	310,784	310,784
<b><u>Other comprehensive income for the year</u></b>							
Remeasurement of defined benefit obligation	-	-	-	-	-	-	-
<b><u>Surplus transferred to accumulated profits</u></b>							
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	-	(45,672)	45,672	-
Effect of change in tax rate on account of surplus on property, plant and equipment	-	-	-	-	-	-	-
	-	-	-	-	(45,672)	356,456	310,784
Balance as at 30 September 2022	118,791	2,560,062	148,489	3,642,002	(263,296)	732,379	7,261,739

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 nine months period ended 30 September 2022

	(Un-audited) 30 September 2022	(Un-audited) 30 September 2021
	-----Rupees in '000-----	
<b><u>Cash flows from operating activities</u></b>		
Profit before taxation	377,300	(7,973)
<i>Adjustments for non-cash and other items:</i>		
Depreciation on property, plant and equipment	195,892	
Amortisation of intangible assets	29,060	
Finance cost	479,673	1,924
Gain on sale of property, plant and equipment	(12,113)	-
Amortisation of deferred income	998	
	<u>1,070,810</u>	<u>(6,049)</u>
<i>(Increase) / decrease in current assets:</i>		
Stores, spares and loose tools	(6,553)	
Stock-in-trade	594,401	
Trade debts and other receivables	1,811,136	(15,731)
Advances, deposits, prepayments and other receivables	(83,445)	
<i>Increase in current liabilities:</i>		
Trade and other payables	(262,626)	(3,622)
	<u>2,052,913</u>	<u>(19,353)</u>
<b>Cash used in operations</b>	<u>3,123,723</u>	<u>(25,402)</u>
Income tax paid	(86,767)	1,885
Employee retirement benefits paid	1,135	
Long term deposits - net	(13,068)	
<b>Net cash used in operating activities</b>	<u>3,025,024</u>	<u>(23,517)</u>
<b><u>Cash flow from investing activities</u></b>		
Capital expenditure -net	(2,062,164)	
Proceeds from disposal of property, plant and equipment	23,464	-
<b>Net cash generated from investing activities</b>	<u>(2,038,700)</u>	<u>-</u>
<b><u>Cash flow from financing activities</u></b>		
Long term loans received / (repaid)	103,756	
Provision for tax	81,285	
Finance costs paid	(358,643)	(3,878)
Short term borrowing - net	(364,425)	(100,000)
Loan from sponsors - <i>unsecured</i>	2,167	126,539
Lease rentals paid	13,286	
<b>Net cash generated from financing activities</b>	<u>(1,047,717)</u>	<u>22,661</u>
<b>Net increase in cash and cash equivalents</b>	<u>(61,393)</u>	<u>(856)</u>
<b>Cash and cash equivalents - at beginning of the period</b>	<u>(992,830)</u>	<u>1,149</u>
<b>Cash and cash equivalents - at end of the period</b>	<u>(1,054,223)</u>	<u>293</u>

The annexed notes 1 to 17 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 nine months period ended 30 September 2022

### 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

### 2 Separation / Carving out of Home Appliances Business from Waves Corporation Limited (WCL - formerly Waves Singer Pakistan Limited), a related entity and Amalgamation into WHAL

Samin Textiles Limited renamed as Waves Home Appliances Limited ("the Company-WHAL") completed a Scheme of Arrangement as follows:

- Carving out / separation of home appliances business from WCL by transferring certain assets, liabilities, obligations, contracts and undertakings and amalgamating the same with and into the Company as of the effective date of 01 September 2021 against allotment and issue of WHAL shares to WCL. WCL was a related party of the Company by virtue of common shareholding. Refer to note of these financial statements for details of assets transferred and liabilities assumed.
- The Honourable Lahore High Court (the Court) through its Order dated 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 Holding Company and amalgamation of the same into the subsidiary Company WHAL.
- The Board of Directors of the Company, in their meeting held on 23 December 2021, approved and resolved to present the Scheme of Arrangement before the shareholders of the Company for their approval. After approval by the BOD, the said scheme was submitted to Court for approval. As per requirements, the Company subsequently obtained approval of the Scheme of Arrangement from its shareholders and secured creditors of the Company. Shareholders of the Company also approved the change of name of the Company in accordance with Section 12 of the Companies Act, 2017 from "Samin Textiles Limited (SMTM)" to "Waves Home Appliances Limited (WHAL)". Further, shareholders have also resolved to change the year-end of WHAL from 30 June to 31 December to be aligned with the year-end of the holding company subsequent to amalgamation.
- As envisaged by the scheme of arrangement approved by the Honorable Lahore High Court, the books of accounts of WCL and WHAL shall be updated to record the necessary fair value accounting entries in accordance with the applicable accounting standards and applicable laws.

- As consideration for the transfer of the home appliances business, WHAL shall:
  - issue a total of 256,006,196 shares:
    - Out of above, 199,724,956 shares shall be issued and allotted to WCL.
    - Remaining 56,281,240 shares of the Company shall to be issued and allotted to shareholders of WCL in the swap ratio of 20 shares for every 100 shares held in WCL. The 20 shares of the Company directly issued to the shareholders of WCL are equivalent to presently traded 45 shares of the Company prior to the proposed capital reduction.
  - Rs. 2 billion in cash shall be payable to WCL; no additional compensation shall be applicable against this amount if the said amount is settled by the Company 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 WHAL Shares to the Company and its shareholders, share capital of WHAL will be reduced from every 225 shares to 100 shares i-e total paid up capital from 26,728,000 to 11,879,111 shares.

The Group expects several benefits after this merger 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, a more focussed business and customer base.

At the same time, as a consequence of the arrangement, accounting year-end of WHAL shall change from 30 June to 31 December and WHAL shall become a subsidiary of WCL. Separation of the different undertakings and assets of WCL and merger of the demerged undertaking with and into WHAL will allow the management of each company to focus on the business segment sought to be carried out by the respective company, resulting in better performance of the same.

Details of assets and liabilities demerged along with other disclosures are given in note to these financial statements.

### **3 Basis of preparation**

#### **Statement of compliance**

**3.1** 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.

**3.2** These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at 31 December 2021 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.



**3.3** 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.

#### 4 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.

#### 5 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.

#### 6 Issued, subscribed and paid up capital

	(Un-audited) 30 September 2022	(Audited) 31 December 2021	(Un-audited) 30 September 2022	(Audited) 31 December 2021
	- - - Number of shares - - -		- - - Rupees in '000 - - -	
Issued for cash	11,879,111	11,879,111	118,791	118,791
To be 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>

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

	(Un-audited) 30 September 2022	(Audited) 31 December 2021	(Un-audited) 30 September 2022	(Audited) 31 December 2021
- 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>

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

	(Un-audited) 30 September 2022	(Audited) 31 December 2021
	(Rupees in '000)	
<b>7 Short term borrowings</b>		
<i>From banking companies - secured:</i>		
Running finance under mark-up arrangements	1,061,872	993,562
Finance against trust receipt	2,208,616	2,568,459
Short term borrowings under 'Murahaba' arrangement	346,941	351,523
	<u>3,617,429</u>	<u>3,913,544</u>

**7.1** 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 one month KIBOR + 2% per annum payable monthly in arrears and KIBOR + 2.5% per annum.

## 8 Contingencies and commitments

### 8.1 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.

### 8.2 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. 27.40 million (31 December 2021: Rs. 928.65 million).
- (ii) Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were Rs. 32.50 million (31 December 2021: Rs. 13.50 million).

		(Un-audited) 30 September 2022	(Audited) 31 December 2021
	<i>Note</i>	(Rupees in '000)	
<b>9 Property, plant and equipment</b>			
Operating fixed assets	9.1	3,692,901	2,797,121
Right of use asset	9.2	149,358	156,115
Capital work-in-progress	9.3	1,231,481	265,582
		<u>5,073,740</u>	<u>3,218,818</u>
<b>9.1 Operating fixed assets</b>			
Opening balance - as at 01 January		2,797,121	-
Transferred from Waves Corporation Limited.			2,848,210
Additions / (deletion) during the period / year		1,063,739	19,675
Revaluation gain / (loss)		-	-
Transfers to investment property		-	-
Transfer to investment property		-	-
Transfers from right to use to owned assets		2,982	-
		<u>3,863,842</u>	<u>2,867,885</u>
Book value of property, plant and equipment disposed off during the period / year		(9,366)	(10,162)
Depreciation charged during the period / year		(161,575)	(60,602)
<b>Closing balance</b>		<u>3,692,901</u>	<u>2,797,121</u>
<b>9.2 Right of-use asset</b>			
Balance as at 01 January		156,115	-
Transferred from Waves Corporation Limited.			177,903
Additions / (deletion) during the period / year		30,542	-
Revaluation gain / (loss)		-	-
Transfers to owned assets		(2,982)	-
Disposed off during the period / year		-	-
Depreciation charge for the period / year		(34,317)	(21,788)
<b>Closing balance</b>		<u>149,358</u>	<u>156,115</u>
<b>9.3 Capital work-in-progress</b>			
Balance as at 01 January		265,582	-
Transferred from Waves Corporation Limited.			202,307
Additions / (deletion) during the period / year		965,899	63,275
Transfers to owned assets		-	-
<b>Closing balance</b>		<u>1,231,481</u>	<u>265,582</u>

Breakup of capital work in progress:

Building	1,094,947	168,536
Plant and machinery	135,220	95,838
Electric installation	1,315	1,208
	<u>1,231,481</u>	<u>265,582</u>

(Un-audited)	(Audited)
30 September	31 December
2022	2021

#### 10 Intangible assets and goodwill

(Rupees in '000)

Software	22,823	28,837
Brand value	1,582,147	1,582,147
Customer relationships	161,435	184,481
Goodwill	1,070,207	1,070,207
	<u>2,836,612</u>	<u>2,865,672</u>

#### 11 Cash and cash equivalents

Cash and bank balances	7,649	732
Short term running finance - secured	(1,061,872)	(993,562)
	<u>(1,054,223)</u>	<u>(992,830)</u>

(Un-audited)	(Un-audited)
30 September	30 September
2022	2021

(Rupees in '000)

#### 12 Sales - net

Gross sales:

- Local	8,452,874	33,259
Sales return	(49,249)	-
	<u>8,403,625</u>	<u>33,259</u>

Sales tax	(1,220,518)	-
Trade discounts	(241,783)	-
	<u>(1,462,301)</u>	<u>-</u>
	<u>6,941,324</u>	<u>33,259</u>

#### 13 Taxation

The Company has opted for group taxation and the Group falls under the normal tax regime. Provision for taxation has been calculated as group taxation.

#### 14 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:

<b>Name of the Company</b>	<b>Relationship</b>	<b>Nature of transactions</b>	<b>(Un-audited) 30 September 2022</b>	<b>(Un-audited) 30 September 2021</b>
Electronics Marketing Company (Pvt) Ltd.	Associated undertaking	Sale of inventory - gross	<b>173,066</b>	-
Employee's Provident Fund	Post employee contribution plan	Contribution for the period	<b>23,869</b>	-
Directors	Director	Fee for meetings	<b>1,300</b>	-
Key management personnel	Remuneration	Remuneration	<b>93,903</b>	-

## 15 Financial risk management and fair value of financial instruments

**15.1** 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.

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

		30 September 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 -----					
<b>Financial instruments</b>							
<b><u>Financial assets - not measured at fair value</u></b>							
		21,613	-	21,613	-	-	-
		4,548,285	-	4,548,284	-	-	-
		188,074	-	188,073	-	-	-
		7,649	-	7,648	-	-	-
15.3		<b>4,765,621</b>	<b>-</b>	<b>4,765,618</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Financial liabilities - not measured at fair value</u></b>							
		-	1,083,915	1,083,915	-	-	-
		-	1,552,663	1,552,663	-	-	-
		-	15,155	15,155	-	-	-
		-	3,617,429	3,617,429	-	-	-
		-	250,837	250,837	-	-	-
15.3		<b>-</b>	<b>6,520,000</b>	<b>6,520,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

		31 December 2021				
		Fair value				
	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
<i>Note</i>	----- Rupees in '000 -----					
<b>Financial instruments</b>						
<b><u>31 December 2021</u></b>						
<b><u>Financial assets - not measured at fair value</u></b>						
Security deposits	8,545	-	8,545	-	-	-
Trade debts	6,359,421	-	6,359,421	-	-	-
Other receivables	104,629	-	104,629	-	-	-
Bank balances	732	-	732	-	-	-
<i>15.3</i>	<u>6,473,327</u>	<u>-</u>	<u>6,473,327</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Financial liabilities - not measured at fair value</u></b>						
Long term loans - secured	-	980,159	980,159	-	-	-
Trade and other payables	-	1,815,289	1,815,289	-	-	-
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	-	-	-
<i>15.3</i>	<u>-</u>	<u>6,852,820</u>	<u>6,852,820</u>	<u>-</u>	<u>-</u>	<u>-</u>

**15.3** 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 August 2021

*Investment property*

Date of valuation

31 August 2021

**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.

## **16 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 29 October 2022.

## **17 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**

## 1. ڈائریکٹرز کی رپورٹ

### 1.1 آپریٹنگ نتائج

ویوز ہوم اپلائنسز لمیٹڈ (WHALE یا کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 ستمبر 2022ء کو اختتام پذیر نو ماہی کے لئے منجمد عبوری مالیاتی اسٹیٹمنٹس (غیر پرتال شدہ) پر ڈائریکٹرز کی جائزہ رپورٹ حسب ذیل پیش کرتے ہیں:

کمپنی کے انفرادی نتائج حسب ذیل ہیں:

برائے نو ماہی مختتمہ 30 ستمبر 2021ء	برائے نو ماہی مختتمہ 30 ستمبر 2022ء	
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000'روپوں میں

جاری آپریشنز

33,259	8,403,625	کل سیلز - خالص سیلز ریٹرن
-	(1,462,301)	سیلز ٹیکس اور انوائسز پر ٹریڈ سکاؤنٹ
<b>33,259</b>	<b>6,941,326</b>	سیلز - خالص
(31,014)	(5,451,484)	سیلز پر لاگت
<b>2,245</b>	<b>1,489,841</b>	کل منافع
-	(369,229)	مارکیٹنگ، فروخت و تقسیمی اخراجات
(8,294)	(247,486)	انتظامی اخراجات
-	(72,411)	دیگر اخراجات
-	56,259	دیگر آمدنی
<b>(8,294)</b>	<b>(632,867)</b>	
<b>(6,049)</b>	<b>856,973</b>	آپریشنز سے نفع / (نقصان)
(1,924)	(479,673)	قرضوں پر لاگت
<b>(7,973)</b>	<b>377,300</b>	نفع / (نقصان) بمعہ ٹیکسیشن
<b>(442)</b>	(66,516)	ٹیکسیشن
<b>(8,415)</b>	<b>310,784</b>	نفع / (نقصان) برائے مذکورہ مدت
(0.03)	1.16	فی حصص آمدنی



مشکل ترین حالیہ معاشی حالات کے باعث مالیاتی نتائج کی بنیاد پر بورڈ آف ڈائریکٹرز نے کمپنی کے شیئر ہولڈرز کے لئے کوئی منافع منقسمہ تجویز نہیں کیا ہے۔

## 1.2 کارکردگی کا جائزہ

ویوز ہوم اپلائنسز لمیٹڈ سابقہ نام نین ٹیکسٹائلز لمیٹڈ (WHALE یا کمپنی) اور ویوز کارپوریشن لمیٹڈ سابقہ نام ویوز سنگر پاکستان لمیٹڈ (WAVES) کے مابین انتظامات کی سکیم کے نفاذ کے بعد 30 ستمبر 2022ء کو اختتام پذیر نو ماہی کے لئے یہ عبوری غیر پڑتال شدہ مالیاتی اسٹیٹمنٹس ہیں۔ جہاں WAVES کے ہوم اپلائنسز امور کو فاضل لاہور ہائی کورٹ، لاہور (LHC یا عدالت) کی منظوری کے بعد 31 اگست اکتوبر 2021ء کو WHALE میں ضم کیا گیا ہے۔ نتیجتاً، کمپنی بطور ہولڈنگ کمپنی اب ویوز کی ذیلی کمپنی ہے۔

عدالت کی جانب سے سکیم کی منظوری کے نتیجے میں کمپنی کے مالیاتی سال کا اختتام 30 جون سے 31 دسمبر میں ہوگا۔ یہ تبدیلی ہولڈنگ کمپنی کے مالیاتی سال کو کمپنی کے مالیاتی سال سے مطابقت قائم کرنے کے لئے لائی گئی ہے۔ اسی طرح سے یہ مالیاتی اسٹیٹمنٹس 30 ستمبر 2022ء کو اختتام پذیر نو ماہی کے لئے تیار کی گئی ہیں۔

مالیاتی اسٹیٹمنٹس میں درج متعلقہ اعداد 30 ستمبر 2021ء کو اختتام پذیر نو ماہی کے لئے ہیں۔ لہذا نفع و نقصان، دیگر جامع آمدنی، ایکویٹی میں تبدیلی کے بیانات اور کیش فلو کی اسٹیٹمنٹس کی بابت مکمل طور پر قابل موازنہ نہیں۔ ہوم اپلائنسز کاروبار کے مجموعی نتائج اور جائزہ کے لئے براہ کرم 30 ستمبر 2022ء کو اختتام پذیر نو ماہی کے لئے ویوز کارپوریشن لمیٹڈ سابقہ نام ویوز سنگر پاکستان لمیٹڈ کی عبوری مالیاتی اسٹیٹمنٹس ملاحظہ کریں جو اس کی ویب سائٹ [www.waves.net.pk](http://www.waves.net.pk) پر شائع کی گئی ہیں۔

کمپنی کراچی، لاہور، گوجرانوالہ، پشاور، ملتان وغیرہ جیسے شہروں میں ملکی سطح پر قائم 15 ویئر ہاؤس چلارہی ہے جو 1,500 سے زائد ڈیلرز، تقریباً 16 بعد از فروخت سروس مراکز اور 509 سروس ورک شاپس پر مشتمل ملک بھر میں پھیلا ہوا ایک وسیع نیٹ ورک ہے۔ کمپنی کے سیلز انفراسٹرکچر کا پاکستان میں قائم دیگر معروف ہوم اپلائنس کمپنی کے ساتھ موازنہ کیا جاسکتا ہے۔ اپنی فلیگ شپ برانڈ ”ویوز“ کے تحت کمپنی اپنی مصنوعات بشمول ڈیپ فریزر، ایئر کولرز، ریفریجریٹرز، ایئر کنڈیشنرز، واٹر ہیٹر وغیرہ کو تیار اور فروخت کر رہی ہے۔

### 1.3 مستقبل کا منظر نامہ

ہمارا بنیادی مقصد اپنے معزز صارفین کو معیاری اور موثر ہوم اپلائنسز مصنوعات کی فراہمی ہے۔ ہم طویل مدتی پروڈیکٹس میں نفع اور سرمایہ داری میں توازن قائم کر کے اپنے شیئر ہولڈرز کے منافع میں اضافہ کے لئے پرعزم ہیں۔

عالمی سطح پر معیشت سست روی، افراط زر کی بلند شرح اور معاشی جمود جیسے مسائل کی شکار ہے۔ سیاسی تناؤ کے باعث پاکستان کی حالت بہت نازک ہے جس کی وجہ سے معیشت پر دباؤ بڑھ رہا ہے۔ مزید برآں، سیلاب نے معاشی سرگرمیوں کو شدید متاثر کیا ہے جس کے باعث افراط زر اور ادائیگیوں کے توازن پر دباؤ بڑھ گیا ہے۔ ان بحرانوں کے باوجود آئی ایم ایف پروگرام عارضی عارضی ریلیف فراہم کر رہا ہے۔ معاشی مشکلات کے باعث بین الاقوامی ریٹنگ ایجنسیوں یعنی فچ اور ایس اینڈ پی گلوبل کے مطابق ملک خطرات سے دوچار ہے۔

آگے بڑھتے ہوئے، چونکہ کرنٹ اکاؤنٹ خسارے پر قابو پایا گیا ہے اور اعتماد میں بہتری آئی ہے لہذا ہم امید رکھتے ہیں کہ سیاسی عدم استحکام میں کمی کے باعث روپے کی قدر بہتر ہوگی۔

نئی فیکٹری کی تعمیر اور منتقلی کا منصوبہ روانی سے آگے بڑھ رہا ہے۔ کمپنی اپنی پیداوار اور کاروباری امور پر مسلسل نگرانی کر رہی ہے اور ان چیلنجز سے نبرد آزما ہونے کے لئے انڈسٹری پلیٹفم، حکومت اور SBP کے ساتھ مل کر کام کر رہی ہے۔

بورڈ کمپنی کے روشن مستقبل کے لئے پرامید ہے۔ ہمارے پاس متنوع اور منفرد انتظامی ٹیم، عملہ اور افرادی قوت، برانڈ نامہ، معیار مصنوعات اور ملکی ڈسٹری بیوشن ٹیم اور بعد از فروخت سروس نیٹ موجود ہے جس کی مدد سے ہم صارفین تک پہنچتے ہیں اور دیہی و شہری علاقوں میں انہیں اپنی خدمات بہم پہنچا رہے ہیں۔

### 1.4 اظہار تشکر

ہم اپنے تمام اسٹیک ہولڈرز بشمول معزز صارفین، سپلائرز، کاروباری شراکت داروں، بینکوں، مالیاتی اداروں اور ریگولیٹرز کا شکریہ ادا کرنا چاہتے ہیں جنہیں ہمارے اوپر اعتماد کا اظہار کیا ہے۔ کمپنی کی کامیابیاں اور حالیہ مقام ہماری انتظامی ٹیم اور دیگر ملازمین کے عزم، انتھک محنت، مربوط سپورٹ اور کاوشوں کی مرہون منت ہے جو خراج تحسین کے مستحق ہیں۔ ہم پرامید ہیں کہ ٹیم اپنی صلاحیتوں میں مسلسل اضافہ کرے گی اور تمام اسٹیک ہولڈرز کی توقعات پر پورا اترے گی۔

-Sd-

خالد عظیم

ڈائریکٹر

-Sd-

ہارون احمد خان

چیف ایگزیکٹو آفیسر

لاہور

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