

Waves Singer Pakistan Limited



Half Yearly Report



For the Six Months Ended 30 June, 2021

Corporate Information

BOARD OF DIRECTORS

1. Mr. Muhammad Adnan Afaq	Chairman/Independent Director
2. Mr. Shoaib Dastgir	Independent Director
3. Mr. Muhammad Zafar Hussain	Independent Director
4. Mrs. Nighat Haroon Khan	Non-Executive Director
5. Mr. Moazzam Ahmad Khan	Non-Executive Director
6. Mr. Nadeem Mehmood Butt	Executive Director
7. Mr. Haroon Ahmad Khan	Chief Executive Officer

AUDIT COMMITTEE

1. Mr. Muhammad Zafar Hussain	Chairman/Independent Director
2. Mr. Moazzam Ahmad Khan	Member/Non-Executive Director
3. Mrs. Nighat Haroon Khan	Member/Non-Executive Director
4. Mr. Wasif Ali Rana	Secretary of Audit Committee

HR & REMUNERATION COMMITTEE

1. Mr. Shoaib Dastgir	Chairman/Independent Director
2. Mr. Muhammad Zafar Hussain	Member/ Independent Director
3. Mr. Moazzam Ahmad Khan	Member/Non-Executive Director
4. Mr. Nadeem Mehmood Butt	Member/Executive Director
5. Mr. Haroon Ahmad Khan	Member/ Executive Director
6. Mr. Wasif Ali Rana	Secretary of HR & R Committee

CHIEF FINANCIAL OFFICER

Mr. Arslan Shahid Butt

COMPANY SECRETARY

Mr. Wasif Ali Rana

HEAD OF INTERNAL AUDITOR

Mr. Usman Khalid

LEGAL ADVISOR

Law Wings Advocates & Solicitors

EXTERNAL AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

SHARE REGISTRAR

Corplink (Private) Limited

RESISTERED OFFICE/PLANT

Factory Premises 9-KM Multan Road, Lahore
PH. No. 042-35415421-5, 35421502-4
UAN: 042-111-21-32-33
www.wavessinger.com

COMPANY REGISTRATION NO.

CUIN 0001286

Bankers:

Al Baraka Bank (Pakistan) Ltd.
Allied Bank Ltd.
Askari Bank Ltd.
Bank Al Falah Ltd.
The Bank of Khyber Ltd.
Dubai Islamic Bank Pakistan Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Pak Oman Investment Company
Habib Metropolitan Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
National Bank of Pakistan Ltd.
Pak Brunei Investment Company Ltd.
Sindh Bank Ltd.
Pak Libya Holding Company
The Bank of Punjab Ltd.
Silk Bank Ltd.
SAMBAA Bank Ltd.

Contact Information:

Registered Office: 042-35415421-5, 042-35421502-4
Web Site: <http://www.wavessinger.com/>

WAVES SINGER PAKISTAN LIMITED**DIRECTOR'S REPORT TO THE SHAREHOLDERS ON CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2021**

The Board of Directors of Waves Singer Pakistan Limited (the "Company" or "Waves") are pleased to submit to its shareholders, six monthly report along with the condensed interim un-audited financial statements of the Company for the half year ended June 30, 2021.

We are pleased to report that the core manufacturing operations of the Company showed improved performance. Despite the ongoing COVID-19 pandemic, the company registered Gross Sales of Rs. 7,063 Million, registering an increase of 48% as compared to Rs. 4,778 Million in the corresponding period of last year. Company's agility kept it true to its mission to improve quality of life for a diverse customer base in this era of "new normal", meeting existing and emerging needs through multi-product, multi-service portfolio. Your Company leveraged e-commerce platforms that complemented the dealer sale as well as retail outlet concept.

Improvement in the overall demand coupled with the peak season, higher revenues, margin optimization and emphasis on operational performance played an instrumental role in driving growth during the period under review.

Key Financial Indicators:

Summary of operating results	PKR Million		Percentage Change (%)
	6M 2021	6M 2020	
Gross Revenue	7,063	4,778	48%
Gross Profit	1,349	1,008	34%
Operating Profit	577	529	9%
Financial Cost (Net of Earned Carrying Charges)	(170)	(409)	(-58%)
Profit Before Tax	407	119	242%
Profit After Tax	318	52	512%
Earnings Per Share – Rupees	1.51	0.28	439%

During the period under review, your company achieved Gross Sales of Rs. 7,063 Million, registering an increase of 48% as compared to Rs. 4,778 Million in the corresponding period of last year.

Gross profit achieved in Six (06) months of 2021 amounted to Rs. 1,349 Million as compared to Rs. 1,008 Million for 6M 2020 resulting in an increase of 34%.

Profit before tax for Six (06) months of 2021 is Rs. 407 Million as compared to Rs. 119 Million for the corresponding period of 2020 representing an increase of 242%.

Profit after tax stands at Rs. 318 Million as compared to Rs. 52 Million for the corresponding period of 2020 representing an increase of 512%.

The Company recorded EPS of Rs. 1.51 as compared to Rs. 0.28 for the corresponding period of previous year.

Future Outlook:

The trajectory of COVID-19 remains uncertain, particularly given the recent resurgence of infections and emergence of new variants. Despite this uncertainty, we are confident that the Company would continue its efforts to improve shareholders' value by increasing and diversifying revenue and expanding customer base, as well as by investing in new technology and improving production efficiencies.

On the domestic front, significant market recovery was witnessed during the period under review. Pakistan's economy is now on course towards strong and sustained recovery. The successful development of COVID vaccines and their subsequent roll-out programmes has provided hope for global economic recovery. Pent up demand from the lockdown period led to a surge in economic activity across the value chain.

Waves is also planning to move to a new purpose-built larger factory for which land has already been purchased and construction is already underway. First phase of construction & relocation is expected to be completed by 1st Quarter 2022. This has been funded via Right Issue of Rs. 1,407 Million which has already been completed.

An international firm was hired to figure out the best use for the current premises and they have recommended to develop a real estate apartment project keeping in mind the prime location and the government's support for construction activity. Masters Plans for the same have been developed from 2 leading architectural firms. Accordingly, Lead Architect, Structure Consultant and MEP Consultant have also been hired to fast-track the project.

Going forward, the business will continue to focus on attaining operational excellence, embracing innovation, and creating value for customers. Stabilization of consumer demand post lockdown and minimization of uncertainty in the market will also provide a boost to the overall business performance in the coming months. The business continues to focus on reducing the manufacturing cost base, developing, and improving products with improved margins. These steps are targeted to help the business enhance its future operating portability.

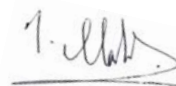
Acknowledgement:

We take this opportunity to thank all our stakeholders for their patronage and look forward to their continued support.

On behalf of the Board



Haroon Ahmad Khan
Chief Executive Officer



Nadeem Mehmood Butt
Director

Lahore: 24th August 2021

ویوز سنگر پاکستان لمیٹڈ،

30 جون 2021 کو ختم ہونے والے نصف سال کے لئے کثیف عبوری غیر مستحکم مالی گوشواروں کے بارے میں شیئر ہولڈرز کے لئے ڈائریکٹر کی رپورٹ۔

بورڈ آف ڈائریکٹرز آف ویوز سنگر پاکستان لمیٹڈ ("کمپنی" یا "ویوز") اپنے شیئر ہولڈرز کو 30 جون 2021 کو ختم ہونے والے نصف سال کے لئے کمپنی کے کنڈینسڈ عبوری غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ چھ ماہانہ کی رپورٹ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

ہمیں یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ کمپنی کے بنیادی مینوفیکچرنگ آپریشنز نے بہتر کارکردگی کا مظاہرہ کیا۔ کوویڈ 19 وبا جاری رہنے کے باوجود کمپنی نے مجموعی فروخت 7,063 ملین روپے درج کی جو گزشتہ سال کی اسی مدت میں 4778 ملین روپے تھی جو اس کے مقابلے میں 48 فیصد زیادہ ریکارڈ کی گئی۔ کمپنی کی چستی کی وجہ اس "نئے معمول" کے اس دور میں متنوع کسٹمر بیس جن کے معیار زندگی کو بہتر بنانے کے کمپنی اپنے مشن پر پورا اتری، ملٹی پروڈکٹ، ملٹی سروس پورٹ فولیو کے ذریعے موجودہ اور ابھرتی ہوئی ضروریات کو پورا کیا۔ آپ کی کمپنی نے ای کامرس پلیٹ فارمز کا فائدہ اٹھایا جو ڈیلر کی فروخت کے ساتھ ساتھ خوردہ آؤٹ لیٹ کے تصور کی تکمیل کرتے تھے۔

مجموعی طلب میں بہتری کے ساتھ ساتھ چوٹی کے موسم، زیادہ آمدنی، مارجن آپٹیمائزیشن اور آپریشنل کارکردگی پر زور نے زیر جائزہ مدت کے دوران ترقی کو آگے بڑھانے میں اہم کردار ادا کیا۔

کلیدی مالیاتی اشارئے

(پاکستانی روپیہ ملین میں)	پاکستانی روپیہ ملین میں		
	پہلی ششماہی 2021	پہلی ششماہی 2020	فی صد (%)
مجموعی ریونیو	7,063	4,778	48%
مجموعی منافع	1,349	1,008	34%
اپریٹنگ منافع	577	529	9%
مالیاتی لاگت (کمائے گئے کیری انگ چارجز کو منہا کرنے کے بعد)	(170)	(409)	-58%
منافع قبل از ٹیکس	407	119	242%
منافع بعد از ٹیکس	318	52	512%
فی حصص آمدنی - روپیہ میں	1.51	0.28	439%

زیر نظر مدت کے دوران آپ کی کمپنی نے مجموعی فروخت 7,063 ملین روپے حاصل کی جو گزشتہ سال کی اسی مدت کے 4778 ملین روپے کے مقابلے میں 48 فیصد زیادہ ریکارڈ کی گئی۔

2021 کے ابتدائی چھ (06) ماہ میں حاصل ہونے والا مجموعی منافع 1349 ملین روپے رہا جبکہ 2020 کے ان چھ ماہ کے لئے 1008 ملین روپے کا منافع حاصل کیا گیا تھا، جس کے نتیجے میں 34 فیصد اضافہ ہوا۔

2021 کے ابتدائی چھ (06) ماہ کے لئے قبل از ٹیکس 407 ملین روپے رہا جبکہ 2020 کی اسی مدت کے لئے 119 ملین روپے رہے جو 242 فیصد اضافے کی نمائندگی کرتا ہے۔

بعد از ٹیکس منافع 318 ملین روپے رہا جبکہ 2020 کی اسی مدت کے دوران یہ منافع 52 ملین روپے تھا جو 512 فیصد اضافے کی نمائندگی کرتا ہے۔

کمپنی نے گزشتہ سال کی اسی مدت کے دوران 0.28 روپے کے مقابلے میں 1.51 روپے کی ای پی ایس ریکارڈ کی۔

مستقبل کا نقطہ نظر

خاص طور پر انفیکشن کے حالیہ احیاء اور نئی اقسام کے ابھرنے کے پیش نظر کوویڈ-19 کا راستہ غیر یقینی ہے۔ اس غیر یقینی صورتحال کے باوجود ہمیں یقین ہے کہ کمپنی آمدنی میں اضافہ اور تنوع اور کسٹمر بیس کو وسعت دینے کے ساتھ ساتھ نئی ٹیکنالوجی میں سرمایہ کاری اور پیداواری کارکردگی کو بہتر بنا کر شیئر ہولڈرز کی قدر کو بہتر بنانے کی کوششیں جاری رکھے گی۔

گھریلو محاذ پر زیر جائزہ مدت کے دوران نمایا مارکیٹ ریکوری دیکھی گئی۔ پاکستان کی معیشت اب مضبوط اور مستقل بحالی کی طرف گامزن ہے۔ کوویڈ ویکسین کی کامیاب ترقی اور اس کے بعد ان کے رول آؤٹ پروگراموں نے عالمی اقتصادی بحالی کی امید فراہم کی ہے۔ لاک ڈاؤن کے دور دی ہوئی مانگ کی وجہ سے ویلیو چین میں معاشی سرگرمی میں اضافہ ہوا۔ آگے بڑھتے ہوئے یہ کاروبار آپریشنل فضیلت کے حصول، اختراع کو اپنانے اور صارفین کے لئے قدر پیدا کرنے پر توجہ مرکوز کرتا رہے گا۔ لاک ڈاؤن کے بعد صارفین کی مانگ میں استحکام اور مارکیٹ میں غیر یقینی صورتحال کو کم کرنے سے آنے والے مہینوں میں مجموعی کاروباری کارکردگی کو بھی فروغ ملے گا۔ کاروبار مینوفیکچرنگ لاگت کی بنیاد کو کم کرنے، بہتر مارجن کے ساتھ مصنوعات کی ترقی اور بہتری پر توجہ مرکوز کر رہا ہے۔ ان اقدامات کا مقصد کاروبار کو اس کی مستقبل کی آپریننگ پورٹیلٹی کو بڑھانے میں مدد کرنا ہے۔

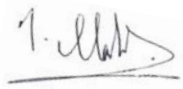
ویوز ایک نئے مقصد سے تعمیر کردہ بڑی فیکٹری میں منتقل ہونے کا بھی منصوبہ بنا رہی ہیں جس کے لئے زمین پہلے ہی خریدی جا چکی ہے اور اس کی تعمیر پہلے ہی جاری ہے۔ توقع ہے کہ تعمیر کا پہلا مرحلہ اور منتقلی پہلی سہ ماہی 2022 تک مکمل ہوجائے گی۔ یہ 1,407 ملین روپے کے رائٹ ایشو کے ذریعے کیا گیا ہے جو پہلے ہی مکمل ہو چکا ہے۔

موجودہ احاطے کے لئے بہترین استعمال کا پتہ لگانے کے لئے ایک بین الاقوامی فرم کی خدمات حاصل کی گئیں اور انہوں نے اہم مقام اور تعمیراتی سرگرمی کے لئے حکومت کی حمایت کو مدنظر رکھتے ہوئے ایک رئیل اسٹیٹ اپارٹمنٹ پروجیکٹ تیار کرنے کی سفارش کی ہے۔ اس کے لئے ماسٹرز منصوبے 2 معروف تعمیراتی فرموں سے تیار کیے گئے ہیں۔ اسی مناسبت سے اس منصوبے کو تیز رفتار بنانے کے لیے لیڈ آرکیٹیکٹ، سٹرکچر کنسلٹنٹ اور ایم ای پی کنسلٹنٹ کی خدمات بھی حاصل کی گئی ہیں۔

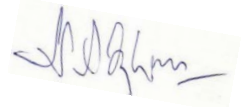
اعتراف:

ہم اس موقع پر اپنے تمام اسٹیک ہولڈرز کی سرپرستی پر ان کا شکریہ ادا کرتے ہیں اور ان کی مسلسل حمایت کے منتظر ہیں۔

بورڈ کی وساطت سے



ندیم محمود بٹ
ڈائریکٹر



بارون احمد خان
چیف ایگزیکٹو آفیسر
لاہور: 24 اگست 2021

Waves Singer Pakistan Limited

Condensed Interim Consolidated Financial Statements

For the Six Months Ended 30 June, 2021

Waves Singer Pakistan Limited

Condensed Interim Consolidated Statement of Financial Position (Un-audited)

As at 30 June 2021

		(Unaudited) 30 June 2021	(Audited) 31 December 2020
EQUITY AND LIABILITIES		(Rupees in '000)	
<u>Share capital and reserves</u>			
Authorised capital 300,000,000 (2020: 300,000,000) ordinary shares of Rs. 10 each		3,000,000	3,000,000
Issued, subscribed and paid up capital	5	2,814,062	1,876,041
Share premium reserve		5,028,984	4,581,063
Capital reserve		5,000	5,000
Revenue reserve - unappropriated profit		1,991,108	1,660,149
Surplus on revaluation of property, plant and equipment - net of tax		325,703	338,171
		10,164,857	8,460,424
<u>Non-current liabilities</u>			
Long term loans - secured	6	1,554,709	2,006,474
Lease liabilities			
-Building under right of use - unsecured		193,724	201,930
-Other assets under right of use - secured		62,795	63,804
Employee retirement benefits		35,991	38,610
Deferred income		20,447	20,872
Deferred tax liability - net		251,811	296,874
		2,119,477	2,628,564
<u>Current liabilities</u>			
Trade and other payables		2,099,167	1,685,402
Mark-up accrued on borrowings		172,162	178,416
Short term borrowings - secured	7	4,032,353	3,954,952
Loan from sponsors - unsecured	8	-	380,500
Unpaid dividend		1,231	1,276
Current portion of long term liabilities		861,204	577,894
		7,166,117	6,778,440
Contingencies and commitments	9		
		19,450,451	17,867,428

		(Unaudited) 30 June 2021	(Audited) 31 December 2020
ASSETS		(Rupees in '000)	
<u>Non-current assets</u>			
Property, plant and equipment	10	5,991,709	5,571,260
Intangible assets and goodwill	11	2,905,931	2,917,290
Trade debts		41,338	39,813
Long term deposits		20,614	20,854
		8,959,592	8,549,217
<u>Current assets</u>			
Stores, spares and loose tools		60,180	33,763
Stock-in-trade		3,598,897	2,963,045
Trade debts			
- Retail		1,395,600	1,163,221
-Whole Sales		4,879,289	4,721,495
Advances, deposits, prepayments and other receivables		109,436	105,841
Taxation - net	13	153,061	187,643
Cash and bank balances	14	294,396	143,203
		10,490,859	9,318,211
		19,450,451	17,867,428

The annexed notes 1 to 18 form an integral part of these condensed interim consolidated financial statements.

Lahore



Nadeem Mehmood Butt
Director



Haroon Ahmad Khan
Chief Executive Officer



Arslan Shahid Butt
Chief Financial Officer

Waves Singer Pakistan Limited


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

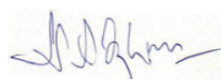
For the three and six month period ended 30 June 2021

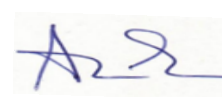
	Note	For the six month period ended		For the three month period ended	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Sales - net of sales return		7,062,618	4,778,039	3,971,714	2,274,911
Sales tax and trade discount on invoices		(1,235,816)	(884,124)	(785,368)	(491,826)
Sales - net	12	5,826,802	3,893,914	3,186,346	1,783,084
Cost of sales		(4,477,420)	(2,885,543)	(2,421,208)	(1,297,921)
Gross profit / (loss)		1,349,382	1,008,371	765,138	485,163
Marketing, selling and distribution costs		(520,325)	(411,499)	(282,334)	(194,909)
Administrative expenses		(252,483)	(213,804)	(128,732)	(97,135)
Other expenses		(38,288)	(9,799)	(20,442)	(8,841)
Other income		38,901	155,765	24,381	75,644
Profit from operations		577,187	529,034	358,011	259,922
Earned carrying charges		180,759	107,650	99,091	53,329
Finance cost		(350,648)	(517,608)	(188,805)	(203,066)
Profit before taxation		(169,888)	(409,958)	(89,715)	(149,737)
Taxation	13	407,298	119,076	268,296	110,185
Profit for the period		318,491	51,795	214,875	45,283
		<i>Restated</i>		<i>Restated</i>	
Earnings per share - basic and diluted (<i>Rupees</i>)		1.51	0.28	1.00	0.22

The annexed notes 1 to 18 form an integral part of these condensed interim consolidated financial statements.

Lahore


Nadeem Mehmood Butt
Director


Haroon Ahmad Khan
Chief Executive Officer


Arslan Shahid Butt
Chief Financial Officer

Waves Singer Pakistan Limited

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the three and six month period ended 30 June 2021

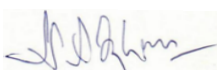
	<u>For the six month period ended</u>		<u>For the three month period ended</u>	
	<u>30 June 2021</u>	<u>30 June 2020</u>	<u>30 June 2021</u>	<u>30 June 2020</u>
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Profit for the period	318,491	51,795	214,875	45,283
<u>Other comprehensive income for the period</u>				
<i>Items that will not be reclassified to profit or loss account:</i>	-	-	-	-
Total comprehensive income for the period	<u>318,491</u>	<u>51,795</u>	<u>214,875</u>	<u>45,283</u>

The annexed notes 1 to 18 form an integral part of these condensed interim consolidated financial statements.

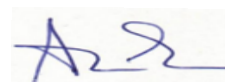
Lahore



Nadeem Mehmood Butt
Director



Haroon Ahmad Khan
Chief Executive Officer



Arslan Shahid Butt
Chief Financial Officer

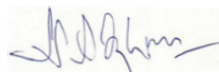
Waves Singer Pakistan Limited
Condensed Interim Consolidated Statement of Changes In Equity (Un-audited)
For the three and six month period ended 30 June 2021

	Issued, subscribed and paid-up capital	Capital reserves			Revenue reserve	Total
		Share premium reserve	Other capital reserve	Surplus on revaluation of land and building	Unappropriated profits	
----- Rupees in '000 -----						
Balance at 01 January 2020	1,876,041	4,581,063	5,000	362,544	1,515,351	8,339,999
<u>Total comprehensive income for the period</u>						
Profit for the period	-	-	-	-	51,795	51,795
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	51,795	51,795
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(10,575)	10,575	-
Balance as at 30 June 2020 Un-audited	1,876,041	4,581,063	5,000	351,969	1,577,721	8,391,794
<u>Total comprehensive income for the period</u>						
Profit for the period	-	-	-	-	75,673	75,673
<u>Other comprehensive income for the period</u>						
Remeasurement on defined benefit obligation	-	-	-	-	(7,143)	(7,143)
	-	-	-	-	68,530	68,530
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(13,898)	13,898	-
Effect of change in tax rate on account of surplus on property, plant and equipment	-	-	-	100	-	100
	-	-	-	(13,798)	13,898	100
Balance as at 31 December 2020 audited	1,876,041	4,581,063	5,000	338,171	1,660,149	8,460,424
<u>Total comprehensive income for the period</u>						
Profit for the period	-	-	-	-	318,491	318,491
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	318,491	318,491
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(12,468)	12,468	-
<u>Transaction with owner of the Company</u>						
Issue of ordinary shares	938,021	469,010	-	-	-	1,407,031
Incremental cost on issuance of shares	-	(21,089)	-	-	-	(21,089)
	938,021	447,921	-	-	-	1,385,942
Balance as at 30 June 2021 un-audited	2,814,062	5,028,984	5,000	325,703	1,991,108	10,164,857

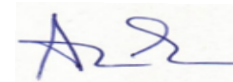
The annexed notes 1 to 18 form an integral part of these condensed interim consolidated financial statements.



Lahore
Nadeem Mehmood Butt
Director



Haroon Ahmad Khan
Chief Executive Officer



Arslan Shahid Butt
Chief Financial Officer

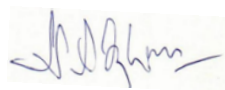
Waves Singer Pakistan Limited
Condensed Interim Consolidated Statement of Cash Flow (Un-audited)
For the six month period ended 30 June 2021

		(Un-audited) 30 June 2021	(Un-audited) 30 June 2020
	Note	-----Rupees in '000-----	
<u>Cash flows from operating activities</u>			
Profit before taxation		407,298	119,076
<i>Adjustments for non-cash and other items:</i>			
Depreciation on property, plant and equipment	10.1 , 10.2	180,215	84,234
Amortisation of intangible assets		11,360	12,131
Finance cost		350,648	517,608
Gain on sale of property, plant and equipment		(503)	-
Amortisation of deferred income		(425)	-
		948,593	733,049
<u>Effect on cash flow due to working capital changes</u>			
<i>(Increase) / decrease in current assets:</i>			
Stores, spares and loose tools		(26,417)	(7,138)
Stock-in-trade		(635,852)	155,974
Trade debts and other receivables		(391,698)	(476,701)
Advances, deposits, prepayments and other receivables		(3,595)	-
<i>Increase in current liabilities:</i>			
Trade and other payables		413,765	(316,939)
		(643,797)	(644,804)
Cash used in operations		304,796	88,245
Income tax paid		(99,287)	32,711
Workers' Profit Participation Fund paid		-	-
Employee retirement benefits paid		(2,619)	(6,239)
Long term deposits - net		240	(320)
Net cash used in operating activities		203,130	114,397
<u>Cash flow from investing activities</u>			
Capital expenditure -net		(602,124)	(39,012)
Proceeds from disposal of property, plant and equipment		1,963	-
Net cash generated from investing activities		(600,161)	(39,012)
<u>Cash flow from financing activities</u>			
Long term loans repaid		(168,456)	211,343
Loan from sponsors - unsecured		(380,500)	-
Proceeds from issue of right shares - net off transaction cost		1,385,942	-
Finance costs paid		(356,902)	(509,813)
Dividend paid		(45)	-
Short term finances availed - net		188,751	532,715
Lease rentals paid		(9,215)	(53,258)
Net cash generated from financing activities		659,574	180,987
Net increase in cash and cash equivalents		262,544	256,372
Cash and cash equivalents - at beginning of the period		(1,071,594)	(1,332,791)
Cash and cash equivalents - at end of the period	14	(809,051)	(1,076,419)

The annexed notes 1 to 18 form an integral part of these condensed interim consolidated financial statements.



Nadeem Mehmood Butt
Director



Haroon Ahmad Khan
Chief Executive Officer



Arslan Shahid Butt
Chief Financial Officer

Waves Singer Pakistan Limited

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

For the six month period ended 30 June 2021

1 Status and nature of business

The Group comprises of:

Holding Company

- *Waves Singer Pakistan Limited*

	2021	2020
	(Holding percentage)	

Subsidiary Companies

- Waves Builders and Developers (Private) Limited

(formerly, Waves Marketing (Private) Limited

100 100

- Electronics Marketing Company (Private) Limited

100 100

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

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

- 9-K.M, Hanjarwal, Multan Road, Lahore.

- Dina Nath, Mouza Rakh Serai Cheenba, Tehsil Pattoki, District Kasur.

Waves Builders and Developers (Private) Limited

(formerly, Waves Marketing (Private) Limited) - Subsidiary Company

Waves Builders and Developers (Private) Limited (WBDL) is a private limited company which was incorporated on 10 April 2017 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the company is located at 15/3 A Model Town, Lahore. The principal activity of the company is real estate development.

Electronics Marketing Company (Private) Limited - Subsidiary Company

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

2 Basis of preparation

Statement of compliance

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

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

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

2.2 These condensed interim Consolidated financial statements comprise the condensed interim Consolidated statement of financial position of the Company as at 30 June 2021 and the related condensed interim Consolidated statement of profit or loss account, condensed interim Consolidated statement of comprehensive income, condensed interim Consolidated statement of changes in equity and condensed interim Consolidated statement of cash flow and notes to the financial information for the six month period then ended.

2.3 These condensed interim Consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2020. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

2.4 Comparative Consolidated statement of financial position's numbers are extracted from the annual audited Consolidated financial statements of the Company for the year ended 31 December 2020, whereas comparative Consolidated statement of profit or loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim Consolidated financial statement of the Company for the three and six months period ended 30 June 2020.

3 Use of estimates and judgments

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

In preparing these condensed interim Consolidated financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation are the same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2020.

4 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim Consolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2020. There are certain amendments and interpretations to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Amendments and interpretations of approved accounting standards

- Interest Rate Benchmark Reform - Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	01 January 2021
- COVID-19-Related Rent Concessions (Amendment to IFRS 16)	01 June 2021
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	01 January 2022
- Amendments to IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture	01 January 2022
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	01 January 2022
- Reference to the Conceptual Framework (Amendments to IFRS 3)	01 January 2022
- Classification of liabilities as current or non-current (Amendments to IAS 1)	01 January 2022
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	01 January 2023
- Definition of Accounting Estimates (Amendments to IAS 8)	01 January 2023
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	01 January 2023
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred

5 Share capital

5.1 Issued, subscribed and paid up capital

	(Un-audited) 30 June 2021	(Audited) 31 December 2020	(Un-audited) 30 June 2021	(Audited) 31 December 2020
	--- Number of shares ---		--- Rupees in '000 ---	
Issued for cash	105,263,597	11,461,568	1,052,637	114,616
Issued for consideration other than cash	703,733	703,733	7,037	7,037
Issued as paid bonus shares	78,988,759	78,988,759	789,888	789,888
Issued under scheme of amalgamation	96,450,000	96,450,000	964,500	964,500
	281,406,089	187,604,060	2,814,062	1,876,041

5.2 Movement of Issued, subscribed and paid-up capital

At beginning of the period / year	187,604,060	187,604,060	1,876,041	1,876,041
Ordinary shares issued during the period / year	93,802,029	-	938,021	-
At end of the period / year	281,406,089	187,604,060	2,814,062	1,876,041

5.3 During the period, the Company has issued 93,802,029 ordinary shares in the ratio of 1 right share for every 2 ordinary shares at the rate of Rs. 15 per share (including share premium of Rs. 5 per share). The same has been approved by Board of Directors ("the Board") in their meeting held on 19 March 2021. The primary purpose of the right issue was to finance the purchase of new property, construction of buildings at the said property and meeting the working capital requirements of the Company's operations and activities for effectively implementing its business plan to enhance the profitability of the Company.

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

	(Un-audited) 30 June 2021	(Audited) 31 December 2020	(Un-audited) 30 June 2021	(Audited) 31 December 2020
*Poseidon Synergies (Private) Limited Chief Executive Officer and his spouse	0.00%	5.69%	-	10,680,183
- Haroon Ahmad Khan (CEO)	38.32%	38.32%	107,840,286	71,893,524
- Nighat Haroon Khan (Wife of CEO)	9.92%	10.99%	27,925,911	20,617,274
	48.25%	55.00%	135,766,197	103,190,981

* Owned by Chief Executive Officer and his wife.

5.5 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 Long term loans - secured

	(Un-audited) 30 June 2021	(Audited) 31 December 2020
Banking Company	1,355,725	1,397,897
Non-banking Company	995,450	1,108,934
	2,351,175	2,506,831
Less: Deferred grant	(26,027)	(36,227)
Less: Current maturity presented under current liabilities	(770,439)	(464,130)
	1,554,709	2,006,474

6.1 There were no major changes in any of the facilities during the period. All terms and conditions applicable on these facilities are same as those disclosed in the annual financial statements of the Company for the year ended 31 December 2020.

7 Short term borrowings

From banking companies - secured:

Running finance under mark-up arrangements		1,103,447	1,214,797
Finance against trust receipt	7.2	2,742,883	2,388,632
Short term borrowings under Murahaba arrangement		186,023	351,523
	7.1	4,032,353	3,954,952

7.1 There were no major changes in any of the facilities during the period other than explained in note 7.2. All terms and conditions applicable on these facilities are same as those disclosed in the annual financial statements of the Company for the year ended 31 December 2020.

7.2 This includes finance against trust receipt (FATR) facility and Istisna financing facility availed during the period from Samba Bank Limited and Al Baraka Bank Pakistan aggregating to Rs. 400.00 million each. These facilities are secured against charge over current and future assets of the Company and personal guarantees of the directors of the Company and carries mark-up rate of one month KIBOR + 2% per annum payable monthly in arrears and KIBOR + 2.5% per annum respectively. These borrowings are repayable by 31 January 2022 and 31 May 2022 respectively.

8 Loan from sponsors - unsecured

Loan obtained from Directors of the Company, Mr. Haroon Ahmad Khan and Mrs. Nighat Haroon amounting to Rs. 539.20 million and Rs. 139.63 million respectively has been adjusted to the extent of their proportionate entitlement in the ordinary shares issued as right shares as mentioned in note 5.3.

9 Contingencies and commitments

9.1 Contingencies

There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 31 December 2020.

9.2 Commitments

The Company has the following commitments in respect of:

- (i) Commitments for the import of stock in trade outstanding at period end were for Rs. 318.44 million (2020: Rs. 185.47 million).
- (ii) Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were nil (31 December 2020: Rs. 2.16 million).

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
	Note	(Rupees in '000)	
10 Property, plant and equipment			
Operating fixed assets	10.1	5,527,640	5,136,718
Right of-use asset	10.2	308,747	351,546
Capital work-in-progress	10.3	155,322	82,995
		<u>5,991,709</u>	<u>5,571,259</u>
10.1 Operating fixed assets			
Opening balance - as at 01 January		5,136,718	5,084,452
Additions / (deletion) during the period / year		529,798	325,896
Revaluation gain / (loss)		-	-
Transfers from right to use to owned assets		-	1,918
		<u>5,666,516</u>	<u>5,412,266</u>
Book value of property, plant and equipment disposed off during the period / year		(1,460)	(17,753)
Depreciation charged during the period / year		(137,416)	(257,795)
Closing balance		<u>5,527,640</u>	<u>5,136,718</u>
10.2 Right of-use asset			
Balance as at 01 January		351,546	574,009
Additions / (deletion) during the period / year		-	54,982
Transfers to owned assets		-	(1,918)
Book value of right of use assets disposed off during the period / year			(145,589)
Depreciation charge for the period / year		(42,799)	(129,938)
Closing balance		<u>308,747</u>	<u>351,546</u>
10.3 Capital work-in-progress			
Balance as at 01 January		82,995	46,204
Additions during the period / year		144,820	97,291
Transfers to operating fixed assets		(72,493)	(60,500)
Closing balance		<u>155,322</u>	<u>82,995</u>
Breakup of capital work in progress:			
- Building		1,246	26,019
- Plant and machinery		80,740	15,012
- Electric installation		1,015	6,964
- Advance for purchase of land and for civil works - Kasur Factory		-	
		<u>72,321</u>	<u>35,000</u>
		<u>155,322</u>	<u>82,995</u>
11 Intangible assets and goodwill			
Software		48,611	49,758
Brand value	11.1	1,582,147	1,582,147
Customer relationships	11.1	204,966	215,179
Goodwill	11.1	1,070,207	1,070,206
		<u>2,905,931</u>	<u>2,917,290</u>

11.1 Effective 01 July 2017, Waves Singer Pakistan Limited ("the Company") completed a 'Scheme of Arrangement' as approved by the Honourable Sindh High Court through its Order dated 22 May 2018 for the amalgamation of Cool Industries (Private) Limited [CIPL] and Link Wel (Private) Limited [LWPL] with and into the Company and demerger of retail business from the Company and amalgamate the same into the subsidiary. This goodwill and intangible assets (brand value) represents excess of the amount paid over the fair value of the net assets of CIPL and LWPL on its acquisition as of the start of business on 01 July 2017.

	(Un-audited) 30 June 2021	(Un-audited) 30 June 2020
	(Rupees in '000)	
12 Sales - net		
<i>Gross sales:</i>		
- Local	7,133,491	4,804,205
- Export	15,996	19,993
Sales return	(86,870)	(46,160)
	<u>7,062,618</u>	<u>4,778,039</u>
Sales tax	(999,734)	(633,614)
Trade discounts	(236,081)	(250,510)
	<u>(1,235,816)</u>	<u>(884,124)</u>
	<u><u>5,826,802</u></u>	<u><u>3,893,914</u></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.

	(Un-audited) 30 June 2021	(Un-audited) 30 June 2020
	(Rupees in '000)	
14 Cash and cash equivalents		
Cash and bank balances	294,396	146,535
Short term running finance - secured	(1,103,447)	(1,222,954)
	<u>(809,051)</u>	<u>(1,076,419)</u>

15 Transactions with related parties

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

Name of the Company	Relationship	Nature of transactions	(Un-audited) 30 June 2021	(Un-audited) 30 June 2020
Associated Undertakings				
Employee's Provident Fund	Post employee contribution plan	Contribution for the period	15,347	14,565
Key management personnel	Remuneration	Remuneration	69,500	56,910
Shareholders and Directors				
CEO and his spouse	Chief Executive Officer	Loan from sponsors adjusted against right issue	678,831	-
Haroon Ahmed Khan	Chief Executive Officer	Issue of ordinary shares	539,201	-
Nighat Haroon Khan	Spouse of CEO	Issue of ordinary shares	139,630	-
Children of CEO	Children of CEO	Issue of ordinary shares	7,256	-
Directors	Employees	Issue of ordinary shares	1,570	-

16 Financial risk management and fair value of financial instruments

16.1 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 2020.

16.2 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 June 2021					
		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							
<u>Financial assets - amortised cost</u>							
		20,614	-	20,614	-	-	-
		6,274,889	-	6,274,889	-	-	-
		109,436	-	109,436	-	-	-
		294,396	-	294,396	-	-	-
16.3		6,699,335	-	6,699,335	-	-	-
<u>Financial liabilities - amortised cost</u>							
		-	256,519	256,519	-	-	-
		-	2,415,912	2,415,912	-	-	-
		-	2,099,167	2,099,167	-	-	-
		-	35,991	35,991	-	-	-
		-	4,032,353	4,032,353	-	-	-
		-	172,162	172,162	-	-	-
16.3		-	9,012,104	9,012,104	-	-	-

		31 December 2020					
		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							
<u>Financial assets - amortised cost</u>							
Security deposits		57,617	-	57,617	-	-	-
Trade debts		5,884,716	-	5,884,716	-	-	-
Other receivables		6,678	-	6,678	-	-	-
Cash and bank balances		143,203	-	143,203	-	-	-
	16.3	6,093,214	-	6,093,214	-	-	-
<u>Financial liabilities - amortised cost</u>							
Lease liabilities		-	358,454	358,454	-	-	-
Long term loans - secured		-	2,506,831	2,506,831	-	-	-
Trade and other payables		-	1,269,883	1,269,883	-	-	-
Employee retirement benefit		-	38,610	38,610	-	-	-
Short term borrowings - secured		-	3,954,952	3,954,952	-	-	-
Mark-up accrued on borrowings		-	178,416	178,416	-	-	-
Loan from sponsors - unsecured		-	380,500	380,500	-	-	-
	16.3	-	8,687,646	8,687,646	-	-	-

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

Non financial assets measured at fair value

Land, building and plant and machinery

Revalued Property, plant and equipment

Date of valuation

31 December 2019

Valuation approach and inputs used

The valuation model for land and building 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 valuation for plant and machinery is based on present operational condition and age of plant and machinery. The fair valuation of land, building and plant and machinery are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.

The 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.

17 Date of authorization

This condensed interim Consolidated financial information has been approved by the Board of Directors of the Company and authorized for issue on August 24, 2021.

18 General


Corresponding figures have been re-arranged and re-classified where necessary, for the purpose of comparison and better presentation as per reporting framework. However, no significant reclassification has been made.

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

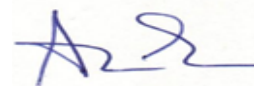


Nadeem Mehmood Butt
Director

Lahore



Haroon Ahmad Khan
Chief Executive Officer



Arslan Shahid Butt
Chief Financial Officer

Waves Singer Pakistan Limited

Condensed Interim Un-Consolidated Financial Statements

For the Six Months Ended 30 June, 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Waves Singer Pakistan Limited

Report on Review of Interim Unconsolidated Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **Waves Singer Pakistan Limited ("the Company")** as at 30 June 2021 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, condensed interim unconsolidated statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these interim unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim unconsolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim unconsolidated financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the three months period ended 30 June 2021 and 30 June 2020, have not been reviewed by us and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is Bilal Ali.

Lahore



KPMG Taseer Hadi & Co.
Chartered Accountants

Waves Singer Pakistan Limited

Condensed Interim Unconsolidated Statement of Financial Position (Un-audited)

As at 30 June 2021

		(Unaudited) 30 June 2021	(Audited) 31 December 2020			(Unaudited) 30 June 2021	(Audited) 31 December 2020
	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 300,000,000 (2020: 300,000,000) ordinary shares of Rs. 10 each		3,000,000	3,000,000	Property, plant and equipment	10	5,307,175	4,869,032
Issued, subscribed and paid-up capital	5	2,814,062	1,876,041	Intangible assets and goodwill		2,885,719	2,903,156
Share premium reserve		5,028,984	4,581,063	Investment property		303,480	303,480
Capital reserve		5,000	5,000	Investment in subsidiaries		501,000	501,000
Revenue reserve - unappropriated profit		2,148,165	1,939,444	Long term deposits		8,545	8,714
Surplus on revaluation of property, plant and equipment - net of tax		375,391	385,086			9,005,919	8,585,382
		10,371,602	8,786,634				
<u>Non-current liabilities</u>				<u>Current assets</u>			
Long term loans - secured	6	1,554,709	2,006,474	Stores, spares and loose tools		60,180	33,763
Lease liabilities				Stock-in-trade		3,031,277	2,432,213
-Building under right of use - unsecured		50,138	41,377	Trade debts	11	5,906,192	5,482,315
-Other assets under right of use - secured		30,972	25,885	Advances, deposits, prepayments and other receivables	12	410,334	576,274
Employee retirement benefits		19,016	19,666	Taxation - net		152,305	187,395
Deferred income		13,479	20,872	Cash and bank balances		250,854	94,219
Deferred tax liability - net		235,577	223,915			9,811,142	8,806,179
		1,903,891	2,338,189				
<u>Current liabilities</u>							
Trade and other payables		1,485,822	1,210,835				
Mark-up accrued on borrowings		165,302	178,416				
Short term borrowings - secured	7	4,032,351	3,954,952				
Loan from sponsors - unsecured	8	-	380,500				
Unpaid dividend		1,231	1,276				
Current portion of long term liabilities		856,863	540,759				
		6,541,568	6,266,738				
Contingencies and commitments	9	18,817,061	17,391,561			18,817,061	17,391,561

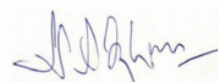
The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



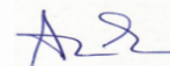
Lahore



Director



Chief Executive Officer



Chief Financial Officer

Waves Singer Pakistan Limited

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

For the three and six month period ended 30 June 2021

		For the six month period ended		For the three month period ended	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Note	----- (Rupees in '000) -----			
Revenue		5,617,361	3,947,844	3,025,491	2,057,295
Sales tax and trade discount on invoices		(1,121,264)	(842,272)	(622,712)	(488,329)
Revenue - net	13	4,496,097	3,105,572	2,402,779	1,568,966
Cost of sales		(3,498,073)	(2,271,357)	(1,865,185)	(1,118,267)
Gross profit		998,024	834,215	537,594	450,699
Marketing, selling and distribution costs		(247,373)	(211,108)	(132,889)	(106,520)
Administrative expenses		(166,993)	(141,408)	(82,657)	(63,058)
Other expenses		(31,486)	(10,757)	(23,784)	(9,799)
Other income		52,148	149,111	27,479	86,184
		(393,703)	(214,162)	(211,851)	(93,193)
Profit from operations		604,321	620,053	325,744	357,506
Finance costs		(335,903)	(515,980)	(175,215)	(270,870)
Profit before taxation		268,418	104,073	150,529	86,636
Taxation	14	(69,392)	(65,307)	(44,232)	(63,336)
Profit for the period		199,026	38,766	106,297	23,300
Earnings per share - basic and diluted (Rupees)		0.94	Restated 0.19	0.49	Restated 0.11

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

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Lahore

Director

Chief Executive Officer

Chief Financial Officer

Waves Singer Pakistan Limited

Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

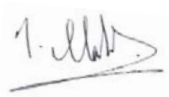
For the three and six month period ended 30 June 2021

	<u>For the six month period ended</u>		<u>For the three month period ended</u>	
	<u>30 June 2021</u>	<u>30 June 2020</u>	<u>30 June 2021</u>	<u>30 June 2020</u>
	----- (Rupees in '000) -----			
Profit for the period	199,026	38,766	106,297	23,300
<u>Other comprehensive income</u>				
Total comprehensive income for the period	<u>199,026</u>	<u>38,766</u>	<u>106,297</u>	<u>23,300</u>

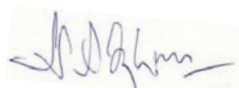
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Director



Chief Executive Officer



Chief Financial Officer

Waves Singer Pakistan Limited

Condensed Interim Unconsolidated Statement of Changes In Equity (Un-audited)

For the three and six month period ended 30 June 2021

	Issued, subscribed and paid-up capital	Capital Reserves			Revenue Reserve	Total
		Share premium reserve	Other capital reserve	Surplus on revaluation of Property, plant and equipment	Unappropriate d profits	
(Rupees in '000)						
As at 01 January 2020	1,876,041	4,581,063	5,000	406,712	1,815,124	8,683,940
<u>Total comprehensive income for the period</u>						
Profit for the period	-	-	-	-	38,766	38,766
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	38,766	38,766
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(10,575)	10,575	-
Balance as at 30 June 2020 (un-audited)	1,876,041	4,581,063	5,000	396,137	1,864,465	8,722,706
<u>Total comprehensive income for the period</u>						
Profit for the period	-	-	-	-	71,071	71,071
Other comprehensive income for the period	-	-	-	-	-	-
Remeasurement of defined benefit obligation	-	-	-	-	(7,143)	(7,143)
	-	-	-	-	63,928	63,928
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(11,051)	11,051	-
Balance as at 31 December 2020	1,876,041	4,581,063	5,000	385,086	1,939,444	8,786,634
<u>Total comprehensive income for the period</u>						
Profit after taxation	-	-	-	-	199,026	199,026
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	199,026	199,026
<u>Surplus transferred to accumulated profits</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(9,695)	9,695	-
	-	-	-	(9,695)	208,721	199,026
<u>Transactions with owners of the Company</u>						
Issue of ordinary shares	938,021	469,010	-	-	-	1,407,030
Incremental cost on issuance of shares	-	(21,089)	-	-	-	(21,089)
	938,021	447,921	-	-	-	1,385,941
Balance as at 30 June 2021 (un-audited)	2,814,062	5,028,984	5,000	375,391	2,148,165	10,371,600

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

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Lahore

Director

Chief Executive Officer

Chief Financial Officer

Waves Singer Pakistan Limited
Condensed Interim Unconsolidated Statement of Cash Flow (Un-audited)
For the six month period ended 30 June 2021

		30 June 2021	30 June 2020
	Note	-----Rupees in '000-----	
<u>Cash flows from operating activities</u>			
Profit before taxation		268,418	104,073
<i>Adjustments for non-cash and other items:</i>			
Depreciation on property, plant and equipment	10.1	138,938	144,638
Amortisation of intangible assets		22,405	21,460
Finance cost		335,903	515,980
Gain on sale of property, plant and equipment		(503)	(4,120)
Amortisation of deferred income		(10,466)	(3,041)
Unrealised exchange loss		6,731	2,064
Workers' Profit Participation Fund		14,530	5,535
Reversal of provision for doubtful debts		(4,216)	-
		771,740	786,590
<u>Effect on cash flow due to working capital changes</u>			
<i>(Increase) / decrease in current assets:</i>			
Stores, spares and loose tools		(26,417)	(7,138)
Stock-in-trade		(599,064)	121,459
Trade debts and other receivables		(419,660)	(1,041,001)
Advances, deposits, prepayments and other receivables		165,940	(90,988)
Increase in trade and other payables		268,256	53,432
		(610,945)	(964,236)
Cash generated / (used) in operations		160,795	(177,647)
Income tax (paid) / received		(22,680)	11,822
Workers' Profit Participation Fund paid		(14,530)	-
Employee retirement benefits paid		(650)	(6,200)
Long term deposits - net		169	(320)
Net cash generated / (used) in operating activities		123,104	(172,345)
<u>Cash flow from investing activities</u>			
Capital expenditure -net		(523,312)	(50,086)
Proceeds from disposal of property, plant and equipment		1,963	11,074
Dividend received from subsidiary company		-	300,000
Net cash (used) / generated from investing activities		(521,349)	260,988
<u>Cash flow from financing activities</u>			
Proceeds from the issue of right shares - net off transaction cost and adjustment of loan from sponsors		1,005,442	-
Long term loans repaid		(145,456)	111,343
Finance costs paid		(349,017)	(490,749)
Dividend paid		(45)	(153)
Short term finances availed - net		188,751	532,715
Lease liabilities paid		(33,443)	(53,258)
Net cash generated from financing activities		666,232	99,898
Net increase in cash and cash equivalents		267,987	188,541
Cash and cash equivalents - at beginning of the period		(1,120,578)	(1,380,016)
Cash and cash equivalents - at end of the period	15	(852,591)	(1,191,475)

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

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Lahore

Chief Executive Officer



Director



Chief Financial Officer

Waves Singer Pakistan Limited

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

For the six month period ended 30 June 2021

1 Status and nature of business

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

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

- 9-K.M, Hanjarwal, Multan Road, Lahore.
- Dina Nath, Mouza Rakh Serai Cheenba, Tehsil Pattoki, District Kasur.

- 1.2 On 11 March 2020, Covid-19 (Coronavirus) was declared a pandemic by the World Health Organization. The spread of coronavirus as a pandemic and consequently imposition of lock down by Federal and Provincial Governments of Pakistan (Authorities) has effected the overall economic environment of the country and production and sale volumes of the Company during the lock down period. However, as per relaxation given by Authorities, the Company resumed its operations on 11 May 2020 with all precautionary measures to prevent the pandemic spread. While no material effects on the Company's business and measurement of assets and liabilities have yet been identified at the date of these financial statements, the management will continue to monitor and evaluate them during the remainder of 2021 financial year.

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.

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 30 June 2021 and the related condensed interim unconsolidated statement of profit or loss, 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 six month period then ended.

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- 2.3 These condensed interim unconsolidated financial statements are unaudited but subject to limited scope review by external auditors and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.
- 2.4 These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2020. 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.
- 2.5 Comparative unconsolidated statement of financial position's numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended 31 December 2020, whereas comparative unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statement of the Company for the three months and six months period ended 30 June 2020.

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 2020.

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 2020. There are certain amendments and interpretations to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Amendments and interpretations of approved accounting standards

- | | |
|---|-----------------|
| - Interest Rate Benchmark Reform - Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 | 01 January 2021 |
| - COVID-19-Related Rent Concessions (Amendment to IFRS 16) | 01 June 2021 |
| - Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) | 01 January 2022 |
| - Amendments to IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture | 01 January 2022 |
| - Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) | 01 January 2022 |

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-	Reference to the Conceptual Framework (Amendments to IFRS 3)	01 January 2022
-	Classification of liabilities as current or non-current (Amendments to IAS 1)	01 January 2022
-	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	01 January 2023
-	Definition of Accounting Estimates (Amendments to IAS 8)	01 January 2023
-	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	01 January 2023
-	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred

5 Share capital

5.1 Issued, subscribed and paid-up capital

	(Un-audited) 30 June 2021 (Number of shares)	(Audited) 31 December 2020	(Un-audited) 30 June 2021 (Rupees in '000)	(Audited) 31 December 2020
<u>Fully paid-up ordinary shares</u> <u>of Rs. 10 each</u>				
Issued for cash	105,263,597	11,461,568	1,052,637	114,616
Issued for consideration other than cash	703,733	703,733	7,037	7,037
Issued as paid bonus shares	78,988,759	78,988,759	789,888	789,888
Issued under scheme of amalgamation	96,450,000	96,450,000	964,500	964,500
	<u>281,406,089</u>	<u>187,604,060</u>	<u>2,814,062</u>	<u>1,876,041</u>

5.2 Movement of Issued, subscribed and paid-up capital

	(Un-audited) 30 June 2021 (Number of shares)	(Audited) 31 December 2020	(Un-audited) 30 June 2021 (Rupees in '000)	(Audited) 31 December 2020
At beginning of the period / year	187,604,060	187,604,060	1,876,041	1,876,041
Ordinary shares issued during the period / year	93,802,029	-	938,021	-
At end of the period / year	<u>281,406,089</u>	<u>187,604,060</u>	<u>2,814,062</u>	<u>1,876,041</u>

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5.3 During the period, the Company has issued 93,802,029 ordinary shares in the ratio of 1 right share for every 2 ordinary shares at the rate of Rs. 15 per share (including share premium of Rs. 5 per share). The same has been approved by Board of Directors ("the Board") in their meeting held on 19 March 2021. The primary purpose of the right issue was to finance the purchase of new property, construction of buildings at the said property and meeting the working capital requirements of the Company's operations and activities for effectively implementing its business plan to enhance the profitability of the Company.

5.4 Ordinary shares of the Company held by associated persons and undertaking at period / year end are as follows:

	(Un-audited) 30 June 2021 (Percentage held)	(Audited) 31 December 2020	(Un-audited) 30 June 2021 (Number of shares)	(Audited) 31 December 2020
Poseidon Synergies (Private) Limited	0.00%	5.69%	-	10,680,183
<i>Chief Executive Officer, his spouse and children</i>				
- Haroon Ahmad Khan (CEO)	38.32%	38.32%	107,840,286	71,893,524
- Nighat Haroon Khan (Wife of CEO)	9.92%	10.99%	27,925,911	20,617,274
	<u>48.24%</u>	<u>55.00%</u>	<u>135,766,197</u>	<u>103,190,981</u>

5.5 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.

	30 June 2021	31 December 2020
	(Rupees in '000)	
6 Long term loans - secured		
Banking Company	1,355,725	1,397,897
Non-banking Company	995,450	1,108,934
	<u>2,351,175</u>	<u>2,506,831</u>
Less: Deferred grant	(26,027)	(36,227)
Less: Current maturity presented under current liabilities	<u>(770,439)</u>	<u>(464,130)</u>
	<u>1,554,709</u>	<u>2,006,474</u>

6.1 There were no major changes in any of the facilities during the period. All terms and conditions applicable on these facilities are same as those disclosed in the annual financial statements of the Company for the year ended 31 December 2020.

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		(Un-audited) 30 June 2021	(Audited) 31 December 2020
		(Rupees in '000)	
7	Short term borrowings		
	<i>From banking companies - secured:</i>		
	Running finance under mark-up arrangements	1,103,445	1,214,797
	Finance against trust receipt	2,742,883	2,388,632
	Short term borrowings under Murahaba arrangement	186,023	351,523
		<u>4,032,351</u>	<u>3,954,952</u>

7.1 There were no major changes in any of the facilities during the period other than explained in note 7.2. All terms and conditions applicable on these facilities are same as those disclosed in the annual financial statements of the Company for the year ended 31 December 2020.

7.2 This includes finance against trust receipt (FATR) facility and Istisna financing facility availed during the period from Samba Bank Limited and Al Baraka Bank Pakistan aggregating to Rs. 400.00 million each. These facilities are secured against charge over current assets of the Company and personal guarantees of the sponsors of the Company and carries mark-up rate of one month KIBOR + 2% per annum payable monthly in arrears and KIBOR + 2.5% per annum respectively. These borrowings are repayable by 31 January 2022 and 31 May 2022 respectively.

8 **Loan from sponsors - unsecured**

Loan obtained from Directors of the Company, Mr. Haroon Ahmad Khan and Mrs. Nighat Haroon amounting to Rs. 539.20 million and Rs. 139.63 million respectively has been adjusted to the extent of their proportionate entitlement in the ordinary shares issued as right shares as mentioned in note 5.3.

9 **Contingencies and commitments**

9.1 **Contingencies**

There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 31 December 2020.

9.2 **Commitments**

The Company has the following commitments in respect of:

- Commitments for the import of stock in trade outstanding at period end were for Rs. 331.78 million (31 December 2020: Rs. 185.47 million).
- Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were Rs. Nil (31 December 2020: Rs. 2.16 million).

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
		(Rupees in '000)	
10	Property, plant and equipment		
	Operating fixed assets	4,974,195	4,634,915
	Right of use assets	177,658	151,122
	Capital work-in-progress	155,322	82,995
		<u>5,307,175</u>	<u>4,869,032</u>

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	(Un-audited) 30 June 2021	(Audited) 31 December 2020
	(Rupees in '000)	
10.1 Operating fixed assets		
Opening balance - as at 01 January	4,634,915	4,623,877
Additions during the period / year	446,018	233,265
Transfers from leased to owned assets	-	1,918
	<u>5,080,933</u>	<u>4,859,060</u>
Book value of property, plant and equipment disposed off during the period / year	(1,460)	(16,900)
Depreciation charged during the period / year	(105,278)	(207,245)
Closing balance	<u>4,974,195</u>	<u>4,634,915</u>
10.2 Right of-use asset		
Balance as at 01 January	151,122	299,393
Additions during the period / year	60,196	24,346
Transfers from leased to owned assets	-	(1,918)
	<u>211,318</u>	<u>321,821</u>
Book value of right of-use asset disposed off during the period / year	-	(87,366)
Depreciation charge for the period / year	(33,660)	(83,333)
Closing balance	<u>177,658</u>	<u>151,122</u>
10.3 Capital work-in-progress		
Balance as at 01 January	82,995	46,204
Additions during the period / year	144,820	97,291
Transfers to operating fixed assets	(72,493)	(60,500)
Closing balance	<u>155,322</u>	<u>82,995</u>
Breakup of capital work in progress:		
- Building	1,246	26,019
- Plant and machinery	80,740	15,012
- Electric installation	1,015	6,964
- Advance for purchase of land and for civil works - Kasur Factory	72,321	35,000
	<u>155,322</u>	<u>82,995</u>

11 Trade debts

This includes balance amounting to Rs. 669.65 million (31 December 2020: Rs. 760.80 million) receivable from Electronic Marketing Company (Private) Limited, wholly owned subsidiary of the Company.

12 Advances, deposits, prepayments and other receivables

This includes balance amounting to Rs. 352.21 million (31 December 2020: Rs. 332.37 million) and Rs. Nil (31 December 2020: Rs. 157.88 million) receivable from Electronic Marketing Company (Private) Limited and Waves Builders and Developers (Private) Limited (formerly named as Waves Marketing Company (Private) Limited respectively), wholly owned subsidiaries of the Company on account of expenses allocated to them / incurred on their behalf in accordance with basis approved by the Board of Directors of the Company. This balance is unsecured and receivable on demand. Markup is calculated on outstanding balance at an average borrowing rate of the Company.

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	(Un-audited) 30 June 2021	(Un-audited) 30 June 2020
	(Rupees in '000)	
13 Net revenue		
Sales		
- local	5,688,235	3,969,767
- export	15,996	19,993
Sales return	(86,870)	(41,916)
	<u>5,617,361</u>	<u>3,947,844</u>
Sales tax	(806,762)	(567,282)
Trade discount	(314,502)	(274,990)
	<u>(1,121,264)</u>	<u>(842,272)</u>
	<u><u>4,496,097</u></u>	<u><u>3,105,572</u></u>
14 Taxation		
Current:		
- for the period	57,730	51,416
- prior period	-	-
	<u>57,730</u>	<u>51,416</u>
Deferred:		
- group taxation - for the period	-	90,821
- other - for the period	11,662	(59,530)
- other - prior period	-	(17,400)
	<u>11,662</u>	<u>13,891</u>
	<u><u>69,392</u></u>	<u><u>65,307</u></u>
14.1 Tax charge reconciliation		
Numerical reconciliation between tax expense and accounting profit:		
Profit before tax	<u>268,418</u>	<u>104,073</u>
Tax at the applicable tax rate of 29% (30 June 2020: 29%)	77,841	30,181
Tax effect of permanent differences:		
- In respect of differential under normal and final / minimum tax regime	(4,999)	652
- Exempt income due to group taxation	(4,742)	(37,990)
- Other permanent differences	7	(163)
Change in tax rate	-	-
Prior year tax charge	-	73,422
Others	1,284	(795)
	<u>69,392</u>	<u>65,307</u>
	(Un-audited) 30 June 2021	(Audited) 31 December 2020
	(Rupees in '000)	
15 Cash and cash equivalents		
Cash and bank balances	250,854	94,219
Short term running finance - secured	(1,103,445)	(1,214,797)
	<u>(852,591)</u>	<u>(1,120,578)</u>

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16 Transactions with related parties

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

Name of the Company	Relationship	Nature of transactions	(Un-audited) 30 June 2021 (Rupees in '000)	(Un-audited) 30 June 2020
i. Subsidiary Company				
Waves Builders and Developers (Private) Limited (formerly named as Waves Marketing (Private) Limited)	Wholly owned subsidiary	Mark-up charged on receivable from subsidiary	-	111,531
Electronics Marketing Company (Private) Limited	Wholly owned subsidiary	Sale of inventory - gross	252,719	255,656
		Mark-up charged on receivable from subsidiary	16,353	20,309
ii. Associated Undertakings				
Employee's Provident Fund	Post employee contribution plan	Contribution for the period	15,347	14,565
Key management personnel	Employees	Remuneration	69,500	56,910
Shareholders and Directors				
CEO and his spouse	Chief Executive Officer	Loan from sponsors adjusted against right issue	678,831	-
Haroon Ahmed Khan	Chief Executive Officer	Issue of ordinary shares	539,201	-
Nighat Haroon Khan	Spouse of CEO	Issue of ordinary shares	139,630	-
Children of CEO	Children of CEO	Issue of ordinary shares	7,256	-
Directors	Employees	Issue of ordinary shares	1,570	-

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17 Financial risk management and fair value of financial instruments

17.1 The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 31 December 2020.

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

		30 June 2021 (Unaudited)					
		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							
<u>Financial assets - amortised cost</u>							
		28,771	-	28,771	-	-	-
		5,906,192	-	5,906,192	-	-	-
		356,269	-	356,269	-	-	-
		250,854	-	250,854	-	-	-
17.3		6,542,086	-	6,542,086	-	-	-
<u>Financial liabilities - amortised cost</u>							
		-	149,599	149,599	-	-	-
		-	2,325,148	2,325,148	-	-	-
		-	1,261,910	1,261,910	-	-	-
		-	19,016	19,016	-	-	-
		-	4,032,351	4,032,351	-	-	-
		-	165,302	165,302	-	-	-
17.3		-	7,953,326	7,953,326	-	-	-

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		31 December 2020					
		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							
<u>Financial assets - amortised cost</u>							
Security deposits		30,366	-	30,366	-	-	-
Trade debts		5,482,315	-	5,482,315	-	-	-
Deposit and other receivables		496,938	-	496,938	-	-	-
Cash and bank balances		94,219	-	94,219	-	-	-
	17.3	<u>6,103,838</u>	<u>-</u>	<u>6,103,838</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Financial liabilities - amortised cost</u>							
Long term loans - secured		-	2,506,831	2,506,831	-	-	-
Lease liabilities		-	122,846	122,846	-	-	-
Employee retirement benefit		-	19,666	19,666	-	-	-
Trade and other payables		-	900,538	900,538	-	-	-
Mark-up accrued on borrowings		-	178,416	178,416	-	-	-
Short term borrowings - secured		-	3,954,952	3,954,952	-	-	-
Loan from sponsors - unsecured		-	380,500	380,500	-	-	-
	17.3	<u>-</u>	<u>8,063,749</u>	<u>8,063,749</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Non financial assets measured at fair value

Land, building and plant and machinery

Revalued Property, plant and equipment	Date of valuation	31 December 2019
Investment property	Date of valuation	31 December 2020

Valuation approach and inputs used

The valuation model for land and building 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 valuation for plant and machinery is based on present operational condition and age of plant and machinery. The fair valuation of land, building and plant and machinery are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.

The 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.

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

	30 June 2021 (Un-audited)								
	Liabilities						Equity		
	Short term borrowings	Long term loans	Loan from sponsors	Lease liabilities	Mark-up accrued on borrowings	Unpaid dividend	Issued, subscribed and paid-up capital	Share premium reserve	Total
	Rupees in '000								
Balance as at 01 January 2021	3,954,952	2,470,604	380,500	122,846	178,416	1,276	1,876,041	4,581,063	13,565,698
<u>Cash flows</u>									
Short term borrowings repaid net of receipts	188,751	-	-	-	-	-	-	-	188,751
Proceeds from issuance of ordinary shares	-	-	(380,500)	-	-	-	938,021	447,921	1,005,442
Dividend paid	-	-	-	-	-	(45)	-	-	(45)
Long term loans repaid	-	(145,456)	-	-	-	-	-	-	(145,456)
Finance cost paid	-	-	-	-	(349,017)	-	-	-	(349,017)
Repayment of lease rentals	-	-	-	(33,443)	-	-	-	-	(33,443)
	188,751	(145,456)	(380,500)	(33,443)	(349,017)	(45)	938,021	447,921	666,232
<u>Non-cash changes</u>									
Changes in running finance	(111,352)	-	-	-	-	-	-	-	(111,352)
Assets acquired on lease	-	-	-	60,196	-	-	-	-	60,196
Finance cost	-	-	-	-	335,903	-	-	-	335,903
	(111,352)	-	-	60,196	335,903	-	-	-	284,747
Balance as at 30 June 2021	4,032,351	2,325,148	-	149,599	165,302	1,231	2,814,062	5,028,984	14,516,677

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30 June 2020 (un-audited)							
Liabilities					Equity		
Short term borrowings	Long term loans	Lease liabilities	Mark-up accrued on borrowings	Unpaid dividend	Issued, subscribed and paid-up capital	Share premium reserve	Total
4,113,581	1,732,271	263,148	216,566	1,457	1,876,041	4,581,063	12,784,127
532,715	-	-	-	-	-	-	532,715
-	-	-	-	(153)	-	-	(153)
-	111,343	-	-	-	-	-	111,343
-	-	-	(490,749)	-	-	-	(490,749)
-	-	(53,258)	-	-	-	-	(53,258)
532,715	111,343	(53,258)	(490,749)	(153)	-	-	99,898
(173,406)	-	-	-	-	-	-	(173,406)
-	-	6,103	-	-	-	-	6,103
-	-	17,436	498,544	-	-	-	515,980
-	(10,619)	-	-	-	-	-	(10,619)
(173,406)	(10,619)	23,539	498,544	-	-	-	338,058
4,472,890	1,832,995	233,429	224,361	1,304	1,876,041	4,581,063	13,222,083

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19 Corresponding figures

Corresponding figures have been re-arranged and re-classified, where necessary, for the purpose of comparison and better presentation as per reporting framework. However, no significant reclassification has been made.

20 Date of authorization of issue

These unconsolidated financial statements were authorised for issue by the Board of Directors in their meeting held on 24 August 2021.

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Lahore



Director



Chief Executive Officer



Chief Financial Officer