



HALF YEARLY | **30 JUNE**
REPORT | **2024**

WAVES CORPORATION LIMITED

Waves Corporation Limited (WAVES)

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Waves Corporation Limited (WAVES)

1. CORPORATE INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

- | | | |
|----|-------------------------------|-------------------------------|
| 1. | Mr. Tajammal Hussain Bokharee | Chairman/Independent Director |
| 2. | Mr. Moazzam Ahmad Khan | Member/Non-Executive Director |
| 3. | Mrs. Nighat Haroon Khan | Member/Non-Executive Director |
| 4. | Mr. Ahmad Bilal Zulfiqar | Secretary |

HR & REMUNERATION COMMITTEE

- | | | |
|----|----------------------------|-------------------------------|
| 1. | Mr. Muhammad Zafar Hussain | Chairman/Independent Director |
| 2. | Mr. Khalid Azeem | Member/Non-Executive Director |
| 3. | Mr. Moazzam Ahmad Khan | Member/Non-Executive Director |
| 4. | Mr. Haroon Ahmad Khan | Member/ Executive Director |
| 5. | Mr. Ahmad Bilal Zulfiqar | Secretary |

CHIEF FINANCIAL OFFICER

Mr. Arslan Shahid Butt

COMPANY SECRETARY

Mr. Ahmad Bilal Zulfiqar

HEAD OF INTERNAL AUDITOR

Mr. Usman Khalid

LEGAL ADVISOR

Law Wings Advocates & Solicitors

EXTERNAL AUDITORS

Rizwan and Company
Chartered Accountants

SHARE REGISTRAR

Corplink (Private) Limited

REGISTERED OFFICE/PLANT

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

COMPANY REGISTRATION NO.

CUIN 0001286
Email: cs@waves.net.pk
Website: www.waves.net.pk

Waves Corporation Limited (WAVES)

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:

Registered Office:

042-35415421-5, 042-35421502-4

Email:

cs@waves.net.pk

Web Site:

www.waves.net.pk

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

3. QUARTERLY FINANCIAL STATEMENTS

The Condensed Interim Consolidated Financial Statements and the Standalone Financial Statements for the period ended 30 June 2024 are attached to this Report.

3.1 Consolidated Financial Statements

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Financial Position (Un-audited)
As at 30 June 2024

EQUITY AND LIABILITIES	(Un-audited)		(Audited)		Note
	30 June 2024	31 December 2023	01 January 2023	01 January 2023	
Share capital and reserves					
Authorised capital 300,000,000 (2023: 300,000,000) ordinary shares of Rs. 10 each	3,000,000	3,000,000	3,000,000	3,000,000	
Share Capital	2,814,062	2,814,062	2,814,062	2,814,062	6
Capital reserves	5,030,661	5,030,661	5,030,661	5,030,661	
Loan from directors	343,184	229,017	119,497	119,497	
Revaluation surplus	500,243	550,280	528,895	528,895	
Unappropriated profit	1,211,806	1,002,556	753,581	753,581	
Equity attributable to owners of the company	9,899,956	9,626,576	9,246,696	9,246,696	
Non-controlling interest	1,611,930	1,593,540	1,548,470	1,548,470	
	11,511,886	11,220,116	10,795,166	10,795,166	
Non-current liabilities					
Long term loans - secured	734,288	766,333	789,415	789,415	
Lease liabilities	26,256	33,295	100,227	100,227	
Employee retirement benefits	19,232	19,955	29,646	29,646	
Deferred tax liability - net	301,444	284,817	288,347	288,347	
Deferred income	4,651	5,232	6,477	6,477	
	1,085,871	1,109,632	1,214,112	1,214,112	
Current liabilities					
Trade and other payables	3,348,336	3,517,348	3,596,185	3,596,185	
Accrued mark-up on borrowings	1,350,474	819,660	400,468	400,468	
Short term borrowings	4,556,359	4,780,395	5,203,965	5,203,965	7
Current portion of long term liabilities	819,926	713,811	560,640	560,640	
	10,075,094	9,831,214	9,761,258	9,761,258	
Contingencies and commitments					8
	22,672,851	22,160,962	21,770,536	21,770,536	
ASSETS					
Non-current assets					
Property, plant and equipment	8,545,065	8,113,460	6,175,686	6,175,686	9
Intangible assets	2,781,275	2,798,912	2,838,198	2,838,198	10
Investment property	-	17,421	-	-	
Long term deposits and receivables	48,246	47,766	56,619	56,619	
Employee retirement benefits	16,092	16,092	16,092	16,092	
	11,390,678	10,993,651	9,086,595	9,086,595	
Current assets					
Stores, spares and loose tools	26,463	28,110	44,143	44,143	
Stock-in-trade	5,721,476	6,071,464	5,993,442	5,993,442	
Trade debts	1,372,182	1,205,919	1,456,386	1,456,386	
- Retail	3,269,660	2,987,759	4,218,103	4,218,103	
- Whole Sales					
Advances, deposits, prepayments and other receivables	583,443	486,997	531,820	531,820	
Taxation - net	252,044	327,188	325,705	325,705	
Cash and bank balances	56,904	59,874	114,342	114,342	
	11,282,173	11,167,311	12,683,941	12,683,941	
	22,672,851	22,160,962	21,770,536	21,770,536	

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



Chief Executive Officer



Chief Financial Officer

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Profit or Loss Account (Un-audited)
For the six months period ended 30 June 2024

	Six months ended		Three months ended	
	30 June 2024	(Restated) 30 June 2023	30 June 2024	(Restated) 30 June 2023
	----- (Rupees in '000) -----			
Sales - net of sales return	2,929,009	3,584,895	1,535,278	1,949,018
Sales tax and trade discount on invoices	(569,409)	(640,357)	(240,113)	(346,446)
Sales - net	2,359,600	2,944,538	1,295,164	1,602,572
Cost of sales	(1,634,992)	(2,183,589)	(848,145)	(1,184,361)
Gross profit	724,608	760,949	447,019	418,211
Marketing, selling and distribution costs	(293,910)	(345,855)	(158,479)	(159,235)
Administrative expenses	(159,082)	(219,691)	(66,640)	(91,606)
Other expenses	(65,298)	(50,360)	(59,678)	(48,609)
Other income	195,649	225,021	89,167	93,759
	(322,641)	(390,885)	(195,630)	(205,691)
Profit from operations	401,967	370,064	251,389	212,520
Finance cost	(153,337)	(161,145)	(80,245)	(31,183)
Profit before levies and income tax	248,630	208,919	171,144	181,337
Levies	(54,398)	(33,535)	(13,458)	(24,201)
Profit before income tax	194,232	175,384	157,686	157,136
Income tax expense	(16,629)	(18,636)	(11,193)	(13,373)
Profit for the period	177,603	156,748	146,493	143,763
Attributable to:				
Owners of the Group	159,213	138,444	134,730	128,307
Non-controlling interests	18,390	18,304	11,763	15,456
	177,603	156,748	146,493	143,763
Earnings per share - basic and diluted (Rupees)	0.63	0.56	0.52	0.51

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


Chief Executive Officer


Director


Chief Financial Officer

Waves Corporation Limited and its Subsidiaries
 Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)
 For the six months period ended 30 June 2024

	<u>Six months ended</u>		<u>Three months ended</u>	
	<u>30 June</u> <u>2024</u>	<u>30 June</u> <u>2023</u>	<u>30 June</u> <u>2024</u>	<u>30 June</u> <u>2023</u>
	----- (Rupees in '000) -----			
Profit for the period	194,232	175,384	157,686	157,136
<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	194,232	175,384	157,686	157,136

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


 Chief Executive Officer


 Director


 Chief Financial Officer

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Changes In Equity (Un-audited)
As at 30 June 2024

Share Capital	Capital reserves			Revenue reserve	Total	Non controlling interest	Total	
	Capital reserves	Loan from Directors	Revaluation Surplus	Unappropriated profits				
----- Rupees in '000 -----								
As at 01 January 2023	2,814,062	5,030,661	119,497	528,895	753,581	9,246,696	1,548,470	10,795,166
<u>Total comprehensive income for the period</u>								
Profit for the period	-	-	-	-	138,444	138,444	18,304	156,748
Other comprehensive income	-	-	-	-	-	-	-	-
<u>Surplus transferred to accumulated profits</u>					138,444	138,444	18,304	156,748
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(15,338)	15,338	-	-	-
Balance at 30 June 2023 (restated)	2,814,062	5,030,661	119,497	513,557	907,363	9,385,140	1,566,774	10,951,914
<u>Total comprehensive income for the period</u>								
Profit for the period	-	-	-	-	88,248	88,248	11,785	100,033
Other comprehensive income	-	-	-	47,861	-	47,861	16,420	64,281
<u>Surplus transferred to accumulated profits</u>				47,861	88,248	136,109	28,205	164,314
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(11,138)	11,138	-	-	-
<u>Transaction with owners of the Company</u>								
Shares capital issuance expenses	-	-	-	-	(4,193)	(4,193)	(1,439)	(5,632)
Sponsors loans obtained during the year	-	-	109,520	-	-	109,520	-	109,520
As at 31 December 2023 (Audited)	2,814,062	5,030,661	229,017	550,280	1,002,556	9,626,576	1,593,540	11,220,116
<u>Total comprehensive income for the period</u>								
Profit for the period	-	-	-	-	159,213	159,213	18,390	177,603
Other comprehensive income	-	-	-	-	-	-	-	-
<u>Surplus transferred to accumulated profits</u>					159,213	159,213	18,390	177,603
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(12,902)	12,902	-	-	-
Transfer to retained earnings upon disposal of investment properties	-	-	-	(37,135)	37,135	-	-	-
<u>Transactions with owners of the company</u>								
Sponsors loans obtained during the period	-	-	114,167	-	-	114,167	-	114,167
Balance as at 30 June 2024	2,814,062	5,030,661	343,184	500,243	1,211,806	9,899,956	1,611,930	11,511,886

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


Chief Executive Officer


Director


Chief Financial Officer

Waves Corporation Limited and its Subsidiaries
Condensed Interim Consolidated Statement of Cash Flow (Un-audited)
For the six months period ended 30 June 2024

	Six months ended	
	(Un-audited) 30 June 2024	(Un-audited) 30 June 2023
	----- (Rupees in '000) -----	
<u>Cash flows from operating activities</u>		
Profit before taxation	232,001	208,919
<i>Adjustments for non-cash and other items:</i>		
Depreciation on property, plant and equipment	125,307	149,427
Amortisation of intangible assets	17,637	17,733
Finance cost	153,337	161,145
Gain on sale of property, plant and equipment	(39,328)	(11,073)
Amortisation of deferred income	(581)	(581)
	488,373	525,569
<u>Effect on cash flow due to working capital changes</u>		
<i>(Increase) / decrease in current assets:</i>		
Stores, spares and loose tools	1,647	3,887
Stock-in-trade	528,818	181,778
Trade debts and other receivables	(448,644)	806,951
Advances, deposits, prepayments and other receivables	(96,446)	(5,005)
<i>Increase in current liabilities:</i>		
Trade and other payables	(169,012)	(136,503)
	(183,638)	851,108
Cash used in operations	304,735	1,376,677
Income tax received / (paid)	37,373	351
Employee retirement benefits paid	(724)	(2,008)
Net cash used in operating activities	341,384	1,375,020
<u>Cash flow from investing activities</u>		
Capital expenditure -net	(185,722)	(969,312)
Proceeds from disposal of property, plant and equipment	151,905	13,540
Net cash generated from investing activities	(33,816)	(955,773)
<u>Cash flow from financing activities</u>		
Long term loan received/ (repaid)	74,070	(66,656)
Loan from sponsors received/ (repaid)	114,167	25,700
Finance costs paid	(267,700)	(161,145)
Short term borrowing - net	(147,727)	(458,610)
Lease rentals paid	(7,039)	(2,184)
Net cash generated from financing activities	(234,230)	(662,897)
Net increase in cash and cash equivalents	73,339	(243,649)
Cash and cash equivalents - at beginning of the period	(2,729,241)	(2,749,056)
Cash and cash equivalents - at end of the period	(2,655,902)	(2,992,705)

Note

11

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



Chief Executive Officer



Director



Chief Financial Officer

Waves Corporation Limited and its Subsidiaries
Notes to the Condensed Interim Consolidated Financial Information (Un-audited)
For the six months period ended 30 June 2024

1 Status and nature of business

The Group comprises of:

Holding Company

- Waves Corporation Limited
(formerly, Waves Singer Pakistan Limited)

2024 **2023**
(Holding percentage)

Subsidiary Companies

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

74.56 74.56

- Waves Marketplace Limited
(formerly, Electronics Marketing Company (Private) Limited)

100.00 100.00

- Waves Builders & Developers (Private) Limited
(formerly, Waves Marketing (Private) Limited)

100.00 100.00

Waves Corporation Limited (formerly, 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.
- Mouza Mustafabad, 41-KM Ferozepur Road, Off 2-KM Rohi Nala Road, Tehsil & District Kasur

Waves Marketplace Limited

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

Waves Marketplace Limited (formerly, Electronics Marketing Company (Private) Limited) 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 was to carry out distribution / wholesales / retail business of all kinds of electronic appliances, its components and accessories, etc.

Waves Builders and Developers (Private) Limited

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

Waves Builders and Developers (Private) Limited (formerly, Waves Marketing (Private) Limited) 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 9-KM Hanjarwal, Multan Road, Lahore. The principal activity of the company was to sale, distribution and marketing of consumer appliances being a trading concern. The MOA/AOA was changed to undertake real estate business, however the board of WBDPL and WCL have decided to merge WBDPL with and into WCL, subject to completion of necessary corporate legal formalities.

Waves Home Appliances Limited

(formerly Samin Textiles Limited)- Subsidiary Company

Waves Home Appliances Limited (WHAL) (formerly as Samin Textiles Limited) was incorporated in Pakistan on November 27, 1989 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Company is situated at 9-KM Hanjarwal, Multan Road, Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company previously was trading, import and export of textile products. Consequent to approval of scheme of arrangement, the principal line of business shall be amended to include manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products.

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

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

2 Basis of preparation

Statement of compliance

- 2.1 These condensed interim 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 Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and

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

- 2.2 These condensed interim consolidated financial statements comprise the condensed interim consolidated statement of financial position of the Company as at 30 June 2024 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 months 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 2023. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

- 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 2023, 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 six months period ended 30 June 2024.

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 2023.

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 2023.

5 Adoption of application Guidance on Accounting for Minimum Taxes and Final Taxes under International Accounting Standard 12, Income taxes.

The Company has classified its current income tax to the extent of income tax based on revenue i.e. final tax under the Section of 113 the Income Tax Ordinance, 2001 to levies as explained in International Financial Reporting Interpretation Committee (IFRIC) 21 "Levies" pursuant to "IAS 12 Application Guidance on Accounting for minimum and final taxes" issued by the Institute of Chartered Accountants of Pakistan clarifying that levies whose calculation use data such as gross amount of revenues, assets and liabilities do not meet the definition of income taxes provided in International Accounting Standard 12, Income taxes i.e. not within the scope International Accounting Standard 12, Income taxes rather are within the scope of International Accounting Standard 37, Provision, contingent liabilities and contingent assets".

The Company has adopted to designate the amount calculated on taxable income using notified tax rate as an income tax within the scope of International Accounting Standard 12, Income taxes and recognises it as current income tax expense. Any excess over the amount designated as income tax is recognised as a levy falling under the scope of IFRIC 21 / Provision, contingent liabilities and contingent assets. The respective changes have been explained in note 13 and 14 to these financial statements.

The change has been corrected by restating each of affected financial statements line items for the prior periods and the comparative information has been restated, as follows:

	As at June 30, 2023		
	Previously reported	Adjustments	As restated
	----- (Rupees in '000) -----		
Statement of changes in equity			
Unappropriated profits	895,100	(12,263)	907,363

	June 30, 2023		
	Previously reported	Adjustments	As restated
	----- (Rupees in '000) -----		
Statement of profit or loss			
Profit before levies and income tax	208,919	-	208,919
Levies	-	(33,535)	(33,535)
Profit before income tax	208,919	(33,535)	175,384
Income tax expense	(39,908)	21,272	(18,636)
Profit after income tax	169,011	(12,263)	156,748

There was no impact of Statement of financial position, statement of Comprehensive Income, Statement of cash flows.

6 Issued, subscribed and paid up capital

	(Un-audited) 30 June 2024	(Audited) 31 December 2023	(Un-audited) 30 June 2024	(Audited) 31 December 2023
	----- Number of shares -----		----- (Rupees in '000) -----	
Issued for cash	105,263,597	105,263,597	1,052,636	1,052,636
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>281,406,089</u>	<u>2,814,061</u>	<u>2,814,061</u>

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

	(Un-audited) 30 June 2024	(Audited) 31 December 2023	(Un-audited) 30 June 2024	(Audited) 31 December 2023
	----- Percentage held -----		----- Number of shares -----	
<i>Chief Executive Officer and his spouse</i>				
- Haroon Ahmad Khan (CEO)	38.32%	38.32%	107,840,286	107,840,286
- Nighat Haroon Khan (Wife of CEO)	10.00%	9.92%	28,132,411	27,925,911
	<u>48.32%</u>	<u>48.25%</u>	<u>135,972,697</u>	<u>135,766,197</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 Holding Company.

		(Un-audited) 30 June 2024	(Audited) 31 December 2023
	Note	----- (Rupees in '000) -----	
7 Short term borrowings			
<i>from banking companies - secured:</i>			
Running finance under mark-up arrangements	7.1	2,712,806	2,789,115
Finance against trust receipt	7.1	1,190,612	1,191,472
Short term borrowings under 'Murahaba' arrangement		284,941	284,941
Demand Finance	7.1	-	69,511
		<u>4,188,359</u>	<u>4,335,039</u>
from Fintech companies		30,000	30,297
<i>from others - unsecured</i>			
Short term borrowings under Musharaka arrangement		-	127,059
Loan against shares		50,000	
Loan from employees provident fund		288,000	288,000
		<u>4,556,359</u>	<u>4,780,395</u>

7.1 This includes amount of bridge finance facility under markup arrangement availed from National Bank of Pakistan amounting to Rs.1,500 million during the period (2023: Rs. 1,500 million).This facility is secured against 1st charge over land & building with 25% margin and carry markup from 19.25% per annum, payable quarterly in arrears.

7.2 These facilities are secured against charge over current assets of the company and carries markup rate of three 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 2023.

8.2 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. Nill (31 December 2023: Rs. Nill).
- Commitments for capital expenditure against irrevocable letters of credit outstanding at the period end were Rs. Nill (31 December 2023: Rs. Nill).

		(Un-audited)	(Audited)
		30 June	31 December
		2024	2023
		----- (Rupees in '000) -----	
9 Property, plant and equipment	<i>Note</i>		
Operating fixed assets	9.1	3,651,800	3,885,356
Right of-use asset	9.2	49,868	55,176
Capital work-in-progress	9.3	4,843,397	4,172,928
		<u>8,545,065</u>	<u>8,113,460</u>
9.1 Operating fixed assets			
Opening balance - as at 01 January		3,885,356	2,699,641
Additions during the period / year		79	8,459
Transfers from capital work in progress			1,416,173
Revaluation gain / (loss)		-	80,078
Transfers from investment property		-	(17,250)
Transfers from right to use to owned assets		-	33,330
		<u>3,885,435</u>	<u>4,220,431</u>
Book value of property, plant and equipment disposed off during the period / year		(113,636)	(12,088)
Depreciation charged during the period / year		(119,999)	(322,987)
Closing balance		<u>3,651,800</u>	<u>3,885,356</u>
9.2 Right of-use asset			
Balance as at 01 January		55,176	161,105
Additions during the period / year		-	1,976
Transfers to owned assets		-	(33,330)
Book value of property, plant and equipment disposed off during the period / year		-	(69,092)
Depreciation charge for the period / year		(5,308)	(5,483)
Closing balance		<u>49,868</u>	<u>55,176</u>
9.3 Capital work-in-progress			
Freehold land		903,554	903,554
Civil work / Factory Building		1,522,545	1,142,150
Plant and machinery		591,490	732,161
Plant and machinery-in transit		122,726	122,726
Electric installation		1,445	1,359
Borrowing costs		1,701,639	1,270,978
		<u>4,843,397</u>	<u>4,172,928</u>
		(Un-audited)	(Audited)
		30 June	31 December
		2024	2023
		----- (Rupees in '000) -----	
10 Intangible assets and goodwill			
Software		21,260	23,533
Goodwill		1,070,207	1,070,207
Brand value		1,582,147	1,582,147
Customer relationships		107,661	123,025
		<u>2,781,275</u>	<u>2,798,912</u>
		(Un-audited)	(Audited)
		30 June	31 December
		2024	2023
		----- (Rupees in '000) -----	
11 Cash and cash equivalents			
Cash and bank balances		56,904	59,874
Short term running finance - secured		(2,712,806)	(2,789,115)
		<u>(2,655,902)</u>	<u>(2,729,241)</u>

	(Un-audited) 30 June 2024	(Un-audited) 30 June 2023
	----- (Rupees in '000) -----	
12 Sales - net		
Gross sales:		
- Local	2,937,441	3,588,376
Sales return	(8,432)	(3,481)
	<u>2,929,009</u>	<u>3,584,895</u>
Sales tax	(446,819)	(546,301)
Trade discounts	(122,590)	(94,056)
	<u>(569,409)</u>	<u>(640,357)</u>
	<u>2,359,600</u>	<u>2,944,538</u>
	(Un-audited) 30 June 2024	(Un-audited) 30 June 2023
	----- (Rupees in '000) -----	
13 Levies		
Minimum tax	<u>(54,398)</u>	<u>(33,535)</u>

13.1 This represents minimum tax on sale of goods under Section 113 of the Income Tax Ordinance, 2001 representing levy in terms of requirements of interpretation issued by International Financial Reporting Interpretation Committee (IFRIC) 21 / International Accounting Standard 37, Provision, contingent liabilities and contingent assets.

	(Un-audited) 30 June 2024	(Un-audited) 30 June 2023
	----- (Rupees in '000) -----	
14 Income tax expense		
Current		
- for the period	-	-
- prior period	-	-
	<u>-</u>	<u>-</u>
Deferred	(16,629)	(18,636)
	<u>(16,629)</u>	<u>(18,636)</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 2024	(Un-audited) 30 June 2023
			----- (Rupees in '000) -----	
Employee's Provident Fund	Post employee contribution plan	Contribution for the period	5,715	6,473
Directors	Employees	Loan from sponsors	114,167	25,700
Key management personnel	Remuneration	Remuneration	29,854	38,903

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 December 2023. 31

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 2024					
		Carrying amount		Fair value			
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
----- Rupees in '000 -----							
<i>Note</i>							
Financial instruments							
30 June 2024 - (Un-audited)							
<i>Financial assets - not measured at fair value</i>							
Trade debts		4,641,842	-	4,641,842	-	-	-
Security deposits		16,092	-	16,092	-	-	-
Other receivables		583,443	-	583,443	-	-	-
Cash & Bank Balances		56,904	-	56,904	-	-	-
	16.3	5,298,282	-	5,298,282	-	-	-
<i>Financial liabilities - not measured at fair value</i>							
Long term loans - secured		-	1,554,214	1,554,214	-	-	-
Liabilities against assets subject to finance lease		-	26,256	26,256	-	-	-
Trade and other payables		-	3,348,336	3,348,336	-	-	-
Employee retirement benefit		-	19,232	19,232	-	-	-
Short term borrowings		-	4,556,359	4,556,359	-	-	-
Mark-up accrued on short term finances and long term loans		-	1,350,474	1,350,474	-	-	-
	16.3	-	10,854,870	10,854,870	-	-	-

31 December 2023

This condensed interim Consolidated financial information has been approved by the

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

31 December 2023

Financial assets - not measured at fair value

Security deposits	16,092	-	16,092	-	-	-
Trade debts	4,193,678	-	4,193,678	-	-	-
Other receivables	486,997	-	486,997	-	-	-
Bank balances	59,874	-	59,874	-	-	-
	4,756,641	-	4,756,641	-	-	-

16.3

Financial liabilities - not measured at fair value

Long term loans - secured	1,480,144	-	1,480,144	-	-	-
Lease liabilities	33,295	-	33,295	-	-	-
Trade and other payables	3,517,348	-	3,517,348	-	-	-
Employee retirement benefit	19,955	-	19,955	-	-	-
Short term borrowings	4,780,395	-	4,780,395	-	-	-
Mark-up accrued on short term finances and long term loans	819,660	-	819,660	-	-	-
	10,650,797	-	10,650,797	-	-	-

16.3

16.3 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

Revalued Property, plant and equipment

Investment property

Date of valuation

Date of valuation

31 December 2023

31 December 2023

Valuation approach and inputs used

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

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

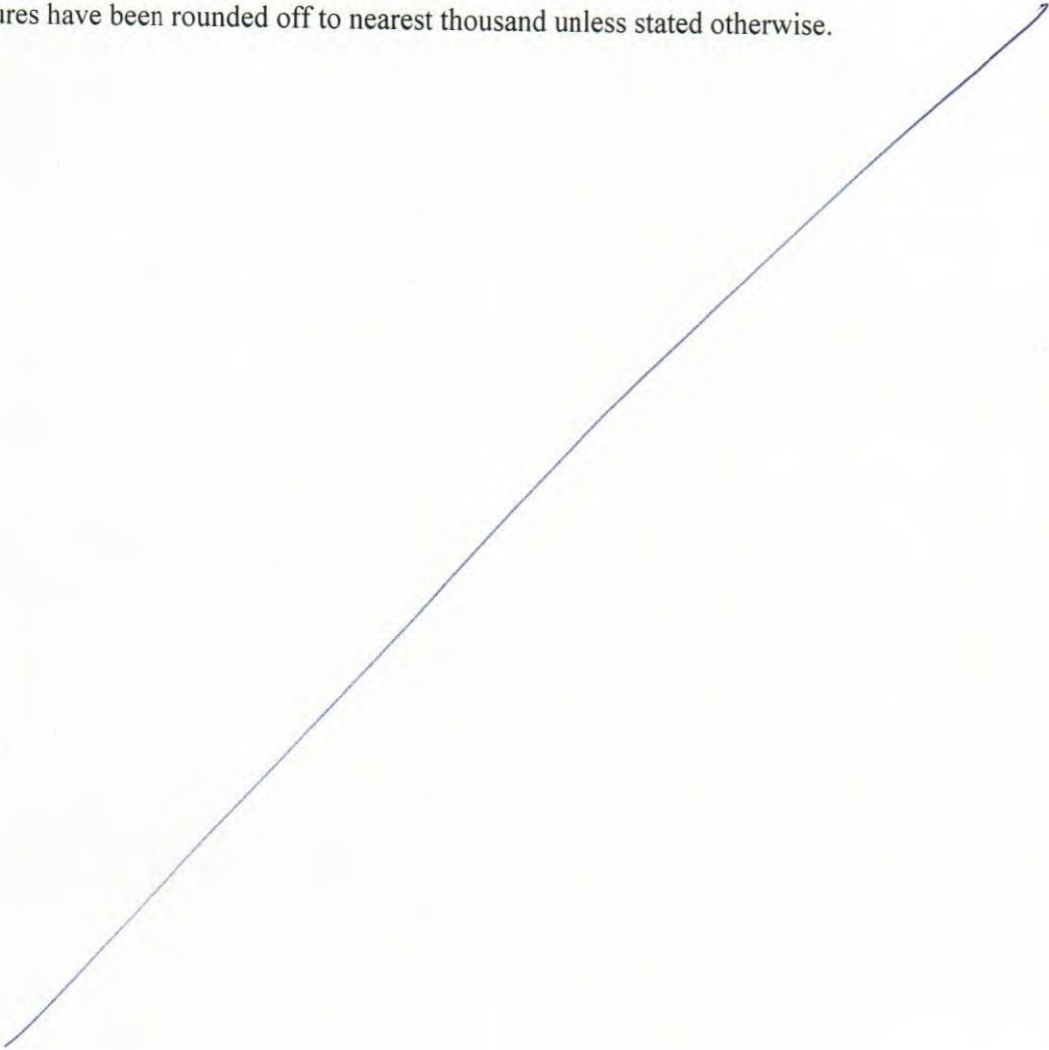
17 Date of authorization

This condensed interim Consolidated financial information has been approved by the Board of Directors of the Company and authorized for issue on 29 August 2024.

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.

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



Chief Executive Officer



Director



Chief Financial Officer

3.2 Standalone Financial Statements

**WAVES CORPORATION
LIMITED
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED
JUNE 30, 2024**

Independent Auditor's Review Report

To the members of Waves Corporation Limited report on review of interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Waves Corporation Limited (the Company) as at June 30, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim 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 interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended June 30, 2024 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2024.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim 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 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.

Emphasis of matter

As fully explained in note 2 and note 12.1.2 to these condensed interim financial statements, subsequent to completion of the Scheme of Compromises, Arrangement and Reconstruction and transfer of home appliance business by the parent company to the Company, legal and procedural formalities including registration / updation of the name of the subsidiary company with the relevant departments / utility companies could not be completed till the date of issuance of report. Due to certain impediments of such routing of the transactions, the impact of non-compliance if any, cannot be ascertained at this point of time. Our conclusion is not modified in respect of this matter.

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

Lahore:

UDIN:

Rizwan & Company
Chartered Accountants



Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Profit or Loss Account (Un-audited)
For the six months period ended June 30, 2024

	Note	Six months period ended		Three months period ended	
		June 30, 2024	(Restated) June 30, 2023	June 30, 2024	(Restated) June 30, 2023
		Rupees in ('000)		Rupees in ('000)	
Other income		168,163	106,081	100,067	83,951
Administrative expenses		(22,313)	(31,684)	(10,027)	(15,163)
Other expenses		(2,296)	-	(1,180)	-
Operating profit		143,554	74,397	90,040	68,788
Finance costs		(28,744)	(25,109)	(15,118)	(11,096)
Profit before levies and income tax		114,809	49,288	74,922	57,692
Levies	18	(19,518)		684	
Profit before income tax		95,292	49,288	75,606	57,692
Income tax expense		-	-	-	-
Profit after taxation		95,292	49,288	75,606	57,692
Earnings per share - basic and diluted (Rupees)		0.34	0.18	0.27	0.21

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive

Director

Chief Financial Officer

Waves Corporation Limited

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

For the six months period ended June 30, 2024

	<u>Six months period ended</u>		<u>Three months period ended</u>	
	<u>June 30,</u> <u>2024</u>	<u>(Restated)</u> <u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2024</u>	<u>(Restated)</u> <u>June 30,</u> <u>2023</u>
	<u>Rupees in ('000)</u>		<u>Rupees in ('000)</u>	
Profit after taxation	95,292	49,288	75,606	57,692
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss account:	-	-	-	-
Items that may be reclassified to profit or loss account:	-	-	-	-
Total comprehensive income for the period	95,292	49,288	75,606	57,692

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.


Two



Chief Executive



Director



Chief Financial Officer

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Changes in Equity ((Un-audited)
For the six months period ended June 30, 2024

	Share Capital	Capital Reserves	Revaluation Surplus	Revenue Reserve		Total
				Unappropriated profits		
(Rupees in '000')						
As at January 01, 2023	2,814,062	5,030,661	151,467	207,171		8,203,361
Total comprehensive income / (loss) for the period						
Profit after taxation	-	-	-	49,288		49,288
Other comprehensive income / (loss) for the period	-	-	-	-		-
As at 30 June, 2023 - Restated	2,814,062	5,030,661	151,467	256,459		8,252,649
Total comprehensive income / (loss) for the period						
Profit after taxation	-	-	-	98,898		98,898
Other comprehensive income / (loss) for the period	-	-	-	-		-
As at December 31, 2023 (Audited)	2,814,062	5,030,661	151,467	355,357		8,351,547
Total comprehensive income / (loss) for the period						
Profit after taxation	-	-	-	95,292		95,292
Other comprehensive income / (loss) for the period	-	-	-	-		-
Transfer to retained earnings upon disposal of investment property	-	-	(35,992)			-
Balance as at June 30, 2024	2,814,062	5,030,661	115,475	486,641		8,446,839

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

Waves Corporation Limited
Condensed Interim Unconsolidated Statement of Cash Flow (Un-audited)
For the six months period ended June 30, 2024

	(Un-audited)	(Un-audited)
	June 30, 2024	(Restated) June 30, 2023
Note	<u>Rupees in ('000)</u>	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	114,809	49,288
Adjustment for non-cash charges / items:		
Finance costs	28,745	25,109
Mark up income on amount due from subsidiary	(46,230)	16,653
Unwinding of long term receivables to subsidiary	(73,061)	87,474
Return on long term receivables	(47,413)	-
	<u>(23,150)</u>	<u>178,524</u>
Effect on cash flows due to working capital changes:		
(Increase) / decrease in current assets:		
Advances, deposits, prepayments and other receivables	(6,385)	(468,897)
Increase in current liabilities:		
Trade and other payables	18,336	784,001
Cash (used in) / generated from working capital changes	<u>11,951</u>	<u>315,104</u>
Cash (used in) / generated from operating activities	<u>(11,199)</u>	<u>493,628</u>
Income tax paid	-	19,429
Long term deposits - net	-	(232,785)
Net cash (used in) / generated from operating activities	<u>(11,199)</u>	<u>280,272</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure incurred	-	(187,482)
Net cash generated from / (used in) investing activities	<u>-</u>	<u>(187,482)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Long term receivables		
Long term loans repaid	-	(14,421)
Net cash generated from / (used in) financing activities	<u>-</u>	<u>(14,421)</u>
Net increase in cash and cash equivalents	<u>(11,199)</u>	<u>78,369</u>
Cash and cash equivalents used at beginning of the period	<u>(1,702,091)</u>	<u>(1,705,009)</u>
Cash and cash equivalents - at end of the period	<u>(1,713,290)</u>	<u>(1,626,640)</u>

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The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Director


Chief Financial Officer

Waves Corporation Limited

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

For the six months period ended June 30, 2024

1 Status and nature of business

Waves Corporation Limited (formerly Waves Singer Pakistan Limited) (the Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public company limited by shares and is quoted on the Pakistan Stock Exchange. Consequent to approval of scheme of arrangement, the principal line of business has been amended which includes managing its investment in subsidiaries, which are principally engaged in manufacturing and assembly of domestic consumer appliances along with retailing and trading the same and real estate development. The registered office of the Company is located at 9-K.M, Hanjarwal, Multan Road, Lahore.

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

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

2 As per Scheme of Compromises, Arrangement and Reconstruction (the Scheme) as sanctioned by the Honorable Lahore High Court, Lahore on May 27, 2022, the Company transferred its manufacturing undertaking to its subsidiary Company, i.e. Waves Home Appliances Limited with effect from effective date, i.e. September 01, 2021.

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

**For Six Months
Ended June 30,
2024**

Rupees in "000"

Sales	417,982
Purchases	219,511

3 Separate financial statements

These financial statements are the separate financial statements of the Company in which investments in subsidiaries are accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investees. Consolidated financial statements of the Company are prepared and presented separately. The Company has the following long term investments:

	2024	2023
Name of subsidiary companies	(Direct holding percentage)	
- Waves Builders and Developers (Private) Limited (formerly, Waves Marketing (Private) Limited)	100%	100%
- Waves Marketplace Limited (formerly, Electronics Marketing Company (Private) Limited)	100%	100%
- Waves Home Appliances Limited (formerly, Samin Textiles Limited)	74.56%	74.56%



4 Basis of preparation

4.1 Statement of compliance

These 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 International Accounting Standard 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 4.2** These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at June 30, 2024 and the related condensed interim unconsolidated statement of profit or loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flow and notes to the financial information for the six months period then ended.
- 4.3** 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.
- 4.4** 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 December 31, 2023. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.
- 4.5** Comparative unconsolidated statement of financial position's numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended December 31, 2023, whereas comparative unconsolidated statement of profit or loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statement of the Company for the three and six months period ended June 30, 2023.

5 Basis of measurement

These unconsolidated interim financial statements have been prepared under the historical cost convention except for investment property which are stated at fair value less impairment losses.

6 Functional and presentation currency

These unconsolidated interim financial statements are presented in Pakistani Rupee which is also the Company's functional and presentation currency and have been rounded off to the nearest thousand.

7 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 December 31, 2023.

8 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 December 31, 2023 except for the note 8.1

8.1 Adoption of application Guidance on Accounting for Minimum Taxes and Final Taxes under International Accounting Standard 12, Income taxes.

The Company has classified its current income tax to the extent of income tax based on revenue i.e., final tax under the Section of 113 the Income Tax Ordinance, 2001 to levies as explained in International Financial Reporting Interpretation Committee (IFRIC) 21 "Levies" pursuant to "IAS 12 Application Guidance on Accounting for minimum and final taxes" issued by the Institute of Chartered Accountants of Pakistan clarifying that levies whose calculation use data such as gross amount of revenues, assets and liabilities do not meet the definition of income taxes provided in International Accounting Standard 12, Income taxes i.e., not within the scope International Accounting Standard 12, Income taxes rather are within the scope of International Accounting Standard 37, Provision, contingent liabilities and contingent assets".

The Company has adopted to designate the amount calculated on taxable income using notified tax rate as an income tax within the scope of International Accounting Standard 12, Income taxes and recognises it as current income tax expense. Any excess over the amount designated as income tax is recognised as a levy falling under the scope of IFRIC 21 / Provision, contingent liabilities and contingent assets.

The change has no impact on the financial statements of the Company owing to application of normal taxation in the corresponding period ended on June 30, 2022 whereas impact on the financial statements of the Company owing to application of normal taxation in the corresponding period ended on June 30, 2023 is as under:

	December 31, 2023		
	As previously reported	Adjustments	As restated
	Rupees		
Statement of financial position			
Provision for levies	-	1,732	1,732
Income tax payable	1,732	(1,732)	-
Statement of profit or loss			
Profit before levies and income tax	49,288	-	49,288
Levies	-	(1,732)	(1,732)
Profit before income tax	49,288	(1,732)	47,556
Income tax expense	(1,732)	1,732	-
Profit after income tax	47,556	-	47,556

There was no impact of statement of Comprehensive Income, Statement of cash flows and Statement of changes in equity.

	(Un-audited) June 30, 2024	(Audited) December 31, 2023	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	(Number of shares)		(Rupees in '000)	
9 SHARE CAPITAL				
9.1 Authorised share capital	300,000,000	300,000,000	3,000,000	3,000,000

9.1.1 The authorized share capital stands at Rupees 3,000 million divided into 300,000,000 shares of Rupees 10 each, according to the Memorandum and Articles of Association the Company.

Tuo

		Waves Corporation Limited			
		(Un-audited)	(Audited)	(Un-audited)	(Audited)
		June 30,	December 31,	June 30,	December 31,
		2024	2023	2024	2023
		(Number of shares)		(Rupees in '000)	
9.2	Issued, subscribed and paid-up capital				
	Fully paid-up ordinary shares of Rupees 10 each:				
	Issued for cash	105,263,597	105,263,597	1,052,637	1,052,637
	Issued for consideration other than cash	703,733	703,733	7,037	7,037
	Issued as 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>281,406,089</u>	<u>2,814,062</u>	<u>2,814,062</u>
9.3	No further shares were issued during the period.				

		(Un-audited)	(Audited)
		June 30,	December 31,
		2024	2023
		(Rupees in '000)	
10	CAPITAL RESERVES		
	Share premium	5,025,661	5,025,661
	Other capital reserve	5,000	5,000
		<u>5,030,661</u>	<u>5,030,661</u>
11	SHORT TERM BORROWINGS		
	<i>From banking companies - secured:</i>		
	Running finance under mark-up arrangements	1,680,097	1,723,953
	<i>From non -banking companies:</i>		
	Demand finance	50,000	-
		<u>1,730,097</u>	<u>1,723,953</u>

11.1 There were no major changes in any of the facilities during the period other than explained in note 11.3. 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 December 31, 2023.

11.2 The running finance includes balance of Rupees 1,500 million under the Bilateral Bridge Finance Facility obtained from the National Bank of Pakistan, which has become overdue as of June 30, 2024.

11.3 During the period, the Company has obtained financing facility of Rupees 50.00 million from Dawood Equities Limited against pledge of 10.00 million ordinary shares of the Waves Home Appliances Limited owned by the sponsor of the Company. The facility carries markup rate of 31% per annum and having expiry of three months.

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12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

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

12.1.2 Based on the legal opinion, due to the Scheme of Compromises, Arrangement and Reconstruction (the Scheme); the routing of transactions in order to pass on the impact of sales tax to subsidiary company is in line with the Scheme sanctioned by the Honorable Court. Therefore, there will be no non-compliance at this point of time, however, at any stage if there will be negative inference; then the same will be dealt accordingly.

12.2 Commitments

There has been no significant changes in commitments as reported in the annual audited financial statements of the Company for the year ended December 31, 2023 except for aggregate utilised credit limit which is increased from Rupees 1.047 million to Rupees 44.903 million.

	Note	(Un-audited)	(Audited)
		June 30, 2024	December 31, 2023
		(Rupees in '000)	
13 INVESTMENT PROPERTY			
Opening balance		250,000	300,480
Disposed off during the period		(60,000)	-
		190,000	300,480
Fair value adjustments		-	(50,480)
Closing balance		190,000	250,000

14 INVESTMENT IN SUBSIDIARIES

Waves Marketplace limited

50,000,000 (2023: 50,000,000) fully paid ordinary shares of Rupees 10 each
Equity held: 100% (2023: 100%)
Chief Executive Officer - Moazzam Ahmad Khan

500,000 500,000

Waves Builders and Developers (Private) Limited

100,000 (2023: 100,000) fully paid ordinary shares of Rupees 10 each
Equity held: 100% (2023: 100%)
Chief Executive Officer - Moazzam Ahmad Khan

14.1 1,000 1,000

Waves Home Appliance Limited

199,724,956 (2023: 199,724,956) fully paid ordinary shares of Rupees 10 each
Equity held: 74.56% (2023: 74.56%)
Chief Executive Officer - Haroon Ahmad Khan

4,769,481 4,769,481

5,270,481 5,270,481

14.1 During the period under review; the board of directors of the Company and its subsidiary company, i.e. Waves Builders and Developers (Private) Limited in their meetings held on April 05, 2024 have decided to amalgamate the subsidiary company with the Company under the provisions of Section 284 (1) of the Companies Act, 2017. As per Scheme; all assets, liabilities and obligations comprising the subsidiary

company shall stand amalgamated with, transferred to, vested in and be assumed by parent company with effect from effective date. The Company is in the process of filing of Scheme and Amalgamation Waves Builders and Developers (Private) Limited into the Company with Securities and Exchange Commission of Pakistan.

		(Un-audited) June 30, 2024	(Audited) December 31, 2023
	Note	(Rupees in '000)	
15 LONG TERM RECEIVABLES			
Receivable from a subsidiary company		2,000,000	1,926,938
Less: Current portion		-	-
		<u>2,000,000</u>	<u>1,926,938</u>

15.1 Movement of long term receivable

Balance at the beginning of the period / year		1,926,938	1,746,083
Unwinding of long term receivables from subsidiary	15.2	73,062	180,855
Balance at the end of the year		<u>2,000,000</u>	<u>1,926,938</u>

15.2 This represents unwinding of loan discounted at average borrowing rate of 9.87% per annum and has been accounted for as part of consideration paid under the Scheme of Arrangement. During the period under review, the shareholders of the Company in their meeting held on April 29, 2024 has extended recovery of long term receivables for a period of two years, i.e. May 27, 2026 subject to chargeability of interest rate of 0.1% above average borrowing costs of the Company.

		(Un-audited) June 30,	(Audited) December 31,
	Note	(Rupees in '000)	
16 INVENTORIES			
16.1 Under developed properties			
Balance at the beginning of the period		3,126,042	2,705,294
Add: Costs incurred during the period		178,830	420,748
		<u>3,304,872</u>	<u>3,126,042</u>

17 ADVANCES AND DEPOSITS

This includes balance amounting to Rupees 423.493 million (December 31, 2023: Rupees 370.879 million receivable from Waves Marketplace Limited (formerly, Electronics Marketing Company (Private) Limited), wholly owned subsidiary of the Company. This balance is unsecured and receivable on demand. Markup is being calculated and charged on outstanding balance at an average borrowing cost of the Company.

		(Un-audited) June 30, 2024	(Un-audited) December 31, 2023
		(Rupees in '000)	
18 LEVIES			
Alternate corporate tax		<u>19,518</u>	-

18.1 Current period's provision for levies has been charged on the basis of alternate corporate tax on accounting profit under Section 113C of the Income Tax Ordinance 2001 as fully explained in note 8.1.

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19 CASH AND CASH EQUIVALENTS

Cash and bank balances	16,807	21,862
Short term borrowings	(1,730,097)	(1,723,953)
	(1,713,290)	(1,702,091)

20 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) June 30, 2024	(Un-audited) June 30, 2023
Subsidiary companies				
Waves Marketplace Limited	Wholly owned subsidiary	Mark-up charged on receivable from subsidiary	46,229	16,653
		Rental income	1,460	-
Waves Home Appliances Limited	Partially owned subsidiary	Notional interest on receivable from subsidiary	73,062	87,474
		Markup income	47,413	-

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21 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

21.1 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 December 31, 2023.

21.2 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:

		June 30, 2024					
		Carrying amount			Fair value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
Note		Rupees in '000'					
Financial instruments							
Financial assets							
	15	2,000,000	-	2,000,000	-	-	-
		423,493	-	423,493	-	-	-
		47,413	-	47,413			
		16,807	-	16,807	-	-	-
	21.3	<u>2,487,713</u>	<u>-</u>	<u>2,487,713</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities							
		-	29,756	29,756	-	-	-
		-	508,841	508,841	-	-	-
	11	-	1,730,097	1,730,097	-	-	-
		-	1,179	1,179			
		<u>-</u>	<u>2,269,873</u>	<u>2,269,873</u>	<u>-</u>	<u>-</u>	<u>-</u>
		December 31, 2023					
		Carrying amount			Fair value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
Note		Rupees in '000'					
Financial assets							
	15	1,926,938	-	1,926,938	-	-	-
		370,879	-	370,879	-	-	-
		21,862	-	21,862	-	-	-
		<u>2,319,679</u>	<u>-</u>	<u>2,319,679</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities							
		-	33,269	33,269	-	-	-
		-	301,267	301,267	-	-	-
	11	-	1,723,953	1,723,953	-	-	-
		-	1,179	1,179	-	-	-
		<u>-</u>	<u>2,059,668</u>	<u>2,059,668</u>	<u>-</u>	<u>-</u>	<u>-</u>

21.3 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 asset measured at fair value

Investment property Date of valuation 31 December, 2023

Valuation approach and inputs used

The valuation model is based on price per square metre. In determining the valuation for investment property 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 investment property 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.

22 DATE OF AUTHORIZATION

This condensed interim unconsolidated financial information has been approved by the Board of Directors of the Company and authorized for issue on August 28, 2024.

23 GENERAL

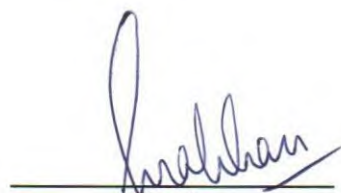
23.1 Corresponding figures have been re-arranged and re-classified where necessary for the purpose of comparison and better presentation as per reporting framework.

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

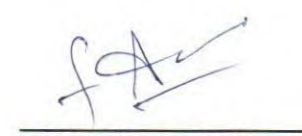
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Chief Executive



Director



Chief Financial Officer



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