

ANNUAL REPORT | 2024

WAVES CORPORATION LIMITED

Contents

1.	CORPORATE INFORMATION	3
2.	CHAIRMAN REVIEW	5
3.	DIRECTORS' REPORT	6
3.1	Operating Results.....	6
4.	CORPORATE VALUE STATEMENTS.....	15
4.1	Corporate Values	15
4.2	Corporate Objectives & Strategies	19
5.	HISTORY OF WAVES	21
5.1	Brief History and Holding Company.....	21
6.	WAVES PRODUCTS.....	24
6.1	Products.....	24
6.2	Quality Management	25
6.3	Geographical Presence & Distribution	25
7.	OTHER INFORMATION	26
7.1	Pattern of Shareholding.....	26
8.	INDEPENDENT AUDITOR REVIEW REPORT.....	32
9.	STATEMENT OF COMPLIANCE	33
10.	NOTICE OF ANNUAL GENERAL MEETING.....	36
11.	ANNUAL FINANCIAL STATEMENTS	44
11.1	Consolidated Financial Statements.....	45
11.2	Standalone Financial Statements.....	46

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:

Email:

Web Site:

042-35415421-5, 042-35421502-4

cs@waves.net.pk

www.waves.net.pk

2. CHAIRMAN REVIEW

It is with great pride that I share the Annual Report for the financial year ending 31 December 2024, capturing the consolidated and standalone achievements of Waves Corporation Limited.

The Board of Directors continues to play a pivotal role in shaping the Company's strategic direction and ensuring robust governance. Our unwavering focus remains on long-term value creation and safeguarding stakeholder interests. The composition of the Board reflects a balanced and versatile leadership structure, featuring seven members with a blend of executive, non-executive, and independent directors, including a female independent director, bringing a wealth of knowledge in business, finance, regulation, and the financial sector.

Our commitment to strong corporate governance practices is deeply ingrained. This year, we adhered to a well-defined framework for Board operations, including structured evaluations, elections, and appointments, to promote consistency, transparency, and leadership excellence. WAVES continues to operate in full alignment with all regulatory and governance standards.

In 2024, the Board remained actively involved in key decision-making processes ranging from financial oversight and budget approvals to capital planning and strategic execution. We provided clear direction and supported the management in responding to uncertainties while exploring new avenues for sustainable growth.

Despite a turbulent global economic environment, WAVES has continued to demonstrate resilience and stability by embracing prudent financial practices, transparent operations, and flexible strategic planning. These core principles form the foundation of our corporate philosophy and will guide us as we navigate future opportunities and challenges.

I would like to express my heartfelt appreciation to my fellow Board members for their invaluable contributions, dedication, and leadership throughout the year. Their guidance has been essential in propelling WAVES forward and laying the groundwork for continued success.

Chairman

3. DIRECTORS' REPORT

3.1 Operating Results

We are pleased to present Annual Report of Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVES or the Company) for the year ended December 31, 2024 (Consolidated and Standalone), together with the Auditors' Report and other Reports thereon. By the grace of Almighty, the demand for WAVES branded products remains healthy, driven by our commitment to delivering high-quality, market oriented and innovative products.

In recent years, Pakistan's economy faced significant headwinds, with soaring inflation and persistent fiscal deficits straining growth. Industrial output struggled, particularly in large-scale manufacturing, while external imbalances and dwindling foreign reserves added pressure. The government responded with tight monetary policies and fiscal adjustments, setting the stage for stabilization. However, agricultural performance remained inconsistent, and reliance on imports exposed structural vulnerabilities in key sectors.

Recent months have brought encouraging improvements, with inflation dropping sharply due to easing food and energy prices. Fiscal discipline has started yielding results, narrowing the deficit and generating a primary surplus. The external sector has strengthened, supported by robust remittance inflows, rising foreign investment, and a rebound in exports. Agriculture is showing progress, aided by government initiatives and increased mechanization, while industries like automobiles and cement report growth. The stock market remains upbeat, and foreign exchange reserves have stabilized, reflecting renewed investor confidence.

Due to the technology-intensive nature of home appliance manufacturing, domestic companies are required to either make significant investments in research and development and technical capabilities or form strategic partnerships with global entrants. To align itself with the global value chain, the Group has undertaken a corporate restructuring, now focusing exclusively on the production and sale of household appliances under the WAVES brand.

Waves Home Appliances has placed a strong emphasis on digital transformation, recently migrating to SAP B1 to improve data transparency and enhance operational efficiency. The company holds various ISO certifications that underscore its commitment to product quality, workplace safety, environmental sustainability, and international compliance standards. As a certified green-rated supplier under The Coca-Cola Company's Supplier Guiding Principles (SGP), Waves Home Appliances is recognized for maintaining high ethical and operational benchmarks. The company continues to invest in workforce development through ongoing training initiatives, with future plans to modernize and expand its manufacturing capabilities.

Waves Marketplace boasts an extensive retail network capable of accommodating a diverse range of products and reaching consumers in even the most remote areas. This network represents significant sales potential. With strategically located home appliance retail outlets across key metropolitan areas, the company is well-positioned to strengthen its market presence and serve a broad customer demographic.

These urban store locations allow the company to effectively engage with a wide range of customers seeking reliable home appliances. This broad retail footprint not only increases brand exposure but also enables access to the spending power of urban consumers. In addition, the network's reach extends into suburban and rural regions, further enhancing market penetration.

Waves Corporation Limited (WAVES)

The widespread presence of these stores presents a valuable opportunity to establish the brand as the preferred choice for home appliances, supporting continued sales growth and reinforcing its leadership position in the industry.

Separately, the Group's real estate development is situated at a highly strategic location near central Lahore, benefiting from one of the highest traffic flows in the area. Surrounded by a growing and densely populated neighborhood, the project faces no comparable developments in its immediate vicinity. As economic and financial conditions stabilize and improve, this high-potential project is expected to attract substantial benefits for the Company. With signs of recovery emerging in the real estate sector, and a more favorable legal and tax environment taking shape, new investment opportunities in property development are anticipated to re-emerge.

The home appliances business, operated by the subsidiary Waves Home Appliances Limited (WAVESAPP), also faced industry-wide pressures, including limited access to financing, restrictive import policies, elevated interest rates, and rising inflation. Despite these headwinds, WAVESAPP strategically shifted toward greater reliance on locally sourced materials, setting itself apart from competitors and mitigating supply chain risks. The construction of its state-of-the-art, purpose-built, owned manufacturing facility continues, albeit at a controlled pace aligned with prevailing economic conditions.

Given the ongoing economic difficulties, the Board of WAVESAPP requested an extension on the repayment period of the outstanding balance owed to the holding company. This liability was created under the Scheme of Demerger between WAVES and WAVESAPP, as sanctioned by the Honorable Lahore High Court. The shareholders during the year extended the repayment of the loan for a period of 2 years extendable to another 1 year after that. This will provide WAVESAPP room to utilize the available cash and focus on its operations. The Auditors have placed an Emphasis paragraph in respect of the tax related matters/transactions, which are mainly due the challenges faced with the relevant tax authorities. However, the management in consultation with the legal and financial advisor is fully geared to address and resolve the matter.

The Company's Consolidated Revenues are PKR 5,072 million with net profit of PKR 1,085 million as compared to previous years of PKR 6,295 million, whereas net profit of PKR 256 million. The substantial increase in net profit is on account of other income comprising mainly of fair value on land and income arising due to discounting of financial liabilities. It is commendable that this was still achieved in a challenging business environment where all macro indicators had been lower as compared to previous years. Continued improvement in knowledge management, operational management, cost rationalization, process re-engineering and strategical measures taken during the whole year etc., helped the Company in its sustenance. Further analysis is given separately in this Annual Report.

Waves Corporation Limited (WAVES)

The challenge posed by the economic slowdown is gradually easing, as coordinated efforts to stimulate various sectors begin to show tangible results. Notably, the real sector is witnessing robust growth, contributing to a positive market sentiment and early signs of economic recovery. The stabilization of the Pakistani Rupee (PKR) and the sustained upward trend of the Pakistan Stock Exchange (PSX) reflect a conducive environment for economic activity. While the pace of expansion may remain moderate, encouraging improvements in key economic indicators point toward a favorable GDP outlook for FY2025.

Looking ahead, we remain optimistic and confident in the Company's future. Backed by a dedicated management team, committed staff, a strong brand reputation, a high-quality product portfolio, and a well-established nationwide distribution and after-sales service network, we are well-equipped to effectively serve customers across both urban and rural markets. We sincerely thank all our stakeholders for their continued trust and support.

Financial Highlights

Financial highlights are presented as hereunder for consolidated financial statements, wherein financial results of standalone financial statements are also provided in this report:

Consolidated Operating Results

	FY24	FY23
	<u>Rs. in '000</u>	<u>Rs. in '000</u>
Gross revenue	5,072,833	6,295,795
Net revenues	3,944,757	5,206,326
Gross profit	1,219,295	1,401,187
Operating profit	1,791,734	566,365
Profit before taxation	1,060,737	300,862
Profit after taxation	1,085,676	256,781
Earnings per share	3.86	0.91

Based on the current economic and financial challenges the Board has not recommended any payout for the shareholders of the Company.

The Board has considered and is providing operating results and business performance for consolidated financial results as it better reflects the performance of the Company as a holding entity. The individual standalone operating results of the Company are also given.

Consolidated Operating Performance

During the year the Company's Consolidated Revenues are PKR 5,072 million with net profit of PKR 1,085 million as compared to previous years of PKR 6,295 million, whereas net profit of PKR 256 million. The gross profit margin for the current year is 30.9% as compared to 26.9% previous year. The earning per share for the year is PKR 3.86 as compared to PKR 0.91 of previous year. With the improvement in the economic conditions coupled with increase in urbanization, lowering of interest rates and growing metropolitan areas on the back of rural population migrating towards the cities for employment, better life style we expect results to improve.

The profit mainly includes income as a result of discounting of financial liabilities owing to restructuring efforts of the management and fair value gain on the investment property. The income arising owing to the discounting of liabilities will be reversed in the coming years as the financial liabilities unwind.

Waves Corporation Limited (WAVES)

For more information, please refer to the notes appearing in the financial statements of the Group/relevant company.

Investments in Subsidiaries

The standalone 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. The Consolidated financial statements of the Company are prepared and presented separately. The Company has investments in the following subsidiary companies out of which Waves Marketplace Limited and Waves Builders & Developers (Private) Limited are 100% owned subsidiary. For further details on Waves Home Appliances Limited, please visit www.waves.net.pk.

Standalone Results of the Company

The standalone results of the Company are given hereunder:

	FY24	FY23
	Rs. in '000	Rs. in '000
Other Income	1,272,583	321,430
Profit before Tax	56,593	159,571
Profit for the year	81,831	148,186
Earnings per Share	0.22	0.53

During the year the Company has also sold its investment in WAVESAPP in order to generate funds for operations of the Company. For further details please refer to the audited financial statements.

Business Overview – Activities and Development

WAVES (the Company) is listed on the Pakistan Stock Exchange Limited (PSX). The Company recently underwent a corporate restructuring through a Scheme of Arrangement (the Scheme), under which its home appliances business was demerged and transferred to Waves Home Appliances Limited, formerly Samin Textiles Limited (WAVESAPP). The Company retained its real estate development operations and its retail network for consumer appliances and other goods. The Scheme was approved by the Honorable Lahore High Court, Lahore on 27 May 2022, with an effective date of 31 August 2021. As a result, WAVESAPP has become a subsidiary of the Company.

The retail operations are currently managed by Waves Marketplace Limited, while real estate activities were previously carried out by a dedicated project company, Waves Builders & Developers (Private) Limited, which is now being merged back into the parent Company. WAVESAPP primarily focuses on the manufacturing, assembly, and distribution of a wide range of home appliances and other light engineering products. WAVES has built an extensive product portfolio, historically sold through a nationwide dealer network as well as Company-owned retail outlets.

Waves Home Appliances Limited (WAVESAPP)

Waves Home Appliances Limited (formerly Samin Textiles Limited) was incorporated in Pakistan on 27 November, 1989 as a public limited company under the Companies Ordinance, 1984 (now

Waves Corporation Limited (WAVES)

Companies Act, 2017). The registered office of the Company is situated at 9-KM, Multan Road, Lahore at the same premises where the existing Registered office of the Company exists. WAVESAPP is currently listed on Pakistan Stock Exchange. The principal business of the Company was trading, import and export of appliances and other textile related products. Consequent to approval of scheme of arrangement, the principal line of business has been amended to include manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products. The appliances' manufacturing plant is being moved to a new purpose-built larger factory for which construction speed is slow but is continuing.

WAVESAPP is operating a nationwide set-up of warehouses in cities such as Karachi, Lahore, Gujranwala, Peshawar, Multan, etc., along with substantial dealers, after-sales service center and service workshop spread nationwide. The Company's sales infrastructure is comparable to any other leading Home Appliance Company operating within Pakistan.

		FY24	FY23*
		Rs. in '000	Rs. in '000
Gross Revenue		4,078,713	5,061,929
Gross Profit		88,077	1,037,052
Profit for the Year		153,287	115,717

Since the manufacturing of home appliances is a technology-intensive business and requires technical know-how and R&D comparable with that of the global players, local companies must either heavily invest in developing such R&D and technical teams or alternatively join hands with one of the global players already looking to enter the country.

The time lag in these two options clearly pushes all the local companies to join hands with the foreign players or face stiff competition. To position the Company for becoming a part of the network of the Global Player, WAVESAPP has completed corporate reorganization creating a dedicated listed company involved solely in the manufacturing and sales of domestic appliances under the WAVES brand name.

Following the improvements in the economic conditions of the Country, the Company has received an intention for Strategic Alliance/JV from a foreign global player(s). Accordingly, the Company has initiated discussion to develop a comprehensive business model that covers among other things, provision of technical know-how, engineering personnel, use of their brand name by the Company in domestic as well as in export markets, management sharing structure and the amount of investment to be brought in. Formal agreement will be signed on finalization of these discussions.

The primary benefits to the Company from this alliance will be access to advanced technology, expertise and know-how to enhance its product quality, cut down production costs, and implement technical and operational best practices, along with the ability to procure cheaper materials. This will give the Company competitive edge in local as well as international markets. The foreign partner, taking benefit of cheaper labor and freight cost savings from Pakistan will have competitive edge in Middle Eastern, African and European markets. We shall keep shareholders updated through PSX updated in respect of the above developments from time to time.

The Company is actively transitioning to local sources of materials to reduce import dependence and developing certain imported components in-house through vendors. There is significant potential for corporate sales of deep freezers and vizi-coolers, not only to Coca-Cola but also for the broader frozen food and beverages industry. Despite ongoing challenges, WAVESAPP remains fully committed to ensuring operational continuity.

Waves Corporation Limited (WAVES)

Waves Marketplace Limited (WML)

Waves Marketplace Limited (WML), a wholly owned subsidiary of the Company, has been a pioneer in the retail sale of home appliances, providing both cash and installment purchase options to valued customers through a network of over 100 outlets across urban and rural Pakistan. WML has demonstrated strong growth, and to support its future expansion plans, the Board has, in principle, approved its potential listing on the Pakistan Stock Exchange Limited (PSX) at an appropriate time when market conditions are favorable.

However, due to prevailing political and economic challenges, preparations for the listing have been temporarily slowed until investor sentiment improves. Gross revenues have been impacted by persistently high inflation, elevated interest rates, and overall subdued market conditions.

	FY24	FY23
	<u>Rs. in '000</u>	<u>Rs. in '000</u>
Gross Revenue	1,104, 878	1,445,127
Gross Profit	333,217	361,578
Profit before Taxation	40,842	2,779
Profit after Taxation	52,34	111

The management in parallel is also considering alternate options of funds arrangement for growth by way of securitization of receivables and/or strategic equity investors/partners. With high interest rates, growing population and high rate of urbanization, the business model of Buy Now Pay Later (BNPL) has immense growth potential similar to other parts of the developed economies.

However, WAVES Plus will focus on a balance sales mix between Installment Sales and Cash Sales keeping in view the risk and rewards. Waves network has a potential to grow its sales multifold on the same network in line with the industry averages.

Waves Builders and Developers (Private) Limited (WBDL)

The Company was incorporated as an SPV by the holding company to undertake the real estate business. All the project development costs were incurred by the holding company and then were to be allocated to WBDL once the project is at an execution phase. Since the development of real estate project is at a slower pace owing to the tough economic and financial challenges, therefore, the Board decided that WBDL be merged with and into the Company in order to reduce regulatory and corporate costs.

However, currently it is facing challenge due to unusual and very high costs of merger under the applicable regulatory regime of Competition Commission of Pakistan and obtaining of No Objection Certificate from the financial institutions. Hence the Board is reviewing the matter with legal and financial consultants before proceeding further.

	FY24	FY23
	<u>Rs. in '000</u>	<u>Rs. in '000</u>
Operating Loss	(329)	(479)
Loss for the Year	(330)	(480)

Waves Corporation Limited (WAVES)

Scheme of Arrangement

During the FY 22 the honorable Lahore High Court, Lahore sanctioned the Scheme of Arrangement by and between WAVES and WAVESAPP wherein home appliances business was carved out into WAVESAPP, while retaining the retail and real estate business. This will provide several benefits including unique identities of individual companies, more focused business, customer base, supervision and controlling the business/direction of WAVESAPP, while the management of WAVESAPP can operate and manage the business of WAVESAPP on a regular day-to-day basis. Accordingly, 199,724,956 ordinary shares were issued to WAVES by WAVESAPP out of the total issue of 256,006,196 ordinary shares pursuant to the Scheme, which resulted in becoming WAVESAPP as a subsidiary of the Company. In addition, as a Settlement Consideration WAVESAPP also issued 56,281,240 shares of WAVESAPP to the shareholders of WAVES. The balance of PKR 2 billion cash was to be settled within two (2) years of the sanction of the Scheme. No profit/mark-up shall accrue on such outstanding amount if the said amounts is settled within two (2) years of the sanction of the Scheme. The Board has approved the extension of repayment of PKR 2.0 billion for another period of 2 years. For further details please refer the paragraphs at the start of the Notes to the Annual Financial Statements. Due to the economic and financial challenges including persistent high interest rates, the Management is in discussion with the financial institutions to restructure and optimize the Company's debt profiles.

In addition, WAVES and WAVESAPP are in the process of completing outstanding formalities post sanction of Scheme of Arrangement related to the taxation matters as the case may be, since it is taking sometimes owing to regulatory challenges. The management is moving ahead in an appropriate and planned manner for the best interest of the Company and its shareholders. It is envisaged that these formalities shall be completed soon.

Economic and Industry Analysis

Pakistan's economy is showing signs of stabilization, with inflation easing significantly from last year's peak to single digits, supported by moderating food and energy prices. The fiscal deficit has narrowed due to improved revenue collection and spending discipline, while the external sector remains stable with growing remittances and foreign direct investment. However, large-scale manufacturing presents a mixed picture - while sectors like automobiles, cement and pharmaceuticals show encouraging growth, others continue to face challenges. The agriculture sector is benefiting from government support programs, though output remains vulnerable to climatic conditions.

On the industrial front, automobile production has rebounded strongly, particularly for cars and commercial vehicles, though tractor manufacturing lags behind. Cement dispatches continue their upward trajectory, driven by both domestic demand and exports. The textiles sector, a key export earner, maintains steady growth, supported by competitive pricing and favorable trade terms. Meanwhile, rising imports of machinery and raw materials suggest expanding industrial activity in coming months. The State Bank's decision to maintain interest rates reflects cautious optimism about economic stability, though inflationary pressures in core sectors warrant monitoring.

Looking ahead, Pakistan's economic trajectory will depend on sustaining fiscal reforms, boosting export competitiveness, and addressing structural bottlenecks in energy and infrastructure. While recent indicators point to gradual recovery, the economy remains susceptible to global commodity price fluctuations and domestic political uncertainties. The government's continued focus on macroeconomic stability and industrial support policies will be crucial for maintaining this positive momentum.

Waves Corporation Limited (WAVES)

An International Monetary Fund (IMF) team held discussions with Pakistani authorities between February 24 and March 14, 2025, in Karachi and Islamabad, followed by virtual sessions. These talks focused on the first review of Pakistan's economic reform agenda under the Extended Fund Facility (EFF) and explored the framework for a new arrangement under the Resilience and Sustainability Facility (RSF).

At the conclusion of the discussions, it was stated that a staff-level agreement (SLA) had been reached with the Pakistani authorities concerning the first review of the 37-month Extended Arrangement under the EFF and on a new 28-month arrangement under the RSF. The total access under the RSF program would be approximately \$1.3 billion (SDR 1 billion), and the SLA would be subject to the approval of the IMF Executive Board. Upon approval, Pakistan would be eligible to access around US\$1.0 billion (SDR 760 million) under the EFF, increasing total disbursements under the program to roughly US\$2.0 billion.

It was noted that over the previous 18 months, Pakistan had made considerable strides in restoring macroeconomic stability and boosting investor confidence despite a difficult global environment. Although economic growth remained moderate, inflation had declined to its lowest level since 2015, financial conditions had improved, sovereign spreads had narrowed notably, and external balances had strengthened. Nonetheless, it was acknowledged that downside risks remained elevated. These risks included the possibility of policy slippages resulting from pressure to relax macroeconomic policies, as well as external shocks such as fluctuations in commodity prices, tighter global financial conditions, and increasing protectionism. Climate-related vulnerabilities were also highlighted as a persistent challenge, emphasizing the need to build resilience through adaptation efforts.

It was emphasized that maintaining the current reform trajectory was critical to consolidating the gains achieved during the past year and a half. Further strengthening of public finances, ensuring price stability, rebuilding foreign exchange buffers, and removing structural distortions were identified as essential steps toward achieving resilient, inclusive, and sustainable private sector-led growth.

The Pakistani authorities reiterated their commitment to the EFF-supported reform program and expressed their intention to reinforce these efforts through reforms under the RSF-supported initiative, aimed at addressing longstanding structural weaknesses and enhancing resilience to climate-related shocks

FUTURE OUTLOOK

Looking ahead, inflation is expected to remain under control, though global price fluctuations could pose risks. Exports and remittances are likely to sustain growth, but industrial recovery hinges on stronger domestic and international demand. While reforms in tax collection and social spending are positive steps, external challenges—including trade tensions and slower global growth—require careful management. If Pakistan maintains its reform momentum and capitalizes on opportunities in export diversification and foreign investment, the economy could achieve more stable and inclusive growth in the coming years. After a difficult period, Pakistan's economy is on a steadier path, but sustaining progress will depend on sound policies and adaptability to global shifts

Due to the technology-intensive nature of home appliance manufacturing, domestic companies are required to either make significant investments in research and development and technical capabilities or form strategic partnerships with global entrants. To align itself with the global value

Waves Corporation Limited (WAVES)

chain, the Group has undertaken a corporate restructuring, now focusing exclusively on the production and sale of household appliances under the WAVES brand.

Waves Home Appliances has placed a strong emphasis on digital transformation, recently migrating to SAP B1 to improve data transparency and enhance operational efficiency. The company holds various ISO certifications that underscore its commitment to product quality, workplace safety, environmental sustainability, and international compliance standards. As a certified green-rated supplier under The Coca-Cola Company's Supplier Guiding Principles (SGP), Waves Home Appliances is recognized for maintaining high ethical and operational benchmarks. The company continues to invest in workforce development through ongoing training initiatives, with future plans to modernize and expand its manufacturing capabilities.

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These urban store locations allow the company to effectively engage with a wide range of customers seeking reliable home appliances. This broad retail footprint not only increases brand exposure but also enables access to the spending power of urban consumers. In addition, the network's reach extends into suburban and rural regions, further enhancing market penetration. The widespread presence of these stores presents a valuable opportunity to establish the brand - as the preferred choice for home appliances, supporting continued sales growth and reinforcing its leadership position in the industry.

Separately, the Group's real estate development is situated at a highly strategic location near central Lahore, benefitting from one of the highest traffic flows in the area. Surrounded by a growing and densely populated neighborhood, the project faces no comparable developments in its immediate vicinity. As economic and financial conditions stabilize and improve, this high-potential project is expected to attract substantial benefits for the Company. With signs of recovery emerging in the real estate sector, and a more favorable legal and tax environment taking shape, new investment opportunities in property development are anticipated to re-emerge.

RISKS, UNCERTAINTIES AND MITIGATIONS

The Company recognizes that risk is an integral part of business and is committed to managing the risks proactively and efficiently. The Company periodically assesses risks, in the internal and external environment and incorporates risk mitigation plans in its strategy and business/operational plans. Every risk is carefully looked into, as in some of the cases post-analysis it may lead to a new business opportunity.

The Company has a well-defined risk management framework in place. The risk management framework works at various levels from top to bottom across the enterprise. These levels form the strategic defense cover of the Company's risk management. The Company's Risk Management Committee monitors and reviews the risk mitigation plan.

Key Business Risks	Mitigants
Operational excellence – These are risks associated with internal factors, administrative and operational procedures like employee	<ul style="list-style-type: none">Your Company has initiated vendor rationalization, emphasis on in-house manufacturing and scorecard evaluation of vendors has been put in place.

Waves Corporation Limited (WAVES)

turnover, supply chain disruption, IT system shutdowns or control failures.	<ul style="list-style-type: none"> Your Company has put in place a quality and process improvement program across the Company, including strategic vendors, during the year with progress being tracked at regular Management reviews.
Branding/Innovation Risk – Risk that applies to innovative areas of your business such as product research and to cope up with latest market trends and product innovation.	<ul style="list-style-type: none"> Your Company has put in place a centralized marketing structure during the year, thereby strengthening its consumer insight process and filling up competency gaps in the concerned function. Company's research and development department has been strengthened and is continuously looking into and implementing product innovation strategies.
Organization Excellence – Ability to attract and retain the right talent may lead to your Company's inability to achieve organization's goals.	<ul style="list-style-type: none"> Your Company has put in place Succession Planning framework mapping career development and progression opportunities for suitable employees and thereby ensuring talent retention
Liquidity Risk- is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset	<ul style="list-style-type: none"> Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans
Credit Risk- Credit risk represents the risk of a loss if the counterparties fail to perform as contracted.	<ul style="list-style-type: none"> The risk is mitigated by applying individual credit limits and by securing the majority of trade debts against bank guarantees and inland letter of credit. The credit risk arising on account of acceptance of these bank guarantees is managed by ensuring that the bank guarantees are issued by banks of reasonably high credit ratings as approved by the Board of Directors.
Price Risk- with new entrants in the market, there is a likelihood of price competition which might squeeze margins.	<ul style="list-style-type: none"> The Company is constantly sourcing competitive suppliers, improving its technology, efficiency and productivity. Also, since WAVES has in-house capability to develop products with fast turnaround time, that by itself obviates possibilities of competition affecting WAVES.
Competitive Risk- Increasing entrants making their way into the plastic industry.	<ul style="list-style-type: none"> WAVES's diversified product line and unique dealer plus retail sale structure and technical expertise makes it adequately prepared to face these challenges.

Waves Corporation Limited (WAVES)

Regulatory Risk- Imposition/enhancement of duties, taxes, levies and other conditions may adversely affect the operations.	<ul style="list-style-type: none">• New levies go across the board, so we stay competitive
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ENVIRONMENT, HEALTH & SAFETY

We are committed to achieve excellence in health, safety, and the environment across our business. We prioritize the safety of our employees and work hard to provide a positive environment, good health, and safety culture, particularly at our manufacturing facilities while vigilantly fulfilling our environmental duties and responsibilities. Our company gives importance to the occupational safety and health of our workers. We maintain a safe working environment and takes responsibility for the health and wellbeing of our staff and stakeholders. The Company actively trains all employees to ensure their safety at both the workplace and beyond. Besides, our manufacturing, distribution, and retail operations have developed SOPs that seek to reduce the risk of accidents.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

We believe in collective effort and therefore, have created a strong organizational culture that extends benefits to all employees and stakeholders. We embrace social responsibility as one of our core values and it is shared by every member of the group.

Sustainable and responsible development is not only binding by local laws on corporate entities, but it is more about moral obligation which needs to be followed and practiced with the best spirit.

We strongly believe that improving its environmental and social performance is inevitable for its financial success. The Company always emphasizes a culture of excellence, good governance, transparency, integrity, and accountability. WAVES has been consistently running the following diverse CSR initiatives each fulfilling in achieving our goals towards our CSR vision.

GENDER PAY GAP STATEMENT

At WAVES, we are committed to fostering an inclusive and equitable workplace where all employees regardless of gender are treated with fairness, dignity, and respect. While our current workforce does not include female employees, their limited representation is primarily due to the operational nature of our manufacturing environment, which traditionally attracts a predominantly male workforce, as well as a general lack of female applicants for available roles.

Despite these constraints, the Company upholds a strict non-discrimination policy and provides equal pay, benefits, and career development opportunities to all employees. We are proud to have female representation on our Board of Directors, reflecting our broader commitment to gender diversity in leadership.

Moving forward, the Company will continue to explore avenues to encourage greater female participation, especially in departments where gender diversity can be further enhanced, and will ensure that our policies and practices remain aligned with SECP's vision of inclusive corporate growth.

INVESTMENT IN HUMAN CAPITAL

At Waves Corporation, we believe in attracting the best talent in the marketplace and giving them the skills and opportunities, they need to become high-achievers.

Waves Corporation Limited (WAVES)

Human Assets

The Company treats its people as its most important asset. We are always on the lookout to recruit, train and promote the best human resource talent available. Besides attractive remuneration packages, our corporate culture is designed to boost employee performance. Our succession planning framework proactively guides our recruitment and promotion activities.

Learning & Organizational Development

Our workforce regularly undergoes training in their respective functional areas. The Singer Retail Academy is instrumental in taking the employees through a comprehensive workforce training calendar. We also conduct workshops to make our employees aware of new developments in the field to remain abreast of the changing market landscape.

Adequacy of Internal Financial Controls

The internal control framework has been effectively implemented through an in-house Internal Audit function established by the Board which is independent of the External Audit function. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy. The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company, and the shareholders' wealth at all levels within the Company. The Internal Audit function has carried out its duties under the charter defined by the Audit Committee. The Audit Committee has reviewed material Internal Audit findings, took appropriate action or brought the matters to the Board's attention where required. Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

BEST PRACTICES OF CORPORATE GOVERNANCE

Our Code of Conduct lists Ethics as one of our core values, therefore Waves Corporation Limited has a zero-tolerance policy towards any form of discrimination and harassment. Similarly, honesty and open communication is also expected on the reporting front, we care how we get results. We believe it is essential for everyone associated with Waves Corporation Limited to embrace this culture and live by the highest standards of integrity and accountability. The Board of directors adopted the Code of Conduct for Directors and employees and the same has been circulated to board members and employees in terms of requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019. The code of conduct is also placed on the Company's website.

Directors' Statement

As required by the Code, we, the Directors of the Company, are pleased to state that:

- a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity;
- b) Proper books of account have been maintained by the Company;
- c) Appropriate accounting policies have been consistently applied in the preparation of financial statements;
- d) The accounting estimates are based on reasonable and prudent judgment;
- e) International Accounting Standards (IAS) and IFRS, as applicable in Pakistan, have been followed in the preparation of financial statements;

Waves Corporation Limited (WAVES)

- f) The system of internal control is sound in design and has been effectively implemented and monitored;
- g) There are no significant doubts upon the Company's ability to continue as a going concern; and
- h) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations except to the extent mentioned in this Annual Report.

Statement of Compliance

The Company adheres to the best practices of governance. The Company has issued a "Statement of Compliance with the Code of Corporate Governance" as stipulated in listed Companies (Code of Corporate Governance) Regulations 2019, which has also been reviewed and certified by the Auditors of the Company.

Meetings and Activities during the Financial Year

During the year, four (4) meetings of the Board of Directors were held, which were presided over by the Chairman. The Chief Financial Officer and Company Secretary also attended the meetings to the extent required.

Board of Directors

No	Name of Director	Status	Meetings Attended
1	Mr. Haroon Ahmad Khan	CEO / Director	4
2	Mr. Moazzam Ahmad Khan	Non-Executive Director	4
3	Mrs. Nighat Haroon Khan	Non-Executive Director	4
4	Mr. Hamza Ahmad Khan	Executive Director	4
5	Mr. Tajammal Hussain Bokharee	Independent	4
6	Mr. Khalid Azim	Non-Executive Director	4
7	Mr. Zafar Hussain	Independent	4

Audit Committee

An Audit Committee of the Board has been in existence since the enforcement of the Code of Corporate Governance. It comprises of three (3) members.

The Chairman is an Independent Director. Other members include two (2) Non-Executive Directors. Four (4) meetings of the Audit Committee were held during the year. Attendance of each Member is given hereunder: –

No.	Name of the Director	Status	Meetings Attended
1	Mr. Tajammal Hussain Bokharee	Independent Director	4
2	Mrs. Nighat Haroon Khan	Non-Executive Director	4
3	Mr. Moazzam Ahmad Khan	Non-Executive Director	4

The Audit Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Human Resource and Remuneration Committee

Waves Corporation Limited (WAVES)

The Human Resource & Remuneration Committee comprises of Four (4) members out of which one (1) member is independent and there are one (1) Executive Directors and two (2) Non-Executive Directors. One meeting of the Human Resource and Remuneration Committee was held during the year. Attendance of each Member is given hereunder –

No.	Name of the Director	Designation	Attended
1	Mr. Muhammad Zafar Hussain	Chairman/Independent	1
2	Mr. Moazzam Ahmad Khan	Non-Executive Director	1
3	Mr. Khalid Azeem	Non-Executive Director	1
4	Mr. Haroon Ahmad Khan	Executive Director	1

The Human Resource and Remuneration Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019

Evaluation of the Board's Performance and Directors' Training Program

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019, a formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board, and of its committees against pre-determined operational and strategic goals. Effective boards make sound collective decisions to meet the company's strategic objectives and provide oversight and support on key matters to management for optimal operational performance. A well-conducted evaluation helps the board and its committees to perform to their maximum capabilities, crucial for the continuing success and growth in the long-term sustainable value of the Company.

Notice of Annual General Meeting

The notice of Annual General Meeting is also attached to this Report.

Pattern of Shareholding

The pattern of Shareholding of the Company as of 31 December 2024, along with a pattern of shareholding of certain classes of shareholders whose disclosure is required under the reporting framework as well as the statement of purchase and sale of shares by Directors, executives, and their spouses including minor children (if any) during financial year 2024 is given in the report.

Election of Directors

The existing Board of Directors comprise of seven (7) Directors including one (1) Female non-executive Director, two (2) Independent Directors, one of them is Chairman of the Board also, two (2) non-executive Directors and two (2) executive Directors including Chief Executive Director. Detailed composition as per the Listed Companies (Code of Corporate Governance) Regulations, 2019, is given in "Statement of Compliance" annexed to the Annual Report. These Directors were re-appointed during the year.

Directors' Remuneration

The Board of Directors has duly approved the policy and procedure for remuneration of the Directors for attendance of Board and Committee meetings in compliance with the requirements of the Company's Article of Association, Companies Act, 2017 and the listed companies (Code of Corporate Governance) Regulations, 2019. The remuneration is determined by the level of responsibility and expertise, to attract and retain the best talent while ensuring that their

Waves Corporation Limited (WAVES)

independence is not compromised in any manner. Its main features include that Independent Directors are entitled to meeting fees as remuneration for attending meetings of the Board of Directors and other committees of the Board. Details of the remuneration paid to Directors during the year is given in relevant Note of the Financial Statements.

Investor Relations & Website

We want our investors, shareholders, and customers to be well informed about us and our operations so we can continue to build lasting and mutually beneficial relationships. We are determined to service our Shareholders and Stakeholders by delivering material information as soon as the same are available for circulation. As a practice, we will regularly publish all material communiqués on the official website of the company (www.waves.net.pk) such as the Company's financial, operational performance, a pattern of shareholding, material disclosures, and any other information deemed essential for the investors.

Our investor complaint section also covers detail of the person to contact in case of investor grievances so that your concerns may be duly addressed.

EXTERNAL AUDITORS

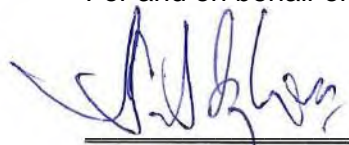
The Audit Committee has recommended the reappointment of M/s. Rizwan & Co., Chartered Accountants, Lahore, an independent member of DFK International, as Statutory Auditors of the Company for the year ending 31 December 2024, at a fee to be mutually agreed upon. The Board has endorsed this recommendation.

ACKNOWLEDGEMENTS

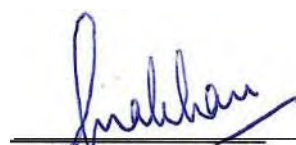
We would like to thank all our stakeholders, especially our valued customers, suppliers, business partners, financial institutions, regulators, who have positioned their trust in us. The Company's accomplishments and present standing could not have been possible without the unswerving commitment, hard work, immense support, and efforts of our management team and other employees who deserve a full compliment. We are confident that the team will continue to grow and constantly deliver on the expectations of all stakeholders. The Board would also like to place its appreciation for the Securities & Exchange Commission of Pakistan, State Bank of Pakistan, and the management of the Pakistan Stock Exchange for their continued support and cooperation. We would also like to extend our sincerest gratitude to our shareholders for the confidence and trust they have reposed in us and for their unwavering support.

For and on behalf of the Board:

For and on behalf of the Board:



Haroon Ahmad Khan
Chief Executive Officer
Lahore

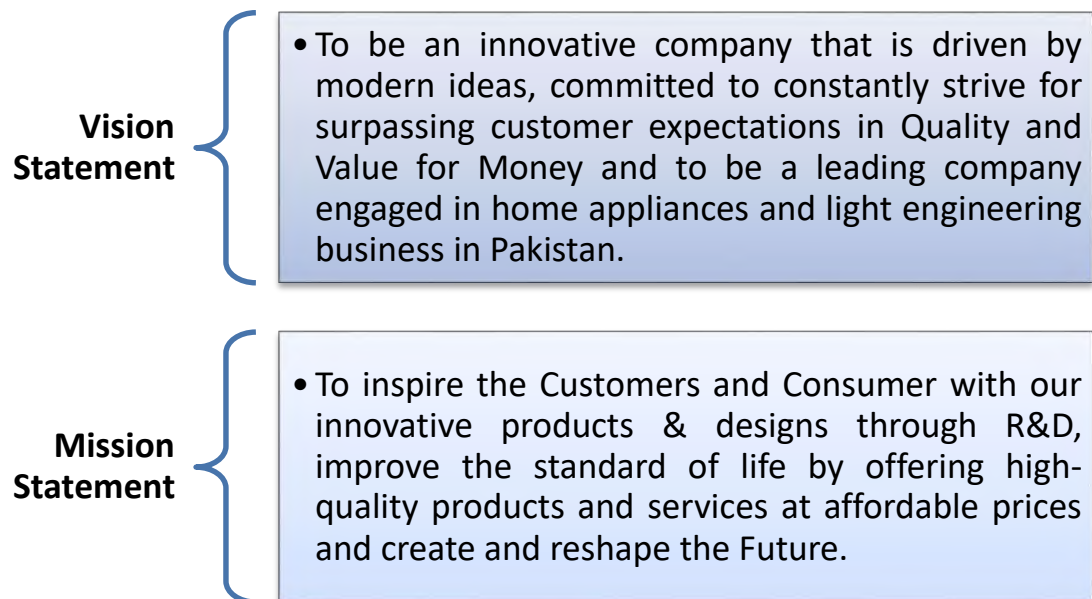


Moazzam Ahmad Khan
Director

4. CORPORATE VALUE STATEMENTS

4.1 Corporate Values

Vision & Mission



Core Values



Waves Corporation Limited (WAVES)

Code of Conduct

WAVESAPP has committed itself to conduct its business in an honest, ethical and legal manner. The Company wants to be seen as a role model in the community by its conduct and business practices. All this depends on the Company's personnel, as they are the ones who are at the forefront of Company's affairs with the outside world.

This statement in general is in accordance with Company goals and principles that must be interpreted and applied within the framework of laws and customs in which the Company operates. This code will be obligatory for each director and employee to adhere to. Waves Group endeavors for implementation of similar code in other companies that it controls.

RESPECT, HONESTY AND INTEGRITY

Directors and employees are expected to exercise honesty, objectivity and due diligence in the performance of their duties and responsibilities. They are also directed to perform their work with due professionalism.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Company is committed to comply and take all reasonable actions for compliance with all applicable laws, rules and regulations of state or local jurisdiction in which the Company conducts business. Every director and employee, no matter what position he or she holds, is responsible for ensuring compliance with applicable laws.

FULL AND FAIR DISCLOSURE

Directors and employees are expected to help the Company in making full, fair, accurate, timely and understandable disclosure, in compliance with all applicable laws and regulations, in all reports and documents that the Company files with, furnishes to or otherwise submits to, any governmental authorities in the applicable jurisdiction and in all other public communications made by the Company. Employees or directors who have complaints or concerns regarding accounting, financial reporting, internal accounting control or auditing matters are expected to report such complaints or concerns in accordance with the procedures established by the Company's Board of Directors.

PREVENT CONFLICT OF INTEREST

Directors and employees, irrespective of their function, grade or standing, must avoid conflict of interest situations between their direct or indirect (including members of immediate family) personal interests and the interest of the Company. Employees must notify their direct supervisor of any actual or potential conflict of interest situation and obtain a written ruling as to their individual case. In case of directors, such ruling can only be given by the Board and will be disclosed to the shareholders.

TRADING IN COMPANY SHARES

Trading by directors and employees in the Company shares is possible only in accordance with the more detailed guidelines issued from time to time by corporate management in accordance with applicable laws. This also includes shares of the companies that are directly/indirectly controlled by the Company.

Waves Corporation Limited (WAVES)

INSIDE INFORMATION

Directors and employees may become aware of information about Company that has not been made public. The use of such non-public or “inside” information by Directors and employees becoming aware of information which might be price sensitive with respect to the Company’s shares have to make sure that such information is treated strictly confidential and not disclosed to any colleagues or to third parties other than on a strict need-to know basis. Potentially price sensitive information pertaining to shares must be brought promptly to the attention of the Management, who will deliberate on the need for public disclosure. Only the Management will decide on such disclosure. In case of doubt, seek contact with the Company Secretary and/or the Chief Financial Officer.

MEDIA RELATIONS AND DISCLOSURES

To protect commercially sensitive information, financial details released to the media should never exceed the level of detail provided in Quarterly and Annual Reports or official statements issued at the presentation of these figures. As regards topics such as financial performance, acquisitions, divestments, joint ventures and major investments, no information should be released to the press without prior consultation with the Management. Employees should not make statements that might make third parties capable of “insider trading” on the stock market.

COMPETITION AND FAIR DEALING

The Company seeks to outperform its competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent or inducing such disclosures by past or present employees of other companies is prohibited. Each director and employee are expected to deal fairly with Company’s customers, suppliers, competitors and other employees. No one is to take unfair advantage of anyone through manipulation, abuse of privileged information or any other unfair practice.

The Company is committed to selling its products and services honestly and will not pursue any activity that requires to act unlawfully or in violation of this Code. Bribes, kickbacks and other improper payments shall not be made on behalf of the Company in connection with any of its businesses. However, tip, gratuity or hospitality may be offered if such act is customary and is not illegal under applicable law. Any commission payment should be justified by a clear and traceable service rendered to the Company. The remuneration of agents, distributors and commissioners cannot exceed normal business rates and practices. All such expenses should be reported and recorded in the Company’s books of accounts.

EQUAL EMPLOYMENT OPPORTUNITY

The Company believes in providing equal opportunity to everyone around. The Company laws in this regard have to be complied with and no discrimination upon race, religion, age, national origin, gender or disability is acceptable. No harassment or discrimination of any kind will be tolerated; directors and employees need to adhere standards with regard to child labor and forced labor.

WORK ENVIRONMENT

All employees are to be treated with respect. The Company is highly committed to providing its employees and directors with a safe, healthy and open work environment, free from harassment, intimidation or personal behavior not conducive to a productive work climate. In response the Company expects consummate employee allegiance to the Company and due diligence in his job.

Waves Corporation Limited (WAVES)

The Company also encourages constructive reasonable criticism by the employees of the management and its policies. Such an atmosphere can only be encouraged in an environment free from any prospects of retaliation due to the expression of honest opinion.

PROTECT HEALTH, SAFETY AND SECURITY

The Company intends to provide each director and employee with a safe work environment and comply with all applicable health and safety laws. Employees and directors should avoid violence and threatening behavior and report to work in fair condition to perform their duties.

RECORD KEEPING

The Company is committed to compliance with all applicable laws and regulations that require the Company to maintain proper records and accounts which accurately and fairly reflect the Company's transactions. It is essential that all transactions be recorded and described truthfully, timely and accurately on the Company's books.

No false, artificial or misleading transactions or entries shall be reflected or made in the books or records of the Company for any reason. Records must always be retained or destroyed according to the Company's record retention policies.

PROTECTION OF PRIVACY AND CONFIDENTIALITY

All directors and employees, both during and after their employment, must respect the exclusivity and trade secrets of the Company, its customers, suppliers and other colleagues and may not disclose any such information unless the individual or firm owning the information properly authorizes the release or disclosure.

All the Company's assets (processes, data, designs, etc.) are considered as certified information of the Company. Any disclosure will be considered as grounds, not only for termination of services/employment, but also for criminal prosecution, legal action or other legal remedies available during or after employment with the Company to recover the damages and losses sustained.

PROTECTION & PROPER USE OF COMPANY ASSETS / DATA

Each director and employee are expected to be the guardian of the Company's assets and should ensure its efficient use. Theft, carelessness and waste have a direct and negative impact on the Company's profitability. All the Company assets should be used for legitimate business purposes only. The use, directly or indirectly, of Company funds for political contributions to any organization or to any candidate for public office is strictly prohibited. Corporate funds and assets will be utilized solely for lawful and proper purposes in line with the Company's objectives.

GIFT RECEIVING

Directors and employees will not accept gifts or favors from existing or potential customers, vendors or anyone doing or seeking to do business with the Company. However, this does not preclude giving or receiving gifts or entertainment, which are customary and proper in the circumstances, provided that no obligation could be or be perceived to be, expected in connection with the gifts or entertainment.

Waves Corporation Limited (WAVES)

COMMUNICATION

All communications, whether internal or external, should be accurate, forthright and where ever required, confidential. The Company is committed to conduct business in an open and honest manner and provide open communication channels that encourage candid dialogue relative to employee concerns.

The Company strongly believes in a clean desk policy and expects its employees to adhere to it not only for neatness but also security purposes.

EMPLOYEE RETENTION

High quality employee's attraction and retention is very important. The Company will offer competitive packages to the deserving candidates. The Company strongly believes in personnel development and employee training programs are arranged regularly.

INTERNET USE / INFORMATION TECHNOLOGY

As a general rule, all Information Technology related resources and facilities are provided only for internal use and/or business-related matters. Information Technology facilities which have been provided to employees should never be used for personal gain or profit, should not be misused during work time and remain the property of the Company.

Disclosure or dissemination of confidential or proprietary information regarding the Company, its products or its customers outside the official communication structures is strictly prohibited.

COMPLIANCE WITH BUSINESS TRAVEL POLICIES

The safety of employees while on a business trip is of vital importance to the Company. The Company encourages the traveler and his/her supervisor to exercise good judgment when determining whether travel to a high-risk area is necessary and is for the Company's business purposes.

It is not permitted to combine business trips with a vacation or to take along spouse, relative or friend without the prior written authorization from Management.

COMPLIANCE

It is the responsibility of each director and employee to comply with this code. Failure to do so will result in appropriate disciplinary action, including possible warning issuance, suspension and termination of employment, legal action and reimbursement to the Company for any losses or damages resulting from such violation.

Compliance also includes the responsibility to promptly report any apparent violation of the provisions of this code. Any person meeting with difficulties in the application of this code should refer to the Management.

4.2 Corporate Objectives & Strategies

Waves Corporation Limited (WAVES)

Objectives	Strategies
Enhance shareholders' Returns	To manage business in an efficient manner with a constant focus on the topline and bottom-line performance of the Company
Become Price-Competitive	Improve production efficiency through both technological upgrades and optimal resource utilization
Broaden the Product Portfolio	Enter into strategic trading relationships with global brands to improve standing in segments where product standing is weak
Exceed Customer Expectations	Invest in customer-centric initiatives to improve geographical touch-points and after-sales services
Create a Pro-Growth, Learning Organization	Promote employee training & development and ethical business
Knowledge Management	Promote tacit and explicit knowledge within the Group to effectively create, gather, store and re-use knowledge as an asset for ultimate Group benefits

5. HISTORY OF WAVES

5.1 Brief History and Holding Company

Waves Home Appliances Limited, formerly Samin Textiles Limited (WAVESAPP or the Company) is listed on Pakistan Stock Exchange Limited (PSX). The principal line of business was trading, import and export of textile products. Consequent to the approval of the Scheme of Arrangement (the Scheme) by and between the Company and Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVES) home appliances business of WAVES was acquired with effect from 31 August 2021 by the Company, under the sanction order of the honorable Lahore High Court, Lahore on 27 May 2022). As per the Scheme the Company shall be a subsidiary company of WAVES.

Waves Corporation (WAVES or Holding company) history has its legacy from the Singer's brand where Singer's history dates back to 1850, when Isaac Merritt Singer manufactured the first ever sewing machine in Boston, USA. I. M Singer & Company was duly incorporated during the same year. The name changed to Singer Manufacturing Company during 1853 when the factory of the Company was also relocated to New York, USA. Singer established its presence in the Indian sub-continent during 1877. Over the years, and after the independence of Pakistan, Singer continued its business of sewing machines in the country, but also started dealing in domestic consumer appliances, besides manufacturing and assembling light engineering products. In 1985, Singer became a public listed company. Later with global restructuring of Singer, the local Singer company was sold out to professional team having expertise in home appliances and light engineering businesses. Under Singer brand the Holding company manufactured variety of consumer appliances including refrigerators, air conditioners, LED TVs, washing machines, microwave ovens, in addition to its more traditional offerings of sewing machines, water heaters and gas ovens etc. In addition, it had an extensive retail network in Pakistan that covered mostly small towns and metropolitan cities of the country.

Later the Holding company acquired WAVES brand through a merger sanctioned by the honorable high court, wherein Cool Industries (Private) Limited (owner of Waves brand) and Link Well (Private) Limited were merged with and into the Company and the name of the Company was changed from Singer Pakistan Limited to Waves Singer Pakistan Limited. With the growth in business, the management of Holding Company felt prudent to demerge home appliances business into a separate entity Waves Home Appliances Limited, formerly Samin Textiles Limited (WAVESAPP), while retaining the real estate development business and retail shop network for consumer appliances and other consumer goods.

The Holding company was in discussion with Singer International since year 2021 in respect of relinquishment of Singer brand. During the first quarter of year 2022, the deal with the Singer International was not conclusive. Efforts are still in pipeline for re-negotiation of royalty to Singer International. However, in order to avoid legal complication, the Holding company halted the use of Singer brand and its related production. Accordingly, the name of the Holding company was also changed to exclude the word "Singer" from the name of the Company.

WAVES brand of consumer appliances was established by Cool Industries (Private) Limited in 1971 by a family of entrepreneurs from Lahore. Within a span of four decades, the Company became a household brand in the country. The history of the company is filled with many milestones. Back in 1976, it started the production of refrigerators. By 2002, the company had become the sole producer of Split Air Conditioners in

Waves Corporation Limited (WAVES)

Pakistan. The company started producing Microwaves in 2003, under an agreement with GALANZ, a Chinese company. The product take-off was impressive, thanks to product durability. The production of Washing Machines started in 2004, when Waves pioneered single-tub and double-tub washing machines in this market. The company continued its growth path until 2015, when a tough competitive landscape and succession issues within the sponsors family created many bottlenecks in the smooth operations of the company. Subsequently, WAVES was acquired by the sponsors of Waves Corporation Limited (formerly Waves Singer Pakistan Limited).

The Holding company has two other subsidiary companies i.e., Waves Marketplace Limited which is a pioneer retail of retail sales offering cash and installment sales to our treasured customers to shop with convenience at our 141 nationwide spread outlets in rural and urban areas of Pakistan; and Waves Builders and Developers (Private) Limited, which is formed to undertake real estate projects.

Restructuring of the Company

During the year, effective from 01 September 2021 Waves Home Appliances Limited (WAVESAPP or the Company) and Waves Corporation Pakistan Limited, formerly Waves Singer Pakistan Limited (WAVES) completed a Scheme of Arrangement as follows:

1. Carving out / separation of home appliances business from WAVES by transferring certain assets, liabilities, obligations, contracts and undertakings and amalgamating the same with and into WAVESAPP as of the effective date 01 September 2021 against allotment and issue of WAVESAPP shares to WAVES and its shareholders.
2. The Honorable Lahore High Court (the Court) through its Order dated 27 May 2022 which was issued on 22 June 2022, has approved the Scheme of Arrangement as proposed and granted sanction order for the carving out of home appliances business from the WAVES and amalgamation of the same into the subsidiary WAVESAPP.

As consideration for the transfer of the home appliances business, WAVESAPP shall issue a total of 256,006,196 shares as follows:

1. 199,724,956 shares shall be issued and allotted to WAVES.
2. Remaining 56,281,240 shares of WAVESAPP shall to be issued and allotted to shareholders of the WAVES in the ratio of 20 shares for every 100 shares of the WAVES.
3. Rs. 2 billion in cash is payable to the WAVES by WAVESAPP; no additional compensation shall be applicable against this amount if the said amount is settled by the WAVESAPP within 2 years of sanction of this scheme. However, if the said amount is still wholly or partially outstanding at the end of 2 years of the sanction of scheme, then a profit/mark-up shall be payable on outstanding amount on a quarterly basis in arrears at such profit/mark-up rate as determined by the Board(s) of Directors of each of the Company at the relevant time, provided such profit/mark-up rate shall not be less than the rate prescribed under applicable laws

As part of the arrangement hereunder, subsequent to the Scheme completion date, but prior to the issuance/allotment of WAVESAPP Shares to WAVES and its shareholders, share capital of WAVESAPP is consolidated from every 225 shares to 100 shares i.e., total paid up capital from 26,728,000 to 11,879,111 shares. The WAVES Group expects several benefits after this scheme of arrangement including the synergies of operations, allowing them to become leading suppliers /

Waves Corporation Limited (WAVES)

service providers, resulting in greater revenue. Furthermore, by separating the business segments (as contemplated in this Scheme), the individual companies shall have unique identities and a more focused business and customer base. At the same time, as a consequence of the arrangement, WAVESAPP has become a subsidiary of the Company and this will allow the management of each Company to focus on the business segment, resulting in better performance of the same. Further, this will enable WAVES to oversee, supervise and control the business / direction of WAVESAPP, while the management of WAVESAPP can operate and manage the business of WAVESAPP on a regular / day-to-day basis.

The shares have been issued to WAVES and the shareholders of WAVES.

Subsequent to the period end and pursuant to the Scheme, the previous Board of Directors of the Company resigned and new Board was appointed by the Company which took effective charge on 02 August 2022. The new Board is in the process of reviewing and updating the systems, procedures and other corporate formalities in the best interest of the Company.

Holding Company

Pursuant to the Scheme, Waves Corporation Limited, formerly Waves Singer Pakistan Limited (WAVE) has now become a holding company of WAVESAPP. Currently the new shares issuance pursuant to the Scheme are in process of issuance for which necessary notices of book closures has already been issued by WAVES.

The registered office of WAVES is located at 9-KM Multan Road, Lahore. The registered office of the Company is being shifted to the Registered Office of the Holding Company.

6. WAVES PRODUCTS

6.1 Products

Waves Branded Product Range



Waves Brand

Deep Freezers
Visi Coolers
Refrigerators
Air Conditioners
Washing Machines
Microwaves
Water Dispensers
Water Heaters
Instant Geysers
Cooking Ranges



6.2 Quality Management

Waves standardized manufacturing processes and rigorous quality control management procedures are followed to achieve consistency in product performance and enhance customer satisfaction. The Company recognizes the importance of Quality Management System as an integrated function; combined with Innovation, Research & Development and Information Technology. The Company complies with the International Standard ISO 9001:2015 accredited by IAF & UKAS.

The Company has developed extensive In-house Quality Checks and Controls to assure complete risk coverage from the Designing to the Customer usage. The controls encompass the processes of Design & Development, Material Ordering & Receiving, Initial Material Inspection, Manufacturing and Product Testing to End User.

6.3 Geographical Presence & Distribution



7. OTHER INFORMATION

7.1 Pattern of Shareholding

THE COMPANIES ACT, 2017
Form 20
Section 227(2)(f)
PATTERN OF SHAREHOLDING

1.1 Name of the Company: Waves Corporation Limited

2.1 Pattern of holding of shares held by the shareholders as at: **31 December 2024**

-----Shareholdings-----				
2.2	No. of Shareholders	From	To	Total Shares Held
	629	1	100	17,924
	814	101	500	313,703
	789	501	1,000	725,118
	1,906	1,001	5,000	5,419,151
	733	5,001	10,000	5,938,161
	317	10,001	15,000	4,138,248
	241	15,001	20,000	4,454,864
	144	20,001	25,000	3,413,543
	114	25,001	30,000	3,297,641
	67	30,001	35,000	2,224,370
	68	35,001	40,000	2,616,140
	31	40,001	45,000	1,341,640
	102	45,001	50,000	5,046,635
	34	50,001	55,000	1,791,926
	29	55,001	60,000	1,681,547
	23	60,001	65,000	1,441,693
	16	65,001	70,000	1,075,664
	19	70,001	75,000	1,418,400
	16	75,001	80,000	1,262,300
	6	80,001	85,000	495,750
	7	85,001	90,000	621,250
	8	90,001	95,000	745,908
	52	95,001	100,000	5,178,490
	12	100,001	105,000	1,238,641
	10	105,001	110,000	1,090,035
	3	110,001	115,000	342,800
	8	115,001	120,000	942,153
	16	120,001	125,000	1,974,088
	5	125,001	130,000	638,365
	2	130,001	135,000	268,000
	7	135,001	140,000	972,591
	5	140,001	145,000	706,166
	9	145,001	150,000	1,350,000
	3	150,001	155,000	456,000

Waves Corporation Limited (WAVES)

4	155,001	160,000	628,420
4	160,001	165,000	658,500
3	165,001	170,000	508,000
1	170,001	175,000	175,000
6	175,001	180,000	1,073,800
5	180,001	185,000	912,802
4	185,001	190,000	750,803
1	190,001	195,000	193,500
9	195,001	200,000	1,795,862
2	200,001	205,000	407,068
4	205,001	210,000	828,471
1	210,001	215,000	212,000
3	215,001	220,000	654,000
5	220,001	225,000	1,122,500
1	230,001	235,000	234,500
2	235,001	240,000	475,500
4	240,001	245,000	974,754
2	245,001	250,000	500,000
1	250,001	255,000	250,500
3	255,001	260,000	775,460
1	260,001	265,000	260,830
2	265,001	270,000	539,000
1	280,001	285,000	285,000
2	285,001	290,000	576,000
1	290,001	295,000	292,000
5	295,001	300,000	1,498,000
2	300,001	305,000	604,497
1	310,001	315,000	314,500
1	320,001	325,000	324,700
1	340,001	345,000	343,917
1	345,001	350,000	349,000
1	360,001	365,000	365,000
1	370,001	375,000	375,000
5	395,001	400,000	2,000,000
1	400,001	405,000	405,000
1	415,001	420,000	415,418
1	420,001	425,000	421,000
1	425,001	430,000	427,211
1	430,001	435,000	433,159
1	435,001	440,000	440,000
1	440,001	445,000	444,750
4	445,001	450,000	1,800,000
1	455,001	460,000	459,788
1	480,001	485,000	483,343
1	490,001	495,000	493,512
1	495,001	500,000	500,000
1	505,001	510,000	510,000
2	535,001	540,000	1,078,327
1	545,001	550,000	550,000
1	560,001	565,000	562,500

Waves Corporation Limited (WAVES)

1	595,001	600,000	595,500
1	610,001	615,000	614,400
1	620,001	625,000	624,000
1	645,001	650,000	647,694
1	650,001	655,000	651,500
1	690,001	695,000	695,000
1	700,001	705,000	705,000
1	715,001	720,000	719,781
1	720,001	725,000	725,000
1	740,001	745,000	743,000
1	770,001	775,000	775,000
1	795,001	800,000	800,000
1	840,001	845,000	841,849
1	915,001	920,000	920,000
1	940,001	945,000	942,471
2	995,001	1,000,000	1,999,803
2	1,000,001	1,005,000	2,005,012
1	1,115,001	1,120,000	1,120,000
1	1,195,001	1,200,000	1,198,500
1	1,240,001	1,245,000	1,241,000
2	1,295,001	1,300,000	2,598,000
1	1,320,001	1,325,000	1,322,500
1	1,345,001	1,350,000	1,350,000
1	1,455,001	1,460,000	1,455,700
1	1,490,001	1,495,000	1,495,000
1	1,465,001	1,470,000	1,570,000
1	1,570,001	1,575,000	1,574,551
1	1,590,001	1,595,000	1,594,438
1	1,710,001	1,715,000	1,711,657
2	1,995,001	2,000,000	4,000,000
1	2,040,001	2,045,000	2,040,801
1	2,475,001	2,480,000	2,478,000
1	2,495,001	2,500,000	2,500,000
1	2,695,001	2,700,000	2,700,000
1	2,845,001	2,850,000	2,850,000
1	2,990,001	2,995,000	2,995,000
1	2,995,001	3,000,000	3,000,000
1	3,255,001	3,260,000	3,258,315
1	3,790,001	3,795,000	3,792,159
1	3,970,001	3,975,000	3,970,409
1	4,005,001	4,010,000	4,009,999
1	4,270,001	4,275,000	4,275,000
1	4,300,001	4,305,000	4,301,000
1	5,660,001	5,665,000	5,660,942
1	5,695,001	5,700,000	5,700,000
1	7,510,001	7,515,000	7,511,024
1	8,010,001	8,015,000	8,015,000
1	39,540,001	39,545,000	39,540,286
1	40,245,001	40,250,000	40,250,000
6,408			281,406,088

Waves Corporation Limited (WAVES)

WAVES CORPORATION LIMITED Categories of Shareholding required under Code of Corporate Governance (CCG) As at 31 December 2024

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	117,220,911	40.1648%
2.3.2 Executives	5,000	0.0017%
2.3.3 Associated Companies, undertakings and related parties. (Holding Company)	0	0%
2.3.4 NIT and ICP	52	0.0000%
2.3.5 Banks Development Financial Institutions, Non Banking Financial Institutions.	2,000,000	0.6853%
2.3.6 Insurance Companies	1,955	0.0007%
2.3.7 Modarabas and Mutual Funds	1,372,750	0.4704 %
2.3.8 Shareholders holding 10% or more	107,840,286	38.3219%
2.3.9 General Public		
a. Local	151,957,286	52.0669 %
b. Foreign	104,000	0.0356 %
2.3.10 Others (to be specified)		
- Joint Stock Companies	13,288,458	4.5532 %
- Others Companies	5,899,677	2.0215 %
*		
Shareholders holding more than 5% of the capital	Shares	%age
1 Mr. Haroon Ahmad Khan	95,640,286	32.7703 %
2 Mrs. Nighat Haroon Khan	17,332,411	5.9388 %

Waves Corporation Limited (WAVES)

WAVES CORPORATION LIMITED Categories of Shareholding required under Code of Corporate Governance (CCG) As at 31 December 2024

S. No.	NAME	Shares	% AGE
A	Directors, CEO, their Spouse and Minor Children		
1	Mr. Haroon Ahmad Khan	95,640,286	32.7703
2	Mr. Moazzam Ahmad Khan	1,825	0.0006
3	Mrs. Nighat Haroon Khan	17,332,411	5.9388
4	Mr. Hamza Ahmad Khan	4,244,134	1.4542
5	Mr. Tajammal Hussain Bokharee	500	0.0002
6	Mr. Khalid Azeem	50	0.0000
7	Mr. Muhammad Zafar Hussain	1,705	0.0006
	Sub-Total	117,220,911	40.1648
B	Associated Companies	0	0.0000
C	Executives	5,000	0.0017
D	NIT & ICP	52	0.0000
E	Financial Institutions	2,000,000	0.4016
F	Insurance Companies	1,955	0.0007
G	Pension Funds		
H	Investment Companies	484,500	0.1722
I	Modaraba and Mutual Funds	1,372,750	0.4704
J	Joint Stock Companies	13,288,458	4.5532
K	Other Companies	5,899,677	2.0215
L	General Public Local	141,513,285	52.0669
M	General Public Foreign	104,000	0.0356
	Sub-Total	164,185,177	59.8352
	Total	281,406,088	100
	Shareholders holding more than 5% of the capital		
1	Mr. Haroon Ahmad Khan	95,640,286	32.7703
2	Mrs. Nighat Haroon Khan	17,332,411	5.9388
	Total		

Waves Corporation Limited (WAVES)

WAVES CORPORATION LIMITED

All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their Spouses and minor children during FY 2024

No.	Name	Designation	Opening	Purchase / Gift In	Sale / Gift Out	Closing
1	Mr. Haroon Ahmad Khan	CEO	107,840,286	-	12,200,000	95,640,286
2	Mr. Moazzam Ahmad Khan	Director	1,825	-	-	1,825
3	Mrs. Nighat Haroon Khan	Director	28,132,411	3,200,000	14,000,000	17,332,411
4	Mr. Hamza Ahmad Khan	Director	244,134	-	4,000,000	4,244,134
5	Mr. Tajammal Hussain Bokharee	Director	500	-	-	500
6	Mr. Khalid Azeem	Director	50	-	-	50
7	Mr. Muhammad Zafar Hussain	Director	1,705	-	-	1,705
8	Mr. Arslan Shahid	CFO	5,000	-	-	5,000
9	Mr. Ahmad Bilal Zulfiqar	CS	-	-	-	-

8. INDEPENDENT AUDITOR REVIEW REPORT

Independent Auditor's Review Report

To the members of Waves Corporation Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Waves Corporation Limited (the Company) for the year ended December 31, 2024 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions, with the requirements of Section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2024.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Reference Paragraph	Description
9	As required under clause 19 (1)(i) of the regulations, it is encouraged that by June 30, 2022; all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it. However, out of 7 directors; only 4 have completed their Training from the approved institutions under Directors Training Program.

-Sd-

Rizwan & Company
Chartered Accountants

Engagement Partner: Imran Bashir

Lahore: 07 April 2025

UDIN: CR202410140rCPxRH0sl

9. STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of the Company: Waves Corporation Limited
Year ended: 31 December 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are Seven (7) as per the following:

- a. Male: Six (6)
- b. Female: One (1)

2. The composition of the Board is as follows:

Category	Number	Name
Independent Directors*	2	Mr. Muhammad Zafar Hussain Mr. Tajammal Hussain Bokharee
Non-Executive Directors (Excluding Female Director)	2	Mr. Moazzam Ahmad Khan Mr. Khalid Azeem
Executive Director	2	Mr. Haroon Ahmad Khan Mr. Hamza Ahmad Khan
Female Director (Non-Executive Directors)	1	Mrs. Nighat Haroon Khan

*Best practices of corporate governance entail having an optimal number and mix of Board members with adequate skills and experience. The current Board of Directors of the Company (7) adequately meets this requirement. Further, existing independent directors play an effective part within the Board and make valuable contributions. Therefore, the fraction (2.33) for independent directors has not been rounded up.

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
- 4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that the complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
- 6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
- 7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
- 8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- 9. Four out of seven directors have already attended the Directors' Training Program (DTP). The Company is in the process of arranging formal DTP training for remaining three directors. However, the Directors have been

Waves Corporation Limited (WAVES)

provided with periodic in-house training to apprise them with the changes in laws, rules and regulations along with their duties and responsibilities etc., to keep them updated.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed following committees comprising of members given below:

a) Audit Committee

Mr. Tajammal Hussain Bokharee	Member and Chairman
Mr. Moazzam Ahmad Khan	Member
Mrs. Nighat Haroon Khan	Member
Mr. Ahmad Bilal Zulfiqar	Secretary

b) HR and Remuneration Committee

Mr. Muhammad Zafar Hussain	Member and Chairman
Mr. Khalid Azeem	Member
Mr. Moazzam Ahmad Khan	Member
Mr. Haroon Ahmad Khan	Member
Mr. Ahmad Bilal Zulfiqar	Secretary

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committees are as follows:

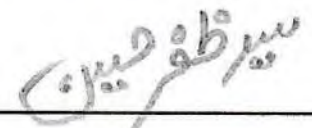
Name of Committees	Frequency of meetings
Audit Committee	Quarterly
HR and Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function that is suitably staffed with qualified and experienced personnel who are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouses, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 of the regulations have been complied with; and
19. Explanations for non-compliance with the requirements other than of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 are as follows:

Waves Corporation Limited (WAVES)

1. It is encouraged by the Code that by June 30, 2022; all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it. Currently, four out of seven directors have already attended the Directors' Training Program (DTP). The Company is in the process of arranging formal DTP training for the remaining director in this financial year.

On behalf of the Board of Directors



Muhammad Zafar Hussain
Chairman

Lahore 07 April 2025

10. NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (AGM) of the shareholders of Waves Corporation Limited (WAVES or the Company) will be held on Wednesday, 30 April 2025 at 12:00 p.m. at the Registered Office, 9-Km Multan Road, Lahore (Waves Factory Premises) physically as well electronically to transact the following businesses:

Ordinary Businesses

1. To confirm the minutes of the last Annual General Meeting held on 29 April 2024.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended 31 December 2024, together with Directors' Report and Auditor's Reports thereon.

As required under section 223(6) of the Companies Act, 2017 (the "Act"), Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link and/or QR enabled code:

<https://waves.net.pk/financial-reports/>



3. To appoint Statutory Auditors of the Company for the year ending 31 December 2025 and to fix their remuneration. The Board and Audit Committee have recommended the name of M/s Rizwan and Company, Chartered Accountants, Lahore (an Independent Member Firm of DFK International) being the retiring auditors, for re-appointment as Auditors of the Company.

Special Businesses

To consider and if deemed fit pass the following special resolutions with or without modifications:

4. To Ratify/approve the Related Party Transactions during the Financial Year ended 31 December 2024

“Resolved that the transactions carried out by the Company with Waves Home Appliances Limited, Waves Marketplace Limited, Waves Builders and Developers (Private) Limited and Employees' Pension/Gratuity/Provident Fund (as the case may be) as the case may be, during the financial year 31 December 2024 as given in the related party note of the Annual Audited Financial Statements of the Company for the year ended 31 December 2024, be and hereby are ratified and approved.”

5. To authorize the Board to approve Related Party Transactions during the Financial Year ended 31 December 2025

“Resolved that the Board of Directors of the Company is authorized to approve all related party transactions to be carried out on case-to-case basis during the financial year 31 December 2025. These transactions shall be deemed to be approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval”

By the order of the Board

Ahmad Bilal Zulfiqar
Company Secretary

08 April 2025
Lahore

Statement of Material Facts under the Provisions of the Companies Act 2017 (the Act) Pertaining to said notice is being sent to the members/shareholders along with this Notice of AGM

Waves Corporation Limited (WAVES)

Notes:

1. The share transfer Books of the Company will remain closed from 24 April 2025 to 30 April 2025 (both days inclusive). Transfers received in order at the office of our Share Registrar Corplink (Private) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore at the close of business on 23 April 2024 will be treated in time for the purposes of entitlement to the transferees.
2. A Member entitled to attend and vote at the Meeting may appoint another Member as his/her Proxy to attend, speak and vote at the Meeting on his/her behalf. Instrument appointing Proxy must be deposited at the Head Office of the Company not less than 48 hours before the time of holding the meeting. Proxy form is available at the Company's website i.e., www.waves.net.pk However, in case of electronic attendance, the relevant procedure given in the precedent paragraph may be followed.
3. CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan:

a. For attending the meeting:

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting
- ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

b. For appointment proxies:

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC Numbers shall be mentioned on the form.
 - iii. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv. The proxy shall produce his / her original CNIC or original Passport at the time of the meeting.
 - v. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company
4. Shareholders are requested to notify the Company's Share Registrar if there is any change in their registered postal addresses.
 5. Procedure for voting on the Special Business Resolutions:

Concerning the special business to be transacted at the AGM, it is hereby notified that pursuant to the requirements of Companies (Postal Ballot) Regulations, 2018 (the Postal Ballot Regulations), the members will be allowed to exercise their right to vote in accordance with the conditions mentioned in the said regulations. Accordingly, the Company shall provide its members with the following options for voting:

Procedure for E-Voting:

- a. Detail of the E-Voting facility will be shared through email with those members of the Company who have valid cell numbers/e-mail addresses available in the Register of Members of the Company by the end of business on 23 April 2024 by Corplink (Private) Limited being the E-Voting service provider.

Waves Corporation Limited (WAVES)

- b. The identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- c. Members shall cast vote online from 27 April 2025 starting at 9.00 a.m. till 29 April 2025 ending at 05:00 p.m. The Voting shall close on 29 April 2025 at 05:00 p.m. Once the vote on the resolution has been casted by a Member, he/she shall not be allowed to change it subsequently.

Procedure of Voting through Post

- a. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website (www.waves.net.pk) for download
 - b. The members must ensure that the duly filled and signed Ballot Paper along with a copy of the Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's Registered Office i.e. 9-Km Multan Road, Lahore (Waves Factory Premises), or email at cs@waves.net.pk, at least two days before the General Meeting. A postal ballot received after this time shall not be considered for voting. The signature on the Ballot Paper should match with the signatures on the CNIC.
6. Subject to the requirements of sections 143 and 144 of the Act, where poll is demanded in the general meeting, the Company shall follow the procedure as laid down in Companies (Postal Ballot) Regulation, 2018.
7. The shareholders of the Company interested to participate in the general meeting through video link are requested to send their particulars (as given below) along with a valid copy of their CNIC (both sides)/passport, attested copy of the board resolution / power of attorney (in case of corporate shareholders) through email at cs@waves.net.pk (or through post/courier) with the subject similar to "Registration for AGM April 2025 of WAVES" at least 48 hours before the holding of the general meeting. The original signed documents are required to be sent to the Company separately through courier or post, for record purposes.

Name of Shareholder	CNIC No.	Folio No.	Cell/WhatsApp No.	Email Address
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** Where applicable, please also give the above particulars of proxy-holder or nominee of shareholder*

The video link and login credential will be shared with only those members whose emails, containing all the required particulars are received well within time. This notice of video link shall also cover providing vide link facility to the members holding 10% or more shareholding (in aggregate) in the Company, residing at a geographical location.

8. Pursuant to SECP's Circular No 10 dated 21 May 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location other than the city of the Meeting, to participate in the meeting through video conference at least 07 (seven) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following and submit to Head Office address of the Company at least 07 (seven) days before the date of general meeting.

I/We _____ of _____, being member(s) of Waves Corporation Limited holder of _____ Ordinary share(s) as per Register Folio No. _____ hereby opt for video conference facility at _____.
--

Waves Corporation Limited (WAVES)

9. The Company can transmit annual financial statements through email for which shareholders may provide their relevant information to Share Registrar or the Company Secretary by filling the Standard Request Form available on the Company's website. The shareholders can submit their request for minutes of the previous general meetings at the Registered Office of the Company.
10. The Annual Audited Financial Statements along with relevant Reports/Reviews shall be available at the Company's website at www.waves.net.pk. These accounts are also available for inspection during office hours at the registered office of the Company.
11. Shareholders, who for any reason, could not claim their dividends/shares, if any, are advised to contact our Share Registrar Office i.e. Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore, to enquire about their unclaimed dividends/shares.
12. In compliance with the requirements of Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017. Members having physical share certificates are requested to convert their shares from the physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares, and readily available for sale and purchase in open market at better rates.
13. The Company will electronically transmit the Annual Accounts 2024 including proxy form through email to Shareholders whose email addresses are available with the Company's Share Registrar based on the consent. In those cases, where email addresses are not available with the Company's Share Registrar, printed notices of AGM along with the weblink and QR enabled code to download the said Annual Report have been dispatched. However, the Company will provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request.
14. The provision of gifts/ incentives in any form to shareholders at or in connection to general meetings is strictly prohibited under Section 185 of the Companies Act 2017.
15. For any query / clarification / information, the shareholders may contact the Company at email cs@waves.net.pk and/or the Share Registrar of the Company at email akbar@corplink.com.pk.

Waves Corporation Limited (WAVES)

Statement of Material Facts in respect of the Special Businesses

Agenda Item No. 4 – To Ratify and Approve the Related Party Transactions during the Financial Year ended 31 December 2024

The Company has undertaken related party transactions with the following entities which includes holding and associated companies/undertakings as the case may be.

- a. Waves Home Appliances Limited (WAVESAPP),
- b. Waves Marketplace Limited (WMPL),
- c. Waves Builders & Developers (Private) Limited (WBDL),
- d. Employee's Provident Fund / Employees' Pension Fund / Employees' Gratuity Fund

All the transactions with related parties during financial year are entered into by the Company in the ordinary course of business and at arm's length basis, under the policy of the Company for related party transactions. All transactions entered into with related parties require the approval and recommendation of the Audit Committee of the Board. Upon recommendation of the Audit Committee, such transactions are placed before the Board of Directors for approval.

All transactions with the related parties are disclosed in the relevant note of the audited financial statements for the year ended 31 December 2024. The transactions with WAVES may include transactions which are arising out of the implementation process of the Scheme and results in inter-company balances appearing in the financial statements, till such time the implementation process pursuant to the Scheme is fully complete. The nature of these relationships is also disclosed in the relevant note.

Agenda Item No. 5 – To authorize the Board to approve Related Party Transactions during the Financial Year ended 31 December 2025

The Company shall be conducting transactions with the related parties during the year ending 31 December 2025 in the ordinary course of business and at arm's length basis under the policy of the Company for related party transactions. All transactions entered into with related parties require the approval of the Audit Committee of the Board. Upon recommendation of the Audit Committee, such transactions shall be placed before the Board of Directors for approval.

The transactions with WAVES may include transactions which are arising out of the implementation process of the Scheme and results in inter-company balances appearing in the financial statements, till such time the implementation process pursuant to the Scheme is fully complete.

In order to promote transparent business practices, the shareholders are recommended to authorize the Board of Directors of the Company to approve transactions with the related parties from time-to-time on case-to-case basis for the year ending 31 December 2025, which transactions shall be deemed to be approved by the shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal ratification/approval. The Directors are interested in the resolutions only to the extent of their common directorship in such related parties.

Interest of Directors

The Company has only one class of members. The effect of resolutions on the interests of Directors of the Company does not differ from the effect of interest of other members except stated herein and the Directors are interested in the resolution only to the extent of their common directorship in such related

Waves Corporation Limited (WAVES)

parties and that the directors of the Company and the related parties performing full time executive functions are also interested to the extent of remunerations, benefits and allowances as per the respective policies of the Company and the related parties, therefore may be regarded as interested to that extent in the resolutions.

Material Information

All material information in respect of the special business including MOA/AOA, financial statements of the Company and its subsidiary/wholly-owned subsidiaries including interim financial statements if any, related party transactions and record, minutes of the previous general meetings, as the case may be, shareholding of Directors of the Company and related parties along with their interest (if any), Scheme of Arrangement sanctioned by honorable Lahore High Court, Lahore, statement of material facts and other necessary documents in respect of the notice of AGM are kept at the registered office of the Company and shall be available for inspection from the date of this notice till the conclusion of the AGM and also placed to the extent applicable on the Company's website www.waves.net.pk.

Proxy Form

The Proxy Form is attached with the notice of Notice of Annual General Meeting.

Postal Ballot Form

The Postal Ballot Form is attached with the notice of Notice of Annual General Meeting.

Waves Corporation Limited (WAVES)

WAVES CORPORATION LIMITED

FORM OF PROXY

The Company Secretary
Waves Corporation Limited
9 KM, Multan Road, Lahore

I/ We _____
of _____
being a member of **Waves Corporation Limited** hereby appoint
of _____
or failing him _____
of _____
as my proxy in my absence to attend, speak and vote for me on my behalf at the Annual General Meeting of the Company to be held on Wednesday, 30 April 2025 at 12:00 p.m. and at any adjournment thereof.

As witness my / our hand this _____ day of _____.

**Rs. 50/-
Revenue
Stamp**

Witness No.1

Name : _____
Address : _____
CNIC No.: _____

Signature of Member(s)

Witness No. 2

Name : _____
Address : _____
CNIC No.: _____

(Name in Block letters)

Folio No. _____
Participant ID No. _____
No. of shares _____
Account No. in CDC _____

Important:

1. CDC Account Holders are requested to strictly follow the guidelines mentioned in the Notice of Meeting.
2. A Member entitled to attend a General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
3. Members are requested:
 - (a) To affix Revenue Stamp of Rs. 50/- at the place indicated above.
 - (b) To sign across the Revenue Stamp in the same style of signature as is registered with the Company.
 - (c) To write down their Folio Numbers.
4. This form of proxy, duly completed and signed across a Rs. 5/- revenue stamp, must be deposited/sent at the Company's Registered Office not less than 48 hours before the time for holding the meeting or may be sent through the email as given in this notice followed by courier/post to the Company's registered office.

Waves Corporation Limited (WAVES)

WAVES CORPORATION LIMITED BALLOT PAPER FOR VOTING THROUGH POST

For poll at the Annual General Meeting of Waves Corporation Limited (WAVES or the Company) to be held on Wednesday, 30 April 2025 at 12:00 p.m. at the Registered Office of the Company.

The designated email address for the Chairman at which the duly filled in ballot paper can be sent at cs@waves.net.pk

Name of shareholder/joint shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with sub-account No	
Number of shares held (shall be taken as of book closure in notice)	
CNIC, NICOP/Passport No. (for foreigner) (Copy to be attached)	
Additional Information ((In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - (Copy to be attached)	

Special Business: Resolution 4

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the relevant box below or may write "Approve" or "Disapprove"

"Resolved that the transactions carried out by the Company with Waves Corporation Limited, Waves Marketplace Limited, Waves Builders and Developers (Private) Limited and Employees' Pension/Gratuity/Provident Fund (as the case may be), during the financial year 31 December 2024 as given in the related party note of the Annual Audited Financial Statements of the Company for the year ended 31 December 2024, be and hereby are ratified and approved."

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 4	For:	Against:

Special Business: Resolution 5

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the relevant box below or may write "Approve" or "Disapprove"

"Resolved further that the Board of Directors of the Company is authorized to approve all related party transactions to be carried out on case-to-case basis during the financial year 31 December 2025. These transactions shall be deemed to be approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval"

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 5	For:	Against:

Signature of Shareholder

Number of Shares Held

Place and Date

Notes:

1. Dully filled postal ballot should be sent to Chairman of the Company, at 9-KM, Multan Road, Lahore (Waves Factory Office) along with the copy of CNIC, NICOP/Passport (for foreigner). The form should reach 48 hours before the meeting. The Signature on the postal ballot should match with the signatures on the CNIC, NICOP/Passport.
2. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten, expired identification copy shall be rejected.

11. ANNUAL FINANCIAL STATEMENTS

The annual audited Consolidated financial statements and the Standalone Financial Statements for the year ended 31 December 2024 are attached to this Report

11.1 Consolidated Financial Statements

Independent Auditor's Report

To the members of Waves Corporation Limited

Report on the Audit of the consolidated financial statements

Opinion

We have audited the annexed consolidated financial statements of Waves Corporation Limited (the Parent Company) and its subsidiary companies ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the key audit matters:

1. Revenue Recognition

Refer to note 4.10 to the financial statements.

The Group revenue is principally generated from manufacturing and trading of domestic consumer appliances along with retailing and trading.

We identified recognition of revenue (against sale of goods) as a key audit matter because revenue is one of the key performance indicators of the Group which give rise to an inherent risk of the existence and the accuracy of the revenue.

Our audit procedures to assess the recognition of revenue, amongst others, included the following:

- Assessed the design, implementation and operating effectiveness of the key internal controls over the Group's systems which govern the revenue recognition.
- Inspected sales contracts with customers on a sample basis to understand and assess the terms and conditions therein which may affect the recognition of revenue;
- Compared revenue transactions recorded during the current year on sample basis with invoices, sale contracts and goods delivery notes to assess whether the related revenue was recognized in accordance with the Group's revenue recognition accounting policies.
- Compared on a sample basis, revenue transactions recorded just before and after the year end with the underlying goods delivery notes and other relevant documents to assess whether the revenue had been recognized in the

appropriate accounting period.

2. Analysis of Impairment Indicators and Impairment testing of goodwill and other intangible assets

Refer to note 20 to the financial statements and the accounting policy in note 4.6 to the financial statements.

As at December 31, 2024, the Group's intangible assets aggregate Rupees 2,763.518 million.

In accordance with international accounting standard (IAS) 36 "Impairment of Assets", the Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired.

Where an impairment indicator is identified for any asset, an impairment test is performed by the Group based on estimate of the value-in-use of that asset.

The calculation of value-in-use required the management to make significant estimates and judgements.

We considered this matter as key audit matter due to the significant value of intangible assets and due to significance of judgements / estimates used by the management in determining their value in use.

Our audit procedures included the following:

- Assessed the methodology used by management to estimate value-in-use of each asset.
- Assessed the assumptions used in discounted cash flow projections for calculation of the value-in-use of assets, evaluating the reasonableness of key assumptions and discount rates based on our knowledge of the business and industry and by comparing the assumptions to historical results and published market and industry data.
- Performed sensitivity analysis in consideration of the potential impact of reasonably possible changes in assumptions and discount rates and considering managements process for approving these estimates.
- Reviewed the independent valuer's report regarding impairment testing conducted by the management. We ensured that the report was conducted by a qualified, independent expert with relevant expertise in the field. We evaluated the reasonableness of key assumptions used in the testing, including the discount rate, growth rate, terminal value, and attrition rate, by comparing them with relevant market data and industry benchmarks. We also conducted a sensitivity analysis to assess the impact of potential changes in these assumptions on the impairment results. Our procedures included verifying the accuracy of data inputs and discussing the assumptions with both management and the independent expert.

3. Contingencies

Refer as disclosed in Note 18 to the accompanying consolidated financial statements, the Group has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law.

Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Group for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards.

We have identified contingencies as a significant area of focus for this audit engagement,

Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:

- Obtained and reviewed detail of the pending matters and discussed the same with the Group's management.
- Reviewed the correspondence of the Group with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved.
- Obtained and reviewed confirmations from the Group's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies.

particularly due to the inherent uncertainty and complexity surrounding pending litigations.

- Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters.
- Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.

4. Borrowings and finance costs

Refer to note 9, 16 & 34 to the consolidated financial statements.

The Group has obtained range of financing facilities from different financial and non-financial institutions with varying terms and tenure.

This was considered to be a key audit matter as these affects the Group's gearing, liquidity and solvency;

Further, compliance with debts covenants is a key requirement of these financing arrangements.

Our key procedures included the following:

- We assessed the design and operating effectiveness of the Group's internal controls over recording the terms and conditions of borrowings from financial institutions, including their classification as either current or non-current;
- We obtained confirmations of borrowings as at December 31, 2024 directly from lenders;
- We tested the calculations of markup recognized as both an expense and capitalized during the year to assess whether these were accounted for in accordance with international financial reporting standards;
- We assessed the impact of restructuring of financings and its impact of deferment of mark up to statement profit or loss;
- We assessed whether loans maturity within twelve months were classified as current liabilities; and
- We assessed the adequacy of the Group's compliance with the loan covenants and the disclosures in the financial statements.

5. Valuation of stock-in-trade

Refer to note 23.4 to the financial statements and the accounting policy in note 4.13 to the financial statements.

As at December 31, 2024 the Group's stock-in-trade amounting to Rupees 2,494.012 million.

We identified the valuation of stock in trade as a key audit matter because determining an appropriate written down as a result of net realizable value (NRV) being lower than their cost involved significant management judgement and estimation.

Our audit procedures to assess the valuation of stock-in-trade, amongst others, included the following:

- Attended management's inventory counts and observed the process at material inventory locations, including observing the process implemented by management regarding their valuation methods and their appropriateness in accordance with applicable financials reporting standards;
- We also tested the calculations of per unit cost of finished goods and WIP and assessed the appropriateness of managements basis for the allocation of cost and production overheads;
- Assessing the NRV of stock in trade by comparing, on sample basis, managements estimations of future selling prices for the products with the selling prices achieved subsequent to the end of reporting period.

Emphasis of matter

As fully explained in note 2 and note 18.1.17 to these consolidated 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 subsidiary 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 date. 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.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The Engagement partner on the audit resulting in this independent auditors' report is Mr. Imran Bashir.

Lahore:
UDIN: AR2024101403UK8vtQcL

Rizwan & Company
Chartered Accountants

Waves Corporation Limited and its subsidiaries
Consolidated statement of financial position
As at December 31, 2024

	Note	2024 (Rupees in '000)	2023 (Rupees in '000)		Note	2024 (Rupees in '000)	2023 (Rupees in '000)
Equity and liabilities							
Share capital and reserves							
Share capital	5	2,814,062	2,814,062	Assets			
Capital reserves	6	5,030,661	5,030,661	Non-current assets			
Loan from directors	7	430,084	229,017	Property, plant and equipment	19	8,795,587	8,099,252
Revaluation surplus	8	463,028	550,280	Intangible assets	20	2,763,518	2,798,912
Unappropriated profit		1,328,316	1,002,556	Investment property	21	3,585,432	17,421
Equity attributable to owners of the parent company		10,066,151	9,626,576	Long term trade receivables	25	1,150	962
Non-controlling interest		2,966,718	1,593,540	Long term deposits	22	30,402	46,804
		13,032,869	11,220,116	Employee retirement benefits	11	16,092	16,092
						15,192,181	10,979,443
Non-current liabilities							
Long term financings	9	5,596,668	766,333	Current assets			
Lease liabilities	10	13,341	33,294	Inventories	23	2,494,012	6,071,464
Employee retirement benefits	11	20,720	19,955	Stores, spares and loose tools	24	21,306	28,110
Deferred taxation	12	244,974	284,817	Trade debts	25	5,607,690	4,193,678
Deferred income	13	4,070	5,232	Advances, deposits, prepayments and other receivables	26	708,843	483,997
		5,879,773	1,109,531	Short term investment	27	3,000	3,000
				Advance income tax		251,871	327,189
				Cash and bank balances	28	50,330	59,874
						9,137,052	11,167,312
Current liabilities							
Trade and other payables	14	3,655,448	3,501,962			2,494,012	6,071,464
Accrued markup	15	295,172	819,661			21,306	28,110
Short term borrowings	16	1,021,535	4,780,395			5,607,690	4,193,678
Current portion of long term liabilities	17	443,257	713,811			708,843	483,997
Unclaimed dividend		1,179	1,179			3,000	3,000
		5,416,591	9,817,008			251,871	327,189
		24,329,233	22,146,755			50,330	59,874
						9,137,052	11,167,312
Contingencies and commitments							
	18					24,329,233	22,146,755

The annexed notes from 1 to 50 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

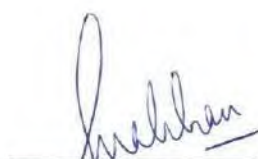
Waves Corporation Limited and its subsidiaries
Consolidated Statement of profit or loss
For the year ended December 31, 2024

		2024 (Rupees in '000)	2023
	Note		
Revenue - net of sales returns		5,072,833	6,295,795
Less: Sales tax and trade discounts		(1,128,076)	(1,089,469)
Revenue - net		3,944,757	5,206,326
Cost of sales	29	(2,725,462)	(3,805,138)
Gross profit		1,219,295	1,401,188
Marketing, selling and distribution costs	31	(594,621)	(666,682)
Administrative expenses	32	(382,379)	(424,481)
Other operating expenses	33	(187,975)	(124,212)
Other income	30	1,737,414	380,554
Operating profit		1,791,734	566,367
Finance costs	34	(700,139)	(265,502)
Profit before levies and taxation		1,091,595	300,865
Levies	35	(2,196)	(52,612)
Profit before taxation		1,089,399	248,253
Income tax expense	36	(2,005)	8,528
Profit after taxation		1,087,394	256,781
Attributable to:			
Owners of the Group		1,046,408	226,692
Non-controlling interest		40,986	30,089
		1,087,394	256,781
		Rupees	
Earnings per share - basic and diluted	37	3.86	0.91

The annexed notes from 1 to 50 form an integral part of these financial statements.

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Chief Executive


Director


Chief Financial Officer

Waves Corporation Limited and its subsidiaries
Consolidated statement of comprehensive income
For the year ended December 31, 2024

	Note	2024 (Rupees in '000)	2023
Profit after taxation		1,087,394	256,781
Other comprehensive income			
Items that will never be reclassified to profit or loss account:			
- Surplus on revaluation of property, plant and equipment - net of tax		-	56,856
- Actuarial gain on employee retirement benefits	11.6	634	7,425
		634	64,281
Items that may be reclassified to profit and loss account		-	-
Total comprehensive income for the year		<u>1,088,028</u>	<u>321,062</u>
Attributable to:			
Owners of the Group		1,046,757	274,553
Non-controlling interests		41,271	46,509
		<u>1,088,028</u>	<u>321,062</u>

The annexed notes from 1 to 50 form an integral part of these financial statements.


 Chief Executive


 Director


 Chief Financial Officer

Waves Corporation Limited and its subsidiaries
Consolidated statement of changes in equity
For the year ended December 31, 2024

	Attributable to owners of the parent company							Non-controlling interest	Total
	Share capital	Capital reserves			Revenue reserve		Sub-total		
		Capital reserves (Note 6)	Loan from directors	Revaluation surplus	Unappropriated profit				
(Rupees in '000)									
Balance as at December 31, 2022	2,814,062	5,030,661	119,497	528,895	753,581	9,246,696	1,548,470	10,795,166	
Profit for the year	-	-	-	-	226,692	226,692	30,089	256,781	
Other comprehensive income	-	-	-	47,861	-	47,861	16,420	64,281	
Total comprehensive income for the year	-	-	-	47,861	226,692	274,553	46,509	321,062	
Effect of incremental depreciation on revaluation surplus - net of tax	-	-	-	(26,476)	26,476	-	-	-	
Share issuance costs of subsidiary company	-	-	-	-	(4,193)	(4,193)	(1,439)	(5,632)	
Transactions with owners of the Company									
Loan obtained	-	-	109,520	-	-	109,520	-	109,520	
Balance as at December 31, 2023	2,814,062	5,030,661	229,017	550,280	1,002,556	9,626,576	1,593,540	11,220,116	
Profit for the year	-	-	-	-	1,046,408	1,046,408	40,986	1,087,394	
Other comprehensive income	-	-	-	-	349	349	285	634	
Total comprehensive income for the year	-	-	-	-	1,046,757	1,046,757	41,271	1,088,028	
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	-	(25,804)	25,804	-	-	-	
Realisation of surplus on disposal	-	-	-	(61,448)	61,448	-	-	-	
Increase in non-controlling interest on dilution of investments	-	-	-	-	-	-	1,331,907	1,331,907	
Transactions with owners of the Company									
Loss on sale of divestment of subsidiary	-	-	-	-	(808,249)	(808,249)	-	(808,249)	
Loan obtained	-	-	201,067	-	-	201,067	-	201,067	
Balance as at December 31, 2024	2,814,062	5,030,661	430,084	463,028	1,328,316	10,066,151	2,966,718	13,032,869	

The annexed notes from 1 to 50 form an integral part of these financial statements.


Chief Executive


Director



Chief Financial Officer

Waves Corporation Limited and its subsidiaries
Consolidated statement of cash flows
For the year ended December 31, 2024

		2024 (Rupees in '000)	2023
Cash flows from operating activities			
Profit before taxation		1,091,595	300,865
Adjustments for non-cash items:			
Depreciation on property, plant and equipment	19	288,274	342,677
Amortisation of intangible assets	20	35,394	39,331
Finance costs	34	700,139	265,502
Gain on sale of property, plant and equipment	30	(40,393)	(29,743)
Gain on disposal of investment property	30	(39,579)	-
Allowance for expected credit loss	33	152,828	59,218
Allowance for doubtful receivables	33	6,502	5,757
Reversal of provision for obsolete stock	30	-	(26,069)
Fair value gain in investment property	30	(461,584)	(171)
Effect of termination of lease	33	111	(1,366)
Amortisation of deferred income	30	(1,163)	1,384
Impairment of property, plant and equipment	19.1	896	-
Unrealised exchange (gain)/loss	33	(85)	22,867
Debit balance written off	33	12,370	20
Credit balance written back	30	(47,926)	(53,916)
Effect of present value discounting of accrued mark up	30	(823,566)	-
Employee retirement benefits	11	3,617	4,145
Profit before working capital changes		877,430	930,500
Effect on cash flows due to working capital changes			
(Increase) / decrease in current assets			
Inventories	22	481,278	(28,732)
Stores, spares and loose tools	24	6,804	16,034
Trade receivables	25	(1,567,027)	1,421,932
Advances, deposits, prepayments and other receivables	26	(234,522)	39,066
Increase / (decrease) in current liabilities:			
Trade and other payables	14	160,255	(117,478)
		(1,153,212)	1,330,822
Cash (used in) / generated from operations		(275,782)	2,261,322
Income tax paid		(11,402)	(130,550)
Proceeds against income tax refunds		32,160	-
Finance costs paid		(265,509)	(153,689)
Employee retirement benefits paid		(1,959)	(3,378)
Net cash (used in) / generated from operating activities		(522,492)	1,973,706
Cash flows from investing activities			
Additions in property, plant and equipment	19	(245,479)	(1,898,287)
Additions in intangibles		-	(45)
Long term deposits	22	16,402	8,514
Proceeds from disposal of long term investments		503,676	-
Proceeds from disposal of property, plant and equipment		106,959	41,366
Proceeds from disposal of investment property		58,000	-
Net cash generated from / (used in) investing activities		439,558	(1,848,452)
Cash flows from financing activities			
Long term financings	9	(49,828)	163,409
Lease liabilities		(18,560)	(29,076)
Short term borrowings	16	(59,288)	(423,575)
Loan from sponsoring directors	7	201,067	109,520
Net cash generated from / (used in) financing activities		73,391	(179,722)
Net decrease in cash and cash equivalents		(9,544)	(54,468)
Cash and cash equivalents at beginning of the year		59,874	114,342
Cash and cash equivalents at end of the year	28	50,330	59,874

The annexed notes from 1 to 50 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

1 Legal status and nature of business

- 1.1** 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. The principal line of business 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 and other outlets of the Group are located at:

- 9-K.M, Hanjarwal, Multan Road, Lahore.
- Muaza Mustafabad, 41 KM Ferozepur Road, Off 2-KM Rohi Nala Road, Tehsil & District, Kasur
- Waves Marketplace Limited has various retail outlets in various parts of Pakistan.

- 1.2** The "Group" consists of:

Parent Company

Waves Corporation Limited

Wholly owned Subsidiaries

Waves Marketplace Limited

Waves Builders and Developers (Private) Limited

Partially owned Subsidiary

Waves Home Appliances Limited

Waves Marketplace Limited

The Company was incorporated in Pakistan under the Companies Act, 2017 (then the Companies Ordinance, 1984) as a private limited company on September 09, 2016 as Electronic Marketing Company (Private) Limited. Its status was changed to public unlisted company, consequently its name was changed to Electronic Marketing Company Limited on March 30, 2022. Name of the Company was further changed to Waves Marketplace Limited on September 12, 2022. The Company is a wholly owned subsidiary company of Waves Corporation Limited (the Holding Company). 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. The registered office of the Company is located at 9-K.M, Hanjarwal, Multan Road, Lahore.

Waves Builders and Developers (Private) Limited

Waves Builders and Developers (Private) Limited (formerly Waves Marketing (Private) Limited) (the Company) is a private limited Company which was incorporated on April 10, 2017 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is a wholly owned subsidiary of Waves Corporation Limited (the Holding Company). The registered office of the Company is located at 15/3 A Model Town, Lahore. The principal activity of the Company was the sale, distribution and marketing of consumer appliances being a trading concern; the principal line of business had been changed during the year 2021 to carry on business of any or all type of real estate. Accordingly, the name of the Company was changed from Waves Marketing (Private) Limited to Waves Builders and Developers (Private) Limited.

Waves Home Appliances Limited

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

- 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 parent 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.

- 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 parent 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 subsidiary company's business activities continued in the name of the parent company owing to non-completion of legal and procedural formalities. Consequently, the parent company reported all such transactions in its sales tax returns on account of utilities, supplies, imports, local stores and spares to subsidiary company. The above stated transactions have been recorded to absorb the impact of sales tax inputs available in sales tax records of the parent company, that could have been lost in absence of any legitimate sales tax output available to the subsidiary company. The summary of the transactions has been given hereunder:

	2024	2023
	Rupees in "000"	
Sales	3,170,183	4,176,119
Purchases	1,495,959	2,367,440
Others	76,395	149,055

3 Basis of preparation

3.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan 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.

Where provisions of directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 New or amendments / interpretations to existing standards, interpretations and forthcoming requirements

There are amendments or improvements and interpretations to existing standards which became applicable to the Company for the financial year beginning on January 01, 2024. however, these do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements except for:

3.3 Standards, interpretations and amendments to published approved accounting and reporting standards that are not yet effective

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2024. These are not expected to have any material impact on the Company's financial reporting and, therefore, have not been presented in these financial statements except for:

3.3.1 Amendment to IFRS 9 and IFRS 7 'Classification and Measurement of Financial Instruments':

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence can not be derecognised. The previous practice of financial liabilities being derecognised upon issuance of cheques would, hence, need to be reconsidered.

3.3.2 IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

3.4 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments, which are carried at their fair values and obligations for staff retirement benefits which are carried at present values of defined benefit obligation net of fair value of plan assets determined through actuarial valuation.

3.5 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These consolidated financial statements are presented in Pak Rupees, which is the Group's functional currency.

3.6 Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Group's consolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

	Note
- Estimate of useful life of property, plant and equipment	4.3
- Measurement and recognition of investment property	4.4
- Provisions and contingencies	4.9
- Provision for taxation	4.12
- Impairment of financial and non-financial assets	4.16
- Estimate of useful life of intangible assets	4.6
- Employee retirement benefits	4.5
- Provision for slow moving spares and stock in trade	4.13.2
- Provision for warranty obligation	4.21
- Estimate of fair value of financial liabilities at initial recognition	4.15.7
- Estimate of recoverable amount of goodwill	4.6
- Expected credit loss allowance	4.16
- Right of use assets and corresponding lease liabilities	4.22

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3.7 Change in accounting estimates

During the year, a subsidiary company of the group conducted an operational efficiency review of its plants and machinery, which resulted in changes in the expected usage of certain items of plant and machinery. The plant and machinery, which management had previously intended to sell after 12 years of use, is now expected to remain in production for 20 years from the date of purchase. As a result, expected useful life of the plant and machinery increased. The effect of these changes on actual and expected depreciation expense included in 'cost of sales', was as follows:

	2024	2025	2026	2027	2028	2029
	(Rupees in '000)					
Decrease in depreciation	79,026	79,026	79,026	79,026	79,026	79,026

The subsidiary company believes that the revised estimate more accurately reflects the economic benefits expected to be derived from the plant and machinery.

3.8 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair value, both for financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4 Material Accounting Policies information

The Group adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2) from January 01, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.



4.1 Basis of consolidation

These consolidated financial statements include the financial statements of Waves Corporation Limited and its subsidiary companies, Waves Marketplace Limited 100% owned (2023: 100% owned), Waves Builders (Private) Limited 100% owned (2023: 100% owned), Waves Home Appliances Limited, 55.08% owned (2023: 75.44%).

4.1.1 Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognized from the date the control ceases. These consolidated financial statements include Waves Corporation Limited, and all companies in which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the subsidiaries).

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

4.1.2 Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

4.1.3 Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is premeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. This means that amounts previously recognized in comprehensive income are reclassified to profit or loss.

4.2 Adoption of IAS 12 application guidance on accounting for minimum and final taxes

The Group has classified its current income tax to the extent of income tax based on revenue i.e. minimum 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 Group 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 recognizes it as current income tax expense. Any excess over the amount designated as income tax is recognized as a levy falling under the scope of IFRIC 21 / Provision, contingent liabilities and contingent assets.

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:

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Impact on the financial statements of the Group owing to application of minimum taxation in the year ended on December 31, 2023 is as under:

	December 31, 2023		
	As previously	Adjustments	As restated
	Rupees in '000'		
Statement of profit or loss			
Profit before levies and income tax	300,865	-	300,865
Levies	-	(52,612)	(52,612)
Profit before income tax	300,865	(52,612)	248,253
Income tax expense	(44,084)	52,612	8,528
Profit after tax	256,781	-	256,781

4.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for the land which is stated at revalued amount less impairment loss, if any, and buildings and plant and machinery which are stated at the revalued amounts less accumulated depreciation and impairment losses, if any. Cost includes expenditure directly attributable to the acquisition of an asset. As explained in note 3, as a result of scheme of arrangement, the property, plant and equipment other than freehold land has been transferred to Waves Home Appliances Limited.

Land, buildings and plant and machinery are revalued by professionally qualified valuer with sufficient regularity to ensure that the net carrying amount does not differ materially from the fair value (market value). In case of revalued assets, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated at the revalued amount of the asset.

Increase in the carrying amount arising on revaluation of property, plant and equipment is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the asset's original cost is transferred to retained earnings. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to retained earnings. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred tax.

Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation is charged to the statement of profit or loss applying the straight-line method whereby the depreciable amount of an asset is depreciated over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use and up to the month of disposal.

The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant. The Group's estimate of the residual value of its property, plant and equipment as at balance sheet date has not required any adjustment as its impact is considered insignificant.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. Normal repairs and maintenance are charged to the consolidated statement of profit or loss as and when incurred, gains and losses on disposal of assets are taken to the statement of profit or loss.

Capital work in progress

It is stated at cost less impairment losses, if any. It includes expenditure incurred and advances made in respect of assets in the course of their construction and installation. These cost are transferred to relevant assets category as and when assets are available for intended use.

4.4 Investment property

Property, comprising land or a building or part thereof, held to earn rentals or for capital appreciation or both are classified as investment property. These are not held for use in the production or supply of goods or services or for administrative purposes. The Group's business model i.e. the Group's intentions regarding the use of property is the primary criterion for classification as an investment property.

Investment property is initially measured at cost (including the transaction costs). However when an owner occupied property carried at fair value becomes an investment property because its use has changed, the transfer to the investment property is at fair value on the date of transfer and any balance of surplus on the revaluation of the related assets, on the date of such a transfer continues to be maintained in the surplus account on revaluation of property, plant and equipment. Upon disposal, any surplus previously recorded in the revaluation surplus account is directly transferred to retained earnings and the transfer is not made through the statement of profit or loss. However any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the consolidated statement of profit or loss.

The transfer to investment property is made when, and only when, there is a change in use, evidenced by the end of owner occupation. In case of dual purpose properties, the same is classified as investment property, only if the portion could be sold or leased out separately under finance lease.

Subsequent to initial recognition, the Group measures the investment property at fair value at each reporting date and any subsequent change in fair value is recognized in the statement of profit or loss (i.e. in case where the owner occupied property carried at fair value becomes an investment property, the fair value gain to be recognized in the statement of profit or loss would be the difference between the fair value at the time of initial classification as investment property and fair value at the time of subsequent remeasurement). The revaluation of investment properties are carried out by independent professionally qualified valuers on the basis of active market price.

4.5 Employee retirement and other service benefits

4.5.1 Defined benefit plans

The Group operates a funded defined benefit pension scheme for the eligible executives and managers and an unfunded gratuity scheme for eligible employees other than field staff. Provisions / contributions are made in the consolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually under the Projected Unit Credit Method.

Amount recognized in statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets, if any. All actuarial gains and losses are recognized in 'Other Comprehensive Income' as they occur. Past service cost resulting from the changes to defined benefit plan is immediately recognized in the statement of profit or loss. Current service cost together with net interest cost are also charged to the statement of profit or loss.

Calculation of gratuity and pension require assumptions to be made of future outcomes which mainly includes increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

4.5.2 Defined contribution plan

The Group operates a recognised provident fund scheme covering all eligible employees. The Group and employees make equal monthly contributions to the fund.

4.5.3 Staff Compensated absences

The Group recognizes the liability for compensated absences in respect of employees in the period in which they are earned up to the reporting date on the basis of un-availed earned leaves balance at the end of the year.

4.6 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries or businesses and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired the difference is recognized directly in the profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less cost of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

With finite useful life

Intangibles are stated at the cash price equivalent of the consideration given less accumulated amortization and impairment loss, if any. Intangibles with finite useful lives are amortized over the period of their useful lives. Rates for amortization are disclosed in Note 21 to these consolidated financial statements. Amortization is charged on a straight line basis over the estimated useful life and is included in the profit or loss.

4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with banks on current, saving and deposit accounts, short term borrowings and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

4.8 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Account balances are classified as current liabilities if payment is due within one year or less (or in the normal operating cycles of business if longer). If not, they are classified as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.9 Provisions

A provision is recognized in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

The Group accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

4.10 Revenue recognition

Revenue represents the fair value of consideration received or receivable for sale of goods, net of sales tax, sales returns and related discounts. Revenue is recognized when or as performance obligation is satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or point in time.

- a) Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when or as performance obligations are satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or at a point in time and control transfers upon delivery of goods to the customer. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies. Scrap sales and miscellaneous receipts are recognized on realized amounts.
- b) Rental income from investment property is recognized as other income on a straight-line basis over the term of lease.
- c) Dividend income and entitlement of bonus shares are recognized when the right to receive is established.
- d) Earned carrying charges representing the difference between the cash sale price and hire purchase price are recognised in the statement of profit or loss.
- e) Income on investments and profit and loss sharing bank accounts are recognized on accrual basis using the effective interest rate method.
- f) All other income items are recognised on accrual basis.

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4.11 Contract liabilities

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. It also includes refund liabilities arising out of customers' right to claim amounts from the Group on account of contractual delays in delivery of performance obligations and incentive on target achievements.

4.12 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity / surplus on revaluation of fixed assets or in other comprehensive income. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, contingent liabilities and contingent assets.

The Group has opted for Group Taxation under section 59AA of the Income Tax Ordinance, 2001. Under Group Taxation, the Group is accounting for the related taxes under standalone taxpayer approach. Under this approach, current and deferred taxes are recognized as if the entity was taxable in its own right.

Current taxation

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred taxation

Deferred tax is accounted for using liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax is charged or credited in the statement of profit or loss, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity.

4.13 Inventories

4.13.1 Under developed properties

Residential apartments and commercial area available for future sale are classified as stock-in trade. These are carried at the lower of cost and net realizable value. Work-in-process comprises of apartments and commercial area in the process of construction / development. Cost in relation to work-in-process comprises of proportionate cost of land, cost of direct materials, labor and appropriate overheads. Cost in relation to land transferred from investment property is the fair value of the land on the date of transfer and any subsequent expenditures incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.



The Group reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

4.13.2 Stock in trade

Stocks are valued at the lower of cost and net realizable value.

Cost is determined as follows:

- Raw materials at weighted average purchase cost;
- Work in process and finished goods at weighted average cost of purchase, raw materials and applicable manufacturing expenses;

Cost of raw material, work in process and finished goods comprises of direct materials, labor and appropriate manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The Group companies review the carrying amount of stock in trade on a regular basis and as appropriate, it is written down to its net realizable value or provision is made for obsolescence if there is any change in usage pattern and / or physical form of related inventory.

4.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in consolidated statement of profit or loss in the period in which they are incurred.

4.15 Financial instruments

4.15.1 Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

4.15.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI), fair value through statement of profit or loss (FVTPL) and in case of an equity instrument it is classified as FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is recognized in consolidated statement of profit or loss.

Financial assets measured at amortized cost comprise of cash and bank balances and other receivables.

4.15.3 Debt Instrument - FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit or loss. However, the Group has no such instrument at the reporting date.

4.15.4 Equity Instrument - FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in consolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and these investments are never reclassified to consolidated statement of profit or loss. However, the Group has no such instrument at the reporting date.

4.15.5 Fair value through statement of profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in consolidated statement of profit or loss. The Group has no such investments at the reporting date.

4.15.6 Financial assets – Business model assessment

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

Two

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

4.15.7 Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, while the interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

The Group's financial liabilities comprise trade and other payables, long and short term borrowings, accrued markup and dividend payable.

4.15.8 Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in consolidated statement of profit or loss.

4.15.9 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated financial statements only when the Group has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.16 Impairment

Financial assets

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities, bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The Group has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group reviews the recoverability of its trade debts, deposits, advances and other receivables to assess amount of loss allowance required on an annual basis. Impairment of cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Non - Financial assets

The carrying amount of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in consolidated statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

4.17 Foreign currency transactions and translation***Transactions and balances***

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to profit or loss. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences are generally included in the consolidated statement of profit or loss.

4.18 Dividends and appropriations to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved. Transfer between reserves approved subsequent to the reporting date is considered as non-adjusting event and is recognized in the consolidated financial statements in the period in which such transfers are made.

4.19 Earnings per share

The Group presents basic and diluted earnings per share (the "EPS") data for its ordinary shares. Basic EPS is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

4.20 Deferred income***Government grant***

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed. Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is recognised and measured in accordance with IFRS 9 "Financial Instruments". The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. Government grant that has been awarded for the purpose of giving immediate financial support to the Group is recognised in profit or loss of the period in which the entity qualifies to receive it.

Grant in aid

Grant in aid represents the amount received from the World Bank under a project to phase out the Ozone Depleting Substances (ODS) by acquiring asset (production facility) which manufactures such products which are free from such substances. This grant is classified as deferred income and is being amortized over the useful life of such asset.

4.21 Warranty obligations

The Group accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

4.22 Leases

- At the inception of a contract, the Group assesses whether a contract is or contains lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.
- The Group recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct cost incurred less any lease

incentive received. The right of use asset is subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability, if any. The right of use assets is depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or cost of the right of use asset reflects that the Group will exercise a purchase option.

- In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. Right of use asset is disclosed in the property, plant and equipment as referred to in Note 19 of the financial statements.
- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group has used its incremental borrowing rate as the discount rate for leases where rate is not readily available. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made.
- The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in rate or a change in the terms of the lease arrangement, if there is change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.
- When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in statement of profit or loss if the carrying amount of the right of use asset has been reduced to zero. Refer note to these financial statements for disclosure of lease liability.

Short term leases and leases of low value assets

The Group has elected not to recognize right of use assets and liabilities for some leases of low value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight line basis over the lease term.

4.23 Non-current asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

4.24 Related party transaction and transfer pricing

Transactions and contracts with the related parties are based on the policy that all transactions between the Group and related parties are carried out at an arm's length.

4.25 Allocation of expenses

Certain expenses are allocated by the parent company to its subsidiaries in accordance to a basis approved by the Company and its subsidiaries.


4.26 Operating segments

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other

components. An operating segment's operating results are reviewed regularly by the chief executive officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief executive officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which can not be allocated to a particular segment on a reasonable basis are reported as unallocated.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.



		2024	2023	2024	2023
		(Number of shares)		(Rupees in '000)	
5	Share capital				
5.1	Authorized share capital	300,000,000	300,000,000	3,000,000	3,000,000
5.1.1	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 of the parent company.				
		2024	2023	2024	2023
		(Number of shares)		(Rupees in '000)	
5.2	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 fully paid bonus shares	78,988,759	78,988,759	789,888	789,888
	Issued under schemes of amalgamation	96,450,000	96,450,000	964,500	964,500
		281,406,089	281,406,089	2,814,062	2,814,062
5.3	Reconciliation of ordinary shares				
	Balance as at January 01	281,406,086	281,406,086	2,814,062	2,814,062
	Shares issued during the year	-	-	-	-
	Balance as at December 31	281,406,086	281,406,086	2,814,062	2,814,062
5.4	Ordinary shares of the parent company held by associated persons and undertaking at year end are as follows:				
		2024	2023	2024	2023
		(Percentage held)		(Number of shares)	
	Chief Executive Officer and his spouse				
	- Haroon Ahmad Khan (CEO)	33.28%	38.32%	93,640,286	107,840,286
	- Nighat Haroon Khan (Wife of CEO)	6.16%	10.00%	17,332,411	28,132,411
		39.44%	48.32%	110,972,697	135,972,697
5.5	Pursuant to Scheme of Arrangement, approved by Honorable Sindh High Court through its Order dated May 22, 2018, Singer Pakistan Limited was merged and combined with Cool Industries (Private) Limited and Link Wel (Private) Limited. The parent company has issued 96,450,000 shares to the shareholders of Cool Industries (Private) Limited and Link Wel (Private) Limited pursuant to the said scheme.				
				2024	2023
				(Rupees in '000)	
6	Capital reserves				
	Share premium reserve		6.1	5,025,661	5,025,661
	Other capital reserve			5,000	5,000
				5,030,661	5,030,661
6.1	Share premium reserve				
	This represents excess of consideration received / market value of share acquired under scheme of arrangement over the face value of shares issued amounting to Rupees 4,581 million in result of 2017 scheme of arrangement and Rupees 445 million as a result of 2021 scheme of arrangement. This reserve can only be utilized by the parent company for the purpose specified in Section 81(2) of the Companies Act, 2017.				
6.2	Other capital reserve				
	This represents the value assigned to a shop acquired by the company in exchange for a shop on rent in 1993.				
				2024	2023
				(Rupees in '000)	
7	Loan from directors				
	Loan from sponsoring directors		7.1	430,084	229,017

	2024	2023
	(Rupees in '000)	

7.1 Reconciliation of loan from sponsoring directors is as under:

Balance at beginning of the year	229,017	119,497
Obtained during the year	343,185	151,473
	572,202	270,970
Repayment during the year	(142,118)	(41,953)
Balance at the end of year	430,084	229,017

- 7.2** These represent interest free loans from ex-members of the subsidiary company (novated to major shareholders) to meet financing requirements. These loan are designated interest free and are repayable at the discretion of the parent company. Further, in accordance with Technical Release - 32 Accounting Directors' Loan issued by the Institute of Chartered Accountants of Pakistan, the loan has been classified as part of equity.

	2024	2023
	(Rupees in '000)	

8 Revaluation surplus

Surplus on revaluation at beginning of the year	677,671	634,882
Revaluation surplus recognized during the year	-	80,079
Revaluation surplus realised on derecognition / adjustments	(61,369)	-

Surplus on revaluation recognized during the year transfer to unappropriated profit in respect of:

- Incremental depreciation on revalued assets	(25,804)	(26,476)
- Related deferred tax liability	(10,540)	(10,814)
	(36,344)	(37,290)

Surplus on revaluation as at the end of the year	579,958	677,671
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Related deferred tax liabilities on revaluation at the beginning of the year

- Effect of revaluation surplus recognised during the year	-	23,223
- Incremental depreciation on revalued assets	(10,540)	(10,814)
	(10,540)	12,409

Deferred tax at the end of the year	116,930	127,391
	463,028	550,280

- 8.1** This includes balance of revaluation surplus of land amounting to Rupees 171.25 million (2023: Rupees 207.117 million), building on freehold land amounting to Rupees 9.47 million (2023: Rupees 9.814 million) and plant and machinery of Rupees 282.945 million (2023: Rupees 307.814 million).

- 8.2** The Group has revalued its building on freehold land and plant and machinery during the financial year and latest revaluation was carried out as on December 31, 2023. The latest revaluation was conducted by M/S Unicorn International Surveyors. Assets were revalued on the basis of depreciated market values. The most significant input into this valuation approach is price per square foot for buildings, present operational condition and age of plant and machinery.

	2024	2023
	(Rupees in '000)	

9 Long term financings

Long term loans - Banking companies	9.3	4,234,207	563,079
Long term loans - Non-banking companies	9.4	879,562	900,945
		5,113,769	1,464,024
Deferred accrued markup	9.2	908,530	-
		6,022,299	1,464,024
Less: Current maturity including overdue amounts	18	(425,631)	(697,691)
		5,596,668	766,333

2024 2023
(Rupees in '000)

9.1 Reconciliation of long term financing is as under:

Balance at beginning of the year	1,464,024	1,268,940
Obtained during the year	-	328,625
Transfer from short term borrowing upon restructuring	3,699,573	-
	5,163,597	1,597,565
Repayment during the year	(49,828)	(133,541)
Balance at the end of year	5,113,769	1,464,024

9.2 Deferred accrued mark up on long term financing

Balance at the beginning of the year	-	-
Transfer upon restructuring of loans	1,664,323	-
Effect of present value discounting	(823,566)	-
Effect of unwinding of present value	67,773	-
Repayment made during the year	-	-
Balance at the end of the year	908,530	-

9.3 Long term finances utilized under mark-up arrangements from banking companies are composed of:

Bank Name	Facility	2024	2023	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
Parent Company						
National Bank of Pakistan Limited	Restructured Term Finance	1,500,000	-	3 Months KIBOR plus 1% per annum	<p>This facility was obtained under bilateral bridge finance facility. During the year, the bank on the request of the Company has restructured the facility for a period of five years with effect from July 01, 2024.</p> <p>As per restructuring arrangement, the loan amount shall be paid in 20 equal quarterly installments commencing from September 30, 2024.</p> <p>Whereas markup accrued till reporting date and to be accrued in future period shall be paid in lump sum along with last installment of loan amount.</p>	<p>This facility is secured by way of equitable mortgage of Rupees 2,000 million on project land covering 61 Kanals, 14.5 Marlas owned by in possession of the Company situated at 9-KM Multan Road, Hanjarwal, Lahore, first ranking hypothecation charge over all present and future current and fixed assets of the Company to the extent of Rupees 6.67 million and personal guarantees of sponsoring directors of the Company.</p>
Sindh Bank Limited	Restructured Term Finance	180,096	-	3 Months Kibor plus 3% per annum.	<p>This facility was originally obtained under running finance arrangement to meet the working capital requirements of the Company. During the year, the bank on the request of the Company has restructured the facility for a period of five and half years with effect from July 01, 2024 including grace period of one and half years i.e. December 31, 2025.</p> <p>As per restructuring arrangement, the loan amount shall be paid in 16 equal quarterly installments commencing from January 01, 2026.</p> <p>Whereas markup accrued till reporting date and to be accrued till December 31, 2025 would be paid in 16 equal quarterly installments commencing January 01, 2026 along with repayment of loan amount.</p>	<p>This facility is secured by way of first exclusive charge equitable mortgage charge of Rupees 300 million over immovable properties registered in the name of Company including Showroom at Saddar Karachi, Shop 1-Suleman Center Karachi, Shop 29 - Nawab Manzil, Shahrah e Liaquat Karachi, Shop 5 & 6 Hyderabad Cantt. and personal guarantees of sponsoring directors of the Company.</p>
Subsidiary Company						
Sindh Bank Limited	Term Finance	1,424,767	161,958	3 Months KIBOR plus 3% per annum, payable quarterly.	<p>The balance of Rupees 161,958 million was payable on two equal installments on March 15, 2024 and September 15, 2024. During the year, the bank has restructured the loan amount along with Running Finance Facility of Rupees</p>	<p>This facility is secured by way of joint pari passu charge over all present and future fixed assets including but not restricted to land, building and plant & machinery and current assets of the Company to the extent of Rupees</p>

Bank Name	Facility	2024	2023	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
(Rupees in '000)						
The Bank of Khyber	SBP Demand Finance	150,379	-	3 Months KIBOR plus 0% per annum, payable quarterly.	During the year the bank has restructured Rupees 150,379 million for four years including 9 months grace period. Balance is payable on quarterly basis in 13 equal installments starting from June 30, 2025 and ending on June 30, 2028.	This facility was secured by way of joint pari passu charge on present and future fixed assets (Land, Building, Plant & Machinery) of Rupees 232.06 million. Joint pari passu charge on present and future current assets not limited to stocks tools & spares, books, receivables of Rupees 533 million, personal guarantees of sponsoring directors of the Company and lien over one year Term Deposit Receipt in the name of parent company of Rupees 3 million.
Dubai Islamic Bank Limited	Term Finance	75,000	75,000	3 Months KIBOR plus 2% per annum, payable quarterly.	Balance payable in three quarterly instalments starting from April 2025 and ending on October 2025.	This facility is secured by way of first pari passu charge of Rs. 524 million on present and future fixed assets of the Company with 25% margin and Cross corporate guarantees of group concerns of the Company. i.e. Waves Marketing (Private) Limited (Formerly Electronics Marketing Company (Private) Limited).
Bank Alfalah Limited	Term Finance	297,666	326,120	1 Months KIBOR plus 2.25% per annum, payable monthly till July 31, 2024 and onwards 13% per annum, payable quarterly.	During the year, the bank has restructured this facility for a tenor of five years. Balance payable on quarterly basis in twenty one instalments starting from September 01, 2024 and ending on June 30, 2029.	This facility is secured by way of first joint pari passu charge over present and future fixed assets for Rupees 440 million including Land, Building and Machinery. (land located at Ferozepur Road, Lahore whereas machinery installed at Multan Road, Lahore on the property owned by parent company). First joint pari passu charge of Rupees 934 million over current assets of the Company, personal guarantees of sponsoring directors of the Company, cross corporate guarantee of parent company and post dated cheques for the repayment of monthly instalments. Ranking charge of Rupees 467 million over all present and future movable fixed assets of the company.

Bank Name	Facility	2024	2023	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
National Bank of Pakistan Limited	Term Finance	606,299	-	1 Month KIBOR plus 2.25% per annum till restructuring and after 3 Month KIBOR plus 1.0% per annum, payable quarterly.	During the year, the bank has restructured its various running finance facilities amounting to Rupees 606.3 million into restructured term finance facility for a period of five years. Balance payable on quarterly basis in 20 installments starting from December 01, 2024 and ending on September 30, 2029.	This facility is secured by way of exclusive charge with 25% margin on land of Waves Corporation Limited amounting to Rupees 809 million and personal guarantees of sponsoring directors of the Company.
		<u>4,234,207</u>				
		<u>563,078</u>				

9.4 Long term finances utilized under mark-up arrangements from non banking companies are composed of:

Subsidiary Company

Pak Investment Company Limited	Term Finance	48,150	59,375	1 Month KIBOR plus 3% per annum, payable quarterly till restructuring. After, 1 Month KIBOR plus 4.25% effective from March 01, 2024. Payable in twenty seven monthly installments and remaining will be paid on June 30, 2026.	During the year, the bank has restructured this facility for a tenor of two years effective from March 01, 2024 with a grace period of three months. Principal payable in twenty five monthly installments started from June 30, 2024 and ending on June 30, 2026.	This facility is secured by way of constructive equitable mortgage of Rupees 79,166 million, first pari passu hypothecation charge over all moveable fixed assets, including plant and machinery of the Company, first pari passu mortgage charge over all immoveable fixed assets, including land and building, joint pari passu ranking hypothecation charge and ranking mortgage charge over all moveable and immoveable fixed assets, including plant and machinery of the Company, post dated cheques of all installments and personal guarantees of three sponsoring directors of the Company.
AWWAL Modaraba (A subsidiary of Pak Brunei Investment Company Limited)	Syndicated Musharakah Facility	204,512	209,070	3 Months KIBOR plus 2.5% per annum, with floor of 10% and cap of 30%.	During the year the bank has restructured this facility for a tenor of 56 months effective from December, 2023. Principal payable is 49 monthly installments started from July 2024 and ending on July 2028.	This facility is secured against title of musharakah assets to be transferred to agents name, ranking charge on all present and future fixed assets of the Company including land and building with 25% margin over facility amount, ranking charge on all present and future current and moveable fixed assets of the Company with 25% margin over facility amount, post dated cheques of all installments and personnel guarantees of two sponsoring directors of the Company.
Pak Oman Investment	Term Finance	181,900	187,500	3 Months KIBOR plus 2.5% per annum	During the year the bank has restructured this facility for a tenor of 31 months effective from	This facility is secured by way of joint pari passu charge of Rupees 375 million on fixes

Bank Name	Facility	2024	2023	Mark-up as per Agreement	Tenure and basis of principal repayment	Security
Company Limited						
				annum, payable quarterly.	June 01, 2024, Balance payable in ten equal quarterly installments starting from December 06, 2024 and ending on March 06, 2027 and Rupees 800,000 payable on monthly basis till June 2025, adjusted towards principal outstanding.	assets of the Company including land, building, plant and machinery and personal guarantees of two sponsoring directors of the Company.
Pak Libya Investment Company Limited	Libya Term Finance	195,000	195,000	3 Months KIBOR plus 2.5% per annum, payable quarterly.	Balance payable in 11 quarterly installments starting from April 04, 2026 and ending on October 04, 2028.	This facility is secured by way of first pari passu charge on all present and future fixed assets of the Company to the extent of Rupees 400 million, equitable mortgage over land and building to the extent of Rupees 400 million and personnel guarantee of main sponsoring director of the Company.
Pak Libya Investment Company Limited	Term Finance	250,000	250,000	3 Months KIBOR plus 2.75% per annum, payable quarterly.	Payable in 16 equal quarterly installments started from February 24, 2026 and ending on November 24, 2029.	This facility is secured by way of pari passu charge of Rupees 334 million on all present and future fixed assets of the Company including land and building, corporate guarantees of Waves Corporation Limited and Waves Builder and Developers Limited and personal guarantees of three sponsoring directors of the Company.
		879,562	900,945			

9.5

The financing facility is secured against first exclusive charge of Rupees 300 million over immovable properties already registered in the name of parent company including 1) first exclusive equitable mortgage charge / token registered mortgage of Rupees 0.100 million over shop located at Zail-un-nisa Street Sadar, Karachi, 2) first exclusive equitable mortgage charge / token registered mortgage of Rupees 0.100 million over shop located at Suleman Centre, Dawood Pota Road, Karachi, 3) first exclusive equitable mortgage charge / token registered mortgage of Rupees 0.100 million over shop located at Nawab Manzil, Shahrah-e-Liaqat Karachi, 4) equitable mortgage charge over shops located at Al Amna Complex, Alamgir Road, Hyderabad and 5) equitable mortgage charge over property measuring 08 Kanal 09 Marla located at Mouza Rakh Serai, Tehsil Pattoki, Pattoki, personal guarantee of Mr. Haroon Ahmed Khan, post dated cheques of all the installments as per due dates including an additional cheque of Rupees 150 million as balloon payment, post dated cheque equal to amount of Payment Against Documents outstanding Rupees 19,406 million, cross corporate guarantees of parent company M/S Waves Corporation Limited.

9.6

As per financing arrangements, the Company is required to comply with certain financial covenants and other conditions imposed by the providers of finance.



		2024	2023
	Note	(Rupees in '000)	
10 Lease liabilities			
Vehicles under right of use - secured		29,804	48,252
Less: Current maturity of lease liabilities	17	(16,463)	(14,957)
		<u>13,341</u>	<u>33,294</u>

10.1 Movement of lease liabilities is as follows:

Set out below are the carrying amounts of lease liabilities recognized and the movements during the year.

	Rented	Lease	Total
	(Rupees in '000)		
December 31, 2024			
Balance at the beginning of the year	-	48,252	48,252
Additions during the year	-	-	-
Accretion of interest	-	7,212	7,212
Payments made during the year	-	(25,771)	(25,771)
Effect on lease liabilities owing to remeasurement	-	111	111
Balance at the end of the year	-	29,803	29,803
Current portion shown under current liabilities	-	(16,463)	(16,463)
Long term lease liabilities at the end of the year	-	<u>13,340</u>	<u>13,340</u>
December 31, 2023			
Balance at the beginning of the year	71,037	77,328	148,365
Additions during the year	-	-	-
Effect of termination of lease	(71,037)	-	(71,037)
Accretion of interest	-	11,844	11,844
Payments made during the year	-	(40,920)	(40,920)
Balance at the end of the year	-	48,252	48,252
Current portion shown under current liabilities	-	(14,957)	(14,957)
Long term lease liabilities at the end of the year	-	<u>33,295</u>	<u>33,295</u>

10.2 The future minimum lease payments and their present values to which the subsidiary companies are committed under various lease arrangements are as follows:

	2024			2023		
	Minimum lease payments	Future finance charges	Present value of minimum lease payments	Minimum lease payments	Future finance charges	Present value of minimum lease payments
	(Rupees in '000)					
Not later than one year	18,520	2,057	16,463	22,805	1,673	14,957
Later than one year and not later than five year	14,116	775	13,341	38,715	2,699	33,294
	<u>32,636</u>	<u>2,832</u>	<u>29,804</u>	<u>61,521</u>	<u>4,372</u>	<u>48,252</u>

10.3 The above represents leases entered into with certain banking companies for lease of vehicles. Monthly payments of leases carry mark-up rates at respective KIBOR plus 2.5% to 3% per annum. At the year-end the applicable rates range between 14.14% to 25.16% per annum (2023: 19.00% to 24.66% per annum). Title to the assets acquired under the leasing arrangements are transferable to the subsidiary upon full payment of entire lease obligations.

	Note	2024	2023
		(Rupees in '000)	
11 Employee retirement benefits			
Receivable from pension fund	11.1	<u>16,092</u>	<u>16,092</u>

11.1 Pension scheme was available to permanent full-time employees in the executive and manager cadre including full-time working directors but excluding persons working as temporary, trainees or apprentice employees. Minimum years of service for qualifying to pension was 15 years. Employees were entitled to pension on retirement at 57 years of age. Gratuity to the permanent employees was payable on normal retirement at the age of 57 years, natural death, etc. and is payable only on the minimum completion of 5 years of service with the Company. Both of these benefits pertained to old employees of former Singer Pakistan Limited (before the effective date of amalgamation) and this benefit has been freeze at the level that existed as at May

31, 2019. Given the fact that the Company had discontinued gratuity and pension fund schemes with effect from May 31, 2019; the liability payable against retirement benefits are not subject to actuarial evaluation. Accordingly, the management has not arranged actuarial valuation for the year 2024.

	Note	2024 (Rupees in '000)	2023			
11.2	The amounts recognized in the statement of financial position are as follows:					
	Present value of defined benefit obligation					
-	Receivable from pension fund	11.3	16,092	16,092		
-	Payable against gratuity fund	11.3	(20,720)	(19,955)		
		Pension Fund	Gratuity			
		2024	2023	2024	2023	
		(Rupees in '000)				-
11.3	Amounts recognised in statement of financial position					
	Present value of defined benefit obligation	(47,480)	(47,480)	(20,913)	(20,143)	
	Fair value of plan assets	63,572	63,572	193	188	
	Liability on the reporting date	16,092	16,092	(20,720)	(19,955)	
		Pension Fund	Gratuity			
		2024	2023	2024	2023	
		(Rupees in '000)				
11.4	Movement in the liability recognized in the statement of financial position:					
	Liability at beginning of the year	16,092	(16,092)	19,956	29,646	
	Charge to statement of profit or loss	-	-	3,617	4,145	
	Benefits paid during the year	-	-	(1,959)	(3,378)	
	Actuarial gain on defined benefit obligation	-	-	(893)	(10,458)	
	Liability at end of the year	16,092	(16,092)	20,720	19,955	
11.5	The amounts recognized in these statement of profit or loss account					
	Current service cost	-	-	1,829	1,365	
	Past service cost	-	-	-	-	
	Interest cost net of expected return on plan assets	-	-	1,788	2,780	
		-	-	3,617	4,145	
11.6	Included in other comprehensive income:					
	Actuarial gain on obligation	-	-	(893)	(10,458)	
	Actuarial loss on plan assets	-	-	-	-	
	Total actuarial (gain) recognised in OCI	-	-	(893)	(10,458)	
	Net actuarial gain on funded gratuity amounts to Rupees Nil (2023: Rupees 10.458 million) has been taken to other comprehensive income.					
11.7	Staff retirement benefit charge to profit or loss for the year has been allocated as follows:					
	Cost of sales	-	-	-	-	
	Marketing, selling and distribution costs	-	-	958	4,145	
	Administrative expenses	-	-	2,659	-	
		-	-	3,617	4,145	

For Gratuity, the actuarial valuation determined that it is payable to 59 employees, whose total liability was equal to Rupees 29.825 million. As of the date of reporting, total gratuity payable in the Group stands as Rupees 7.627 million (for 09 employees). This balance of Rupees 7.627 million shall be paid upon separation of the eligible employees from the Group. The management of the Group is of the view that yearly Actuarial Valuation is not required as the total gratuity amount is already determined and fixed and there will be no change, except for any discounting of liability factor.

For Pension Scheme; the actuarial valuation determined that total 29 employees are entitled to Pension Scheme with a maximum liability of Rupees 600,000 per month with a discounted present value of Rupees 69.34 million. Accordingly, the Group provided funds to Pension Scheme whose fair value of the assets amounted to Rupees 79.28 million, making it excess funded. Since the Pension Scheme was frozen, therefore the current monthly liability against the fully funded plan assets stands at Rupees 0.587 million as compared to Rupees 0.600 million determined in year 2018. This monthly liability will continue to reduce with the passage of time. The last Actuarial Valuation was conducted in previous year 2022 through which Pension obligations stood at Rupees 47.480 million, whereas plan assets were Rupees 63.572 million.

The management of the Group is of the view that yearly Actuarial Valuation is not required as the total monthly amount to be paid as Pension is already determined and the related Plan Assets are fully funded and are managed independently by the management of Pension Scheme. The only change can be through discounting of the liability which is linked to interest rates. There will be no incremental change in the per month payment and there will be no impact of any demographic or salary changes. The Group does not bear the financial risk associated with the Pension Plan including investment risk and longevity risk. However, the management of the Group will continue monitor the Pension Scheme periodically and any deficit or surplus amount shall be accounted for by the Group.

	2024	2023
	(Rupees in '000)	
12 Deferred tax liability		
Deferred tax liability	244,974	284,817

12.1 This comprises of following:

Taxable / (Deductible) temporary differences

	2024			
	Opening balance	Charge / (reversal) to P&L	Charge / (reversal) to OCI	Closing balance
	(Rupees in '000)			
Accelerated tax depreciation	370,823	18,403	-	389,226
Right of use asset	10,282	(5,458)	-	4,824
Revaluation surplus	127,470	(10,540)	-	116,930
Staff retirement benefits	(1,120)	(481)	259	(1,342)
Allowance for expected credit loss	(40,912)	(44,358)	-	(85,270)
Allowance for doubtful receivables	(1,670)	1,670	-	-
Provisions against other receivables	(40,452)	-	-	(40,452)
Provisions for slow moving items	(8,824)	-	-	(8,824)
Lease liabilities	(13,993)	5,350	-	(8,643)
Unused tax credits	(114,439)	-	-	(114,439)
Payable to provident fund trust	-	(1,006)	-	(1,006)
Difference of minimum and normal tax	-	(3,681)	-	(3,681)
Other provisions	(2,349)	-	-	(2,349)
	284,817	(40,102)	259	244,974

	2023			
	Opening balance	Charge / (reversal) to P&L	Charge / (reversal) to OCI	Closing balance
	(Rupees in '000)			
Accelerated tax depreciation	360,912	9,911	-	370,823
Right of use asset	45,122	(34,840)	-	10,282
Revaluation surplus	114,982	(10,734)	23,223	127,470
Staff retirement benefits	(3,931)	5,844	(3,033)	(1,120)
Allowance for expected credit loss	(23,739)	(17,173)	-	(40,912)
Allowance for doubtful receivables	-	(1,670)	-	(1,670)
Provisions against other receivables	(40,452)	-	-	(40,452)
Provisions for slow moving items	(16,384)	7,560	-	(8,824)
Intangibles	(224)	224	-	-
Lease liabilities	(42,054)	28,061	-	(13,993)
Unused tax credits	(96,316)	(13,957)	-	(110,272)
Effect of Group Taxation	(8,891)	8,891	-	-
Other provisions	(679)	(5,836)	-	(6,515)
	288,347	(23,719)	20,190	284,817

12.2 Deferred tax has been recognised at rates enacted at the reporting date at which these are expected to be settled / realized.

12.3 Deferred tax asset on tax credits has been recorded based on financial projections indicating the absorption of deferred tax asset over future years against future expected taxable profits. The financial projections involve certain key assumptions such as sales price and composition, raw materials, labour prices etc. Any significant change in the key assumptions may have an effect on the absorption of the deferred tax asset. Nonetheless, the management of the Group is confident of the achievement of its targeted results.

	Note	2024 (Rupees in '000)	2023
13 Deferred Income			
Grant in aid	13.1	5,233	6,395
Less: Current portion		(1,163)	(1,163)
		<u>4,070</u>	<u>5,232</u>
13.1 Reconciliation of carrying amounts			
Cost			
Balance as at the beginning of the year		13,953	13,953
Addition during the year		-	-
Balance as at the end of the year		<u>13,953</u>	<u>13,953</u>
Amortization			
Balance as at the beginning of the year		(7,558)	(6,314)
Amortised during the year		(1,163)	(1,244)
Balance as at the end of the year		<u>(8,721)</u>	<u>(7,558)</u>
Written down value as at reporting date		<u>5,233</u>	<u>6,395</u>
Rate of amortization		<u>8.33%</u>	<u>8.33%</u>

13.2 Grant in aid represents the amount received from the World Bank under a project to phase out the Ozone Depleting Substances (ODS) by acquiring asset (production facility) which manufactures products that are free from such substances. This grant is classified as deferred income and is being amortized over the useful life of the asset. Amortization for the year is based on 8.33% of the balance in accordance with the depreciation charged on plant and machinery for which the grant was received.

	Note	2024 (Rupees in '000)	2023
14 Trade and other payables			
Trade creditors		1,395,125	1,640,805
Payable against capital work in progress		68,018	56,970
Bills payable		225,683	370,586
Due to parent company		-	-
Due to subsidiary companies		-	-
Accrued liabilities	14.1	145,587	100,756
Advances from customers		6,375	16,837
Payable against purchase of shares	14.2	22,100	-
Retention from employees	14.3	117,801	117,348
Advance from employees against vehicle		33,296	32,420
Security deposits from dealers	14.4	9,862	14,407
Provisions in respect of warranty obligations		14,693	4,176
Sales tax payable		1,094,939	695,264
Withholding income tax payable		311,446	269,776
Withholding sales tax payable		47,107	626
Payable to workers' profit participation fund	14.5	2,344	8,582
Payable to workers' welfare fund	14.6	11,367	14,284
Payable to the provident fund		88,401	29,265
Bank overdraft		1,649	42,805
Other payable	14.7	59,656	87,053
		<u>3,655,448</u>	<u>3,501,962</u>

14.1 This includes remuneration payable to ex-directors and ex-executives amounting to Rupees 2.28 million (2023: Rupees 2.28 million).

14.2 This represents amount payable to sponsoring shareholders of the Company against purchase of 2,000,000 ordinary shares of the Waves Home Appliances Limited.

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14.3 This represents amount withheld by a subsidiary company and is being paid at the time of separation of the employees from the Company.

14.4 These amounts are not kept in a separate bank account as required by Section 217 of the Companies Act, 2017.

	Note	2024 (Rupees in '000)	2023
14.5 Payable to workers' profit participation fund			
Opening balance		8,582	6,889
Add: Charge for the year	33	1,226	7,511
Add: Markup on workers' profit participation fund	34	1,036	1,071
		<u>10,844</u>	<u>15,471</u>
Less: Payments made during the year		<u>(8,500)</u>	<u>(6,889)</u>
Closing balance		<u>2,344</u>	<u>8,582</u>

14.6 Payable to workers' welfare fund			
Opening balance		13,516	3,751
Add: Charge for the year	33	5,571	10,533
		<u>19,087</u>	<u>14,284</u>
Less: Payments made during the year		<u>(7,720)</u>	<u>-</u>
Closing balance		<u>11,367</u>	<u>14,284</u>

14.7 It includes provisions aggregating to Rupees 27.87 million (2023: Rupees 27.87 million) in respect of probable loss from pending litigation of the Company against Income Tax and Sales Tax Authorities. The above provisions have been made as per the management's best estimate against various demands raised by the authorities that are being contested by the Group at various forums as explained in Note 19.

	Note	2024 (Rupees in '000)	2023
15 Accrued markup			
Accrued mark up on:			
Long term loans from banking companies		41,427	46,867
Short term borrowings from banking companies		51,277	583,935
Long term loan from non-banking companies		42,100	97,976
Short term loan from non-banking companies		9,203	1,846
Short term Islamic borrowings		78,478	29,943
Loan from provident fund trust		72,688	59,093
		<u>295,172</u>	<u>819,661</u>

16 Short term borrowings			
<i>From banking companies - secured</i>			
Running finance under markup arrangement	16.3	141,975	2,789,115
Finance against trust receipt	16.5	226,619	1,191,472
Borrowings under Murabaha arrangement	16.6	284,941	284,941
Demand finance	16.7	-	69,511
<i>From Fintech companies</i>	16.9	30,000	30,297
<i>From others - unsecured</i>			
Short term borrowings under Musharaka arrangement	16.10	-	127,059
Demand finance	16.8	50,000	-
Loan from employees provident fund	16.11	288,000	288,000
		<u>1,021,535</u>	<u>4,780,395</u>

16.1 Particulars of borrowings			
Interest / mark-up based borrowings		736,594	4,780,395
Islamic mode of borrowings		284,941	-
		<u>1,021,535</u>	<u>4,780,395</u>

16.2 During the year, the Company requested and received approval from The Bank of Khyber, Habib Bank Limited, Sindh Bank Limited and National Bank of Pakistan to restructure various loan owing to cash flow challenges faced by the Company. The Company has accounted for these restructurings in accordance with the provisions of International Accounting Standards 1 "Presentation of Financial Statements" and impact of the restructuring has been reflected in these financial statements. The Company believes that the new terms will provide sufficient financial flexibility to meet its obligations and continue its operations.

Subsequent to the reporting date, Al- Baraka Bank Limited and Silk Bank Limited have approved restructuring of the loans on the request of the Company. Accordingly, impact of such restructuring have not been incorporated in these financial statements in accordance with the provisions of International Accounting Standards 1 "Presentation of Financial Statements".

16.3 Running finance under markup arrangement

This represents utilized amount of short term running finance facilities under mark-up arrangements availed from various commercial banks aggregating to Rupees 141.97 million (2023: Rupees 1,065.162 million). These facilities are secured by way of JPP hypothecation charge over all current assets and fixed assets of the Company, cross corporate guarantees from the parent company, personal guarantees of sponsoring directors of the Company and carry mark-up ranging from 16.36% to 25.49% (2023: 19.00 % to 25.47%) per annum, payable monthly and quarterly in arrears. During the year, the Company requested and received approval from the banks to restructure loan owing to cash flow challenges faced by the Company. The Company has accounted for these restructurings in accordance with the provisions of International Accounting Standards 1 "Presentation of Financial Statements" and impact of the restructuring has been reflected in these financial statements.

Subsequent to the reporting date, another banking company has approved restructuring of the loan on the request of the Company. Accordingly, impact of such restructuring has not been incorporated in these financial statements in accordance with the provisions of International Accounting Standards 1 "Presentation of Financial Statements".

16.4 Running finance under markup arrangement

This represents utilised amount of short term financing facilities under mark-up arrangements availed from various commercial banking companies aggregating to Rupees Nil (2023: Rupees 1,723 million) and carry mark-up ranging Nil% (2023: 24.91% to 25.66%) per annum, payable quarterly in arrears. During the year the commercial banks have restructured these utilised amount as Term Finance Facility for a tenure of up to five and half years as disclosed in note 10.1 above and accordingly classified as long term loan.

16.5 Finance against trust receipt

This represents Finance Against Trust Receipt (FATR) available from commercial bank aggregating to Rupees 226.619 million (2023: Rupees 1,191.472 million). These facilities are secured against JPP hypothecation charge over present and future current assets with 25% margin and carries mark-up rate ranging between 23.14% to 24.49%(2023: 21.00% to 25.62%) per annum with expiry by June 30, 2025. During the year the FATR of various banks except for one bank have been restructured and accordingly the same has been classified as long term financing as disclosed in Note 9.2.

16.6 Borrowings under Murabaha arrangement

This represents utilized amount of Musharaka / Tijara borrowings availed from two Islamic banking institutions aggregating to Rupees 284.941 million (2023: Rupees 284.941 million). These facilities were secured against joint pari passu charge over all present and future current assets (stocks and receivables) of the Company for Rupees 107 million and joint pari passu charge over fixed assets (plant and machinery) of Rupees 133.333 million and cross corporate guarantees of Holding company M/s Waves Corporation Limited and carrying mark-up rates ranging from 16.36% to 24.45% (2023: 17.93% to 25.47%) per annum payable quarterly in arrears. Borrowing from one institution was repayable by May 31, 2023 and was overdue.

Subsequent to the reporting date, another banking company has approved restructuring of the loan on the request of the Company. Accordingly, impact of such restructuring has not been incorporated in these financial statements in accordance with the provisions of International Accounting Standards 1 "Presentation of Financial Statements".

16.7 Demand finance

This represents demand finance facility under mark-up arrangements availed from Bank of Khyber amounting to Rupees Nil (2023: Rupees 69.511 million). This facility is secured by joint pari passu charge on the Group's present and future current assets to the extent of Rupees 400 million and joint pari passu of Rupees 533 million on present and future current assets of the Group including charge against running finance and Rupees 133.33 million over fixed assets of the Group. This facility carry mark-up ranging from 24.48% to 25.16% (2022: Nil) per annum, payable monthly and quarterly in arrears.

16.8 Demand finance

Waves Corporation Limited ("the Company") has obtained a loan of Rupees 50 million from Dawood Equities Limited under Repo Transaction, secured against 10 million ordinary shares of Waves Home Appliances Limited owned and held by the Company. Additionally, 1.5 million shares of Waves Home Appliances Limited are held as margin against the transaction. The loan remains outstanding as of reporting date, and the Company continues to monitor its obligations and collateral requirements under this arrangement. The facility carries markup rate of 22.50% to 27% per annum and having expiry of three months.

16.9 From Fintech companies

This represents utilized amount of short term running finance facilities under mark-up arrangements availed from fintech companies aggregating to Rupees 30 million (2023: Rupees 30.297 million). It carries mark-up ranging from 30% to 36% (2023: 30% to 36%) per annum, payable monthly and quarterly in arrears.

16.10 Short term borrowings under Musharaka arrangement

This represents short term borrowing obtained under modaraba arrangements from Elahi Group of Companies amounting Rupees Nil (2023: Rupees 127.059). The facility was secured against lien of title deeds in respect of Musharaka property in favour of Elahi Group of Companies and demand promissory note along with security cheques amounting to the extent of principal exposure of Musharaka to be held by Elahi Group of Companies. During the year, the Company has repaid the loan amount in full.

16.11 Loan from employees provident fund

This represent unsecured loan obtained from employees provident fund aggregating to Rupees 288 million (2023: Rupees 288 million). The loan is repayable on demand and carries markup rate at 17.63% per annum (2023: 19.30% to 19.52%) per annum.

16.12 Unavailed credit facilities

The facilities as at December 31, 2024 were Rupees 5,227.735 million (2023: Rupees 5,263.280 million) of which remaining unutilized amount was Rupees 1,137.257 million (2023: Rupees 1,188.171 million).

16.13 As per the financing arrangements, the Group is required to comply with certain financial covenants and other conditions imposed by the providers of finance.

	Note	2024 (Rupees in '000)	2023
17 Current portion of long term liabilities			
Long term loans - Banking Companies	9	287,299	468,277
Long term loans - Non Banking Companies	9	138,332	229,414
Lease liabilities	10	16,463	14,957
Deferred income	13	1,163	1,163
		<u>443,257</u>	<u>713,811</u>

18 Contingencies and commitments**18.1 Contingencies****Parent Company**

18.1.1 The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi, challenging the vires of Rule 58T of the Sales Tax Special Procedure Rules relating to 2% extra sales tax on certain home appliances. This is based on the view that the said vires are not applicable on the Company. The case is pending before the Honorable Sindh High Court. An interim order was received in favour of the Company. The Company is confident that no liability is expected to occur. Amount involved is Rupees 84.80 million as of December 31, 2020 against which no provision has been made as the parent company, based on the opinion of legal advisor's advice, is confident of a favourable decision.

18.1.2 During the financial year 2014, the Company received a show cause notice from the Federal Board of Revenue (FBR) in respect of short payment of 2% extra sales tax under the Sales Tax Procedures Rules, 2007 as amended by SRO. 896(I)/2013 dated October 04, 2013 and deduction of input tax more than the limit defined under section 8 read with chapter IV of Sales Tax Rules, 2006. The tax authority in the said notice raised a demand of Rupees 19.91 million and Rupees 11.15 million respectively for the period from January 01, 2014 to September 30, 2014. The Company after consultation with its tax advisors has replied and submitted explanation with the tax authorities along with revised workings for the apportionment of input tax which in the case of the Company for the above period was Rupees 0.52 million. Since then, no further action has been initiated by the tax authorities.

18.1.3 The Company had earlier received a sales tax recovery order from the sales tax authorities amounting to Rupees 195.63 million, for the financial year ended December 31, 2010 against which the Company had filed an appeal with the Commissioner Inland Revenue - Appeals (CIR-A). CIR-A had deleted one item while the remaining matters were set aside. Moreover, the management, based on consultation with its tax advisor, is of the view that matter would be decided in favor of the Company. However, CIR has filed an appeal against Company on the matters of SRO 647/2007 regarding input tax adjustments against 90% output tax and payment of sales tax on instalment sales at the time of receipt of instalment instead at the time when instalment sales are actually being made for which no hearing has yet taken place. Amount involved is Rupees 171.71 million. However, based on advice of legal consultant, management is of the view that that no potential liability is expected to occur.

18.1.4 Income tax assessments of the Company have been finalized up to and including the tax year 2007. The Company had applied for Income tax refund for the tax years from 2006 to 2011. Income tax refund orders were earlier determined for the tax years 2009, 2010 and 2011. Income tax refund was released for the tax year 2009. However, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed orders under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax years from 2009 to 2012 and raised additional income tax demand of Rupees 19.98 million. However, the Company had filed an application for the rectification of orders after which the net tax additional demand was reduced to Rupees 2.02 million (after the adjustment of the refund of related years) under section 221 of the Income Tax Ordinance, 2001. Appeals have been filed to Commissioner Inland Revenue - Appeals (CIR-A) against these orders and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

Two

- 18.1.5** The Company has received appellate orders for the tax years from 2009 to 2012, dated June 29, 2015, where the CIR-A has set aside certain issues for reassessment, deleted certain items and maintained certain disallowances. The financial impact of the items set aside for reassessment and continued disallowances amount to Rupees 43.72 million. Appeal has been filed with Appellate Tribunal Inland Revenue (ATIR) against these issues. The Company based on the merits of matters is of the view that ultimate decisions are expected in its favor and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 18.1.6** The Finance Act, 2017 introduced a tax under section 5A of the Income Tax ordinance, 2001 on every public Company other than a scheduled bank or Modaraba, that derives profit for the tax year and does not distribute at least 40% of the after tax profit within six months of the end of said tax year through cash or bonus issue. Under the earlier section tax was not mandatorily leviable in case the Company's reserves were not in excess of the paid up capital (which was the case with the Company as it had accumulated losses). Provision for the above referred tax amounting to Rupees 9.35 million has not been paid as the Company's management is of the view that the amendment was made after the closure of Company's financial year ended December 31, 2016 and for certain other legal reasons. The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi challenging the vires of Section 5A of the Income Tax Ordinance, 2001 and a stay order has been granted against any coercive action against the Company under the newly inserted Section 5A. The Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 18.1.7** The Deputy Commissioner Inland Revenue (DCIR), via order dated April 30, 2014, under Section 161(1) and Section 205(3) of the Income Tax Ordinance, 2001 for the tax year 2014 raised a tax demand of Rupees 0.83 million for non-deduction of advance income tax for the period from November 01, 2013 to April 30, 2014 under section 236(G) and 236(H) of the aforesaid Ordinance. Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was remanded back to DCIR. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 18.1.8** During the financial year 2014, the Company received a notice by Commissioner Inland Revenue - Zone I for selection of audit under section 214C for the tax year 2012. The Company filed an appeal against the said notice before Honorable Lahore High Court which was decided against the Company and audit proceedings were initiated. The Deputy Commissioner Inland Revenue issued an amended assessment order under section 122(1) and 122(5) through which certain additions were made and demand order was raised amounting to Rupees 48.10 million. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), who vide his Order No. 9 dated April 04, 2019 deleted certain additions. Being aggrieved with the order of CIR-A the Company filed an appeal before the Honorable Appellate Tribunal Inland Revenue, which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 18.1.9** During the financial year 2014, the Assistant Commissioner Inland Revenue imposed penalty vide order dated April 27, 2014 under section 182(1) of the Income Tax Ordinance, 2001 amounting Rupees 0.91 million for the tax year 2013 for the late filing of income tax return under section 114 of the Income Tax Ordinance, 2001. The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) against the above order. The CIR-A decided the matter against the Company vide order dated March 25, 2014. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 18.1.10** During the financial year 2015, the Additional Commissioner Inland Revenue (ACIR), vide order dated April 30, 2015, under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2010, raised an amended demand of Rupees 7.85 million after disallowing certain expenses amounting to Rupees 29.15 million. The Company filed an appeal for the rectification of order before Commissioner Inland Revenue - Appeals (CIR-A) who vide its order dated December 30, 2015, remanded the case back to the ACIR and directed the recalculation and apportionment of expenses as per under section 67 read with rule 13 of Income Tax Rules 2002 which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 18.1.11** During the financial year 2017, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed return vide its order dated June 19, 2017 under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2011. The ACIR disallowed certain expenses amounting to Rupees 9.58 million and raised the additional income tax demand of Rupees 1.02 million. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A). The CIR-A vide order No. 19 dated September 21, 2020 decided the appeal partially in favor of the Company by deleting the additions amounting to Rupees 4.62 million under the head financial charges and confirmed the remaining addition. Furthermore, The Commissioner Inland Revenue - Appeals (CIR-A) directed the ACIR to verify the contention regarding refund adjustment of Rupees 1.02 million if still available to the Company for adjustment in the current year. Being aggrieved with of the CIR-A order, the Company preferred an appeal before the Honorable Appellate Tribunal Inland Revenue, Lahore, which is still pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.



- 18.1.12** During the financial year 2012, the Deputy Commissioner Inland Revenue (DCIR) issued an order dated April 26, 2012 under Rule 2(3A) of the Sales Tax Special Procedures (Withholding) Rules, 2007, citing the company's non-deduction and non-payment of withholding sales tax on advertisement services for the tax period 2009-10, assessing a total amount of Rupees 9.64 million (including withholding tax of Rupees 9.34 million and default surcharge). During adjudication, the company provided evidence that Rupees 6.31 million had already been deposited by service providers, but the remaining tax of Rupees 3.03 million could not be verified due to insufficient documentation. The company has been ordered to deposit the unverified amount along with applicable default surcharge and penalty under Section 11(2), 36(2), 34, and 33(5) of the Sales Tax Act, 1990. The Company being aggrieved, filed the appeal before Commissioner Inland Revenue - Appeals (CIR-A) who upheld the assessment order issued by DCIR. Subsequently, company appealed before the Appellate Tribunal of Inland Revenue which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 18.1.13** During the financial year 2018, the Company received a show cause notice issued by Deputy Commissioner Inland Revenue under section 161 for the tax year 2017 on non deduction of withholding tax amounting to Rupees 6.03 million on payments against purchase of plant and machinery, packing material and other miscellaneous payments. The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) where the case was remanded back to the Department. Being aggrieved, the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 18.1.14** During the financial year 2018, the Taxation Officer, after conducting audit under Section 177 of the Income Tax Ordinance, 2001 (the Ordinance) for the tax year 2014, passed an amended assessment order under section 122 of the Ordinance raising tax demands of Rupees 25.29 million alleging that the Company suppressed its sales and adjusted inadmissible expenses. Being aggrieved, the Company has filed appeal before Commissioner Inland Revenue - Appeals (CIR-A). CIR-A vide order, deleted certain additions amounting to Rupees 80 million and the rest of the additions amounting to Rupees 26 million were confirmed.

Hence, there is no outstanding amount payable against the Company. The department filed an appeal before Income Tax Appellate Tribunal (ITAT) which is pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

- 18.1.15** During the financial year 2016, the Deputy Commissioner Inland Revenue raised an order under section 161/205 of the Income Tax Ordinance, 2001 for non-deduction of tax amounting Rupees 6.45 million and Rupees 3.76 million for tax years 2009 and 2010 respectively. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was decided against the Company. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending for adjudication. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 18.1.16** Deputy Commissioner of Inland Revenue (DCIR) imposed a penalty under Section 182(1)(1A) of the Income Tax Ordinance, 2001, amounting to Rupees 1.48 million for the periods from July 2015 to February 2016 owing to the late filing of monthly withholding statements under Section 165 of the Income Tax Ordinance, 2001. The Company contested the penalty and filed an appeal before the Commissioner of Inland Revenue (Appeals) (CIR - A). The CIR(A) remanded back the case to DCIR to impose a reduced penalty of Rupees 10,000 for each month, considering that the delay in filing of withholding statements was not intentional and no revenue loss was involved.

Subsequently, the Department filed an appeal before the Appellate Tribunal of Inland Revenue (ATIR) against the decision of the CIR(A). This appeal is currently pending for a hearing. Given the precedent set by the Honorable Lahore High Court, Lahore and the learned Tribunal, as well as the fact that the delay was unintentional and no revenue loss occurred, the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

- 18.1.17** 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.

Contingencies related to Waves Corporation Limited transferred under scheme of arrangement

- 18.1.18** Based on the legal opinion, due to the Scheme of Compromises, Arrangement and Reconstruction (the Scheme); the routing of transactions in order to absorb the impact of sales tax to the 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.
- 18.1.19** During the financial year 2019, the Company received a show cause notice from Collector of Customs dated April 05, 2019 and respective order dated October 17, 2019 in which the Company was directed to deposit an amount of Rupees 24,118,794 for the consignment of Polyethylene polyphenylene isocyanate which was cleared through erroneous application of SRO 659/2007 dated June 30, 2007. The Company has filed an appeal against the order which is in progress. During the year, the case has been decided in the favour of the Company.

Two

Contingencies related to Samin Textile Limited

- 18.1.20** A petition for execution of decree of the Civil Court relating to land of the Company situated in village Rousa, Kasur which has been sold earlier period is pending before Civil Judge, Kasur.
- 18.1.21** A suit has been initiated by Dynamic Equipment & Control (Private) Limited on October 12, 2018 seeking recovery of Rupees 8.4 million from the Company. Notices have been issued and the Company is actively defending its rights in the ongoing legal proceedings. As per advice of the legal counsel the Company has already recorded payable amounting to Rupees 7.1 million and there is very likelihood that no additional liability is required in these financial statements.
- 18.1.22** An appeal has been lodged against the Company in a separate recovery suit by a customer of Samin Textile Limited. The customer alleges damages stemming from the supply of defective cloth amounting to Rupees 11.383 million along with an additional claim for damages totaling Rupees 5 million. The matter is currently subjudice before the Lahore High Court, Lahore. As per the advice of the legal counsel of the Company; there is very likelihood that matter will be resolved in favour of the Company. Accordingly, no provision/liability is required in these financial statements.
- 18.1.23** An appeal effect order under section 124 for Tax Year 2008 was issued following the direction provided in the communication from the Commissioner Inland Revenue (Appeals) -II dated 16-04-2014. This order resulted in the determination of total losses amounting to Rupees 128,915,283 with a corresponding demand of Rupees 28,482,019 being vacated. Subsequently, both the Company and tax department have pursued further legal recourse by approaching the Appellate Tribunal Inland Revenue against the order of Commissioner Inland Revenue (Appeals) - II. As of the present date, this matter remains pending adjudication before the Appellate Tribunal Inland Revenue. Based on the circumstances and legal consideration surrounding the case and as per the advice of the legal counsel of the Company; there is very likelihood that matter will be resolved in favour of the Company.
- 18.1.24** An order under section 122(5A) for Tax Year 2009 was issued on October 27, 2014 by the Additional Commissioner Inland Revenue (Add. CIR), resulting in the raising of a demand amounting to Rupees 4.8 million. Following this order, an appeal was filed before the Commissioner Inland Revenue Appeals, who granted partial relief. Notably, interest on Workers' Profit Participation Fund (WPPF) and on short term borrowings was disallowed against export sale. Subsequently, the Subsidiary Company opted to challenge the decision by filing an appeal before the Appellate Tribunal Inland Revenue on May 17, 2015 against the order issued by Commissioner Inland Revenue (Appeals) . As of the current date, this appeal remains pending adjudication before the Appellate Tribunal Inland Revenue. Based on the merits of the case and the legal arguments presented and as per the advice of the legal counsel of the Company; there is very likelihood that matter will be resolved in favour of the Company.
- 18.1.25** An order under section 122(5A) for Tax Year 2010 was issued on October 31, 2012 by the Additional Commissioner Inland Revenue (Add. CIR), which reduced the Income Tax Refunds to Rupees to Rupees 521,334 by imposing a minimum tax under section 113 at a rate of 0.5% on local sales amounting to Rupees 4,412,674. Subsequently, an appeal was filed before the Commissioner Inland Revenue (CIR) Appeals, who upheld the stance of the Additional Commissioner Inland Revenue. Following this decision, an appeal against the order of Commissioner Inland Revenue (CIR) Appeals was filed on July 04, 2013 before the Appellate Tribunal Inland Revenue (ATIR). The appeal was heard on April 11, 2019, where the Appellate Tribunal Inland Revenue upheld the decision of the Commissioner Inland Revenue. In response to these legal developments, the Company has taken further recourse by approaching the Honorable High Court, Lahore, against such order. As per the advice of the legal counsel of the Company; there is very likelihood that matter will be resolved in favour of the Company.
- 18.1.26** Additionally, orders for Tax Year 2010 under section 122(5A) dated September 16, 2015 and November 26, 2015, were passed by the Commissioner Inland Revenue, which reduced brought forward losses and created a liability amounting to Rupees 1,640,269 and Rupees 1,775,510 respectively. Subsequently, an appeal against these orders of the Commissioner Inland Revenue was filed before Commissioner Inland Revenue Appeals-II, who annulled the aforementioned orders and remanded the case back to the Department for re-examination through an order dated February 06, 2019. In response, an appeal has been filed by the tax department before the Appellate Tribunal Inland Revenue, which is currently pending adjudication. As per the advice of the legal counsel of the Company; there is very likelihood that matter will be resolved in favour of the Company.
- 18.1.27** An order under section 122(5A) for Tax Year 2011 was issued on February 02, 2016 by the Commissioner Inland Revenue (CIR), reducing the Income Tax Refunds from Rupees 8,939,819 to Rupees 2,925,744. Subsequently, an appeal against this order was filed before the Commissioner Inland Revenue Appeals-II, Lahore. After considering the arguments presented, the Commissioner Inland Revenue Appeals-II deleted the additions made under section 158(a) of the Ordinance by the Commissioner Inland Revenue. Additionally, a direction was issued to re-examine the issue of refunds by the department through an order dated February 06, 2019. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), on March 22, 2019. As of the current date, this appeal remains pending adjudication before the Appellate Tribunal Inland Revenue (ATIR). Based on the merits of the case and the legal arguments presented and upon the advice of legal counsel of the Company. There is very likelihood that matter will be resolved in favour of the Company.
- 18.1.28** The Additional Commissioner Inland Revenue (ACIR) passed an order on June 23, 2018 under section 122(5A) of the Ordinance, along with a notice of demand under Section 137 of the Ordinance. This resulted in the raising of a tax demand amounting to Rupees 3,971,666 and made an impugned addition/disallowance of Rupees 22,739,169. Subsequently, the Company filed an appeal before the Commissioner Appeals-II. The appellate order no. 18/A-V dated July 26, 2021 was passed by Commissioner Appeals-II, wherein the addition made on account of 'Markup' amounting to Rupees 22,530,747 was deleted. However, the remaining additions have been remanded back to the Additional Commissioner Inland Revenue for re-examination. As of the present date, the department has not challenged this order of Commissioner Appeals-II. As per the advice of the legal counsel of the Company; there is very likelihood that matter will be resolved in favour of the Company.

18.1.29 An order under section 122(1)(5) for Tax Year 2014 was issued on July 29, 2017 by Additional Commissioner Inland Revenue (ACIR), Unit-02, Zone-VII. This order resulted in the addition of Rupees 23,525,775 and the raising of a tax demand of Rupees 1,293,704. Subsequently, an appeal against the order of the Additional Commissioner Inland Revenue was filed before the Commissioner Inland Revenue Appeals-II (CIR Appeals-II). The appellate order, numbered 33/A-V and dated June 25, 2021 was passed by Commissioner Inland Revenue Appeals-II. In this order, the additions made on account of salaries amounting to Rupees 900,000 were reduced by 50%. Additionally, the disallowance of 'power and fuel charges' amounting to Rupees 1,500,000 was deleted. However, the remaining additions were remanded back to the Additional Commissioner Inland Revenue for re-examination. As of the present date, the department has not been challenged this order of Commissioner Inland Revenue Appeals-II. As per the advice of the legal counsel of the Company, there is very likelihood that matter will be resolved in favour of the Company.

18.1.30 An order under section 122(1) for Tax Year 2015 was issued by the Additional Commissioner Inland Revenue (ACIR), whereby an addition of Rupees 18,856,268 was made and the tax refund claimed demand was reduced from Rupees 17,462,076 to Rupees 17,099,006. Subsequently, an appeal against the order of the Additional Commissioner Inland Revenue was filed before the Commissioner Inland Revenue Appeal (CIR-A). The appellate order numbered 19/A-V and dated July 26, 2021 was passed by Commissioner Inland Revenue appeals. In this order, the additions made on account of donations amounting to Rupees 300,000 were deleted. However, the remaining additions were remanded back to the Additional Commissioner Inland Revenue for reexamination. As of the present date, the department has not been challenged this order of Additional Commissioner Inland Revenue. As per the advice of the legal counsel of the Company, there is very likelihood that matter will be resolved in favour of the Company.

18.1.31 According to clause 4 of the Share purchase agreement dated January 22, 2021 between Ex-sponsors, New sponsors and the Company, all liabilities whether disclosed or undisclosed including but not limited to direct or indirect liabilities, indebtedness, claim including demand, suit, litigation, arbitration, assessment or proceeding made or brought against the Company and the Purchaser and loss, damage, taxes (direct or indirect), settlement agreements, secured or unsecured related to the Company and pertaining to the period up-to consummation of this transaction shall be responsibility and liability of the Sellers. Accordingly no further provision is required in respect of above mentioned other contingencies.

Based on the opinion of the legal and tax advisors handling the above litigations, the management believes that the Company has strong legal grounds against each case and that no financial liability is expected to accrue. Accordingly, no provision (in addition to already held in respect of certain cases of the Company) has been made in these financial statements.

18.2 Commitments

18.2.1 As at reporting date, aggregate credit limits (funded and unfunded facilities) amounting to Rupees Nil (2023: Rupees 1.047 million) from commercial banks remain unutilized.

18.2.2 There are no other material commitments to report as at reporting date (2023: Nil).

	Note	2024 (Rupees in '000)	2023
19 Property, plant and equipment			
Operating fixed assets	19.1	3,586,774	3,890,869
Right of use assets	19.1	16,633	35,456
Capital work in progress	19.2	5,192,180	4,172,927
		<u>8,795,587</u>	<u>8,099,252</u>

Two

19.1 Operating fixed assets - tangible
At revalued amount

	Operating fixed assets							Right of use assets					Total
	Freehold land	Buildings on freehold land	Leasehold improvements	Plant and machinery	Furniture and equipment	Computers	Vehicles	Land & Buildings	Plant and machinery	Furniture and equipment	Computers	Vehicles	
(Rupees in '000')													
Cost	10,000	730,387	526,072	1,838,028	142,193	83,443	120,970	253,878	25,952	1,360	3,917	103,390	3,839,389
Accumulated depreciation	-	(27,750)	(254,711)	(204,082)	(87,730)	(72,146)	(99,520)	(184,586)	(2,493)	(1,360)	(3,917)	(40,349)	(978,645)
Net book value	10,000	702,636	271,361	1,633,946	54,463	11,296	21,450	69,092	23,459	-	-	63,041	2,860,744
Year ended December 31, 2023													
Net book value at January 01, 2023	10,000	702,636	271,361	1,633,946	54,463	11,296	21,450	69,092	23,459	-	-	63,041	2,860,744
Additions during the year	-	-	3,481	-	2,541	356	2,081	-	-	-	-	1,976	10,435
Revaluation surplus	-	3,541	-	76,537	-	-	-	-	-	-	-	-	80,079
Transfers from capital work in progress	-	-	-	1,416,173	-	-	-	-	-	-	-	-	1,416,173
Transferred from leased assets													
Cost	-	-	-	25,952	1,360	3,917	26,443	-	(25,952)	(1,360)	(3,917)	(26,443)	-
Accumulated depreciation	-	-	-	(3,784)	(1,360)	(3,917)	(15,281)	-	3,784	1,360	3,917	15,281	-
Net book value	-	-	-	22,168	-	-	11,162	-	(22,168)	-	-	(11,162)	-
Transfers to investment property													
Cost	-	(18,500)	-	-	-	-	-	-	-	-	-	-	(18,500)
Accumulated depreciation	-	1,250	-	-	-	-	-	-	-	-	-	-	1,250
Net book value	-	(17,250)	-	-	-	-	-	-	-	-	-	-	(17,250)
Disposal / Write offs													
Cost	-	-	(71)	-	(760)	-	(54,329)	(253,878)	-	-	-	-	(308,838)
Accumulated depreciation	-	-	56	-	294	-	42,722	184,586	-	-	-	-	227,658
Net book value	-	-	(15)	-	(466)	-	(11,607)	(69,092)	-	-	-	-	(81,180)
Depreciation charge	-	(31,657)	(75,820)	(178,490)	(14,393)	(6,401)	(16,226)	-	(1,290)	-	-	(18,399)	(342,677)
Net book value	10,000	657,271	199,006	2,970,335	42,146	5,252	6,859	-	-	-	-	35,456	3,926,324
As at January 01, 2024													
Cost	10,000	715,428	529,481	3,356,690	145,334	87,716	95,165	-	-	-	-	78,923	5,018,737
Accumulated depreciation	-	(58,157)	(330,475)	(386,355)	(103,189)	(82,464)	(88,306)	-	-	-	-	(43,467)	(1,092,414)
Net book value	10,000	657,271	199,006	2,970,335	42,146	5,252	6,859	-	-	-	-	35,456	3,926,324
Year ended December 31, 2024													
Net book value at January 01, 2024	10,000	657,271	199,006	2,970,335	42,146	5,252	6,859	-	-	-	-	35,456	3,926,324
Additions during the year	-	-	-	-	237	-	-	-	-	-	-	-	237
Revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from capital work in progress	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred from leased assets													
Cost	-	-	-	-	-	-	3,382	-	-	-	-	(3,382)	-
Accumulated depreciation	-	-	-	-	-	-	(2,365)	-	-	-	-	2,365	-
Net book value	-	-	-	-	-	-	1,017	-	-	-	-	(1,017)	-
Transfers to investment property													
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals													
Cost	(10,000)	(17,421)	-	-	(130)	(225)	(24,725)	-	-	-	-	(5,329)	(57,830)
Accumulated depreciation	-	-	-	-	27	216	20,967	-	-	-	-	2,635	23,845
Net book value	(10,000)	(17,421)	-	-	(103)	(9)	(3,758)	-	-	-	-	(2,694)	(33,985)
Impairment	-	-	-	-	-	-	(896)	-	-	-	-	-	(896)
Depreciation charge	-	(10,798)	(76,312)	(168,403)	(13,963)	(2,564)	(1,122)	-	-	-	-	(15,112)	(288,274)
Net book value	-	629,052	122,694	2,801,932	28,317	2,679	2,100	-	-	-	-	16,633	3,603,406
Depreciation rate (% per annum)	N/A	3	10 - 33	8.33	10	20	20	3	8.33	10	20	20	20

no

19.1. Particulars of operating fixed assets disposed off during the year in accordance with the requirements of Fourth Schedule to the Companies Act, 2017 is as under:

Particulars of assets	Cost/ Revalued amount	Accumulated depreciation	Net book value	Sale Consideration	Gain/Loss on disposal	Relationship	Particulars of purchaser	Mode of disposal
Freehold land	10,000	-	10,000	50,000	40,000	Independent	Mian Muhammad Saeed	Negotiation
Buildings on freehold land	17,421	-	17,421	17,000	(421)	Independent		Negotiation
Furniture and equipment	130	27	103	89	(14)			
Items having book value less than Rupees 500,000								
Vehicle	3,931	1,703	2,228	5,500	3,272	Independent	Mr. Ali Husnain	Negotiation
Corolla M21 AJQ-610	2,910	2,813	97	4,500	4,403	Independent	Mr. Arslan Zafar	Negotiation
Silky Silver AAQ-419	1,398	932	466	1,300	834	Independent	Mr. Waqas	Negotiation
Toyota Corolla Altis - ADU-607	3,641	1,881	1,760	5,300	3,540	Independent	Muhammad Nadeem	Negotiation
Suzuki Alto - AMQ- 938	1,785	768	1,016	2,485	1,469	Independent	Ali Hasnain Waris	Negotiation
	13,666	8,098	5,567	19,085	13,518			
Items having book value less than Rupees 500,000								
Computers	16,389	15,504	885	27,619	26,734	Employee / Independent	Various	Negotiation
Items having book value less than Rupees 500,000								
	225	215	9	165	156	Employees	Various	Negotiation
	57,831	23,844	33,986	113,959	79,972			

19.1.2 Had there been no revaluation of property, plant, and equipment, value as of December 31, 2024 would have been as follows:

	2024 (Rupees in '000)	2023 (Rupees in '000)
Land	10,000	10,000
Buildings	288,252	297,167
Plant and machinery	2,415,402	2,634,888
	<u>2,713,654</u>	<u>2,942,055</u>

19.1.3 The latest revaluation was carried on December 30, 2023 by Unicorn International Surveyors. As per the revaluation report, forced sale value of freehold land, buildings on freehold land and plant and machinery were Rupees 9.000 million (2023 Rupees 9.000 million), Rupees 284.75 million (2023: Rupees 284.75 million) and Rupees 2424.78 million (2023: Rupees 2424.78 million) respectively.

19.1.4 Particulars of immovable property (i.e. land and building) in the name of Group are as follows:

Location	Usage of immovable property	Total area (Kanals/Marlas)	Covered area (Square Feet)
Muaza Mustafabad, 41 KM Ferozepur Road, Off 2-KM Rohi Nala Road, Tehsil & District Kasur	Manufacturing facility (In the process of construction)	278 Kanals	-
Commercial Property Bearing Shop No.5, 6 & 15, Ground Floor, Al Amna Complex, Block B, Alamgir Road, Civil Line Cantonment, Hyderabad	Own Business	3.4 Marlas	915
Commercial Property Bearing City Survey No. C-420, Ward No.C, Ground Floor Marhaba Centre, Opposite Muhammad Bin Qasim Park, Taluka & District Sukkur.	Own Business	7.28 Marlas	1,983
Shop No.I, Sub-Plot Nos. Sb-3/34 &35 of Plot Nos.34 & 35, Ground Floor, Suleman Centre, Daud Pota Road, Saddar Bazar, Karachi.	Held for capital appreciation and generating rental income	1.29 Marlas	350
Shop Bearing Survey No. 13, Sheet No. S.B-7, (Old Survey No. G-I/176), Saddar Bazar Quarters, Zebunissa Street, Karachi.	Held for capital appreciation and generating rental income	6.98 Marlas	1,899
9-KM, Hanjarwal, Multan Road, Lahore.	Head Office and Manufacturing Facility	61.90	340,134

	Note	2024 (Rupees in '000)	2023 (Rupees in '000)
19.1.5 Depreciation for the year has been allocated as follows:			
Cost of sales	29	173,855	186,873
Marketing, selling and distribution costs	31	76,312	75,820
Administrative expenses	32	38,106	61,041
		<u>288,273</u>	<u>323,734</u>

19.2 Capital work-in-progress

Opening balance	4,172,927	3,313,470
Additions during the year	1,019,253	2,332,949
	<u>5,192,180</u>	<u>5,646,419</u>
Transfers during the year	-	(1,473,492)
	<u>5,192,180</u>	<u>4,172,927</u>

Breakup of capital work in progress is as follows:

- Freehold land	903,554	903,554
- Civil work	1,528,744	1,284,298
- Plant and machinery	704,551	703,825
- Electric installation	1,429	1,359
- Borrowing costs	2,053,903	1,279,890
	<u>5,192,181</u>	<u>4,172,926</u>

2024 2023
(Rupees in '000)

20 Intangible assets

Software	18,867	23,533
Goodwill	1,070,207	1,070,207
Brand value	1,582,147	1,582,147
Customer relationships	92,297	123,025
	<u>2,763,518</u>	<u>2,798,912</u>

20.1 Reconciliation of carrying amounts

Description	Software	Goodwill	Brand value	Customer relationship	Total
	(Rupees in '000)				
Cost					
Balance as at January 01, 2023	123,827	1,070,207	1,582,147	261,289	3,037,470
Addition during the year	-	-	-	-	-
Balance as at December 31, 2023	<u>123,827</u>	<u>1,070,207</u>	<u>1,582,147</u>	<u>261,289</u>	<u>3,037,470</u>
Balance as at December 31, 2023	123,827	1,070,207	1,582,147	261,289	3,037,470
Additions during the year	-	-	-	-	-
Balance as at December 31, 2024	<u>123,827</u>	<u>1,070,207</u>	<u>1,582,147</u>	<u>261,289</u>	<u>3,037,470</u>
Amortization and impairment losses					
Balance as at January 01, 2023	(91,691)	-	-	(107,536)	(199,227)
Charge for the year	(8,603)	-	-	(30,728)	(39,331)
Balance as at December 31, 2023	<u>(100,294)</u>	<u>-</u>	<u>-</u>	<u>(138,264)</u>	<u>(238,558)</u>
Balance as at December 31, 2023	(100,294)	-	-	(138,264)	(238,558)
Charge for the year	(4,666)	-	-	(30,728)	(35,394)
Balance as at December 31, 2024	<u>(104,960)</u>	<u>-</u>	<u>-</u>	<u>(168,992)</u>	<u>(273,952)</u>
Written down value as at December 31, 2023	<u>23,533</u>	<u>1,070,207</u>	<u>1,582,147</u>	<u>123,025</u>	<u>2,798,912</u>
Written down value as at December 31, 2024	<u>18,867</u>	<u>1,070,207</u>	<u>1,582,147</u>	<u>92,297</u>	<u>2,763,518</u>
Rates of amortization / useful life	<u>5-10 years</u>	<u>Nil</u>	<u>Nil</u>	<u>10.5 years</u>	

20.2 Goodwill and other intangible assets acquired in business combination

Effective September 01, 2021, Waves Home Appliances Limited (WHAL) completed a 'Scheme of Arrangement' as approved by the Honorable Lahore High Court through its Order dated June 22, 2022 for the demerger of home appliances business of Waves Corporation Limited (WCL) and amalgamation of the same into the subsidiary company. These intangibles have been transferred from WCL at their carrying values in compliance with the Accounting Standard "Accounting for Common Control Transactions" as issued by ICAP and notified through SRO 53(I) 2022 dated January 12, 2022.

20.2.1 Impairment testing

The recoverable amount of goodwill including intangible assets (brand value and customer relationships) acquired through a business combination has been tested for impairment as at December 31, 2024, by allocating the amount of goodwill and intangible assets to respective assets on which it arose, based on value in use in accordance with IAS 36 "Impairment of Assets". The recoverable amount was calculated on the basis of four years business plan approved by the Board of Directors which includes a comprehensive analysis of existing operational deployments of the Company along with strategic business plans and business growth. The value in use calculations are based on cash flow projections derived from aforesaid business plan, which have been extrapolated beyond five years, by using a steady 10.00% growth rate. The financial projections involve certain key assumptions such as sales price and composition and raw materials etc. The cash flows are discounted using such discount rates for use in calculation of value in use which are sensitive to discount rate and local inflation rates. The values assigned to the key assumptions represent management's assessment of future business trends and have been based on historical data from both external and internal sources. Based on this calculation no impairment is required to be accounted for against the carrying amount of goodwill and other intangible assets.

	Note	2024 (Rupees in '000)	2023
20.3 Amortisation for the year has been allocated as follows:			
Marketing, selling and distribution costs	31	30,728	30,728
Administrative expenses	32	4,666	8,603
		<u>35,394</u>	<u>39,331</u>

		2024		2023	
		(Rupees in '000)			
		Note			
21	Investment property				
	Balance as at January 01		17,421	-	
	Addition during the year		-	17,250	
	Transferred from inventories	23.3	3,126,042	-	
	Disposals during the year		(17,421)	-	
	Fair value gain		459,390	171	
	Balance as at December 31		3,585,432	17,421	
21.1	As at reporting date, investment property having fair value of Rupees 3.585 million (2023: Rupees 17.421 million) whereas forced sale value of the property was Rupees 3.048 million (2023: Rupees 14.807 million). Changes in fair value of investment property has been recognised in statement of profit or loss as 'Other Income' as referred to in Note 35. The fair value of investment properties as of December 31, 2024 has been determined by an external independent property valuer Unicorn International Surveyors based on independent inquiries from active local realtors, recent experience in the location and the records of the valuer.				
21.2	The fair value measurement of the investment property had been categorized as a level 3 fair value based on the input to the valuation technique used.				
			2024	2023	
		Note	(Rupees in '000)		
22	Long term deposits				
	Deposits against Leases	22.1	15,500	31,450	
	Deposits against rented premises		7,480	7,932	
	Deposits against Utilities		7,422	7,422	
			30,402	46,804	
22.1	These have been deposited against leased vehicles and rented premises and are refundable on completion or termination of contracts in accordance with terms of contract. These are classified as 'amortized cost' under the requirement of International Financial Reporting Standard 9 "Financial Instruments". However, these, being held for an indefinite period with no fixed maturity date, are carried at cost as their amortized cost is impracticable to determine.				
			2024	2023	
		Note	Rupees in ('000)		
23	Inventories				
	Under developed properties	23.1	-	3,126,042	
	Stock in trade	23.4	2,494,012	2,945,422	
			2,494,012	6,071,464	
23.1	Under developed properties				
	Balance at the beginning of the year		3,126,042	2,705,294	
	Add: transfer from non-current assets held for sale		-	-	
	Add: Costs incurred during the year	23.2	-	420,748	
	Less: Costs transferred to cost of revenue during the year	23.3	(3,126,042)	-	
	Balance at end of the year		-	3,126,042	
23.2	This represents inventories being developed by the parent company for the purposes of sale upon completion of the project. In November 2021, the Board decided that the freehold land on which existing manufacturing facility of the WCL is located shall be used for real estate project/apartment complex. This includes borrowing costs of Rupees Nil (2023: Rupees 351.67 million) and amount of Rupees Nil (2023: Rupees 69.069 million) incurred in connection with the project development. The activities for development of real state project remain inactive, therefore, borrowing costs for the year has been charged to statement of profit or loss.				
23.3	As the board of the directors of the parent company have decided to classify the projects as investment property owing to delay in implementation of the project development for an indefinite period.				
			2024	2023	
		Note	Rupees in ('000)		
23.4	Stock in trade				
	Raw material		332,583	678,147	
	Packing material		5,679	11,062	
	Raw and packing materials in bonded warehouse		1,657,906	1,657,906	
	Work in process		64,388	74,340	
	Finished goods		463,883	584,262	
			2,524,439	3,005,717	
	Provision for slow moving and damaged stock	23.5	(30,427)	(60,295)	
			2,494,012	2,945,422	

		2024	2023
		Rupees in ('000)	
23.5	Movement in provision for obsolete stock		
	Balance at the beginning of year	60,295	86,364
	Reversal during the year	(29,868)	-
	Written off during the year	-	(26,069)
	Balance at the end of year	30,427	60,295
24	Stores, spares and loose tools		
	Stores	18,052	7,836
	Spares	896	19,391
	Loose tools	2,358	883
		21,306	28,110
25	Trade debts		
	<i>Unsecured - considered good:</i>		
	Local receivables from customers	4,419,897	3,048,201
	Trade receivables under hire purchase arrangement		
	- Retail	1,498,155	1,282,714
	- Institutional (employees of the corporate entities)	109,419	96,281
	Trade receivables - others	9,992	10,315
		6,037,463	4,437,511
	Less: Long term portion of trade debts	(1,150)	(962)
	Current portion of trade debts	6,036,313	4,436,549
	Unearned carrying charges	(125,967)	(93,043)
		5,910,346	4,343,506
	Less: Allowance for expected credit loss	25.1 (302,656)	(149,828)
		5,607,690	4,193,678
25.1	Allowance for expected credit losses		
	Balance at the beginning of year	149,828	90,610
	Charge during the year	152,828	59,218
	Balance at the end of year	302,656	149,828
25.2	The expected credit allowance for trade debts as at reporting date was determined as follows:		
	Aging Bucket	Exposure at default	Expected Credit Loss (ECL)
	December 31, 2024	Rupees in ('000)	
	Not yet due	1,802,085	5,613
	Over due up to 30 days	164,372	2,050
	Overdue by more than 31 days but less than 60 days	204,913	3,627
	Overdue by more than 61 days but less than 90 days	186,250	4,908
	Overdue by more than 91 days but less than 180 days	2,134,128	68,403
	Overdue by more than 180 days	1,545,714	218,053
		6,037,463	302,656
	December 31, 2023		
	Not yet due	1,286,066	2,123
	Overdue up to 30 days	121,272	939
	Overdue by more than 31 days but less than 60 days	150,569	1,963
	Overdue by more than 61 days but less than 90 days	135,509	2,347
	Overdue by more than 91 days but less than 180 days	1,513,494	30,481
	Overdue by more than 180 days	1,229,639	111,976
		4,436,549	149,829

TWO

26	Advances, deposits, prepayments and other receivables	Note	2024	2023
			(Rupees in '000)	
	<i>Un-secured - consider good:</i>			
	Advances to employees		13,813	801
	Advances to suppliers		477,772	237,453
	Loss allowances against advances to suppliers		(6,502)	-
			471,270	237,453
	Advances against imports		179,775	185,445
	Advances to employees against salaries		94	155
	Advances to employees against expenses		-	32,628
	Trade deposits		-	350
	Security deposits		10,499	10,129
	Prepayments		1,207	5,628
	Accrued mark up on investment		44	45
	Due from broker		17,554	-
	Others		8,668	11,363
	<i>Un-secured - consider doubtful:</i>			
	Other receivables		153,507	147,588
	Loss allowances against other receivables	26.2	(147,588)	(147,588)
			5,919	-
			708,843	483,997
26.1	Movement in loss allowance against other receivables			
	Balance as at 01 January		147,588	147,588
	Loss allowance for the year		-	-
	Balance as at 31 December		147,588	147,588
26.2	This includes claims receivable from insurance companies, suppliers and product claims amounting to Rupees 8.099 million against which provision of Rupees 8.099 million (2023: Rupees 8.099 million) has already been provided.			
			2024	2023
			(Rupees in '000)	
27	Short term investment			
	Term deposit receipts		3,000	3,000
27.1	This represents Term Deposit Receipts issued by the Bank of Khyber and carry expected mark-up rate ranging from 16.72% to 18.57% (2023: 12.2% to 18.60%) per annum and are held for the period of monthly on rollover basis.			
			2024	2023
			(Rupees in '000)	
28	Cash and bank balances			
	Cash in hand		18,319	36,737
	Cash at bank in:			
	- Current accounts		25,712	23,130
	- Deposit accounts		6,299	8
			32,012	23,138
			50,330	59,874
29	Cost of sales			
	Raw material consumed	29.1	1,684,490	2,110,707
	Packing material consumed	29.2	51,873	115,783
	Stores, spares and loose tools consumed	29.3	16,973	66,514
	Salaries, wages and other benefits	29.4	124,429	185,995
	Fuel and power		45,774	85,864
	Freight charges		11,014	49,010
	Insurance expense		2,970	7,943
	Repairs and maintenance		2,919	7,288
	Printing and stationery		270	6,334
	Travelling and conveyance		178	560
	Rent, rates and taxes		317	4,941
	Communication		-	37
	Depreciation	29	173,855	186,873
	Others		165	1,023
	Cost of goods manufactured carried forward		2,115,226	2,828,871

The

		2024	2023
		(Rupees in '000)	
Cost of goods manufactured brought forward		2,115,226	2,828,871
Work in process			
- Opening stock		74,340	141,300
- Closing stock		(64,388)	(74,340)
Cost of goods available for sale		2,125,178	2,895,831
Finished Goods			
- Opening stock		605,972	899,891
- Purchase during the year		458,195	593,678
- Closing stock		(463,883)	(584,262)
Cost of goods sold		2,725,462	3,805,138
29.1 Raw material consumed			
Opening stock		678,147	616,158
Raw material purchases		1,338,926	2,172,696
		2,017,073	2,788,854
Less: Closing stock		(332,583)	(678,147)
Raw material consumed		1,684,490	2,110,707
29.2 Packing material consumed			
Opening stock		11,062	11,007
Packing material purchases		46,489	115,839
		57,552	126,846
Closing stock		(5,679)	(11,062)
Packing material consumed		51,873	115,783
29.3 Stores, spares and loose tools consumed			
Opening stock		26,447	44,061
Purchases		11,832	48,900
		38,279	92,961
Less: Closing stock		(21,306)	(26,447)
Stores consumed		16,973	66,514
29.4	These include staff retirement benefits in respect of provident funds amounting to Rupees 5.781 million (2023: Rupees 5.900 million).		
30 Other income			
Income from financial assets			
Profit on bank deposits		1,503	3,571
Profit on term deposit receipts		529	518
Effect of present value discounting of accrued mark up		823,566	-
Income from other than financial assets			
Scrap sales		7,216	2,985
Exchange gain - net		85	-
Reversal of provision for obsolete stock		-	26,069
Gain on modification / termination of lease		-	1,366
Fair value gain in investment property	21	461,584	171
Amortisation of deferred income	13	1,163	1,384
Credit balance written back		47,926	53,916
Gain on disposal of property plant and equipment		40,393	29,744
Gain on disposal of Investment property		39,579	-
Insurance claim		5,581	-
Earned carrying charges		300,218	260,831
Others		8,071	-
		1,737,414	380,554

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		2024	2023
		(Rupees in '000)	
31	Marketing, selling and distribution costs	Note	
	Salaries and benefits	31.1	222,197
	Commission expense		59,853
	Rent, rates and taxes		103,796
	Publicity and sales promotion		2,595
	Freight		20,509
	Depreciation	29	76,312
	Warranty expense		25,603
	Utilities		22,892
	Communication		4,239
	Travelling and conveyance		15,522
	Repair and maintenance		3,657
	Printing and stationery		2,572
	Amortisation	20.3	30,728
	Insurance expense		994
	Others		3,152
			<u>594,621</u>
			<u>666,682</u>

31.1 These include staff retirement benefits in respect of provident funds amounting to Rupees 4.525 million (2023: Rupees 4.556 million).

		2024	2023
		(Rupees in '000)	
32	Administrative expenses	Note	
	Salaries wages and other benefits	32.1	266,389
	Legal and professional charges		6,079
	Communication		8,622
	Travelling and conveyance		13,927
	Repair and maintenance		2,164
	Utilities		7,651
	Printing and stationery		865
	Rent, rates and taxes		707
	Insurance expense		9,781
	Entertainment expense		3,733
	Fees and subscription		15,862
	Amortisation of intangible assets	20.3	4,666
	Depreciation on right of use		33,773
	Charity and donations	32.2	400
	Impairment		896
	Depreciation on operating fixed assets	29	4,333
	Others		2,530
			<u>382,379</u>
			<u>424,481</u>

32.1 These include staff retirement benefits in respect of provident funds amounting to Rupees 10.588 million (2023: Rupees 4.556 million).

32.2 None of the donations were made to an entity in which any director or his / her spouse had an interest.

		2024	2023
		(Rupees in '000)	
33	Other operating expenses	Note	
	Legal and professional		1,386
	Allowance for expected credit loss		152,828
	Allowance for doubtful receivables		6,502
	Auditor's remuneration	33.1	7,981
	Workers' profits participation fund	14.5	-
	Exchange loss - net		-
	Effect of termination of lease		111
	Research and development		-
	Debit balances written off		12,370
	Workers' profits participation fund		1,226
	Workers' welfare fund		5,571
			<u>187,975</u>
			<u>124,212</u>

122

		2024	2023
		(Rupees in '000)	
Note			
33.1	Auditors' remuneration		
	Statutory audit fee	1,200	3,718
	Fee for the review of interim financial information	400	513
	Statutory audit fee of subsidiaries	4,226	2,036
	Audit fee for consolidated financial statements	300	-
	Fee for the review of interim financial information of subsidiary company	650	392
	Fee for the review of code of corporate governance and other certifications under agreed upon procedures	700	835
	Out of pocket expenses	505	352
		<u>7,981</u>	<u>7,846</u>
34	Finance costs		
	Mark up on long term financing	486,571	90,007
	Mark up on short term borrowings	124,234	152,119
	Lease finance charges	7,212	11,844
	Interest on workers' profit participation fund	1,036	1,071
	Effect of unwinding of deferred mark up	67,773	-
	Bank commission and other charges	13,313	10,462
		<u>700,139</u>	<u>265,502</u>
35	Levies		
	For the year	7,074	52,612
	Prior period	(4,878)	-
		<u>2,196</u>	<u>52,612</u>
35.1	The Group's provision for taxation is based on the consolidated results of the Group under Section 59AA of the Income Tax Ordinance, 2001 read with Section 59B of the Income Tax Ordinance, 2001 which represents minimum tax under Income Tax Ordinance, 2001. 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.		
		2024	2023
		(Rupees in '000)	
		Note	
36	Income tax expense		
	Current:		
	- for the year	36.2	42,106
	- prior year		-
			<u>42,106</u>
	Deferred tax	36.4	(40,102)
			<u>2,005</u>
			<u>(8,528)</u>
36.1	Current year's provision for taxation has been charged on the basis of tax on taxable income by applying applicable income tax rate. During the year, current year's provision has been charged on the basis of minimum tax under Section 113 of the Income Tax Ordinance, 2001 owing to the application of group taxation 59-AA of the Income tax Ordinance 2001; the liability in respect minimum tax has been classified as levy owing to application of minimum tax in terms of the requirements of interpretation issued by International Financial Reporting Interpretation Committee (IFRIC) 21 / International Accounting Standard 37, Provision, contingent liabilities and contingent assets.		
36.2	The parent company has filed tax returns up to tax year 2024 (Accounting year December 31, 2023) which stands assessed under Section 120 of the Income Tax Ordinance, 2001. However, tax authorities are empowered to question the assessment at any time within five years at the end of the financial year in which the return are filed. Numerical reconciliation between tax expense and accounting profit for the year is not meaningful owing to application of minimum tax under Section 113 of the Income Tax Ordinance, 2001.		
36.3	Reconciliation of current tax charge charged as per tax laws for the year with current tax recognised in statement of profit of loss is as follows:		
		2024	2023
		(Rupees in '000')	
	Current tax liability for the year as per applicable tax laws	49,180	52,612
	Portion of current tax liability as per tax laws, representing income tax under IAS 12	(7,074)	(52,612)
	Portion of current tax computed as per tax laws, representing levy in terms of requirements of International Financial Reporting Interpretation Committee 21/International Accounting Standard 37, Provision, contingent liabilities and contingent assets	(42,106)	-
		<u>-</u>	<u>-</u>

2024
(Rupees in
'000')

36.4 Numerical reconciliation between tax expense and accounting profit:

Profit / (loss) before taxation	1,091,595
Tax at the applicable tax rate of 29%	316,563
Effect of inadmissible expenses and other items	200,807
Effect of admissible expenses and other items	(474,924)
Effect of minimum tax	7,074
Other	(339)
	49,180

36.5 Numerical reconciliation between tax expense and accounting profit for the year 2023 has not been presented owing to application of minimum tax.

36.6 As at reporting date, unused tax losses were amounting to Rupees 101.884 million (2023: Rupees 104.549 million).

37 Earnings per share

The calculation of earnings per share is based on earnings attributable to the owners of ordinary shares of the Group.

	Note	2024 (Rupees in '000)	2023 (Rupees in '000)
Profit for the year		1,087,394	256,781
		2024 Number of shares in ('000)	2023 Number of shares in ('000)
Weighted-average number of ordinary shares	37.1	281,406	281,406
		2024 (Rupees)	2023 (Rupees)
Earning per share - basic and diluted	Rupees	3.86	0.91
37.1 Weighted-average number of ordinary shares (basic and diluted)			
Opening as at the beginning of the year		281,406	281,406
Issued during the year		-	-
Weighted-average number of ordinary shares		281,406	281,406

37.2 Diluted earnings per share

No figure for diluted earnings per share has been presented as the Group has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

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

	Liabilities			Equity			Total
	Short term borrowings	Long term loans	Lease liabilities	Mark-up accrued on borrowings	Share capital	Capital reserves - Note 6	
	(Rupees in '000)						
Balance as at January 01, 2024	4,780,395	1,464,024	48,252	819,661	2,814,062	5,030,661	15,186,072
Cash flows							
Short term borrowings payment - net receipts	(59,288)	-	-	-	-	-	(59,288)
Long term loans received/(repaid)	-	(49,828)	-	-	-	-	(49,828)
Loan from sponsors received	-	-	-	-	-	201,067	201,067
Finance cost paid	-	-	-	(265,509)	-	-	(265,509)
Repayment of lease rentals-net	-	-	(25,771)	-	-	-	(25,771)
	(59,288)	(49,828)	(25,771)	(265,509)	-	201,067	(199,330)
Non-cash changes							
Changes in running finance	-	-	-	-	-	-	-
Transfer to long term borrowings	(3,699,573)	-	-	-	-	-	(3,699,573)
Transfer from short term borrowings	-	3,699,573	(1,664,323)	-	-	-	3,699,573
Mark up deferred	-	-	7,322	1,474,152	-	-	(1,664,323)
Finance cost / deferred grant	(3,699,573)	3,699,573	(1,657,001)	1,474,152	-	-	1,481,475
	(3,699,573)	3,699,573	(1,657,001)	1,474,152	-	-	(182,848)
Balance as at December 31, 2024	4,780,395	1,464,024	48,252	819,661	2,814,062	5,030,661	14,803,894
Balance as at January 01, 2023	5,203,965	1,300,615	148,365	400,468	2,814,062	5,030,661	15,017,634
Cash flows							
Short term borrowings payment - net receipts	(423,570)	-	-	-	-	-	(423,570)
Long term loans received/(repaid)	-	163,409	-	-	-	109,520	272,929
Long term loans received	-	-	-	-	-	-	-
Finance cost paid	-	-	-	(1,117,288)	-	-	(1,117,288)
Repayment of lease rentals-net	-	-	(111,957)	-	-	-	(111,957)
	(423,570)	163,409	(111,957)	(1,117,288)	-	109,520	(1,379,886)
Non-cash changes							
Changes in running finance	-	-	-	-	-	-	-
Unwinding of loan	-	-	-	-	-	-	-
Deferred grant	-	-	-	-	-	-	-
Addition in lease liability	-	-	11,844	1,536,481	-	-	1,548,325
Finance cost / deferred grant	-	-	11,844	1,536,481	-	-	1,548,325
	-	-	11,844	1,536,481	-	-	1,548,325
Balance as at December 31, 2023	4,780,395	1,464,024	48,252	819,661	2,814,062	5,030,661	15,186,072

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39 Provident fund related disclosure

- 39.1** The Company operates approved contributory provident fund for all the employees eligible under the scheme. Till 2018, the Company was operating two separate provident funds in the name of Singer Pakistan Limited and Cool Industries (Private) Limited but with effect from January 01, 2019, the Company has merged its funds.
- 39.2** The management is of the view that the investments out of provident fund have not been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated thereunder.

40 Remuneration of Chief Executive, Directors And Executives

The aggregate amounts charged in the financial statements in respect of remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Group are as follows:

	Chief Executive		Director		Executives	
	2024	2023	2024	2023	2024	2023
	Rupees ('000)					
Managerial remuneration	34,990	43,394	4,500	4,909	63,656	92,061
Contribution to provident fund	2,916	3,614	375	409	4,747	6,735
House rent allowance	446	238	-	-	19,644	26,227
Medical allowance	3,499	4,101	450	491	11,950	10,282
	<u>41,851</u>	<u>51,348</u>	<u>5,325</u>	<u>5,809</u>	<u>99,998</u>	<u>135,305</u>
Number of persons	<u>3</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>44</u>	<u>45</u>

- 40.1** In addition to the above, Directors and certain Executives are provided with free use of the Group's maintained vehicles, club facility and certain items of furniture and fixtures in accordance with their entitlement. The Group also makes contributions based on actuarial calculations to gratuity and pension funds.
- 40.2** In addition, aggregate amount charged in the financial statements for payments on account of the meeting fee of non-executive directors was Rupees 0.15 million (2023: Rupees 0.30 million).

41 Related parties and related party transactions

The related parties comprise the companies under common control, the companies where key management personnel have control, the directors of the Group and the key management personnel of the Group. Detail of related parties (with whom the Group has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

41.1 Name and nature of relationship	Number of shares held	Relationship
Mr. Haroon Ahmad Khan (CEO)	95,640,286	Sponsor
Mr. Hamza Ahmad Khan (Director)	1,614,134	Sponsor
Mrs. Nighat Haroon Khan (Director)	17,332,411	Sponsor
Mr. Moazzam Ahmad Khan (Director)	1,825	Sponsor
Mr. Tajamal Hussain Bokharee (Director)	500	Independent director
Mr. Muhammad Zafar Hussain (Director)	1,705	Independent director
Mr. Khalid Azim (Director)	50	Executive Director
Waves Employees Provident Fund	NA	Others
Mr. Arslan Sahid Butt	5,000	Key management personnel
Mr. Ahmed Bilal	NA	Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Group considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel.

41.2 Transactions with related parties

Nature of relationship	Nature of transactions	(Rupees in '000)	
Employee's Provident Fund	Contribution for the year	34,970	24,339
	Loan obtained during the year	-	288,000
	Loan repaid during the year	-	288,000
	Interest charged	63,923	62,649
Directors	Loan obtained	343,185	151,473
	Loan repaid	(142,118)	(41,957)

42 Financial risk management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees policies for managing each of the risks.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

42.1 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation. Credit risk of the Group arises principally from trade debts, advances, deposits, other receivables and bank balances.

42.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk before any credit enhancements at the reporting date was:

		Carrying amount	
		2024	2023
	Note	(Rupees in '000)	
Security deposits		40,901	56,933
Trade debts	25	5,607,690	4,193,678
Other receivables		5,918	-
Balances with banks		32,012	23,130
		5,686,520	4,273,741

42.1.2 Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the Group's performance for developments affecting a particular industry. Maximum exposure to credit risk by type of counterparty is as follows:

	2024	2023
(Rupees in '000)		
Trade debts	5,607,690	4,193,678
Security deposits	40,901	49,001
Insurance Company	5,918	-
Bank balances	32,012	23,130
	<u>5,686,520</u>	<u>4,265,809</u>

42.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or historical information about the counterparty default rates. All counterparties, with the exception of customers and utility Companies, have external credit ratings determined by various credit rating agencies and other regulatory authorities. Credit quality of customer is assessed by reference to historical default rates and present ages.

(a) Counterparties with external credit ratings

These include banking companies and financial institutions, which are counterparties to bank balances and deposits. Impairment on cash and cash equivalents has been measured on a 12 month expected loss basis and reflects the short maturities of the exposures. Credit risk is considered minimal as these counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Group. Following are the credit ratings of counterparties with external credit ratings:

Banks	Rating		Rating agency	2024	2023
	Short term	Long term		(Rupees in '000)	
AlBaraka Bank (Pakistan) Limited	A-1	A+	VIS	233	232
Allied Bank Limited	A-1+	AAA	PACRA	-	124
Askari Bank Limited	A-1+	AA+	PACRA	135	135
Bank Alfalah Limited	A-1+	AA+	PACRA	920	750
Bank Islamic Pakistan Limited	A-1	AA-	PACRA	1	1
The Bank of Khyber	A-1	A+	PACRA	57	552
The Bank of Punjab	A-1+	AA+	PACRA	607	-
Dubai Islamic Bank Limited	A-1+	AA	VIS	-	75
Faysal Bank Limited	A-1+	AA	PACRA	3,814	3,756
Finca Microfinance Bank Limited	A3	BBB+	PACRA	108	169
Habib Bank Limited	A-1+	AAA	VIS	1,949	3,925
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	355	356
JS Bank Limited	A1+	AA	PACRA	-	4
MCB Bank Limited	A1+	AAA	PACRA	2,126	2,074
Meezan Bank Limited	A-1+	AAA	VIS	-	4,940
National Bank Of Pakistan	A1+	AAA	PACRA	29	558
Samba Bank Limited	A-1	AA	VIS	-	81
Summit Bank Limited	A-3	BBB-	VIS	6,277	2,374
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	840	1,090
United Bank Limited	A-1+	AAA	VIS	14,286	1,075
Sindh Bank limited	A-1	A+	VIS	-	-
Silk Bank Limited	A-2	A-	VIS	-	2
U Microfinance Bank Limited	A-1	A+	VIS	273	4
Telenor Micro Finance Bank Limited	A-1	A	PACRA	1	1
Industrial Commercial Bank of China	N/A	A	SBP	-	859
				32,011	23,137

(b) Counterparties without external credit ratings

These include customers which are counter parties to trade debts and other receivables. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer / dealers. The Group applies the IFRS 9 simplified approach to measure expected credit losses. The management has established a credit policy under which each new customer is analysed individually for credit worthiness. The analysis of ages of trade debts and loss allowance using the aforementioned approach was disclosed in Note 25.

None of the financial assets of the Group are secured or impaired except as those mentioned in these financial statements. Deposits and other receivables are mostly due from banks and individuals. Impairment on these assets has been measured on a 12 month expected loss basis and reflects the short maturities of the exposures. Based on past experience the management believes that no impairment allowance is necessary in respect of these financial assets. There are reasonable grounds to believe that these amounts will be recovered in short course of time.

42.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's liquidity management involves forecasting future cash flow requirements, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The Group maintains committed lines of credit to ensure flexibility in funding. In addition, the Group has unavailed facilities of running finances to meet the deficit, if required to meet the short term liquidity commitment.

Exposure to liquidity risk

Following are the contractual maturities of the financial liabilities (based on the remaining period as of the period-end), including interest obligations:

		2024				
		Carrying amount	Contractual cash flows	One year or less	One to two years	Two to five years
	Note	(Rupees in '000)				
Financial liabilities						
Long term financings	9	5,113,769	(5,113,769)	(425,631)	(402,739)	(4,285,399)
Lease liabilities	10	29,804	(29,804)	(16,463)	(13,341)	-
Trade and other payables	14	1,908,762	(1,908,762)	(1,908,762)	-	-
Accrued markup	15	295,172	(295,172)	(295,172)	-	-
Short term borrowings	16	1,021,535	(1,021,535)	(1,021,535)	-	-
		8,369,041	(8,369,041)	(3,667,563)	(416,080)	(4,285,399)
		2023				
		Carrying amount	Contractual cash flows	One year or less	One to two years	Two to five years
		(Rupees in '000)				
Financial liabilities						
Long term financings	9	1,464,024	(1,464,024)	(479,524)	(697,692)	(286,808)
Lease liabilities	10	48,252	(48,252)	(22,806)	(22,419)	(3,027)
Trade and other payables	14	2,260,347	(2,260,347)	(2,260,347)	-	-
Accrued markup	15	819,661	(819,661)	(819,661)	-	-
Short term borrowings	16	4,780,395	(4,780,395)	(4,780,395)	-	-
		9,372,678	(9,372,678)	(8,362,733)	(720,111)	(289,835)

42.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Group's income or the value of its holdings of financial instruments. The Group is exposed to currency risk and interest rate risk.

42.3.1 Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Group. The functional currency of the Group is Pak Rupee. The currency in which these transactions are predominately is in US dollar.

Exposure to currency risk

The Group is mainly exposed to currency risk on import of raw materials and merchandise denominated in US dollar. The Group's exposure to foreign currency risk at the reporting date is as follows:

	2024 (US\$ in "000")	2023	2024 (Rupees in '000)	2023
Trade creditors	471.50	1,001	131,336	278,512

Following significant exchange rates have been applied:

	Average rate		Reporting date Spot rate	
	2024	2023	2024	2023
USD to PKR	279.53	279.53	278.55	278.30

Sensitivity analysis

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, loss for the year would have been lower by the amount shown below, as a result of net foreign exchange gain on translation of foreign currency bills payables.



	2024	2023
	(Rupees in '000)	
Effect on statement of profit or loss	13,134	27,851

The weakening of the PKR by 10% against US Dollar would have had an equal but opposite impact on the profit for the year.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the Group.

42.3.2 Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

(a) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through statement of profit or loss. Therefore a change in interest rate at the reporting date would not affect statement of profit or loss.

(b) Mismatch of interest rate sensitive financial assets and financial liabilities

The Group's interest / mark-up and non-interest / mark-up bearing financial instruments as at the reporting date are as follows:

	2024		
	Carrying amount	Interest bearing / variable	Non-interest bearing / fixed
	(Rupees in '000)		
Financial assets			
Security deposits	40,901	-	40,901
Trade debts	5,607,690	-	5,607,690
Other receivables	5,918	-	5,918
Cash and bank balances	50,330	-	50,330
	5,704,839	-	5,704,839
Financial liabilities			
Long term financings	(5,113,769)	(5,113,769)	-
Lease liabilities	(29,804)	(29,804)	-
Employee Retirement Benefit	-	-	-
Trade and other payables	(1,908,762)	-	(1,908,762)
Accrued markup	(295,172)	(295,172)	-
Short term borrowings	(1,021,535)	(1,021,535)	-
	(8,369,042)	(6,460,280)	(1,908,762)
	(2,664,203)	(6,460,280)	3,796,077
Financial assets			
Security deposits	56,933	-	56,933
Trade debts	4,193,678	-	4,193,678
Other receivables	-	-	-
Cash and bank balance	59,874	-	59,874
	4,310,485	-	4,310,485
Financial liabilities			
Long term financings	(1,464,024)	(1,464,024)	-
Lease liabilities	(48,252)	(48,252)	-
Trade and other payables	(2,297,777)	-	(2,297,777)
Accrued markup	(819,661)	(819,661)	-
Short term borrowings	(4,780,395)	(4,780,395)	-
	(9,410,109)	(7,112,332)	(2,297,777)
	(5,099,624)	(7,112,332)	2,012,708

42.3.2.1 Effective interest / mark-up rates for the financial assets and financial liabilities are as follows:

	2024	2023
	Percentage	
Financial liabilities		
Long term financings	13.00% to 26.59%	3.00% to 26.09%
Lease liabilities	14.14% to 25.16%	15.68% to 24.66%
Short term borrowings	16.36% to 25.49%	17.93% to 36.00%

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the period by Rupees 44.902 million (2023: Rupees 76.76 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

42.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). At reporting date the Group did not have financial instruments exposed to other price risk.

42.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Group is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

42.4.1 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:

On statement of financial position - Financial instruments

	2024					
	Carrying Amount			Fair value		
	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3
	(Rupees in '000)					
Financial assets						
Security deposits	40,901	-	40,901	-	-	-
Trade debts	5,607,690	-	5,607,690	-	-	-
Other receivables	5,918	-	5,918	-	-	-
Cash and bank balances	50,330	-	50,330	-	-	-
	<u>5,704,839</u>	<u>-</u>	<u>5,704,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities						
Long term financings	-	5,113,769	5,113,769	-	-	-
Lease liabilities	-	29,804	29,804	-	-	-
Trade and other payables	-	1,908,762	1,908,762	-	-	-
Accrued markup	-	295,172	295,172	-	-	-
Short term borrowings	-	1,021,535	1,021,535	-	-	-
	<u>-</u>	<u>8,369,041</u>	<u>8,369,041</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Carrying Amount			Fair value		
	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3
	2023					
<i>Financial assets</i>						
Security deposits	56,933	-	56,933	-	-	-
Trade debts	4,193,678	-	4,193,678	-	-	-
Other receivables	-	-	-	-	-	-
Cash and bank balances	59,874	-	59,874	-	-	-
	<u>4,310,485</u>	<u>-</u>	<u>4,310,485</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Financial liabilities</i>						
Long term financings	-	1,464,024	1,464,024	-	-	-
Lease liabilities	-	48,252	48,252	-	-	-
Trade and other payables	-	2,260,347	2,260,347	-	-	-
Accrued markup	-	819,661	819,661	-	-	-
Short term borrowings	-	4,780,395	4,780,395	-	-	-
	<u>-</u>	<u>9,372,678</u>	<u>9,372,678</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group 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

Investment property	Date of valuation	December 31, 2024
Property, plant and equipment	Date of valuation	December 31, 2023

Valuation approach and inputs used

The valuation model for land and building is based on price per square meter. 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 valuation experts used a market-based approach to arrive at the fair value of the Group's properties. 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 effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these financial statements. The fair value are subject to change owing to changes in input.

43 Capital risk management

The Group's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders.

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio calculated as total debt (current and non-current borrowings) to debt plus equity.

The debt to equity ratios were as follows:

	2024 (Rupees in '000)	2023
Total debt	7,073,638	6,292,670
Total equity	10,066,151	9,626,576
Total debt and equity	<u>17,139,789</u>	<u>15,919,246</u>
Debt to equity ratio	<u>41.27%</u>	<u>39.53%</u>

The Group is not subject to externally imposed capital requirements.

44 Segment information

The Group's reportable segments are based on the following revenue streams:

Manufacturing

This represents revenue from manufacturing, assembly and wholesale of domestic consumer appliances and other light engineering products.

Trading

The represent revenue earn from carry out distribution/wholesales/retail business of all kinds of electronic appliances, its components and accessories, etc.

44.1 Segment results are as follows:

	2024		
	Manufacturing	Trading	Total
	(Rupees '000')		
Revenue - net	2,839,879	1,104,879	3,944,758
Direct costs	(2,284,106)	(441,358)	(2,725,464)
Administrative and general expenses	(223,132)	(126,222)	(349,354)
Segment profit	(2,507,238)	(567,580)	(3,074,818)
	-	537,299	869,940
Unallocated corporate expenses			
Marketing, selling and distribution costs			(598,301)
Other operating expenses			(179,561)
Other income			833,711
			925,789
Finance costs			(707,538)
Profit before levies and taxation			218,251
Levies			(25,936)
Profit before taxation			192,315
Income tax expense			15,758
Profit after taxation			400,388

	2023		
	Manufacturing	Trading	Total
	(Rupees) '000		
Revenue - net	4,176,119	1,196,859	5,372,978
Direct costs	(3,090,056)	(835,280)	(3,925,336)
Administrative and general expenses	(227,656)	(159,192)	(386,848)
Segment profit	(3,317,712)	(994,472)	(4,312,184)
	858,407	202,387	1,060,794
Unallocated corporate expenses			
Marketing, selling and distribution costs			(719,353)
Other operating expenses			(105,439)
Other income			378,761
			614,763
Finance costs			(469,270)
Profit before levies and taxation			145,493
Levies			(52,786)
Profit before taxation			92,707
Income tax expense			23,124
Profit after taxation			115,831

44.2 Transfers between business segments are recorded at cost. There were no inter segment transfers during the year.

44.3 The segment assets and liabilities as at reporting date for the year then ended are as follows:

December 31, 2024

	Manufacturing	Trading	Total
	Rupees('000)		
Allocated assets	18,529,556	2,160,885	20,690,441
Allocated liabilities	10,560,548	1,534,112	12,094,660

December 31, 2023

	Manufacturing	Trading	Total
	Rupees('000)		
Allocated assets	17,252,214	2,263,770	19,515,984
Allocated liabilities	9,637,560	1,692,416	11,329,976

45 Events after the reporting date

- 45.1 The subsidiary company has applied for its loan restructuring to certain banks subsequent to the reporting date. This event occurred after the reporting period but before the financial statements were authorized for issue, it is considered a non-adjusting event in accordance with International Accounting Standard 10 "Events After the Reporting Period". Accordingly, no adjustment is required to be made in these financial statements.

	Capacity		Production	
	2024	2023	2024	2023
	Units		Units	
46 Plant capacity and actual production				
Refrigerators	125,000	125,000	19,448	23,213
Deep Freezer	115,000	115,000	23,705	28,750
Microwave ovens	60,000	60,000	-	32
Air conditioners	60,000	60,000	-	-
Washing Machines	40,000	40,000	-	474
Gas appliances	25,000	25,000	-	-
Televisions	22,500	22,500	-	-
Water dispenser	20,000	20,000	-	-
	467,500	467,500	43,153	52,469

- 46.1 This underutilization of capacity is due to the parent company's order-based production model, where goods are manufactured based on customer orders received during the period.

	2024	2023
	(Number of persons)	
47 Number of employees		
Total number of employees as at December 31	822	1,236
Average number of employees	980	1,440

48 Corresponding figures

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. Following significant reclassification has been made:

Reclassified from component	Reclassified to component	2022 (Rupees in '000)
Operating fixed assets - tangible	Capital work-in-progress	903,554
Advances, deposits, prepayments and other receivables	Short term investment	3,000
Trade creditors	Short term borrowings	248,000
Capital work-in-progress	Payable against capital work in progress	59,171
Trade deposits	Deposits against rented premises	26,297
Trade creditors	Advances to suppliers	299,878
Accrued liabilities	Sales tax receivables	12,958
Lease liabilities	Deposits against leases	3,351
Administrative expenses - others	Fee and subscription	2,672
Bank balances in current accounts	Bank balances in deposit accounts	4,086

2023

(Rupees in '000)

Reclassified from component

Reclassified to component

Trade and other payables:

- Trade creditors
- Other payables
- Other payables
- Sales tax payable

Advances, deposits, prepayments and other receivables:

- Advances to employees

Cost of sales - freight charges

Marketing and selling

Warranties

Warranties

Warranties

Warranties

Warranties

Warranties

Other operating expenses

Research and development

Trade and other payables:

- Payable against capital work in progress
- Accrued liabilities
- Payable to the provident fund
- Withholding sales tax payable

15,367

20,041

16,137

48,171

Trade and other payables:

- Accrued liabilities

7,376

Marketing and selling - freight charges

49,010

Marketing and selling

Salaries, wages and other benefits

37,274

Rent, rates and taxes

2,964

Publicity and sales promotion

256

Freight

1,243

Utilities

937

Others

171

Administrative and general expenses

Salaries wages and other benefits

7,064

49 General

Figures have been rounded off to the nearest rupees, unless otherwise stated.

50 Date of authorization of issue

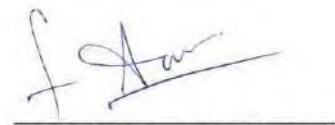
These financial statements were authorised for issue by the Board of Directors in their meeting held on _____.



Chief Executive Officer



Director



Chief Financial Officer

11.2 Standalone Financial Statements

**WAVES CORPORATION LIMITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

DECEMBER 31, 2024

Independent Auditor's Report

To the members of Waves Corporation Limited

Report on the audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Waves Corporation Limited (the Company), which comprise the statement of financial position as at December 31, 2024, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2024 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the key audit matters:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1.	Impairment testing of investment in subsidiaries The Company has made significant investments in subsidiaries amounting to Rupees 3999.211 million as at reporting date and are carried at cost less impairment loss. Refer to note 16 to the unconsolidated financial statements The impairment testing of the investment in subsidiaries has been identified as a key audit matter due to the significant judgment and estimation involved, the potential material impact on the unconsolidated financial statements, and the importance of ensuring the accuracy and reliability of the impairment assessment, which directly affects the unconsolidated financial position and performance of the company.	<p>Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:</p> <p>We assessed the reasonableness of management's forecasted cash flows by comparing them to historical performance, industry benchmarks, and external economic indicators, ensuring consistency and reliability in the impairment assessment.</p> <p>We scrutinized the appropriateness of the discount rates applied by management by evaluating market-based data, such as comparable company multiples and risk premiums, to validate the assumptions underlying the impairment testing process.</p> <p>We independently evaluated the sensitivity analysis</p>

performed by management to assess the potential impact of changes in key assumptions on the recoverable amount of the investment, ensuring adequate disclosure of the range of possible outcomes and their implications for the financial statements.

2. Contingencies

As disclosed in Note 13 to the accompanying unconsolidated financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law.

Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards.

we have identified contingencies as a significant area of focus for this audit engagement, particularly due to the inherent uncertainty and complexity surrounding pending litigations. This marks our first year of auditing the company, and our examination has revealed the need for enhanced scrutiny in evaluating the adequacy of provisions for potential liabilities arising from legal proceedings.

Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:

Obtained and reviewed detail of the pending matters and discussed the same with the Company's management.

Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved.

Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies.

Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters.

Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.

Emphasis of Matter

As fully explained in note 2 and note 13.1.17 to these unconsolidated 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.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our

report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The Engagement partner on the audit resulting in this independent auditors' report is **Mr. Imran Bashir**.

Lahore:
UDIN:

Rizwan & Company
Chartered Accountants



Waves Corporation Limited
Unconsolidated statement of financial position
As at December 31, 2024

	Note	2024 Rupees in ('000)	2023 Rupees in ('000)
EQUITY AND LIABILITIES			
Share capital and reserve			
Share capital	6	2,814,062	2,814,062
Capital reserves	7	5,030,661	5,030,661
Revaluation surplus	8	115,475	151,467
Accumulated profits		453,180	355,357
		8,413,378	8,351,547
Non-current liabilities			
Long term financings	9	1,960,076	-
Current liabilities			
Trade and other payables	10	77,280	586,524
Accrued mark-up on short term borrowings	11	5,206	301,267
Short term borrowings	12	50,000	1,723,953
Current portion of long term liabilities	9	12,000	-
Unclaimed dividend		1,179	1,179
Provision for levies		-	1,732
		145,665	2,614,655
		10,519,119	10,966,202
Contingencies and commitments			
	13		

The annexed notes from 1 to 36 form an integral part of these financial statements. *no*



Chief Executive



Chief Financial Officer



Director

Note	2024 Rupees in ('000)	2023 Rupees in ('000)
ASSETS		
Non-current assets		
Property	14	-
Investment property	15	3,775,432
Investment in subsidiaries	16	3,999,211
Long term receivables	17	2,000,000
		9,774,643
		7,447,419
Current assets		
Inventories	18	-
Advances and other receivables	19	481,741
Accrued profit on long term receivables		244,803
Cash and bank balances	20	17,932
		744,476
		3,518,783
		10,519,119
		10,966,202

Waves Corporation Limited
Unconsolidated statement of profit or loss
For the year ended December 31, 2024

	Note	2024 Rupees in ('000)	2023
Other income	21	1,272,583	321,430
Administrative and general expenses	22	(45,490)	(51,222)
Other operating expenses	23	(773,279)	(56,276)
		<u>453,814</u>	<u>213,932</u>
Finance costs	24	(396,861)	(54,358)
Profit before taxation and levies		<u>56,953</u>	<u>159,571</u>
Levies	25	4,878	(2,494)
Profit before taxation		<u>61,831</u>	<u>157,077</u>
Income tax expense	26	-	(8,891)
Profit after taxation		<u><u>61,831</u></u>	<u><u>148,186</u></u>
Rupees			
Earnings per share - basic and diluted	27	<u><u>0.22</u></u>	<u><u>0.53</u></u>

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director

Waves Corporation Limited
Unconsolidated statement of comprehensive income
For the year ended December 31, 2024

	2024	2023
	Rupees in ('000)	
Profit after taxation	61,831	148,186
Items that will never be reclassified to profit and loss account:	-	-
Items that may be reclassified to profit and loss account	-	-
Total comprehensive income for the year	61,831	148,186

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director

Waves Corporation Limited
Unconsolidated statement of changes in equity
For the year ended December 31, 2024

	Capital reserves		Revenue Reserve	
	Share capital	Capital reserves (Note 7)	Revaluation surplus	Accumulated profit / (loss)
	Rupees ('000)			
Balance as at December 31, 2022	2,814,062	5,030,661	151,467	207,171
Profit for the year ended December 31, 2023	-	-	-	148,186
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-	148,186
Balance as at December 31, 2023	2,814,062	5,030,661	151,467	355,357
Loss for the year ended December 31, 2024	-	-	-	61,831
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-	61,831
Transfer to retained earnings upon disposal of investment property	-	-	(35,992)	35,992
Balance as at December 31, 2024	2,814,062	5,030,661	115,475	453,180

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director

Waves Corporation Limited
Unconsolidated statement of cash flows
For the year ended December 31, 2024

	Note	2024 Rupees in ('000)	2023
Cash flows from operating activities			
Profit before taxation		56,953	159,571
Adjustments for non-cash charges and other items:			
Fair value (gain) / loss on remeasurement of investment property	21	(459,390)	50,480
Markup income on loan to subsidiary	21	(331,198)	(114,495)
Effect of present value discounting of accrued mark up	21	(397,453)	-
Credit balance written back	21	-	(37,224)
Loss / (gain) on disposal of operating fixed assets	23	-	(22,580)
Loss on sale of investment in subsidiary	23	772,140	-
Unwinding of long term receivables from subsidiary	21	(73,062)	-
Finance costs	24	396,861	54,358
Amortisation of deferred government grant	21	-	(140)
Operating (loss) / profit before working capital changes		(35,149)	89,970
Changes in working capital			
(Increase) / decrease in current assets:			
Advances and other receivables		(3,765)	(98,662)
Increase / (decrease) in current liabilities:			
Trade and other payables		(531,345)	262,139
Net changes in working capital		(535,110)	163,477
Cash (used in) / generated from operations		(570,259)	253,447
Finance costs paid		(3,490)	(218,854)
Net cash (used in) / generated from operating activities		(573,749)	34,593
Cash flows from investing activities			
Proceeds from disposal of investment property		60,000	-
Proceeds from disposal of long term investments		503,676	-
Net cash generated from investing activities		563,676	-
Cash flows from financing activities			
Short term borrowings		6,143	(1,047)
Long term financings		-	(31,675)
Net cash generated from / (used in) financing activities		6,143	(32,722)
Net (decrease) / increase in cash and cash equivalents		(3,930)	1,871
Cash and cash equivalents at beginning of the year		21,862	19,991
Cash and cash equivalents at end of the year		17,932	21,862

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director

Waves Corporation Limited
Notes to the unconsolidated financial statements
For the year ended December 31, 2024

1 Legal Status and Nature of Business

Waves Corporation Limited (formerly, Waves Singer Pakistan Limited) ("the Company") is incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the 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 Multan Road, Hanjarwal, Lahore.
- Mouza Mustafabad, 41-K.M., Ferozepur Road, Off 2-K.M. Rohi Nala Road, Tehsil and 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:

	2024	2023
	Rupees in "000"	
Sales	3,170,183	4,176,119
Purchases	1,495,959	2,367,440
Others	76,395	149,055

As at reporting date; the Company has transferred all transactions pertaining to advance income tax, advance against imports and sales tax payable appearing in the books of the Company with effect from January 01, 2022 to the subsidiary company, i.e. Waves Home Appliances Limited as these amount should have been transferred to the subsidiary Company pursuant to the scheme of arrangement as stated in note 2 and note 13.1.17 upon transfer of Home Appliance business.

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:

Name of subsidiary companies	2024	2023
	(Direct holding percentage)	
- Waves Builders and Developers (Private) Limited	100	100
- Waves Marketplace Limited	100	100
- Waves Home Appliances Limited	55.08	74.56

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4 Basis of Preparation

4.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan 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.

Where provisions of directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except for freehold land which is carried at revalued amount and investment property which are stated at fair value less impairment losses as referred to in note 5.1 and 5.2.

4.3 Functional and presentation currency

These unconsolidated 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.

4.4 Use of estimates and judgments

The preparation of these unconsolidated financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, and the results of which form the basis for making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

	Note
- Residual value, market values and useful lives of property, plant and equipment	5.1
- Investment property	5.2
- Provisions	5.7
- Taxation	5.10
- Impairment of financial and non-financial assets	5.15

4.5 New or amendments / interpretations to existing standards, interpretations and forthcoming requirements

There are amendments or improvements and interpretations to existing standards which became applicable to the Company for the financial year beginning on January 01 2024, however, these do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

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4.6 Standards, interpretations and amendments to published approved accounting and reporting standards that are not yet effective

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2024. These are not expected to have any material impact on the Company's financial reporting and, therefore, have not been presented in these financial statements except for:

4.6.1 Amendment to IFRS 9 and IFRS 7 'Classification and Measurement of Financial Instruments':

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence can not be derecognised. The previous practice of financial liabilities being derecognised upon issuance of cheques would, hence, need to be reconsidered.

4.6.2 IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

4.7 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair value, both for financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified. When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Material Accounting Policies Information

Adoption of IAS 12 application guidance on accounting for minimum and final taxes

The Company has classified its current income tax to the extent of income tax based on revenue i.e. minimum 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 respected change have been explained in note 25 and 26 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:

Impact on the financial statements of the Company owing to application of minimum taxation in the year ended on December 31, 2023 is as under:

	December 31, 2023		
	As previously reported	Adjustments	As restated
	Rupees "000"		
Statement of financial position			
Provision for levies	-	1,732	1,732
Income tax payable	1732	(1,732)	-
Statement of profit or loss			
Profit before levies and income tax	159,571	-	159,571
Levies	-	(2,494)	(2,494)
Profit before income tax	159,571	(2,494)	157,077
Income tax expense	(11,385)	2,494	(8,891)
Profit after tax	148,186	-	148,186

There was no impact of statement of comprehensive income, statement of cash flows and statement of changes in equity.

5.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for the land which is stated at revalued amount less impairment loss, if any, and buildings and plant and machinery which are stated at the revalued amounts less accumulated depreciation and impairment losses, if any. Cost includes expenditure directly attributable to the acquisition of an asset.

Land, buildings and plant and machinery are revalued by professionally qualified valuer with sufficient regularity to ensure that the net carrying amount does not differ materially from the fair value (market value). In case of revalued assets, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated at the revalued amount of the asset.

Increase in the carrying amount arising on revaluation of property, plant and equipment is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement

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of profit or loss, and depreciation based on the asset's original cost is transferred to retained earnings. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to retained earnings. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred tax.

Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation is charged to the statement of profit or loss applying the straight-line method whereby the depreciable amount of an asset is depreciated over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use and up to the month of disposal.

The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant. The Company's estimate of the residual value of its property, plant and equipment as at balance sheet date has not required any adjustment as its impact is considered insignificant.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. Normal repairs and maintenance are charged to the unconsolidated statement of profit or loss as and when incurred, gains and losses on disposal of assets are taken to the statement of profit or loss.

Capital work in progress

It is stated at cost less impairment losses, if any. It includes expenditure incurred and advances made in respect of assets in the course of their construction and installation. These cost are transferred to relevant assets category as and when assets are available for intended use.

5.2 Investment property

Property, comprising land or a building or part thereof, held to earn rentals or for capital appreciation or both are classified as investment property. These are not held for use in the production or supply of goods or services or for administrative purposes. The Company's business model i.e. the Company's intentions regarding the use of property is the primary criterion for classification as an investment property.

Investment property is initially measured at cost (including the transaction costs). However when an owner occupied property carried at fair value becomes an investment property because its use has changed, the transfer to the investment property is at fair value on the date of transfer and any balance of surplus on the revaluation of the related assets, on the date of such a transfer continues to be maintained in the surplus account on revaluation of property, plant and equipment. Upon disposal, any surplus previously recorded in the revaluation surplus account is directly transferred to retained earnings and the transfer is not made through the statement of profit or loss. However any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the unconsolidated statement of profit or loss.

The transfer to investment property is made when, and only when, there is a change in use, evidenced by the end of owner occupation. In case of dual purpose properties, the same is classified as investment property, only if the portion could be sold or leased out separately under finance lease.

Subsequent to initial recognition, the Company measures the investment property at fair value at each reporting date and any subsequent change in fair value is recognized in the statement of profit or loss (i.e. in case where the owner occupied property carried at fair value becomes an investment property, the fair value gain to be recognized in the statement of profit or loss would be the difference between the fair value at the time of initial classification as investment property and fair value at the time of subsequent remeasurement). The revaluation of investment properties are carried out by independent professionally qualified valuers on the basis of active market price.

5.3 Employee retirement and other service benefits

Defined benefit plans

The Company operates a funded defined benefit pension scheme for the eligible executives and managers (old Singer Pakistan Limited's employees) and a funded gratuity scheme for eligible employees (old Singer Pakistan Limited's employees) other than field staff. Provisions / contributions are made in the unconsolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually under the Projected Unit Credit Method.

Amount recognized in statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets, if any. All actuarial gains and losses are recognized in 'Other Comprehensive Income' as they occur. Past service cost resulting from the changes to defined benefit plan is immediately recognized in the statement of profit or loss. Current service cost together with net interest cost are also charged to the statement of profit or loss.

Calculation of gratuity and pension require assumptions to be made of future outcomes which mainly includes increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

Staff Compensated absences

The Company recognizes the liability for compensated absences in respect of employees in the period in which they are earned up to the reporting date on the basis of un-availed earned leaves balance at the end of the year.

5.4 Investment in subsidiaries

Investments in subsidiaries are measured at cost less impairment, if any, in the Company's separate financial statements. At subsequent reporting date, the recoverable amounts of investments are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly.

Impairment losses are recognized as an expense in the statement of profit or loss. Investments in subsidiaries that have suffered an impairment are reviewed for possible reversal of impairment at each reporting date. Where impairment losses are subsequently reversed, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. Impairment losses recognized in the statement of profit or loss on investments in subsidiaries are reversed through the statement of profit or loss.

The Company is required to issue consolidated financial statements along with its separate financial statements, in accordance with the requirements of IAS 27, 'Separate Financial Statements'.

5.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, and deposits held with banks having original maturities of three months or less and where these are held for the purpose of meeting short term cash commitments rather than for investments or other purposes. Short term running finance facilities availed by the Company are also included as part of cash and cash equivalents for the purpose of cash flow statement.

5.6 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Account balances are classified as current liabilities if payment is due within one year or less (or in the normal operating cycles of business if longer). If not, they are classified as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.7 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

The Company accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

5.8 Revenue recognition**5.8.1 Sale of goods**

Revenue represents the fair value of consideration received or receivable for sale of goods, net of sales tax, sales returns and related discounts. Revenue is recognized when or as performance obligation is satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or point in time.

5.8.2 Return on investments

Income on investments and profit and loss sharing bank accounts are recognized on accrual basis using the effective interest rate method.

5.8.3 Rental income

Rental income from investment property is recognized as other income on a straight-line basis over the term of lease.

5.8.4 Dividend income

Dividend income and entitlement of bonus shares are recognized when the right to receive is established.

5.9 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract. It also includes refund liabilities arising out of customers' right to claim amounts from the Company on account of contractual delays in delivery of performance obligations and incentive on target achievements.

5.10 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity / surplus on revaluation of fixed assets or in other comprehensive income. The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, contingent liabilities and Contingent assets.

Securities and Exchange Commission of Pakistan has designated the Company and subsidiaries Waves Home Appliances Limited, Waves Marketplace Limited, Waves Builder and Developers (Private) Limited, (Private) as a "Group" for the purpose of group taxation Section 59AA and group relief under Section 59B of the Income Tax Ordinance, 2001. The Company has opted for Group Taxation under section 59AA of the Income Tax Ordinance, 2001. The Company and subsidiaries Waves Builders and Developers (Private) Limited and Waves Marketplace Limited are part of the Group Taxation. Under Group Taxation, the Company has accounting for the related taxes under standalone taxpayer approach. Under this approach, current and deferred taxes are recognized as if the entity was taxable in its own right.

Current taxation

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred taxation

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the unconsolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets

are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax is charged or credited in the statement of profit or loss, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity.

5.11 Inventories

Residential apartments and commercial area available for future sale are classified as stock-in-trade. These are carried at the lower of cost and net realizable value. Work-in-process comprises of apartments and commercial area in the process of construction / development. Cost in relation to work-in-process comprises of proportionate cost of land, cost of direct materials, labor and appropriate overheads. Cost in relation to land transferred from investment property is the fair value of the land on the date of transfer and any subsequent expenditures incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.

The Company reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

5.12 Borrowing cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in consolidated statement of profit or loss in the period in which they are incurred.

5.13 Financial instruments

5.13.1 Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

5.13.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI), fair value through statement of profit or loss (FVTPL) and in case of an equity instrument it is classified as FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:



- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in unconsolidated statement of profit or loss. Any gain or loss on derecognition is recognized in unconsolidated statement of profit or loss.

Financial assets measured at amortized cost comprise of cash and bank balances and other receivables.

5.13.3 Debt Instrument - FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to unconsolidated statement of profit or loss. However, the Company has no such instrument at the reporting date.

5.13.4 Equity Instrument - FVOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in unconsolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and these investments are never reclassified to unconsolidated statement of profit or loss. However, the Company has no such instrument at the reporting date.

5.13.5 Fair value through statement of profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in unconsolidated statement of profit or loss. The Company has no such investments at the reporting date.

5.13.6 Financial assets – Business model assessment

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset

contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, while the interest expense and foreign exchange gains and losses are recognized in unconsolidated statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

The Company's financial liabilities comprise trade and other payables, long and short term borrowings, accrued markup and dividend payable.

5.13.7 Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in unconsolidated statement of profit or loss.

5.14 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the unconsolidated financial statements only when the Company has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

5.15 Impairment

Financial assets

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities, bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Company reviews the recoverability of its trade debts, deposits, advances and other receivables to assess amount of loss allowance required on an annual basis. Impairment of cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Non - Financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in consolidated statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

5.16 Foreign currency transactions and translation

Transactions and balances

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to profit or loss. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences are generally included in the unconsolidated statement of profit or loss.

5.17 Dividends and appropriations to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved. Transfer between reserves approved subsequent to the reporting date is considered as non-adjusting event and is recognized in the unconsolidated financial statements in the period in which such transfers are made.

5.18 Earnings per share

As required under IAS 33 Earnings Per Share, basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The Company is not exposed to the dilutive effect on EPS.

5.19 Deferred income

5.19.1 Government grant

The Company recognizes the benefit of a government loan at a below-market rate of interest as Government grant. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received and is presented as deferred grant. The recognition of government grants in profit or loss is done on a systematic basis over the periods in which the expenses for which the grants are intended to compensate.

5.20 Non-current asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

5.21 Allocation of expenses

Certain expenses are allocated by the Company to its subsidiaries in accordance to a basis approved by the Company and its subsidiaries.

			2024 (Number of shares)	2023	2024 (Rupees in '000)	2023
6	Share Capital	Note				
6.1	Authorised share capital	6.1.1	<u>300,000,000</u>	<u>300,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>

6.1.1 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.

6.2 Issued, subscribed and paid-up capital

			2024 (Number of shares)	2023	2024 (Rupees in '000)	2023
	Fully paid-up ordinary shares of Rupees 10 each					
	Issued for cash		<u>105,263,597</u>	<u>105,263,597</u>	<u>1,052,637</u>	<u>1,052,637</u>
	Issued for consideration other than cash		<u>703,733</u>	<u>703,733</u>	<u>7,037</u>	<u>7,037</u>
	Issued as fully paid bonus shares		<u>78,988,759</u>	<u>78,988,759</u>	<u>789,888</u>	<u>789,888</u>
	Issued under schemes of amalgamation		<u>96,450,000</u>	<u>96,450,000</u>	<u>964,500</u>	<u>964,500</u>
			<u>281,406,089</u>	<u>281,406,089</u>	<u>2,814,062</u>	<u>2,814,062</u>

6.3 Movement in paid up share capital is as under:

			2024 (Number of shares)	2023	2024 (Rupees in '000)	2023
	Balance as at 01 January		<u>281,406,089</u>	<u>281,406,089</u>	<u>2,814,062</u>	<u>2,814,062</u>
	Shares issued during the year		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Balance as at December 31		<u>281,406,089</u>	<u>281,406,089</u>	<u>2,814,062</u>	<u>2,814,062</u>

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

			2024 (Percentage held)	2023	2024 (Number of shares)	2023
	Haroon Ahmad Khan (CEO)		<u>33.28%</u>	<u>38.32%</u>	<u>93,640,286</u>	<u>107,840,286</u>
	Nighat Haroon Khan (Wife of CEO)		<u>6.16%</u>	<u>10.00%</u>	<u>17,332,411</u>	<u>28,132,411</u>
			<u>39.44%</u>	<u>48.32%</u>	<u>110,972,697</u>	<u>135,972,697</u>

6.5 Pursuant to Scheme of Arrangement, approved by Honorable Sindh High Court through its Order dated May 22, 2018, Singer Pakistan Limited was merged and combined with Cool Industries (Private) Limited and Link Wel (Private) Limited. The Company has issued 96,450,000 shares to the shareholders of Cool Industries (Private) Limited and Link Wel (Private) Limited pursuant to the said scheme.

			2024 (Rupees in '000)	2023
7	Capital Reserves	Note		
	Share premium	7.1	<u>5,025,661</u>	<u>5,025,661</u>
	Other capital reserve	7.2	<u>5,000</u>	<u>5,000</u>
			<u>5,030,661</u>	<u>5,030,661</u>

120

7.1 Share premium

This represents excess of consideration received / market value of share acquired under scheme of arrangement over the face value of shares issued amounting to Rupees 4,581 million in result of 2017 scheme of arrangement and Rupees 445 million as a result of 2021 scheme of arrangement. This reserve can only be utilized by the Company for the purpose specified in Section 81(2) of the Companies Act, 2017.

7.2 Other capital reserve

This represents the value assigned to a shop acquired by the company in exchange for a shop on rent in 1993.

	Note	2024 Rupees in ('000)	2023
8 Revaluation Surplus			
Revaluation surplus - as on January 01		151,467	151,467
Originated during the year		-	-
Surplus realised during the year upon disposal		(35,992)	-
Revaluation surplus - as at December 31	8.1	<u>115,475</u>	<u>151,467</u>

- 8.1 This includes Rupees 113.97 million (2023: Rupees 149.97 million) representing revaluation surplus on buildings and balance of Rupees 1.50 million (2023: Rupees 1.50 million) on land at the time classification of land and building as investment property.

	Note	2024 Rupees in ('000)	2023
9 Long Term Financings			
Long term loan from banking Companies			
National Bank of Pakistan - Term Finance		1,500,000	-
Sindh Bank Limited - Term Finance		180,096	-
	9.1	<u>1,680,096</u>	-
Deferred mark up on long term financing	9.2	291,980	-
		<u>1,972,076</u>	-
Less: Current maturity presented under current liabilities		(12,000)	-
		<u>1,960,076</u>	-

9.1 Movement of long term loans during the year

Balance at the beginning of the year		-	31,675
Financing obtained during the year		-	-
Transfer from short term borrowing upon restructuring	9.1.1	1,680,096	-
Repayment made during the year		-	(31,675)
Balance at the end of the year		<u>1,680,096</u>	-

9.1.1 Long term finances utilized under mark-up arrangements from banking companies comprising

Bank Name	Facility	2024	2023	Mark-up as per bank offer letter	Tenure and basis of principal repayment	Security
(Rupees in '000)						
National Bank of Pakistan	Restructured Term Finance	1,500,000	-	3 Months KIBOR plus 1% per annum	<p>This facility was obtained under bilateral bridge finance facility. During the year, the bank on the request of the Company has restructured the facility for a period of five years with effect from July 01, 2024.</p> <p>As per restructuring arrangement, the loan amount shall be paid in 20 equal quarterly installments commencing from September 30, 2024.</p> <p>Whereas markup accrued till reporting date and to be accrued in future period shall be paid in lump sum along with last installment of loan amount.</p>	<p>This facility is secured by way of equitable mortgage of Rupees 2,000 million on project land covering 61 Kanals, 14.5 Marlas owned by in possession of the Company situated at 9-KM Multan Road, Hanjarwal, Lahore, first ranking hypothecation charge over all present and future current and fixed assets of the Company to the extent of Rupees 6.67 million and personal guarantees of sponsoring directors of the Company.</p>
Sindh Bank Limited	Restructured Term Finance	180,096	-	3 Month Kibor plus 3% per annum.	<p>This facility was originally obtained under running finance arrangement to meet the working capital requirements of the Company. During the year, the bank on the request of the Company has restructured the facility for a period of five and half years with effect from July 01, 2024 including grace period of one and half years i.e. December 31, 2025.</p> <p>As per restructuring arrangement, the loan amount shall be paid in 16 equal quarterly installments commencing from January 01, 2026.</p> <p>Whereas markup accrued till reporting date and to be accrued till December 31, 2025 would be paid in 16 equal quarterly installments commencing January 01, 2026 along with repayment of loan amount.</p>	<p>This facility is secured by way of first exclusive charge equitable mortgage charge of Rupees 300 million over immoveable properties registered in the name of Company including Showroom at Saddar Karachi, Shop 1. Suleman Center Karachi, Shop 29 - Nawab Manzil, Shahrah e Liaquat Karachi, Shop 5 & 6 Hyderabad Cantt. and personal guarantees of sponsoring directors of the Company.</p>

1,680,096

20

		2024	2023
		Rupees in ('000)	
9.2	Deferred mark up on long term financing		
	Balance at the beginning of the year	-	-
	Transfer upon restructuring	667,080	-
	Effect of present value discounting	(397,453)	-
	Effect of unwinding of present value	22,353	-
	Repayment made during the year	-	-
	Balance at the end of the year	<u>291,980</u>	<u>-</u>

9.2.1 Under terms and conditions of restructuring with National Bank of Pakistan; mark up accrued till June 30, 2024 and mark up further accrued / to be accrued shall paid along with final instalment of loan, June 30, 2029. The accrued mark up has been measured at fair value using average market borrowing rate of 3 months KIBOR plus 100 bps per annum. The difference between present value of accrued mark up and carrying value has been recognised in income whereas unwinding of the markup has been included in finance costs.

9.2.2 Under terms and conditions of restructuring with Sindh Bank Limited; mark up accrued till June 30, 2024 and mark up further accrued / to be accrued shall paid along with repayment of principal amount of loan in quarterly instalments commencing from January 01, 2026. The accrued mark up has been measured at fair value using average market borrowing rate of 3 months KIBOR plus 300 bps per annum. The difference between present value of accrued mark up and carrying value has been recognised in income whereas unwinding of the markup has been included in finance costs.

		2024	2023
		Rupees in ('000)	
10	Trade and Other Payables		
	Accrued liabilities	2,627	4,396
	Due to subsidiary companies	10.1 7,158	545,507
	Payable against purchase of shares	10.2 22,100	-
	Payable to provident fund	6,498	1,952
	Bank overdraft	1,649	-
	Workers' welfare fund payable	10.3 6,935	5,796
	Sale tax payable	1,440	-
	Other payable	10.4 28,873	28,873
		<u>77,280</u>	<u>586,524</u>

10.1 This represents amount payable to subsidiary companies in connection with certain expenses incurred and adjustments made by subsidiary company on behalf of holding company.

10.2 This represents amount payable to sponsoring shareholders of the Company against purchase of 2,000,000 ordinary shares of the Waves Home Appliances Limited.

		2024	2023
		Rupees in ('000)	
10.3	Workers' welfare fund payable		
	Opening balance	5,796	-
	Add: Charge for the year	1,139	5,796
		<u>6,935</u>	<u>5,796</u>
	Less: Payments made during	-	-
	Closing balance	<u>6,935</u>	<u>5,796</u>

10.4 It includes provisions aggregating to Rupees 27.89 million (2023: Rupees 27.89 million) in respect of probable loss from pending litigation of the Company against Income Tax and Sales Tax Authorities. The above provisions have been made as per the management's best estimate against various demands raised by the authorities that are being contested by the Company at various forums as explained in Note 13.

20

			2024	2023
			Rupees in ('000)	
11	Accrued Mark-up on Short Term Borrowings	Note		
	Accrued mark-up on short term borrowings		5,206	301,267
12	Short Term Borrowings			
	<i>From banking companies</i>			
	Running finance under mark-up arrangements	12.1	-	1,723,953
	<i>From non -banking companies:</i>			
	Demand finance	12.2	50,000	-
			50,000	1,723,953

- 12.1** This represents utilised amount of short term financing facilities under mark-up arrangements availed from various commercial banking companies aggregating to Rupees Nil (2023: Rupees 1,723 million) and carry mark-up ranging Nil% (2023: 24.91% to 25.66%) per annum, payable quarterly in arrears. During the year the commercial banks have restructured these utilised amount as Term Finance Facility for a tenure of up to five and half years as disclosed in note 9.1 above and accordingly classified as long term loan.
- 12.2** Waves Corporation Limited ("the Company") has obtained a loan of Rupees 50 million from Dawood Equities Limited under Repo Transaction, secured against 10 million ordinary shares of Waves Home Appliances Limited owned and held by the Company. Additionally, 1.5 million shares of Waves Home Appliances Limited are held as margin against the transaction. The loan remains outstanding as of reporting date, and the Company continues to monitor its obligations and collateral requirements under this arrangement. The facility carries markup rate of 22.50% to 27% per annum and having expiry of three months.
- 13 Contingencies and Commitments**
- 13.1 Contingencies**
- 13.1.1** The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi, challenging the vires of Rule 58T of the Sales Tax Special Procedure Rules relating to 2% extra sales tax on certain home appliances. This is based on the view that the said vires are not applicable on the Company. The case is pending before the Honorable Sindh High Court. An interim order was received in favor of the Company. The Company is confident that no liability is expected to occur. Amount involved is Rupees 84.80 million as of December 31, 2020 against which no provision has been made as the Company, based on the opinion of legal advisor's advice, is confident of a favorable decision.
- 13.1.2** During the financial year 2014, the Company received a show cause notice from the Federal Board of Revenue (FBR) in respect of short payment of 2% extra sales tax under the Sales Tax Procedures Rules, 2007 as amended by SRO. 896(I)/2013 dated October 04, 2013 and deduction of input tax more than the limit defined under section 8 read with chapter IV of Sales Tax Rules, 2006. The tax authority in the said notice raised a demand of Rupees 19.91 million and Rupees 11.15 million respectively for the period from January 01, 2014 to September 30, 2014. The Company after consultation with its tax advisors has replied and submitted explanation with the tax authorities along with revised workings for the apportionment of input tax which in the case of the Company for the above period was Rupees 0.52 million. Since then, no further action has been initiated by the tax authorities.
- 13.1.3** The Company had earlier received a sales tax recovery order from the sales tax authorities amounting to Rupees 195.63 million, for the financial year ended December 31, 2010 against which the Company had filed an appeal with the Commissioner Inland Revenue - Appeals (CIR-A). CIR-A had deleted one item while the remaining matters were set aside. Moreover, the management, based on consultation with its tax advisor, is of the view that matter would be decided in favor of the Company. However, CIR has filed an appeal against Company on the matters of SRO 647/2007 regarding input tax adjustments against 90% output tax and payment of sales tax on instalment sales at the time of receipt of instalment instead at the time when instalment sales are actually being made for which no hearing has yet taken place. Amount

involved is Rupees 171.71 million. However, based on advice of legal consultant, management is of the view that that no potential liability is expected to occur.

- 13.1.4** Income tax assessments of the Company have been finalized up to and including the tax year 2007. The Company had applied for Income tax refund for the tax years from 2006 to 2011. Income tax refund orders were earlier determined for the tax years 2009, 2010 and 2011. Income tax refund was released for the tax year 2009. However, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed orders under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax years from 2009 to 2012 and raised additional income tax demand of Rupees 19.98 million. However, the Company had filed an application for the rectification of orders after which the net tax additional demand was reduced to Rupees 2.02 million (after the adjustment of the refund of related years) under section 221 of the Income Tax Ordinance, 2001. Appeals have been filed to Commissioner Inland Revenue - Appeals (CIR-A) against these orders and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 13.1.5** The Company has received appellate orders for the tax years from 2009 to 2012, dated June 29, 2015, where the CIR-A has set aside certain issues for reassessment, deleted certain items and maintained certain disallowances. The financial impact of the items set aside for reassessment and continued disallowances amount to Rupees 43.72 million. Appeal has been filed with Appellate Tribunal Inland Revenue (ATIR) against these issues. The Company based on the merits of matters is of the view that ultimate decisions are expected in its favor and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 13.1.6** The Finance Act, 2017 introduced a tax under section 5A of the Income Tax ordinance, 2001 on every public Company other than a scheduled bank or Modaraba, that derives profit for the tax year and does not distribute at least 40% of the after tax profit within six months of the end of said tax year through cash or bonus issue. Under the earlier section tax was not mandatorily leviable in case the Company's reserves were not in excess of the paid up capital (which was the case with the Company as it had accumulated losses). Provision for the above referred tax amounting to Rupees 9.35 million has not been paid as the Company's management is of the view that the amendment was made after the closure of Company's financial year ended December 31, 2016 and for certain other legal reasons. The Company has filed a Constitutional petition before the Honorable Sindh High Court at Karachi challenging the vires of Section 5A of the Income Tax Ordinance, 2001 and a stay order has been granted against any coercive action against the Company under the newly inserted Section 5A. The Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 13.1.7** The Deputy Commissioner Inland Revenue (DCIR), via order dated April 30, 2014, under Section 161(1) and Section 205(3) of the Income Tax Ordinance, 2001 for the tax year 2014 raised a tax demand of Rupees 0.83 million for non-deduction of advance income tax for the period from November 01, 2013 to April 30, 2014 under section 236(G) and 236(H) of the aforesaid Ordinance. Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was remanded back to DCIR. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 13.1.8** During the financial year 2014, the Company received a notice by Commissioner Inland Revenue - Zone I for selection of audit under section 214C for the tax year 2012. The Company filed an appeal against the said notice before Honorable Lahore High Court which was decided against the Company and audit proceedings were initiated. The Deputy Commissioner Inland Revenue issued an amended assessment order under section 122(1) and 122(5) through which certain additions were made and demand order was raised amounting to Rupees 48.10 million. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A), who vide his Order No. 9 dated April 04, 2019 deleted certain additions. Being aggrieved with the order of CIR-A the Company filed an appeal before the Honorable Appellate Tribunal Inland Revenue, which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 13.1.9** During the financial year 2014, the Assistant Commissioner Inland Revenue imposed penalty vide order dated April 27, 2014 under section 182(1) of the Income Tax Ordinance, 2001 amounting Rupees 0.91

million for the tax year 2013 for the late filing of income tax return under section 114 of the Income Tax Ordinance, 2001. The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) against the above order. The CIR-A decided the matter against the Company vide order dated March 25, 2014. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

- 13.1.10** During the financial year 2015, the Additional Commissioner Inland Revenue (ACIR), vide order dated April 30, 2015, under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2010, raised an amended demand of Rupees 7.85 million after disallowing certain expenses amounting to Rupees 29.15 million. The Company filed an appeal for the rectification of order before Commissioner Inland Revenue - Appeals (CIR-A) who vide its order dated December 30, 2015, remanded the case back to the ACIR and directed the recalculation and apportionment of expenses as per under section 67 read with rule 13 of Income Tax Rules 2002 which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 13.1.11** During the financial year 2017, the Additional Commissioner Inland Revenue (ACIR) amended the deemed assessed return vide its order dated June 19, 2017 under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2011. The ACIR disallowed certain expenses amounting to Rupees 9.58 million and raised the additional income tax demand of Rupees 1.02 million. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A). The CIR-A vide order No. 19 dated September 21, 2020 decided the appeal partially in favor of the Company by deleting the additions amounting to Rupees 4.62 million under the head financial charges and confirmed the remaining addition. Furthermore, The Commissioner Inland Revenue - Appeals (CIR-A) directed the ACIR to verify the contention regarding refund adjustment of Rupees 1.02 million if still available to the Company for adjustment in the current year. Being aggrieved with of the CIR-A order, the Company preferred an appeal before the Honorable Appellate Tribunal Inland Revenue, Lahore, which is still pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.
- 13.1.12** During the financial year 2012, the Deputy Commissioner Inland Revenue (DCIR) issued an order dated April 26, 2012 under Rule 2(3A) of the Sales Tax Special Procedures (Withholding) Rules, 2007, citing the company's non-deduction and non-payment of withholding sales tax on advertisement services for the tax period 2009-10, assessing a total amount of Rupees. 9.64 million (including withholding tax of Rupees 9.34 million and default surcharge). During adjudication, the company provided evidence that Rupees 6.31 million had already been deposited by service providers, but the remaining tax of Rupees 3.03 million could not be verified due to insufficient documentation. The company has been ordered to deposit the unverified amount along with applicable default surcharge and penalty under Section 11(2), 36(2), 34, and 33(5) of the Sales Tax Act, 1990. The Company being aggrieved, filed the appeal before Commissioner Inland Revenue - Appeals (CIR-A) who upheld the assessment order issued by DCIR. Subsequently, company appealed before the Appellate Tribunal of Inland Revenue which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 13.1.13** During the financial year 2018, the Company received a show cause notice issued by Deputy Commissioner Inland Revenue under section 161 for the tax year 2017 on non deduction of withholding tax amounting to Rupees 6.03 million on payments against purchase of plant and machinery, packing material and other miscellaneous payments. The Company filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) where the case was remanded back to the Department. Being aggrieved, the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.
- 13.1.14** During the financial year 2018, the Taxation Officer, after conducting audit under Section 177 of the Income Tax Ordinance, 2001 (the Ordinance) for the tax year 2014, passed an amended assessment order under section 122 of the Ordinance raising tax demands of Rupees 25.29 million alleging that the Company suppressed its sales and adjusted inadmissible expenses. Being aggrieved, the Company has filed appeal before Commissioner Inland Revenue - Appeals (CIR-A). CIR-A vide order, deleted certain additions amounting to Rupees 80 million and the rest of the additions amounting to Rupees 26 million were confirmed.

no

Hence there is no outstanding amount payable against the Company. The department filed an appeal before Income Tax Appellate Tribunal (ITAT) which is pending for adjudication and the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

13.1.15 During the financial year 2016, the Deputy Commissioner Inland Revenue raised an order under section 161/205 of the Income Tax Ordinance, 2001 for non-deduction of tax amounting Rupees 6.45 million and Rupees 3.76 million for tax years 2009 and 2010 respectively. The Company filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A) which was decided against the Company. The Company filed an appeal against the order of CIR-A in Appellate Tribunal Inland Revenue (ATIR), which is pending for adjudication. However, adequate provision is held in the unconsolidated financial statements in respect of the above balance.

13.1.16 Deputy Commissioner of Inland Revenue (DCIR) imposed a penalty under Section 182(1)(1A) of the Income Tax Ordinance, 2001, amounting to Rupees 1.48 million for the periods from July 2015 to February 2016 owing to the late filing of monthly withholding statements under Section 165 of the Income Tax Ordinance, 2001. The Company contested the penalty and filed an appeal before the Commissioner of Inland Revenue (Appeals) (CIR - A). The CIR(A) remanded back the case to DCIR to impose a reduced penalty of Rupees 10,000 for each month, considering that the delay in filing of withholding statements was not intentional and no revenue loss was involved.

Subsequently, the Department filed an appeal before the Appellate Tribunal of Inland Revenue (ATIR) against the decision of the CIR(A). This appeal is currently pending for a hearing. Given the precedent set by the Honorable Lahore High Court, Lahore and the learned Tribunal, as well as the fact that the delay was unintentional and no revenue loss occurred, the Company is hopeful that, as per advice of the legal counsel, the matter shall be decided in favor of the Company.

13.1.17 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.

13.2 Commitments

13.2.1 As at reporting date, aggregate credit limits (funded and unfunded facilities) amounting to Rupees Nil (2023: Rupees 1.047 million) from commercial banks remain unutilized.

13.2.2 There are no other material commitments to report as at reporting date (2023: Nil).

Two

2024 2023
Rupees in ('000)

14 Property
Operating fixed assets - Tangible

Freehold land

Balance at the beginning of the year	-	10,000
Disposed off during the year	-	(10,000)
Balance at the end of the year	-	-

- 14.1** As of reporting date, land sold during the financial year ended December 31, 2023 to Waves Home Appliances Limited, a subsidiary company, has not yet been transferred neither in name of the subsidiary company nor in the name of ultimate buyer upon execution of sale of property by the Waves Home Appliances Limited.

	Note	2024 Rupees in ('000)	2023
15 Investment Property			
Balance as at January 01		250,000	300,480
Transferred from inventories	18	3,126,042	-
Disposed off during the period	15.2	(60,000)	-
		3,316,042	300,480
Fair value gain / (loss)	21	459,390	(50,480)
Balance as at December 31	15.4	3,775,432	250,000

- 15.1** The Company has rented out the owned shops to its subsidiary Company (Waves Marketplace Limited). Rental income of Rupees 2.48 million (2023: Rupees 3.36 million) has been recognized on the above investment properties during the year. Agreements for the rental arrangements are valid up to 1 year and carries options for renewable.
- 15.2** During the year, the Company has disposed off a property at its carrying value of Rupees 60 million. As a result, a revaluation surplus of Rupees 35.99 million has been transferred to retained earnings upon disposal of investment property. Revaluation surplus of Rupees 113.97 million as of December 31, 2024 (2023: Rupees 149.97 million) pertaining to remaining properties continues to be maintained in the "Surplus on Revaluation of Property, Plant and Equipment" in Note 8 to these unconsolidated financial statements.
- 15.3** As of the reporting date, the legal ownership of the investment property sold during the financial year ended December 31, 2024, has not yet been transferred in the name of the buyer.
- 15.4** As at reporting date, investment property having fair value of Rupees 3,775.432 million (2023: Rupees 250.00 million) whereas forced sale value of these properties amounting to Rupees 3,209.117 million (2023: Rupees 212.50 million). Fair value gain of Rupees 459.390 million (2023: 50.48 million) based on the fair market value of investment property determined on December 31, 2024 have been recognised in the unconsolidated statement of profit or loss as referred to in note 21.
- 15.5** The fair value of investment properties as of December 31, 2024 has been determined by an external independent property valuer Unicorn International Surveyors based on independent inquiries from active local realtors, recent experience in the location and the records of the valuer. The fair value measurement of the investment property had been categorized as a level 3 fair value based on the input to the valuation technique used.



15.6 Particulars of immovable property in the name of Company are as follows:

Location	Usage of immovable property	Total area (Marlas)	Covered area (Square Feet)
Shop No.I, Sub-Plot Nos. Sb-3/34 & 35 of Plot Nos.34 & 35, Ground Floor, Suleman Centre, Daud Pota Road, Saddar Bazar, Karachi.	Held for capital appreciation and generating rental income	1.29	350
Shop Bearing Survey No. 13, Sheet No. S.B-7, (Old Survey No. G-I/176), Saddar Bazar Quarters, Zebunissa Street, Karachi.	Held for capital appreciation and generating rental income	6.98	1,899
9-KM, Hanjarwal, Multan Road, Lahore.	Held for capital appreciation and generating rental income	61.90	340,134

	Note	2024 Rupees in ('000)	2023
16 Investment in Subsidiaries			
Waves Marketplace limited			
50,000,000 (2023: 50,000,000) fully paid ordinary shares of Rupees 10 each	16.1	500,000	500,000
Equity held: 100% (2023: 100%)			
Chief Executive Officer - Moazzam Ahmad Khan			
Waves Builders and Developers (Private) Limited			
100,000 (2023: 100,000) fully paid ordinary shares of Rupees 10 each	16.2	1,000	1,000
Equity held: 100% (2023: 100%)			
Chief Executive Officer - Moazzam Ahmad Khan			
Waves Home Appliance Limited			
147,564,300 (2023: 199,724,956) fully paid ordinary shares of Rupees 10 each	16.3 & 16.4	3,498,211	4,769,481
Equity held: 55.08% (2023: 74.56%)			
Chief Executive Officer - Haroon Ahmad Khan			
		3,999,211	5,270,481

- 16.1** Waves Marketplace Limited (formerly, Electronics Marketing Company (Private) Limited), a wholly owned subsidiary, was incorporated on September 09, 2016. The principal activity of the subsidiary Company is to carry out distribution / wholesales and retail business of all kinds of electronic appliances, its components and accessories etc. The registered office of the subsidiary Company is located at 9-Km Multan Road, Hanjarwal, Lahore, Punjab.
- 16.2** Waves Builders and Developers (Private) Limited (formerly, Waves Marketing (Private) Limited) is a private limited company which was incorporated on April 10, 2017 under the repealed Companies Ordinance, 1984 (Now the 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.
- 16.3** Waves Home Appliances Limited (Formerly, Samin Textiles Limited) was incorporated in Pakistan on November 27, 1989 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is situated at 8.7 KM Multan Road Hanjarwal Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company is manufacturing, trading, import and export of home appliances.
- 16.4** During the year, the Company has divested its 20.22% equity investment in Waves Home Appliances Limited, comprising 54.16 million shares carried at cost for a total consideration of Rupees 523.66 million. As a result, a loss on disposal of Rupees 769.71 million has been recognised in statement of profit or loss.

The management understands that share price of the subsidiary company on Pakistan Stock Exchange is lower than its realistic fair value determined on the basis of future projections of the subsidiary company. Moreover, market value will revert to its actual fair value as this reduction in price is temporary and does not reflect actual fair value of the shares of the subsidiary company. Accordingly, the management is of the view, on the basis of future financial projections, the fair value of investment is far more than the carrying value and no impairment against the carrying value of investment is required to be made.

- 16.5** The Company has obtained financing facility of Rupees 50.00 million from Dawood Equities Limited against pledge of 10.00 million ordinary shares of Waves Home Appliances Limited owned and held by the Company.

	Note	2024 Rupees in ('000)	2023
17 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>

17.1 Movement of long term receivables

Carrying value as at January 01		1,926,938	1,746,083
Unwinding of long term receivables to subsidiary	17.3	73,062	180,855
Carrying value as at December 31		<u>2,000,000</u>	<u>1,926,938</u>

- 17.2** As per scheme of arrangement for the demerger of Waves Home Appliances Limited (the "WHAL"), the Company is entitled to receive Rupees 2,000 million from the WHAL within two years of the sanction of the scheme, i.e. May 27, 2024. During the year, the shareholders of the Company in their meeting held on April 29, 2024 has extended recovery of above 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 or KIBOR for relevant period whichever is higher.

- 17.3** This represents unwinding of long term receivables discounted at average borrowing cost of the Company, i.e. 9.87% per annum and has been accounted for as part of consideration paid under the Scheme of Arrangement.

	2024 Rupees in ('000)	2023
17.4 Receivable from a subsidiary company is as under:		
Gross due amount	<u>2,000,000</u>	<u>1,926,938</u>
Past due amount	-	-
Provision	-	-
Reversal of provision	-	-
Written off	-	-
Net amount due	<u>2,000,000</u>	<u>1,926,938</u>
Maximum amount outstanding at any time during the year	<u>2,000,000</u>	<u>1,926,938</u>

17.5 Age analysis of amount due from related party

Amount not past due	2,000,000	1,926,938
Amount past due:		
1-30	-	-
31-60 days	-	-
61-90 days	-	-
91-365 days	-	-
Over 365 days	-	-
Total gross amount due	<u>2,000,000</u>	<u>1,926,938</u>

			2024	2023
			Rupees in ('000)	
18	Inventories	Note		
18.1	Under developed properties			
	Balance at the beginning of the year		3,126,042	2,705,294
	Add: Costs incurred during the year	18.3	-	420,748
	Less: Transferred to Investment property		(3,126,042)	-
	Balance at end of the year		-	3,126,042
18.2	This represents inventories being developed by the Company for the purposes of sale upon completion of the project. In November 2021, the Board decided that the freehold land on which existing manufacturing facility of the WCL is located shall be used for real estate project / apartment complex.			
18.3	This includes borrowing costs of Rupees Nil (2023: Rupees 351.67 million) and amount of Rupees Nil (2023: Rupees 69.069 million) incurred in connection with the project development. The activities for development of real state project remain inactive, therefore, borrowing costs for the year has been charged to statement of profit or loss. As the board of the director of the company have decided to classify the projects as investment property owing to delay in implementation of the project development for an indefinite period.			
19	Advances and Other Receivables	Note	2024	2023
			Rupees in ('000)	
	Due from subsidiary companies	19.1	464,187	370,879
	Due from broker		17,554	-
			481,741	370,879
19.1	Due from subsidiary companies			
	Waves Marketplace Limited	19.2	463,261	370,879
	Waves Home Appliances Limited		926	-
			464,187	370,879
19.2	Due from Waves Marketplace Limited			
	Receivable as at January 01		158,730	191,036
	Receivable against management fee		3,480	-
	Amount advanced / adjusted during the year		2,505	(32,306)
	Receivable as at December 31		164,715	158,730
	Accrued markup as at January 01		212,149	134,879
	Markup for the year		86,397	77,270
	Accrued markup as at December 31		298,546	212,149
		19.2.1	463,261	370,879
19.2.1	This represents amounts due on account of expenses incurred on behalf of Waves Marketplace Limited and other receivables. Mark-up has been charged at average borrowing cost of the Company.			

19.2.2 Details of amount due from related parties as at reporting date was as	Waves Home Appliances Limited		Waves Marketplace Limited	
	2024	2023	2024	2023
	Rupees in ('000)		Rupees in ('000)	
Gross amount due	926	-	459,781	370,579
Past due amount	-	-	372,574	292,146
Amount not past due	926	-	87,207	78,433
Provision for doubtful receivables	-	-	-	-
Reversal of provision of doubtful receivables	-	-	-	-
Amount written off	-	-	-	-
Net amount	926	-	459,781	370,579
Maximum amount outstanding at any time during the year	926	-	459,781	370,579

19.2.3 Age analysis of amount due from related parties:	Waves Home Appliances Limited		Waves Marketplace Limited	
	2024	2023	2024	2023
	Rupees in ('000)		Rupees in ('000)	
Amount not past due	926	-	87,207	78,433
Amount past due				
1-30 days	-	-	-	-
31-60 days	-	-	-	-
61-90 days	-	-	-	840
91-365 days	-	-	6,895	1,400
365 days	-	-	365,679	289,906
Total	926	-	459,781	370,579

20	Cash and Bank Balances	Note	2024	2023
			Rupees in ('000)	
	Cash in hand		-	-
	Cash at bank			
	- Current accounts		11,657	19,487
	- Saving accounts	20.1	6,275	2,375
			17,932	21,862
			17,932	21,862

20.1 These carry profits at the rates ranging from 19% to 20.5% (2023: 13.5% to 19.5%) per annum.

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		2024	2023
		Rupees in ('000)	
21	Other Income		
	Income from financial instruments		
	Mark-up on amount due from subsidiary company	331,198	77,271
	Unwinding of long term receivables from subsidiary	17 73,062	180,855
	Effect of present value discounting of accrued mark up	9.2 397,453	-
	Income from non-financial instruments		
	Credit balance written back	-	37,224
	Gain on disposal of operating fixed assets	-	22,580
	Management fee	9,000	-
	Fair value gain on investment property	459,390	-
	Rental income	2,480	3,360
	Amortization of deferred income	-	140
		1,272,583	321,430

21.1 This represents mark-up charged on the amount due from the subsidiary company at an average quarterly borrowing rate of the Company.

		2024	2023
		Rupees in ('000)	
22	Administrative and General Expenses		
	Salaries wages and other benefits	22.1 40,551	44,328
	Legal and professional	1,224	233
	Fees and subscription	1,345	1,846
	Auditors' remuneration	22.2 2,370	4,815
		45,490	51,222

22.1 Salaries, wages and other benefits include staff retirement benefits of Rupees 4.545 million (2023: Rupees 5.18 million).

		2024	2023
		Rupees in ('000)	
22.2	Auditors' remuneration		
	Rizwan & Company		
	Statutory audit fee	1,200	3,718
	Audit fee for consolidated financial statements	300	-
	Fee for the review of interim financial information	400	-
	Review of statement of compliance and other certifications	350	-
	Out of pocket expenses	120	467
	Awais Haider Nauman Liaquat		
	Fee for the review of interim financial information	-	513
	Out of pocket expenses	-	117
		2,370	4,815

23 Other Operating Expenses

Loss on disposal of investment in subsidiary	772,140	-
Fair value loss in investment property	-	50,480
Workers' welfare fund	1,139	5,796
	773,279	56,276

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			2024	2023
			Rupees in ('000)	
24	Finance Costs	Note		
	Markup on:			
	- Long term financing		365,812	-
	- Short term borrowings		8,696	54,355
	Effect of unwinding of accrued mark up	9.2	22,353	-
	Bank charges and commission		-	3
			<u>396,861</u>	<u>54,358</u>
25	Levies			
	Minimum tax		-	1,732
	Prior period		(4,878)	762
			<u>(4,878)</u>	<u>2,494</u>

- 25.1** The Company's provision for taxation is based on the consolidated results of the Group under Section 59AA of the Income Tax Ordinance, 2001 read with Section 59B of the Income Tax Ordinance, 2001 which represents minimum tax under Income Tax Ordinance, 2001. 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.

			2024	2023
			Rupees in ('000)	
26	Income Tax Expense			
	Current tax			
	- For the year		-	-
	- Prior years		-	-
	Deferred tax		-	8,891
			<u>-</u>	<u>8,891</u>

- 26.1** The Company's provision for taxation is based on the consolidated results of the Group under Section 59AA of the Income Tax Ordinance, 2001 read with Section 59B of the Income Tax Ordinance, 2001 which represents minimum tax under Income Tax Ordinance, 2001. Current year's provision for taxation has been charged on taxable income by applying income tax rates applicable to companies. Owing to application of minimum tax on sale of goods under Section 113 of the Income Tax Ordinance, 2001; the amount has been classified as 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.

27 Earnings Per Share - Basic and Diluted

27.1 Basic earnings per share

The calculation of earnings per share (basic and diluted) is based on earnings attributable to the owners of ordinary shares of the Company.

	2024	2023
	Rupees in ('000)	
Profit for the year	<u>61,831</u>	<u>148,186</u>

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2024	2023
Number of shares in ('000)	

Weighted average number of ordinary shares

<u>281,406</u>	<u>281,406</u>
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Rupees

Earnings per share - basic and diluted

<u>0.22</u>	<u>0.53</u>
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27.1.1 Weighted average number of ordinary shares

2024	2023
Number of shares in ('000)	

Issued ordinary shares at January 01

281,406	281,406
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Issued during the year

-	-
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Weighted-average number of ordinary shares at December 31

<u>281,406</u>	<u>281,406</u>
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27.2 Diluted earnings per share

No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

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28 Reconciliation of Movements of Liabilities to Cash Flows Arising from Financing Activities

		2024				
		Liabilities			Equity	
		Long term financings	Short term borrowings	Mark-up on borrowings	Unclaimed dividend	Total
Rupees in ('000)						
Balance as at January 01		-	1,723,953	301,267	1,179	9,871,122
Cash flows						
Short term borrowings repaid net of receipts		-	6,143	-	-	6,143
Finance costs paid		-	-	-	-	-
Non-cash changes						
Changes in running finance		-	-	-	-	-
Transfer from short term borrowing upon restructuring		1,680,096	(1,680,096)	-	-	-
Deferred mark up on long term financing		291,980	-	(291,980)	-	-
Finance cost net of receipts		-	-	(4,081)	-	(4,081)
Balance as at December 31		1,972,076	(1,680,096)	(296,061)	-	(4,081)
		1,972,076	50,000	5,206	1,179	9,873,184
2023						
		Liabilities			Equity	
		Long term loans	Short term borrowings	Mark-up on borrowings	Unpaid dividend	Total
Rupees in ('000)						
Balance as at January 01		31,815	1,725,000	114,084	1,179	9,716,801
Cash flows						
Short term borrowings repaid net of receipts		-	-	-	-	-
Finance cost paid		-	-	-	-	-
Non-cash changes						
Long term loans repaid		(31,955)	-	-	-	(31,955)
Deferred grant		140	(1,047)	-	-	(907)
Finance costs net of receipts		-	-	187,183	-	187,183
Balance as at December 31		(31,815)	(1,047)	187,183	-	154,321
		-	1,723,953	301,267	1,179	9,871,122

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29 Provident Fund

- 29.1** The Company operates approved contributory provident fund for all the employees eligible under the scheme. Till 2018, the Company was operating two separate provident funds in the name of Singer Pakistan Limited and Cool Industries (Private) Limited but with effect from January 01, 2019, the Company has merged its funds.
- 29.2** The Company has not complied with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated thereunder.

30 Remuneration of Chief Executive, Directors and Executives

The aggregate amounts charged in the unconsolidated financial statements in respect of remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Director		Executives	
	2024	2023	2024	2023	2024	2023
	Rupees ('000)					
Managerial remuneration	12,600	16,691	4,500	4,909	12,036	15,832
Contribution to provident fund.	1,050	1,390	375	409	796	1,085
House rent allowance	-	-	-	-	3,914	4,000
Medical allowance	1,260	1,669	450	491	979	1,211
	14,910	19,750	5,325	5,809	17,725	22,128
Number of persons	1	1	1	1	6	6

- 30.1** In addition to the above, Directors and certain Executives are provided with free use of the Company maintained vehicles, club facility and certain items of furniture and fixtures in accordance with their entitlement. The Company also makes contributions based on actuarial calculations to gratuity and pension funds.
- 30.2** The aggregate amount charged in the unconsolidated financial statements for payments on account of the meeting fee of non-executive directors was Rupees Nil (2023: Rupees 0.15 million).

31 Related Party Transactions and Balances

- 31.1** The related parties comprise the companies under common control, the companies where key management personnel have control, the directors of the Company and the key management personnel of the Company. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Name of related party	Relationship	Number of shared held
Waves Home Appliances Limited	Subsidiary	145,564,300
Waves Marketplace Limited	Wholly owned subsidiary	50,000,000
Waves Builders and Developers (Private) Limited	Wholly owned subsidiary	100,000
Employee's Provident Fund	Post employee contribution plan	N/A
Haroon Ahmad Khan	Chief Executive / Sponsor	93,640,286
Nighat Haroon Khan	Director / Sponsor	17,332,411
Moazzam Ahmad Khan	Director	1,825
Hamza Ahmad Khan	Director	1,614,134
Tajamal Hussain Bokharee	Director	500
Khalid Azim	Director	50
Muhammad Zafar Hussain	Director	1,705
Arslan Shahid Butt	Key management personnel	5,000

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel.

31.2 Transactions with related parties

Amounts due from related parties are shown under advances, deposits, prepayments and other receivables

note 19 and remuneration of directors and key management personnel note 30. Other significant transactions with related parties are as follows:

Relationship	Nature of transactions	2024 Rupees in ('000)	2023
Subsidiaries	Finance costs	-	351,679
	Funds received on behalf	121,146	7,129
	Funds provided on behalf	644,977	4,995
	Land transferred at fair value	-	32,580
	Mark-up income	331,200	77,271
	Rental income	2,480	3,360
	Management fee	9,000	-
	Capital expenditure incurred on behalf of company	-	69,069
Employee's Provident Fund	Contribution for the year	2,273	1,799
Key management personnel	Meeting fee	-	150
	Purchase of shares	22,100	-

32 Financial Instruments

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees policies for managing each of these risks.

32.1 Credit risk and concentration of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk, the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

32.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	2024 Rupees in ('000)	2023
Long term receivables	2,000,000	1,926,938
Due from subsidiary companies	464,187	370,879
Due from broker	17,554	-
Accrued profit on long term receivables	244,803	-
Bank balances	17,932	19,487
	2,744,476	2,317,304

32.1.2 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

	2024	2023
	Rupees in ('000)	
Long term receivables	2,000,000	1,926,938
Due from subsidiary companies	464,187	370,879
Due from broker	17,554	-
Accrued profit on long term receivables	244,803	-
Bank balances	17,932	21,862
	2,744,476	2,319,679

32.1.3 Credit quality and impairment**Long term receivables and due from subsidiary companies**

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Out of total amount of Rupees 2,744.476 million (2023: 2,319.679 million); aggregate amount of Rupees 2,708.990 million (2023: Rupees 2,297.817 million) are receivable from subsidiary companies, therefore, there is no risk of non-recovery of the amount.

Counterparties with external credit ratings

These include banking companies and financial institutions. These counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Following are the credit ratings of counterparties with external credit ratings:

Banks	Rating		Rating Agency	2024	2023
	Short term	Long term		Rupees in ('000)	
AlBaraka Bank (Pakistan) Limited	A-1	A+	VIS	233	231
Allied Bank Limited	A1+	AAA	PACRA	-	83
Askari Bank Limited	A1+	AA+	PACRA	135	135
Bank Alfalah Limited	A1+	AAA	PACRA	896	169
Bank Islami Pakistan Limited	A1	AA-	PACRA	1	1
The Bank of Khyber	A1	A+	PACRA	57	552
The Bank of Punjab	A1+	AA+	PACRA	607	-
Dubai Islamic Bank Limited	A-1+	AA	VIS	-	75
Faysal Bank Limited	A1+	AA	PACRA	3,558	3,500
Finca Microfinance Bank Limited	A3	BBB+	PACRA	108	169
Habib Bank Limited	A-1+	AAA	VIS	1,751	3,792
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	355	356
JS Bank Limited	A1+	AA	PACRA	-	4
MCB Bank Limited	A1+	AAA	PACRA	1,849	1,839
Meezan Bank Limited	A-1+	AAA	VIS	-	4,940
National Bank Of Pakistan	A1+	AAA	PACRA	15	544
Samba Bank Limited	A-1	AA	VIS	-	81
Summit Bank Limited	A-3	BBB-	VIS	6,275	2,374
Standard Chartered Bank (Pakistan)	A1+	AAA	PACRA	840	1,090
United Bank Limited	A-1+	AAA	VIS	1,252	1,068
Industrial Commercial Bank of China	-	A	S&P	-	859
				17,932	21,862

TW

32.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets, or that such obligations will have to be settled in a manner unfavorable to the Company. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of financial position liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

32.2.1 Exposure to liquidity risk

(a) Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

2024					
Carrying amount	Contractual	Less than 1 year	Between 1 to 5 years	Above 5 years	
Rupees in ('000)					
Non-derivative financial liabilities					
Long term financings	1,680,096	(1,680,096)	(12,000)	(1,668,096)	-
Deferred mark up on long term financing	291,980	-	-	(291,980)	-
Trade and other payables	70,345	(70,345)	(70,345)	-	-
Accrued mark-up on short term borrowing	5,206	(5,206)	(5,206)	-	-
Short term borrowings	50,000	(50,000)	(50,000)	-	-
	<u>2,097,627</u>	<u>(1,805,647)</u>	<u>(137,551)</u>	<u>(1,960,076)</u>	<u>-</u>

2023					
Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years	
Rupees in ('000)					
Non-derivative financial liabilities					
Trade and other payables	580,728	(580,728)	(580,728)	-	-
Accrued mark-up on short term borrowing	301,267	(301,267)	(301,267)	-	-
Short term borrowings	1,723,953	(1,723,953)	(1,723,953)	-	-
	<u>2,605,948</u>	<u>(2,605,948)</u>	<u>(2,605,948)</u>	<u>-</u>	<u>-</u>

32.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. As at December 31, 2024; the Company is not exposed to market risk.

32.3.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which advances, sales and purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The currency in which these transactions are primarily denominated is US dollar. The Company is not exposed to currency risk as at December 31, 2024.

32.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments were as follows:

Financial liabilities:

Carrying amount	
2024	2023
Rupees in ('000)	

Fixed rate instruments

-

Variable rate instruments

Long term financing

1,680,096 -

Short term borrowings

50,000 1,723,953

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 150 basis points in interest rates at the reporting date would have (decreased)/ increased profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2024.

		Changes in interest rate	Effects on profit Rupees in ('000)
		%	
Cash flow sensitivity-fixed rate			
Long term financing	2024	+1.50	25,201
		-1.5	(25,201)
	2023	+1.50	-
		-1.5	-
Short term borrowings	2024	+1.50	750
		-1.5	(750)
	2023	+1.50	25,859
		-1.5	(25,859)
Due to subsidiary companies	2024	+1.50	107
		-1.5	(107)
	2023	+1.50	8,183
		-1.5	(8,183)

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company's significant borrowings are based on variable rate pricing that is mostly dependent on Karachi Inter Bank Offer Rate ("KIBOR") as indicated in respective notes.

32.3.3 Price risk

Price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments trading in market.

32.4 Fair values of financial assets and liabilities

All financial assets and financial liabilities are initially recognized at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortized cost, as indicated in the tables below.

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate to the fair values.

Financial assets and liabilities	Measured at amortised cost	Fair value through profit or loss	Fair value through other comprehensive Income	Total
Rupees in ('000)				
December 31, 2024				
Long term receivables	2,000,000	-	-	2,000,000
Due from subsidiary companies	464,187	-	-	464,187
Due from broker	17,554	-	-	17,554
Accrued profit on long term receivables	244,803	-	-	244,803
Bank balances	17,932	-	-	17,932
Total Financial assets	2,744,476	-	-	2,744,476
Non financial assets				7,774,643
Total assets				10,519,119

Financial liabilities	Total
Rupees in ('000)	

December 31, 2024

Financial liabilities

Long term financings	1,680,096	1,680,096
Deferred mark up on long term financing	291,980	291,980
Trade and other payables	75,551	75,551
Short term borrowings	50,000	50,000
Accrued mark-up on short term borrowings	5,206	5,206
Unpaid dividend	1,179	1,179
Total Financial liabilities		2,104,012
Non financial liabilities		1,729
Total liabilities		2,105,741

Financial assets and liabilities	Measured at amortised cost	Fair value through profit or loss	Fair value through other comprehensive Income	Total
Rupees in ('000)				
December 31, 2023				
Long term receivables	1,926,938	-	-	1,926,938
Due from subsidiary companies	370,879	-	-	370,879
Bank balances	21,862	-	-	21,862
Total Financial assets	2,319,679	-	-	2,319,679
Non financial assets				8,646,523
Total assets				10,966,202

Financial liabilities	Total
Rupees in ('000)	

December 31, 2023

Financial liabilities

Trade and other payables	334,536	334,536
Short term borrowings	1,723,953	1,723,953
Accrued mark up on short term borrowings	301,267	301,267
Unpaid dividend	1,179	1,179
Total financial liabilities		2,360,935
Non financial liabilities		253,720
Total liabilities		2,614,655

32.5 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at reporting date, the Company has following item to report in these levels:

Recurring fair value measurements

	Level 1	Level 2	Level 3	Total
	Rupees in ('000)			
December 31, 2024				
Non financial assets				
Investment property	-	3,775,432	-	3,775,432
December 31, 2023				
Non financial assets				
Investment property	-	250,000	-	250,000

32.6 Capital management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- (i) To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) To provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements, except those, related to maintenance of debt covenants, commonly imposed by the providers of debt finance.

	2024 (Rupees in '000)	2023
The debt to equity ratios were as follows:		
Total debt	2,022,076	1,723,953
Total equity	8,413,378	8,351,547
Total equity and debt	10,435,454	10,075,500
Debt to equity ratio	19%	17%

The Company is not subject to externally imposed capital requirements.

tw

2024	2023
(Number)	
9	9
9	9

33 Number of Employees

The Company has employed following number of persons:

Number of employees as at December 31

9

9

Average number of employees during the year

9

9

34 Corresponding Figures

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. However, no significant reclassification has been made.

35 General

35.1 Figures have been rounded off to the nearest rupees, unless otherwise stated.

36 Date of Authorisation

These financial statements have been authorised for issue by Board of Directors of the Company on 07 April 2025.


Chief Executive
Chief Financial Officer
Director

3.2 کارپوریٹ مقاصد اور حکمت عملی

مقاصد کی حکمت عملی

کمپنی کی ٹاپ لائن اور نچلے درجے کی کارکردگی پر مستقل توجہ کے ساتھ کاروبار کو موثر انداز میں منظم کرنے کے لیے شیئر ہولڈرز کی واپسی کو بہتر بنائیں قیمت سے مسابقتی بنیں تکنیکی اپ گریڈ اور وسائل کے بہترین استعمال دونوں کے ذریعے پیداواری کارکردگی کو بہتر بنائیں پروڈکٹ پورٹ فولیو کو وسیع کریں عالمی برانڈز کے ساتھ اسٹریٹجک تجارتی تعلقات میں داخل ہوں تاکہ ان حصوں میں کھڑے ہوں جہاں پروڈکٹ کی پوزیشن کمزور ہو۔ گاہک کی توقعات سے تجاوز کریں۔

جغرافیائی بچ پوائنٹس اور فروخت کے بعد کی خدمات کو بہتر بنانے کے لیے کسٹمر سینٹرک اقدامات میں سرمایہ کاری کریں۔

ایک پروگرام تھ، لرننگ آرگنائزیشن بنائیں ملازمین کی تربیت اور ترقی اور اخلاقی کاروبار کو فروغ دیں۔

ٹانج مینجمنٹ گروپ کے اندر واضح اور واضح علم کو فروغ دینا تاکہ گروپ کے حتمی فوائد کے لیے علم کو ایک اثاثہ کے طور پر مؤثر طریقے سے تخلیق، جمع، ذخیرہ اور دوبارہ استعمال کیا جاسکے۔

کر سکتے ہیں جب تک کہ معلومات کا مالک فرد یا فرم مناسب طریقے سے جاری کرنے یا افشاء کرنے کی اجازت نہ دے دے۔

کمپنی کے تمام اثاثے (عمل، ڈیٹا، ڈیزائن وغیرہ) کو کمپنی کی تصدیق شدہ معلومات کے طور پر سمجھا جاتا ہے۔ کسی بھی انکشاف کو بنیادوں کے طور پر سمجھا جائے گا، نہ صرف خدمات/ملازمت کے خاتمے کے لیے، بلکہ کمپنی کے ساتھ ملازمت کے دوران یا بعد میں مجرمانہ کارروائی، قانونی کارروائی یا دیگر قانونی علاج کے لیے بھی جو نقصانات اور نقصانات کی وصولی کے لیے دستیاب ہیں۔

کمپنی کے اثاثوں/ڈیٹا کا تحفظ اور مناسب استعمال

ہر ڈائریکٹر اور ملازم سے توقع کی جاتی ہے کہ وہ کمپنی کے اثاثوں کا محافظ ہو اور اسے اس کے موثر استعمال کو یقینی بنانا چاہیے۔ چوری، لاپرواہی اور فضول خرچی کا کمپنی کے منافع پر براہ راست اور منفی اثر پڑتا ہے۔ کمپنی کے تمام اثاثوں کو صرف جائز کاروباری مقاصد کے لیے استعمال کیا جانا چاہیے۔ کسی بھی تنظیم میں سیاسی شراکت کے لیے یا عوامی عہدے کے لیے کسی امیدوار کے لیے کمپنی کے فنڈز کا براہ راست یا بالواسطہ استعمال سختی سے ممنوع ہے۔ کارپوریٹ فنڈز اور اثاثے کمپنی کے مقاصد کے مطابق صرف اور صرف جائز اور مناسب مقاصد کے لیے استعمال کیے جائیں گے۔

تحفظ وصول کرنا

ڈائریکٹر اور ملازمین موجودہ یا ممکنہ گاہکوں، دکانداروں یا کمپنی کے ساتھ کاروبار کرنے یا کرنے کی کوشش کرنے والے کسی بھی شخص سے تحائف یا احسان قبول نہیں کریں گے۔ تاہم، یہ تحائف یا تفریح؟؟ کو دینے یا وصول کرنے سے منع نہیں کرتا، جو کہ حالات میں روایتی اور مناسب ہیں، بشرطیکہ تحائف یا تفریح؟؟ کے سلسلے میں کوئی ذمہ داری نہ ہو یا اس کی توقع کی جاسکے۔

مواصلات

تمام مواصلات، چاہے اندرونی ہو یا بیرونی، درست، صاف اور جہاں بھی ضرورت ہو، خفیہ ہونی چاہیے۔ کمپنی کھلے اور ایماندارانہ طریقے سے کاروبار کرنے اور کھلے مواصلاتی چینلز فراہم کرنے کے لیے پرعزم ہے جو ملازمین کے خدشات کے حوالے سے کھلے دل سے مکالمے کی حوصلہ افزائی کرتے ہیں۔

کمپنی کلین ڈیسک پالیسی پر پختہ یقین رکھتی ہے اور اپنے ملازمین سے یہ توقع رکھتی ہے کہ وہ نہ صرف صاف ستھرا بلکہ حفاظتی مقاصد کے لیے بھی اس پر عمل کریں۔

ملازم کو برقرار رکھنا

اعلیٰ معیار کے ملازم کی کشش اور برقرار رکھنا بہت ضروری ہے۔ کمپنی مستحق امیدواروں کو مسابقتی پیکیج پیش کرے گی۔ کمپنی عملے کی ترقی پر پختہ یقین رکھتی ہے اور ملازمین کے ترقیاتی پروگرام باقاعدگی سے ترتیب دیئے جاتے ہیں۔

انٹرنیٹ کا استعمال/معلوماتی ٹیکنالوجی

عام اصول کے طور پر، تمام انفارمیشن ٹیکنالوجی سے متعلق وسائل اور سہولیات صرف اندرونی استعمال اور/یا کاروبار سے متعلق معاملات کے لیے فراہم کی جاتی ہیں۔ انفارمیشن ٹیکنالوجی کی سہولیات جو ملازمین کو فراہم کی گئی ہیں انہیں کبھی بھی ذاتی فائدے یا منافع کے لیے استعمال نہیں کیا جانا چاہیے، کام کے دوران غلط استعمال نہیں ہونا چاہیے اور کمپنی کی ملکیت ہی رہنا چاہیے۔ کمپنی، اس کی مصنوعات یا اس کے صارفین کے بارے میں خفیہ یا ملکییتی معلومات کا افشاء یا پھیلاؤ یا سرکاری مواصلاتی ڈھانچے سے باہر نکلنے سے منع ہے۔

کاروباری سفری پالیسیوں کے ساتھ تعمیل

کاروباری سفر کے دوران ملازمین کی حفاظت کمپنی کے لیے انتہائی اہمیت کی حامل ہے۔ کمپنی مسافر اور اس کے سپروائزر کی حوصلہ افزائی کرتی ہے کہ وہ اس بات کا تعین کرتے وقت اچھا فیصلہ کریں کہ آیا کسی اعلیٰ خطرے والے علاقے کا سفر ضروری ہے اور کمپنی کے کاروباری مقاصد کے لیے ہے۔

انتظامیہ کی پیشگی تحریری اجازت کے بغیر کاروباری دوروں کو چھٹیوں کے ساتھ جوڑنے یا شریک حیات، رشتہ دار یا دوست کو ساتھ لے جانے کی اجازت نہیں ہے۔

تعمیل

اس کوڈ کی تعمیل کرنا ہر ڈائریکٹر اور ملازم کی ذمہ داری ہے۔ ایسا کرنے میں ناکامی کے نتیجے میں مناسب تادیبی کارروائی ہوگی، جس میں ممکنہ وارننگ جاری کرنا، ملازمت کی معطلی اور برطرفی، قانونی کارروائی اور اس طرح کی خلاف ورزی کے نتیجے میں ہونے والے نقصانات یا نقصانات کے لیے کمپنی کو معاوضہ دینا شامل ہے۔

تعمیل میں یہ ذمہ داری بھی شامل ہے کہ اس ضابطہ کی دفعات کی کسی بھی واضح خلاف ورزی کی فوری طور پر اطلاع دیں۔ اس کوڈ کے اطلاق میں مشکلات کا سامنا کرنے والے کسی بھی شخص کو انتظامیہ سے رجوع کرنا چاہیے۔

میڈیا کے تعلقات اور انکشافات

تجارتی طور پر حساس معلومات کے تحفظ کے لیے، میڈیا کو جاری کی جانے والی مالی تفصیلات سہ ماہی اور سالانہ رپورٹوں یا ان اعداد و شمار کی پیشکش پر جاری کردہ سرکاری بیانات میں فراہم کردہ تفصیلات کی سطح سے زیادہ نہیں ہونی چاہئیں۔ جہاں تک مالیاتی کارکردگی، حصول، تقسیم، مشترکہ منصوبے اور بڑی سرمایہ کاری جیسے موضوعات کے حوالے سے، انتظامیہ کے ساتھ پیشگی مشاورت کے بغیر پریس کو کوئی معلومات جاری نہیں کی جانی چاہیے۔ ملازمین کو ایسے بیانات نہیں دینے چاہئیں جو تیسرے فریق کو اسٹاک مارکیٹ میں "اندرونی تجارت" کے قابل بنادیں۔

مقابلہ اور منصفانہ ڈیلنگ

کمپنی اپنے مقابلہ کو منصفانہ اور ایمانداری سے بہتر کرنے کی کوشش کرتی ہے۔ ملکی معلومات کی چوری کرنا، تجارتی خفیہ معلومات رکھنا جو مالک کی رضامندی کے بغیر حاصل کی گئی تھی یا دیگر کمپنیوں کے ماضی یا موجودہ ملازمین کی طرف سے اس طرح کے انکشافات پر اکسانا ممنوع ہے۔ ہر ڈائریکٹر اور ملازم سے توقع کی جاتی ہے کہ وہ کمپنی کے صارفین، سپلائرز، حریفوں اور دیگر ملازمین کے ساتھ منصفانہ سلوک کریں۔ کوئی بھی شخص ہیرا پھیری، مراعات یا فائدہ معلومات کے غلط استعمال یا کسی اور غیر منصفانہ عمل کے ذریعے کسی کا ناجائز فائدہ نہیں اٹھا سکتا۔ کمپنی اپنی مصنوعات اور خدمات کو ایمانداری سے فروخت کرنے کے لیے پرعزم ہے اور ایسی کسی بھی سرگرمی کا پیچھا نہیں کرے گی جس میں غیر قانونی طور پر یا اس ضابطہ کی خلاف ورزی کرنے کی ضرورت ہو۔ کمپنی کی جانب سے اس کے کسی بھی کاروبار کے سلسلے میں رشوت، کک بکس اور دیگر نامناسب ادائیگیاں نہیں کی جائیں گی۔ تاہم، ٹپ، گریجویٹی یا مہمان نوازی کی پیشکش کی جاسکتی ہے اگر ایسا عمل رواج ہو اور قابل اطلاق قانون کے تحت غیر قانونی نہ ہو۔ کسی بھی کمیشن کی ادائیگی کا جواز کمپنی کو فراہم کی جانے والی واضح اور قابل شناخت سروس کے ذریعے ہونا چاہیے۔ ایجنٹوں، تقسیم کاروں اور کمیشنوں کا معاوضہ عام کاروباری شرحوں اور طریقوں سے زیادہ نہیں ہو سکتا۔ ایسے تمام اخراجات کی اطلاع کمپنی کے حسابات کی کتابوں میں درج کی جانی چاہیے۔

یکساں روزگار کے مواقع

کمپنی آس پاس کے ہر فرد کو یکساں مواقع فراہم کرنے میں یقین رکھتی ہے۔ اس سلسلے میں کمپنی کے قوانین کی تعمیل کی جانی چاہیے اور نسل، مذہب، عمر، قومی اصل، جنس یا معذوری پر کوئی امتیاز قابل قبول نہیں ہے۔ کسی قسم کی ہراسانی یا امتیازی سلوک برداشت نہیں کیا جائے گا۔ ڈائریکٹر اور ملازمین کو چائلڈ لیبر اور جبری مشقت کے حوالے سے معیارات پر عمل کرنے کی ضرورت ہے۔

کام کا ماحول

تمام ملازمین کے ساتھ احترام سے پیش آنا چاہیے۔ کمپنی اپنے ملازمین اور ڈائریکٹرز کو ایک محفوظ، صحت مند اور کھلا کام کا ماحول فراہم کرنے کے لیے انتہائی پرعزم ہے، ہر اس کے جانے، ڈرانے دھمکانے یا ذاتی رویے سے پاک جو کام کی پیداواری ماحول کے لیے سازگار نہ ہو۔ اس کے جواب میں کمپنی توقع کرتی ہے کہ ملازمین کی کمپنی سے وفاداری اور اس کام میں مستعدی کی ضرورت ہے۔ کمپنی انتظامیہ اور اس کی پالیسیوں کے ملازمین کی طرف سے تعمیری معقول تنقید کی بھی حوصلہ افزائی کرتی ہے۔ ایسے ماحول کی حوصلہ افزائی صرف ایسے ماحول میں کی جاسکتی ہے جو ایماندارانہ رائے کے اظہار کی وجہ سے انتقامی کارروائی کے امکانات سے پاک ہو۔

صحت، حفاظت اور سلامتی کی حفاظت کریں۔

کمپنی ہر ڈائریکٹر اور ملازم کو کام کا محفوظ ماحول فراہم کرنے اور صحت اور حفاظت کے تمام قابل اطلاق قوانین کی تعمیل کرنے کا ارادہ رکھتی ہے۔ ملازمین اور ڈائریکٹرز کو تشدد اور دھمکی آمیز رویے سے گریز کرنا چاہیے اور اپنے فرائض کی انجام دہی کے لیے منصفانہ حالت میں کام کرنے کی اطلاع دیں۔

ریکارڈ رکھنا

کمپنی تمام قابل اطلاق قوانین اور ضوابط کی تعمیل کے لیے پرعزم ہے جس کے لیے کمپنی کو مناسب ریکارڈ اور اکاؤنٹس برقرار رکھنے کی ضرورت ہوتی ہے جو کمپنی کے لین دین کی درست اور منصفانہ عکاسی کرتے ہیں۔ یہ ضروری ہے کہ تمام لین دین کو کمپنی کی کتابوں میں سچائی، بروقت اور درست طریقے سے ریکارڈ کیا جائے اور بیان کیا جائے۔

کسی بھی وجہ سے کمپنی کی کتابوں یا ریکارڈ میں کوئی غلط، مصنوعی یا گمراہ کن لین دین یا اندراجات منعکس یا نہیں کیے جائیں گے۔ کمپنی کی ریکارڈ برقرار رکھنے کی پالیسیوں کے مطابق ریکارڈ کو ہمیشہ برقرار رکھا جاتا چاہیے یا تباہ کرنا چاہیے۔

رازداری اور رازداری کا تحفظ

تمام ڈائریکٹر اور ملازمین کو اپنی ملازمت کے دوران اور بعد میں، کمپنی، اس کے صارفین، سپلائرز اور دیگر ساتھیوں کی خصوصیات اور تجارتی رازوں کا احترام کرنا چاہیے اور وہ ایسی کسی بھی معلومات کا افشاء نہیں

3.1 کارپوریٹ اقدار

وژن اور مشن

بنیادی اقدار

ضابطہ اخلاق

WAVESAPP نے اپنے کاروبار کو ایمانداری، اخلاقی اور قانونی طریقے سے چلانے کا عہد کیا ہے۔ کمپنی اپنے طرز عمل اور کاروباری طریقوں سے کیونٹی میں ایک رول ماڈل کے طور پر دیکھنا چاہتی ہے۔ یہ سب کمپنی کے اہلکاروں پر منحصر ہے، کیونکہ وہ وہی ہیں جو بیرونی دنیا کے ساتھ کمپنی کے معاملات میں سب سے آگے ہیں۔ یہ بیان عام طور پر کمپنی کے اہداف اور اصولوں کے مطابق ہے جن کی تشریح اور ان کا اطلاق قوانین اور رواج کے فریم ورک کے اندر ہونا چاہیے جس میں کمپنی کام کرتی ہے۔ یہ ضابطہ ہر ڈائریکٹر اور ملازم کے لیے لازم ہوگا۔ ویوز گروپ دیگر کمپنیوں میں بھی اسی طرح کے کوڈ کو نافذ کرنے کی کوشش کرتا ہے جن کو وہ کنٹرول کرتی ہے۔

احترام، ایمانداری اور دیانت داری

ڈائریکٹرز اور ملازمین سے توقع کی جاتی ہے کہ وہ اپنے فرائض اور ذمہ داریوں کی انجام دہی میں ایمانداری، معروضیت اور مستعدی سے کام کریں۔ انہیں یہ بھی ہدایت کی گئی ہے کہ وہ اپنے کام کو پیشہ ورانہ مہارت کے ساتھ انجام دیں۔

قوانین، قواعد و ضوابط کے ساتھ تعمیل

کمپنی ریاست یا مقامی دائرہ اختیار کے تمام قابل اطلاق قوانین، قواعد و ضوابط جس میں کمپنی کا روبرو کرتی ہے، کی تعمیل کرنے اور تمام معقول اقدامات کرنے کے لیے پرعزم ہے۔ ہر ڈائریکٹر اور ملازم، چاہے وہ کسی بھی عہدے پر فائز ہو، قابل اطلاق قوانین کی تعمیل کو یقینی بنانے کا ذمہ دار ہے۔

مکمل اور منصفانہ انکشاف

ڈائریکٹرز اور ملازمین سے توقع کی جاتی ہے کہ وہ تمام قابل اطلاق قوانین اور ضوابط کی تعمیل کرتے ہوئے، ان تمام رپورٹس اور دستاویزات میں جو کمپنی فائل کرتی ہے، پیش کرتی ہے یا بصورت دیگر پیش کرتی ہے، قابل اطلاق دائرہ اختیار میں کسی بھی سرکاری حکام اور کمپنی کے ذریعہ کی گئی دیگر تمام عوامی مواصلات میں مکمل، منصفانہ، درست، بروقت اور قابل فہم انکشاف کرنے میں کمپنی کی مدد کریں۔ جن ملازمین یا ڈائریکٹرز کو اکاؤنٹنگ، مالیاتی رپورٹنگ، اندرونی اکاؤنٹنگ کنٹرول یا آڈیٹنگ کے معاملات سے متعلق شکایات یا خدشات ہیں ان سے توقع کی جاتی ہے کہ وہ کمپنی کے بورڈ آف ڈائریکٹرز کے قائم کردہ طریقہ کار کے مطابق ایسی شکایات یا خدشات کی اطلاع دیں۔

مفادات کے تصادم کو روکیں۔

ڈائریکٹرز اور ملازمین، ان کے کام، گریڈ یا مقام سے قطع نظر، اپنے براہ راست یا بالواسطہ (بشمول قریبی خاندان کے افراد) ذاتی مفادات اور کمپنی کے مفاد کے درمیان مفادات کے تصادم سے بچنا چاہیے۔ ملازمین کو چاہیے کہ وہ اپنے براہ راست سپروائزر کو رپورٹ کریں کہ کسی حقیقی یا ممکنہ تصادم کی صورت حال کے بارے میں مطلع کریں اور اپنے انفرادی کیس کے بارے میں تحریری حکم نامہ حاصل کریں۔ ڈائریکٹرز کے معاملے میں، ایسا حکم صرف بورڈ دے سکتا ہے اور شیئر ہولڈرز کو ظاہر کیا جائے گا۔

کمپنی کے حصص میں تجارت

کمپنی کے حصص میں ڈائریکٹرز اور ملازمین کی تجارت صرف قابل اطلاق قوانین کے مطابق کارپوریٹ انتظامیہ کی طرف سے وقتاً فوقتاً جاری کردہ مزید تفصیلی رہنما خطوط کے مطابق ہی ممکن ہے۔ اس میں ان کمپنیوں کے حصص بھی شامل ہیں جو براہ راست/بالواسطہ طور پر کمپنی کے زیر کنٹرول ہیں۔

اندرونی معلومات

ڈائریکٹرز اور ملازمین کمپنی کے بارے میں ایسی معلومات سے آگاہ ہو سکتے ہیں جو عام نہیں کی گئی ہے۔ ایسے غیر عوامی یا "اندرونی" ڈائریکٹرز اور ملازمین کے استعمال سے ایسی معلومات کے بارے میں آگاہی ہو سکتی ہے جو کمپنی کے حصص کے حوالے سے قیمت کے لحاظ سے حساس ہو سکتی ہیں، اس بات کو یقینی بنانا ہوگا کہ ایسی معلومات کو سختی سے خفیہ رکھا جائے اور کسی بھی ساتھیوں یا تیسرے فریق کو ظاہر نہ کیا جائے، اس کے علاوہ سخت جاننا ضروری ہے۔ حصص سے متعلق ممکنہ طور پر قیمت کی حساس معلومات کو انتظامیہ کی توجہ میں فوری طور پر لایا جانا چاہیے، جو عوامی افشاء کی ضرورت پر غور کرے گا۔ اس طرح کے انکشاف پر صرف انتظامیہ ہی فیصلہ کرے گی۔ شک کی صورت میں، کمپنی سیکرٹری اور/یا چیف فنانشل آفیسر سے رابطہ کریں۔

اس رپورٹ کے ساتھ سالانہ اجلاس عام کانوٹس بھی منسلک ہے۔

شیر ہولڈنگ کا نمونہ

31 دسمبر 2023 تک کمپنی کے شیر ہولڈرز کی کل تعداد 6,980 تھی۔ 31 دسمبر 2023 تک کمپنی کے شیر ہولڈنگ کا پٹرن، حصص یافتگان کے مخصوص طبقوں کے شیر ہولڈنگ کے پٹرن کے ساتھ جن کا انکشاف رپورٹنگ فریم ورک کے تحت ضروری ہے نیز ڈائریکٹرز، ایگزیکٹوز، اور ان کی شریک حیات بشمول نابالغ بچے (اگر کوئی ہے) کے حصص کی خرید و فروخت کا بیان مالی سال 2023 کے دوران رپورٹ میں دیا گیا ہے۔

ڈائریکٹرز کا انتخاب

موجودہ بورڈ آف ڈائریکٹرز کا انتخاب 11 اگست 2023 کو کیا گیا جس میں سات (7) ڈائریکٹرز شامل ہیں جن میں ایک (1) خاتون نان ایگزیکٹو ڈائریکٹر، دو (2) آزاد ڈائریکٹرز شامل ہیں، ان میں سے ایک بورڈ کا چیئر مین بھی ہے، دو (2) نان ایگزیکٹو ڈائریکٹرز اور دو (2) ایگزیکٹو ڈائریکٹرز بشمول چیف ایگزیکٹو ڈائریکٹر۔ لکسمینیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق تفصیلی کمپوزیشن، سالانہ رپورٹ کے ساتھ منسلک "تعمیل کے بیان" میں دی گئی ہے۔ ان ڈائریکٹرز کو سال کے دوران دوبارہ تعینات کیا گیا۔

ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے کمپنی کے آرٹیکل آف ایسوسی ایشن کمپنیز ایکٹ، 2017 اور لکسمینیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کے مطابق بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کے معاوضے کے لیے پالیسی اور طریقہ کار کی باضابطہ منظوری دی ہے۔ اس بات کو یقینی بنانا کہ ان کی آزادی پر کسی بھی طرح سے سمجھوتہ نہ کیا جائے۔ اس کی اہم خصوصیات میں یہ شامل ہے کہ آزاد ڈائریکٹرز بورڈ آف ڈائریکٹرز اور بورڈ کی دیگر کمیٹیوں کے اجلاسوں میں شرکت کے معاوضے کے طور پر مینٹنگ فیس کے حقدار ہیں۔ سال کے دوران ڈائریکٹرز کو ادا کیے گئے معاوضے کی تفصیلات مالی بیانات کے متعلقہ نوٹ میں دی گئی ہیں۔

سرمایہ کار تعلقات اور ویب سائٹ

ہم چاہتے ہیں کہ ہمارے سرمایہ کاروں، شیر ہولڈرز، اور صارفین کو ہمارے اور ہمارے آپریشنز کے بارے میں اچھی طرح سے آگاہ کیا جائے تاکہ ہم دہرا پورا یا باہمی طور پر فائدہ مند تعلقات استوار کرنا جاری رکھ سکیں۔ ہم اپنے شیر ہولڈرز اور اسٹیک ہولڈرز کی خدمت کے لیے پرعزم ہیں جیسے ہی وہ مواد کی ترسیل کے لیے دستیاب ہوں گی۔ ایک مشق کے طور پر، ہم کمپنی کی آفیشل ویب سائٹ (www.waves.net.pk) پر تمام مادی مکالمے باقاعدگی سے شائع کریں گے جیسے کمپنی کی مالی، آپریشنل کارکردگی، شیر ہولڈنگ کا نمونہ، مادی انکشافات، اور کوئی دوسری معلومات جو سرمایہ کاروں کے لیے ضروری سمجھی جاتی ہیں۔

ہمارا سرمایہ کار شکایات سیکشن سرمایہ کار کی شکایات کی صورت میں رابطہ کرنے والے شخص کی تفصیلات کا احاطہ کرتا ہے تاکہ آپ کے خدشات کو مناسب طریقے سے دور کیا جاسکے۔

بیرونی آڈیٹرز

آڈٹ کمیٹی نے رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، لاہور کی دوبارہ تقرری کی سفارش کی ہے۔ رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، لاہور، IDFK انٹرنیشنل کے ایک آزاد رکن، ۱۳ دسمبر ۲۰۲۲ کو ختم ہونے والے سال کے لیے کمپنی کے قانونی آڈیٹرز کے طور پر، ایک فیس پر جس پر باہمی اتفاق کیا جائے۔ بورڈ نے اس سفارش کی توثیق کی ہے۔

اعترافات

ہم اپنے تمام اسٹیک ہولڈرز، خاص طور پر اپنے قابل قدر صارفین، سپلائرز، کاروباری شراکت داروں، مالیاتی اداروں، ریگولیٹرز کا شکریہ ادا کرنا چاہیں گے، جنہوں نے ہم پر اپنا اعتماد ظاہر کیا ہے۔ کمپنی کی کامیابیاں اور موجودہ موقف غیر متزلزل عزم، محنت، بے پناہ تعاون، اور ہماری انتظامی ٹیم اور دیگر ملازمین کی کوششوں کے بغیر ممکن نہیں تھا جو مکمل تعریف کے مستحق ہیں۔ ہمیں یقین ہے کہ ٹیم ترقی کرتی رہے گی اور تمام اسٹیک ہولڈرز کی توقعات پر مسلسل پورا اترے گی۔ بورڈ سیکریٹریز اینڈ ایگزیکٹو کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کو ان کی مسلسل حمایت اور تعاون کے لیے سراہنا چاہے گا۔ ہم اپنے شیر ہولڈرز کا بھی تہہ دل سے شکریہ ادا کرنا چاہیں گے کہ انہوں نے ہم پر جس اعتماد اور اعتماد کا اظہار کیا ہے اور ان کی غیر متزلزل حمایت کے لیے۔ بورڈ کے لیے اور اس کی جانب سے:

- 1 جناب ہارون احمد خان سی ای او/ ڈائریکٹر 4
- 2 جناب معظم احمد خان نان ایگزیکٹو ڈائریکٹر 4
- 3 مسز نگہت ہارون خان نان ایگزیکٹو ڈائریکٹر 4
- 4 جناب حمزہ احمد خان ایگزیکٹو ڈائریکٹر 4
- 5 جناب تجل حسین بخاری آزاد 4
- 6 جناب خالد عظیم نان ایگزیکٹو ڈائریکٹر 4
- 7 جناب ظفر حسین آزاد 4

نوٹ: سال کے دوران 11 اگست 2023 کو ڈائریکٹر کا انتخاب ہوا اور بورڈ کو 3 سال کی مدت کے لیے دوبارہ مقرر کیا گیا۔ اسی مناسبت سے آڈٹ کمیٹی اور ہیومن ریسورس کمیٹیوں کی بھی تشکیل نو کی گئی۔

آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس کے نفاذ کے بعد سے بورڈ کی ایک آڈٹ کمیٹی موجود ہے۔ یہ تین (3) ارکان پر مشتمل ہے۔
چیئرمین ایک آزاد ڈائریکٹر ہے۔ دیگر اراکین میں دو (2) نان ایگزیکٹو ڈائریکٹر شامل ہیں۔ سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر ممبر کی حاضری ذیل میں دی جاتی ہے:-

نمبر ڈائریکٹر کا نام اسٹینڈنگ میٹنگز میں شرکت کی۔

- 1 جناب تجل حسین بخاری آزاد ڈائریکٹر 4
- 2 مسز نگہت ہارون خان نان ایگزیکٹو ڈائریکٹر 4
- 3 جناب معظم احمد خان نان ایگزیکٹو ڈائریکٹر 4

آڈٹ کمیٹی نے لیکمپینز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں فراہم کردہ اپنے ٹرمز آف ریفرنس کو اپنایا ہے۔

انسانی وسائل اور معاوضہ کمیٹی

ہیومن ریسورس اینڈ ریمونیشن کمیٹی چار (4) ممبران پر مشتمل ہے جن میں سے ایک (1) ممبر آزاد ہے اور ایک (1) ایگزیکٹو ڈائریکٹر اور دو (2) نان ایگزیکٹو ڈائریکٹر ہیں۔ سال کے دوران ہیومن ریسورس اینڈ ریمونیشن کمیٹی کا ایک اجلاس منعقد ہوا۔ ہر ممبر کی حاضری ذیل میں دی گئی ہے۔

نمبر۔ ڈائریکٹر عہدہ کا نام جس نے شرکت کی۔

- 1 جناب محمد ظفر حسین چیئرمین/ آزاد 1
- 2 جناب معظم احمد خان نان ایگزیکٹو ڈائریکٹر 1
- 3 جناب خالد عظیم نان ایگزیکٹو ڈائریکٹر 1
- 4 جناب ہارون احمد خان ایگزیکٹو ڈائریکٹر 1

ہیومن ریسورس اینڈ ریمونیشن کمیٹی نے لیکمپینز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں فراہم کردہ شرائط کے حوالہ کو اپنایا ہے۔

بورڈ کی کارکردگی اور ڈائریکٹرز کے تربیتی پروگرام کا جائزہ

جیسا کہ لیکمپینز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت ضرورت ہے، بورڈ کی اپنی کارکردگی، بورڈ کے ممبران اور اس کی کمیٹیوں کے پہلے سے طے شدہ آپریشنل اور اسٹریٹجک اہداف کے سالانہ جائزے کے لیے ایک باضابطہ اور موثر طریقہ کار وضع کیا گیا ہے۔ موثر بورڈز کمیٹی کے سٹریٹجک مقاصد کو پورا کرنے کے لیے ٹھوس اجتماعی فیصلے کرتے ہیں اور بہترین آپریشنل کارکردگی کے لیے انتظامیہ کو کلیدی معاملات پر نگرانی اور مدد فراہم کرتے ہیں۔ اچھی طرح سے کی جانے والی تشخیص بورڈ اور اس کی کمیٹیوں کو اپنی زیادہ سے زیادہ صلاحیتوں کے مطابق کارکردگی دکھانے میں مدد کرتی ہے، جو کمیٹی کی طویل مدتی پائیدار قدر میں مسلسل کامیابی اور ترقی کے لیے اہم ہے۔

ہماری افرادی قوت باقاعدگی سے اپنے متعلقہ علاقوں میں تربیت سے گزرتی ہے۔ سنگر ٹیبل اکیڈمی ملازمین کو ایک جامع ورک فورس ٹریننگ کیلنڈر کے ذریعے لے جانے میں اہم کردار ادا کرتی ہے۔ ہم اپنے ملازمین کو اس شعبے میں ہونے والی نئی پیشرفتوں سے آگاہ کرنے کے لیے ورکشاپس کا انعقاد بھی کرتے ہیں تاکہ ماریٹ کے بدلے ہوئے منظر نامے سے باخبر ہیں۔

اندرونی مالیاتی کنٹرول کی کافیت

اندرونی کنٹرول کا فریم ورک مؤثر طریقے سے بورڈ کے ذریعہ قائم کردہ اندرونی آڈٹ فنکشن کے ذریعے نافذ کیا گیا ہے جو بیرونی آڈٹ فنکشن سے آزاد ہے۔ کمپنی کا اندرونی کنٹرول کا نظام ڈیزائن کے لحاظ سے درست ہے اور تاثیر اور مناسبت کے لیے اس کا مسلسل جائزہ لیا جاتا ہے۔ آڈٹ کمیٹی نے کمپنی کے اندر تمام سطحوں پر آپریشنل، تعمیل، رسک مینجمنٹ، مالیاتی رپورٹنگ اور کنٹرول کے مقاصد، کمپنی کے اثاثوں کی حفاظت اور شیئر ہولڈرز کی دولت کے حصول کو یقینی بنایا ہے۔ اندرونی آڈٹ فنکشن نے آڈٹ کمیٹی کی طرف سے بیان کردہ چارٹر کے تحت اپنے فرائض سرانجام دیے ہیں۔ آڈٹ کمیٹی نے اندرونی آڈٹ کے مواد کا جائزہ لیا ہے، مناسب کارروائی کی ہے یا جہاں ضرورت پڑی بورڈ کی توجہ میں معاملات لائے ہیں۔ ایک قابل اعتماد مالیاتی رپورٹنگ سسٹم اور قوانین و ضوابط کی تعمیل سمیت کمپنی کے مقاصد میں کارکردگی اور شراکت کو یقینی بنانے کے لیے بیرونی اور اندرونی آڈیٹرز کے درمیان ہم آہنگی کو آسان بنایا گیا۔

کارپوریٹ گورننس کے بہترین طرز عمل

ہمارا ضابطہ اخلاق اخلاقیات کو ہماری بنیادی اقدار میں سے ایک کے طور پر درج کرتا ہے، اس لیے یوزر کارپوریشن لمیٹڈ کسی بھی قسم کے امتیازی سلوک اور ایذا رسانی کے خلاف صفر و اداری کی پالیسی رکھتی ہے۔ اسی طرح رپورٹنگ کے محاذ پر بھی ایمان داری اور کھلی بات چیت کی توقع کی جاتی ہے، ہمیں اس بات کی پرواہ ہے کہ ہم کیسے نتائج حاصل کرتے ہیں۔ ہمارا ماننا ہے کہ یوزر کارپوریشن لمیٹڈ سے وابستہ ہر فرد کے لیے اس کلچر کو اپنانا اور دیاں تدار اور جوابدہی کے اعلیٰ ترین معیارات کے مطابق زندگی گزارنا ضروری ہے۔ بورڈ آف ڈائریکٹرز نے ڈائریکٹرز اور ملازمین کے لیے کوڈ آف کنڈکٹ کو اپنایا اور اسے بورڈ کے ممبران اور ملازمین کو ملکیٹیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضرورت کے لحاظ سے سرکولیشن کر دیا گیا ہے۔ ضابطہ اخلاق کمپنی کی ویب سائٹ پر بھی رکھا گیا ہے۔

ڈائریکٹرز کا بیان

جیسا کہ ضابطہ کی ضرورت ہے، ہم، کمپنی کے ڈائریکٹرز، یہ بتاتے ہوئے خوش ہیں کہ:

(الف) کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ، اور ایکویٹی میں تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔

(ب) کمپنی کی طرف سے حساب کتاب کی مناسب دیکھ بھال کی گئی ہے۔

(c) مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے۔

(d) حساب کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

(e) بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز (IAS) اور IFRS، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں بیرونی کی گئی ہے۔

(f) اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔

(g) کمپنی کی جاری توثیق کے طور پر جاری رکھنے کی صلاحیت پر کوئی خاص شک نہیں ہے؛ اور

(h) کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج نہیں ہوا ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے سوائے اس سالانہ رپورٹ میں بیان کردہ حد تک۔

تعمیل کا بیان

کمپنی حکمرانی کے بہترین طریقوں پر عمل پیرا ہے۔ کمپنی نے درج کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں بیان کردہ ایک "کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل کا بیان" جاری کیا ہے، جس کا کمپنی کے آڈیٹرز نے بھی جائزہ لیا اور تصدیق کی ہے۔

مالی سال کے دوران ملاقاتیں اور سرگرمیاں

سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس منعقد ہوئے جن کی صدارت چیئر مین نے کی۔ چیف فنانشل آفیسر اور کمپنی سیکریٹری نے بھی میٹنگوں میں ضرورت کی حد تک شرکت کی۔

بورڈ آف ڈائریکٹرز

ڈائریکٹر اسٹیٹس میٹنگز کا کوئی نام نہیں آیا

کمپنی اس بات کو تسلیم کرتی ہے کہ خطرہ کاروبار کا ایک لازمی حصہ ہے اور خطرات کو فعال اور مؤثر طریقے سے سنبھالنے کے لیے پرعزم ہے۔ کمپنی وقتاً فوقتاً اندرونی اور بیرونی ماحول میں خطرات کا جائزہ لیتی ہے اور اپنی حکمت عملی اور کاروباری آپریشنل پلانز میں خطرے کے تخفیف کے منصوبوں کو شامل کرتی ہے۔ ہر خطرے کا بغور جائزہ لیا جاتا ہے، جیسا کہ تجزیہ کے بعد کچھ معاملات میں یہ کاروبار کے نئے مواقع کا باعث بن سکتا ہے۔

کمپنی کے پاس رسک مینجمنٹ کا ایک اچھی طرح سے طے شدہ فریم ورک موجود ہے۔ رسک مینجمنٹ فریم ورک پورے انٹرپرائز میں اوپر سے نیچے تک مختلف سطحوں پر کام کرتا ہے۔ یہ سطحیں کمپنی کے رسک مینجمنٹ کا اسٹریٹجک دفاعی احاطہ تشکیل دیتی ہیں۔ کمپنی کی رسک مینجمنٹ کمیٹی خطرے میں کمی کے منصوبے کی نگرانی اور جائزہ لیتی ہے۔

ماحولیات، صحت اور حفاظت

ہم اپنے پورے کاروبار میں صحت، حفاظت اور ماحول میں عمدگی حاصل کرنے کے لیے پرعزم ہیں۔ ہم اپنے ملازمین کی حفاظت کو ترجیح دیتے ہیں اور ایک مثبت ماحول، اچھی صحت، اور حفاظتی کچھ فراہم کرنے کے لیے سخت محنت کرتے ہیں، خاص طور پر اپنی مینوفیکچرنگ سہولیات پر اپنے ماحولیاتی فرائض اور ذمہ داریوں کو چوکس طریقے سے پورا کرتے ہوئے۔ ہماری کمپنی اپنے کارکنوں کی پیشہ ورانہ حفاظت اور صحت کو اہمیت دیتی ہے۔ ہم کام کرنے کا ایک محفوظ ماحول برقرار رکھتے ہیں اور اپنے عملے اور اسٹیک ہولڈرز کی صحت اور تندرستی کی ذمہ داری لیتے ہیں۔ کمپنی تمام ملازمین کو کام کی جگہ اور اس سے باہر دونوں جگہوں پر ان کی حفاظت کو یقینی بنانے کے لیے فعال طور پر تربیت دیتی ہے۔ اس کے علاوہ، ہمارے مینوفیکچرنگ، ڈسٹری بیوشن اور ریشیل آپریشنز نے SOPs تیار کیے ہیں جو حادثات کے خطرے کو کم کرنے کی کوشش کرتے ہیں۔

کارپوریٹ سماجی ذمہ داری (CSR)

ہم اجتماعی کوششوں پر یقین رکھتے ہیں اور اس لیے ایک مضبوط تنظیمی کچھ بنایا ہے جو تمام ملازمین اور اسٹیک ہولڈرز کو فائدہ فراہم کرتا ہے۔ ہم سماجی ذمہ داری کو اپنی بنیادی اقدار میں سے ایک کے طور پر قبول کرتے ہیں اور اسے گروپ کے ہر ممبر کے ذریعے شیئر کیا جاتا ہے۔ پائیدار اور ذمہ دارانہ ترقی نہ صرف کارپوریٹ اداروں پر مقامی قوانین کا پابند ہے، بلکہ یہ اخلاقی ذمہ داری کے بارے میں زیادہ ہے جس پر عمل کرنے اور بہترین جذبے کے ساتھ عمل کرنے کی ضرورت ہے۔

ہمارا پختہ یقین ہے کہ اس کی مالیاتی کامیابی کے لیے اس کی ماحولیاتی اور سماجی کارکردگی کو بہتر بنانا ناگزیر ہے۔ کمپنی ہمیشہ فضیلت، گڈ گورننس، شفافیت، دیانتداری اور جوابدہی کے کچھ پر زور دیتی ہے۔

WAVES مندرجہ ذیل متنوع CSR اقدامات کو مسلسل چلا رہا ہے جن میں سے ہر ایک ہمارے CSR وژن کی طرف ہمارے اہداف کو پورا کرتا ہے۔

GENDER پے گیپ ایٹمنٹ

لہروں، ہم اپنی ٹیم میں ہر کسی کے لیے انصاف اور مساوات پر یقین رکھتے ہیں۔ ہم کام کی جگہ فراہم کرنے کے لیے پرعزم ہیں جہاں تمام ملازمین کے ساتھ احترام کے ساتھ برتاؤ کیا جاتا ہے اور ترقی اور کامیابی کے یکساں مواقع فراہم کیے جاتے ہیں۔

ہم اس بات کو یقینی بناتے ہیں کہ ہماری خواتین ملازمین کو ان کے مرد ساتھیوں کے برابر تنخواہ اور مراعات حاصل ہوں، ایسے ماحول کو فروغ دیتے ہوئے جہاں ہندو محنت واقعی اہمیت رکھتی ہے۔ ہماری جامع ثقافت عمر، جنس، نسل، ازدواجی حیثیت، معذوری، مذہب، عقائد یا رنگ سے قطع نظر تمام پس منظر سے تعلق رکھنے والے افراد کی قدر کرتی ہے۔ صنفی تنوع کے لیے ہماری وابستگی ہمارے بورڈ آف ڈائریکٹرز میں خواتین کی نمائندگی کے ذریعے ظاہر ہوتی ہے۔

ذیل میں 31 دسمبر 2024 کو ختم ہونے والے سال کے لیے شمار کردہ صنفی تنوع کا ڈیٹا ہے۔

انسانی سرمائے میں سرمایہ کاری

ویوز کارپوریشن میں، ہم مارکیٹ پلیس میں بہترین ٹیلنٹ کو اپنی طرف متوجہ کرنے اور انہیں مہارت اور مواقع دینے پر یقین رکھتے ہیں، انہیں اعلیٰ کامیابی حاصل کرنے والے بننے کی ضرورت ہے۔

انسانی اثاثے۔

کمپنی اپنے لوگوں کو اپنا سب سے اہم اثاثہ سمجھتی ہے۔ ہم ہمیشہ دستیاب انسانی وسائل کی بہترین صلاحیتوں کو بھرتی، تربیت اور فروغ دینے کے لیے کوشاں رہتے ہیں۔ پُرکشش معاوضے کے پیکیجوں کے علاوہ، ہمارا کارپوریٹ کچھ ملازمین کی کارکردگی کو بڑھانے کے لیے ڈیزائن کیا گیا ہے۔ ہمارا جانشینی کی منصوبہ بندی کا فریم ورک ہماری بھرتی اور فروغ کی سرگرمیوں کو فعال طور پر رہنمائی کرتا ہے۔

سیکھنے اور تنظیمی ترقی

3.1 آپریٹنگ نتائج

ہمیں 31 دسمبر 2024 کو ختم ہونے والے سال کے لیے ویوز کارپوریشن لمیٹڈ، پہلے ویوزنگر پاکستان لمیٹڈ (ویوز یا کمپنی) کی سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے، اس کے ساتھ ڈیٹرز کی رپورٹ اور اس پر دیگر رپورٹس بھی شامل ہیں۔ اللہ تعالیٰ کے فضل و کرم سے، WAVES برانڈ ڈ مصنوعات کی مانگ صحت مندرہتی ہے، جو کہ اعلیٰ معیار کی، مارکیٹ پر مبنی اور اختراعی مصنوعات فراہم کرنے کے ہمارے عزم کی وجہ سے ہے۔

حالیہ برسوں میں، بڑھتی ہوئی افراط زر اور مسلسل مالیاتی خسارے کی وجہ سے پاکستان کی معیشت کو نمایاں مشکلات کا سامنا کرنا پڑا۔ صنعتی پیداوار خاص طور پر بڑے پیمانے پر مینوفیکچرنگ میں جدوجہد کر رہی تھی، جبکہ بیرونی عدم توازن اور غیر ملکی ذخائر میں کمی نے دباؤ بڑھایا۔ حکومت نے سخت مالیاتی پالیسیوں اور مالیاتی ایڈجسٹمنٹ کے ساتھ جواب دیا، جس سے استحکام کی منزلیں طے ہوئیں۔ تاہم، زرعی کارکردگی متضاد رہی، اور درآمدات پر انحصار نے اہم شعبوں میں ساختی کمزوریوں کو بے نقاب کیا۔

خوراک اور توانائی کی قیمتوں میں نرمی کی وجہ سے افراط زر میں تیزی سے کمی کے ساتھ حالیہ مہینوں میں حوصلہ افزا بہتری آئی ہے۔ مالیاتی نظم و ضبط نے نتائج دینا شروع کر دیے ہیں، خسارے کو کم کرنا اور بنیادی سرچش پیدا کرنا شروع کر دیا ہے۔ بیرونی شعبہ مضبوط ہوا ہے، جس کی مدد سے ترسیلات زر کی مضبوط آمد، بڑھتی ہوئی غیر ملکی سرمایہ کاری، اور برآمدات میں بہتری آئی ہے۔ زراعت ترقی کر رہی ہے، حکومتی اقدامات اور میکا نائزیشن میں اضافہ، جب کہ آٹوموبائل اور سینٹ جیسی صنعتیں ترقی کر رہی ہیں۔ اسٹاک مارکیٹ پر جوش ہے، اور زرمبادلہ کے ذخائر مستحکم ہوئے ہیں، جو سرمایہ کاروں کے نئے اعتماد کی عکاسی کرتے ہیں۔

گھریلو آلات کی تیاری کی ٹیکنالوجی پر مبنی نوعیت کی وجہ سے، گھریلو کمپنیوں کو یا تو تحقیق اور ترقی اور تکنیکی صلاحیتوں میں اہم سرمایہ کاری کرنے کی ضرورت ہوتی ہے یا عالمی داخلوں کے ساتھ اسٹریٹجک شراکت داری قائم کرنا ہوتی ہے۔ عالمی ویلیو چین کے ساتھ خود کو ہم آہنگ کرنے کے لیے، گروپ نے ایک کارپوریٹ تنظیم نو کا آغاز کیا ہے، جو اب خصوصی طور پر WAVES برانڈ کے تحت گھریلو آلات کی پیداوار اور فروخت پر توجہ مرکوز کر رہا ہے۔

ویوز ہوم اپلائنسز نے ڈیٹا کی شفافیت کو بہتر بنانے اور آپریشنل کارکردگی کو بڑھانے کے لیے حال ہی میں B1 SAP میں منتقلی، ڈیجیٹل تبدیلی پر پھر پور زور دیا ہے۔ کمپنی کے پاس متعدد ISO سرٹیفیکیشنز ہیں جو مصنوعات کے معیار، کام کی جگہ کی حفاظت، ماحولیاتی پائیداری، اور بین الاقوامی تعمیل کے معیارات کے تئیں اس کی وابستگی کو واضح کرتے ہیں۔ Cola - Coca کمپنی کے سلازنگائیڈنگ پرنسپلز (SGP) کے تحت ایک سرٹیفائیڈ گرین ریڈیو سلاز کے طور پر، Waves Home Appliances کو اعلیٰ اخلاقی اور آپریشنل معیارات کو برقرار رکھنے کے لیے پہچانا جاتا ہے۔ کمپنی اپنی مینوفیکچرنگ صلاحیتوں کو جدید اور وسعت دینے کے مستقبل کے منصوبوں کے ساتھ جاری ترقیاتی اقدامات کے ذریعے افرادی قوت کی ترقی میں سرمایہ کاری جاری رکھے ہوئے ہے۔

ویوز مارکیٹ پلیس ایک وسیع ریٹیل نیٹ ورک پر فخر کرتا ہے جو مختلف قسم کی مصنوعات کو ایڈجسٹ کرنے اور انتہائی دور دراز علاقوں میں بھی صارفین تک پہنچنے کی صلاحیت رکھتا ہے۔ یہ نیٹ ورک نمایاں فروخت کی صلاحیت کی نمائندگی کرتا ہے۔ اہم میٹروپولیٹن علاقوں میں اسٹریٹجک طور پر واقع ہوم اپلائنسز ریٹیل آؤٹ لیٹس کے ساتھ، کمپنی اپنی مارکیٹ میں موجودگی کو مضبوط بنانے اور وسیع کسٹمر ڈیموگرافک کی خدمت کے لیے اچھی پوزیشن میں ہے۔

یہ شہری اسٹور کے مقامات کمپنی کو قابل اعتماد گھریلو آلات کی تلاش میں صارفین کی ایک وسیع رینج کے ساتھ مؤثر طریقے سے مشغول ہونے کی اجازت دیتے ہیں۔ یہ وسیع ریٹیل فٹ پرنٹ نہ صرف برانڈ کی نمائش کو بڑھاتا ہے بلکہ شہری صارفین کی قوت خرید تک رسائی کو بھی قابل بناتا ہے۔ اس کے علاوہ، نیٹ ورک کی رسائی مضافاتی اور دیہی علاقوں تک پھیلی ہوئی ہے، جس سے مارکیٹ کی رسائی میں مزید اضافہ ہوتا ہے۔

یہ بڑے فخر کے ساتھ ہے کہ میں 31 دسمبر 2024 کو ختم ہونے والے مالی سال کی سالانہ رپورٹ شیئر کر رہا ہوں، جس میں ویوز کارپوریشن لمیٹڈ کی مجموعی اور اسٹینڈ اسکیلے کامیابیوں کا احاطہ کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کمپنی کی اسٹریٹجک سمت کی تشکیل اور مضبوط حکمرانی کو یقینی بنانے میں ایک اہم کردار ادا کرتا رہتا ہے۔ ہماری غیر متزلزل توجہ طویل مدتی قدر کی تخلیق اور اسٹیک ہولڈر کے مفادات کے تحفظ پر ہے۔ بورڈ کی تشکیل ایک متوازن اور ہمہ گیر قیادت کے ڈھانچے کی عکاسی کرتی ہے، جس میں سات ممبران ایگزیکٹو، نان ایگزیکٹو، اور آزاد ڈائریکٹرز کے امتزاج پر مشتمل ہیں، جن میں ایک خاتون آزاد ڈائریکٹر بھی شامل ہیں، جو کاروبار، مالیات، ضابطے اور مالیاتی شعبے میں علم کی دولت لاتے ہیں۔

کارپوریٹ گورننس کے مضبوط طریقوں سے ہماری وابستگی بہت گہرا ہے۔ اس سال، ہم نے مستقل مزاجی، شفافیت اور قائدانہ صلاحیتوں کو فروغ دینے کے لیے بورڈ کی کارروائیوں کے لیے ایک اچھی طرح سے طے شدہ فریم ورک پر عمل کیا، جس میں ساختی تشخیص، انتخابات اور تقرری شامل ہیں۔ WAVES تمام ریگولیٹری اور گورننس معیارات کے ساتھ مکمل صف بندی میں کام کرنا جاری رکھے ہوئے ہے۔

2024 میں، بورڈ مالیاتی نگرانی اور بجٹ کی منظوری سے لے کر کیپٹل پلاننگ اور اسٹریٹجک عمل درآمد تک اہم فیصلہ سازی کے عمل میں سرگرم عمل رہا۔ ہم نے واضح سمت فراہم کی اور پائیدار ترقی کی نئی راہیں تلاش کرتے ہوئے غیر یقینی صورتحال کا جواب دینے میں انتظامیہ کی مدد کی۔

ہنگامہ خیز عالمی اقتصادی ماحول کے باوجود، WAVES نے محتاط مالیاتی طریقوں، شفاف آپریشنز، اور یکدہ اسٹریٹجک منصوبہ بندی کو اپناتے ہوئے لچک اور استحکام کا مظاہرہ جاری رکھا ہے۔ یہ بنیادی اصول ہمارے کارپوریٹ فلسفے کی بنیاد بناتے ہیں اور مستقبل کے مواقع اور چیلنجوں سے گزرتے وقت ہماری رہنمائی کریں گے۔

میں اپنے ساتھی بورڈ ممبران کی سال بھر میں ان کی انمول شراکت، لگن اور قیادت کے لیے دل کی گہرائیوں سے تعریف کرنا چاہوں گا۔ ان کی رہنمائی WAVES کو آگے بڑھانے اور مسلسل کامیابی کے لیے بنیاد ڈالنے کے لیے ضروری رہی ہے۔

خصوصی کاروبار کے سلسلے میں مادی حقائق کا بیان

ایجنڈا آکٹومبر 4-31 دسمبر 2024 کو ختم ہونے والے مالی سال کے دوران متعلقہ پارٹی ٹرانزیکشنز کی منظوری/توثیق کا اختیار دینا ہے۔ کمپنی نے درج ذیل اداروں جس میں ہولڈنگ اور شریک کمپنیاں/انڈر ٹیکنگ شامل ہیں کے ساتھ متعلقہ پارٹی لین دین کیا ہے۔

a۔ وپوز ہوم اپڈیٹس لمیٹڈ

b۔ وپوز مارکیٹ پلیس لمیٹڈ

c۔ وپوز ہولڈرز اینڈ ڈیولپرز پرائیویٹ لمیٹڈ

d۔ ایپلا نیٹ پرائیویٹ فنڈ/ایپلا نیٹ پرنسپل فنڈ/ایپلا نیٹ گریجویٹ فنڈ

مالی سال کے دوران متعلقہ فریقوں کے ساتھ تمام لین دین کمپنی کی طرف سے کمپنی کی متعلقہ پارٹی ٹرانزیکشنز پالیسی کے تحت کاروبار کے عام کورس میں اور قابل رسائی قیمتوں کی بنیاد پر کیا جاتا ہے۔ متعلقہ فریقوں کے ساتھ کیے گئے تمام لین دین کے لیے بورڈ آڈٹ کمیٹی کی منظوری درکار ہوتی ہے۔ آڈٹ کمیٹی کی سفارش پر، اس طرح کے لین دین کو بورڈ آف ڈائریکٹرز کے سامنے منظوری کے لیے رکھا جاتا ہے۔ متعلقہ فریقوں کے ساتھ تمام لین دین کا انکشاف 31 دسمبر 2024 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں کے نوٹس میں کیا گیا ہے۔ وپوز کے ساتھ لین دین میں وہ لین دین شامل ہیں جو اسکیم کے نفاذ کے عمل سے پیدا ہوتے ہیں اور اس کے نتیجے میں بین کمپنی بینکس، جب تک کہ اسکیم کے مطابق عمل درآمد مکمل طور پر مکمل نہ ہو جائے، مالیاتی گوشواروں میں ظاہر ہوتا ہے۔ ان تعلقات کی نوعیت مالی گوشواروں کے نوٹس میں بھی ظاہر کی گئی ہے۔

ایجنڈا آکٹومبر 5 بورڈ 31 دسمبر 2025 کو ختم ہونے والے مالی سال کے دوران متعلقہ پارٹی ٹرانزیکشنز کی منظوری کا اختیار دینا ہے

کمپنی 31 دسمبر 2025 کو ختم ہونے والے سال کے دوران متعلقہ فریقوں کے ساتھ کمپنی کی متعلقہ پارٹی ٹرانزیکشنز پالیسی کے تحت کاروبار کے عام کورس میں اور قابل رسائی قیمتوں کی بنیاد پر کیا گیا ہے۔ متعلقہ فریقوں کے ساتھ کیے گئے تمام لین دین کے لیے بورڈ آڈٹ کمیٹی کی منظوری درکار ہوتی ہے۔ آڈٹ کمیٹی کی سفارش پر، اس طرح کے لین دین کو بورڈ آف ڈائریکٹرز کے سامنے منظوری کے لیے رکھا جائے گا۔ وپوز کے ساتھ لین دین میں وہ لین دین شامل ہو سکتے ہیں جو اسکیم کے نفاذ کے عمل سے پیدا ہوتے ہیں اور اس کے نتیجے میں مالیاتی گوشواروں میں بین کمپنی بینکس، جب تک کہ اسکیم کے مطابق عمل درآمد مکمل طور پر مکمل نہ ہو جائے، میں ظاہر ہوتا ہے۔

شفاف کاروباری طریقوں کو فروغ دینے کے لیے، شیئر ہولڈرز سے سفارش کی جاتی ہے کہ وہ کمپنی کے بورڈ آف ڈائریکٹرز کو 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے کیس نوٹس کی بنیاد پر متعلقہ فریقوں کے ساتھ لین دین کی منظوری دینے کا اختیار دیں۔ لین دین کو شیئر ہولڈرز کے ذریعے منظور شدہ سمجھا جائے گا۔ ان ٹرانزیکشنز کو اگلے سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے ان کی باضابطہ توثیق/منظوری کے لیے رکھا جائے گا۔ ڈائریکٹرز صرف اس حد تک قراردادوں میں دلچسپی رکھتے ہیں جو متعلقہ فریقوں میں ان کی مشترکہ ڈائریکٹر شپ کی حد تک ہو۔

ڈائریکٹرز کی دلچسپی

کمپنی کے ممبران کی صرف ایک کلاس ہے۔ کمپنی کے ڈائریکٹرز کے مفادات پر قراردادوں کا اثر دوسرے ممبران کی دلچسپی کے اثر سے مختلف نہیں ہے۔ سوائے جو یہاں بیان کیے گئے اور ڈائریکٹرز اس قرارداد میں صرف اس حد تک دلچسپی رکھتے ہیں کہ متعلقہ فریقوں میں ان کی مشترکہ ڈائریکٹر شپ اور ڈائریکٹرز کمپنی اور متعلقہ فریقین جو کل وقتی ایگزیکٹو افعال سرانجام دے رہے ہیں، کمپنی اور متعلقہ فریقوں کی متعلقہ پالیسیوں کے مطابق معاوضے، مراعات اور الائنمنٹس کی حد تک بھی دلچسپی رکھتے ہیں، اس لیے قراردادوں میں اس حد تک دلچسپی سمجھی جاسکتی ہے۔

مادی معلومات

خصوصی امور کے حوالے سے تمام مادی معلومات بشمول AOA/MOA کے سالانہ اکاؤنٹس، مالیاتی گوشواروں، متعلقہ پارٹی کے لین دین اور ریکارڈ، گزشتہ عام اجلاس کے امور، کمپنی کے ڈائریکٹرز کے شیئر ہولڈنگ اور متعلقہ فریقوں کے ساتھ ان کی دلچسپی (اگر کوئی ہے) بمعزل لاہور ہائی کورٹ، لاہور کی طرف سے منظور شدہ انتظامات کی اسکیم، نئے حصص کے مزید اجراء کی معلومات، متعلقہ فریق کے نوٹس کا اقتباس الگ سے کاپی کیا گیا اور شیئر ہولڈرز کی معلومات کے لیے رکھا گیا، مادی حقائق کا بیان اور دیگر ضروری دستاویزات سالانہ اجلاس عام کے نوٹس کی بابت کمپنی کے رجسٹرڈ آفس میں رکھا جاتا ہے اور یہ اس نوٹس کی تاریخ سے سالانہ اجلاس عام کے اختتام تک معائنہ کے لیے دستیاب رہے گا اور کمپنی کی ویب سائٹ www.waves.net.pk پر مطلوبہ حد تک رکھا جائے گا۔

پراسی فارم

پراسی فارم سالانہ عام اجلاس کے نوٹس کے ساتھ منسلک ہے۔

پوسٹل بیٹ فارم

پوسٹل بیٹ فارم سالانہ عام اجلاس کے نوٹس کے ساتھ منسلک ہے۔

9. کمپنی سالانہ مالیاتی بیانات ای میل کے ذریعے منتقل کر سکتی ہے جس کے لیے شیئرز ہولڈرز کمپنی کی ویب سائٹ پر دستیاب معیاری درخواست فارم کو پُر کر کے شیئرز رجسٹرار یا کمپنی سیکرٹری کو اپنی متعلقہ معلومات فراہم کر سکتے ہیں۔ شیئرز ہولڈرز کمپنی کے رجسٹرڈ آفس میں پچھلی جنرل میٹنگز کے منٹس کے لیے اپنی درخواست جمع کر سکتے ہیں۔
10. سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ متعلقہ رپورٹس/ جائزے کمپنی کی ویب سائٹ www.waves.net.pk پر دستیاب ہوں گے۔ یہ اکاؤنٹس کمپنی کے رجسٹرڈ دفتر میں دفتری اوقات میں معائنہ کے لیے بھی دستیاب ہیں۔
11. شیئرز ہولڈرز، جو کسی بھی وجہ سے اپنے ڈیویڈنڈ/حصص کا دعویٰ نہیں کر سکے، اگر کوئی ہے تو، انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیئرز رجسٹرار آفس یعنی کارپلنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1، کمرشل، ماڈل ٹاؤن، لاہور سے اپنے غیر دعویٰ دار ڈیویڈنڈ/حصص کے بارے میں دریافت کریں۔
12. کمپنیز ایکٹ، 2017 کے سیکشن 72 کے تقاضوں کی تعمیل میں ہر موجودہ لہڈ کمپنی کو اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرنے کی ضرورت ہوگی جیسا کہ بیان کیا گیا ہے اور ایس ای سی پی کی طرف سے مطلع کردہ تاریخ سے، اس مدت کے اندر اندر کمپنیز ایکٹ کے آغاز سے چار سال سے زیادہ نہیں ہوگی، ممبرز کے فزیکل شیئرز کمپنیز ایکٹ 17 میں تبدیل کرنے کی درخواست کی جائے گی۔ جلد از جلد فزیکل فارم سے بک انٹری فارم میں شیئرز کریں۔ یہ اراکین کو کئی طریقوں سے سہولت فراہم کرے گا جن میں حصص کی محفوظ تحویل، حصص کا نقصان نہ ہونا، ڈپلیکیٹ حصص کے اجراء کے لیے درکار رسمی کارروائیوں سے گریز، اور کھلے بازار میں بہتر نرخوں پر فروخت اور خریداری کے لیے آسانی سے دستیاب ہے۔
13. کمپنی الیکٹرانک طور پر سالانہ اکاؤنٹس 2024 بشمول پراسی فارم ای میل کے ذریعے شیئرز ہولڈرز کو بھیجے گی جن کے ای میل پتے کمپنی کے شیئرز رجسٹرار کے پاس رضامندی کی بنیاد پر دستیاب ہیں۔ ان معاملات میں، جہاں کمپنی کے شیئرز رجسٹرار کے پاس ای میل ایڈریس دستیاب نہیں ہیں، مذکورہ سالانہ رپورٹ کو ڈاؤن لوڈ کرنے کے لیے ویب لنک اور QR فعال کوڈ کے ساتھ AGM کے پرنٹ شدہ نوٹس بھیجے گئے ہیں۔ تاہم، کمپنی کسی بھی رکن کو ان کے مطالبے پر سالانہ رپورٹ کی ہارڈ کاپیاں، ان کے رجسٹرڈ پتے پر، ایسی درخواست موصول ہونے کے ایک ہفتے کے اندر مفت فراہم کرے گی۔
14. کمپنیز ایکٹ 2017 کے سیکشن 185 کے تحت عام اجلاسوں میں یا اس کے سلسلے میں شیئرز ہولڈرز کو کسی بھی شکل میں تحائف/تزیینات کی فراہمی سختی سے ممنوع ہے۔
15. کسی بھی سوال/وضاحت/معلومات کے لیے، شیئرز ہولڈرز کمپنی سے ای میل cs@waves.net.pk اور/یا کمپنی کے شیئرز رجسٹرار سے ای میل akbar@corplink.com.pk پر رابطہ کر سکتے ہیں۔

b. اپوائنٹمنٹ پراکسیز کے لیے:

i. افراد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اپ لوڈ کی گئی ہیں، مندرجہ بالا ضرورت کے مطابق پراکسی فارم جمع کرائیں گے۔

ii. پراکسی فارم پر دو افراد کو ایسی دیں گے جن کے نام، پتے اور CNIC نمبرز فارم پر درج ہوں گے۔

iii. فائدہ مند مالکان اور پراکسی کے CNIC یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔

iv. پراکسی میٹنگ کے وقت اپنا اصل CNIC یا اصل پاسپورٹ پیش کرے گا۔

v. کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی کو نمونہ کے دستخط کے ساتھ کمپنی کو پراکسی فارم کے ساتھ پیش کیا جائے گا (جب تک یہ پہلے فراہم نہ کیا گیا ہو)

4. شیئر ہولڈرز سے درخواست کی جاتی ہے کہ اگر ان کے رجسٹرڈ ڈاک پتوں میں کوئی تبدیلی ہو تو کمپنی کے شیئر رجسٹرار کو مطلع کریں۔

5. خصوصی کاروباری قراردادوں پر ووٹنگ کا طریقہ کار:

AGM میں لین دین کرنے والے خصوصی کاروبار کے بارے میں، یہ مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 (پوسٹل بیلٹ ریگولیشنز) کے تقاضوں کے مطابق ممبران کو مذکورہ ضوابط میں بیان کردہ شرائط کے مطابق ووٹ کا حق استعمال کرنے کی اجازت ہوگی۔ اس کے مطابق، کمپنی اپنے اراکین کو ووٹنگ کے لیے درج ذیل اختیارات فراہم کرے گی:

ای ووٹنگ کا طریقہ کار:

a. ای ووٹنگ کی سہولت کی تفصیلات ای میل کے ذریعے کمپنی کے ان ممبروں کے ساتھ شیئر کی جانیں گے جن کے پاس کمپنی کے ممبران کے رجسٹر میں 23 اپریل 2024 کو کاروبار کے اختتام تک درست سیل نمبرز/ای میل ایڈریس دستیاب ہیں Corplink (Private) Limited کے ذریعے E-Voting سروس فراہم کرنے والا۔

b. ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کے ذریعے کی جائے گی۔

c. ممبران آن لائن ووٹ ڈالیں گے 27 اپریل 2025 سے صبح 9.00 بجے سے شروع ہو کر 29 اپریل 2025 شام 05:00 بجے تک۔ ووٹنگ 29 اپریل 2025 کو شام 05:00 بجے بند ہوگی۔ ایک بار جب کسی رکن کی طرف سے قرارداد پر ووٹ ڈال دیا جائے تو اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

پوسٹ کے ذریعے ووٹنگ کا طریقہ کار

a. اراکین متبادل طور پر پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا انتخاب کر سکتے ہیں۔ اراکین کی سہولت کے لیے، بیلٹ پیپر اس نوٹس کے ساتھ منسلک ہے اور یہ کمپنی کی ویب سائٹ (www.waves.net.pk) پر بھی ڈاؤن لوڈ کے لیے دستیاب ہے۔

b. اراکین اس بات کو یقینی بنائیں کہ کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کے ساتھ صحیح طریقے سے بھرا ہوا اور دستخط شدہ بیلٹ پیپر میٹنگ کے چیئر مین تک کمپنی کے رجسٹرڈ آفس یعنی 9-Km ملتان روڈ، لاہور (ویوز ٹیکنیری پرائیویٹ) پر ڈاک کے ذریعے جزل میٹنگ سے کم از کم دو دن پہلے cs@waves.net.pk پر ای میل کریں۔ اس وقت کے بعد موصول ہونے والا پوسٹل بیلٹ ووٹنگ کے لیے نہیں سمجھا جائے گا۔ بیلٹ پیپر پر دستخط CNIC پر دستخطوں سے مماثل ہونے چاہئیں۔

6. ایکٹ کے سیکشن 143 اور 144 کے تقاضوں کے تابع، جہاں عام اجلاس میں رائے شماری کا مطالبہ کیا جاتا ہے، کمپنی کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 میں بیان کردہ طریقہ کار کی پیروی کرے گی۔

7. ویڈیو لنک کے ذریعے جزل میٹنگ میں شرکت کے خواہشمند کمپنی کے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات (جیسا کہ نیچے دیا گیا ہے) اپنے CNIC (دو نو اطراف)/پاسپورٹ کی ایک درست کاپی کے ساتھ، بورڈ ریزولوشن کی تصدیق شدہ کاپی/پاور آف اٹارنی (کارپوریٹ شیئر ہولڈرز کی صورت میں) ای میل کے ذریعے cs@waves.net.pk پر ای میل کے ذریعے بھیجیں (یا اسی طرح کے مضمون کے لیے Register AG کے ساتھ) عام اجلاس کے انعقاد سے کم از کم 48 گھنٹے پہلے WAVES کا 2025۔ اصل دستخط شدہ دستاویزات کو ریکارڈ کے مقاصد کے لیے الگ سے کوریئر یا ڈاک کے ذریعے کمپنی کو بھیجنا ضروری ہے۔

ویڈیو لنک اور لاگ ان کی سند کو صرف ان ممبروں کے ساتھ شیئر کیا جائے گا جن کی ای میلز، تمام مطلوبہ تفصیلات پر مشتمل وقت کے اندر اچھی طرح موصول ہوئی ہیں۔ ویڈیو لنک کا یہ نوٹس کمپنی میں 10% یا اس سے زیادہ شیئر ہولڈنگ (مجموعی طور پر) رکھنے والے ممبران کو ویڈیو لنک کی سہولت فراہم کرنے کا بھی احاطہ کرے گا، جو کہ جغرافیائی مقام پر مبنی ہیں۔

8. ایس ای ایس پی کے سرکلر نمبر 10 مورخہ 21 مئی 2014 کے مطابق، اگر کمپنی میٹنگ والے شہر کے علاوہ کسی جغرافیائی مقام پر رہنے والے مجموعی 10% یا اس سے زیادہ شیئر ہولڈنگ رکھنے والے ممبران سے رضامندی حاصل کرتی ہے، تو ویڈیو کانفرنس کے ذریعے میٹنگ میں شرکت کرنے کے لیے کم از کم 07 (سات) دنوں میں، کمپنی میٹنگ کی تاریخ سے کم از کم 07 (سات) دنوں میں ویڈیو کانفرنس کرے گی۔ شہر اس شہر میں اس طرح کی سہولت کی دستیابی سے مشروط ہے۔ اس سلسلے میں، براہ کرم مندرجہ ذیل کو پُر کریں اور جزل میٹنگ کی تاریخ سے کم از کم 07 (سات) دن پہلے کمپنی کے ہیڈ آفس ایڈریس پر جمع کرائیں۔

ویوز کارپوریشن لمیٹڈ

اطلاع سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ ویوز کارپوریشن لمیٹڈ کا سالانہ اجلاس عام، کمپنی کے رجسٹرڈ دفتر 9 کلومیٹر ملتان روڈ، لاہور میں فزیکل اور الیکٹرونک بروز بدھ 30 اپریل 2025ء کو دوپہر 12:00 بجے درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عمومی امور:

- 1- 29 اپریل 2024ء کے کمپنی کے سالانہ اجلاس عام کے امور کی تصدیق کرنا۔
 - 2- 31 دسمبر 2024ء ختمہ سال کیلئے کمپنی کے مالی حسابات معیڈاٹریکٹران کی رپورٹس اور چیئرمین کے جائزہ کی وصولی، غور و خوض اور منظوری دینا۔
 - 3- 31 دسمبر 2025ء ختمہ سال کیلئے کمپنی کے قانونی آڈیٹران کا تقرار اور ان کے صلہ خدمت کا تعین کرنا۔ بورڈ اور آڈٹ کمیٹی نے ریٹائر ہونے والے آڈیٹرز میسرز رضوان اینڈ مینی، چارٹرڈ اکاؤنٹنٹس، کو کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔
- خصوصی امور
- 4- غور و خوض اور اگر بہتر خیال کیا گیا تو درج ذیل خصوصی قراردادوں کو اصطلاحات کے ساتھ یا بغیر منظور کرنا۔
 - "قرار پایا کہ کمپنی کی جانب سے مالی سال 31 دسمبر 2024ء کے دوران ویوز ہوم اپائنٹمنٹس لمیٹڈ، ویوز مارکیٹ پلیس لمیٹڈ، ویوز بلڈرز اور ڈویلپرز (پرائیویٹ) لمیٹڈ اور ایمپلائیز بینشن / گریجویٹ / پرائیویٹ فنڈ جو بھی صورت ہو کے ساتھ کیے گئے لین دین جیسا کہ 31 دسمبر 2024 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ نظر ثانی شدہ مالیاتی حسابات کے متعلقہ پارٹی نوٹ میں دیا گیا اس کی توثیق / منظوری دی جاتی ہے۔
 - 5- "قرار پایا کہ کمپنی کا بورڈ آف ڈائریکٹرز مالی سال 31 دسمبر 2025ء کے دوران کیس ٹوکس کی بنیاد پر کیے جانے والے تمام متعلقہ پارٹی ٹرانزیکشنز کو منظور کرنے کا مجاز ہے۔ ان ٹرانزیکشنز کو شیئر ہولڈرز کی جانب سے منظور تصور کیا جائے گا اور اگلے AGM میں حصص یافتگان کے سامنے ان کی باضابطہ توثیق / منظوری کے لیے پیش کیا جائے گا۔

محکم بورڈ
احمد بلال ذوالفقار (کمپنی سیکرٹری)

لاہور: 08 اپریل 2025ء

مادی حقانیت کا بیان نوٹس سالانہ اجلاس عام کے ہمراہ ترسیل کیا جا رہا ہے۔

نوٹس:

1. کمپنی کی حصص کی منتقلی کی کتابیں 24 اپریل 2025ء سے 30 اپریل 2025ء تک (دونوں دن سمیت) بند رہیں گی۔ 23 اپریل 2024ء کو کاروبار کے اختتام پر ہمارے شیئر رجسٹرار کارپنٹک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1، کمرشل ماڈل ٹاؤن، لاہور کے دفتر میں موصول ہونے والی منتقلیوں کو منتقلی کے حقدار کے مقاصد کے لیے بروقت سمجھا جائے گا۔
2. میٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار کن کسی دوسرے ممبر کو اپنی طرف سے میٹنگ میں شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کا تقرر کرنے والا آلہ میٹنگ کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے ہیڈ آفس میں جمع کرایا جانا چاہیے۔ پراکسی فارم کمپنی کی ویب سائٹ یعنی www.waves.net.pk پر دستیاب ہے تاہم، الیکٹرانک حاضری کی صورت میں، سابقہ؟؟ پیرا گراف میں دیے گئے متعلقہ طریقہ کار پر عمل کیا جاسکتا ہے۔
3. CDC اکاؤنٹس ہولڈرز کو مزید ہدایات پر عمل کرنا ہوگا جیسا کہ 26 جنوری 2000 کو پاکستان کے سیکورٹیز اینڈ ایکسچینج کمیشن کے جاری کردہ سرکلر 1 میں دیا گیا ہے:

a. اجلاس میں شرکت کے لیے:

i. افراد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز ڈیپ اگراؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اپ لوڈ کی گئی ہیں، میٹنگ میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کریں گے۔

ii کارپوریٹ ادارے کی صورت میں، میٹنگ کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/انٹرنیٹ نامزد شخص کے نمونے کے دستخط کے ساتھ پیش کیا جائے گا (جب تک یہ پہلے فراہم نہ کیا گیا ہو)۔

WAVES CORPORATION LIMITED

BALLOT PAPER FOR VOTING THROUGH POST

For poll at the Annual General Meeting of Waves Corporation Limited (WAVES or the Company) to be held on Wednesday, 30 April 2025 at 12:00 p.m. at the Registered Office of the Company.

The designated email address for the Chairman at which the duly filled in ballot paper can be sent at cs@waves.net.pk

Name of shareholder/joint shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with sub-account No	
Number of shares held (shall be taken as of book closure in notice)	
CNIC, NICOP/Passport No. (for foreigner) (Copy to be attached)	
Additional Information ((In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - (Copy to be attached)	

Special Business: Resolution 4

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the relevant box below or may write "Approve" or "Disapprove"

"Resolved that the transactions carried out by the Company with Waves Corporation Limited, Waves Marketplace Limited, Waves Builders and Developers (Private) Limited and Employees' Pension/Gratuity/Provident Fund (as the case may be), during the financial year 31 December 2024 as given in the related party note of the Annual Audited Financial Statements of the Company for the year ended 31 December 2024, be and hereby are ratified and approved."

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 4	For:	Against:

Special Business: Resolution 5

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the relevant box below or may write "Approve" or "Disapprove"

"Resolved further that the Board of Directors of the Company is authorized to approve all related party transactions to be carried out on case-to-case basis during the financial year 31 December 2025. These transactions shall be deemed to be approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval"

No.	Resolution Information	I/We approve Resolution	I/We disapprove the Resolution
1	Special Business: Resolution 5	For:	Against:

Signature of Shareholder

Number of Shares Held

Place and Date

Notes:

1. Dully filled postal ballot should be sent to Chairman of the Company, at 9-KM, Multan Road, Lahore (Waves Factory Office) along with the copy of CNIC, NICOP/Passport (for foreigner). The form should reach 48 hours before the meeting. The Signature on the postal ballot should match with the signatures on the CNIC, NICOP/Passport.
2. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten, expired identification copy shall be rejected.

WAVES CORPORATION LIMITED

FORM OF PROXY

The Company Secretary
Waves Corporation Limited
9 KM, Multan Road, Lahore

I/ We _____
of _____
being a member of **Waves Corporation Limited** hereby appoint

_____ of _____
or failing him _____
of _____

as my proxy in my absence to attend, speak and vote for me on my behalf at the Annual General Meeting of the Company to be held on Wednesday, 30 April 2025 at 12:00 p.m. and at any adjournment thereof.

As witness my / our hand this _____ day of _____.

Witness No.1

Name : _____

Address : _____

CNIC No.: _____

Witness No. 2

Name : _____

Address : _____

CNIC No.: _____

**Rs. 50/-
Revenue
Stamp**

Signature of Member(s)

(Name in Block letters)

Folio No. _____

Participant ID No. _____

No. of shares _____

Account No. in CDC _____

Important

1. CDC Account Holders are requested to strictly follow the guidelines mentioned in the Notice of Meeting.
2. A Member entitled to attend a General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
3. Members are requested:
 - (a) To affix Revenue Stamp of Rs. 50/- at the place indicated above.
 - (b) To sign across the Revenue Stamp in the same style of signature as is registered with the Company.
 - (c) To write down their Folio Numbers.
4. This form of proxy, duly completed and signed across a Rs. 50/- revenue stamp, must be deposited/sent at the Company's Registered Office not less than 48 hours before the time for holding the meeting or may be sent through the email as given in this notice followed by courier/post to the Company's registered office.

ویوز کارپوریشن لمیٹڈ

پراکسی فارم

کمپنی سیکرٹری

ویوز کارپوریشن لمیٹڈ

9 کلومیٹر، ملتان روڈ، لاہور

میں / ہم _____ ساکن _____
بحیثیت رکن ویوز کارپوریشن لمیٹڈ اور حامل _____ عام حصص بھاپق شیئرز رجسٹرڈ فیو نمبر _____
(بصورت منٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر _____ پارٹسپنٹ (شرکت) آئی ڈی نمبر _____)
بذریعہ ہذا
محترم / محترمہ _____ ساکن _____
جو کمپنی کا ممبر ہے بھاپق شیئرز رجسٹرڈ فیو نمبر _____
(بصورت منٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر _____ پارٹسپنٹ (شرکت) آئی ڈی نمبر _____)
یا اسکی غیر موجودگی میں محترم / محترمہ _____ ساکن _____
جو کمپنی کا ممبر ہے بھاپق شیئرز رجسٹرڈ فیو نمبر _____
(بصورت منٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر _____ پارٹسپنٹ (شرکت) آئی ڈی نمبر _____)
مورخہ بدھ 30 اپریل 2025ء میں منعقد ہونے والے سالانہ اجلاس عام یا کسی متبادل دن جو بھی ہوگا میں رائے دہندگی کے لئے نمائندہ مقرر کرتا / کرتی / کرتے ہوں / ہیں۔

دستخط: _____ آج بروز: _____ بتاریخ: _____ 2025ء

گواہ:

50 روپے کارسیدی ٹکٹ
چسپاں کریں

دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخطوں کے
مطابق ہونے چاہئیں

1۔ دستخط:	2۔ دستخط:
نام:	نام:
پتہ:	پتہ:
شناختی کارڈ نمبر:	شناختی کارڈ نمبر:

اہم ترین

1. CDC اکاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ میٹنگ کے نوٹس میں بیان کردہ رہنما خطوط پر سختی سے عمل کریں۔
2. جنرل میٹنگ میں شرکت کا حقدار رکن اس کے بجائے شرکت کرنے اور ووٹ دینے کے لیے ایک پراکسی مقرر کرنے کا حقدار ہے۔
3. اراکین سے درخواست کی جاتی ہے:
(a) اوپر بتائی گئی جگہ پر 50 روپے کارپوریٹ سٹیمپ چسپاں کرنا۔
(b) کارپوریٹ سٹیمپ پر دستخط کے اسی انداز میں دستخط کرنا جس طرح کمپنی کے ساتھ رجسٹرڈ ہے۔
(c) ان کے فیو نمبر لکھنا۔
4. پراکسی کار فارم، جس پر مکمل اور دستخط شدہ 50 روپے کارپوریٹ سٹیمپ، میٹنگ کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں جمع / بھیجا جانا چاہیے یا ای میل کے ذریعے بھیجا جاسکتا ہے جیسا کہ اس نوٹس میں دیا گیا ہے اور اس کے بعد کمپنی کے رجسٹرڈ آفس کو کوریئر / پوسٹ کے ذریعے بھیجا جاسکتا ہے۔

WAVES CORPORATION LIMITED
9-KM, MULTAN ROAD
LAHORE

Ph: 042-35415421-5

UAN: +92(42)111-31-32-33

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

