

QUARTERLY REPORT | 30 SEPTEMBER 2026

WAVES HOME APPLIANCES LIMITED

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1. CORPORATE INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

- | | |
|----------------------------------|-------------------------------|
| 1. Mr. Tajammal Hussain Bokharee | Chairman/Independent Director |
| 2. Mr. Khalid Azeem | Non-Executive Director |
| 3. Mr. Hamza Ahmad Khan | Non-Executive Director |
| 4. Mr. Khurram Zahoor | Secretary |

HR & REMUNERATION COMMITTEE

- | | |
|-------------------------------|-------------------------------|
| 1. Mr. Muhammad Zafar Hussain | Chairman/Independent Director |
| 2. Mr. Hamza Ahmad Khan | Non-Executive Director |
| 3. Mr. Khalid Azeem | Non-Executive Director |
| 4. Mr. Haroon Ahmad Khan | Executive Director |
| 5. Mr. Khurram Zahoor | Secretary |

CHIEF FINANCIAL OFFICER

Mr. Moazzam Ahmad Khan

COMPANY SECRETARY

Mr. Khurram Zahoor

HEAD OF INTERNAL AUDIT

Mr. Salaar Ahmad Khan

LEGAL ADVISOR

Law Wings, Advocates & Solicitors

EXTERNAL AUDITOR

Rizwan and Company
Chartered Accountants

SHARE REGISTRAR

Corplink (Private) Limited

REGISTERED OFFICE

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

REGISTRATION NUMBER

CUIN 0020624
Email: cs@waves.com.pk
Website: www.wves.net.pk

BANKERS

National Bank of Pakistan
Bank Al Falah Limited
United Bank Limited
Bank of Kyber
Sindh Bank Limited
Pak Libya Holding Company Limited

Habib Bank Limited
MCB Bank Limited
Dubai Islamic Bank Limited
Askari Bank Limited
Pak Oman Investment Company Limited
Pak Brunei Investment Company Limited

2. DIRECTORS' REPORT

The Board of Directors of Waves Home Appliances Limited (WAVESAPP or the Company) is pleased to present the Directors' Report together with the condensed interim un-audited financial statements of the Company for the nine months ended 30 September 2026. The key financial highlights for the period are provided herein:

	9 Months	
	30 Sep 26 Rs. in '000	30 Sep 25 Rs. in '000
Sales (Gross)	3,940,028	4,019,633
Sales (Net)	2,738,759	2,792,950
Gross Profit	683,567	757,800
Profit from Operations	831,260	715,978
Profit before Levies and Taxation	250,898	313,135
Profit for the Period	269,938	261,584
Earnings Per Share – Basic and Diluted (Rupees)	1.01	0.98

Based on the financial results and in view of the prevailing economic conditions and the ongoing restructuring of debt liabilities, the Board of Directors does not recommend any pay-out to the shareholders of the Company.

During the quarter, which coincided with the first quarter of FY2027, Pakistan's economic recovery broadened. Large-scale manufacturing grew by 3.03% in July 2026, vehicle sales rose by 29.9%, and agricultural indicators remained favourable, supporting rural demand for home appliances. However, higher international oil prices pushed CPI inflation up to 11.1% in August 2026 from 3.1% a year earlier. The State Bank of Pakistan held the policy rate at 11.5% in September and then raised it to 12% in October 2026. Higher energy and input costs and pressure on purchasing power weighed on spending on consumer durables. On the external front, the current account deficit narrowed to USD 543 million. Remittances rose by 14.7%, and the USD 3.0 billion Eurobond lifted SBP reserves to USD 21.4 billion. The Rupee remained stable at around PKR 277 per US Dollar. Growth is expected to strengthen in FY2027, although elevated global oil prices remain the principal risk.

During the nine months ended 30 September 2026, the Company recorded gross sales of PKR 3,940.03 million compared with PKR 4,019.63 million in the corresponding period last year, a decrease of 2.0%, while net sales stood at PKR 2,738.76 million against PKR 2,792.95 million. Sales in the third quarter were affected by the rise in inflation and its impact on consumer purchasing power, with net sales for the quarter at PKR 705.02 million compared with PKR 789.28 million in the same quarter last year. Gross profit for the period was PKR 683.57 million compared with PKR 757.80 million, with the gross margin at 25.0% (2025: 27.1%) owing to higher input and energy costs. Profit from operations increased by 16.1% to PKR 831.26 million, supported by higher other income of PKR 577.42 million. Finance costs increased to PKR 580.36 million from PKR 402.84 million, resulting in profit before levies and income tax of PKR 250.90 million compared with PKR 313.14 million. After a net income tax credit of PKR 54.30 million, profit for the period increased by 3.2% to PKR 269.94 million compared with PKR 261.58

million, and earnings per share improved to PKR 1.01 from PKR 0.98. For the third quarter, profit after tax was PKR 108.85 million (2025: PKR 105.56 million), translating into earnings per share of PKR 0.41 (2025: PKR 0.39).

The Company's financial position strengthened considerably during the period as a result of the ongoing restructuring of its debt liabilities. The amount due to the holding company of PKR 3,099.52 million has been restructured and is now classified as a non-current liability, short term borrowings were reduced to PKR 443.87 million from PKR 691.75 million, and the Company received PKR 515.32 million from its holding company as advance against issue of shares. Consequently, current liabilities declined to PKR 4,463.67 million from PKR 7,162.55 million and the current ratio improved to 2.03 times from 1.10 times at 31 December 2025. The Company also invested PKR 251.73 million in property, plant and equipment during the period.

During the period, the Company continued to strengthen its distribution network and improve product availability across key markets. Focus remained on energy-efficient appliances, which are increasingly preferred by consumers in view of rising electricity and fuel costs. Efforts were also made to enhance after-sales service standards to improve customer satisfaction. Internally, the Company maintained strict control over inventory, procurement and receivables to manage costs and optimise working capital in a high interest rate environment. During the period, the Rights Issue was completed and the Company is in the process of completion of necessary corporate and regulatory formalities for issuance of Right Shares. The Rights Issue will strengthen the Company's financial position.

We would also like to extend our sincerest gratitude to our all stakeholders for the confidence and trust they have reposed in us and for their unwavering support.

For and on behalf of the Board:



Haroon Ahmad Khan
Chief Executive Officer
Lahore

27 October 2026



Hamza Ahmad Khan
Director

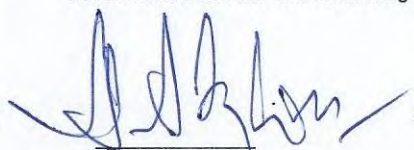
3. QUARTERLY FINANCIAL STATEMENTS

The Condensed Interim Financial Statements for the period ended 30 September 2026 are attached to this Report.

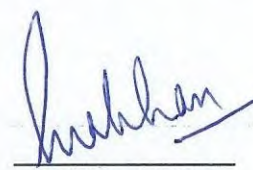
Waves Home Appliances Limited
Condensed Interim Statement of financial position
As at 30 September 2026

		(Unaudited) 30 September 2026	(Audited) 31 December 2025			(Unaudited) 30 September 2026	(Audited) 31 December 2025
	Note	(Rupees in '000)			Note	(Rupees in '000)	
Equity and liabilities				Assets			
Share capital and reserves				Non-current assets			
Share capital	3	2,678,853	2,678,853	Property, plant and equipment	8	8,437,535	8,188,421
Capital reserves		3,690,236	3,690,236	Intangible assets	9	2,695,881	2,721,101
Advance for Issue of shares		515,319	-	Investment property		800,450	762,200
Loan from sponsoring directors	4	159,073	366,473	Long term deposits		9,341	9,870
Unappropriated profit		1,313,220	1,030,583	Employee retirement benefits		-	8,488
Revaluation surplus		315,758	328,457			11,943,207	11,690,080
		8,672,459	8,094,601				
Non-current liabilities				Current assets			
Long term financings	5	4,467,186	3,933,753	Stores, spares and loose tools		31,963	19,590
Due to holding company		3,099,517	-	Stock-in-trade		2,238,786	2,076,167
Lease liabilities		948	2,424	Trade debts		5,217,924	4,864,707
Deferred taxation		299,353	353,653	Advances, deposits, prepayments and other receivables		794,308	675,135
Deferred income		3,083	3,838	Short term investment		3,000	3,000
		7,870,086	4,293,668	Advance income tax		254,975	204,176
				Cash and bank balances		522,052	17,968
						9,063,007	7,860,743
Current liabilities							
Trade and other payables		3,169,200	2,750,678				
Accrued mark-up		222,376	380,368				
Short term borrowings	6	443,866	691,749				
Current portion of due to holding company		-	2,535,169				
Current portion of long term liabilities		628,226	804,589				
		4,463,668	7,162,553				
		21,006,213	19,550,822			21,006,214	19,550,822
Contingencies and commitments	7						

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


Chief Executive


Director


Chief Financial Officer

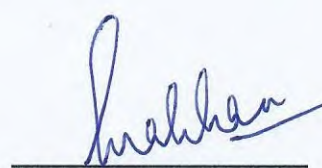
Waves Home Appliances Limited
Condensed Interim Statement of profit or loss account
For the nine months ended 30 September 2026

		Nine months ended		Three months ended	
		30 September 2026	30 September 2025	30 September 2026	30 September 2025
Note		----- (Rupees in '000) -----			
Sales - net of returns		3,940,028	4,019,633	1,001,597	1,103,313
Sales tax and discounts		(1,201,269)	(1,226,683)	(296,580)	(314,037)
Sales - net	10	2,738,759	2,792,950	705,017	789,276
Cost of sales		(2,055,191)	(2,035,150)	(534,149)	(575,745)
Gross profit		683,567	757,800	170,868	213,532
Marketing, selling and distribution costs		(171,761)	(169,794)	(35,264)	(35,818)
Administrative expenses		(162,595)	(179,239)	(68,438)	(58,408)
Other operating expenses		(95,369)	(77,556)	(11,953)	(41,020)
Other income		577,418	384,767	176,490	114,441
		147,693	(41,822)	60,835	(20,804)
Profit from operations		831,260	715,978	231,703	192,728
Finance costs		(580,362)	(402,843)	(110,466)	(82,211)
Profit before levies and income tax		250,898	313,135	121,237	110,517
Levies	11	(35,260)	(39,573)	(9,838)	(3,491)
Profit before income tax		215,638	273,562	111,399	107,026
Income tax expense	12	54,300	(11,978)	(2,546)	(1,466)
Profit for the period		269,938	261,584	108,853	105,560
Earnings per share - basic and diluted (Rupees)		1.01	0.98	0.41	0.39

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


Chief Executive


Director


Chief Financial Officer

Waves Home Appliances Limited
Condensed Interim Statement of changes in equity
For the nine months ended 30 September 2026

	Capital reserves			Revenue reserve		
Share capital	Loan from sponsors	Capital reserves	Revaluation surplus	Unappropriated profits	Total	
(Rupees in 000)						
As at 01 January 2025	2,678,853	430,084	3,690,236	347,475	822,360	7,969,008
Profit for the period	-	-	-	-	189,204	189,204
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	189,204	189,204
Effect of incremental depreciation - net of tax	-	-	-	(19,019)	19,019	-
Transfer to retained earnings upon disposal of investment property	-	-	-	-	-	-
Transactions with owners						
Sponsors loan received during the period	-	(63,611)	-	-	-	(63,611)
Balance as at 31 December 2025 - Audited	2,678,853	366,473	3,690,236	328,457	1,030,583	8,094,601
Profit for the period	-	-	-	-	269,938	269,938
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	269,938	269,938
Effect of incremental depreciation - net of tax	-	-	-	(12,699)	12,699	-
Transactions with owners						
Sponsors loan received/(repaid) during the period	-	(207,400)	-	-	-	(207,400)
As at 30 September 2026	2,678,853	159,073	3,690,236	315,758	1,313,220	8,157,140

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


Chief Executive


Director


Chief Financial Officer

Waves Home Appliances Limited
Condensed Interim Statement of comprehensive income
For the nine months ended 30 September 2026

	Nine months ended		Three months ended	
	30 September 2026	30 September 2025	30 September 2026	30 September 2025
	(Rupees in '000)			
Profit for the period	269,938	261,584	108,853	105,560
Other comprehensive income for the period				
Items that will not be reclassified to statement of profit or loss	-	-	-	-
Items that may be reclassified to statement of profit or loss	-	-	-	-
Total comprehensive income for the period	269,938	261,584	108,853	105,560

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


Chief Executive


Director


Chief Financial Officer

Waves Home Appliances Limited
Condensed Interim Statement of cash flows
For the nine months ended 30 September 2026

		30 September 2026	30 September 2025
	Note	----- (Rupees in '000) -----	
Cash flows from operating activities	13	27,422	100,888
Income tax paid/refund received - net		(86,059)	(3,144)
Employee retirement benefits		(5)	(19)
Finance costs paid		(35,867)	(80,577)
Long term deposits - net		529	1,422
Net cash generated from operating activities		(93,980)	18,570
Cash flows from investing activities			
Additions in property, plant and equipment		(251,725)	(47,933)
Proceeds from disposal of property, plant and equipment		3,473	8,083
Advance for issue of shares		515,319	-
Net cash used in investing activities		267,067	(39,850)
Cash flow from financing activities			
Long term loans		(179,295)	(62,419)
Short term borrowings		355,401	-
Loan from holding company		366,316	-
Loan from sponsors		(207,400)	93,389
Lease rentals paid		(4,026)	(8,354)
Net cash used in financing activities		330,997	22,616
Net increase / (decrease) in cash and cash equivalents		504,083	1,336
Cash and cash equivalents - at beginning of the period		17,968	338
Cash and cash equivalents - at end of the period		522,051	1,674

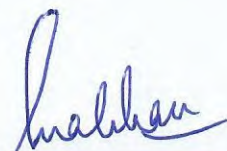
The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

Waves Home Appliances Limited
Notes to the Condensed Interim Financial Information (Un-audited)
For the nine months ended 30 September 2026

1 Legal status and nature of business

Waves Home Appliances Limited (formerly, Samin Textiles Limited) ("the Company") is incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a public limited company. The registered office of the Company is situated at 9 KM Hanjarwal Multan Road Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company 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. The Company is a subsidiary of Waves Corporation Limited (formerly Waves Singer Pakistan Limited), the ultimate parent Company.

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

- 9-K.M, Hanjarwal, Multan Road, Lahore.
- Mouza Mustafabad, 41-K.M., Ferozpur Road, Off 2-K.M. Rohi Nala Road, Tehsil & District Kasur

- 2** As per Scheme of Compromises, Arrangement and Reconstruction (the Scheme) as sanctioned by the Honorable Lahore High Court, Lahore on May 27, 2022, all home appliance business has been transferred to the Company from its Holding Company "Waves Corporation Limited", with effect from effective date, i.e. September 01, 2021. After transfer of home appliance business, certain bills, invoices and contracts relating to the Company's business activities continued in the name of its parent company i.e. Waves Corporation Limited owing to non-completion of legal and procedural formalities. Consequently, the Holding Company routed transactions in its sales tax returns on account of input on utilities, supplies, imports, local stores and spares to the Company and consequent output tax on revenue whereas all transactions were actually being recorded in the books of the Company. The above stated transactions have been recorded to absorb the impact of Sales Tax Input available in sales tax records of the Holding Company, that could have been lost in absence of any legitimate sales tax output available to the Holding Company.

2 Basis of preparation

2.1 Statement of compliance

These condensed interim financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and Provisions of and directives issued under the Companies Act, 2017.

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

- 2.2** These condensed interim financial statements comprise the condensed interim statement of financial position of the Company as at 30 September 2026 and the related condensed interim statement of profit or loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flow and condensed notes to the financial information for the nine months period ended.
- 2.3** These condensed interim financial statements are unaudited but subject to limited scope review by external auditors and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.
- 2.4** These condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2025. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

- 2.5** Comparative statement of financial position's numbers are extracted from the annual audited financial statements of the Company for the year ended 31 December 2025, whereas comparative statement of profit or loss, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial statement of the Company for the nine months period ended 30 September 2026.

2.6 Use of estimates and judgments

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

In preparing these condensed interim financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation are the same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2025.

2.7 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2025.

3 Issued, subscribed and paid up capital

	(Un-audited) 30 September 2026 Number of shares	(Audited) 31 December 2025	(Un-audited) 30 September 2026 (Rupees in '000)	(Audited) 31 December 2025
Issued for cash	11,879,111	11,879,111	118,791	118,791
Issued under scheme of arrangement	256,006,196	256,006,196	2,560,062	2,560,062
	267,885,307	267,885,307	2,678,853	2,678,853

4 Loan from sponsoring directors

These represent interest free loans from sponsoring directors of the parent company to meet business requirements of the Company. These loan are designated interest free and are repayable at the discretion of the 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.

	Note	(Un-audited) 30 September 2026 (Rupees '000)	(Audited) 31 December 2025
5 Long term financings			
Long term loans - Banking Companies		3,126,001	2,838,587
Long term loans - Non-banking Companies		772,617	829,262
	5.3	3,898,618	3,667,849
Deferred markup	5.4	1,191,121	1,062,755
		5,089,739	4,730,604
Current maturity including overdue amounts		(622,552)	(796,851)
		4,467,187	3,933,753

- 5.1** This represents the amount transferred to long term financing pursuant to restructuring arrangements duly approved.

	(Un-audited) 30 September 2026	(Audited) 31 December 2025
	(Rupees '000)	
5.2 Reconciliation of long term financing is as under:		
Balance at beginning of the period / year	3,667,849	3,433,673
Transfer from short term borrowing	410,064	331,676
	4,077,913	3,765,349
Repayment during the period	(179,295)	(97,500)
Balance at the end of period	3,898,618	3,667,849

- 5.3** There were no major changes in the facilities during the period as those disclosed in the annual audited financial statements of the company for the year ended 31 December 2025. The impact of restructuring of loans have been incorporated in these interim financial statements in accordance with terms and conditions of respective restructuring arrangements.

	(Un-audited) 30 September 2026	(Audited) 31 December 2025
	(Rupees (000))	
5.4 Deferred markup		
Balance at the beginning of the year	1,062,755	616,550
Transfer upon restructuring of loans	555,171	448,040
Effect of present value discounting	(516,278)	(120,906)
Effect of unwinding of present value	89,473	119,071
Balance at the end of the year	1,191,121	1,062,755

	(Un-audited) 30 September 2026	(Audited) 31 December 2025
	(Rupees (000))	
6 Short term borrowings		
<i>From banking companies - secured</i>		
Running finance under mark-up arrangements	-	-
Finance against trust receipt	(0)	198,809
Short term borrowings under 'Morabaha' arrangement	-	196,940
<i>From others</i>		
Loan from employees provident fund - unsecured	269,555	296,000
Working capital finance - secured	174,311	-
	443,866	691,749

- 6.1** There were no major changes in any of the facilities during the period. All terms and conditions applicable on these facilities are same as those disclosed in the annual financial statements of the Company for the year ended 31 December 2025.

7 Contingencies and commitments

7.1 Contingencies

- 7.1.1** 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.

- 7.1.2** There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 31 December 2025.

7.2 Commitments

7.2.1 There are no material commitments to report as at reporting date (31 December 2025: Nil).

		(Un-audited) 30 September 2026	(Audited) 31 December 2025
	Note	(Rupees in '000)	
8 Property, plant and equipment			
Operating fixed assets	8.1	3,646,347	3,663,630
Right of use asset	8.2	2,680	3,350
Capital work-in-progress	8.3	4,788,508	4,521,441
		8,437,535	8,188,421
8.1 Operating fixed assets			
Carrying value at the beginning of period / year		3,663,630	3,145,595
Additions during the period / year		126,658	753,427
Transfers from right to use assets			
Cost		5,489	18,732
Accumulated depreciation		(5,489)	(18,732)
		-	-
Book value of property, plant and equipment disposed off during the period / year		-	-
Depreciation for the period / year		(143,941)	(235,392)
Carrying value at the end of period / year		3,646,347	3,663,630
		(Un-audited) 30 September 2026	(Audited) 31 December 2025
		(Rupees in '000)	
8.2 Right of use asset			
Carrying value at the beginning of period / year		3,350	7,343
Additions during the period / year		-	-
Transfers to owned assets			
Cost		(5,489)	(18,732)
Accumulated depreciation		5,489	18,732
		-	-
Depreciation charge for the period / year		(670)	(3,993)
Carrying value at the end of period / year		2,680	3,350
8.3 Capital work-in-progress			
Carrying value at the beginning of period / year		4,521,441	5,192,180
Additions during the period / year		267,067	374,785
Transfer to operating fixed assets		-	(753,427)
Transfers to investment property		-	(292,097)
Carrying value at the end of period / year		4,788,508	4,521,441
8.4 Breakup of capital work in progress:			
Land		611,457	611,457
Building / Civil works		1,960,214	1,736,601
Plant and machinery		94,889	162,785
Plant and machinery-in transit		122,726	122,726
Advances to suppliers		136,442	130,488
Borrowing costs		1,862,780	1,757,384
		4,788,508	4,521,441

		(Un-audited) 30 September 2026 (Rupees in '000)	(Audited) 31 December 2025
9	Intangible assets		
	Software	5,004	7,178
	Goodwill	1,070,207	1,070,207
	Brand value	1,582,147	1,582,147
	Customer relationships	38,523	61,569
		<u>2,695,881</u>	<u>2,721,101</u>
		(Un-audited) 30 September 2026 (Rupees in '000)	(Un-audited) 30 September 2025
10	Sales - net of returns		
	Gross sales		
	Local sales	3,940,028	4,019,633
	Less: Sales return	-	-
		<u>3,940,028</u>	<u>4,019,633</u>
	Sales tax	(600,963)	(540,787)
	Discounts	(600,306)	(685,897)
		<u>(1,201,269)</u>	<u>(1,226,684)</u>
	Sales - net of returns	<u>2,738,758</u>	<u>2,792,949</u>
		(Un-audited) 30 September 2026 (Rupees in '000)	(Un-audited) 30 September 2025
11	Levies		
	- for the period	35,260	39,573
	- prior period	-	-
		<u>35,260</u>	<u>39,573</u>
11.1	This represents minimum tax on sale of goods under Section 113 of the Income Tax Ordinance, 2001 representing levy in terms of requirements of interpretation issued by International Financial Reporting Interpretation Committee (IFRIC) 21 / International Accounting Standard 37, Provision, contingent liabilities and contingent assets.		
12	Income tax expense		
	Current		
	- for the period	-	-
	- prior period	-	-
		<u>-</u>	<u>-</u>
	Deferred	(54,300)	11,978
		<u>(54,300)</u>	<u>11,978</u>

Note

		(Un-audited) 30 September 2026 (Rupees in '000)	(Un-audited) 30 September 2025
13	Cash flows from operating activities		
	Profit before taxation	250,898	313,135
	Adjustments for non-cash and other items:		
	Depreciation on property, plant and equipment	144,611	148,174
	Amortisation of intangible assets	25,220	25,220
	Fair value gain on investment property	(38,250)	(138,107)
	Finance costs	291,046	325,485
	Markup on payable to holding company	199,358	-
	Markup against lease liability	486	-
	Gain on sale of property, plant and equipment	(3,473)	(8,000)
	Unrealised exchange gain	-	1,924
	Amortisation of deferred income	(756)	(639)
	Present value discounting	(516,278)	(229,218)
	Unwinding of present value discounting	89,473	77,358
	Allowance for expected credit losses	78,959	60,551
	Credit balances written back	-	(293)
	Cash flows from operating activities before working capital changes	529,787	575,589
	Effect on cash flows due to working capital changes:		
	(Increase) / decrease in current assets		
	Stores, spares and loose tools	(12,373)	(4,000)
	Stock-in-trade	(162,619)	85,463
	Trade debts	(432,176)	(361,511)
	Advances, deposits, prepayments and other receivables	(120,499)	(63,057)
	Increase / (decrease) in current liabilities		
	Trade and other payables	225,301	(131,597)
	Cash generated from working capital changes	(502,365)	(474,701)
	Cash generated from operating activities	27,422	100,888

14 Transactions with related parties

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

Nature of relationship	Nature of transactions	(Un-audited) 30 September 2026 (Rupees in '000)	(Un-audited) 30 September 2025
Parent company			
Waves Corporation Limited	Mark up on payable	199,358	202,527
Associated company			
Waves Marketplace Limited	Sales of inventory from	71,963	154,624
	Rental income	1,369	900
Directors	Loan from sponsors	(207,400)	93,389
Employee's Provident Fund	Employer contribution	12,639	12,582

15 Financial risk management and fair value of financial instruments

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 31 December 2025.

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

30 September 2026				
At amortised cost	Fair value			
	Level 1	Level 2	Level 3	
Rupees in '000				
Financial assets				
Long term deposits	9,341	-	-	-
Trade debts	5,217,924	-	-	-
Deposits and other receivables	9,483	-	-	-
Due from related party	4,247	-	-	-
Bank balances	518,436	-	-	-
	<u>5,759,431</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities				
Long term loans - secured	(3,898,618)	-	-	-
Trade and other payables	(861,593)	-	-	-
Due to holding company	(3,099,517)	-	-	-
Lease liabilities	(7,989)	-	-	-
Short term borrowings	(443,866)	-	-	-
Accrued mark-up	(222,376)	-	-	-
	<u>(8,533,958)</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 December 2025				
At amortised cost	Fair value			
	Level 1	Level 2	Level 3	
Rupees in '000				
Financial assets				
Long term deposits	9,870	-	-	-
Trade debts	4,864,707	-	-	-
Deposits and other receivables	10,945	-	-	-
Due from related party	4,247	-	-	-
Bank balances	16,307	-	-	-
	<u>4,906,076</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities				
Long term financings	(3,667,849)	-	-	-
Trade and other payables	(663,446)	-	-	-
Due to holding Company	(2,535,169)	-	-	-
Lease liabilities	(9,465)	-	-	-
Short term borrowings	(691,749)	-	-	-
Accrued markup	(380,368)	-	-	-
	<u>(7,948,046)</u>	<u>-</u>	<u>-</u>	<u>-</u>

Non financial assets measured at fair value

Revalued Property, plant and equipment	Date of valuation	31 December 2023
Investment property	Date of valuation	31 December 2025

16 Corresponding figures

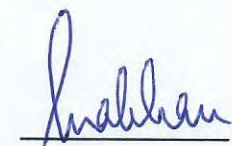
The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. Following significant reclassification has been made:

17 Date of authorisation

17.1 This condensed interim financial information has been approved by the Board of Directors of the Company and authorised for issue on 26 October 2026.

18 General

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


Chief Executive
Director
Chief Financial Officer

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