signify

Annual Report 2024

Table of contents

Our purpose is to unlock the extraordinary potential of light for brighter lives and a better world

Signify is the world leader in lighting. We provide our customers with high-quality, energy-efficient lighting products, systems and services. By turning light sources into data collection points, we can connect more devices, places and people through light, contributing to a safer, more productive and smarter world.

Customer first

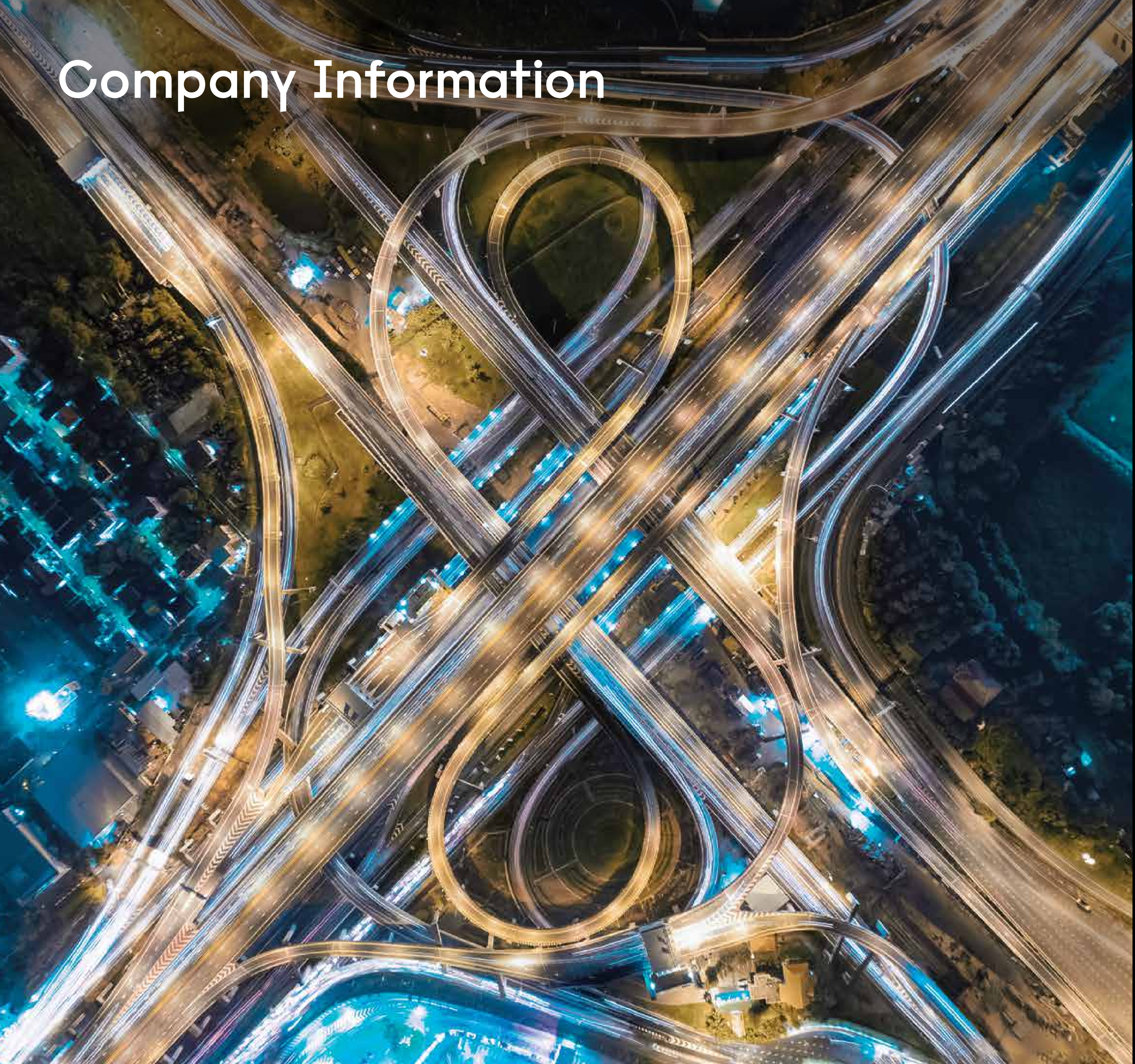
Greater **together**

Game **changer**

Passion for results

Always act with integrity

Company Information



Board of Directors
Gregory Lefebvre
CEO & Commercial Channel Leader - Professional

Taimoor Arshad
Commercial Leader (Trade) & Marketing Manager

Syed Wajahat Ali
CFO, Company Secretary & Compliance Officer

Company Secretary
Syed Wajahat Ali

Senior Management Team
Gregory Lefebvre
CEO & Commercial Channel Leader - Professional
Signify Pakistan Limited

Taimoor Arshad
Commercial Leader (Trade) & Marketing Manager

Yasir Riaz
Head of Supply Chain

Syed Wajahat Ali
CFO, Company Secretary & Compliance Officer

Auditors
EY Ford Rhodes
Chartered Accountants

Banks
Standard Chartered Bank (Pakistan) Limited
Deutsche Bank AG
MCB Bank Limited
Dubai Islamic Bank Pakistan Limited

Legal Advisor
Abrar Hasan & Company

Registered Office
The Hive at Nishat
3rd Floor, Building no 19C, Khayaban-e-Ittehad,
Phase 6, DHA, Karachi.

Directors' Report

Directors' Report

The Directors of Signify Pakistan Limited have pleasure in presenting a review of the financial results of the Company for the year ended December 31, 2024.

Economic Review

Pakistan's economy improved significantly during the year 2024 as the government achieved stability with IMF program well managed. In January 2024 the State Bank of Pakistan's policy rate was 22 percent, by December it was dropped to 13%. Inflation in January 2024 was reported at 27.6 percent year-on-year. Inflation dropped to 4.1 percent in December 2024 and the current CPI is 0.3%. Exports grew by 12.2 percent, reaching $31.4 billion, compared to $28 billion in the same period last year. The Foreign Exchange rate showed remarkable consistency; USD/PKR parity maintained at around PKR 277 to PKR 279 throughout the year, which is essential for business planning. GDP for the year 2023-2024 stood at 2.38% which is good for the economy, which is stabilizing, GDP fore cast for 2024-2025 is 3.5%. Karachi Stock Exchange thrived during the year 2024, KSE-100 index which stood at 61k points as of January 2024 reached 87k points in December.

Industry Review

During the year 2024, industry continued localization of lighting products portfolio to gain benefit of reduced duties and taxes. Signify Pakistan due to change of its business model, details given below, reduced its focus on local for local and stopped toll manufacturing during the year 2024.

Change of Business Model:

During the year 2024, in line with changes in business strategy, company started shifting its business to distributor model whereby its distributors are importing goods directly from Signify International B.V. – DDA Branch, based in Dubai, a Related Party of Signify Pakistan Limited. Hence, the company restricted purchasing local assembled goods from its sole vendor till December 2024 and had already stopped toll manufacturing of goods during the year 2024. Hence, subsequent to the year end, the company closed its third-party warehouse on March 31, 2025. As from January 2025, the limited local staff of Signify Pakistan will provide services to other Signify entities; a service level agreement with Signify International B.V. – DDA Branch will arrange for appropriate compensation and coverage of costs.

Financial Performance

Following is the comparative summary of our financial performance for the year 2024:

Key Financial Highlights

Particulars	*2024*	*2023*	*Increase / (decrease) Percentage*
Sales (PKR million)	1,064	2,508	(57.58%)
Gross Profit (PKR million)	377	623	(39.49%)
GP Percentage to Sales	35.46%	24.85%	10.61%
EBIT (PKR million)	410	697	(41.18%)
Profit before tax (PKR million)	401	675	(40.59%)
Profit after tax (PKR million)	281	476	(41%)

During the year under review, the company's sales decreased by 58% with sales value of PKR 1.064 billion as against PKR 2.508 billion achieved in the corresponding year which was in view of change of business model to distributor model which company was working on during the year, hence, it gradually decreased focus on local for local sales and stopped toll manufacturing during the year.

Gross profit decreased by PKR 246 million (39%). This significant decrease was mainly due to fifty eight percent sales decreased during the year due to factors stated above.

Consequently, there was a decrease in EBIT mainly due to a decrease in gross profit and significant allowance for expected credit losses of PKR 98m.

Dividend :

In view of good net profit for the year, the Directors are pleased to recommend a cash dividend @Rs. 1.61778 per ordinary share of the company.

Holding company :

The name of holding company is Signify Holding BV and it is based in the Netherlands.

Contribution to National Exchequer

Being a responsible taxpayer of the country, the company's contribution to the National Exchequer/ Federal Board of Revenue during the year was PKR 458 million (2023: PKR 725 million) on account of direct and indirect taxes.

Board of Directors :

The following are the names of directors of the company as on December 31, 2024:

1. Mr. Gregory Lefebvre
2. Syed Wajahat Ali
3. Mr. Taimoor Arshad

Mr. Gregory Lefebvre is the CEO of the company.

PATTERN OF SHAREHOLDING

PART-I

1.1 Name of the Company: **SIGNIFY PAKISTAN LIMITED**

PART-II

2.1. Pattern of holding of the shares held by the shareholders as at 31 12 2024

2.2. No of shareholders	Shareholdings	Total shares held
248	shareholding from 1 to 100 shares	6,081
103	shareholding from 101 to 500 shares	21,093
14	shareholding from 501 to 1000 shares	8,936
11	shareholding from 1001 to 5000	19,947
1	shareholding from 5001 to 173,800,000	173,705,085
	(Add appropriate slabs of shareholdings)	
377	**Total**	**173,761,142**

2.3 Categories of shareholders	share held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children.	----	-----
2.3.2 Associated Companies, undertakings, and related parties.	173,705,085	99.9677%
2.3.3 NIT and ICP	----	----
2.3.4 Banks Development Financial Institutions, Non-Banking Financial Institutions.	------	------
2.3.5 Insurance Companies	------	------
2.3.6 Modarabas and Mutual Funds	------	------
2.3.7 Shareholders holding 10%	------	------
2.3.8 General Public		
a. Local	54,723	0.0315%
b. Foreign	------	------
2.3.9 Others (to be specified) - Joint Companies	1,334	0.0008%

Compliance Statement:

The directors confirm compliance with corporate and Financial Reporting Framework of the SECP code of governance for the following.

i) 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.
ii) Proper books of accounts of the company have been maintained.
iii) Appropriate Accounting policies have been consistently applied in preparation of the financial statements.
iv) International Accounting Standards as applicable in Pakistan, have been followed in preparation of the financial statements and any departures there from have been adequately disclosed.
v) The system of internal control is sound in design and has been effectively implemented and monitored.
vi) There are no significant doubts upon the company's ability to continue as a going concern.
vii) There is no material departure from the best practices.

Auditors

The Auditors, EY Ford Rhodes, Chartered Accountants will retire at the end of the Annual General Meeting of the company and being eligible, have offered themselves for re-appointment for the year 2025. The Board has recommended their appointment as the Auditors for the ensuing year, subject to the approval of the members at the forthcoming Annual General Meeting.

Registered Office

The registered office of the company is located at The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi.

Acknowledgment

The Board would like to convey its earnest gratitude to all the people engaged with Signify Pakistan for enabling it to flourish and deliver a consistent performance over the years. Our people are entrusted to the welfare of the Company and have shown their potential by overcoming challenges posed by the operating environment and their resilience in these tough times. We treasure their dedication and feel highly obliged.

We acknowledge the valuable business support of our loyal customers, suppliers, channel partners, bankers and all other stakeholders who have shown continuous trust in our company for the past decades.

On behalf of the Board of Directors,

Gregory Lefebvre
Director & CEO

Syed Wajahat Ali
Director & CFO

May 13, 2025

EY Ford Rhodes
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To the members of Signify Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Signify Pakistan Limited (the Company), which comprise of the statement of financial position as at 31 December 2024, and the statement of profit or loss, the statement of 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 material 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 comprehensive income, the statement of changes in equity and the 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 affairs as at 31 December 2024 and of the profit, its 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 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.

Information Other than the 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 financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

EY
Building a better working world

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Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 ceaseoperations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 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 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 auditor's 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 auditor's 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.

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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.

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 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) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Shaikh Ahmed Salman.**

Chartered Accountants

Date: May 19, 2025
Place: Karachi
UDIN Number: AR202410076Ey0CqM5RJ

Signify Pakistan Limited
Statement of Financial Position
As at 31 December 2024

	Note	2024	2023
		(Rupees in '000)	
Non-current assets			
Property and equipment	5	**3,802**	8,055
Right-of-use assets	6	**12,024**	28,943
Long term deposits		**6,244**	6,694
Staff retirement benefits	7	**9,079**	-
Total non-current assets		**31,149**	43,692
Current assets			
Stock-in-trade	8	**34,099**	216,233
Trade debts	9	**63,113**	162,006
Advances	10	**8,849**	11,532
Trade deposits and short-term prepayments	11	**84**	381
Other receivables	12	**38,154**	68,000
Taxation - net	13	**100,760**	-
Cash and bank balances	14	**1,747,529**	2,444,416
Total current assets		**1,992,588**	2,902,568
Total assets		**2,023,737**	2,946,260

The annexed notes 1 to 42 form an integral part of these financial statements..

Director & CEO

Director

Signify Pakistan Limited
Statement of Financial Position
As at 31 December 2024

	Note	2024	2023
		(Rupees in '000)	
Share capital and reserves			
Authorized capital			
180,000,000 (2023: 180,000,000) ordinary shares of Rs. 10 each		**1,800,000**	1,800,000
Issued, subscribed and paid-up capital	15	**1,737,611**	1,737,611
Reserves	16	**(389,697)**	(196,928)
Total equity		**1,347,914**	1,540,683
Non-current liabilities			
Staff retirement benefits	7	**-**	41,637
Lease liabilities	17	**-**	14,199
		-	55,836
Current liabilities			
Trade and other payables	18	**625,162**	1,283,680
Contract liabilities - advance from customers		**21,856**	22,052
Provisions	19	**12,668**	12,668
Current portion of lease liabilities	17	**14,939**	15,078
Short-term running finances	20	**-**	-
Unclaimed / unpaid dividend		**1,198**	1,101
Taxation - net	13	**-**	15,162
		675,823	1,349,741
Contingencies and commitments	21		
Total equity and liabilities		**2,023,737**	2,946,260

The annexed notes 1 to 42 form an integral part of these financial statements..

Director & CEO **Director**

Signify Pakistan Limited
Statement of Profit or Loss
For the year ended 31 December 2024

	Note	2024	2023
		(Rupees in '000)	
Turnover - net	22	**1,064,182**	2,507,826
Cost of sales	23	**(686,866)**	(1,884,692)
Gross profit		**377,316**	623,134
Administrative and distribution expenses	24	**(239,107)**	(428,824)
Restructuring expenses	25	**(10,608)**	(36,297)
(Allowance) / reversal for expected credit losses	26	**(98,032)**	165,397
Other income	27	**395,458**	442,365
Finance costs	28	**(8,563)**	(22,531)
Other operating expenses	29	**(15,298)**	(68,729)
Profit before tax		401,166	674,515
Taxation	30	(120,059)	(198,201)
Profit for the year		**281,107**	476,314

The annexed notes 1 to 42 form an integral part of these financial statements..

Director & CEO **Director**

Signify Pakistan Limited
Statement of Comprehensive Income
For the year ended 31 December 2024

	2024	2023
	(Rupees in '000)	
Profit for the year	**281,107**	476,314
Other comprehensive income		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Remeasurement gains on staff retirement benefits	**2,438**	25,707
Total comprehensive income for the year	283,545	502,021

The annexed notes 1 to 42 form an integral part of these financial statements.

Director & CEO

Director

Signify Pakistan Limited
Statement of Changes in Equity
For the year ended 31 December 2024

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserves			Total reserves	Total equity
		Share premium	General reserves	Accumulated losses	Total		
	---------- (Rupees in '000) ----------						
Balance as on 01 January 2023	1,737,611	12,419	47,289	(758,657)	(711,368)	(698,949)	1,038,662
Profit for the year	–	-	-	476,314	476,314	476,314	476,314
Other comprehensive income	–	-	-	25,707	25,707	25,707	25,707
Total comprehensive income for the year	-	-	-	502,021	502,021	502,021	502,021
Transactions with owners, recorded directly in equity							
Share based payment transactions (contribution from Ultimate Parent Company)	-	-	-	705	705	705	705
Share based payment transactions (reversal of contribution from Ultimate Parent Company)	–	-	-	(705)	(705)	(705)	(705)
	-	-	-	-	-	-	-
Balance as on 31 December 2023	**1,737,611**	**12,419**	**47,289**	**(256,636)**	**(209,347)**	**(196,928)**	**1,540,683**
Final dividend @ Rs. 2.74/- per ordinary share for the year ended 31 December 2023	-	-	-	**(476,314)**	**(476,314)**	**(476,314)**	**(476,314)**
Profit for the year	-	-	-	**281,107**	**281,107**	**281,107**	**281,107**
Other comprehensive income	-	-	-	**2,438**	**2,438**	**2,438**	**2,438**
Total comprehensive income for the year	-	-	-	**283,545**	**283,545**	**283,545**	**283,545**
Transactions with owners, recorded directly in equity							
Share based payment transactions (contribution from Ultimate Parent Company)	-	-	-	**2,837**	**2,837**	**2,8**	**2,837**
Share based payment transactions (reversal of contribution from Ultimate Parent Company)	-	-	-	**(2,837)**	**(2,837)**	**(2,837)**	**(2,837)**
	-	-	-	-	-	-	-
Balance as on 31 December 2024	**1,737,611**	**12,419**	**47,289**	**(449,405)**	**(402,116)**	**(389,697)**	**1,347,914**

The annexed notes 1 to 42 form an integral part of these financial statements..

Director & CEO　　　　　　**Director**

Signify Pakistan Limited
Statement of Cash Flows
For the year ended 31 December 2024

	Note	2024	2023
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	32	**(248,345)**	1,059,470
Staff retirement benefits paid		**(58,568)**	(52,174)
Long term deposits - net		**450**	(3,144)
Finance costs paid		**(8,563)**	(22,531)
Taxes paid		**(235,981)**	(225,140)
Net cash generated from operating activities		**(551,007)**	756,481
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of operating fixed assets		**10,340**	11,962
Interest income on saving accounts	27	**335,824**	326,092
Net cash generated from investing activities		**346,164**	338,054
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**(476,314)**	(297,974)
Payment of principal portion of lease liabilities		**(15,730)**	(12,405)
Net cash used in financing activities		**(492,044)**	(310,379)
Net (decrease) / increase in cash and cash equivalents		**(696,887)**	784,156
Cash and cash equivalents at beginning of the year	31	**2,444,416**	1,660,260
Cash and cash equivalents at end of the year	31	**1,747,529**	2,444,416

The annexed notes 1 to 42 form an integral part of these financial statements..

Director & CEO **Director**

Signify Pakistan Limited
Notes to the Financial Statements
For the year ended 31 December 2024

1 LEGAL STATUS AND ACTIVITIES

1.1 Signify Pakistan Limited ("the Company") was incorporated in 1954 in Pakistan under the Companies Act, 1913 (now Companies Act, 2017) as a public limited company. Due to global change of name in year 2018, on 25 January 2019, the Company has also changed its name from 'Philips Pakistan Limited' to 'Signify Pakistan Limited'. The new name is not incommensurate with the principle line of business of the Company but it reaffirms the powerful purpose of the Company to unlock the extraordinary potential of light for brighter lives and a better world. The Company is principally engaged in trading of electrical goods and will continue to use 'Philips brand', being the most trusted lighting brand in the world. During the year 2024, in line with changes in business strategy, company started shifting its business to distributor model whereby its distributors are importing goods directly from Signify International B.V. – DDA Branch, based in Dubai, a Related Party of Signify Pakistan Limited. Hence, company restricted purchasing local assembled goods from its sole vendor till December 2024 and had already stopped toll manufacturing of goods during the year 2024. Hence, subsequent to the year end, company closed its third-party warehouse on March 31, 2025. As from January 2025, the limited local staff of Signify Pakistan will provide services to other Signify entities; a service level agreement with Signify International B.V. – DDA Branch will arrange for appropriate compensation and coverage of costs.. The registered office of the Company is situated at The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi.

1.2 The Company was a subsidiary of Koninklijke Philips N.V. (Royal Philips), who had announced in September 2014 to separate Lighting and Health Tech/Consumer Lifestyle businesses into two standalone market-leading legal entities. The separation occurred on 01 February 2016 and following this global change, the shares of the Company owned by Royal Philips have been transferred to a Philips Lighting Holding B.V. (PLH) [subsequently changed to Signify Holding B.V. (SH)]. Consequently, effective from 01 February 2016, SH becomes the Parent Company of Signify Pakistan Limited. SH is incorporated and organized under the laws of the Netherlands, having its registered office in Eindhoven, the Netherlands, with address at High Tech Campus 48, 5656 AE Eindhoven, the Netherlands. The name of CEO of SH is Eric Edouard Rondolat. The Ultimate Parent of the Company is Signify N.V., having its registered office in Eindhoven, the Netherlands, with address at High Tech Campus 48, 5656 AE Eindhoven, the Netherlands.

1.3 The geographical locations and address of Company's business units are as under:

Location	Addresses
Registered office, Karachi	The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi.

2 STATEMENT OF COMPLIANCE

These 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 (IFRSs), issued by International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by Institute of Chartered Accountants of Pakistan (ICAP), as notified under Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

3 BASIS OF PREPARATION

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention except for staff retirement benefit obligations, which have been measured at the present value.

3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousand, unless otherwise stated.

3.3 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with the approved accounting standards, as applicable in Pakistan, requires management to make judgements and estimates that affect the application of policies and the reported amount of assets, liabilities, income, expenses and accompanying disclosures.

The judgements and estimates are based on historical experience and various other factors that are believed to be reasonable under the circumstances and are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to accounting estimates are accounted for prospectively.

(a) Property and equipment

The Company reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. In making these estimates, Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment, with corresponding effects on the depreciation charge.

(b) Stock-in-trade

The Company reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values. Net realisable value is estimated with reference to the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(c) Allowance for expected credit losses of trade debts and other receivables

The Company recognises an allowance for Expected Credit Losses (ECL) for all debt instruments not held at fair value through profit or loss. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Company’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future.

(d) Provision for tax

The provision for taxation is accounted for by the Company after taking into account the relevant laws and decisions taken by appellate authorities. Instances, where the Company's view differs from the view taken by the tax authorities at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities / assets.

(e) Staff retirement benefits

The Company has adopted certain actuarial assumptions as disclosed in note 15 to these financial statements for valuation of present value of defined benefit obligations and fair value of plan assets, based on actuarial advice.

(f) Provision for warranty

The Company accounts for its warranty obligations when the underlying products are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

3.4 New standards, amendments, improvements to approved accounting standards and the framework for financial reporting

3.4.1 Adoption of amendments to approved accounting standards effective during the year

IAS 1 Classification of Liabilities as Currentor Non-currentand Non-current Liabilities with Covenants - Amendments to IAS 1

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify what is meant by a right to defer settlement and that a right to defer settlement must exist at the end of the reporting period. The amendments further clarify that classification is unaffected by the likelihood that an entity will exercise its deferral right and that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. Also it has been clarified that an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Company's financial statements.

IAS 7 and 'Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Company's financial statements.

IFRS 16 Lease Liability in a Sale and Leaseback - Amendments to IFRS 16

The amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's financial statements.

IAS 12 International tax reform — Pillar Two model rules (amendments)

The amendments to IAS 12 have been introduced in response to the Organization for Economic Cooperation and Development's Base Erosion and Profit Shifting Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and

- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after January 01, 2023, but not for any interim periods ending on or before December 31, 2023.

The amendments had no impact on the Company's financial statements.

IAS 12 Application Guidance issued by Institute of Chartered Accountants of Pakistan

On May 15, 2024, the Institute of Chartered Accountants of Pakistan (ICAP) issued a circular titled 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes.' Pursuant to the release of the circular, the Company has changed the presentation for minimum taxes and final taxes.

The change has been applied retrospectively, however, has not affected any component of equity for the prior period presented in these financial statements.

3.4.2 Standards, amendments and improvements to approved accounting standards that are not yet effective

The following standards, amendments and improvements to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

Standards and Amendments		Effective date (annual periods beginning on or after)
IAS 21	Lack of exchangeability – Amendments to IAS 21	January 01, 2025
IFRS 17	Insurance Contracts	January 01, 2026
IFRS 7 / IFRS 9	Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	January 01, 2026
	Annual Improvements to IFRS Accounting Standards - Volume 11	January 01, 2026
IFRS 7 / IFRS 9	Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7	January 01, 2026

Standards and Amendments		Effective date (annual periods beginning on or after)
IFRS 18	IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19	IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalised

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB effective date (annual periods beginning on or after)
IFRS 1 - First time adoption of IFRSs	July 01, 2009

The Company expects that above standards, amendments and improvements to approved accounting standards will not have any material impact on the Company's financial statements in the period of initial application.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted by the Company in the preparation of these financial statements are as follows:

4.1 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

Operating fixed assets are depreciated on a straight-line basis at the rates given in note 5.1 to these financial statements. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month of disposal.

Maintenance and repairs are charged to statement of profit or loss, as and when incurred.

Gains or losses on disposal of operating fixed assets are taken to the statement of profit or loss in the period in which they arise.

4.2 Right-of-use assets and lease liabilities

i) Right-of-use assets

The Company recognises a right-of-use asset at the commencement date of the lease. Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments at the lease commencement date, the Company uses its Incremental Borrowing Rate (IBR) since the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease.

4.3 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value less provision for impairment, if any. The cost is based on first-in-first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The cost of work-in-process and manufactured goods includes direct material, wages and applicable manufacturing overheads. Items in transit are stated at invoice price plus other charges incurred thereon up to the reporting date.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The management reviews the net realizable value of stock-in-trade to assess any diminution in the respective carrying values.

Provision for impairment is made against the cost of items which are likely to become obsolete. The evaluation is based on comparison of historical and forecasted sales.

4.4 Impairment of non-financial assets

The carrying amounts of non-financial assets (other than stock-in-trade) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then an asset's recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit or loss account for the amount by which the asset's carrying amount exceeds its recoverable amount.

4.5 Impairment of financial assets

For trade debts, the Company applies a simplified approach, where applicable, in calculating the ECL. Therefore, the Company does not track changes in credit risk and instead recognises a loss allowance based on lifetime ECL at each reporting date. The Company has established a provision matrix for large portfolio of customers having similar characteristics and default rates based on the credit rating of customers from whom receivables are due that is based on the Company’s historical credit loss experience, adjusted for forward-looking factors (i.e., gross domestic product and consumer price index) specific to the debtors and the economic environment. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For other financial assets, the Company recognises allowance for ECL to the extent it is unlikely to receive the contractual amounts in full, based on various factors including Company’s past experience and economic environment.

The Company considers a financial asset to be at a risk of default when contractual payments are 120 days past due, unless there are factors that might indicate otherwise. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.6 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, bank balances net of bank overdraft and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value. Short-term borrowings availed by the Company, which are payable on demand and form an integral part of the Company's cash management, are included as part of cash and cash equivalents for the purpose of statement of cash flows.

4.7 Taxation

Income tax expenses comprise 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 other comprehensive income in which case it is recognized in statement of comprehensive income.

Current

Provision for current taxation is computed on taxable income at the current rates of taxation, after taking into account tax credits and rebates available, if any, in accordance with the provision of the Income Tax Ordinance, 2001. It also includes any adjustment to tax payable in respect of prior years. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

4.8 Employee benefits

4.8.1 Defined benefit plan - Funded gratuity scheme

The Company operates an approved funded gratuity scheme for all its permanent employees which provides for a graduated scale of benefits dependent on the length of service of the employee on termination date, subject to a minimum qualifying period for entitlement of three years continuous service with the Company. Under the gratuity scheme, gratuity is payable on retirement, resignation or death and are dealt with in accordance with the Trust Deeds and Rules as follows:

Years of service:	**Entitlement of gratuity:**
In case of resignation or retirement:	
Less than five years	Nil
Five years to less than seven and a half years	75% of basic salary for each completed year of service
Seven and a half years and above	100% of basic salary for each completed year of service
In case of death:	
Less than one year	Nil
One year to less than fifteen years	Fifteen months' basic salary
Fifteen years and above	One month's basic salary for each completed year of service

Contributions are to be made on the basis of actuarial valuation carried out at every year end using the Projected Unit Credit Method. Remeasurements which comprise of actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The past service costs are recognised at the earlier of when the amendment or curtailment occurs and when the Company has recognised related restructuring or terminations.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognized in statement of profit or loss.

4.8.2 Defined contribution plans

The Company operates the following contribution plans for all its permanent employees:

Defined contribution provident fund

The Company operates a defined contribution provident fund. Equal monthly contributions are made, both by the Company and the employees, to a separated fund at the rate of 10% of basic pay, when the entitlement begins i.e. after the probation period.

Defined contribution pension fund

The Company operates a defined contribution pension scheme. Monthly contributions are made at the rate of 10% of basic pay by the Company to the fund. The Company pays pension under the Rules as follows:

Years of service:	Entitlement of pension:
Less than three years	Nil
Three years to less than five years	50% of the accumulated balance
Five years and above	100% of the accumulated balance

During the year, the Company has discontined above plans effective June 30, 2024 after taking consent from all the members. This decision was made to to save costs due to current business challenges and the employment benefits landscape in Pakistan has changed and most of the MNCs are offering only one termination benefit.

4.8.3 Compensated absences

The Company accounts for liability of employees' compensated absences in the period in which they are earned on the basis of unavailed leave balance of each employee subject to a limit of 28 days leaves at year end that can be carry forward maximum for one year as per the Company's poilicy.

4.9 Provisions

Warranty

A provision for warranty is recognized when the underlying products are sold. The provision is based on historical sales data and a weighting of possible outcomes against their associated probabilities in respect of warranty.

Others

Provisions are considered where the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

4.10 Revenue recognition

4.10.1 Revenue from contract with customers

a) Sale of goods and services

Revenue from the sale of goods is recognized at the point in time when the performance obligation is satisfied, i.e. when the customer obtains control over the goods at the time of delivery and its acceptance. The transaction price excludes amounts collected on behalf of third parties, such as sales taxes. The transaction price may be variable due to discounts, rebates or similar arrangements. Revenue is only recognized for the part of the consideration for which it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Judgment is required in determining the probability and level of discounts and rebates that will be granted. The estimate is updated throughout the term of the contract.

For products for which a right to return exists during a defined period, revenue is recognized by considering the historical pattern of actual returns. Return policies are typically based on customary return arrangements in local markets. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods and services to be rendered before transferring them to the customer.

Contract modifications which may be a change in the scope or price (or both) are included in contract revenue to the extent that they have been agreed with the customer and create enforceable rights and obligations.

b) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract assets are transferred to trade debts when the rights become unconditional.

Trade debts

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods to the customer).

4.10.2 Other income

Other income is recorded on accrual basis and interest income is accounted for using the effective interest rate (EIR) method.

4.11 Share-based compensation

The Ultimate Parent Company operates share-based compensation plans which are accounted for as equity settled share based payment transactions, regardless of intragroup repayment arrangements. The cost of equity-settled transactions is determined by the fair value at the grant date using an appropriate valuation model.

The grant-date fair value of equity-settled share-based payment awards granted to employees is recognized in statement of profit or loss, with a corresponding increase in equity as a contribution from the ultimate parent company, over the vesting period of the award. The liability for intragroup repayment for these transactions is recognised in the statement of financial position at an amount equal to the cost recognised in the statement of profit or loss with corresponding debit in equity as a return of contribution from the Ultimate Parent Company. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not considered when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

4.12 Foreign currency translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the reporting date. Exchange differences, if any, are taken to statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.13 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period, in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, they are disclosed in the notes to the financial statements.

	Note	2024	2023
		(Rupees in '000)	
5 PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	3,802	8,055

5.1 Operating fixed assets

	COST			ACCUMULATED DEPRECIATION				NET BOOK VALUE	
	As at 01 January 2024	Additions / (deletions)	As at 31 December 2024	As at 01 January 2024	Depreciation charge for the year	On deletions	As at 31 December 2024	As at 31 December 2024	Annual rate of depreciation
	(Rupees in '000)								%
Office hut	571	(571)	-	571	-	(571)	-	-	10
Factory equipment	686	-	686	686	-	-	686	-	20
Office equipment	25,608	(2,313)	23,295	17,581	4,036	(2,124)	19,493	3,802	10-50
Vehicles	108	-	108	80	28	-	108	-	14-25
2024	26,973	(2,884)	24,089	18,918	4,064	(2,695)	20,287	3,802	

	COST			ACCUMULATED DEPRECIATION				NET BOOK VALUE	
	As at 01 January 2023	Additions / (deletions)	As at 31 December 2023	As at 01 January 2023	Depreciation charge for the year	On deletions	As at 31 December 2023	As at 31 December 2023	Annual rate of depreciation
	(Rupees in '000)								%
Office hut	571	-	571	571	-	-	571	-	10
Structural improvements	12,844	(12,844)	-	12,844	-	(12,844)	-	-	50
Factory equipment	733	(47)	686	733	-	(47)	686	-	20
Office equipment	57,589	(31,981)	25,608	43,609	5,036	(31,064)	17,581	8,027	10-50
Vehicles	13,644	(13,536)	108	9,045	1,369	(10,334)	80	28	14-25
2023	85,381	(58,408)	26,973	66,802	6,405	(54,289)	18,918	8,055	

5.1.1 Items having an aggregate cost of Rs. 9.209 million (2023: Rs. 8.986 million) at the end of the year have been fully depreciated and are still in use of the Company.

5.1.2 Depreciation for the year has been charged to administrative and distribution expenses (note 24).

5.1.3 In the current and previous year, there were no disposals of operating fixed assets, with an aggregate book value exceeding amount of Rs.5 million.

6 RIGHT-OF-USE ASSETS

6.1 Net carrying value basis

	Note	2024	2023
		(Rupees in '000)	
Opening balance		**28,943**	54,871
Additions/ modifications during the year		**1,392**	33,999
Termination during the year		**-**	(39,598)
Depreciation charged during the year	6.3	**(18,311)**	(20,329)
Closing Balance		**12,024**	28,943

6.2 Gross carrying value basis

	2024	2023
Cost	**35,391**	33,999
Accumulated depreciation	**(23,367)**	(5,056)
Net book value	**12,024**	28,943
Depreciation % per annum	**26% - 46%**	26% - 46%

6.3 Depreciation for the year has been charged to administrative and distribution expenses (note 24).

7 STAFF RETIREMENT BENEFITS

7.1 Gratuity fund

The latest actuarial valuation for gratuity fund maintained by the Company for its permanent employees was carried out by the actuary as of 31 December 2024 using Projected Unit Credit Method and the principal assumptions used are as follows:

Significant actuarial assumptions	2024	2023
Financial assumptions		
Discount rate	**12.25%**	15.50%
Salary increase rate - first year	**11.25%**	10.00%
Salary increase rate	**11.25%**	14.00%
Demographic assumptions		
Mortality rates (for death in service)	**SLIC (2001-05)-1**	SLIC (2001-05)-1
Rates of employee turnover	**Heavy**	Moderate

7.1.1 The amounts recognized in statement of financial position are as follows:

	Note	2024	2023
		(Rupees in '000)	
Present value of defined benefit obligation	7.1.3	**30,338**	74,407
Fair value of plan assets	7.1.4	**(39,417)**	(32,770)
Liability recognized in statement of financial position		**(9,079)**	41,637

	Note	2024	2023
		(Rupees in '000)	

7.1.2 Movement in the net defined benefit liability:

	Note	2024	2023
Opening balance		**41,637**	102,818
Charge for the year	7.1.5	**10,290**	16,700
Actual benefit paid by the Company during the year		**(58,568)**	(52,174)
Remeasurement gains	7.1.6	**(2,438)**	(25,707)
Contribution during the year		**-**	-
Benefits paid / payable		**-**	-
Closing balance		**(9,079)**	41,637

7.1.3 Movement in the present value of defined benefit obligations:

	2024	2023
Opening balance	**74,407**	123,022
Charge for the year	**15,544**	17,536
Benefits paid / payable	**(58,568)**	(52,174)
Remeasurement gains	**(1,045)**	(13,977)
Closing balance	**30,338**	74,407

7.1.4 Movement in the fair value of plan assets are as follows:

	2024	2023
Opening balance	**32,770**	20,204
Expected return on plan assets	**5,254**	836
Remeasurement gains / (losses)	**1,393**	11,730
Benefits paid / payable	**-**	-
Closing balance	**39,417**	32,770

7.1.5 Amounts recognised in the statement of profit or loss

	2024	2023
Current service cost	**3,888**	1,844
Interest cost	**11,656**	15,692
Expected return on plan assets	**(5,254)**	(836)
	10,290	16,700

7.1.6 Following amounts of remeasurements have been charged in other comprehensive income in respect of these benefits

	2024	2023
Remeasurement gains on obligation		
gains due to change in financial assumptions	714	5,416
gains due to change in demographic assumptions	(235)	-
gains due to change in experience adjustments	(1,524)	8,561
Total remeasurement gains on obligation	(1,045)	13,977
Remeasurement gains on plan assets		
gains on plan assets	(1,393)	11,730
Total remeasurement gains during the year	(2,438)	25,707
Total defined benefit cost recognized in statement of profit or loss and other comprehensive income	12,728	(9,007)

	2024	2023
	(Rupees in '000)	
7.1.7 Analysis of present value of defined benefit obligation		
Vested / non - vested	**28,844**	73,692
Vested benefits	**1,494**	715
Non-vested benefits	**30,338**	74,407
Type of benefits earned to date	**15,388**	42,650
Accumulated benefit obligation	**14,950**	31,757
Amount attributed to future salary increases	**30,338**	74,407

	2024		2023	
7.1.8 Composition of fair value of plan assets	Fair value (Rupees)	%	Fair value (Rupees)	%
Term deposits receipts	**-**	**0%**	-	0%
Cash at banks	**39,417**	**100%**	32,770	100%
Fair value of plan net assets	**39,417**	**100%**	32,770	100%

	2025
	(Rupees in '000)
7.1.9 Expected contributions to funds in the following year	**1,120**
The components of expected contribution for the next year:	
Current service cost	**2,270**
Interest expense on defined benefit obligation	**3,730**
Interest on plan assets	**(4,880)**
Net interest cost	**(1,150)**
	1,120

	2024	2023
	(Rupees in '000)	
7.1.10 Maturity profile of the defined benefit obligation		
Distribution of timing of benefit payments (time in years)		
1	2,045	2,240
2	1,989	44,819
3	2,206	1,987
4	12,691	2,158
5	2,561	2,289
6-10	27,264	102,902

	2024	2023
	(Rupees in '000)	

7.1.11 Sensitivity analysis on significant actuarial assumptions:

	2024	2023
Discount rate + 50 basis points	**29,376**	72,711
Discount rate - 50 basis points	**31,354**	76,183
Salary increases + 50 basis points	**31,394**	76,032
Salary increases - 50 basis points	**29,330**	72,842
	(Number)	
Weighted average duration of the Projected Benefit Obligation	**6.51**	4.66

7.2 Provident fund - defined contribution plan

7.2.1 Salaries, wages and benefits include Rs.3.927 million (2023: Rs. 6.981 million) in respect of provident fund contribution.

7.2.2 Investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the conditions specified thereunder.

7.3 Pension fund - defined contribution plan

7.3.1 Salaries, wages and benefits include Rs. 3.866 million (2023: Rs. 7.033 million) in respect of pension fund contribution.

8 STOCK-IN-TRADE

	Note	2024	2023
		(Rupees in '000)	
Raw material including material-in-transit		**11**	15,649
Material advanced to vendors - third party		**-**	10,613
		11	26,262
Finished goods including goods-in-transit	8.1	**116,602**	412,497
Finished goods held with vendors - third party		**-**	2,393
		116,602	414,890
Provision for obsolete stock-in-trade	8.2	**(82,514)**	(224,919)
		34,088	189,971
		34,099	216,233

8.1 Stock-in-trade of Rs.61.274 million (2023: Rs. 197.17 million) is measured at net realizable value and has been written down to Rs.5.689 million (2023: Rs. 122.403 million).

8.2 Provision for obselete stock-in-trade

	2024	2023
	(Rupees in '000)	
Opening balance	**224,919**	70,432
(Reversal) / charge for the year	**(142,405)**	154,487
Closing balance	**82,514**	224,919

		Note	2024	2023
			(Rupees in '000)	
9	TRADE DEBTS - unsecured			
	Considered good	9.1	**63,113**	162,006
	Considered doubtful		**417,901**	319,869
			481,014	481,875
	Less: Allowance for expected credit losses	9.2	**417,901**	319,869
			63,113	162,006

9.1 Includes Rs. 55.086 million (2023: Rs. 45.574 million) as maximum aggregate amount outstanding at any time during the year by reference to month end balances and receivables from Stitching Signify Foundation (related party).

		2024	2023
		(Rupees in '000)	
9.1.1	The ageing of related party balance is as follows:		
	Neither past due nor impaired		
	Stitching Signify Foundation	**55,086**	45,574

		2024	2023
9.2	Movement of allowance for expected credit losses on trade debts is as follows:		
	Opening balance	**319,869**	484,632
	Charge / (reversal) for the year	**98,032**	(164,763)
	Closing balance	**417,901**	319,869

9.3 These are interest free and generally on a credit terms of 30 to 90 days. except for turnkey project customers for whom credit period varies upto 6 months.

		2024	2023
10	**ADVANCES - unsecured, considered good**	(Rupees in '000)	
	- Executives	-	2,083
	- Shipping companies	**1,589**	2,189
	- Custom authorities	**7,260**	7,260
		8,849	11,532

		Note	2024	2023
11	**TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**			
	Trade deposits - unsecured, considered doubtful		**25,649**	25,649
	Less: Allowance for expected credit losses	11.1	**(25,649)**	(25,649)
			-	-
	Short-term prepayments		**84**	381
			84	381

	Note	2024	2023
		(Rupees in '000)	
11.1 Movement of allowance for expected credit losses on trade deposits is as follows:			
Opening balance		**25,649**	27,641
Reversal for the year		**-**	(500)
Written off during the year		**-**	(1,492)
Closing balance		**25,649**	25,649

12 OTHER RECEIVABLES

	Note	2024	2023
Unsecured, considered good			
- Sales tax refundable	12.1 - 12.6	**17,708**	39,870
- Cash margins		**3,545**	3,545
- Receivable from providend fund		**2,645**	874
- Receivable from pension fund		**-**	1,611
- Accrued markup		**14,214**	22,040
- Others		**43**	60
		38,155	68,000
Unsecured, considered doubtful			
- Retention money		**2,966**	2,967
Less: Allowance for expected credit losses	12.5	**(2,967)**	(2,967)
		38,154	68,000

12.1 In year 2018, Company received a show cause notice dated 27 February 2018 under Sales Tax Act, 1990 (the Act) on various matters for years 2013 to 2016 related to recovery of certain amounts. In response to said notice, the Company submitted partial replies explaining the contentions of the Company for said matters. However, the DCIR proceeded to pass an Order dated 20 August 2018 raising a tax demand aggregating to Rs. 2,806 million under relevant sections 11, 33 and 34 of the Act. Being aggrieved, the Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] which was decided through the appellate order dated 12 October 2018 in the manner that certain matters aggregating to Rs. 223 million were deleted, other matters are remanded back aggregating to Rs. 1,840 million and the related default and penalty surcharge was deleted to the extent of relief allowed by the said order. The Company received a copy of appeal filed by the tax authorities to the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). The Company has also filed an appeal before the ATIR against the order of CIR(A) which is still pending for hearing before the ATIR.

12.2 In year 2019, the tax officer issued a notice dated 05 November 2019 under the Punjab Sales Tax on Services Act, 2012 whereby it was alleged that the Company had not levied and paid Punjab Sales Tax on services rendered for years 2013 to 2016. In response to said notice, the Company submitted the necessary explanation and admitted a tax liability of Rs. 14.109 million, has made payment of Rs. 10 million to the tax authorities against the order and accordingly has made provision of Rs. 4.109 million. The proceedings were concluded by the ACIR by passing an order dated 29 April 2020 in which the ACIR had raised a tax demand of Rs. 174.187 million and had levied penalty at the rate of hundred percent of tax demanded i.e. Rs. 174.187 million. Being aggrieved, the Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] which marked the inquiry to the concerned ACIR and has required it to evaluate the submitted information after hearing the appeal. The ACIR considering the above instructions of CIR(A) evaluated the submitted information and highlighted certain observations which were rebutted by the Company, subsequent to which the ACIR issued an inquiry report dated 24 November 2020 and the case was fixed for hearing before the CIR(A) on 01 June 2021 and then was finally heard on 13 July 2021 through its order no. 118/2020.

Through the aforesaid appellate order, the tax demand to the extent of Rs. 55.265 million on account of non - Punjab goods and services, and penalty amounting to Rs. 174.186 million imposed under section 48(2) of Punjab Sales Tax on Services Act, 2012 had been deleted. Consequently, the aggregate demand which stood at Rs. 348.373 million was reduced by Rs. 229.451 million and was finally confirmed at Rs. 118.921 million.

Being aggrieved by the above appellate order, the Company proceeded to file the appeal before the Appellate Tribunal, Punjab Revenue Authority (PRA), Lahore. During the pendency of main appeal and stay application before the Tribunal, PRA, the Company approached Lahore High Court and obtained stay order whereby the stay had been granted till the hearing of the main appeal before the Tribunal, PRA. The said stay order became infructuous after the Tribunal, PRA, had subsequently granted stay. Tribunal, PRA had further granted stay. The appeal filed before the Appellate Tribunal Punjab Revenue Authority had been decided through its order dated September 4, 2024. Through the said order, the tax demand confirmed at Rs. 118,921,674. Being aggrieved by the said appellate order, the Company proceeded to file the appeal before Lahore High Court. The hearing of the main appeal is pending before Lahore High Court. Compny received recovery notice from PRA on April 15, 2025 demanding payment agaisnt Tribunal order received agaisn the company. However, company fild stay with Lahore Hight Court as main appeal before Lahore Hight Cort is pending. Court granted stay subject to payment of 30% of the demand i.e. Rs. 118,921,674. Company intended to deposit the amount under protest.

12.3 The Company received show-cause notice under section 11(2) of Sales Tax Act, 1990 (STA) whereby the Deputy Commissioner Inland Revenue (DCIR) alleged non-withholding of sales tax amounting to Rs. 7.310 million from payments made to advertisement service providers. In this respect, the DCIR wrongfully assumed publicity expenses recognized in the return of income at Rs. 35.268 million (tax year 2020) and Rs. 10.419 million (tax year 2021) as payments made to advertisement service providers. Through the letter dated 18 October 2022, breakup and reconciliation of payments in respect of tax year 2020 were submitted while extension had been sought for submission of details in respect of tax year 2021. However, despite the said request for extension the DCIR, proceeded to pass the order dated 21 October 2022 without allowing any further opportunity to make the remaining compliance, raising aggregate demand of Rs. 7.675 million, including penalty of Rs. 0.365 million.

Being aggrieved by the above order, the Company filed an appeal with the Commissioner (Appeals). CIR vide its orders dated 22 February 2023 and 6 March 2023 passed orders and annulled the impugned demand of Rs. 7.3 million and directing the assessing officer to properly identity the nature of transaction after obtaining the details.

12.4 The Company received show-cause notices under section 11(2) of STA separately for the periods as below whereby the Deputy Commissioner Inland Revenue (DCIR) contended that the Company has not properly apportioned the input tax against exempt supplies resulting in claim of inadmissible input tax.

Periods	Input tax (Rupees. In 000)
July 2019 to June 2020	73,973
July 2020 to June 2021	51,134
July 2021 to May 2021	342

The Company responded to the show cause notices by recalculating the said non-apportionment which was Rs. Nil. However, DCIR rejected the response and maintained the above mentioned amounts. Being aggrieved by the above orders, the Company filed appeals with the Commissioner (Appeals). Further stay against recovery of demand was granted by the Commissioner (Appeals). The hearings were fixed in respect of the above proceedings by the Commissioner (Appeals) dated April 27, 2023 and orders were passed on May 22, 2023. Through the said orders, the Commissioner (Appeals) vide appellate orders No. STA/271/LTO/2023/08 (for the periods July 2019 to June 2020), order No. STA/273/LTO/2023/09 (for the periods July 2020 to June 2021) and order No. STA/273/LTO/2023/10 (for the periods July 2021 to May 2022) have deleted impugned demands along with default surcharge and penalty raised by the Deputy Commissioner through orders passed on February 22, 2023.

In respect of tax matters disclosed above, the Company based on the views of its tax advisor believes that sufficient grounds are available on the basis of which appeals have been preferred and they feel that there are reasonable arguments in support of grounds taken before the respective appellate authorities, accordingly, no provision has been made in these financial statements except as otherwise stated.

12.5 Movement of allowance for expected credit losses on other receivables is as follows:

	Note	2024	2023
		(Rupees in '000)	
Opening balance		**2,967**	2,967
Charge for the year		**-**	-
Closing balance		**2,967**	2,967

13 TAXATION - net

	Note	2024	2023
Opening balance		**15,162**	40,573
Provision for taxation	30	**120,059**	198,201
Tax paid / deducted at source		**(235,981)**	(223,612)
Closing balance		**(100,760)**	15,162

14 CASH AND BANK BALANCES

	Note	2024 (Rupees in '000)	2023 (Rupees in '000)
Cheques in hand		17,225	239,266
Balance with banks:			
- in current accounts		58,162	79,931
- in saving accounts	14.1	1,672,143	2,125,220
		1,730,305	2,205,151
Less: Allowance for expected credit losses		1	1
		1,747,529	2,444,416

14.1 It carries mark-up rate of ranging from 11% to 20.5% (2023: 14.5% to 20.5%) per annum.

15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	Note	2024 (Rupees in '000)	2023 (Rupees in '000)
Ordinary shares of Rs 10/- each			
169,391,009 shares fully paid in cash		1,693,910	1,693,910
4,368,033 shares issued as bonus shares		43,680	43,680
2,100 shares fully paid for consideration other than cash		21	21
	15.1	1,737,611	1,737,611

15.1 As at 31 December 2024, 99.97% shares (2023: 99.97%) are held by Signify Holding B.V, the Parent Company.

15.2 These are fully paid ordinary shares. Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

16 RESERVES

	2024 (Rupees in '000)	2023 (Rupees in '000)
Capital reserve - share premium	12,419	12,419
Revenue reserve - general reserve	47,289	47,289
Revenue reserve - accumulated losses	(449,405)	(256,636)
	(389,697)	(196,928)

17 LEASE LIABILITIES

17.1 The Company has lease contract for its office premises under rental agreement.

	Note	2024	2023
		(Rupees in '000)	
Opening balance		**29,277**	52,548
Additions/ modifications during the year		**1,392**	32,471
Termination		**-**	(43,337)
Interest expense on lease liabilities		**5,232**	6,347
Payments made during the year		**(20,962)**	(18,752)
Closing balance		**14,939**	29,277
Less: Current portion of lease liabilities		**14,939**	(15,078)
Long-term lease liabilities		**-**	14,199

	Note	2024	2023
The following are the amounts recognised in the statement of profit or loss:			
Depreciation expense of right-of-use assets	6.1	**18,311**	20,329
Interest expense on lease liabilities	28	**5,232**	6,347
Gain on termination of lease	27	**-**	3,739
Total amount recognised in statement of profit or loss		**23,543**	30,415

18 TRADE AND OTHER PAYABLES

	Note	2024	2023
Creditors	18.1	**144,375**	663,600
Advance received from SSF against CSR activity	18.4	**10,284**	10,284
Accrued liabilities	18.2	**453,357**	565,782
Payable to pension fund		**658**	-
Workers' welfare fund		**8,187**	15,600
Withholding tax payable		**8,301**	28,414
		625,162	1,283,680

18.1 Included herein Rs. 91.201 million (2023: Rs. 578.375 million) due to the following group companies on account of purchases of goods, receiving services, etc.

Group companies:	Note	2024	2023
		(Rupees in '000)	
Signify Netherlands B.V.	18.1.1	**65,792**	518,851
Signify Canada Ltd.		**10**	10
Signify Egypt LLC		**31**	31
Genlyte Thomas Group LLC		**-**	23,760
Signify Luminaires (Shanghai) Co., Ltd.		**469**	470
Signify Luminaires (Chengdu) Co.,Ltd.		**2,158**	2,161
Signify Hungary Kft.		**3,043**	3,240
PT. Signify Commercial Indonesia		**164**	165
Signify Poland Sp. Z.O.O.		**16,037**	26,417
Signify Singapore Pte. Ltd.		**2,489**	2,493
Signify Argentina S.A.		**463**	232
Signify Hong Kong Limited		**61**	61
Signify Maroc SARL		**484**	484
		91,201	578,375

18.1.1 Includes an amount of Rs.39.918 million (2023: Rs.213.392 million) in respect of royalty payable in accordance with the Technical License agreement (TLA). The Company entered into Technical License Agreement (TLA) with Signify Netherlands B.V. ("Licensor") effective as of 1st January 2021 for localization of Phillips Brand. Accordingly, during the year 2024, the Company had charged royalty expense of Rs.27.366 million based on actual net sales of FY 2024 in these financial statements as per arrangement between the parties.

18.2 The break-down of accrued liabilities is as follows:

	Note	2024	2023
		(Rupees in '000)	
Salaries and wages		**14,039**	19,997
Warranty provision	18.3	**16,320**	86,029
Distributors incentives		**357,367**	371,159
Marketing accruals		**1,320**	-
Freight accruals		**1,479**	20,060
Stamp duty accruals		**500**	1,500
Others		**62,332**	67,037
		453,357	565,782

18.3 The movement of warranty provision is as follows:

	Note	2024	2023
Opening balance		**86,029**	37,766
(Reversal) / provision made during the year		**(28,236)**	122,612
Replacement made during the year	18.3.1	**(41,473)**	(74,349)
Closing balance		**16,320**	86,029

18.3.1 Replacement of warranty provision have been made to customers against inventory and cash amounting to Nil (2023: Rs. 47.244 million) and Rs. 41.473 million (2023: Rs. 27.105 million), respectively.

18.4 Includes amount received from Stitching Signify Foundation on March 15, 2021 for CSR activities amounting to Rs. 24 million. Rs.14 million have been utilized in exercising CSR services till October 31, 2021, out of which Rs. 10 million is still remaining to be spent on CSR activities.

19 PROVISIONS

19.1 Represents provisions against legal cases contested by the Company.

19.2 The movement in provisions during the year are as follows:

	2024	2023
	(Rupees in '000)	
Opening balance	**12,668**	13,223
Charge during the year - net	-	(555)
Closing balance	**12,668**	12,668

20 SHORT-TERM RUNNING FINANCES

The Company has various running finance facilities from commercial banks Rs.980 million (2023: Rs. 980 million) carrying mark-up rate of 22.39% per annum (2023: 16.93% to 23.53% per annum). These facilities had been of varying tenures and were secured by stand-by letter of credits aggregating to Rs.1,100 million. The unutilized amount of these facilities were Rs. 980 million in 2024.

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

21.1.1 The details of legal cases filed against the Company are as follows:

Court	Factual description	Date of institution	Party	Relief Sought
Hight Court of Sindh	Counter suit filed by Dreamworld of non-performance of contract terms	August 2001	Dreamworld	Recovery of Rs. 83.472 million (2023: Rs.83.472 million) on non performance of contract terms
High Court of Lahore	Suit filed by vendor against Company to restrain Company for encashment of insurance guarantee	November 2017	Western Engineering (vendor)	Recovery of Rs. 3 million (2023: Rs.3 million) for encashment of insurance gurantee
Hight Court of Sindh	Case filed by ex-employee against the Company on dispute over the final settlement	September 2009	Fayaz Ahmed (Ex-Employee)	Recovery of Rs. 2.2 million (2023: Rs. 2.2 million) for recovery of final settlement

The Company based on the opinion of its legal counsel / advisors believes that either they have no exposure to the Company or would be decided in the Company's favour.

	2024	2023
	(Rupees in '000)	
21.1.2 Letter of guarantees issued by banks on behalf of the Company	**3,400**	3,400

21.1.3 Sales tax and income tax matters, are more fully explained in notes 11.1 to 11.4 and 30.5 to 30.14 to these financial statements.

21.2 Commitments

	2024	2023
	(Rupees in '000)	
Letters of credit	**48,708**	91,540
Bank Contract	**24,136**	255,742

As of 31 December 2024, the Company has the facility limit for opening letters of credit and guarantees of Rs.1,200 million (2023: Rs.1,200 million).

22 TURNOVER - net

	Note	2024	2023
		(Rupees in '000)	
Turnover - gross		**1,390,504**	3,117,754
Trade discount		**(104,587)**	(108,466)
Sales tax		**(221,735)**	(501,462)
	22.1	**1,064,182**	2,507,826

22.1 Included herein are toll manufacturing sales of Rs. 20.099 million (2023: Rs. 82.035 million).

22.2 Revenue recognised during the year that was included in the advance from customers balance at the beginning of year is Rs. 0.196 million (2023: Rs. 67.113 million).

23 COST OF SALES

	Note	2024	2023
		(Rupees in '000)	
Opening finished goods		**414,890**	558,774
Purchase of goods	23.1	**454,796**	1,342,587
Cost of goods manufactured	23.2	**36,366**	46,079
		906,052	1,947,440
Closing finished goods	8	**(116,602)**	(414,890)
linked		**789,450**	1,532,550
Direct expenses:			
Warranty (reversal) / provisions	18.3	**(28,236)**	122,612
Royalty on localization of brand	23.3	**27,366**	37,016
(Reversal) / charge of provision for obsolete stock-in-trade during the year - net	8.2	**(142,405)**	154,487
Outward freight		**40,691**	38,027
		(102,584)	352,142
		686,866	1,884,692

23.1 This includes purchases made from group entities amounting to Rs. Nil (2023: Rs. 597.212 million).

23.2 Sales and cost of sales of goods manufactured related to vendors manufacturing are as follows:

	Note	2024	2023
		(Rupees in '000)	
Sales		**20,099**	85,583
Opening material:			
Raw material	8	**15,649**	28,345
Material advanced to vendors	8	**10,613**	11,023
		26,262	39,368
Purchase of raw material		**-**	14,876
Vendors value addition		**10,115**	18,097
		10,115	32,973
Closing material:			
Raw material	8	**(11)**	(15,649)
Material advanced to vendors	8	**-**	(10,613)
		(11)	(26,262)
Cost of goods manufactured		**36,366**	46,079
Gross profit		**(16,267)**	39,504

23.3

Party Name	Registered Address	Relationship	2024	2023
Signify Netherlands B.V.	High Tech Campus 48, 5656AE EINDHOVEN, The Netherlands	Group Company	**27,366**	37,016

24 ADMINISTRATIVE AND DISTRIBUTION EXPENSES

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and other benefits	24.1	**110,236**	200,185
General Service Unit Agreement ("GSUA")	24.2	**19,688**	82,321
Outsourcing expense		**13,241**	27,783
Publicity		**7,320**	1,023
Security		**302**	2,608
Advances - Directly written off		**-**	4,629
Depreciation on operating fixed assets	5.1	**4,064**	6,404
Depreciation on right-of-use assets	6.1	**18,311**	20,329
Utilities		**5**	1,259
Repairs and maintenance		**3,936**	6,816
Rates and taxes		**13,253**	1,789
Travelling		**24,422**	22,507
Postage and stationary		**599**	6,069
Telephone and communication		**1,041**	1,249
Insurance		**11,079**	15,929
Auditors' remuneration	24.3	**4,848**	4,285
Legal and professional		**5,045**	21,749
Others		**1,717**	1,890
		239,107	428,824

24.1 Salaries, wages and other benefits includes bonus to employees of Rs. 4.042 million (2023: Rs. 3.847 million) and incentive given to Chief Executive Officer amounting to Rs. Rs. 2.837 million (2023: Rs. 0.705 million) by the Parent Company, which is recoverable from the Company.

24.2 Represents expenses incurred for business support services from Signify Netherlands B.V. (a related party). The objective is to ensure the availability of optimal expertise and capabilities at the right cost level, while providing globally consistent services. In order to ensure continuity of the Company's business operations, the Company is interested to take advantage of and secure access to the aforementioned rights, know-how and experience and acknowledge the necessities of paying an appropriate consideration.

24.3 Auditors' remuneration

	2024	2023
	(Rupees in '000)	
Audit fees - statutory	3,416	3,522
Fee for special certifications	697	120
Sindh sales tax	329	291
Out-of-pocket expenses	406	352
	4,848	4,285

25 RESTRUCTURING EXPENSE

In view of persistent unfavorable economic conditions in the country there was significant depletion of foreign exchange reserves which resulted in import restrictions in Pakistan causing significant sales reduction of Signify Pakistan Limited, hence, and unfortunately, massive restructuring in terms of employees was implemented, during the year 2023. On the same line, the Company relocated it's offices to better and efficient spaces to generate savings for the operation. Due to termination of employees, the Company recognized restructuring expenses amounting to Rs. 10.6 million (2023: Rs. 36 million) which included the severance payments that were required to be made to employees due to termination of their employment.

26 (ALLOWANCE) / REVERSAL FOR EXPECTED CREDIT LOSSES

	Note	2024	2023
		(Rupees in '000)	
(Allowance) / reversal for the year on:			
- Trade debts	9.2	(98,032)	164,763
- Advances		-	134
- Trade deposits	11.1	-	500
		(98,032)	165,397

27 OTHER INCOME

	Note	2024	2023
		(Rupees in '000)	
Income from financial assets:			
Interest income on saving accounts		**335,824**	326,092
Income from non-financial assets:			
Scrap sales		**120**	339
Gain on disposal of operating fixed assets		**10,151**	7,842
Liabilities no longer payable written off	27.1	**49,026**	104,319
Gain on termination of lease		**-**	3,739
Others		**337**	34
		59,634	116,273
		395,458	442,365

27.1 Includes waiver of outstanding liabilities amounting to Rs. 23.717 (2023: Rs.41.593 million) by Genlyte Thomas Group LLC (a related party) in respect of cross charges.

28 FINANCE COSTS

	Note	2024	2023
		(Rupees in '000)	
Interest expense on lease liabilities	17.1	**5,232**	6,347
Markup on short-term running finances		**808**	-
Bank charges		**2,523**	16,184
		8,563	22,531

29 OTHER OPERATING EXPENSES

		2024	2023
Exchange loss - net		**7,111**	53,129
Workers' welfare fund		**8,187**	15,600
		15,298	68,729

30 TAXATION

30.1 Taxation

	Note	2024	2023
Current	30.3	**159,372**	298,114
Prior		**(39,313)**	(99,913)
Deferred	30.4	**-**	-
		120,059	198,201

30.2 The assessments of the Company for and upto tax year 2024 have been completed or deemed to be assessed under Section 120 of the Income Tax Ordinance, 2001.

30.3 Includes an additional charge of 6% (2023: 10%) for poverty alleviation tax as per the requirement of section 4C of of the Income Tax Ordinance 2001.

30.4 Net unrecognised deferred tax asset amounts to Rs.140.85 million (2023: Rs. 267.72 million). The management believes that future taxable profits will be lower. Accordingly, deferred tax asset has not been recognised in these financial statements.

		2024	2023
		(Rupees in '000)	
30.5	Accounting profit before tax	**401,166**	674,515
	Tax @ 29% (2023: 29%)	**116,338**	195,609
	Super tax under section 4C @ 6% (2023: 10%)	**22,105**	76,439
	Prior year tax	**(39,313)**	(99,913)
	Others	**20,929**	26,066
		120,059	198,201
	Effective tax rate	**30%**	29%

30.6 In year 2012, the tax year 2010 was selected for audit by the tax authorities under Section 214C of the Ordinance. In the year 2016, the tax authorities concluded the audit for tax year 2010 and issued assessment order dated 22 June 2016 whereby raising a demand of Rs.36.766 million. The Company under protest requested the income tax department to adjust the demand out of refunds available for tax years 2008, 2009 and 2011. The said request was made without prejudice to the appeal filed by the Company before the Commissioner Inland Revenue (Appeals) CIR(A) which was heard on 05 September 2016 and later on 06 March 2018, and an order dated 04 April 2018 was passed whereby:

(a) disallowance of trade discounts, provision for retirement benefits and stock write-off was deleted;

(b) toll manufacturing charges was disallowed to the extent of tax short-deducted;

(c) disallowance of restructuring provision remanded back for re-examination; and

(d) disallowance of lease rental was confirmed.

The Company filed appeal on 04 July 2018 before the Appellate Tribunal Inland Revenue (ATIR) in respect of matters not decided in their favour. Similarly, the tax department also filed an appeal before the ATIR on matters that were either decided in favour of the Company or that had been remanded back by CIR(A). Currently, both the appeals are pending for hearing before the ATIR.

30.7 In year 2016, the tax officer issued a notice under Section 176 of the Ordinance for monitoring of withholding taxes for tax year 2011. The said notice was replied and relevant information were provided. Consequently, a show cause notice was issued in February 2017 by the officer and thereafter an order was passed in March 2017 under Section 161/205 Ordinance in respect of non-deduction of withholding tax on discounts given to distributors/ customers through invoices under Section 156 of the Ordinance.

Further, additional trade discounts given to distributors / customers through credit notes, publicity expense and direct selling expenses were treated by Officer Inland Revenue (OIR) as “Prize” under Section 156 of the Ordinance and thus subjected to withholding of tax at the rate of 20%. Later, the OIR had created a demand of Rs. 20.792 million under Section 161 and Rs. 22.824 million under Section 205 of the Ordinance respectively. Being aggrieved, the Company filed appeal against the order of the OIR before CIR(A). The CIR(A) vide combined appellate orders dated 02 October 2017 (received on 01 March 2018) held in respect of invoice trade discount, the CIR(A) agreeing with our arguments held that the OIR's action was not sustainable and thus recovery of tax under Section 161 of the Ordinance on trade discount on invoices had been deleted. In respect of additional trade discounts given to distributors / customers through credit notes, publicity expense and direct selling expenses, CIR (A) confirmed action of OIR i.e. discounts and expenses incurred fall under the scope of Section 156 of the Ordinance as “prizes”. Further, in respect of default surcharge CIR(A) held that since default in withholding of tax is confirmed therefore the levy of default surcharge to such extent was also confirmed. Later, the Company filled appeal on 25 April 2018 before ATIR against the order of learned CIR (A) which is currently pending for hearing.

30.8 In year 2014, the tax year 2013 was selected for audit by the tax authorities, thereafter a show cause notice dated April 14, 2015 under section 122(9) was received by the Company in which the Deputy Commissioner Inland Revenue (DCIR) proposed to amend the return of income for the tax year 2013. Further, on 23 October 2018 the Company received an addendum to the above show cause notice. The said proceedings were then concluded by the tax department through an order dated 10 June 2019 passed under section 122(1) of the Ordinance by amending the assessment of the Company through disallowance of a number of expenses leading to a reduction in the refund claimed by the Company in the return of income for the above tax year to Rs. 9.763 million. Being aggrieved with the above order the Company has filed an appeal with the CIR(A) which is pending for hearing. The appeal filed before the CIR(A) was decided through appellate order dated 31 December 2021 wherein certain matters were deleted, certain remanded back and one was maintained. Being aggrieved with the above order, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) on 18 March 2022 against the order of CIR(A) which is pending for hearing before the ATIR.

30.10 In year 2016, the tax officer issued a notice under Section 176 of the Ordinance for monitoring of withholding taxes for tax year 2014. The said monitoring was kept in abeyance on Company's request due to multiple proceedings being conducted by the said office. However, during year 2019, said proceeding was reinitiated through a notice dated 21 June 2019. The said notice was replied and relevant information were provided. Consequently, an order was passed in June 26, 2019 under Section 161 and 205 of the Ordinance in respect of non-deduction of withholding tax on trade discounts given to distributors/customers by the Company amounting to Rs. 111.739 million. In the said order the OIR treated the above discounts as "prizes offered for promotion of sale by the companies" and levied tax at the rate of 20% under section 156 of the Ordinance. The OIR created a demand of Rs. 17.961 million under section 161 and Rs. 8.562 million under section 205 of the Ordinance respectively.

The Company under protest had deposited Rs. 17.961 million to obtain stay from the recovery of the above tax demand till the decision of the appellate forum of the CIR(A). Later, the Company received notices for liquidation of Rs. 8.562 million demand and therefore the Company has submitted to the tax authority that sufficient refunds are available from which the above tax demand can be adjusted. Further, appeal against the above order has also been filed with the CIR(A). The appeal filed before the CIR(A) was decided through appellate order dated 23 November 2021 whereby the order passed by the Taxation Officer has been upheld. The Company had deposited the principal amount under protest. Being aggrieved with the above order, the Company has filed an appeal before ATIR on 13 January 2022 against the order of CIR(A) which is still pending for hearing before the ATIR.

30.11 In the year 2016, the tax officer issued a notice under Section 176 of the Ordinance for monitoring of withholding taxes for tax year 2015. The said notice was replied and relevant information were provided. However, during year 2019, said proceeding was reinitiated through a notice dated 21 June 2019. The said notice was replied and relevant information were provided. Consequently, an order was passed in 26 June 2019 under Sections 161 and 205 of the Ordinance for recovery of taxes not withheld on incentives/discounts given by the Company amounting to Rs. 119.830 million. In the said order the OIR treated the above incentives as "prizes offered for promotion of sale by companies" and levied tax at the rate of 20% under section 156 of the Ordinance. The OIR created a demand of Rs. 23.966 million under section 161 and Rs. 8.549 million under section 205 of the Ordinance respectively.

The Company under protest has deposited Rs. 23.966 million to obtain stay from the recovery of the above tax demand till the decision of the appellate forum of the CIR(A). Later, the Company received notices for liquidation of Rs. 8.549 million demand in response to which detailed response has been submitted and thereafter no further correspondence has been made in this regard. Further, appeal against the above order has also been filed with the CIR(A). The appeal filed before the CIR(A) was decided through appellate order dated 28 December 2021 whereby the order passed by the Taxation Officer has been upheld. The Company had deposited the principal amount under protest. Being aggrieved with the above order, The Company has filed an appeal before ATIR on 22 February 2022 against the order of CIR(A) which is still pending for hearing before the ATIR.

30.12 Further in the year 2017, the tax year 2015 was selected for audit by the tax department and information was requested through notice dated 18 August 2017 under section 177 of the Income Tax Ordinance, 2001 by Deputy Commissioner Inland Revenue (DCIR) requiring the Company to provide various details. After provision of the relevant details, a show cause notice under section 122(9) was issued to the Company. Detailed response of the above show cause notice was furnished dated 26 June 2019. The said proceedings were then concluded by the tax department through the order dated 29 June 2019 issued under section 122(1) of the Ordinance by amending the assessment of the Company through disallowance of various expenses. Being aggrieved with the above order the Company filed an appeal with the CIR(A). The appeal filed before the CIR(A) was decided through appellate order dated 29 December 2021 wherein certain matters were deleted, certain remanded back and one was maintained. Being aggrieved with the above order, The Company has filed an appeal before ATIR on 1 April 2022 against the order of CIR(A) which is still pending for hearing before the ATIR.

During the year 2021, a refund order under section 170(4) of the Ordinance dated 11 June 2020 was received by the Company. Through the said order, Company received refund of income tax amounting to Rs.6.042 million against the refund of Rs.15.450 million claimed in the return of income for the tax year 2015. Since the Company did not receive the full amount as claimed in return for the above tax year 2015, it intends to file a rectification application against the refund order for the instant tax year.

30.13 In year 2017, the Company received notices dated 25 January 2017 and 14 December 2017 for monitoring of withholding taxes for tax year 2016, in response to which detailed response was submitted. Later, on 29 June 2018 an order was passed by OIR under Sections 161 and 205 of the Ordinance for recovery of taxes not withheld on discounts allowed by the Company amounting to Rs. 33.390 million and Rs. 10.017 million, respectively. In said order, OIR treated the above discounts as "prizes" and levied tax at the rate of 20% under Section 156 of the Ordinance. The Company under protest deposited Rs. 33.390 million to obtain stay from the recovery of the above tax demand till the decision of the appellate forum of CIR(A). The appeals filed before the CIR(A) were decided through combined appellate order dated 10 July 2019 in the following manner:

(a) In respect of additional trade discounts given to distributors / customers through credit notes, CIR(A) agreed with the arguments of the OIR and held that the given discounts fall under the scope of section 156 as "prizes". Accordingly, the action of the OIR were confirmed.

(b) In respect of default surcharge, CIR(A) held that since default in withholding of tax is confirmed therefore the levy of default surcharge to such extent was also confirmed.

The Company filed appeal before ATIR on 20 September 2019 against the order of CIR(A) which is still pending for hearing before the ATIR. Further, consequent to the passing of the above appellate order in favour of the department, a notice dated 12 September 2019 under section 138(1) of the Ordinance was issued requiring the Company to deposit the remaining amount of Rs. 10.017 million as assessed by the OIR in the above order passed under section 161 and 205. Accordingly, a response to the above notice was submitted dated 19 September 2019. Thereafter no further correspondence made in this regard.

During the year 2021, the Company received notices dated 5 October 2020, 19 October 2020, 26 October 2020, 3 December 2020 and 29 December 2020 issued under section 138(1) of the Ordinance, requiring the Company to liquidate the tax demand of Rs.3.556 million in respect of tax year 2016. The Company has submitted to the tax authority that sufficient income tax refunds are available from which the above tax demand can be adjusted. Thereafter, no further correspondence has been made in this regard.

30.14 In year 2018, the tax officer issued a show cause notice under section 161(1A) read with section 182 and section 205 of the Ordinance for monitoring of withholding taxes for tax year 2017. The said monitoring was kept in abeyance on Company's request due to multiple proceedings being conducted by the said office. However, during the year 2019, said proceeding was reinitiated through a notice dated 21 June 2019, in response to which detailed response was submitted. Consequently, an order was passed on 26 June 2019 under Section 161 and 205 Ordinance in respect of non-deduction of withholding tax on trade discounts given to distributors / customers by the Company amounting to Rs. 232.272 million. In the said order the OIR treated the above discounts as "prizes offered for promotion of sale by the companies" and levied tax at the rate of 20 percent under section 156 of the Ordinance. The OIR created a demand of Rs. 31.461 million under Section 161 and Rs. 7.447 million under Section 205 of the Ordinance respectively.

The Company under protest deposited Rs. 31.461 million to obtain stay from the recovery of the above tax demand till the decision of CIR(A) which was decided against the company vide order passed under section 161 of Income Tax Ordinance 2001 dated 15 September 2021. Being aggrieved, company filed appeal on 11 November 2021 against the above order to ITAT which is pending for hearing.

30.15 The Company received a notice dated October 6, 2020 issued under section 176 of the Income Tax Ordinance, 2001 (the Ordinance) read with Rule 44(4) of the Income Tax Rules, 2002. Through the said notice the OIR has required the Company to furnish certain information / explanation so as to enable it to conduct the proceedings for monitoring of withholding of taxes for the tax year 2018. The Company made complete compliance of the subject notice. The proceeding culminated into order dated June 13, 2024 passed under section 161(1) of the Ordinance raising tax demand of Rs. 11,721,157. Being aggrieved the Company filed an appeal before the Commissioner (Appeals) on July 10, 2024 which is pending to date.

30.16 In year 2018, a show cause notice dated 14 December 2018 was issued by tax officer under Section 182 of the Ordinance for levying a penalty for non-furnishing of monthly withholding tax statement by the Company for the month of January 2018 related to tax year 2019. Thereafter, the Company immediately e-filed the statement and submitted an explanation to tax officer and requested for non-imposition of penalty, as e-filing was due to inadvertence and unintentional. However, tax officer passed an order dated 21 December 2018 and a penalty of Rs. 0.755 million was imposed. Subsequently on 07 January 2019, the Company filed an appeal before CIR(A) to contest the above imposed penalty, which is currently pending for hearing. The Company also received notices dated 11 September 2019 and 28 July 2020 under section 138(1) of the Ordinance to liquidate the tax demand of Rs. 0.755 million, in response to which the Company has intimated the OIR that the above tax demand has been adjusted against the tax refunds for tax year 2019 by the tax department and therefore the Company can no longer be required to liquidate the same. Thereafter, no further correspondence has been made in this regard.

30.17 During the year, the Company received a refund order dated 17 October 2022 under section 170(4) of the Ordinance. Through the said order, the refund of income tax amounting to Rs. 18.659 million was confirmed as against the actual amount of refund of Rs. 31.264 million as claimed in the return of income for the tax year 2021. Furthermore, refund to the extent of Rs. 10.166 million was wrongfully reduced by the OIR by assuming an incorrect amount of minimum tax liability under section 148 of the Ordinance at Rs. 130.637 million instead of the correct amount of Rs. 120.471 million. Being aggrieved with the above order for not allowing the entire refund as claimed in the return of income, the Company filed an appeal before the CIR(A) which has been decided through order dated 6 February 2023. Through the said order CIR(A) remanded back the order passed by OIR with directions to obtain evidences of payments of taxes as claimed in the return of income in order to allow the credit of tax paid / deducted by the Company. Thereafter, no further correspondence has been made by the tax authorities in this regard.

In respect of tax matters disclosed in notes 30.5 to 30.14, the Company based on the views of its tax advisor believes that sufficient grounds are available on the basis of which appeals were preferred and also believes that there are reasonable arguments in support of grounds taken before the respective appellate authorities, accordingly, no provision has been made in these financial statements.

31 CASH AND CASH EQUIVALENTS

	Note	2024	2023
		(Rupees in '000)	
Cash and cash equivalents comprise of:			
Cash and bank balances	14	1,747,529	2,444,416
		1,747,529	2,444,416

32 CASH GENERATED FROM OPERATIONS

	Note	2024	2023
Profit before taxation		401,166	674,515
Adjustments for non-cash and other items:			
Depreciation on operating fixed assets	24	4,064	6,404
Depreciation on right-of-use assets	24	18,311	20,329
Allowance / (reversal) for expected credit losses	26	98,032	(165,397)
(Reversal) / provision for obsolete stock-in-trade	23	(142,405)	154,487
Provision for staff retirement benefits	7.1.2	10,290	16,700
Interest income on saving accounts	27	(335,824)	(326,092)
Gain on disposal of operating fixed assets	27	(10,151)	(7,842)
Finance cost	28	8,563	22,531
Workers' welfare fund	29	8,187	15,600
Gain on termination of lease	27	-	(3,739)
Unrealised exchange loss / (gain) - net		2,755	(33,249)
Working capital changes	32.1	(311,333)	685,223
		(248,345)	1,059,470

32.1 Working capital changes

	2024	2023
Decrease in current assets:		
Stock-in-trade	324,539	(98,555)
Trade debts	861	121,718
Advances	2,683	(12,600)
Deposits and short-term prepayments	297	9,164
Other receivables	29,846	129,538
	358,226	149,265
Increase / (decrease) in current liabilities:		
Trade and other payables	(669,363)	(63,328)
Contract liabilities - advance from customers	(196)	(32,708)
Provisions	-	(4,997)
	(311,333)	48,232

33 NUMBER OF EMPLOYEES

	2024	2023
At the end of the year		
Permanent	**18**	22
Average number of employees:		
Permanent	**21**	44

34 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

The aggregate amounts for the year charged in these financial statements for remuneration, including all benefits, to the Chief Executive, Directors and other executives are as follows:

	Chief Executive		Directors		Other Executives	
	2024	2023	2024	2023	2024	2023
	------------------------------------ (Rupees in '000)					
Managerial remuneration	**3,924**	15,507	**6,479**	3,922	**27,030**	42,563
Retirement benefits	**719**	2,842	**1,271**	719	**4,362**	7,802
Perquisites:						
- medical expenses	**190**	117	**505**	117	**2,717**	3,747
- housing	**2,251**	8,921	**3,178**	2,157	**12,480**	19,153
- conveyance	**195**	780	**1,095**	660	**6,633**	10,629
- bonus	**-**	1,816	**388**	313	**2,930**	6,244
- car benefit	**1,050**	4,200	**666**	922	**5,690**	6,499
- others	1	2,953	**121**	194	**1,463**	2,050
Company's contribution to provident fund	**392**	1,551	**731**	392	**2,111**	4,256
Group insurance	**142**	142	**36**	36	**196**	390
Club subscriptions	**-**	210	**-**	-	**-**	-
Incentive by ultimate parent company (see note 35)	**2,837**	705	**-**	-	**-**	-
	11,701	39,744	**14,472**	9,432	**65,612**	103,333
Number of persons	**1**	1	**2**	2	**13**	32

34.1 In addition, the Chief Executive, Director and Executives are provided certain household items in accordance with their entitlement. The Chief Executive and Director have also been provided with telephone facility at their residences.

34.2 As of the reporting date, the new Chief Executive Officer is not being remunerated by the Company.

35 SHARE BASED COMPENSATION

Certain eligible employees of the Signify Group (the Group) are entitled to participate in the share based payment plans of the ultimate parent company. The ultimate parent company grants stock awards as a form of share-based payment to the employees. Under these equity settled plans, eligible employees in Pakistan of the Company will be given shares of the ultimate parent company upon meeting the vesting conditions. Total share-based compensation costs for the Company for the year ended 31 December 2024 were Rs.2.837 million (2023: Rs. 0.705 million), which was related to the Signify Long-term Incentive Plan (LTI Plan). The liabilities in respect of intragroup repayments as of 31 December 2024 aggregated to Rs.21.927 million (2023: Rs. 19.09 million).

Signify Long-term Incentive Plan

Under the Signify LTI Plan , which is equity settled, eligible employee is granted both conditional shares and performance shares. Conditional shares have a three-year vesting period and will vest if a grantee is still employed with the Company at the vesting date.

Vesting of performance shares is conditional on the achievement of performance conditions measured over a period of three years. The performance condition measurement is based on four measures, Relative Total Shareholder Return (TSR) (25% of the shares), Free Cash Flow (FCF) (25% of the shares), Sustainability (25% of the shares) and Return on Capital Employed (ROCE) (25% of the shares). In addition, vesting is conditional to the guarantee still being employed with the Company at the vesting date.

Signify performance shares

The fair value of shares granted with the market performance condition of relative TSR is measured based on Monte Carlo simulation. The closing share price at grant date is adjusted for the present value of expected dividends during the vesting period, as participants are not compensated for the ultimate parent company's dividend payouts. Monte Carlo simulation takes into account market conditions expected to impact relative Total Shareholders' Return performance in relation to selected peers and the following weighted-average assumptions:

Assumptions used in Monte-Carlo simulation for valuation in %	2024
Risk-free interest rate	2.5%
Expected share price volatility	37%

The assumptions were used for these calculations only and do not necessarily represent an indication of the ultimate parent company's management's expectation of future developments for other purposes. Historic volatility was measured over the same timeframe as the simulation period (weighted average 2.6 years).

The amount calculated as an expense for TSR shares is not adjusted for actual performance. FCF, Sustainability and ROCE related measurements are non-market performance conditions. Fair value of shares granted under FCF, Sustainability and ROCE objective conditions equals the closing share price on the grant date, adjusted for the present value of expected dividends during the vesting period. The amount calculated as an expense for shares granted with a non-market performance condition is adjusted for actual performance.

Movements in the performance shares under LTI Plan held by the Company's employee is as follows:

	2024		**2023**	
	Shares	**Weighted average grant-date fair value**	**Shares**	**Weighted average grant-date fair value**
	Numbers	**EUR-denominated**	**Numbers**	**EUR-denominated**
Balance as at beginning of the year	**72**	**29.68**	124	35.24
Granted during the year	**-**	**-**	-	-
Vested during the year	**-**	**-**	-	-
Performance adjustment	**(52)**	**25.06**	(52)	25.06
Balance as at end of the year	**20**		72	

Signify conditional shares

Fair value of conditional shares is determined by subtracting the present value of expected dividends from the closing share price on the grant date as participants are not compensated for the ultimate parent company's dividend payouts.

Movements in the conditional shares under LTI Plan held by the Company's employee is as follows:

	2024		2023	
	Shares Numbers	Weighted average grant-date fair value EUR-denominated	Shares Numbers	Weighted average grant-date fair value
Balance as at beginning of the year	123	32.97	123	32.97
Granted during the year	-	-	-	-
Vested during the year	-	-	-	-
Balance as at end of the year	123	32.97	123	32.97

36 TRANSACTIONS WITH RELATED PARTIES

36.1 Related parties comprise of the Parent Company and its affiliates (i.e. related group companies), companies where directors hold common directorship, key management personnel and their close family members and staff retirement benefit funds. All transactions with related parties are entered into agreed terms duly approved by the Board of Directors of the Company including transactions with related parties on account of purchases and general sales agreement charges have been entered into and recorded at amounts agreed with counter parts and transactions with key management personnel were as per the terms of their employment.

The details of transactions with related parties and related balances other than those disclosed elsewhere in the financial statements, are as follows:

Name, relationship, transactions and balances	Note	2024	2023
		(Rupees in '000)	
Transactions during the year:			
Ultimate parent company			
Share based payment transactions	35	2,837	705
Group companies			
Purchases of goods	36.2	-	597,212
General Services Unit Agreement (GSUA)	36.2	19,688	82,321
Staff retirement benefits fund			
Contribution to employees provident fund		2,123	6,981
Contribution to employees pension fund		2,115	7,033
Key management personnel			
Salaries and other short-term benefits		19,399	47,365
Post employement benefits		3,113	6,300
Balances with related parties at year end:			
Ultimate parent company			
Payable against long-term incentive plans		21,927	19,090
Group companies			
Trade debts		55,086	45,574
Total creditors	18.1	91,201	578,375
Staff retirement benefits balances			
Receivable from / (payable to) provident fund		2,645	874
Receivable from / (payable to) pension fund		(658)	1,611
Receivable / (Payable) to staff retirement benefits - gratuity		9,079	(41,637)

36.2 The following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

Name and basis of relationship	Percentage of shareholding	Registered addresses	Country of incorporation	Nature of transactions	2024	2023
					(Rupees in '000)	
Group companies:						
Signify Netherlands B.V.	-	High Tech Campus 48 5656 AE Eindhoven, Netherlands	Netherlands	GSUA (IT charges)	**19,688**	82,321
				*Purchase of goods	-	346,757
Signify Electronics (Xiamen) Co., Ltd.	-	2000 North YunDing Road, Xiamen, China	China	*Purchase of goods	-	14,865
Signify Hungary Kft.	-	Szabadsag ut 107. 7090 Tamasi, Hungri	Hungary	*Purchase of goods	-	8,902
Signify Poland Sp. Z.O.O.	-	Pila, ul. Kossaka 150 O/Ketrzyn ul. Chrobrego 8	Poland	*Purchase of goods	-	25,266
Signify Luminaires (Shanghai) Co., Ltd.	-	2nd floor, Building 1805 HUYI Highway, MALU town Jiading District, Shanghai	China	*Purchase of goods	-	78,609
Signify Luminaires Chengdu Co. Ltd.	-	No.91 Tianyan Road Hi-Tech West District CHENGDU, China	China	*Purchase of goods	-	111,712
Signify Industry Signify Industry		8 Mintai Road Yizheng	Yizheng	*Purchase of goods	-	11,101
					19,688	679,533

* These are net off adjustment of credit notes received.

36.3 The details of key management personnel are as follows:

Name of the key management personnel	Role / designation
Gregory Lefebvre	Chief Executive Officer & Director
Syed Wajahat Ali	Director, CFO & Company Secretary
Taimoor Arshad	Director

37 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. No changes were made in the objectives, policies or processes and assumptions during the year ended 31 December 2024. The policies for managing each of these risks are summarised below.

37.1 Risk management framework

The Board of Directors has overall responsibility for the establishment and over sight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company’s risk management policies.

Risk management systems are reviewed regularly by the Board 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.

Financial assets and liabilities by category and their respective maturities:

	Interest bearing			Non-Interest bearing			Total
	Maturity upto one year	Maturity after one year	Total	Maturity upto one year	Maturity after one year	Total	
Financial assets (At amortised cost)	(Rupees in '000)						
Trade debts	-	-	-	**63,113**	-	**63,113**	**63,113**
Deposits	-	-	-	**84**	**6,244**	**6,328**	**6,328**
Other receivables	-	-	-	**3,588**	-	**3,588**	**3,588**
Cash and bank balances	-	-	-	**1,747,529**	-	**1,747,529**	**1,747,529**
December 31, 2024	-	-	-	**1,814,314**	**6,244**	**1,820,558**	**1,820,558**
Financial liabilities (At amortised cost)							
Trade and other payables	-	-	-	**597,732**	-	**597,732**	**597,732**
Unclaimed / unpaid dividend	-	-	-	**1,198**	-	**1,198**	**1,198**
December 31, 2024	-	-	-	**598,930**	-	**598,930**	**598,930**

	Interest bearing			Non-Interest bearing			Total
	Maturity upto one year	Maturity after one year	Total	Maturity upto one year	Maturity after one year	Total	
Financial assets (At amortised cost)	(Rupees in '000)						
Trade debts	-	-	-	162,006	-	162,006	162,006
Deposits	-	-	-	381	6,694	7,075	7,075
Other receivables	-	-	-	3,605	-	3,605	3,605
Cash and bank balances	-	-	-	2,444,416	-	2,444,416	2,444,416
December 31, 2023	-	-	-	2,610,408	6,694	2,617,102	2,617,102
Financial liabilities (At amortised cost)							
Trade and other payables	-	-	-			1,229,382	1,229,382
Unclaimed dividend	-	-	-			1,101	1,101
December 31, 2023	-	-	-	1,230,483	-	1,230,483	1,230,483

The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values.

37.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. 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 ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

37.2.1 Trade debts, deposits and other receivables

The Company's exposure to credit risk is influences mainly by the individual characteristics of each party. The management also continuously monitors the credit exposure towards the parties and makes provisions against those balances considered doubtful. To mitigate the risk, the Company has a system of assigning credit limits to its parties based on an extensive evaluation based on party profile and payment history. Outstanding party receivables are regularly monitored.

The Board of Directors has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment, and delivery terms and conditions are offered. The Company's review includes external ratings, when available.

37.2.2 The Company's maximum exposure to credit risk at the reporting date is as follows:

	Note	2024	2023
		(Rupees in '000)	
Financial assets			
Long term deposits		**6,244**	6,694
Trade debts - net	9	**481,014**	481,875
Deposits	11	**25,649**	25,649
Other receivables	12	**6,554**	6,572
Bank balances	14	**1,730,305**	2,205,151
		2,249,766	2,725,941
Financial assets			
Not past due		**1,803,250**	2,377,457
Past due		**446,516**	348,484
		2,249,766	2,725,941

37.2.3 The aging of trade debts (on gross basis) at the reporting date was:

	2024				2023			
	Gross	Excpected credit loss rate	Allowance for ECL / Write off	Net	Gross	Excpected credit loss rate	Allowance for ECL / Write off	Net
	(Rupees in '000)							
Not past due	**13,535**	**12.33%**	**1,669**	**11,866**	**155,680**	**1.12%**	**1,745**	**153,935**
Past due								
Not more than 03 months	**35,632**	**56.58%**	**20,161**	**15,471**	4,939	18.36%	907	4,032
More than 03 months but less than 06 months	**3,292**	**63.15%**	**2,079**	**1,213**	6,557	64.04%	4,199	2,358
More than 06 months but less than 01 year	**44,313**	**75.17%**	**33,312**	**11,001**	12,377	86.42%	10,696	1,681
More than 01 year	**384,242**	**94%**	**360,680**	**23,562**	302,322	100%	302,322	-
	467,479		**416,232**	**51,247**	326,195		318,124	8,071
	481,014	**86.88%**	**417,901**	**63,113**	481,875	66.38%	319,869	162,006

37.2.4 The Company has no exposure to credit risk by geographic region wise for trade debts as at 31 December 2024, as the Company sells its goods only in Pakistan.

37.2.5 The credit quality of the Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating Agency		Rating - short/long term		2024	2023
	2024	2023	2024	2023	(Rupees in '000)	
Standard Chartered Bank (Pakistan) Limited	PACRA	PACRA	A1+ / AAA	A1+ / AAA	**43,769**	44,543
MCB Bank Limited	PACRA	PACRA	A1+ / AAA	A1+ / AAA	**14,393**	35,388
Dubai Isalmic Bank	VIS Credit rating Company	VIS Credit rating Company	A1+ / AA	A1+ / AA	**1,423,763**	1,423,763
Deutsche Bank Limited	Moody's Investors Service	Moody's Investors Service	P-1/ A-1	P-1/ A-1	**380**	701,457
					1,482,305	2,205,151

37.2.6 Concentration of credit risk

The sector wise analysis of gross trade debts is as follows:

	2024	2023
Distributors	**285,377**	281,908
Automaker	**577**	917
Government authorities	**89,686**	89,686
Modern retail	**1,778**	1,778
Hospital	**47,117**	47,085
Chemical	**6,084**	3,557
Education	**426**	294
Food	**392**	7,632
Construction	**26,977**	26,411
Petroleum industry	**13,297**	13,304
Banking	**316**	316
Hotel industry	**937**	937
Textile	**7,846**	7,846
Cement industry	**204**	204
	481,014	481,875

The management monitors exposure to credit risk through regular review of credit exposure, assessing credit worthiness of counter parties and prudent estimates of allowance for expected credit losses.

37.2.7 As at reporting date, there are no financial assets that could otherwise be past due or impaired whose terms have been renegotiated.

37.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as and when they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as and when they fall due. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressful conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments.

	Carrying amount	Maturity up to one year	Maturity after one year to five year	Maturity after five year
	(Rupees in '000)			
31 December 2024				
Trade and other payables	**610,400**	**610,400**	**-**	-
Lease liabilities	**14,939**	**14,939**	**-**	-
Unclaimed / unpaid dividend	**1,198**	**1,198**	-	-
	626,537	**626,537**	**-**	-
31 December 2023				
Trade and other payables	1,242,050	1,242,050	-	-
Lease liabilities	29,277	15,078	14,199	-
Unpaid dividend	1,101	1,101	-	-
	1,272,428	1,258,229	14,199	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

37.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market price. Market risk comprise of three types of risks: currency risk, interest rate risk and equity price risk.

37.4.1 Currency risk

Currency risk arises mainly where receivables and payables exist due to transactions based on currencies other than Pakistan Rupees. The Company is exposed to currency risk on purchases and GSUA liability that are in currencies other than Pakistan Rupees. The Company manages currency risk by making timely payments. The Company's significant exposure to currency risk in Pakistan Rupees at the year end are as follows:

	2024		2023	
	EURO	USD	EURO	USD
	(in '000)			
Financial assets				
Trade debts	**187**	**-**	187	-
Financial liabilities				
Trade and other payables	**12**	**172**	21	1,463

	Average rate for the year		Spot rate at year end	
	2024	2023	2024	2023
Exchange rates applied during the year and at year end are as follows:				
EURO 1	**301.42**	304.68	**290.08**	308.58
USD 1	**278.54**	280.28	**278.55**	278.88

Sensitivity analysis

Every 5% increase or decrease in exchange rate, with all other variables held constant, will decrease or increase profit before tax for the year by Rs. 0.143 million (2023: Rs. 17.839 million).

37.4.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any interest rate risk, as the Company does not have any outstanding short-term running finances as of statement of financial position date.

37.4.3 Equity price risk

Equity price risk is the risk of loss arising from uncertainities about future values of investments securities movements in prices of equity investments. The Company is not exposed to any equity price risk, as the Company does not have any investment in equity securities.

38 FAIR VALUE

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. The carrying amounts of all the financial instruments reflected in these financial statements approximate to their fair value as at reporting date.

Fair value hierarchy

Financial Instruments carried at fair value are categorized as follows:

Level 1: Quoted market price.

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non- market observables)

As of statement of financial position date, the Company does not have any financial assets carried at fair value that required categorization in Level 1, Level 2 and Level 3.

39 CAPITAL MANAGEMENT

The Company defines the capital that its manages as the Company's total equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company has support from its parent concern to assist it in capturing market share and maintaining its sustainability. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the year ended 31 December 2024.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity plus net debt. Equity comprises of share capital and reserves. As at the reporting date, the Company does not have any gearing to report.

40 DATE OF AUTHORISATION

These financial statements were approved and authorised by the Board of Directors of the Company in their meeting held on **May 13, 2025** .

41 NON ADJUSTING EVENTS AFTER THE REPORTING DATE

Subsequent to the year end, the Board of Directors of the Company in their meeting held on **May 13, 2025** have proposed a final cash dividend of Rs.1.61778 (2023: Rs. 2.74) per ordinary share.

The approval of the members for the proposed final cash dividend will be obtained at the Annual General Meeting of the Company to be held on **May 29, 2025**. These financial statements for the year ended 31 December 2024 do not include the effect of the final cash dividend which will be accounted for in the financial statements for the year ending 31 December 2025.

42 GENERAL

42.1 Figures have been rounded off to the nearest thousand rupees.

42.2 Certain prior period's figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report.

Director & CEO

Director

NOTICE OF 71st ANNUAL GENERAL MEETING

NOTICE is hereby given that the seventy first Annual General Meeting of Signify Pakistan Limited will be held on Thursday, May 29th at 04:00 p.m., at its registered office at The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi and can also be attended through below website link to transact the following business: http://www.signify.com/en-pk/contact: Notice/link of the meeting in given therein.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited accounts of the company for the year ended December 31, 2024, together with the Directors' and Auditor's reports thereon.
2. To appoint the Auditor of the Company and to fix their remuneration.
3. To consider, approve and declare and authorize the payment of dividend for the year ended December 31, 2024. The Directors have recommended the payment of cash dividend @Rs.1.61778 per ordinary share for the year ended December 31, 2024.

By the order of the Board

Syed Wajahat Ali
Company Secretary

Karachi, May 14, 2025

NOTES: -

(1) Share Transfer Books of the Company will remain closed from May 23rd to May 29th 2025 (both days inclusive).

(2) A Member of the Company entitled to attend, and vote may appoint another Member as his/her proxy to attend and vote instead of him/her at the meeting. Proxy Forms in order to be effective must be deposited at the Company's Registered Office not less than 48 hours before the time of the Meeting.

(3) Reference is made to the SECP notification SRO 831(1) of 2012 dated July 05, 2012 that the individual members, who have not submitted copies of their valid CNIC to the Company are requested to send their CNIC copy with folio number mentioned thereon at the earliest the Company's office registered address at The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi. Corporate entities are also requested to provide their NTN (copy) with Folio number mentioned thereon to the Company's registered office at as mentioned above. In case on non-receipt of valid CNICs/NTN, the Company will be constrained to withhold dispatch of dividend warrants/online transfer to such shareholders.

(4) Payment of Cash Dividend Electronically (Optional): The company wishes to inform its shareholders that under that law they are also entitled to receive their cash dividend directly in their bank account instead of receiving it through dividend warrants. Accordingly, shareholders wishing to exercise this option may send a signed dividend mandate document with their complete banking details, full name, folio number, mailing address and copy of CNIC to the Company's office at The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi.

(5) As regard deduction of withholding tax on the amount of dividend, as per tax laws, currently below rates apply: a). For filers of Income tax return 15% or as applicable at the time of payment; For non-filers of Income tax return 30% or as applicable at the time of payment. To enable the Company to make tax deduction on the amount of dividend @15% instead of 30%, or as applicable at the time of payment, all the shareholders whose names are not entered into the Active Tax-payer List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @30% instead of 15%, or as applicable at the time of payment.

(6) Members are requested to promptly communicate any change in their mailing address or bank mandate to the registered office of the company at The Hive at Nishat, 3rd Floor, Building no 19C, Khayaban-e-Ittehad, Phase 6, DHA, Karachi.

71st ANNUAL GENERAL MEETING

Form of Proxy

I / We ____
of ____
being a member of Signify Pakistan Limited (Formerly Philips Pakistan Limited) hereby appoint
Mr./Ms ______________________ of ______________________
as my proxy to attend and vote for me and on my behalf at the Annual General Meeting of the Company to be held on May, 29th 2025 and/or any adjournment thereof.

As witness my / our hand(s) this ____________ day of ____________ 2025.

Signed by: ______________________
Name: ______________________
Address: ______________________
____
____

Share holder No.

Note:

1) The Member is requested to write down his / her Name and Address.
2) For the appointment of the above Proxy to be valid this instrument of proxy (and if applicable the power of attorney or other authority under which it is signed or a notarially certified copy thereof) must be received by the Company at least 48 hours before the time fixed for the Meeting.
3) Any alteration made in this instrument of proxy should be initialed by the person who signs it.
4) In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members.
5) A Company may execute this instrument of Proxy either under its seal or under the hand of an officer or attorney duly authorized by it.
6) The person to whom this Proxy is given need not be a Member of the Company.

71 واں سالانہ جنرل اجلاس

مختار نامہ

میں / ہم سگنی فائی پاکستان لمیٹڈ (سابقہ فلپس پاکستان لمیٹڈ) ایک رکن کی حیثیت سے محترم / محترمہ ______________
______________________ کو اپنا پراکسی مقرر کرتا ہوں / کرتی ہوں اور انہیں اس بات کی اجازت دیتا ہوں / دیتی ہوں کہ وہ 29 مئی 2025 کو کمپنی کے ہونے والے سالانہ اجلاس عام میری / ہماری جانب سے ووٹ ڈال سکتے ہیں۔

یہ اجازت نامہ میرے / ہمارے ہاتھ کے دستخط کے ساتھ مورخہ ________ 2025 کو جاری کیا گیا۔

دستخط شیئر ہولڈر نمبر

نام

پتہ

نوٹ:

1- رکن سے گزارش ہے کہ اپنا نام اور پتہ درج کریں۔

2- مذکورہ بالا پراکسی کی تقرری کو موئثر بنانے کے لیے یہ وکالت نامہ (اور اگر قابل اطلاق ہو تو وہ پاور آف اٹارنی یا دیگر اختیار نامہ جس کے تحت یہ دستخط کیا گیا ہو یا اور نوٹری سے تصدیق شدہ نقل) کمپنی کو اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل موصول ہو جانا چاہیے۔

3- اس وکالت نامے میں کی جانے والی کسی بھی ترمیم پر اس پر دستخط کرنے والے فرد کے دستخط ہونا ضروری ہیں۔

4- اگر حصص دار مشترکہ ہیں تو ووٹ صرف سینئر حصص دار کا شمار کیا جائے گا جو ووٹ ڈالے گا، چاہے وہ ذاتی طور پر حاضر ہو یا بذریعہ وکیل۔ سینیارٹی کا تعین رکنیت کے رجسٹر میں ناموں کی ترتیب کے مطابق کیا جائے گا۔

5- کوئی بھی کمپنی اس وکالت نامے پر یا تو اپنی مہر ثبت کر کے یا کسی ایسے افسر یا وکیل کے دستخط کے ذریعے عمل درآمد کر سکتی ہے جو اس کی جانب سے باقاعدہ طور پر مجاز ہو۔

6- جس شخص کو پراکسی فارم دیا گیا ہو اس کے لیے کمپنی کا رکن ہونا ضروری نہیں ہے۔

2.3.9 دیگر (جس کی وضاحت کی گئی ہے)۔جوائنٹ کمپنیز 1334 0.0008فی صد

عمل درآمد کا بیان

ڈائریکٹرصاحبان درج ذیل امور کی تکمیل اور کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر تعمیل کی تصدیق کرتے ہیں:

i) کمپنی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے اس کے آپریشن کیش فلو اور ایکوئٹی میں ہونے والی تبدیلیوں کو کافی حد تک واضح کرتے ہیں۔

ii) کمپنی کی اکاؤنٹس بک کو موثر طریقے سے برقرار/ مینٹین رکھا گیا ہے۔

iii) مالیاتی گوشوارے کی تیاری میں مسلسل مناسب اکاؤنٹنگ پالیسیوں کو لاگو کیا گیا ہے۔

iv) مالیاتی گوشوارے تیار کرتے وقت پاکستان میں نافذ العمل بین الاقوامی اکاؤنٹنگ کے معیار کی تقلید کی گئی ہے اور کسی بھی اندراج کے نہ ہونے کا انکشاف بھی کیا گیا ہے۔

v) اندرونی کنٹرول کا طریقہ کار درست سمت میں گامزن ہے۔اسے موثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی بھی کی جارہی ہے

vi) کمپنی کے کام جاری رکھنے پر کسی قسم کا شک نہیں ہے۔

vii) کام کے بہترین طریقہ کو رائج کرنے میں کسی قسم کا میٹریل ڈیپارچر نہیں ہوا۔

آڈیٹرز:

آڈیٹرز، ای وائی فورڈ روڈز کمپنی کے سالانہ اجلاس کے بعد ریٹائر ہو جائیں گے۔انہوں نے اہلیت کی بنیاد پر خود کو سال 2025 کے لیے دوبارہ تقرری کے لیے پیش کیا ہے۔بورڈ نے ان کی آئندہ سال تقرری کے لیے سفارش کی ہے، تاہم یہ منظوری کمپنی کے آئندہ ہونے والے سالانہ اجلاسِ عام میں اراکین کی منظوری سے مشروط ہے۔

رجسٹرڈ آفس

کمپنی کے رجسٹرڈ آفس کا پتہ یہ ہے۔

The Hive at Nishat، تیسری منزل، بلڈنگ نمبر 19C، خیابانِ اتحاد، فیز-6، DHA، کراچی۔

اعتراف

بورڈ Signify پاکستان سے منسلک تمام افراد کا تہہ دل سے شکریہ ادا کرتا ہے جنہوں نے برسوں اپنی بہترین صلاحیتوں سے اس کمپنی کو پروان چڑھایا۔ہمارے لوگوں کو کمپنی کے فلاح و بہبود کی ذمہ داری دی گئی ہے اور بلا شبہ انہوں نے اپنی صلاحیتوں سے آپریٹنگ کے ماحول اور ان کی لچک کی وجہ سے درپیش چیلنجوں کا بڑی مہارت سے مقابلہ کیا ہے۔ان مشکل لمحات میں ہم ان کی لچک اور لگن کو انتہائی قدر کی نگاہ سے دیکھتے ہیں اور انتہائی پابند محسوس کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

گریگری لیف بیویر	**سید وجاہت علی**
ڈائریکٹر اینڈ سی ای او	**ڈائریکٹر اینڈ سی ایف او**

13 مئی 2025

جناب تیمور ارشد

مسٹر گریگری لیف بیویر کمپنی کے چیف ایگزیکٹو آفیسر (سی ای او) ہیں۔

شیئر ہولڈنگ کا نمونہ

حصہ اول

1.1 کمپنی کا نام: سگنی فائی پاکستان لمیٹڈ

حصہ دوم

2.1 31 دسمبر 2024 کو حصص یافتگان کے پاس موجود حصص کا نمونہ:

2.2 حصص یافتگان کی تعداد	شیئر ہولڈنگز	موجود حصص کی کل تعداد
248	شیئر ہولڈنگز 1 سے 100 شیئر	6,081
103	شیئر ہولڈنگز 101 سے 500 شیئر	21,093
14	شیئر ہولڈنگز 501 سے 1000 شیئر	8,936
11	شیئر ہولڈنگز 1001 سے 5000 شیئر	19,947
1	شیئر ہولڈنگز 5001 سے 173,705,085 شیئر	173,705,085

حصص یافتگان کے مناسب اضافے کے سلیب کے ساتھ

377 ٹوٹل 173,761,142

2.3	حصص یافتگان کی کیٹیگریز	موجود شیئر	شرح
2.3.1	ڈائریکٹر، چیف ایگزیکٹو آفیسر اور ان کی اہلیہ اور نابالغ بچے	-------------	
2.3.2	ملحقہ کمپنیاں، Underkings اور متعلقہ پارٹیاں	173,705,085	99.9677 فیصد
2.3.3	این آئی ٹی اور آئی سی پی	-----	-----
2.3.4.	بنک ترقیاتی مالیاتی ادارے	------	-------
2.3.5	انشورنس کمپنیاں	------	-------
2.3.6	مودار بہ اور میچوئل فنڈز	-------	--------
2.3.7	شیئر ہولڈرز ہولڈنگز 10 فی صد	-------	-------
2.3.8	عام افراد		
	اے) مقامی	54,723	0.0315فی صد
	بی) غیر ملکی		

مجموعی منافع (پاکستانی ملین روپے میں)	377	623	(40.44فیصد)
فروخت کے مقابلے میں مجموعی منافع	35.46 فیصد	24.85فیصد	10.00فیصد
EBIT (پاکستانی ملین روپے میں)	410	697	(33.57فیصد)
قبل از ٹیکس منافع	401	675	(32.59فیصد)
بعد از ٹیکس منافع	281	476	(35.08فیصد)

رواں مالی سال کا جب جائزہ لیا گیا تو فروخت میں 58 فیصد نمایاں کمی دیکھی گئی۔فروخت کا حجم جو گذشتہ سال 2.508ارب روپے تھا رواں سال میں 1.064 ارب روپے رہا۔اس کمی کی بنیادی وجہ کمپنی کے کاروباری ماڈل میں تبدیلی تھی، کیونکہ کمپنی سال کے دوران مرحلہ وار ڈسٹری بیوٹر ماڈل پر منتقل ہو رہی تھی۔اس حکمتِ عملی کے تحت، کمپنی نے مقامی سطح پر فروخت (لوکل فار لوکل) پر اپنی توجہ کم کر دی اور ٹول مینوفیکچرنگ کا عمل بھی سال کے دوران مکمل طور پر بند کر دیا۔

مجموعی منافع میں بھی 246 ملین روپے (39 فیصد) کی کمی آئی، جو براہ راست فروخت میں 58 فیصد کمی کا نتیجہ ہے، درج بالا بیان کردہ اعداد و شمار کے مطابق ای بی آئی ٹی (EBIT) میں بھی کمی واقع ہوئی، کیونکہ مجموعی منافع میں کمی نے اس پر براہ راست اثر ڈالا۔نتیجتاً، ای پی ٹی آئی (EPTI) میں کمی واقع ہوئی۔اس کی بنیادی وجہ مجموعی منافع میں کمی تھی اور متوقع کریڈٹ نقصانات کے لیے 98 ملین روپے کی خاطر خواہ رقم مختص تھی

ڈیویڈنڈ:

سال کے اختتام پر بہتر اور خالص منافع کو مدنظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے عام شیئر پر 1.61778 نقد روپے ڈیویڈنڈ دینے کی سفارش کی ہے۔

ہولڈنگ کمپنی:

ہولڈنگ کمپنی کا نام سگنی فائی ہولڈنگ بی وی ہے اور اس کا مرکزی آفس ہالینڈ میں ہے۔

قومی خزانے میں حصہ:

ملک کا ذمہ دار ٹیکس دہندہ ہونے کے ناطے کمپنی نے مالی سال کے دوران براہ راست اور بالواسطہ ٹیکسوں کی مد میں 458 ملین پاکستانی روپے (2023 میں 725 ملین روپے) قومی خزانے/فیڈرل بورڈ آف ریونیو کو ٹیکس کی مد میں ادا کیے۔

بورڈ آف ڈائریکٹرز:

31 دسمبر 2024 تک کمپنی کے ڈائریکٹرز کے نام درج ذیل ہیں:

جناب گریگری لیف بیویر

سید وجاہت علی

Signify

ڈائریکٹرز رپورٹ

Signify پاکستان لمیٹڈ کمپنی کے ڈائریکٹرز 31 دسمبر 2024 کو ختم ہونے والے مالی سال کی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

پاکستان کی معیشت میں سال 2024 کے دوران نمایاں بہتری دیکھی گئی، کیونکہ حکومت نے آئی ایم ایف پروگرام پر مؤثر طریقے سے عمل کیا اور معاشی استحکام حاصل کیا۔ جنوری 2024 میں اسٹیٹ بینک آف پاکستان کی شرح سود کی پالیسی 22 فیصد تھی وہ دسمبر میں کم ہو کر 13 فیصد تک آ گئی۔ مہنگائی کی شرح جنوری 2024 میں 27.6 فیصد سال بہ سال ریکارڈ کی گئی، جو دسمبر تک کم ہو کر صرف 4.1 فیصد رہ گئی۔ اس وقت سی پی آئی (CPI) 0.3 فیصد پر ہے۔ برآمدات میں 12.2 فیصد اضافہ ہوا، جو گزشتہ سال اسی مدت کے 28 ارب ڈالر کے مقابلے میں 31.4 ارب ڈالر تک پہنچ گئیں۔ زرمبادلہ کی شرح بھی مستحکم رہی، امریکی ڈالر کے مقابلے میں پاکستانی روپیہ سال بھر تقریباً 277 سے 279 روپے کے درمیان رہا، جو کاروباری منصوبہ بندی کے لیے نہایت اہم ہے۔ مالی سال 2023-2024 کے لیے جی ڈی پی کی شرح نمو 2.38 فیصد رہی، جو معیشت کی بہتری کے لیے خوش آئند ہے۔ 2024-2025 کے لیے جی ڈی پی کی شرح کا تخمینہ 3.5 فیصد لگایا گیا ہے۔ کراچی اسٹاک ایکسچینج نے بھی سال 2024 کے دوران شاندار کارکردگی دکھائی۔ جنوری 2024 میں کے ایس ای-100 انڈیکس 61 ہزار پوائنٹس پر تھا، جو دسمبر تک بڑھ کر 87 ہزار پوائنٹس تک پہنچ گیا۔

صنعتی جائزہ

سال 2024 کے دوران صنعتی شعبے میں مقامی سطح پر لائٹنگ مصنوعات کی تیاری کا عمل جاری رہا تاکہ کم درآمدی محصولات اور ٹیکسز سے فائدہ اٹھایا جا سکے۔ تاہم، سگنی فائے پاکستان نے اپنے کاروباری ماڈل میں تبدیلی کے باعث "لوکل فار لوکل" حکمتِ عملی پر اپنی توجہ کم کر دی اور سال 2024 کے دوران ٹول مینوفیکچرنگ کا عمل مکمل طور پر بند کر دیا۔

کاروباری ماڈل میں تبدیلی:

سال 2024 کے دوران کمپنی نے اپنی کاروباری حکمتِ عملی میں تبدیلی کے تحت اپنے کاروبار کو ڈسٹری بیوٹر ماڈل میں تبدیل کرنا شروع کیا۔ اس کے تحت کمپنی کے ڈسٹری بیوٹرز نے براہِ راست سگنی فائے انٹرنیشنل بی وی–ڈی ڈی اے برانچ (جو دبئی میں واقع اور سگنی فائے پاکستان کی متعلقہ پارٹی ہے) سے سامان درآمد کرنا شروع کر دیا۔ اس تبدیلی کے نتیجے میں، کمپنی نے دسمبر 2024 تک مقامی طور پر تیار کردہ اشیاء کی خریداری محدود کر دی اور سال 2024 کے دوران ٹول مینوفیکچرنگ مکمل طور پر بند کر دی۔ اسی تسلسل میں، سال کے اختتام پر کمپنی نے 31 مارچ 2025 کو اپنا تھرڈ پارٹی گودام بھی بند کر دیا۔ جنوری 2025 سے سگنی فائے پاکستان کے محدود مقامی ملازمین دیگر سگنی فائے اداروں کو خدمات فراہم کریں گے۔ ان خدمات کے عوض کمپنی اور سگنی فائے انٹرنیشنل بی وی–ڈی ڈی اے برانچ کے درمیان سروس لیول ایگریمنٹ کے تحت مناسب معاوضہ اور لاگت کی ادائیگی کا بندوبست کیا جائے گا۔

مالی کارکردگی

درج ذیل شیڈول میں سال 2024 کے لیے ہماری مالی کارکردگی کا تقابلی خلاصہ پیش کیا گیا ہے:

اہم مالی نکات:

تفصیلات	2024 (ملین روپے)	2023 (ملین روپے)	اضافہ/کمی (فیصد)
فروخت (پاکستانی ملین روپے میں)	1,064	2,508	(57.58 فیصد)

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