



ISO 9001:2008, 14001:2004 &
OHSAS 18001:2007 Certified

First Quarterly

Financial Statements (Unaudited)

For The Period Ended September 30, 2024

Wah Nobel Chemicals Limited

VISION STATEMENT

The Company's vision is to be the market leader and serve the needs of customers with total dedication, supply them the current and anticipate their future needs, create value for customers, shareholders, employees and the community

CORPORATE MISSION

- **To meet the current needs of its customers and anticipate their future needs.**
- **To maintain close and direct contacts with the customers to ensure their complete satisfaction.**
- **Constantly improve the quality of all our activities through operational excellence.**
- **To give fullest regard to the safety and health of employees and customers.**
- **To promote professionalism at all levels through constant education, training and development of human resources.**
- **To safeguard the environment and the community from pollution.**
- **To create a conducive work environment and inspire people to perform to their fullest potential and to reward talent.**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lt. Gen. Tahir Hameed Shah, HI(M)	:	Chairman
Mr. Mats-Olof Rydberg	:	Director
Maj Gen Mumtaz Hussain, HI(M), TBt	:	Director
Maj Gen Rashid Mahmood, HI(M)	:	Director
Mr. Tariq M. Rangoonwala	:	Director
Mr. Shahid Iqbal Baloch	:	Director
Mr. Usman Ali Bhatti	:	Director

CHIEF EXECUTIVE : Brig Shiraz Ullah Choudhry, SI(M) ®

AUDIT COMMITTEE

Mr. Tariq M. Rangoonwala	:	Chairman
Maj Gen Mumtaz Hussain, HI(M), TBt	:	Member
Mr. Usman Ali Bhatti	:	Member

HUMAN RESOURCE & REMUNERATION (HR&R) COMMITTEE

Mr. Tariq M. Rangoonwala	:	Chairman
Maj Gen Mumtaz Hussain, HI(M), TBt	:	Member
Brig Shiraz Ullah Choudhry, SI(M) ®	:	Member

COMPANY SECRETARY AND

CHIEF FINANCIAL OFFICER : Mr. Tanveer Elahi, FCA

AUDITORS : Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS : The Law Firm of Basit Musheer

SHARES REGISTRAR : Ilyas Saeed Associates (Pvt.) Ltd.,
Management Consultants,
Office # 26, 2nd Floor, Rose Plaza,
I-8 Markaz, Islamabad.
Tel: 051-4938026-7, Fax: 051-4102628
Email: iilyas@hotmail.com

BANKERS : MCB Bank Limited
Allied Bank of Pakistan Limited
Bank Al-Habib Limited
Askari Bank Limited
Meezan Bank Limited
Faysal Bank Limited

REGISTERED OFFICE : G.T. Road, Wah Cantt.

PHONES : (051) 4545243-6 (4 Lines)
(051) 905525204

FAX : (051) 4545241, (051) 4535862

E.MAIL : ce@wahnobel.com

WEBSITE : www.wahnobel.com

FACTORY : Wah Cantt.

WAH NOBEL CHEMICAL LTD

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors of the Company is pleased to present Condensed Interim Financial Information (un-audited) of the Company for the 1st Quarter ended September 30, 2024.

During the period under review Company has achieved Net Sales Revenue of Rs 1,203 million vis-à-vis Rs 1,247 million as compared to previous year's corresponding period (decreased by 4%).

Despite the challenging economic conditions, during first three months of FY 2024-25, the Company earned After Tax Profit of Rs 111 million vis-à-vis Rs.146 million previous corresponding period. The profitability level have been affected due to increase in production cost and decline in sales vis-à-vis corresponding period of previous year.

The management has a positive outlook and geared up, to ensure continued growth, operational efficiency and optimum results for the company and its stakeholders.

The Directors are pleased to place on record their deep appreciation for the earnest efforts and dedication to the cause, by all employees of the company for achieving good results despite volatile economic situation in the country and pay vivid gratitude to all its customers for their continued patronage, support and trust.

On behalf of the Board



Usaman Ali Bhatti
Director



Brig (R) Shiraz Ullah Choudhry, SI(M)
Chief Executive

Wah Cantt:
Dated: October 28, 2024.

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز بمسرت یہ رپورٹ غیر آڈٹ شدہ مالی نتائج بابت پہلی سہ ماہی مختتمہ 30 ستمبر 2024 پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران کمپنی کی خالص آمدنی 1,203 ملین روپے ہے۔ جبکہ گزشتہ سال یہ 1,247 ملین روپے تھی۔ (کمی 4%)۔

مشکل معاشی حالات کے باوجود سال 2024-25 کے پہلے تین ماہ کے دوران کمپنی نے بعد از ٹیکس منافع 111 ملین روپے حاصل کیا۔ جبکہ گزشتہ سال یہ 146 ملین روپے تھا۔ پیداواری لاگت میں اضافے اور خالص آمدن میں کمی کی وجہ سے منافع کی سطح متاثر ہوئی ہے۔

انتظامیہ ایک مثبت نقطہ نظر رکھتی ہے، کمپنی اور اس کے اسٹیک ہولڈرز کے لئے مسلسل ترقی، آپریشنل کارکردگی اور بہترین نتائج کو یقینی بنانے کے لئے کوشاں ہے۔

ڈائریکٹرز ملک کی غیر مستحکم اقتصادی صورتحال کے باوجود اچھے نتائج حاصل کرنے پر اتہاہ گہراہوں سے اپنے ملازمین کی ہر شعبے میں محنت لگن اور انتھک کوششوں کو سہرائے ہیں اور کمپنی کے گاہکوں کی مسلسل سرپرستی، حمایت اور اعتماد کرنے پر شکر گزار ہیں۔

ڈائریکٹرز بورڈ کی طرف سے



بریگیڈیر (ر) شیراز اللہ چودھری
چیف ایگزیکٹو



عثمان علی بھٹی
ڈائریکٹر

واہ کینٹ۔

مورخہ: 28 اکتوبر 2024ء

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		September 30 2024	June 30 2024
	Note	(Rupees in '000')	
		Unaudited	Audited
Assets			
Property, plant and equipment	5	344,942	353,611
Deferred tax		47,117	47,785
Non-current assets		392,059	401,396
Stores, spares and loose tools		84,246	79,226
Stock in trade		578,927	806,043
Trade debts	6	1,385,272	1,255,477
Advances, deposits, prepayments and other receivables		87,627	71,319
Cash and bank balances		484,280	369,220
Current assets		2,620,352	2,581,285
Total assets		3,012,411	2,982,681
Equity and liabilities			
Share capital		90,000	90,000
Capital reserve		944	944
Revenue reserves		2,278,233	2,167,448
Total equity		2,369,177	2,258,392
Liabilities			
Long term financing	7	13,486	16,728
Deferred liabilities		18,248	16,831
Non-current liabilities		31,734	33,559
Current portion of long term financing	7	21,286	22,564
Trade and other payables	8	487,466	568,226
Unclaimed dividend		8,798	8,798
Due to parent company	9	1,309	1,239
Income tax payable		92,641	89,903
Current liabilities		611,500	690,730
Total liabilities		643,234	724,289
Total equity and liabilities		3,012,411	2,982,681
Contingencies and commitments	10		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Three months ended	
		September 30, 2024	September 30, 2023
		(Rupees in '000')	
Gross sales		1,414,539	1,483,450
Sales tax		(208,695)	(234,221)
Discount		(2,359)	(1,898)
Net sales	11	1,203,485	1,247,331
Cost of sales		(986,596)	(972,067)
Gross profit		216,889	275,264
Administrative expenses		(6,590)	(6,229)
Selling and distribution expenses		(6,245)	(5,393)
Operating profit		204,054	263,642
Finance cost		(2,513)	(19,040)
Other expenses		(14,610)	(18,284)
Other income		3,867	13,613
Profit before taxation		190,798	239,931
Provision for taxation		(80,012)	(94,259)
Net profit after taxation		110,786	145,672
Other comprehensive income for the period		-	-
Total comprehensive income for the period		110,786	145,672
Earnings per share - basic and diluted		12.31	16.19

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

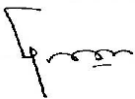
DIRECTOR

CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	September 30 2024	September 30 2023
Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	190,798	239,931
Adjustment for non cash items:		
Depreciation	8,886	9,693
Provision for gratuity fund	1,000	1,000
Workers' profit participation fund (WPPF)	10,258	12,899
Workers' welfare fund (WWF)	4,103	5,160
Provision for accumulated compensated absences	1,500	2,250
Provision for provident fund	3,352	2,947
Markup on loan from parent company	-	17,316
Markup on loan from State Bank of Pakistan	988	1,291
	30,087	52,556
Changes in:		
Stores, spares and loose tools	(5,020)	7,764
Stock in trade	227,115	(90,764)
Trade debts	(129,795)	(6,280)
Advances, deposits, prepayments and other receivables	(19,580)	525
Due to parent company	70	160
Trade and other payables	(86,944)	(21,408)
	(14,154)	(110,003)
Cash generated from operating activities	206,731	182,484
Payment for:		
Workers' profit participation fund	-	(3,400)
Gratuity fund	(6,000)	-
Interest paid to parent company	-	(16,515)
Accumulated Compensated absences	(83)	(492)
Provident fund	(3,257)	(2,891)
Taxation	(76,606)	(37,721)
Tax refund received	-	52,584
	(85,946)	(8,435)
Net cash generated from operating activities	120,785	174,049
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(217)	-
Net cash used in investing activities	(217)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(5,508)	(5,710)
Repayment of short term loan from parent company	-	(50,000)
Dividends paid	-	(9)
Net cash used in financing activities	(5,508)	(55,719)
Net increase in cash and cash equivalents	115,060	118,330
Cash and cash equivalents at beginning of the period	369,220	160,897
Cash and cash equivalents at end of the period	484,280	279,227

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Issued, subscribed and paid-up share capital	Capital reserve-share premium	Revenue reserves		Sub-total	Total
			General reserve	Unappropriated profit		
(Rupees in '000')						
Balance as at July 01 , 2023	90,000	944	1,260,000	454,176	1,714,176	1,805,120
Total comprehensive income for the period	-	-	-	145,672	145,672	145,672
Others						
Transfer to general reserve	-	-	360,000	(360,000)	-	-
Balance as at September 30, 2023	90,000	944	1,620,000	239,848	1,859,848	1,950,792
Balance as at July 1, 2024	90,000	944	1,620,000	547,447	2,167,447	2,258,392
Total comprehensive income for the period	-	-	-	110,786	110,786	110,786
Balance as at September 30, 2024	90,000	944	1,620,000	658,233	2,278,233	2,369,178

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

1 STATUS AND NATURE OF BUSINESS

Wah Nobel Chemicals Limited ("the Company") was incorporated in Pakistan on May 31, 1983 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The parent company of the Company is Wah Nobel (Private) Limited and the ultimate parent company is Wah Industries Limited. The principal activity of the Company is to manufacture Urea Formaldehyde Moulding Compound, Formaldehyde and Formaldehyde based liquid resins for use as bonding agent in the chip board, plywood and flush door manufacturing industries. The Company's registered office and manufacturing facilities are situated in Wah Cantt, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 The disclosures in these condensed interim financial statements do not include the information that was reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2024. Comparative condensed interim statement of financial position is extracted from the annual audited financial statements as of June 30, 2024, where as comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited condensed interim financial statements for three months period ended September 30, 2023.

These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017.

3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these condensed interim financial statements are consistent with those followed in preparation of the Company's audited annual financial statements for the year ended June 30, 2024.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and incomes and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2024.

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

5 PROPERTY, PLANT AND EQUIPMENT		September 30	June 30
		2024	2024
		(Rupees in '000')	
5.1 Operating fixed assets	Note	(Un-Audited)	(Audited)
Balance at 01 July		353,611	384,889
Additions during the period/ year		217	7,491
Disposal of fixed assets		-	-
Depreciation charged during the period/ year		(8,886)	(38,768)
Balance at period/ year end		<u>344,942</u>	<u>353,611</u>
6 TRADE DEBTS			
Trade debts		1,608,001	1,478,206
Less: Allowance for expected credit losses	6.1	(222,729)	(222,729)
		<u>1,385,272</u>	<u>1,255,477</u>
6.1 Movement in allowance for expected credit losses:			
Balance at 01 July		222,729	177,590
Charge for the period/ year		-	45,139
Balance at period/ year end		<u>222,729</u>	<u>222,729</u>
7 LONG TERM FINANCING			
Bank Al Habib		34,772	39,292
Current portion of long term financing		(21,286)	(22,564)
		<u>13,486</u>	<u>16,728</u>
Bank Al Habib			
Term finance facility - secured		39,292	57,960
Repayment during the period/ year		(5,508)	(20,934)
Accrued markup		988	2,266
		<u>34,772</u>	<u>39,292</u>
Less: current portion of long term financing		(21,286)	(22,564)
		<u>13,486</u>	<u>16,728</u>
7.1	This represents utilized amount of long term finance facility under State Bank of Pakistan (SBP) temporary economic refinance facility for payment of capital asset procurement with cumulative sanctioned limit of Rs. 84 million. The facility carries fixed mark-up of 4% of the utilized amount. The tenor of the facility is 5 years repayable in 16 equal quarterly instalments from September 2022. The facility is secured by registration of specific charge on fixed assets of the Company for 112 million.		
8 TRADE AND OTHER PAYABLES			
This includes payable to Pakistan Ordnance Factory (ultimate parent) amounting to Rs. 2,890 thousand (June 30, 2024: Rs. 3,685 thousand), Wah Nobel Private limited (Parent company) amounting to Rs. 14,312 thousand (June 30, 2024 Rs. 3,277 thousand) and Nobel Energy Limited (an associated company) amounting to Rs. 6,563 thousand (June 30, 2024 Rs. Nil).			
9 DUE TO PARENT COMPANY			
The amount represents payable in respect of expenses incurred by the parent company on behalf of the Company. This is unsecured and payable on demand.			

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

As regards levy of vend fee and permit fee on methanol, on January 19, 2022 the Honorable Supreme Court of Pakistan has disposed off the appeal of Provincial Government of Sindh. As per the order, the Provincial Government shall surrender the Indemnity Bonds from 1990 to October 30, 2002 and subsequent to this date, a fresh demand shall be raised for the amount payable following the notification dated February 14, 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on October 30, 2002. Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court to defend the case.

Currently, all imports of methanol are being released on payment of Rs. 3/- per bulk gallon in cash which is being expensed out and submission of guarantee @ Rs. 14/- per bulk gallon in the form of indemnity bonds.

In case of fresh demand from the department, the Company is exposed to an aggregate obligation of Rs. 1,184 Million (June 30, 2024: Rs. 1,174 million) on account of vend fee and permit fee based on the guarantees issued against methanol imported and released up to the reporting date. However, keeping in view the facts, previous decisions which had been in the favour of the Company and based on advice of the legal advisor of the Company, the management believes that there is almost 'nil' chance of any liability. Therefore, no provision for this has been made in these financial statements.

	September 30 2024	June 30 2024
	(Rupees in '000')	
	(Un-Audited)	(Audited)
10.2 Commitments		
10.2.1 Letters of credit for purchase of stocks	456,341	460,195
10.2.2 Post dated cheques issued in favour of collector of customs against custom duties and other levies on methanol kept in bonded ware house.	18,230	-

11 NET SALES

	September 30 2024	September 30 2023
	(Rupees in '000")	
	(Un-Audited)	(Un-Audited)
Local sales	1,097,413	1,211,462
Export	106,072	35,869
	1,203,485	1,247,331

11.1 Disaggregation of Revenue

	September 30 2024	September 30 2023
Urea Formaldehyde Moulding compound	780,756	653,487
Urea Formaldehyde Glue	75,881	125,729
Formaldehyde and Formalin solvent	320,982	452,367
Others	25,865	15,748
	1,203,485	1,247,331

12 CASH AND CASH EQUIVALENTS

	September 30 2024	September 30 2023
	(Rupees in '000")	
	(Un-Audited)	(Un-Audited)
Cash and bank balances	484,280	279,227
Short term running finance - secured	-	-
	484,280	279,227

13 RELATED PARTY TRANSACTIONS

The Company is a subsidiary of Wah Nobel (Private) Limited, so all subsidiaries, holding companies and associated undertakings of the parent are related parties of the Company. Other related parties comprise of directors, key management personnel, entities with common directorships and entities over which the directors and trustees are able to exercise influence. Balances and transactions with related parties are shown relevant notes to the financial statements.

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

13.1 Following are the associated companies and related parties with whom the Company had entered into transactions during the year:

Associated company	Nature of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Wah Nobel (Private) Ltd (WNPL)	Parent company	4,970,395	55.23%
WNPL Employees Provident Fund	Staff retirement fund	99,000	1.10%
WNCL Employees Provident Fund	Staff retirement fund	33,102	0.37%
Wah Nobel Acetates Limited (WNAL)	Associated company	-	0.00%
Nobel Energy Limited (NEL)	Associated company	-	0.00%
Wah Construction (Pvt) Limited	Associated company	-	0.00%
Mr. Tariq Rangoonwala	Director	500	0.01%
Mr. Shahid Iqbal Baloch	Director	-	0.00%
		September 30	September 30
		2024	2023
		(Rupees in '000")	
		(Un-Audited)	(Un-Audited)

RELATED PARTY TRANSACTIONS

Significant transactions with related parties during the period were as follows:

Expenses incurred on behalf or by the parent companies - net	8,155	4,065
Corporate service fee charged by holding company	225	225
Payment to/ (by) parent company against expenses- net	(8,000)	(4,000)
Purchase of electricity from NEL	5,336	5,527
Purchase of electricity from parent company	4,352	3,648
Purchase of material from parent company	8,011	-
Sales to parent company	12,801	13,709
Interest paid to the parent company	-	16,515
Interest incurred on loan from parent company	-	17,316
Loan from holding company-unsecured	-	267,316
Due to holding company	1,309	830
Payable to employee's gratuity fund	6,695	433
Payable to employee's provident fund	1,160	1,002

14 NON ADJUSTING EVENT AFTER THE REPORTING DATE

14.1 The Board of directors at the meeting held on October 01, 2024 have proposed for the year ended June 30, 2024 cash dividend of. Rs 10 per share (2023: Rs. 10 per share), amounting to Rs. 90 million (2023: Rs 90 Million) subject to approval of members at the annual general meeting.

14.2 The Board of Directors at the meeting held on October 01, 2024 have approved to transfer Rs. 455 Million (2023: Rs. 360 Million) to general reserves.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 28, 2024 by the Board of Directors of the Company.

16 GENERAL

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER