

PARTNERS IN
PROGRESS



QUARTERLY
REPORT
SEPTEMBER 30, 2025
(UN-AUDITED)



Descon Oxychem Limited



VISION

Winning together with our customers, our ambition is to enhance local and regional footprint while delivering sustainable value to all stakeholders.

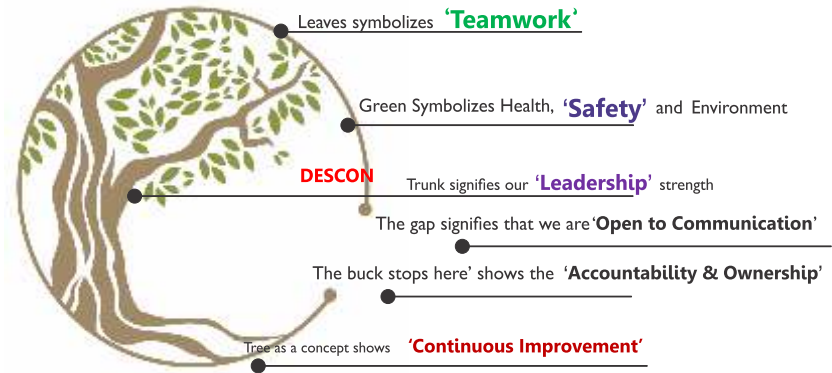


MISSION

We are determined to:

- Strengthen our domestic market leadership position
- Establish a footprint in new segments & regional markets
- Achieve success through winning together with our customers driven by best cost propositions, motivated people and effective teamwork

Our Core Values



Continuous Improvement

"We believe excellence is a commitment to improve everything we do all the time."



Leadership

"We believe leaders inspire others to learn and achieve more."



Accountability and Ownership

"We believe in taking responsibility for our decisions, actions and their results."



Team Work

"We believe in the strength of the individual, yet we accomplish more by working together."



Open Communication

"We believe open communication is the foundation of trust."



Safety

"We believe HSE is of utmost importance and we attach the highest value to the safety of our employees and stakeholders."

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Company Information

Board of Directors

Faisal Dawood	Chairman
Taimur Dawood	Non-Executive Director
Mehreen Dawood	Non-Executive Director
Farooq Nazir	Non-Executive Director
Asif Qadir	Non-Executive Director
Imran Anwer	Independent Director
Muhammad Zahir	Independent Director
Yasir Siddique Sheikh	Chief Executive Officer

Rabia Shoaib

Chief Financial Officer

Abdul Sohail

Company Secretary

Auditors

M/s Crowe Hussain Chaudhury & Co.
Chartered Accountants

Internal Auditors

M/s KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisors

M/s Hassan & Hassan Advocates

Bankers

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Habib Metropolitan Bank Limited
The Bank of Punjab
Meezan Bank Limited
National Bank of Pakistan

Share Registrar

M/s Corplink (Pvt) Limited
Wings Arcade, 1-K Commercial Area,
Model Town, Lahore-53000
Tel: +92 42 35887262, 35839182
Fax: +92 42 35869037

Registered Office

Descon Headquarter
18-KM Ferozepur Road
Lahore-53000 Pakistan.
Tel: +92 42 35923721-9

Plant Site

18-KM Lahore - Sheikhpura Road,
Lahore, Pakistan.
Tel: +92 42 37971822-24
Fax: +92 42 3797 1834

Web Presence

Updated Company's Information
together with the latest Annual Report
can be accessed at Descon's website,
www.desconoxychem.com

DIRECTORS REPORT TO THE SHAREHOLDERS

For the quarter ended September 30, 2025

The Board of Directors are pleased to present the consolidated financial statements of the Company for the quarter ended September 30, 2025. The financial highlights for the quarter are.

	Quarter ended	
	September 30, 2025	September 30, 2024
	Rupees in '000'	
Sales Volume (MT)	10,536	10,550
Sales	1,279,039	1,513,771
Cost of Sales	984,381	1,116,782
Gross profit	294,658	396,989
Profit from operation	206,716	289,889
Profit after tax	135,696	189,813
EPS	0.78	1.08

The first quarter of the financial year posed notable pricing challenges, primarily due to an influx of low-cost imports. Anticipating this market pressure, the Company proactively implemented strategic measures to mitigate its impact. As a result, sales volumes remained consistent with those recorded during the corresponding period of the previous year.

Through disciplined cost control initiatives, the Company effectively minimized the impact on profitability. Profit after tax for Q1 FY2026 stood at 11%, compared to 13% in Q1 FY2025—demonstrating the Company's resilience in navigating external pressures.

Despite the year-on-year decline in profitability, the Company successfully managed its cash flow requirements. This was achieved through improved terms of trade and stringent control over fixed costs, ensuring stable liquidity and uninterrupted operational continuity.

During the quarter, the Company achieved a production volume of 10,882 metric tons, reflecting our unwavering commitment to operational excellence, enhanced reliability, and process optimization. A focused, company-wide initiative was launched to reduce operational costs by efficiently managing energy and chemical consumption. These efforts have not only delivered meaningful sustainability improvements but also generated substantial cost savings, positioning the Company for long-term economic resilience.

Future Outlook

The persistence of low-priced imports is expected to continue exerting downward pressure on domestic prices in the near term. However, improving demand trends in key textile segments, along with a reduction in imports within our core domestic markets, may be viewed with cautious optimism for the remainder of the financial year. On the export front, the medium-term outlook for the hydrogen peroxide market in Asia remains promising. With increasing emphasis on environmental sustainability, clean manufacturing practices, and expanding applications—particularly in the food, water treatment, and hygiene related applications—the demand trajectory is expected to strengthen.

In addition to refining its pricing strategy, the Company is actively evaluating the possibility of formally engaging with relevant Government authorities. The objective is to highlight concerns regarding the application of non-tariff barriers and rigorously follow up for the implementation of stringent controls to prevent the misuse of incentive schemes, particularly the Export Facilitation Scheme (EFS). This initiative reflects the Company's commitment to fostering a fair and transparent business environment while supporting sustainable growth.

For and on behalf of the Board

Lahore
October 23, 2025


CHIEF EXECUTIVE


DIRECTOR

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے لیے:

بورڈ آف ڈائریکٹرز 30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے مجموعی مالیاتی بیانات پیش کرنے پر خوش ہیں۔ سہ ماہی کے لئے مالی جھلکیاں درج ذیل ہیں۔

سہ ماہی کا اختتام		تفصیل
30 ستمبر، 2025	30 ستمبر، 2024	
--- روپے ہزاروں میں ---		
10,536	10,550	فروخت کا حجم (میٹرک ٹن)
1,279,039	1,513,771	فروخت
984,381	1,116,782	فروخت کی لاگت
294,658	396,989	مجموعی منافع
206,716	289,889	منافع کا کردگی
135,696	189,813	منافع بعد از ٹیکس
0.78	1.08	آمدنی فی شخص

مالی سال کی پہلی سہ ماہی میں قیمتوں کے حوالے سے نمایاں چیلنجز سامنے آئے، جو بنیادی طور پر کم لاگت والی درآمدات کے بڑھتے ہوئے دباؤ کی وجہ سے تھے۔ اس مارکیٹ دباؤ کا پیشگی اندازہ لگاتے ہوئے کمپنی نے مؤثر حکمت عملی اپنائی تاکہ اس کے اثرات کو کم کیا جاسکے۔ نتیجتاً فروخت کا حجم گزشتہ سال کی اسی مدت کے برابر برقرار رہا۔

ضابطہ شدہ لاگت کے کنٹرول اقدامات کے ذریعے کمپنی نے منافع بخشی پر اثرات کو مؤثر انداز میں محدود رکھا۔ مالی سال 2026 کی پہلی سہ ماہی میں ٹیکس کے بعد منافع 11 فیصد رہا، جو گزشتہ سال 13 فیصد کے مقابلے میں ہے، یہ کمپنی کی بیرونی دباؤ کا مقابلہ کرنے کی صلاحیت کو ظاہر کرتا ہے۔

اگرچہ سال بہ سال منافع میں کمی دیکھی گئی، کمپنی نے اپنی کیش فلو ضروریات کو کامیابی سے منظم کیا۔ یہ بہتر تجارتی شرائط اور مقررہ اخراجات پر سخت کنٹرول کے ذریعے ممکن ہوا، جس سے مستحکم لیویڈیٹی اور بلار کاؤٹ آپریشن یقینی بنایا گیا۔

اس سہ ماہی کے دوران، کمپنی نے 10,882 میٹرک ٹن کی پیداوار حاصل کی، جو آپریشنل ایکسیلس، بہتر اعتبار اور عمل کی بہتری کے لیے ہماری غیر متزلزل وابستگی کی عکاسی کرتی ہے۔ کمپنی نے توانائی اور نیکیل کے استعمال کو مؤثر طریقے سے منظم کر کے لاگت کم کرنے کے لیے ایک جامع مہم شروع کی۔ ان اقدامات سے نہ صرف پائیداری میں بہتری آئی بلکہ خاطر خواہ بچت بھی حاصل ہوئی، جس سے کمپنی کو طویل مدتی معاشی استحکام حاصل ہوا۔

مستقبل کی صورت حال:

کم قیمت درآمدات کی موجودگی قریبی مدت میں مقامی قیمتوں پر دباؤ ڈالتی رہے گی۔ تاہم، ٹیکسٹائل کے گلیڈی شیعوں میں بہتر طلب کے رجحانات اور ہمارے بنیادی گھریلو بازاروں میں درآمدات میں کمی مالی سال کے باقی حصے کے لیے مضبوط امید کا باعث بن سکتی ہے۔

برآمدات کے محاذ پر، ایشیا میں ہائیز رو جن پر آکسائیڈ کی مارکیٹ کا دورانیہ مدت کا منظر نامہ حوصلہ افزا ہے۔ ماحولیاتی پائیداری، صاف ستھری پیداوار اور خوراک، پانی کی صفائی اور حفظانِ صحت سے متعلق استعمالات کے بڑھتے ہوئے رجحانات کی وجہ سے اس کی طلب میں اضافہ متوقع ہے۔

کمپنی اپنی قیمتوں کی حکمت عملی کو بہتر بنانے کے علاوہ متعلقہ سرکاری حکام سے باضابطہ مشاورت کے امکانات کا جائزہ لے رہی ہے تاکہ نان ٹیرف رکاوٹوں کے اطلاق سے متعلق خدشات کو اجاگر کیا جاسکے اور ترجیحی اسکیموں، خصوصاً ایکسپورٹ فیلیٹیشن اسکیم (EFS) کے غلط استعمال کو روکنے کے لیے سخت اقدامات پر عمل درآمد کو یقینی بنایا جاسکے۔ یہ اقدام کمپنی کے شفاف اور منصفانہ کاروباری ماحول کے فروغ اور پائیدار ترقی کے عزم کی عکاسی کرتا ہے۔

لاہور
123 اکتوبر 2025ء

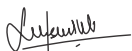
مخائبہ/ برائے بورڈ آف ڈائریکٹرز
ڈائریکٹر

چیف ایگزیکٹو

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UN-AUDITED) AS AT SEPTEMBER 30, 2025**

	Note	Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025 (Rupees in thousand)
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorized capital			
300,000,000 (June 30, 2025: 300,000,000)			
ordinary shares of Rs 10 each		3,000,000	3,000,000
Issued, subscribed and paid up share capital			
175,031,084 (June 30, 2025: 175,031,084)			
Ordinary shares of Rs 10 each		1,750,311	1,750,311
Share Premium		3,022	3,022
Accumulated Profit		1,625,679	1,517,162
		3,379,012	3,270,495
Non-Current Liabilities			
Long term finance	5	59,375	66,099
Deferred grant		6,218	6,218
Deferred taxation		123,236	131,652
		188,829	203,969
Current Liabilities			
Current Portion of Non Current Liabilities		26,899	26,899
Finances under mark up arrangements - secured		39,554	114,257
Trade and other payables		949,183	851,614
Income tax payable		100,605	83,488
Dividend payable		18,966	18,966
Accrued finance costs		2,083	990
		1,137,290	1,096,214
Contingencies And Commitments			
	6		
		4,705,130	4,570,678

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE

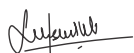


CHIEF FINANCIAL OFFICER



DIRECTOR

	Note	Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025
ASSETS			
Non-Current Assets			
Property, plant and equipment	7	1,762,511	1,758,840
Intangible assets		390,325	391,722
Long term investment		1,964	1,964
Long term loans		2,416	2,416
Long term deposits		17,437	15,377
		<u>2,174,654</u>	<u>2,170,319</u>
Current Assets			
Stores and spares		598,548	526,234
Stock-in-trade	9	603,245	653,599
Trade debts		225,435	227,986
Loans, advances, deposits, prepayments and other receivables		157,627	99,651
Short Term Investments		717,890	700,628
Bank balances	10	227,732	192,261
		2,530,476	2,400,359
		<u>4,705,130</u>	<u>4,570,678</u>



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Note	Three-month period ended	
		September 30, 2025	September 30, 2024
	(Rupees in thousand).....	
Sales	11	1,244,948	1,498,759
Cost of sale	12	(984,381)	(1,116,782)
Gross profit		260,567	381,977
Administrative expenses		(63,911)	(52,512)
Distribution and selling costs		(45,911)	(46,425)
Other income		39,595	15,395
Other operating expenses		(12,825)	(23,338)
Profit from operations		177,515	275,097
Finance cost		(3,974)	(3,388)
Profit before taxation		173,540	271,709
Taxation		(65,023)	(96,059)
Net Profit for the period		108,517	175,650
Earnings per share			
- Basic & Diluted - Rupees	13	0.62	1.00

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


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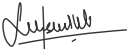

CHIEF FINANCIAL OFFICER


DIRECTOR

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Three-month period ended	
	September 30, 2025	September 30, 2024
(Rupees in thousand).....	
Net Profit for the period	108,517	175,650
Other comprehensive income		
- Items that may be reclassified subsequently to profit or loss	-	-
- Items that will not be reclassified subsequently to profit or loss	-	-
Total comprehensive income for the period	108,517	175,650

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

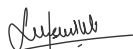


DIRECTOR

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Share Capital	Capital Reserves Share Premium	Revenue Reserves Accumulated Profit	Total
.....(Rupees in thousand).....				
Balance as on July 1, 2024 (audited)	1,750,311	3,022	1,427,127	3,180,460
Net Profit for the period	-	-	175,650	175,650
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	175,650	175,650
Balance as on September 30, 2024 (un-audited)	<u>1,750,311</u>	<u>3,022</u>	<u>1,602,777</u>	<u>3,356,110</u>
Balance as on July 1, 2025 (audited)	1,750,311	3,022	1,517,162	3,270,495
Net Profit for the period	-	-	108,517	108,517
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	108,517	108,517
Balance as on September 30, 2025 (un-audited)	<u>1,750,311</u>	<u>3,022</u>	<u>1,625,679</u>	<u>3,379,012</u>

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

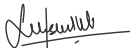


DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

		Three-month period ended	
		September 30, 2025	September 30, 2024
Note		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	239,818	427,636
Finance cost paid		(2,882)	(3,328)
Profit on deposits received		1,419	8,439
Income tax paid		(56,321)	(56,370)
Net cash generated from operating activities		182,034	376,377
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment purchased(including intangible)		(65,136)	(108,567)
Short term investment - net		-	(404,855)
Net cash used in investing activities		(65,136)	(513,422)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing repaid		(6,725)	(6,725)
Finances under markup arrangement - net		(74,703)	-
Dividend Paid		-	(355)
Net cash used in financing activities		(81,428)	(7,080)
Net increase/(decrease) in cash and cash equivalents		35,471	(144,125)
Cash and cash equivalents at beginning of the period		192,261	275,315
Cash and cash equivalents at the end of the period		227,732	131,190

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**1. The Company and its operations**

The Company was incorporated in Pakistan as a private limited company on November 12, 2004 under the Companies Ordinance, 1984 and was converted into a public limited company with effect from February 28, 2008. Subsequently, on September 15, 2008, it was listed on Karachi Stock Exchange (now Pakistan Stock Exchange). The registered office of the company is situated at 18-KM Ferozepur Road, Lahore and the factory is situated at 18-KM Lahore-Sheikhupura Road, Lahore. It is principally engaged in the manufacturing, procurement and sale of hydrogen peroxide and allied products. The Company commenced its commercial production on March 1, 2009.

2. Basis of preparation

- 2.1 These unconsolidated 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 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2025. These unconsolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1 The material accounting policy information and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

	Un-audited September 2025 (Rupees in thousand)	Audited June 2025
5 Long term finance		
Temporary economic refinance facility (TERF)	86,273	88,395
	86,273	88,395
Less : Current portion shown under current liabilities	(26,899)	(22,296)
	59,375	66,099

6. Contingencies and commitments

6.1 Contingencies

The Honorable Supreme Court of Pakistan ('HSCP') in its decision dated August 13, 2020 held that Gas Infrastructure Development Cess (GIDC), as initially levied through Gas Infrastructure Development Cess Act, 2011 and modified via different notifications issued from time to time and thereafter re-levied through the Gas Infrastructure Development Cess Ordinance, 2014, stands payable to SNGPL in twenty four (24) equal monthly installments with immediate effect.

Pursuant to the order of the HSCP, Sui Northern Gas Pipelines Limited ('SNGPL') raised a demand for the collection of the GIDC arrears. The Company filed a writ petition under article 199 of the Constitution of Islamic Republic of Pakistan, 1973 in the Honorable Lahore High Court ('HLHC') against the demand raised, pleading that demanding arrears of GIDC are illegal, unlawful and ultra vires to the first proviso to section 8 (2) of the Gas Infrastructure Development Cess Act, 2015. The writ petition was decided in favor of the Company by HLHC vide its order dated June 17, 2021. SNGPL filed an intra court appeal in HLHC which was decided against SNGPL vide order of HLHC dated September 21, 2022.

The Company's legal advisor is of the opinion that the judgement does not apply to arrears under the Gas Infrastructure Development Cess Act, 2011 and Gas Infrastructure Development Ordinance 2014 that are, in terms of first proviso of section 8 (2) of the Gas Infrastructure Development Cess Act, 2015, not to be collected. The applicability of first provision of section 8 (2) is subject to the determination by High Level Committee ('Committee') of SNGPL. The decision has not been made by the Committee on its applicability and the amount to be paid by the Company. Accordingly, the Company has not recognized the estimated provision of Rs. 55.32 million (June 30, 2025: Rs. 55.32 million) in these financial statements. However, the Company has provided guarantee of Rs. 55.32 million (June 30, 2025: Rs. 55.32 million) to SNGPL.

Company has challenged the retrospective imposition of RLNG (Re-Gasified Liquefied Natural Gas) tariff adjustment amounting Rs. 119 million by the Sui Northern Gas Pipelines Limited (SNGPL), included in its gas bill for the month of July 2025, before the Lahore High Court, Lahore (LHC). The Division bench of LHC admitted the case for regular hearing and granted a stay on recovery of the RLNG tariff adjustment. The matter is sub-judice as on reporting date, and the Company is hopeful for a favorable outcome of the case.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

6.2 Guarantees

The Company has issued guarantees to the following parties:

Against performance of contracts:

Sui Northern Gas Pipelines Limited
Pakistan State Oil Company Limited
Al-Technique Corporation of Pakistan

Un-audited September 2025 (Rupees in thousand)	Audited June 2025
151,286	151,286
3,500	3,500
28,407	28,407
<u>183,193</u>	<u>183,193</u>

Post dated cheques issued in favor of National Tariff Commission of Pakistan, Sui Northern Gas Pipeline Limited and Collector of customs aggregating to Rs 161.58 million (June 30, 2025: 42.14 million).

6.3 Commitments

The Company has the following commitments in respect of: Letters of credits

Un-audited September 2025 (Rupees in thousand)	Audited June 2025
164,265	293,983

7 Property, plant and equipment

Note

Operating assets:

- Owned Assets

Capital work-in-progress

Major spare parts, catalysts and standby equipment [including in transit of Rs. NIL (June 30, 2025: Rs. NIL)]

Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025
1,551,148	1,613,944
79,720	25,199
131,643	119,697
<u>1,762,511</u>	<u>1,758,840</u>

7.1 Operating assets

Opening book value		1,613,944	1,843,325
Add: Additions during the period / year	7.1.1	10,615	142,518
Less: Disposals during the period / year (at book value)	7.1.2	-	(147)
Less: Write-off		-	(645)
Less: Depreciation charged during the period / year		(73,411)	(371,107)
Closing book value		<u>1,551,148</u>	<u>1,613,944</u>

	Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025
7.1.1 Additions during the period / year		
Buildings on freehold land	-	39,195
Plant, machinery and equipment	1,846	73,239
Laboratory Equipment	7,840	515
Material handling	158	-
Tools and equipment	-	12,698
Electrical Equipment	-	3,035
Computers and related Equipment	421	8,819
Office equipment & Appliances	-	4,369
Furniture and fixture	350	648
	<u>10,615</u>	<u>142,518</u>
7.1.2 Disposals during the period / year		
Computers and related Equipment	-	(147)
	<u>-</u>	<u>(147)</u>
8 Capital work-in-progress		
Plant and machinery	33,104	18,556
Others	6,643	6,643
Advances to suppliers and contractors	39,973	-
	<u>79,720</u>	<u>25,199</u>
9 Stock in trade		
Raw material	234,501	230,510
Raw Material In transit	164,265	209,962
Packing material	22,189	26,372
Finished goods	182,290	186,755
	<u>603,245</u>	<u>653,599</u>
10 Bank balances		
At banks on:		
- Current accounts	107,538	90,340
- Saving accounts	120,193	101,921
	<u>227,732</u>	<u>192,261</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

		Un-audited	
		Three-month period ended	
		September 30, 2025	September 30, 2024
		(Rupees in thousand)	
11	Sales		
	Gross sales:		
	- Local	1,401,512	1,731,744
	- Export	87,129	73,569
		1,488,640	1,805,313
	Less: Commission on sales	(29,602)	(41,878)
	Less: Sales tax	(214,091)	(264,676)
		<u>1,244,948</u>	<u>1,498,759</u>
12	Cost of sale		
	Raw material consumed	511,562	620,574
	Salaries, wages and other benefits	73,321	81,098
	Repair and maintenance	24,034	11,066
	Fuel and power	215,161	283,260
	Packing material	3,942	3,057
	Freight And Forwarding	7,293	7,066
	Quality assurance	647	704
	Services through contractors	41,965	21,833
	Travelling	6,996	4,074
	Communication	691	489
	Rent & rates	10,959	2,183
	Depreciation on property, plant and equipment	72,199	111,315
	Insurance	5,942	5,943
	Safety items consumed	833	1,031
	Provision for slow moving raw materials	-	21,302
	Miscellaneous	187	1,428
		975,733	1,176,423
	Add: Opening work in process	26,372	17,994
	Less: Closing work in process	(22,189)	(5,618)
		4,183	12,376
	Cost of goods produced	979,916	1,188,799
	Add: Opening finished goods	186,755	118,862
	Less: Closing finished goods	(182,290)	(190,879)
		4,465	(72,017)
		<u>984,381</u>	<u>1,116,782</u>
13	Earnings per share		
13.1	Basic earnings per share		
	Net Profit for the period	Rupees in thousand	
		108,517	175,650
	Weighted average number		
	of ordinary shares	Number in thousand	
		175,031	175,031
	Earnings per share	Rupees	
		0.62	1.00

13.2 Diluted earnings per share

Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at September 30, 2025 and September 30, 2024, which would have any effect on the earnings per share if the option to convert is exercised.

14 Transactions with related parties

Relationship with the Company	Nature of transaction	Un-audited	
		Three-month period ended	
		September 30, 2025	September 30, 2024
(Rupees in thousand)			
	Purchase of goods and services	4,396	5,137
	Sale of Goods	51,665	57,989
i.	Related parties other than holding company		
	Share of common expenses charged to the Company	20,021	20,879
	Share of common expenses charged by the Company	2,206	1,458
	Royalty charged to the Company	6,160	20,951
ii.	Post employment benefit plans		
	Expense charged in respect of retirement benefit plans	1,432	1,483
iii.	Key management personnel		
	Salaries and other employee benefits	35,544	37,787

15 Cash generated from operations

Profit before taxation	173,540	271,709
Adjustments for:		
- Depreciation on property, plant and equipment & amortization	74,808	113,604
- Finance cost	3,974	3,388
- Unrealized gain on Short term investment	(17,263)	-
- Interest on bank deposits	(1,419)	(8,439)
- Exchange gain / (loss)	(45)	1,082
Operating Profit before working capital changes	233,595	381,344
Effect on cash flow due to working capital changes		
- (Increase) / Decrease in stores and spares	(72,314)	21,294
- Decrease / (Increase) in stock-in-trade	38,407	(14,653)
- Decrease / (Increase) in trade debts	491	(72,909)
- Increase in advances, deposits, prepayments and other receivables	(57,976)	(54,033)
- Increase in trade and other payables	97,614	166,593
	6,223	46,292
Cash generated from operations	239,818	427,636

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025
16 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

17 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk price risk), credit risk and liquidity risk.

The condensed interim unconsolidated financial information does not include all financial risk management information and disclosures required in the annual unconsolidated financial statements, and should be read in conjunction with the Company's annual unconsolidated financial statements as at June 30, 2025.

There have been no significant changes in the risk management policies since the year end.

18 Date of authorization for issue

These condensed interim unconsolidated financial statements were authorized for issue on 23 October 2025 by the Board of Directors of the Company.

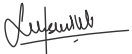
19 Subsequent events

The members of the Company at their Annual General Meeting held on 22 October 2025 has approved the final cash dividend of Rs. 2 per share for the year ended June 30, 2025 as proposed by the Board of Directors at their meeting held on 03 September 2025. These Unconsolidated Financial Statements do not include the effect of these appropriations which will be accounted for in the period in which they are approved.

20 Corresponding figures

In order to comply with the requirements of IAS 34, the condensed interim unconsolidated statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas, the condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework.

**CHIEF EXECUTIVE****CHIEF FINANCIAL OFFICER****DIRECTOR**

CONSOLIDATED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT SEPTEMBER 30, 2025

	Note	Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025 (Rupees in thousand)
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorized capital 300,000,000 (June 30, 2025: 300,000,000) ordinary shares of Rs 10 each		3,000,000	3,000,000
Issued, subscribed and paid up share capital 175,031,084 (June 30, 2025: 175,031,084) Ordinary shares of Rs 10 each		1,750,311	1,750,311
Share Premium		3,022	3,022
Accumulated Profit		1,758,594	1,622,898
Translation reserve		(503)	(11)
		3,511,424	3,376,220
Non-Current Liabilities			
Long term finance	5	59,375	66,099
Deferred grant		6,218	6,218
Deferred taxation		123,236	131,652
		188,829	203,969
Current Liabilities			
Current Portion of Non Current Liabilities		26,899	26,899
Finances under mark up arrangements - secured		39,554	114,257
Trade and other payables		973,320	852,594
Income tax payable		104,405	87,405
Dividend payable		18,966	18,966
Accrued finance costs		2,083	990
		1,165,227	1,101,111
Contingencies And Commitments			
	6	4,865,480	4,681,300

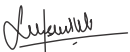
The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

		Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025 (Rupees in thousand)
ASSETS			
Non-Current Assets			
Property, plant and equipment	7	1,762,511	1,758,840
Intangible assets		390,325	391,722
Long term loans		2,416	2,416
Long term deposits		17,437	15,377
		<u>2,172,690</u>	<u>2,168,355</u>
Current Assets			
Stores and spares		598,548	526,234
Stock-in-trade	9	603,245	653,599
Trade debts		253,192	189,177
Loans, advances, deposits, prepayments and other receivables		163,223	100,391
Short Term Investments		717,890	700,628
Bank balances	10	356,692	342,916
		<u>2,692,790</u>	<u>2,512,945</u>
		<u>4,865,480</u>	<u>4,681,300</u>



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

	Note	Three-month period ended	
		September 30, 2025	September 30, 2024
	(Rupees in thousand).....	
Sales	11	1,279,039	1,513,771
Cost of sale	12	(984,381)	(1,116,782)
Gross profit		294,658	396,989
Administrative expenses		(63,912)	(52,731)
Distribution and selling costs		(49,955)	(46,425)
Other income		39,595	15,395
Other operating expenses		(13,671)	(23,338)
Profit from operations		206,716	289,889
Finance cost		(4,024)	(3,417)
Profit before taxation		202,692	286,472
Taxation		(66,996)	(96,659)
Net Profit for the period		135,696	189,813
Profit attributable to:			
- Equity holders of the Parent Company		135,696	189,813
- Non controlling interest		-	-
		135,696	189,813
Earnings per share			
- Basic & Diluted - Rupees	13.1	0.78	1.08

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE

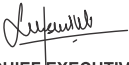

CHIEF FINANCIAL OFFICER


DIRECTOR

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Three-month period ended	
	September 30, 2025	September 30, 2024
(Rupees in thousand).....	
Net Profit for the period	135,696	189,813
Other comprehensive income		
- Items that may be reclassified subsequently to profit or loss	-	-
- Items that will not be reclassified subsequently to profit or loss	-	-
- Exchange differences on translation of subsidiaries	(492)	-
Other comprehensive income / (loss) for the year	(492)	-
Total comprehensive income for the period	135,204	189,813
Total Comprehensive Income attributable to:		
- Equity holders of parents	135,204	189,813
- Non controlling interest	-	-
	135,204	189,813

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Share Capital	Capital Reserves Revenue Reserves		Translation Reserve	Total
		Share Premium	Accumulated profit		
.....(Rupees in thousand).....					
Balance as on July 1, 2024 (audited)	1,750,311	3,022	1,462,860	(467)	3,215,726
Net Profit for the period	-	-	189,813	-	189,813
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	189,813	-	189,813
Balance as on September 30, 2024 (un-audited)	<u>1,750,311</u>	<u>3,022</u>	<u>1,652,673</u>	<u>(467)</u>	<u>3,405,539</u>
Balance as on July 1, 2025 (audited)	1,750,311	3,022	1,622,898	(11)	3,376,220
Net Profit for the period	-	-	135,696	-	135,696
Other comprehensive income for the period	-	-	-	(492)	(492)
Total comprehensive income for the period	-	-	135,696	(492)	135,204
Balance as on September 30, 2025 (un-audited)	<u>1,750,311</u>	<u>3,022</u>	<u>1,758,594</u>	<u>(503)</u>	<u>3,511,424</u>

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.


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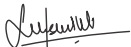

CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

		Three-month period ended	
		September 30, 2025	September 30, 2024
		(Rupees in thousand)	
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	220,262	352,675
Finance cost paid		(2,931)	(3,357)
Profit on deposits received		1,419	8,439
Income tax paid		(58,410)	(56,380)
Net cash generated from operating activities		160,339	301,377
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment purchased(including intangible)		(65,136)	(108,567)
Short term investment - net		-	(404,855)
Net cash used in investing activities		(65,136)	(513,422)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing repaid		(6,725)	(6,725)
Finances under markup arrangement - net		(74,703)	-
Dividend paid		-	(355)
Net cash used in financing activities		(81,428)	(7,080)
Net increase/(decrease) in cash and cash equivalents		13,776	(219,125)
Cash and cash equivalents at beginning of the period		342,916	461,760
Cash and cash equivalents at the end of the period		356,692	242,635

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025**1. THE GROUP AND ITS OPERATIONS****1.1 Holding Company**

Descon Oxychem Limited ("the Holding Company/the Parent Company") was incorporated in Pakistan as a private limited Company on November 12, 2004 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and was converted into a public limited company with effect from February 28, 2008 as approved by the Securities and Exchange Commission of Pakistan (SECP) vide letter no. ARL 16222 dated March 14, 2008. Subsequently, on September 15, 2008, it was listed on Pakistan Stock Exchange. The registered office of the Company is situated at 18-KM Ferozepur Road, Lahore and the Company's business unit and factory is situated at 18-KM Lahore-Sheikhupura Road, Lahore. The Company is principally engaged in manufacture, procurement and sale of hydrogen peroxide and allied products. The Company commenced its trial production on December 1, 2008 and commercial production on March 1, 2009.

1.2 Subsidiary Company

Descon Oxychem FZE, a limited liability company incorporated in Hamriyah Free Zone, Sharjah UAE on April 26, 2023. The principal line of business of subsidiary is import, export and trading of chemicals & related products, detergents & disinfectants, water treatment & purification chemicals and raw materials.

2. BASIS OF PREPARATION

2.1 These consolidated 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 These consolidated condensed interim financial statements are unaudited and do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1 The material accounting policy information and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2025.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these consolidated condensed interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2025.

5 Long term finance

	Un-audited September 2025 (Rupees in thousand)	Audited June 2025
Temporary economic refinance facility (TERF)	86,273	88,395
	86,273	88,395
Less : Current portion shown under current liabilities	(26,899)	(22,296)
	59,375	66,099

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

The Honorable Supreme Court of Pakistan ('HSCP') in its decision dated August 13, 2020 held that Gas Infrastructure Development Cess (GIDC), as initially levied through Gas Infrastructure Development Cess Act, 2011 and modified via different notifications issued from time to time and thereafter re-levied through the Gas Infrastructure Development Cess Ordinance, 2014, stands payable to SNGPL in twenty four (24) equal monthly installments with immediate effect.

Pursuant to the order of the HSCP, Sui Northern Gas Pipelines Limited ('SNGPL') raised a demand for the collection of the GIDC arrears. The Group filed a writ petition under article 199 of the Constitution of Islamic Republic of Pakistan, 1973 in the Honorable Lahore High Court ('HLHC') against the demand raised, pleading that demanding arrears of GIDC are illegal, unlawful and ultra vires to the first proviso to section 8 (2) of the Gas Infrastructure Development Cess Act, 2015. The writ petition was decided in favor of the Group by HLHC vide its order dated June 17, 2021. SNGPL filed an intra court appeal in HLHC which was decided against SNGPL vide order of HLHC dated September 21, 2022.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

The Group's legal advisor is of the opinion that the judgement does not apply to arrears under the Gas Infrastructure Development Cess Act, 2011 and Gas Infrastructure Development Ordinance 2014 that are, in terms of first proviso of section 8 (2) of the Gas Infrastructure Development Cess Act, 2015, not to be collected. The applicability of first proviso of section 8 (2) is subject to the determination by High Level Committee ('Committee') of SNGPL. The decision has not been made by the Committee on its applicability and the amount to be paid by the Group. Accordingly, the Group has not recognized the estimated provision of Rs. 55.32 million (June 30, 2025: Rs. 55.32 million) in these financial statements. However, the Group has provided guarantee of Rs. 55.32 million (June 30, 2025: Rs. 55.32 million) to SNGPL.

Company has challenged the retrospective imposition of RLNG (Re-Gasified Liquefied Natural Gas) tariff adjustment amounting Rs. 119 million by the Sui Northern Gas Pipelines Limited (SNGPL), included in its gas bill for the month of July 2025, before the Lahore High Court, Lahore (LHC). The Division bench of LHC admitted the case for regular hearing and granted a stay on recovery of the RLNG tariff adjustment. The matter is sub-judice as on reporting date, and the Company is hopeful for a favorable outcome of the case.

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The Holding Company has issued guarantees to the following parties:

Against performance of contracts:

Sui Northern Gas Pipelines Limited
Pakistan State Oil Company Limited
Al-Technique Corporation of Pakistan

Un-audited September 2025 (Rupees in thousand)	Audited June 2025
151,286	151,286
3,500	3,500
28,407	28,407
<u>183,193</u>	<u>183,193</u>

Post dated cheques issued in favor of National Tariff Commission of Pakistan, Sui Northern Gas Pipeline Limited and Collector of customs aggregating to Rs 161.58 million (June 30, 2025: 42.14 million).

6.3 Commitments

The Holding Company has the following commitments

in respect of: Letters of credits

Un-audited September 2025 (Rupees in thousand)	Audited June 2025
164,265	293,983

7 Property, plant and equipment

Note

Operating assets:

- Owned Assets

Capital work-in-progress

Major spare parts, catalysts and standby equipment [including in transit of Rs. NIL (June 30, 2025: Rs. NIL)]

Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025
1,551,148	1,613,944
79,720	25,199
131,643	119,697
<u>1,762,511</u>	<u>1,758,840</u>

		Un-audited September 30, 2025 (Rupees in thousand)	Audited June 30, 2025 (Rupees in thousand)
7.1 Operating assets	Note		
Opening book value		1,613,944	1,843,325
Add: Additions during the period / year	7.1.1	10,615	142,518
Less: Disposals during the period / year (at book value)	7.1.2	-	(147)
Less: Write-off		-	(645)
Less: Depreciation charged during the period / year		(73,411)	(371,107)
Closing book value		1,551,148	1,613,944
7.1.1 Additions during the period / year			
Buildings on freehold land		-	39,195
Plant, machinery and equipment		1,846	73,239
Laboratory Equipment		7,840	515
Material handling		158	-
Tools and equipment		-	12,698
Electrical Equipment		-	3,035
Computers and related Equipment		421	8,819
Office equipment & Appliances		-	4,369
Furniture and fixture		350	648
		10,615	142,518
7.1.2 Disposals during the period / year			
Computers and related Equipment		-	(147)
		-	(147)
8 Capital work-in-progress			
Plant and machinery		33,104	18,556
Others		6,643	6,643
Advances to suppliers and contractors		39,973	-
		79,720	25,199
9 Stock in trade			
Raw material		234,501	230,510
Raw Material In transit		164,265	209,962
Packing Material		22,189	26,372
Finished goods		182,290	186,755
		603,245	653,599
10 Bank balances			
At banks on:			
- Current accounts		236,498	192,261
- Saving accounts		120,193	150,655
		356,692	342,916

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

		Un-audited	
		Three-month period ended	
		September 30, 2025	September 30, 2024
		(Rupees in thousand)	
11	Sales		
	Gross sales:		
	- Local	1,435,603	1,746,756
	- Export	87,129	73,569
		1,522,732	1,820,325
	Less: Commission on sales	(29,602)	(41,878)
	Less: Sales tax	(214,091)	(264,676)
		1,279,039	1,513,771
12	Cost of sale		
	Raw material consumed	511,562	620,574
	Salaries, wages and other benefits	73,321	81,098
	Repair and maintenance	24,034	11,066
	Fuel and power	215,161	283,260
	Packing material	3,942	3,057
	Freight And Forwarding	7,293	7,066
	Quality assurance	647	704
	Services through contractors	41,965	21,833
	Travelling	6,996	4,074
	Communication	691	489
	Rent & rates	10,959	2,183
	Depreciation on property, plant and equipment	72,199	111,315
	Insurance	5,942	5,943
	Safety items consumed	833	1,031
	Provision for slow moving raw materials	-	21,302
	Miscellaneous	187	1,428
		975,733	1,176,423
	Add: Opening work in process	26,372	17,994
	Less: Closing work in process	(22,189)	(5,618)
		4,183	12,376
	Cost of goods produced	979,916	1,188,799
	Add: Opening finished goods	186,755	118,862
	Less: Closing finished goods	(182,290)	(190,879)
		4,465	(72,017)
		984,381	1,116,782

		Un-audited	
		Three-month period ended	
		September 30, 2025	September 30, 2024
13	Earnings per share		
13.1	Basic earnings per share		
	Net Profit for the period	Rupees in thousand	
		135,696	189,813
	Weighted average number		
	of ordinary shares	Number in thousand	
		175,031	175,031
	Earnings per share	Rupees	
		0.78	1.08

13.2 Diluted earnings per share

Diluted earnings per share has not been presented as the Group does not have any convertible instruments in issue as at September 30, 2025 and September 30, 2024, which would have any effect on the earnings per share if the option to convert is exercised.

14 Transactions with related parties

		Un-audited	
		Three-month period ended	
		September 30, 2025	September 30, 2024
		(Rupees in thousand)	
Relationship	Nature of transaction		
	Purchase of goods and services	4,396	5,137
	Share of common expenses charged to the Holding Company	20,021	20,879
i. Associates	Share of common expenses charged by the Holding Company	2,206	1,458
	Royalty charged to the Holding Company	6,160	20,951
ii. Post employment benefit plans	Expense charged in respect of retirement benefit plans	1,432	1,483
iii. Key management personnel	Salaries and other employee benefits	35,544	37,787

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

		Un-audited	
		Three-month period ended	
		September 30, 2025	September 30, 2024
		(Rupees in thousand)	
15	Cash generated from operations		
	Profit before taxation	202,692	286,472
	Adjustments for:		
	- Depreciation on property, plant and equipment & amortization	74,808	113,604
	- Finance cost	4,024	3,417
	- Foreign operation translation reserve	(492)	-
	- Unrealized gain on Short term investment	(17,263)	-
	- Interest on bank deposits	(1,419)	(8,439)
	- Exchange gain / (loss)	(45)	1,082
	Operating Profit before working capital changes	262,305	396,137
	Effect on cash flow due to working capital changes		
	- (Increase) / Decrease in stores and spares	(72,314)	21,294
	- Decrease / (Increase) in stock-in-trade	38,407	(14,653)
	- Increase in trade debts	(66,075)	(161,211)
	- Increase in advances, deposits, prepayments and other receivables	(62,832)	(55,774)
	- Increase in trade and other payables	120,771	166,882
		(42,043)	(43,462)
	Cash generated from operations	220,262	352,675

16 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

17 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at June 30, 2025.

There have been no significant changes in the risk management policies since the year end.

18 Date of authorization for issue

These condensed interim consolidated financial statements were authorized for issue on 23 October 2025 by the Board of Directors of the Holding Company.

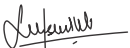
19 Subsequent events

The members of the Holding Company at their Annual General Meeting held on 22 October 2025 has approved the final cash dividend of Rs. 2 per share for the year ended June 30, 2025 as proposed by the Board of Directors at their meeting held on 03 September 2025. These Consolidated Financial Statements do not include the effect of these appropriations which will be accounted for in the period in which they are approved.

20 Corresponding figures

In order to comply with the requirements of IAS 34, the condensed interim consolidated statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

NOTE

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