



LOTTE CHEMICAL
PAKISTAN LTD

**REPORT FOR THE
NINE MONTHS PERIOD ENDED**
30 SEPTEMBER 2025



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Company Information

As at 29 October 2025

Board of Directors

Jo Hyun Kwoun	Chairman
Young Dae Kim	Chief Executive
Seong Jun Park	Non-Executive
Jae Sun Park	Non-Executive
Cheolsoo Kim	Non-Executive
Shabbir Diwan	Non-Executive
Rashid Ibrahim	Independent
Khurram Rashid	Independent

Audit Committee

Rashid Ibrahim	Chairman
Seong Jun Park	Member
Khurram Rashid	Member
Faisal Abid	Secretary

HR & Remuneration Committee

Rashid Ibrahim	Chairman
Jo Hyun Kwoun	Member
Young Dae Kim	Member
Waheed U Khan	Secretary

Shares Sub Committee

Young Dae Kim	Chairman
Cheolsoo Kim	Member
Khurram Rashid	Member

Executive Management Team

Young Dae Kim	Chief Executive
Tariq Nazir Virk	Director Manufacturing
Waheed U Khan	Director Admin, HR & IT
Ashiq Ali	Chief Financial Officer
Muhammed Talha Khan	General Manager Commercial

Chief Financial Officer

Ashiq Ali

Company Secretary

Faisal Abid

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Citibank NA
Deutsche Bank AG
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Ltd
Industrial and Commercial Bank of China
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Internal Auditors

KPMG Taseer Hadi & Co.,
Chartered Accountants

External Auditors

A.F. Ferguson & Co.,
Chartered Accountants

Legal Advisor

Naz Toosy
148, 18th East Street, Phase 1, DHA, Karachi

Registered Office

EZ/I/P-4, Eastern Industrial Zone,
Port Qasim, Karachi

Shares Registrar

FAMCO Share Registration Services (Pvt) LTD.
8-F, Near Hotel Faran, Nursery,
Block 6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi

Directors' Review

For the third quarter ended 30 September 2025

The Directors are pleased to present their review report for the third quarter ended 30 September 2025 together with the unaudited condensed interim financial information of the Company as at and for the third quarter ended 30 September 2025.

BUSINESS OVERVIEW

Crude Oil (WTI) prices trended lower throughout Q3 2025, weighed down by oversupply and persistent weakness in global demand. Market sentiment remained cautious as OPEC+ steadily eased production cuts thereby resulting in a gradual increment in supply. In the early part of the quarter, Crude Oil prices found intermittent strength against the sporadic geopolitical risks arising in the Middle East and Eastern Europe. Reinforced sanctions on Russia and Iran, together with ongoing attacks on energy infrastructure, maintained a moderate risk premium, keeping markets alert to potential disruptions. However, towards the end of the quarter, oversupply concerns and weak macroeconomic indicators across major economies in the Northern Hemisphere continued to exert downward pressure on prices. Despite a cut in interest rates by the US Federal Reserve, Crude Oil markets showed a limited response as concerns over a supply glut and sluggish global demand continued to dominate price movements. The average price for the quarter stood at US\$ 65.03 per barrel, marking a 2.2% increase compared to the previous quarter.

Paraxylene (PX) prices broadly tracked movements in the upstream energy markets during Q3 2025, while a weak sentiment prevailed in the market. The quarter opened on a bearish note, as persistently narrow PX-PTA margins limited any upside in PX prices which thereby added pressure on PX-Naphtha margins as well. Brief support was observed on the back of tight prompt supply as several PX units in China underwent routine planned turnarounds, temporarily balancing the markets. As the quarter progressed, PX prices remained subdued as downstream PTA demand entered the traditional lull period. Healthy gasoline blending margins also diverted reformat away from PX production which limited availability in the market, though this was not enough to offset weak fundamentals. The average price of PX was US\$ 840.35 per metric tonne for the quarter while the PX-Naphtha spread averaged at US\$ 252 per metric tonne for the quarter.

In Q3 2025, PTA prices remained soft, moving in parallel along the downward trend as observed in the upstream energy and feedstock (PX) markets. The market carried forward oversupply pressures from the previous quarter, as trade tensions weighed on consumer purchasing power and curtailed demand for finished goods which resulted in producers opting to rationalize operations. Although several PTA units in China remained offline due to planned and unplanned turnarounds, the impact on supply was negligible as significant capacity additions in the recent years had outpaced demand. A delay in implementation of reciprocal tariffs by the United States provided brief support however, the gains were short-lived as the seasonal lull in the Textile and PET sectors offset the optimism. Moreover, the start-up of a large new PTA unit added 2.5 million tonnes of fresh capacity in the market, further reinforced the bearish sentiment which resulted in persistent uneconomical PX-PTA regional margins which averaged at US\$ 68 per metric tonne as compared to US\$ 84 per metric tonne for the previous quarter. PTA prices averaged at US\$ 622.90 per metric tonne, reflecting a 1.2% increase compared to the previous quarter.

The Domestic Polyester Industry operated at an average utilization rate of 65% during Q3 2025. Operations showed some improvement compared to the previous quarter, supported by improved macroeconomic stability post release of Finance Bill 2025 as well as consistent demand observed during the ongoing peak season for the Textile and PET sectors. However, the industry did face the impact of severe floods in the country due to which operations were temporarily impacted. Regardless, demand has remained constrained due to the continued impact of inflation, higher energy costs as well as the continued ingress of cheaper imports in the domestic market.

OPERATIONS

Sales volume, comprising of domestic sales only, for Q3 2025 at 94,672 tonnes was 9% lower than the corresponding quarter last year due to lower product availability.

Directors' Review

For the third quarter ended 30 September 2025

Production volume during the quarter at 79,894 tonnes was 33% lower than the corresponding period last year due to a plant outage in August on account of an accidental failure of critical equipment.

FINANCIAL PERFORMANCE

Revenue for the quarter was 17% lower than the corresponding period last year due to lower volume sold and lower PTA price. This, together with higher cost of sales mainly on account of increase in energy cost, resulted in a lower gross profit of Rs 570 million for the quarter as compared to gross profit of Rs 1,045 million during the same period last year.

Distribution and selling expenses for the quarter were 26% lower than the corresponding period last year due to export sales in Q3 2024 on which handling charges were borne by the Company. Administrative and general expenses for the quarter were 2% higher than the corresponding period last year due to overall impact of inflation. The taxation charge for the quarter is based on statutory income tax rate and super tax as adjusted by the movement in the deferred tax account.

Earnings per share (EPS) for the quarter stood at Rs 0.06 per share as compared to Rs 0.33 per share for Q3 2024.

FUTURE OUTLOOK

Crude Oil (WTI) prices are expected to remain under pressure in the near term, weighed down by the gradual rollback of OPEC+ production cuts. Weak global macroeconomic indicators are likely to further dampen demand, while renewed focus weakening international trade environment may keep prices on the defensive. Conversely, ongoing geopolitical developments in Europe and the Middle East may provide episodic support.

Paraxylene (PX) prices are expected to move in tandem with the upstream energy markets while the seasonal slowdown may fail to impact prices due to the absence of underlying supply/demand fundamentals. While the bearish sentiment is likely to weigh on PX markets, stable PTA production in China may offer some degree of price support to the industry already struggling to maintain profitable margins. PTA prices are anticipated to move largely in line with upstream PX market, regardless of support expected against steady demand in China. The commissioning of new PTA capacities, equivalent to around 6.2 million metric tonnes, is set to expand supply significantly which may depress regional margins further. In contrast, holiday season demand may provide upside, though not enough to offset the broader supply overhang.

The Domestic Polyester Industry is expected to continue facing headwinds with overall business activity likely to remain soft due to persistent high cost of doing business, inflationary pressures and reduced purchasing power. Demand from downstream textiles may see modest support from export orders in value-added segments which may remain favorable on account of low reciprocal tariffs from the United States. The overall impact of domestic floods is yet to be ascertained which may eventually have a ripple effect on the domestic businesses going forward.



Jo Hyun Kwoun
Chairman



Young Dae Kim
Chief Executive

Date: 29 October 2025
Karachi

Condensed Interim Statement of Financial Position

As at 30 September 2025

Amounts in Rs '000			
		30 September 2025 (Un-audited)	31 December 2024 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	4	5,769,910	6,320,304
Intangible assets		2,576	13,542
Right-of-use assets		99,817	211,733
Long-term loans		231,431	169,738
Long-term deposits and prepayments		31,762	32,432
Deferred taxation - net		2,746,204	2,347,857
		8,881,700	9,095,606
Current assets			
Stores and spare parts		2,351,441	2,302,911
Stock-in-trade		8,658,995	6,746,190
Trade debts	5	5,994,031	3,602,907
Loans and advances		61,505	68,112
Trade deposits and short-term prepayments		172,842	115,552
Accrued interest		11,611	99,089
Other receivables		4,500	23,319
Short-term investments - at amortised cost	6	414,499	414,499
Sales tax refunds due from government	7	4,895,171	3,913,275
Taxation - net		7,146,703	6,826,435
Cash and bank balances	8	2,433,500	8,833,047
		32,144,798	32,945,336
Total assets		41,026,498	42,040,942
Equity and liabilities			
Share capital and reserves			
Issued, subscribed and paid-up capital			
1,514,207,208 (31 December 2024: 1,514,207,208)			
ordinary shares of Rs 10 each		15,142,072	15,142,072
Capital reserve		2,345	2,345
Revenue reserve - Unappropriated profit		8,105,066	7,269,198
Total equity		23,249,483	22,413,615
Liabilities			
Non-current liabilities			
Retirement benefit obligations		223,623	208,591
Lease liability		-	314,039
		223,623	522,630
Current liabilities			
Trade and other payables	9	16,588,764	18,062,263
Lease liability		465,006	542,777
Accrued interest	10	428,922	424,189
Unclaimed dividend		70,700	75,468
		17,553,392	19,104,697
Total liabilities		17,777,015	19,627,327
Contingencies and commitments	11		
Total equity and liabilities		41,026,498	42,040,942

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


Jo Hyun Kwoun
Chairman


Young Dae Kim
Chief Executive


Ashiq Ali
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

	Note	Nine months period ended 30 September (Un-audited)		Quarter ended 30 September (Un-audited)	
		2025	2024	2025	2024
Revenue from Contracts with Customers - net	12	60,541,120	88,976,736	20,365,180	24,597,854
Cost of sales	13	(58,193,232)	(83,947,387)	(19,794,808)	(23,552,829)
Gross profit		2,347,888	5,029,349	570,372	1,045,025
Distribution and selling expenses		(153,573)	(164,206)	(49,355)	(66,530)
Administrative and general expenses		(601,055)	(551,606)	(193,761)	(190,642)
Other operating expenses	14	(223,947)	(325,476)	(120,821)	(56,735)
Operating profit		1,369,313	3,988,061	206,435	731,118
Other income	15	462,598	990,998	88,122	274,696
Finance costs	16	(457,529)	(615,893)	(152,759)	(186,802)
Profit before taxation and levies		1,374,382	4,363,166	141,798	819,012
Levies	17	(202)	(155)	(13)	(95)
Profit before taxation		1,374,180	4,363,011	141,785	818,917
Taxation	18	(538,312)	(1,701,414)	(47,696)	(323,975)
Profit after taxation		835,868	2,661,597	94,089	494,942
----- Amount in Rupees -----					
Earnings per share - basic and diluted		0.55	1.76	0.06	0.33

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



Jo Hyun Kwoun
Chairman



Young Dae Kim
Chief Executive



Ashiq Ali
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

	Nine months period ended 30 September (Un-audited)		Quarter ended 30 September (Un-audited)	
	2025	2024	2025	2024
Profit after taxation	835,868	2,661,597	94,089	494,942
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	835,868	2,661,597	94,089	494,942

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


Jo Hyun Kwoun
Chairman


Young Dae Kim
Chief Executive


Ashiq Ali
Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

	Share capital	Reserves			Total equity
	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Sub-total	
Balance as at 1 January 2024	15,142,072	2,345	6,867,542	6,869,887	22,011,959
Total comprehensive income for the nine months period ended 30 September 2024					
- Profit for the nine months period ended 30 September 2024	-	-	2,661,597	2,661,597	2,661,597
- Other comprehensive income for the nine months period ended 30 September 2024	-	-	-	-	-
	-	-	2,661,597	2,661,597	2,661,597
Final dividend for the year ended 31 December 2023 @ Rs 1.00 per share	-	-	(1,514,207)	(1,514,207)	(1,514,207)
Interim dividend for the year ending 31 December 2024 @ Rs 0.50 per share	-	-	(757,104)	(757,104)	(757,104)
Balance as at 30 September 2024	15,142,072	2,345	7,257,828	7,260,173	22,402,245
Balance as at 1 January 2025	15,142,072	2,345	7,269,198	7,271,543	22,413,615
Total comprehensive income for the nine months period ended 30 September 2025					
- Profit for the nine months period ended 30 September 2025	-	-	835,868	835,868	835,868
- Other comprehensive income for the nine months period ended 30 September 2025	-	-	-	-	-
	-	-	835,868	835,868	835,868
Balance as at 30 September 2025	15,142,072	2,345	8,105,066	8,107,411	23,249,483

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


Jo Hyun Kwoun
Chairman


Young Dae Kim
Chief Executive


Ashiq Ali
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

		Nine months period ended 30 September (Un-audited)	
	Note	2025	2024
Cash flows from operating activities			
Cash (used in) / generated from operations	19	(4,454,878)	7,614,304
Finance costs paid - conventional		(69,487)	(83,051)
Payments to retirement benefit obligations		(3,323)	(2,733)
Long-term loans and advances - net		(61,693)	(11,710)
Long-term deposits and prepayments - net		670	1,030
Taxes and levies paid		(1,353,542)	(4,502,122)
Finance income received - conventional		485,418	727,871
Finance income received - islamic		58,403	178,127
Net cash (used in) / generated from operating activities		(5,398,432)	3,921,716
Cash flows from investing activities			
Payments for capital expenditure		(495,228)	(479,691)
Proceeds from disposal of property, plant and equipment		2,552	-
Net cash used in investing activities		(492,676)	(479,691)
Cash flows from financing activities			
Dividend paid		(4,768)	(6,811,379)
Repayment of short-term financing		-	(1,000,000)
Payment of lease liability		(503,671)	(498,975)
Net cash used in financing activities		(508,439)	(8,310,354)
Net decrease in cash and cash equivalents		(6,399,547)	(4,868,329)
Cash and cash equivalents at 1 January		9,247,546	5,766,422
Cash and cash equivalents at 30 September		2,847,999	898,093

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



Jo Hyun Kwoun
Chairman



Young Dae Kim
Chief Executive



Ashiq Ali
Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

1 STATUS AND NATURE OF BUSINESS

1.1 Lotte Chemical Pakistan Limited ("the Company") was incorporated in Pakistan on 30 May 1998 under Companies Ordinance, 1984 (Repealed with enactment of the Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to manufacture and sale of Purified Terephthalic Acid (PTA).

1.2 The geographical location and addresses of business units are as under:

Location	Address
Registered Office	EZ/II/P-4, Eastern Industrial Zone, Port Qasim, Karachi.
City Office	Al-Tijarah Centre, 14th Floor, 32/1-A, Main Shahrah-e-Faisal, Block 6, P.E.C.H.S., Karachi.

1.3 The Company is a subsidiary of Lotte Chemical Corporation, South Korea and its ultimate parent company is South Korean Conglomerate Lotte.

1.4 Lotte Chemical Corporation, South Korea ("LCC Korea"), the majority shareholder of the Company has entered into Share Purchase Agreement (SPA) dated 19 February 2025 with AsiaPak Investments Limited and Montage Oil DMCC (the Acquirer) for the sale of all of the Company's shares held by LCC Korea.

On 17 February 2025, a Public Announcement of Intention (PAI) by AsiaPak Investments Limited and Montage Oil DMCC (the Acquirer) to acquire 1,135,860,105 ordinary shares (approximately 75.01%) of the Company was published in newspapers. On 07 July 2025, an addendum to PAI was posted on the PSX to reflect a change in the capital ownership structure of the Acquirer, where PTA Global Holding Limited replaced AsiaPak Investments Limited and Montage Oil DMCC as 'Acquirer' with Liberty Daharki Power Limited and Daewoo Pakistan Express Bus Service Limited acting in concert.

Pursuant to the Listed Companies (Substantial Acquisition of Voting Share and Takeovers) Regulations, 2017, PTA Global Holding made a public offer on 12 July 2025 to acquire 189,173,552 ordinary shares (12.49% of the total issued and outstanding shares) of the Company on certain terms and conditions.

On 12 September 2025, Arif Habib Limited (Manager to the Offer) confirmed that the Acquirer has fulfilled all obligations under the applicable takeover regulations and payments have been dispatched to all the shareholders who tendered their shares as part of the Public Offer.

The completion of the transaction is subject to regulatory approvals, completion of legal requirements and satisfaction of other closing formalities.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Company for the nine months period ended 30 September 2025 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;
- 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.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

2.1.1 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of changes in Company's financial position and performance since the last annual financial statements.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention (except for retirement benefit obligations and lease liability, which have been measured at present value).

2.3 Functional and presentation currency

The condensed interim financial statements are presented in Pak Rupee which is also the functional currency of the Company and rounded off to the nearest thousand, unless otherwise stated.

2.4 Changes in accounting standards, interpretations and amendments to published accounting and reporting standards

2.4.1 Standards and amendments to approved accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on January 1, 2025. However, these do not have any significant impact on the Company's financial reporting.

2.4.2 Standards and amendments to approved accounting and reporting standards that are not yet effective.

There are standards and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after January 1, 2026. However, these are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these condensed interim financial statements.

3 ACCOUNTING POLICIES, ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended 31 December 2024.

The preparation of these condensed interim financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Company for the year ended 31 December 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 31 December 2024.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

	Note	30 September 2025 (Un-audited)	31 December 2024 (Audited)
4	PROPERTY, PLANT AND EQUIPMENT		
Operating property, plant and equipment	4.1	5,164,647	5,762,835
Capital work-in-progress	4.2	605,263	557,469
		5,769,910	6,320,304

4.1 The following property, plant and equipment have been added / disposed off during the nine months period ended 30 September:

	2025		2024	
	Additions cost	Disposals net book value	Additions cost	Disposals net book value
Property, plant and equipment Operating assets - owned				
Leasehold land	59,094	-	-	-
Buildings on leasehold land	5,503	-	5,330	-
Plant and machinery	361,931	-	222,943	-
Furniture and equipment	12,724	-	39,820	-
Motor vehicles	8,182	-	-	-

	30 September 2025 (Un-audited)	31 December 2024 (Audited)
4.2	Capital work-in-progress - movement	
Balance as at opening	557,469	257,359
Capital expenditure	415,228	1,504,640
Transferred to operating property, plant and equipment	(367,434)	(1,204,530)
Balance as at closing	605,263	557,469

5 TRADE DEBTS

5.1 All of the Company's trade debts are secured by letters of credit of 30 to 60 days issued by various banks. These balances are neither past due nor impaired and are considered good.

5.2 This includes receivable from Gatron Industries Limited and Novatex Limited - related parties amounting to Rs Nil million (31 December 2024: Rs 658.14 million) and Rs 1,486.12 million (31 December 2024: Rs 251.33 million) respectively.

5.3 The maximum aggregate amount due from the related party at the end of any month during the period was Rs 2,214.54 million (31 December 2024: Rs 6,535.50 million).

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs ‘000

		30 September 2025	31 December 2024
	Note	(Un-audited)	(Audited)
6	SHORT-TERM INVESTMENTS - at amortised cost		
	Conventional		
	- Term deposit receipts	6.1	414,499

6.1 These carry interest rate on term deposit receipt at 7.0% (31 December 2024: 9.50%) per annum and had original maturities of less than three months.

		30 September 2025	31 December 2024
		(Un-audited)	(Audited)
7	SALES TAX REFUNDS DUE FROM GOVERNMENT		
	Sales tax refundable	5,068,509	4,086,613
	Provision for impairment	(173,338)	(173,338)
		4,895,171	3,913,275

		30 September 2025	31 December 2024
	Note	(Un-audited)	(Audited)

8 CASH AND BANK BALANCES

	Conventional		
	- Current accounts	8.1	9,383
	- Savings account		2,361,441
			2,370,824
	Islamic		
	- Current accounts	8.1	62,625
	- Savings account		51
			62,676
			2,433,500

8.1 These carry interest rate from 4.0% to 11.10% per annum (31 December 2024: 13.50% per annum).

8.2 CASH AND CASH EQUIVALENTS

		30 September 2025	30 September 2024
		(Un-audited)	(Un-audited)
	Cash and bank balances	2,433,500	183,595
	TDRs with banks having maturity less than three months	414,499	714,498
		2,847,999	898,093

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

	30 September 2025	31 December 2024
	(Un-audited)	(Audited)
9 TRADE AND OTHER PAYABLES		
Trade creditors including bills payable	4,540,256	7,064,563
Sindh Development and maintenance of Infrastructure Cess	7,126,934	6,205,754
Provision for Gas Infrastructure Development Cess (GIDC)	3,113,744	3,113,744
Provision for Captive Gas Tariff rate differential	201,802	201,802
Accrued expenses	1,271,224	1,195,680
Workers' Profit Participation Fund (WPPF)	74,916	-
Workers' Welfare Fund (WWF)	67,469	114,852
Contract liabilities - advances from customers	22,895	387
Retention money	5,668	276
Withholding tax payable	8,300	4,706
Others	155,556	160,499
	16,588,764	18,062,263

10 ACCRUED INTEREST

This mainly represents interest payable to Mortar Investments International Limited amounting to USD 1.52 million (31 December 2024: USD 1.52 million) on long-term loans previously repaid by ICI Pakistan Limited. The amount is still unpaid due to certain legal and procedural complexities with respect to foreign remittance.

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There is no significant change in the status of contingencies as reported in the annual financial statement for the year ended 31 December 2024.

11.2 Commitments and Guarantees

11.2.1 Commitments for capital expenditure as at 30 September 2025 amounted to Rs 221.67 million (31 December 2024: Rs 88.39 million).

11.2.2 Commitments for rentals under Ijarah contracts for vehicles are as follows:

	30 September 2025	31 December 2024
	(Un-audited)	(Audited)
Not later than 1 year	21,003	79,731
Later than 1 year and not later than 5 years	228,572	183,275
	249,575	263,006

11.2.3 Commitments for rentals under agreement in respect of services are priced in foreign currency and converted at the exchange rate are as follows:

	30 September 2025	31 December 2024
	(Un-audited)	(Audited)
Not later than 1 year	669,830	1,015,740
Later than 1 year and not later than 5 years	-	584,050
	669,830	1,599,790

11.2.4 The facilities for guarantees from banks as at 30 September 2025 amounted to Rs 12,700 million (31 December 2024: Rs 12,200 million). Outstanding guarantees of the Company as at 30 September 2025 were Rs 8,197.35 million (31 December 2024: Rs 8,158.44 million).

11.2.5 The facilities for opening letters of credit from banks as at 30 September 2025 amounted to Rs 46,800 million (31 December 2024: Rs 50,800 million). Letters of credit issued on behalf of the Company as at 30 September 2025 were Rs 3,165.42 million (31 December 2024: Rs 2,826.96 million).

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

Amounts in Rs '000

		Nine months period ended 30 September (Un-audited)	
		2025	2024
12	REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
	Manufactured goods		
	Local sales	71,398,913	104,435,372
	Less: Sales tax	(10,891,360)	(15,688,768)
	Price settlements and discounts / rebates	(1,753,693)	(2,405,529)
		58,753,860	87,052,976
	Trading goods		
	Local sales	2,129,180	2,289,427
	Less: Sales tax	(324,790)	(349,235)
	Price settlements and discounts	(17,130)	(16,432)
		1,787,260	1,923,760
		60,541,120	88,976,736
		Nine months period ended 30 September (Un-audited)	
		2025	2024
13	COST OF SALES		
	Manufactured goods		
	Opening stock of raw and packing materials	6,101,430	5,852,346
	Purchases	49,230,029	71,658,256
	Closing stock of raw and packing materials	(7,545,412)	(6,241,884)
	Raw and packing materials consumed	47,786,047	71,268,718
	Salaries, wages and benefits	817,198	728,207
	Stores and spares consumed	333,213	335,801
	Rentals under ijarah arrangements	22,539	24,107
	Insurance	181,395	196,081
	Oil, gas and electricity	6,242,643	6,392,443
	Travelling	100,526	106,881
	Depreciation and amortisation	1,156,405	830,795
	Repairs and maintenance	505,791	416,934
	Others	68,214	60,824
	Cost of goods manufactured	57,213,971	80,360,791
	Opening stock of finished goods	332,132	7,176,790
		57,546,103	87,537,581
	Closing stock of finished goods	(847,986)	(5,155,625)
	Cost of goods manufactured sold	56,698,117	82,381,956
	Trading goods		
	Opening stock	312,628	333,039
	Purchases	1,448,084	1,507,508
	Closing stock	(265,597)	(275,116)
	Cost of trading goods sold	1,495,115	1,565,431
		58,193,232	83,947,387

Note

13.1 This includes reversal of charge related to palladium metal recovered from a used batch.

For the nine months period ended 30 September 2025

**Nine months period ended
30 September (Un-audited)**

18.1 This includes provision for super tax @10% amounting to Rs 240.17 million (30 September 2024: Rs 446.50 million).

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

		Nine months period ended 30 September (Un-audited)	
		2025	2024
19 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levies		1,374,382	4,363,166
Adjustments for non-cash charges and other items			
Depreciation and amortisation		1,168,504	867,092
Obsolete and slow moving stores and spare parts - write off		1,372	-
Gain on disposal of property, plant and equipment		(2,552)	-
Provision for retirement benefit obligations		18,355	17,075
Finance cost		186,081	217,643
Income from financial assets		(456,343)	(910,617)
		915,417	191,193
		2,289,799	4,554,359
Effect on cashflows due to working capital changes			
(Increase) / decrease in current assets:			
Stores and spare parts		(49,902)	(582,647)
Stock-in-trade		(1,912,805)	1,689,550
Trade debts		(2,391,124)	4,856,913
Loans and advances		6,607	(12,512)
Trade deposits and short-term prepayments		(57,290)	26,726
Other receivables		18,819	(15,675)
Sales tax refunds due from government		(981,896)	(1,726,335)
		(5,367,591)	4,236,020
Decrease in trade and other payables		(1,377,086)	(1,176,075)
Cash (used in) / generated from operations		(4,454,878)	7,614,304

20 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of parent company, related group companies, directors of the Company, companies where directors also hold directorships, key management personnel and staff retirement funds. All transactions with related parties are entered into at agreed terms. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

Relationship	Nature of transactions	Nine months period ended 30 September (Un-audited)	
		2025	2024
Associates - Group Company	Purchase of goods from Lotte Kolson (Private) Limited	830	884
Associates - Common Directorship	Purchase of goods from Nova Care (Pvt.) Ltd.	295	433
	Purchase of services - The Pakistan Business Council	-	2,500
	Sale of goods to Novatex Limited - gross sales	15,758,565	34,813,535
	Sale of goods to Gatron Industries Limited - gross sales	3,597,236	3,978,879
Key management personnel	Salaries and other short-term benefits	48,887	39,690
	Retirement benefits	1,857	4,247
Others	Payments to retirement benefit funds	104,103	96,332

Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended 30 September 2025

21 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on 29 October 2025.


Jo Hyun Kwoun
Chairman


Young Dae Kim
Chief Executive


Ashiq Ali
Chief Financial Officer

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