



# LIFE ENHANCED

## IT'S OUR NATURE

**QUARTERLY REPORT 2026**  
**(October-December 2025)**



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# Company Information

## Chairman

Mujtaba Rahim

## Board of Directors

Irfan Chawala  
Chief Executive Officer

Dr. Lalarukh Ejaz

Patrick Verraes  
(Alternate: Naveed Kamil)

Shahid Ghaffar

Victor Garcia

Yasmin Peermohammad

## Audit Committee

Shahid Ghaffar  
Chairman

Dr. Lalarukh Ejaz

Patrick Verraes  
(Alternate: Naveed Kamil)

Irfan Lakhani  
Secretary

## Human Resources and Remuneration Committee

Yasmin Peermohammad  
Chairperson

Irfan Chawala

Patrick Verraes  
(Alternate: Naveed Kamil)

Irfan Lakhani  
Secretary

## Management Committee

Irfan Chawala

Muhammad Altaf

Naveed Kamil

Qazi Naeemuddin

Altaf Jamal Khan

Hadi Raza Iakhani

## Chief Financial Officer

Altaf Jamal Khan

## Company Secretary

Irfan Lakhani

## Bankers



## Auditors

KPMG Taseer Hadi & Co. Chartered Accountants

## Legal Advisor

Fazleghani Advocates

## Share Registrar

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

## Registered Office

1-A/1, Sector 20, Korangi Industrial Area, Korangi, Karachi

## Factories

Petaro Road, Jamshoro,  
LX-10, LX-11 Landhi Industrial Area, Karachi

## Sales & Marketing Offices

Katar Bund Road, Off. Multan Road, Thokar Niaz Baig, Lahore  
P-277, Kashmir Road, Amin Town, Faisalabad

## Website

[www.archroma.com.pk](http://www.archroma.com.pk)

## E-mail

[archroma.pakistan@archroma.com](mailto:archroma.pakistan@archroma.com)

# **Directors' Report**

The Directors of your Company are pleased to present their report for the first quarter ended 31st December 2025, together with the un-audited condensed interim financial information of the Company.

## **Composition of Board**

The composition of the Board is as follows:

a) Male	5
b) Female	2

Out of the above:

a) Executive Director:	1
b) Non-Executive Directors	3
c) Independent Directors	3

## **Business Overview**

Textiles' and Construction industry demand & consumer sales continued to show positive development both for local as well as exports during the first quarter of the current financial year under review, which is despite higher energy, fluctuating commodity prices, on-going Russia-Ukraine & other regional conflicts and highly complex trade and supply chain environment on the back of cost related challenges coming from Tariffs imposed by USA.

In the light of the this continuously evolving business environment & increasing cost pressures, your Company further improved its support in meeting customers' expectations and provided them with cost-effective production systems & solutions to help them gain new business. Archroma, as a consequence, managed to achieve net sales of PKR 7,842 million during the first quarter ended 31 December 2025 versus PKR 7,217 million in comparison to the same period last year. Positive contributions coming from better raw materials' sourcing, effective cost savings initiatives, improved product mix & plant capacity utilization further supported Gross Margins, which went up to PKR 2,029 million versus 1,640 million for the Company in comparison to the same period last year.

Moreover, considerably stable foreign exchange rates and reduced borrowing costs further contributed to improving the bottom-line profitability of your Company to PKR 442 million versus PKR 356 million in comparison to the same period last year.

## **Future Outlook**

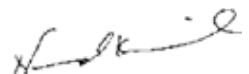
The global energy and commodities' prices, raw materials' supply chain and availability situation is foreseen to remain complex due to the ongoing Russia-Ukraine conflict and evolving Europe and Middle East situation. Consequently, balance of trade and forex reserves' situation in Pakistan is anticipated to remain under pressure and may continue to create new challenges for the businesses in the coming months. However, the long-term financing arrangements with the World bank, debt rescheduling & equity conversion programs currently under discussions with certain lending agencies and regional countries along with on-going stricter implementation of corrective fiscal measures' is expected to positively contribute towards improvement in the overall macro-economic situation for Pakistan, which in turn is also anticipated to support business development for Textiles and Construction Industries of the Country.

Management of your Company remains confident that with the stringent measures in place to maintain control on the Company's net working capital situation and growing projects' pipeline to further increase its market share and penetration through portfolio expansion and business development for the Company in the remaining part of the current financial year.

On behalf of the Board



Irfan Chawala  
**Chief Executive Officer**



Naveed Kamil  
**Director**

Karachi: 29th January 2026

خام مال کی بہتر سو رنگ، موثر لاگت میں بچت کے اقدامات، مصنوعات کے بہتر امترانج اور پلانٹ کی استعداد کے بہتر استعمال سے حاصل ہونے والی ثابت شرکت نے مجموعی منافع (گراس مارجن) کو مزید تقویت دی، جو بڑھ کر 2,029 ملین روپے ہو گیا، جبکہ گزشتہ سال اسی مدت میں یہ 1,640 ملین روپے تھا۔

مزید برآں، زریمبا دلہ کی نسبتاً منظم شرکتوں اور قرضہ جاتی لاگت میں کمپنی کی مچلی سطح کی منافع بخش کارکردگی میں مزید بہتری لاتے ہوئے اسے 442 ملین روپے تک پہنچادیا، جبکہ گزشتہ سال اسی مدت میں یہ 356 ملین روپے تھی۔

### مستقبل کا منظر نامہ

عالمی سطح پر تو انائی اور اجنباس کی قیمتیں، خام مال کی سپلائی چین اور دستیابی کی صورتحال، روس۔ یوکرین تنازع اور یورپ و مشرق و سطحی کی بدلتی ہوئی صورتحال کے باعث بدستور پیچیدہ رہنے کا امکان ہے۔ اس کے نتیجے میں پاکستان کے تجارتی توازن اور زریمبا دلہ کے ذخیرہ پر دباؤ پر قرار رہنے کی توقع ہے، جو آئندہ ہمینوں میں کاروبار کے لیے نئے چیلنجز پیدا کر سکتا ہے۔

تاہم، عالمی بینک کے ساتھ طویل المدى مالی معاونت کے انتظامات، قرضوں کی ری شیڈ ونگ اور ایکوئی میں تبدیلی کے پروگرامز جن پر مختلف قرض دہنده اداروں اور علاقائی مالک کے ساتھ بات چیت جاری ہے، نیز اصلاحی مالیاتی اقدامات کے سخت نفاذ سے پاکستان کی مجموعی معاشی صورتحال میں بہتری آنے کی توقع ہے۔ اس بہتری کے نتیجے میں ملک کی ٹیکسٹائل اور تغیراتی صنعتوں کے لیے کاروباری ترقی کے موقع بھی میسر آنے کی توقع ہے۔

آپ کی کمپنی کی انتظامیہ کو پورا یقین ہے کہ نیٹ ورکنگ کیپل پر سخت کنٹرول کے لیے نافذ کیے گئے اقدامات اور منصوبوں کی بڑھتی ہوئی پائپ لائن کے ذریعے، کمپنی کے پورٹ فولیو میں توسعہ اور کاروباری ترقی کے ذریعے جو مارکیٹ شیپر اور سائی کو مزید بڑھانے میں معاون ہو گی، کمپنی موجودہ مالی سال کے باقی حصے میں اپنے کاروبار کو مزید وسعت دے سکے گی۔

بورڈ کی جانب سے

عفان چاہ والا  
چیف ایگزیکیٹو آفیسر

کراچی: 29 جنوری 2026

## ڈائریکٹر کی رپورٹ

آپ کی کمپنی کے ڈائریکٹر، 31 دسمبر 2025 کو ختم ہونے والی پہلی سماں ہی کیلئے کمپنی کی غیر آڈٹ شدہ کنڈیشنل عبوری مالیاتی معلومات کیساتھ انہی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

### بورڈ کی تشکیل

بورڈ کی تشکیل درج ذیل ہے:

5	مرد	-a
2	خواتین	-b

مندرجہ بالا میں سے:

1	ایگریکٹوڈ اریکٹر	-a
3	نان ایگریکٹوڈ اریکٹر	-b
3	آزاد اریکٹر	-c

### کاروباری جائزہ:

ٹیکسٹائل اور تعمیراتی صنعت میں طلب اور کنٹری پر سیلز، زیر جائزہ موجودہ مالی سال کی پہلی سماں ہی کے دوران، مقامی اور بین الاقوامی سطح پر ثابت پیش رفت کا مظاہرہ کرتی رہی۔ یہ پیش رفت بلند توانائی لائگت، اجنس کی قیتوں میں اتار چڑھاو، روس۔ یوکرین اور دیگر علاقائی تازعات، نیز امریکی حکومت کی جانب سے عائد کردہ ٹیرف کے باعث لائگت سے متعلق چینج بز کے پس منظر میں انہائی پیچیدہ تجارتی اور سپلائی چین ماحول کے باوجود حاصل ہوئی۔

اس مسلسل بدلتے ہوئے کاروباری ماحول اور بڑھتے ہوئے لائگت کے دباؤ کے تناظر میں، آپ کی کمپنی نے صارفین کی توقعات پر پورا اترنے کے لیے اپنی معاونت کو مزید بہتر بنایا اور انہیں کم لائگت پیداواری نظام اور حل فراہم کیے تاکہ وہ نئے کاروباری موقع حاصل کر سکیں۔ اس کے نتیجے میں، آر کرو مانے 31 دسمبر 2025 کو ختم ہونے والی پہلی سماں ہی کے دوران 7,842 ملین روپے کی خالص فروخت حاصل کی، جو کہ گزشتہ سال اسی مدت میں 7,217 ملین روپے تھی۔

# Financial Statement

## Condensed Interim Statement of Financial Position (Unaudited)

As at 31 December 2025

	Note	Unaudited 31 December 2025 (Rupees in '000)	Audited 30 September 2025 (Rupees in '000)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	2,519,629	2,524,103
Long term deposits and prepayments		13,205	13,205
Employee benefits	10	14,542	27,977
		<b>2,547,376</b>	<b>2,565,285</b>
<b>Current assets</b>			
Stores and spares	6	111,918	93,689
Stock-in-trade		5,806,027	4,511,178
Trade receivables	7	8,017,953	5,700,521
Advances		14,829	14,086
Trade deposits and short-term prepayments		63,846	82,193
Other receivables		85,133	101,045
Sales tax		1,419,825	1,216,330
Taxation - net		361,073	458,206
Cash and cash equivalents	8	436,254	985,207
		<b>16,316,858</b>	<b>13,162,455</b>
<b>TOTAL ASSETS</b>		<b>18,864,234</b>	<b>15,727,740</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
63,000,000 (September 30, 2025: 63,000,000) ordinary shares of Rs.10 each		<b>630,000</b>	<b>630,000</b>
<b>Issued, subscribed and paid-up share capital</b>			
34,563,341 (September 30, 2025: 34,563,341) ordinary shares of Rs.10 each	9	<b>345,633</b>	<b>345,633</b>
<b>Capital reserve</b>			
Amalgamation reserve		<b>93,545</b>	<b>93,545</b>
<b>Revenue reserves</b>			
General reserve		2,747,000	2,747,000
Unappropriated profit		1,320,111	1,223,800
		<b>4,067,111</b>	<b>3,970,800</b>
<b>TOTAL EQUITY</b>		<b>4,506,289</b>	<b>4,409,978</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred taxation - net	10	163,818	158,292
Employee benefit obligations	12	18,135	18,809
Lease liabilities	13	152,533	151,599
Liabilities against diminishing musharika financing		221,713	243,698
		<b>556,199</b>	<b>572,398</b>
<b>Current liabilities</b>			
Trade and other payables		10,233,779	7,113,651
Unclaimed dividend		85,794	85,794
Unpaid dividend		291,951	18,579
Mark-up accrued		31,544	56,847
Short-term borrowings - secured	11	3,012,272	3,325,939
Current portion of lease liabilities	12	50,145	49,267
Current portion of liabilities against diminishing musharaka financing	13	96,261	95,287
		<b>13,801,746</b>	<b>10,745,364</b>
<b>TOTAL LIABILITIES</b>		<b>14,357,945</b>	<b>11,317,762</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	14		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,864,234</b>	<b>15,727,740</b>

The annexed notes, from 1 to 21 form an integral part of these financial statements.

Irfan Chawala  
Chief Executive Officer

Naveed Kamil  
Director

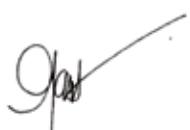
Altaf Jamal Khan  
Chief Financial Officer

## Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

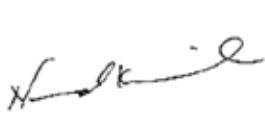
For the three months period ended 31 December 2025

	Note	31 December 2025 (Rupees in '000)	Quarter ended 31 December 2024 (Rupees in '000)
<b>Sales</b>	16	<b>9,221,220</b>	8,519,021
Trade discounts and rebates	16	(270,674)	(283,917)
Sales tax	16	(1,107,692)	(1,017,921)
<b>Sales - net</b>	16	<b>(1,378,366)</b>	<b>(1,301,838)</b>
Cost of sales		7,842,854	7,217,183
<b>Gross profit</b>		<b>(5,814,223)</b>	<b>(5,576,593)</b>
		<b>2,028,631</b>	1,640,590
Distribution and marketing expenses		(934,465)	(862,158)
Administrative expenses		(240,636)	(257,308)
Impairment loss on trade receivables		(3,715)	(994)
Other operating expenses		(55,500)	(35,000)
		<b>(1,234,316)</b>	<b>(1,155,460)</b>
<b>Operating profit</b>		<b>794,315</b>	485,130
Other income		<b>42,156</b>	42,658
		<b>836,471</b>	527,788
Finance costs		<b>(104,462)</b>	<b>(114,188)</b>
<b>Profit before minimum, final and income taxes</b>		<b>732,009</b>	413,600
Minimum and final taxes charge		<b>(101,419)</b>	<b>(92,120)</b>
<b>Profit before income tax</b>		<b>630,590</b>	321,480
Income tax (charge)/reversal		<b>(188,646)</b>	34,574
<b>Profit after taxation</b>		<b>441,944</b>	356,054
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>441,944</b>	356,054
		<b>----- (Rupees) -----</b>	
<b>Earnings per share</b>	17	<b>12.79</b>	10.30

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



Irfan Chawala  
Chief Executive Officer



Naveed Kamil  
Director



Altaf Jamal Khan  
Chief Financial Officer

# Financial Statement

## Condensed Interim Statement of Cash Flows (Unaudited)

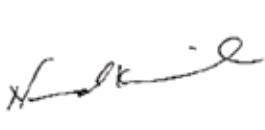
For the three months period ended 31 December 2025

	Note	31 December 2025 (Rupees in '000)	31 December 2024 (Rupees in '000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before minimum, final and income taxes		732,009	413,600
Adjustments for non-cash charges and other items:			
Depreciation		76,725	87,576
Impairment reversal on trade receivables		3,715	994
Gain on disposal of operating property, plant and			
Provision for staff gratuity		13,435	12,989
Interest / mark-up expense		64,163	121,120
Working capital changes	18	(684,076)	1,470,927
Cash generated from operations		205,971	2,107,206
Staff gratuity paid		(674)	(93)
Mark-up paid		(89,466)	(228,749)
Income taxes paid		(187,406)	(255,658)
<b>Net cash (used in)/generated from operating activities</b>		(71,575)	1,622,706
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure		(53,139)	(39,674)
Proceeds from disposal of property, plant and equipment		6,513	4,171
<b>Net cash used in investing activities</b>		(46,626)	(35,503)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments against lease liabilities		(14,990)	4,829
Payments against diminishing musharika financing - net		(29,834)	(24,382)
Short-term borrowings - proceeds		-	200,000
Short-term borrowings - repayments		(1,268)	(500,000)
Dividend paid		(72,261)	(1,120)
<b>Net cash (used) in financing activities</b>		(118,353)	(320,673)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(236,554)	1,266,530
Cash and cash equivalents at beginning of the Period		629,708	(384,619)
<b>Cash and cash equivalents at end of the Period</b>	18.1	393,154	881,911

The annexed notes, from 1 to 21 form an integral part of these financial statements.



Irfan Chawala  
Chief Executive Officer



Naveed Kamil  
Director



Altaf Jamal Khan  
Chief Financial Officer

## Condensed Interim Statement of Changes in Equity (Unaudited)

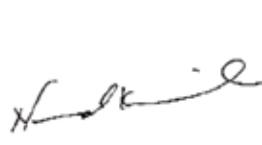
For the three months period ended 31 December 2025

	Issued, subscribed and paid-up capital	Capital Reserve	Revenue Reserve		
		Amalgamation reserve	General Reserve	Unappropriat- ed profit	Total equity
(Rupees in '000)					
<b>Balance as at 30 September 2024 (Audited)</b>	345,633	93,545	2,747,000	591,389	3,777,567
<b>Total comprehensive income for the period ended 31 December 2024</b>					
Profit for the period	-	-	-	356,054	356,054
Other comprehensive income	-	-	-	-	-
	-	-	-	356,054	356,054
<b>Balance as at 31 December 2024 (Unaudited)</b>	<b>345,633</b>	<b>93,545</b>	<b>2,747,000</b>	<b>947,443</b>	<b>4,133,621</b>
<b>Balance as at 30 September 2025 (Audited)</b>	<b>345,633</b>	<b>93,545</b>	<b>2,747,000</b>	<b>1,223,800</b>	<b>4,409,978</b>
<b>Transactions with owners of the Company - Distribution</b>					
Final cash dividend at 100% (i.e. Rs. 10 per share) for the year ended 30 September 2025	-	-	-	(345,633)	(345,633)
<b>Total comprehensive income for the period ended 31 December 2025</b>					
Profit for the period	-	-	-	441,944	441,944
Other comprehensive income	-	-	-	-	-
	-	-	-	441,944	441,944
<b>Balance as at 31 December 2025 (Unaudited)</b>	<b>345,633</b>	<b>93,545</b>	<b>2,747,000</b>	<b>1,320,111</b>	<b>4,506,289</b>

The annexed notes, from 1 to 21 form an integral part of these financial statements.



Irfan Chawala  
Chief Executive Officer



Naveed Kamil  
Director



Altaf Jamal Khan  
Chief Financial Officer

# Financial Statement

## Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 December 2025

### 1. THE COMPANY AND ITS OPERATIONS

Archroma Pakistan Limited ("the Company") is a limited liability company, incorporated and domiciled in Pakistan. The address of its registered office is 1-A/1, Sector 20, Korangi Industrial Area, Korangi, Karachi, Pakistan. The Company is listed on the Pakistan Stock Exchange. The Company is a subsidiary of Archroma Textiles GmbH, registered and head quartered in Pratteln, Switzerland which holds 75% of the share capital of the Company.

The Company is primarily engaged in the manufacture and sale of chemicals, dyestuffs and coating, adhesive and sealants. It also acts as an indenting agent.

The manufacturing facilities and sales offices of the Company are situated at the following locations:

#### Manufacturing Facilities

- Petaro Road, Jamshoro
- LX-10 & LX-11 Landhi Industrial Area Karachi

#### Sales offices

- Katar Bund Road, Off. Multan Road, Thokar Niaz Baig, Lahore
- P-277, Kashmir Road, Amin Town, Faisalabad

### 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 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 September 2025.

#### 2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand of rupees, unless otherwise stated.

## Condensed Interim Statement of Changes in Equity (Unaudited)

For the three months period ended 31 December 2025

### 3. ACCOUNTING POLICIES

**3.1** The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of the published annual audited financial statements of the Company for the year ended 30 September 2025.

**3.2** A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 October 2025 and earlier application is permitted. The Company has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 September 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statement for the year ended 30 September 2025.

5. PROPERTY, PLANT AND EQUIPMENT	Note	31 December	30 September
		2025	2025
		(Un-audited)	(Audited)
		(Rupees in '000)	(Rupees in '000)
Operating property, plant and equipment	5.1	2,435,692	2,455,034
Capital work-in-progress	5.3	83,937	69,069
		<u>2,519,629</u>	<u>2,524,103</u>

**5.1** The following operating property, plant and equipment have been added during the three months period ended 31 December 2025 :

Building on leasehold land	Furniture, fixtures and equipment	Vehicles	Total December 2025	Total December 2024
Owned	Owned	Owned ROUA		
----- (Rupees in '000) -----				

Additions for the quarter

31-Dec-25	10,104	28,166	-	25,625	63,895	90,325
Total	<b>10,104</b>	<b>28,166</b>	<b>-</b>	<b>25,625</b>	<b>63,895</b>	<b>90,325</b>

**5.1.1** Operating property, plant and equipment include right-of-use asset on buildings of Rs.Nil recognised during the period.

**5.1.2** Additions to owned furniture, fixtures and equipments includes direct additions of Rs.9.723 million and transfers from capital work in progress of Rs.18.442 million respectively.

# Financial Statement

## Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 December 2025

**5.2** Property, plant and equipment disposed off during the three months period ended 31 December 2025 are as follows:

	Plant and machinery	Vehicles	Total December 2025	Total December 2024
	Owned	Owned	ROUA	(Rupees in '000)
Cost	-	-	10,037	10,037
Accumulated depreciation	-	-	(3,524)	(3,524)
Net book value	-	-	<b>6,513</b>	<b>6,513</b>
				<b>4,171</b>

**5.3** Additions to capital work in progress during the three months period ended 31 December 2025 amounted to Rs. 43.42 million and transfer to operating fixed assets amounted to Rs. 28.55 million.

	31 December 2025 (Un-audited) (Rupees in '000)	30 September 2025 (Audited) (Rupees in '000)
<b>6. STOCK-IN-TRADE</b>		
Raw and packing materials including goods in transit of Rs. 1,004.47 million (30 September 2025: Rs. 642.98 million)	<b>3,877,289</b>	2,778,712
Work-in-process-net	<b>372,983</b>	353,534
Finished goods including goods in transit of Rs. 43.881 million (30 September 2025: Rs. 17.137 million)-net	<b>1,555,755</b>	1,378,932
	<b>5,806,027</b>	<b>4,511,178</b>
<b>7. TRADE RECEIVABLES</b>		
Considered good	<b>8,017,953</b>	5,700,521
Considered doubtful	<b>544,767</b>	541,052
	<b>8,562,720</b>	6,241,573
Provision for impairment loss on trade receivables	<b>(544,767)</b>	(541,052)
	<b>8,017,953</b>	<b>5,700,521</b>
<b>8. CASH AND CASH EQUIVALENTS</b>		
With bank on:		
Foreign		
- in current accounts	<b>81,798</b>	90,821
Local		
In current accounts	<b>56,106</b>	119,414
In saving accounts	<b>37,817</b>	187,243
Certificates of Investments	<b>260,000</b>	587,500
Cash in hand	<b>435,721</b>	984,978
	<b>533</b>	229
	<b>436,254</b>	<b>985,207</b>

## Condensed Interim Statement of Changes in Equity (Unaudited)

For the three months period ended 31 December 2025

### 9. SHARE CAPITAL

#### 9.1 Authorised Capital

31 December 2025	30 September 2025		31 December 2025 (Un-audited)	30 September 2025 (Audited)
Number of Shares			(Rupees in '000)	
50,000,000	50,000,000	Ordinary shares of Rs 10 each before arrangement/ merger	500,000	500,000
13,000,000	13,000,000	Ordinary shares of Rs 10 each acquired under the approved scheme of arrangement/merger	130,000	130,000
<u>63,000,000</u>	<u>63,000,000</u>		<u>630,000</u>	<u>630,000</u>

#### 9.2 Issued, subscribed and paid-up share capital

31 December 2025	30 September 2025		31 December 2025 (Un-audited)	30 September 2025 (Audited)
Number of Shares				
7,441,639	7,441,639	Ordinary shares of Rs 10 each issued for consideration other than cash before merger	74,416	74,416
26,676,242	26,676,242	Ordinary shares of Rs 10 each allotted as bonus share before merger	266,762	266,762
		Ordinary shares of Rs 10 each issued to shareholders of Archroma Chemicals Pakistan (Pvt) Ltd. , under the approved scheme of arrangement/merger	4,455	4,455
<u>445,460</u>	<u>445,460</u>		<u>345,633</u>	<u>345,633</u>
<u>34,563,341</u>	<u>34,563,341</u>			

9.3 Archroma Textiles GmbH, held 26,033,992 (2025: 26,033,992) ordinary shares of Rs.10 each at 31 December 2025.

9.4 All the ordinary shares carry one vote per share and right to dividend.

### 10 EMPLOYEE BENEFITS

#### Net defined benefit - assets

Employee retirement benefits - Gratuity

31 December 2025 (Un-audited)	30 September 2025 (Audited)
----- (Rupees in '000) -----	

14,542 27,977

#### Net defined benefit - liability

Employee retirement benefits - Gratuity

-	-
<u>18,135</u>	<u>18,809</u>
<u>18,135</u>	<u>18,809</u>

Other long term employee benefits - Long service award

### 11. SHORT-TERM BORROWINGS - secured

11.1 Short term Islamic and conventional finance facilities are available from various banks under profit arrangements, amounting to Rs. 11,000 million (Islamic Rs. 8,750 million & Conventional Rs. 2,250 million) (2025: Rs. 11,000 million). These facilities have various maturity dates up to 31 July 2026. These arrangements are secured against a pari passu charge of hypothecation on stock-in-trade and trade receivables with minimum 16.7% margin. These facilities other than Islamic Export Refinance Facility, carry profit ranging from 1 month KIBOR +0.1% to 3 month KIBOR + 0.35%. The aggregate amount of these facilities which has not been utilized as at reporting date was Rs. 7,986 million (2025: Rs. 7,674 million).

11.2 The Company has availed Islamic Export Refinance Facility under Part II amounting to Rs. 2,970 million (2025: Rs 2,970 million under the Export Financing Scheme of the State Bank of Pakistan (SBP). These arrangements are secured against a pari passu charge of hypothecation on stock-in-trade and trade receivables. The profit rates on these facilities range from 6.90% to 7.50% per annum (2025: 7.20% to 8.00% per annum).

# Financial Statement

## Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 December 2025

	31 December 2025 (Un-audited) (Rupees in '000)	30 September 2025 (Audited) (Rupees in '000)				
<b>12. LEASE LIABILITIES</b>						
<b>12.1 Lease liabilities included in the statement of financial position as at 31 Dec 2025</b>						
Current	<b>50,145</b>	49,267				
Non-Current	<b>152,533</b>	151,599				
	<b>202,678</b>	200,866				
<b>12.2 Maturity Analysis</b>						
Payable within one year	<b>50,145</b>	49,267				
Payable after one year but not later than 5 years	<b>102,337</b>	101,134				
Payable after 5 years	<b>210,370</b>	213,535				
Total undiscounted lease liability	<b>362,852</b>	363,936				
Future finance charges	<b>(160,174)</b>	(163,070)				
Net lease liabilities	<b>202,678</b>	200,866				
<b>12.3</b>	This includes present value of lease liabilities discounted at the incremental borrowing rate of 3 months KIBOR + 0.21% of the Company against lease agreement of head office and area office premises, respectively.					
<b>13. LIABILITIES AGAINST DIMINISHING MUSHARIKA FINANCING</b>						
Current	<b>96,261</b>	95,287				
Non-Current	<b>221,713</b>	243,698				
	<b>317,974</b>	338,985				
<b>13.1 Maturity Analysis</b>	<b>Due within one year</b>	<b>Due after one year but within 5 years</b>	<b>Total</b>			
	<b>31 December 2025</b>	<b>30 September 2025</b>	<b>31 December 2025</b>			
	<b>31 December 2025</b>	<b>30 September 2025</b>	<b>31 December 2025</b>			
	<b>30 September 2025</b>					
	----- (Rupees in '000) -----					
Liabilities against diminishing musharika finance	<b>96,261</b>	95,287	<b>221,713</b>	243,698	<b>317,974</b>	338,985

During the period, the Company has obtained various vehicles under diminishing musharika financing arrangement entered into with a Modaraba having various maturity dates up to 20 Nov 2030 with monthly principal repayments. The financing is secured against the respective vehicles. The rate of profit on the borrowing ranges from 3 months KIBOR + 0.50% per annum to 3 months KIBOR + 0.9% per annum.

## Condensed Interim Statement of Changes in Equity (Unaudited)

For the three months period ended 31 December 2025

### 14. CONTINGENCIES AND COMMITMENTS

#### 14.1 Contingencies

**14.1.1** Contingencies are the same as those disclosed in annual audited financial statements for the year ended 30 September 2025.

#### 14.2 Commitments

**14.2.1** Banks have provided guarantees to various parties on behalf of the Company. Guarantees outstanding as at 31 December 2025 amount to Rs.1,209.42 million (30 September 2025: Rs. 1,149.42 million). This includes guarantee amounting to Rs.893.62 million (30 September 2025: Rs.833.62 million) provide to Excise and Taxation department in respect of infrastructure cess.

**14.2.2** The Company has provided post dated cheques amounting to Rs. 6,371.38 million (30 September 2025: Rs. 6,371.38 million) in favour of the collector of customs and which are, in the normal course of business, to be returned to the Company after fulfilment of certain conditions.

**14.2.3** Commitments for capital expenditure as at 31 December 2025 aggregated to Rs. 53.78 million (30 September 2025: Rs. 30.76 million).

**14.2.4** Commitments under letters of credit for stock-in-trade and stores and spares as at 31 December 2025 amount to Rs. 980 million (30 September 2025: Rs. 1,236.61 million).

#### 14.3 Tax Contingencies

Tax contingencies are the same as those disclosed in the audited annual financial statements 30 September 2025. Except for the following.

##### Description of tax proceedings

Name of the court, agency or authority	Description of the factual basis of the proceedings and relief sought	Principal parties	Date instituted
Appellate Tribunal Inland Revenue (ATIR)	The Company's income tax return for Tax Year 2020 was selected for audit under Section 214D (now Section 214C) of the Income Tax Ordinance, 2001. Following completion of audit proceedings, the Assistant Commissioner Inland Revenue (ACIR) passed an amended assessment order under Section 122(5A), raising a demand of Rs. 218 million due to various additions and disallowances. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], who granted partial relief by deleting certain disallowances while upholding others. The Company then preferred an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the issues decided adversely by the CIR(A), which is currently pending adjudication. Subsequently, the ACIR passed the appeal effect order, wherein most of the issues were deleted while a few additions were confirmed, and the matter relating to allocation of expenses was remanded back; however, the ACIR repeated the earlier addition. Moreover, the ACIR did not comply with the CIR(A)'s directions regarding the federal levy of Workers Welfare Fund (WWF) and erroneously added the same to the total tax liability, which constitutes a mistake apparent from the record. The Company has filed a rectification application in this regard, and following the appeal effect order, a revised tax demand of Rs. 80 million has been raised, against which an appeal has been filed before the ATIR, currently pending adjudication.	The Assistant Commissioner Inland Revenue (ACIR) and the Company	29 December 2022

# Financial Statement

## Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 December 2025

### 15. FAIR VALUE OF FINANCIAL INSTRUMENTS/ FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to a variety of financial risk namely credit risk, foreign exchange risk (note 16), interest rate risk and liquidity risk. The Company is not exposed to any price risk as it does not hold any investment exposed to price risk. The Company has established adequate procedures to manage these risks.

These condensed interim financial statements does not include the financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with Company's annual audited financial statements for the year ended 30 September 2025. There have been no changes in the risk management policies since the year end.

#### Fair Value Hierarchy

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

#### 15.1 Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

	31 dec 2025(Unaudited)				
	Carrying amount		Fair value		
	Amortised cost	Other financial liabilities	Level 1	Level 2	Level 3
----- (Rupees in '000) -----					
<strong>Financial assets not measured at fair value</strong>					
Deposits	26,458		-		
Trade receivables	8,017,953		-		
Other receivables	85,133		-		
Cash and bank balances	436,254		-		
	<strong>8,565,798</strong>		-		
<strong>Other financial liabilities at amortised cost</strong>					
Liabilities against diminishing musharika finance	-	317,974			
Trade and other payables	-	10,066,833			
Short-term borrowings	-	3,012,272			
Mark-up accrued	-	31,544			
Unclaimed dividend	-	85,794			
Unpaid dividend	-	291,951			
	<strong>-</strong>	<strong>13,806,368</strong>			

## Condensed Interim Statement of Changes in Equity (Unaudited)

For the three months period ended 31 December 2025

	30 September 2025 (Audited)				
	Carrying amount		Fair value		
	Amortised cost	Other financial liabilities	Level 1	Level 2	Level 3
----- (Rupees in '000) -----					
<b>Financial assets not measured at fair value</b>					
Deposits	19,160	-			
Trade receivables	5,700,521	-			
Other receivables	101,045	-			
Cash and bank balances	985,207	-			
	<b>6,805,933</b>	<b>-</b>			
<b>Other financial liabilities at amortised cost</b>					
Liabilities against diminishing musharika finance	-	338,985			
Trade and other payables	-	6,999,400			
Short-term borrowings	-	3,325,939			
Mark-up accrued	-	56,847			
Unclaimed dividend	-	85,794			
Unpaid dividend	-	18,579			
	<b>-</b>	<b>10,825,544</b>			

The Company has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

## 16 SEGMENT INFORMATION

16.1 Segment information for the three months period ended 31 December 2025:

	Textile Effect (TE)		Packaging Technologies (PT)		Total	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
----- (Rupees in '000) -----						
Sales						
Domestic	<b>6,541,611</b>	5,907,832	<b>930,646</b>	984,741	<b>7,472,257</b>	6,892,573
Export	<b>1,748,963</b>	1,626,448	-	-	<b>1,748,963</b>	1,626,448
Total sales	<b>8,290,574</b>	7,534,280	<b>930,646</b>	984,741	<b>9,221,220</b>	8,519,021
Discount and commission	(266,024)	(277,017)	(4,650)	(6,900)	(270,674)	(283,917)
Sales tax	(963,476)	(865,276)	(144,216)	(152,645)	(1,107,692)	(1,017,921)
	<b>(1,229,500)</b>	<b>(1,142,293)</b>	<b>(148,866)</b>	<b>(159,545)</b>	<b>(1,378,366)</b>	<b>(1,301,838)</b>
Net sales (from external customers)	<b>7,061,074</b>	6,391,987	<b>781,780</b>	825,196	<b>7,842,854</b>	7,217,183
Segment results based on 'management approach'	<b>789,453</b>	483,276	<b>99,598</b>	83,343	<b>889,051</b>	566,619
Other expenses - WPPF and WWF					(55,500)	(35,000)
Assets charged to profit and loss for internal reporting purposes based on group guidelines					<b>2,920</b>	(3,831)
					<b>836,471</b>	527,788
Finance costs					(104,462)	(114,188)
Profit/(Loss) before taxation					<b>732,009</b>	413,600
Capital Expenditure including CWIP	<b>52,679</b>	38319	-	523	<b>52,679</b>	38,842
Unallocated					<b>460</b>	832
					<b>53,139</b>	39,674
Depreciation	<b>74,769</b>	85,165	<b>1518</b>	1,945	<b>76,287</b>	87,110
Unallocated					<b>438</b>	466
					<b>76,725</b>	87,576

# Financial Statement

## Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 December 2025

	Textile Effect (TE)		Packaging Technologies (PT)		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	31 Dec 2025	30 sep 2025	31 Dec 2025	30 sep 2025	31 Dec 2025	30 sep 2025
----- (Rupees in '000) -----						
Segment Assets	<b>13,897,457</b>	10,951,029	<b>1,717,136</b>	1,613,087	<b>15,614,593</b>	12,564,116
Unallocated					<b>3,249,641</b>	3,163,624
Total Assets					<b>18,864,234</b>	15,727,740
Segment Liabilities	<b>6,956,152</b>	4,852,096	<b>787,511</b>	520,235	<b>7,743,663</b>	5,372,331
Unallocated					<b>6,614,282</b>	5,945,431
Total Liabilities					<b>14,357,945</b>	11,317,762

## 17 EARNINGS PER SHARE

	Quarter ended 31-December		2024 (Rupees in '000)
	2025	2024	
<b>17.1 Basic</b>			
----- (Number of shares) -----			
Profit after taxation attributable to ordinary shareholders	<b>441,944</b>	356,054	
Weighted average number of ordinary shares outstanding during the period	<b>34,563,341</b>	34,563,341	
----- (Rupees) -----			
Earnings per share	<b>12.79</b>	10.30	

## 17.2 Diluted

There were no convertible dilutive potential ordinary shares in issue as at 31 Dec 2024 and 31 Dec 2025.

## 18 Working capital changes

### (Increase) / decrease in current assets

	Three months ended 31-December	31 December 2024
(Rupees in '000)		
Stores and spares	<b>(18,229)</b>	(23,322)
Stock-in-trade	<b>(1,294,849)</b>	4,287
Trade receivables	<b>(2,321,147)</b>	(1,461,496)
Loans and advances	<b>(743)</b>	196
Trade deposits and short-term prepayments	<b>18,347</b>	17,155
Other receivables	<b>(187,583)</b>	101,219
	<b>(3,804,204)</b>	(1,361,961)

### Increase in current liabilities

Trade and other payables	<b>3,120,128</b>	2,832,888
	<b>(684,076)</b>	1,470,927

## 18.1 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim statement of cash flows comprise of the following:

## Condensed Interim Statement of Changes in Equity (Unaudited)

For the three months period ended 31 December 2025

	Three months ended	
	31-December 2025	31 December 2024
		(Rupees in '000)
Cash and bank balances	436,254	927,792
Short-term running finance	(43,100)	(45,881)
	<b>393,154</b>	<b>881,911</b>

### 19. TRANSACTIONS WITH RELATED PARTIES

The related parties comprises of group companies, directors and their close family members, key management personnel and staff retirement funds. The Company enters into transactions with related parties for the sale of its products, purchase of goods, indenting business and rendering of certain services. Consideration for purchases and sales of goods and for services is determined with mutual agreement considering the nature and level of such goods and services.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers all members of their management team, including the CEO and Directors to be key management personnel. There are no transactions with key management personnel other than those under their terms of employment.

Details of transactions with related parties are as follows:

Name of related party	Nature of Relationship	Nature of Transaction	Unaudited 31 December	
			2025	2024
Archroma Management Gmbh, Switzerland	Associated company	Purchases & Services Royalty expenses Indenting commission	136,011	87,161
Archroma Turkey Kimya SAN.ve TIC Ltd.STI	Associated company	Purchases Sales	387,247	352,447
Archroma Specialty Kimya Sanayi ve Tic.A Sirk	Associated company	Purchases	10,086	11,636
Archroma Singapore,Pte Ltd	Associated company	Purchases Sales Indenting commission	3,274	1,592
Archroma Thailand co.Ltd.	Associated company	Purchases Sales	766,212	909,288
Archroma Textile Effects (Thailand)	Associated company	Indenting commission	9,433	-
PT Archroma Indonesia	Associated company	Purchases Sales Indenting commission	147,155	46,586
PT Archroma Specialties Indonesia	Associated company	Sales	80,019	-
Archroma Chemical China	Associated company	Sales	29,635	34,366
Archroma US Inc.	Associated company	Purchases	-	320
Archroma Iberica, S.L.	Associated company	Sales	188,681	66,932
Archroma Japan KK	Associated company	Sales	251	373
Swiss Business Council	Common directorship	Indenting commission	65,089	-
Jubilee life Insurance Company	Common directorship	Purchases Sales	2,209	-
Key management personnel	Related parties	Purchases Sales Salaries, benefits and compensations Post employment benefits	3,913	722
			7,936	3,911
			132	-
			6,675	-
			30,545	34,444
			-	-
			3,428	1,790
			24,655	15,002
			18,749	18,896
			30	130
			5,000	5,000
			59,001	68,774
			5,835	7,888

# Financial Statement

## Notes to the Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 December 2025

Name of related party	Nature of Relationship	Nature of Transaction	31 December 2025 (Un-audited)	30 September 2025 (Audited) (Rupees in '000)
Archroma Management GmbH, Switzerland	Associated company	Receivable Payable	20,030 482,801	10,176 355,034
Archroma Turkey Kimya SAN.ve TIC Ltd.STI	Associated company	Receivable Payable	548,272 3,262	1,069 3,321
Archroma Specialty Kimya Sanayi ve Tic.A Sirk	Associated company	Payable	9,433	-
Archroma Singapore, Pte Ltd	Associated company	Receivable Payable	104,077 118,176	77,878 118,733
Archroma Textile Mexico S.De	Associated company	Payable	99,192	100,429
Archroma (Thailand) Company Ltd	Associated company	Receivable	188,797	119,466
Archroma Textile Effects (Thailand) Ltd.	Associated company	Receivable Payable	2,209 58,805	- -
PT Archroma Indonesia	Associated company	Receivable Payable	8,058 1,337	6,986 9,133
PT Archroma Specialties Indonesia	Associated company	Receivable	7,571	7,213
Archroma Chemical China Limited	Associated company	Receivable	30,496	14,654
Archroma Japan KK	Associated company	Receivable	18,711	4,362
Archroma U.S	Associated company	Payable	4,648	3,353
Archroma Egypt for Chemical SAE	Associated Company	Payable	1,106	1,120

### 20 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on 29 January 2026 by the Board of Directors of the Company.

### 21 GENERAL

Figures have been rounded off to the nearest thousand rupees.



Irfan Chawala  
Chief Executive Officer



Naveed Kamil  
Director



Altaf Jamal Khan  
Chief Financial Officer

# The Archroma Way

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