



SHAFFI CHEMICAL Industries Limited

Half-Yearly
Report
31 December,
2025



SHAFFI CHEMICAL INDUSTRIES LIMITED

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SHAFFI CHEMICAL INDUSTRIES LIMITED

CORPORATE PROFILE

BOARD OF DIRECTORS

1. Mr. Ifikhar Shaffi	Chief Executive	<i>(Executive)</i>
2. Mr. Nazir Ahmad	Director	<i>(Independent)</i>
3. Mr. Imran Kabir	Director	<i>(Independent)</i>
4. Mr. Muhammad Sameer	Director	<i>(Non-Executive)</i>
5. Mrs. Seema Ifikhar	Director	<i>(Non-Executive)</i>
6. Mr. Hashim Aslam Butt	Director	<i>(Non-Executive)</i>
7. Mr. Mohib Hussain	Director	<i>(Non-Executive)</i>

COMPANY SECRETARY

- Mr. Zahoor Ahmad

CHIEF FINANCIAL OFFICE

- Mr. Munawar Hussain

AUDIT COMMITTEE

1. Mr. Imran Kabir	Chairman	<i>(Independent Director)</i>
2. Mr. Muhammad Sameer	Member	<i>(Non-Executive Director)</i>
3. Mr. Hashim Aslam Butt	Member	<i>(Non-Executive Director)</i>

HUMAN RESOURCE & REMUNERATION COMMITTEE

1. Mr. Imran Kabir	Chairman	<i>(Independent Director)</i>
2. Mr. Muhammad Sameer	Member	<i>(Non-Executive Director)</i>
3. Mr. Hashim Aslam Butt	Member	<i>(Non-Executive Director)</i>

LEGAL ADVISOR

- A.K. Minhas Law Associates

AUDITORS

TABUSSUM SALEEM & COMPANY
Office No. 1, 3rd Floor, Madinah Heights, 87-E, Moulana Shoukat Ali Road,
Johar Town Lahore
Tel: 92-42-35173258
E.mail: mataabussum@hotmail.com

BANKERS

- Allied Bank Limited
- Askari Commercial Bank Limited
- Bank Alfalah Limited
- Habib Metropolitan Bank Limited
- Silk Bank Limited

REGISTERED OFFICE

- Plot No. 2, Gadoon Amazai, Industrial Estate, Swabi, Khyber Pakhtoonkhwa
Tel: 0938-270696, 270697

FACTORY

- Plot No. 2, Gadoon Amazai, Industrial Estate, Swabi, Khyber Pakhtoon khwa
Tel: 0938-270697
E.mail: scil_gad@hotmail.com

PRINCIPLE OFFICE

- 23-Km, Multan Road, Mohlanwal, Lahore
Tel: 042-37540336-7
Fax: 042-37540335
E.mail: shaffichemical@diamondfoam.com

SHARE REGISTRAR

- M/s Corplink (Pvt) Limited
Wings Arcade, I-K Commercial, Model Town, Lahore
Tel: 042-35916714, 35916719, 35839182
Fax: 042-35869037
E.mail: corplink786@yahoo.com



SHAFFI CHEMICAL INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors of **Shaffi Chemical Industries Limited** I am pleased to place before you the unaudited half yearly financial statements of the company for the quarter ended December, 31, 2025.

FINANCIAL HIGHLIGHTS:

As already reported in Directors' Report of the latest annual financial statements that after settlement of all liabilities of ABL, and outstanding annual listing fees of PSX, the default of clause 5.11.1(e) of PSX Regulations, has been rectified and the company has requested the authority of PSX to remove the name of company from defaulter segment and shift the company name at normal trade counter to restore the trading in the shares of our company. Meanwhile, the winding-up petition filed by the Deputy Registrar of Companies Peshawar is being vigorously contested by the company. In line with our revival plan submitted before the Hon'ble High Court Peshawar, management has commenced furniture trading at the factory premises. Further to support the revival of business operations, the management and shareholders, during the Extraordinary General Meeting (EGM) held on April 19, 2025, approved special resolutions to diversify into manufacturing and trading of furniture. The authorized capital was also increased from Rs.120 million to Rs.400 million, enabling to rights issue fundraising and equity expansion in the near future. We have also submitted the necessary information via PUCARS to PSX for shareholder notification and filed requisite documents with the Registrar of Companies Peshawar (SECP) for approval, which are currently under review.

Accordingly, during the last six months period under review, the company has secure sale revenue of Rs. 25.327 million from furniture business and earned operating profit of Rs. 4.511 million as against the sale revenue of Rs. 12.193 million and operating profit of Rs. of Rs. 1.110 million of the preceding quarter ended December 31, 2024 whereas after adjustment of finance Cost of Rs. (3.093) million and share in profit/(loss) of associated company for Rs. 1.726 million, the Net Profit/(Loss) after tax arrived at Rs. 2.432 million as compare to loss of Rs. (16.414) million of the corresponding quarter ended December 31, 2024. The disputed cases relating to First Capital ABN AMRO equities (Pakistan) Ltd, Lahore Stock Exchange and others are being contested vigorously at its proper forums by your company and are explained in the latest annual financial statements for the P.E. June 30, 2025 under the title "Contingencies and Commitments".

FUTURE OUTLOOK:

As the company have taken proactive steps to keep alive the business of the company by diversifying into furniture manufacturing and trading. This strategic move aims to protect minority shareholders' interests and generate revenue. In support of revival of business operations of the company, the management and the shareholders have also approved to convert its principal line of business to carry on the manufacturing and trading of furniture business and to meet the working capital requirement of the new business, authorized capital has been increased from Rs. 120 M to Rs 400 M enabling to initiate the right issue for fund raising and equity expansion in near future. In compliance of PSX Regulations, the material information has been transmitted to PSX through PUCARS for intimation to shareholders and thereafter in compliance of Companies Act, 2017, necessary information on prescribed forms have been filed with Registrar of companies Peshawar (SECP) for approval which are currently under review of the competent authority and hopefully approval for same will be granted accordingly.

EARNING PER SHARE:

The earnings per share of the company for the half year under review is Rs. 0.05 as compared to Rs. (1.37) in the corresponding half year ended December 31, 2024.

ACKNOWLEDGEMENT:

The Board of Directors deeply expresses its appreciation to the staff, workers and all other stakeholders for their continued support in achieving the reported level of performance.

IFTIKHAR SHAFFI
Chief Executive
Lahore: 26th February, 2026

For and on behalf of Board

IMRAN KABIR
Director



SHAFFI CHEMICAL INDUSTRIES LIMITED

ڈائریکٹرز کی رپورٹ

پیارے شیئر ہولڈرز،

شفیع کیمیکل انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے مجھے 31 دسمبر 2025 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ ششماہی مالیاتی گوشواروں کو آپ کے سامنے پیش کرتے ہوئے خوشی ہو رہی ہے۔

مالیاتی جھلکیاں:

جیسا کہ پہلے ہی تازہ ترین سالانہ مالیاتی گوشواروں کی ڈائریکٹرز کی رپورٹ میں بتایا گیا ہے کہ ABL کی تمام واجبات اور PSX کی بقایا سالانہ لسٹنگ فیسوں کے تصفیہ کے بعد، PSX کے ضوابط کی شق 1.11.5 (e) کی ڈیفالٹ کو درست کر دیا گیا ہے اور کمپنی نے PSX کی اتھارٹی سے درخواست کی ہے کہ کمپنی کا نام ہٹانے کے لیے کمپنی کے نام کو ڈی. جی ایس او سے ہٹا دیا جائے۔ ہماری کمپنی کے حصص میں تجارت۔ دریں اثنا، ڈپٹی رجسٹرار آف کمپنیز پشاور کی جانب سے دائر کی گئی سمینے کی درخواست کا کمپنی کی جانب سے بھر پور مقابلہ کیا جا رہا ہے۔ معزز ہائی کورٹ پشاور میں جمع کرائے گئے ہمارے بحالی کے منصوبے کے مطابق، انتظامیہ نے فیڈری کے احاطے میں فرنیچر کی تجارت شروع کر دی ہے۔ کاروباری کارروائیوں کی بحالی میں مزید مدد کے لیے، انتظامیہ اور شیئر ہولڈرز نے 19 اپریل 2025 کو منعقدہ غیر معمولی جنرل میٹنگ (EGM) کے دوران فرنیچر کی تیاری اور تجارت میں تنوع لانے کے لیے خصوصی قراردادوں کی منظوری دی۔ مجاز سرمائے کو بھی 120 ملین روپے سے بڑھا کر 400 ملین روپے کر دیا گیا، جس سے مستقبل قریب میں رائٹس ایٹو فنڈ ریزنگ اور ایکویٹی میں توسیع کی جاسکتی ہے۔ ہم نے شیئر ہولڈرز کے نوٹیفیکیشن کے لیے PUCARS کے ذریعے PSX کو ضروری معلومات بھی جمع کرائی ہیں اور منظوری کے لیے رجسٹرار آف کمپنیز پشاور (SECP) کے پاس مطلوبہ دستاویزات جمع کرائی ہیں، جن کا فی الحال جائزہ لیا جا رہا ہے۔

اس کے مطابق، زیر جائزہ گزشتہ چھ ماہ کی مدت کے دوران، کمپنی نے محفوظ سیل ریونیو Rs. فرنیچر کے کاروبار سے 327.25 ملین روپے اور آپریٹنگ منافع کمایا۔ 511.4 ملین روپے کی فروخت کی آمدنی کے مقابلے میں۔ 193.12 ملین روپے اور آپریٹنگ منافع روپے۔ روپے کا 31 دسمبر 2024 کو ختم ہونے والی پچھلی سہ ماہی کے 110.1 ملین جبکہ فنانس کی ایڈجسٹمنٹ کے بعد لاگت Rs. (093.3) ملین اور وابستہ کمپنی کے منافع/ (نقصان) میں حصہ 726.1 ملین، ٹیکس کے بعد خالص منافع/ (نقصان) روپے تک پہنچ گیا۔ 432.2 ملین روپے کے نقصان کے مقابلے میں 31 دسمبر 2024 کو ختم ہونے والی اسی سہ ماہی میں سے (414.16) ملین۔ فرسٹ کیپٹل IABN AMRO کیوٹیز (پاکستان) لمیٹڈ، لاہور اسٹاک ایکسچینج اور دیگر سے متعلق تنازعہ کیسز کا آپ کی کمپنی



SHAFFI CHEMICAL INDUSTRIES LIMITED

کے مناسب فورمز پر بھر پور طریقے سے مقابلہ کیا جا رہا ہے اور ان کی تازہ ترین سالانہ P.E مالیاتی گوشواروں میں وضاحت کی گئی ہے۔ 30 جون 2025 کو "ہنگامی حالات اور وعدے" کے عنوان سے۔
مستقبل کا نقطہ نظر:

جیسا کہ کمپنی نے فرنیچر کی تیاری اور تجارت میں تنوع پیدا کر کے کمپنی کے کاروبار کو زندہ رکھنے کے لیے فعال اقدامات کیے ہیں۔ اس اسٹریٹجک اقدام کا مقصد اقلیتی حصص یافتگان کے مفادات کا تحفظ اور آمدنی پیدا کرنا ہے۔ کمپنی کے کاروباری آپریشنز کی بحالی کی حمایت میں، انتظامیہ اور حصص یافتگان نے فرنیچر کے کاروبار کی تیاری اور تجارت کو آگے بڑھانے اور نئے کاروبار کی ورکنگ کیپٹل کی ضرورت کو پورا کرنے کے لیے اس کے پرنسپل لائن آف بزنس کو تبدیل کرنے کی منظوری بھی دی ہے، مجاز سرمائے کو روپے سے بڑھا کر روپے کر دیا گیا ہے۔ 120 ملین سے 400 ملین روپے مستقبل قریب میں فنڈ ریزنگ اور ایکویٹی کی توسیع کے لیے صحیح ایشوشن شروع کرنے کے قابل۔ PSX کے ضوابط کی تعمیل میں، مواد کی معلومات کو PUCARS کے ذریعے شیئر ہولڈرز تک پہنچایا گیا ہے اور اس کے بعد کمپنیز ایکٹ، 2017 کی تعمیل میں، تجویز کردہ فارمز پر ضروری معلومات رجسٹر آف کمپنیز پشاور (SECP) کے پاس منظوری کے لیے جمع کرائی گئی ہیں جو فی الحال زیر نظر ہیں اور اُمید کے مطابق مجاز ایپ کو منظوری دی جائے گی۔

فی شیئر کمائی:

زیر جائزہ ششماہی کے لیے کمپنی کی فی حصص آمدنی روپے ہے۔ 05.0 روپے کے مقابلے میں (37.1) 31 دسمبر 2024 کو ختم ہونے والی اسی ششماہی میں۔

اعتراف:

بورڈ آف ڈائریکٹرز عملے، کارکنوں اور دیگر تمام اسٹیک ہولڈرز کی کارکردگی کی اطلاع دی گئی سطح کو حاصل کرنے میں ان کی مسلسل حمایت کے لیے دل کی گہرائیوں سے تعریف کرتا ہے۔
بورڈ کے لیے اور اس کی جانب سے

افتخار شفیع

چیف ایگزیکٹو

لاہور: 26 فروری، 2026

عمران کبیر

ڈائریکٹر



SHAFFI CHEMICAL INDUSTRIES LIMITED

SHAFFI CHEMICAL INDUSTRIES LIMITED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

	NOTE	Dec-25 Rupees	Jun-25 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
40,000,000 (2025: 40,000,000) ordinary shares of Rupees 10 each		400,000,000	400,000,000
Issued, subscribed and paid up share capital	4	120,000,000	120,000,000
FV Reserves		69,055	67,192
Accumulated Losses		(177,572,321)	(198,781,133)
Surplus on Revaluation of Land & Building		7,009,206	7,137,647
Surplus on Revaluation of Plant and Machinery (Held for Sale)		1,030,955	1,030,955
Total equity		(49,463,105)	(70,545,339)
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred Liabilities	5	-	-
Payable to Associated Company		44,696,519	44,696,519
		44,696,519	44,696,519
CURRENT LIABILITIES			
Payable to Director's		33,491,574	33,491,574
Trade and other payables		4,149,963	3,963,588
Accrued Markup		43,782,003	40,700,466
Provision for Taxation		316,596	296,012
Total liabilities		81,740,136	78,451,640
CONTINGENCIES AND COMMITMENTS			
	6	-	-
TOTAL EQUITY AND LIABILITIES			
		76,973,550	52,602,820
NON-CURRENT ASSETS			
Property, plant and equipment	7	10,364,582	10,555,273
Long term investments	8	47,986,079	28,005,486
Long term deposits		223,560	223,560
		58,574,220	38,784,319
Assets Classified As Held For Sale - Current Asset		2,693,285	2,693,285
CURRENT ASSETS			
Stock-in-trade	9	7,586,590	5,703,839
Trade debts		5,935,346	2,671,630
Advance income tax - net		261,721	240,363
Other receivables		997,326	1,366,691
Cash and bank balances		925,062	1,142,693
		15,706,045	11,125,216
TOTAL ASSETS			
		76,973,550	52,602,820

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

Chief Executive

Chief Financial Officer

Director



SHAFFI CHEMICAL INDUSTRIES LIMITED

SHAFFI CHEMICAL INDUSTRIES LIMITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED DECEMBER 31, 2025

Notes	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
Sales - net	25,327,657	12,193,507	19,333,827	6,652,119
Cost of Sales	(20,182,877)	(10,337,598)	(15,563,165)	(6,024,100)
Gross Profit	5,144,780	1,855,909	3,770,662	628,019
Administrative Expenses	(632,942)	(745,627)	(149,645)	(355,786)
Other Operating Income/(Expenses)	-	-	-	-
	(632,942)	(745,627)	(149,645)	(355,786)
Operating Profit/(Loss)	4,511,838	1,110,282	3,621,017	272,233
Finance Cost	(3,093,601)	(3,460,833)	(1,622,508)	(3,458,287)
	1,418,237	(2,350,551)	1,998,509	(3,186,054)
Reversal of impairment/(Impairment) on long term investment in associated company	-	(13,605,795)	-	(13,605,795)
	1,418,237	(15,956,346)	1,998,509	(16,791,849)
Share of Profit / (Loss) of Associated Company	1,726,747	25,843	-	25,843
Profit/ (Loss) Before Taxation and levy	3,144,984	(15,930,503)	1,998,509	(16,766,006)
Levy	(316,596)	(152,419)	(241,673)	(83,151)
Profit/ (Loss) Before Taxation	2,828,389	(16,082,922)	1,756,836	(16,849,157)
-Share of Tax of Associated Company	(396,352)	(331,189)	(396,352)	(331,189)
Profit / (Loss) after Taxation	2,432,036	(16,414,111)	1,360,484	(17,180,346)
Earnings per share	0.20	(1.37)	0.11	(1.43)

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


Chief Executive


Chief Financial Officer


Director



SHAFFI CHEMICAL INDUSTRIES LIMITED

SHAFFI CHEMICAL INDUSTRIES LIMITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED DECEMBER 31, 2025

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
PROFIT / (LOSS) FOR THE PERIOD	2,432,036	(16,414,111)	1,360,484	(17,180,346)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Gain/ (Loss) on remeasurement of staff retirement benefit of associated companies	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Unrealized gain / (loss) arising on remeasurement of available for sale investments of associated companies	18,648,335	5,813,528	18,648,335	5,813,528
Unrealized gain arising on remeasurement of available for sale investments	1,863	32,135	1,863	32,135
Other Comprehensive income for the period	18,650,198	5,845,663	18,650,198	5,845,663
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	21,082,234	(10,568,447)	20,010,681	(11,334,683)

Chief Executive

Chief Financial Officer

Director



SHAFFI CHEMICAL INDUSTRIES LIMITED

SHAFFI CHEMICAL INDUSTRIES LIMITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2025

	CAPITAL RESERVES		REVENUE RESERVES		Surplus on revaluation of property, plant and equipment	TOTAL RESERVES	TOTAL EQUITY
	Fair Value Reserve	(Accumulated Loss) / Unappropriated Profit					
Balance as at 01 July 2024	120,000,000	31,894	(184,328,676)	8,439,003	(175,857,779)	(55,857,779)	
Incremental depreciation on surplus on revaluation of property, plant & equipment	-	-	186,981	(186,981)	-	-	
Revaluation surplus arising during the period	-	-	-	-	-	-	
Effect of items directly credited in equity by the associated companies	-	-	1,398,726	-	1,398,726	1,398,726	
Profit for the period	-	-	(16,414,111)	-	(16,414,111)	(16,414,111)	
Other comprehensive income for the period	-	32,135	5,813,528	-	5,845,663	5,845,663	
Total comprehensive loss for the period	-	32,135	(10,600,582)	-	(10,568,447)	(10,568,447)	
Balance as at 31 December 2024	120,000,000	64,029	(193,343,551)	8,252,022	(185,027,500)	(65,027,500)	
Balance as at 01 July 2025	120,000,000	67,192	(198,781,133)	8,168,601	(190,545,340)	(70,545,340)	
Incremental depreciation on surplus on revaluation of property, plant & equipment	-	-	128,441	(128,441)	-	-	
Revaluation surplus arising during the period	-	-	-	-	-	-	
Effect of items directly credited in equity by the associated companies	-	-	-	-	-	-	
Profit for the period	-	-	2,432,036	-	2,432,036	2,432,036	
Other comprehensive income for the period	-	1,863	18,648,335	-	18,650,198	18,650,198	
Total comprehensive loss for the period	-	1,863	21,080,371	-	21,082,234	21,082,234	
Balance as at 31 December 2025	120,000,000	69,055	(177,572,321)	8,040,160	(169,463,106)	(49,463,106)	

(Rupees)

Balance as at 01 July 2024
Incremental depreciation on surplus on revaluation of property, plant & equipment
Revaluation surplus arising during the period
Effect of items directly credited in equity by the associated companies
Profit for the period
Other comprehensive income for the period
Total comprehensive loss for the period

Balance as at 31 December 2024
Balance as at 01 July 2025
Incremental depreciation on surplus on revaluation of property, plant & equipment
Revaluation surplus arising during the period
Effect of items directly credited in equity by the associated companies
Profit for the period
Other comprehensive income for the period
Total comprehensive loss for the period

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

Chief Executive

Chief Financial Officer

Director



SHAFFI CHEMICAL INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2025

	Half Year Ended	
	December 31, 2025	December 31, 2024
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	3,144,984	(15,930,503)
Adjustments for :		
Depreciation	190,691	338,360
Impairment/(Reversal) of impairment on long term investment	-	13,605,795
Share of profit / (loss) of associated company	(1,726,747)	(25,843)
Interest income	-	-
Finance cost	3,081,537	3,460,833
	<u>1,545,481</u>	<u>17,379,145</u>
Operating Profit before Working Capital Changes	4,690,465	1,448,642
Changes in Working Capital		
(Increase) / Decrease in Current Assets		
Stock-in-trade	(1,882,751)	(385,990)
Trade debts	(3,263,716)	604,998
Loans and Advances	-	-
Short term prepayments	-	-
Other Receivables	369,365	216,616
	<u>(4,777,102)</u>	<u>435,624</u>
Increase / (Decrease) in Current Liabilities		
Trade and Other Payables	186,375	(52,476)
Accured Markup	3,081,537	-
	<u>(1,509,190)</u>	<u>1,831,790</u>
Changes in Working Capital	(1,509,190)	1,831,790
Cash Generated from / (used in) Operations	3,181,275	1,831,790
Taxes paid	(317,369)	(276,019)
Finance Cost Paid	(3,081,537)	-
Net Cash Generated from / (Used in) Operating Activities	(217,631)	1,555,771
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Generated from Investing Activities	-	-
Net Cash Flows Before Financing Activities	(217,631)	1,555,771
CASH FLOWS FROM FINANCING ACTIVITIES		
Short Term Borrowings	-	(1,700,913)
Interest Income	-	-
Net Cash Flows From Financing Activities	-	(1,700,913)
Net Increase / (Decrease) in Cash & Cash Equivalents	(217,631)	(145,142)
Cash & Cash Equivalents at the Beginning	1,142,693	789,321
Cash & Cash Equivalents at the End	925,062	644,180

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

Chief Executive

10

Chief Financial Officer

Director



SHAFFI CHEMICAL INDUSTRIES LIMITED

SHAFFI CHEMICAL INDUSTRIES LIMITED CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION FOR THE PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated under the Companies Ordinance, 1984 (now Companies Act, 2017) as Public Limited Company on 27th December 1994. The shares of the company are quoted on Karachi and Lahore Stock Exchanges. The principal activity of the company was to manufacture and process of Di-Octyle-Ortho Phthalates (DOP) Chemicals which has been changed with trading of furniture, foam and mattresses. The registered office of the company is situated at Gadoon Amazai, Industrial Estate, Swabi (Khyber-Pakhtunkhwa).

2 BASIS OF PREPARATION

2.1 These Condensed interim financial statements have been prepared in accordance with accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting & reporting standard as applicable in Pakistan comprises of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, Issued by the International Accounting Standard Board (IASB) as notified under Companies Act 2017 ; and Provision and Directives issued under Companies Act, 2017

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

2.2 The condensed interim financial statements do not include all the information and disclosure requirement in annual financial statements and should read in conjunction with the annual audited financial statements of the company for the year ended 30 June 2025. These condensed interim financial statements are Un-Audited, however have been subjected to limited scope review by auditors and 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.

2.3 During the year the Company has reported net profit before tax of Rupees 3,145 Million. The company has accumulated losses and shareholders' equity Rupees 177.57 Million and Rupees 49.46 Million respectively. The financial statements have been prepared on a going concern basis. Under the going concern assumption, assets are recorded at historical cost or appropriate carrying values in accordance with applicable accounting standards. These financial statements have also been prepared under historical cost convention except for Building, Plant & Machinery which is stated on revalued amounts.

3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these financial statements are the same as those applied in the preparation of the preceding annual audited published financial statements of the Company.

4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares		Un-Audited December 31, 2025 Rupees	Audited June 30, 2025 Rupees
December 31, 2025	June 30, 2025		
12,000,000	12,000,000	120,000,000	120,000,000
12,000,000	12,000,000	120,000,000	120,000,000

5 DEFERRED INCOME TAX

	Dec - 2025		
	Balance at the beginning of the period	Recognized in profit & loss account	Balance at the end of the period
Accelerated tax depreciation allowance	2,227,039	2,011,769	215,270
Effect of accumulated tax losses	(15,318,177)	-	(15,318,177)
	(13,091,138)	2,011,769	(15,102,907)
Non-recognition of deferred tax asset	5.1 13,091,138	(2,011,769)	15,102,907
	-	-	-

5.1 Deferred tax asset of Rs. 15,103 million (2025: 13,091 million) has not been recognised because the company is continuously sustaining losses and in the future years sufficient taxable profits will not be available against which they can be utilized



SHAFFI CHEMICAL INDUSTRIES LIMITED

6 CONTINGENCIES AND COMMITMENTS

There is no major change in contingencies and commitments as have been disclosed in last audited financial statement of the Company.

	Un-Audited December 31, 2025 Rupees	Audited June 30, 2025 Rupees		
7 PROPERTY, PLANT AND EQUIPMENT				
Book value at the beginning of the period	10,555,273	13,650,434		
Revaluation arising during the period	-	-		
Less: Depreciation charged during the period	7.1 (190,691)	(3,095,161)		
	<u>10,364,582</u>	<u>10,555,273</u>		
7.1 Allocation of Depreciation				
Administrative Expenses	<u>190,691</u>	<u>3,095,161</u>		
8 INVESTMENTS				
Long term investment in associated company under equity method	8.1 47,906,837	27,928,107		
Long term investment available for sale	79,242	77,379		
	<u>47,986,079</u>	<u>28,005,486</u>		
8.1 Long term investment in associated company under equity method				
Long term investment in associated company under equity method	47,906,837	27,928,107		
Less: Impairment loss	47,906,837	27,928,107		
	<u>27,928,107</u>	<u>37,170,097</u>		
At the beginning of the period	27,928,107	37,170,097		
Impairment loss charged during the period	-	(9,241,990)		
Reversal of impairment loss during the period	-	(9,241,990)		
	<u>27,928,107</u>	<u>(9,241,990)</u>		
At the end of the period	151,669,888	27,928,107		
	<u>151,669,888</u>	<u>27,928,107</u>		
9 STOCK-IN-TRADE				
Finished goods	<u>7,586,590</u>	<u>5,703,839</u>		
	<u>7,586,590</u>	<u>5,703,839</u>		
	Un-Audited	Un-Audited	Un-Audited	Un-Audited
	Half Year Ended	December 31, 2024	Quarter Ended	December 31, 2024
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
10 COST OF SALES				
Cost of goods manufactured	22,065,628	10,736,087	15,563,165	6,270,528
Opening finished goods	5,703,839	1,125,058	-	1,125,058
	<u>27,769,467</u>	<u>11,861,145</u>	<u>15,563,165</u>	<u>7,395,586</u>
Closing finished goods	(7,586,590)	(1,523,547)	14,343,199	(1,334,349)
	<u>20,182,877</u>	<u>10,337,598.0</u>	<u>29,906,364.0</u>	<u>6,061,237.0</u>
11 EARNINGS PER SHARE				
Profit / (loss) after taxation	2,432,036	(16,414,111)	1,360,484	(17,180,346)
	<u>2,432,036</u>	<u>(16,414,111)</u>	<u>1,360,484</u>	<u>(17,180,346)</u>
	Number of shares	Number of shares	Number of shares	Number of shares
Issued, Subscribed and Paid up Capital	12,000,000	12,000,000	12,000,000	12,000,000
	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,000,000</u>



SHAFFI CHEMICAL INDUSTRIES LIMITED

	Half Year Ended December 31, 2025 Rupees	Half Year Ended December 31, 2024 Rupees	Quarter Ended December 31, 2025 Rupees	Quarter Ended December 31, 2024 Rupees
Earnings per share	0.20	(1.37)	0.11	(1.43)

12 TRANSACTIONS WITH RELATED PARTIES

Transactions and contracts with the related parties are carried out at arm's length prices determined in accordance with comparable uncontrolled price method.

The related parties comprises of associated companies, directors of the companies, key management personnels and staff retirement funds.

Detail of transactions with related parties:

	Un-Audited December 31, 2025 Rupees in Millions	Audited June 30, 2025
Loan from related party		
Capital Industrial Enterprises (Private) Limited	-	(44.697)
Mark-up on loan from related party		
Capital Industrial Enterprises (Private) Limited	3.08	7.16
Purchases from related party		
Diamond Products (Private) Limited	18.661	12.448

13 Figures have been rounded off to the nearest rupee.

14 These condensed set of interim financial information was authorised for issue on **February 25, 2026** by the board of directors of the Company.

Chief Executive

Chief Financial Officer

Director

