

dynea

DYNEA PAKISTAN LIMITED

Condensed Interim Financial Statements
for the Half Year ended December 31, 2025
(Un-Audited)

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Board of Directors:

Mr. Donald Jenkin	Chairman
Mr. Mustafa Jafar	Chief Executive Officer
Mr. Lee Kin Seng	
Ms. Anam Fatima Khan	
Mr. Adnan Afridi	
Mr. Mazhar Valjee	
Ms. Naila Kassim	

Audit Committee:

Mr. Adnan Afridi	Chairman
Mr. Donald Jenkin	Member
Mr. Mazhar Valjee	Member
Ms. Anam Fatima Khan	Member

Human Resource and Remuneration Committee:

Ms. Naila Kassim	Chairperson
Mr. Donald Jenkin	Member
Mr. Mustafa Jafar	Member

Chief Financial Officer:

Mr. Muhammad Shakeel Uddin

Company Secretary:

Mr. Mujtaba Hassan Ghanchi

Head of Internal Audit:

Ms. Nargis Iqbal

Bankers:

M/s. Habib Bank Limited
M/s. National Bank of Pakistan
M/s. Habib Metropolitan Bank Limited
M/s. Allied Bank Limited
M/s. MCB Bank Limited
M/s. Bank Al-Falah Limited
M/s. Standard Chartered Bank (Pakistan) Limited
M/s. Meezan Bank Limited
M/s. United Bank Limited
M/s. The Bank of Punjab
M/s. Dubai Islamic Bank Pakistan Limited

Auditors:

M/s. BDO Ebrahim & Co.
Chartered Accountants

Legal Advisors:

M/s. Zahid & Tariq Advocates

Share Registrar:

FAMCO Share Registration Services (Pvt) Ltd.
Share Registrars
8-F, Next to Hotel Faran Nursery, Block-6,
P.E.C.H.S., Shahrah-e-Faisal, Karachi.
Ph: (92-21) 34380101-5, 34384621-3 (Ext. 103)

Registered Office:

9th Floor, Artistic Tower, Plot No.39/A-2,
Block-6, P.E.C.H.S., Shahrah-e-Faisal,
Karachi-75400
Ph: (92-21) 34520132 - 35
Fax: (92-21) 34392182

Factories:**1) Hub Unit**

A101 - A105, A132 - A136, A141 - A150,
Hub Industrial Trading Estate,
Hub Chowki, District Lasbella, Balochistan.
Ph: (92-853) 363706 - 09
Fax: (92-853) 363907

2) Gadoon Unit

34-A, 34-B, 35, 38-A and 88, Road-3,
Industrial Estate, Gadoon Amazai,
District Swabi, Khyber Pakhtunkhwa.
Ph: (92-938) 270150 - 52
Fax: (92-938) 270246

**DIRECTORS' REPORT
FOR THE HALF YEAR ENDED
DECEMBER 31, 2025**

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The Directors of your Company are pleased to present this report along with the unaudited financial results for the second quarter and half year ended December 31, 2025.

During the period ended December 31, 2025, the Company earned a profit before tax of Rs. 908 million and an after-tax profit of Rs.553 million compared to the profit before tax of Rs.735 million and after-tax Profit of Rs. 448 million during the corresponding period last year. The basic and diluted earnings per share increased from Rs.23.76 to Rs. 29.32.

Resin Division

The Resin Division generated sales revenue of Rs. 2,173 million compared to Rs. 1,872 million achieved during the same period last year, showing an increase of 16%.

Moulding Compound Division

The Moulding Compound Division generated sales revenue of Rs. 5,034 million compared to Rs. 4,594 million achieved during the same period last year, showing an increase of 10%.

Future Outlook

Pakistan's economy sustained its recovery, with easing inflation, lower interest rates, stronger reserves, and a stable exchange rate boosting business confidence. Despite high energy costs, sluggish market conditions and border disruptions during the period, the Company remains optimistic about sustainable long-term growth, supported by strong leadership, a dedicated workforce, and lasting customer relationships. The ongoing border closure with Afghanistan is impacting export sales. The Company is trying to offset this by expanding into new markets to strengthen its regional presence.

Acknowledgement

The Directors of the Company would like to thank the Almighty Allah for all His blessings in these challenging times. We wish to convey our appreciation to our employees, shareholders, customers, financial institutions and other stakeholders for their continued support and the confidence that they have shown in the Company.

On behalf of the Board



Mustafa Jafar
Chief Executive Officer



Donald Jenkin
Chairman

Karachi, February 25, 2026.

آپ کی کمپنی کے ڈائریکٹرز ہمسرت یہ رپورٹ مع غیر آڈٹ شدہ مالی نتائج بابت جاری مالی سال کی دوسری سہ ماہی اور ششماہی 31 دسمبر 2025 پیش کرتے ہیں۔
31 دسمبر 2025 کو ختم ہونے والی مدت کے دوران کمپنی کا قبل از ٹیکس منافع 908 ملین روپے اور بعد از ٹیکس منافع 553 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں قبل از ٹیکس منافع 735 ملین روپے اور بعد از ٹیکس منافع 448 ملین روپے بالترتیب رہا تھا۔ بنیادی اور خالص منافع فی شیئر 23.76 روپے سے بڑھ کر 29.32 روپے ہو گیا۔

ریزن قسمت

ریزن قسمت کی کل بکری (ٹرن اوور) 2,173 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 1,872 ملین روپے رہی تھی جو کہ پچھلے سال کے مقابلے میں 16% زیادہ ہے۔

مولڈنگ کمپاؤنڈ قسمت

مولڈنگ کمپاؤنڈ قسمت کی کل بکری (ٹرن اوور) 5,034 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 4,594 ملین روپے رہی تھی۔ جو کہ پچھلے سال کے مقابلے میں 10% زیادہ ہے۔

مستقبل پر ایک نظر

پاکستان کی معیشت ہنگامی میں کمی، کم تر شرح سود، مضبوط ذخائر اور مستحکم زرمبادلہ کی شرح کے ساتھ بحالی پر گامزن اور کاروباری اعتماد کو تقویت دینے اور سفری اخراجات پر پابندی کے دورانیہ کے بلندی پر اخراجات، مارکیٹ کی بے یقینی صورتحال اور سرحدوں پر کشیدگی کے باوجود کمپنی طویل مدتی پائیدار ترقی کے لئے پُر عزم ہے جس کو ایک مضبوط قیادت اور مخلص افرادی قوت کی بھرپور معاونت کے ساتھ، صارفین کے ساتھ بہترین تعلقات کار کا بھروسہ حاصل ہے۔ افغانستان کے ساتھ سرحدوں کی حالیہ بندش سے برآمدی سٹیلز پر اثرات مرتب ہوئے ہیں تاہم کمپنی کی کوشش ہے کہ اپنی علاقائی موجودگی کو مستحکم بنانے کے لئے نئی مارکیٹوں کو توسیع دی جائے۔

اعتراف

ہم ڈائریکٹر اللہ تعالیٰ کی اس مشکل وقت میں اس کی تمام مہربانیوں پر متشکر ہیں اور اپنے ملازمین، حصص یافتگان، گاہکوں، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز کی مسلسل معاونت اور کمپنی پرانے کے اعتماد کے لئے ہمدردی سے تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



ڈوئلڈ میجمنٹ
چیئرمین



مصطفیٰ جعفر
چیف ایگزیکٹو آفیسر

کراچی: 25 فروری 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT
FOR SIX-MONTHS ENDED DECEMBER 31, 2025**

dynea



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Pakistan

**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO
THE MEMBERS OF DYNEA PAKISTAN LIMITED**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of DYNEA PAKISTAN LIMITED ("the company") as at December 31, 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred as the "condensed interim financial statements"). The management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Mater

We draw attention to note 11.1 to the condensed interim financial statements which describe the significant uncertainty related to the outcome of a contingencies for which no provision is considered necessary in these condensed interim financial statements for the reason disclosed in the said note. Our conclusion is not modified in respect of this matter.

Other Matter

Pursuant to the requirement of Section 237 (1)(b) of the Companies Act, 2017, only cumulative figures for the six-month period, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: February 26, 2026

UDIN: RR202510067col28pxni

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

		31 December 2025 (Un-audited)	30 June 2025 (Audited)
	Note	(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,015,165	971,371
Long-term loans		14,737	26,485
Long-term deposits and prepayments		18,874	16,375
Deferred taxation - net		88,508	77,087
		<u>1,137,284</u>	<u>1,091,318</u>
CURRENT ASSETS			
Stores and spares		88,999	83,852
Stock-in-trade	7	1,977,062	1,820,504
Trade debts	8	2,271,444	1,591,255
Loans and advances		255,609	114,006
Trade deposits, prepayments and other receivables		14,138	11,521
Accrued markup		13,673	19,729
Short term investment		705,081	625,906
Cash and bank balances		953,711	956,466
		<u>6,279,717</u>	<u>5,223,239</u>
		<u>7,417,001</u>	<u>6,314,557</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
40,000,000 (June 30, 2025: 40,000,000) ordinary shares of Rs.5/- each		<u>200,000</u>	<u>200,000</u>
Issued, subscribed and paid-up capital		94,362	94,362
Revenue reserves		5,148,876	4,784,170
		<u>5,243,238</u>	<u>4,878,532</u>
NON-CURRENT LIABILITIES			
Long-term financing - secured	9	-	-
Lease liabilities		15,384	20,168
		<u>15,384</u>	<u>20,168</u>
CURRENT LIABILITIES			
Trade and other payables		1,591,345	1,312,472
Accrued mark-up		728	201
Short-term running finance	10	488,013	-
Current maturity of long-term financing	9	-	13,614
Current maturity of deferred income		-	244
Current maturity of lease liabilities		17,276	16,472
Taxation - net		48,548	61,538
Unclaimed dividend		12,469	11,316
		<u>2,158,379</u>	<u>1,415,857</u>
		<u>7,417,001</u>	<u>6,314,557</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

MUSTAFA JAFAR
Chief Executive Officer

DONALD JENKIN
Chairman

SHAKEEL UDDIN
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR SIX-MONTHS ENDED DECEMBER 31, 2025
(UN-AUDITED)**

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	Note	Six-months ended		Quarter ended	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		(Rupees in '000)		(Rupees in '000)	
Turnover - net	12	7,207,285	6,465,580	3,880,361	3,595,486
Cost of sales		(5,803,743)	(5,345,207)	(3,053,959)	(2,951,110)
Gross profit		1,403,542	1,120,373	826,402	644,376
Selling and distribution costs		(264,950)	(213,695)	(144,512)	(126,407)
Administrative expenses		(219,923)	(187,814)	(115,380)	(93,273)
Reversal of expected credit loss		16,908	35,795	43,048	80,187
		(467,965)	(365,714)	(216,844)	(139,493)
Other income		64,504	70,816	35,809	27,686
Operating profit		1,000,081	825,475	645,367	532,569
Finance costs		(16,655)	(15,894)	(8,479)	(6,864)
Other charges / expenses		(75,641)	(74,467)	(47,935)	(38,904)
		(92,296)	(90,361)	(56,414)	(45,768)
Profit before taxation		907,785	735,114	588,953	486,801
Taxation					
- current		(370,863)	(293,745)	(226,281)	(168,071)
- prior		5,087	5,221	5,087	5,221
- deferred		11,421	1,843	(5,543)	(27,359)
		(354,355)	(286,681)	(226,737)	(190,209)
Profit for the period		553,430	448,433	362,216	296,592
Basic and diluted earnings per share		29.32	23.76	19.19	15.72

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



MUSTAFA JAFAR
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME
FOR SIX-MONTHS ENDED DECEMBER 31, 2025 (UN-AUDITED)**

	Six month ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in '000)		(Rupees in '000)	
Profit for the period	553,430	448,433	362,216	296,592
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	553,430	448,433	362,216	296,592

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

MUSTAFA JAFAR
Chief Executive Officer

DONALD JENKIN
Chairman

SHAKEEL UDDIN
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY
FOR THE SIX-MONTHS ENDED DECEMBER 31, 2025**

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	Issued, subscribed and paid-up capital	Revenue reserves			Total
		General reserve	Unappropriated profit	Total	
(Rupees in '000)					
Balance as at July 1, 2024 (audited)	94,362	2,641,000	1,558,603	4,199,603	4,293,965
Transaction with owners:					
Final dividend for the year ended June 30, 2024 @ Rs. 10.00 per share	-	-	(188,724)	(188,724)	(188,724)
Total transaction with owners	-	-	(188,724)	(188,724)	(188,724)
Transferred to general reserve	-	500,000	(500,000)	-	-
Comprehensive income for the period					
Profit after taxation for the period ended December 31, 2024	-	-	448,433	448,433	448,433
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period ended December 31, 2024	-	-	448,433	448,433	448,433
Balance as at December 31, 2024 (un-audited)	94,362	3,141,000	1,318,312	4,459,312	4,553,674
Balance as at July 1, 2025 (audited)	94,362	3,141,000	1,643,170	4,784,170	4,878,532
Transaction with owners:					
Final dividend for the year ended June 30, 2025 @ Rs. 10.00 per share	-	-	(188,724)	(188,724)	(188,724)
Total transaction with owners	-	-	(188,724)	(188,724)	(188,724)
Transferred to general reserve	-	1,000,000	(1,000,000)	-	-
Comprehensive income for the period					
Profit after taxation for the period ended December 31, 2025	-	-	553,430	553,430	553,430
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period ended December 31, 2025	-	-	553,430	553,430	553,430
Balance as at December 31, 2025 (un-audited)	94,362	4,141,000	1,007,876	5,148,876	5,243,238

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

31 December 2025 31 December 2024

(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	907,785	735,114
Adjustments for non-cash and other items		
Depreciation on operating fixed assets	110,734	101,161
Depreciation on right-of-use assets	5,597	5,597
Amortisation of intangible assets	-	7,453
Allowance for expected credit loss	(16,908)	(35,795)
Finance costs	16,655	15,894
Amortization of deferred income	(244)	(832)
Gain on disposals of operating fixed assets	(6,705)	(3,417)
	109,129	90,061
Profit before working capital changes	1,016,914	825,175
(Increase) / decrease in current assets		
Stores and spares	(5,147)	6,844
Stock-in-trade	(156,558)	(241,456)
Trade debts	(663,281)	(346,891)
Loans and advances	(141,603)	(49,035)
Trade deposits, prepayments and other receivables	(2,617)	12,750
Accrued markup	6,056	32,600
	(963,150)	(585,188)
Increase in current liabilities		
Trade and other payables	278,874	294,912
	332,638	534,899
Finance costs paid	(15,884)	(15,267)
Income taxes paid - net	(378,766)	(240,428)
Long-term loans and deposits - net	9,249	(5,510)
Net cash (used in)/ generated from operating activities	(52,763)	273,694
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures paid	(167,408)	(99,743)
Short term investments paid	(79,175)	115,838
Proceeds from disposal of operating fixed assets	13,987	6,938
Net cash (used in)/ generated from investing activities	(232,596)	23,033
CASH FLOWS / GENERATED FROM FINANCING ACTIVITIES		
Repayment of loan made during the period	(13,857)	(13,857)
Payment of lease rentals	(3,981)	976
Dividend paid	(187,571)	(187,291)
Net cash (used in) financing activities	(205,409)	(200,172)
Net (decrease) / increase in cash and cash equivalents	(490,768)	96,555
Cash and cash equivalents at beginning of period	956,466	302,496
Cash and cash equivalents at end of period	465,698	399,051
CASH AND CASH EQUIVALENTS		
Cash and bank balances	953,711	599,047
Short-term running finance	(488,013)	(199,996)
	465,698	399,051

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



MUSTAFA JAFAR
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE SIX-MONTHS ENDED DECEMBER 31, 2025**

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1. THE COMPANY AND ITS OPERATIONS

Dynea Pakistan Limited (the Company) was incorporated in Pakistan as a public limited company, under the repealed Companies Act, 1913 (now the Companies Act, 2017) on June 20, 1982 and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of formaldehyde, urea / melamine formaldehyde and moulding compound.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical Location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
- Registered Office	9th Floor, Artistic Tower, Plot No.39/A-2, Block-6, P.E.C.H.S., Main Shahrah-e-Faisal, Karachi-75400, Sindh, Pakistan.
- Factory	A101-105, A132-136, A141-150, H.I.T.E, Hub Chowki, District Lasbella, Balochistan.
- Factory	34-A, 34-B, 35, 38-A and 88, Road-3, Industrial Estate, Gadoon Amazai, District Swabi, KPK.

3. BASIS OF PREPARATION

3.1 Statement of Compliance

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

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

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

3.2 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 Company's annual financial statements as at and for the year ended June 30, 2025.

3.3 These condensed interim financial statements is presented in Pakistan Rupees which is the Company's functional and presentation currency.

4. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies and methods of computation applied in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statement as at and for the year ended June 30, 2025

4.1 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

Certain standards, amendments and interpretations to the published accounting and reporting standards that are mandatory for the Company's annual accounting periods beginning on and after July 01, 2025. However, these do not have any material impact on the Company's financial information and, therefore, have not been detailed in these unconsolidated condensed interim financial statements.

4.2 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not effective in the current period

Certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company for its annual accounting periods beginning on and after July 01, 2025. However, these are not considered to be relevant or will not have any material impact on the Company's financial information except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statement (IFRS 18)(published in April 2024) will applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'income statement' with certain additional disclosures in the financial statement; and
- Amendments to IFRS 9 'Financial Instrument' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfer with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

5. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

The assumptions, Judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual financial statements as at and for the year ended June 30, 2025.

	31 December 2025 (Un-audited)	30 June 2025 (Audited)
 (Rupees in '000)	
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	955,796	937,789
Right to use asset	27,985	33,582
Capital work-in-progress	31,384	-
	<u>1,015,165</u>	<u>971,371</u>

6.1 The following additions (including transfers from capital work-in-progress) and disposals were made in operating fixed assets during the period:

	Additions at cost		Disposals at book value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Un-audited)		(Un-audited)	
 (Rupees in '000) (Rupees in '000)	
Land	45,697	-	-	-
Building	3,417	-	-	-
Plant and machinery	29,191	20,140	-	-
Office Equipment	142	120	-	-
Furniture & Fixture	8,064	-	-	-
Computer and accessories	2,674	4,417	97	-
Vehicles	46,839	63,432	7,185	3,521
	<u>136,024</u>	<u>88,109</u>	<u>7,282</u>	<u>3,521</u>

	Note	31 December 2025 (Un-audited)	30 June 2025 (Audited)
	 (Rupees in '000)	
6.2 Movement in capital work-in-progress is as follows:			
Balance at beginning of the period		-	15,564
Capital expenditure incurred during the period		39,746	61,435
Transfers to operating fixed assets during the period		(8,362)	(76,999)
Balance at end of the period		<u>31,384</u>	<u>-</u>

7. STOCK-IN-TRADE

Raw material:			
In hand		802,279	928,267
In transit		720,547	583,664
		<u>1,522,826</u>	<u>1,511,931</u>
Packing material		32,052	39,791
Finished goods		434,609	281,117
Less: Provision for obsolescence		(12,425)	(12,335)
		<u>1,977,062</u>	<u>1,820,504</u>

8. TRADE DEBTS - unsecured

Considered good		2,271,444	1,591,255
Considered doubtful		172,796	189,704
		<u>2,444,240</u>	<u>1,780,959</u>
Allowance for expected credit loss	8.1	(172,796)	(189,704)
		<u>2,271,444</u>	<u>1,591,255</u>

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	31 December 2025 (Un-audited)	30 June 2025 (Audited)
 (Rupees in '000)	
8.1 Movement of allowance for expected credit loss:		
Balance at beginning of the period/ year	189,704	262,822
Reversal during the period/ year	(16,908)	(73,118)
Balance at end of the period/ year	<u>172,796</u>	<u>189,704</u>
9. LONG-TERM FINANCING - secured		
Temporary Economic Refinance Facility (TERF)	6,929	13,614
Current portion of long-term financing	<u>(6,929)</u>	<u>(13,614)</u>
	<u>-</u>	<u>-</u>

10. SHORT-TERM RUNNING FINANCE - secured

This represent running finance facilities obtained from various conventional banks amounting to Rs. 2,150 million (June 30, 2025: Rs. 2,150 million). These facilities are secured by joint / first pari passu hypothecation of stores and spares, stock-in-trade and trade debts of the Company. The rate of mark-up on these facilities ranges from one month KIBOR to three months' KIBOR as bench mark rate plus 0.50% to 1% as spread (June 30, 2025: one month KIBOR to three months' KIBOR as bench mark rate plus 0.50% to 1% as spread) per annum and mark-up is payable quarterly.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

The Excise and Taxation Department, Government of Sindh (the Department) imposed, vend and permit fee on methanol, a major raw material used by the Company in the production of formaldehyde. The Company filed a petition against the imposition of these levies in the High Court of Sindh (HCS) in August 1996. In June 2001, the HCS decided the case in the favour of the Company. However, the Department filed an appeal in the Supreme Court of Pakistan (SCP) against the above judgement. The SCP suspended the decision of the HCS and reverted the case back to the HCS for fresh hearing. In March 2003, the HCS once again decided the case in favour of the Company. The Department once again filed an appeal before the SCP.

In December 2019, the SCP disposed off the appeal on the basis that the Department would not press the instant and connected appeals, and that a fresh demand shall be raised following the notification dated 14 February 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on 30 October 2002. In addition to that the Department would surrender the demand secured by Indemnity Bonds for the period 1990 up to October 2002.

As of the reporting date, no fresh demand has yet been received from the Department against Vend and Permit fee amounting to Rs. 2,249.16 million (June 30, 2025: Rs. 2,005.93 million) determined on the basis of consumption of methanol by the Company since November 2002.

The consignment is being released by paying Rs. 3/= cash per bulk gallon which is being expensed out and indemnity bond of Rs. 14/= per bulk gallon under protest.

Upon receipt of the fresh demand from the Department, the Company intends to approach the relevant Court of Justice to defend the case. The Company expects, based on the view of the legal advisor and the merit of the case, that the Company has strong grounds to challenge such a demand and its challenge is likely to succeed. Accordingly, no provision for any liability has been made in these financial statements.

		31 December 2025 (Un-audited)	30 June 2025 (Un-audited)
		(Rupees in '000)	
11.2 Commitments			
11.2.1 Outstanding bank guarantees		37,303	37,303
11.2.2 Outstanding letter of credits		1,652,688	1,091,716
12 TURNOVER - net	Note	31 December 2025 (Un-audited)	31 December 2024 (Un-audited)
		(Rupees in '000)	
Local Sales		8,233,004	7,235,125
Export Sales	12.1	387,210	467,091
		8,620,214	7,702,216
Sales Tax		(1,412,929)	(1,236,636)
Net Turnover		7,207,285	6,465,580
12.1 Region wise export sales are as under			
Afghanistan		302,973	465,048
UAE		84,237	—
Kenya		—	2,043

13. OPERATING SEGMENT INFORMATION

For management purposes, the Company is organized into business units based on their products and has two reportable operating segments as follows:

- The resin division produces urea/ melamine formaldehyde and formaldehyde; and
- The moulding compound division produces urea/ melamine formaldehyde moulding compound and melamine glazing powder.

	Six-months ended 31 December 2025 (Un-audited)			Six-months ended 31 December 2024 (Un-audited)			
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total	
		(Rupees in '000)			(Rupees in '000)		
Turnover - net	2,173,235	5,034,050	7,207,285	1,871,656	4,593,924	6,465,580	
Segment result	161,781	1,058,206	1,219,987	157,897	836,854	994,751	
Unallocated expenses:							
Administrative expenses			(219,923)			(187,814)	
Distribution costs			(64,487)			(52,278)	
Other income			64,504			70,816	
Finance costs			(16,655)			(15,894)	
Other charges			(75,641)			(74,467)	
Taxation			(354,355)			(286,681)	
Net profit for the period			553,430			448,433	
Capital expenditure	44,006	73,300	117,306	40,910	31,329	72,239	
Unallocated capital expenditure			50,102			27,505	
Total capital expenditure			167,408			99,744	
Depreciation and amortisation	33,168	61,357	94,525	28,461	54,802	83,263	
Unallocated depreciation and amortisation			21,806			30,948	
Total depreciation and amortisation			116,331			114,211	

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	Quarter ended 31 December 2025 (Un-audited)			Quarter ended 31 December 2024 (Un-audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Turnover - net	<u>1,263,434</u>	<u>2,616,927</u>	<u>3,880,361</u>	<u>1,072,849</u>	<u>2,522,637</u>	<u>3,595,485</u>
Segment result	124,437	633,459	757,896	72,302	552,859	625,160
Unallocated expenses:						
Administrative expenses			(115,380)			(93,273)
Distribution costs			(32,958)			(27,005)
Other income			35,809			27,686
Finance costs			(8,479)			(6,864)
Other charges			(47,935)			(38,904)
Taxation			(226,737)			(190,209)
Net profit for the period			<u>362,216</u>			<u>296,592</u>
Capital expenditure	26,646	54,986	81,632	20,348	3,498	23,846
Unallocated capital expenditure			35,944			15,283
Total capital expenditure			<u>117,576</u>			<u>39,129</u>
Depreciation and amortisation	16,524	31,093	47,617	14,144	27,866	42,010
Unallocated depreciation and amortisation			11,402			15,897
Total depreciation and amortisation			<u>59,019</u>			<u>57,907</u>

Segment assets and liabilities

	31 December 2025 (Un-audited)			30 June 2024 (Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Segment assets	1,896,487	3,309,974	5,206,461	2,155,901	2,101,309	4,257,210
Unallocated assets			2,210,540			2,057,347
Total assets			<u>7,417,001</u>			<u>6,314,557</u>
Segment liabilities	189,963	530,503	720,466	535,232	617,199	1,152,431
Unallocated liabilities			1,453,297			283,594
Total liabilities			<u>2,173,763</u>			<u>1,436,025</u>

14. SHARIAH COMPLIANCE DISCLOSURE

Following information has been disclosed with the reference to disclosure requirements of fourth schedule of the Companies Act, 2017.

	31 December 2025			30 June 2025		
	Conventional	Shariah compliant	Total	Conventional	Shariah compliant	Total
	(Rupees in '000)			(Rupees in '000)		
Statement of financial position - Assets						
Interest accrued	13,673	–	13,673	19,729	–	19,729
Short-term investments	705,081	–	705,081	625,906	–	625,906
Cash and bank balances	580,309	373,402	953,711	956,466	81,267	1,037,733
Statement of financial position - Liabilities						
Current portion of long-term borrowing						
Lease liabilities	15,384	–	15,384	20,168	–	20,168
Current portion of lease liabilities	17,276	–	17,276	16,472	–	16,472
Short-term borrowing	288,013	200,000	488,013	–	–	–
Accrued mark-up/profit	484	244	728	201	–	201

	31 December 2025			31 December 2024		
	Conventional	Shariah compliant	Total	Conventional	Shariah compliant	Total
	(Rupees in '000)			(Rupees in '000)		
Statement of Profit or Loss						
Turnover -net	–	7,207,285	7,207,285	–	6,465,580	6,465,580
Interest/Profit on:						
Other Income	15,018	–	15,018	16,425	–	16,425
Interest/profit on deposit accounts	10,084	5,310	15,394	15,476	1,039	16,515
Interest on TDRs/T-Bills	25,666	–	25,666	32,669	–	32,669
Dividend Income	–	–	–	606	–	606
Gain on disposal of investment in TDRs/T-Bills	–	–	–	1,184	–	1,184
Gain on disposal of investment in mutual funds	1,722	–	1,722	–	–	–
Gain on disposal of operating fixed assets	–	6,705	6,705	–	3,417	3,417
Exchange loss/(gain) on foreign currency	–	10,324	10,324	–	19,444	19,444
Finance cost	16,617	48	16,665	15,811	83	15,894

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15. FAIR VALUE MEASUREMENT

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

The different levels to analyse financial assets carried at fair value have been defined as follows:

Level 1: Quoted market price.

Level 2: Valuation techniques (market observable); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of the statement of financial position date, the Company does not have any financial assets carried at fair value that required categorization in Level 1, Level 2 and Level 3.

16. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated companies, employee retirement benefits fund, directors and key management personnel. All the transactions with related parties are carried out on arms-length basis and in the ordinary course of business as approved by the Board of Directors of the Company. Transactions with related parties are as follows:

Name of related Party	Relationship	% of shareholding	Nature of transaction	31 December 2025	31 December 2024
			 (Rupees in '000) (Un-audited)	
Remuneration	Key management personnel	0.005%	Remuneration	165,223	109,400
Director Fee	Directors	0.03%	Director fee	8,124	6,763
Provident Fund	Retirement benefits	Nil	Contribution to fund	12,666	11,145
AICA Asia Pacific Holding Pte Ltd.	Associated Company	24.99%	Dividend	47,162	47,162

17. SUBSEQUENT EVENT

The Board of Directors has proposed and approved an interim cash dividend of Rs.6.25 per share for the half year ended December 31, 2025 amounting to Rs.117.953 million, in its meeting held on February 25, 2026. These condensed interim financial statements do not include the effect of the above interim cash dividend which will be accounted for as a subsequent event.

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 25, 2026 by the Board of Directors of the Company.

19. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.



MUSTAFA JAFAR
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

Karachi: February 25, 2026

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