



ITTEHAD CHEMICALS LIMITED



TOWARDS A  
**GREENER**  
TOMORROW

3RD QUARTERLY  
REPORT  
MARCH 31,  
**2026**

# ITTEHAD CHEMICALS LIMITED

## CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE 3<sup>RD</sup> QUARTER ENDED MARCH 31, 2026  
(UN-AUDITED)

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# Corporate Information

## BOARD OF DIRECTORS

Mr. Muhammad Siddique Khatri	Chairman	Non-Executive Director
Mr. Abdul Sattar Khatri	Director/CEO	Executive Director
Mr. Waqas Siddiq Khatri	Director	Executive Director
Mr. Ahmed Mustafa	Director	Non-Executive Director
Miss. Suha Abdul Hai	Director	Non-Executive Director
Mr. Pervaiz Ahmad Khan	Director	Independent Director
Mr. Muhammad Riaz	Director	Independent Director

## AUDIT COMMITTEE

Mr. Muhammad Riaz	Chairman
Mr. Ahmed Mustafa	Member
Mr. Pervaiz Ahmad Khan	Member

## HR & REMUNERATION COMMITTEE

Mr. Pervaiz Ahmad Khan	Chairman
Mr. Ahmed Mustafa	Member
Mr. Waqas Siddiq Khatri	Member

## RISK MANAGEMENT COMMITTEE

Mr. Pervaiz Ahmad Khan	Chairman
Mr. Abdul Sattar Khatri	Member
Mr. Waqas Siddiq Khatri	Member

## CHIEF FINANCIAL OFFICER

Mr. Muhammad Asif Khan

## COMPANY SECRETARY

Mr. Abdul Mansoor Khan

## REGISTERED OFFICE/HEAD OFFICE

39-Empress Road, P.O. Box 1414, Lahore-54000.  
Tel: 042 - 36306586 - 88, Fax: 042 - 36365697  
Website: [www.ittehadchemicals.com](http://www.ittehadchemicals.com), E-mail: [info@ittehadchemicals.com](mailto:info@ittehadchemicals.com)

## FACTORY/PLANT

G.T. Road, Kala Shah Kaku, District Sheikhupura.  
Ph: 042 - 37950222 - 25, Fax: 042 - 37950206

## SHARES REGISTRAR

M/s. Hameed Majeed Associates (Pvt) Limited  
1<sup>st</sup> Floor, H.M. House, 7 Bank Square  
The Mall, Lahore.  
Tel: 042 - 37235081 - 82

## BANKERS

### Banks - Conventional Side

Allied Bank Limited  
Askari Bank  
Habib Metro Bank Limited  
JS Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Pak Brunei Inv. Company Ltd  
Pak Libya Holding Co. (Pvt.) Ltd.  
Pak Oman Investment Co. Ltd.  
Samba Bank Limited  
Soneri Bank Limited  
The Bank of Punjab  
United Bank Limited

### Banks - Islamic Window Operations

Al- Baraka Bank (Pakistan) Limited  
Bank Alfalah Limited - Islamic  
Bank Islami Pakistan Limited  
Dubai Islamic Bank (Pak) Limited  
Faysal Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
The Bank of Khyber  
The Bank of Punjab  
(Taqwa Islamic Banking)  
United Bank Limited  
(Ameen Islamic Banking)

## AUDITORS

M/s. BDO Ebrahim & Co., Chartered Accountants,  
2<sup>nd</sup> Floor, Block- C, Lakson Square Building No.1,  
Sarwar Shaheed Road, Karachi.  
Ph: 021 - 35683189, 35683498, Fax : 021 - 35684239

## LEGAL ADVISOR

Cornelius, Lane & Mufti  
Advocates & Solicitors  
Nawa-e-Waqt House  
4 - Shahr-e-Fatima Jinnah  
Lahore-54000

# **ITTEHAD CHEMICALS LIMITED**

**(UNCONSOLIDATED)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

FOR THE 3<sup>RD</sup> QUARTER ENDED MARCH 31, 2026

(UNAUDITED)

## DIRECTORS' REPORT

The Directors of your Company are pleased to present the standalone un-audited condensed interim financial statements of the Company for the third quarter and nine months ended March 31, 2026.

The Company posted net sales revenue of Rupees 24,124 Million (2025: Rupees 20,340 Million) with an increase of 19% during the nine months of ongoing financial year under review. The cost of sales was Rupees 20,502 Million (2025: Rupees 16,603 Million) bringing gross profit to Rupees 3,622 Million (2025: Rupees 3,737 Million). The gross profit margin dropped to 15% from 18% vis-à-vis corresponding period of last year on account of higher energy cost. The bottom line showed a net profit after tax of Rupees 1,055 Million (2025: Rupees 928 Million) which yielded earnings per share of Rupees 10.55 (2025: Rupees 9.28 per share).

As previously reported, the Company is actively pursuing strategic capital expenditure initiatives to drive accelerated and sustainable growth. Development of the Biomass Power Plant, managed by its wholly owned subsidiary, ICL Power (Pvt.) Limited, is progressing on schedule, with operations expected to commence during FY 2026–27.

The Board has incorporated a group company M/s Biostacks (Pvt.) Limited to handle biomass collection and ancillary services. This strategic move secures a consistent raw material supply for upcoming Biomass power plant while expanding into the broader energy market. The shareholders have approved investment to the extent of PKR One (01) Billion in Biostacks (Pvt.) Ltd., in the EOGM held on March 27, 2026 to boost efficiency, profitability and shareholders' value as recommended by the Board. Furthermore, the Caustic Soda Flaker Plant is anticipated for commissioning during the first quarter of FY 2026-27 to enhance the product portfolio.

Pakistan's economy showed signs of recovery during this period, characterized by a current account surplus, increased remittances and strong growth in large-scale manufacturing. While the outlook is optimistic due to rising industrial activity, the management notes risks from global oil price instability and supply chain disruptions due to ongoing middle east conflicts. The Management of your company is taking all suitable measures to plan and manage the challenges it is foreseeing in the future.

The Board is thankful to the valuable Members, Customers, Suppliers, Banks, and Government departments for their trust, confidence, persistent support, and patronage and would like to place on record its gratitude to all the Employees of the company for their contribution, dedication, and hard work.

On behalf of the Board



Lahore  
April 27, 2026

Muhammad Siddique Khatri  
Chairman



Abdul Sattar Khatri  
Chief Executive Officer

## ڈائریکٹر رپورٹ

آپ کی کمپنی کی ڈائریکٹر 31 مارچ 2026ء کو اختتام پذیر ہونے والی تیسری سہ ماہی اور رواں مالی سال کے پہلے نو ماہ کے غیر مربوط غیر پڑتال شدہ بین المدتی مختصر مالی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی کی فروخت رواں مالی سال کے نو ماہ کے دوران 19% فیصد اضافے کے ساتھ 24,124 ملین روپے (2025: 20,340 ملین روپے) رہی۔ فروخت کی لاگت 20,502 ملین روپے (2025: 16,603 ملین روپے) رہی جس سے 3,622 ملین روپے (2025: 3,737 ملین روپے) خام منافع حاصل ہوا۔ توانائی کی زیادہ لاگت کی وجہ سے خام منافع کا تناسب گزشتہ سال کے اسی عرصے کے مقابلے میں 18% فیصد سے کم ہو کر 15% فیصد ہو گیا۔ ٹیکس کی ادائیگی کے بعد گوشوارے کی آخری سطر مبلغ 1,055 ملین روپے (2025: 928 ملین روپے) کا منافع ظاہر کرتی ہے جس کے نتیجے میں فی حصص 10.55 روپے (2025: 9.28 روپے فی حصص) کی آمدنی ہوئی۔

جیسا کہ پہلے رپورٹ کیا گیا، کمپنی متحرک طور پر اسٹریٹجک سرمایہ کاری کے اقدامات کو آگے بڑھا رہی ہے تاکہ تیز اور پائیدار ترقی کو فروغ دیا جاسکے۔ بائیو ماس پاور پلانٹ پر کام، جس کا انتظام اس کی مکمل ملکیتی ذیلی کمپنی، آئی سی ایل پاور (پرائیویٹ) لمیٹڈ کے زیر انتظام ہے، شیڈول کے مطابق جاری ہے، اور مالی سال 2026-27ء کے دوران آپریشنز کے شروع ہونے کی توقع ہے۔

بورڈ نے ایک گروپ کمپنی بائیو اسٹیکس (پرائیویٹ) لمیٹڈ قائم کی ہے تاکہ بائیو ماس کے جمع کرنے اور معاون خدمات کو سنبھالا جاسکے۔ یہ اسٹریٹجک اقدام توانائی کی وسیع مارکیٹ میں توسیع کرتے ہوئے آئندہ بائیو ماس پاور پلانٹ کے لیے خام مال کی مسلسل فراہمی کو محفوظ بناتا ہے۔ شیئر ہولڈرز نے بورڈ کی سفارش کے مطابق افادیت، منافع اور شیئر ہولڈرز کی قدر کو بڑھانے کے لیے 27 مارچ 2026ء کو ہونے والے غیر معمولی اجلاس عام میں بائیو اسٹیکس (پرائیویٹ) لمیٹڈ میں ایک (01) ارب روپے کی سرمایہ کاری کرنے کی منظوری دے دی ہے۔ مزید برآں، توقع ہے کہ کاسٹک سوڈا فلکیک پلانٹ مالی سال 2026-27ء کی پہلی سہ ماہی کے دوران شروع ہو جائے گا تاکہ مصنوعات کے پورٹ فولیو کو بہتر بنایا جاسکے۔

پاکستان کی معیشت نے اس دوران بحالی کے آثار دکھائے، جس کی خصوصیات موجودہ اکاؤنٹ میں اضافے، بھیجے گئے پیسوں میں اضافہ اور بڑے پیمانے پر پیداوار میں مضبوط ترقی تھیں۔ اگرچہ صنعتی سرگرمی میں اضافہ ہونے کی وجہ سے نقطہ نظر پر امید ہے، انتظامیہ عالمی تیل کی قیمتوں میں عدم استحکام اور جاری مشرق وسطیٰ کے تنازعات کی وجہ سے سپلائی چین میں رکاوٹوں کے خطرات کو نوٹ کر رہی ہے۔ آپ کی کمپنی کی انتظامیہ مستقبل میں پیش آنے والے چیلنجوں کی منصوبہ بندی اور ان کا انتظام کرنے کے لیے تمام مناسب اقدامات کر رہی ہے۔

بورڈ قابل قدر حصص داران، سپلائرز، صارفین، بینکوں اور سرکاری محکموں کی جانب سے ان کے اعتماد، مسلسل تعاون اور سرپرستی پر شکر گزار ہے اور کمپنی کے تمام ملازمین کا ان کے تعاون، لگن اور محنت کے لیے شکریہ ادا کرتا ہے۔

محمد صدیق کھتری

لاہور

27 اپریل 2026ء

چیئر مین

عبدالستار کھتری

چیف ایگزیکٹو آفیسر

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

		March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
	Note	(Rupees in thousand)	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment			
Operating fixed assets	6	8,228,443	8,311,619
Capital work in progress	7	931,564	327,556
		9,160,007	8,639,175
Investment property		-	675,000
Long term Investments	8	1,862,500	1,698,414
Long term deposits		64,934	64,799
		11,087,441	11,077,388
<b>CURRENT ASSETS</b>			
Stores and spares		1,054,920	698,318
Stock in trade		2,919,054	2,679,874
Trade debts		3,553,849	3,279,983
Loans and advances	9	429,838	242,629
Trade deposits and short term prepayments		549,016	545,701
Tax refunds due from Government		775,774	831,301
Taxation - net		251,580	277,704
Short term Investments		-	12,200
Cash and bank balances		1,079,840	447,408
		10,613,871	9,015,118
Assets Held for Sale	10	102,273	-
<b>TOTAL ASSETS</b>		<b>21,803,585</b>	<b>20,092,506</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital	11.1	2,000,000	2,000,000
Issued, subscribed and paid up capital	11.2	1,000,000	1,000,000
Share premium money		177,000	177,000
Merger Reserves		(6,445)	(6,445)
Surplus on revaluation of fixed assets		2,872,504	2,872,504
Loan from directors		80,000	-
Unappropriated profit		6,945,876	6,190,552
		11,068,935	10,233,611
<b>NON CURRENT LIABILITIES</b>			
Long term financing	12	1,989,074	487,704
Deferred liabilities		811,030	819,495
Deferred grant		2,863	4,174
		2,802,967	1,311,373
<b>CURRENT LIABILITIES</b>			
Trade and other payables		4,772,040	3,252,326
Contract Liabilities		228,508	224,816
Unclaimed dividend		6,716	3,595
Mark-up accrued		66,532	87,590
Short term borrowings		2,141,456	4,534,076
Current portion of long term liabilities		716,431	445,119
		7,931,683	8,547,522
<b>CONTINGENCIES AND COMMITMENTS</b>	13	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21,803,585</b>	<b>20,092,506</b>

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2026	2025	2026	2025
----- (Rupees in thousand) -----					
Revenue from contracts with customers		24,124,484	20,339,793	8,266,848	7,196,535
Cost of sales	14	(20,502,458)	(16,602,753)	(7,209,902)	(5,942,783)
Gross profit		3,622,026	3,737,040	1,056,946	1,253,752
Selling and distribution expenses		(1,151,118)	(1,261,294)	(381,204)	(439,040)
General and administrative expenses		(325,973)	(308,665)	(120,835)	(118,470)
Other operating expenses		(146,487)	(146,095)	(35,316)	(63,246)
Other operating income		154,145	58,421	62,667	8,933
		(1,469,433)	(1,657,633)	(474,688)	(611,823)
Operating profit / loss		2,152,593	2,079,407	582,258	641,929
Financial charges		(425,535)	(467,584)	(118,677)	(115,408)
Profit before income tax and levy		1,727,058	1,611,823	463,581	526,521
Levy		-	(7,338)	-	(1,244)
Profit / (loss) before Income tax		1,727,058	1,604,485	463,581	525,277
Taxation		(671,734)	(676,639)	(182,771)	(211,827)
Profit / (loss) after taxation		1,055,324	927,846	280,810	313,450
Earnings per share - basic and diluted (Rupees)	15	10.55	9.28	2.81	3.13

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Nine months ended March 31,		Quarter ended March 31,	
	2026	2025	2026	2025
	----- (Rupees in thousand) -----			
<b>Profit / (loss) for the period</b>	1,055,324	927,846	280,810	313,450
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u>1,055,324</u>	<u>927,846</u>	<u>280,810</u>	<u>313,450</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Nine months ended March 31,	
	2026	2025
	(Rupees in thousand)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,727,058	1,611,823
Adjustments for items not involving movement of funds:		
Depreciation	540,762	566,747
Amortisation of intangible assets	-	244
Provision for gratuity	47,014	44,286
Loss on sale of fixed assets	10,501	(10,075)
Gain on disposal of investment property	(54,273)	-
Loss / (Gain) on foreign exchange	1,113	(2,840)
Bad debts written off	-	170
Provision for obsolete stores	27,000	13,500
Financial charges	412,606	467,584
Net cash flow before working capital changes	2,711,781	2,691,439
<b>Decrease / (increase) in current assets</b>		
Stores and spares	(383,602)	(1,424)
Stock in trade	(239,180)	(613,060)
Trade debts	(274,979)	164,704
Loans and advances	(187,209)	(219,097)
Trade deposits and short term prepayments	(3,315)	7,070
Tax refunds due from the Government	19,338	155,424
<b>Increase / (decrease) in current liabilities</b>	(1,068,947)	(506,383)
Trade and other payables	1,523,406	250,212
Cash generated from operations	3,166,240	2,435,268
Income taxes paid	(650,980)	(804,590)
Gratuity paid	(13,921)	(14,228)
Financial charges paid	(455,323)	(471,582)
Net cash (used in) / generated from operating activities	2,046,016	1,144,868
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to operating fixed assets - net	(40,215)	(50,892)
Additions to capital work in progress	(1,014,411)	(522,153)
Proceeds from sale of operating fixed assets	4,190	11,855
Proceeds from sale of investment property	627,000	
Long term Investments	(164,086)	(990,118)
Short term Investments	12,200	-
Long term deposits	(135)	(1,654)
Net cash used in investing activities	(575,457)	(1,552,962)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term financing - net	1,771,372	(13,816)
Long term diminishing musharaka - net	-	(139,031)
Dividend paid	(296,879)	(346,760)
Loan from directors	80,000	-
Short term borrowings	(2,392,620)	1,152,102
Net cash inflow from financing activities	(838,127)	652,495
<b>Net increase in cash and cash equivalents</b>	632,432	244,401
<b>Cash and cash equivalents at the beginning of the period</b>	447,408	287,556
<b>Cash and cash equivalents at the end of the period</b>	1,079,840	531,957

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Share capital	Loan From Directors	Surplus on revaluation of fixed assets	Balance arising upon merger	Share premium money	Unappropriated profit	Total
----- (Rupees in thousand) -----							
<b>Balance as at July 01, 2024 (Audited)</b>	1,000,000		2,872,504	(6,445)	177,000	5,244,539	9,287,598
<b>Transaction with owners:</b>							
Final cash dividend @ Rs. 1.50 per share	-	-	-	-	-	(150,000)	(150,000)
Interim cash dividend @ Rs. 2 per share	-	-	-	-	-	(200,000)	(200,000)
Total Comprehensive income for the period	-	-	-	-	-	927,846	927,846
<b>Balance as at March 31, 2025 (Un-Audited)</b>	<b>1,000,000</b>	<b>-</b>	<b>2,872,504</b>	<b>(6,445)</b>	<b>177,000</b>	<b>5,822,385</b>	<b>9,865,444</b>
<b>Balance as at July 01, 2025 (Audited)</b>	1,000,000		2,872,504	(6,445)	177,000	6,190,552	10,233,611
<b>Transaction with owners:</b>							
Final cash dividend @ Rs. 2 per share	-	-	-	-	-	(200,000)	(200,000)
Interim cash dividend @ Rs. 1 per share	-	-	-	-	-	(100,000)	(100,000)
Loan from directors		80,000					80,000
Total Comprehensive income for the period	-	-	-	-	-	1,055,324	1,055,324
<b>Balance as at March 31, 2026 (Un-Audited)</b>	<b>1,000,000</b>	<b>80,000</b>	<b>2,872,504</b>	<b>(6,445)</b>	<b>177,000</b>	<b>6,945,876</b>	<b>11,068,935</b>

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2026

### 1 LEGAL STATUS AND NATURE OF BUSINESS

Ittehad Chemicals Limited (the Company) was incorporated on September 28, 1991 under the repealed Companies Ordinance, 1984 ( now Companies Act, 2017 ) and is listed on Pakistan Stock Exchange Limited. The Company was privatised on July 03, 1995. The Company is engaged in the business of manufacturing and selling caustic soda and other allied chemicals.

The Company holds 100% shares of Ittehad Salt Processing (Private) Limited (subsidiary company), which is a private limited company and incorporated in Pakistan under the Companies Act, 2017 on December 03, 2019. The subsidiary company is engaged in the business of exploring, operating, and working on mines and quarries. The registered office of subsidiary company is situated at 31-A, Tech Society, Canal Bank, Lahore. The Chief Executive of the subsidiary company is Mr. Ahmed Mustafa.

The Company holds 100% shares of ICL Power (Private) Limited (subsidiary company), which is a private limited company incorporated in Pakistan under the Companies Act, 2017 on January 2, 2024, as company limited by shares. The Company is engaged in the business of generating and providing of electricity. The Chief Executive of subsidiary company is Mr. Waqas Siddiq Khatri.

### 2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 39, Empress Road, Lahore. The manufacturing facility of the Company is located at G.T Road Kala Shah Kaku District Sheikhpura and regional offices are located as follows:

#### Regional office

#### Office address

Karachi

Town House No. 44-N/1-A, Razi Road, Block-6, P.E.C.H.S. Karachi.

Faisalabad

3rd Floor, Habib Bank Building, Circular Road, Faisalabad.

Islamabad

2nd Floor, Quaid Plaza, office No.15, Markaz I-9, Islamabad.

### 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;

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act , 2017; and

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2025 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2025 whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the nine months period ended March 31, 2025.

### **3.2 Basis of measurement**

This condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value, investment property at fair value and certain operating fixed assets at revalued amounts.

### **3.3 Functional and presentation currency**

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

## **4 MATERIAL ACCOUNTING POLICY INFORMATION**

- 4.1** The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2025.

## **5 ESTIMATES**

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial information for the year ended June 30, 2025.

	<b>March 31, 2026</b>	<b>June 30, 2025</b>
<b>Note</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>(Rupees in thousand)</b>	

## 6 OPERATING FIXED ASSETS

Fixed Assets	6.1	<b>8,228,443</b>	<b>8,311,619</b>
<b>6.1</b> Opening net book value (NBV)		8,311,619	8,504,920
Additions / revaluation / Transfer (at cost)	6.1.1	472,277	576,123
		<b>8,783,896</b>	<b>9,081,043</b>
Disposals (at NBV) during the period / year	6.1.2	(14,691)	(1,781)
Depreciation charged during the period / year		(540,762)	(767,643)
		<b>(555,453)</b>	<b>(769,424)</b>
Closing net book value (NBV)		<b>8,228,443</b>	<b>8,311,619</b>
<b>6.1.1</b> Details of additions (at cost) during the period / year are as follows:			
Building		36,942	22,819
Plant and machinery		407,698	455,848
Other equipment		438	6,654
Furniture and fixtures		676	1,044
Office and other equipment		4,660	17,663
Vehicles - owned		21,863	72,095
		<b>472,277</b>	<b>576,123</b>
<b>6.1.2</b> Details of disposals (at NBV) during the period / year are as follows:			
Building		(1,698)	-
Plant and machinery		(11,555)	-
Other Equipment		(407)	-
Office and other equipment		(111)	-
Vehicles		(920)	(1,781)
		<b>(14,691)</b>	<b>(1,781)</b>

	Note	March 31, 2026 (Unaudited) (Rupees in thousand)	June 30, 2025 (Audited)
<b>7 CAPITAL WORK IN PROGRESS</b>			
Advances		1,639	155,840
Building		29,276	29,416
Plant and machinery		900,649	142,300
		<u>931,564</u>	<u>327,556</u>
<b>8 LONG TERM INVESTMENTS</b>			
Ittehad salt processing (pvt) Ltd 250,000 (2025: 250,000) fully paid ordinary shares		2,500	2,500
ICL Power (Pvt) Ltd 186,000,000 (2025: 100,000,000) fully paid ordinary shares		1,860,000	1,000,000
Advance against issuance of Shares		-	695,914
		<u>1,862,500</u>	<u>1,698,414</u>
<b>9 LOAN AND ADVANCES</b>			
Advances - (Unsecured - considered good)			
To employees	9.1	30,613	21,224
Advance for supplies and services (Unsecured)			
Considered good		241,338	218,482
Considered doubtful		1,374	1,374
		242,712	219,856
Against import		119,032	2,314
		361,744	222,170
Accrued Interest receivable	9.2	38,855	609
Less: Provision for doubtful advances		1,374	1,374
		<u>429,838</u>	<u>242,629</u>
9.1 This includes advance to employees against salaries in accordance with the terms of their employment. These advances are unsecured, interest free and deductible from their salaries.			
9.2 This represents the interest receivable on advances given to ICL Power (Pvt) Ltd.			
<b>10 ASSETS HELD FOR SALE</b>			
Investment Property	10.1	<u>102,273</u>	<u>-</u>

- 10.1 The shareholders approved to sell two investment properties of the Company located at Mouza Hassanabad, Barki Road Lahore, measuring approximately 42 and 24 kanals. The Company has sold 56 kanals and the remaining 10 kanals are in process of sale.

**March 31,  
2026  
(Unaudited)**      **June 30,  
2025  
(Audited)**  
(Rupees in thousand)

## 11 SHARE CAPITAL

### 11.1 Authorized share capital

175,000,000 (June 30, 2025: 175,000,000) ordinary shares of Rs. 10/- each	1,750,000	1,750,000
25,000,000 (June 30, 2025.: 25,000,000) preference shares of Rs. 10/- each	250,000	250,000
	<u>2,000,000</u>	<u>2,000,000</u>

### 11.2 Issued, subscribed and paid up share capital

27,100,000 (June 30, 2025: 27,100,000) ordinary shares of Rs. 10/- each fully paid in cash	271,000	271,000
24,900,000 (June 30, 2025: 24,900,000) ordinary shares of Rs. 10/- each issued for consideration other than cash	249,000	249,000
48,000,000 (June 30, 2025: 48,000,000) fully paid bonus shares of Rs. 10/- each	480,000	480,000
	<u>1,000,000</u>	<u>1,000,000</u>

## 12 LONG TERM FINANCING

From banking companies and financial institutions - secured	2,693,916	909,616
Current portion shown under current liabilities	(704,842)	(421,912)
	<u>1,989,074</u>	<u>487,704</u>

## 13 CONTINGENCIES AND COMMITMENTS

### 13.1 Contingent liabilities

- a) Letters of guarantee outstanding as at March 31, 2026 were Rs. 523.900 million (June 2025: Rs. 552.440 million).
- b) The amended assessment order u/s 122(5A) of the Income Tax Ordinance, 2001 for Tax Year 2006 passed by the learned Additional Commissioner Inland Revenue against the Company was decided in favor of the Company by Commissioner Inland Revenue (Appeals). However, the said order was challenged by the Commissioner before Appellate Tribunal Inland Revenue (ATIR), which has been decided by the learned ATIR in favor of the Company.

- c) The company has provided the corporate guarantee aggregating to Rs.5,400 million (June 2025 : nil) to the bank against the finance facilities availed by ICL Power (Pvt) Ltd.
- d) Other contingencies are not materially different from those as disclosed in preceding annual financial statements for the year ended June 30, 2025.

### 13.2 Commitments

Commitments as on March 31, 2026 were as follows:

Against letters of credit amounting to Rs.3,089.238 million (June 30, 2025: Rs. 1,449.507 million).

----- (Unaudited) -----			
Nine months ended March		Quarter ended March 31,	
2026	2025	2026	2025
----- (Rupees in thousand) -----			

### 14 COST OF SALES

Raw materials consumed	11,631,072	8,385,511	4,102,220	2,965,313
Other overheads:				
Salaries, wages and other benefits	885,364	783,886	287,346	265,501
Stores, spares and consumables	312,213	375,569	102,723	133,875
Packing materials consumed	163,744	198,204	36,822	74,304
Fuel and power	7,186,415	6,288,685	2,619,526	2,311,674
Repair and maintenance	73,765	49,296	27,289	15,057
Rent, rates and taxes	17,396	13,689	5,059	4,773
Insurance	12,717	14,637	4,677	4,053
Depreciation	521,755	549,702	179,240	189,924
Vehicle running expenses	22,516	21,740	8,079	6,747
Telephone, telex and postage	880	981	317	353
Printing and stationery	567	109	539	63
Provision for slow moving stores & spares	27,000	13,500	9,000	13,500
Other expenses	8,384	7,281	2,986	3,206
	9,232,716	8,317,279	3,283,603	3,023,030
Opening work in process	87,682	82,822	58,114	89,118
Closing work in process	(62,911)	(91,113)	(62,911)	(91,113)
	24,771	(8,291)	(4,797)	(1,995)
Cost of goods manufactured	20,888,559	16,694,499	7,381,026	5,986,348
Cost of stores traded	-	254,206	-	-
Opening stock of finished goods	1,149,509	1,208,684	1,364,486	1,511,071
Closing stock of finished goods	(1,535,610)	(1,554,636)	(1,535,610)	(1,554,636)
	(386,101)	(345,952)	(171,124)	(43,565)
	20,502,458	16,602,753	7,209,902	5,942,783

----- (Unaudited) -----

Nine months ended March		Quarter ended March 31,	
2026	2025	2026	2025

----- (Rupees in thousand) -----

**15 EARNINGS PER SHARE - BASIC AND DILUTED**

Profit / (loss) after taxation - (Rs. in thousand)	1,055,324	927,846	280,810	313,450
Weighted average number of ordinary shares - (in thousand)	100,000	100,000	100,000	100,000
Earnings per share - basic and diluted - (Rs.)	10.55	9.28	2.81	3.13

**16 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are given as under:

----- (Unaudited) -----

Nine months ended March		Quarter ended March 31,	
2026	2025	2026	2025

----- (Rupees in thousand) -----

**Transaction with:****Relationship with the Company****Nature of transaction****Subsidiary Company**

ICL Power (Pvt) Ltd	Investment Made against right issue	164,086	990,118	-	503,118
	Loan given	476,599	245,882	148,918	245,882
	Loan payment received	(476,599)	-	(148,918)	-
	Interest Charged	38,855	1,461	1,758	1,461

**Associated Company**

Ittehad Developers	Loan Obtained	-	130,000	-	-
	Loan Repaid	-	(120,000)	-	(120,000)

**Directots**

Muhammad Siddique Khatri		20,000	-	-	-
Abdul Sattar Khatri		20,000	-	-	-
Waqas Siddiq Khatri		20,000	-	-	-
Ahmed Mustafa		20,000	-	-	-
Other related party					
Chemi Multifabrics Ltd	Marketing services charges	117,853	94,396	41,194	32,990
Retirement benefit Plans	Contribution to staff retirement benefit plans	724	652	244	213
Key management personnel	Remuneration and other benefits	97,992	96,229	41,817	45,981

**March 31,**      **June 30,**  
**2026**              **2025**  
**(Unaudited)**      **(Audited)**  
**(Rupees in thousand)**

**Period / year end balances:****Relationship with  
the Company****Nature of outstanding balances**

Chemi Multifabrics Ltd	Trade and other payables	61,703	73,007
ICL Power (Pvt) Ltd	Long Term Investment	-	695,914
ICL Power (Pvt) Ltd	Loan and advances	38,855	-

**17 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The carrying values of all financial assets and liabilities reflected in the financial statements 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.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1:                      Quoted prices in active markets for identical assets or liabilities.
- Level 2:                      Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3:                      Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no financial instruments held by the Company which are measured at fair value as of March 31, 2026 and June 30, 2025.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

**18 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

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

This condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2025.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2025.

**19 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

**20 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorized for issue on April 27, 2026 by the Board of Directors of the Company.

**21 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE**

There are no significant adjusting or non adjusting event after the reporting date requiring adjustment or disclosure in the financial statements.

**22 GENERAL**

Amounts have been rounded off to the nearest rupees in thousand unless otherwise stated.

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

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# **ITTEHAD CHEMICALS LIMITED**

**(CONSOLIDATED)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

FOR THE 3<sup>RD</sup> QUARTER ENDED MARCH 31, 2026

(UNAUDITED)

## DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors take pleasure in presenting their report on the consolidated un-audited condensed interim financial statements of Ittehad Chemicals Limited (“The Holding Company”) and its wholly owned subsidiary companies, “Ittehad Salt Processing (Pvt.) Limited” (the “ISPPL”) and “ICL Power (Pvt.) Limited” (the “IPL”) for the third quarter and nine months ended March 31, 2026.

Ittehad Salt Processing (Private) Limited (“ISPPL”) was established in accordance with the provisions of the Companies Act, 2017, as a company limited by shares, incorporated on December 3, 2019, in Pakistan. The company's registered office is located in Lahore, Punjab. ISPPL, as a wholly owned subsidiary of M/s Ittehad Chemicals Limited, is primarily focused on exploring opportunities in rock salt mining, ensuring full compliance with all applicable legal requirements. Presently, the ISPPL has filed an appeal at the appropriate Forum against the decision of Mines & Minerals Department, Punjab wherein the Department declined to award Mining Lease to the Company due to non-issuance of NOC by the Forest Department.

ICL Power (Private) Limited (“IPL”) was incorporated in Pakistan as a company limited by shares on January 2, 2024 under the Companies Act, 2017. The registered office of the Company is situated in Lahore, Punjab. The main objective of this wholly owned subsidiary is to carry out all or any of the businesses of generating, purchasing, importing, transforming, converting, distributing, supplying, exporting and dealing in electricity, in Pakistan or elsewhere in the world subject to the applicable laws. The wholly owned subsidiary is actively engaged in establishing a Biomass Power Plant, with construction work currently progressing at full pace. This project is expected to enhance long-term profitability and reinforce operational sustainability.

The Consolidated Financial Statements showed Earnings per share Rs. 10.03 for the nine months ended March 31, 2026.

Adequate internal financial controls are in place and Management ensures complete and satisfactory implementation of the same. The Management is optimistic about future growth and healthy returns after obtaining the Mining license from Punjab Mines & Minerals Department and regulatory approvals for the Biomass Power Plant establishment.

On behalf of the Board



Lahore  
April 27, 2026

Muhammad Siddique Khatri  
Chairman



Abdul Sattar Khatri  
Chief Executive Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

		March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
	Note	(Rupees in thousand)	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment			
Operating fixed assets	6	8,231,416	8,314,835
Capital work in progress	7	4,536,858	2,052,169
		<u>12,768,274</u>	<u>10,367,004</u>
Intangible assets		252	252
Investment property		-	675,000
Long term Investments	8	-	-
Long term deposits		66,571	66,436
		<u>12,835,097</u>	<u>11,108,692</u>
<b>CURRENT ASSETS</b>			
Stores and spares		1,054,920	698,318
Stock in trade		2,919,919	2,680,740
Trade debts		3,553,849	3,279,983
Loans and advances	9	394,422	243,116
Trade deposits and short term prepayments		549,082	545,701
Tax refunds due from Government		946,061	860,720
Taxation - net		252,575	277,704
Short term Investments		-	12,200
Cash and bank balances		1,622,982	450,121
		<u>11,293,810</u>	<u>9,048,603</u>
Assets held for sale	10	102,273	-
		<u>24,231,180</u>	<u>20,157,295</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital	11.1	2,000,000	2,000,000
Issued, subscribed and paid up capital	11.2	1,000,000	1,000,000
Share premium money		177,000	177,000
Unappropriated profit		6,885,231	6,181,987
Merger Reserves		(6,445)	(6,445)
Loan from directors		80,000	
Surplus on revaluation of fixed assets		2,872,504	2,872,504
		<u>11,008,290</u>	<u>10,225,046</u>
<b>NON CURRENT LIABILITIES</b>			
Long term financing	12	4,412,418	487,704
Deferred liabilities		811,030	819,495
Deferred grant		2,863	4,174
		<u>5,226,311</u>	<u>1,311,373</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		4,831,758	3,324,670
Contract liabilities		228,508	224,816
Short term loan		1,010	1,010
Unclaimed dividend		6,716	3,595
Mark-up accrued		70,700	87,590
Short term borrowings		2,141,456	4,534,076
Current portion of long term liabilities		716,431	445,119
		<u>7,996,579</u>	<u>8,620,876</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	13	-	-
		<u>24,231,180</u>	<u>20,157,295</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			

The annexed notes from 1 to 22 form an integral part of these financial statements.



**CHIEF EXECUTIVE**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2026	2025	2026	2025
----- (Rupees in thousand) -----					
Revenue from contracts with customers		24,124,484	20,339,793	8,266,848	7,196,535
Cost of sales	14	(20,502,458)	(16,602,753)	(7,209,902)	(5,942,783)
Gross profit		3,622,026	3,737,040	1,056,946	1,253,752
Selling and distribution expenses		(1,151,118)	(1,261,294)	(381,204)	(439,040)
General and administrative expenses		(342,377)	(316,092)	(124,548)	(125,805)
Other operating expenses		(146,948)	(146,090)	(35,367)	(63,241)
Other operating income		119,002	56,961	63,131	7,473
		(1,521,441)	(1,666,515)	(477,988)	(620,613)
Operating profit / loss		2,100,585	2,070,525	578,958	633,139
Financial charges		(425,607)	(467,590)	(118,696)	(115,411)
Profit before income tax and levy		1,674,978	1,602,935	460,262	517,728
Levy		-	(7,338)	-	(1,244)
Profit / (loss) before Income tax		1,674,978	1,595,597	460,262	516,484
Taxation		(671,734)	(676,107)	(182,771)	(211,295)
Profit / (loss) after taxation		1,003,244	919,490	277,491	305,189
Earnings per share - basic and diluted (Rupees)	15	10.03	9.19	2.77	3.05

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Nine months ended March 31,		Quarter ended March 31,	
	2026	2025	2026	2025
	----- (Rupees in thousand) -----			
<b>Profit / (loss) for the period</b>	1,003,244	919,490	277,491	305,189
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u>1,003,244</u>	<u>919,490</u>	<u>277,491</u>	<u>305,189</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	<b>Nine months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Rupees in thousand)</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,674,978	1,602,935
Adjustments for items not involving movement of funds:		
Depreciation	541,029	566,747
Amortisation of intangible assets	-	244
Provision for gratuity	47,014	44,286
Loss on sale of fixed assets	10,501	(10,075)
Gain on disposal of investment property	(54,273)	-
Loss / (Gain) on foreign exchange	1,113	(2,840)
Bad debts written off	-	170
Provision for obsolete stores	27,000	13,500
Financial charges	412,678	467,590
Net cash flow before working capital changes	2,660,040	2,682,557
<b>Decrease / (increase) in current assets</b>		
Stores and spares	(383,602)	(57,058)
Stock in trade	(239,179)	(613,369)
Trade debts	(274,979)	164,704
Loans and advances	(151,306)	28,246
Trade deposits and short term prepayments	(3,381)	7,070
Tax refunds due from the Government	(121,538)	155,201
<b>Increase / (decrease) in current liabilities</b>	(1,173,985)	(315,206)
Trade and other payables	1,510,780	314,597
Cash generated from operations	2,996,835	2,681,948
Income taxes paid	(651,968)	(804,641)
Gratuity paid	(13,921)	(14,228)
Financial charges paid	(518,499)	(471,588)
Net cash (used in) / generated from operating activities	1,812,447	1,391,491
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to operating fixed assets - net	(40,239)	(50,892)
Additions to capital work in progress	(2,827,819)	(1,757,299)
Proceeds from sale of operating fixed assets	4,190	11,855
Proceeds from sale of investment property	627,000	-
Short term Investments	12,200	-
Long term deposits	(135)	(1,791)
Net cash used in investing activities	(2,224,803)	(1,798,127)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term financing - net	4,194,716	(13,816)
Long term diminishing musharaka - net	-	(139,031)
Loan from directors	80,000	-
Dividend paid	(296,879)	(346,760)
Short term borrowings	(2,392,620)	1,152,102
Net cash inflow from financing activities	1,585,217	652,495
<b>Net increase in cash and cash equivalents</b>	1,172,861	245,859
<b>Cash and cash equivalents at the beginning of the period</b>	450,121	289,057
<b>Cash and cash equivalents at the end of the period</b>	1,622,982	534,916

The annexed notes from 1 to 22 form an integral part of these financial statements.



**CHIEF EXECUTIVE**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY- (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Share capital	Loan from directors	Surplus on revaluation of fixed assets	Balance arising upon merger	Share premium money	Unappropriated profit	Total
----- (Rupees in thousand) -----							
<b>Balance as at July 01, 2023 (Audited)</b>	1,000,000		2,872,504	(6,445)	177,000	5,243,885	9,286,944
Transaction with owners:							
Final cash dividend @ Rs. 1.50 per share	-	-	-	-	-	(150,000)	(150,000)
Interim cash dividend @ Rs. 2 per share	-	-	-	-	-	(200,000)	(200,000)
Total Comprehensive income for the period	-	-	-	-	-	919,490	919,490
<b>Balance as at March 31, 2025</b>	<b>1,000,000</b>	<b>-</b>	<b>2,872,504</b>	<b>(6,445)</b>	<b>177,000</b>	<b>5,813,375</b>	<b>9,856,434</b>
Balance as at July 01, 2024 (Audited)	1,000,000	-	2,872,504	(6,445)	177,000	6,181,987	10,225,046
Transaction with owners:							
Final cash dividend @ Rs. 2 per share	-	-	-	-	-	(200,000)	(200,000)
Interim cash dividend @ Rs. 1 per share	-	-	-	-	-	(100,000)	(100,000)
Loan form directors	-	80,000	-	-	-	-	80,000
Total Comprehensive income for the period	-	-	-	-	-	1,003,244	1,003,244
<b>Balance as at March 31, 2026</b>	<b>1,000,000</b>	<b>80,000</b>	<b>2,872,504</b>	<b>(6,445)</b>	<b>177,000</b>	<b>6,885,231</b>	<b>11,008,290</b>

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2026

### 1 LEGAL STATUS AND NATURE OF BUSINESS

The group comprises of Ittehad Chemicals Limited (Parent/holding Company) (ICL), Ittehad Salt Processing (Private) Limited (Subsidiary Company) (ISPL) and ICL Power (Private) Limited (Subsidiary Company) (IPL). The Parent Company and the subsidiary companies are collectively referred to as "the Group".

#### 1.1 Status of the Parent Company

Ittehad Chemicals Limited (the Holding Company) was incorporated on September 28, 1991 under the repealed Companies Ordinance, 1984 ( now Companies Act, 2017 ) and is listed on Pakistan Stock Exchange Limited. The Group was privatised on July 03, 1995. The Group is engaged in the business of manufacturing and selling caustic soda and other allied chemicals.

The Holding Company holds 100% shares of Ittehad Salt Processing (Private) Limited (subsidiary company), which is a private limited company and incorporated in Pakistan under the Companies Act, 2017 on December 03, 2019, as company limited by shares. The subsidiary company is engaged in the business of exploring, operating, and working on mines and quarries. The Chief Executive of subsidiary company is Mr. Ahmed Mustafa.

The Holding Company holds 100% shares of ICL Power (Private) Limited (subsidiary company), which is a private limited company and incorporated in Pakistan under the Companies Act, 2017 on January 2, 2024, as company limited by shares. The subsidiary company is engaged in the business of generating and providing of electricity. The Chief Executive of subsidiary company is Mr. Waqas Siddiq Khatri.

#### 1.2 Basis of consolidation

These Consolidated financial statements comprise the financial statements of the Holding Company and its Subsidiary Companies as at March 31, 2026 (together referred to as "the Group").

A Company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiary is consolidated from the date on which the Holding Company obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries is prepared for the same reporting period as the Holding / parent Company, using consistent accounting policies.

All inter-company balances, transactions and unrealized gains and losses resulting from inter-company transactions and dividends are eliminated in full.

The assets, liabilities, income and expenses of subsidiary company are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary company's shareholders' equity in the consolidated financial statements.

## 2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

- 2.1 The registered office of the Company is situated at 39, Empress Road, Lahore. The manufacturing facility of the Company is located at G.T Road Kala Shah Kaku District Sheikhpura and regional offices are located as follows:

### Regional office

### Office address

Karachi

Town House No. 44-N/1-A, Razi Road, Block-6, P.E.C.H.S. Karachi.

Faisalabad

3rd Floor, Habib Bank Building, Circular Road, Faisalabad.

Islamabad

2nd Floor, Quaid Plaza, office No.15, Markaz I-9, Islamabad.

## 2.2 Subsidiary companies

The registered office of the Ittehad Salt Processing (Private) Limited is situated at 31-A, Tech Society, Canal Bank, Lahore.

The registered office of the ICL Power (Private) Limited is situated at 39, Empress Road, Lahore.

## 3 BASIS OF PREPARATION

### 3.1 Statement of compliance

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

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

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

These consolidated condensed interim financial statements are unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

These consolidated condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2025 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these consolidated condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2025, whereas the comparative consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity are extracted from the unaudited consolidated condensed interim financial statements for the nine months ended March 31, 2025.

### 3.2 Basis of measurement

This condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value, investment property at fair value and certain operating fixed assets at revalued amounts.

### 3.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

- 4.1 The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2025.

## 5 ESTIMATES

The preparation of these consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial information for the year ended June 30, 2025.

	Note	March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
(Rupees in thousand)			
<b>6 OPERATING FIXED ASSETS</b>			
Fixed Assets	6.1	<b>8,231,416</b>	<b>8,314,835</b>
<b>6.1</b> Opening net book value (NBV)		8,314,835	8,504,920
Additions / revaluation / Transfer (at cost)	6.1.1	472,301	579,404
		8,787,136	9,084,324
Disposals (at NBV) during the period / year	6.1.2	(14,691)	(1,781)
Depreciation charged during the period / year		(541,029)	(767,708)
		(555,720)	(769,489)
Closing net book value (NBV)		8,231,416	8,314,835
<b>6.1.1</b> Details of additions (at cost) during the period / year are as follows:			
Building		36,942	22,819
Plant and machinery		407,698	458,961
Other equipment		438	6,654
Furniture and fixtures		676	1,044
Office and other equipment		4,684	17,831
Vehicles - owned		21,863	72,095
		472,301	579,404
<b>6.1.2</b> Details of disposals (at NBV) during the period / year are as follows:			
Building		1,698	-
Plant and machinery		11,555	-
Other Equipment		407	-
Office and other equipment		111	-
Vehicles		920	1,781
		14,691	1,781

		March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
	Note	(Rupees in thousand)	
<b>7 CAPITAL WORK IN PROGRESS</b>			
Advances		1,917,694	1,652,058
Building		530,273	171,255
Plant and machinery		2,043,580	199,428
Capital Stores		45,311	29,428
		<u>4,536,858</u>	<u>2,052,169</u>
<b>8 LONG TERM INVESTMENTS</b>			
Ittehad slat processing (pvt) Ltd 250,000 (2025: 250,000) fully paid ordinary shares		-	-
ICL Power (Pvt) Ltd 186,000,000 (2025: 100,000,000) fully paid ordinary shares Advance against issuance of Shares		-	-
		<u>-</u>	<u>-</u>
<b>9 LOAN AND ADVANCES</b>			
To employees	9.1	30,613	21,224
Advance for supplies and services (Unsecured)			
Considered good		241,839	218,969
Considered doubtful		1,374	1,374
		243,213	220,343
Against import		119,032	2,314
		392,858	243,881
Accrued Interest receivable		2,938	609
Less: Provision for doubtful advances		1,374	1,374
		<u>394,422</u>	<u>243,116</u>
9.1	This includes advance to employees against salaries in accordance with the terms of their employment. These advances are unsecured, interest free and deductible from their salaries.		
<b>10 ASSETS HELD FOR SALE</b>			
Investment Property	10.1	<u>102,273</u>	<u>-</u>

- 10.1 The shareholders approved to sell two investment properties of the Company located at Mouza Hassanabad, Barki Road Lahore, measuring approximately 42 and 24 kanals. The Company has sold 56 kanals and the remaining 10 kanals are in process of sale.

**March 31,  
2026  
(Unaudited)**      **June 30,  
2025  
(Audited)**  
**(Rupees in thousand)**

## 11 SHARE CAPITAL

### 11.1 Authorized share capital

175,000,000 (June 30, 2025: 175,000,000) ordinary shares of Rs. 10/- each	1,750,000	1,750,000
25,000,000 (June 30, 2025.: 25,000,000) preference shares of Rs. 10/- each	250,000	250,000
	<u>2,000,000</u>	<u>2,000,000</u>

### 11.2 Issued, subscribed and paid up share capital

27,100,000 (June 30, 2025: 27,100,000) ordinary shares of Rs. 10/- each fully paid in cash	271,000	271,000
24,900,000 (June 30, 2025: 24,900,000) ordinary shares of Rs. 10/- each issued for consideration other than cash	249,000	249,000
48,000,000 (June 30, 2025: 48,000,000) fully paid bonus shares of Rs. 10/- each	480,000	480,000
	<u>1,000,000</u>	<u>1,000,000</u>

## 12 LONG TERM FINANCING

From banking companies and financial institutions - secured	5,117,260	909,616
Current portion shown under current liabilities	(704,842)	(421,912)
	<u>4,412,418</u>	<u>487,704</u>

## 13 CONTINGENCIES AND COMMITMENTS

### 13.1 Contingent liabilities

- a) Letters of guarantee outstanding as at March 31, 2026 were Rs. 523.900 million (June 2025: Rs. 552.440 million).

- b) The amended assessment order u/s 122(5A) of the Income Tax Ordinance, 2001 for Tax Year 2006 passed by the learned Additional Commissioner Inland Revenue against the Company was decided in favor of the Company by Commissioner Inland Revenue (Appeals). However, the said order was challenged by the Commissioner before Appellate Tribunal Inland Revenue (ATIR), which has been decided by the learned ATIR in favor of the Company.
- c) The company has provided the corporate guarantee aggregating to Rs.5,400 million (June 2025 : nil) to the bank against the finance facilities availed by ICL Power (Pvt) Ltd.
- d) Other contingencies are not materially different from those as disclosed in preceding annual financial statements for the year ended June 30, 2025.

### 13.2 Commitments

Commitments as on March 31, 2026 were as follows:

Against letters of credit amounting to Rs.4,052.345 million (June 30, 2025: Rs. 1,449.507 million).

----- (Unaudited) -----			
Nine months ended March		Quarter ended March 31,	
2026	2025	2026	2025
----- (Rupees in thousand) -----			

### 14 COST OF SALES

Raw materials consumed	11,631,072	8,385,511	4,102,220	2,965,313
Other overheads:				
Salaries, wages and other benefits	885,364	783,886	287,346	265,501
Stores, spares and consumables	312,213	375,569	102,723	133,875
Packing materials consumed	163,744	198,204	36,822	74,304
Fuel and power	7,186,415	6,288,685	2,619,526	2,311,674
Repair and maintenance	73,765	49,296	27,289	15,057
Rent, rates and taxes	17,396	13,689	5,059	4,773
Insurance	12,717	14,637	4,677	4,053
Depreciation	521,755	549,702	179,240	189,924
Vehicle running expenses	22,516	21,740	8,079	6,747
Telephone, telex and postage	880	981	317	353
Printing and stationery	567	109	539	63
Provision for slow moving stores & spares	27,000	13,500	9,000	13,500
Other expenses	8,384	7,281	2,986	3,206
	9,232,716	8,317,279	3,283,603	3,023,030
Opening work in process	87,682	82,822	58,114	89,118
Closing work in process	(62,911)	(91,113)	(62,911)	(91,113)
	24,771	(8,291)	(4,797)	(1,995)
Cost of goods manufactured	20,888,559	16,694,499	7,381,026	5,986,348
Cost of stores traded	-	254,206	-	-
Opening stock of finished goods	1,149,509	1,208,684	1,364,486	1,511,071
Closing stock of finished goods	(1,535,610)	(1,554,636)	(1,535,610)	(1,554,636)
	(386,101)	(345,952)	(171,124)	(43,565)
	20,502,458	16,602,753	7,209,902	5,942,783

----- (Unaudited) -----			
Nine months ended March		Quarter ended March 31,	
2026	2025	2026	2025
----- (Rupees in thousand) -----			

## 15 EARNINGS PER SHARE - BASIC AND DILUTED

Profit / (loss) after taxation - (Rs. in thousand)	1,003,244	919,490	277,491	305,189
Weighted average number of ordinary shares - (in thousand)	100,000	100,000	100,000	100,000
Earnings per share - basic and diluted - (Rs.)	10.03	9.19	2.77	3.05

## 16 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are given as under:

----- (Unaudited) -----			
Nine months ended March		Quarter ended March 31,	
2026	2025	2026	2025
----- (Rupees in thousand) -----			

### Transaction with:

#### Relationship with the Company

#### Nature of transaction

#### Subsidiary Company

Against right issue	164,086	990,118	-	503,118
Loan given	476,599	245,882	148,918	245,882
	(476,599)	-	(148,918)	-
Interest Charged	38,855	1,461	1,758	1,461

#### Associated Company

Ittehad Developers	Loan Obtained	-	130,000	-	-
	Loan Repaid	-	(120,000)	-	(120,000)

#### Directots

Muhammad Siddique Khatri	20,000	-	-	-
Abdul Sattar Khatri	20,000	-	-	-
Waqas Siddiq Khatri	20,000	-	-	-
Ahmed Mustaf	20,000	-	-	-

#### Other related party

Chemi Multifabrics Ltd	Marketing services charges	117,853	94,396	41,194	32,990
Retirement benefit Plans	Contribution to staff retirement benefit plans	724	652	244	213
Key management personnel	Remuneration and other benefits	97,992	96,229	41,817	45,981

<b>Period / year end balances:</b>		<b>March 31, 2026 (Unaudited)</b>	<b>June 30, 2025 (Audited)</b>
<b>Company</b>		<b>(Rupees in thousand)</b>	
<b>Company</b>	<b>Nature of outstanding balances</b>		
Chemi Multifabrics Ltd	Trade and other payables	61,703	73,007

## 17 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements 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.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1:	Quoted prices in active markets for identical assets or liabilities.
Level 2:	Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3:	Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no financial instruments held by the Company which are measured at fair value as of March 31, 2026 and June 30, 2025.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

## 18 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

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

This condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2025.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2025.

## 19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

## 20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on April 27, 2026 by the Board of Directors of the Company.

## 21 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant adjusting or non adjusting event after the reporting date requiring adjustment or disclosure in the consolidated financial statement.

## 22 GENERAL

Amounts have been rounded off to the nearest rupees in thousand unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



**ITTEHAD**  
GROUP

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