

dynea

DYNEA PAKISTAN LIMITED

Condensed Interim Financial Statements
for the Nine Months Ended March 31, 2026
(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 NINE MONTHS ENDED
MARCH 31, 2026**

dynea

The Directors of your Company are pleased to present this report along with the unaudited financial results for the third quarter and nine months ended March 31, 2026.

During the period ended March 31, 2026, the Company earned a profit before tax of Rs.1,428 million and an after-tax profit of Rs.864 million compared to the profit before tax of Rs.1,130 million and after-tax Profit of Rs. 691 million during the corresponding period last year. The basic and diluted earnings per share increased from Rs.36.62 to Rs. 45.79.

Resin Division

The Resin Division generated sales revenue of Rs. 3,586 million compared to Rs. 2,850 million achieved during the same period last year, showing an increase of 26%.

Moulding Compound Division

The Moulding Compound Division generated sales revenue of Rs. 7,613 million compared to Rs. 6,887 million achieved during the same period last year, showing an increase of 11%.

Future Outlook

The regional uncertainty arising from the Gulf conflict has added volatility in energy sector (petroleum products, oil, gas etc.), supply chain disruptions, and cross-border trade routes, while also increasing raw material costs and putting pressure on logistics and input costs. The Company will continue to strive to ensure uninterrupted supply of materials to its customers despite the challenging geopolitical environment. The Company is looking to offset these challenges by strengthening its market position and further enhancing its local and regional presence. Moving forward, the Company is optimistic about its long-term growth, underpinned by strong leadership, a committed work force, and resilient customer relationships.

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

Karachi, April 27, 2026



Donald Jenkin
Chairman

آپ کی کمپنی کے ڈائریکٹرز ہمسرت یہ رپورٹ مع غیر آڈٹ شدہ مالی نتائج بابت جاری مالی سال کی تیسری سہ ماہی اور نو ماہی 31 مارچ 2026 پیش کرتے ہیں۔
31 مارچ 2026 کو ختم ہونے والی مدت کے دوران کمپنی کا قبل از ٹیکس منافع 1,428 ملین روپے اور بعد از ٹیکس منافع 864 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں قبل از ٹیکس منافع 1,130 ملین روپے اور بعد از ٹیکس منافع 691 ملین روپے بالترتیب رہا تھا۔ بنیادی اور خالص منافع فی شیئر 36.62 روپے سے بڑھ کر 45.79 روپے ہو گیا۔

ریزن قمست:

ریزن قمست کی کل بکری (ٹرن اور) 3,586 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 2,850 ملین روپے رہی تھی جو کہ پچھلے سال کے مقابلے میں 26 فیصد زیادہ ہے۔

مولڈنگ کپاؤنڈر قمست:

مولڈنگ کپاؤنڈر قمست کی کل بکری (ٹرن اور) 7,613 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 6,887 ملین روپے رہی تھی۔ جو کہ پچھلے سال کے مقابلے میں 11 فیصد زیادہ ہے۔

مستقبل پر ایک نظر

خلیجی تنازعے کے باعث پیدا ہونے والی علاقائی غیر یقینی صورتحال نے توانائی کے شعبے (پٹرولیم مصنوعات، تیل، گیس وغیرہ) میں عدم استحکام بڑھا دیا ہے، سہ ماہی جہن میں خلل ڈالا ہے اور سرحد پار تجارتی راستوں کو متاثر کیا ہے۔ اس کے ساتھ ساتھ خام مال کی لاگت میں اضافہ اور تریبل و دیگر اخراجات پر دباؤ بھی بڑھا ہے۔ کمپنی ان چیلنجزنگ جغرافیائی و سیاسی حالات کے باوجود اپنے صارفین کو میٹرل کی بلا تعلق فراہمی کو یقینی بنانے کے لئے کوشاں رہے گی۔ کمپنی اپنی مارکیٹ پوزیشن کو مضبوط بنانے اور مقامی و علاقائی سطح پر اپنی موجودگی کو مزید وسعت دینے پر توجہ دے رہی ہے۔ آئندہ کیلئے، کمپنی اپنی طویل مدتی ترقی کے بارے میں پُر امید ہے، جس کی بنیاد مضبوط قیادت، پُر عزم افرادی قوت، اور صارفین کے ساتھ مستحکم تعلقات پر ہے۔

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 پر ان کے اعتماد کے لئے ہمدیہ تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



ڈوئلڈر حسین
چیئرمین



مصطفیٰ حسین
چیف ایگزیکٹو آفیسر


کراچی: 27 اپریل 2026

**CONDENSED INTERIM STATEMENT OF
FINANCIAL POSITION
AS AT 31 MARCH 2026**

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		31 March 2026 (Un-audited)	30 June 2025 (Audited)
	Note	(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,028,255	971,371
Long-term loans		15,038	26,485
Long-term deposits and prepayments		16,103	16,375
Deferred taxation - net		73,305	77,087
		<u>1,132,701</u>	<u>1,091,318</u>
CURRENT ASSETS			
Stores and spares		79,273	83,852
Stock-in-trade	7	1,622,578	1,820,504
Trade debts	8	2,125,282	1,591,255
Loans and advances		320,571	114,006
Trade deposits, prepayments and other receivables		9,058	11,521
Accrued markup		20,174	19,729
Short term investment		780,527	625,906
Cash and bank balances		1,156,028	956,466
		<u>6,113,491</u>	<u>5,223,239</u>
		<u>7,246,192</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		200,000	200,000
Issued, subscribed and paid-up capital		94,362	94,362
Revenue reserves		5,341,648	4,784,170
		<u>5,436,010</u>	<u>4,878,532</u>
NON-CURRENT LIABILITIES			
Long-term financing - secured	9	-	-
Lease liabilities		12,605	20,168
		<u>12,605</u>	<u>20,168</u>
CURRENT LIABILITIES			
Trade and other payables		1,495,569	1,312,472
Accrued mark-up		1,593	201
Short-term running finance	10	200,000	-
Current maturity of long-term financing	9	-	13,614
Current maturity of deferred income		-	244
Current maturity of lease liabilities		17,697	16,472
Taxation - net		69,427	61,538
Unclaimed dividend		13,291	11,316
		<u>1,797,577</u>	<u>1,415,857</u>
		<u>7,246,192</u>	<u>6,314,557</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

	Note	Nine months ended		Quarter ended	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
		(Rupees in '000)		(Rupees in '000)	
Turnover - net	12	11,198,765	9,736,384	3,991,480	3,270,804
Cost of sales		(9,021,542)	(7,978,073)	(3,217,799)	(2,632,866)
Gross profit		2,177,223	1,758,311	773,681	637,938
Selling and distribution costs		(419,149)	(328,074)	(154,199)	(114,379)
Administrative expenses		(338,172)	(280,519)	(118,249)	(92,705)
Reversal / (allowance) for expected credit loss		62,095	21,507	45,187	(14,288)
		(695,226)	(587,086)	(227,261)	(221,372)
Other income		89,625	94,674	25,121	23,858
Operating profit		1,571,622	1,265,899	571,541	440,424
Finance costs		(22,758)	(23,654)	(6,103)	(7,760)
Other charges / expenses		(120,416)	(112,440)	(44,775)	(37,973)
		(143,174)	(136,094)	(50,878)	(45,733)
Profit before taxation		1,428,448	1,129,805	520,663	394,691
Taxation					
- current		(565,598)	(462,185)	(194,735)	(168,440)
- prior		5,087	5,221	-	-
- deferred		(3,782)	18,254	(15,203)	16,411
		(564,293)	(438,710)	(209,938)	(152,029)
Profit for the period		864,155	691,095	310,725	242,662
Basic and diluted earnings per share		45.79	36.62	16.46	12.86

The annexed notes from 1 to 18 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 THE NINE MONTHS ENDED 31 MARCH 2026 (UN-AUDITED)**

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	Nine months ended		Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
 (Rupees in '000) (Rupees in '000)	
Profit for the period				
Other comprehensive income	864,155	691,095	310,725	242,662
Total comprehensive income for the period	-	-	-	-
	<u>864,155</u>	<u>691,095</u>	<u>310,725</u>	<u>242,662</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

	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)
Interim dividend for the half year ended December 31, 2024 @Rs.5.00 per share	–	–	(94,362)	(94,362)	(94,362)
Total transaction with owners	–	–	(283,086)	(283,086)	(283,086)
Transferred to general reserve	–	500,000	(500,000)	–	–
Comprehensive income for the period					
Profit after taxation for the period ended March 31, 2025	–	–	691,095	691,095	691,095
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the period ended March 31, 2025	–	–	691,095	691,095	691,095
Balance as at March 31, 2025 (un-audited)	94,362	3,141,000	1,466,612	4,607,612	4,701,974
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)
Interim dividend for the half year ended December 31, 2025 @ Rs.6.25 per share	–	–	(117,953)	(117,953)	(117,953)
Total transaction with owners	–	–	(306,677)	(306,677)	(306,677)
Transferred to general reserve	–	1,000,000	(1,000,000)	–	–
Comprehensive income for the period					
Profit after taxation for the period ended March 31, 2026	–	–	864,155	864,155	864,155
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the period ended March 31, 2026	–	–	864,155	864,155	864,155
Balance as at March 31, 2026 (un-audited)	94,362	4,141,000	1,200,648	5,341,648	5,436,010

The annexed notes from 1 to 18 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 CASH FLOWS
FOR THE NINE MONTHS ENDED 31 MARCH 2026
(UN-AUDITED)**

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	31 March 2026	31 March 2025
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,428,448	1,129,805
Adjustments for non-cash and other items		
Depreciation on operating fixed assets	169,564	153,217
Depreciation on right-of-use assets	5,597	8,395
Amortisation of intangible assets	-	11,179
Allowance for expected credit loss	(62,095)	(21,507)
Finance costs	22,758	23,653
Amortization of deferred income	(888)	(1,248)
Gain on disposals of operating fixed assets	(12,244)	(3,578)
	<u>122,692</u>	<u>170,111</u>
Profit before working capital changes	1,551,140	1,299,916
(Increase) / decrease in current assets		
Stores and spares	4,579	5,557
Stock-in-trade	197,926	(148,284)
Trade debts	(471,932)	(435,212)
Loans and advances	(206,565)	40,963
Trade deposits, prepayments and other receivables	2,463	(110,437)
Accrued markup	(445)	29,756
	<u>(473,974)</u>	<u>(617,658)</u>
Increase in current liabilities		
Trade and other payables	183,096	127,350
	<u>1,260,262</u>	<u>809,608</u>
Finance costs paid	(20,478)	(23,384)
Income taxes paid - net	(552,622)	(412,568)
Long-term loans and deposits - net	11,719	(9,874)
Net cash generated from operating activities	<u>698,881</u>	<u>363,782</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures paid	(249,540)	(148,944)
Short term investments paid	(154,620)	38,630
Proceeds from disposal of operating fixed assets	29,738	7,099
Net cash (used in) investing activities	<u>(374,422)</u>	<u>(103,215)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loan made during the period	(13,857)	(20,786)
Payment of lease rentals	(6,338)	(564)
Dividend paid	(304,702)	(255,700)
Net cash (used in) financing activities	<u>(324,897)</u>	<u>(277,050)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(438)</u>	<u>(16,483)</u>
Cash and cash equivalents at beginning of period	956,466	302,496
Cash and cash equivalents at end of period	<u>956,028</u>	<u>286,013</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	1,156,028	383,206
Short-term running finance	(200,000)	(97,193)
	<u>956,028</u>	<u>286,013</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

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.

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 MARCH 2026**

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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 March 2026 (Un-audited)	30 June 2025 (Audited)
	(Rupees in '000)	
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	927,455	937,789
Right to use asset	25,186	33,582
Capital work-in-progress	75,614	-
	<u>1,028,255</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 March 2026 (Un-audited)	31 March 2025	31 March 2026 (Un-audited)	31 March 2025
	(Rupees in '000)		(Rupees in '000)	
Land	54,454	-	-	-
Building	3,417	1,464	-	-
Plant and machinery	42,720	26,106	-	-
Office Equipment	142	120	-	-
Furniture & Fixture	8,064	-	-	-
Computer and accessories	4,183	6,543	97	-
Vehicles	60,946	70,721	17,415	3,521
	<u>173,926</u>	<u>104,954</u>	<u>17,512</u>	<u>3,521</u>

	Note	31 March 2026 (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		93,567	61,435
Transfers to operating fixed assets during the period		(17,953)	(76,999)
Balance at end of the period		<u>75,614</u>	<u>-</u>

7. STOCK-IN-TRADE

Raw material:			
In hand		1,016,285	928,267
In transit		226,453	583,664
		<u>1,242,738</u>	<u>1,511,931</u>
Packing material		38,350	39,791
Finished goods		359,271	281,117
Less: Provision for obsolescence		(17,781)	(12,335)
		<u>1,622,578</u>	<u>1,820,504</u>

8. TRADE DEBTS - unsecured

Considered good		2,125,282	1,591,255
Considered doubtful		127,609	189,704
		<u>2,252,891</u>	<u>1,780,959</u>
Allowance for expected credit loss	8.1	(127,609)	(189,704)
		<u>2,125,282</u>	<u>1,591,255</u>

	31 March 2026 (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	<u>(62,095)</u>	<u>(73,118)</u>
Balance at end of the period/ year	<u>127,609</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. 2,349.77 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.

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	Note	31 March 2026 (Un-audited)	30 June 2025 (Audited)
(Rupees in '000)			
11.2 Commitments			
11.2.1 Outstanding bank guarantees		37,303	37,303
11.2.2 Outstanding letter of credits		1,900,269	1,091,716
		31 March 2026 (Un-audited)	31 March 2025 (Un-audited)
(Rupees in '000)			
12. TURNOVER - net			
Local sales		12,849,120	10,972,189
Export sales	12.1	555,391	645,275
		13,404,511	11,617,464
Sales tax		(2,205,746)	(1,881,080)
Net turnover		11,198,765	9,736,384
12.1 Region wise export sales are as under			
Afghanistan		302,973	643,232
UAE		230,789	-
Saudi Arabia		21,629	-
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.

	Nine months ended 31 March 2026 (Un-audited)			Nine months ended 31 March 2025 (Un-audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
(Rupees in '000)						
Turnover - net	3,585,610	7,613,155	11,198,765	2,849,838	6,886,546	9,736,384
Segment result	315,446	1,597,290	1,912,736	307,191	1,223,558	1,530,749
Unallocated expenses:						
Administrative expenses			(338,172)			(280,519)
Distribution costs			(92,567)			(79,005)
Other income			89,625			94,674
Finance costs			(22,758)			(23,654)
Other charges			(120,416)			(112,440)
Taxation			(564,293)			(438,710)
Net profit for the period			864,155			691,095
Capital expenditure	103,118	90,798	193,916	76,347	36,636	112,983
Unallocated capital expenditure			55,624			35,961
Total capital expenditure			249,540			148,944
Depreciation and amortisation	49,943	92,015	141,958	42,582	82,787	125,369
Unallocated depreciation and amortisation			33,203			47,422
Total depreciation and amortisation			175,161			172,791

	Quarter ended 31 March 2026 (Un-audited)			Quarter ended 31 March 2025 (Un-audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Turnover - net	1,412,375	2,579,105	3,991,480	978,182	2,292,622	3,270,804
Segment result	153,665	539,083	692,748	149,294	386,704	535,998
Unallocated expenses:						
Administrative expenses			(118,249)			(92,705)
Distribution costs			(28,079)			(26,727)
Other income			25,121			23,858
Finance costs			(6,103)			(7,760)
Other charges			(44,775)			(37,973)
Taxation			(209,938)			(152,029)
Net profit for the period			310,725			242,662
Capital expenditure	59,112	17,498	76,610	35,437	5,307	40,744
Unallocated capital expenditure			5,522			8,456
Total capital expenditure			82,132			49,200
Depreciation and amortisation	16,775	30,658	47,433	14,121	27,985	42,106
Unallocated depreciation and amortisation			11,397			16,474
Total depreciation and amortisation			58,830			58,580

Segment assets and liabilities

	31 March 2026 (Un-audited)			30 June 2025 (Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Segment assets	1,804,466	2,917,041	4,721,507	2,155,901	2,101,309	4,257,210
Unallocated assets			2,524,685			2,057,347
Total assets			7,246,192			6,314,557
Segment liabilities	91,542	220,024	311,566	535,232	617,199	1,152,431
Unallocated liabilities			1,498,616			283,594
Total liabilities			1,810,182			1,436,025

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14. SHARIAH COMPLIANCE DISCLOSURE

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

	31 March 2026			30 June 2025		
	Conventional	Shariah compliant	Total	Conventional	Shariah compliant	Total
	(Rupees in '000)			(Rupees in '000)		
Statement of financial position - Assets						
Interest accrued	19,935	239	20,174	19,729	–	19,729
Short-term investments	780,527	–	780,527	625,906	–	625,906
Cash and bank balances	747,974	408,054	1,156,028	956,466	81,267	1,037,733
Statement of financial position - Liabilities						
Current portion of long-term borrowing	–	–	–	13,614	–	13,614
Lease liabilities	12,605	–	12,605	20,168	–	20,168
Current portion of lease liabilities	17,697	–	17,697	16,472	–	16,472
Short-term borrowing	–	200,000	200,000	–	–	–
Accrued mark-up/profit	1,593	–	1,593	201	–	201

	31 March 2026			31 March 2025		
	Conventional	Shariah compliant	Total	Conventional	Shariah compliant	Total
	(Rupees in '000)			(Rupees in '000)		
Statement of Profit or Loss						
Turnover -net	–	11,198,765	11,198,765	–	9,736,384	9,736,384
Interest/Profit on:						
Other Income	21,534	–	21,534	23,638	–	23,638
Interest/profit on deposit accounts	18,422	5,832	24,254	23,033	1,567	24,600
Interest on TDRs/T-Bills	29,455	–	29,455	41,068	–	41,068
Dividend Income	–	–	–	606	–	606
Gain on disposal of investment in TDRs/T-Bills	416	–	416	1,184	–	1,184
Gain on disposal of investment in mutual funds	1,722	–	1,722	–	–	–
Gain on disposal of operating fixed assets	–	12,244	12,244	–	3,578	3,578
Exchange loss/(gain) on foreign currency	–	17,885	17,885	–	27,277	27,277
Finance cost	22,514	244	22,758	22,995	659	23,654

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 March 2026	31 March 2025
			 (Rupees in '000)	
				(Un-audited)	
Remuneration	Key Management Personnel	0.005%	Remuneration	<u>236,372</u>	<u>179,814</u>
Director Fee	Directors	0.03%	Director Fee	<u>11,864</u>	<u>9,963</u>
Provident Fund	Retirement Benefits	Nil	Contribution to Fund	<u>18,491</u>	<u>16,883</u>
AICA Asia Pacific Holding Pte Ltd.	Associated Company	24.99%	Dividend	<u>72,217</u>	<u>70,743</u>

17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 27, 2026 by the Board of Directors of the Company.

18. 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: April 27, 2026

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