



OUR JOURNEY TOWARDS
***GROWTH &
SUSTAINABILITY***

**THIRD
QUARTER
REPORT
2026**

Condensed Interim Financial Statements for the
Nine Months Period Ended September 30, 2026 (Unaudited).

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Company Information

Board of Directors

Syed Babar Ali (Chairman)
Syed Hyder Ali
Mr. Arshad Ali Gohar
Mr. Imran Maqbool
Syed Anis Ahmad Shah
Mr. Muhammad Salman Burney
Ms. Saadia Naveed
Ms. Iqra Sajjad
Mr. Sajjad Iftikhar

Chief Executive Officer

Mr. Sajjad Iftikhar

Chief Financial Officer

Mr. Yasser Pirmuhammad

Company Secretary

Syed Muhammad Taha Naqvi

Head of Internal Audit

Mr. Feroze Polani

Auditors

A.F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Khalid Anwer & Co.
Saadat Yar Khan & Co.
Ghani Law Associates
THS & Co.

Shares Registrar

FAMCO Share Registration Services (Private)
Limited
8-F, Near Hotel Faran, Nursery, Block-6,
P.E.C.H.S., Shahrah-e-Faisal, Karachi
Tel: +92 21 34380101-5
URL: www.famcosrs.com

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Deutsche Bank AG
Habib Bank Limited
Habib Metropolitan Bank Limited
Faysal Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered (Pakistan) Limited
United Bank Limited

Registered Office

Plot 23, Sector 22, Korangi Industrial Area,
Karachi - 74900

Postal Address

P.O. Box No. 4962, Karachi - 74000

Contact

Tel: +92 21 35060221-35
Email: contact.pk@hoechst.com.pk

Web presence

www.hoechst.com.pk

Hoechst Pakistan Limited

Unconsolidated Condensed Interim Financial Statements

For the nine months period ended September 30, 2026

Hoechst Pakistan Limited

Directors' Review Report to the Shareholders

The Directors are pleased to present the un-audited unconsolidated condensed interim financial statements of your Company, for the nine-month period ended September 30, 2026. These unconsolidated condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - "Interim Financial Reporting" and the provisions of and the directives issued under the Companies Act, 2017. In case requirements differ, the provisions of directives issued under the Companies Act, 2017 have been followed.

Key Financial Highlights

	Nine Months Ended	
	September 30, 2026	September 30, 2025
	Amounts in Million	
Net Sales	24,460	24,569
Gross Profit	9,541	8,667
Gross Profit %	39%	35%
Other income	969	198
Operating Profit	4,851	3,959
Finance Cost	(111)	(76)
Profit After Tax	2,810	2,220
Earnings Per Share (Rupees)	291.34	230.14

Total net sales for the nine-month period ended September 30, 2026, stand at Rs. 24,460 million, which remained broadly in line with the corresponding period last year despite suspension of export business to Afghanistan due to prevailing geopolitical situation. The gross margin improved to 39% from 35% in same period last year primarily driven by production and procurement efficiencies and favorable sales mix in multiple product categories.

Distribution and marketing expenses increased to 17% of net sales from 14% in same period last year mainly on account of promotional activities aligned with the business requirements. Administrative expenses remained stable at 3% of net sales during the nine months period ended September 30, 2026, which is similar to same period last year.

During the period, the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026 (the SIDC Amendment Act) was enacted, which introduced a settlement framework to settle the long outstanding liability of Sindh Development and Maintenance of Infrastructure Cess (SIDC). Pursuant to the settlement framework, the Company entered into a Settlement Agreement (the Agreement) with the Government of Sindh (GoS) under which the Company has agreed to settle its outstanding SIDC liability through a structured instalment plan, issued post-dated cheques and withdrew pending litigation in this respect. Therefore, the Company has recognized a gain on reversal of SIDC liability amounting to Rs. 313 million, being the difference of SIDC provision as at the date of the Agreement and the settlement amount agreed with GoS under the Agreement as well as a gain on remeasurement of present value of liability amounting to Rs. 357 million in the unconsolidated condensed interim financial statements for

the period. Accordingly, the Company has recorded an overall gain of Rs. 670 million in other income for the period.

Consequently, this resulted in profit after tax for the nine months period ended September 30, 2026, amounting to Rs. 2,810 million as compared to Rs. 2,220 million during the corresponding period of the year 2025.

During the period, the Company has obtained all applicable legal and regulatory approvals for the distribution of medical device “Dianatal® Obstetric Gel” of Tentan AG, within Pakistan subject to such commercial terms as agreed between the parties under the exclusive distribution agreement with expected commencement of product commercialization during first half of 2027. Tentan AG is a Switzerland-based healthcare company and the legal manufacturer of Dianatal®, with a commercial footprint in multiple international markets. The Board of Directors of the Company is of the view that this collaboration with reputable international player will provide enhanced healthcare options to the patients in Pakistan and will also enable long term value creation for the Company and its shareholders.

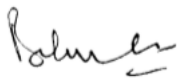
Future outlook

As we look ahead, we remain committed to strengthening our core competencies while closely reassessing strategies in response to evolving market conditions and ongoing geopolitical tensions, specially in the Middle East. These factors, coupled with inflationary pressures and broader macroeconomic challenges, present risks including supply chain disruptions, energy price volatility, and increased cost pressures.

The Company is proactively managing these challenges through prudent planning, operational flexibility, disciplined cost controls, and focused leadership. We remain confident in our ability to navigate these headwinds while delivering quality products and safeguarding long-term shareholder value through sustainable profitability.

The Board of Directors would like to acknowledge the efforts and commitment of the employees.

By order of the Board



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer

Karachi: October 21, 2026

ہکسٹ پاکستان لمیٹڈ

حصص یافتگان کے لئے ڈائریکٹران کی جائزہ رپورٹ

ڈائریکٹران آپ کی کمپنی کے غیر آڈٹ شدہ انفرادی عبوری مالیاتی گوشوارے برائے نو ماہی مدت ختمہ 30 ستمبر 2026 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔ یہ انفرادی عبوری مالیاتی گوشوارے انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز 34 (IAS) ”عبوری مالیاتی رپورٹنگ“ کے تقاضوں اور کمپنیز ایکٹ 2017 میں کی شقوں اور ہدایت کے تحت تیار کیے گئے ہیں۔ جن معاملات میں ضروریات مختلف ہیں وہاں کمپنیز ایکٹ 2017 کے تحت جاری کردہ ضوابط کی پیروی کی گئی ہے۔

اہم مالیاتی جھلکیاں

نو ماہ مدت ختمہ		
30 ستمبر 2025	30 ستمبر 2026	
رقم (ملین میں)		
24,569	24,460	خالص فروخت
8,667	9,541	خام منافع
35%	39%	خام منافع کی شرح فیصد
198	969	دیگر آمدن
3,959	4,851	کاروباری منافع
(76)	(111)	مالیاتی لاگت
2,220	2,810	منافع بعد از ٹیکس
230.14	291.34	فی حصص آمدن (روپے)

نو ماہی مدت ختمہ 30 ستمبر 2026 میں کل خالص فروخت 24,460 ملین روپے رہی جو کہ موجودہ جغرافیائی و سیاسی صورتحال کے باعث افغانستان کو برآمدات کی معطلی کے باوجود گزشتہ سال کی اسی مدت کے تقریباً برابر رہی۔ پیداوار اور ترسیل میں بہتری اور مصنوعات کی مختلف اقسام میں فروخت کے بہتر تناسب کی وجہ سے خام منافع کی شرح گزشتہ سال کی اسی مدت کی 35 فیصد کے مقابلے میں بہتر ہو کر 39 فیصد ہو گئی۔ مدت کے دوران کاروباری ضروریات کے تحت اشتہاری سرگرمیوں کی وجہ سے تقسیمی اور مارکیٹنگ کے اخراجات گزشتہ سال کی اسی مدت کے 14 فیصد کے مقابلے میں بڑھ کر خالص فروخت کا 17 فیصد ہو گئے۔ نو ماہی مدت ختمہ 30 ستمبر 2026 کے دوران انتظامی اخراجات خالص فروخت کے 3 فیصد پر مستحکم رہے جو کہ گزشتہ سال کی اسی مدت کے برابر ہیں۔

اس مدت کے دوران، سندھ ڈویلپمنٹ اینڈ مینٹیننس آف انفراسٹرکچر سیس (تریمی) ایکٹ 2026 (SIDC تریمی ایکٹ) نافذ کیا گیا، جس نے سندھ ڈویلپمنٹ اینڈ مینٹیننس آف انفراسٹرکچر سیس (SIDC) کے طویل عرصے سے زیر التواء واجبات کو نمٹانے کے لیے ایک تصفیاتی نظام متعارف کرایا گیا۔ تصفیاتی نظام پر عمل کرتے ہوئے کمپنی نے حکومت سندھ (GoS) کے ساتھ ایک تصفیہ کا معاہدہ کیا جس کے تحت کمپنی نے قسطوں کے منضبط انتظام کے ذریعے اپنے واجب الادا SIDC بقایا جات ادا کرنے کا معاہدہ کرتے ہوئے پس تاریخ چیکس جاری کیے اور اس

سلسلے میں زیر التواء مقدمات واپس لے لیے۔

لہذا کمپنی نے SIDC کے واجبات کی معکوسی پر 313 ملین روپے کا منافع تسلیم کیا ہے جو کہ معاہدے کی تاریخ تک SIDC کے اختصاص اور حکومت سندھ کے ساتھ طے شدہ رقم کے درمیان کا فرق ہے، نیز اس مدت کے انفرادی عبوری مالیاتی گوشواروں میں واجبات کی موجودہ قدر کی از سر نو مالیت پر 357 ملین روپے کا منافع بھی درج کیا ہے۔ اس کے مطابق کمپنی نے اس مدت کے لیے دیگر آمدن میں مجموعی طور پر 670 ملین روپے کا منافع درج کیا ہے۔

نتیجتاً، نو ماہ مدت مختتمہ 30 ستمبر 2026 میں منافع بعد از ٹیکس 2,810 ملین روپے رہا، جبکہ سال 2025 کی اسی مدت کے دوران یہ 2,220 ملین روپے تھا۔

اس مدت کے دوران، کمپنی نے "Tentan AG" کی طبی ڈیوائس "Dianatal®Obstetric Gel" کو پاکستان کے اندر تقسیم کرنے کے لئے تمام ضروری قانونی اور انضباطی منظوریاں حاصل کر لی ہیں جو فریقین کے درمیان طے شدہ تجارتی شرائط کے تحت ایک خصوصی ڈسٹری بیوشن معاہدے کے تحت ہوئی، جس کی تجارتی فروخت 2027 کے پہلے نصف میں شروع ہونے کی توقع ہے۔ Tentan AG سوئٹزرلینڈ میں قائم ایک ہیلتھ کیئر کمپنی اور Dianatal® کی قانونی تیار کنندہ ہے، جس کی کئی بین الاقوامی مارکیٹوں میں تجارتی موجودگی ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز کا ماننا ہے کہ اس معتبر بین الاقوامی ادارے کے ساتھ اشتراک عمل سے پاکستان میں مریضوں کو صحت کی دیکھ بھال کے بہترین مواقع میسر آئیں گے اور کمپنی اور اس کے حصص یافتگان کے لیے طویل مدتی قدر کی تخلیق بھی ممکن ہو سکے گی۔

مستقبل کا منظر نامہ

مستقبل میں ہم اپنی بنیادی صلاحیتوں کو مضبوط بنانے کے لیے پرعزم ہیں، جبکہ بدلتے ہوئے مارکیٹ کے حالات اور جاری جغرافیائی و سیاسی کشیدگی، بالخصوص مشرق وسطیٰ کی صورتحال کے رد عمل میں اپنی حکمت عملیوں کا باریک بینی سے از سر نو جائزہ لے رہے ہیں۔ ان عوامل کے ساتھ مہنگائی کا دباؤ اور وسیع تر معاشی دشواریاں رسد کی ترسیل میں تعطل، توانائی کی قیمتوں میں عدم استحکام اور لاگت کے بڑھتے ہوئے دباؤ جیسے خطرات کا باعث بنتی ہیں۔

کمپنی دانشمندانہ منصوبہ بندی، عملی لچک، لاگت پر منظم گرفت اور مرکوز قیادت کے ذریعے ان دشواریوں کا پیشگی حل نکال رہی ہے۔ ہمیں ان مشکلات کا مقابلہ کرنے کی اپنی صلاحیت پر پورا اعتماد ہے، جبکہ ہم معیار کو برقرار رکھنے اور پائیدار منافع کے ذریعے حصص یافتگان کی طویل مدتی قدر کا تحفظ کرتے رہیں گے۔

بورڈ آف ڈائریکٹرز تمام ملازمین کی کوششوں اور لگن کا اعتراف اور شکریہ ادا کرتا ہے۔

بحکم بورڈ

سید بابر علی

چیرمین

سجاد افتخار
چیف ایگزیکٹو آفیسر

کراچی: 21 اکتوبر 2026

Hoechst Pakistan Limited

Unconsolidated Condensed Interim Statement of Financial Position

As at September 30, 2026

		September 30, 2026	December 31, 2025
	Note	----- Rupees in '000 ----- (Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	3,227,295	2,563,716
Intangible assets	5	805,012	806,053
Investment properties		26,691	27,714
Long-term investments	6	338,940	270,000
Long-term loans		10,571	8,464
Long-term deposits		45,732	66,493
Deferred tax asset - net		363,954	546,340
		<u>4,818,195</u>	<u>4,288,780</u>
CURRENT ASSETS			
Stores and spares		113,558	103,363
Stock-in-trade - net	7	6,340,951	6,617,315
Trade debts - net	8	621,491	798,679
Loans and advances	9	378,929	273,255
Trade deposits and short-term prepayments	10	580,491	258,581
Other receivables		91,040	81,358
Short-term investments	11	2,136,182	1,037,367
Income tax recoverable - net		638,593	907,473
Cash and bank balances		105,822	134,916
		<u>11,007,057</u>	<u>10,212,307</u>
TOTAL ASSETS		<u><u>15,825,252</u></u>	<u><u>14,501,087</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		96,448	96,448
Reserves		8,312,595	8,106,732
		<u>8,409,043</u>	<u>8,203,180</u>
NON-CURRENT LIABILITIES			
Lease liability	12	387,678	208,109
Sindh Infrastructure Development Cess (SIDC)	13	382,716	-
		<u>770,394</u>	<u>208,109</u>
CURRENT LIABILITIES			
Trade and other payables	14	6,250,890	5,871,945
Contract liabilities		133,047	146,854
Current maturity of long term lease liability	12	83,007	53,364
Current maturity of SIDC	13	151,552	-
Unclaimed dividend		27,319	17,635
		<u>6,645,815</u>	<u>6,089,798</u>
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		<u><u>15,825,252</u></u>	<u><u>14,501,087</u></u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Unconsolidated Condensed Interim Statement of Profit or Loss

For the nine months period ended September 30, 2026 (Un-audited)

		Nine Months Ended		Quarter Ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
	Note	Rupees in '000			
REVENUE FROM CONTRACT WITH CUSTOMERS - NET	16	24,459,560	24,569,015	7,790,374	8,284,284
Cost of sales		(14,918,820)	(15,902,351)	(4,837,968)	(5,236,913)
GROSS PROFIT		9,540,740	8,666,664	2,952,406	3,047,371
Distribution and marketing costs		(4,114,581)	(3,341,528)	(1,412,620)	(1,068,659)
Administrative expenses		(844,340)	(806,095)	(302,871)	(294,149)
Allowance for expected credit loss		(73,799)	(18,055)	(85,058)	(3,152)
Other expenses	17	(625,289)	(740,323)	(172,681)	(217,229)
Other income	18	968,586	198,357	115,681	90,783
		(4,689,423)	(4,707,644)	(1,857,549)	(1,492,406)
OPERATING PROFIT		4,851,317	3,959,020	1,094,857	1,554,965
Finance costs	19	(110,711)	(76,431)	(52,567)	(18,263)
PROFIT BEFORE LEVIES AND INCOME TAX		4,740,606	3,882,589	1,042,290	1,536,702
Levies:					
- Minimum tax differential		-	-	-	-
- Final tax		-	-	-	-
PROFIT BEFORE INCOME TAX		4,740,606	3,882,589	1,042,290	1,536,702
Income tax - Current		(1,748,274)	(1,950,353)	(395,289)	(1,012,672)
- Deferred		(182,385)	287,389	(32,655)	351,650
		(1,930,659)	(1,662,964)	(427,944)	(661,022)
PROFIT FOR THE PERIOD		2,809,947	2,219,625	614,346	875,680
EARNINGS PER SHARE - basic and diluted (Rupees)		291.34	230.14	63.70	90.79

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Unconsolidated Condensed Interim Statement of Comprehensive Income

For the nine months period ended September 30, 2026 (Un-audited)

	Nine Months Ended		Quarter Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
-----Rupees in '000-----				
PROFIT FOR THE PERIOD	2,809,947	2,219,625	614,346	875,680
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>2,809,947</u>	<u>2,219,625</u>	<u>614,346</u>	<u>875,680</u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited
Unconsolidated Condensed Interim Statement of Changes in Equity
For the nine months period ended September 30, 2026 (Un-audited)

	Reserves							Total
	Capital Reserves					Revenue Reserves		
	Issued, subscribed and paid-up share capital	Long-term liabilities forgone	Other capital reserve	Difference of share capital under scheme of arrangement for amalgamation	Share- based payments reserve	General reserve	Unappropriated profits	
	----- Rupees in '000 -----							
Balance as at January 01, 2025 (Audited)	96,448	5,935	2,000,000	18,000	375,210	1,535,538	2,783,812	6,814,943
Transactions with owners:								
- Final dividend @ Rs. 110 per ordinary share for the year ended December 31, 2024	-	-	-	-	-	-	(1,060,924)	(1,060,924)
- Interim dividend @ Rs. 50 per ordinary share for the half year ended June 30, 2025	-	-	-	-	-	-	(482,238)	(482,238)
Profit for the period	-	-	-	-	-	-	2,219,625	2,219,625
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	2,219,625	2,219,625
Balance as at September 30, 2025 (Un-audited)	96,448	5,935	2,000,000	18,000	375,210	1,535,538	3,460,275	7,491,406
Balance as at January 01, 2026 (Audited)	96,448	5,935	2,000,000	18,000	375,210	1,535,538	4,172,049	8,203,180
Transactions with owners:								
- Final dividend @ Rs. 190 per ordinary share for the year ended December 31, 2025	-	-	-	-	-	-	(1,832,504)	(1,832,504)
- Interim dividend @ Rs. 80 per ordinary share for the half year ended June 30, 2026	-	-	-	-	-	-	(771,580)	(771,580)
Profit for the period	-	-	-	-	-	-	2,809,947	2,809,947
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	2,809,947	2,809,947
Balance as at September 30, 2026 (Un-audited)	96,448	5,935	2,000,000	18,000	375,210	1,535,538	4,377,912	8,409,043

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirumhammad
Chief Financial Officer

Hoechst Pakistan Limited

Unconsolidated Condensed Interim Statement of Cash Flows

For the nine months period ended September 30, 2026 (Un-audited)

	September 30, 2026	September 30, 2025
	-----Rupees in 000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	4,740,606	3,882,589
Adjustment for non-cash items:		
Depreciation and amortisation	316,240	251,198
Allowance for expected credit loss	73,799	18,055
Unrealised foreign exchange differences	(13,309)	151,698
Gain on disposal of operating fixed assets - net	(3,804)	(6,551)
Provision against defined contribution fund	22,656	41,898
Charge for defined benefit plans	38,790	22,116
Reversal of provision against raw and packing material	(6,407)	(117,747)
(Reversal of provision) / provision against finished goods	(291,014)	840,047
Interest income	(1,291)	(2,739)
Fair value gain on remeasurement of mutual funds	(66,148)	(28,998)
Income on mutual funds	(141,613)	(60,612)
Mark up income on Treasury bills	(10,527)	(20,041)
Mark up income on Term Deposit Receipts	(10,713)	-
Income from investment properties	(41,989)	(54,690)
Finance costs	23,451	45,140
Interest expense on lease obligation	54,541	31,291
Settlement adjustment of SIDC liability	(313,212)	-
Remeasurement gain on SIDC liability	(357,244)	-
Finance cost on un-winding of SIDC	32,719	-
	4,045,531	4,992,654
Working capital changes:		
Decrease / (Increase) in current assets:		
Stores and spares	(10,195)	(16,968)
Stock-in-trade	573,785	562,022
Trade debts - net	103,389	48,444
Loans and advances	(105,674)	(45,661)
Trade deposits and short-term prepayments	(321,910)	(452,456)
Other receivables	(10,472)	26,120
	228,923	121,501
Increase / (Decrease) in current liabilities:		
Trade and other payables	1,778,473	1,005,915
Contract liabilities	(13,807)	252,286
Cash generated from operations	6,039,120	6,372,356
Finance costs paid	(23,451)	(58,816)
SIDC Paid	(151,551)	-
Interest income received	1,291	2,739
Income tax paid	(1,479,393)	(1,189,377)
Retirement benefits paid - net	(159,043)	(39,336)
Long-term loans - net	(2,107)	(2,238)
Long-term deposits	20,761	(18,897)
Net cash generated from operating activities	4,245,627	5,066,431
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(823,585)	(1,374,437)
Sale proceeds from disposal of operating fixed assets	67,151	57,257
Investment in subsidiary	(68,940)	(20,000)
Short-term investments made	(18,428,100)	(16,852,118)
Sale proceeds from disposal of short-term investments	17,558,285	15,805,987
Income received from investment properties	41,989	54,690
Net cash used in investing activities	(1,653,200)	(2,328,621)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,594,400)	(1,537,772)
Repayment of short term borrowings	-	(1,200,000)
Lease rentals paid	(62,846)	(29,656)
Net cash used in financing activities	(2,657,246)	(2,767,428)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(64,819)	(29,618)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	134,916	119,796
ADJUSTMENT OF INITIAL APPLICATION OF AMENDMENTS TO IFRS 9 AT BEGINNING OF THE PERIOD	35,725	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	105,822	90,178

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months period ended September 30, 2026 (Un-audited)

1 THE COMPANY AND ITS OPERATIONS

- 1.1** Hoechst Pakistan Limited (the Company) was incorporated in Pakistan in 1967 as a Public Limited Company under Companies Act, 1913 [now Companies Act, 2017 (the Act)]. The shares of the Company are listed on Pakistan Stock Exchange Limited (PSX). The Company is engaged in the manufacturing, selling and trading of pharmaceutical and related products. The registered office of the Company is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi. The Company is a subsidiary of Packages Limited (Parent Company), whose registered office is located at 4th floor, the Forum, Suite No. 416 - 422, G20, Block 9, Khayaban-e-Jami, Clifton, Karachi.
- 1.2** The Board of Directors (the Board) of the Company in its meeting held on April 24, 2024 approved formation of a wholly owned local subsidiary, H-Pack Wellness (Private) Limited (HPWL), which was incorporated on May 27, 2024 and is engaged in the business of manufacturing and distributing wellness and nutraceutical products. The registered address of HPWL is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi.
- 1.3** The Board in its meeting held on December 19, 2024 accorded its approval for incorporation of a wholly owned foreign subsidiary in the United Arab Emirates (UAE), subject to all applicable regulatory approvals which will be primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities. Accordingly, the Company incorporated Hoechst Pack Trading FZCO (HPTF) on November 26, 2025. The registered address of HPTF is 6WB 541, Building 6 West B, Fifth Floor, Dubai Airport Free Zone, Dubai, United Arab Emirates (note 6.2).

2 BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated 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 Act; and
- Provisions of, directives and notifications issued under the Act.

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

- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and therefore should be read in conjunction with the unconsolidated financial statements of the Company for the year ended December 31, 2025.
- 2.3** These unconsolidated condensed interim financial statements are the separate financial statements of the Company in which investment in subsidiaries have been accounted for at cost less impairment losses, if any. The consolidated condensed interim financial statements of the Company and its subsidiary companies have been presented separately.
- 2.4 Initial application of standards, amendments and improvements to approved accounting and reporting standards**
- 2.4.1 Amendments and improvements to approved accounting and reporting standards that became effective during the period**

There are certain amendments and improvements to accounting and reporting standards which became effective during the current period. However, these are considered not to have a material impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements, except for amendments to IFRS 7 "Financial Instruments: Disclosures" and IFRS 9 "Financial Instruments" which clarifies the date of recognition and derecognition of a financial asset or financial liability.

The amendments apply retrospectively; however, the Company is not required to restate prior periods to reflect the application under transitional provisions. The date of initial application is the beginning of the reporting period in which the Company has applied the amendments i.e. January 1, 2026. The effects of amendments at the date of initial application are as follows:

Effect on statement of financial position	Carrying amount prior to the amendments	Impact of amendment	Restated amount
	-----Rupees in '000-----		
As at January 1, 2026			
Trade and other payables	(5,871,945)	(35,725)	(5,907,670)
Cash and bank balances	134,916	35,725	170,641

2.4.2 Standards, amendments and improvements to approved accounting and reporting standards that are not effective and have not been early adopted by the Company

There are certain standards, amendments and improvements to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have a significant impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements, except for effects of application of "IFRS 18 - Presentation and Disclosure in Financial Statements as" disclosed in the note 2.2.2 of the annual financial statements of the Company for the year ended December 31, 2025.

3 MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

3.1 The material accounting policies and the methods of computation adopted for the preparation of these unconsolidated condensed interim financial statements are same as those applied for the preparation of the annual financial statements of the Company for the year ended December 31, 2025, except for changes due to first time application of certain amendments to the approved accounting and reporting standards as explained in note 2.4 and the adoption of accounting policy of group taxation as follows:

3.1.1 Group Taxation

The Securities and Exchange Commission of Pakistan ('SECP') vide its certificate dated February 23, 2026, has registered the Company and HPWL (together the 'Group') as a Group for the purpose of group taxation under Section 59AA of the Income Tax Ordinance, 2001. Consequently, the Group is being taxed as one fiscal unit from the tax year 2027 and onwards.

Current tax is based on the consolidated results of the Group and allocated within the Group on the basis of separate return method. Deferred tax asset is recognised in the unconsolidated condensed interim financial statements to the extent future economic benefit will flow to the Company. Realizability of tax credits and tax losses are assessed at Group level and taxable profits of all entities in the Group are taken into account in assessing whether a deferred tax asset should be recognised in consolidated condensed interim financial statements. Any adjustments in the taxation of the Company on account of group taxation are credited or charged to the unconsolidated condensed interim statement of profit or loss and unconsolidated statement of comprehensive income, as the case may be in the year in which they arise.

3.2 The preparation of these unconsolidated condensed interim financial statements, in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these unconsolidated condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual financial statements of the Company for the year ended December 31, 2025.

3.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

		September 30, 2026	December 31, 2025																																																												
	Note	----- Rupees in '000 ----- (Un-audited)	(Audited)																																																												
4	PROPERTY, PLANT AND EQUIPMENT																																																														
Operating fixed assets	4.1	2,819,953	2,458,874																																																												
Capital work-in-progress	4.2 & 4.3	407,342	104,842																																																												
		<u>3,227,295</u>	<u>2,563,716</u>																																																												
4.1	Operating fixed assets																																																														
Opening net carrying value		2,458,874	1,958,243																																																												
Additions / transfers from capital work-in-progress	4.1.1	738,598	912,850																																																												
Disposals during the period / year	4.1.1	(63,347)	(63,557)																																																												
Depreciation charge for the period / year		<u>(314,172)</u>	<u>(348,662)</u>																																																												
Closing net carrying value		<u>2,819,953</u>	<u>2,458,874</u>																																																												
4.1.1	Details of additions and disposals are as follows:																																																														
		<table> <tr> <th colspan="2">Additions (at cost)</th><th colspan="2">Disposals (at net carrying value)</th></tr> <tr> <th>September 30, 2026</th><th>December 31, 2025</th><th>September 30, 2026</th><th>December 31, 2025</th></tr> <tr> <th>(Un-audited)</th><th>(Audited)</th><th>(Un-audited)</th><th>(Audited)</th></tr> <tr> <th colspan="4">----- Rupees in '000 -----</th></tr> <tr> <td colspan="4">Owned</td></tr> <tr> <td>Buildings on leasehold land</td><td>9,829</td><td>38,749</td><td>-</td></tr> <tr> <td>Plant and machinery</td><td>108,895</td><td>245,837</td><td>-</td></tr> <tr> <td>Furniture and fixtures</td><td>2,487</td><td>9,649</td><td>-</td></tr> <tr> <td>Factory and office equipment</td><td>25,980</td><td>108,960</td><td>481</td></tr> <tr> <td>Motor vehicles</td><td>373,890</td><td>449,758</td><td>62,866</td></tr> <tr> <td></td><td></td><td></td><td></td></tr> <tr> <td colspan="4">Right-of-use assets</td></tr> <tr> <td>Electrical equipments</td><td>208,532</td><td>-</td><td>-</td></tr> <tr> <td>Motor vehicles</td><td>8,985</td><td>59,897</td><td>-</td></tr> <tr> <td></td><td><u>738,598</u></td><td><u>912,850</u></td><td><u>63,347</u></td></tr> </table>	Additions (at cost)		Disposals (at net carrying value)		September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025	(Un-audited)	(Audited)	(Un-audited)	(Audited)	----- Rupees in '000 -----				Owned				Buildings on leasehold land	9,829	38,749	-	Plant and machinery	108,895	245,837	-	Furniture and fixtures	2,487	9,649	-	Factory and office equipment	25,980	108,960	481	Motor vehicles	373,890	449,758	62,866					Right-of-use assets				Electrical equipments	208,532	-	-	Motor vehicles	8,985	59,897	-		<u>738,598</u>	<u>912,850</u>	<u>63,347</u>	
Additions (at cost)		Disposals (at net carrying value)																																																													
September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025																																																												
(Un-audited)	(Audited)	(Un-audited)	(Audited)																																																												
----- Rupees in '000 -----																																																															
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Buildings on leasehold land	9,829	38,749	-																																																												
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Right-of-use assets																																																															
Electrical equipments	208,532	-	-																																																												
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	<u>738,598</u>	<u>912,850</u>	<u>63,347</u>																																																												
		September 30, 2026	December 31, 2025																																																												
		----- Rupees in '000 ----- (Un-audited)	(Audited)																																																												
4.2	Capital work-in-progress																																																														
Buildings on leasehold land		5,525	5,702																																																												
Plant and machinery		368,144	81,330																																																												
Motor vehicles		33,673	17,810																																																												
		<u>407,342</u>	<u>104,842</u>																																																												
4.3	Movement in capital work-in-progress is as follows:																																																														
Opening balance		104,842	189,165																																																												
Additions during the period / year		706,487	478,777																																																												
Transferred to operating fixed assets		<u>(403,987)</u>	<u>(563,100)</u>																																																												
Closing balance		<u>407,342</u>	<u>104,842</u>																																																												
5	INTANGIBLE ASSETS																																																														
Computer software		659	1,560																																																												
Software licenses		312	452																																																												
Trademarks		804,041	804,041																																																												
		<u>805,012</u>	<u>806,053</u>																																																												

		September 30, 2026	December 31, 2025
		----- Rupees in '000 -----	
		(Un-audited)	(Audited)
6	LONG-TERM INVESTMENT		
	Subsidiaries - unquoted		
	H-Pack Wellness (Private) Limited, Karachi, Pakistan		
	27,000,000 (December 31, 2025: 27,000,000)		
	ordinary shares of Rs. 10 each		
	Equity held 100% (December 31, 2025: 100%)	1.2	270,000
	Hoechst Pack Trading FZCO, Dubai, United Arab Emirates		
	Equity held 100%		
	50 ordinary shares of AED 1,000 each	1.3	3,830
	Share deposit money	6.2	65,110
			-
			-
			-
			270,000
6.1	Movement in long-term term investments is as follows:		
	Opening	270,000	-
	Investments made during the period / year	68,940	270,000
	Closing	338,940	270,000
6.2	During the period, the Company made payment of AED 900,000 (equivalent to Rs. 68.940 million) against which 50 ordinary shares of AED 1000 each amounting to Rs. 3.83 million were issued. The remaining shares against share deposit money of Rs 65.1 million will be issued in due course of time.		
		September 30, 2026	December 31, 2025
		----- Rupees in '000 -----	
		(Un-audited)	(Audited)
7	STOCK-IN-TRADE - NET		
	Raw and packing materials		
	In hand	2,159,548	2,619,668
	In transit	177,668	126,065
		2,337,216	2,745,733
	Provision against raw and packing materials	7.1	(54,679)
			(63,992)
		2,282,537	2,681,741
	Work-in-process	263,249	101,406
	Finished goods		
	In hand	3,336,563	4,207,790
	In transit	993,279	491,931
		4,329,842	4,699,721
	Provision against finished goods	7.2	(534,677)
			(865,553)
		3,795,165	3,834,168
		6,340,951	6,617,315
7.1	Movement of provision against raw and packing materials is as follows:		
	Opening balance	63,992	330,900
	Charge for the period / year	28,358	48,752
	Reversal for the period / year	(34,765)	(245,201)
	Net reversal for the period / year	(6,407)	(196,449)
	Write-off during the period / year	(2,906)	(70,459)
	Closing balance	54,679	63,992

7.2 Movement of provision against finished goods is as follows:

Opening balance	865,553	103,650
Charge for the period / year	81,670	843,957
Reversal for the period / year	(372,684)	(28,653)
Net (reversal) / charge for the period / year	(291,014)	815,304
Write-off during the period / year	(39,862)	(53,401)
Closing balance	534,677	865,553

8 TRADE DEBTS - NET

This is net of allowance for Expected Credit Loss (ECL) against the trade debts considered doubtful amounting to Rs. 496.4 million (December 31, 2025: Rs. 416.3 million). During the period, the Company has recognised ECL charge of Rs. 80.15 million (September 30, 2025: Rs. 18.05 million).

9 LOANS AND ADVANCES

Includes advances to contractors and suppliers amounting to Rs. 352.73 million (December 31, 2025: Rs. 256.7 million).

10 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Includes margin against letters of credit amounting to Rs. 447.8 million (December 31, 2025: Rs. 176.2 million).

11 SHORT-TERM INVESTMENTS

At fair value through profit or loss

Investment in mutual funds	11.1	2,136,182	-
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At amortised cost

Investment in Term Deposit Receipts	-	200,000
Investment in Treasury Bills	-	837,367
	-	1,037,367
	2,136,182	1,037,367

11.1 Investment in mutual funds

	September 30, 2026		December 31, 2025	
	Number of units	Rupees in '000	Number of units	Rupees in '000
	(Un-audited)		(Audited)	
- Bank Al-Habib Money Market Fund	6,939,329	720,632	-	-
- ABL Cash Fund	9,604,395	101,237	-	-
- UBL Cash Fund	8,748,599	905,930	-	-
- MCB Money Market Fund	3,983,417	408,383	-	-
	13,587,812	2,136,182	-	-

12 LEASE LIABILITY

		September 30, 2026			December 31, 2025		
	Note	(Un-audited)			(Audited)		
		Electrical equipment	Motor vehicle	Total	Electrical equipment	Motor vehicle	Total
Opening balance		214,154	47,319	261,473	211,476	-	211,476
Additions during the period / year	12.1	208,532	8,985	217,517	-	47,918	47,918
Finance cost charged during the period / year		50,603	3,938	54,541	50,235	447	50,682
Payments made during the period / year		(50,890)	(11,956)	(62,846)	(47,557)	(1,046)	(48,603)
		422,399	48,286	470,685	214,154	47,319	261,473
Less: Current maturity of lease liability		(68,702)	(14,305)	(83,007)	(40,807)	(12,557)	(53,364)
		353,697	33,981	387,678	173,347	34,762	208,109

- 12.1** This represents lease arrangement entered into by the Company for deployment of solar panels and related equipment on the Company's premises. The lease has a term of 15 years, after which the ownership of solar panels and related equipment will transfer to the Company. Consequently, the related right of use asset is depreciated based on the estimated useful life of 20 years (note 4.1.1).

Additionally, car lease arrangements for three new cars, entered into by the Company during the period. The lease has a term of 5 years, after which the ownership of these cars will be transferred to the Company. Consequently, the related right of use asset is depreciated based on the estimated useful life of 6 years (note 4.1.1).

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
13 SINDH INFRASTRUCTURE DEVELOPMENT CESS (SIDC)			
SIDC		534,268	-
less: current maturity of SIDC		(151,552)	-
	13.1	382,716	-

- 13.1** The Government of Sindh through Sindh Finance Act, 1994 imposed infrastructure fee for development and maintenance of infrastructure on goods entering or leaving the Province of Sindh through air or sea at prescribed rates. Several companies contested the imposition of this infrastructure fee in High Court of Sindh (HCS). Through the interim order passed on May 31, 2011, the HCS had ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed. Later, the Company started to deposit cash and bank guarantees on import of goods and also started recognising accrual for the unpaid amount for which bank guarantee was submitted. On June 04, 2021, the HCS dismissed appeals filed by the petitioners and ordered that the Sindh Finance Act, 2017 is a valid law with the competence of provincial legislature and all bank guarantees previously furnished by the petitioners against the HCS's interim order dated May 31, 2011 shall be en-cashed and paid to the department.

The Company, in consultation with its legal advisor, filed an appeal before the Supreme Court of Pakistan (SCP) against the HCS's order dated June 04, 2021 jointly with other petitioners. SCP provided leave to appeal against the orders of HCS vide CP No. 4913/2021 dated September 01, 2021 with the directions that till the further order of SCP, the operations of impugned judgment of the HCS dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioners were ordered to submit fresh bank guarantees equivalent to the amount of levy for all future consignments of imported goods.

During the period, the Government of Sindh (GoS) enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026 (the SIDC Act, 2026), introducing a settlement framework under sections 10A to 10F. The Company opted for the settlement framework and entered into a Settlement Agreement (the Agreement) with GoS on April 10, 2026, for a settlement amount of Rs. 1,010.3 million comprising SIDC due up to April 10, 2026. Under the Agreement, 15% of the outstanding liability is payable by July 15, 2026, 15% by October 15, 2026, 15% by July 15, 2027, and the remaining 55% in forty eight equal quarterly instalments commencing from July 15, 2028. As required under the settlement framework, the Company has withdrawn all pending litigation and waived related claims against GoS, the previously furnished bank guarantees have been released, and the first instalment due on July 15, 2026 has been paid on April 17, 2026. Thereafter, the reduced rate of 0.85%, applicable to companies that have opted for settlement under the framework, is now applicable to the Company for all future consignments. Accordingly, the Company has recognised a settlement adjustment of SIDC liability under the Agreement amounting to Rs. 313.2 million in the profit or loss.

In accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and IFRIC 21 'Levies', the Company has re-measured the settlement amount in respect of the aforementioned liability at its present value based on the agreed payment schedule and a pre-tax discount rate of 12.65%. The resulting gain of Rs. 357.2 million, representing the difference between the carrying amount of the liability agreed under the settlement framework and the discounted value of the settlement liability, and a finance cost of Rs. 32.7 million have been recognised in the profit or loss. Thereafter, the liability has been measured at amortised cost using the effective interest method.

		September 30, 2026	December 31, 2025
	Note	----- Rupees in '000 -----	
		(Un-audited)	(Audited)
14	TRADE AND OTHER PAYABLES		
	Trade creditors		
	Related parties	118,110	26,530
	Other trade creditors	1,511,328	741,271
		<u>1,629,438</u>	<u>767,801</u>
	Other payables		
	Accrued liabilities	3,485,659	3,142,399
	Refund liabilities	373,137	185,799
	Infrastructure Development Cess	-	1,271,156
	Workers' Profits Participation Fund	254,724	13,413
	Workers' Welfare Fund	163,217	174,793
	Central Research Fund	51,423	54,015
	Compensated absences	146,369	149,956
	Security deposits	19,967	19,967
	Contractors' retention money	6,359	6,359
	Sales tax payable	19,144	7,090
	Withholding taxes payable	14,536	24,083
	Others	86,917	55,114
		<u>4,621,452</u>	<u>5,104,144</u>
		<u>6,250,890</u>	<u>5,871,945</u>

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There are no material changes in the contingencies as disclosed in note 23.1 of the annual unconsolidated financial statements of the Company for the year ended December 31, 2025, except as disclosed in note 13.1 and below:

- 15.1.1** As disclosed in notes 23.1.8 and 23.1.9 of the annual unconsolidated financial statements of the Company for the year ended December 31, 2025, and following the enactment of the 27th Constitutional Amendment in year 2025, the pending cases were transferred to the Federal Constitutional Court of Pakistan (FCCP), which upheld the constitutional validity of sections 4B and 4C of the Ordinance.

During the period, FCCP passed an order dated January 27, 2026 and disposed of the appeal in the favor of the Federal Board of Revenue (FBR). Being aggrieved, the Company filed a Review Petition before the FCCP seeking reconsideration of the judgments issued in the super tax cases, specifically with respect to the finding that section 4C is validly applicable to income from all sources, including income subject to the final tax regime, which is yet to be decided. Further, the Company has made payments of Rs. 48.9 million and Rs. 94.4 million in respect of tax years 2023 and 2022 on January 30, 2026 and April 8, 2026, respectively, against the previously recognised provision in prior years.

		September 30, 2026	December 31, 2025
		----- Rupees in '000 -----	
		(Un-audited)	(Audited)
15.2	Commitments		
	Commitments for capital expenditure	<u>88,902</u>	<u>296,211</u>
	Outstanding letters of credit	<u>603,191</u>	<u>380,946</u>
	Outstanding bank guarantees	<u>253,466</u>	<u>1,380,727</u>
	Outstanding bank contracts	<u>1,865,240</u>	<u>1,179,878</u>

	Nine Months Ended		Quarter Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
	Rupees in '000			
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
16 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET				
Gross sales				
Local	28,128,355	25,928,739	9,205,670	8,745,098
Export	233,698	1,476,347	-	532,537
	28,362,053	27,405,086	9,205,670	9,277,635
Toll manufacturing	67,095	87,622	8,943	27,253
	28,429,148	27,492,708	9,214,613	9,304,888
Less:				
- Trade discounts	(3,388,445)	(2,577,138)	(1,230,438)	(908,877)
- Sales returns	(277,199)	(67,679)	(87,861)	(25,453)
- Sales tax	(303,944)	(278,876)	(105,940)	(86,274)
	24,459,560	24,569,015	7,790,374	8,284,284

17 OTHER EXPENSES

Includes net exchange gain amounting to Rs. 51.2 million (net exchange loss September 30, 2025: Rs. 272.2 million).

18 OTHER INCOME

This includes Rs. 313.2 million (September 30, 2025: Nil) related to the settlement adjustment of SIDC liability under the Agreement, and Rs. 357.2 million (September 30, 2025: Nil) related to remeasurement of adjusted SIDC liability at its present value (note 13.1).

19 FINANCE COSTS

Includes unwinding of SIDC liability and bank charges amounting to Rs. 32.7 million and Rs. 23.4 million (September 30, 2025: Nil and Rs. 30.8 million) respectively.

20 SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017

Note	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)			
	Coventional	Shariah Compliant	Total	Coventional	Shariah Compliant	Total	
	Rupees in 000			Rupees in 000			
Statement of Financial Position							
Lease liabilities	12	470,685	-	470,685	261,473	-	261,473
Long-term investments	6	-	338,940	338,940	-	270,000	270,000
Short-term investments	11	2,136,182	-	2,136,182	1,037,367	-	1,037,367
Cash and bank balances		104,099	1,723	105,822	133,853	1,063	134,916
	September 30, 2026 (Un-audited)			September 30, 2025 (Un-audited)			
	Coventional	Shariah Compliant	Total	Coventional	Shariah Compliant	Total	
	Rupees in 000			Rupees in 000			
Statement of profit or loss							
Revenue from contracts with customers - net	16	-	24,459,560	24,459,560	-	24,569,015	24,569,015
Late payments or liquidated damages		-	-	-	-	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		-	-	-	-	-	-
Profit earned from Shariah-compliant bank deposits, bank balances or TDRs		-	-	-	-	-	-
Income from short-term investments		229,001	-	229,001	109,651	-	109,651
Profit on bank deposits		1,291	-	1,291	2,739	-	2,739
Exchange gain earned from actual currency		51,259	-	51,259	-	-	-
Exchange gains earned using conventional derivative financial instruments		-	-	-	-	-	-
Profit paid on Islamic mode of financing		-	-	-	-	-	-
Total Interest earned on any conventional loan or advance		-	-	-	-	-	-
Gain on disposal of operating assets - net		-	3,804	3,804	-	6,551	6,551
Scrap sales		-	22,045	22,045	-	24,726	24,726
Rental income		-	41,989	41,989	-	54,690	54,690
Settlement adjustment of SIDC liability		-	313,212	313,212	-	-	-
Remeasurement gain on SIDC liability at its present value		-	357,244	357,244	-	-	-
Foreign exchange loss (net)		-	-	-	272,262	-	272,262
Finance costs	19	110,711	-	110,711	76,431	-	76,431

Other Disclosure requirements

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc.

Name	Relationship
Faysal Bank Limited	Bank deposit
Meezan Bank Limited	Bank deposit

21 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of parent company, subsidiary companies, associated undertakings, employees' retirement funds, directors and key management personnel. All transactions with related parties are executed at agreed terms duly approved by the Board of Directors of the Company. There are no transactions with key management personnel other than under the terms of employment.

Details of transactions with related parties during the period are as follows:

	September 30, 2026 (Un-audited)						September 30, 2025 (Un-audited)					
	Parent company	Subsidiary companies	Associated undertakings	Retirement benefits plans	Key management personnel	Total	Parent company	Subsidiary companies	Associated undertakings	Retirement benefits plans	Key management personnel	Total
	Rupees in '000											
Sales	-	-	7,573	-	-	7,573	-	-	10,014	-	-	10,014
Purchase of goods	-	-	579,784	-	-	579,784	-	-	422,215	-	-	422,215
Shared services received	299,902	-	43,324	-	-	343,226	132,147	-	6,877	-	-	139,024
Shared services rendered	312	-	172	-	-	484	-	-	14	-	-	14
Expenditure incurred												
on behalf of subsidiary	-	-	-	-	-	-	-	5,478	-	-	-	5,478
Dividends paid	1,069,448	-	878,993	-	448,169	2,396,610	538,541	-	432,981	-	265,582	1,237,104
Insurance claim	-	-	1,308	-	-	1,308	-	-	-	-	-	-
Investment made in subsidiary	-	68,940	-	-	-	68,940	-	20,000	-	-	-	20,000
Insurance premium paid	-	-	173,186	-	-	173,186	-	-	168,296	-	-	168,296
Donations	-	-	57,000	-	-	57,000	-	-	37,143	-	-	37,143
Contribution paid:												
- Provident fund	-	-	-	87,803	-	87,803	-	-	-	75,436	-	75,436
- Gratuity fund	-	-	-	38,000	-	38,000	-	-	-	34,072	-	34,072
Managerial remuneration and other benefits	-	-	-	-	511,833	511,833	-	-	-	-	514,986	514,986

22 FINANCIAL RISK MANAGEMENT

These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual unconsolidated financial statements and should be read in conjunction with the Company's annual unconsolidated financial statements for the year ended December 31, 2025. There have been no changes in any risk management policies since the year-end.

23 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in the unconsolidated condensed interim financial statements approximate their fair values.

Fair value hierarchy

The Company classifies its financial assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3:** Input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value of Company's investment in mutual funds amounting to Rs. 2,136.2 million (December 31, 2025: Nil) is determined under Level 2 valuation method.

24 ENTITY WIDE INFORMATION

- 24.1** The Company constitutes of a single reportable segment. Information about geographical areas of the Company are as follows:

	September 30, 2026	September 30, 2025
	----- Rupees in '000 -----	
	(Un-audited)	(Un-audited)
Sales to external customers - net of returns and discounts		
Pakistan	24,248,016	23,385,426
Afghanistan	211,544	1,183,589
	<u>24,459,560</u>	<u>24,569,015</u>

25 GENERAL

Figures presented in these unconsolidated condensed interim financial statements have been rounded off to the nearest thousand Pakistan Rupees, unless otherwise stated.

26 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on October 21, 2026 by the Board of Directors of the Company.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited
Consolidated Condensed Interim Financial Statements
For the nine months period ended September 30, 2026

Directors' Review Report on the Consolidated Condensed Interim Financial Statements for the Nine Months Period Ended September 30, 2026

The Directors of Hoechst Pakistan Limited are pleased to present the un-audited consolidated condensed interim financial statements of **Hoechst Pakistan Limited** (Holding Company) and its subsidiary companies **H-Pack Wellness (Private) Limited** and **Hoechst Pack Trading FZCO** (together referred as the 'Group'), for the nine months period ended September 30, 2026.

Hoechst Pakistan Limited

Hoechst Pakistan Limited (the Holding Company) has generated net revenue of Rs. 24,460 million in the first nine months of the year 2026 which is almost in line with the corresponding period last year at a gross margin of 39% as compared to 35% the same period last year. The Holding Company has posted profit after tax of Rs. 2,810 million for the first nine months as compared to Rs. 2,220 million in corresponding period last year.

H-Pack Wellness (Private) Limited

H-Pack Wellness (Private) Limited (HPWL) is a wholly owned local subsidiary company engaged in the business of manufacturing and distributing wellness and nutraceutical products. For the first nine months of the year 2026, HPWL generated net revenue of Rs 66 million with a gross profit of Rs 43 million. Other income stood at Rs. 17 million mainly on account of income from mutual funds. The local subsidiary has reported Profit after tax of Rs 19 million for the nine months ended September 30, 2026.

Hoechst Pack Trading FZCO

The Board in its meeting held on December 19, 2024 accorded its approval for incorporation of a wholly owned foreign subsidiary in the United Arab Emirates (UAE), subject to all applicable regulatory approvals, which will be primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities. Accordingly, the Company incorporated Hoechst Pack Trading FZCO (HPTF) on November 26, 2025.

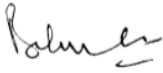
During the period, investment amounting to Rs. 68.9 million has been made by the Holding Company in HPTF. Since this is the first year of operations, the foreign subsidiary is in the process of establishing supply chain arrangements. During the period under review, HPTF did not post any revenue and incurred net cost of Rs. 22 million on account of incorporation, ancillary costs and office running expenditure.

Key Financial Highlights of the Group is as follows:

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Amounts in Million		
Net Sales	24,525	24,583
Gross Profit	9,584	8,674
Profit After Tax	2,807	2,211
Earnings Per Share (Rupees)	291.07	229.21

We value the support and patronage extended by our business partners and all stakeholders and acknowledge the efforts and commitment of the employees.

By order of the Board



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer

Karachi: October 21, 2026

نوماہی مدت ختمہ 30 ستمبر 2026 کے اختصاری عبوری مالیاتی گوشواروں پر ڈائریکٹران کی جائزہ رپورٹ

ہکسٹ پاکستان لمیٹڈ (سرپرست کمپنی) اور اس کی ذیلی کمپنیوں ایچ۔ پیک ویلنس (پرائیویٹ) لمیٹڈ اور ہکسٹ پیک ٹریڈنگ FZCO (جنہیں مشترکہ طور پر 'گروپ' کہا جاتا ہے) کے غیر آڈٹ شدہ مجموعی اختصاری عبوری مالیاتی گوشوارے برائے نوماہی مدت ختمہ 30 ستمبر 2026 پیش کرتے ہوئے ہکسٹ پاکستان لمیٹڈ کے ڈائریکٹران اظہار مسرت کرتے ہیں۔

ہکسٹ پاکستان لمیٹڈ

ہکسٹ پاکستان لمیٹڈ (سرپرست کمپنی) کی سال 2026 کے پہلے نوماہ میں 24,460 ملین روپے کی خالص آمدن رہی جو کہ گزشتہ سال کی اسی مدت کے تقریباً برابر ہے، جبکہ اس کے خام منافع کی شرح 39 فیصد رہی جو گزشتہ سال کی اسی مدت میں 35 فیصد تھی۔ سرپرست کمپنی کا پہلے نو مہینوں کا منافع بعد از ٹیکس 2,810 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ منافع 2,220 ملین روپے تھا۔

ایچ۔ پیک ویلنس (پرائیویٹ) لمیٹڈ

ایچ۔ پیک ویلنس (پرائیویٹ) لمیٹڈ (HPWL) ایک مکمل ملکیت میں مقامی ذیلی کمپنی ہے جو بہبود اور نیوٹر اسیوٹرکٹیل مصنوعات کی تیاری اور تقسیم کے کاروبار میں مصروف عمل ہے۔ سال 2026 کے پہلے نو مہینوں کے میں HPWL کی خالص آمدن 66 ملین روپے رہی جس میں خام منافع 43 ملین روپے رہا۔ دیگر آمدن 17 ملین روپے رہی جو بنیادی طور پر میوچل فنڈز سے حاصل ہونے والی آمدنی پر مشتمل ہے۔ اس مقامی ذیلی کمپنی نے نوماہی مدت ختمہ 30 ستمبر 2026 میں 19 ملین روپے کا بعد از ٹیکس منافع ظاہر کیا ہے۔

ہکسٹ پیک ٹریڈنگ FZCO

بورڈ نے 19 دسمبر 2024 کو منعقدہ اپنے اجلاس میں تمام متعلقہ نصابی منظوریوں سے مشروط متحدہ عرب امارات (UAE) میں ایک مکمل ملکیت میں غیر ملکی ذیلی کمپنی کے قیام کی منظوری دی تھی جو بنیادی طور پر تجارتی لین دین کے ساتھ ساتھ درآمدات، برآمدات، تقسیم اور ویز ہاؤسنگ کی معاون سرگرمیوں میں مصروف عمل ہوگی۔ چنانچہ سرپرست کمپنی نے 26 نومبر 2025 کو ہکسٹ پیک ٹریڈنگ 'FZCO' (HPTF) قائم کی۔

اس مدت کے دوران، سرپرست کمپنی کی جانب سے HPTF میں 68.9 ملین روپے کی سرمایہ کاری کی گئی ہے۔ چونکہ یہ کاروبار کا پہلا سال ہے، اس لیے یہ غیر ملکی ذیلی کمپنی فی الوقت سپلائی چین کے انتظامات قائم کرنے کے مرحلے میں ہے۔ زیر جائزہ مدت کے دوران HPTF نے کوئی آمدن ظاہر نہیں کی اور کمپنی کے قیام، معاون اخراجات اور دفتر چلانے کے اخراجات کی مد میں 22 ملین روپے کی خالص لاگت برداشت کی۔

گروپ کی اہم مالیاتی جھلکیاں:

نوماد مدت مختتمہ	نوماد مدت مختتمہ	
30 ستمبر 2025	30 ستمبر 2026	
(رقم ملین میں)		
24,583	24,525	خالص فروخت
8,674	9,584	خام منافع
2,211	2,807	منافع بعد از ٹیکس
229.21	291.07	فی حصص آمدن (روپے)

ہم اپنے کاروباری شراکت داروں اور تمام مستفیدان کی جانب سے فراہم کردہ تعاون اور سرپرستی کو قدر کی نگاہ سے دیکھتے ہیں اور تمام ملازمین کی کوششوں اور لگن کا اعتراف کرتے ہیں۔

بحکم بورڈ



سجاد افتخار

چیف ایگزیکٹو آفیسر



سید باقر علی

چیئرمین

کراچی: 21 اکتوبر 2026

Hoechst Pakistan Limited

Consolidated Condensed Interim Statement of Financial Position

As at September 30, 2026

		September 30, 2026	December 31, 2025
	Note	----- Rupees in '000 ----- (Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	3,273,693	2,581,126
Intangible assets	5	805,012	806,053
Investment properties		26,691	27,714
Long-term loans		10,571	8,464
Long-term deposits		45,732	66,493
Deferred tax asset - net		362,069	546,340
		<u>4,523,768</u>	<u>4,036,190</u>
CURRENT ASSETS			
Stores and spares		113,558	103,363
Stock-in-trade - net	6	6,355,104	6,623,493
Trade debts - net	7	621,491	798,679
Loans and advances	8	394,174	275,733
Trade deposits and short-term prepayments	9	607,560	258,581
Other receivables		91,040	69,347
Short-term investments	10	2,345,575	1,287,435
Income tax recoverable - net		640,442	908,936
Cash and bank balances		141,900	152,872
		<u>11,310,844</u>	<u>10,478,439</u>
TOTAL ASSETS		<u><u>15,834,612</u></u>	<u><u>14,514,629</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		96,448	96,448
Reserves		8,299,640	8,097,271
		<u>8,396,088</u>	<u>8,193,719</u>
NON-CURRENT LIABILITIES			
Lease liability	11	387,678	208,109
Sindh Infrastructure Development Cess (SIDC)	12	382,716	-
		<u>770,394</u>	<u>208,109</u>
CURRENT LIABILITIES			
Trade and other payables	13	6,269,250	5,893,022
Contract liabilities		137,002	148,780
Current maturity of long term lease liability	11	83,007	53,364
Current maturity of SIDC	12	151,552	-
Unclaimed dividend		27,319	17,635
		<u>6,668,130</u>	<u>6,112,801</u>
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		<u><u>15,834,612</u></u>	<u><u>14,514,629</u></u>

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Consolidated Condensed Interim Statement of Profit or Loss

For the nine months period ended September 30, 2026 (Un-audited)

		Nine Months Ended		Quarter Ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
	Note	----- Rupees in '000 -----			
REVENUE FROM CONTRACT WITH CUSTOMERS - NET	15	24,525,366	24,582,840	7,821,093	8,289,279
Cost of sales		(14,941,773)	(15,908,876)	(4,848,845)	(5,239,270)
GROSS PROFIT		9,583,593	8,673,964	2,972,248	3,050,009
Distribution and marketing costs		(4,144,843)	(3,353,696)	(1,425,546)	(1,076,835)
Administrative expenses		(866,179)	(810,251)	(309,483)	(296,655)
Allowance for expected credit loss		(73,799)	(18,055)	(85,058)	(3,152)
Other expenses	16	(627,786)	(741,061)	(173,571)	(217,553)
Other income	17	985,495	199,151	121,226	91,089
		(4,727,112)	(4,723,912)	(1,872,432)	(1,503,106)
OPERATING PROFIT		4,856,481	3,950,052	1,099,816	1,546,903
Finance costs	18	(110,800)	(76,442)	(52,597)	(18,269)
PROFIT BEFORE LEVIES AND INCOME TAX		4,745,681	3,873,610	1,047,219	1,528,634
Levies:					
- Minimum tax differential		-	(173)	-	(63)
- Final tax		-	-	-	-
PROFIT BEFORE INCOME TAX		4,745,681	3,873,437	1,047,219	1,528,571
Income tax - Current		(1,754,122)	(1,950,353)	(399,597)	(1,012,672)
- Deferred		(184,270)	287,562	(31,633)	351,713
		(1,938,392)	(1,662,791)	(431,230)	(660,959)
PROFIT FOR THE PERIOD		2,807,289	2,210,646	615,989	867,612
EARNINGS PER SHARE - basic and diluted (Rupees)		291.07	229.21	63.87	89.96

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Consolidated Condensed Interim Statement of Comprehensive Income

For the nine months period ended September 30, 2026 (Un-audited)

	Nine Months Ended		Quarter Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
----- Rupees in '000 -----				
PROFIT FOR THE PERIOD	2,807,289	2,210,646	615,989	867,612
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Exchange differences on translation of foreign operations	(836)	-	(103)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>2,806,453</u>	<u>2,210,646</u>	<u>615,886</u>	<u>867,612</u>

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited
Consolidated Condensed Interim Statement of Changes in Equity
For the nine months period ended September 30, 2026 (Un-audited)

	Reserves								Total
	Capital Reserves						Revenue Reserves		
	Issued, subscribed and paid-up share capital	Long-term liabilities forgone	Other capital reserve	Difference of share capital under scheme of arrangement for amalgamation	Share- based payments reserve	Exchange differences on translation of foreign operations	General reserve	Unappropriated profits	
Rupees '000									
Balance as at January 01, 2025	96,448	5,935	2,000,000	18,000	375,210	-	1,535,538	2,783,812	6,814,943
- Final dividend @ Rs. 110 per ordinary share for the year ended December 31, 2024	-	-	-	-	-	-	-	(1,060,924)	(1,060,924)
- Interim dividend @ Rs. 50 per ordinary share for the half year ended June 30, 2025	-	-	-	-	-	-	-	(482,238)	(482,238)
Profit for the period	-	-	-	-	-	-	-	2,210,646	2,210,646
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	2,210,646	2,210,646
Balance as at September 30, 2025 (Un-audited)	96,448	5,935	2,000,000	18,000	375,210	-	1,535,538	3,451,296	7,482,427
Balance as at January 01, 2026	96,448	5,935	2,000,000	18,000	375,210	-	1,535,538	4,162,588	8,193,719
- Final dividend @ Rs. 190 per ordinary share for the year ended December 31, 2025	-	-	-	-	-	-	-	(1,832,504)	(1,832,504)
- Interim dividend @ Rs. 80 per ordinary share for the half year ended June 30, 2026	-	-	-	-	-	-	-	(771,580)	(771,580)
Profit for the period	-	-	-	-	-	-	-	2,807,289	2,807,289
Other comprehensive income for the period	-	-	-	-	-	(836)	-	-	(836)
Total comprehensive income for the period	-	-	-	-	-	(836)	-	2,807,289	2,806,453
Balance as at September 30, 2026 (Un-audited)	96,448	5,935	2,000,000	18,000	375,210	(836)	1,535,538	4,365,793	8,396,088

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Consolidated Condensed Interim Statement of Cash Flows

For the nine months period ended September 30, 2026 (Un-audited)

	September 30, 2026	September 30, 2025
	-----Rupees in 000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	4,745,681	3,873,437
Adjustment for non-cash items:		
Depreciation and amortisation	316,240	251,198
Allowance for expected credit loss	73,799	18,055
Unrealised foreign exchange differences	(13,309)	151,698
Gain on disposal of operating fixed assets - net	(3,804)	(6,551)
Provision against defined contribution fund	22,656	41,898
Charge for defined benefit plans	38,790	22,116
Reversal of provision against raw and packing material	(6,407)	(117,747)
(Reversal of provision) / provision against finished goods	(291,014)	840,047
Interest income	(1,559)	(3,533)
Fair value gain on remeasurement of mutual funds	(72,646)	(28,998)
Income on mutual funds	(141,613)	(60,612)
Mark up income on Treasury Bills	(10,527)	(20,041)
Mark up income on Term Deposit Receipts	(10,713)	-
Income from investment properties	(41,989)	(54,690)
Finance costs	23,459	45,140
Interest expense on lease obligation	54,541	31,291
Reversal of excess provision of SIDC liability	(313,212)	-
Remeasurement gain on SIDC liability at its present value	(357,244)	-
Finance cost on un-winding of SIDC	32,719	-
	<u>4,043,848</u>	<u>4,982,708</u>
Working capital changes:		
Decrease / (Increase) in current assets:		
Stores and spares	(10,195)	(16,968)
Stock-in-trade	565,810	553,255
Trade debts - net	103,389	48,444
Loans and advances	(118,441)	(47,823)
Trade deposits and short-term prepayments	(349,013)	(452,456)
Other receivables	(10,472)	31,157
	<u>181,078</u>	<u>115,609</u>
Increase in current liabilities:		
Trade and other payables	1,763,778	1,013,151
Contract liabilities	(11,778)	252,305
	<u>5,976,926</u>	<u>6,363,773</u>
Cash generated from operations		
Finance costs paid	(23,459)	(58,816)
SIDC Paid	(151,552)	-
Interest income received	1,559	3,533
Income tax paid	(1,485,626)	(1,189,321)
Retirement benefits paid - net	(159,043)	(39,336)
Long-term loans - net	(2,107)	(2,238)
Long-term deposits	20,761	(18,897)
Net cash generated from operating activities	<u>4,177,459</u>	<u>5,058,698</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(852,573)	(1,374,437)
Sale proceeds from disposal of operating fixed assets	67,151	57,257
Short-term investments made	(18,428,100)	(16,852,118)
Sale proceeds from disposal of short-term investments	17,605,459	15,805,987
Income received from investment properties	41,989	54,690
Net cash used in investing activities	<u>(1,566,074)</u>	<u>(2,308,621)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,594,400)	(1,537,772)
Repayment of short term borrowings	-	(1,200,000)
Lease rentals paid	(62,846)	(29,656)
Net cash used in financing activities	<u>(2,657,246)</u>	<u>(2,767,428)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(45,861)</u>	<u>(17,351)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	152,872	119,796
EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS	(836)	-
ADJUSTMENT OF INITIAL APPLICATION OF AMENDMENTS TO IFRS 9 AT BEGINNING OF THE PERIOD	35,725	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>141,900</u>	<u>102,445</u>

The annexed notes 1 to 25 form an integral part of these consolidated condensed interim financial statements.


Syed Babar Ali
Chairman


Sajjad Iftikhar
Chief Executive Officer


Yasser Pirmuhammad
Chief Financial Officer

Hoechst Pakistan Limited

Notes to the Consolidated Condensed Interim Financial Statements

For the period ended September 30, 2026 (Un-audited)

1 STATUS AND NATURE OF BUSINESS

1.1 The Group consists of:

Holding Company

- Hoechst Pakistan Limited

Subsidiary Companies

- H-Pack Wellness (Private) Limited

- Hoechst Pack Trading FZCO

1.1 Holding Company

Hoechst Pakistan Limited (Holding Company) was incorporated in Pakistan in 1967 as a Public Limited Company under Companies Act, 1913 [now Companies Act, 2017 (the Act)]. The shares of the Holding Company are listed on Pakistan Stock Exchange Limited (PSX). The Holding Company is engaged in the manufacturing, selling and trading of pharmaceutical and related products. The registered office of the Holding Company is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi. The Holding Company is a subsidiary of Packages Limited (Parent Company), whose registered office is located at 4th floor, the Forum, Suite No. 416 - 422, G20, Block 9, Khayaban-e-Jami, Clifton, Karachi.

1.2 Subsidiary Companies

1.2.1 H-Pack Wellness (Private) Limited (Subsidiary) is a wholly owned subsidiary of the Holding Company and was incorporated in Pakistan on May 27, 2024 as a Private Limited Company under Companies Act, 2017. The Subsidiary will be engaged in manufacturing and distributing wellness and nutraceutical products. The registered office of the Subsidiary is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi.

1.2.2 Hoechst Pack Trading FZCO (Subsidiary) is a wholly owned foreign subsidiary in the United Arab Emirates (UAE), incorporate on November 26, 2025 primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities. The registered office of the Subsidiary is located at 6WB 541, Building 6 West B, Fifth Floor, Dubai Airport Free Zone, Dubai, United Arab Emirates.

1.3 The Holding Company has investment in subsidiary companies as follows:

	Percentage of shareholding of the Holding Company	
	September 30, 2026	December 31, 2025
H-Pack Wellness (Private) Limited (note 1.2.1)	100%	100%
Hoechst Pack Trading FZCO (note 1.2.2)	100%	-

2 STATEMENT OF COMPLIANCE

2.1 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 Act; and
- Provisions of, directives and notifications issued under the Act.

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

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2025.

2.3 Consolidation

The assets and liabilities of the Subsidiary companies have been consolidated on a line by line basis and carrying value of investment held by the Holding Company in the subsidiary companies have been eliminated against Holding Company's share in paid-up capital of the subsidiary companies.

Intergroup balances and transactions have been eliminated.

2.4 Initial application of standards, amendments and improvements to approved accounting and reporting standards

2.4.1 Amendments and improvements to approved accounting and reporting standards that became effective during the period

There are certain amendments and improvements to accounting and reporting standards which became effective during the current period. However, these are considered not to have a material impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated condensed interim financial statements, except for amendments to IFRS 7 "Financial Instruments: Disclosures" and IFRS 9 "Financial Instruments" which clarifies the date of recognition and derecognition of a financial asset or financial liability.

The amendments apply retrospectively; however, the Group is not required to restate prior periods to reflect the application under transitional provisions. The date of initial application is the beginning of the reporting period in which the Group has applied the amendments i.e. January 1, 2026. The effects of amendments at the date of initial application are as follows:

Effect on statement of financial position	Carrying amount prior to the amendments	Impact of amendment	Restated amount
-----Rupees in '000-----			
As at January 1, 2026			
Trade and other payables	(5,893,022)	(35,725)	(5,928,747)
Cash and bank balances	152,872	35,725	188,597

2.4.2 Standards, amendments and improvements to approved accounting and reporting standards that are not effective and have not been early adopted by the Group

There are certain standards, amendments and improvements to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have a significant impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated condensed interim financial statements, except for effects of application of IFRS 18 "Presentation and Disclosure in Financial Statements" as disclosed in the note 2.2.2 of the annual consolidated financial statements of the Group for the year ended December 31, 2025.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The material accounting policies and the methods of computation adopted for the preparation of these consolidated condensed interim financial statements are same as those applied for the preparation of the annual financial statements of the Group for the year ended December 31, 2025, except for changes due to first time application of certain amendments to the approved accounting and reporting standards as explained in note 2.4 and the adoption of accounting policy of group taxation as follows:

3.1.1 Group taxation

The Securities and Exchange Commission of Pakistan ('SECP') vide its certificate dated February 23, 2026, has registered the Holding Company and H-Pack Wellness (Private) Limited as a Group for the purpose of group taxation under Section 59AA of the Income Tax Ordinance, 2001 (the Ordinance). Consequently, the Group is being taxed as one fiscal unit from the tax year 2027 and onwards.

Current tax is based on the consolidated results of the Group and allocated within the Group on the basis of separate return method. Deferred tax asset is recognised to the extent future economic benefit will flow to the Group. Realisability of tax credits and tax losses are assessed at Group level and taxable profits of all entities in the Group are taken into account in assessing whether a deferred tax asset should be recognised in consolidated financial statements. Any adjustments in the taxation of the Group on account of group taxation are credited or charged to the profit or loss and other comprehensive income, as the case may be, in the year in which they arise.

3.2 The preparation of these consolidated condensed interim financial statements, in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these consolidated condensed interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual consolidated financial statements of the Group for the year ended December 31, 2025.

- 3.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

	Note	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	December 31, 2025 ----- (Audited)
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	2,819,953	2,458,874
Capital work-in-progress	4.2 & 4.3	453,740	122,252
		<u>3,273,693</u>	<u>2,581,126</u>

4.1 Operating fixed assets

Opening net carrying value		2,458,874	1,958,243
Additions / transfers from capital work-in-progress	4.1.1	738,598	912,850
Disposals during the period / year	4.1.1	(63,347)	(63,557)
Depreciation charge for the period / year		<u>(314,172)</u>	<u>(348,662)</u>
Closing net carrying value		<u>2,819,953</u>	<u>2,458,874</u>

4.1.1 Details of additions and disposals are as follows:

	Additions (at cost)		Disposals (at net carrying value)	
	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	----- Rupees in '000 -----			
Owned				
Buildings on leasehold land	9,829	38,749	-	-
Plant and machinery	108,895	245,837	-	320
Furniture and fixtures	2,487	9,649	-	-
Factory and office equipment	25,980	108,960	481	1,064
Motor vehicles	373,890	449,758	62,866	62,173
Right-of-use assets				
Electrical equipments	208,532	-	-	-
Motor vehicles	8,985	59,897	-	-
	<u>738,598</u>	<u>912,850</u>	<u>63,347</u>	<u>63,557</u>

	Note	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	December 31, 2025 ----- (Audited)
4.2 Capital work-in-progress			
Buildings on leasehold land		51,923	23,112
Plant and machinery		368,144	81,330
Motor vehicles		33,673	17,810
		<u>453,740</u>	<u>122,252</u>

4.3 Movement in capital work-in-progress is as follows:

Opening balance	122,252	189,165
Additions during the period / year	735,475	496,187
Transferred to operating fixed assets	<u>(403,987)</u>	<u>(563,100)</u>
Closing balance	<u>453,740</u>	<u>122,252</u>

5 INTANGIBLE ASSETS

Computer software	659	1,560
Software licenses	312	452
Trademarks	<u>804,041</u>	<u>804,041</u>
	<u>805,012</u>	<u>806,053</u>

		September 30, 2026	December 31, 2025
	Note	----- Rupees in '000 ----- (Un-audited)	(Audited)
6 STOCK-IN-TRADE - NET			
Raw and packing materials			
In hand		2,159,548	2,619,668
In transit		177,668	126,065
		<u>2,337,216</u>	<u>2,745,733</u>
Provision against raw and packing materials	6.1	(54,679)	(63,992)
		<u>2,282,537</u>	<u>2,681,741</u>
Work-in-process		263,249	101,406
Finished goods			
In hand		3,350,716	4,213,968
In transit		993,279	491,931
		<u>4,343,995</u>	<u>4,705,899</u>
Provision against finished goods	6.2	(534,677)	(865,553)
		<u>3,809,318</u>	<u>3,840,346</u>
		<u>6,355,104</u>	<u>6,623,493</u>
6.1 Movement of provision against raw and packing materials is as follows:			
Opening balance		63,992	330,900
Charge for the period / year		28,358	48,752
Reversal for the period / year		(34,765)	(245,201)
Net charge / (reversal) for the period / year		(6,407)	(196,449)
Write-off during the period / year		(2,906)	(70,459)
Closing balance		<u>54,679</u>	<u>63,992</u>
6.2 Movement of provision against finished goods is as follows:			
Opening balance		865,553	103,650
Charge for the period / year		81,670	843,957
Reversal for the period / year		(372,684)	(28,653)
Net (reversal) / charge for the period / year		(291,014)	815,304
Write-off during the period / year		(39,862)	(53,401)
Closing balance		<u>534,677</u>	<u>865,553</u>
7 TRADE DEBTS - NET			
This is net of allowance for Expected Credit Loss (ECL) against the trade debts considered doubtful amounting to Rs. 496.4 million (December 31, 2025: Rs. 416.3 million). During the period, the Holding Company has recognised ECL charge of Rs. 80.15 million (September 30, 2025: Rs. 18.05 million).			
8 LOANS AND ADVANCES			
Includes advances to contractors and suppliers amounting to Rs. 367.98 million (December 31, 2025: Rs. 259.2 million).			
9 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Includes margin against letters of credit amounting to Rs. 474.87 million (December 31, 2025: Rs. 176.2 million).			

	Note	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	December 31, 2025 ----- (Audited)
10 SHORT-TERM INVESTMENTS			
At fair value through profit or loss			
Investment in mutual funds	10.1	2,345,575	250,068
At amortised cost			
Investment in Term Deposit Receipts		-	200,000
Investment in Treasury Bills		-	837,367
		-	1,037,367
		<u>2,345,575</u>	<u>1,287,435</u>

10.1 Investment in Mutual Funds

	September 30, 2026		December 31, 2025	
	Number of units	Rupees in '000	Number of units	Rupees in '000
	----- (Un-audited) -----		----- (Audited) -----	
- Bank Al-Habib Money Market Fund	8,955,679	930,025	2,367,673	250,068
- ABL Cash Fund	9,604,395	101,237	-	-
- UBL Cash Fund	8,748,599	905,930	-	-
- MCB Money Market Fund	3,983,417	408,383	-	-
	<u>22,543,491</u>	<u>2,345,575</u>	<u>2,367,673</u>	<u>250,068</u>

11 LEASE LIABILITY

		September 30, 2026			December 31, 2025		
	Note	----- Rupees in '000 -----			-----		
		(Un-audited)			(Audited)		
		Electrical equipment	Motor vehicle	Total	Electrical equipment	Motor vehicle	Total
Opening balance		214,154	47,319	261,473	211,476	-	211,476
Additions during the period / year	11.1	208,532	8,985	217,517	-	47,918	47,918
Finance cost charged during the period / year		50,603	3,938	54,541	50,235	447	50,682
Payments made during the period / year		(50,890)	(11,956)	(62,846)	(47,557)	(1,046)	(48,603)
		<u>422,399</u>	<u>48,286</u>	<u>470,685</u>	<u>214,154</u>	<u>47,319</u>	<u>261,473</u>
Less: Current maturity of lease liability		(68,702)	(14,305)	(83,007)	(40,807)	(12,557)	(53,364)
		<u>353,697</u>	<u>33,981</u>	<u>387,678</u>	<u>173,347</u>	<u>34,762</u>	<u>208,109</u>

- 11.1** This represents lease arrangement entered into by the Holding Company for deployment of solar panels and related equipment on the Company's premises. The lease has a term of 15 years, after which the ownership of solar panels and related equipment will transfer to the Holding Company. Consequently, the related right of use asset is depreciated based on the estimated useful life of 20 years (note 4.1.1).

Additionally, car lease arrangements for three new cars, entered into by the Holding Company during the period. The lease has a term of 5 years, after which the ownership of these cars will be transferred to the Holding Company. Consequently, the related right of use asset is depreciated based on the estimated useful life of 6 years (note 4.1.1).

	Note	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	December 31, 2025 ----- (Audited)
12 SINDH INFRASTRUCTURE DEVELOPMENT CESS (SIDC)			
SIDC		515,341	-
Less: Current maturity of SIDC		(151,552)	-
	12.1	<u>363,789</u>	<u>-</u>

- 12.1 The Government of Sindh through Sindh Finance Act, 1994 imposed infrastructure fee for development and maintenance of infrastructure on goods entering or leaving the Province of Sindh through air or sea at prescribed rates. Several companies contested the imposition of this infrastructure fee in High Court of Sindh (HCS). Through the interim order passed on May 31, 2011, the HCS had ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed. Later, the Holding Company started to deposit cash and bank guarantees on import of goods and also started recognising accrual for the unpaid amount for which bank guarantee was submitted. On June 04, 2021, the HCS dismissed appeals filed by the petitioners and ordered that the Sindh Finance Act, 2017 is a valid law with the competence of provincial legislature and all bank guarantees previously furnished by the petitioners against the HCS's interim order dated May 31, 2011 shall be en-cashed and paid to the department.

The Holding Company, in consultation with its legal advisor, filed an appeal before the Supreme Court of Pakistan (SCP) against the HCS's order dated June 04, 2021 jointly with other petitioners. SCP provided leave to appeal against the orders of HCS vide CP No. 4913/2021 dated September 01, 2021 with the directions that till the further order of SCP, the operations of impugned judgment of the HCS dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioners were ordered to submit fresh bank guarantees equivalent to the amount of levy for all future consignments of imported goods.

During the period, the Government of Sindh (GoS) enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026 (the SIDC Act, 2026), introducing a settlement framework under sections 10A to 10F. The Holding Company opted for the settlement framework and entered into a Settlement Agreement (the Agreement) with GoS on April 10, 2026, for a settlement amount of Rs. 1,010.3 million comprising SIDC due up to April 10, 2026. Under the Agreement, 15% of the outstanding liability is payable by July 15, 2026, 15% by October 15, 2026, 15% by July 15, 2027, and the remaining 55% in forty eight equal quarterly instalments commencing from July 15, 2028. As required under the settlement framework, the Holding Company has withdrawn all pending litigation and waived related claims against GoS, the previously furnished bank guarantees have been released, and the first instalment due on July 15, 2026 has been paid on April 17, 2026. Thereafter, the reduced rate of 0.85%, applicable to companies that have opted for settlement under the framework, is now applicable to the Company for all future consignments. Accordingly, the Holding Company has recognised a settlement adjustment of SIDC liability under the Agreement amounting to Rs. 313.2 million in the profit or loss.

In accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and IFRIC 21 'Levies', the Holding Company has re-measured the settlement amount in respect of the aforementioned liability at its present value based on the agreed payment schedule and a pre-tax discount rate of 12.65%. The resulting gain of Rs. 357.2 million, representing the difference between the carrying amount of the liability agreed under the settlement framework and the discounted value of the settlement liability, and a finance cost of Rs. 32.7 million have been recognised in the profit or loss. Thereafter, the liability has been measured at amortised cost using the effective interest method.

	Note	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	December 31, 2025 ----- (Audited)
13 TRADE AND OTHER PAYABLES			
Trade creditors			
Related parties		124,979	26,530
Other trade creditors		1,522,819	753,557
		<u>1,647,798</u>	<u>780,087</u>
Other payables			
Accrued liabilities		3,485,659	3,149,775
Refund liabilities		373,137	185,799
Infrastructure Development Cess	12	-	1,271,156
Workers' Profits Participation Fund		254,724	13,413
Workers' Welfare Fund		163,217	174,793
Central Research Fund		51,423	54,015
Compensated absences		146,369	149,956
Security deposits		19,967	19,967
Contractors' retention money		6,359	6,359
Sales tax payable		19,144	8,492
Withholding taxes payable		14,536	24,096
Others		86,917	55,114
		<u>4,621,452</u>	<u>5,112,935</u>
		<u>6,269,250</u>	<u>5,893,022</u>

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There are no material changes in the contingencies as disclosed in note 22.1 of the annual consolidated financial statements of the Group for the year ended December 31, 2025, except as disclosed in note 12.1 and 14.1.1 below:

- 14.1.1** As disclosed in notes 22.1.8 and 22.1.9 of the annual consolidated financial statements of the Group for the year ended December 31, 2025, and following the enactment of the 27th Constitutional Amendment in year 2025, the pending cases were transferred to the Federal Constitutional Court of Pakistan (FCCP), which upheld the constitutional validity of sections 4B and 4C of the Ordinance.

During the period, FCCP passed an order dated January 27, 2026 and disposed of the appeal in the favor of the Federal Board of Revenue (FBR). Being aggrieved, the Holding Company filed a Review Petition before the FCCP seeking reconsideration of the judgments issued in the super tax cases, specifically with respect to the finding that section 4C is validly applicable to income from all sources, including income subject to the final tax regime, which is yet to be decided. Further, the Holding Company has made payments of Rs. 48.9 million and Rs. 94.4 million in respect of tax years 2023 and 2022 on January 30, 2026 and April 8, 2026, respectively against the previously recognised provision in prior years.

	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	December 31, 2025 ----- (Audited)
14.2 Commitments		
Commitments for capital expenditure	89,521	305,083
Outstanding letters of credit	603,191	380,946
Outstanding bank guarantees	253,466	1,380,727
Outstanding bank contracts	1,865,240	1,179,878

	Nine Months Ended		Quarter Ended	
	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	September 30, 2025 (Un-audited)	September 30, 2026 (Un-audited)	September 30, 2025 (Un-audited)
15 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET				
Gross sales				
Local	28,214,854	25,946,416	9,246,789	8,751,653
Export	233,698	1,476,347	-	532,537
	28,448,552	27,422,763	9,246,789	9,284,190
Toll manufacturing	67,095	87,622	8,943	27,253
	28,515,647	27,510,385	9,255,732	9,311,443
Less:				
- Trade discounts	(3,398,007)	(2,578,422)	(1,236,124)	(909,341)
- Sales returns	(277,222)	(67,679)	(87,884)	(25,453)
- Sales tax	(315,052)	(281,444)	(110,631)	(87,370)
	24,525,366	24,582,840	7,821,093	8,289,279

16 OTHER EXPENSES

Includes net exchange gain amounting to Rs. 51.2 million (net exchange loss September 30, 2025: Rs. 272.2 million).

17 OTHER INCOME

This includes Rs. 313.2 million (September 30, 2025: Nil) related to the settlement adjustment of SIDC liability under the Agreement, and Rs. 357.2 million (September 30, 2025: Nil) related to remeasurement of adjusted SIDC liability at its present value (note 12.1).

18 FINANCE COSTS

Includes unwinding of SIDC liability and bank charges amounting to Rs. 32.7 million and Rs. 23.6 million (September 30, 2025: Nil and Rs. 30.8 million) respectively.

19 SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE ACT

Note	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)			
	Coventional	Shariah Compliant	Total	Coventional	Shariah Compliant	Total	
	----- Rupees in 000-----			----- Rupees in 000-----			
Statement of Financial Position							
Lease liabilities	11	470,685	-	470,685	261,473	-	261,473
Short-term investments	10	2,345,575	-	2,345,575	1,287,435	-	1,287,435
Bank balances		140,177	1,723	141,900	150,294	2,433	152,727
	September 30, 2026 (Un-audited)			September 30, 2025 (Un-audited)			
	Coventional	Shariah Compliant	Total	Coventional	Shariah Compliant	Total	
	----- Rupees in 000-----			----- Rupees in 000-----			
Statement of profit or loss							
Revenue from contracts with customers - net	15	-	24,525,366	24,525,366	-	24,582,840	24,582,840
Late payments or liquidated damages		-	-	-	-	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		-	-	-	-	-	-
Profit earned from Shariah-compliant bank deposits, bank balances or TDRs		-	-	-	-	-	-
Income from short-term investments		245,642	-	245,642	109,651	-	109,651
Profit on bank deposits		1,559	-	1,559	3,533	-	3,533
Exchange gain earned from actual currency		51,259	-	51,259	-	-	-
Exchange gains earned using conventional derivative financial instruments		-	-	-	-	-	-
Profit paid on Islamic mode of financing		-	-	-	-	-	-
Total Interest earned on any conventional loan or advance		-	-	-	-	-	-
Gain on disposal of operating assets - net		-	3,804	3,804	-	6,551	6,551
Scrap sales		-	22,045	22,045	-	24,726	24,726
Income from investment properties		-	41,989	41,989	-	54,690	54,690
Settlement adjustment of SIDC liability		-	313,212	313,212	-	-	-
Remeasurement gain of SIDC liability at its present value		-	357,244	357,244	-	-	-
Foreign exchange loss (net)		-	-	-	272,262	-	272,262
Finance costs	18	110,800	-	110,800	76,442	-	76,442

Other Disclosure requirements

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc. is as follows:

Name	Relationship
Faysal Bank Limited	Bank deposit
Meezan Bank Limited	Bank deposit

20 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise of parent company, subsidiary companies, associated undertakings, employees' retirement funds, directors and key management personnel. All transactions with related parties are executed at agreed terms duly approved by the Board of Directors of the Group. There are no transactions with key management personnel other than under the terms of employment.

Details of transactions with related parties during the period are as follows:

	September 30, 2026 (Un-audited)					September 30, 2025 (Un-audited)				
	Parent company	Associated undertakings	Retirement benefits plans	Key management personnel	Total	Parent company	Associated undertakings	Retirement benefits plans	Key management personnel	Total
	Rupees in '000 -----					Rupees in '000 -----				
Sales	-	7,573	-	-	7,573	-	10,014	-	-	10,014
Purchase of goods	-	579,784	-	-	579,784	-	422,215	-	-	422,215
Shared services received	299,902	65,100	-	-	365,002	132,147	6,877	-	-	139,024
Shared services rendered	312	172	-	-	484	-	14	-	-	14
Dividends paid	1,069,448	878,993	-	448,169	2,396,610	538,541	432,981	-	265,582	1,237,104
Insurance claim	-	1,308	-	-	1,308	-	-	-	-	-
Insurance premium paid	-	173,301	-	-	173,301	-	168,296	-	-	168,296
Donations	-	57,000	-	-	57,000	-	37,143	-	-	37,143
Contribution paid:										
- Provident fund	-	-	87,803	-	87,803	-	-	75,436	-	75,436
- Gratuity fund	-	-	38,000	-	38,000	-	-	34,072	-	34,072
Managerial remuneration and other benefits	-	-	-	511,833	511,833	-	-	-	514,986	514,986

21 FINANCIAL RISK MANAGEMENT

These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2025. There have been no changes in any risk management policies since the year-end.

22 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in the consolidated condensed interim financial statements approximate their fair

Fair value hierarchy

The Group classifies its financial assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3:** Input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value of Group's investment in mutual funds amounting to Rs. 2,345.5 million (December 31, 2025: Rs. 1,287.4 million) is determined under Level 2 valuation method.

23 ENTITY WIDE INFORMATION

- 23.1** The Group constitutes of a single reportable segment. Information about geographical areas of the Group are as follows:

	September 30, 2026 ----- Rupees in '000 ----- (Un-audited)	September 30, 2025 ----- (Un-audited)
Sales to external customers - net of returns and discounts		
Pakistan	24,313,822	23,399,251
Afghanistan	211,544	1,183,589
	<u>24,525,366</u>	<u>24,582,840</u>

24 GENERAL

Figures presented in these consolidated condensed interim financial statements have been rounded off to the nearest thousand Pakistan Rupees, unless otherwise stated.

25 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 21, 2026 by the Board of Directors of the Group.

Syed Babar Ali
Chairman

Sajjad Iftikhar
Chief Executive Officer

Yasser Pirmuhammad
Chief Financial Officer



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