DESCON OXYCHEM LIMITED • PSX: DOL

Investor Briefing

FY2026 results & Q1 FY2027 update

17 November 2026 • Lahore

Reported figures are consolidated unless stated otherwise.



INVESTOR BRIEFING

Agenda



01 Company overview & journey

02 HSE & Operations

03 Sales – Local & Exports

04 Financial Performance

05 CSR & sustainability

06 Way Forward

Focused peroxide platform, regional reach

42,000
MT annual capacity

200+
Workforce

PKR 5.2bn
Market cap

30%
Free float

Textiles
Bleaching & process chemistry

Pulp & paper
Clean oxidation

Water treatment
Disinfection & treatment

Food & sugar
Processing applications

Mining & industry
Oxidation solutions

Regional exports
Market diversification

CERTIFICATIONS ISO 45001:2018 • ISO 9001:2015 • ISO 14001:2015 • HACCP • UN 120388

COMPANY JOURNEY

A journey of quality, reliability, service

2004
INCORPORATED

Established as a private company under the Companies Ordinance 1984.

2007
GROUNDBREAKING

Plant development moves from vision to execution.

2009
LISTED + OPERATING

KSE listing completed; commercial production begins.

2011
QUALITY + PROFIT

ISO 9001 certified; first PAT of PKR 180 million.

2016–17
SCALE + CERTIFICATION

Debottlenecking continues; record 34,697 MT output; ISO 18001/14001.

2019–2026
SAFETY + EXPANSION

First 10% dividend; 50% capacity expansion (from original nameplate capacity); Aseptox & Sanidol launched.

A listed peroxide producer built on capacity, quality and operating discipline.

Safety is embedded in operations

0
TRIR 2025-26
Zero

12.3+
Safe manhours
million

300,000+
Safe kilometers
reset twice in one year

2
First aid cases
vs 4 in 2024-25

2
Fire cases
vs 4 in 2024-25

AWARDS & RECOGNITION



- EcoVadis Bronze medal – top 35% globally in sustainability
- 15th Fire Safety Awards by NFEH
- Packages Group supplier sustainability award 2025 – plastic waste recycling

SAFETY EXCELLENCE INITIATIVES

- Site fire-fighting system gap assessment against NFPA guidelines
- First-ever fire prevention plan study
- Visit to customers' sites for HSE training & risk assessment

Turnaround done with zero recordable injuries

TOTAL ATA COST

PKR 75 million

Completed in just 7 days without any recordable injuries.

Excellent

41,000+

Safe manhours

Excellent

0.00

TRIR (recordable incident rate)

Excellent

1

First aid case

Excellent

0

Fire incidents

450+

Safety inductions

120K

Safe kilometers

Dumping eased, but costs moved higher

FACTOR	FY2025	FY2026	1Q FY27	Q1 MOVE	DOL READ-THROUGH
Inflation Average CPI	4.5%	7.1%	**10.2%**	↑ 3.1%	Cost pressure intensified
Brent crude Indicative • USD/bbl	~$73	~$80	**~$96**	↑ 20%	Feedstock and energy pressure increased
USD / PKR Period average	279.35	280.65	**277.56**	↓ 1.1%	Modest FX relief for imported inputs; unfavorable on product pricing front
H_2O_2 dumping Imports / policy	~36.0k MT	~15.5k MT	**3K MT**	↓ 22.6% (annualized reduction)	Marketing strategy helped reduce imported H_2O_2

Four macro variables with direct operating relevance for Descon Oxychem.

Production and efficiency (MT)

	2024-25	2025-26	Change
Production (MT)	42,420	**41,083**	**–3.0%**

OPERATIONAL HIGHLIGHTS

- **Successful completion of plant turnaround activity**
- **Successful execution of 2 MW solar project**
- **Controllable downtime reduced to 118 MT**
  SPLY 171 MT
- **Genset operations efficiency improved**
  FY-26: 1.13 hr/day (FY-25: 1.8 hr/day)

COST OPTIMIZATION

Projects in process

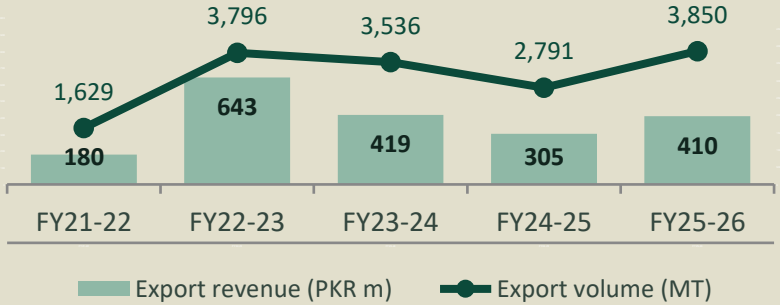
- Solar power: further enhancement of 2MW
- Explore the possibility of off-grid battery solutions (BESS)
- Hydrogen plant optimization
- Working on efficient sourcing of feedstocks
- Improved cost-effective packaging

Exports: focused reach, improved pricing

EXPORT REGIONS

- Gulf & Middle East
- Central and West Asia
- South Asia
- Africa





335

MT/month export sales, Q1

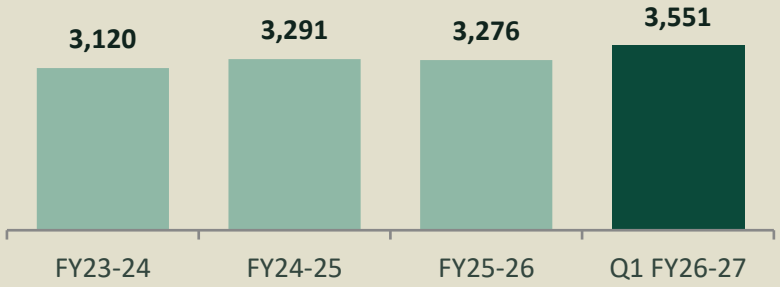
Built around customer proximity.

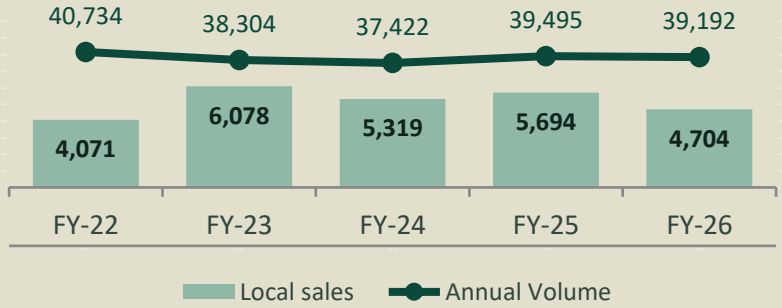
A disciplined regional presence with room to deepen market reach.

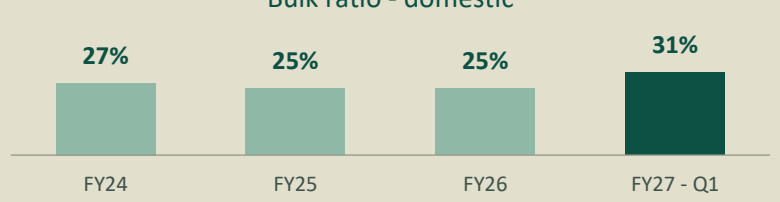
WHY IT MATTERS FOR INVESTORS

- Improved pricing in the export segment in Q1 FY27
- FY25-26 export volume of 3,850 MT is a five-year high; revenue PKR 410m, up 34% YoY

Volume and ASP are recovering together



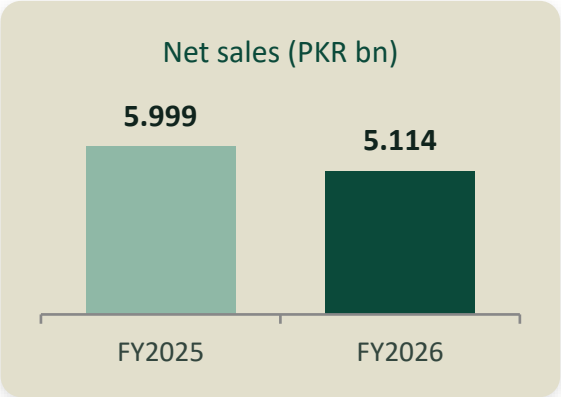


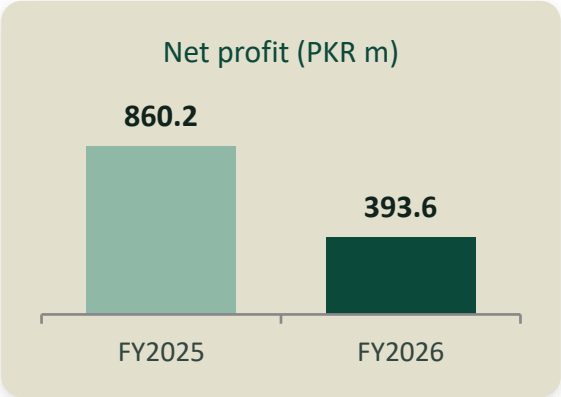


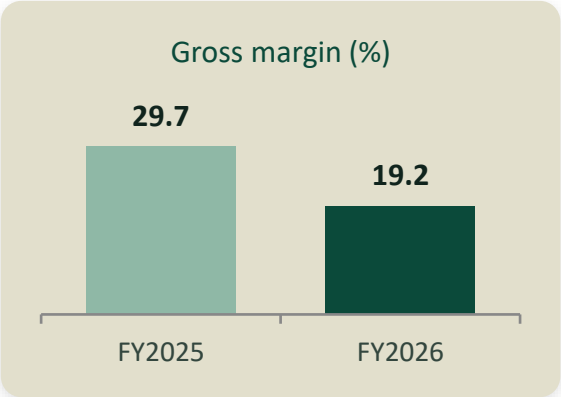
WHY IT MATTERS FOR INVESTORS

- Domestic sales run-rate up 8.4% on FY25-26 average
- Recovery in pricing in Q1 FY 27 as compared to FY26
- Improved bulk ratio, that supports our sustainability goal as well as profitability target.

FY2026: lower pricing compressed earnings







EARNINGS BRIDGE

PKR m	FY2025	FY2026	CHANGE
Gross profit	1,778.7	983.3	**–44.7%**
Operating profit	1,334.0	474.4	**–64.4%**
Net profit	860.2	393.6	**–54.2%**
EPS (PKR)	4.91	2.25	**–54.2%**

MANAGEMENT COMMENTARY

Decline in selling price was the major factor behind lower profitability, though operational efficiency on the cost side gave some relief.

Operating wins met tougher economics

WHAT STRENGTHENED THE PLATFORM

1. **ASP recovery gained traction**
   Q4 benchmark improved from ~USD300/MT to ~USD420/MT.
2. **Market share held despite softer demand**
   Share improved while domestic textile volume declined.
3. **Import pressure eased**
   Imports fell to ~15,500 MT versus ~36,000 MT in FY24/FY25.
4. **Mix and efficiency advanced**
   Record ~2,300 MT food-grade; solar commissioned Feb-26.

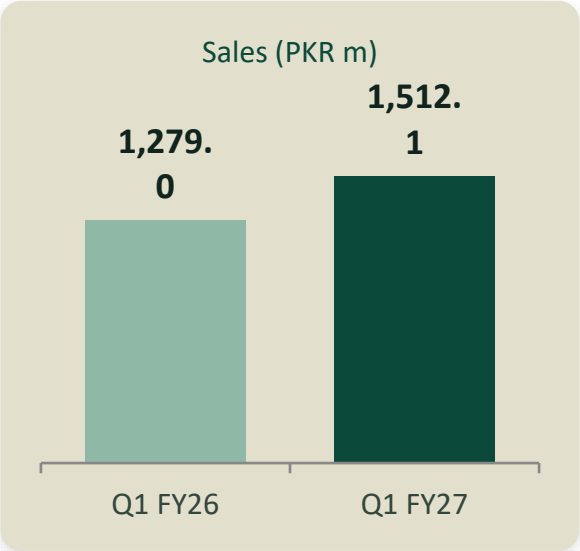
WHAT COMPRESSED FY2026 EARNINGS

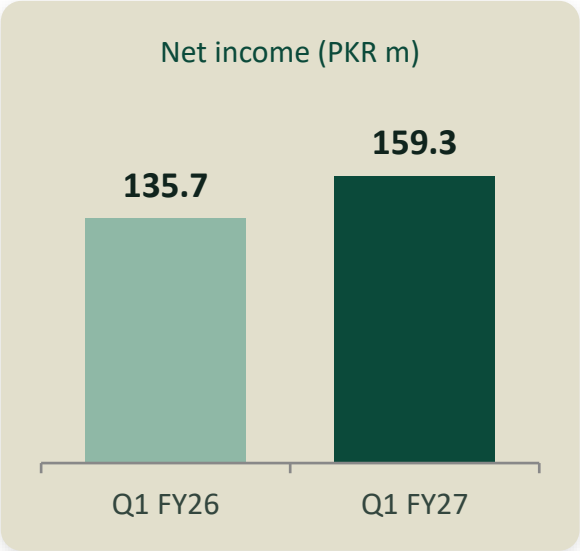
1. **Full-year pricing stayed weak**
   Stable USD/PKR and aggressive regional pricing kept ASP low.
2. **Core market contracted**
   Domestic textile market volumes declined by ~4%.
3. **Energy and packaging costs rose**
   RLNG and HDPE costs rose sharply amid supply-chain disruption.
4. **Regional competition remained intense**
   Bangladesh surplus capacity kept targeting regional exports.

−14.8% sales **19.2%** gross margin **−54.2%** net profit

Gains softened, but did not offset, the pricing and cost shock.

Q1 FY2027 reopened the growth path





+18.2%
sales YoY

+17.4%
net income YoY

PKR 0.91 EPS
vs PKR 0.78 a year earlier

First quarter results are encouraging, and we anticipate the company will maintain its upward trajectory during the rest of the year.

Community drinking water in Kasur

DOL has commissioned three community drinking water facilities in underserved areas of Kasur, bringing safe, clean drinking water to more than 450 households.









PROJECT LOCATIONS

- **Kot Siddique**
- **Basti Mewati**
- **Masjid Farooqia**

6 CLEAN WATER AND SANITATION

Supports UN Sustainable Development Goal 6: Clean Water & Sanitation.

Way forward: cost, mix and new markets

PRODUCTION
Cost optimization

- Power
- Chemicals
- Gas as feedstock
- Packaging

LOCAL SALES
Sustainability & Regulatory reforms

- Increase sale in bulk for better margins & to support sustainability initiative.
- Continue efforts for regulatory reforms in EFS regime and dumping prohibition

EXPORTS
Broaden the footprint

- Develop new markets
- Pursue supply partnerships with leading regional brands
- Explore the detergent market