

ISO 9001:2008, 14001:2004 &
OHSAS 18001:2007 Certified

**WAH
NOBEL
CHEMICALS
LTD**

Half Yearly
Financial Statements
(Unaudited)
December 31, 2022

VISION STATEMENT

The Company's vision is to be the market leader and serve the needs of customers with total dedication, supply them the current and anticipate their future needs, create value for customers, shareholders, employees and the community

CORPORATE MISSION

- **To meet the current needs of its customers and anticipate their future needs.**
- **To maintain close and direct contacts with the customers to ensure their complete satisfaction.**
- **Constantly improve the quality of all our activities through operational excellence.**
- **To give fullest regard to the safety and health of employees and customers.**
- **To promote professionalism at all levels through constant education, training and development of human resources.**
- **To safeguard the environment and the community from pollution.**
- **To create a conducive work environment and inspire people to perform to their fullest potential and to reward talent.**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lt. Gen. Ali Amir Awan, HI(M)	:	Chairman
Mr. Mats-Olof Rydberg	:	Director
Maj Gen Rashid Mahmood	:	Director
Mrs. Kishwar Ahsan	:	Director
Mr. Tariq M. Rangoonwala	:	Director
Mr. Manzoor Ali Shaikh	:	Director
Mr. Usman Ali Bhatti	:	Director

CHIEF EXECUTIVE : Brig (R) Shiraz Ullah Choudhry, SI(M)

AUDIT COMMITTEE

Mr. Tariq M. Rangoonwala	:	Chairman
Mrs. Kishwar Ahsan	:	Member
Mr. Usman Ali Bhatti	:	Member

HUMAN RESOURCE & REMUNERATION (HR&R) COMMITTEE

Mr. Tariq M. Rangoonwala	:	Chairman
Mrs. Kishwar Ahsan	:	Member
Brig (R) Shiraz Ullah Choudhry, SI(M)	:	Member

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

: Mr. Tanveer Elahi, FCA

AUDITORS

: Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS

: The Law Firm of Basit Musheer

SHARES REGISTRAR

: Ilyas Saeed Associates (Pvt.) Ltd.,
Management Consultants,
Office # 26, 2nd Floor, Rose Plaza,
I-8 Markaz, Islamabad.
Tel: 051-4938026-7, Fax: 051-4102628
Email: iilyas@hotmail.com

BANKERS

: MCB Bank Limited
Allied Bank of Pakistan Limited
Bank Al-Habib Limited
Askari Bank Limited
Meezan Bank Limited

REGISTERED OFFICE

: G.T. Road, Wah Cantt.

PHONES

: (051) 4545243-6 (4 Lines)
(051) 905525204

FAX

: (051) 4545241, (051) 4535862

E.MAIL

: ce@wahnobel.com

WEBSITE

: www.wahnobel.com

FACTORY

: Wah Cantt.

WAH NOBEL CHEMICAL LTD

DIRECTOR'S REPORT TO THE SHAREHOLDERS

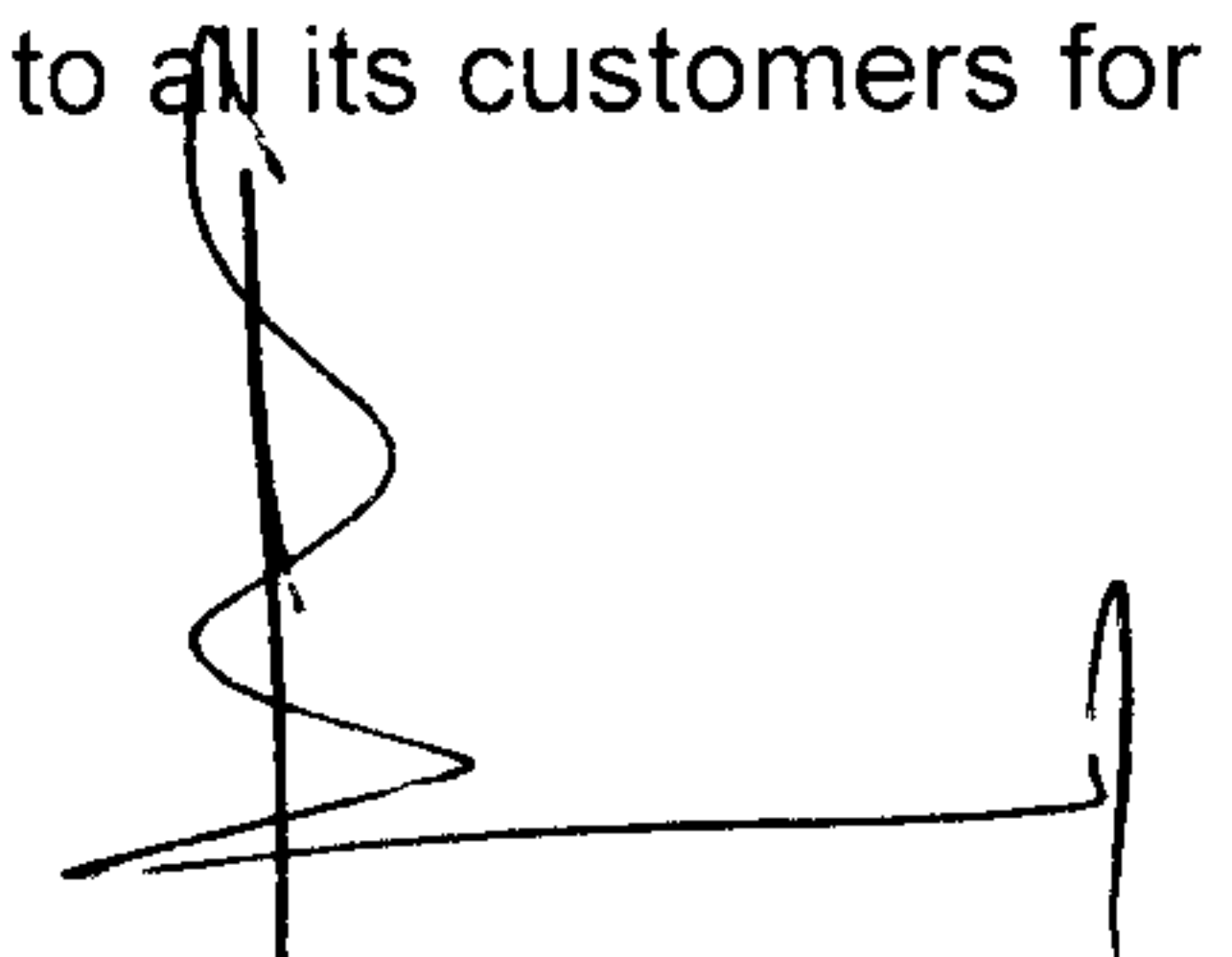
The Board of Directors of the Company is pleased to present Condensed Interim Financial Information (un-audited) of the Company duly reviewed by the statutory auditors, for the half year ended December 31, 2022.

During the period under review Company has achieved Net Sales Revenue of Rs 1,806 million vis-à-vis Rs 1,575 million as compared to previous year's corresponding period (increased by 15%).

Despite the challenging economic conditions, during the six months of FY 2022-23, the Company earned After Tax Profit of Rs 100 million. The profitability levels have been affected due to increase in Finance and Production Cost that can be attributed to higher raw material prices, increase in fuel prices, and substantial devaluation of Pak Rupee vis-à-vis US\$.


The management has a positive outlook and geared up, to ensure continued growth, operational efficiency and optimum results for the company and its stakeholders.

The Directors are pleased to place on record their deep appreciation for the earnest efforts and dedication to the cause, by all employees of the company for achieving good results despite volatile economic situation in the country and pay vivid gratitude to all its customers for their continued patronage, support and trust.



Mr. Usman Ali Bhatti
Director

On behalf of the Board



Brig (R) Shiraz Ullah Choudhry, SI(M)
Chief Executive

Wah Cantt

Dated: 28.02.2023

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز بمسرت غیر آڈٹ شدہ / آڈیٹرز سے جائزہ لئے گئے مالی نتائج بابت ششماہی 31 دسمبر 2022 پیش کرتے ہیں۔

یہ جائزہ مدت کے دوران کمپنی کی خالص آمدنی 1,806 ملین روپے ہے۔ جبکہ گزشتہ سال یہ 1,575 ملین روپے تھی (اضافہ 15%)۔

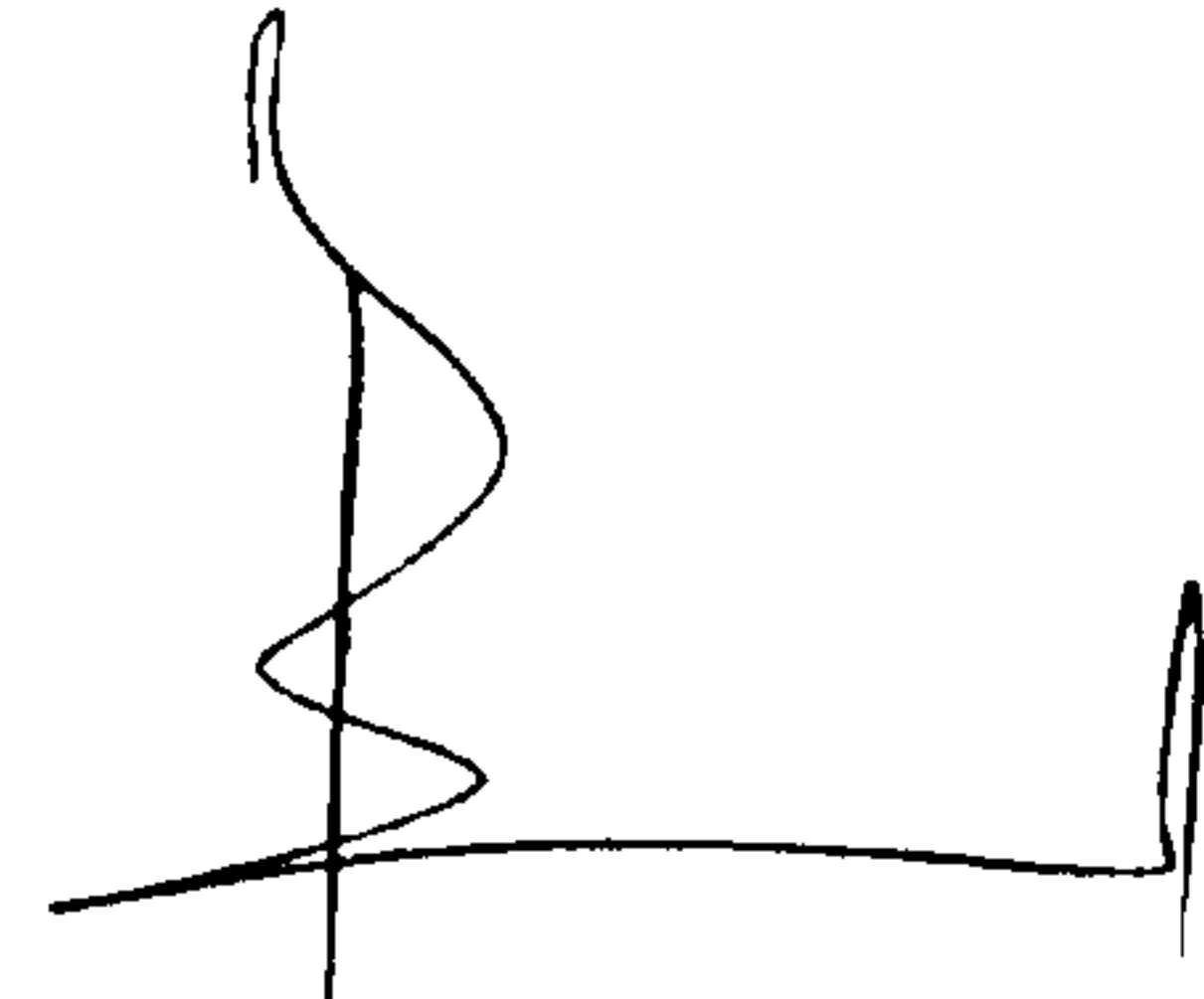
مشکل معاشی حالات کے باوجود مالی سال 2022-23 کے چھ ماہ کے دوران، کمپنی نے بعد از ٹیکس منافع 100 ملین روپے کمایا۔ فنانس اور پیداواری لاگت میں اضافے، خام مال کی زیادہ قیمتوں، ایندھن کی بڑھتی ہوئی قیمتوں اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی کی وجہ سے منافع کی سطح متاثر ہوئی ہے

انتظامیہ ایک مثبت نقطہ نظر رکھتی ہے اور کمپنی اسٹیک ہولڈرز کے لئے مسلسل ترقی اور اچھے نتائج کو یقینی بنانے کے لئے کوشاں

ہے

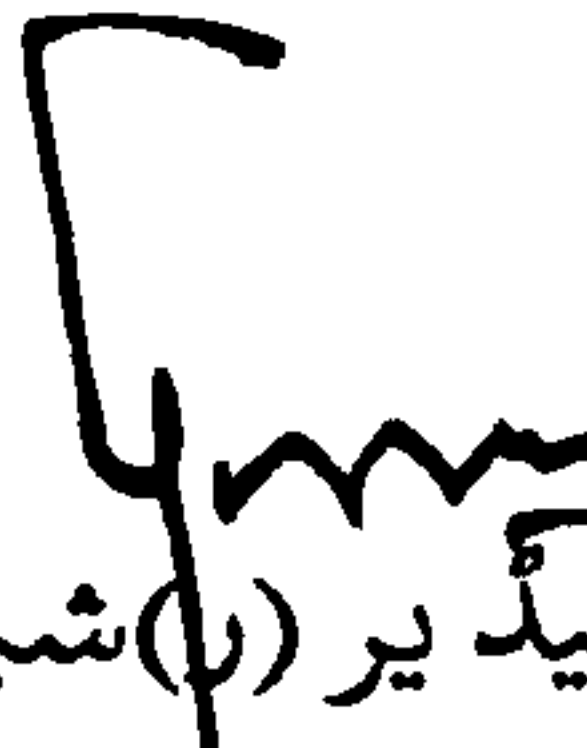
ڈائریکٹرز ملک کی غیر مستحکم اقتصادی صورتحال کے باوجود اچھے نتائج حاصل کرنے پر اتھاہ گہراہوں سے اپنے ملازمین کی ہر شعبے میں محنت لگن اور انتھک کوششوں کو سراہتے ہیں۔ ہم کمپنی کے گاہکوں جو کہ ہماری مسلسل سرپرستی اور حمایت کرتے ہیں کے شکر گزار ہیں۔

ڈائریکٹرز بورڈ کی طرف سے



عثمان علی بھٹی

ڈائریکٹر



بریگیڈیر (ر) شیراز اللہ چوہدری
چیف ایگزیکٹو

واہ کینٹ۔

مورخہ: 28 فروری 2023ء

Grant Thornton Anjum
Rahman
302 B, 3rd Floor,
Evacuee Trust Complex,
Aga Khan Road, F-5/1,
Islamabad, Pakistan.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Wah Nobel Chemicals Limited

Report on review of Interim Financial Statements

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Introduction

We have reviewed the accompanying condensed interim statement of financial position of Wah Nobel Chemicals Limited (the Company) as at December 31, 2022 and the related condensed interim statement of profit or loss and other comprehensive income, the condensed interim statement of changes in equity, and the condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the three months' period ended December 31, 2022 and 2021, in the condensed interim statement of profit or loss and other comprehensive income have not been reviewed and we do not express conclusion on them.


Scope of Review

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

Conclusion

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

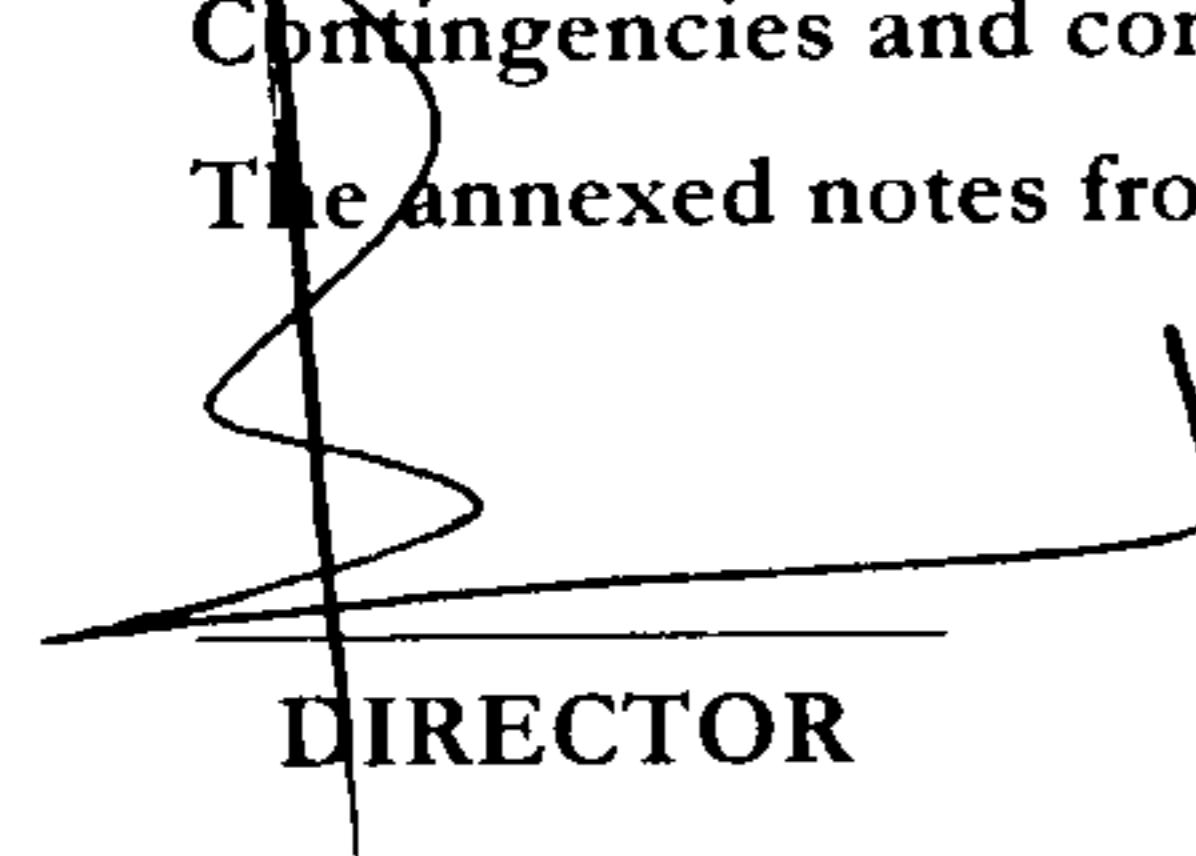
The engagement partner on this audit resulting in this independent auditor's review report is Waqas Waris.

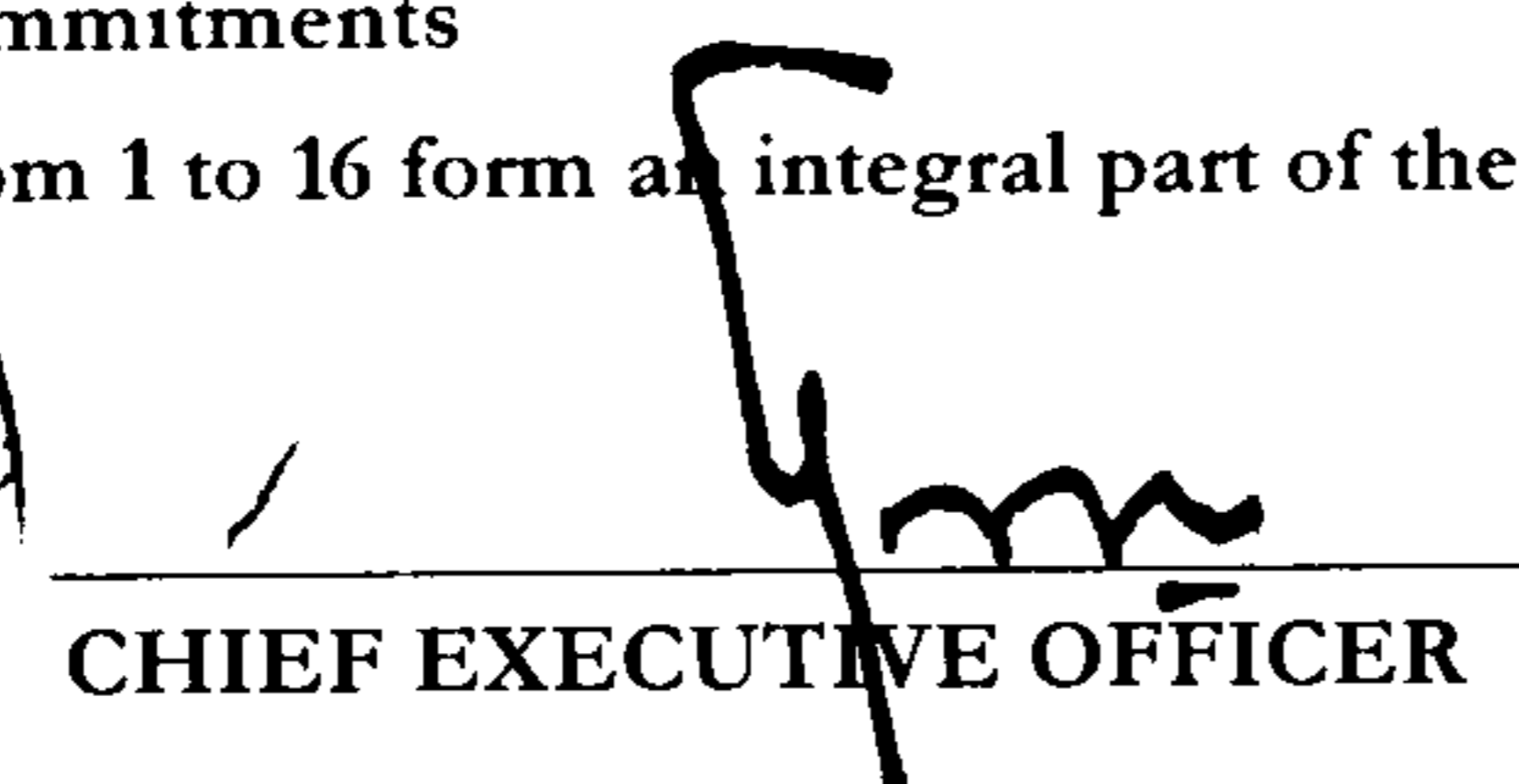

GRANT THORNTON ANJUM RAHMAN
Chartered Accountant
Islamabad
28 February 2023
RR202210209J4ksoF8K1

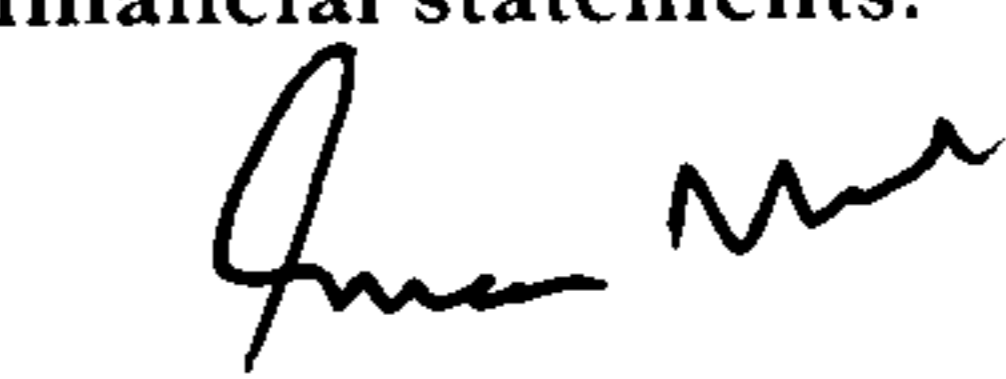
WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		December 31 2022	June 30 2022
	Note	(Rupees in '000')	
		Unaudited	Audited
Assets			
Property, plant and equipment	5	398,435	417,856
Deferred tax		3,205	487
Non-current assets		401,640	418,343
Stores, spares and loose tools		75,049	80,438
Stock in trade		516,228	480,402
Trade debts	6	1,386,194	1,335,314
Advances, deposits, prepayments and other receivables		29,257	44,186
Short-term investment		2,636	2,719
Taxation - net		106,633	161,866
Cash and bank balances		53,020	69,293
Current assets		2,169,017	2,174,218
Total assets		2,570,657	2,592,561
Equity and liabilities			
Share capital		90,000	90,000
Capital reserve		944	944
Revenue reserves		1,362,754	1,307,410
Total equity		1,453,698	1,398,354
Liabilities			
Long term financing	7	44,161	52,055
Deferred liabilities		14,379	11,379
Non-current liabilities		58,540	63,434
Current portion of long term financing	7	22,117	23,363
Trade and other payables	8	490,019	527,652
Unclaimed dividend		8,059	7,523
Due to parent company	9	107	233
Loan from parent company - unsecured		311,879	308,893
Short term borrowings	10	226,238	263,109
Current liabilities		1,058,419	1,130,773
Total liabilities		1,116,959	1,194,207
Total equity and liabilities		2,570,657	2,592,561
Contingencies and commitments	11		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


DIRECTOR

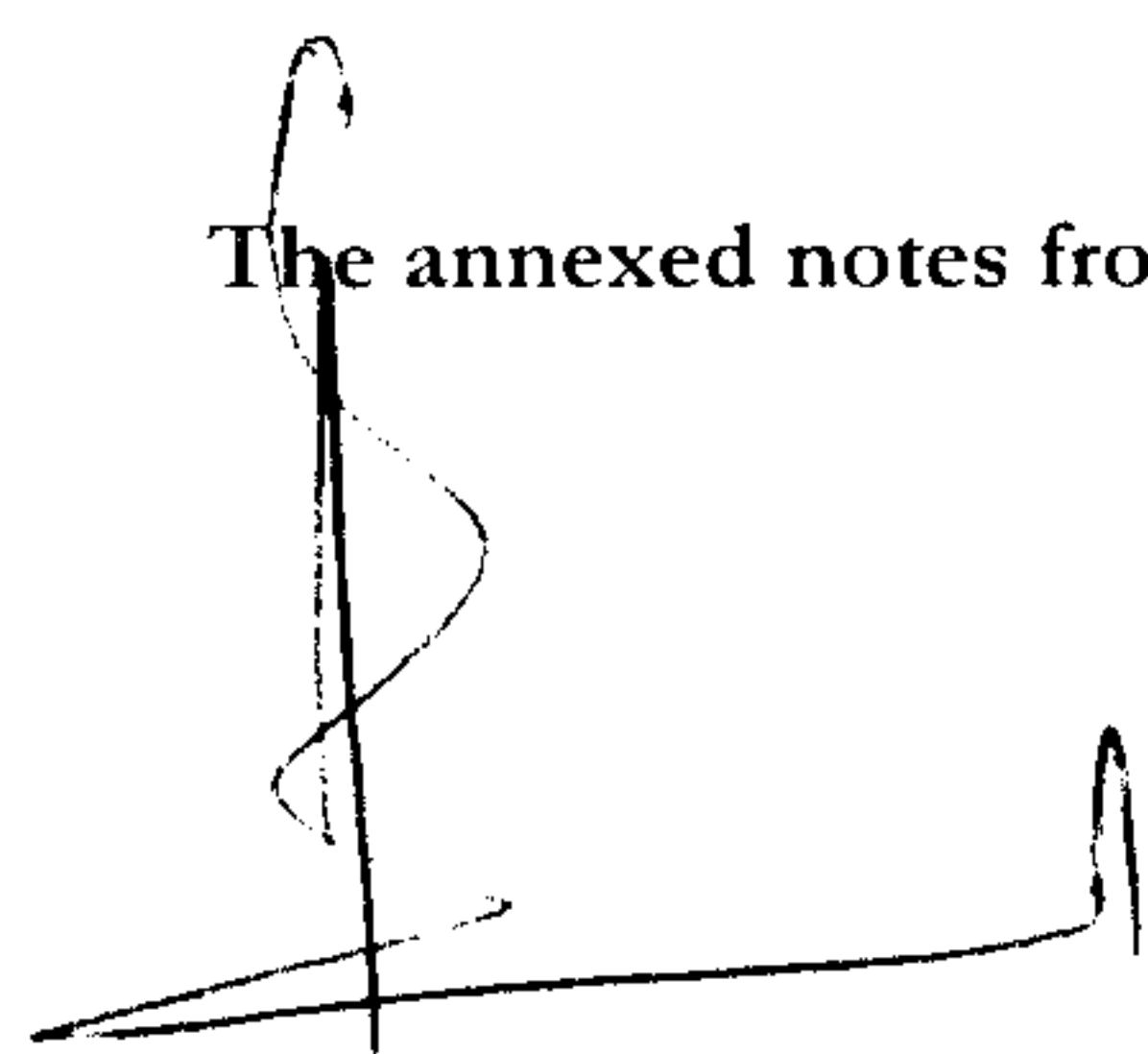

CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

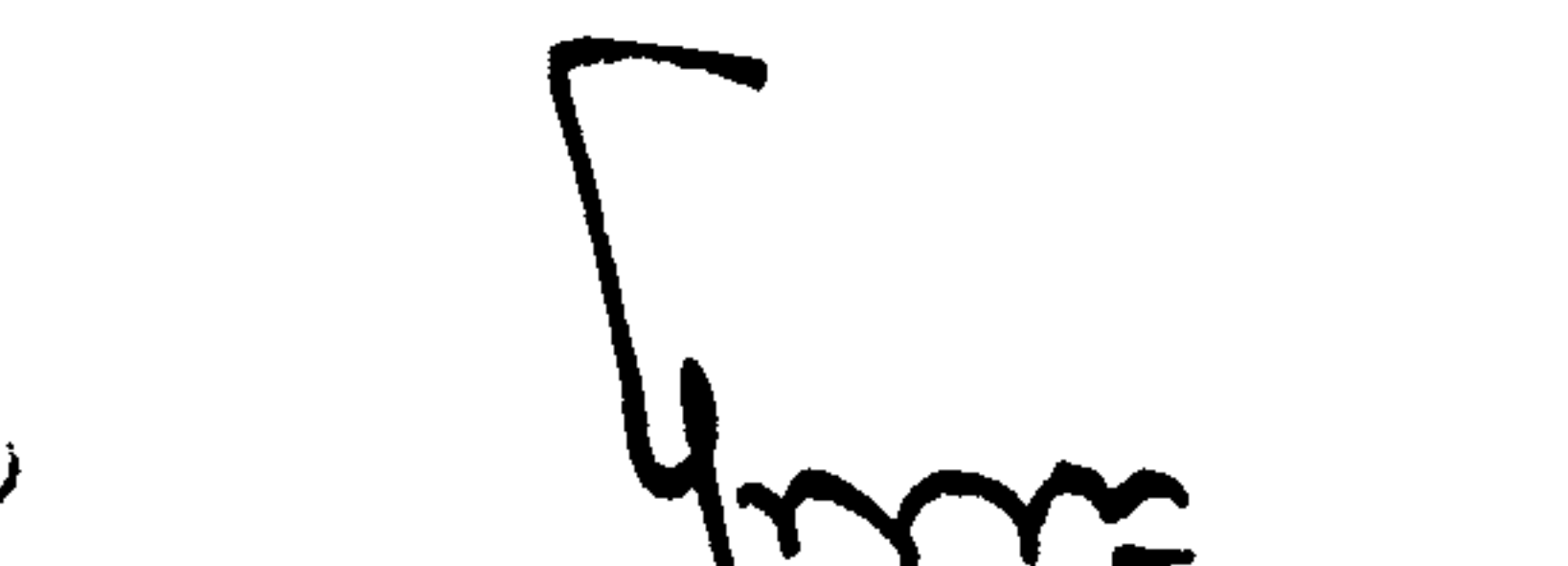
WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	Note	Six months ended		Three months ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
(Rupees in '000')					
Gross sales		2,133,063	1,856,754	1,115,674	999,243
Sales tax		(323,085)	(278,274)	(168,613)	(150,805)
Discount		(3,755)	(3,795)	(1,781)	(1,892)
Net sales	12	1,806,223	1,574,685	945,280	846,546
Cost of sales		(1,568,264)	(1,317,544)	(811,100)	(699,898)
Gross profit		237,959	257,141	134,180	146,648
Administrative expenses		(10,342)	(8,537)	(6,144)	(4,883)
Distribution expenses		(8,600)	(6,507)	(4,243)	(3,533)
Operating profit		219,017	242,097	123,793	138,232
Finance cost		(61,533)	(30,020)	(31,106)	(16,635)
Other expenses		(11,199)	(15,031)	(6,432)	(8,510)
Allowance for expected credit losses		(5,000)	(5,737)	(5,000)	(5,737)
Other income		3,020	3,668	1,956	3,349
Profit before taxation		144,305	194,977	83,211	110,699
Provision for taxation		(43,961)	(57,613)	(24,975)	(33,392)
Net profit after taxation		100,344	137,364	58,236	77,307
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		100,344	137,364	58,236	77,307
Earnings per share - basic and diluted		11.15	15.26	6.47	8.59

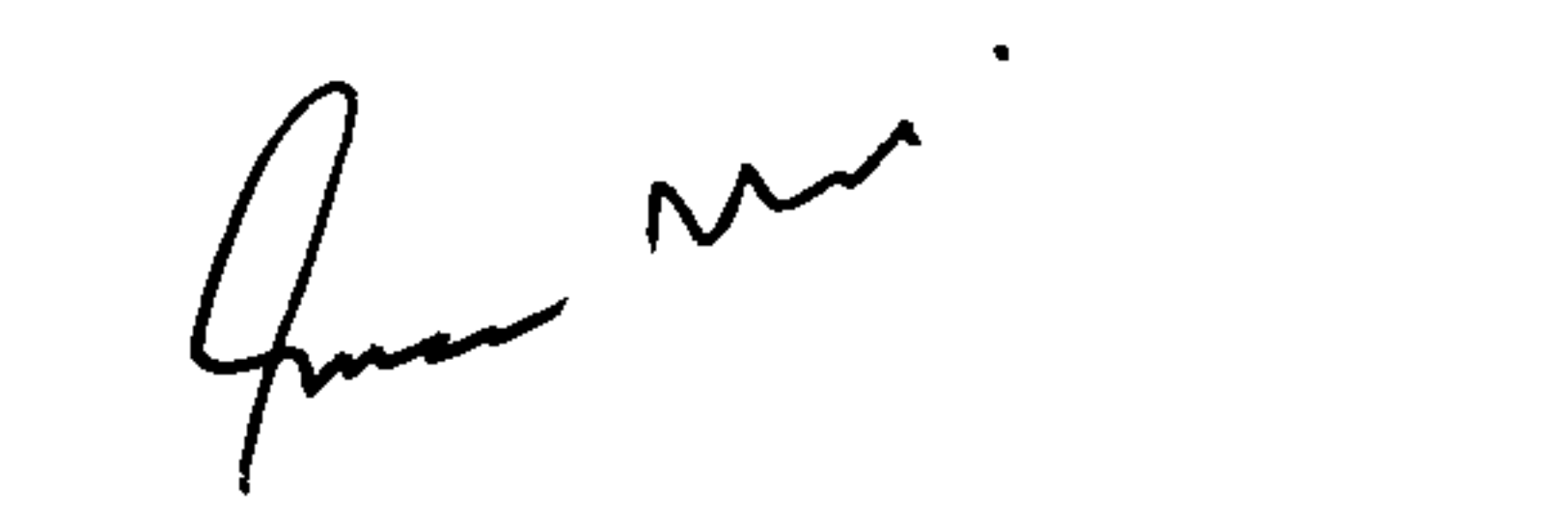
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



DIRECTOR



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31 2022	December 31 2021
Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	144,305	194,977
Adjustment for non cash items:		
Depreciation	21,026	15,785
Interest on term deposit receipts	(65)	(41)
Interest on workers' profit participation fund	155	1,048
Allowance for expected credit losses	5,000	5,737
Provision for gratuity fund	2,000	1,600
Workers' profit participation fund (WPPF)	7,758	10,483
Workers' welfare fund (WWF)	3,103	4,193
Provision for accumulated compensated absences	3,000	1,200
Provision for provident fund	5,322	3,980
Markup on loan from parent company	23,464	11,517
Markup on loan from State Bank of Pakistan	1,819	1,777
	72,582	57,279
Changes in:		
Stores, spares and loose tools	5,388	(9,049)
Stock in trade	(35,824)	(91,340)
Trade debts	(55,880)	(241,586)
Advances, deposits, prepayments and other receivables	14,929	20,487
Due to parent company	(126)	121
Trade and other payables	(43,491)	35,573
	(115,004)	(285,794)
Cash generated from/ (used in) operating activities	101,883	(33,538)
Payment for:		
Workers' profit participation fund	(1,987)	(6,363)
Gratuity fund	(5,000)	(1,500)
Interest paid to parent company	(20,478)	(11,303)
Provident fund	(5,183)	(3,965)
Pension fund	(312)	-
Taxation	8,553	(38,816)
	(24,407)	(61,947)
Net cash generated from/ (used in) operating activities	77,476	(95,485)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(1,603)	(66,273)
Interest on term deposit receipts	148	65
Net cash used in investing activities	(1,455)	(66,208)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing repaid	(10,959)	-
Dividends paid	(44,464)	(89,131)
Net cash used in financing activities	(55,423)	(89,131)
Net increase/ (decrease) in cash and cash equivalents	20,598	(250,824)
Cash and cash equivalents at beginning of the period	(193,816)	(129,803)
Cash and cash equivalents at end of the period	(173,218)	(380,627)

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The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	Revenue reserves				Sub-total	Total
	Issued, subscribed and paid-up share capital	Capital reserve	General reserve	Unappropriated profit		
	(Rupees in '000')					
Balance as at July 01, 2021	90,000	944	850,000	341,505	1,191,505	1,282,449
Total comprehensive income for the period	-	-	-	137,364	137,364	137,364
Transactions with owners recorded directly in equity						
Final dividend @ Rs. 10.00 per share -FY 2021	-	-	-	(90,000)	(90,000)	(90,000)
Others						
Transfer to general reserve	-	-	250,000	(250,000)	-	-
Balance as at December 31, 2021	90,000	944	1,100,000	138,869	1,238,869	1,329,813
Balance as at July 1, 2022	90,000	944	1,100,000	207,410	1,307,410	1,398,354
Total comprehensive income for the period	-	-	-	100,344	100,344	100,344
Transactions with owners recorded directly in equity						
Final dividend @ Rs.5.00 per share -FY 2022	-	-	-	(45,000)	(45,000)	(45,000)
Others						
Transfer to general reserve	-	-	160,000	(160,000)	-	-
Balance as at December 31, 2022	90,000	944	1,260,000	102,754	1,362,754	1,453,698

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

1 STATUS AND NATURE OF BUSINESS

Wah Nobel Chemicals Limited ("the Company") was incorporated in Pakistan on May 31, 1983 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The parent company of the Company is Wah Nobel (Private) Limited and the ultimate parent company is Wah Industries Limited. The principal activity of the Company is to manufacture Urea Formaldehyde Moulding Compound, Formaldehyde and Formaldehyde based liquid resins for use as bonding agent in the chip board, plywood and flush door manufacturing industries. The Company's registered office and manufacturing facilities are situated in Wah Cantt, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 The disclosures in these condensed interim financial statements do not include the information that was reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022. Comparative condensed interim statement of financial position is extracted from the annual audited financial statements as of June 30, 2022, where as comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited condensed interim financial statements for six months period ended December 31, 2021.

These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock

3 ACCOUNTING POLICIES

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of audited annual financial statements for the year ended June 30, 2022.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions.

4.2 Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the annual audited financial statements as at and for the year ended June 30, 2022.

5 PROPERTY, PLANT AND EQUIPMENT

		December 31 2022	June 30 2022
		(Rupees in '000')	
	Note	(Un-Audited)	(Audited)
5.1 Operating fixed assets			
Balance at 01 July		417,856	277,580
Additions during the period/ year		1,604	20,505
Transfers from Capital work in progress	5.2	-	157,842
Depreciation charged during the period/ year		(21,025)	(38,071)
Balance at period/ year end		<u>398,435</u>	<u>417,856</u>

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

		December 31 2022	June 30 2022
		(Rupees in '000')	
	Note	(Un-Audited)	(Audited)
5.2 Capital work in progress			
Balance at 01 July		-	106,814
Additions during the period/ year		-	51,028
Transferred to operating fixed assets		-	(157,842)
Balance at period/ year end		-	-
6 TRADE DEBTS			
Trade debts		1,523,785	1,467,905
Less: Allowance for expected credit losses	6.1	(137,591)	(132,591)
		1,386,194	1,335,314
6.1 Movement in allowance for expected credit losses:			
Balance at 01 July		132,591	138,564
Charge for the period/ year		5,000	30,737
Debts written off		-	(36,710)
Balance at period/ year end		137,591	132,591
7 LONG TERM FINANCING			
State Bank of Pakistan		66,278	75,418
Current portion of long term financing		(22,117)	(23,363)
		44,161	52,055
State Bank of Pakistan			
Term finance facility - secured		75,418	72,353
Repayment during the period/ year		(10,959)	-
Accrued markup		1,819	3,065
		66,278	75,418
Less: current portion of long term financing		(22,117)	(23,363)
		44,161	52,055
7.1 This represents utilized amount of long term finance facility under State Bank of Pakistan (SBP) temporary economic refinance facility for payment of capital asset procurement with cumulative sanctioned limit of Rs. 84 million. The facility carries fixed mark-up of 4% of the utilized amount. The tenor of the facility is 5 years repayable in 16 equal quarterly instalments. The facility is secured by registration of specific charge on fixed assets of the Company for 112 M.			
8 TRADE AND OTHER PAYABLES			
This includes payable to Pakistan Ordinance Factory (ultimate parent) amounting to Rs. 2,299 thousand (June 30, 2022: Rs. 1,992 thousand), Wah Nobel Private limited (Parent company) amounting to Rs. 1,061 thousand (June 30, 2022 Rs. 1,964 thousand) and Nobel Energy Limited (an associated company) amounting to 1,456 thousand (June 30, 2022 Rs. 2,273 thousand).			
9 DUE TO PARENT COMPANY			
The amount represents payable in respect of expenses incurred by the parent company on behalf of the Company. This is unsecured and payable on demand.			

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

10 SHORT-TERM BORROWINGS - SECURED

	December 31 2022	June 30 2022
	(Rupees in '000')	
	(Un-Audited)	(Audited)
Running finance availed from:		
- Bank Al-Habib Limited	25,396	16,958
- Allied Bank Limited	21,870	6,130
- Askari Bank Limited	136,694	192,930
- MCB Bank Limited	30,171	35,347
Accrued markup	12,107	11,744
	226,238	263,109

10.1 The Company has obtained running finance facility with limits upto Rs. 890,000 thousand (June 30, 2022: Rs. 790,000 thousand) from different banks. These facilities carries markup of 1 month/ 3 months KIBOR plus 0.35% payable on quarterly basis. These facilities are secured against first pari passu charge on present and future, current and fixed assets of the Company .

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

As regards levy of vend fee and permit fee on methanol, on January 19, 2022 the Honorable Supreme Court of Pakistan has disposed off the appeal of Provincial Government of Sindh. As per the order, the Provincial Government shall surrender the Indemnity Bonds from 1990 to October 30, 2002 and subsequent to this date, a fresh demand shall be raised for the amount payable following the notification dated February 14, 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on October 30, 2002. Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court to defend the case.

Currently, all imports of methanol are being released on payment of Rs. 3/- per bulk gallon in cash which is being expensed out and submission of guarantee @ Rs. 14/- per bulk gallon in the form of indemnity bonds. In case of fresh demand from the department, the Company is exposed to an aggregate obligation of Rs. 1,078 Million (June 30, 2022: Rs. 1,031 million) on account of vend fee and permit fee based on the guarantees issued against methanol imported and released up to the reporting date. However, keeping in view the facts, previous decisions which had been in the favour of the Company and based on advice of the legal advisor of the Company, the management believes that there is almost 'nil' chance of any liability. Therefore, no provision for this has been made in these financial statements.

	December 31 2022	June 30 2022
	(Rupees in '000')	
	(Un-Audited)	(Audited)
11.2 Commitments		
11.2.1 Letters of credit for purchase of stocks	534,242	507,279
11.2.2 Post dated cheques issued in favour of collector of customs against custom duties and other levies on methanol kept in bonded ware house.	13,077	-
11.2.3 Letter of guarantee issued by bank on behalf of the Company	-	15,000
11.2.4 Capital expenditures against civil work - Wah Construction limited	-	12,368

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

12 NET SALES

	December 31 2022		December 31 2021	
	(Rupees in '000')			
	(Un-Audited)		(Un-Audited)	
Local sales	1,806,223		1,574,685	
Export	-		-	
	1,806,223		1,574,685	
	Six month ended		Three month	
Disaggregation of Revenue	December 31 2022	December 31 2021	December 31 2022	December 31 2021
	(Rupees in '000')			
Urea Formaldehyde Moulding compound	746,355	592,549	390,932	321,090
Urea Formaldehyde Glue	170,439	427,336	92,172	249,068
Formaldehyde and Formalin solvent	864,798	506,567	448,754	249,543
Others	24,631	48,233	13,422	26,845
	1,806,223	1,574,685	945,280	846,546

13 CASH AND CASH EQUIVALENTS

	December 31 2022		December 31 2021	
	(Rupees in '000')			
	(Un-Audited)		(Un-Audited)	
Cash and bank balances	53,020		2,649	
Short term running finance - secured	(226,238)		(383,276)	
	(173,218)		(380,627)	

14 RELATED PARTY TRANSACTIONS

The Company is a subsidiary of Wah Nobel (Private) Limited, so all subsidiaries, holding companies and associated undertakings of the parent are related parties of the Company. Other related parties comprise of directors, key management personnel, entities with common directorships and entities over which the directors and trustees are able to exercise influence. Balances and transactions with related parties are shown relevant notes to the financial statements.

14.1 Following are the associated companies and related parties with whom the Company had entered into transactions during the year:

Associated company	Nature of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Wah Nobel (Private) Ltd.	Parent company	4,970,395	55.23%
WNPL Employees Provident Fund	Staff retirement fund	99,000	1.10%
WNCL Employees Provident Fund	Staff retirement fund	33,102	0.37%
Wah Nobel Acetates Limited (WNAL)	Associated company	-	0.00%
Nobel Energy Limited (NEL)	Associated company	-	0.00%
Wah Construction (Pvt) Limited	Associated company	-	0.00%
Mr. Tariq Rangoonwala	Director	500	0.01%
Mr. Manzoor Ali Shaikh	Director	-	0.00%

WAH NOBEL CHEMICALS LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 FOR SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

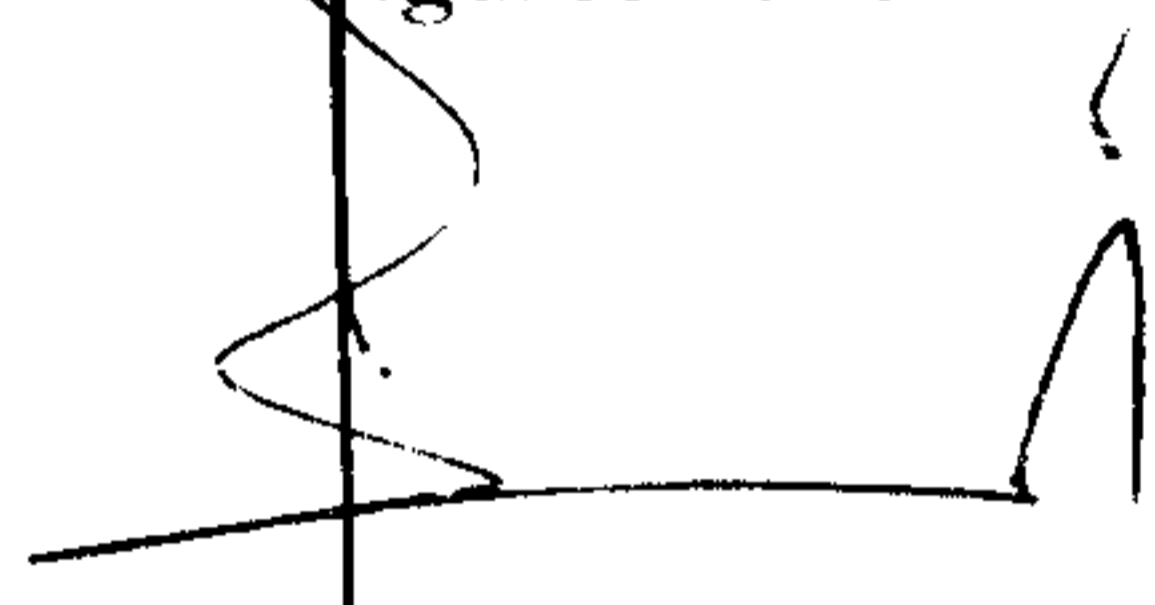
	December 31 2022	December 31 2021
	(Rupees in '000')	
	(Un-Audited)	(Un-Audited)
RELATED PARTY TRANSACTIONS		
Significant transactions with related parties during the period were as follows:		
Expenses incurred on behalf or by the parent companies - net	576	(1,471)
Corporate service fee charged by holding company	450	450
Purchase of electricity from NEL	8,851	9,332
Purchase of electricity from parent company	6,058	5,759
Civil work services from Wah Construction (Pvt) Limited	-	22,765
Purchase of raw material from associated company	137	5,154
Dividend paid to the holding company	24,852	49,704
Sales to parent company	16,860	11,340
Interest paid to the parent company	20,478	11,303
Interest incurred on loan from parent company	23,464	11,516
Contribution to:		
- Employee provident fund trust	1,683	1,215
- Workers profit participation fund	7,758	10,483
Balances with related parties were as follows:		
Loan from holding company-unsecured	311,879	305,883
Due to holding company	107	147
Payable to employee's gratuity fund	4,284	2,042
Payable to employee's provident fund	885	663

15 **DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on February 28, 2023 by the Board of Directors of the Company.

16 **GENERAL**

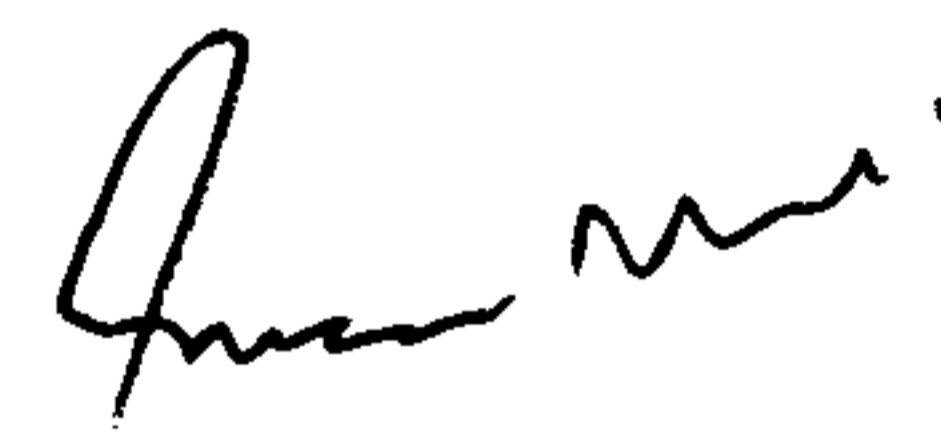
Figures have been rounded off to the nearest thousand of rupees.



DIRECTOR



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER