

dynea

DYNEA PAKISTAN LIMITED

Condensed Interim Financial Statements
for the Nine Months Ended March 31, 2025
(Un-Audited)

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Board of Directors:

Mr. Donald John Jenkin	<i>Chairman</i>
Mr. Mustafa Jafar	<i>Chief Executive Officer</i>
Mr. Lee Kin Seng	
Ms. Anam Fatima Khan	
Mr. Adnan Afridi	
Mr. Mazhar Valjee	
Mr. Tariq Ahmed *	

Audit Committee:

Mr. Adnan Afridi	<i>Chairman</i>
Mr. Donald John Jenkin	<i>Member</i>
Mr. Mazhar Valjee	<i>Member</i>
Ms. Anam Fatima Khan	<i>Member</i>

Human Resource and Remuneration Committee:

Ms. Anam Fatima Khan	<i>Chairperson</i>
Mr. Donald John Jenkin	<i>Member</i>
Mr. Mustafa Jafar	<i>Member</i>

Chief Financial Officer:

Mr. Muhammad Shakeel Uddin

Company Secretary:

Mr. Mujtaba Hassan Ghanchi

Head of Internal Audit:

Ms. Nargis Iqbal

Bankers:

M/s. Habib Bank Limited
M/s. National Bank of Pakistan
M/s. Habib Metropolitan Bank Limited
M/s. Allied Bank Limited
M/s. MCB Bank Limited
M/s. Bank Al-Falah Limited
M/s. Standard Chartered Bank (Pakistan) Limited
M/s. Meezan Bank Limited
M/s. United Bank Limited
M/s. The Bank of Punjab
M/s. Dubai Islamic Bank Pakistan Limited

Auditors:

M/s. BDO Ebrahim & Co.
Chartered Accountants

Legal Advisors:

M/s. Zahid & Tariq Advocates

Share Registrar:

FAMCO Share Registration Services (Pvt) Ltd.
Share Registrars
8-F, Next to Hotel Faran, Nursery, Block-6,
P.E.C.H.S., Shahrah-e-Faisal, Karachi.
Ph: (92-21) 34380101-5, 34384621-3 (Ext. 103)

Registered Office:

9th Floor, Artistic Tower, Plot No.39/A-2,
Block-6. P.E.C.H.S., Shahrah-e-Faisal,
Karachi-75400
Ph: (92-21) 34520132-35
Fax: (92-21) 34392182

Factories:

- Hub Unit**
A101 - A105, A132 - A136,
Hub Industrial Trading Estate,
Hub Chowki, District Lasbella, Balochistan.
Ph: (92-853) 363706-09
Fax: (92-853) 363907
- Gadoon Unit**
34-A, 34-B, 35, 38-A and 88, Road-3,
Industrial Estate, Gadoon Amazai,
District Swabi, Khyber Pakhtunkhwa.
Ph: (92-938) 270150-52
Fax: (92-938) 270246

* Mr. Tariq Ahmed has resigned on April 17, 2025.

**DIRECTORS' REPORT
FOR THE NINE MONTHS ENDED
MARCH 31, 2025**

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The Directors of your Company are pleased to present this report along with the unaudited financial results for the third quarter and nine months ended March 31, 2025.

During the period ended March 31, 2025, the Company earned a profit before tax of Rs.1,130 million and an after-tax profit of Rs.691million compared to the profit before tax of Rs.1,725 million and after-tax Profit of Rs. 1,075 million during the corresponding period last year. The basic and diluted earnings per share decreased from Rs.56.94 to Rs. 36.62.

Resin Division

The Resin Division generated sales revenue of Rs. 2,850 million compared to Rs. 3,621 million achieved during the same period last year, showing a decline of 21.29%.

Moulding Compound Division

The Moulding Compound Division generated sales revenue of Rs. 6,887 million compared to Rs. 6,658 million achieved during the same period last year, showing an increase of 3.44%.

Future Outlook

The economy is stabilising with improvements observed in key macroeconomic indicators. The declining trend in both inflation and interest rates is enhancing market confidence. Management will continue to explore growth opportunities that align with the Company's long-term vision. The outlook is trending towards positive with a promise of sales growth and an ongoing focus on operational efficiency combining to give optimum results for the Company and its stakeholders for the last quarter of the financial year.

Acknowledgement

The Directors of the Company would like to thank the Almighty Allah for all His blessings in these challenging times. We wish to convey our appreciation to our employees, shareholders, customers, financial institutions and other stakeholders for their continued support and the confidence that they have shown in the Company.

On behalf of the Board



Mustafa Jafar
Chief Executive Officer

Karachi, April 28, 2025



Donald Jenkin
Chairman

آپ کی کمپنی کے ڈائریکٹرز ہمسرت یہ رپورٹ مع غیر آڈٹ شدہ مالی نتائج بابت جاری مالی سال کی تیسری سہ ماہی اور نو ماہی 31 مارچ 2025 پیش کرتے ہیں۔
31 مارچ 2025 کو ختم ہونے والی مدت کے دوران کمپنی کا قبل از ٹیکس منافع 1,130 ملین روپے اور بعد از ٹیکس منافع 691 ملین روپے رہا۔ جبکہ گزشتہ سال اسی مدت میں قبل از ٹیکس منافع 1,725 ملین روپے اور بعد از ٹیکس منافع 1,075 ملین روپے بالترتیب رہا تھا۔ بنیادی اور خالص منافع فی شیئر 56.94 روپے سے کم ہو کر 36.62 روپے ہو گیا۔

ریٹرن قسمت:

ریٹرن قسمت کی کل کبری (ٹرن اوور) 2,850 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 3,621 ملین روپے رہی تھی جو کہ پچھلے سال کے مقابلے میں 21.29% کم ہے۔

مولڈنگ کمپاؤنڈ قسمت:

مولڈنگ کمپاؤنڈ قسمت کی کل کبری (ٹرن اوور) 6,887 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 6,658 ملین روپے رہی تھی۔ جو کہ پچھلے سال کے مقابلے میں 3.44% زیادہ ہے۔

مستقبل پر ایک نظر

معیشت کلیدی میکر و اکنامک اشاریوں میں مثبت پیش رفت کے ساتھ مستحکم ہو رہی ہے۔ مہنگائی اور شرح سود دونوں میں کمی کا رجحان مارکیٹ کے اعتماد کو بڑھا رہا ہے۔ انتظامیہ گروتھ کے مواقع تلاش کرنے کا سلسلہ جاری رکھے گی جو کہ کمپنی کے طویل مدتی وژن کے مطابق ہے۔ آڈٹ لگ بھگ گروتھ اور آپریشنل کارکردگی پر جاری فوکس کے وعدے کے ساتھ مثبت سمت میں گامزن ہے جو کہ کمپنی اور اس کے اسٹیک ہولڈرز دونوں کیلئے مالی سال کی آخری سہ ماہی کیلئے بہتر نتائج کے حامل ثابت ہوئے ہیں۔

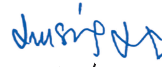
اعتراف

ہم ڈائریکٹر اللہ تعالیٰ کی اس مشکل وقت میں اس کی تمام مہربانیوں پر متشکر ہیں اور اپنے ملازمین، حصص یافتگان، گاہکوں، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز کی مسلسل معاونت اور کمپنی پر ان کے اعتماد کے لئے بدیہ تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



ڈوئلڈ جیکسن
چیئرمین



مصطفیٰ جعفر
چیف ایگزیکٹو آفیسر


کراچی: 28 اپریل 2025

**CONDENSED INTERIM STATEMENT OF
FINANCIAL POSITION
AS AT 31 MARCH 2025**

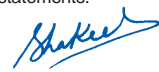
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		31 March 2025 (Un-audited)	30 June 2024 (Audited)
	Note	(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	865,355	881,543
Intangible assets		3,727	14,906
Long-term loans		20,650	10,784
Long-term deposits		10,400	10,392
Deferred taxation - net		109,838	91,584
		1,009,970	1,009,209
CURRENT ASSETS			
Stores and spares		67,849	73,406
Stock-in-trade	7	1,965,993	1,817,709
Trade debts	8	1,991,273	1,534,553
Loans and advances		12,286	53,249
Trade deposits, prepayments and other receivables		129,629	19,192
Accrued markup		11,035	40,791
Short term investment		625,697	664,327
Cash and bank balances		383,206	340,600
		5,186,968	4,543,827
TOTAL ASSETS		6,196,938	5,553,036
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 40,000,000 (June 30, 2024: 40,000,000) ordinary shares of Rs.5/- each		200,000	200,000
Issued, subscribed and paid-up capital		94,362	94,362
Revenue reserves		4,607,612	4,199,603
		4,701,974	4,293,965
NON-CURRENT LIABILITIES			
Long-term financing - secured	9	-	11,949
Deferred income		-	244
Lease liabilities		30,640	27,373
		30,640	39,566
CURRENT LIABILITIES			
Trade and other payables		1,175,146	1,048,164
Accrued mark-up		623	1,602
Short-term running finance	10	97,193	38,104
Current maturity of long-term financing	9	20,126	27,714
Current maturity of deferred income		660	1,664
Current maturity of lease liabilities		11,492	15,323
Taxation - net		121,001	76,605
Unclaimed dividend		38,083	10,329
		1,464,324	1,219,505
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		6,196,938	5,553,036

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

	Note	Nine months ended		Quarter ended	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
		(Rupees in '000)		(Rupees in '000)	
Turnover - net	12	9,736,384	10,278,572	3,270,804	3,445,387
Cost of sales		(7,978,073)	(7,842,048)	(2,632,866)	(2,693,287)
Gross profit		1,758,311	2,436,524	637,938	752,100
Selling and distribution costs		(328,074)	(282,491)	(114,379)	(105,341)
Administrative expenses		(280,519)	(262,120)	(92,705)	(86,616)
(Allowance for) / Reversal of expected credit loss		21,507	(94,656)	(14,288)	(71,990)
		(587,086)	(639,267)	(221,372)	(263,947)
Other income		94,674	96,827	23,858	41,307
Operating profit		1,265,899	1,894,084	440,424	529,460
Finance costs		(23,654)	(18,477)	(7,760)	(9,234)
Other charges / expenses		(112,440)	(150,874)	(37,973)	(44,820)
		(136,094)	(169,351)	(45,733)	(54,054)
Profit before taxation		1,129,805	1,724,733	394,691	475,406
Taxation					
- current		(462,185)	(714,426)	(168,440)	(197,574)
- prior		5,221	126	-	-
- deferred		18,254	64,217	16,411	31,673
		(438,710)	(650,083)	(152,029)	(165,901)
Profit for the period		691,095	1,074,650	242,662	309,505
Basic and diluted earnings per share		36.62	56.94	12.86	16.40

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 MARCH 2025 (UN-AUDITED)**

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	Nine months ended		Quarter ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
 (Rupees in '000) (Rupees in '000)	
Profit for the period				
Other comprehensive income	691,095	1,074,650	242,662	309,505
Total comprehensive income for the period	-	-	-	-
	<u>691,095</u>	<u>1,074,650</u>	<u>242,662</u>	<u>309,505</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



MUSTAFA JAFAR
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

Note	31 March 2025	31 March 2024
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,129,805	1,724,733
Adjustments for non-cash and other items		
Depreciation on operating fixed assets	153,217	145,168
Depreciation on right-of-use assets	8,395	4,722
Amortisation of intangible assets	11,179	11,180
Allowance for expected credit loss	(21,507)	94,656
Finance costs	23,653	18,477
Amortization of deferred income	(1,248)	(2,412)
Gain on disposals of operating fixed assets	(3,578)	(3,208)
	170,111	268,583
	1,299,916	1,993,316
(Increase) / decrease in current assets		
Stores and spares	5,557	(34,401)
Stock-in-trade	(148,284)	(784,407)
Trade debts	(435,212)	(873,033)
Loans and advances	40,963	(62,962)
Trade deposits, prepayments and other receivables	(110,437)	248,924
Accrued markup	29,756	(6,546)
	(617,658)	(1,512,425)
Increase in current liabilities		
Trade and other payables	127,350	432,455
	809,608	913,346
Finance costs paid	(23,384)	(13,571)
Income taxes paid - net	(412,568)	(496,981)
Long-term loans and deposits - net	(9,874)	(4,429)
Net cash generated from operating activities	363,782	398,365
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditures	(148,944)	(99,210)
Short term investment	38,630	-
Proceeds from disposal of operating fixed assets	7,099	9,905
Net cash used in investing activities	(103,215)	(89,305)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loan made during the year	(20,786)	(20,786)
Payment of lease rentals (Net)	(564)	5,517
Dividend paid	(255,700)	(274,492)
Net cash used in financing activities	(277,050)	(289,761)
Net increase / (decrease) in cash and cash equivalents	(16,483)	19,299
Cash and cash equivalents at the beginning of period	302,496	795,809
Cash and cash equivalents at the end of period	286,013	815,108
CASH AND CASH EQUIVALENTS		
Cash and bank balances	383,206	815,108
Short-term running finance	(97,193)	-
	286,013	815,108

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer


**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 2025**

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	Issued, subscribed and paid-up capital	Revenue reserves			Total
		General reserve	Unappropriated profit	Total	
(Rupees in '000)					
Balance as at 30 June 2023 (audited)	94,362	2,141,000	1,197,362	3,338,362	3,432,724
Transferred to general reserve	-	500,000	(500,000)	-	-
Final dividend for the year ended 30 June 2023 @ Rs.10.00 per share	-	-	(188,724)	(188,724)	(188,724)
Interim dividend for the half year ended 31 December 2023 @ Rs.7.50 per share	-	-	(141,543)	(141,543)	(141,543)
Net profit for the period	-	-	1,074,650	1,074,650	1,074,650
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	1,074,650	1,074,650	1,074,650
Balance as at 31 March 2024 (un-audited)	94,362	2,641,000	1,441,745	4,082,745	4,177,107
Balance as at 30 June 2024 (audited)	94,362	2,641,000	1,558,603	4,199,603	4,293,965
Transferred to general reserve	-	500,000	(500,000)	-	-
Final dividend for the year ended 30 June 2024 @ Rs.10.00 per share	-	-	(188,724)	(188,724)	(188,724)
Interim dividend for the half year ended 31 December 2024 @ Rs.5.00 per share	-	-	(94,362)	(94,362)	(94,362)
Net profit for the period	-	-	691,095	691,095	691,095
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	691,095	691,095	691,095
Balance as at 31 March 2025 (un-audited)	94,362	3,141,000	1,466,612	4,607,612	4,701,974

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


MUSTAFA JAFAR
Chief Executive Officer


DONALD JENKIN
Chairman


SHAKEEL UDDIN
Chief Financial Officer

1. THE COMPANY AND ITS OPERATIONS

Dynea Pakistan Limited (the Company) was incorporated in Pakistan as a public limited company, under the repealed Companies Act, 1913 (now the Companies Act, 2017) on 20 June, 1982 and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of formaldehyde, urea / melamine formaldehyde and moulding compound.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical Location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
– Registered Office	9th Floor, Artistic Tower, Plot No.39/A-2, Block-6, P.E.C.H.S., Main Shahrah-e-Faisal, Karachi-75400, Sindh, Pakistan.
– Factory	A101 - A105, A132 - A136, H.I.T.E., Hub Chowki, District Lasbella, Baluchistan.
– Factory	34-A, 34-B, 35, 38-A and 88, Road-3 Industrial Estate, Gadoon Amazai, District Swabi, KPK.

3. BASIS OF PREPARATION

3.1 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.

3.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024.

3.3 These condensed interim financial statements is presented in Pakistan Rupees which is the Company's functional and presentation currency.

4. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended June 30, 2024.

4.1 Initial application of standards, amendments or an interpretation to existing standards
a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2025, but are considered not to be relevant or expected to have any significant effect on the Company.

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 MARCH 2025**

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5. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

The assumptions, judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual financial statements for the year ended June 30, 2024.

	31 March 2025 (Un-audited)	30 June 2024 (Audited)
 (Rupees in '000)	
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	769,421	821,203
Right to use asset	36,380	44,776
Capital work-in-progress	59,554	15,564
	<u>865,355</u>	<u>881,543</u>

6.1 The following additions (including transfers from capital work-in-progress) and disposals were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	(Un-audited)		(Un-audited)	
 (Rupees in '000) (Rupees in '000)	
Building	1,464	-	-	-
Plant and machinery	26,106	55,631	-	-
Office equipment	120	2,871	-	-
Computer and accessories	6,543	6,653	-	482
Vehicles	70,721	38,654	3,521	6,215
	<u>104,954</u>	<u>103,809</u>	<u>3,521</u>	<u>6,697</u>

	Note	31 March 2025 (Un-audited)	30 June 2024 (Audited)
	 (Rupees in '000)	
6.2 Movement in capital work-in-progress is as follows:			
Balance at beginning of the period		15,564	60,732
Capital expenditure incurred during the period		59,484	40,202
Transfers to operating fixed assets during the period		(15,494)	(85,370)
Balance at end of the period		<u>59,554</u>	<u>15,564</u>

7. STOCK-IN-TRADE

Raw material:			
In hand		1,231,503	1,137,149
In transit		448,184	450,504
		<u>1,679,687</u>	<u>1,587,653</u>
Packing material		47,754	49,086
Finished goods		249,602	185,240
Less: Provision for obsolescence		(11,050)	(4,270)
		<u>1,965,993</u>	<u>1,817,709</u>

8. TRADE DEBTS - unsecured

Considered good		1,991,273	1,534,553
Considered doubtful		(241,315)	262,822
		<u>1,749,958</u>	<u>1,797,375</u>
Allowance for expected credit loss	8.1	241,315	(262,822)
		<u>1,991,273</u>	<u>1,534,553</u>

	31 March 2025 (Un-audited)	30 June 2024 (Audited)
 (Rupees in '000)	
8.1 Movement of allowance for expected credit loss:		
Balance at beginning of the period/ year	262,822	70,528
Charge during the period/ year	<u>(21,507)</u>	<u>192,294</u>
Balance at end of the period/ year	<u>241,315</u>	<u>262,822</u>
9. LONG-TERM FINANCING - secured		
Temporary Economic Refinance Facility (TERF)	20,126	39,663
Current portion of long-term financing	<u>(20,126)</u>	<u>(27,714)</u>
	<u>—</u>	<u>11,949</u>

10. SHORT-TERM RUNNING FINANCE - secured

Represents running finance facilities obtained from various conventional banks amounting to Rs. 2,350 million (2024: Rs. 1,850 million). During the year, Company secured an additional Rs.500 million in running finance facility on temporary basis. These facilities are secured by joint / first pari passu hypothecation of stores and spares, stock-in-trade and trade debts of the Company. The rate of mark-up on these facilities ranges from one month KIBOR to three months' KIBOR as bench mark rate plus 0.50% to 1% as spread (June 30, 2024: one month KIBOR to three months' KIBOR as bench mark rate plus 0.50% to 1% as spread) per annum and mark-up is payable quarterly.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

The Excise and Taxation Department, Government of Sindh (the Department) imposed, vend and permit fee on methanol, a major raw material used by the Company in the production of formaldehyde. The Company filed a petition against the imposition of these levies in the Honourable High Court of Sindh (HCS) in August 1996. In June 2001, the Honourable HCS decided the case in the favour of the Company. However, the Department filed an appeal in the Honourable Supreme Court of Pakistan (SCP) against the above judgement. The Honourable SCP suspended the decision of the Honourable HCS and reverted the case back to the Honourable HCS for fresh hearing. In March 2003, the Honourable HCS once again decided the case in favour of the Company. The Department once again filed an appeal before the Honourable SCP.

In December 2019, the Honourable SCP disposed off the appeal on the basis that the Department would not press the instant and connected appeals, and that a fresh demand shall be raised following the notification dated 14 February 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on 30 October 2002. In addition to that the Department would surrender the demand secured by Indemnity Bonds for the period 1990 up to October 2002.

As of the reporting date, no fresh demand has yet been received from the Department against Vend and Permit fee amounting to Rs. 1,982.40 million (June 30, 2024: Rs. 1,865.90 million) determined on the basis of consumption of methanol by the Company since November 2002.

The consignment is being released by paying Rs. 3/= cash per bulk gallon which is being expensed out and indemnity bond of Rs. 14/= per bulk gallon under protest.

Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court of Justice to defend the case. The Company expects, based on the view of the legal advisor and the merit of the case, that the Company has strong grounds to challenge such a demand and its challenge is likely to succeed. Accordingly, no provision for any liability has been made in these financial statements.

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	Note	31 March 2025 (Un-audited)	30 June 2024 (Audited)
(Rupees in '000)			
11.2 Commitments			
11.2.1 Outstanding bank guarantees		37,303	37,303
11.2.2 Outstanding letter of credits		639,725	1,073,654
		31 March 2025 (Un-audited)	31 March 2024 (Un-audited)
(Rupees in '000)			
12. TURNOVER - net			
Local Sales		10,972,189	11,832,057
Export Sales	12.1	645,275	450,600
		11,617,464	12,282,657
Sales Tax		(1,881,080)	(2,004,085)
Net Turnover		9,736,384	10,278,572
12.1 Region wise export sales are as under			
Afghanistan		643,232	450,600
Kenya		2,043	-

13. OPERATING SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on their products and has two reportable operating segments as follows:

- The resin division produces urea / melamine formaldehyde and formaldehyde; and
- The moulding compound division produces urea / melamine formaldehyde moulding compound and melamine glazing powder.

	Nine months ended 31 March 2025 (Un-audited)			Nine months ended 31 March 2024 (Un-audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
(Rupees in '000)						
Turnover - net	2,849,838	6,886,546	9,736,384	3,620,880	6,657,692	10,278,572
Segment result	307,191	1,223,558	1,530,749	762,092	1,359,162	2,121,254
Unallocated expenses:						
Administrative expenses			(280,519)			(262,120)
Distribution costs			(79,005)			(61,877)
Other income			94,674			96,827
Finance costs			(23,654)			(18,477)
Other charges			(112,440)			(150,874)
Taxation			(438,710)			(650,083)
Net profit for the period			691,095			1,074,650
Capital expenditure	76,347	36,636	112,983	56,758	5,836	62,594
Unallocated capital expenditure			35,961			36,616
Total capital expenditure			148,944			99,210
Depreciation and amortisation	42,582	82,787	125,369	44,395	83,723	128,118
Unallocated depreciation and amortisation			47,422			32,952
Total depreciation and amortisation			172,791			161,070

	Quarter ended 31 March 2025 (Un-audited)			Quarter ended 31 March 2024 (Un-audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Turnover - net	978,182	2,292,622	3,270,804	1,176,425	2,268,962	3,445,387
Segment result	149,294	386,704	535,998	157,030	444,268	601,298
Unallocated expenses:						
Administrative expenses			(92,705)			(86,616)
Distribution costs			(26,727)			(26,529)
Other income			23,858			41,307
Finance costs			(7,760)			(9,234)
Other charges			(37,973)			(44,820)
Taxation			(152,029)			(165,901)
Net profit for the period			242,662			309,505
Capital expenditure	35,437	5,307	40,744	37,594	2,186	39,780
Unallocated capital expenditure			8,456			7,201
Total capital expenditure			49,200			46,981
Depreciation and amortisation	14,121	27,985	42,106	12,844	24,288	37,132
Unallocated depreciation and amortisation			16,474			11,112
Total depreciation and amortisation			58,580			48,244

Segment assets and liabilities

	31 March 2025 (Un-audited)			30 June 2024 (Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Segment assets	2,239,700	2,499,428	4,739,128	1,831,248	2,268,134	4,099,382
Unallocated assets			1,457,810			1,453,654
Total assets			6,196,938			5,553,036
Segment liabilities	94,040	299,308	393,348	419,516	527,011	946,527
Unallocated liabilities			1,101,616			312,544
Total liabilities			1,494,964			1,259,071

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14. FAIR VALUE MEASUREMENT

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

The different levels to analyse financial assets carried at fair value have been defined as follows:

Level 1: Quoted market price

Level 2: Valuation techniques (market observable); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of the statement of financial position date, the Company does not have any financial assets carried at fair value that required categorization in Level 1, Level 2 and Level 3.

15. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated companies, employee retirement benefits fund, directors and key management personnel. All the transactions with related parties are carried out on arms-length basis and in the ordinary course of business as approved by the Board of Directors of the Company. Transactions with related parties are as follows:

Name of related Party	Relationship	% of shareholding	Nature of transaction	31 March 2025	31 March 2024
			 (Rupees in '000) (Un-audited)	
Remuneration	Key Management Personnel	0.005%	Remuneration	<u>179,814</u>	<u>145,550</u>
Director Fee	Directors	0.03%	Director Fee	<u>9,963</u>	<u>9,750</u>
Provident Fund	Retirement Benefits	Nil	Contribution to Fund	<u>16,883</u>	<u>13,360</u>
AICA Asia Pacific Holding Pte Ltd.	Associated Company	24.99%	Dividend	<u>70,743</u>	<u>82,534</u>

16. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 28, 2025 by the Board of Directors of the Company.

17. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.



MUSTAFA JAFAR
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

Karachi: April 28, 2025

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