DYNEA PAKISTAN LIMITED

Condensed Interim Financial Statements
for the First Quarter ended September 30, 2025
(Un-Audited)

CONTENTS

COMPANY INFORMATION

Board of Directors:

Mr. Donald Jenkin	Chairman
Mr. Mustafa Jafar	Chief Executive Officer
Mr. Lee Kin Seng	
Ms. Anam Fatima Khan	
Mr. Adnan Afridi	
Mr. Mazhar Valjee	
Ms. Naila Kassim	

Audit Committee:

Mr. Adnan Afridi	Chairman
Mr. Donald Jenkin	Member
Mr. Mazhar Valjee	Member
Ms. Anam Fatima Khan	Member

Human Resource and Remuneration Committee:

Ms. Naila Kassim	Chairperson
Mr. Donald Jenkin	Member
Mr. Mustafa Jafar	Member

Chief Financial Officer:

Mr. Muhammad Shakeel Uddin

Company Secretary:

Mr. Mujtaba Hassan Ghanchi

Head of Internal Audit:

Ms. Nargis Iqbal

Bankers:

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

Auditors:

M/s. BDO Ebrahim & Co.
Chartered Accountants

Legal Advisors:

M/s. Zahid & Tariq Advocates

Share Registrar:

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

Registered Office:

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

Factories:

1) Hub Unit
A101 - A105, A132 - A136,
A141 - A144, A147 - A150,
Hub Industrial Trading Estate,
Hub Chowki, Distt. Lasbella, Balochistan.
Ph: (92-853) 363706 - 09
Fax: (92-853) 363907

2) Gadoon Unit
34-A, 34-B, 35, 38-A and 88, Road-3,
Industrial Estate,Gadoon Amazai,
District Swabi, Khyber Pakhtunkhwa.
Ph: (92-938) 270150 - 52
Fax: (92-938) 270246

DIRECTORS' REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2025

dynea

The Directors of your Company are pleased to present this report along with the unaudited financial results for the first quarter ended September 30, 2025.

During the period ended September 30, 2025, the Company earned a profit before tax of Rs.319 million and an after-tax profit of Rs.191 million compared to the profit before tax of Rs.248 million and after-tax Profit of Rs. 152 million during the corresponding period last year. The basic and diluted earnings per share increased from Rs.8.05 to Rs. 10.13.

Resin Division

The Resin Division generated sales revenue of Rs. 910 million compared to Rs. 799 million achieved during the same period last year, showing an increase of 14%.

Moulding Compound Division

The Moulding Compound Division generated sales revenue of Rs. 2,417 million compared to Rs. 2,071 million achieved during the same period last year, showing an increase of 17%.

Future Outlook

Pakistan's economy continued on a path of steady recovery, supported by easing inflation, lower interest rates, improved foreign exchange reserves, and exchange rate stability - all of which fostered business continuity and confidence. While high energy costs, debt servicing, and recent floods have posed challenges by disrupting supply chains, the Company remains optimistic and focused on long-term, sustainable growth. Strong leadership, a dedicated workforce, and enduring customer relationships have enabled the Company to navigate these headwinds effectively. Export performance remained robust, as the Company strengthened its foothold in Afghanistan while exploring new regions to broaden its global presence. Sustainability initiatives advanced through solar energy systems at factories in Khyber Pakhtunkhwa and Balochistan, alongside plans for a wind turbine at the Hub facility to achieve grid independence. The successful launch of Resin Additives and PVA White Glue further strengthened the product portfolio and profitability, underscoring the Company's commitment to resilience, innovation and a sustainable future.

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

Donald Jenkin
Chairman

Karachi: October 22, 2025.

ڈائریکٹرز کی رپورٹ
30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے لئے

آپ کی کمپنی کے ڈائریکٹرز بمسرت یہ رپورٹ مع غیر آڈٹ شدہ مالی نتائج بابت جاری مالی سال کی پہلی سہ ماہی 30 ستمبر 2025 پیش کرتے ہیں۔

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران کمپنی کا قبل از ٹیکس منافع 319 ملین روپے اور بعد از ٹیکس منافع 191 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں قبل از ٹیکس منافع 248 ملین روپے اور بعد از ٹیکس منافع 152 ملین روپے بالترتیب رہا تھا۔ بنیادی اور خالص منافع فی شیئر 8.05 روپے سے بڑھ کر 10.13 روپے ہو گیا۔

ریزن قسمت:

ریزن قسمت کی کل بکری (ٹرن اوور) 910 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 799 ملین روپے رہی تھی جو کہ پچھلے سال کے مقابلے میں 14% زیادہ ہے۔

مولڈنگ کمپاؤنڈ قسمت:

مولڈنگ کمپاؤنڈ قسمت کی کل بکری (ٹرن اوور) 2,417 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 2,071 ملین روپے رہی تھی۔ جو کہ پچھلے سال کے مقابلے میں 17% زیادہ ہے۔

مستقبل پر ایک نظر

پاکستان کی معیشت مستقل طور پر بتدریج بہتری کی جانب گامزن ہے اور اسے مہنگائی میں کمی، کم تر شرح سود، بہتر ہوتے ہوئے غیر ملکی زرمبادلہ کے ذخائر اور تبادلہ شرح میں استحکام نے سہارا دیا۔ یہ تمام عوامل کاروباری تسلسل اور اعتماد کو فروغ دیتے ہیں۔ اگرچہ توانائی کی بلند تر لاگت، قرض کی ادائیگیوں اور حالیہ سیلاب کے نقصانات نے سپلائی چین کے سلسلے میں رکاوٹ ڈال کر چیلنجز پیدا کئے تاہم کمپنی پُرعزم ہے اور اس نے طویل مدتی پائیدار ترقی پر توجہ مرکوز کر رکھی ہے۔ مستحکم قیادت، ایک محنتی و پُرعزم افرادی قوت اور صارفین کے ساتھ مستحکم تعلقات نے کمپنی کو اس قابل بنا دیا ہے کہ وہ ان رکاوٹوں کا موثر طور پر مقابلہ کر سکتی ہے۔ برآمدی کارکردگی بدستور بہتر رہی کیونکہ کمپنی نے افغانستان میں اپنی موجودگی کو مستحکم کیا ہے جبکہ عالمی سطح پر اپنی موجودگی کو بڑھانے کے لئے نئے خطے بھی تلاش کئے جا رہے ہیں۔ خیبر پختونخواہ اور بلوچستان میں موجود فیکٹریوں میں سولر انرجی سسٹم کے ذریعے پائیداری اور استحکام کے اقدامات کے ساتھ ساتھ حب فیسلیٹی میں ونڈ ٹربائن لگانے کا منصوبہ ہے تا کہ گریڈ سے توانائی کی خودمختاری حاصل ہو سکے۔ ریزن ایڈ ٹیوز اور پی وی اے وائٹ گلو کا کامیاب تعارف پروڈکٹ کے پورٹ فولیو اور منافع کی شرح میں مزید استحکام لائے گا جس سے کمپنی کی لچک، جدت طرازی اور مستحکم مستقبل کی عکاسی ہوتی ہے۔

اعتراف

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

بورڈ آف ڈائریکٹرز کی جانب سے

مصطفیٰ جعفر
چیف ایگزیکٹو آفیسر

ڈونلڈ جینکن
چیئرمین

کراچی: 22 اکتوبر 2025

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2025

	Note	30 September 2025 (Un-audited)	30 June 2025 (Audited)
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	**962,545**	971,371
Long-term loans		**21,840**	26,485
Long-term deposits		**16,445**	16,375
Deferred taxation - net		**94,051**	77,087
		1,094,881	1,091,318
CURRENT ASSETS			
Stores and spares		**78,409**	83,852
Stock-in-trade	7	**1,646,567**	1,820,504
Trade debts	8	**1,865,292**	1,591,255
Loans and advances		**195,463**	114,006
Trade deposits, prepayments and other receivables		**18,437**	11,521
Accrued markup		**12,505**	19,729
Short term investment		**693,065**	625,906
Taxation - net		**62,878**	–
Cash and bank balances		**900,276**	956,466
		5,472,892	5,223,239
TOTAL ASSETS		**6,567,773**	6,314,557
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 40,000,000 (June 30, 2025: 40,000,000) ordinary shares of Rs.5/- each		**200,000**	200,000
Issued, subscribed and paid-up capital		**94,362**	94,362
Revenue reserves		**4,975,384**	4,784,170
		5,069,746	4,878,532
NON-CURRENT LIABILITIES			
Long-term financing - secured	9	**–**	–
Lease liabilities		**18,055**	20,168
		18,055	20,168
CURRENT LIABILITIES			
Trade and other payables		**1,444,538**	1,312,472
Accrued mark-up		**278**	201
Short-term running finance	10	**–**	–
Current maturity of long-term financing	9	**6,929**	13,614
Current maturity of deferred income		**61**	244
Current maturity of lease liabilities		**16,855**	16,472
Taxation - net		**–**	61,538
Unclaimed dividend		**11,311**	11,316
		1,479,972	1,415,857
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		**6,567,773**	6,314,557

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

dynea

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)

	Note	30 September 2025	30 September 2024
		(Rupees in '000)	
Turnover - net	12	**3,326,924**	2,870,094
Cost of sales		**(2,749,784)**	(2,394,097)
Gross profit		**577,140**	475,997
Distribution costs		**(120,438)**	(87,288)
Administrative expenses		**(104,543)**	(94,541)
Allowance for expected credit loss		**(26,140)**	(44,392)
		(251,121)	(226,221)
Other income		**28,695**	43,130
Operating profit		**354,714**	292,906
Finance costs		**(8,176)**	(9,030)
Other charges/ expenses		**(27,706)**	(35,563)
		(35,882)	(44,593)
Profit before taxation		**318,832**	248,313
Taxation			
- current		**(144,582)**	(125,674)
- deferred		**16,964**	29,202
		(127,618)	(96,472)
Profit for the period		**191,214**	151,841
Basic and diluted earnings per share		**10.13**	8.05

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 QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)

	30 September 2025	30 September 2024
	(Rupees in '000)	
Profit for the period	**191,214**	151,841
Other comprehensive income	**–**	–
Total comprehensive income for the period	**191,214**	151,841

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

dynea

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)

	Note	30 September 2025	30 September 2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**318,832**	248,313
Adjustments for non-cash and other items			
Depreciation on operating fixed assets		**54,515**	49,779
Depreciation on right-of-use assets		**2,798**	2,798
Amortisation of intangible assets		**–**	3,727
Allowance for expected credit loss	8.1	**26,140**	44,392
Finance costs		**8,176**	9,030
Amortization of deferred income		**–**	(416)
Gain on disposals of operating fixed assets		**(5,677)**	(2,662)
		85,952	106,648
		404,784	354,961
(Increase) / decrease in current assets			
Stores and spares		**5,443**	1,554
Stock-in-trade		**173,937**	25,230
Trade debts		**(300,176)**	(177,590)
Loans and advances		**(81,457)**	7,442
Trade deposits, prepayments and other receivables		**(6,916)**	6,900
Accrued markup		**7,224**	34,441
		(201,945)	(102,023)
Increase / (decrease) in current liabilities			
Trade and other payables		**132,127**	(107,869)
		334,966	145,069
Finance costs paid		**(8,098)**	(7,791)
Income taxes paid - net		**(268,999)**	(105,851)
Long-term loans and deposits - net		**4,575**	(6,431)
Net cash generated from operating activities		**62,444**	24,996
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures		**(49,691)**	(60,615)
Short term investment		**(67,159)**	164,484
Proceeds from disposal of operating fixed assets		**6,880**	6,033
Net cash (used in) / generated from investing activities		**(109,970)**	109,902
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing paid		**(6,929)**	(6,929)
Lease rentals paid		**(1,730)**	2,460
Dividend paid		**(5)**	–
Net cash used in financing activities		**(8,664)**	(4,469)
Net (decrease) / increase in cash and cash equivalents		**(56,190)**	130,429
Cash and cash equivalents at the beginning of period		**956,466**	302,497
Cash and cash equivalents at the end of period		**900,276**	432,926
CASH AND CASH EQUIVALENTS			
Cash and bank balances		**900,276**	432,926
Short-term running finance		**–**	–
		900,276	432,926

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

MUSTAFA JAFAR	DONALD JENKIN	SHAKEEL UDDIN
Chief Executive Officer	Chairman	Chief Financial Officer

	Issued, subscribed and paid-up capital	Revenue reserves			Total
		General reserve	Unappropriated profit	Total	
	(Rupees in '000)				
Balance as at 30 June 2024	94,362	2,641,000	1,558,603	4,199,603	4,293,965
Transferred to general reserve	–	500,000	(500,000)	–	–
Net profit for the period	–	–	151,841	151,841	151,841
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the period	–	–	151,841	151,841	151,841
Balance as at 30 September 2024 (un-audited)	**94,362**	**3,141,000**	**1,210,444**	**4,351,444**	**4,445,806**
Balance as at 30 June 2025	**94,362**	**3,141,000**	**1,643,170**	**4,784,170**	**4,878,532**
Transferred to general reserve	**–**	**1,000,000**	**(1,000,000)**	**–**	**–**
Net profit for the period	**–**	**–**	**191,214**	**191,214**	**191,214**
Other comprehensive income	**–**	**–**	**–**	**–**	**–**
Total comprehensive income for the period	**–**	**–**	**191,214**	**191,214**	**191,214**
Balance as at 30 September 2025 (un-audited)	**94,362**	**4,141,000**	**834,384**	**4,975,384**	**5,069,746**

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	A101-105, A132-136, A141-144, A147-150 H.I.T.E., Hub Chowki, District Lasbella, Balochistan.
– Factory	34-A, 34-B, 35, 38-A and 88, Road-3 Industrial Estate, Gadoon Amazai, District Swabi, KPK.

3. BASIS OF PREPARATION

3.1 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, 2025.

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

4. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

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, 2025. The Company has adopted certain amended International Financial Reporting Standards (IFRS) which became effective during the period and reported in note 5 to the audited financial statements for the year ended June 30, 2025. The adoption of such amended IFRS did not have any material effect on these condensed interim financial statements.

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, 2025.

		30 September 2025 (Un-audited)	30 June 2025 (Audited)
		(Rupees in '000)	
6.	**PROPERTY, PLANT AND EQUIPMENT**		
	Operating fixed assets	**916,792**	937,789
	Right to use asset	**30,784**	33,582
	Capital work-in-progress	**14,969**	–
		962,545	971,371

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	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	(Un-audited)		(Un-audited)	
	(Rupees in '000)		(Rupees in '000)	
Plant and machinery	**19,515**	15,494	**3,222**	–
Office Equipment	**–**	–	**–**	–
Computer and accessories	**2,104**	2,462	**977**	–
Vehicles	**13,244**	44,208	**5,304**	3,371
	34,863	62,164	**9,503**	3,371

		Note	30 September 2025 (Un-audited)	30 June 2025 (Audited)
			(Rupees in '000)	
6.2	**Movement in capital work-in-progress is as follows:**			
	Balance at beginning of the period		**–**	15,564
	Capital expenditure incurred during the period		**16,352**	61,435
	Transfers to operating fixed assets during the period		**(1,383)**	(76,999)
	Balance at end of the period		**14,969**	–
7.	**STOCK-IN-TRADE**			
	Raw material:			
	In hand		**880,715**	928,267
	In transit		**500,221**	583,664
			1,380,936	1,511,931
	Packing material		**34,274**	39,791
	Finished goods		**242,898**	281,117
	Less: Provision for obsolescence		**(11,541)**	(12,335)
			1,646,567	1,820,504
8.	**TRADE DEBTS - unsecured**			
	Considered good		**1,865,292**	1,591,256
	Considered doubtful		**215,844**	189,704
			2,081,136	1,780,960
	Allowance for expected credit loss	8.1	**(215,844)**	(189,704)
			1,865,292	1,591,256
8.1	**Movement of allowance for expected credit loss:**			
	Balance at beginning of the period/ year		**189,704**	262,822
	Charge during the period/ year		**26,140**	(73,118)
	Balance at end of the period/ year		**215,844**	189,704

	30 September 2025 (Un-audited)	30 June 2025 (Audited)
	(Rupees in '000)	
9. LONG-TERM FINANCING - secured		
Temporary Economic Refinance Facility (TERF)	**6,929**	13,614
Current portion of long-term financing	**(6,929)**	(13,614)
	–	–

10. SHORT-TERM RUNNING FINANCE - secured

Represents running finance facilities obtained from various conventional banks amounting to Rs. 2,150 million (2025: Rs. 2,150 million). These facilities are secured by joint / first pari passu hypothecation of stores and spares, stock-in-trade and trade debts of the Company. The rate of mark-up on these facilities ranges from one month KIBOR to three months' KIBOR as bench mark rate plus 0.50% to 1% as spread (2025: one month KIBOR to three months' KIBOR as bench mark rate plus 0.50% to 1% as spread) per annum and mark-up is payable quarterly.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

The Excise and Taxation Department, Government of Sindh (the Department) imposed, vend and permit fee on methanol, a major raw material used by the Company in the production of formaldehyde. The Company filed a petition against the imposition of these levies in the 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. 2,115.65 million (June 30, 2025: Rs. 2,005.93 million) determined on the basis of consumption of methanol by the Company since November 2002.

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

Upon 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.

		30 September 2025 (Un-audited)	30 June 2025 (Audited)
		(Rupees in '000)	
11.2	**Commitments**		
11.2.1	Outstanding bank guarantees	**37,303**	37,303
11.2.2	Outstanding letter of credits	**1,324,649**	1,091,716

		Note	30 September 2025	30 September 2024
			(Un-audited)	
			(Rupees in '000)	
12.	**TURNOVER - net**			
	Local Sales		**3,438,336**	3,235,263
	Export Sales	12.1	**277,733**	188,235
			3,716,069	3,423,498
	Sales Tax		**(389,145)**	(553,404)
	Net Turnover		**3,326,924**	2,870,094
12.1	**Region wise export sales are as under**			
	Afghanistan		**277,733**	186,192
	Kenya		**–**	2,043

13. OPERATING SEGMENT INFORMATION

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

– The resin division produces urea/ melamine formaldehyde and formaldehyde; and

– The moulding compound division produces urea/ melamine formaldehyde moulding compound and melamine glazing powder.

	30 September 2025 (Un-Audited)			30 September 2024 (Un-Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Turnover - net	**909,801**	**2,417,123**	**3,326,924**	798,807	2,071,287	2,870,094
Segment result	**37,344**	**424,747**	**462,091**	85,595	283,995	369,590
Unallocated expenses:						
Administrative expenses			**(104,543)**			(94,541)
Distribution costs			**(31,529)**			(25,273)
Other income			**28,695**			43,130
Finance costs			**(8,176)**			(9,030)
Other charges			**(27,706)**			(35,563)
Taxation			**(127,618)**			(96,472)
Net profit for the period			**191,214**			151,841
Capital expenditure	**17,360**	**18,314**	**35,674**	20,562	27,831	48,393
Unallocated capital expenditure			**14,158**			12,222
Total capital expenditure			**49,832**			60,615
Depreciation and amortisation	**16,644**	**30,264**	**46,908**	14,317	26,936	41,253
Unallocated depreciation and amortisation			**10,404**			15,051
Total depreciation and amortisation			**57,312**			56,304

Segment assets and liabilities

	30 September 2025 (Un-audited)			30 June 2025 (Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees in '000)			(Rupees in '000)		
Segment assets	**1,655,888**	**2,768,207**	**4,424,094**	2,155,901	2,101,309	4,257,210
Unallocated assets			**2,143,679**			2,057,347
Total assets			**6,567,773**			6,314,557
Segment liabilities	**394,461**	**429,005**	**823,465**	535,232	617,199	1,152,431
Unallocated liabilities			**674,562**			283,594
Total liabilities			**1,498,027**			1,436,025

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	30 September 2025	30 September 2024
				(Rupees in '000) (Un-audited)	
Remuneration	Key management personnel	0.005%	Remuneration	**96,740**	53,972
Director Fee	Directors	0.03%	Director fee	**4,064**	3,363
Provident Fund	Retirement benefits	Nil	Contribution to fund	**6,199**	5,537

16. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 22, 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: October 22, 2025

DYNEA PAKISTAN LIMITED
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
Email : info@dynea.com.pk