

dynea

DYNEA PAKISTAN LIMITED

Condensed Interim Financial Statements
for the First Quarter ended September 30, 2022
(Un-Audited)

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Board of Directors :

Mr. Donald John Jenkin	<i>Chairman</i>
Mr. Shabbir Abbas	<i>Chief Executive Officer</i>
Mr. Lee Kin Seng	
Ms. Anam Fatima Khan	
Mr. Adnan Afridi	
Mr. Andalib Alavi	
Mr. Tariq Ahmed	

Audit Committee :

Mr. Adnan Afridi	<i>Chairman</i>
Mr. Donald John Jenkin	<i>Member</i>
Mr. Andalib Alavi	<i>Member</i>

Human Resource and**Remuneration Committee :**

Mr. Andalib Alavi	<i>Chairman</i>
Mr. Donald John Jenkin	<i>Member</i>
Ms. Anam Fatima Khan	<i>Member</i>
Mr. Shabbir Abbas	<i>Member</i>

Chief Financial Officer :

Mr. Muhammad Shakeel Uddin

Company Secretary and**Head of Internal Audit:**

Mr. Mujtaba Hassan Ghanchi

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. Dubai Islamic Bank Pakistan Limited

Auditors :

M/s. EY Ford Rhodes
 Chartered Accountants

Legal Advisors :

M/s. Zahid & Tariq Advocates

Share Registrar :

FAMCO Associates (Pvt) Ltd
 Management Consultants & Share Registrars
 8-F, Next to Hotel Faran Nursery, Block - 6,
 P.E.C.H.S, Shakra-e-Faisal, Karachi.
 Ph: (92-21) 34380101-5, 34384621-3 (Ext. 103)
 Fax: (92-21) 34380106

Registered Office :

Office No.406, Parsa Tower, Plot No.31/1/A,
 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,
 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

The Directors of your Company present this report along with the unaudited financial results for the first quarter ended September 30, 2022.

During the period ended September 30, 2022, the Company made a loss before tax of Rs. 2.27 million and an after tax loss of Rs. 1.53 million compared to the profit before tax of Rs. 254.51 million and after tax profit of Rs. 180.56 million during the corresponding period last year. The basic and diluted loss per share is Rs. 0.08 against profit per share of Rs. 9.57 for corresponding period last year.

Resin Division

The Resin Division generated sales revenue of Rs. 771.16 million compared to Rs.801.70 million achieved during the same period last year, showing a decrease of 3.81%. The Resin Division result was Rs. 55.65 million compared to Rs.109.74 million for the corresponding period of the last financial year.

Moulding Compound Division

The Moulding Compound Division generated sales revenue of Rs.1,285.45 million compared to Rs. 1,153.33 million achieved during the same period last year, showing an increase of 11.46%. The Moulding Compound Division result was Rs.88.22 million compared to Rs.223.47 million for the corresponding period of the last financial year.

Future Outlook

Market Conditions:

The fluctuation in exchange rates, high interest cost and increase in utility charges has increased our cost of doing business. Market size shrank due to economic downturn reducing people's purchasing power and floods which negatively affected delivery and consumption of our products. The Company is monitoring the situation and shall take counter measures to minimize the impact.

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 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



Shabbir Abbas
Chief Executive Officer

Karachi, October 25, 2022.



Donald Jenkin
Chairman

آپ کی کمپنی کے ڈائریکٹرز ہر سہ ماہی کے رپورٹ مع غیر آڈٹ شدہ مالی نتائج بابت جاری مالی سال کی پہلی سہ ماہی 30 ستمبر 2022 پیش کرتے ہیں۔

30 ستمبر 2022 کو ختم ہونے والی مدت کے دوران کمپنی نے نقل از ٹیکس خسارہ 2.27 ملین روپے اور بعد از ٹیکس خسارہ 1.53 ملین روپے رہا جبکہ اس کے مقابلے میں گزشتہ سال اسی مدت کے دوران نقل از ٹیکس منافع 254.51 ملین روپے اور بعد از ٹیکس منافع 180.56 ملین روپے رہا تھا۔ بنیادی اور خالص خسارہ فی شیئر 0.08 روپے رہا اس کے برعکس گزشتہ سال کی اس مدت میں بنیادی اور خالص منافع فی شیئر 9.57 روپے تھا۔

ریزن قسمت

ریزن قسمت کی کل بکری (ٹرن اوور) 771.16 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 801.70 ملین روپے رہی تھی جو کہ پچھلے سال کے مقابلے میں 3.81% کم ہے۔ ریزن قسمت کا شعبہ جاتی نتیجہ 55.65 ملین روپے رہا جبکہ گزشتہ مالی سال کے اسی دورانیہ میں یہ 109.74 ملین روپے تھا۔

مولڈنگ کپاؤنڈ قسمت

مولڈنگ کپاؤنڈ قسمت کی کل بکری (ٹرن اوور) 1,285.45 ملین روپے رہی جبکہ گزشتہ سال اسی عرصے میں اس کی مقدار 1,153.33 ملین روپے رہی تھی۔ جو کہ پچھلے سال کے مقابلے میں 11.46% زیادہ ہے۔ مولڈنگ کپاؤنڈ قسمت کا شعبہ جاتی نتیجہ 88.22 ملین روپے رہا جبکہ گزشتہ مالی سال کے اسی دورانیہ میں 223.47 ملین روپے تھا۔

مستقبل پر ایک نظر

مارکیٹ کی صورتحال:

زرمبادلہ کی شرحوں میں اتار چڑھاؤ، بلند تر سود کے اخراجات اور یوٹیلٹی چارجز میں اضافے کی وجہ سے کاروبار چلانے کے ہمارے اخراجات بھی بڑھ گئے۔ عوام الناس کی قوت خرید میں کمی اور سیلاب کی وجہ سے معاشی صورتحال خراب ہونے کے باعث مارکیٹ کا حجم بھی سکڑ گیا اور ہماری مصنوعات کی ڈیلیوری اور کھیپت پر بھی منفی اثرات مرتب ہوئے۔ کمپنی اس صورتحال کی نگرانی کر رہی ہے اور اثرات کو کم کرنے کے لئے مناسب اقدامات بروئے کار لائے جائیں گے۔

اعتراف

ہم ڈائریکٹرز اللہ تعالیٰ کی اس مشکل وقت میں اس کی تمام مہربانیوں پر تشکر ہیں اور اپنے حصص یافتگان، گاہکوں، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز کی مسلسل معاونت اور کمپنی پرانے کے اعتماد کے لئے بدیہ تشکر پیش کرتے ہیں۔ ہم اپنی منتظم ٹیم کے ارکان اور کارکنوں کی کوششوں کے معترف ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



ڈوہلا جینکن

چیئر مین



شیر عباس

چیف ایگزیکٹو آفیسر

کراچی: 25 اکتوبر 2022

**CONDENSED INTERIM STATEMENT
OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022**

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		30 September 2022 (Un-audited)	30 June 2022 (Audited)
Note		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
	5	883,041	811,247
		40,992	17,260
		197	147
		7,995	7,995
		42,758	26,542
		974,983	863,191
CURRENT ASSETS			
		39,107	26,933
	6	1,838,512	1,369,639
	7	1,396,880	1,303,639
		47,526	89,985
		6,290	19,662
		-	513
		3,785	-
		176,914	232,672
		3,509,014	3,043,043
		4,483,997	3,906,234
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
		200,000	200,000
		94,362	94,362
		2,813,215	2,814,741
		2,907,577	2,909,103
NON-CURRENT LIABILITIES			
	8	54,024	59,845
		5,010	5,008
		7,646	9,759
		66,680	74,612
CURRENT LIABILITIES			
		757,850	785,796
		21,102	6,768
	9	688,367	-
	8	27,714	55,839
		3,323	4,432
		4,480	4,403
		-	58,311
		6,904	6,970
		1,509,740	922,519
CONTINGENCIES AND COMMITMENTS			
	10	4,483,997	3,906,234
TOTAL EQUITY AND LIABILITIES			

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



SHABBIR ABBAS
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

	30 September 2022	30 September 2021
	..... (Rupees in '000)	
Turnover - net	2,056,619	1,955,023
Cost of sales	<u>(1,839,012)</u>	<u>(1,573,236)</u>
Gross profit	217,607	381,787
Distribution costs	(58,477)	(55,377)
Administrative expenses	(47,595)	(35,932)
Allowance for expected credit loss	<u>(27,417)</u>	<u>(3,524)</u>
	(133,489)	(94,833)
Other income	<u>2,388</u>	<u>6,902</u>
Operating profit	86,506	293,856
Finance costs	(23,684)	(5,451)
Other charges/ expenses	<u>(65,088)</u>	<u>(33,897)</u>
	(88,772)	(39,348)
(Loss) / profit before taxation	(2,266)	254,508
Taxation		
- current	(15,476)	(79,117)
- deferred	<u>16,216</u>	<u>5,167</u>
	740	(73,950)
(Loss) / profit for the period	(1,526)	180,558
Basic and diluted (loss) / earnings per share	<u>(0.08)</u>	<u>9.57</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



SHABBIR ABBAS
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2022
(UN-AUDITED)

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	30 September 2022	30 September 2021
 (Rupees in '000)	
(Loss) / profit for the period	(1,526)	180,558
Other comprehensive income	—	—
Total comprehensive (loss) / income for the period	<u>(1,526)</u>	<u>180,558</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



SHABBIR ABBAS
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

	30 September 2022	30 September 2021
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(2,266)	254,508
Adjustments for non-cash and other items		
Depreciation on operating fixed assets	44,203	33,445
Depreciation on right-of-use assets	1,077	1,543
Amortisation of intangible assets	3,727	-
Allowance for expected credit loss	27,417	3,524
Finance costs	23,684	5,451
Amortization of deferred income	(1,108)	(1,348)
Gain on disposals of operating fixed assets	-	(3,107)
	<u>99,000</u>	<u>39,508</u>
	96,734	294,016
(Increase) / decrease in current assets		
Stores and spares	(12,174)	1,041
Stock-in-trade	(468,873)	(37,460)
Trade debts	(120,658)	(131,573)
Loans and advances	42,459	(20,583)
Trade deposits, prepayments and other receivables	13,372	3,346
Accrued markup	513	1,009
	<u>(545,361)</u>	<u>(184,220)</u>
Decrease in current liabilities		
Trade and other payables	(27,943)	(19,443)
	<u>(476,570)</u>	<u>90,353</u>
Finance costs paid	(8,242)	(4,272)
Income taxes paid - net	(77,573)	(65,510)
Long-term loans and deposits - net	(50)	(127)
Net cash (used in) / generated from operating activities	<u>(562,435)</u>	<u>20,444</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditures	(144,533)	(162,455)
Proceeds from disposal of operating fixed assets	-	5,207
Net cash used in investing activities	<u>(144,533)</u>	<u>(157,248)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments made during the year	(35,054)	(28,125)
Lease rentals paid	(2,037)	(826)
Dividend paid	(66)	(170)
Net cash used in financing activities	<u>(37,157)</u>	<u>(29,121)</u>
Net decrease in cash and cash equivalents		
	<u>(744,125)</u>	<u>(165,925)</u>
Cash and cash equivalents at the beginning of period	232,672	499,304
Cash and cash equivalents at the end of period	<u>(511,453)</u>	<u>333,379</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	176,914	333,379
Short-term running finance	(688,367)	-
	<u>(511,453)</u>	<u>333,379</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



SHABBIR ABBAS
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2022 (UN-AUDITED)**

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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 2021	94,362	1,341,000	946,599	2,287,599	2,381,961
Transferred to general reserve	–	500,000	(500,000)	–	–
Net profit for the period	–	–	180,558	180,558	180,558
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the period	–	–	180,558	180,558	180,558
Balance as at 30 September 2021 (un-audited)	94,362	1,841,000	627,157	2,468,157	2,562,519
Balance as at 30 June 2022	94,362	1,841,000	973,741	2,814,741	2,909,103
Transferred to general reserve	–	300,000	(300,000)	–	–
Net loss for the period	–	–	(1,526)	(1,526)	(1,526)
Other comprehensive income	–	–	–	–	–
Total comprehensive loss for the period	–	–	(1,526)	(1,526)	(1,526)
Balance as at 30 September 2022 (un-audited)	94,362	2,141,000	672,215	2,813,215	2,907,577

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



SHABBIR ABBAS
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. The registered office of the Company is situated at Office No. 406, Parsa Tower, Plot No. 31/1/A, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, Pakistan.

2. BASIS OF PREPARATION

2.1 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.

2.2 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, 2022.

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

3. ACCOUNTING POLICIES

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, 2022. 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, 2022. The adoption of such amended IFRS did not have any material effect on these condensed interim financial statements.

4. 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.

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, 2022.

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

dynea

	30 September 2022 (Un-audited)	30 June 2022 (Audited)
	..... (Rupees in '000)	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	701,084	743,123
Right to use asset	12,906	13,983
Capital work-in-progress	169,051	54,141
	<u>883,041</u>	<u>811,247</u>

5.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Un-audited)		(Un-audited)	
	..... (Rupees in '000) .....		..... (Rupees in '000)	
Plant and machinery	2,060	8,892	-	-
Office Equipment	104	66	-	-
Motor vehicles	-	5,190	-	2,100
	<u>2,164</u>	<u>14,148</u>	<u>-</u>	<u>2,100</u>

	30 September 2022 (Un-audited)	30 June 2022 (Audited)
	..... (Rupees in '000)	
5.2 Movement in capital work-in-progress is as follows:		
Balance at beginning of the period/ year	54,141	22,125
Capital expenditure incurred during the period/ year	114,910	289,838
Transfers to operating fixed assets during the period/ year	-	(257,822)
Balance at end of the period	<u>169,051</u>	<u>54,141</u>
6. STOCK-IN-TRADE		
Raw material:		
In hand	1,135,871	818,883
In transit	446,706	399,940
	<u>1,582,577</u>	<u>1,218,823</u>
Packing material	19,816	15,429
Finished goods	236,119	135,387
	<u>1,838,512</u>	<u>1,369,639</u>
7. TRADE DEBTS - unsecured		
Considered good	1,396,880	1,303,639
Considered doubtful	108,862	81,445
	<u>1,505,742</u>	<u>1,385,084</u>
Allowance for expected credit loss	7.1 (108,862)	(81,445)
	<u>1,396,880</u>	<u>1,303,639</u>
7.1 Movement of allowance for expected credit loss:		
Balance at beginning of the period/ year	81,445	57,887
Charge during the period/ year	27,417	23,558
Balance at end of the period/ year	<u>108,862</u>	<u>81,445</u>

	30 September 2022 (Un-audited)	30 June 2022 (Audited)
	(Rupees in '000)	
8. LONG-TERM FINANCING - secured		
Term loan	-	28,125
Temporary Economic Refinance Facility (TERF)	81,738	87,559
	81,738	115,684
Current portion of long-term financing	(27,714)	(55,839)
	54,024	59,845

9. SHORT-TERM RUNNING FINANCE - secured

Represents portion of running finance facilities obtained from various commercial banks amounting to Rs. 950 million (June 30, 2022: Rs.910 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 are based on one month KIBOR to six months' KIBOR as bench mark rate plus 0.50% to 1.00% as spread (June 30, 2022: one month KIBOR to six months' KIBOR as bench mark rate plus 0.50% to 1.00% as spread) per annum and mark-up is payable quarterly.

10. CONTINGENCIES AND COMMITMENTS

10.1 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. 1,622.99 million (June 30, 2022: Rs. 1,588.80 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 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.

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

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	30 September 2022 (Un-audited)	30 June 2022 (Audited)
 (Rupees in '000)	
10.2 Commitments		
10.2.1 Outstanding bank guarantees	<u>23,884</u>	<u>23,884</u>
10.2.2 Outstanding letter of credits	<u>609,488</u>	<u>1,122,145</u>
10.2.3 Commitment for capital expenditure	<u>76,773</u>	<u>152,724</u>

11. 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 2022 (Un-Audited)			30 September 2021 (Un-Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	..... (Rupees in '000) .....			..... (Rupees in '000)		
Turnover - net	<u>771,166</u>	<u>1,285,453</u>	<u>2,056,619</u>	<u>801,698</u>	<u>1,153,325</u>	<u>1,955,023</u>
Segment result	<u>55,646</u>	<u>88,218</u>	<u>143,864</u>	<u>109,736</u>	<u>223,469</u>	<u>333,205</u>
Unallocated expenses:						
Administrative expenses			(47,595)			(35,932)
Distribution costs			(12,151)			(10,319)
Other income			2,388			6,902
Finance costs			(23,684)			(5,451)
Other charges			(65,088)			(33,897)
Taxation			740			(73,950)
Net profit for the period			<u>(1,526)</u>			<u>180,558</u>
Capital expenditure	<u>42,383</u>	<u>74,691</u>	<u>117,074</u>	<u>74,743</u>	<u>74,669</u>	<u>149,412</u>
Unallocated capital expenditure			<u>27,459</u>			<u>13,043</u>
Total capital expenditure			<u>144,533</u>			<u>162,455</u>
Depreciation and amortisation	<u>12,306</u>	<u>27,076</u>	<u>39,382</u>	<u>9,534</u>	<u>22,065</u>	<u>31,599</u>
Unallocated depreciation and amortisation			<u>9,625</u>			<u>3,389</u>
Total depreciation and amortisation			<u>49,007</u>			<u>34,988</u>

	30 September 2022 (Un-audited)			30 June 2022 (Audited)		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	..... (Rupees in '000) .....			..... (Rupees in '000)		
Segment assets	1,446,475	2,436,807	3,883,282	1,490,804	1,919,086	3,409,890
Unallocated assets			600,715			496,344
Total assets			<u>4,483,997</u>			<u>3,906,234</u>
Segment liabilities	387,074	406,362	793,436	365,872	419,709	785,581
Unallocated liabilities			782,984			211,551
Total liabilities			<u>1,576,420</u>			<u>997,132</u>

12. 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 2022	30 September 2021
				..... (Rupees in '000)	
				(Un-audited)	
Remuneration	Key management personnel	0.005%	Remuneration	<u>24,997</u>	<u>22,318</u>
Director Fee		0.03%	Director fee	<u>3,000</u>	<u>2,215</u>
Provident Fund	Retirement benefits	Nil	Contribution to fund	<u>3,294</u>	<u>3,045</u>

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

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13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 25, 2022 by the Board of Directors of the Company.

14. GENERAL

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



SHABBIR ABBAS
Chief Executive Officer



DONALD JENKIN
Chairman



SHAKEEL UDDIN
Chief Financial Officer

Karachi: October 25, 2022

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