ARCHROMA
LIFE ENHANCED

PLANET CONSCIOUS+

QUARTERLY REPORT 2025
(Ended June 2025)

CONTENTS

COMPANY INFORMATION

CHAIRMAN

- Mujtaba Rahim

BOARD OF DIRECTORS

• Irfan Chawala	Chief Executive Officer
• Dr. Lalarukh Ejaz	
• Patrick Verraes	(Alternate: Naveed Kamil)
• Shahid Ghaffar	
• Victor Garcia	
• Yasmin Peermohammad	

AUDIT COMMITTEE

• Shahid Ghaffar	Chairman
• Dr. Lalarukh Ejaz	
• Patrick Verraes	(Alternate: Naveed Kamil)
• Irfan Lakhani	Secretary

HUMAN RESOURCES AND REMUNERATION COMMITTEE

• Yasmin Peermohammad	Chairperson
• Mujtaba Rahim	
• Patrick Verraes	(Alternate: Naveed Kamil)
• Irfan Lakhani	Secretary

MANAGEMENT COMMITTEE

- Irfan Chawala
- Muhammad Altaf
- Naveed Kamil
- Qazi Naeemuddin

CHIEF FINANCIAL OFFICER

- Altaf Jamal Khan

COMPANY SECRETARY

- Irfan Lakhani

BANKERS

- Bank Al Falah Limited
- Faysal Bank Limited
- Dubai Islamic Bank Pakistan
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Standard Chartered Bank (Pakistan) Limited

AUDITORS

- KPMG Taseer Hadi & Co. Chartered Accountants

LEGAL ADVISOR

- Fazleghani Advocates

SHARE REGISTRAR

- FAMCO Share Registration Services (Pvt) Limited 8-F, Near to Hotel Faran, Nursery Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi

REGISTERED OFFICE

- 1-A/1, Sector 20 Korangi Industrial Area, Korangi, Karachi

FACTORIES

- Petaro Road, Jamshoro
- LX-10, LX-11 Landhi Industrial Area Karachi

SALES & MARKETING OFFICES

- Katar Bund Road, Off. Multan Road, Thokar Niaz Baig, Lahore
- P-277, Kashmir Road, Amin Town, Faisalabad.

WEBSITE

- www.archroma.com.pk

E-MAIL

- archroma.pakistan@archroma.com

DIRECTORS REVIEW

The Directors of your Company are pleased to present the financial report for the nine months ended 30 June 2025, together with the condensed interim financial information of the Company for the same period.

Composition of Board

The composition of the Board is as follows:

a) Male	5
b) Female	2

Out of the above:

a) Executive Directors:	1
b) Non-Executive Directors:	3
c) Independent Directors:	3

Business Overview

Archroma's major consumption markets i.e. (the Textiles' and Construction industry) continue to show positive development, both locally as well as for exports, during the third quarter of the Financial Year under review, despite of higher energy and commodity prices and on-going Russia-Ukraine, Middle East and other regional conflicts.

In the light of the prevailing challenging business environment, your Company continued its fullest support to it's customers in meeting their demands and cost targets. As a consequence, it managed to achieve net sales of PKR 21,508 million during the nine months ended 30 June 2025, compared to PKR 19,060 million in the same period last year. Positive contributions from various savings and efficiency improvement programs launched at the end of last year along with market driven changes to the sales product mix further supported gross margins development, which improved to PKR 5,063 million compared to 3,432 million for the same period last year.

Moreover, considerably stable foreign exchange rates and reduced bank borrowing costs further contributed to improving the bottom-line profitability of your Company to PKR 914 million as compared to loss of PKR 308 million in the same period last year.

Future Outlook

The global business and trade environment has become increasingly complex following the imposition of country-specific import tariffs by USA in April, which has severely affected trade, logistics and consequentially the raw materials' supply chain and availability for the Company. Although the balance of trade and forex reserves' situation in Pakistan has considerably improved it is expected to remain under pressure in the coming months due to evolving global trade environment and Pakistan's short-term fiscal commitments. However, we believe that the recent US tariff changes currently under review, may bring opportunites for Pakistan's Textiles and other export businesses, in the medium to long-term compared to other competing countries.

The Management of your Company is confident that the stringent measures already in place for operational adaptability, costs efficiency and net working capital management, along with a strong projects' pipeline aimed at increasing market penetration and portfolio expansion, particularly following the Huntsman Textile Effects' acquisition, shall further support new business development and initiatives during the current financial year.

Dividend

In view of the current financial performance of the Company for the period ended 30 June 2025, the Board of Directors announced interim cash dividend of 200% i.e. PKR 20 per share.

On behalf of the Board

Irfana Chawala Chief Executive Officer	Naveed Kamil Director

Karachi: 29 july 2025

ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2025 کو ختم ہونے والے 9 ماہ، کے لئے مالیاتی رپورٹ اور اسی مدت کیلئے جاری کردہ مختصر عبوری مالیاتی معلومات، پیش کرتے ہوئے خوشی محسوس کررہے ہیں۔

بورڈ کی تشکیل

بورڈ کی تشکیل درج ذیل ہے:

a-مرد	5
b-خواتین	2

مندرجہ بالا میں سے:

a-ایگزیکٹوڈائریکٹرز:	1
b-نان ایگزیکٹوڈائریکٹرز:	3
c-انڈیپنڈنٹ ڈائریکٹرز:	3

کاروباری جائزہ

آرکروما کے اہم کھپت کی منڈی یعنی ٹیکسٹائلز اور تعمیراتی صنعت نے زیر جائزہ موجودہ مالی سال کی تیسری سہ ماہی کے دوران، توانائی اور کموڈیٹی کی زیادہ قیمتوں اور روس-یوکرین و مشرق وسطیٰ میں جاری تنازعات کے باوجود، مقامی سطح پر اور برآمدات کے لحاظ سے، مثبت پیش رفت دکھائی ہے۔

موجودہ چیلنجنگ کاروباری ماحول کے باوجود، آپ کی کمپنی نے صارفین کو ان کی طلب اور لاگت کے اہداف پورے کرنے میں بھرپور تعاون جاری رکھا، جس کے نتیجے میں کمپنی نے 30 جون 2025 کو ختم ہونے والے 9 ماہ کے دوران 21,508PKR ملین کی خالص فروخت حاصل کی، جو گزشتہ سال اسی مدت میں 19,060PKR ملین تھی۔ گزشتہ سال کے آخر میں شروع کیے گئے مختلف بچت اور استعداد کار میں بہتری کے پروگراموں کے مثبت اثرات اور مارکیٹ کی ضروریات کے مطابق فروخت کی مصنوعات کی ترتیب میں تبدیلی سے مجموعی مارجن بہتر ہو کر 5,063PKR ملین ہو گیا، جبکہ گزشتہ سال اسی مدت میں یہ 3,432PKR ملین تھا۔

مزید برآں، زرمبادلہ کی شرح میں نمایاں استحکام اور بینک قرضوں پر سود کی شرحوں میں کمی نے بھی کمپنی کے خالص منافع میں بہتری کیلئے اہم کردار ادا کیا، نتیجتاً، اس عرصے میں آپ کی کمپنی نے 914PKR ملین کا منافع حاصل کیا، جبکہ گزشتہ سال اسی مدت میں 308PKR ملین کا خسارہ ریکارڈ کیا گیا تھا۔

مستقبل کی جائزہ

اپریل میں امریکہ کی جانب سے ملکوں کے لیے مخصوص درآمدی محصولات کے نفاذ کے بعد عالمی کاروباری اور تجارتی ماحول مزید پیچیدہ ہو گیا ہے، جس کے نتیجے میں تجارت، لاجسٹکس، اور بالخصوص کمپنی کے لیے خام مال کی فراہمی اور دستیابی کی صورتِ حال بری طرح متاثر ہوئی ہے۔ اگرچہ پاکستان میں تجارتی توازن اور زرمبادلہ کے ذخائر کی صورتِ حال میں خاصی بہتری آئی ہے، تاہم عالمی تجارتی ماحول میں تبدیلیوں اور پاکستان کی قلیل مدتی مالی ذمہ داریوں کے باعث آنے والے مہینوں میں یہ دباؤ برقرار رہنے کا امکان ہے، جو کاروباروں کے لیے مزید چیلنجز پیدا کر سکتا ہے۔ تاہم، ہمارا ماننا ہے کہ امریکہ کی حالیہ تجارتی محصولات میں تبدیلیاں، جو اس وقت زیرِ غور ہیں، درمیانی سے طویل مدت کے منظرنامے میں پاکستان کی ٹیکسٹائل اور دیگر برآمدی صنعتوں کے لیے، دیگر مقابل ممالک کے مقابلے میں، مواقع فراہم کر سکتی ہیں۔

آپ کی کمپنی کی انتظامیہ پرعزم ہے کہ اخراجات اور نیٹ ورکنگ کیپٹل کے مؤثر انتظام کے لیے پہلے سے موجود سخت اقدامات، اور مارکیٹ میں رسائی بڑھانے و مصنوعات کے دائرہ کار میں توسیع کیلئے جاری منصوبوں، خصوصاً ہنٹس مین ٹیکسٹائل ایفیکٹس کے حصول کے بعد، کمپنی کے نئے کاروباری مواقع کو موجودہ مالی سال میں مزید تقویت فراہم کریں گے۔

ڈیویڈنڈ

کمپنی کی مالی کارکردگی برائے تیسری سہ ماہی جو کہ 30 جون 2025 کو ختم ہوئی کو مدنظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے عبوری نقد ڈیویڈنڈ کا اعلان کیا ہے جو کہ 200% فیصد یعنی فی شیئر 20 روپے ہے۔

بورڈ کی جانب سے

عرفان چاہ والا چیف ایگزیکٹو آفیسر	نوید کامل ڈائریکٹر

کراچی: 29 جولائی 2025

CONDENSED INTERIM
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2025

	Note	30 June 2025 Unaudited	30 September 2024 Audited
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,378,171	2,338,149
Long-term deposits and prepayment		13,205	13,205
Employee benefits	11	16,048	-
Deferred taxation - net		210,539	294,706
		2,617,963	2,646,060
Current assets			
Stores and spares		93,158	78,093
Stock-in-trade	6	4,665,560	4,709,255
Trade receivables	7	6,610,141	4,977,952
Sales tax		1,235,055	1,368,937
Advances		15,206	13,076
Trade deposits and short-term prepayments		117,400	83,979
Other receivables		96,663	139,165
Taxation - net		402,711	127,184
Investment at fair value through profit or loss	8	776,009	-
Cash and bank balances	9	413,840	159,529
		14,425,743	11,657,170
TOTAL ASSETS		17,043,706	14,303,230
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital 63,000,000 (30 September 2024: 63,000,000) ordinary shares of PKR 10 each		630,000	630,000
Issued, subscribed and paid-up share capital	10	345,634	345,634
Capital reserve - amalgamation reserve		93,545	93,545
Revenue Reserves			
General reserve		2,747,000	2,747,000
Unappropriated profit		1,505,300	591,389
		4,252,300	3,338,389
		4,691,479	3,777,568
LIABILITIES			
Non-current liabilities			
Employee benefits	11	15,064	200,271
Lease liabilities	13	123,782	118,509
Liabilities against diminishing musharika financing	14	221,418	141,834
		360,264	460,614
Current liabilities			
Trade and other payables		9,046,718	5,787,855
Short-term borrowings - secured	12	2,708,054	3,938,588
Current portion of lease liabilities	13	23,982	24,130
Current portion of liabilities against diminishing musharika financing	14	82,420	59,585
Unclaimed dividend		88,998	90,313
Mark-up accrued		41,791	164,577
		11,991,963	10,065,048
TOTAL LIABILITIES		12,352,227	10,525,662
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		17,043,706	14,303,230

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Irfan Chawla	Naveed Kamil	Altaf Jamal Khan
Chief Executive Officer	**Director**	**Chief Financial Officer**

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the nine months period ended 30 June 2025

	Note	Nine months period ended		Quarter ended	
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
		(Rupees in '000)		(Rupees in '000)	
Sales	17	**25,145,931**	21,862,513	**7,996,954**	5,351,603
Trade discounts and rebates	17	**(701,352)**	(681,942)	**(194,204)**	(114,120)
Sales tax	17	**(2,936,420)**	(2,120,237)	**(932,903)**	(458,731)
		(3,637,772)	(2,802,179)	**(1,127,107)**	(572,851)
Sales - net	17	**21,508,159**	19,060,334	**6,869,847**	4,778,752
Cost of sales		**(16,445,104)**	(15,627,798)	**(5,174,569)**	(4,024,877)
Gross profit		**5,063,055**	3,432,536	**1,695,278**	753,875
Distribution and marketing expenses		**(2,644,611)**	(2,276,137)	**(853,569)**	(651,202)
Administrative expenses		**(754,104)**	(694,162)	**(249,683)**	(233,339)
Impairment loss on trade receivables		**(5,239)**	(16,843)	**(235)**	(8,701)
Other expenses		**(110,040)**	(16,685)	**(35,420)**	(7,320)
		(3,513,994)	(3,003,827)	**(1,138,907)**	(900,562)
		1,549,061	428,709	**556,371**	(146,687)
Other income		**202,773**	114,446	**77,110**	44,672
		1,751,834	543,155	**633,481**	(102,015)
Finance costs		**(415,690)**	(917,709)	**(177,615)**	(325,551)
Profit before minimum, final and income taxes		**1,336,144**	(374,554)	**455,866**	(427,566)
Minimum and final taxes charge		**(261,045)**	(218,360)	**(214,503)**	(51,020)
Profit / (loss) before income tax		**1,075,099**	(592,914)	**241,363**	(478,586)
Income tax		**(161,188)**	285,021	**38,349**	295,864
Profit / (loss) after income tax		**913,911**	(307,893)	**279,712**	(182,722)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income / (loss) for the period		**913,911**	(307,893)	**279,712**	(182,722)
		---------------------- (Rupees) ----------------------			
Earnings /(loss) per share	18	**26.44**	(8.91)	**8.09**	(5.29)

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Irfan Chawla	Naveed Kamil	Altaf Jamal Khan
Chief Executive Officer	**Director**	**Chief Financial Officer**

CONDENSED INTERIM
STATEMENT OF CASH FLOWS (UNAUDITED)
For the nine months period ended 30 June 2025

	Note	30 June 2025	30 June 2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before minimum, final and income taxes		1,336,144	(374,554)
Adjustments for non-cash charges and other items:			
Depreciation		248,410	229,175
Impairment reversal on trade receivables		5,239	16,843
Gain on disposal of operating property, plant and equipment		(9,403)	-
Unrealized gain on investment		(26,009)	-
Provision for staff gratuity & other long term benefit		38,970	27,998
Interest / mark-up expense		248,028	888,678
Working capital changes	19	1,786,172	(173,978)
Cash generated from operations		3,627,551	614,162
Staff gratuity and other long term employee benefits paid		(240,037)	(3,492)
Mark-up paid		(370,814)	(741,164)
Minimum, final and income taxes paid		(613,593)	(422,026)
Net cash generated (used in) / from operating activities		2,403,107	(552,520)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(143,519)	(487,199)
Proceeds from disposal of property, plant and equipment		28,853	2,734
Purchase of investments	8	(776,099)	-
Net cash used in investing activities		(890,765)	(484,465)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments against lease liabilities		5,125	(22,575)
Payments against diminishing musharika financing - net		(31,308)	(45,837)
Short-term borrowings - proceeds		200,000	1,600,000
Short-term borrowings - repayments		(1,000,000)	(821,000)
Dividend paid		(1,315)	(512,026)
Net cash used in financing activities		(827,498)	198,562
Net increase / (decrease) in cash and cash equivalents		684,844	(838,423)
Cash and cash equivalents transferred due to arrangement / merger		-	138,030
Cash and cash equivalents at beginning of the year		(384,619)	(1,620,359)
Cash and cash equivalents at end of the period	20	300,225	(2,320,752)

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Irfan Chawla	Naveed Kamil	Altaf Jamal Khan
Chief Executive Officer	**Director**	**Chief Financial Officer**

CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months period ended 30 June 2025

	Issued, sub-scribed and paid-up capital	Capital Reserve Amalgamation reserve	Revenue Reserve General Reserve	Revenue Reserve Unappropriated profit	Total
	(Rupees in '000)				
Balance as at 30 September 2023 (Audited)	341,179	-	2,747,000	1,245,951	4,334,130
Transactions with owners in the capacity as owners directly recorded in equity - distribution					
Effects of scheme of arrangement / merger - (note 1.2)	4,455	93,545	-	48,701	146,701
Total comprehensive income for the period ended 30 June 2024					
Loss for the period ended 30 June 2024	-	-	-	(307,893)	(307,893)
Balance as at 30 June 2024 (Unaudited)	345,634	93,545	2,747,000	986,759	4,172,938
Balance as at 30 September 2024 (Audited)	345,634	93,545	2,747,000	591,389	3,777,568
Total comprehensive income for the period ended 30 June 2025					
Profit for the period ended 30 June 2025	-	-	-	913,911	913,911
Balance as at 30 June 2025 (Unaudited)	**345,634**	**93,545**	**2,747,000**	**1,505,300**	**4,691,479**

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Irfan Chawla
Chief Executive Officer

Naveed Kamil
Director

Altaf Jamal Khan
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

1. THE COMPANY AND ITS OPERATIONS

Archroma Pakistan Limited ("the Company") is a limited liability Company, incorporated and domiciled i n Pakistan. The address of its registered office is 1-A/1, Sector 20, Korangi Industrial Area, Korangi, Karachi, Pakistan. The Company is listed on the Pakistan Stock Exchange. The Company is a subsidiary of Archroma Textiles GmbH, registered and head quartered in Pratteln, Switzerland which holds 75% of the share capital of the Company.

The Company is primarily engaged in the manufacture and sale of chemicals, dyestuffs and coating, adhesive and sealants. It also acts as an indenting agent.

The manufacturing facilities and sales offices of the Company are situated at the following locations:

Manufacturing Facilities

- Petaro Road, Jamshoro
- LX-10 & LX-11 Landhi Industrial Area Karachi

Sales offices

- Katar Bund Road, Off. Multan Road, Thokar Niaz Baig, Lahore
- P-277, Kashmir Road, Amin Town, Faisalabad

1.2 As disclosed in detail in notes 1.1 and 1.2 to the financial statements for the year ended 30 September 2024, the Company acquired Huntsman Textile Effects business effective from 1 October 2023. The details of the acquistion are included in the financial statements for the year ended 30 September 2024.

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;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required for a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Company for the year ended 30 September 2024.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the external auditors in accordance with the requirements of the Code of Corporate Governance.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of the published annual audited financial statements of the Company for the year ended 30 September 2024.

3.2 A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. The Company has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

4. USE OF ESTIMATES AND JUDGEMENTS

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 September 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statement for the year ended 30 September 2024.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	30 June 2025 (Un-audited)	30 September 2024 (Audited)
		(Rupees in '000)	
Operating property, plant and equipment	5.1	2,254,682	2,184,021
Capital work-in-progress	5.3	123,489	154,128
		2,378,171	2,338,149

5.1 The following operating property, plant and equipment have been added during the nine months period ended 30 June 2025:

	Building on leasehold land		Plant and machinery	Furniture, fixtures and equipment		Vehicles		Total June 2025	Total June 2024
	Owned	ROUA	Owned	Owned	ROUA	Owned	ROUA		
	(Rupees in '000)								
Additions for the half year	5,990	3,693	62,218	84,713	10,480	3,468	89,821	260,383	54,288
Additions for the Q3.2025	-	-	14,123	26,945	1,050	3,646	32,376	78,140	69,377
Total	5,990	3,693	76,341	111,658	11,530	7,114	122,197	338,523	123,665

5.1.1 Operating property, plant and equipment include right-of-use asset on buildings of Rs.3.693 million (2024: Rs. Nil) recognized during the period.

5.1.2 Additions to furniture, fixtures and equipments include direct additions of Rs. 42.626 (2024: Rs. 16.916) million and transfers from capital work in progress of Rs. 80.562 (2024: Rs. 25.594) million respectively.

5.2 Property, plant and equipment disposed off during the nine months period ended 30 June 2025 are as follows:

	Plant and machinery	Furniture, fixtures and equipment	Vehicles		Total June 2025	Total June 2024
	Owned	Owned	Owned	ROUA		
	(Rupees in '000)					
Cost	75,998	69,284	1,511	60,604	207,397	14,646
Accumulated depreciation	(75,998)	(67,347)	(1,511)	(43,090)	(187,947)	(11,912)
Net book value	-	1,937	-	17,514	19,450	2,734

5.3 Additions to capital work in progress during the nine months period ended 30 June 2025 amounted to Rs. 143.519 million (2024: Rs. 106.313 million) and transfers to operating fixed assets amounted to Rs. 173.700 million (2024: 37.371 million).

6 STOCK-IN-TRADE

	30 June 2025 (Un-audited)	30 September 2024 (Audited)
	(Rupees in '000)	
Raw and packing materials including goods in transit of Rs. 832.841 million (30 September 2024: Rs. 339.751 million)	2,974,338	2,936,321
Work-in-process - Net	519,915	567,523
Finished goods including goods in transit of Rs. 11.073 million (30 September 2024: Rs. 11.024 million)	1,171,307	1,205,411
	4,665,560	4,709,255

7 TRADE RECEIVABLES

Considered good	6,610,141	4,977,952
Considered doubtful	537,398	532,159
	7,147,539	5,510,111
Provision for impairment loss on trade receivables	(537,398)	(532,159)
	6,610,141	4,977,952

8 Investments at fair value through profit or loss (held for trading)

Name of investee fund	As at 1 Oct 2024	Purchases	As at 30 June 2025	Carrying value	Market value	Unrealised gain on revaluation
	Number of units			(Rupees in '000)		
Bank Al Habib Islamic Savings Fund	-	7,742,428	7,742,428	750,000	776,009	26,009

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

8.1 These are short-term in nature and invested against cash available at period end.

9 CASH AND BANK BALANCES

	30 June 2025 (Un-audited)	30 September 2024 (Audited)
	------------(Rupees in '000)------------	
With banks on:		
Foreign		
- in current accounts	48,128	52,617
Local		
- In current accounts	124,703	1,059
- In saving accounts	240,046	105,627
	412,877	159,303
Cash in hand	963	226
	413,840	159,529

10 SHARE CAPITAL

10.1 Authorised Capital

30 June 2025	30 September 2024			
Number of Shares				
50,000,000	50,000,000	Ordinary shares of Rs 10 each before arrangement / merger	500,000	500,000
13,000,000	13,000,000	Ordinary shares of Rs 10 each acquired under the approved scheme of arrangement / merger	130,000	130,000
63,000,000	63,000,000		630,000	630,000

10.2 Issued, Subscribed and paid-up share capital

30 June 2025	30 September 2024			
Number of Shares				
7,441,639	7,441,639	Ordinary shares of Rs 10 each issued for consideration other than cash before arrangement / merger	74,416	74,416
26,676,242	26,676,242	Ordinary shares of Rs 10 each issued for consideration other than cash before arrangement / merger	266,763	266,763
445,460	445,460	Ordinary shares of Rs 10 each issued to shareholders of Archroma Chemicals Pakistan (Pvt) Ltd. (formerly: Huntsman Textile Effects Pakistan (Pvt) Ltd., under the approved scheme of arrangement / merger	4,455	4,455
34,563,341	34,563,341		345,634	345,634

10.3 Archroma Textiles GmbH, held 26,033,993 (2024: 26,033,993) ordinary shares of Rs.10 each at 30 June 2025.

10.4 All the ordinary shared carry one vote per share and right to dividend.

11 EMPOLYEE BENEFITS

	30 June 2025 (Un-audited)	30 September 2024 (Audited)
	------------(Rupees in '000)------------	
	16,048	
Employee benefits-asset	16,048	-
Net defined benefit - liability		
Employee benefits	-	185,113
Other long term employee benefits - long service award	15,064	15,158
	15,064	200,271

12 SHORT-TERM BORROWINGS - secured

12.1 Short term Islamic and conventional finance facilities are available under Islamic financing from various banks under profit arrangements, amounting to Rs.12,000 million (Islamic Rs. 9,750 million & Conventional Rs. 2,250 million) (30 September 2024: Rs. 10,500 million). These facilities have various maturity dates up to 31 October 2025. These arrangements are secured against a pari passu charge of hypothecation on stock-in-trade and trade receivables with minimum 16.7% margin. These facilities other than Islamic Export Refinance facility, carry profit ranging from 1 month KIBOR + 0.10% to 3 months KIBOR + 0.35% per annum calculated on a daily product basis and payable quarterly. The aggregate amount of these facilities which have not been availed as at the reporting date amounts to Rs. 10,398 million (30 September 2024: Rs. 6,562 million).

12.2 The Company has availed Islamic Export Refinance Facility - Part II amounting to Rs. 2,594 million (30 September 2024: Rs. 2,894 million) under the Export Financing Scheme of the State Bank of Pakistan (SBP). These arrangement are secured against a pari passu charge of hypothecation on stock in trade and trade receivables. The profit rates on theses facilities range from 7.2% to 8.0% per annum (September 2024: 14.5% to 19.0% per annum).

13 LEASE LIABILITIES

13.1 Lease liabilities included in the statement of financial position

	30 June 2025 (Un-audited)	30 September 2024 (Audited)
	------------(Rupees in '000)------------	
Current	23,982	24,130
Non-Current	123,782	118,509
	147,764	142,639

13.2 Maturity Analysis

Payable within one year	23,982	24,130
Payable after one year but not later than 5 years	59,163	62,337
Payable after 5 years	64,619	56,172
	147,764	142,639

13.3 This includes present value of lease liabilities discounted at the incremental borrowing rate of 3 months KIBOR + 0.21% of the Company against lease agreement of head office and area office premises, respectively.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

14 LIABILITIES AGAINST DIMINISHING MUSHARIKA FINANCE

	Due within one year		Due after one year but within 5 years		Total	
	30 June 2025	30 September 2024	**30 June 2025**	30 September 2024	**30 June 2025**	30 September 2024
	(Rupees in '000)					
Liabilities against diminishing musharika financing	**82,420**	59,585	**221,418**	141,834	**303,838**	201,419

14.1 During the period, the Company has obtained various vehicles under diminishing musharika financing arrangement entered into with a Modaraba having various maturity dates upto 20 March 2030 with monthly principal repayments. The financing is secured against the respective vehicles. The rate of profit on the borrowing ranges from 3 months KIBOR + 0.50% per annum to 3 months KIBOR + 0.9%.

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 Contingencies are the same as those disclosed in annual audited financial statements for the year ended 30 September 2024 except for tax contingencies provided below.

15.2 Commitments

15.2.1 Banks have provided guarantees to various parties on behalf of the Company. Guarantees outstanding as at 30 June 2025 amount to Rs. 1,027 million (30 September 2024 : Rs. 821.969 million).This includes guarantee amounting to Rs.722 million (30 September 2024: Rs.555 million) provided to Excise and Taxation department in respect of infrastructure cess.

15.2.2 The Company has provided post dated cheques amounting to Rs. 6,371.38 million (30 September 2024: Rs. 6,405.892 million) in favour of the collector of customs and which are, in the normal course of business, to be returned to the Company after fulfilment of certain conditions.

15.2.3 Commitments for capital expenditure as at 30 June 2025 aggregated to Rs. 74.937 million (30 September 2024: Rs. 64.124 million).

15.2.4 Commitments under letters of credit for stock-in-trade and stores and spares as at 30 June 2025 amounted to Rs. 510 million (30 September 2024: Rs. 1,335.611 million).

15.3 Tax Contingencies

Tax contingencies are the same as those disclosed in the audited annual financial statements 30 September 2024 except for the following:

Description of tax proceedings

Name of the court, agency or authority	Description of the factual basis of the proceedings and relief sought	Principal parties	Date instituted
Appellate Tribunal Inland Revenue (ATIR)	The Income tax return for tax year 2021 was selected for audit under section 122(5A) of the Income Tax Ordinance, 2001. The audit proceedings have been completed and ACIR passed an order demanding PKR 192 Million, wherein certain additions and disallowances were made. The management will file an appeal against the aforementioned order before ATIR. The management along with its tax advisor are confident that the outcome of the case will be in their favour, therefore, no provision has been recognised in the financial statements.	The Assistant Commissioner Inland Revenue (ACIR) and the Company	20-Dec-24

16. FAIR VALUE OF FINANCIAL INSTRUMENTS/ FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to a variety of financial risk namely credit risk, foreign exchange risk, interest rate risk, price risk and liquidity risk. The Company has established adequate procedures to manage these risks.

These condensed interim financial statements does not include the financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with Company's annual audited financial statements for the year ended 30 September 2024. There have been no changes in the risk management policies since the year end.

Fair Value Hierarchy

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

16.1 Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

		30 June 2025 (Unaudited)							
		Carrying amount					Fair value		
	Note	Financial assets 'at fair value through other comprehensive income'	Financial assets 'at fair value through profit or loss'	Financial assets 'at amortised cost'	Financial liabilities measured 'at amortised cost'	Total	Level 1	Level 2	Level 3
		Rupees in '000							
Financial assets - measured at fair value									
Investment at fair value through profit or loss		-	776,009	-	-	776,009	776,009		
Financial assets - not measured at fair value									
Deposits	16.1.1	-	-	53,278	-	53,278			
Trade receivables	16.1.1	-	-	6,610,141	-	6,610,141			
Other receivables	16.1.1	-	-	96,663	-	96,663			
Cash and bank balances	16.1.1	-	-	413,840	-	413,840			
		-	776,009	7,173,922	-	7,949,931			
Financial liabilities - not measured at fair value									
Lease Liabilities		-	-	-	147,764	147,764			
Liabilities against diminishing musharika financing	16.1.1	-	-	-	303,838	303,838			
Trade and other payables	16.1.1	-	-	-	8,955,404	8,955,404			
Short-term borrowings	16.1.1	-	-	-	2,708,054	2,708,054			
Mark-up accrued	16.1.1	-	-	-	41,791	41,791			
Unclaimed dividend	16.1.1	-	-	-	88,998	88,998			
		-	-	-	12,245,849	12,245,849			

		30 September 2024 (Audited)							
		Carrying amount					Fair value		
	Note	Financial assets 'at fair value through other comprehensive income'	Financial assets 'at fair value through profit or loss'	Financial assets 'at amortised cost'	Financial liabilities measured 'at amortised cost'	Total	Level 1	Level 2	Level 3
		Rupees in '000							
Financial assets - not measured at fair value									
Deposits	16.1.1	-	-	32,749	-	32,749			
Trade receivables	16.1.1	-	-	4,977,952	-	4,977,952			
Other receivables	16.1.1	-	-	139,165	-	139,165			
Cash and bank balances	16.1.1	-	-	159,529	-	159,529			
		-	-	5,309,395	-	5,309,395			
Financial liabilities - not measured at fair value									
Lease Liabilities		-	-	-	142,639	142,639			
Liabilities against diminishing musharika financing	16.1.1	-	-	-	201,419	201,419			
Trade and other payables	16.1.1	-	-	-	5,622,476	5,622,476			
Short-term borrowings	16.1.1	-	-	-	3,938,588	3,938,588			
Mark-up accrued	16.1.1	-	-	-	164,577	164,577			
Unclaimed dividend					90,313	90,313			
		-	-	-	10,160,012	10,160,012			

16.1.1 In the opinion of management, fair value of the financial assets and liabilities not measured at fair value are not significantly different from their carrying values since these assets and liabilities are short term in nature or are preiodically repriced.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

17 SEGMENT INFORMATION

17.1 Segment information for the nine months period ended 30 June 2025:

	Textile Effect (TE)		Packaging Technologies (PT)		Total	
	30 June 2025	30 June 2024	**30 June 2025**	30 June 2024	**30 June 2025**	30 June 2024
	---------- (Rupees in '000) ----------					
Sales						
Domestic	**17,014,823**	14,539,782	**2,763,324**	3,459,373	**19,778,147**	17,999,155
Export	**5,367,784**	3,863,358	**-**	-	**5,367,784**	3,863,358
Total sales	**22,382,607**	18,403,140	**2,763,324**	3,459,373	**25,145,931**	21,862,513
Discount and commission	**(683,452)**	(663,861)	**(17,900)**	(18,081)	**(701,352)**	(681,942)
Sales tax	**(2,508,295)**	(1,596,424)	**(428,125)**	(523,813)	**(2,936,420)**	(2,120,237)
	(3,191,747)	(2,260,285)	**(446,025)**	(541,894)	**(3,637,772)**	(2,802,179)
Net sales (from external customers)	**19,190,860**	16,142,855	**2,317,299**	2,917,479	**21,508,159**	19,060,334
Segment results based on 'management approach'	**1,617623**	315,452	**224,045**	234,901	**184,1,668**	550,353
Other expenses - WPPF and WWF					**(103,000)**	(10,000)
Assets charged to profit and loss for internal reporting purposes based on group guidelines					**13,166**	2,802
					1,751,834	543,155
Finance costs					**415,690**	917,709
Profit before minimum, final and income taxes					**1,336,144**	(374,554)
Capital Expenditure including CWIP	**135,448**	485,290	**2,081**	851	**137,529**	486,141
Unallocated					**5,990**	1,058
					143,519	487,199
Depreciation	**234,090**	206,668	**6,368**	3,779	**240,458**	210,447
Unallocated					**7,952**	18,728
					248,410	229,175

	Textile Effect (TE)		Packaging Technologies (PT)		Total	
	Unaudited 30-Jun-25	Audited 30-Sep-24	**Unaudited 30-Jun-25**	Audited 30-Sep-24	**Unaudited 30-Jun-25**	Audited 30-Sep-24
	---------- (Rupees in '000) ----------					
Segment Assets	**11,707,368**	10,539,599	**1,683,624**	1,260,801	**13,390,992**	11,800,400
Unallocated					**3,652,714**	2,502,830
Total Assets					**17,043,706**	14,303,230
Segment Liabilities	**7,167,719**	5,233,082	**218,733**	716,991	**7,386,452**	5,950,073
Unallocated					**4,965,775**	4,575,589
Total Liabilities					**12,352,227**	10,525,662

17.2 Segments information for the quarter ended 30 June 2025:

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

	Textile Effect (TE)		Packaging Technologies (PT)		Total	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Rupees in '000)					
Sales						
Domestic	5,413,056	3,465,812	850,985	899,634	6,264,041	4,365,446
Export	1,732,913	986,157	-	-	1,732,913	986,157
Total sales	7,145,969	4,451,969	850,985	899,634	7,996,954	5,351,603
Discount & commission	(189,104)	(108,090)	(5,100)	(6,030)	(194,204)	(114,120)
Sales tax	(801,033)	(318,779)	(131,870)	(139,952)	(932,903)	(458,731)
	(990,137)	(426,869)	(136,970)	(145,982)	(1,127,107)	(572,851)
Net sales (from external customers)	6,155,832	4,025,100	714,015	753,652	6,869,847	4,778,752
Segment results based on 'management approach'	592532	(133,930)	66,574	37,793	659,106	(96,137)
Other expenses - WPPF / WWF					(33,000)	(5,000)
Assets charged to profit and loss for internal reporting purposes based on group guidelines					7,375	(878)
					633,481	(102,015)
Finance costs					177,615	325,551
Profit before minimum, final and income taxes					455,866	(427,566)
Fixed Capital Expenditure	12,561	392,439	454	-	13,015	392,439
Unallocated					3,186	178
					16,201	392,617
Depreciation	73,198	69,322	2,146	1,044	75,344	70,366
Unallocated					2,719	6,309
					78,063	76,675

18 EARNINGS PER SHARE

	For the nine months ended 30 June		Quarter ended 30 June	
	2025	2024	2025	2024
	(Rupees in '000)			
18.1 Basic				
Profit after taxation attributable to ordinary shareholders	913,911	(307,893)	279,712	(182,722)
	(Number of shares)			
Weighted average number of ordinary shares outstanding during the period	34,563,341	34,563,341	34,563,341	34,563,341
	(Rupees)			
Earnings per share	26.44	(8.91)	8.09	(5.29)

18.2 Diluted

There were no convertible dilutive potential ordinary shares in issue as at 30 June 2025 and 30 June 2024.

19 Working capital changes

	nine months period Ended	
	30-Jun 2025	30-Jun 2024
	(Rupees in '000)	
(Increase) / decrease in current assets		
Stores and spares	(15,065)	(14,706)
Stock-in-trade	43,695	652,572
Trade receivables	(1,642,154)	2,592,794
Loans and advances	(2,130)	652
Trade deposits and short-term prepayments	(33,421)	25,890
Other receivables	42,502	65,251
Sales Tax	133,882	-
	(1,472,691)	3,322,453
Increase / (decrease) in current liabilities		
Trade and other payables	3,258,863	(3,496,431)
	1,786,172	(173,978)

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim statement of cash flows comprise of the following:

Cash and bank balances	413,840	104,167
Short-term running finance	(113,615)	(2,424,919)
	300,225	(2,320,752)

21 TRANSACTIONS WITH RELATED PARTIES

The related parties comprises of group companies, directors and their close family members, key management personnel and staff retirement funds. The Company enters into transactions with related parties for the sale of its products, purchase of goods, indenting business and rendering of certain services. Consideration for purchases and sales of goods and for services is determined with mutual agreement considering the nature and level of such goods and services.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers all members of their management team, including the CEO and Directors to be key management personnel. There are no transactions with key management personnel other than those under their terms of employment.

Details of transactions with related parties are as follows:

Name of related party	Nature of Relationship	Nature of transactions	Unaudited 30-June 2025	2024
			------- (Rupees in '000) -------	
Archroma Management Gmbh, Switzerland	Associated company	Purchases & Services	**365,810**	515,019
		Royalty expenses	**1,056,520**	887,598
		Indenting commission	**32,011**	36,504
Archroma Turkey Limited	Associated company	Purchases	**16,082**	-
	Associated company	Sales	**3,190,335**	1,029,335
Archroma Singapore,Pte Ltd	Associated company	Purchases	**378,497**	743,678
		Sales	**18,218**	42,164
		Indenting commission	**132,601**	109,050
Archroma Textile Mexico S.De	Associated company	Purchases	**-**	132,398
		Sales	**-**	2,151
Archroma Thailand	Associated company	Purchases	**320**	586
		Sales	**332,063**	255,382
		Indenting commission	**1,310**	1,893
PT Archroma Indonesia	Associated company	Purchases	**20,112**	37,162
		Sales	**17,408**	12,724
		Indenting commission	**465**	788
Spice Industrial Quimica	Associated company	Purchases	**-**	1,401
PT Archroma Specialties Indonesia	Associated company	Sales	**1,881**	-

Name of related party	Nature of Relationship	Nature of transactions	Unaudited 30-Jun 2025	Unaudited 30-Jun 2024
			------- (Rupees in '000) -------	
Archroma Textile Effects	Associated company	Sales	2,275	-
Archroma Chemical China	Associated company	Sales	91,130	50,563
Archroma US Inc.	Associated company	Purchases	2,606	1,902
Archroma Egypt for Chemical SAE	Associated company	Purchases	1,121	-
Archroma Peru S.A.	Associated company	Sales	-	20,412
Archroma Iberica, S.L.	Associated company	Sales	145,580	88,751
Archroma Japan KK	Associated company	Sales	56,829	56,104
Swiss Business Council	Common directorship	Subscription	110	130
Jubilee life Insurance Company	Common directorship	Insurance	67,582	56,956
Key management personnel	Related parties	Salaries, benefits and compensations	238,074	194,232
		Post employment benefits	26,027	21,882
Key management personnel	Related parties	Proceeds from disposal of Property, plant and equipment	4,975	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months period ended 30 June 2025

Name of related party	Nature of Relationship	Nature of transactions	30-Jun-25 2025 (Un-audited)	30 September 2024 (Audited)
			------- (Rupees in '000) -------	
Archroma Management Gmbh, Switzerland	Associated company	Receivable	20,603	13,867
		Payable	360,620	483,953
Archroma Turkey Chemical Industry & Traded LLC	Associated company	Receivable	905,285	159,540
		Payable	15,367	5,202
Archroma Singapore,Pte Ltd	Associated company	Receivable	16,668	67,662
		Payable	199,556	113,170
Archroma Textile Mexico S.De	Associated company	Payable	100,486	98,420
Archroma Thailand Co.Ltd	Associated company	Receivable	169,289	108,525
		Payable	-	5,869
Archroma Egypt for Chemicals SAE	Associated company	Receivable	1,121	-
PT Archroma Indonesia	Associated company	Receivable	10,453	-
		Payable	9,956	-
PT Archroma Specialties Indonesia	Associated company	Receivable	1,771	10,203
		Payable	-	16,665
Archroma Chemical China Limited	Associated company	Receivable	19,379	11,876
Archroma Japan KK	Associated company	Receivable	19,073	18,855
Archroma U.S.Inc	Associated company	Payable	-	847

22 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on 29 July 2025 by the Board of Directors of the Company.

23 GENERAL

Figures have been rounded off to the nearest thousand rupees.

Irfan Chawla
Chief Executive Officer

Naveed Kamil
Director

Altaf Jamal Khan
Chief Financial Officer

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TO A SUSTAINABLE WORLD

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