



ISO 9001-2000, 14001, 17025
& OHSAS 18001 CERTIFIED

FIRST QUARTERLY ACCOUNTS
(Un-audited)

WAH NOBEL CHEMICALS LIMITED

REPORT AND UNAUDITED
ACCOUNTS FOR THE FIRST QUARTER
ENDED SEPTEMBER 30, 2005



CORPORATE INFORMATION

BOARD OF DIRECTORS

Maj. Gen. Muhammad Javed, HI (M)	:	Chairman
Mr. Rolf Ekberg	:	Vice Chairman
Mr. Syed Kaukab Mohyuddin	:	Chief Executive
Mr. Feroze Khan Malik	:	Director
Mr. Shabbir Ahmad	:	Director
Mr. Shahid Ahmed	:	Director
Mr. Muhammad Nawaz Tishna	:	Director (N.I.T. Nominee)

AUDIT COMMITTEE

Mr. Shahid Ahmed	:	Chairman
Mr. Feroze Khan Malik	:	Member
Mr. S.K. Mohyuddin	:	Member

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Mr. Amanullah Khan, FCA

AUDITORS	:	Ford Rhodes Sidat Hyder & Co., Chartered Accountants
LEGAL ADVISORS	:	The Law Firm of Basit Musheer
BANKERS	:	Muslim Commercial Bank Limited Askari Commercial Bank Limited
REGISTERED OFFICE	:	G.T. Road, Wah Cantt.
PHONES	:	(051) 5568760, 4545243-6 (4 Lines) (051) 9314101-21 (21 Lines) Ext. 22236
CABLE	:	DYNAMITE WAH CANTT.
FAX	:	(051) 4545241 (051) 4535862
E.MAIL	:	wahnobel@comsats.net.pk wahnobel@micro.net.pk
WEBSITE	:	www.wahnobel.com
FACTORY	:	Wah Cantt.

WAH NOBEL CHEMICALS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors are pleased to present their report and the unaudited accounts of your Company for the 1st quarter ended 30th September, 2005.

The Company has been able to achieve net sales revenue of Rs.150.817 million during the period under review vis-à-vis Rs.108.728 million (an increase of Rs.42.089 million i.e. 39%). The management of the Company made tenacious efforts to maintain the profitability level through increase in sales volume as the market conditions did not allow increase in selling prices of the products to absorb the full impact of increased cost of inputs.

The Company has earned a pre-tax profit of Rs.11.549 million during the 1st quarter of the year 2005-06 against pre-tax profit of Rs.9.995 million earned in the corresponding period of the previous year.

The management of the Company looks forward to the future with confidence and envisages sustained performance in the next quarters.

The Directors wish to express their appreciation of the team of dedicated officers and staff/workers who continue to make concerted efforts for the growth of the Company.

On behalf of the Board

(SYED KAUKAB MOHYUDDIN)
CHIEF EXECUTIVE

WAH CANTT.

DATED: 28.11.2005.

WAH NOBEL CHEMICALS LIMITED
UN-AUDITED BALANCE SHEET AS AT 30TH SEPTEMBER 2005

Rupees in Million

3 Months ended 30th Sept, 2005	30th June, 2005
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CAPITAL AND LIABILITIES

Share capital and reserves

Authorised capital:

20,000,000 Ordinary shares of Rs.10/- each

200.000

200.000

Issued, subscribed and paid up capital

75.000

75.000

Capital reserve

0.944

0.944

General reserve

100.000

100.000

Unappropriated profit

32.360

24.853

208.304

200.797

Long term loan - secured

37.500

37.500

Deferred liabilities

19.896

19.896

Current liabilities and provisions:

Short term borrowings - secured

81.222

83.940

Current maturity of long term loan

18.750

18.750

Creditors, provisions, accrued charges and other payables

44.420

42.214

144.392

144.904

410.092

403.097

PROPERTY AND ASSETS

Fixed capital expenditure - at cost less depreciation

126.312

128.062

Long term investment

25.000

25.000

Current assets:

Stores, spares and loose tools

17.206

19.959

Stock in trade

46.699

49.237

Trade debtors - unsecured

155.789

137.814

Advances, deposits, prepayments and other receivables

13.554

11.396

Advance tax - net of payments

14.648

18.211

Cash and bank balances

10.884

13.418

258.780

250.035

410.092

403.097

SHAHID AHMED
DIRECTOR

SYED KAUKAB MOHYUDDIN
CHIEF EXECUTIVE

WAH CANTT DATED 28.11.2005.

WAH NOBEL CHEMICALS LIMITED
UN-AUDITED PROFIT AND LOSS ACCOUNT FOR
THE 1ST QUARTER ENDED 30TH SEPTEMBER 2005

Rupees in Million

	3 Months ended	
	30th Sept, 2005	30th Sept, 2004
Gross sales	173.215	96.791
Less: Sales tax	22.398	12.628
	150.817	84.163
Revenue from service charges	-	24.565
Net Sales	150.817	108.728
Less: Cost of sales	129.364	92.319
Gross profit	21.453	16.409
Trading income	-	1.352
	21.453	17.761
<u>Operating expenses:</u>		
Administrative and general expenses	1.808	1.376
Selling and distribution expenses	4.714	3.898
	6.522	5.274
Operating profit	14.931	12.487
Other income	0.032	0.034
	14.963	12.521
<u>Financial and other charges:</u>		
Financial charges	2.806	1.786
Workers' profit participation fund	0.608	0.536
Workers welfare fund	-	0.204
	3.414	2.526
Net profit for the period before taxation	11.549	9.995
Provision for taxation	4.042	3.500
Net profit after taxation	7.507	6.495
Unappropriated profit brought forward	24.853	27.261
Profit available for appropriation	32.360	33.756
Dividend @ 35%	-	26.250
Unappropriated profit carried to balance sheet	32.360	7.506
Earning per share	Rs.1.00	Rs.0.87

SHAHID AHMED
DIRECTOR

SYED KAUKAB MOHYUDDIN
CHIEF EXECUTIVE

WAH CANTT DATED 28.11.2005.

WAH NOBEL CHEMICALS LIMITED
CASH FLOW STATEMENT FOR THE 1ST QUARTER
ENDED 30TH SEPTEMBER 2005

Rupees in Million

3 Months ended	
30th Sept, 2005	30th Sept, 2004

CASH FLOW FROM OPERATING ACTIVITIES

Net profit before taxation	11.549	9.995
ADJUSTMENT OF ITEMS NOT INVOLVING MOVEMENT OF CASH:		
Depreciation	1.750	1.500
	13.299	11.495
 (INCREASE)/DECREASE IN CURRENT ASSETS:		
Stores, spares and loose tools	2.753	(2.295)
Stock in trade	2.538	14.475
Trade debtors	(17.975)	4.559
Advances, deposits, prepayments and other receivables	(2.158)	(4.218)
	(14.842)	12.521
INCREASE/(DECREASE) IN CURRENT LIABILITIES		
Creditors, provisions, accrued charges & other payables	2.206	(19.430)
(INCREASE)/DECREASE IN WORKING CAPITAL	(12.636)	(6.909)
 Income tax (paid)	(0.479)	(3.348)
NET CASH INFLOW/(OUT FLOW) FROM OPERATING ACTIVITIES	0.184	1.238

CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES:

Purchase of assets	-	(0.002)
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CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES:

Short term borrowing	(2.718)	5.821
Net increase/(decrease) in cash and cash equivalents	(2.534)	7.057
CASH AND CASH EQUIVALANT AS AT 1ST JULY 2005	13.418	22.335
CASH AND CASH EQUIVALANT AS AT 30TH SEPTEMBER 2005	10.884	29.392

SHAHID AHMED
DIRECTOR

SYED KAUKAB MOHYUDDIN
CHIEF EXECUTIVE

WAH CANTT DATED 28.11.2005.

WAH NOBEL CHEMICALS LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER 2005

Rupees in Million

	Share Capital	Capital Reserve	General Reserve	Unappro- priated Profit	Total
Balance as at 30th June 2005	75.000	0.944	100.000	24.853	200.797
After tax profit for the year ended 30th September 2005	-	-	-	7.507	7.507
Balance as at 30th September 2005	75.000	0.944	100.000	32.360	208.304
Balance as at 30th June 2004 (Restated)	75.000	0.944	100.000	27.261	203.205
Dividend @ 35%				(26.250)	(26.250)
After tax profit for the period ended 30th September 2004	-	-	-	6.495	6.495
Balance as at 30th September 2004	75.000	0.944	100.000	7.506	183.450

SHAHID AHMED
DIRECTOR

SYED KAUKAB MOHYUDDIN
CHIEF EXECUTIVE

WAH CANTT DATED 28.11.2005.

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE ACCOUNTS
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2005

1. **THE COMPANY AND ITS OPERATIONS**

1.1 The Company was incorporated in Pakistan on 31st May 1983 as a public limited company. Its shares are listed on the Karachi, Lahore and Islamabad Stock Exchanges.

1.2 The Company is principally engaged in the manufacture of formaldehyde and formaldehyde based liquid resins for use as bonding agent in the chipboard, plywood and flush door manufacturing industries. The manufacturing facilities of the Company are situated in Wah Cantt. The Company is also engaged in erection of plants and trading activities.

2. **BASIS OF PREPARATION**

These unaudited accounts are being submitted to the shareholders, in accordance with section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting".

3. **ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in the preparation of these financial statements are the same as those of the published annual financial statements for the year ended 30th June, 2005.

4. **CHANGES IN CONTINGENCIES AND COMMITMENTS**

The contingencies reported in the last annual report have undergone the following changes

4.1 The Company's contingent liability on account of vend fee and permit fee has increased from Rs.355 million to Rs.370 million on

account of further import of Methanol from 1st July, 2005 to 30th September, 2005.

5. **CAPITAL COMMITMENTS**

Capital commitments as at 30th September, 2005 are nil.

6. Corresponding figures for the prior period have been rearranged, wherever necessary for the purposes of comparison.

**SHAHID AHMED
DIRECTOR**

**SYED KAUKAB MOHYUDDIN
CHIEF EXECUTIVE**

WAH CANTI DATED 28.11.2005.