

SHAVYL®

ANNUAL REPORT

2026

Pakistan PVC Limited

63rd ANNUAL REPORT

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COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Saira Shaffi

CHIEF EXECUTIVE

Arif Shaffi

DIRECTORS

Arshad Javaid

Adeel Shaffi

Abdullah Shaffi

Mohammad Iqbal

Mohammad Shaffi

Adeel Shaffi

SECRETARY

Asif Shaffi

CHIEF FINANCIAL OFFICER

AUDITORS

Mushtaq & Co., Chartered Accountants

AUDIT COMMITTEE

Arshad Javaid – Chairman

Mohammad Iqbal – Member

Mohammad Shaffi – Member

HUMAN RESOURCES &

Arshad Javaid – Chairman

REMUNERATION

Mohammad Iqbal – Member

COMMITTEE

Mohammad Shaffi – Member

BANKERS

Habib Bank Limited

Muslim Commercial Bank Limited

Faysal Bank Limited

REGISTERED OFFICE

Shaffiabad, Ghara, District Thatta

SHARE REGISTRAR

CORPLINK (PVT) LTD.,

Wings Arcade, 1 – K, Commercial, Model Town, Lahore.

FACTORIES

Shaffiabad, Ghara, District Thatta.

Sector I – 9, Industrial Area, Islamabad.

کمپنی کی معلومات

بورڈ آف ڈائریکٹرز	سرگازش فی ع
چیمبرین	عارف شفیق ع
چیف ایگزیکٹو	عارف شفیق ع
ٹیکنیکل	ارشاد جاوید عدیل شفیق عبدالله شفیق محمد اقبال محمد شفیق
کمپنی سیکریٹری	عدیل شفیق
چیف فنانشل آفیسر	آصف شفیق
آڈیٹرز	مشتاق اینڈ کمپنی ، چارٹرڈ اکاؤنٹنٹس
آڈٹ کمیٹی	ارشاد جاوید - چیئرمین محمد اقبال - رکن محمد شفیق - رکن
انسانی وسائل & معاوضے کمیٹی	ارشاد جاوید - چیئرمین محمد اقبال - رکن محمد شفیق - رکن
بینکر	حبیب بینک لمیٹڈ مسلم کمرشل بینک لمیٹڈ فیصل بینک لمیٹڈ
منظور شدہ دفتر	شفیق آباد ، گھارو ، ضلع ٹھٹھہ
ہیڈ آفس	سیکٹر 9 - I ، انڈسٹریل ایریا ، اسلام آباد .
حصص رجسٹرار	CORPLINK (PVT) LTD., Wings Arcade, 1 – K, Commercial, Model Town, Lahore.
فیکٹریوں	شفیق آباد ، گھارو ، ضلع ٹھٹھہ ، سیکٹر 9 - I ، انڈسٹریل ایریا ، اسلام آباد .
ٹیلی فون	+9251 – 4430317, +9251 - 4444578
ای میل ایڈریس	info@shavyl.com
ویب سائٹ	www.pakistanpvc.com
کمپنی رجسٹریشن نمبر	0001781
نیشنل ٹیکس نمبر & سیلز ٹیکس نمبر	0823852 – 9, 07 – 01 – 3900 – 005 – 64
شخص کے رابطے کی تفصیلات کی مدد اور ہینڈلنگ کے سرمایہ کار شکایات کے لئے نامزد	کمپنی سیکریٹری ٹیلی فون - 4444578 - 9251 +

PAKISTAN PVC LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 63rd Annual General Meeting of the Company will be held on Friday, October 23, 2026 at the registered office of the company at Pakistan PVC Limited, Shaffiabad, Gharo, District Thatta at 9.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To confirm the minutes of the 62nd Annual General Meeting of the company held on October 17, 2025.
2. To receive, consider and adopt the audited accounts of the company for the year ended June 30, 2026 together with the reports of the Director's and Auditors' thereon.
<http://shavyl.com/investor-relations/annual-reports-and-accounts/>
 In accordance with Section 223 of the Companies Act, 2017, and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023, the Annual Audited Financial Statements along with Reports of the Company can be accessed through the following weblink and QR enabled code.
 
3. To appoint auditors of the company for the year ending June 30, 2027 and fix their remuneration.

ANY OTHER BUSINESS

1. To transact any other business of the company with the permission of the chair.

Islamabad: September 18, 2026

By Order of the Board



(ADEEL SHAFFI)
Company Secretary

Notes:

1. Share transfer Books of the Company shall remain closed from October 16, 2026 to October 23, 2026 (both days inclusive)
2. A member entitled to attend and vote in the meeting is authorized to appoint any other person a proxy to attend, speak and vote for him or her.
3. Any individual Beneficial Owner of CDC, entitled to vote at this meeting must bring his/her original NIC with him/her to prove his/her identity, and in case of proxy, a copy of shareholders attested NIC must be attached with the proxy form and shall authenticate his/her identity by showing his/her original National Identity Card (NIC) or passport at the time of attending the meeting. Representatives of corporate members should bring the usual documents required for such purpose.
4. In order to valid, an instrument of proxy and the power of Attorney or other authority (if any) under which it is signed, or a notarized certified copy of such power or Authority, must be reached at the Registered Office of the Company not less than 72 hours before the time of the Meeting.
5. As per Section 242 of the Companies Act, 2017 enacting from May 31, 2017, SECP Circular No. 18/2017, a listed company, is required to pay cash dividend to shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders.

Therefore In compliance with the said law, in order to receive your future dividends directly in your bank account, you are required to provide the information mentioned on the Form placed on the Company's website www.shavyl.com and send the same to your brokers/Central Depository Company Ltd., if the shares are held in the electronic form or to the Company's Share Registrar if shares are held in paper certificates form. The Company's Share Registrar's address in M/s Corplink (Private) Limited, Wings Arcade, 1 – K, Commercial, Model Town, Lahore, Tele# 042 – 3591 6714 or email at corplink786@gmail.com.

6. Electronic transmission of Notice of Annual General Meeting and Annual Report 2026:

In compliance with section 223(6) of the Act read with S.R.O 452(I)/2025 dated March 17, 2025, by SECP, the Company has electronically transmitted the Notice of the Annual General Meeting and the Annual Report of 2026 through email to its Shareholders whose email addresses are available with the Company's Share Registrar, M/s. Corplink (Private) Limited. The printed notices of the AGM, after insertion of the weblink and QR enabled code for downloading the Annual Report, have also been dispatched under S.R.O. 389 (I)/2023, dated March 21, 2023. The Financial Statements of the Company for the year ended June 30, 2026, along with the reports have also been uploaded on the website of the Company.

<http://shavyl.com/investor-relations/annual-reports-and-accounts/>

However, the Company shall provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request on specified consent letter/form which is available on the Company's website www.shavyl.com



Members are requested to provide by mail or fax, to the Company's Share Registrar's address in M/s Corplink (Private) Limited, Wings Arcade, 1 – K, Commercial, Model Town, Lahore, Tele# 042 – 3591 6714 or email at corplink786@gmail.com., photocopy of their valid CNIC or passport (in case of foreigner), unless it has been provided earlier, enabling the Company to Comply with relevant laws.

7. Financial statements have been placed on Company's website at www.shavyl.com.
8. The shareholders who wish to attend the Annual General Meeting are requested to get themselves registered by sending their particulars at the designated email address pakpvc.CG@shavyl.com, giving particulars as per below table by the close of business hours (5:00 PM) on October 19, 2026.

Name of Shareholder	CNIC No./ NTN NO.	Participant ID/Folio No.	Cell No	Email address

9. The webinar link would be emailed to the registered shareholders/proxies who have provided all the requested information.

OBJECTIVES AND STRATEGIC PLANNING

SHAVYL GROUP VISION

“Shavyl to be a global group of companies recognized for a range of quality products”.

MISSION STATEMENT

“To be market leader in petrochemicals, building company’s image through innovation and competitiveness, ensuring satisfaction to customers and stakeholders and to fulfill social obligations”.

OBJECTIVES

Constantly endeavor to be market leaders in terms of market share and technology pacesetters in areas of operations and to continuously improve efficiency and competitive strength.

To offer customers quality products and support services at competitive prices and to their satisfaction.

By continuously improving performance, aim to generate earnings sufficient to ensure a secure future for the Company and to protect and increase shareholders’ return.

To enhance creativity and job satisfaction, provide employees opportunity for personal development.

Be an integral part of national economy with a strong sense of responsibility to society and the environment.

STRATEGIC PLANNING

To maintain a strong R&D department for the development of new and the up gradation of our own technology. To develop in-house know how for a world scale petrochemical complex.

STATEMENT OF ETHICS AND BUSINESS PRACTICES

The Company's Ethics and Business Practices conform to the Shavyl Group Vision and the Company's Mission Statement.

THE PURPOSE AND VALUES OF BUSINESS

Manufacturers of PVC Resins and its down stream products that conform to the Specified Standards, saving of foreign exchange and developing technical and engineering capabilities in the country.

EMPLOYEES

Recruitment of personnel on merit offering training and career development, equal opportunities of growth, no discrimination or harassment and reward for achievements. Improved working conditions, ensuring safety, security and health.

Employees shall not use Company information and assets for their personal advantage. Conflict of interest shall be avoided and disclosed where it exists and guidance sought.

CUSTOMER RELATION

Ensure customer satisfaction by providing quality products at competitive prices with warranty coverage and ensuring after sale service.

SHAREHOLDERS, FINANCIAL INSTITUTIONS & CREDITORS

Protection of investment made in the Company and proper return on money lent/invested. A commitment to accurate and timely communication on achievements and prospects.

SUPPLIERS

Prompt settling of bills. Co-operation to achieve quality and efficiency. No bribery or excess hospitality accepted or given.

SOCIETY / COMMUNITY

Compliance with the spirit of laws. Timely payment of all Government taxes and dues. Eliminate the release of substance that may cause environmental damage. Financial assistance for promoting education and social activities including games and donation/charity to deserving.

GENERAL

The Company shall neither support any political party nor contribute funds to groups or associations whose activities prompt political interest. The Company shall promote its legitimate business interest through trade associations.

IMPLEMENTATION

Company Board to ensure implementation of these codes, regular monitoring, and review for modification/amendment where necessary.

CHAIRPERSON'S REVIEW REPORT

The Board of Directors (the "Board") of Pakistan PVC Limited (PPVC) has continued to fulfill its fiduciary responsibilities with diligence and in the best interest of all shareholders. The Board has overseen the Company's affairs in an efficient and transparent manner in line with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017.

For the year ended **30 June 2026**, the Board remained focused on good governance, effective oversight, and sustainable value creation. Key areas of focus included:

- **Board Composition & Effectiveness**

The Board maintained an appropriate balance of executive, non-executive, and independent directors. Members collectively possess the experience and expertise necessary to guide the Company strategically.

- **Performance Evaluation**

A structured annual evaluation of the Board, its committees, and individual directors was carried out. Feedback confirmed that the Board continues to perform effectively and adds value to the Company's governance framework.

- **Committees & Governance**

The Audit and HRR Committees operated under approved terms of reference, supported with adequate resources to ensure proper discharge of their responsibilities.

- **Capacity Building**

Compliance with the Directors' Training Program remained a priority. One director continues to be exempt due to professional qualification, while six directors have successfully completed certification.

- **Board Processes**

All meetings of the Board and its committees were conducted with proper quorum. Minutes were accurately recorded and decisions documented to strengthen accountability.

- **Policies & Controls**

The Board reinforced the Company's code of conduct and corporate values, and reviewed policies to ensure smooth operations and alignment with regulatory requirements. The internal control system remained robust and responsive.

- **Transparency & Reporting**

The Directors' Report was prepared and approved in accordance with applicable laws and published with quarterly and annual financial statements. Information sharing among directors was timely and comprehensive, enabling informed decision-making.

Overall, the Board is confident that the governance structure and oversight processes of Pakistan PVC Limited are sound, and that the Company remains well positioned to safeguard the interests of shareholders and other stakeholders.

Acknowledgement

On behalf of the Board, I wish to acknowledge the dedication and commitment of our employees, whose efforts underpin the Company's progress. We are also grateful to our shareholders, customers, and business partners for their trust and continued support.

Saira Shaffi

(SAIRA SHAFFI)

Chairperson

September 18, 2026

DIRECTOR'S REPORT TO THE SHAREHOLDERS

On behalf of my colleagues on the Board, I welcome you to the 63rd Annual General Meeting of the Company and present the audited accounts for the year ended June 30, 2026 along with the auditors' report thereon.

This year has been a tumultuous one so far with various factors giving rise to new challenges. Sales of the Company have decreased by (48.05) % to Rs. 3,499,046 as compared to Rs. 6,735,135 in the comparable previous twelve months. Future outlook is uncertain and as we speak, it is not possible to determine when this global pandemic will reach its end.

During the period under review Ghara Plant remains closed and there was no production. The production of PVC Pipes & Fittings at Islamabad increased during the year.

Sales during the year under review decreased to Rs. 3.499 million as compared to Rs. 6.735 million of the same period last year and net loss during the year was Rs. 12.586 million as compared to a net loss of Rs. 7.178 million during the previous year. The production of PVC Pipes at Islamabad factory was 25,376 meters as against 64,394 meters last year. Excess capacity of this water treatment plant was used to make Mineral Water. Sale of Mineral Water was 60,000 Gallons as against 60,500 Gallons. Work of installation of Machinery of Pipe Plant shifted from Ghara to Islamabad has delayed due to non-availability of funds.

1. AUDITORS' RESERVATION OF GOING CONCERN

The auditors have qualified their opinion, since your company has prepared the accounts on the going concern basis. The reason given in their qualification is the continued losses sustained by your company, no improvement/result of the efforts made by the management for obtaining additional capital. The case for the revival of your company remains under active consideration with the Committee for Revival of Sick Industrial Units set up by the Finance Division, Government of Pakistan.

As reported earlier that due to non-availability of financial limits from the banks, discontinuation of electricity by KESC for Ghara plant, management of your company could not start the production at Ghara. As reported in earlier years I repeat my statement that unless Ghara plant goes into operation, no fruitful results could be seen.

2. AUDITORS' RESERVATION ABOUT DIRECT CONFIRMATION

As regards confirmations from the lenders of long term loans the company had dispatched the balance confirmation letters several times to the lenders of long term loans.

3. AUDITORS' RESERVATION ABOUT LONG OUTSTANDING BALANCES

As regards balances of very long outstanding balances of Creditors, Advances from Customers and Accrued liability we have to state that these balances are appearing in the company's accounts since last many years and as regards confirmations from the Trade and other payables in respect of Accrued liability the company had dispatched the balance confirmation letters to the Trade and Other payables in respect of Accrued liability and we understand that an overall majority of these have been responded too.

Financial Statements

The financial statements of the Company have been audited by Messrs. Mushtaq & Company., Chartered Accountants, the auditors, with some qualification.

Dividend

Due to poor financial result and huge accumulated losses, the Directors of your company have decided to pass over the Dividend.

Auditors

The Audit Committee has recommended the appointment of Messer's Mushtaq & Company, Chartered Accountants, as auditors of the Company for the ensuing year.

The present auditors M/s Mushtaq & Company, Chartered Accountants, the retiring auditors being eligible have offered themselves for reappointment as auditors of the Company for the year ending June 30, 2027.

Diversity, Equity and Inclusion

The Company is dedicated to fostering a diverse, equitable, inclusive, and supportive environment where all individuals are valued and respected. There is no discrimination of caste, religion, color, marital status or gender. Our focus is on principles of Equal Opportunity Employer and fostering an inclusive workplace that reflects gender diversity and equality.

Gender Equality: (Saying No to Discrimination)

Gender equality is a cornerstone of the Company's performance, ensuring that all employees, regardless of gender, have equal opportunities to succeed and thrive. Pakistan PVC Limited is committed to being an equal opportunity employer within the industry. We follow a transparent employment process and fair wage policy without any form of gender discrimination, bias, or racism, thereby providing the same opportunity for all candidates.

In line with the requirements of the Gender Pay Gap Statement (Circular 10 of 2024) issued by SECP, it is reported that the Company had **15 employees during the year ended 30th June 2026, all of whom were male**. Accordingly, since no female employees were engaged during the year, **the mean and median gender pay gap are not applicable**.

Corporate Social Responsibility (CSR)

The Company strongly believes that improving its environmental and social performance is inevitable for its financial success. The Company has continued with CSR program with a focus on health support, education programs, energy conservation, environmental protection measures, community welfare schemes, occupational safety & health and business ethics.

The Company in its continuous efforts to positively impact the local communities that reside near our plants has formulated policies for social development that are based on the following guiding principles:

- Adopt an approach that aims at achieving a greater balance between social development and economic development.
- Adopt new measures to accelerate and ensure the basic needs of the local population.
- Work towards elimination of all barriers for the social inclusion of disadvantaged groups such as the poor and the disabled.
- Give unfailing attention to children for in their hands lies the country's future. It is for their sake that health, education and environment get topmost priority in our programs.

The Company works closely with Special Olympics Pakistan to support their programs for rehabilitation of mentally handy capped children.

The main emphasis of our CSR is in District Thatta and Federal Capital Islamabad.

Health

As a Company, we are not only committed to compliance with legal norms but endeavor to voluntarily go beyond that and provide quality healthcare facilities in the regions around our plants.

Education

Education is a basic tool to bring development to an area and its people. We aim to create an awareness pool of human resource both within and across our area of operations. We are committed to bridging the digital divide between the haves and have-nots in educational infrastructure and facilities. The Company is involved in activities that have changed the lives of the people residing the close proximity to our plants. Education is the main thrust of these activities.

Energy Conservation Measures

Energy conservation measures include usage of energy savers and LED lights all around the plant and shutting down auxiliaries and equipment wherever possible.

Occupational Health, Safety and Environment

The Company is committed to health, safety and environment. Potential risks are systematically identified and managed in a manner that any undesirable damage is minimized. HSE signs are displayed at key locations and their implementation is ensured.

Business Ethics

The Company's Code of Business Ethics sets the minimum standards expected of the entire Team and is part of the Corporate Governance framework approved by the Board. The conduct of business should above all be characterized by honesty and integrity. Unethical practices of any sort are not to find their way into our business. All employees are expected to promote the Company's best interest whilst maintaining the highest standard of personal integrity and business practices. All employees must act at all times in the interest of Company's shareholders and must abide by the Company's stated standards of environmental safety and management practices. No employee shall ever commit an illegal or an unethical act, or instruct and encourage another employee to do so. The laws and regulations of the country should always be observed.

The Company has communicated the code to all its employees.

FINANCIAL PROFORMANCE

Year	2026	2025
Turnover	3.499	6.735
Operating Costs	31.259	33.968
Net Profit/(Loss)	(12.586)	(7.718)
Earnings per share (Rs.)	(0.84)	(0.48)

Financial Risk

The financial risk management is disclosed in note 32 of the unconsolidated financial statements of the Company.

Corporate & Financial Reporting Framework

The Directors are pleased to confirm compliance with Corporate and Financial Reporting Framework of the Securities & Exchange Commission Pakistan (SECP) and the Code of Corporate Governance for the following:

- a. The financial statements, prepared by the management of the Company, fairly portray its state of affairs, the result of its operations, cash flows and changes in its equity;
- b. Proper books of account of the Company have been maintained;
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. IFRS as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed; and
- e. There are no doubts in the Company's ability to continue as a going concern.

Key financial data (unconsolidated) of last six years is as follows:

						(Rs.000)
	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
TURNOVER	3,499	6,735	8,768	11,251	12,048	9,640
NET PROFIT	(12,586)	(7,178)	(4,823)	88.714	(10,281)	(11,559)
SHAREHOLDERS FUND	(45,143)	(32,557)	(25.379)	20.566	(209,871)	(199,591)
EARNING PER SHARE	(0.84)	(0.48)	(0.32)	5.93	(0.69)	(0.77)

Adequacy of Internal Financial Controls

Directors confirm compliance with highest standard of Corporate Governance and that the internal controls are sound in design and have been effectively implemented and monitored.

CORPORATE BRIEFING SESSION (CBS)

During the financial year One Corporate Briefing Session (CBS) was held.

STATEMENTS OF CORPORATE AND FINANCIAL REPORTING FRAMEWORK

1. The financial statements, prepared by the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
2. Proper books of account of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the company's ability to continue as a going concern as have been fully explained in Note no.1 of the Notes to the Accounts.
7. There has been no material departure from the best practices of the corporate governance, as detailed in the listing regulations.
8. Key operating and financial data for last six years in summarized form is given on page 17.

9. COMPOSITION OF BOARD

1. The total number of directors are 7 as per the following:

- a. Male: 6
- b. Female: 1

2. The composition of board is as follows:

Category	Name
Independent Directors	Arshad Javaid
	Mohammad Iqbal
Non-executive Directors	Abdullah Shaffi
	Mohammad Shaffi
Executive Directors	Arif Shaffi - CEO
	Adeel Shaffi
Female Non-Executive Director	Saira Shaffi - Chairman

BOARD MEETING

During the year four board meetings were held and the attendance of the concerned Directors during their tenure on the Board was as follows:

Name of Director	Total Number of Meetings	Board Meetings Attended	Audit Committee Meetings Attended	H.R. Committee Meetings Attended
Mr. Arif Shaffi	4	4	N/A	N/A
Mr. Mohammad Iqbal	4	4	4	1
Mrs. Saira Shaffi	4	4	N/A	N/A
Mr. Mohammad Shaffi	4	4	4	1
Mr. Arshad Javaid	4	4	4	1
Mr. Adeel Shaffi	4	4	N/A	N/A
Mr. Abdullah Shaffi	4	4	N/A	N/A

COMMITTEES OF THE BOARD AUDIT COMMITTEE

In compliance with the code of corporate governance the Company has established an Audit Committee comprising of the following members:-

Mr. Arshad Javaid	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

HUMAN RESOURCES & REMUNERATION COMMITTEE

In compliance with the code of corporate governance the Company has established a Human Resources & Remuneration Committee comprising of the following members:-

Mr. Arshad Javaid	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

DIRECTORS REMUNERATION

The Chief Executive is allowed to receive gross annual remuneration of Rs. 1.5 million alongwith free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

Two full time working directors are allowed to receive gross annual remuneration of Rs. 1.5 million alongwith free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

DIRECTORS' TRAINING

Of the seven Directors, 1 has been exempted from the Corporate governance Leadership Skills (CGLS) training based on their experience as Director on the Board of Listed Companies. A total of 6 Directors are certified in Directors Training Program.

10. The pattern of shareholding and additional information regarding pattern of shareholding is given on Page 46 – 48.
11. No trades in the shares of the Company during the year were carried out by the Director, CEO, CFO, Company Secretary and their spouses and minor children.

Islamabad: September 18, 2026

On behalf of the Board of Directors



ARIF SHAFFI – Chief Executive
Director.



MOHAMMAD SHAFFI –

Statement of Compliance With The Best Practice On Transfer Pricing

The Company has fully complied with the best practices on transfer pricing as contained in the listing regulations of the Pakistan Stock Exchanges.

On behalf of the Board of Directors



ARIF SHAFFI – Chief Executive
18, 2026



MOHAMMAD SHAFFI – Director

Dated: September

تولیدی یکپختکے لدامات

تولیدی یکپختکے لدامات ہرپانی شہر میں رارجی سیورز اور ٹل ای ڈی لٹس کا استعمال شامل ہے۔ چھکے چلی کوں مکن موتو لطفلی آلات کو بن سکایا جتا ہے۔

پیشہ ورانہ خرابی: ضریح ران جام نہی کے دوران صحت بحفاظت اور ماحول

کمپنی صحت بحفاظت اور ماحولی کے بہم فراہم کرنے کے لیے ایک طیشہ طوم کلو کیتحت مکنہ خطرہ کینشن نہی کے انکا اس طرح تدارک کیا جتا ہے کہ ناسنہی دن مصدک کو کم سے کم کیا جاسکے۔ ٹیچسی اینشنل کو لم مامانہ پرتسلی کے کی گئی ہے۔ چھکے انہر علیہ درآم کو ہنہی کی گئی ہے۔

Business Ethics

کاروباری اخلاقیات

کمپنی کے کاروباری ضابطہ اخلاقیات ہیں انہم کم از کم مہاریہ کی صریح کی گئی ہے جن کی پاس داری کی تمام ملازمین سے اہی کی جتی ہے۔ چھکی ضابطہ اخلاقی بورنگ کے فی طور شکار پوری ٹگورن سرفیم ورکا جس سے تمام کاروباری سگر ہاں ٹل ملداہ کے سیکس رول جام دی جتی۔ کسی لیس کے غیر اخلاقی طوم کو مامانہ کاروبار ہرکھی چکنہ دی جتی۔ گی تمام ملازمین سے متولع کھی جتی۔ ہیکہ ویش خسی ٹل ملداری اور کاروباری طوم کو کے اخلاقیات مہاریہ کو لٹم کھتے۔ ہنہی کمپنی کے عیسوی مفہم کام کھن گے تمام ملازمین مہم ولت کمپنی کے ہنہی مولڈز کے عیسوی مفاد کے لے کام کو رگے اور وکسپنی کی جلیبس سے ماحولہی تخطک لے لے صراحت کرہ طوم پور علیہ درآم نہی رگے کو ہی بھی ملازم نہی بھی کھی غلغلہ انہی یا غیر اخلاقی حرکتیں کرے گا اور نہ کسی اور کو اسل کرنیکی نہت دے گی اسل کس نے کسی جوں لہلہی کرے گا۔ ملکی لہلہی کی مہم ولت پاس داری کی جلی جلی ہے۔ کمپنی نے اس ضابطہ اخلاقی کے نچل لٹم ملازمین کو طلع کررکا ہے۔

مالی پیشہ ورانہ

Year	2026	2025
Turnover	3.499	6.735
Operating Costs	31.259	33.968
Net Profit/(Loss)	(12.586)	(7.718)
Earnings per share (Rs.)	(0.84)	(0.48)

مالی خطرہ

مالی ریسک مہن جہنکا کش افکسپنی کے غیر ہتاس بمالی بیٹل اتکے نوت 32 ہرکی گئی ہے۔

کاپوریٹ اور ملی پورٹن گکافی م ورک

ٹانکٹرز سیکوریٹی وریٹن ٹانڈ ٹکس چن چھکے ہن اکسپن ان اس ای سی پی ک کارپوریٹ اور فین اشل پورٹن گفی م ورک اور کارپوریٹ گورننس کے ٹکٹ کو درج فی لکیت خہل کیتصفا کس پیر خوش یں:

- کمپنی کے نظام کے ذی عہداری کردہ مالی بیٹل ات، سل کی امور کی کفیت، اس کے کاموں ن مہمہ او اور سل کی ٹکٹ ہن بدلاؤ کا جوازیہ کتے یں۔
- کمپنی کے اکاؤٹ کی ناسب کتلی ربل رار کھگی یں۔
- مالی بیٹل اتکی بیاری کے لے ناس باکاؤٹن گپالہی ان سہم طومر لاگو ہتی یں اور مہمہ کت خہن مہم دول اور مضاط فہل پیر ہتی ہتا ہے۔
- پاکسپن ان ہر بطور لہل اطلاق IFRS، مالی بیٹل اتکی بیاری مہن غم کی گئی ہے اور اس مہم کس بیہی طح کی رولگی کارنام س بطور پین گشرف کی گئی ہے۔ اور
- کمپنی کی کیتش کی جیٹس سے جاری کفے کی صلاہت ہرکی ہن کنہ ہے۔ پچلے چھ سالوں کا اہم مالطتی (غیر تزلزل) (من درجہ فی لہ):

	(Rs.000)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
TURNOVER	9,640	12,048	11,251	8,768	6,735	3,499	
NET PROFIT	(11,559)	(10,281)	88.714	(4,823)	(7,178)	(12,586)	
SHAREHOLDERS FUND	(199,591)	(209,871)	20.566	(25.379)	(32,557)	(45,143)	
EARNING PER SHARE	(0.77)	(0.69)	5.93	(0.32)	(0.48)	(0.84)	

Six Years at a Glance

(Rs.000)

	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
TURNOVER	3,499	6,735	8,768	11,251	12,048	9,640
GROSS PROFIT	(27,760)	(27,233)	(24,132)	(19,711)	(14,557)	(14,796)
NET PROFIT	(12,586)	(7,178)	(4,823)	88,714	(10,281)	(11,559)
TAXATION	658	(229)	4,139	11,868	5,401	4,582
SHARE CAPITAL FUND	149,580	149,580	149,580	149,580	149,580	149,580
SHAREHOLDERS FUND	(45,143)	(32,557)	(25,379)	(20,556)	(209,871)	(199,591)
GROSS PROFIT %	(793)	(404)	(275)	(175)	(121)	(153)
NET PROFIT %	(359.70)	(106.58)	(55.01)	788	(85)	(120)
TAXATION %	18.81	(3.40)	47.21	105	45	48
EARNING PER SHARE	(0.84)	(0.48)	(0.32)	5.93	(0.69)	(0.77)
DIVIDEND %	-	-	-	-	-	-
BONUS %	-	-	-	-	-	-

FINANCIAL PROFORMANCE OF PAKISTAN PVC LIMITD

Year	2026	2025
Earnings per Share	(0.84)	(0.48)
P/E Ratio	(37.85)	(20.94)
Break Up Value (Including Revaluation Surplus)	(3.02)	(2.18)
Break Up Value (Excluding Revaluation Surplus)	(18.69)	(18.19)
Dividend Payout Ratio	-	-

Statement of Compliance

with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: Pakistan PVC Limited

Year Ended: June 30, 2026

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner.

1. The total number of directors are 7 as per the following:

a. Male: 6

b. Female: 1

2. The composition of Board is as follows:

Category	Name
Independent Directors	Arshad Javaid
	Mohammad Iqbal
Non-executive Directors	Abdullah Shaffi
	Mohammad Shaffi
Executive Directors	Arif Shaffi - CEO
	Adeel Shaffi
Female Non-Executive Director	Saira Shaffi - Chairman

Determination of number of independent Directors comes to 2.33 (rounded to 2) which is based on Seven Directors. The fraction contrived in one-third number is not rounded up as the two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.

8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board remained fully compliant with the provision with regard to their directors' training program. Out of total of seven directors, one directors is exempt from training program and six has completed training during the year 2014, 2019 and 2023.

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) Audit Committee (Name of members and Chairman)

Mr. Arshad Javaid	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

b) HR and Remuneration Committee (Name of members and Chairman)

Mr. Arshad Javaid	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a) Audit Committee: Quarterly

b) HR and Remuneration Committee: Yearly

15. The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Requirement	Explanation for Non-Compliance	Regulation No.
1	Representation of Minority Shareholder: The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	No one has intended to contest election as director representing minority shareholders.	5
2	Responsibilities of the Board and its members: Adoption of the corporate governance practices.	Non-mandatory provisions of the CCG Regulations are partially complied.	10 (1)
3	Nomination Committee: The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate Nomination Committee and the functions are being performed by the Human Resource & Remuneration Committee.	29 (1)
4	Role of the Board and its members to address Sustainability Risks and opportunities	The Board is responsible for setting the Company's sustainability (including diversity, equity and inclusion) strategies, priorities, and targets to create long term corporate value and for its periodic review and monitoring. Further, the Board is required to understand and address sustainability risks and opportunities, including climate-related risks and opportunities relevant to the Company. These matters are also required to be disclosed in the directors' report. In order to achieve its sustainability related obligations, the Board may establish a dedicated committee or assign additional responsibilities to an existing committee. Subsequent to the year end, the Board has assigned responsibilities for sustainability related obligations to the Audit Committee. Further, during the year, the Company has engaged a consultant for assistance in	10 A

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CHARTERED ACCOUNTANTS



Independent Auditor's Review Report

To the members of Pakistan PVC Limited on the Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Pakistan PVC Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

 Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

Place: Lahore
Dated: September 18, 2026
UDIN: CR202610724ae1TghJEn

Mushtaq & Co.



MUSHTAQ & CO
Chartered Accountants
Engagement Partner:
Nouman Arshad, ACA

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Independent auditor's report to the members of Pakistan PVC Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of **Pakistan PVC Limited ("the Company")**, which comprise the statement of financial position as at June 30, 2026 and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matters described in Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

- (a) The Company ceased the production at Ghara Plant since 1995. The production at Islamabad Plant continues. As stated in the note 2.2 to the financial statements, the company had earned a Loss for the year ended June 30, 2026 of Rupees 12.586 million (June 30, 2025: Rupees 7.178 million and as of that date, reported accumulated loss of Rs. 429.085 million as at June 30, 2026 (June 30, 2025: Rs. 421.709 million) against the issued, subscribed and paid up capital of Rs. 149.580 million (June 30, 2025: Rs. 149.580 million) turning shareholders' equity to a negative balance of Rs. 45.143 million (June 30, 2025: Rs. 32.557 million). The current liabilities exceeds the current assets by Rs. 288.761 million (June 30, 2025: Rs. 280.361 million). Further the company has not been able to obtain enough finance to revive its operations. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future. However, these financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as a going concern. The management has not prepared cash flow projections and future plan to revive the operation of Ghara plant closed since 1995.
- (b) We were unable to verify the existence and correctness of balance of long-term loan payable to Privatization Commission of Pakistan, reflected under current portion of long-term loans, in note 8 of these financial statements, amounting to Rs. 32.991 million and markup accrued thereon amounting to Rs. 121.169 million in note 10 of the financial statements.
- (c) We were unable to verify the amount included in trade and other payables in respect of liability towards Privatization Commission, Finance Division, amounted to Rs. 10,000,000, in note 9.3 of these financial statements.
- (d) We do not concur with the accounting treatment of leasehold land referred in note 14.6 of these financial statements being violation of the requirements of International Accounting Standards (IAS 40) "Investment Property"
- (e) As more fully explained in note 13.2 of these financial statements, the impact on the financial statements of the disputed CDA plot of land at Islamabad is not determinable.

Responsibilities of Management and Board of Directors for the Financial Statements

 Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX

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of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- Except for the effects of the matters discussed in the Basis for disclaimer of opinion section of our report, proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- Except for the effects of the matters discussed in the Basis for disclaimer of opinion section of our report, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- Except for the effects of the matters discussed in the Basis for disclaimer of opinion section of our report, investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Nouman Arshad, ACA**.


MUSHTAQ & CO.
 Chartered Accountants



Lahore.

Dated: September 18, 2026

UDIN: AR202610724MbuaGKac

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PAKISTAN PVC LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		-----Rupees-----	
Sales - Net	24	3,499,046	6,735,135
Cost of sales	25	(31,259,147)	(33,967,752)
Gross Loss		(27,760,101)	(27,232,617)
Other income	26	34,512,426	39,310,446
Distribution cost	27	(4,885,335)	(4,630,517)
Administrative expenses	28	(9,316,462)	(9,545,544)
Other operating expenses	29	(2,030,579)	(1,124,643)
Finance costs	30	(3,720,704)	(3,641,123)
Loss before levies and taxation		(13,200,755)	(6,863,998)
Levies	31	(43,738)	(84,189)
Loss before taxation		(13,244,493)	(6,948,187)
Taxation	32	658,198	(229,831)
Loss for the year		(12,586,295)	(7,178,018)
Loss per share - basic and diluted	33	(0.84)	(0.48)

The annexed notes form an integral part of these financial statements.

Arif Shaffi
CHIEF EXECUTIVE

Mohammad Shaffi
DIRECTOR

Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

Note	2026	2025
	-----Rupees-----	
Loss for the year	(12,586,295)	(7,178,018)
Items that will not be subsequently reclassified to statement of profit or loss		
Gain on revaluation of land and buildings	-	-
Impact of deferred tax	-	-
	(12,586,295)	(7,178,018)

The annexed notes form an integral part of these financial statements.

Arif Shaffi
CHIEF EXECUTIVE

Mohammad Shaffi
DIRECTOR

Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid up capital	Revenue Reserve Accumulated loss	Capital Reserve Surplus on revaluation of fixed assets	Total
-----Rupees-----				
Balance as at July 1, 2024	149,580,000	(420,320,294)	245,361,165	(25,379,129)
Transfer from surplus on revaluation on account of incremental depreciation	-	5,789,107	(5,789,107)	-
Total comprehensive income/(loss) for the year ended June 30,				
Loss for the year ended June 30, 2025	-	(7,178,018)	-	(7,178,018)
Other comprehensive loss for the year ended June 30, 2025	-	-	-	-
Balance as at June 30, 2025	149,580,000	(421,709,206)	239,572,058	(32,557,148)
Transfer from surplus on revaluation on account of incremental depreciation	-	5,210,198	(5,210,198)	-
Total comprehensive income/(loss) for the year ended June 30,				
Loss for the year ended June 30, 2026	-	(12,586,295)	-	(12,586,295)
Other comprehensive loss for the year ended June 30, 2026	-	-	-	-
Balance as at June 30, 2026	149,580,000	(429,085,303)	234,361,860	(45,143,443)

The annexed notes form an integral part of these financial statements.

Arif Shaffi
CHIEF EXECUTIVE

Mohammad Shaffi
DIRECTOR

Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND OPERATIONS

Pakistan PVC Limited (the company) is incorporated in Pakistan and is listed on the Pakistan Stock Exchange Limited.

The company is engaged in production and sale of PVC resin, PVC pipes and fittings, PVC compound and caustic soda and to Lease (Land, Building and Other Infrastructure). The company has ceased the production at Gharo since 1995. The registered office of the company is situated at Shaffiabad, Gharo District, Thatta. The production in plant continues at Plot No. 1-4 & 31-A Sector I-9, Industrial Area, Islamabad. The company has installed a water purification plant to process and sell mineral water in 2011 at Sector I-9, Industrial Area, Islamabad .

1.1 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the company's functional and presentation currency and figures are rounded off to the nearest rupee.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and Provision of and directives issued under the Companies Act, 2017. Where provision of and directives issued under the Companies Act, 2017 differ from the IFRS, the provision of and directives issued under the Companies Act, 2017 have been followed.

2.2 Going Concern Assumption

The company had incurred Loss for the year ended June 30, 2026 of Rupees 12.586 million (June 30, 2025: Rupees (7.178) million) and as of that date, reported accumulated loss of Rs.429.085 million as at June 30, 2026 (June 30, 2025: Rs. 421.709 million) against the issued, subscribed and paid up capital of Rs. 149.580 million (June 30, 2025: Rs. 149.580 million) turning shareholders' equity to a negative balance of Rs. 45.143 million (June 30, 2025: Rs. 32.557 million). The current liabilities exceeds the current assets by Rs. 288.761 million (June 30, 2025: Rs. 280.361 million). Further the company has not been able to obtain enough finance to revive its operations. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future. However, these financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as a going concern.

2.3 Basis Of Measurement

These financial statements have been prepared on the historical cost convention. In these financial statements, except for cash flow statements , all transactions have been accounted for on accrual basis.

3 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect application of policies reported amount of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience, industry trends, legal and technical pronouncements and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. Significant areas involving higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

3.1 Provision for taxation

The company takes into account the current income tax law and decisions taken by the appellate authorities. Instances where the company's view differs from the view taken by the income tax department at the assessment stage and where the company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.2 Financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on market conditions existing at reporting date.

3.3 Property, plant and equipment

The company reviews recoverable amount, useful life , residual value and possible impairment on an annual basis. Any changes, if material in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.

3.4 Other areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows.

- ❏ Impairment of financial assets and provision-for loss allowance
- ❏ Estimation of net realizable value
- ❏ Computation of deferred taxation
- ❏ Disclosure of contingencies

4 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

4.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company:

		Effective date (annual reporting periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2026
IAS 21	The effects of changes in foreign exchange rates (Amendments)	January 1, 2027
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments (Amendments)	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027

The management anticipates that adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

4.2 Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2026;

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 20	Regulatory Assets and Regulatory Liabilities

5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

5.1 Property, plant and equipment

Property, plant and equipment except freehold land are stated at cost / revalued amount less accumulated depreciation and impairment in value, if any. Freehold land is stated at cost / revalued amount less any identified impairment loss, if any.

Depreciation on all items of property, plant and equipment except for freehold land is charged to profit or loss applying the reducing balance method so as to write off historical cost / revalued amount of an asset over its estimated useful life at the rates as disclosed in property, plant and equipment note. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or as a separate asset, as appropriated, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other costs are charged to Profit or Loss during the period in which they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets, if any, are recognized as and when incurred.

Surplus arising on revaluation of an item of property, plant and equipment is credited to surplus on revaluation of property, plant and equipment, except to the extent that it reverses deficit on revaluation of the same assets previously recognized in profit or loss, in which case the surplus is credited to profit or loss to the extent of deficit previously charged to profit & loss. Deficit on revaluation of an item of property, plant and equipment is charged to profit or loss to the extent that it exceeds the balance, if any held in surplus on revaluation of property, plant and equipment relating to previous revaluation of that item. On subsequent sale or retirement of revalued item of property, plant and equipment the attributable surplus remaining in the surplus on revaluation of property, plant and equipment is transferred directly to unappropriated profit. The surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged on the related assets is transferred to unappropriated profit.

5.2 Impairment

At each reporting date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is the greater of net selling price and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

5.3 Investments

The investments made by the company are classified for the purpose of measurement into the following category.

At amortized cost

Investments with fixed maturity that the management has the intention and ability to hold onto until maturity are initially measured at cost and at subsequent reporting dates measured at amortized cost using the effective yield method.

5.4 Stores and spares

These are valued at lower of cost or net realizable value. Cost is determined on weighted average basis except items in transit, which are valued at cost accumulated to reporting date. Provision is made in the financial statements for obsolete and slow moving store spares based on the management best estimate.

5.5 Stock in trade

Stock in trade have been valued at lower of cost and net realizable value (NRV) except waste, which is valued at net realizable value. Cost is determined as follows:

Raw material	- At weighted average cost
Work in process and finished goods	- Cost of material and proportionate manufacturing overheads
Stock in transit	- At cost accumulated to the reporting date
Scrap and Crush of pipes	- Net realizable value

Provision is made in the financial statements for obsolete and slow moving stocks based on the management's best estimates.

5.6 Trade debts

Trade debts and other receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognized at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortized cost using the effective interest rate method.

5.7 Cash and cash equivalents

For the purpose of cash flow statement cash and cash equivalents comprises cash in hand and bank balances.

5.8 Borrowings

Mark-up bearing borrowings are recognized initially at cost, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the profit or loss over the period of the borrowings on an effective interest basis.

5.9 Revenue recognition

- ⌘ According to the core principles of IFRS-15, the company recognizes the revenue from sale when the company satisfies a performance obligation (at a point of time) by transferring promised goods to customers being when the goods are dispatched to customers. Revenue is measured at fair value of the consideration received or receivable and is reduced for allowances such as taxes, duties, commission, sales returns and discounts.

Income from different sources other than above is recognized on the following basis

- Interest income is recognized on the basis of constant periodic rate of return.
- Dividend income is recognized when the right to receive dividend is established i.e. the book closure date of the investee company declaring the dividend.
- Rental income is recognized in the profit or loss on a straight-line basis over the lease term.
- ⌘ Unrealized gains / (losses) arising on revaluation of securities classified as 'fair value through other comprehensive income' are included in other comprehensive income in the period in which they arise.
- ⌘ Unrealized gains / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.

5.10 Financial Assets and Liabilities

Financial Assets

The Company classifies its financial assets at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

a Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized directly in profit or loss.

b Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c Fair value through profit or loss

Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value and subsequent to initial recognition changes in fair value of these financial assets are normally recognized in profit or loss. Dividends from such investments continue to be recognized in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Derecognition

Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial asset. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

5.11 Financial Liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed on profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in profit or loss.

5.12 Impairment

Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies the simplified approach to recognize lifetime expected credit losses for trade debts, due from customers and contract assets. The Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Non-Financial Assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Off setting financial assets and financial liabilities

Financial assets and financial liabilities are set off and only the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognized amount and the company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

5.13 Dividends

Dividend distribution to the shareholders is recognized as a liability in the financial statements in the period in which such dividends are declared and approved by the shareholders.

5.14 Staff retirement benefits-gratuity

The company has adopted IAS 19, (Revised) "Employee Benefits". The amendments in the revised standard require the company to eliminate the corridor approach and recognize all actuarial gains and losses (now called 'remeasurements', that result from the remeasurement of defined benefits obligations and fair value of plan assets at the reporting date) in other comprehensive income as they occur, immediately recognize all past service costs and replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefits liability / asset.

The company had operated an unfunded gratuity scheme covering for all its permanent employees who have attained the minimum qualifying period for entitlement to the gratuity.

The number of employees entitled for gratuity are below threshold, therefore the management believed that it is unreasonable to conduct actuarial valuation as required by IAS 19 "(Revised) Employee Benefits". All other employees are hired on contractual basis .

5.15 Taxation

Current

Provision for current taxation is based on taxability of certain income streams of the company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credit and tax rebates available, if any. The charge for current tax includes any adjustment to past years liabilities.

Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the average effective rate of tax / enacted tax rate. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised. Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Levy

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

5.16 Trade and other payable

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not invoiced to the Company.

5.17 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of past event, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

5.18 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of exchange prevailing at the reporting date, except those covered by forward contracts, which are stated at contracted rates. Foreign currency transactions are translated into Pak Rupee at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. Non monetary items are translated into Pak Rupee on the date of transaction or on the date when fair values are determined. Exchange differences are included in income currently.

5.19 Related parties

Transaction with related parties are priced on an arms length basis determined in accordance with comparable uncontrolled price method.

PAKISTAN PVC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2026	2025	Note	2026	2025
Number of shares			Rupees	
2,603,335	2,603,335	Ordinary shares of Rs. 10/- each fully paid in cash	26,033,350	26,033,350
2,396,665	2,396,665	Ordinary shares of Rs. 10/- each fully paid for consideration of amounts outstanding against secured loans	23,966,650	23,966,650
180	180	Right shares issued of Rs. 10 each for cash in ratio of 2 for 1 share	1,800	1,800
9,971,820	9,971,820	Right shares issued to underwriters	99,718,200	99,718,200
14,972,000	14,972,000		149,720,000	149,720,000
(14,000)	(14,000)	Less: Unpaid amount in respect of shares allotted to Federal Chemical and Ceramics Corporation (Pvt) Limited.	(140,000)	(140,000)
14,958,000	14,958,000		149,580,000	149,580,000

- 6.1 The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction. There is no movement in share capital during the year.

7 SURPLUS ON REVALUATION OF FIXED ASSETS

	Note	2026	2025
		Rupees	
Surplus on revaluation of property, plant and equipment - gross	7.1	234,361,860	239,572,058
		234,361,860	239,572,058
7.1 Surplus on revaluation of property, plant and equipment - gross			
Surplus on revaluation of property, plant and equipment at the beginning of the year		239,572,058	245,361,165
Arised during the year		-	-
Transfer to unappropriated profit in respect of incremental depreciation on revalued assets		(5,210,198)	(5,789,107)
		234,361,860	239,572,058

8 LONG TERM FINANCING

Secured

Government loan	8.1	32,991,000	32,991,000
Less : Current portion shown under current liabilities		(32,991,000)	(32,991,000)
		-	-

- 8.1 The loan was repayable in four half-yearly installments commenced one year after the date of disbursement to the company (i.e. June 17, 1992) and subject to an interest @ 11% (SBP rate prevailed at the time of agreement) as agreed with the management. It is secured against bank guarantee provided by the directors which is secured against personal marketable securities of directors. The entire amount of the loan stands outstanding, overdue and payable to Privatization Commission of Pakistan.

9 TRADE AND OTHER PAYABLES

Creditors		2,661,845	2,378,034
Contract Liabilities-Unsecured	9.1	1,971,841	839,136
Accrued liabilities	9.2	72,943,290	74,060,542
Security Deposits		664,200	950,300
Privatization commission, finance division	9.3	10,000,000	10,000,000
		88,241,176	88,228,012
9.1 Contract Liabilities-Unsecured			
Advances from customers	9.1.1	1,950,948	476,607
Advance Rent		20,893	362,529
		1,971,841	839,136

- 9.1.1 Advance received from customer is recognised as revenue when the performance obligation in accordance with the policy is satisfied. Revenue for an amount of Rs. 0.308 million (2025:Rs. 0.454 million) has been recognised in current year in respect of advances from customers at the beginning of period.

PAKISTAN PVC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

14 PROPERTY, PLANT AND EQUIPMENT

Operating assets
Non operating assets

14.1 Operating assets

Cost

	Land Leasehold	Factory building	Plant and machinery	Electric installation	Loose tools and implements	Air conditioners, coolers and fans	Owned					Motor vehicles	Other assets	Total
							Fire fighting equipment	Weighing scales	Furniture and fixtures	Office computers	Office equipments			
Balance as at July 01, 2024	108,888,880	13,906,800	6,475,000	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,689,813	116,983
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2025	108,888,880	13,906,800	6,475,000	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,689,813	116,983
Balance as at July 01, 2025	108,888,880	13,906,800	6,475,000	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,689,813	116,983
Additions during the year	-	-	-	1,347,620	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2026	108,888,880	13,906,800	6,475,000	3,940,123	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,689,813	116,983

Depreciation

Balance as at July 01, 2024	-	1,390,680	647,500	2,556,857	1,582,953	1,227,885	119,209	342,926	821,258	491,349	1,926,626	25,403	1,509,206	116,051	12,757,903
Charge for the year	-	1,251,612	582,750	3,565	24	2,552	65	455	1,926	2,595	3,203	2	36,121	93	1,884,963
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2025	-	2,642,292	1,230,250	2,560,422	1,582,977	1,230,437	119,274	343,381	823,184	493,944	1,929,829	25,405	1,545,327	116,144	14,642,866
Balance as at July 01, 2025	-	2,642,292	1,230,250	2,560,422	1,582,977	1,230,437	119,274	343,381	823,184	493,944	1,929,829	25,405	1,545,327	116,144	14,642,866
Charge for the year	-	1,126,451	524,475	85,339	97	2,169	59	410	1,734	1,817	2,723	11	28,897	84	1,774,266
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2026	-	3,768,743	1,754,725	2,645,761	1,583,074	1,232,606	119,333	343,791	824,918	495,761	1,932,552	25,416	1,574,224	116,228	16,417,132
Written down value as at June 30, 2025	108,888,880	11,264,508	5,244,750	32,081	97	14,461	586	4,095	17,337	6,056	18,150	11	144,486	839	125,636,337
Written down value as at June 30, 2026	108,888,880	10,138,057	4,720,275	1,294,362	-	12,292	527	3,685	15,603	4,239	15,427	-	115,589	755	125,209,691
Rate of depreciation	-	10%	10%	10%	20%	15%	10%	10%	10%	30%	15%	15%	20%	10%	

14.2 Non operating assets

	Owned														Total
	Land leasehold	Land freehold	Factory building	Plant and machinery	Loose tools and implements	Air conditioners, coolers and fans	Fire fighting equipment	Weighing scales	Furniture and fixtures	Office computers	Office equipments	Canteen equipments	Motor vehicles	Other assets	
Cost															
Balance as at July 01, 2024	70,920,000	10,836,000	21,602,170	27,415,000	-	-	-	-	-	-	-	-	-	-	130,773,170
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2025	70,920,000	10,836,000	21,602,170	27,415,000	-	-	-	-	-	-	-	-	-	-	130,773,170
Balance as at July 01, 2025	70,920,000	10,836,000	21,602,170	27,415,000	-	-	-	-	-	-	-	-	-	-	130,773,170
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2026	70,920,000	10,836,000	21,602,170	27,415,000	-	-	-	-	-	-	-	-	-	-	130,773,170

14.3 The company has ceased the production at Charo since 1995. The above represent assets transferred from property, plant and equipment - operating to property, plant and equipment - non operating from July 1, 2003.

14.4 Depreciation has been allocated as under

	2026	2025
	-----Rupees-----	
Cost of good manufactured	5,707,157	6,255,407
Administrative expenses	1,573	1,724
Distribution cost	35,911	39,361
	5,744,641	6,296,492

14.5 Disposal of property, plant and equipment

There was no disposal during the year.

14.6 Lease hold land is classified as owner occupied property till disposal of the case referred to in note 13.2 to these financial statements.

14.7 The company had its land freehold / leasehold, buildings on freehold land and plant and machinery revalued. Revaluation of the assets was carried out by the independent valuers M/S W.W Engineering service (Pvt.) Limited on July 01, 2023. The value is assessed on the basis of professional knowledge, present market conditions and available records. Freehold / leasehold land, building on freehold land, and plant and machinery was revalued at market value. The company has incorporated a revaluation surplus of Rs. 100.60 million on revaluation of above assets on the basis of said valuation report. Accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

14.8 Had there been no revaluation, the carrying amount of the specific class of assets would have been as follows.

	Operating assets		Non operating assets	
	2026	2025	2026	2025
Freehold land	-	-	452,777	452,777
Leasehold land	2,683,055	2,683,055	38,957	38,957
Factory building	32,537	36,152	122,875	136,528
Plant and machinery	1,428,997	1,587,775	2,115,669	2,350,743
	4,144,589	4,306,982	2,730,278	2,979,005

14.9 Particulars of immovable property (i.e. land and building) are as follows:

Location	Usage of immovable property	Total Area (in acres)	Total area (in sq yard.)
(a) Shaffabad, Charo, District Thatta.	Production facility	68.13	329,749.20
(b) Plot No. 1-4 & 31-A Sector I-9, Industrial Area, Islamabad.	Production facility	5.62	27,222.22

14.10 Forced sale value of immovable property of the company as per revaluation report 2023 is as follows:

Operating Assets		Non Operating Assets	
Land	87,111,104		69,492,600
Building	11,065,440		17,281,736
Machinery	4,856,250		20,561,250

35.1 Credit risk

Exposure to credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits and short term prepayments and cash and bank balances. Out of total financial assets of Rs.3.071 million (2025: Rs.3.726 million), financial assets which are subject to credit risk aggregate to Rs. 2.553 million (2025 : Rs.3.667 million). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows.

	Note	2026	2025
		-----Rupees-----	
Trade debts		1,059,382	1,434,514
Trade deposits		100,000	100,000
Other receivables		1,393,702	2,132,125
Cash and bank balances		517,876	59,382
		<u>3,070,960</u>	<u>3,726,021</u>

The maximum exposure to credit risk for trade debts at the reporting date by type of customer is as follows.

Domestic	<u>1,059,382</u>	<u>1,434,514</u>
-----------------	------------------	------------------

The aging of trade debtors at the reporting date is as follows.

Not past due	-	-
Past due 0 - 30 days	-	-
Past due 31 - 90 days	72,938	832,534
Past due 90 days - 1 year	132,413	-
More than one year	<u>1,627,131</u>	<u>1,370,467</u>
	1,832,482	2,203,001
Allowance for ECL	<u>(773,100)</u>	<u>(768,487)</u>
	<u>1,059,382</u>	<u>1,434,514</u>

35.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	2026					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Long term financing	32,991,000	32,991,000	32,991,000	-	-	-
Short term borrowings	56,008,825	56,008,825	56,008,825	-	-	-
Accrued interest / markup	121,169,163	121,169,163	121,169,163	-	-	-
Creditors	2,661,845	2,661,845	2,661,845	-	-	-
Accrued liabilities	72,943,290	72,943,290	72,943,290	-	-	-
Interest Free Demand Deposit	664,200	664,200	664,200	-	-	-
Other Payables	10,000,000	10,000,000	10,000,000	-	-	-
Total	296,438,323	296,438,323	296,438,323	-	-	-
	2025					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Long term financing	32,991,000	32,991,000	32,991,000	-	-	-
Short term borrowings	48,141,220	48,141,220	48,141,220	-	-	-
Accrued interest / markup	117,540,153	117,540,153	117,540,153	-	-	-
Creditors	2,378,034	2,378,034	2,378,034	-	-	-
Accrued liabilities	74,060,542	74,060,542	74,060,542	-	-	-
Interest Free Demand Deposit	950,300	950,300	950,300	-	-	-
Other Payables	10,000,000	10,000,000	10,000,000	-	-	-
Total	286,061,249	286,061,249	286,061,249	-	-	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30, 2026. The rates of mark up have been disclosed in relevant notes to these financial statements.

35.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The company is exposed to currency risk and interest rate risk only.

Currency risk

Exposure to currency risk

The company is exposed to currency risk on trade debts, borrowing and import of raw material and stores that are denominated in a currency other than the respective functional currency of the company. The company has not exposed to any currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arises from short and long term borrowings from bank and term deposits and deposits in PLS saving accounts with banks. At the reporting date the interest rate profile of the company's interest bearing financial instrument is as follows.

	2026	2025
	-----Rupees-----	
Fixed rate instruments		
Financial assets	697,000	777,000
Financial liabilities	32,991,000	32,991,000

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss account.

Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to commodity price risk as it hold financial instruments based commodity prices.

36 CAPITAL RISK MANAGEMENT

The board's policy is to maintain a strong capital base as to maintain investor, creditor and market confidence and to sustain future development of the business, however, practical difficulties with this regard are being faced by the management due to liquidity crisis, small market share and huge losses. The board of directors monitor the return on capital and the level of dividend to ordinary shareholders while due to heavy losses no dividend has been declared since several past years. There were no changes to the company's approach to capital management during the year and the company is not subject to externally imposed capital requirements.

37 Fair value of financial assets and liabilities

The following table shows the carrying amounts and fair values of financial assets and liabilities. The fair value of financial assets measured at fair value is shown below. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Carrying amount			Carrying amount		
2026			2025		
At amortized cost	Fair value through profit or loss	Fair value through other comprehensive income	At amortized cost	Fair value through profit or loss	Fair value through other comprehensive income
-----Rupees-----					
Financial Assets					
Long term investments	918,619	-	708,168	-	-
Trade Debt	1,059,382	-	1,434,514	-	-
Other receivables	1,393,702	-	2,132,125	-	-
Cash and bank balances	517,876	-	59,382	-	-
	3,889,579	-	4,334,189	-	-

Carrying amount			Carrying amount		
2026			2025		
At amortized cost	Fair value through profit or loss	Fair value through other comprehensive income	At amortized cost	Fair value through profit or loss	Fair value through other comprehensive income

-----Rupees-----

Financial liabilities

Creditors	2,661,845	-	-	2,378,034	-	-
Accrued liabilities	72,943,290	-	-	74,060,542	-	-
Interest Free Demand Deposit	664,200	-	-	950,300	-	-
Other Payables	10,000,000	-	-	10,000,000	-	-
Unclaimed Dividend	45,980	-	-	45,980	-	-
Accrued interest / markup	121,169,163	-	-	117,540,153	-	-
Short term borrowings	56,008,825	-	-	48,141,220	-	-
Current portion of long term financing	32,991,000	-	-	32,991,000	-	-
	296,484,303	-	-	286,107,229	-	-

The basis for determining fair values is as follows:

Interest rates used for determining fair value:

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. Since the majority of the financial assets are fixed rate instruments, there is no significant difference in market rate and the rate of instrument, fair value significantly approximates to carrying value.

37.1 Fair value hierarchy

The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs.

The Company held the following financial assets at fair value:

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
30-Jun-26				
At fair value through profit or loss				
	-	-	-	-
30-Jun-25				
At fair value through profit or loss				

37.2 Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

38 TRANSACTIONS WITH RELATED PARTIES

The company has related party relationship with its directors and key management personnel. Remuneration given to chief executive, directors and executives are in accordance with their terms of employment as disclosed in note 36 to the financial statements. Following are the balances of and transaction with related parties.

Name	Basis of relationship	Percentage of shareholding
Mr. Arif Shaffi	Director	2.51%
Mrs. Parveen Shaffi	Close Family Member	N/A
Mr. Muhammad Shaffi	Director	0.12%
Mr. Adeel Shaffi	Director	0.02%
Mr. Asif Shafi	CFO	N/A

Related parties	Nature of transactions	2026	2025
		-----Rupees-----	
Mr. Arif Shaffi	Loan Receipts	-	215,000
	Loan Payments	-	230,000
Mr. Muhammad Shaffi	Loan Receipts	5,118,000	1,722,000
	Loan Payments	-	286,000
Mr. Adeel Shaffi	Loan Receipts	-	-
	Loan Payments	-	-
Mr. Asif Shafi	Loan Receipts	146,000	200,000
	Loan Payments	-	-

PATTERN OF SHAREHOLDING						
As At June 30, 2026						
-----Shareholdings-----						
2.2 No. of Shareholders	From		To			Total Shares Held
361	1		100			12,859
125	101		500			39,674
43	501		1,000			37,032
92	1,001		5,000			253,421
12	5,001		10,000			95,548
6	10,001		15,000			78,950
3	15,001		20,000			50,495
1	25,001		30,000			27,000
1	30,001		35,000			34,888
1	55,001		60,000			60,000
1	65,001		70,000			65,690
1	75,001		80,000			78,500
1	95,001		100,000			100,000
1	100,001		105,000			104,763
1	145,001		150,000			149,500
1	175,001		180,000			180,000
1	275,001		280,000			275,500
1	295,001		300,000			300,000
1	375,001		380,000			376,450
1	380,001		385,000			381,100
1	385,001		390,000			389,043
1	425,001		430,000			425,602
1	735,001		740,000			737,640
1	745,001		750,000			746,525
1	9,970,001		9,975,000			9,971,820
660						14,972,000

Categories of Shareholders					
As At June 30, 2026					
2.3 Categories of Shareholders			Shares Held	Percentage	
2.3.1	Directors, Chief Executive Officer, and their spouse and minor children		423,301	2.8273%	
2.3.2	Associated Companies, undertakings and related parties. (Parent Company)		0	0.0000%	
2.3.3	NIT and ICP		4,250	0.0284%	
2.3.4	Banks Development Financial Institutions, Non Banking Financial Institutions.		554,838	3.7058%	
2.3.5	Insurance Companies		6,750	0.0451%	
2.3.6	Modarabas and Mutual Funds		0	0.0000%	
2.3.7	Shareholders holding 10% or more		9,971,820	66.6031%	
2.3.8	General Public				
	a. Local		3,482,651	23.2611%	
	b. Foreign		0	0.0000%	
2.3.9	Others (to be specified)				
-	Joint Stock Companies		526,226	3.5147%	
-	Investment Companies		1,625	0.0109%	
-	Abandoned Properties		539	0.0036%	
-	Forigen Companies		9,971,820	66.6031%	

PAKISTAN PVC LIMITED			
Categories of Shareholding required under Code of Corporate Governance (CCG)			
As on June 30, 2026			
Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):		-	-
Mutual Funds (Name Wise Detail)		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. ARIF SHAFFI	376,450	2.5144%
2	MRS. SAIRA SHAFFI	12,850	0.0858%
3	MR. MOHAMMAD SHAFFI	17,500	0.1169%
4	MR. MOHAMMAD IQBAL	2,500	0.0167%
5	MR. ADEEL SHAFFI	2,500	0.0167%
6	MR. ABDULLAH SHAFFI (CDC)	2,500	0.0167%
7	MR. ARSHAD JAVAID (CDC)	9,001	0.0601%
Executives:		381,100	2.5454%
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		561,588	3.7509%
Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)			
1	ENSENA HOLDING FZC	9,971,820	66.6031%
All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:			
Sr.No.	Name	Sale	Purchase
	NIL		
	Dear Sir, please check at your end		

Folio No.	CDC Account No.	
	Participant I. D.	Account No.

PROXY FORM

I/We _____ of _____ being a member / members of **PAKISTAN PVC LIMITED** hereby appoint _____ (name) of _____ (Full address) another member of the company or failing him / her _____ (name) of _____ (Full address) another member of the company as my/our proxy to attend and vote for me/us and on my/us behalf, at the 63rd Annual General Meeting of the company to be held at Shaffiabad, Gharo, Distt. Thatta on Friday, October 23, 2026 and at every adjournment thereof.

Signed this _____ day of _____

(Signature should agree with the specimen signature registered with the company)

Signature on
Rupee One
Revenue Stamp

Important

1. A member entitled to attend and vote at the Annual General Meeting of the company entitled to appoint a proxy to attend and vote instead of him / her. No person shall act as proxy, who is not a member.
2. The instrument appointing a proxy should be signed by the member (s) or by his/her attorney duly authorized in writing. If the member is a corporation, its common seal should be affixed to the instrument.
3. This Proxy Form, duly completed, must be deposited at the company's Registered Office, at Shaffiabad, Gharo, Distt. Thatta, not less than 72 hours before the time of holding the meeting.
4. The Proxy shall produce his original CNIC or original passport at the time of the Meeting.
5. In case of individual CDC Account holders, attested copy of CNIC or passport (as the case may be) of the beneficial owner will have to be provided with this Proxy.
6. In case of corporate entity, the Board of Directors Resolution/Power of Attorney with specimen signature of the nominee shall be submitted along with this Proxy.

CDC اکاؤنٹ نمبر		فولیو نمبر
اکاؤنٹ کا نمبر.	I. D. شرکا	

پراکسی فارم

میں / ہم _____ کے _____ اس طرح سے تقرر پاکستان پیویسی لمیٹڈ کے ایک رکن / رکن ہونے (نام) کے _____ (مکمل ایڈریس) کمپنی کے ایک اور رکن یا _____ (نام) میں ناکام رہنے کے ایک اور رکن (ایڈریس) اس / اس _____ میرے / ہمارے پراکسی کے طور پر کمپنی میں شرکت اور میرے لئے ووٹ ڈالنے کے لئے . ہم میں اور میری / ہماری جانب ، میں 63 کمپنی کی سالانہ جنرل میٹنگ شفیع آباد ، گھارو ، ضلع میں منعقد ہونے پر / . Friday ، October 23, 2026 پر اور اسکی بر التوا میں ٹھٹھ .

س دستخط _____ کے دن _____

پر دستخط
روپیہ ایک
ریونیو سٹیمپ

(دستخط کمپنی کے ساتھ رجسٹرڈ نمونہ
دستخط کے ساتھ اتفاق کرنا چاہئے)

اہم

1. ایک رکن میں شرکت اور / اس میں شرکت اور بجائے اس کے ووٹ ڈالنے کے لئے ایک پراکسی مقرر کرنے کا حقدار کمپنی کی سالانہ جنرل میٹنگ میں ووٹ ڈالنے کا حق دار. کوئی شخص پراکسی، جو رکن نہیں ہے کے طور پر کام کرے گا.
2. آلم پراکسی تقرری رکن (زبانیں) کی طرف سے یا اس کی / اس کے وکیل ودوت تحریری اجازت کی طرف سے دستخط کیا جانا چاہئے. رکن ایک کارپوریشن ہے، اس کے عام مہر آلم پر چسپاں کیا جانا چاہئے.
3. یہ پراکسی فارم، ودوت مکمل، شفیع آباد، گھارو، ضلع میں، کمپنی کے رجسٹرڈ دفتر میں جمع کیا جانا چاہئے. ٹھٹھ، 72 سے کم نہیں گھنٹے کے اجلاس کے انعقاد کے وقت سے پہلے.
4. پراکسی ملاقات کے وقت اپنے اصل شناختی کارڈ یا اصل پاسپورٹ پیدا کرے گا.
5. انفرادی CDC اکاؤنٹ ہولڈرز کی صورت میں، فائدہ مند مالک کے شناختی کارڈ کی نقل یا پاسپورٹ (کیس ہو سکتا ہے کے طور پر) گواہی اس پراکسی کے ساتھ فراہم کرنا ہوگا.
6. کارپوریٹ ہستی کی صورت میں، امیدوار کا نمونہ دستخط کے ساتھ اٹارنی کے بورڈ آف ڈائریکٹرز کی قرارداد / پاور اس پراکسی کے ساتھ ساتھ پیش کیا جائے گا.

Folio No.	CDC Account No.	
	Participant I. D.	Account No.

The Companies (E-voting) Regulations, 2016

"I/we of in the district of being member of Pakistan PVC Limited and a holder of Ordinary Shares as per Register Folio No. hereby opt for e-voting through intermediary and hereby consent the appointment of execution officer as proxy and will exercise e-voting as per the Companies (E-voting) Regulations, 2016 and hereby demand for poll for resolutions.

My secured email address is, please send login details, password and electronic signature through email.

Day of

.....

Signature should agree

With the specimen signature

Registered with the Company

Signed in the presence of :

.....
Signature of Witness

.....
Signature of Witness

پر دستخط
روپیہ ایک
ریونیو سٹیمپ

کمپنیوں (ای ووٹ) مقررین، 6102

"میں / ہم پاکستان پیویسی لمیٹڈ کا ایک رکن اور ضلع میں
..... فولیو نمبر کے مطابق عام حصص ... اس طرح سے وسطی
ایگریٹ کے ذریعہ ای ووٹ لینے کا اختیار ہوتا ہے اور اس کے ذریعے پروسیسنگ آفیسر
کی تقرری کی منظوری دیتا ہے پراکسی کے طور پر اور اس کے
مطابق ای ووٹنگ کا استعمال کریں گے۔ کمپنیاں (ای ووٹ) مقررین، 2012 اور اس کے
علاوہ قراردادوں کے لئے سروے کے مطالبہ۔
میرا محفوظ ای میل پتہ، برائے مہربانی لاگ ان کی تفصیلات، پاس ورڈ
اور ای میل کے ذریعے الیکٹرانک دستخط بھیجیں۔

کا دن

.....
دستخط متفق ہونا چاہئے
نمونہ دستخط کے ساتھ
کمپنی کے ساتھ رجسٹرڈ

کی موجودگی میں دستخط:

.....
گواہ گواہی کا دستخط

.....
گواہ گواہی کا دستخط

