



Pakistan Synthetics Limited

ANNUAL REPORT

20 26



Pakistan Synthetics Limited

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Pakistan Synthetics Limited

COMPANY INFORMATION



Pakistan Synthetics Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. KHURSHID AKHTAR
MR. YAKOOB HAJI KARIM
MR. NOMAN YAKOOB
MR. ABID UMER
MR. MUBASHIR AMIN
MR. TAYAB RAFIQ BALAGAMWALA
MR. FARAZ YUNUS BANDUKDA
MS. SADAF SHABBIR

CHAIRMAN - INDEPENDENT
CHIEF EXECUTIVE
EXECUTIVE
NON-EXECUTIVE
NON-EXECUTIVE
INDEPENDENT
INDEPENDENT
INDEPENDENT

AUDIT COMMITTEE

MR. TAYAB RAFIQ BALAGAMWALA
MR. MUBASHIR AMIN
MR. FARAZ YUNUS BANDUKDA

CHAIRMAN

HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. FARAZ YUNUS BANDUKDA
MR. MUBASHIR AMIN
MR. NOMAN YAKOOB

CHAIRMAN

CHIEF FINANCIAL OFFICER

MR. SHAHID YAQOOB

COMPANY SECRETARY

MR. MUHAMMAD IMRAN

BANKERS

ASKARI BANK LIMITED
AL BARAKA BANK PAKISTAN LIMITED
ALLIED BANK LIMITED
BANK AL HABIB LIMITED
BANK OF PUNJAB LIMITED
BANK AL-FALAH LIMITED
BANK ISLAMI PAKISTAN LIMITED
DUBAI ISLAMIC BANK PAKISTAN LIMITED
FAYSAL BANK LIMITED
HABIB BANK LIMITED
HABIB METROPOLITAN BANK LIMITED
MEEZAN BANK LIMITED
SONERI BANK LIMITED
MCB ISLAMIC BANK LIMITED

AUDITORS

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

REGISTRAR

F.D. REGISTRAR SERVICES (PVT.) LTD.
OFFICE # 1705, 17TH FLOOR, SAIMA TRADE TOWER-A,
I.I. CHUNDRIGAR ROAD, KARACHI.

LEGAL ADVISOR

MUHAMMAD AHMED - ADVOCATE

REGISTERED OFFICE

OFFICE # 1504, 15TH FLOOR, EMERALD TOWER,
BLOCK 5, CLIFTON, KARACHI.

FACTORY

F-1, 2, 3, 6, 13, 14 & 15
HUB INDUSTRIAL TRADING ESTATE
DISTRICT LASBELA, BALOCHISTAN.

PLOT # A-5, N.W.I.Z, PORT QASIM AUTHORITY,
KARACHI.



Pakistan Synthetics Limited

COMPANY PROFILE



The Company was incorporated on 18 November 1984 as a private limited company in Pakistan and converted into a public limited company on 30 December 1987. The shares of the Company are listed on Pakistan Stock Exchange (formerly they were listed on all Stock Exchanges of Pakistan) with effect from 27 June 1995. The principal activity of the Company is manufacturing and sale of Plastic Caps Crown Caps, PET Resin, Preform. The registered office of the Company is situated in Karachi.

Due to continuing depressed polyester staple fibre market situation, the Board had decided on April 20, 2015 to convert polyester staple fibre plant into PET Resin manufacturing plant by making necessary modifications and addition then to existing plant. PET Resin manufacturing facility has started its commercial production in October 2016.

The commencement of PET Resin manufacturing has enabled the Company to go further downstream in packaging industry and provide complete one window solution to beverage industry customers which has continuous growth over years. The Company is now poised to participate in growing needs of beverage consumption by playing an integral role by being a priority one-window supplier to multinational bottlers and local brand owners in Pakistan.

Pakistan Synthetics Limited

PRODUCT INFORMATION



Plastic and Crown Caps

The role of caps and closure is to seal and preserve the product inside each bottle. Pakistan Synthetics Limited (PSL) provides bottlers capping solutions that provide secure sealing, safe opening, consistent and consumer friendly removal torques, effective tamper evidence and application optimization. PSL understands how important excellent application performance and line efficiency are for bottlers. The caps by PSL reflect the bottlers' individual brand identity; we have a wide range of colors and offer customized printing while fully maintaining product integrity and safety.

PET Resin and PET Preform

Polyethylene Terephthalate (PET) is the most common thermoplastic polymer resin of the polyester family. Because PET is an excellent water and moisture barrier material, plastic bottles made from PET are used for soft drinks, still water, edible oil industry and pharmaceutical sector. The convenience attached with plastic packaging is paramount in increasing the consumption of PET in Pakistan.

Pakistan Synthetics Limited

PERFORMANCE OF THE COMPANY AT A GLANCE

	YEAR ENDED 30 JUNE									
STATISTICAL SUMMARY	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
	Rupees in million									
Gross Sales	18,545	20,036	16,425	17,036	14,491	8,547	7,780	8,213	6,001	3,404
Profit /(loss) before taxation	1,389	637	558	1,372	1,481	1,055	(99)	(150)	37	(30)
Taxation	578	270	210	574	495	307	1	26	80	69
Profit /(loss) after taxation	811	367	348	798	986	748	(99)	(124)	117	39
Gross assets employed	12,668	11,199	11,183	9,608	8,560	5,705	5,100	5,934	6,060	4896
Paid up capital	1,387	1,387	1,387	1,387	925	841	841	560	560	560
Share holder equity	5,439	4,628	4,261	3,911	3,115	2,345	1,602	1,196	1,336	1,222
EARNINGS AND PAYOUT										
	Rs.per share of Rs.10 each									
Earnings/(Loss) per share	5.85	2.65	2.51	5.75	7.11	8.09	(1.39)	(2.21)	2.09	0.69
Break-up value	39.21	33.37	30.72	28.19	33.69	25.36	19.06	21.34	23.86	21.82
Cash Dividend	-	-	-	-	-	2.50	-	-	-	-
Bonus issue	-	-	-	50%	-	10%	-	-	-	-
FINANCIAL RATIOS										
	RATIOS									
Current assets: Current Liabilities	1.28:1	1.12:1	1.12:1	1.08:1	1.19:1	1.16:1	0.94:1	0.78:1	1:1	0.99:1
Long Term Debt : Equity	21.79	17.83	17.83	21.79	25.75	19.81	18.82	31.69	30.70	26.74
PRODUCTION										
	Quantity									
PET Resin -Tons	20,793	22,599	26,693	22,397	22,221	25,312	24,499	25,121	25,782	20,952
Plastic and Crown Caps -Cartons	571,596	541,419	443,333	619,121	625,325	543,820	434,861	459,345	495,057	409,253
PET Preforms - Octabins	44,155	35,951	33,011	38,034	29,831	20,582	12,360	5,986	1,771	-



Pakistan Synthetics Limited

THE ONLY PLACE
SUCCESS
COMES BEFORE
WORK
IS THE DICTIONARY

(Vince Lombardi)

Pakistan Synthetics Limited

Review Report by the Chairman

I am pleased to present the Chairman's Review Report to our valued shareholders and other stakeholders, reflecting on the Company's performance, the Board's oversight responsibilities, and the progress made towards achieving our strategic objectives for the year ended June 30, 2026.

Board Composition, Oversight and Governance

The Board comprises eight Directors, including four Independent Directors, with a diverse blend of professional expertise, experience, financial acumen, analytical capabilities, and independent perspectives. This combination of skills enables the Board to effectively discharge its responsibilities and provide appropriate strategic direction and oversight.

The Board remained attentive to emerging trends, market developments, and key issues affecting the Company's business and provided timely guidance to management to support the efficient and effective utilization of the Company's resources. All Directors actively participated in Board deliberations and contributed to the decision-making process.

During the year, the Board continued to uphold strong standards of corporate governance and maintained a disciplined approach to strategic oversight. Key areas of focus include:

- Providing strategic direction and guiding management in responding to evolving market conditions;
- Monitoring the Company's operational and financial performance and overseeing key business and risk areas;
- Ensuring effective risk management and prudent utilization of financial and other resources;
- Maintaining high standards of corporate governance in accordance with applicable laws, regulations, and the expectations of shareholders and other stakeholders.

The Board Committees continued to perform their respective responsibilities independently and effectively, in accordance with their approved Terms of Reference and applicable regulatory requirements.

Board Performance and Effectiveness

The overall performance and effectiveness of the Board for the year ended June 30, 2026, was assessed as Satisfactory. The assessment covered key areas of the Board's responsibilities, including the Company's vision, mission and values; participation in and oversight of strategic planning; formulation and review of policies; monitoring of business operations and performance; financial resource management; fiscal oversight; risk management; and the effectiveness and efficiency of the Board's proceedings and decision-making.

The Board recognizes that continuous improvement is an integral part of effective governance and remains committed to identifying areas for further enhancement and implementing appropriate action plans to strengthen its overall effectiveness.

Pakistan Synthetics Limited

Review Report by the Chairman

Acknowledgement

On behalf of the Board, I would like to express my sincere appreciation to our valued customers, employees, suppliers, financial institutions, government authorities, and all other stakeholders for their continued support, trust, and contribution to the Company's progress and business performance.

The Board remains committed to maintain sound governance practices, strengthening operational effectiveness, and creating sustainable long-term value for all stakeholders.



Khurshid Akhter
Chairman

Date: September 29, 2026

Pakistan Synthetics Limited

DIRECTOR'S REPORT

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2026

The Directors are pleased to present this report, accompanied by the Company's audited financial statements for the fiscal year ended June 30, 2026.

OVERVIEW OF THE ECONOMY:

Country's economy maintained its fiscal consolidation during the outgoing year, supported by strengthened macroeconomic fundamentals, prudent fiscal management, and a notable improvement in the external sector.

The year under review was marked by heightened geopolitical uncertainties in the region, resulting in disruptions across global and regional supply chains. While such developments continue to pose potential risks to input availability, logistics, and cost structures, the Company's operations and strong supply chain capabilities enabled it to maintain operational continuity.

FINANCIAL AND OPERATING PERFORMANCE

During the year, Company managed to earn sales revenue of Rs. 15,666 million as compared to last year's turnover of Rs. 16,872 million. Despite rising raw material costs linked to ongoing regional tensions, gross margin remained stable year-on-year, supported by strategic cost optimization initiatives. Gross profit strengthened by 3% as compared to last year from Rs. 1,976 million to Rs. 2,036.

Operating profit from core business operations grew by 11.7% year-on-year, reflecting underlying operational efficiency. The Company's finance costs decreased by 9%, from PKR 664.89 million to PKR 602.76 million, primarily due to lower profit rates compared with the previous year.

Other income for the year was significantly higher compared to the previous year, mainly due to gain of Rs. 138.20 million arising from the difference between the carrying amount of the provision for Sindh Infrastructure Development Cess and the discounted value of the related settlement liability. In addition, other income increased by Rs. 120.72 million due to the credit recognised on dilution of the Company's investment in an associate.

The taxation charge for the year is based on statutory income tax rate including super tax.

After accounting for all expenses, the Company reported a net profit after tax of Rs. 811.45 million for the year ended June 30, 2026. (compared to Rs. 367.45 million in 2025).

EARNING PER SHARE

The Basic earnings per share was Rs. 5.85 as compared to Rs. 2.65 last year.

Pakistan Synthetics Limited

DIRECTOR'S REPORT

DIVIDEND

The Board of Directors have not recommended any cash dividend for the year ended 30 June, 2026. The decision was taken in order to meet long term financial commitments of the Company in the upcoming year.

BUSINESS FUTURE OUTLOOK

The country's economy is showing signs of stabilization; however, the overall business environment remains challenging. Geopolitical developments and regional conflicts continue to create volatility in commodity prices and supply chains. The Company's reliance on imported raw materials exposes it to fluctuations in input costs, exchange rates and potential supply disruptions.

To strengthen supply chain resilience, the Company is actively exploring and developing alternative sources of raw materials, with the objective of diversifying its sourcing base, improving supply continuity and optimizing procurement costs.

The Company remains focused on strengthening operational efficiency through supply chain optimization, prudent cost management, efficient resource utilization and effective inventory management. Management will continue to monitor economic, market and geopolitical developments and take appropriate measures to maintain business continuity and respond effectively to changing market conditions.

In response to ongoing energy-related challenges, the Company is also pursuing renewable and alternative energy solutions, including solar power, to improve energy efficiency and reduce reliance on conventional energy sources. Strategic investments in existing operations will continue to support production capabilities and address evolving customer requirements.

FORWARD LOOKING STATEMENT

Going forward, the Company will focus on value-chain efficiency, optimum inventory management, operational productivity and diversification of raw material sourcing. Management will continue to monitor market conditions, input costs and customer requirements and align its procurement, production and pricing strategies accordingly to maintain competitiveness and support sustainable growth.

INVESTMENT IN ASSOCIATE

Petpak Films (Private) Limited (PPFL), a subsidiary of International Packaging Films Limited, is engaged in the manufacturing and sale of flexible packaging materials, principally BO-PET films and allied PET packaging products. PPFL commenced commercial production on February 5, 2024. Pakistan Synthetics Limited holds 14.08% (2025: 18.24%) interest in PPFL and exercises significant influence through its shareholding and representation on the Board of PPFL.

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DIRECTOR'S REPORT

The investment is accounted for under the equity method in accordance with IAS 28. During the year, PPFL reported a net profit of Rs. 1.184 million, compared to a net loss of Rs. 1,122 million in the previous year. Accordingly, the Company recognised its share of PPFL's profit of Rs. 0.167 million in its financial statements, compared to a share of loss of Rs. 205.004 million in the previous year.

During the year, PPFL issued right shares which were not subscribed by the Company, resulting in dilution of the Company's interest. The resulting gain of Rs. 120.718 million has been recognised as a credit in the Company's financial statements.

SUBSEQUENT EVENT

There has been no material change or commitment affecting the financial position of the Company since the year-end to the date of this report.

CORPORATE SOCIAL RESPONSIBILITY:

Pakistan Synthetics Limited is committed to offer high quality Packaging Products originating from company, conforming to the legal, statutory and regulatory requirement to enforce and assuring workers & consumer's safety during all pre-production, production and post-production processes.

The Company's Corporate Social Responsibility agenda focused on education, healthcare, environmental responsibility and community development. Education, healthcare and community development initiatives were undertaken through local welfare organization.

With an objective to ease the burden of increasing cost of living to local community, mainly in form of medical, education and occupational support, Pakistan Synthetics Limited has contributed Rs. 100 million to local Welfare organization which is renowned and actively involved in helping local communities in field of Health, Education, livelihood etc.

CONTRIBUTION TO THE NATIONAL EXCHEQUER

During the year the Company has contributed more than Rs. 3,137 million (2025: Rs. 3,744 million) to the Government Treasury on account of Income taxes, sales tax and other duties.

PACRA CREDIT RATING

The credit rating of the Company has been maintained at "A-" for long-term and "A-2" for short-term by the Pakistan Credit Rating Agency Limited (PACRA) on April 21, 2026.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company continues to operate an Enterprise Risk Management framework that is integrated within the organization to support the identification, evaluation and assessment of risks. Identified risks are prioritized by reference to their likelihood and potential impact, and mitigating actions are devised accordingly.

Pakistan Synthetics Limited

DIRECTOR'S REPORT

The Company is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

- * Forex market unpredictability and fiscal policy risks due to excessive debt burden.
- * Adverse movement in industrial utilities pricing.
- * Geopolitical situation, energy and supply chain instability.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board ensures the adequacy of internal control activities either directly or through its committees. The Board also reviews the Company's financial operations and position at regular intervals by means of regular meetings, reviewing interim accounts, reports, profitability reviews and other financial and statistical information.

IMPACT OF COMPANY'S BUSINESS ON THE ENVIRONMENT

Protection of the environment remains a critical component of Company's vision. The Company's production has no negative impact on the environment as our plant and operations comply with international and national environmental standards.

CODE OF CORPORATE GOVERNANCE AND ACCOUNTING FRAMEWORK

In compliance with the provisions of the listing regulations of the Pakistan Stock Exchange, the

Board members are pleased to place the following statements:

- a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- b) Proper books of accounts 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) International Accounting and Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- e) The Chief Executive and Chief Financial Officer duly endorsed the financial statements before the approval of the Board.
- f) The system of internal control and other such procedures, which are in place, are sound in design and have been effectively implemented and monitored on an ongoing basis by the management.
- g) There are no significant doubts upon the Company's ability to continue as a going concern.

Pakistan Synthetics Limited

DIRECTOR'S REPORT

- h) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- i) There has been no default on payment on any debt.
- j) The Company has developed an efficient and effective Environment Management Plan to ensure that all necessary measures are identified and implemented in order to protect the environment and comply with the environmental legislation. The Plan has been approved from relevant authorities. Further, The Company has also provided appropriate training to employees of the Company to work on environment management plan whereby employees were trained to ensure safe handling, storage and transportation of hazardous chemicals and to follow other environmental requirements.
- k) Key operating and financial data for the last ten years in summarized form is annexed.
- l) Statement of pattern of shareholding is annexed.

COMPOSITION OF THE BOARD OF DIRECTORS

The diverse mix of gender, knowledge, expertise and skill sets of the members enhances the effectiveness of our Board. The total number of directors is eight as per the following:

a.	Male:	7
b.	Female:	1

Composition of the Board of Directors is as under:

Independent Directors including female Director	4
Other Non-Executive Directors	2
Executive Directors	2

MEETING OF THE BOARD OF DIRECTORS

During the year, four (04) meetings of the Board of Directors were held. Attendance by each Director was as follows: -

NAME OF DIRECTOR	NO OF MEETING ATTENDANCE
I. Mr. Yakoob Haji Karim - Chief Executive	4
II. Mr. Noman Yakoob - Executive	4
III. Mr. Abid Umer - Non Executive	4
IV. Mr. Mubbashir Amin - Non Executive	4
V. Mr. Khurshid Akhtar - Independent	2
VI. Mr. Tayyab Rafiq Balagamwala - Independent	4
VII. Ms. Sadaf Shabbir - Independent	3
VIII. Mr. Faraz Younus Bandukda - Independent	4

Pakistan Synthetics Limited

DIRECTOR'S REPORT

Leave of absence was granted to Directors who could not attend the Board meetings.

MEETING OF THE AUDIT COMMITTEE

During the year, four (04) meetings of the Audit Committee were held. Attendance by each Director was as follows: -

NAME OF DIRECTOR	NO OF MEETING ATTENDANCE
I. Mr. Tayyab Rafiq Balagamwala	4
II. Mr. Faraz Younus Bandukda	4
III. Mr. Mubbashir Amin	4

MEETING OF THE HR AND REMUNERATION COMMITTEE

During the year, one (01) meeting of the HR and Remuneration Committee was held. Attendance by each Director was as follows: -

NAME OF DIRECTOR	NO OF MEETING ATTENDANCE
I. Mr. Faraz Younus Bandukda	1
II. Mr. Mubbashir Amin	1
III. Mr. Noman Yakoob	1

NOMINATION AND RISK MANAGEMENT COMMITTEE:

The name of members of nomination and risk management committee are as follows:

- I. Mr. Yakoob Haji Karim
- II. Mr. Noman Yakoob
- III. Mr. Mubbashir Amin

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

The remuneration fee structure is reviewed by the Board from time to time, taking into account prevailing market practices of comparable listed companies.

DIVERSITY, EQUITY AND INCLUSION POLICY

The Board continued to oversee the implementation of the Company's Diversity, Equity and Inclusion Policy to promote an inclusive, equitable and merit-based workplace. Company maintains a workplace that promotes mutual respect, diversity and fair treatment for all employees while complying with applicable labour laws and regulations. performance, regardless of gender. The company promotes an inclusive work environment by ensuring equitable representation at all levels within the organization.

Pakistan Synthetics Limited

DIRECTOR'S REPORT

POLICY ON GENDER PAY

Pay structure of the organization based solely on qualifications, experience, performance and job level which is applied uniformly across genders. Gender pay gap is given below:

Mean	-8.6%
Median	-7.74%

AUDITORS

The financial statements of the Company for the year ended June 30, 2026 were audited by BDO Ebrahim & Co., Chartered Accountants. The auditors will retire at the conclusion of the forthcoming Annual General Meeting and, being eligible, have offered themselves for re-appointment.

The Board, on the recommendation of the Audit Committee, has recommended the re-appointment of BDO Ebrahim & Co., Chartered Accountants as auditors of the Company for the year ending June 30, 2027, subject to the approval of the members at the forthcoming Annual General Meeting.

ACKNOWLEDGEMENT

The Management would like to place on record its appreciation for dedication and hard work rendered by its employees and workers.

For and on behalf of the Board of Directors



YAKOOB HAJI KARIM
CHIEF EXECUTIVE



KHURSHID AKHTAR
CHAIRMAN

Karachi

Dated: September 29, 2026

30 جون 2026 کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کو یہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے، جس کے ساتھ کمپنی کے آڈٹ شدہ مالیاتی بیانات بھی شامل ہیں، جو 30 جون 2026 کو ختم ہونے والے مالی سال سے متعلق ہیں۔

معیشت کا جائزہ

گزشتہ سال کے دوران ملک کی معیشت نے مالی استحکام اور مالیاتی نظم و ضبط کو برقرار رکھا۔ اس میں معاشی بنیادوں میں مضبوطی، محتاط مالیاتی انتظام اور بیرونی شعبے میں نمایاں بہتری نے اہم کردار ادا کیا۔

زیر جائزہ سال کے دوران خطے میں جغرافیائی سیاسی غیر یقینی صورتحال میں اضافہ ہوا، جس کے نتیجے میں عالمی اور علاقائی سپلائی چین میں رکاوٹیں پیدا ہوئیں۔ اگرچہ ان حالات کی وجہ سے خام مال کی دستیابی، نقل و حمل اور اخراجات کے ڈھانچے کو ممکنہ خطرات لاحق رہے، تاہم کمپنی کے مسلسل آپریشنز اور مضبوط سپلائی چین کی صلاحیتوں نے کاروباری سرگرمیوں کو بلا تعطل جاری رکھنے میں مدد دی۔

مالیاتی اور آپریشنل کارکردگی

سال کے دوران کمپنی نے ۱۵,۶۶۶ ملین روپے کی فروخت حاصل کی، جبکہ گزشتہ سال کمپنی کا ٹرن اوور ۱۶,۸۷۲ ملین روپے تھا۔ علاقائی کشیدگی کے باعث خام مال کی بڑھتی ہوئی قیمتوں کے باوجود، مجموعی منافع کا مارجن گزشتہ سال کے مقابلے میں مستحکم رہا۔ اس کی بنیادی وجہ اخراجات کو بہتر بنانے اور لاگت کو مؤثر انداز میں کنٹرول کرنے کے لیے کیے گئے حکمت عملی پر مبنی اقدامات تھے۔

مجموعی منافع گزشتہ سال کے ۱,۹۷۶ ملین روپے کے مقابلے میں بڑھ کر ۲,۰۳۶ ملین روپے ہو گیا، جو تقریباً ۳ فیصد اضافہ ہے۔ بنیادی کاروباری سرگرمیوں سے حاصل ہونے والے آپریٹنگ منافع میں گزشتہ سال کے مقابلے میں ۱۱.۷ فیصد اضافہ ہوا، جو کمپنی کی آپریشنل کارکردگی میں بہتری کی عکاسی کرتا ہے۔ کمپنی کے مالیاتی اخراجات میں ۹ فیصد کمی ہوئی، جو گزشتہ سال کے ۶۶۳.۸۹ ملین روپے سے کم ہو کر ۶۰۲.۷۶ ملین روپے رہ گئے۔ اس کمی کی بنیادی وجہ گزشتہ سال کے مقابلے میں شرح منافع میں کمی تھی۔

سال کے دوران دیگر آمدنی بھی گزشتہ سال کے مقابلے میں نمایاں طور پر زیادہ رہی۔ اس کی بنیادی وجہ سندھ انفراسٹرکچر ڈویلپمنٹ سیس کی پروویژن کی موجودہ مالیت اور متعلقہ تصفیہ ذمہ داری کی رعایتی مالیت کے درمیان فرق سے حاصل ہونے والا 138.20 ملین روپے کا فائدہ تھا۔

اس کے علاوہ، ایک ایسوسی ایٹ کمپنی میں سرمایہ کاری کے حصص میں کمی کے نتیجے میں تسلیم کیے گئے 120.72 ملین روپے کے کریڈٹ کی وجہ سے بھی دیگر آمدنی میں اضافہ ہوا۔ سال کے لیے ٹیکس کا خرچ قانونی انکم ٹیکس کی شرح، بشمول سپر ٹیکس، کی بنیاد پر مقرر کیا گیا۔

تمام اخراجات کو مد نظر رکھنے کے بعد، کمپنی نے ۳۰ جون ۲۰۲۶ کو ختم ہونے والے سال کے لیے ۸۱۱.۴۵ ملین روپے کا بعد از ٹیکس خالص منافع حاصل کیا، جبکہ ۲۰۲۵ میں یہ منافع ۳۶۷.۴۵ ملین روپے تھا۔

فی حصص آمدنی

بنیادی فی حصص آمدنی گزشتہ سال کے 2.65 روپے کے مقابلے میں بڑھ کر 5.85 روپے ہو گئی۔

منافع نقد / ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے لیے کسی بھی نقد ڈیویڈنڈ کی سفارش نہیں کی۔

یہ فیصلہ اس لیے کیا گیا تاکہ آنے والے سال میں کمپنی کی طویل مدتی مالی ذمہ داریوں کو پورا کرنے کے لیے مناسب مالی وسائل دستیاب رہیں۔

30 جون 2026 کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ

کاروبار کے مستقبل کا جائزہ

ملک کی معیشت میں استحکام کے آثار نظر آ رہے ہیں، تاہم مجموعی کاروباری ماحول اب بھی چیلنجز کا شکار ہے۔ جغرافیائی سیاسی حالات اور علاقائی تنازعات کی وجہ سے اجناس کی قیمتوں اور سپلائی چین میں اتار چڑھاؤ بدستور موجود ہے۔ کمپنی چونکہ خام مال کے لیے درآمدات پر انحصار کرتی ہے، اس لیے اسے خام مال کی قیمتوں، شرح تبادلہ میں اتار چڑھاؤ اور ممکنہ سپلائی میں رکاوٹوں کا سامنا رہتا ہے۔ سپلائی چین کو مزید مضبوط بنانے کے لیے کمپنی خام مال کے متبادل ذرائع تلاش اور تیار کر رہی ہے۔ اس کا مقصد خام مال کی خریداری کے ذرائع کو متنوع بنانا، سپلائی کے تسلسل کو بہتر بنانا اور خریداری کے اخراجات کو بہتر انداز میں کنٹرول کرنا ہے۔ کمپنی سپلائی چین کو بہتر بنانے، اخراجات کے محتاط انتظام، وسائل کے مؤثر استعمال اور انوینٹری کے بہتر انتظام کے ذریعے آپریشنل کارکردگی مضبوط بنانے پر مسلسل توجہ دے رہی ہے۔ انتظامیہ معاشی، مارکیٹ اور جغرافیائی سیاسی حالات کی مسلسل نگرانی کرے گی اور کاروباری تسلسل برقرار رکھنے اور بدلتے ہوئے حالات کا مؤثر جواب دینے کے لیے مناسب اقدامات کرے گی۔

توانائی سے متعلق موجودہ چیلنجز کے پیش نظر کمپنی قابل تجدید اور متبادل توانائی کے ذرائع، بشمول شمسی توانائی، پر بھی کام کر رہی ہے تاکہ توانائی کی کارکردگی بہتر بنائی جاسکے اور روایتی توانائی کے ذرائع پر انحصار کم کیا جاسکے۔

موجودہ آپریشنز میں اسٹریٹجک سرمایہ کاری جاری رکھی جائے گی تاکہ پیداواری صلاحیت کو بہتر بنایا جاسکے اور صارفین کی بدلتی ہوئی ضروریات کو پورا کیا جاسکے۔

مستقبل کے حوالے سے بیان

مستقبل میں کمپنی کی توجہ ویلیو چین کی کارکردگی، بہترین انوینٹری مینجمنٹ، آپریشنل پیداواری صلاحیت اور خام مال کے ذرائع میں تنوع پر مرکوز رہے گی۔ انتظامیہ مارکیٹ کے حالات، خام مال کی قیمتوں اور صارفین کی ضروریات کی مسلسل نگرانی کرے گی اور اسی کے مطابق خریداری، پیداوار اور قیمتوں کے تعین کی حکمت عملی مرتب کرے گی، تاکہ کمپنی کی مسابقتی حیثیت برقرار رہے اور پائیدار ترقی کو فروغ دیا جاسکے۔

ایسوسی ایٹ کمپنی میں سرمایہ کاری

پیٹ پیک فلز پرائیویٹ (لمیٹڈ) پی پی ایف ایل انٹرنیشنل پیکجنگ فلز لمیٹڈ کی ذیلی کمپنی ہے، جو پکدر پیکجنگ میٹریل، خصوصاً پی پی ای ٹی فلز اور متعلقہ پی ای ٹی پیکجنگ مصنوعات کی تیاری اور فروخت کے کاروبار سے وابستہ ہے۔

پی پی ایف ایل نے 5 فروری 2024 کو تجارتی پیداوار شروع کی۔

پاکستان سٹیل ملز لمیٹڈ کے پاس پی پی ایف ایل کے ۱۴.۰۸ فیصد حصص ہیں، جبکہ ۲۰۲۵ میں یہ شرح ۱۸.۲۴ فیصد تھی۔ کمپنی اپنی حصص داری اور پی پی ایف ایل کے بورڈ میں نمائندگی کے ذریعے پی پی ایف ایل پر نمایاں اثر و رسوخ رکھتی ہے۔

اس سرمایہ کاری کا حساب آئی اے ایس 28 کے مطابق ایکویٹی طریقہ کار کے تحت کیا جاتا ہے۔

سال کے دوران پی پی ایف ایل نے 1.184 ملین روپے کا خالص منافع رپورٹ کیا، جبکہ گزشتہ سال 1,122 ملین روپے کا خالص نقصان رپورٹ کیا گیا تھا۔

اسی بنیاد پر کمپنی نے اپنے مالیاتی بیانات میں پی پی ایف ایل کے منافع میں اپنا حصہ ۰.۱۶۷ ملین روپے تسلیم کیا، جبکہ گزشتہ سال نقصان میں کمپنی کا حصہ ۲۰۵.۰۰۴ ملین روپے تھا۔

سال کے دوران پی پی ایف ایل نے رائٹ شیئرز جاری کیے جن میں کمپنی نے حصہ نہیں لیا، جس کے نتیجے میں پی پی ایف ایل میں کمپنی کی حصص داری کم ہو گئی۔

اس کمی کے نتیجے میں حاصل ہونے والا 120.718 ملین روپے کا فائدہ کمپنی کے مالیاتی بیانات میں کریڈٹ کے طور پر تسلیم کیا گیا۔

30 جون 2026 کو ختم ہونے والے سال کے لیے ڈائریکٹر کی رپورٹ

بعد از سال واقعہ

سال کے اختتام سے لے کر اس رپورٹ کی تاریخ تک کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلی یا مالی عہد سامنے نہیں آیا۔

کارپوریٹ سماجی ذمہ داری

پاکستان سنٹھیکس لمیٹڈ کمپنی سے حاصل ہونے والی اعلیٰ معیار کی پیکیجنگ مصنوعات فراہم کرنے کے لیے پرعزم ہے، جو تمام قانونی، سرکاری اور ریگولیٹری تقاضوں کے مطابق ہوں۔ کمپنی پیداوار سے پہلے، دورانِ پیداوار اور پیداوار کے بعد کے تمام مراحل میں کارکنوں اور صارفین کی حفاظت کو یقینی بنانے کے لیے بھی پرعزم ہے۔ کمپنی کے کارپوریٹ سماجی ذمہ داری کے پروگرام میں تعلیم، صحت، ماحولیاتی ذمہ داری اور کمیونٹی ڈویلپمنٹ پر توجہ دی گئی۔ تعلیم، صحت اور کمیونٹی ڈویلپمنٹ کے اقدامات مقامی فلاحی تنظیم کے ذریعے کیے گئے۔ مقامی کمیونٹی پر بڑھتے ہوئے زندگی کے اخراجات کا بوجھ کم کرنے کے مقصد سے، خصوصاً طبی، تعلیمی اور روزگار سے متعلق معاونت کے لیے، پاکستان سنٹھیکس لمیٹڈ نے ایک مقامی فلاحی تنظیم کو 100 ملین روپے فراہم کیے۔ یہ تنظیم صحت، تعلیم، روزگار اور دیگر شعبوں میں مقامی کمیونٹی کی مدد کرنے کے لیے معروف اور فعال ہے۔

قومی خزانے میں کمپنی کا حصہ

سال کے دوران کمپنی نے ۱۳۷،۳ ملین روپے سے زیادہ قومی خزانے میں جمع کرائے، جبکہ ۲۰۲۵ میں یہ رقم ۷۴۴،۳ ملین روپے تھی۔ یہ رقم انکم ٹیکس، سیلز ٹیکس اور دیگر ڈیوٹیز کی مد میں حکومت کو ادا کی گئی۔

پی اے سی آر اے کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے ۲۱ اپریل ۲۰۲۶ کو کمپنی کی کریڈٹ ریٹنگ برقرار رکھی

طویل مدتی ریٹنگ: اے

مختصر مدتی ریٹنگ: اے-2

اہم خطرات اور غیر یقینی صورتحال

- کمپنی ایک انٹرپرائز رسک مینجمنٹ فریم ورک کے تحت کام کرتی ہے، جو ادارے کے اندر خطرات کی شناخت، جائزہ اور تشخیص میں مدد فراہم کرتا ہے۔ شناخت کیے گئے خطرات کو ان کے امکان اور ممکنہ اثرات کی بنیاد پر ترجیح دی جاتی ہے اور ان خطرات کو کم کرنے کے لیے مناسب اقدامات کیے جاتے ہیں۔ کمپنی کو بعض بنیادی خطرات اور غیر یقینی صورتحال کا سامنا ہے۔ اہم خطرات درج ذیل ہیں
- (-) فارن ایکسچینج مارکیٹ میں غیر یقینی صورتحال اور زیادہ قرضوں کے بوجھ کی وجہ سے مالیاتی پالیسی کے خطرات۔
- (-) صنعتی یوٹیلیٹیز کی قیمتوں میں ناموافق تبدیلی۔
- (-) جغرافیائی سیاسی صورتحال، توانائی اور سپلائی چین میں عدم استحکام۔

اندرونی مالیاتی کنٹرولز کی مناسبت

بورڈ آف ڈائریکٹرز براہ راست یا اپنی کمیٹیوں کے ذریعے اندرونی کنٹرول کی سرگرمیوں کی مناسبت کو یقینی بناتا ہے۔ بورڈ باقاعدہ اجلاسوں، عبوری اکاؤنٹس، رپورٹس، منافع کے جائزوں اور دیگر مالی و مالیاتی معلومات کے ذریعے کمپنی کے مالیاتی آپریشنز اور مالی پوزیشن کا باقاعدگی سے جائزہ لیتا ہے۔

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کمپنی کے کاروبار کے ماحول پر اثرات

ماحول کا تحفظ کمپنی کے وژن کا ایک اہم حصہ ہے۔

کمپنی کے مطابق اس کی پیداوار کا ماحول پر کوئی منفی اثر نہیں پڑتا کیونکہ کمپنی کا پلانٹ اور اس کے آپریشنز قومی اور بین الاقوامی ماحولیاتی معیارات کے مطابق ہیں۔

کارپوریٹ گورننس اور اکاؤنٹنگ فریم ورک

پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز کی ضروریات کی تعمیل کرتے ہوئے بورڈ کے ارکان درج ذیل بیانات پیش کرتے ہیں:

(الف) کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات کمپنی کی مالی حالت، آپریشنز کے نتائج، نقد رقم کے بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو درست طور پر ظاہر کرتے ہیں۔

(ب) کمپنی کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔

(ج) مالیاتی بیانات تیار کرتے وقت مناسب اکاؤنٹنگ پالیسیز مستقل طور پر لاگو کی گئی ہیں اور اکاؤنٹنگ اندازے معقول اور محتاط فیصلوں کی بنیاد پر کیے گئے ہیں۔

(د) پاکستان میں قابل اطلاق بین الاقوامی اکاؤنٹنگ اور رپورٹنگ معیارات کو مالیاتی بیانات کی تیاری میں فالو کیا گیا ہے۔

(ه) چیف ایگزیکٹو اور چیف فنانس آفیسر نے بورڈ کی منظوری سے قبل مالیاتی بیانات کی باقاعدہ توثیق کی۔

(و) اندرونی کنٹرول اور دیگر متعلقہ طریقہ کار کا نظام مناسب طور پر تشکیل دیا گیا ہے اور انتظامیہ کی جانب سے مؤثر طریقے سے نافذ اور مسلسل مانیٹر کیا جا رہا ہے۔

(ز) کمپنی کے کاروبار کو بطور جاری ادارہ جاری رکھنے کی صلاحیت کے بارے میں کوئی اہم شک موجود نہیں ہے۔

(ح) لسٹنگ ریگولیشنز میں بیان کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی اہم انحراف نہیں کیا گیا۔

(ط) کسی بھی قرض کی ادائیگی میں کمپنی کی جانب سے کوئی ڈیفالٹ نہیں کیا گیا۔

(ی) کمپنی نے ماحول کے تحفظ اور ماحولیاتی قوانین کی تعمیل کو یقینی بنانے کے لیے ایک مؤثر ماحولیاتی انتظامی منصوبہ تیار کیا ہے۔ اس منصوبے کو متعلقہ حکام نے منظور کیا ہے۔

مزید یہ کہ کمپنی نے اپنے ملازمین کو ماحولیاتی انتظامی منصوبے پر کام کرنے کے لیے مناسب تربیت فراہم کی ہے، جس کے تحت ملازمین کو خطرناک کیمیکلز کی محفوظ ہینڈلنگ، ذخیرہ کاری اور نقل و حمل اور دیگر ماحولیاتی تقاضوں پر عمل کرنے کی تربیت دی گئی ہے۔

(ک) گزشتہ دس سالوں کے اہم آپریشنل اور مالیاتی اعداد و شمار خلاصہ شدہ شکل میں منسلک ہیں۔

(ل) حصص کی ملکیت کے بیژن کا بیان بھی منسلک ہے۔

بورڈ آف ڈائریکٹرز کی تشکیل

بورڈ کے ارکان میں جنس، علم، تجربے اور مہارت کا متنوع امتزاج بورڈ کی مؤثریت کو بہتر بناتا ہے۔

بورڈ میں کل 8 ڈائریکٹرز شامل ہیں:

مرد: 7

خواتین: 1

بورڈ آف ڈائریکٹرز کی ساخت درج ذیل ہے:

آزاد ڈائریکٹرز، بشمول خاتون ڈائریکٹر: 4

دیگر نان ایگزیکٹو ڈائریکٹرز: 2

ایگزیکٹو ڈائریکٹرز: 2

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بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز کے 4 اجلاس منعقد ہوئے۔

ڈائریکٹر کا نام	عہدہ / حیثیت	اجلاس میں حاضری
مسٹر یعقوب حاجی کریم	چیف ایگزیکٹو	4
مسٹر نعمان یعقوب	ایگزیکٹو ڈائریکٹر	4
مسٹر عابد عمر	نان ایگزیکٹو ڈائریکٹر	4
مسٹر مبشر امین	نان ایگزیکٹو ڈائریکٹر	4
مسٹر خورشید اختر	آزاد ڈائریکٹر	2
مسٹر طیب رفیق باگام والا	آزاد ڈائریکٹر	4
مس صدف شبیر	آزاد ڈائریکٹر	3
مسٹر فراز یونس بندو قذا	آزاد ڈائریکٹر	4

جو ڈائریکٹرز بورڈ کے اجلاسوں میں شرکت نہیں کر سکے، انہیں غیر حاضری کی اجازت دی گئی تھی۔

آڈٹ کمیٹی کے اجلاس

سال کے دوران آڈٹ کمیٹی کے 4 اجلاس منعقد ہوئے۔

ڈائریکٹر کا نام	حاضری
مسٹر طیب رفیق باگام والا	4
مسٹر فراز یونس بندو قذا	4
مسٹر مبشر امین	4

انسانی وسائل اور معاوضہ کمیٹی کے اجلاس

سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کا 1 اجلاس منعقد ہوا۔

ڈائریکٹر کا نام	حاضری
مسٹر فراز یونس بندو قذا	1
مسٹر مبشر امین	1
مسٹر نعمان یعقوب	1

نامزدگی اور رسک مینجمنٹ کمیٹی

نامزدگی اور رسک مینجمنٹ کمیٹی کے ارکان درج ذیل ہیں:

(1) مسٹر یعقوب حاجی کریم۔

(2) مسٹر نعمان یعقوب۔

(3) مسٹر مبشر امین۔

30 جون 2026 کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ

نان ایگزیکٹو ڈائریکٹرز کی معاوضہ پالیسی

نان ایگزیکٹو ڈائریکٹرز کے معاوضے اور فیس کا ڈھانچہ بورڈ وقتاً فوقتاً اسی نوعیت کی دیگر لسٹڈ کمپنیوں میں رائج مارکیٹ کے طریقہ کار کو مد نظر رکھتے ہوئے جائزہ لیتا ہے۔

تنوع، مساوات اور شمولیت کی پالیسی

بورڈ کمپنی کی تنوع، مساوات اور شمولیت کی پالیسی کے نفاذ کی نگرانی جاری رکھے ہوئے ہے تاکہ ایک ایسا کام کا ماحول فروغ دیا جاسکے جو جامع، مساوی اور میرٹ پر مبنی ہو۔ کمپنی ایسا کام کا ماحول برقرار رکھتی ہے جہاں تمام ملازمین کے لیے باہمی احترام، تنوع اور منصفانہ سلوک کو فروغ دیا جاتا ہے، جبکہ قابل اطلاق لیبر قوانین اور ضوابط کی پابندی بھی کی جاتی ہے۔

کمپنی تنظیم کے تمام درجات پر مساوی نمائندگی کو یقینی بنا کر ایک جامع کام کے ماحول کو فروغ دیتی ہے۔

جنس کی بنیاد پر اجرت کی پالیسی

کمپنی کا اجرت کا ڈھانچہ صرف قابلیت، تجربے، کارکردگی اور ملازمت کی سطح کی بنیاد پر مقرر کیا جاتا ہے اور یہ تمام جنسوں کے لیے یکساں طور پر لاگو ہوتا ہے۔

:جنس کی بنیاد پر اجرت کے فرق کی شرح درج ذیل ہے

اوسط : -8.6 فیصد

درمیانی قدر : -7.74 فیصد

آڈیٹرز

جون ۲۰۲۶، ۳۰ کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی بیانات کا آڈٹ بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے کیا۔

آڈیٹرز آئندہ سالانہ جنرل میٹنگ کے اختتام پر اپنی مدت پوری ہونے کے بعد ریٹائر ہوں گے اور چونکہ وہ دوبارہ تقرری کے اہل ہیں، اس لیے انہوں نے دوبارہ تقرری کے لیے اپنی رضامندی ظاہر کی ہے۔

بورڈ نے آڈٹ کمیٹی کی سفارش پر بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 جون 2027 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کرنے کی سفارش کی ہے، جس کی منظوری آئندہ سالانہ جنرل میٹنگ میں کمپنی کے ممبران دیں گے۔

اظہار تشکر

انتظامیہ اپنے ملازمین اور کارکنوں کی لگن، محنت اور خدمات کو سراہتے ہوئے ان کا شکریہ ادا کرتی ہے۔



خورشید اختر
چیئرمین

بورڈ آف ڈائریکٹرز کی جانب سے



یعقوب حاجی کریم
چیف ایگزیکٹو

کراچی

تاریخ: 29 ستمبر 2026



Pakistan Synthetics Limited

Pakistan Synthetics Limited

MISSION STATEMENT



OUR MISSION

Our Mission is to be the most efficient manufacturer of high performance packaging requirements of industry in Pakistan.



OUR VISION

To be an End-to-End solution provider for our partners, instead of working in a vendor-supplier model whereby all needs of our customers is catered by Pakistan Synthetics Limited.

Pakistan Synthetics Limited

STATEMENT OF ETHICS AND BUSINESS PRACTICES

- PSL resolves to always place the Company's interest first;
- PSL resolves to excel through resource management namely, human (Professional & technical both), financial and other infrastructural facilities and to ensure reasonable return to all the stakeholders;
- PSL conducts business as a responsible and law abiding corporate member of society to achieve its legitimate commercial objectives and supports unconditionally the compliance with the Best Practices of Corporate Governance for the betterment of the corporate culture;
- PSL expects from its employees full integrity, total honesty, fair and impartial practices in all aspects of its business;
- PSL resolves to adopt fair and ethical marketing practices and to prepare itself to face the challenges of open markets under WTO by supplying its customers quality Polyester Staple Fibre at competitive prices;
- PSL resolves not to compromise on principles.

Pakistan Synthetics Limited

Statement of Compliance with Listed Companies [Code of Corporate Governance]

Regulations, 2019

For the year ended June 30, 2026

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are eight as per the following details:
 - a. Male: seven
 - b. Female: one

2. The composition of the board is as follows:

Type of Directorship	Name
Independent directors	Mr. Khurshid Akhtar
	Mr. Tayab Rafiq Balagamwala
	Mr. Faraz Younus Bandukda
	Ms. Sadaf Shabbir
Non-executive directors	Mr. Mubbashir Amin
	Mr. Abid Umer
Executive directors	Mr. Noman Yaqoob
	Mr. Yaqoob Haji Kareem
Female Director	Ms. Sadaf Shabbir

3. The Directors have confirmed that none of them is serving as a Director in more than seven listed companies, including this Company;
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. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/Shareholders as empowered by the relevant provisions of the Companies Act, 2017 ['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 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 the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

Pakistan Synthetics Limited

9. Five out of eight members of Board of Directors comply with the requirements of Directors' Training as required under clause 19 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
10. No new appointment or change in terms and conditions of Chief Financial Officer, Internal Auditor and Company Secretary took place during the year. The Board has complied with relevant requirements of the Regulations in this regard.
11. Chief financial officer and Chief executive officer duly endorse the financial statements before approval of the Board;
12. The Board has formed following Committees as required under CCG, 2019 which comprises of members given below:

	Name of Members	Audit Committee
1.	Mr. Tayyab Rafiq Balagamwala	Chairman of Committee
2.	Mr. Faraz Younus Bandukda	Member
3.	Mr. Mubbashir Amin	Member

	Name of Members	Human Resource and Remuneration Committee
1.	Mr. Faraz Younus Bandukda	Chairman of Committee
2.	Mr. Mubbashir Amin	Member
3.	Mr. Noman Yakoob	Member

	Name of Members	Nomination Committee
1.	Mr. Yakoob Karim	Chairman of Committee
2.	Mr. Noman Yakoob	Member
3.	Mr. Mubbashir Amin	Member

	Name of Members	Risk Management Committee
1.	Mr. Noman Yakoob	Chairman of Committee
2.	Mr. Yakoob Karim	Member
3.	Mr. Mubbashir Amin	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 of the committee were as per following:

Name of Committee	Number of Meetings held during year from July 1, 2025 to June 30, 2026
Audit Committee	Four
Human Resource and Remuneration Committee	One
Risk Management Committee	Four
Nomination Committee	One

15. The Board has set up an effective Internal Audit function experienced for the purpose and are conversant with the policies and procedures of the Company.

Pakistan Synthetics Limited

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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
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 the requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;
19. The Board has assigned the responsibilities to an existing board committee to provide governance and oversight in relation to company's initiatives on environmental, social and governance matters.
20. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S.No	Requirement	Explanation	Reg. No.
1	It is encouraged that: (i) by June 30, 2020 at least half of the directors on their Boards; (ii) by June 30, 2021 at least 75% of the directors on their Boards; and (iii) by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it. (iv) A newly appointed director on the Board may acquire, the directors	Currently, five out of eight directors have obtained the required DTP certification. One of the directors is exempt from the certification requirement as having minimum 14 years of education and more than 15 years of experience on the board of listed company, while another director, who was appointed during the year to fill a casual vacancy, will be scheduled to complete the required training during the ensuing year. The Company will arrange the required training for the remaining director and the relevant Head of Department in the due course.	19 (1)(2)(3)

Pakistan Synthetics Limited

S.No	Requirement	Explanation	Reg. No.
	training program certification within a period of one year from the date of appointment as a director on the Board: (v) Companies are also encouraged to arrange training of at least one head of department every year under the Directors' Training program from July 2022.		



Yakoob Haji Karim

Chief Executive officer

Karachi: September 29, 2026



Khurshid Akhtar

Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PAKISTAN SYNTHETICS LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

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 Synthetics 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 that 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.

KARACHI

DATED: October 02, 2026

UDIN: CR202610166YypDmVFX7


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAKISTAN SYNTHETICS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of PAKISTAN SYNTHETICS LIMITED (the Company), which comprise the statement of financial position as at June 30, 2026, the statement of profit or loss, the statement of 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 policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit and other comprehensive loss, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No	Key audit matters	How the matter was addressed in our audit
1.	Addition to operating fixed assets	
	As disclosed in note 6.1 to the financial statements, the Company has incurred significant amount of capital expenditure including transfers from capital work in progress to operating fixed assets amounting to Rs. 1,641.16 million during the year. We considered the above as a key audit matter being significant transactions and events for the Company during the year and involves certain judgmental areas, such as management's estimates about the useful life of assets and capitalization of elements of eligible components of cost as per the applicable financial reporting standards.	Our audit procedures amongst others, included the following: • Obtained understanding of the Company's process with respect to capital expenditure and related controls relevant to such process; • Performed test of details, on sample basis, through inspection of related documents supporting various components of the capitalised assets; • Considered whether the items of cost capitalised meet the recognition criteria of an asset in accordance with the applicable financial reporting standards; • Reviewed management's estimates about the useful life of assets so capitalised and consequent depreciation rates used by the Company; and • Assessed the adequacy of financial statements disclosures in accordance with the applicable financial reporting framework.
2.	Valuation of stock-in-trade	
	At June 30, 2026, the Company held stock-in-trade amounting to Rs. 3,712.92 million, constituting 29.26% of the total assets, as disclosed in note 13 to the financial statements. As described in note 5.8 to the financial statements, stock-in-trade is measured at lower of cost and net realizable value. The cost of raw material, work-in-process and finished goods is determined at an average manufacturing cost including a proportion of production overheads.	Our audit procedures, amongst others included the following: • Obtained an understanding of internal controls over purchases and valuation of stock in trade and their design, implementation and operating effectiveness of controls; • Attended physical inventory count at the year end and performed tests to identify any obsolete or damaged stock; • Performed test of details, on sample basis, for the purchases including both local and import with supporting documentation;

S. No	Key audit matters	How the matter was addressed in our audit
	There is an element of judgement involved in determining an appropriate costing basis and assessing the amount of provision for slow- moving and obsolete stock-in-trade. Given the level of judgements and estimates involved, we have identified valuation of stock-in-trade as a key audit matter.	• Obtained an understanding of management's determination of net realizable value (NRV) and the key estimates adopted, including future selling prices, future costs to complete work in process and costs necessary to make the sale and their basis; • Compared NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value inventory in accordance with applicable accounting and reporting standards; and • Assessed the adequacy of the disclosures presented in the financial statements regarding stock-in-trade in accordance with the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information, included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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 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.

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BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of 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;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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 Tariq Feroz Khan.

KARACHI.

DATED: October 02, 2026

UDIN: AR202610166zNaW6bDyM

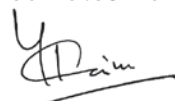

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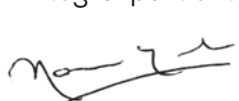
Pakistan Synthetics Limited

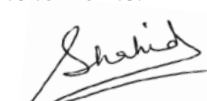
STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

	Note	2026 (Rupees in '000)	2025
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	4,149,157	3,418,755
Right-of-use assets	7	64,060	2,472
Investment property	8	65,000	-
Long term loan to employees	9	3,150	490
Long term deposits	10	41,696	4,209
Deferred taxation		-	44,412
Investment in associates	11	1,095,212	974,895
		5,418,275	4,445,233
CURRENT ASSETS			
Stores and spares	12	482,910	515,112
Stock-in-trade	13	3,712,918	2,973,788
Trade debts	14	2,483,744	2,600,289
Loans and advances	15	17,932	35,662
Short term deposits and prepayments	16	24,221	91,880
Short term investments	17	1,162	5,249
Other receivables		92,518	2,030
Taxation - net		418,546	501,644
Cash and bank balances	18	16,206	27,625
		7,250,157	6,753,279
TOTAL ASSETS		12,668,432	11,198,512
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
140,000,000 (2025: 140,000,000) ordinary shares of Rs. 10 each		1,400,000	1,400,000
Issued, subscribed and paid-up capital			
138,699,000 (2025: 138,699,000) ordinary shares of Rs. 10 each	19	1,386,990	1,386,990
Reserves		4,051,969	3,240,980
		5,438,959	4,627,970
NON-CURRENT LIABILITIES			
Long term borrowings	20	1,147,107	701,592
Lease liability	21	56,598	-
Deferred liability	24	158,333	-
Deferred income	22	24,495	41,426
Deferred taxation	23	191,698	-
		1,578,231	743,018
CURRENT LIABILITIES			
Trade and other payables	24	2,503,870	3,149,619
Short term borrowings	25	2,797,707	2,417,611
Accrued markup	26	60,375	43,052
Current portion of long term borrowings	20	256,730	187,628
Current portion of lease liabilities	21	11,715	3,788
Current portion of deferred income	22	15,516	20,501
Unclaimed dividend		5,329	5,325
		5,651,242	5,827,524
TOTAL EQUITY AND LIABILITIES		12,668,432	11,198,512
CONTINGENCIES AND COMMITMENTS			
	27		

The annexed notes from 1 to 51 form an integral part of these Financial statements.


YAKOOB HAJI KARIM
CHIEF EXECUTIVE


NOMAN YAKOOB
DIRECTOR


SHAHID YAQOOB
CHIEF FINANCIAL OFFICER

Pakistan Synthetics Limited

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

	Note	2026 (Rupees in '000)	2025
Revenue from contracts with customers - net	28	15,666,242	16,872,295
Cost of sales	29	(13,630,137)	(14,896,271)
Gross profit		2,036,105	1,976,024
Administrative and general expenses	30	(231,531)	(259,994)
Distribution and selling costs	31	(69,896)	(122,169)
Other operating expenses	32	(102,944)	(103,058)
Reversal / (allowance) for expected credit loss	14.1	17,724	(13,698)
		(386,647)	(498,919)
Operating profit		1,649,458	1,477,105
Other income	33	342,256	29,811
Finance costs	34	(602,759)	(664,893)
Share of profit / (loss) on investment in associate	11.3	167	(204,548)
Profit before taxation and levy		1,389,122	637,475
Taxation and levy	35	(577,674)	(270,023)
Profit for the year		811,448	367,452

(Rupees)

Earnings per share - basic and diluted	36	5.85	2.65
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The annexed notes from 1 to 51 form an integral part of these financial statements.



YAKOOB HAJI KARIM
CHIEF EXECUTIVE



NOMAN YAKOOB
DIRECTOR



SHAHID YAQOOB
CHIEF FINANCIAL OFFICER

Pakistan Synthetics Limited

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2026

	2026 (Rupees in '000)	2025
Profit for the year	811,448	367,452
Other comprehensive loss for the year	-	-
Items that will not be subsequently reclassified to statement of profit or loss		
Remeasurement loss on defined benefit plans of associate - net	(459)	-
Total comprehensive income for the year	<u>810,989</u>	<u>367,452</u>

The annexed notes from 1 to 51 form an integral part of these financial statements.



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DIRECTOR



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CHIEF FINANCIAL OFFICER

Pakistan Synthetics Limited

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

Issued, subscribed and paid-up capital	Reserves				Total
	Capital reserve	Revenue reserves		Total reserves	
	Share premium	General reserve	Unappropriated profit		

(Rupees in '000)

Balance as at July 01, 2024	1,386,990	140,100	292,450	2,440,978	2,873,528	4,260,518
Total comprehensive income for the year						
Profit for the year	-	-	-	367,452	367,452	367,452
Other comprehensive income	-	-	-	-	-	-
Balance as at June 30, 2025	1,386,990	140,100	292,450	2,808,430	3,240,980	4,627,970
Balance as at July 01, 2025	1,386,990	140,100	292,450	2,808,430	3,240,980	4,627,970
Total comprehensive income for the year						
Profit for the year	-	-	-	811,448	811,448	811,448
Other comprehensive income	-	-	-	(459)	(459)	(459)
Balance as at June 30, 2026	1,386,990	140,100	292,450	3,619,419	4,051,969	5,438,959

The annexed notes from 1 to 51 form an integral part of these financial statements.



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Pakistan Synthetics Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rupees in '000)	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	41	1,224,412	3,423,795
Financial charges paid		(558,304)	(651,077)
Taxes paid		(258,356)	(574,761)
Net cash generated from operating activities		407,752	2,197,957
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(1,287,327)	(963,999)
Proceeds from disposal of property, plant and equipment		6,350	6,999
Profit on saving accounts		5,064	1,356
Net cash used in investing activities		(1,275,913)	(955,644)
CASH FLOWS FROM FINANCING ACTIVITIES			
The payment of lease liability		(16,055)	(14,864)
Repayment of long term borrowings		(189,528)	(220,018)
Proceeds from long term borrowings		682,229	320,000
Dividend paid		-	(73)
Proceeds from short term borrowing		497,061	(567,272)
Net cash generated from / (used in) financing activities		973,707	(482,228)
Net increase in cash and cash equivalents during the year		105,546	760,085
Cash and cash equivalents at beginning of the year		(796,000)	(1,556,085)
Cash and cash equivalents at end of the year	42	(690,454)	(796,000)

The annexed notes from 1 to 51 form an integral part of these financial statements.



YAKOOB HAJI KARIM
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NOMAN YAKOOB
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Pakistan Synthetics Limited

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

1. STATUS AND NATURE OF BUSINESS

Pakistan Synthetics Limited ("the Company") was incorporated on November 18, 1984 as a private limited company in Pakistan under repealed Companies Ordinance, 1984 (now Companies Act, 2017) and converted into a public limited company on December 30, 1987. The shares of the Company are listed on Pakistan Stock Exchange with effect from June 27, 1995. The principal activity of the Company is manufacturing and sale of plastic caps, crown caps, PET resin and preform.

2. GEOGRAPHICAL LOCATIONS AND ADDRESSES

Geographical locations and addresses of all the business units are as under:

Location

Karachi

Office no. 1504, 15th Floor, Emerald Tower, Block 5, Clifton, Karachi

Registered office

Port Qasim

Plot No. A-5, N.W.I.Z., Port Qasim Authority, Karachi

Production plant

Hub

F-1,2,3, 13, 14 & 15, Hub Industrial Trading Estate District Labella, Balochistan

Production plant

3. BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards as applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act 2017.

Where provisions of, directives and notifications issued under the Companies Act 2017 differ from IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as stated otherwise.

3.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees ('Rupees' or 'Rs.') which is also the Company's functional and presentation currency.

3.4 Significant accounting estimates, assumptions and judgements

In preparing these financial statements, management has made estimates, assumptions and judgements that affect the application of the Company's accounting policies and the

Pakistan Synthetics Limited

reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements and to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that may have a significant risk resulting in a material adjustment in the subsequent year are set forth below:

- Property, plant and equipment - (Note 6.1)
- Stock-in-trade and stores and spares - (Note 11&12)
- Impairment of financial assets
- Impairment of non-financial assets
- Staff retirement benefits
- Taxation - (Note 34)
- Contingencies and provisions - (Note 26)

4. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Unconsolidated Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their unconsolidated financial statements.

New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026

Pakistan Synthetics Limited

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all the periods presented in these financial statements.

5.1 Property, plant and equipment

Operating fixed assets

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the costs of such item can be measured reliably.

Pakistan Synthetics Limited

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the items is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment includes:

- (a) its purchase price including import duties, non refundable purchase taxes after deducting trade discounts and rebates;
- (b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management; and
- c) borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure incurred to replace a significant component of an item of property, plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the items can be measured reliably. All other expenditures (including normal repairs and maintenance) is recognised in the statement of profit or loss as an expense when it is incurred.

Depreciation

Depreciation on all items is charged on straight line basis method. The useful lives for depreciation are indicated in note 6.1 to these financial statements. Depreciation on additions to property, plant and equipment is charged from the month the asset is available for use up to the month prior to disposal. The useful lives and residual values of property, plant and equipment are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in the statement of profit or loss.

Capital work in progress

Capital work in progress is stated at cost less impairment loss, if any and consists of expenditures incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

5.2 Right of use asset

The right-of-use asset is initially measured at cost which is the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred. Subsequently, to the initial measurement, the right of use asset is measured at cost less accumulated depreciation and impairment loss if any.

Pakistan Synthetics Limited

The right-of-use asset is subsequently depreciated using straight line method from the commencement date to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment.

5.3 Investment property

Investment property is a property held to earn capital appreciation. The investment property of the Company consists of free hold land. Investment property is stated at cost less impairment, if any. Cost includes expenditures that are directly attributable to the acquisition of the investment property. Maintenance and normal improvements to investment property are charged to statement of profit or loss as and when incurred while major improvements are capitalised. Any gains or losses on disposal of an investment property are recognised in the profit and loss account in the year of disposal. The carrying values of investment properties are reviewed at each financial year end for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the investment properties are written down to their recoverable amount.

5.4 Investment in associate

Entities in which the Company has significant influence directly or indirectly but not control and which are neither subsidiaries nor joint venture of the Company are associates and are accounted for under the equity method of accounting (equity accounted investees).

Under the equity method of accounting, the investment in associate is initially recognized at cost and adjusted thereafter the associates' share of profit or loss and movements in other comprehensive income. Share of post acquisition profit / loss of associates and other comprehensive income or loss is recognized in the consolidated statement of profit or loss and the statement of comprehensive income, respectively. Distributions received from associates reduce the carrying amount of investment. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that investment is reduced to nil and the recognition of further losses is discontinued. If the associate subsequently reports profits, the company resumes recognizing its share of those profits.

The carrying amount of investment in associate is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the investment is estimated which is higher of its value in use and its fair value less costs to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount and is charged to the statement of profit or loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of carrying amount that would have been determined if no impairment loss had been recognized. A reversal of impairment loss is recognized in the statement of profit or loss.

Unrealised gains / losses arising from transactions with associated companies are eliminated against the investment in the associates to the extent of Company's interest in the associates. Unrealised losses are eliminated in the same way as unrealised gains except that they are only eliminated to the extent that there is no evidence of impairment.

5.5 Financial Instruments

5.5.1 Financial Assets

Classification, recognition, and measurement

Financial assets are classified into appropriate categories at amortized cost, fair value through other comprehensive income or at fair value through profit or loss. The

Pakistan Synthetics Limited

management determines the classification of financial assets into appropriate categories based on the Company's business model for managing the financial assets and the contractual terms of the cash flows:

At amortised cost

Financial assets are measured at amortized cost when:

- The asset is held within a business model whose objective is to hold financial assets in order to hold contractual cash flows; 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.

At fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income when:

- The asset is 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.

Other financial assets

All financial assets which do not fall into the first two categories are stated at fair value through profit or loss (FVTPL).

Initial recognition and subsequent measurement

All financial assets are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets at amortized cost are initially recognised at fair value and are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment losses are recognised in the statement of comprehensive income.

Financial assets carried at fair value through other comprehensive income are initially and subsequently measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income.

Financial assets carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair values of the financial assets held at fair value through profit or loss are included in the statement of comprehensive income in the period in which they arise.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risk and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss.

Pakistan Synthetics Limited

5.5.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognized initially at fair value less any directly attributable transaction cost. Subsequently to initial recognition, these are measured at amortized cost using the effective interest rate method.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and the Company intends to settle on a net basis.

5.5.3 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognised amounts and the company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

5.6 Impairment

5.6.1 Financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company measures ECL of a financial instrument in a way that reflects:

- a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- b) the time value of money; and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Pakistan Synthetics Limited

5.6.2 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. An impairment loss is recognized in the statement of profit or loss other than revaluation asset which is recognized in revaluation reserve, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sale and value in use. Reversal of impairment loss is restricted to the original cost of the asset.

5.7 Stores, spares and loose tools

Stores, spares and chemicals are valued at weighted average cost except for items in transit, which are stated at invoice value plus other charges paid thereon till the reporting date. A provision is made for slow moving and obsolete stores, spares and chemicals.

5.8 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value. Cost is determined as follows:

Raw material Weighted average cost comprising purchase price, transportation and other overheads. Items in transit are stated at invoice value and other charges incurred till the reporting date.

Work in process and finished goods Weighted average cost comprising direct cost of raw material, labor and appropriate portion of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make sales.

A provision is made for slow moving and obsolete items of stock-in-trade. The entire amount is charged as provision against slow moving and obsolete items which remain unused for a period of 5 years. The Corporation assesses the provision basis based on technical evaluation and historical pattern of use of any stock-in-trade item. When the slow moving and obsolete item is used after 5 years, the provision recognized is reversed in the statement of profit or loss.

5.9 Trade receivables and other receivables

These are recognised initially are carried at original invoice amount being the fair value of the consideration to be received in future. An allowance for Expected Credit Loss (ECL) is made against trade debts on the basis of lifetime expected credit loss model.

- (a) The amount of provision against ECL is charged to the statement of comprehensive income.

Trade debts and other receivables considered irrecoverable are written-off.

5.10 Cash and cash equivalents

Cash and cash equivalents consist of bank balances, cash in hand and short-term running finance.

Pakistan Synthetics Limited

5.11 Leases

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the rate of the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured if there is a change in future lease payments arising from a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset is recorded in statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

The company has not elected to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months and leases of low-value assets.

Right-of-use assets

The right-of-use asset is initially measured at cost which is the initial measurement of lease liability, and subsequently at cost less any accumulated depreciation and impairment losses, if any. The right-of-use asset is depreciated using the straight-line method over the lease term, as disclosed in the respective note.

5.12 Government grant

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received.

The benefits of a long-term finance at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair market value of loan based on prevailing market interest rates.

Government grants related long-term finances are recognized in statement of profit or loss on a systematic basis over the periods in which the Company recognizes as finance cost related to long term finances at market rate of interest.

5.13 Taxation and levy

5.13.1 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in statement of comprehensive income, in which case it is recognised in equity or in statement of comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax law and the decisions of appellate authorities on certain issues in the past.

a) Current

Provision for current taxation is based on taxable income at current rates of taxation after taking into account tax credits and tax rebates available, if any, in accordance with the provisions of the Income Tax Ordinance, 2001. The charge for current tax also includes

Pakistan Synthetics Limited

adjustments for prior years or otherwise considered necessary for such years. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21 "Levies"/IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

b) Deferred

Deferred tax is provided in full, using the balance sheet method, providing for temporary differences arising at the reporting date between the carrying amounts of assets and liabilities for financial reporting purposes and tax base. Deferred tax liabilities are recognised for all taxable temporary differences.

The deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

5.13.2 Levy

The Company accounts for current tax calculated on taxable income using the notified tax rate as an income tax and any tax charged under the income tax laws which is not based on the taxable income recorded as a levy in accordance with the Guidance on Accounting for Minimum Taxes and Final taxes issued by the Institute of Chartered Accountants of Pakistan. The minimum tax and final taxes which are not calculated on the 'taxable profit' but calculated on turnover or other basis are recognized as a levy in the Statement of profit or loss under the scope of IFRIC 21/IAS37.

5.14 Trade and other payables

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.

5.15 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans and borrowings are stated at amortized cost with any difference between proceeds (net of transactions costs) and redemption value is recognised in the unconsolidated statement of profit or loss over the period of borrowings using effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid. Loans and borrowings are classified as current liabilities unless the Corporation has unconditional right to defer settlement of the liability for at least twelve months after the unconsolidated statement of financial position date.

5.16 Staff retirement benefits and other benefits

Defined Contribution plan

A defined contribution plan is a post - employment benefit plan under which a Company's pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of comprehensive income when they are due.

Pakistan Synthetics Limited

The Company operates provident fund model (the Plan) for eligible employees of the Company.

Compensated absences

The Company accounts for its liability towards accumulated compensated absences for the permanent employees as per the service rules of the Company.

5.17 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company are recognised when the goods are provided, and thereby the performance obligations are satisfied. Revenue consists of Plastic caps, Crown caps, PET Resin, BoPET Resin and Preform which generally include single performance obligation. The Company's contract performance obligations are fulfilled at the point in time when the goods are delivered to the customer. Invoices are generated and revenue is recognised at that point in time, as the control has been transferred to the customers. Revenue is measured at fair value of the consideration received or receivable, excluding amount of sales tax.

Dividend income is recognized when the Company's right to receive the payment is established. Return on savings accounts is recognized on time proportion basis, taking effect of the effective interest rate.

5.18 Foreign currency translation

Transactions in foreign currencies are translated into Pakistani Rupees at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into Pakistani Rupees at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into Pakistani Rupees at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of profit or loss.

5.19 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.20 Asset held under Ijarah financing

Assets held under Ijarah financing are accounted for using the guidelines of Islamic Financial Accounting Standard-2 (IFAS 2), "Ijarah". The assets are not recognised on the Company's statement of financial position and payments made under Ijarah financing are recognised in the statement of profit or loss on a straight line basis over the term of the lease.

5.21 Dividend and appropriation

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognised in the period in which these are approved.

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5.22 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions. The financial statements are prepared on the basis of single reporting segment consistent with the information reviewed by the chief operating decision maker of the Company.

5.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for the shareholders. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

5.24 Contract liabilities

A contract liability is recognised if a payment is received from a customer before the Company transfers the related goods. Contract liabilities are recognised as revenue when the Company transfers control of the related goods to the customer.

5.25 Contingent liabilities and contingent assets

A contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed when:

- there is possibility that asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation. Contingent assets are not recognized but are disclosed when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized in the unconsolidated financial statements.

	Note	2026 (Rupees in '000)	2025
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	3,976,684	2,892,449
Capital work-in-progress	6.2	172,473	526,306
		<u>4,149,157</u>	<u>3,418,755</u>

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6.1 Operating fixed assets

	Leasehold land (Note 6.1.2)	Building on leasehold land (Note 6.1.2)	Plant and machinery	Solar panels	Vehicles	Office improvements and office equipment	Furniture	Computer accessories	Total
	----- (Rupees in '000) -----								
Year ended June 30, 2026									
Net carrying value basis									
Opening net book value	113,367	498,769	2,011,574	104,354	162,983	321	970	111	2,892,449
Additions including transfer from capital work in progress (at cost) (note 6.2.1)	176,560		1,277,650	109,228	77,723	-	-	-	1,641,161
Disposal (at NBV)	-	-	-	-	(4,438)	-	-	-	(4,438)
Depreciation charged	(2,709)	(38,355)	(462,828)	(14,897)	(32,613)	(321)	(654)	(111)	(552,488)
Closing net book value	287,218	460,414	2,826,396	198,685	203,655	-	316	-	3,976,684
Gross carrying value basis									
Cost	307,163	838,908	8,134,980	221,858	297,606	5,188	20,815	7,429	9,833,947
Accumulated depreciation	(19,945)	(378,494)	(5,308,584)	(23,173)	(93,952)	(5,188)	(20,499)	(7,429)	(5,857,264)
Net book value	287,218	460,415	2,826,396	198,685	203,654	-	316	-	3,976,684
Year ended June 30, 2025									
Net carrying value basis									
Opening net book value	116,075	537,124	2,006,942	-	102,129	964	1,678	271	2,765,183
Additions including transfer from capital work in progress (at cost) (note 6.2.1)	-	-	400,707	112,630	84,879	-	-	-	598,217
Disposal (at NBV)	-	-	-	-	(4,001)	-	-	-	(4,001)
Depreciation charged	(2,708)	(38,355)	(396,075)	(8,276)	(20,025)	(643)	(708)	(160)	(466,950)
Closing net book value	113,367	498,769	2,011,574	104,354	162,983	321	970	111	2,892,449
Gross carrying value basis									
Cost	130,603	838,908	6,857,330	112,630	246,699	5,188	20,815	7,429	8,219,602
Accumulated depreciation	(17,236)	(340,140)	(4,845,756)	(8,276)	(83,716)	(4,867)	(19,845)	(7,318)	(5,327,154)
Net book value	113,367	498,769	2,011,574	104,354	162,983	321	970	111	2,892,449
Annual depreciation - (useful life in years)	30 - 99	20	5 - 20	10	8	5	5 - 10	3	

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	Note	2026 (Rupees in '000)	2025
6.1.1 Depreciation charge for the year has been allocated as follows:			
Cost of sales	29	530,076	447,819
Administrative and general expenses	30	16,809	14,349
Distribution and selling costs	31	5,603	4,783
		<u>552,488</u>	<u>466,950</u>

6.1.2 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Particulars	Location	Total area
Leasehold land (plant with building)	F-1,2,3 & 13, 14 & 15, Hub Industrial Trading Estate District Labella, Balochistan	65,500 sq. meters
Leasehold land (plant with building)	Plot No. A-5, N.W.I.Z., Port Qasim Authority, Karachi	20,234 sq. meters
Leasehold land (plant with building)	Mouza Pathra, Tehsil Hub District Lasbella, Balochistan	28,328 sq. meters
Leasehold land (plant with building)	A-114 to A-123, Hub Industrial Trading Estate District Labella, Balochistan	15,000 sq. meters

6.1.3 The total aggregate book value of all the assets which were disposed during the year do not exceed five million rupees.

	Note	2026 (Rupees in '000)	2025
6.2 Capital work-in-progress			
Advances against / for equipments		172,473	391,821
Advance against / for construction/ civil works		-	83,485
Advance against / for purchase of land		-	51,000
	6.2.1	<u>172,473</u>	<u>526,306</u>

6.2.1 The movement of capital work-in-progress (cost) is as under:

	As at July 01, 2025	Additions	Transfers (Note 6.1)	As at June 30, 2026
----- (Rupees in '000) -----				
Plant and machinery	391,821	176,587	(395,935)	172,473
Advance against / for construction/civil work	83,485	-	(83,485)	-
Advance against / for purchase of land	51,000	125,321	(176,321)	-
	<u>526,306</u>	<u>301,908</u>	<u>(655,741)</u>	<u>172,473</u>
	As at July 01, 2024	Additions	Transfers (Note 6.1)	As at June 30, 2025
----- (Rupees in '000) -----				
Plant and machinery	71,049	758,349	(437,577)	391,821
Advance against / for construction/civil work	89,474	32,331	(38,320)	83,485
Advance against / for purchase of land	-	51,000	-	51,000
	<u>160,523</u>	<u>841,680</u>	<u>(475,897)</u>	<u>526,306</u>

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	Note	2026 (Rupees in '000)	2025
7. RIGHT-OF-USE ASSET			
Balance as at July 01,		2,472	12,359
Additions during the year		75,364	-
Depreciation charge for the year	7.1	(13,776)	(9,887)
Balance as at June 30,		64,060	2,472
Annual depreciation - (useful life in years)		5	5
7.1	The right of use asset relates to leased head office premises.		
7.2	Depreciation charge on right-of-use asset for the year has been allocated as follows:		
	Note	2026 (Rupees in '000)	2025
Administrative and general expenses	30	10,332	7,415
Distribution and selling costs	31	3,444	2,472
		13,776	9,887
8. INVESTMENT PROPERTY			
Investment property		65,000	-
8.1	During the year, the Company acquired two plots of land located in Hyderabad measuring 0.24 acres each, in exchange for settling a trade debt amounting to Rs. 103.03 million as a full and final settlement. The fair value of land acquired amounts to Rs. 65.00 million and the difference is written off.		
	Note	2026 (Rupees in '000)	2025
9. LONG TERM LOAN TO EMPLOYEES			
Unsecured - considered good			
Employees	9.1	10,120	1,837
Current portion	15	(6,970)	(1,347)
		3,150	490
9.1 Movement of loan to employees:			
Balance as at July 01,		1,837	515
Additions during the year		16,443	2,620
Repayments during the year		(8,160)	(1,298)
Balance as at June 30,	9.1.1	10,120	1,837
9.1.1	These loans are interest free and granted to executives and employees of the Company in accordance with the Company's policy for purchase of cars, motor cycles and construction or renovation of house.		
	Note	2026 (Rupees in '000)	2025
10. LONG TERM DEPOSITS			
Utility deposits		38,140	1,746
Security deposits		4,650	3,556
	10.1 & 10.2	42,790	5,302
Less: allowance for expected credit loss		(1,094)	(1,094)
		41,696	4,209

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10.1 These deposits do not carry any interest or markup.

10.2 This amount represents deposits given to various parties, including Rs. 2.782 million paid by the Company in respect of its rented Head Office premises and Rs. 38.30 million to SSGC on account of Gas Security Deposit.

	2026 (Rupees in '000)	2025
11. INVESTMENT IN ASSOCIATES		
PetPak Films (Private) Limited	1,095,212	974,895

11.1 This represents shareholding of 14.08% (2025: 18.24%) comprising of 150,000,000 shares (2025: 150,000,000) of Petpak Films (Private) Limited (the Associate). Original cost of the shares was Rs. 10/share.

11.2 During the year, the Associate issued right shares which were not exercised by the Company. Consequently, there was a dilution in shareholding of the Associate.

	2026 (Rupees in '000)	2025
11.3 Movement of investment in associate are as follows:		
Balance as at July 01,	974,895	1,179,443
Investment during the year	-	-
Share of profit / (loss) for the year	167	(204,548)
Share of other comprehensive loss	(568)	-
Adjustment to net assets upon dilution	120,718	-
Balance as at June 30,	1,095,212	974,895

11.4 Financial details / position of associate are as follows:

Total assets	16,037,941	14,771,008
Total liabilities	8,261,935	9,268,224
Revenue for the year	9,004,705	6,599,650
Profit / (loss) for the year	1,184	(1,121,603)
Other comprehensive (loss) / income for the year	(1,242)	1,269

12. STORES AND SPARES

Stores and spares		
- in hand	601,191	563,593
- in transit	72	-
	601,263	563,593
Less: Provision against slow moving stores and spares	(118,353)	(48,481)
	482,910	515,112

13. STOCK-IN-TRADE

Raw and packing material		
- in hand	1,802,456	748,845
- in transit	716,804	832,568
	2,519,260	1,581,413
Work-in-process	335,274	380,522
Finished goods	858,384	1,011,853
	3,712,918	2,973,788

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	Note	2026 (Rupees in '000)	2025
14. TRADE DEBTS			
Unsecured			
Considered good		2,656,079	2,600,289
Considered doubtful		12,131	240,215
		2,668,210	2,840,504
Less: Allowance for expected credit losses	14.1	(184,466)	(240,215)
		<u>2,483,744</u>	<u>2,600,289</u>
14.1 Allowance for expected credit losses			
Balance as on July 01,		240,215	226,517
Charge during the year		47,276	13,698
Reversal of provision	8.1	(65,000)	-
Written off during the year	8.1	(38,025)	-
Balance as on June 30,		<u>184,466</u>	<u>240,215</u>
15. LOANS AND ADVANCES			
Unsecured - considered good			
Current maturity of long term loan to employees	9	6,970	1,347
Advance to suppliers		14,756	38,109
Less: Allowance for expected credit loss		(3,794)	(3,794)
		<u>17,932</u>	<u>35,662</u>
16. SHORT TERM DEPOSITS AND PREPAYMENTS			
Deposits against letters of credit and bank guarantees		7,082	80,650
Short term deposits		13,264	9,394
Prepayments		3,875	1,835
		<u>24,221</u>	<u>91,880</u>
17. SHORT TERM INVESTMENTS			
At fair value through profit or loss (FVTPL)			
Listed equity securities		-	4,403
Mutual funds	17.1	1,162	846
		<u>1,162</u>	<u>5,249</u>
17.1 The particulars of mutual funds units are as follows :			

	2026	2025	2026	2025
	Number of units		Market value	
			-----Rupees in '000-----	
ABL Islamic Income Fund	87,273	82,196	899	846
Alfalah GHP Islamic Income Fund	504	-	52	-
Atlas Islamic Income Fund	102	-	53	-
HBL Islamic Income Fund	508	-	53	-
Lucky Islamic Money Mkt Fund	529	-	53	-
Meezan Islamic Income Fund	986.79	-	51	-
			<u>1,162</u>	<u>846</u>

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	2026	2025	2026	2025
	Number of shares		Market value	
	-----Rupees in '000-----			
Octopus Digital Limited	-	85,486	-	4,403

	Note	2026 (Rupees in '000)	2025
17.2 Unrealised appreciation of investments classified as financial assets at FVTPL - net			
Market value of mutual fund units		1,162	846
Less: carrying value of mutual fund units		(1,165)	(931)
		<u>(3)</u>	<u>(85)</u>
Market value of equity securities		-	4,403
Less: carrying value of equity securities		-	(7,341)
		<u>-</u>	<u>(2,938)</u>

18. CASH AND BANK BALANCES

Cash in hand		2,170	1,389
Bank balances			
with Islamic banks			
- current accounts		11,878	9,198
- saving accounts	18.1	42	997
		11,920	10,195
with conventional banks			
- current accounts		1,858	15,553
- saving accounts	18.2	258	488
		2,116	16,041
		<u>16,206</u>	<u>27,625</u>

18.1 These carry profit ranging from 10.25% to 11.25% (2025: 8.5% to 10.25%) per annum.

18.2 These carry markup ranging from 10.50% to 11.5% (2025: 10.25% to 19%) per annum.

19. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2026 (Number of shares)	2025		2026 (Rupees in '000)	2025
65,380,000	65,380,000	Ordinary shares of Rs.10/- each	653,800	653,800
		fully paid in cash		
73,319,000	73,319,000	Ordinary shares of Rs.10/- each	733,190	733,190
		issued as fully paid bonus shares		
<u>138,699,000</u>	<u>138,699,000</u>		<u>1,386,990</u>	<u>1,386,990</u>

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20. LONG TERM BORROWINGS - SECURED	Note	2026 (Rupees in '000)	2025
Loans from Islamic financial institutions			
Long term finance facility - Diminishing Musharakah	20.1	1,065,340	456,989
Islamic Temporary Economic Refinance Facility (ITERF)	20.2	378,508	494,158
		1,443,848	951,147
Less: deferred income - government grant	22	(40,011)	(61,927)
Less: current portion		(256,730)	(187,628)
		<u>1,147,107</u>	<u>701,592</u>

20.1 Diminishing musharakah consists of:

Askari Bank Limited	20.1.1	6,854	25,408
Bank Alfalah Limited	20.1.2	320,000	320,000
Bank AL Habib Limited	20.1.3	56,257	111,581
Bank Islami Pakistan Limited	20.1.4	350,000	-
The Bank of Punjab	20.1.5	332,229	-
		<u>1,065,340</u>	<u>456,989</u>

20.1.1 The Company has obtained facility of Rs. 72 million under Diminishing Musharakah financing arrangements for the purpose of capital expenditures which are secured against 1st Pari Passu charge over all present and future plant and machinery of the Company, duly registered with Securities and Exchange Commission of Pakistan (SECP) with 15% margin. The facility carries profit at the rate of 3 months KIBOR + 1% per annum with a floor of 4% and cap of 25% per annum. The tenure of the facility is five years including one year grace period. The principal is repayable in 16 equal quarterly installments and the last installment is payable on December 15, 2026.

20.1.2 The Company has obtained facility of Rs. 320 million under Diminishing Musharakah financing arrangement with for the purpose of capital expenditures which is secured against 1st exclusive/specific hypothecation charge of Rs. 400 million over imported plant and machinery financed through this facility, duly registered with Securities and Exchange Commission of Pakistan (SECP). This carries profit at the rate of 6 months KIBOR plus 2% per annum with a floor of 7% and cap of 35% per annum. The tenor of facility is eight years including one year grace period. The principal amount is repayable in 28 equal quarterly installments and last installment is payable on September 30, 2033.

20.1.3 (i) The Company has obtained facility Rs. 92.71 million under Diminishing Musharakah financing arrangement for the purpose of capital expenditure which is secured against registered pari passu hypothecation charge over plant and machinery for Rs. 106.433 million. This carries profit at the rate of 6 months KIBOR plus 1% per annum with a floor of 6% and cap of 20% per annum. The tenure of facility is four years including one year grace period. The principal amount is repayable in 36 equal monthly installments and last installment is payable on March 16, 2026.

(ii) The Company has also obtained facility of Rs. 128.59 million under Diminishing Musharakah financing arrangement for the purpose of capital expenditure which is secured against registered pari passu hypothecation charge over plant and machinery for Rs. 150 million. This carries profit at the rate of 6 months KIBOR plus 1% per annum with a floor of 6% and cap of 25% per annum. The tenure of facility is four years including one year grace period. The principal amount is repayable in 36 equal monthly installments and last installment is payable on March 28, 2028.

20.1.4 The Company has obtained Rs. 350 million under Diminishing Musharakah arrangement for the purpose of capital expenditure which are secured against first pari passu hypothecation charge over the Company's general plant and machinery with 25% margin, duly registered with SECP. This carries profit at the rate of 3 month KIBOR plus 1.5% with a

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(floor of 5% ,Cap of 40%) per annum. The tenor of facility is five years including one year grace period. The principal amount is repayable in 16 equal quarterly installments.

20.1.5 The Company has obtained Rs. 500 million under Diminishing Musharakah arrangement for the purpose of capital expenditure which are secured against 1st exclusive/specific hypothecation charge over the Company's plant and machinery with 25% margin, duly registered with SECP. This carries profit at the rate of 1Year Kibor plus 1% per annum with a (floor of 8% ,cap of 45%) per annum. The tenor of facility is five years including one year grace period. The principal amount is repayable in 16 equal quarterly installments.

20.2 The Company has obtained loans under SBP Islamic Temporary Economic Refinance Facility (ITERF) from various Islamic banks. SBP introduced this scheme to support the companies for purchase of plant and machinery at subsidized rate of borrowings.

(i) The Company has obtained financing facility of Rs. 300 million under SBP Islamic Temporary Economic Refinance Facility (ITERF) which are secured against 1st exclusive charge over plant and machinery of the Company, duly registered with SECP. The rate of markup on these loans is 3.75% per annum. The tenure of these loans is seven years including two years grace period and is repayable in twenty equal quarterly installments commencing after the grace period. The last installment is payable in October 2028.

(ii) The Company also has financing facility of Rs. 80 million under SBP Islamic Temporary Economic Refinance Facility (ITERF) which are secured against 1st pari pasu charge over plant and machinery with 25% margin. The rate of markup on this loan is 4% per annum. The tenure of the loan is ten years including two years grace period and is repayable in thirty-two equal quarterly installments commencing after the grace period and the last installment is payable in February 2031.

(iii) The Company also has obtained financing facility of Rs. 350 million under SBP Islamic Temporary Economic Refinance Facility (ITERF) which are secured against first exclusive charge over the Company's plant and machinery financed through the facility and first pari passu charge over the Company's existing un-encumbered plant and machinery to cover 25% margin requirement. The rate of markup on these loans is 3% and 3.5% per annum. The tenure of these loans is five years including one year grace period and ten years including two years grace period and is repayable in sixteen and thirty-two equal quarterly installments commencing after the grace period and the last installment is payable in December 2031.

21. LEASE LIABILITY

This represents lease liability in respect of head office premises leased for a period of five years ending on September 2030. The lease payments have been discounted using incremental borrowing rate of the company applicable at inception of lease which is 10% per annum. The amount of future payments for the finance leases and the period in which these payments will become due are as follows:

	2026		2025	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
-----Rupees in '000 -----				
Not later than one year	17,337	11,715	3,788	3,788
Later than one year and not later than five years	66,350	56,598	-	-
	83,687	68,313	3,788	3,788
Less: amount representing future finance charges	(15,374)	-	-	-
	68,313	68,313	3,788	3,788
Less: current portion	(11,715)	(11,715)	(3,788)	(3,788)
	56,598	56,598	-	-

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	Note	2026 (Rupees in '000)	2025
22. DEFERRED INCOME			
Balance as at July 01,		61,927	87,270
Amortisation during the year	33	(21,916)	(25,343)
Balance as at June 30,		40,011	61,927
Less: current portion		(15,516)	(20,501)
		<u>24,495</u>	<u>41,426</u>

22.1 The value of benefits of below-market interest rate on the loan has been accounted for as government grant under IAS 20 Government grant. The below-market interest rate are ranging between 3% to 4% (2025: 3% to 4%) (refer note 20).

	2026 (Rupees in '000)	2025
23. DEFERRED TAXATION		
Deferred tax comprises of taxable / (deductible) temporary differences in respect of the following:		
Taxable temporary difference		
Accelerated tax depreciation	411,055	236,676
Deductible temporary differences		
Net impact of right of use asset and lease liability	(1,574)	(382)
Provision for advances	(1,404)	(1,101)
Provision for doubtful debts	(68,252)	(69,487)
Provision for stores & spares	(43,791)	(14,059)
Provision for doubtful deposits	(405)	(317)
Provision for Sindh Development and Maintenance of Infrastructure Cess (SIDC)	(25,958)	(38,315)
Unrealised exchange loss	(505)	(3,287)
Unrealised gain on investments	-	(1,727)
Other income impact of Gas Infrastructure Development Cess (GIDC)	-	-
Share of loss on investment in associate	(77,468)	(152,413)
	<u>(219,357)</u>	<u>(281,088)</u>
	<u>191,698</u>	<u>(44,412)</u>

	Balance as at July 01, 2024	Recognised in statement of profit or loss	Recognised in OCI	Balance as at June 30, 2025	Recognised in statement of profit or loss	Recognised in OCI	Balance as at June 30, 2026
(Rupees in '000)							
Taxable temporary differences							
Accelerated tax depreciation / amortisation	209,082	27,594	-	236,676	174,379	-	411,055
	209,082	27,594	-	236,676	174,379	-	411,055
Deductible temporary differences							
Net impact of right of use asset and lease liability	(1,561)	1,179	-	(382)	(1,192)	-	(1,574)
Provision for advances	(1,101)	-	-	(1,101)	(303)	-	(1,404)
Provision for doubtful debts	(63,690)	(3,797)	-	(69,487)	1,235	-	(68,252)
Provision for stores & spares	(14,059)	-	-	(14,059)	(29,732)	-	(43,791)
Provision for doubtful deposits	(317)	-	-	(317)	(88)	-	(405)
Provision for SIDC	(38,315)	-	-	(38,315)	12,357	-	(25,958)
Unrealised exchange loss	(498)	(2,789)	-	(3,287)	2,782	-	(505)
Unrealised gain on investments	(1,838)	111	-	(1,727)	1,727	-	-
Other income impact of GIDC	(3,294)	3,294	-	-	-	-	-
Share of loss on investment in associate	(92,962)	(59,451)	-	(152,413)	75,054	(109)	(77,468)
	<u>(219,635)</u>	<u>(61,453)</u>	<u>-</u>	<u>(281,088)</u>	<u>61,840</u>	<u>(109)</u>	<u>(219,357)</u>
	<u>(10,553)</u>	<u>(33,858)</u>	<u>-</u>	<u>(44,412)</u>	<u>236,219</u>	<u>(109)</u>	<u>191,698</u>

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	Note	2026 (Rupees in '000)	2025
24. TRADE AND OTHER PAYABLES			
Trade creditors including bills payable		1,820,897	1,959,794
Workers' Profit Participation Fund	24.1	74,597	34,212
Contract Liabilities	24.2	106,416	311,103
Gas Infrastructure Development Cess payable		169,623	169,623
Sindh Infrastructure Development and Maintenance Cess payable	24.3	54,599	312,722
Accrued expenses		160,694	182,493
Workers' Welfare Fund		28,347	13,000
Employees benefits payable		30,606	26,509
Sales tax payable		-	98,957
Others		58,091	41,206
		<u>2,503,870</u>	<u>3,149,619</u>

24.1 Workers' Profit Participation Fund

Balance as at July 01,		34,212	30,177
Interest accrued on funds	34	389	5,333
		<u>34,601</u>	<u>35,510</u>
Payments made during the year		(34,601)	(35,510)
Allocation for the year		74,597	34,212
Balance as at June 30,		<u>74,597</u>	<u>34,212</u>

24.2 Revenue recognized from contract liabilities during the year amounted to Rs. 311.103 million (2025: Rs. 11.43 million).

24.3 During the year, the Sindh Development and Maintenance of Infrastructure Cess Act, 2026 (the "Act") was promulgated, providing a mechanism for the settlement of Infrastructure Cess liabilities under litigation. Under the Act, 45% of the outstanding Infrastructure Cess liability is payable in three equal installments due on July 15, 2026, October 15, 2026 and July 15, 2027, while the remaining 55% is payable in 48 equal quarterly installments commencing from July 15, 2028.

The Act also provides for a reduction in the applicable Infrastructure Cess rate from 1.85% to 0.85%, subject to the execution of a Settlement Agreement (the Agreement) and payment of the first installment. Accordingly, the Company entered into a Settlement Agreement dated April 22, 2026 and paid the first installment amounting to Rs. 61.96 million on the date of signing of the Agreement. Consequently, the Company became entitled to the reduced Infrastructure Cess rate of 0.85% for future years.

Pursuant to the settlement terms, the liability has been measured at its present value by discounting the future installments using the risk free rate of 12.30%. The present value measurement has resulted in reduction of the carrying amount of the liability amounting to Rs. 138.20 million which has been recognised as other income in the statement of profit or loss (refer note 33).

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	Note	2026 (Rupees in '000)	2025
The movement of SIDC is as follows:			
Balance as at July 01,		312,722	183,750
Charge for the year		100,373	128,972
Remeasurement gain on SIDC	33	(138,199)	-
Less: Payments made during the year		(61,964)	-
Balance as at June 30,		212,932	312,722
Current portion		(54,599)	-
		<u>158,333</u>	<u>312,722</u>

25. SHORT TERM BORROWINGS

Conventional financing			
Running finance under mark-up arrangement	25.1	-	137,396
Islamic financing			
Murabaha	25.2	200,636	403,308
Istisna	25.2	1,890,411	1,190,678
Running musharakah	25.3	706,660	686,229
		<u>2,797,707</u>	<u>2,417,611</u>

25.1 This represents the facility of running finance for the purpose to meet working capital requirements. The rate of mark-up is one month average Kibor plus spread 11.74% to 13.03% (2025: 12.33% to 21.83%) per annum. The facility is renewable on the expiry of twelve months. The arrangement is secured against registered joint pari passu hypothecation charge over Company's stocks and book debts. The financing facility available under this arrangement amounted to Rs. 465 million (2025: Rs. 344.1 million) out of which the amount remained unutilized as at June 30, 2026 was Rs. 465 million (2025: Rs. 206.70 million).

25.2 The financing facility under Murabaha and Istisna financing arrangement obtained to meet working capital requirements. These loans are secured through 1st Pari Passu hypothecation charge over stocks and receivables with 25% margin. These loans carry profit at rates ranging from 10.86% to 13.34 % per annum (2025: 11.74% to 23.69% per annum). The financing facility available under this arrangement amounted to Rs. 3,400 million (2025: Rs. 3,200 million) out of which the amount remained unutilized as at June 30, 2026 was Rs. 1,309 million (2025: Rs. 1,607 million).

25.3 This represents facility for Running Musharakah for the purpose to meet the working capital requirements. The rate of mark-up is 10.98% to 13.03% annual per annum (2025: 12.33% to 21.35% per annum). The facility is renewable on the expiry of twelve months. The arrangement is secured against joint Pari Passu charge over stocks and receivables with 25% margin and 1st Pari Passu hypothecation charge over all present and future stocks and / or receivables of the Company, duly registered with SECP. The financing facility available under this arrangement amounted to Rs. 3,300 million (2025: Rs. 2,400 million) out of which the amount remained unutilized as at 30 June 2026 is Rs. 2,594 million (2025: Rs. 1,714 million).

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2026 2025
(Rupees in '000)

26. ACCRUED MARKUP

Long term borrowing		
Islamic		
Diminishing Musharakah	9,663	1,996
Islamic Temporary Economic Refinance Facility (ITERF)	2,428	5,177
	12,091	7,173
Short term borrowing		
Conventional-running finance	390	2,379
Islamic-running musharka	47,894	33,498
	48,284	35,879
	60,375	43,052

27. CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 In 2011, the Gas Infrastructure Development Cess (GIDC) was levied via GIDC Act, 2011 and further the rate of cess was amended via Finance Bill 2012 - 2013 which was challenged in the SCP. The SCP declared GIDC Act, 2011 to be unconstitutional and ultra vires on the grounds that GIDC is a 'Fee' and not a 'Tax' and in the alternative it is not covered by any entry relating to imposition or levy of tax under Part-I of the Federal Legislative list and on either counts the 'cess' could not have been introduced through a money bill under the Constitution.

During 2015, Government passed a new law Gas Infrastructure Development Cess Act, 2015 (the Act) by virtue of which all prior enactments have been declared infructuous. The said Act levies GID Cess at Rs. 200/MMBTU on captive power consumption and at Rs.100/MMBTU on industrial connection from the date of passing of that the Act with retrospective application against which the Company had obtained a stay order from the Honourable High Court of Sindh (SHC). Accordingly, the Company started recognising charge against GIDC from the date of passing of the Act. As at reporting date the provision amounting to Rs. 169.62 million (2025: Rs. 169.62 million) in respect of GID Cess from the date of enactment of the Act has been recorded in these financial statements (refer note 24).

In the year 2020, the SCP vide its judgement dated August 13, 2020 dismissed all the previous appeals filed by various industrial and commercial entities with respect to the legality and validity of levy and demand of GIDC and decided the case against the industry. The SCP has also held that the provisions of Section 8 of the Act, which give retrospective effect to the charge and recovery of 'Cess' levied from the year 2011 are also declared to be valid being within the legislative competence of the Parliament. The Company, along with other parties filed a review petition with the SCP to seek relief in respect of the cess imposed under the Act for the period before its enactment.

However, in November 2020, the SCP has dismissed all the review petitions with a relief for payment of GIDC in 48 monthly installments and clarified that the remedy to seek relief granted under Section 8(2) of the Act lies elsewhere and not in review petition. Therefore, the Company, along with other parties, have filed a petition in the Court challenging the levy of GID Cess to the industrial gas connection in violation of section 8(2) of the Act and the Court has issued a stay order dated December 24, 2020 restraining any coercive action against the Company. Accordingly, management in consultation with its legal advisor has not recognized provision approximately amounting to Rs. 69.8 million (inclusive of sales tax) pertaining to period from 2011 to 2015 as it is confident that the Company has strong grounds of appeal in this respect.

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27.1.2 The income tax return of the Company for the Tax Year 2021 was amended by the Assistant Commissioner Inland Revenue ("ACIR") under Section 122(5A) of the Income Tax Ordinance, 2001, whereby certain expenses and previously unadjusted tax losses were disallowed, resulting in a tax demand of Rs. 149.260 million.

Subsequently, the amended income tax return was further amended by the ACIR under Section 122(4) of the Income Tax Ordinance, 2001, whereby the tax credit claimed under Section 65B was disallowed, increasing the aggregate tax demand to Rs. 188.270 million.

The Company has filed an appeal before the Commissioner Inland Revenue (Appeals) against the aforesaid amendments and tax demand. Based on the merits of the case, applicable legal provisions and advice obtained, the management is confident that the matter will ultimately be decided in favour of the Company.

27.1.3 The income tax return of the Company for the Tax Year 2023 was amended by the Assistant Commissioner Inland Revenue ("ACIR") under Section 122(5A) of the Income Tax Ordinance, 2001, whereby brought-forward tax losses, exchange loss on imports and certain other expenses were disallowed. As a result of these disallowances, the tax liability of the Company for the year was increased by Rs. 535.590 million.

The Company has filed an appeal before the Appellate Tribunal Inland Revenue ("ATIR") and has challenged the aforesaid disallowances on merits and in accordance with the applicable provisions of law. The matter is currently under hearing before the ATIR.

Based on the merits of the case, applicable legal provisions and the facts and circumstances of the matter, the management is fully confident that the case will ultimately be decided in favour of the Company by the relevant appellate authority.

27.2 Commitments

27.2.1 Letters of credit

The Company has facilities of Rs. 4,600 million (2025: Rs. 4,600 million) for opening letters of credit. At June 30, 2026, the open letters of credits for stock in trade, stores and spares and capital commitment amounted to Rs. 807.927 million (2025: Rs. 2,566.75 million).

The facility for opening letter of guarantees from a banking company amounted to Rs. 435 million (2025: Rs. 700 million). Bank guarantees amounting to Rs. 200.572 million (2025: Rs. 538.86 million) have been issued in favour of Sui Southern Gas Company Limited and Collector of Customs for payment of gas bills and clearance of import consignment while submitting bank guarantee against excise duty and income tax to be deposited with national exchequer at import stage.

2026 **2025**
(Rupees in '000)

28. REVENUE FROM CONTRACTS WITH CUSTOMERS

Local sales	18,545,378	20,035,968
Export sales	-	15,082
Less: sales tax	(2,879,136)	(3,178,755)
	<u>15,666,242</u>	<u>16,872,295</u>

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	Note	2026 (Rupees in '000)	2025
29. COST OF SALES			
Raw and packing material consumed	29.1	10,587,926	11,206,011
Salaries, wages and other benefits	29.2	430,536	484,022
Fuel and power		997,970	981,922
Depreciation	6.1.1	530,076	447,819
Stores and spares consumed		523,596	559,369
Travelling and conveyance		72,619	70,080
Rent, rates and taxes		144,068	152,077
Insurance		64,729	56,226
Repairs and maintenance		23,067	33,316
Printing and stationary		789	71
Communication		588	499
General expenses		55,456	49,800
		<u>13,431,420</u>	<u>14,041,211</u>
Opening stock of work-in-process		380,522	78,114
Closing stock of work-in-process	13	(335,274)	(380,522)
Cost of goods manufactured		<u>13,476,668</u>	<u>13,738,804</u>
Opening stock of finished goods		1,011,853	2,169,321
Closing stock of finished goods	13	(858,384)	(1,011,853)
		<u>13,630,137</u>	<u>14,896,271</u>

29.1 Raw and packing material consumed

Opening stock	1,581,413	1,088,204
Purchases during the year	<u>11,525,773</u>	<u>11,699,220</u>
	13,107,186	12,787,424
Closing stock	<u>(2,519,260)</u>	<u>(1,581,413)</u>
	<u>10,587,926</u>	<u>11,206,011</u>

29.2 Salaries, wages and other benefits include Rs. 13.622 million (2025: Rs. 13.390 million) in respect of contribution to staff provident fund.

	Note	2026 (Rupees in '000)	2025
30. ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and other benefits	30.1	48,105	48,864
Charity and donation	30.2	100,000	137,270
Depreciation	6.1.1 & 7.2	27,141	21,764
Legal and professional charges		5,842	5,228
Printing, stationary and subscription fees		10,604	8,603
Travelling and conveyance		11,364	11,318
Insurance		11,423	9,922
Repair and maintenance		4,166	3,688
Communication		2,973	3,298
Fuel and power		2,391	2,508
Auditor's remuneration	30.3	3,168	2,812
Other expenses		4,354	4,719
		<u>231,531</u>	<u>259,994</u>

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30.1 Salaries and other benefits include Rs. 1,243 million (2025: Rs. 1,232 million) in respect of contribution to staff provident fund.

30.2 Donations

Details of donations given to a single party exceeding Rs. 1 million or 10% of the Company's total amount of donations, whichever is higher:

Dhoraji Association	100,000	129,770
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No director of the Company has any interest in Dhoraji Association.

	Note	2026 (Rupees in '000)	2025
30.3 Auditor's remuneration			
Annual audit		1,540	1,400
Half yearly review		715	650
Other certifications		385	350
Out of pocket expenses		528	412
		<u>3,168</u>	<u>2,812</u>

31. DISTRIBUTION AND SELLING COSTS

Salaries and other benefits	31.1	16,035	16,288
Outward freight and handling charges		32,359	87,129
Depreciation	6.1.1 & 7.2	9,047	7,255
Sales promotion, maintenance and warranties		503	120
Printing and stationery		3,535	2,868
Travelling and conveyance		3,788	3,773
Repair and maintenance		1,389	1,229
Communication		991	1,099
Fuel and power		797	836
Other expenses		1,452	1,572
		<u>69,896</u>	<u>122,169</u>

31.1 Salaries and other benefits include Rs. 0.414 million (2025: Rs. 0.410 million) in respect of contribution to staff provident fund.

	2026 (Rupees in '000)	2025
32. OTHER OPERATING EXPENSES		
Exchange loss - net	-	52,823
Workers' Profit Participation Fund	74,597	34,212
Workers' Welfare Fund	28,347	13,000
Unrealised loss on remeasurement of investment	-	3,023
	<u>102,944</u>	<u>103,058</u>

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	Note	2026 (Rupees in '000)	2025
33. OTHER INCOME			
Income and loss from financial instrument			
Profit on saving account & deposits		5,064	1,356
Dividend income		12,861	114
Gain on sale of investment classified as at FVTPL		34,873	-
Adjustment to net assets upon dilution		120,718	-
Exchange gain - net		6,713	-
Income from non-financial instrument			
Gain on disposal of property, plant and equipment		1,912	2,999
Amortisation of deferred income	22	21,916	25,343
Net Remeasurement gain on provision of SIDC	24.3	138,199	-
		<u>342,256</u>	<u>29,811</u>
34. FINANCE COSTS			
Long term borrowings			
Islamic			
- Diminishing musharakah		84,182	31,706
- Islamic Temporary Economic Refinance Facility (ITERF)		37,801	45,562
		<u>121,983</u>	<u>77,268</u>
Short term borrowings			
Conventional			
- Conventional running finance		2,292	17,429
Islamic			
- Murabaha		55,268	85,656
- Istisna		153,377	278,960
- Running musharakah		249,823	186,807
		<u>460,760</u>	<u>568,852</u>
Interest on workers' profit participation fund	24.1	389	5,333
Interest expense on lease liability		5,216	908
Interest expense on GIDC		-	984
Bank charges		14,411	11,548
		<u>602,759</u>	<u>664,893</u>
35. TAXATION AND LEVY			
Levy		1,491	28
Current		327,850	291,367
Prior year		12,114	12,486
Deferred		236,219	(33,858)
	35.1	<u>577,674</u>	<u>270,023</u>
35.1 Relationship between income tax expense and accounting profit			
Accounting profit for the year		1,352,864	637,475
Tax at the applicable tax rate of 29% (2025: 29%)		392,330	184,868
Super tax @ 10% (2025: 10%)		135,286	63,748
Tax effect of permanent differences		2,960	2,960
Others		47,097	18,448
		<u>577,674</u>	<u>270,023</u>

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36. EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company to the weighted average number of ordinary shares. There is no dilutive effect on the basic earnings per share of the Company.

Profit after tax		811,448	367,452
		(Number)	
Weighted average number of ordinary shares outstanding during the year	19	<u>138,699</u>	<u>138,699</u>
Earnings per share - basic and diluted (Rupees)		<u>5.85</u>	<u>2.65</u>

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company were as follows:

	Chief Executive		Executive Director		Executives		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	----- (Rupees in '000) -----							
Managerial remuneration	6,000	6,000	4,800	4,800	25,477	44,813	36,277	55,613
Retirement benefits	-	-	-	-	977	1,846	977	1,846
Leave encashment	-	-	-	-	935	2,201	935	2,201
Bonus	-	-	-	-	2,454	5,958	2,454	5,958
Other allowances	-	-	-	-	845	1,124	845	1,124
	<u>6,000</u>	<u>6,000</u>	<u>4,800</u>	<u>4,800</u>	<u>30,688</u>	<u>55,942</u>	<u>41,488</u>	<u>66,742</u>
Number of persons	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>10</u>	<u>13</u>	<u>12</u>	<u>15</u>

- 37.1** The Chief Executive and certain executives of the Company are provided with free use of company vehicle.
- 37.2** Executives are also provided with medical facilities in accordance with their entitlements.
- 37.3** An aggregate amount of Rs. 2,400,000 (2025: Rs. 2,580,000) was paid to Directors during the year on account of meeting fees.

38. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors of the Company has the overall responsibility for the establishment and over sight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

38.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meets its contractual obligations. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Pakistan Synthetics Limited

	2026 (Rupees in '000)	2025
Trade debts- gross	2,668,210	2,840,504
Loan to employees	10,120	1,837
Deposits	63,136	4,209
Other receivables	92,518	2,032
Bank balances	14,036	26,235
	<u>2,848,020</u>	<u>2,874,818</u>

38.1.2 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio of customers. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk.

38.1.3 The credit quality of Company's bank balances can be assessed with reference to external credit ratings are as follows:

Bank	Rating Agency	Long term	Short term
Bank Islami Pakistan Limited	PACRA	AA-	A1
Soneri Bank Limited	PACRA	A	-
Bank Alfalah Limited	PACRA	AAA	A1+
Bank Al Habib Limited	PACRA	AA+	-
The Bank of Punjab	PACRA	AA+	A1+
Askari Bank Limited	PACRA	AA	-
MCB Bank Limited	PACRA	AAA	A1+
Dubai Islami Bank Limited	VIS	AA	A1+
Al Baraka Bank Limited	VIS	AA-	A1
Faysal Bank Limited	PACRA	AA	A1+
Bank of Khyber Limited	VIS	AA-	A1
Habib Bank Limited	VIS	AA+	-
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
United Bank Limited	VIS	AAA	A1+
Allied Bank Limited	PACRA	AAA	A1+

Impairment losses and past due balances

The following table provides information about the exposure to credit risk and ECLs for trade debts as at reporting date.

Pakistan Synthetics Limited

	2026		2025		
	Gross	Expected credit losses	Gross	Expected credit losses	Credit Impaired
	(Rupees in '000)				
Current (not past due)	1,648,513	36,187	2,462,162	54,168	No
1-90 days past due	908,344	83,568	119,757	10,539	No
91-150 days past due	33,939	6,788	35,934	5,031	No
151-210 days past due	27,615	8,285	39,870	7,177	No
211-270 days past due	-	-	12,598	3,779	No
271-360 days past due	-	-	13,060	4,440	Yes
More than 360 days past due	49,799	49,639	157,124	155,082	Yes
	<u>2,668,210</u>	<u>184,466</u>	<u>2,840,504</u>	<u>240,215</u>	

38.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities 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 damage to the Company's reputation. For the purpose the Company has credit facilities available from banks and financial support from associated company. The company liquidity risk category is as follows:

Following are the contractual maturities of undiscounted financial liabilities, including interest payments (based on the remaining period to maturity):

	2026			
	Contractual cash flows			
	Carrying amount	Total contractual cash flows	Upto one year	Two to five years
	(Rupees in '000)			
Non-derivative				
Financial liabilities				
Long term borrowings including deferred income and mark up thereon	1,443,848	(1,443,848)	(260,155)	(1,183,693)
Trade and other payables	2,400,926	(2,400,926)	(2,400,926)	-
Short-term borrowings including mark up thereon	2,797,707	(2,797,707)	(2,797,707)	-
Lease Liabilities	-	68,313	11,715	56,598
	<u>6,642,481</u>	<u>(6,574,168)</u>	<u>(5,447,072)</u>	<u>(1,127,095)</u>

Pakistan Synthetics Limited

	2025			
	Contractual cash flows			
	Carrying amount	Total contractual cash flows	Upto one year	Two to five years
	(Rupees in '000)			
Non-derivative				
Financial liabilities				
including deferred income and mark up thereon	958,320	(958,320)	(200,956)	(757,364)
Trade and other payables	3,003,450	(3,003,450)	(3,003,450)	-
Short-term borrowings including mark up thereon	2,417,611	(2,417,611)	(2,417,611)	-
Lease Liabilities	3,788	(3,788)	(3,788)	-
	<u>6,383,169</u>	<u>(6,383,169)</u>	<u>(5,625,805)</u>	<u>(757,364)</u>

All the financial liabilities of the Company are unsecured, except as mentioned in note 20 and note 25 to these financial statements.

38.3 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. Market risk comprises of currency risk, inherent rate risk and other risk. The Company is exposed to currency risk, price risk and interest rate risk only.

38.3.1 Currency risk

Foreign currency risk is the risk that the value of a financial asset or liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is exposed to currency risk on bank balance and import of raw materials that are denominated in a foreign currency. The Company's exposure to foreign currency risk is as follows:

	2026		
	Rupees	US Dollars	Euro
	(In '000)		
Foreign creditors	(850,286)	(3,053)	-
Gross balance sheet exposure	<u>(850,286)</u>	<u>(3,053)</u>	<u>-</u>
	2025		
	Rupees	US Dollars	Euro
	(In '000)		
Foreign creditors	(1,311,363)	(4,371)	(209)
Gross statement of financial position exposure	<u>(1,311,363)</u>	<u>(4,371)</u>	<u>(209)</u>

The following exchange rates has been applied:

Pakistan Synthetics Limited

Sensitivity analysis

A five percent depreciation of the rupee against the following currencies at 30 June would have decreased the equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

	Equity and profit or loss	
	2026	2025
	(Rupees in '000)	
USD	(42,521)	(62,090)
EURO	-	(3,478)
	<u>(42,521)</u>	<u>(65,568)</u>

38.3.2 Interest rate risk

Interest rate risk is the risk that the fair value on future cash flows of a financial instrument will fluctuate because of change in market interest rates. Interest rate exposure arises from long term finance and short term borrowings.

At the reporting date, the interest rate profile of the Company's significant interest bearing financial instruments is as follows:

	Interest rate		Carrying amount	
	2026	2025	2026	2025
	(Percentage)		(Rupees in '000)	
Fixed rate instruments				
Lease liability	10.0%	10.0%	83,687	3,788
Variable rate instruments				
Bank balances (saving accounts)	10.25% to 11.50%	10.25% to 19%	300	1,485
Variable rate instruments				
Long term borrowings	3% to 15.00%	3% to 22.87%	(1,443,848)	(958,320)
Short term borrowings	10.86% to 13.34%	11.74% to 23.91%	<u>(2,797,707)</u>	<u>(2,417,611)</u>
			<u>(4,241,555)</u>	<u>(3,375,930)</u>

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 or loss. Therefore, change in interest rates at the reporting date would not affect statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by Rs. 42.42 million (2025: Rs. 33.76 million). This analysis assumes that all other variables, in particular foreign currency. The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

Interest rate analysis of the financial instruments

A summary of the Company's interest rate gap position, analysed by the earlier of contractual repricing or maturity date is as follows:

Pakistan Synthetics Limited

	Carrying value	
	2026	2025
	(Rupees in '000)	
Financial assets		
Bank balance	300	1,485
Financial liability		
Borrowing from banks	(4,241,555)	(3,375,930)
Lease liability	(83,687)	(3,788)
Net balance exposed to interest rate risk	<u>(4,324,942)</u>	<u>(3,378,234)</u>

Loan to employees amounting to Rs. 10,120 million (2025: Rs. 1.837 million) as mentioned in note 8.1 have not been included in the above table as it is not material.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	2026				
	Other Short term borrowings including markup thereon	Long term borrowings including deferred income and markup thereon	Lease liability	Unclaimed dividend	Total
	(Rupees in '000)				
Balance as at July 01 2025	1,593,986	958,320	3,788	5,324	2,561,417
Changes from financing cash flows:					
Repayments of long term borrowings	-	(189,528)	-	-	(189,528)
Proceeds from long term borrowings	-	682,229	-	-	682,229
Lease rentals paid	-	-	(16,055)	-	(16,055)
Dividend paid	-	-	-	-	-
Changes in short term borrowings relating to financing activities	497,061	-	-	-	497,061
Total changes from financing activities	497,061	492,701	(16,055)	-	973,707
Other changes:					
Amortisation of government grant	-	(21,916)	-	-	(21,916)
Finance cost	460,760	121,983	5,216	-	587,959
Addition to lease liability	(412,476)	-	75,364	-	(337,112)
Finance cost paid	-	(95,149)	-	-	(95,149)
Total loan related other changes	48,284	4,918	80,580	-	133,782
Total equity related other changes	-	-	-	-	-
Balance as at 30 June 2026	2,139,331	1,455,939	68,313	5,324	3,668,906

Pakistan Synthetics Limited

	2025				
	Other Short term borrowings including markup thereon	Long term borrowings including deferred income and markup thereon	Lease liability	Unclaimed dividend	Total
	(Rupees in '000)				
Balance as at July 01 2024	2,161,259	861,097	17,744	5,397	3,045,497
Changes from financing cash flows:					
Repayments of long term borrowings	-	(220,018)	-	-	(220,018)
Proceeds of long term borrowings	-	320,000	-	-	320,000
Lease rentals paid	-	-	(14,864)	-	(14,864)
Dividend paid	-	-	-	(73)	(73)
Changes in short term borrowings relating to financing activities	(515,261)	-	-	-	(515,261)
Total changes from financing activities	(515,261)	99,982	(14,864)	(73)	(430,217)
Other changes:					
Amortisation of government grant	-	(25,343)	-	-	(25,343)
Finance cost	364,616	77,268	908	-	442,792
Finance cost paid	(416,628)	(54,684)	-	-	(471,312)
Total loan related other changes	(52,012)	(2,759)	908	-	(53,863)
Total equity related other changes	-	-	-	-	-
Balance as at 30 June 2025	1,593,986	958,320	3,788	5,324	2,561,417

38.3.3 Price risk

Price risk is the risk that the fair value or the future cashflows of a financial instrument will fluctuate because of changes in the market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to changes in fair value or cash flows of its investment in associate.

39. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The different levels of fair valuation method have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Pakistan Synthetics Limited

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

June 30, 2026				
Fair value				
	Level 1	Level 2	Level 3	Total
----- Rupees in thousand -----				
Financial assets measured at fair value				
Listed securities (shares)	-	-	-	-
Mutual funds	-	1,162	-	1,162
June 30, 2025				
Fair value				
	Level 1	Level 2	Level 3	Total
----- Rupees in thousand -----				
Financial assets measured at fair value				
Listed securities (shares)	4,403	-	-	4,403
Mutual funds	-	846	-	846

39.1 The fair value of the securities have been assessed through market value deployed at Pakistan Stock Exchange(PSX) website.

39.2 The fair value of the mutual funds have been assessed through out MUFAP's website.

39.3 All other assets and liabilities carrying amount is approximately equal to there fair values.

39.4 There are no changes among the levels during the year.

40. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	2026 (Rupees in '000)	2025
Key management personnel compensation		
Managerial remunerations	36,277	55,613
Others	5,211	11,129
Consultancy services by Mr. Mubbashir Amin (Non-Executive Director)	2,553	3,933
Share of profit /(loss) on investment - Petpak Films (Private) Ltd.	167	(204,548)
Sales of Goods to Petpak Films (Private) Ltd.	-	570,318
Gain on dilution of investment in associate	120,718	-

40.1 The following are the related parties of the Company and there has been no transactions during the year and balances with these related parties other than those disclosed in the financial statements:

Pakistan Synthetics Limited

Name of the Related Party	Relationship
Petpak Films (Private) Limited	Associated Company-common directorship
3M Industries (Private) Limited	Associated Company-common directorship
Al-Hilal Shariah Advisors (Private) Limited	Associated Company-common directorship
Al-Hilal Securities Advisors (Private) Limited	Associated Company-common directorship

40.2 No associated company owns any shares of the Company.

	Note	2026 (Rupees in '000)	2025
41. CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		1,389,122	637,475
Adjustment for non-cash charges and other items:			
Depreciation on property, plant and equipment	6.1.1	552,488	466,950
Depreciation on right of use asset	7.1	13,776	9,887
Gain on disposal of property, plant and equipment		(1,912)	(2,999)
Share of (gain) / loss on investment in associates	11	(167)	204,548
(Reversal)/provision against expected credit loss	14.1	(17,724)	13,698
Short term investment	32	-	3,023
Interest expense on lease liability	34	5,216	908
Adjustment to net assets upon dilution	11.3	(120,718)	-
Amortisation of deferred income - government grant	33	(21,916)	(25,343)
Finance costs	34	597,543	657,669
Net remeasurement gain on provision of SIDC	33	(138,199)	-
Interest expense on GIDC	34	-	984
Profit on saving accounts	33	(5,064)	(1,356)
		863,323	1,327,969
Working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		32,202	73,455
Stock in trade		(739,130)	361,851
Trade debts		69,269	77,523
Loans and advances		23,353	42,638
Short term deposits and prepayments		67,659	6,520
Short term investment		4,087	-
Other receivables		(90,488)	-
		(633,048)	561,988
(Decrease)/increase in current liabilities:			
Trade and other payables		(349,214)	897,685
		(982,262)	1,459,673
Long term loan to employees - net		(8,283)	(1,322)
Long term deposits		(37,488)	-
Net cash generated from operations		1,224,412	3,423,795
42. CASH AND CASH EQUIVALENTS			
Cash and bank balances		16,206	27,625
Running finance and musharakah		(706,660)	(823,625)
		(690,454)	(796,000)

Pakistan Synthetics Limited

43. PLANT CAPACITY AND PRODUCTION

Capacity available - Plastic and crown caps	Cartons	648,570	558,570
Actual production - Plastic and crown caps	Cartons	571,596	541,419
Capacity available - PET resin	Metric tons	28,000	28,000
Actual production - PET resin	Metric tons	20,793	22,599
Capacity available - PET preform	Octabins	57,400	52,000
Actual production - PET preform	Octabins	44,155	35,951

- 43.1** Since the production of crown / plastic caps, PET resin and PET preform is purely demand driven therefore variance is mainly attributed to the reduced or increased demand.

44. CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. The company monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital and reserve. the gearing ratios as at June 30, 2026 and June 30, 2025 are as follows:

	2026 (Rupees in '000)	2025
Long term borrowings	1,443,848	951,147
Lease liability	68,313	3,788
Accrued markup	60,375	43,052
Short term borrowings	2,797,707	2,417,611
Total Debt	4,370,243	3,415,597
Less: cash and bank balances	(16,206)	27,625
Net debt	4,354,038	3,443,222
Share Capital	1,386,990	1,386,990
Reserve	4,051,969	3,240,980
Total Equity	5,438,959	4,627,970
Total Capital	9,792,996	8,071,192
Gearing Ratio	44%	43%

45. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision maker. The chief executive officer has been identified as the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments.

	2026 (Rupees in '000)	2025
46. NUMBER OF EMPLOYEES		
Total number of employees as at reporting date	379	393
Average number of employees during the year	385	401

Pakistan Synthetics Limited

2026 2025
(Rupees in '000)

47. SHARIAH COMPLIANT DISCLOSURE

Statement of Financial Position

Shariah compliant

Short term deposits	7,082	80,650
Short term investment	1,162	846
Cash & Bank balances	14,090	10,195
Long-term borrowing	1,443,848	951,147
Short-term borrowing	2,797,707	2,280,215
Accrued markup	59,985	40,671

Non-Shariah compliant

Bank balances	2116	16,041
Short-term borrowing	-	137,396
Accrued markup	390	2,379

Disclosures in relation to the Statement of Comprehensive Income

Revenue earned from Shariah-compliant business	15,666,242	16,872,295
Profit on long term Islamic mode of financing	100,067	51,925
Profit on short term Islamic mode of financing	458,468	551,423
Unrealise loss on short term investment	-	3,023

Break up of other income :

Shairah compliant Income

Profit on bank balances	3,803	203
Gain on disposal of property, plant and equipment	1,912	2,999
Dividend income	12,861	114
Gain on sale of investment classified as at FVTPL	34,873	-
Exchange gain/(loss) on actual currency	6,713	(52,823)
Adjustment to net assets upon dilution	120,718	-
Reversal / (allowance) for expected credit loss	17,724	(13,698)
Share of profit / (loss) on investment in associate	167	(204,548)
Others	160,115	25,343

Non Shariah compliant Income

Profit on bank balances	1,261	1,153
-------------------------	-------	-------

Relationship with Shairah compliant financial institutions

Islamic Banks

The Company has facilities with Islamic banks for Istisna loan, Running & Diminishing Musharakah, Murabaha and letter of credit.

Takaful Operators

The Company has Takaful and conventional insurance relationship with EFU General Insurance Limited.

48. SUBSEQUENT EVENTS

There were no events occurred after the reporting date, other than those disclosed, which require disclosure and adjustments in these financial statements.

Pakistan Synthetics Limited

49. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and better presentation.

50. GENERAL

Figures have been rounded off to the nearest rupee.

51. AUTHORIZATION FOR ISSUE

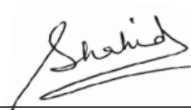
These financial statements were authorised for issue by the Board of Directors of the Company on **September 29, 2026**.



YAKOOB HAJI KARIM
CHIEF EXECUTIVE



NOMAN YAKOOB
DIRECTOR



SHAHID YAQOOB
CHIEF FINANCIAL OFFICER

Pakistan Synthetics Limited

PATTERN OF SHAREHOLDING - FORM "34

SHAREHOLDERS STATISTICS AS AT JUNE 30, 2026

Number of	SHARE HOLDING			TOTAL SHARES
Share Holders	FROM		TO	HELD
394	1	-	100	11,403
391	101	-	500	104,677
135	501	-	1000	107,482
330	1001	-	5000	696,954
49	5001	-	10000	349,354
13	10001	-	15000	166,653
8	15001	-	20000	139,812
4	20001	-	25000	90,518
2	25001	-	30000	52,799
2	35001	-	40000	75,900
2	40001	-	45000	85,254
1	55001	-	60000	55,687
1	70001	-	75000	72,435
1	75001	-	80000	75,128
1	400001	-	405000	400,051
1	10860001	-	10865000	10,864,317
1	10885001	-	10890000	10,887,849
1	11160001	-	11165000	11,161,537
1	11855001	-	11860000	11,856,793
1	21985001	-	21990000	21,985,438
1	32250001	-	32255000	32,253,543
1	37205001	-	37210000	37,205,416
1341				138,699,000

Pakistan Synthetics Limited

PATTERN OF SHAREHOLDING

AS ON 30 JUNE 2026

S. NO.	CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	TOTAL SHARES HELD	PERCENTAGE
1	INDIVIDUAL	1,302	138,241,082	99.67%
2	NIT / ICP	3	3,630	0.00%
3	INVESTMENT COMPANIES	11	20,761	0.01%
4	INSURANCE COMPANIES	2	2,244	0.00%
5	COMMERCIAL BANK	2	2,626	0.00%
6	JOINT STOCK COMPANIES	14	11,495	0.01%
7	MODARABA	3	1,815	0.00%
8	MUTUAL FUND	1	825	0.00%
9	OTHERS	3	415,347	0.30%
		1,341	138,699,000	100.00%

Directors, Executives and their spouses:

Directors, CEO & their Spouses		
1	Mr. Noman Yakoob	37,205,416
2	Mr. Yakoob Haji Karim	32,253,543
3	Mr. Anis Yaqoob	21,987,913
4	Mrs. Nida Noman Yaqoob	11,856,793
5	Mrs. Shahida Yakoob	10,864,317
6	Ms. Farah Haris Khanani	11,161,537
7	Ms. Sana Rashid	10,887,849
8	Mr. Tayyab Rafiq Balagamwala	1,000
9	Mr. Faraz Younus Bandukda	1,237
10	Mr. Mubbashir Amin	825
11	Mr. Abid Umer	825
12	Mr. Khurshid Akhtar	825
13	Ms. Sadaf Shabbir	750
		<u>136,222,830</u>

Executives Nil

Public Sector Companies & Corporation Nil

Banks, Development Finance Institutions, Banking Finance Institutions, Insurance Companies, Modarabas and Others 455,133

NIT and ICP

Investment Corporation of Pakistan	2,970
National Bank of Pakistan Trustee Dept.	495
National Bank of Pakistan Trustee Wing	165
	<u>3,630</u>

Mutual Fund Nil

Individuals 2,017,407

Total 138,699,000

Shareholders holding 10% or more

Mr. Noman Yakoob	26.82%	37,205,416
Mr. Yakoob Haji Karim	23.25%	32,253,543
Mr. Anis Yaqoob	15.85%	21,987,913

Pakistan Synthetics Limited

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 41st Annual General Meeting of the shareholders of Pakistan Synthetics Limited will be held on Wednesday, October 28, 2026 at 10:00 a.m. in Sunflower Hall of Beach Luxury Hotel located at Lalazar M.T. Khan Road, Karachi, Pakistan to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 40th Annual General Meeting of the Company held on October 27, 2025.
2. To receive, consider and adopt the Audited Financial Statements of the Company together with Directors' and Auditors' Report thereon for the year ended June 30, 2026.
3. To appoint Auditors of the Company and to fix their remuneration. The retiring auditors, M/s. BDO Ebrahim & Co., Chartered Accountants being eligible have offered themselves for reappointment.

To transact any other business with the permission of the Chair.

By the Order of the Board

Dated: October 05, 2026
Karachi

**MUHAMMAD IMRAN
COMPANY SECRETARY**

Pakistan Synthetics Limited

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from Wednesday, October 21, 2026 to Wednesday October 28, 2026 (both days inclusive). Transfers received at the office of the Company's share registrar M/s. F.D. Registrar Services (Private) Limited, 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi, at the close of business on October 20, 2026 will be treated in time to attend the 41st Annual General Meeting of the Company.

2. Participation in General Meeting

- a. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote. Votes may be given either personally or by proxy or by attorney, and in case of a corporation by a representative duly authorized.
- b. The instrument of proxy, duly executed should be deposited at the Registered Office of the Company at least 48 hours before the time of the 41st Annual General Meeting.
- c. In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

3. Virtual Participation in the AGM Proceedings

In order to attend the AGM through an electronic facility, shareholders are requested to get themselves registered with the Company providing the requisite details at their earliest but not later than 48 hours before the time of the AGM through an e-mail to be sent at headoffice@pslpet.com.

Shareholders are advised to provide their particulars, along with the scanned copy of their CNIC and that of their proxies, if so appointed. Moreover, in the case of a corporate member, the scanned copy of the resolution of the Board of Directors/Power of Attorney with a specimen signature of the nominee must also be provided.

The details of an electronic facility (Video-link and the login credentials) will be sent to the interested shareholders, their provided e-mail addresses. Accordingly, the shareholders will be able to participate in AGM proceedings through their smartphones or computer devices.

4. Change of Address

The Shareholders are requested to notify if there is any change in their addresses and the contact numbers immediately to our Share Registrar, M/s. F.D. Registrar Services (Private) Limited.

Pakistan Synthetics Limited

5. Submission of CNIC & Bank Account details

CNIC numbers and bank account details of shareholders are mandatorily required for dividend distribution. Shareholders are therefore requested to submit a copy of their CNIC and bank detail (If not already provided) to the Share Registrar, M/s. F.D. Registrar Services (Private) Limited.

6. Transmission of Financial Statements and Notices through email

As per S.R.O. 452(I)/2025 the notice of general meeting shall be circulated to members through email in addition to annual audited financial statements, however, if shareholders, in addition, request for hard copy of Audited Financial Statements, the same shall be provided free of cost within seven (7) days of receipt of such written request. Furthermore, no gifts will be distributed at the meeting.

7. Uncollected Shares and Unclaimed Dividend

Shareholders who have not yet collected their dividend / physical shares are advised to contact our Share Registrar immediately to collect / enquire about their unclaimed dividend or shares.

8. Transmission of Annual Report

In terms of approval of the shareholders of the Company in 20th Extraordinary General Meeting held on 21 June, 2023 and pursuant to SECP's Notification No. SRO 389(1)/2023 dated 21 March 2023, the Annual Report for the financial year ended on 30 June 2026 of the Company may be viewed and downloaded by scanning the QR code or visiting the company website at the link provided below:

WEBLINK https://pslpet.com/annual-reports/	QR CODE 
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The shareholders who wish to receive a hard copy of the Annual report may send his request to the Company Secretary to headoffice@pslpet.com. The Company then will provide a free-of-cost hard copy of the Annual Report to the shareholders within one week of the request.

9. Deposit of Physical Shares into CDC Account As per Section 72 of the Companies Act, 2017 every listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP. Shareholders having physical shareholding are accordingly required to open their account with investors account services of CDC or sub account with any of the brokers and convert their physical shares in book entry form. This will facilitate the shareholder in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

Pakistan Synthetics Limited

10. Availability on Website

The notice of the Annual General Meeting has been placed on the website of the Company www.pslpet.com.

Pakistan Synthetics Limited

FORM OF PROXY

41st ANNUAL GENERAL MEETING

I/We _____

of _____

being a member(s) of Pakistan Synthetics Limited holding _____

Ordinary shares hereby appoint _____

of _____ or failing him/her _____

of _____ who is / are also member(s) of Pakistan Synthetics Limited as my / or proxy in my / our absence to attend and vote for me / us and on my / our behalf at 41st Annual General Meeting of the Company to be held on 28 October, 2026 and / or any adjournment thereof.

As witness my / our hand / seal this _____ day of _____ 2026.

Signed by the said _____

In the presence of 1. _____

2. _____

Please Quote Folio # /
Participant ID # & A/C &

Signature on Revenue
Stamp of Appropriate
Value

IMPORTANT

1. This Proxy Form, duly completed and signed must be must be received at the Registered Office of the Company at Office # 1504, 155h Floor, Emerald Tower, Clifton, Block-5, Karachi. Not less than 48 hours before The time of holding the meeting.
2. No person shall act as proxy unless he himself is a member of the Company except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than One instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

FOR CDC ACCOUNT HOLDERS/ CORPORATE ENTITIES:

In addition to the above the following requirements have to be met:

1. The Proxy Form shall be witnessed by two persons whose name addresses and CNIC numbers shall be mentioned on the Form.
2. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished will the Proxy Form.

پاکستان سینتھیکس لمیٹڈ

مختار نامہ (پراکسی فارم)

میں / ہم

ساکن

بحیثیت رکن (ممبر) پاکستان سینتھیکس لمیٹڈ مقرر کرتا ہوں / کرتی ہوں / کرتے ہیں مئی / مسماۃ

ساکن

کویاں کی غیر حاضری میں مئی / مسماۃ

ساکن

کوجو خود بھی پاکستان سینتھیکس لمیٹڈ کارکن ہے کہ وہ بطور میرا / ہمارا مختار نامہ (پراکسی) پاکستان سینتھیکس لمیٹڈ کے سالانہ اجلاس عام میں جو

28 اکتوبر 2026 کو منعقد ہو رہا ہے یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور وہ میری / ہماری جگہ میری / ہماری طرف سے حق رائے دہی استعمال کرے۔

مورخہ 2026 کو میرے / ہمارے دستخط سے جاری ہوا۔

دستخط

فولیو نمبر	سی ڈی سی کھاتہ نمبر	حصص کی تعداد

گواہ نمبر 2

دستخط

نام

کمپیوٹر انڈسٹری قومی شناختی کارڈ نمبر

پتہ

گواہ نمبر 1

دستخط

نام

کمپیوٹر انڈسٹری قومی شناختی کارڈ نمبر

پتہ

ہدایات:

1- مختار (پراکسی) کا کمپنی کارکن (ممبر) ہونا ضروری ہے۔

2- ممبر (رکن) کے دستخط، نمونہ شدہ دستخط / اندراج شدہ دستخط سے مماثلت ہونا ضروری ہے۔

3- سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹر انڈسٹری قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ ادارے کے نمائندوں کو معمول کے مطابق

دستاویزات ساتھ لانا ضروری ہے۔

4- مختار نامہ (پراکسی فارم) مکمل پُر شدہ کمپنی کے رجسٹرڈ آفس میں اجلاس کے مقرر وقت سے کم از کم 48 گھنٹے قبل جمع کرنا ضروری ہے۔

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