

2025



Pakistan Synthetics limited

**FIRST QUARTER
REPORT
SEPTEMBER**

PAKISTAN SYNTHETICS LIMITED

BOARD OF DIRECTORS	MR. KHURSHID AKHTAR	CHAIRMAN -INDEPENDENT
	MR. YAKOOB HAJI KARIM	CHIEF EXECUTIVE
	MR. NOMAN YAKOOB	EXECUTIVE
	MR. ABID UMER	NON-EXECUTIVE
	MR. MUBBASHIR AMIN	NON-EXECUTIVE
	MR. TAYAB RAFIQ BALAGAMWALA	INDEPENDENT
	MR. FARAZ YOUNUS BANDUKDA	INDEPENDENT
	MS. SADAF SHABBIR	INDEPENDENT
AUDIT COMMITTEE	MR. TAYAB RAFIQ BALAGAMWALA	CHAIRMAN
	MR. MUBBASHIR AMIN	
	MR. FARAZ YOUNUS BANDUKDA	
HUMAN RESOURCE AND REMUNERATION COMMITTEE	MR. FARAZ YOUNUS BANDUKDA	CHAIRMAN
	MR. MUBBASHIR AMIN MR.	
	NOMAN YAKOOB	
CHIEF FINANCIAL OFFICER	MR. SHAHID YAQOOB	
COMPANY SECRETARY	MR. MUHAMMAD IMRAN	
BANKERS	ASKARI BANK LIMITED	
	AL BARAKA BANK PAKISTAN LIMITED	
	BANK AL HABIB LIMITED	
	BANK OF PUNJAB LIMITED	
	BANK OF KHYBER	
	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	
	PAK KUWAITINVTMENTCOMPANY	
	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, & 13, 14 & 15 HUB INDUSTRIAL TRADING ESTATE DISTRICT LASBELLA, BALOCHISTAN.	
	PLOT # A-5, N.W.I.Z, PORT QASIM AUTHORITY, KARACHI.	

PAKISTAN SYNTHETICS LIMITED

DIRECTOR'S REVIEW

The Board of Directors is pleased to present Condensed Interim Financial Statement for the quarter ended September 30, 2025 to the shareholders of the Company.

OPERATING AND FINANCIAL REVIEW

During the quarter ended September 30, 2025, the Company recorded net revenue of Rs. 2,744.734 million, reflecting a decrease of 21.55% compared to Rs. 3,500.893 million earned during the corresponding period last year. The cost of sales for the current quarter stood at Rs. 2,302.369 million, showing a decrease of 21.53% from Rs. 2,934.080 million incurred in the same period of the previous year. Consequently, the gross profit for the quarter amounted to Rs. 442.365 million, as against Rs. 566.809 million achieved in the corresponding period of 2024.

Administrative and distribution expenses for the quarter were contained at Rs. 52.680 million, compared to Rs. 92.027 million in the same period last year, reflecting the Company's continued focus on cost control and operational efficiency. The finance cost declined to Rs. 122.330 million from Rs. 206.929 million in the previous year, primarily due to lower markup rates during the period.

The share of loss from associates reduced profit before tax by Rs. 34.590 million (2024: Rs. 74.941 million). After accounting for all expenses and charges, the Company reported a net profit after tax of Rs. 129.828 million for the quarter, compared to Rs. 97.940 million earned during the corresponding quarter of last year. The profit is translated into earning per share of Rs. 0.94 (2024: Rs. 0.71).

BUSINESS OVERVIEW AND FUTURE OUTLOOK

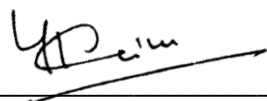
During the quarter ended September 2025, the nation experienced an unprecedented spell of monsoon rains and flooding, resulting in significant economic losses and severe disruption across various sectors. The rural population in Punjab and Khyber Pakhtunkhwa was particularly affected. These adverse weather events disrupted economic activity in the impacted and adjoining regions, weakened consumer demand, and exerted upward pressure on inflation—potentially reversing the recent improvements in macroeconomic indicators. Consequently, the Company has also witnessed decline in its top line.

In addition, rising power costs driven by higher gas tariffs and levies continue to pose a major challenge for the business. Management remains focused on implementing strategic initiatives to mitigate the impact of escalating energy costs, including exploring alternative energy sources and improving operational efficiencies. Despite the short-term pressures, the Company remains committed to maintaining financial discipline and positioning itself for sustainable growth once economic conditions stabilize.

ACKNOWLEDGEMENT

The Board expresses its gratitude to all the valued shareholders, Federal and Provincial Government functionaries, Banks, financial institutions, suppliers and customers for their unwavering commitment and support to the Company.

For and on behalf of the Board of Directors


YAKOOB HAJI KARIM
CHIEF EXECUTIVE


NOMAN YAQOOB
DIRECTOR

Date: 27 October 2025
Karachi

PAKISTAN SYNTHETICS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2025

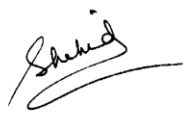
		2025 September 30 Unaudited	2025 June 30 Audited
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,432,980	3,418,755
Right-of-use assets		-	2,472
Long term loan to employees		964	490
Long term deposits		4,209	4,209
Deferred taxation		68,957	44,412
Investment in associates	6	940,305	974,895
		<u>4,447,415</u>	<u>4,445,233</u>
CURRENT ASSETS			
Stores and spares		533,225	515,112
Stock-in-trade	7	4,933,550	2,973,788
Trade debts	8	2,446,966	2,600,289
Loans and advances		18,573	35,662
Short term deposits and prepayments		141,046	91,880
Short term investments		5,688	5,249
Other receivables		474,325	2,030
Taxation - net		506,865	501,644
Cash and bank balances		11,093	27,625
		<u>9,071,331</u>	<u>6,753,279</u>
TOTAL ASSETS		<u><u>13,518,746</u></u>	<u><u>11,198,512</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
140,000,000 (June 30, 2025: 140,000,000) ordinary shares of Rs. 10 each		<u>1,400,000</u>	<u>1,400,000</u>
Issued, subscribed and paid-up capital		1,386,990	1,386,990
Reserves		<u>3,370,808</u>	<u>3,240,980</u>
		4,757,798	4,627,970
NON-CURRENT LIABILITIES			
Long term borrowings		666,292	701,592
Deferred income		36,767	41,426
		703,059	743,018
CURRENT LIABILITIES			
Trade and other payables		2,633,781	3,149,619
Short term borrowings	9	5,162,922	2,417,611
Accrued markup		56,949	43,052
Current portion of long term borrowings		179,902	187,628
Current portion of lease liabilities		-	3,788
Current portion of deferred income		19,010	20,501
Unclaimed dividend		5,325	5,325
		<u>8,057,889</u>	<u>5,827,524</u>
TOTAL EQUITY AND LIABILITIES		<u><u>13,518,746</u></u>	<u><u>11,198,512</u></u>
CONTINGENCIES AND COMMITMENTS			

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The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR

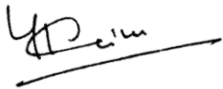

CHIEF FINANCIAL OFFICER

PAKISTAN SYNTHETICS LIMITED

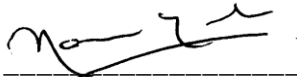
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Note	Sep 30, 2025 ----- (Rupees in '000) -----	Sep 30, 2024
Revenue from contracts with customers	11	2,744,734	3,500,893
Cost of sales		(2,302,369)	(2,934,084)
Gross profit		442,365	566,809
Administrative and general expenses		(36,415)	(30,337)
Distribution and selling costs		(16,265)	(61,690)
Other operating expenses		(16,514)	(16,006)
		(69,194)	(108,033)
Operating profit		373,171	458,776
Other income		10,912	8,547
Finance costs		(122,330)	(206,929)
Share of loss on investment in associate		(34,590)	(74,941)
Profit before tax		227,163	185,453
Taxation	12	(97,335)	(87,513)
Profit for the period		129,828	97,940
		(Rupees)	
Earnings per share - basic and diluted	13	0.94	0.71

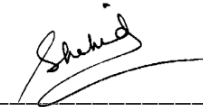
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CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

PAKISTAN SYNTHETICS LIMITED

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Sep 30, 2025	Sep 30, 2024
	----- (Rupees in '000) -----	
Profit for the period	129,828	97,940
Other comprehensive income	-	-
Total comprehensive income for the period	<u>129,828</u>	<u>97,940</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

PAKISTAN SYNTHETICS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2025

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

----- (Rupees in '000) -----

Balance as at July 01, 2024 (Audited)	1,386,990	140,100	292,450	2,440,978	2,873,528	4,260,518
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Profit for the period	-	-	-	97,940	97,940	97,940
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Balance as at Sep 30, 2024 (Un-Audited)	1,386,990	140,100	292,450	2,538,918	2,971,468	4,358,458
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Balance as at July 01, 2025 (Audited)	1,386,990	140,100	292,450	2,808,430	3,240,980	4,627,970
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Profit for the period	-	-	-	129,828	129,828	129,828
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Balance as at Sep 30, 2025 (Un-Audited)	1,386,990	140,100	292,450	2,938,258	3,370,808	4,757,798
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The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR

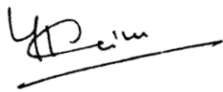

CHIEF FINANCIAL OFFICER

PAKISTAN SYNTHETICS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		Sep 30, 2025	Sep 30, 2024
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from from operations	14	(2,343,265)	204,800
Financial charges paid		(101,894)	(184,934)
Taxes paid		(127,101)	(151,629)
Net cash used in operating activities		(2,572,260)	(131,763)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(136,835)	(333,797)
Profit on saving accounts received		216	-
Net cash used in investing activities		(136,619)	(333,797)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability		(3,788)	(3,506)
Repayment of long term borrowings		(49,176)	(65,210)
Short term murabaha, salam and istisna		713,319	775,896
Net cash generated from financing activities		660,355	707,180
Net (decrease)/increase in cash and cash equivalents during the period		(2,048,524)	241,621
Cash and cash equivalents at beginning of the period		(796,000)	(1,556,085)
Cash and cash equivalents at end of the period		(2,844,524)	(1,314,464)
CASH AND CASHEQUIVALENTS COMPRISE:			
Cash and bank balances		11,093	27,529
Running finance and running musharakah		(2,855,617)	(1,341,994)
		(2,844,524)	(1,314,464)

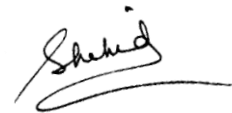
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

PAKISTAN SYNTHETICS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

1. STATUS AND NATURE OF BUSINESS

Pakistan Synthetics Limited ("the Company") was incorporated on 18 November 1984 as a private limited company in Pakistan and subsequently converted into a public limited company on 30 December 1987. The shares of the Company are listed on Pakistan Stock Exchange with effect from 27 June 1995. The principal activity of the Company is manufacturing and sale of Plastic Caps, Crown Caps, PET resin, Preform and BOPET resin. The registered office of the company is situated at office no. 1504, 15th Floor, Emerald Tower, Block 5, Clifton, Karachi.

The manufacturing facility of the Company is situated at F-1,2,3 and 13,14 & 15, Hub Industrial Trading Estate, District Lasbella Balochistan and Plot No. A-5, N.W.I.Z, Port Qasim Authority, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These Condensed Interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for Interim Financial Reporting. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act 2017.

Where provisions of and directives issued under the Companies Act 2017 differ from IFRS or IFAS, the provisions of and directives issued under the Companies Act 2017 have been followed.

These condensed interim financial statements of the Company does not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended 30 June 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

These condensed interim financial statements are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

PAKISTAN SYNTHETICS LIMITED

2.2 Basis of measurement

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

2.3 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. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual audited financial statements of the Company as at and for the year ended 30 June 2025.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2025.

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements as at and for the year ended 30 June 2025.

PAKISTAN SYNTHETICS LIMITED

5. PROPERTY, PLANT AND EQUIPMENT

Note

Sep 2025 June 2025
(Rupees in '000)

Operating fixed assets	2,796,808	2,892,449
Capital work-in-progress	636,172	526,306
	<u>3,432,980</u>	<u>3,418,755</u>

5.1 Following are the additions to property, plant and equipment during the period

For the quarter ended

Sep 2025 Sep 2024
(Rupees in '000)

Additions / transfers from CWIP:

Vehicles	26,970	-
Capital work-in-progress	109,866	333,796
	<u>136,836</u>	<u>333,796</u>

6. INVESTMENT IN ASSOCIATE

Sep 2025 June 2025
(Rupees in '000)

Carrying value	974,895	1,179,443
Less: share of loss from Associate	(34,590)	(204,548)
	<u>940,305</u>	<u>974,895</u>

6.1

6.1 This represents shareholding of 23.08% (June 25: 23.08%) comprising of 150,000,000 shares (June 25: 150,000,000) of Petpak Films (Private) Limited, original cost of the shares was Rs. 10/share.

7. STOCK-IN-TRADE

Sep 2025 June 2025
(Rupees in '000)

Raw and packing material		
in hand	1,663,735	748,845
in transit	285,998	832,568
	<u>1,949,733</u>	<u>1,581,413</u>
Work-in-process	110,108	380,522
Finished goods	2,873,709	1,011,853
	<u>4,933,550</u>	<u>2,973,788</u>

8. TRADE DEBTS

Sep 2025 June 2025
(Rupees in '000)

Unsecured and considered goods		
Trade debts	2,687,181	2,840,504
Less: allowance for expected credit losses	(240,215)	(240,215)
	<u>2,446,966</u>	<u>2,600,289</u>

PAKISTAN SYNTHETICS LIMITED

9. SHORT TERM BORROWINGS - SECURED

	Sep 2025	June 2025
	(Rupees in '000)	
Conventional		
Running finance under mark-up arrangement	399,458	137,396
Islamic		
Murabaha	788,455	403,308
Istisna	1,518,850	1,190,678
Running Musharakah	2,456,159	686,229
	<u>5,162,922</u>	<u>2,417,611</u>

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There are no changes in the status of contingencies as disclosed in the annual audited financial statements for the year ended 30 June 2025.

10.2 Commitments

The Company has facilities of Rs. 4,600 million (June 30,2025: Rs. 4,600 million) for opening letters of credit. At September 30, 2025, the open letters of credits for stock in trade, stores and spares and capital commitment amounted to Rs. 575.470 million (June 30,2025: Rs. 2,566.75 million).

PAKISTAN SYNTHETICS LIMITED

	Sep 30, 2025	Sep 30, 2024
	(Un-Audited)	
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross sales	3,247,820	4,128,339
Less: Sales tax	(503,086)	(627,446)
	<u>2,744,734</u>	<u>3,500,893</u>

12. TAXATION

Current	121,880	114,781
Deferred	(24,545)	(27,268)
	<u>97,335</u>	<u>87,513</u>

13. 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 in issue during the period. There is no dilutive effect on the basic earnings per share of the Company.

	Sep 30, 2025	Sep 30, 2024
	(Un-Audited)	
Profit after tax (Rupees in '000)	<u>129,828</u>	<u>97,940</u>
	----- (Number) -----	
Weighted average number of ordinary shares outstanding during the period	<u>138,699,000</u>	<u>138,699,000</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>0.94</u>	<u>0.71</u>

PAKISTAN SYNTHETICS LIMITED

14. CASH (USED IN) / GENERATED FROM OPERATIONS

Sep 30, 2025 **Sep 30, 2024**

(Un-Audited)
(Rupees in '000)

Profit before tax 227,164 185,453

Adjustment for non-cash charges and other items:

Depreciation on property, plant and equipment	122,610	107,454
Depreciation on right of use asset	2,472	2,472
Share of loss on investment in associates	34,590	74,941
Unrealised gain / loss remeasurement of short term investment	(189)	(1,101)
Interest expense on lease liability	-	359
Amortisation of deferred income - government grant	(6,150)	(7,210)
Finance costs	121,941	204,855
Unrealised exchange (gain)/ loss	(4,357)	1,717
Profit on saving accounts	(216)	-
	270,700	383,486

Working capital changes

Increase in current assets:

Stores and spares	(18,114)	46,651
Stock in trade	(1,959,762)	(236,010)
Trade debts	153,323	(427,684)
Loans and advances	13,368	1,405
Short term deposits and prepayments	(49,166)	(13,741)
Short term investment	(250)	-
Other receivables	(472,293)	(29,362)
Trade and other payables	(511,481)	294,602
	(2,844,376)	(364,139)

Long term loan to employees - net 3,247 -

Net cash (used in) / generated from operations (2,343,265) 204,800

PAKISTAN SYNTHETICS LIMITED

15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

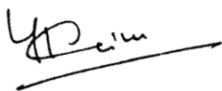
The related parties comprise of entities over which the Company is able to exercise significant influence, entities with common directors, major shareholders, staff retirement benefits, directors and key management personnel. Transactions with related parties are entered into at commercial terms, as per the terms of employment and actuarial advice, as the case may be.

Details of transactions with and balances from / to related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

15.1 Related party transactions:	Sep 30, 2025	Sep 30, 2024
	(Rupees in '000)	
<i>Key management personnel compensation</i>		
Managerial remunerations	9,739	16,963
Others	857	668
<i>Petpak Films(Private) Limited</i>		
Share of loss on investment in Associate	34,590	74,941
15. Related party balances:	September 30 2025	June 30 2025
	(Rupees in '000)	
<i>Petpak Films(Private) Limited</i>		
Investment	940,305	974,895

16. GENERAL

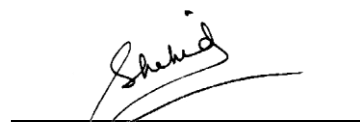
These condensed interim financial statements have been authorised for issue on October 27, 2025 by the Board of Directors of the Company.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER