AISHA STEEL
MILLS LIMITED

ARIF HABIB GROUP

Resilience to Results

Annual Report 2026

At Aisha Steel, resilience has defined who we are and how we grow. Through every challenge, we stood strong, adapted with purpose, and remained committed to moving forward. Today, that commitment is reflected in stronger performance, renewed momentum, and greater value for our stakeholders. With visionary leadership, an unwavering team, and the continued trust of our stakeholders, Aisha Steel is transforming **resilience into results.**

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Company Overview

The best way to predict the future is to create it.

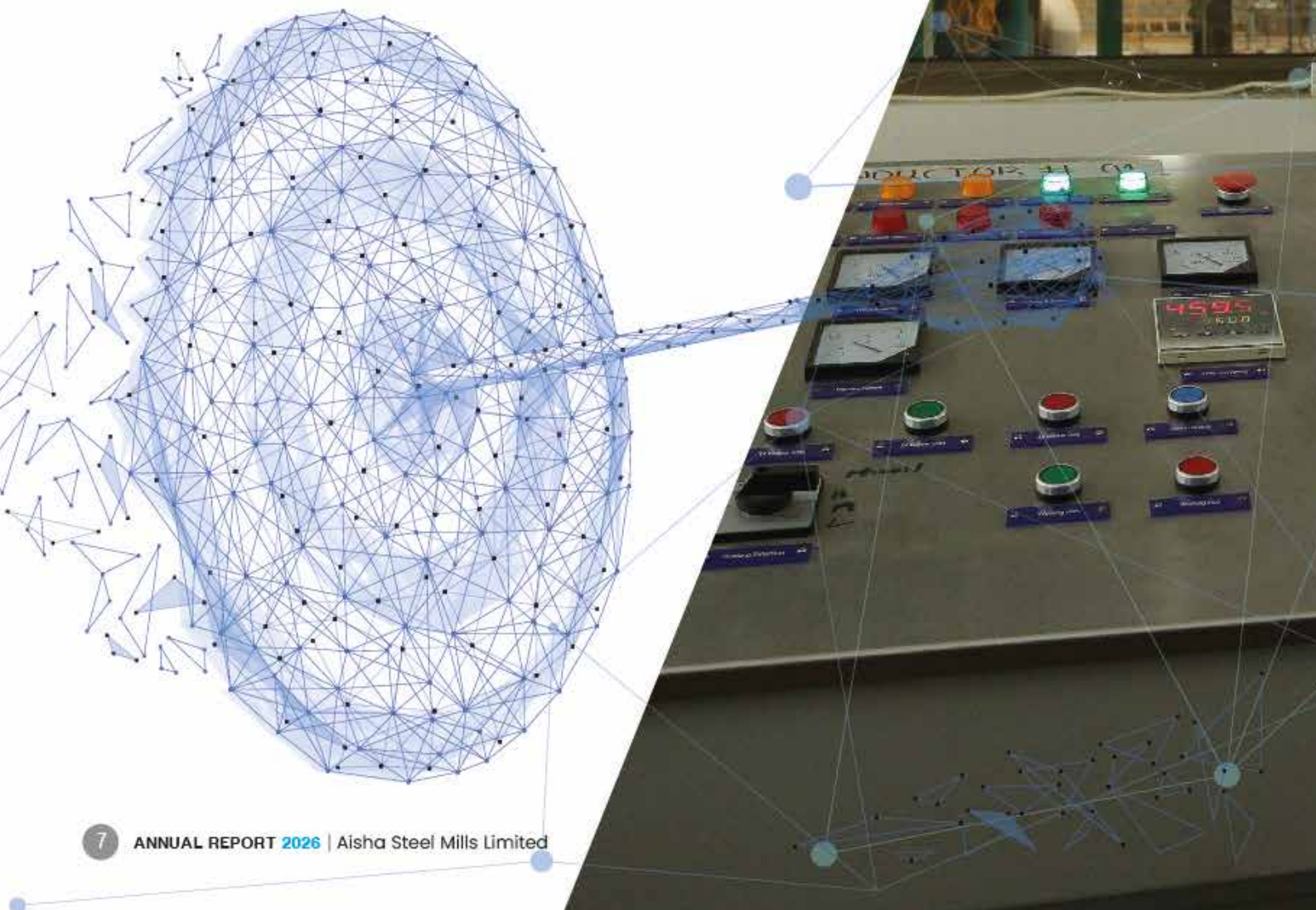
~Peter Drucker

Vision

To be a global leader in the flat steel industry with the largest share of the local market while fostering the culture of responsible production and consumption to be eventually acknowledged by its customers for quality and service excellence.

Mission

To supply the highest quality products to our clients utilizing sustainable and environmentally responsible procedures. We believe in the power of human capital in accomplishing our goal of responsible production with sustained return to our shareholders and strive to be the supplier and employer of choice in the flat steel industry.



ar Zhengwei Electric Equipment Co.,Ltd

Company Information

BOARD OF DIRECTORS
Mr. Arif Habib, Chairman
Mr. Abdus Samad Habib
Mr. Kashif Habib
Mr. Nasim Beg
Dr. Munir Ahmed, Chief Executive
Mr. Arslan Muhammad Iqbal
Mr. Rashid Ali Khan
Mr. Abdul Majeed
Ms. Saadia Umar

AUDIT COMMITTEE
Mr. Arslan Muhammad Iqbal - Chairman
Mr. Nasim Beg
Mr. Abdus Samad Habib
Mr. Kashif Habib

HUMAN RESOURCE & REMUNERATION COMMITTEE
Mr. Rashid Ali Khan - Chairman
Mr. Arif Habib
Mr. Kashif Habib
Ms. Saadia Umar

SUSTAINABILITY COMMITTEE
Mr. Nasim Beg - Chairman
Mr. Kashif Habib
Ms. Saadia Umar
Dr. Munir Ahmed - Chief Executive

Chief Financial Officer
Mr. Ali Hassan

COMPANY SECRETARY
Mr. Manzoor Raza

HEAD OF INTERNAL AUDIT
Mr. A. Mirza

REGISTERED OFFICE
1/F Arif Habib Centre, 23 – M.T. Khan Road,
Karachi – Pakistan – 74000
Tel: (+92 21) 32468317

PLANT ADDRESS
DSU - 45, Pakistan Steel
Down Stream Industrial Estate, Bin Qasim
Karachi – Pakistan
Tel: (+92 21) 34740160

AUDITORS
A. F. Ferguson & Co.,
Chartered Accountants,
State Life Building No. 1-C,
I.I. Chundrigar Road, Karachi

SHARE REGISTRAR DEPARTMENT
CDC Share Registrar Services Limited CDC
House, 99-B, Block B, SMCHS, Main
Shahrah-e-Faisal, Karachi - 74400
Phone: 0800 – 23275
Fax: (+92 21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

LEGAL ADVISOR
Ahmed & Qazi
Khalid Anwer & Co.
Akhund Forbes
Mohsin TayebAly & Co.
Lex Firma
Khalid Jawed & Co.
Muhammad Ali Khan Associates
S.U. Khan Associates
Fazle Ghani
Qazi Umair Ali / Hafeez Pirzada
Ahmed Hussain
V.N. Lakhani

BANKERS / LENDERS
Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan (Aitemad)
National Bank of Pakistan
Pak China Investment Company Limited
Saudi Pak Industrial and Agricultural Investment Company Limited
Silk Bank Limited
Sindh Bank Limited
Standard Chartered Bank (Pakistan) Limited
Bank Makramah Limited (formerly known as Summit Bank Limited)
The Bank of Khyber
The Bank of Punjab
United Bank Limited

Website
www.aishasteel.com

Company Profile and Nature of Business

Aisha Steel Mills Limited ("ASML") is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange. ASML is a part of Arif Habib group and is one of the largest private sector investments in the value added flat-rolled steel industry in Pakistan. The principal activity of the Company is manufacturing and selling cold rolled steel coils and hot dipped galvanized coils.

NATURE OF BUSINESS

ASML is one of the major producers of Flat Steel Products i.e. Cold Rolled steel coils and Hot Dipped Galvanized steel coils in Pakistan. It is a state-of-the-art steel rolling complex with the name-plate capacity of 700,000 tons per annum.

Products

Cold Rolled Coils (CRC)

CRC has wide applications in various sectors including auto, engineering, appliances and pipe manufacturing. These sheets and coils are further processed into a wide variety of value added products for domestic as well as industrial applications in different sectors. ASML uses Electrolytic Cleaning Line (ECL) for Auto Grade Sector. These coils are provided as coils or sheet, as per customer demand. Currently, ASML is producing CRC of the following specifications:

Annual Capacity:	450,000 tons
Size (mm):	0.15mm – 3mm
Width (mm):	914, 1000, 1120, 1219
Manufacturing standard:	JIS-G3141, ASTM CS 1008 and equivalent
Grade:	SPCC, SPCD, SPCE, SPCG Quality
Surface Finish:	Matt / Bright

Hot Dipped Galvanized Coils (HDGC)

ASML started production of HDGC and sheets in SGCC, SGCH and SGCD grades from May 2019. HDGC is used in vast applications including HVAC, pipes, containers, ceilings, light gauge steel structures and canopies. HDGC is available in coils as well as steel sheets as per customer requirement. Currently, ASML is producing HDGC of the following specifications:

Annual Capacity:	250,000 tons
Size (mm):	0.15mm – 3mm
Width (mm):	914, 1000, 1219
Manufacturing standard:	JIS-G3302, ASTM A653 / A653M and equivalent
Spangle:	Zero / Regular
Grade:	SGCC, SGCH, SGCD Quality
Coating thickness	Z06 – Z27 (Anti-finger coating is also available on customer demand).

Markets

The local and international markets for the Company's products comprises of various applications of CRC & HDGC flat steel including manufacturing of various automobile parts, manufacturing of refrigerators, centralized air conditioner's ducts and manufacturing of pipes. Our products are sold to customers through a network of dealers whereas sales are also made directly to the end users manufacturing various engineering goods.

According to "Rating Report" issued by VIS Credit Rating Company Limited on March 16, 2026, ASML rating is maintained at BBB+ indicating adequate credit quality; protection factors are reasonable and sufficient. Outlook is consistent as per last report - Stable.

Complete report can be accessed at:

https://docs.vis.com.pk/RatingReports/OP_01018903011_00010189.pdf

Machinery and Production Process

The production process of CRC from HRC is highly automated and can be divided into the following processes:

1. Push Pull Pickling Line
   This line cleans HRC by using acid solution to eliminate oxide scale and other deposits on the surface. After initiation of commercial operations of the new push pull pickling line from June 26, 2019 the total pickling capacity of ASML accounts to 850,000 tons per annum.

2. Cold Rolling Mill
   The Rolling Mill is an integral part of the cold rolling complex. In this equipment the cleaned HRC is rolled into thin gauges at room temperature by applying hydraulic force through set of rolls. Cold rolled steel possesses better surface enhanced strength and better dimensional accuracy compared to HRC. The output from this mill can be sold as "Full Hard CRC" or further processed into "Annealed CRC".

3. Batch Annealing Furnace
   Batch Annealing Furnace (BAF) transforms "Full Hard CRC" into "Annealed CRC" in controlled atmosphere furnaces. Currently the Company is equipped with 14 heating bells and 14 cooling bells with an annealing capacity of approximately 350,000 tons of CRC every year.

4. Skin Passing and Recoiling Mills
   Skin passing is done to improve mechanical properties and achieve specified surface finish, hardness and flatness. After skin passing the finished product is passed through a recoiling line and coated with corrosion protection oil. The coil size is also adjusted according to the customer specifications.

Production process of HDGC from CRC is as follows:

1. Surface Preparation
   The Full Hard CRC coils are degreased, pickled and then rinsed to remove impurities, scales and to prepare surface for application of zinc coating.

2. Galvanizing
   Hot dip galvanizing is the process of coating steel with a layer of zinc by immersing the metal in a bath of molten zinc at a temperature of around 400-450°C (coating thickness Z06-Z27).

Geographical Location

We are located at:

1. Registered Office Address: 1/F Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan
2. Factory Address: DSU-45, Pakistan Steel, Down Stream Industrial Estate, Bin Qasim, Karachi, Pakistan
3. Lahore Liaison Office: Office # 1601, Floor 16th, Al Hafeez Executive, Mian Ali Zaib Road, Opposite Firdous Market, Gulberg III Lahore.
4. Multan Liaison Office: 606-A, 6th Floor. United Mall, Abdali Road, Multan, Pakistan
5. Rawalpindi Liaison Office: 514, 5th Floor, Kohistan Tower, Saddar, Rawalpindi

Significant Factors Affecting External Environment

Macro-Economic Factors Affecting Business

Global Overview

The global economy navigated a turbulent year, with growth holding up on aggregate even as the drivers behind it grew more divergent. Momentum built through late 2025 on resilient U.S. activity and a technology- and AI-driven investment upcycle, before the outbreak of war in the Middle East in mid-2026 introduced a fresh shock — pushing up energy and commodity prices, hardening inflation expectations, and tightening financial conditions just as disinflation appeared to be taking hold. The IMF revised global growth down to around 3.0% for 2026 (from an earlier estimate of 3.3%), with the impact concentrated in energy-importing and financially vulnerable emerging markets, particularly across the Middle East, North Africa and parts of Asia, while a rebound is projected for 2027 as the shock fades. Trade policy remained a persistent drag: renewed and expanded U.S. tariffs — including a doubling of Section 232 steel tariffs to 50% and new levies on derivative products — triggered further protectionist responses from the EU and other economies, redirecting trade flows, exacerbating global steel and metals overcapacity (led by elevated Chinese exports), and reinforcing a broader shift toward regionalized, tariff-shielded supply chains rather than a return to pre-pandemic trade patterns.

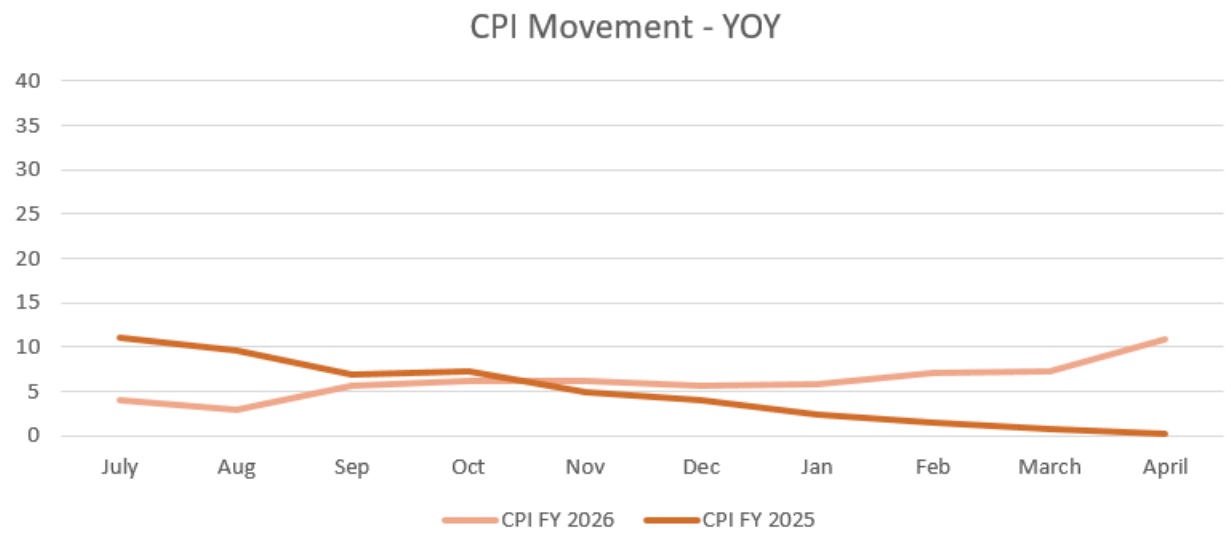
Inflation dynamics also diverged sharply from the disinflationary path expected at the start of the year. The Middle East conflict reversed progress on energy prices, pushing headline inflation back above central bank targets in several major economies and prompting a split in monetary policy: the U.S. Federal Reserve continued a cautious easing cycle as growth cooled, while the European Central Bank and Bank of Japan moved to raise rates in response to renewed and stickier inflation, effectively ending the coordinated global rate-cutting cycle that had run since mid-2024. Core inflation remained elevated on persistent service-sector and wage pressures even in economies where energy effects moderate. Overall, the year underscored the fragility of the earlier "soft landing" narrative — with geopolitical fragmentation, tariff-driven trade realignment, and an uneven technology investment boom continuing to define a global environment marked by policy divergence and elevated uncertainty rather than the gradual stabilization anticipated a year earlier.

Local Economic Environment

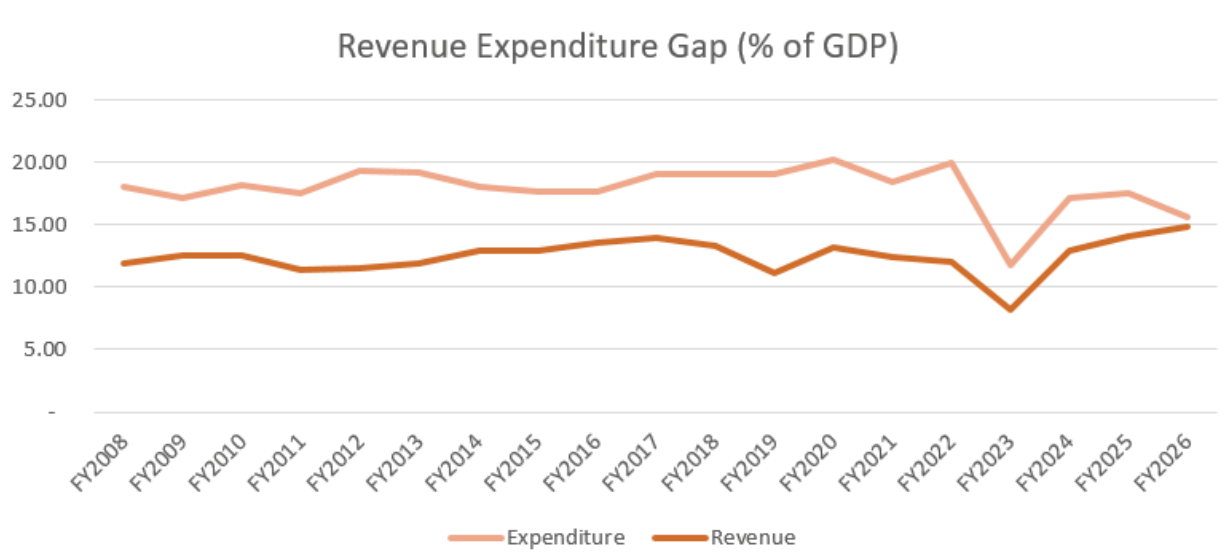
Pakistan's economy continued its transition from stabilization to growth during FY2025-26, with real GDP growth accelerating to 3.7 percent — the strongest pace in four years — up from 3.18 percent in FY2024-25. The recovery was broad-based, supported by a rebound in agriculture (aided by resilience following the 2025 floods), a pickup in large-scale manufacturing and construction, and steady services sector activity, underpinned by exchange rate stability, monetary easing earlier in the year, and continued reforms under the IMF Extended Fund Facility. Growth nonetheless fell short of the government's original 4.2 percent target, as escalating Middle East tensions, volatile global oil prices,

and disrupted trade routes weighed on momentum through the second half of the year. The economy's nominal size reached a record Rs. 126.9 trillion (approximately US$452 billion), and the government has set a 4 percent growth target for FY2026-27, backed by expected gains across agriculture, industry, and services.

Inflation followed a more uneven path than the multi-decade lows seen in FY2024-25. After CPI inflation fell as low as 0.3 percent in April 2025, price pressures began rising again during FY2025-26 on base effects, administered energy tariff adjustments, and a resurgence in global commodity and oil prices linked to the Middle East conflict, with average inflation running at around 6.7 percent over July-May FY26 (up from 4.8 percent in the same period a year earlier), while core inflation remained comparatively sticky. The State Bank of Pakistan cut its policy rate to 10.5 percent by December 2025 as inflation stayed within its medium-term target range, before adopting a more cautious, data-dependent stance thereafter given renewed inflationary risks and a narrower current account.

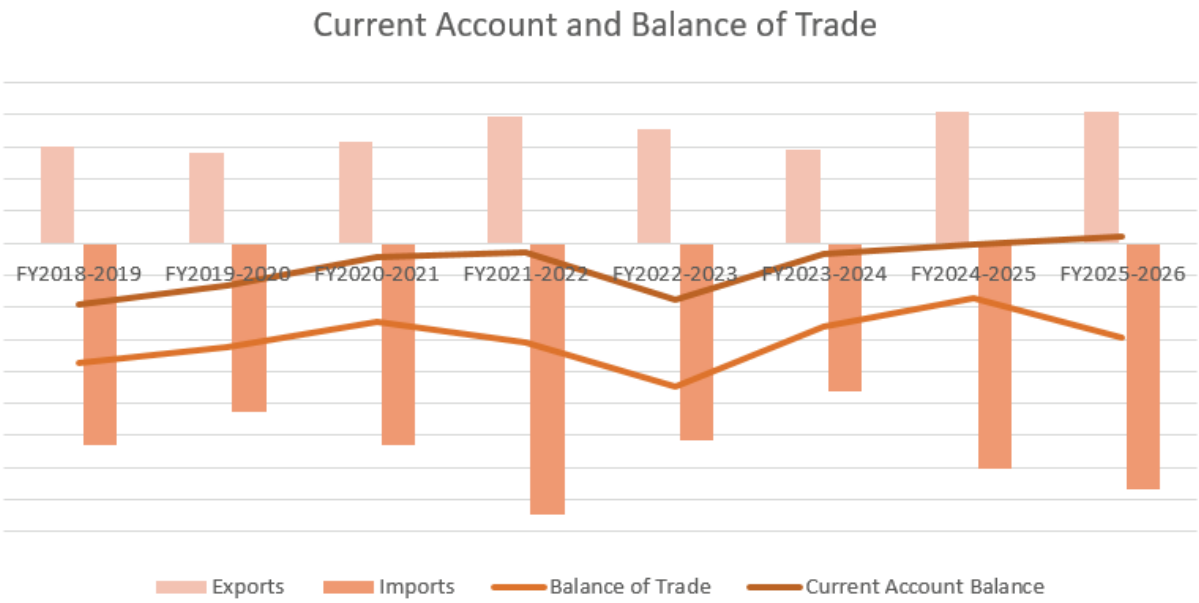


Fiscal performance improved sharply, reflecting continued consolidation under the IMF program. The overall fiscal deficit narrowed markedly to 0.7 percent of GDP during July-March FY2026, down from 2.6 percent in the same period last year, while the primary surplus strengthened to 3.2 percent of GDP, supported by stronger tax and non-tax revenue mobilization and restrained expenditure growth. The tax-to-GDP ratio also continued to rise, reflecting broadened tax measures and improved compliance, though revenue mobilization and investment-to-GDP ratios remain well below the levels needed for sustained, investment-led growth.



On the external front, the current account position weakened over the course of the year, ending FY2025-26 with a marginal deficit of around US$139 million, reversing the US$1.84 billion surplus recorded in FY2024-25, as a widening trade deficit — driven by rising imports against largely stagnant exports — outpaced record workers' remittances of US$41.6 billion (up 8.6 percent year-on-year). Foreign exchange reserves nonetheless improved to around US$18.4 billion by the close of FY2026, nearly US$4 billion higher than a year earlier, aided by continued official inflows and SBP reserve-building.

Going forward, sustaining growth momentum will depend on translating macroeconomic stabilization into export-led and investment-driven expansion, with the government targeting 4 percent GDP growth and continued fiscal and structural reforms for FY2026-27, even as global oil price volatility and regional geopolitical risks remain key downside factors.



PS: Economic data has been collected from "Pakistan Economic Survey 2025-26".

Micro-Economic Factors Affecting Business

ASML is focused on customer satisfaction and aims to provide them with best quality of CRC and HDGC. We target for long-term mutually beneficial relationship which adds value for both customers and ASML. In order to meet our mutual objectives, we aim to achieve optimization of all processes from procurement to sales and capitalize on synchronization of entire value chain.

Competition

ASML is one of the largest producers of CRC and HDGC in Pakistan. Due to state-of-the-art technology, our quality gives us competitive edge over other producers and importers of CRC and HDGC. ASML, after coordinated team work and able guidance has increased its rolling capacity to 700,000 tons including 250,000 tons of HDGC. This already has and will further strengthen us against the competitors.

Suppliers

The Company has built strong relationships with its suppliers. We have a competent procurement team which is well versed in acquiring necessary raw material and other stores and spares at optimum rates and premium quality.

Raw Material

The raw material mainly consists of Hot Rolled Coils (HRC) which is imported by ASML from different countries across the globe. Prices of HRC are linked with its international demand and supply. Timing of HRC procurement and its pricing decision are critical to the profitability of the Company. For production of HDGC, Zinc and its various alloys are also imported.

Significant changes from prior year

There are no major changes in the organizational overview. The Company remains well poised to capture market opportunities and meet expectations of its local and foreign customers.

ASML stays vigilant to changes in economic environment and the Board meets regularly to discuss the significant developments and set appropriate action plans to ensure achievements of the Company's objectives.

The Flat Steel Sector

The Flat Steel industry in Pakistan comprises of three local producers International Steels Limited (ISL), Aisha Steel Mills Limited (ASL) and Hadeed Pakistan Pvt. Ltd. Flat steel producers import Hot Rolled Coil (HRC) and convert it into Cold Rolled Coil (CRC), Galvanized and Color Coated sheets.

International HRC prices remained broadly stable at around US$ 450 per ton FOB China from June 2025 to January 2026. Prices began to rise after hostilities between the United States and Iran escalated into a full-scale conflict, peaking at approximately US$ 550 per ton FOB China in May 2026. As the conflict subsided, prices eased to around US$ 490 per ton FOB China by June 2026. The market appears to have stabilized at this level; however, developments in the Middle East could cause conditions to change quickly.

Political Factors

Political instability in the country also led to a huge increase in economic uncertainty. Uncertainty at individual, firm, and government levels negatively affected the economy. The Board closely monitors the political climate of the country and stays vigilant to the ever developing situation and its implications on ASML.

Legal Factors

ASML was incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed in Pakistan Stock Exchange (PSX) since 2012. The Company prepares its financial

statements in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- 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 the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
The board promotes a culture of compliance with the applicable framework and with the help of professional legal counsels ensure adherence to the applicable laws, regulation and standards.

Technological Factors

ASML is a major player in Pakistan's flat steel market and a growing contributor to Pakistan's export. In recent years, the Company, foreseeing prospective market demand trends, has upgraded the state-of-the-art steel rolling complex to a name plate capacity of 700,000 tons per annum. The Company now stands at an advantageous position to meet the rising local and foreign demand.

SAP S/4 HANA

ERP systems integrate core business functions like finance, HR, supply chain, and inventory management into a centralized platform. They streamline processes, ensure data accuracy, and provide real-time insights. By automating tasks and enabling seamless communication, ERPs enhance efficiency, reduce costs, and support data-driven decision-making, ultimately improving overall organizational performance.

The Company implemented SAP S/4 HANA (ERP software) in financial year 2022 for streamlining the Company's overall operations, which resulted in efficient reporting and informed decision making. The transition from Sidat Hyder to SAP S/4 HANA was challenging but tremendous efforts were put in by the business and IT team together to achieve a smooth transition with zero business disruption. The implementation of SAP S/4 HANA has enabled the management in efficient data management, quicker decision making and accurate forecasting.

Management support is crucial for employees to engage effectively, ensuring successful ERP implementation. The Company has an organized system for providing training to users.

Management of Risks

To control risk factors in ERP, the Company:

- Thoroughly Planned and Identified Risks Early
- Engaged Stakeholders and Clarified Requirements
- Assembled an Experienced Project Team
- Implemented Robust Change Management
- Fostered Regular Communication
- Ensured Accurate Data Migration and Integration
- Limited Excessive Customization
- Developed Contingency Plans
- Established Post-Implementation Support

System Security Assessment and Segregation of Duties

Company ensured system security through audits, role-based access, encryption, and employee training. Compliance with regulations, data backups, incident response plans, and continuous monitoring were vital. Authentication methods like multi-factor authentication were employed. Access to sensitive data was limited based on roles. Regular security audits were conducted to identify vulnerabilities. Encryption was used for data at rest and in transit. Employees were trained on security best practices, including recognizing phishing attempts. Incident response plans were in place for swift actions in case of breaches. Compliance with industry regulations was maintained, and systems were regularly updated to adapt to emerging threats, ensuring a proactive security approach.

Environmental Factors

In recent years, the focus on climate change has intensified globally due to the rising frequency of natural disasters. The Government of Pakistan has continued to prioritize environmental sustainability through policies and initiatives aimed at mitigation and adaptation. The Ten Billion Trees Tsunami Programme, launched in 2019, has made steady progress, contributing to ecosystem restoration and carbon reduction. During FY2025-26, ASML reinforced its commitment to environmental responsibility by reusing water through its wastewater treatment plant, enhancing energy efficiency measures, and promoting awareness among employees to foster a culture of sustainability.

Imported versus Local Material and Foreign Currency Sensitivity

The cost of HRC constitutes around 85% of total cost of CRC and HDGC. HRC is imported from different countries across the globe and transactions are denominated in foreign currency. Bills payable and foreign creditors, included under trade and other payables, are exposed to foreign currency risk. Other than HRC and zinc, all other raw materials are procured locally. Further, the Company has exports sales and therefore is exposed to foreign currency risk on receivables.

As at June 30, 2026, if the Pakistani Rupee had weakened / strengthened by 5% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 166.8 million (2025: Rs. 22.6 million) mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated financial assets or liabilities.

Effect of seasonality

Sales remain mostly stable throughout the year and there is no major seasonal push or pull, however, some slowdown is witnessed from beginning of Ramadan until a week after Eid-ul-Fitr, a week before Eid-ul-Azha till a week after Eid-ul-Azha, and occasionally during monsoon season. The lower pace of sales relates to slowdown in operations of customers due to Ramadan and lack of availability of intercity transport.

Productivity of the Company is independent from seasonal fluctuations. However, same is managed by adjusting stock levels and annual maintenance schedules.

Business Model

What we depend upon (Input)

Financial Capital
Our business requires financial capital and we pride ourselves with the efficiency with which we allocate it to meet our strategic objectives. This capital consists of Rs. 25.83 bn equity and no long term debt.

Human
Our success is dependent on the commitment and focus of our talented people. We invest in their potential and empower them to leverage opportunities for growth, both for themselves and for our Company. Our family is 592 permanent and 99 contractual employees strong. We take pride in our commitment to promote employees' wellbeing and have taken various initiatives that include:

- 312 training hours invested
- Employee appreciation day

Social
Our relationship with suppliers, as well as distributors and customers has led us to create impact beyond what we could have achieved on our own. We value our local and international networks, enabling us to produce superior quality products.

Manufactured and Intellectual CapitalState of the art flat steel manufacturing complex with a name plate capacity of 700,000 MT along with the processes perfected over time are prime contributors to produce superior quality products. We have further taken initiatives of implementing SAP S/4 Hana to streamline reporting.

Natural Resources
To produce, we use hard rolled coils, zinc, various chemicals, water and energy. We seek to preserve the resources we use by using them efficiently.

How we do it (Process)

Procurement

Manufacturing**

Packing

Dealer Network

Shipping

What we do (Product)

Value Generated and Added (Output)

Financial Capital

- For Share Holders:

- PAT – Rs. 0.98 bn
- EPS – Rs. 0.99
- Market Value: (ASL: Rs. 13.14 ASLPS: Rs. 21.53)

- For Wider Stake Holders:
- Contribution to National Exchequer- Rs. 9.99 bn
- Return to providers of finance – Rs. 1.64 bn
- Sales to our local and export customers – Rs. 54.24 bn
- Paid to suppliers, service providers and employees – Rs. 42.19 bn

Human Capital

- Talent nourishment, growth and retention
- Diversity at workplace
- Safe and Healthy work environment

Social Capital

- Growing network of vendors, dealers and customers
- Highly satisfied customers
- Trust of Vendors

Manufactured and Intellectual Capital

- Producing superior quality product
- Increased market share
- Contributing to national economy by substituting imports
- Reduced operating cycle and cost optimization
- Timely and effective reporting

Natural Capital

- Better utilization of natural resources
- Re-use of water treated from waste water treatment plant
- Conversion to solar energy

** Manufacturing process has been explained in detail on page no. 30 of the Company Information Section.

Code of Business Conduct and Ethical Principles

At ASML, we conduct our business with integrity, honesty and fairness. We respect views and the interests of all stakeholders and strive to fulfill them while remaining compliant with the legal framework. In order to ensure compliance with best practices, Code of conduct is in place which is required to be acted upon by all employees including Chief Executive and Directors. Our Code of Conduct contains the following principles:

1. Human Resource

ASML believes that a strong and capable team leads to results. ASML is an equal opportunity employer and discrimination on any ground is completely unacceptable. Therefore, employees shall be recruited and promoted only on merit based on qualification and experience.

2. Compliance with Laws and Regulations

Every director and employee of ASML shall adhere to all applicable laws and regulations, including those related to corporate governance.

3. Conflict of Interest

No director or employee of the Company shall engage in any activity, relationship or business which conflicts with the interest of the Company, unless the same has been approved by the Company. Any interest which may affect or might reasonably be deemed by others to affect the employee's impartiality, should be declared in writing to the Company.

4. Books and Records

Every employee must act in good faith and shall not misrepresent material facts in their internal or external communications and books or records.

5. Fair and Ethical Conduct

Every director and employee of the Company shall deal fairly with each other, customers, suppliers and other stake holders. Information transmitted and dealings done in official capacity must be honest and shall never be made to mislead, take unfair advantage, manipulate, conceal or abuse information, or to misrepresent facts.

6. Work Place Harassment

Every director and employee shall maintain an environment that is free from harassment and all employees shall be equally respected. Harassment includes, but is not limited to, sexual harassment and disparaging comments based on gender, religion, race or ethnicity.

7. Confidentiality

The Directors and employees must respect the information received in the due course of business and never use the same for personal gain. Further, all the affairs of the Company are to be treated as confidential and never be disclosed to third parties, unless the same is required by the applicable laws.

8. Political Contributions and Activities

Directors and employees are restricted from engaging in political activities or making political contributions.

9. Health and Safety

Every employee is encouraged to take reasonable care to ensure his health and safety and others who may be affected by his acts. Health and safety guidelines should be strictly followed, especially in the production area.

10. Weapons and Drugs

ASML does not allow any employee to carry firearms or weapons. Further, the employees must not possess, use, or distribute drugs or alcohol.

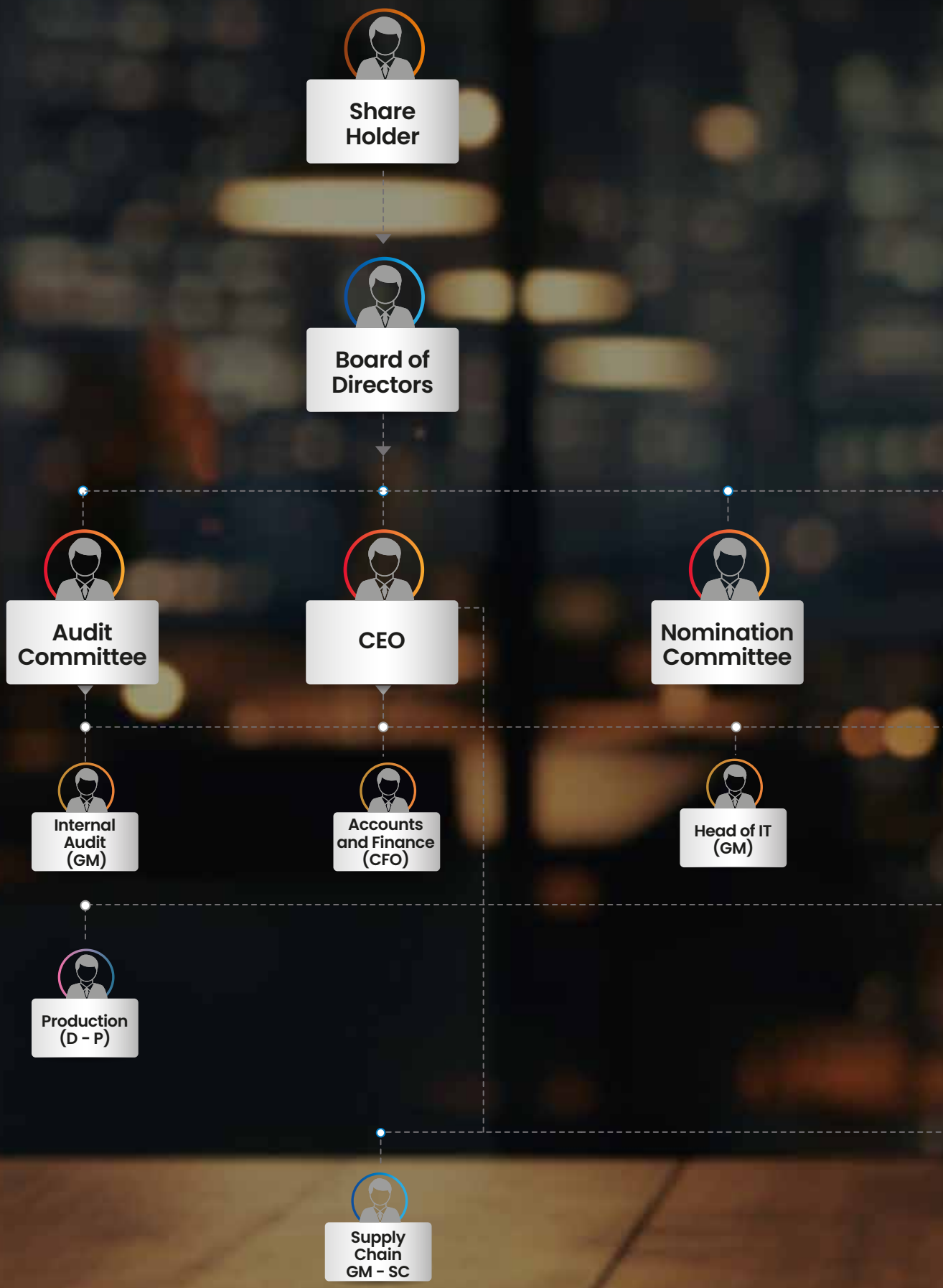
11. Protecting Company's Assets

Every employee shall safeguard assets of the Company and their fair and efficient use. All assets of the Company, including utilities and official time of employee, shall be used efficiently and for legitimate business purposes only.

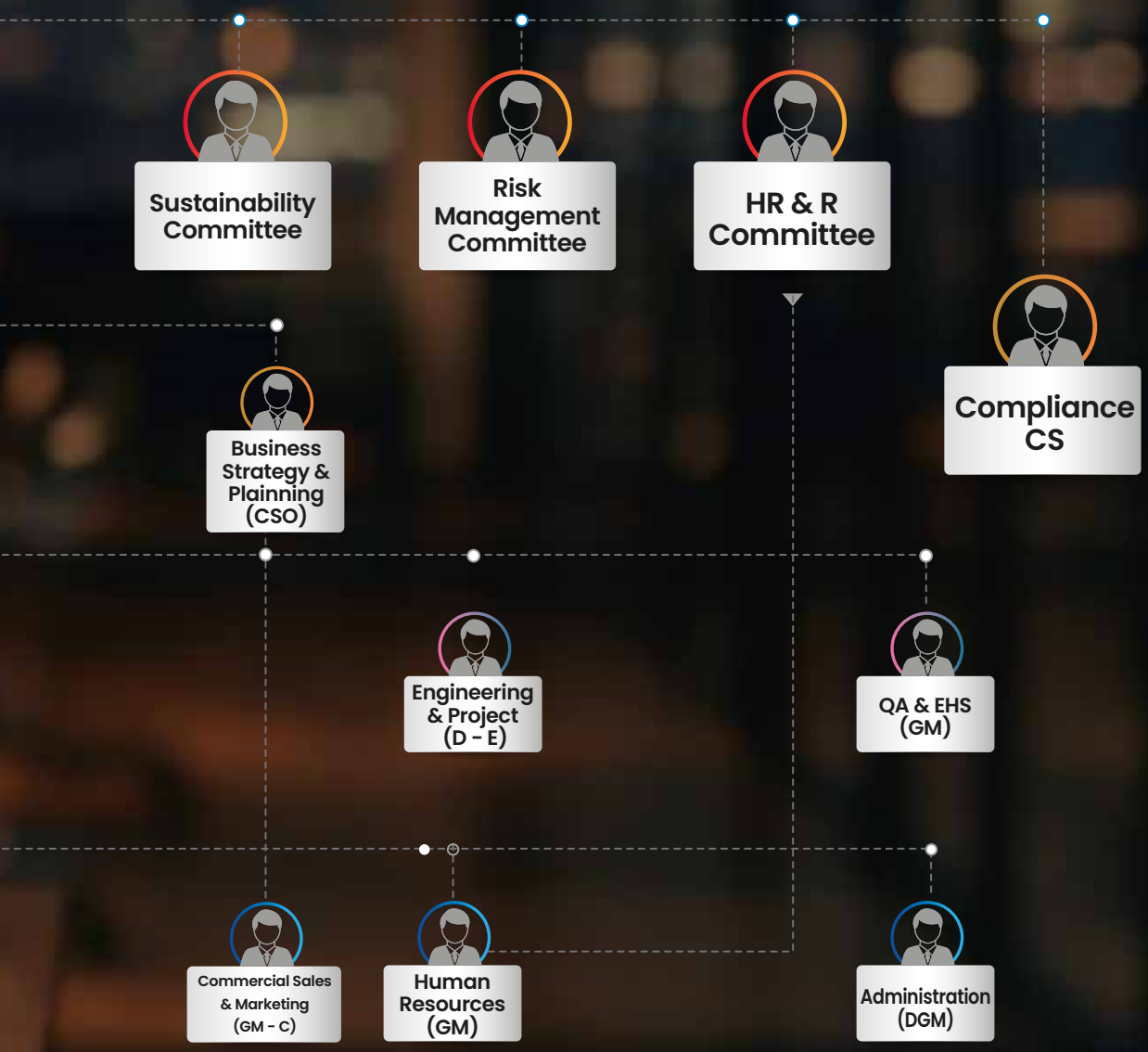
12. Non-Retaliation Policy

The Company prohibits any retaliation against anyone who reports the misconduct in good faith. Any employee observing any violation may bring the same to the notice of the management in writing.

Organization Chart



— — —	Administrative Reporting Line
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSO	Chief Strategy & Commercial Officer
D	Director
GM	General Manager
DGM	Deputy General Manager
IA	Internal Audit
HR	Human Resource
A	Administration
CS	Company Secretary
BSP	Business Strategy & Planning
C	Commercial Sales & Marketing
SC	Supply Chain
P	Prodution
QA	Quality Assurance
EHS	Employee Health and Safety
M	Mechanical
E	Electrical
HR & R	Human Resource & Remuneration
IT	Information Technology



Core Values

At ASML we act, work and prosper in accordance with our values. We strive to contribute towards the society and conduct our business in abidance by the law. We aim to serve the interests of all stakeholders, including the society at large.

1. Integrity and Trust

We trust, respect and support each other. Thus, strive to earn the trust of all our stakeholders by maintaining transparent environment based on ethical values and ensuring openness and honesty in all our dealings at all times.

2. Diversity and Fairness

We are an equal opportunity employer and provide equal playing field to all our employees without bias against gender, age, race, ethnicity and religion.

3. Excellence

We strive for quality and excellence in all our actions and make sure we do what we say.

4. Teamwork and Team Development

We aim for building teams where members respect and support each other, regard each other's views, coordinate, collaborate and foster an environment of harmonized efforts towards collective goal of growth and prosperity. We invest in human resource and ensure continuous behavioral and technical trainings are provided.

5. Regulatory Compliance and Corporate Governance

The Company remains committed to high standards of corporate governance, while adhering to applicable laws and regulations, in full letter and spirit.

6. Shareholders

We are committed to maximize the value of investments of shareholders by achieving superior returns, enhancing our capacities and improving our process efficiencies. We are also committed to ensuring that all material information is communicated to shareholders on a timely basis.

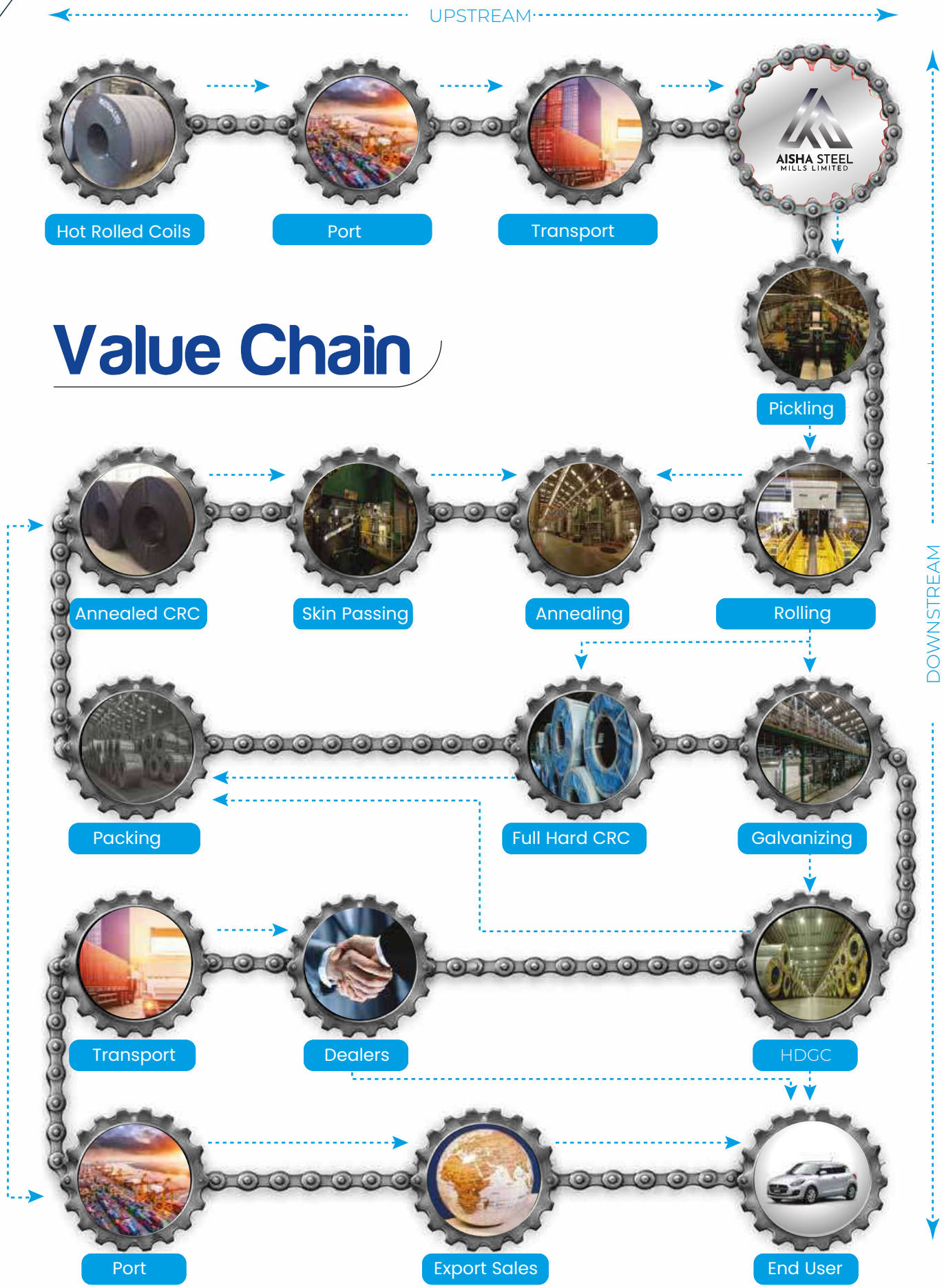
7. Customers

Our conviction for excellence emerges with the passion to satisfy our customer and to provide them with a product of international standards.

8. Ingenuity

We seek new opportunities and out-of-the-box solutions. We use our creativity to find ways to solve problems. Our experience and technology enables us to overcome challenges and deliver value to all stakeholders.

Value Chain


UPSTREAM
Hot Rolled Coils
Port
Transport
AISHA STEEL
MILLS LIMITED
Pickling
Rolling
Annealing
Skin Passing
Annealed CRC
Packing
Full Hard CRC
Galvanizing
HDGC
Transport
Dealers
Port
Export Sales
End User
DOWNSTREAM

Production Process of HRC

1. Sintering

The iron ore is agglomerated with other fine materials at high temperature, to create a product called Sinter that can be used in a blast furnace.

2. Blasting

A mixture of iron ore (Sinter) and coke is then heated in a blast furnace to produce molten iron (pig iron) from which steel is made.

3. Casting

Steel from the furnace is passed through continuous casters and is formed into slabs, blooms and billets.

4. Heating Process

Steel slabs are then heated in a furnace to approximately 2,300 degree Fahrenheit. The mills scales / flaky surface generated on the surface of hot iron are cleansed through scale breaker.

5. Finishing and Rolling

The cleansed material is sent through a rolling mill for producing transfer bars. The process consists of rollers that decrease the thickness and increase the length. The transfer bar is further rolled to reduce thickness to form sheets of desired thickness.

6. Cooling Stage

The flat rolled steel is cooled via cooling sprays. After cooling the hot rolled sheets enter coilers and the coils are ready for delivery.

Production Process of CRC and HDGC

Production Process of CRC and HDGC has been mentioned in "Company Profile and Nature of Business". Please refer page no. 13.

Calendar of Notable Events

13th August 2025
77th Independence Day Celebrations

09th September 2025
101th Board of Directors Meeting

17th October 2025
21th Annual General Meeting

28th October 2025
102nd Board of Directors Meeting

04th January 2026
BYD Karachi Marathon Participation

10th January 2026
Blood donation Drive

26th February 2026
103rd Board of Directors Meeting

24th March 2026
Eid celebrations and Recreational Activities for ASML employees

28th April 2026
104th Board of Directors Meeting

Salient Policies in Place

IT Governance Policy

ASML recognizes IT as key resource for business progression and growth and has a well-documented, communicated and implemented IT Governance Framework and Policy that warrants that IT is aligned with the overall organizational goals and strategies. The policy aims to create IT governance structure establishing modus-operandi, roles and responsibility and guidance for overall IT Management Framework including management, implementation and monitoring of IT investments.

The IT Governance Policy consists of:

1. Providing an organized decision making process around IT investment decisions.
2. Reducing system down times and disruptions, including planning of system upgradations without affecting operations.
3. Ensuring availability, integrity, security, consistency and accuracy of data and communications.
4. Ensuring sufficiency of IT Infrastructure and investment in IT hardware and software in line with the organization's objectives.
5. Creating a culture of paperless environment.
6. Determining the distribution of responsibility between the IT department and User department.
7. Assisting in backup and recovery of information.
8. Ensuring effective IT inventory asset management.

Whistle Blowing Policy

ASML is committed to conduct its business and work with all stakeholders in a manner that is lawful and ethically responsible. Our Whistle Blowing Policy formalizes the Company's commitment to enable its employees, shareholders and business associates to make fair and prompt disclosure of circumstances where they discover information that shows serious malpractices. The Whistle Blowing Unit comprises of Chief Executive Officer and Head of Internal Audit.

Fundamental elements of our Whistle Blowing Policy are highlighted below:

- The complainants are ensured that he / she will not be subjected to any form of detrimental treatment as a result of any disclosure, where the disclosure is made in good faith. However, it should be noted that unfounded allegations made recklessly, maliciously or knowing that they were false can expose the complainant to disciplinary action.
- All disclosures are required to be made in writing.
- All whistle blowing disclosures made are treated as confidential and the identity of the whistle blower is protected at all stages in any internal matter or investigation.
- Disclosures made anonymously will also be accepted however, the decision to take them up lies with the Whistleblowing unit depending on their nature and urgency.
- For cases which are directly impacting the goodwill of the Company both in financial and non-financial terms, CEO will submit the report to the Audit Committee and Board of Directors. Both shall receive information on each report of concern and can ask for follow-up information on actions taken from CEO.

During the year there were no whistle blowing incident reported under the mentioned procedure.

Corporate Social & Sustainability Responsibility

Corporate Social Responsibility

The objective of this policy is to serve as useful guiding principle to take initiative to contribute to harmonious and sustainable development of society and the earth through all business activities that

ASML carry out and in the evaluation of proposals received from our various stakeholders for CSR projects, programs and activities.

Arif Habib Group has continuously strived to contribute to the sustainable development of society through the business activities of its components, by actively discharging its Corporate Social Responsibilities in numerous areas of community development in the relevant spheres of the component Companies.

Policy

ASML shall promote its corporate social responsibility (CSR) activities based on the conviction that all business activities must take CSR into consideration. We shall remain vigilant in enforcement of corporate ethics and compliance and constantly work to improve educational and community development programs and strengthen our internal control systems. At the same time, we pursue initiatives related to quality management, environmental preservation, philanthropy and improved communication with all stakeholders.

CSR Policy Guidelines

ASML shall undertake social, philanthropic or community development programs which are in line with its business strategies or that which will benefit the broader interests of the community that includes:

- Education
- Health
- Community Building

However before committing to any CSR activity, credibility and reputation of the donee seeking assistance must be considered.

(Details of CSR Activities carried during the year have been covered in Directors' Report.)

Sustainability

ASML actively strives to achieve the desired sustainability outcomes of being an active and welcomed member of the community and of having our contributions to society. We understand sustaining the environment, preservation of energy, careful use of utilities, prevention of atmosphere and eco-friendly contributions are necessary for every responsible citizen. At ASML, under the direction of management we continuously make continuous sustainability efforts by educating and counseling our employees regarding importance of environment preservation and inculcating top-down approach and culture towards generating sustainability. We understand that sustainability is not performed periodically, but it is inspired and spread via regular actions in daily life.

HR Management and Succession Planning

The HR Management (HRM) is one of the key pillars of the Company it includes recruiting, developing, motivating and retaining the personnel having exceptional ability and dedication by providing them good working conditions, performance based compensation, attractive benefit program and opportunity for growth.

The main objectives of Company's HRM policy are as follows:

1. Achieving an effective utilization of human resources in the achievement of goals of the Company.
2. Establishing and maintaining an adequate organizational structure and a desirable working relationship among all the members of ASML by dividing of organization tasks into functions, positions, jobs and by defining clearly the responsibility, accountability, authority for each job and its relation with other jobs / personnel in the organization.

3. Securing the integration of the individuals and groups with an organization, by reconciling individual / team with those of an organization in such a manner that the employees feel a sense of involvement, commitment and loyalty towards it.
4. Generating maximum individual / team development within ASML by offering opportunities for advancement to employees through training and on-job education, effective job rotation and by retraining them.
5. Recognizing and satisfying individual needs and group goals by offering an adequate and equitable remuneration, economic and social security in the form of monetary compensation, and protection against unfortunate situations such as illness, old age, disability, death, unemployment etc. so that the employees may work willingly and contribute to achieve goals of ASML.
6. Maintaining high morale and better human relations inside the Company by sustaining and improving the conditions which have been established so that employees are retained for longer period.
7. Protecting the environment and contributing towards the economic strength of the country and function as good corporate citizen.

Succession Planning

Effective succession planning warrants availability of competent internal resource ready to fill-in-the-shoes of predecessors, whenever required. When searching future leaders, we search for people who strive for continuous improvement and demonstrate commitment.

The objectives of succession planning are as follows:

- Identifying competent resources capable of acquiring, adapting, and fulfilling higher responsibilities.
- Ensuring systematic and rhythmic transition of key positions as and when needed in the long term.
- Providing continuous flow of talented people to meet the organization's need and objectives.

Social and Environmental Responsibility Policy

Social and Environmental Responsibility Policy directs active commitment towards social work initiatives to contribute to the Company's corporate social responsibility. Being a responsible corporate citizen, the Company actively contributes to various social causes.

ASML is fully committed to grow and achieve its mission, while acting in environmentally responsible manner. To achieve this objective, we:

1. Ensure our product and operations comply with relevant environmental legislation and regulations.
2. Maintain and continually improve our environmental management systems as dictated by specific markets or local regulations.
3. Operate in a manner that is committed to continuous improvement in environmental sustainability through conservation of resources, prevention of pollution, discouraging wastage of food, and promotion of environmental responsibility amongst our employees.
4. Ensure emissions of hazardous materials from our Factory are within tolerable limits.

Quality Management

ASML is committed to produce prime quality cold rolled and galvanized steel sheets and coils. We assure quality at each stage of the production process by focusing on customers' satisfaction which is our utmost priority.

Quality management system leads us for the approach of continuous improvement by meeting customers' requirements. Aiming the consistency and accuracy in our finished products, flat rolled sheets and coils are produced from superior quality imported hot-rolled coils.

Our Quality Management system includes:

- Analysis of imported HRC by using testing methodology of visual dimensional, chemical and mechanical properties.
- Acid pickling process of HR-Coils through HCL is carried out prior to cold rolling process by maintaining acid tanks concentrations, iron contents, temperature and line speed according to standard.
- Cold rolling process having state of the art "Automatic Gauge Controlling System" assures thickness throughout the length of coil during process. Moreover, control in thickness articulate through histogram which ascertain consistency and accuracy in fast pace cold rolling process.
- Batch type annealing process incorporates heating temperature ranging from 650°C - 700°C with inert atmosphere. The process suppress stresses occurred during cold rolling.
- Electrolytic cleaning process is a part of cold rolled sheet surface degreasing and removing foreign contaminants.
- Skin pass process is utilized for homogenizing microstructure of CRC after annealing process that improves the mechanical properties of finished coils.
- Cupping, hardness and tensile testing enhance the level of confidence for our cold rolled products which enable us to deliver best quality in the market.

Safety of Records

ASML has policy for security and safety of the Company's documents and data. The following controls are in place to ensure that records are maintained in their original forms:

- All records shall be kept for at least the minimum period required legally, or for an additional period for administrative and operational purposes.
- All records are owned by the Company and not individuals, and shall be maintained, and retained in an efficient and effective manner to ensure its confidentiality, long-term retention and convenient retrieval.
- All permanent records are preserved separately in a secured area.
- All important documents are recorded digitally and archived on the Company's secured server.
- Authorization is required for record retrieval to ensure confidentiality.
- Any breach of security in record area shall be reported to the management. However, no such breach has been reported in the current year.

Conflicts of Interest Policy

Conflict of Interest Policy provides a framework for directors of the Company to disclose actual, potential or perceived conflicts of interest. The policy provides guidance on what constitutes a conflict of interest and how it will be managed and monitored by the Company. The policy is applicable to the directors as the Company believes that a director owes certain fiduciary duties, including the duties of loyalty, diligence and confidentially to the Company which requires that the directors act in good faith on behalf of the Company and to exercise his or her powers in stakeholders' best interests and not for their own or others interest.

Management of Conflict of Interest

The Company stands fully committed to the transparent disclosures, management and monitoring of actual potential or perceived conflicts of interest. All Directors under the policy are obligated and have a duty to avoid actual, potential or perceived conflicts of interest.

Any director with personal interest, relationship or responsibility which conflicts with the interest of the Company or its shareholders shall excuse himself or herself from any discussions on the matter that would give rise to the conflict of interest and, if necessary, from the Board meeting, or applicable part thereof.

Stakeholders' Engagement Policy

ASML makes full disclosure of all material information to all stakeholders with a view to enhance users' understandability of the Company's management policies and business activities. Further, to provide stakeholders with information necessary to make investment decisions without advantage to any particular investor or analyst and seeks to provide information to current and potential shareholders. Our disclosure practices are designed to give all investors fair access to the information.

Our Investor relation policy includes the following:

- Prohibits the selective disclosure of material, non-public information about the Company;
- Sets forth procedures designed to prevent such disclosure; and
- Provides for the broad public distribution of material information.

At all times, ASML will maintain the need for confidentiality about key business and operating strategies and SECP's directive on non-public earnings guidance.

Policy for Directors' Remuneration

The non-executive and independent directors of Aisha Steel Mills Limited may claim meeting fee for attending Board of Directors meeting or any of Boards' sub-committee meeting at the rate approve by Board of Directors from time to time.

Payment of remuneration against assignment of extra services by any director shall be determined by the Board of Directors on the basis of standards in the market and scope of the work and shall be in line with the Articles of Association of the Company. Levels of remuneration shall also be appropriate and commensurate with the level of responsibility and expertise. However, for an Independent Director, it shall not be at a level that could be perceived to compromise the independence.

Where any Executive Director of ASML has been appointed as the director in any other Company he / she shall inform the Board, in writing, regarding his / her appointment in the immediately succeeding board meeting. Further, any fee earned by the executive director due to his / her directorship in other entity may be retained by the Director, subject to the approval of the Board.

Anti-Harassment Policy

Aisha Steel Mills Limited ("the Company") is committed to maintaining a safe, dignified, and respectful workplace for all employees in line with the Protection against Harassment of Women at the Workplace Act, 2010 ("the Act"). In compliance with the Act and best corporate governance practices, the Board has approved a comprehensive Anti-Harassment Policy to ensure that all employees are protected against any form of harassment and provided with effective redressal mechanisms.

As per the approved framework:

- All existing Company policies, manuals, and the Code of Conduct issued under the Act by AASHA (Alliance Against Sexual Harassment at Workplace), already adopted by ASML, remain in force and form an integral part of the Company's Anti-Harassment Policy.
- The revised Code of Conduct annexed to the Act has been incorporated into ASML's HR policy.
- The Chief Executive Officer (CEO) has been designated as the Competent Authority under the Act and is responsible for ensuring compliance with the policy.
- An Inquiry Committee shall be constituted as required under the Act. The Committee will comprise at least three members, including one woman, one senior management representative, and one senior employee or employee representative, with the option to include external members where appropriate.
- The Company has displayed copies of the Code of Conduct at prominent locations across all

offices and operational sites to ensure accessibility and awareness among employees.

ASML firmly upholds a zero-tolerance stance towards harassment and remains committed to fostering a professional environment built on equality, inclusivity, and mutual respect.

Diversity, Equity & Inclusion (DE&I)

At Aisha Steel Mills Limited, we recognize that diversity, equity, and inclusion are not only principles of fairness but also key drivers of innovation, resilience, and sustainable growth. Our vision is to build a workplace that mirrors the diversity of our society, where individuals of different backgrounds, perspectives, and abilities collaborate to create value for all stakeholders.

We remain committed to embedding equity in opportunities, ensuring that every employee has the resources and support required to succeed, while cultivating an inclusive culture where everyone feels valued and empowered to contribute. These values extend beyond compliance to become an integral part of how we operate and grow as an organization.

Commitment in Action

Our DE&I agenda is reflected in tangible initiatives. We are proud to be the first company in Pakistan's steel sector to employ female engineers on the production floor, symbolizing our commitment to breaking barriers and creating equal opportunities. We continue to strengthen female representation at all levels through fair recruitment practices, structured career development pathways, and supportive benefits, including paid maternity leave, safe workplace facilities, and access to transport and dining services.

The Company also maintains a firm stance against harassment and discrimination, with robust mechanisms in place to ensure complaints are addressed transparently and fairly. Training and learning programs are designed to equip employees with resilience, confidence, and skills to navigate workplace challenges, while fostering mutual respect and dignity.

Our Path Forward

Looking ahead, ASML is determined to expand gender diversity in leadership, provide enhanced support systems for working parents, and deepen our efforts to include Persons with Disabilities (PWDs) through accessible infrastructure and fair employment practices. Regular engagement with employees helps us identify opportunities for improvement, while progress on DE&I commitments is reviewed by management to ensure continuous advancement.

By embedding DE&I into our culture, we aim not only to create a workplace free from bias and barriers but also to strengthen our long-term competitiveness and social responsibility as a trusted partner in Pakistan's industrial landscape.

Policy for Security Clearance of Foreign Director

Where any Foreigner is elected / appointed as the director of ASML he / she shall be elected / appointed subject to security clearance from the Ministry of Interior and other authorities as may be required under the applicable laws. Further, the Company shall extend full facilitation and cooperation for obtaining of such clearance.

Investor Service Centre and Grievances Policy

Investor Service Centre

ASML share department is operated by CDC Share Registrar Services Limited. It also functions as Investor Service Centre managed by well-experienced team of professionals and equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the Registrar function. Investor queries may

simultaneously be addressed to the team at the Registrar Office and Company Secretary at ASML Registered Office. Contact details for investor queries shall be mentioned on the website http://www.aishasteel.com/shareholder-information/

Investors' Grievance Policy

The Company has an Investors' Grievance Policy in place. Any complaint or observation received either directly by the Corporate Department or during General Meetings are addressed by the Company Secretary. The Shareholders are given the information as desired by them as per the law well in time. All the written complaints are replied in writing. Our share registrar is CDC Share Registrar Services Limited which is the leading name in the field. The Company has many old and loyal shareholders, which indicates the trust of the shareholders in the management of the Company.

Business Continuity and Disaster Recovery Plan

To ensure the protection of its personnel and assets, along with their ability to function quickly in the event of disaster, ASML has formulated and implemented a comprehensive business continuity and disaster recovery plan. Risks to the Company are continuously monitored and relevant mitigation strategies have been put in place. Key measures taken to ensure business continuity and disaster recovery are enlisted below.

Business Continuity Planning

- Modern fire-fighting equipment are installed at ASML premises and the safety is further ensured through constant fire alarm evacuation drills and fire extinguisher handling drills.
- Full time and foolproof security, at all ASML's premises is ensured.
- Sufficient insurance coverage has been obtained to reduce the risks affecting business continuity, to an acceptably low level.

Disaster Recovery Planning

Full Data back-up servers are maintained on separate locations to reduce operational disruption and speedy recovery of data in case of a disaster. Moreover, data security is also ensured through real time off-site cloud back up, strong firewall and up-to-date antivirus software.

Further, potential risks to the business continuity are identified on a regular basis and reasonable solutions are determined based on the risk threshold of the Company.

Related Party Transactions

In compliance with the Company's policy regarding related party transactions, a comprehensive list of all related parties is maintained and updated on a continuous basis. Further, details of transactions entered into with the related parties, nature of relationship and percentage of holding is maintained which is placed first before the Audit Committee and then before the Board of Directors for its review and approval on a quarterly basis. A summary of transactions with related parties specifying the name of related party, nature of relationship and nature of transaction has been appropriately disclosed in note 37.1 of the Financial Statements. Further, the basis of relationship with the related parties with whom the Company has entered into transaction along with the aggregate percentage of their shareholding has been disclosed in note 37.2 of the Financial Statements.

Transactions with related parties are carried at arm's length and no undue advantage is given or taken on such transactions. The interest of the Company however, remains supreme while entering into any transactions / contracts with the associated companies and related parties.

Gender Pay Gap Disclosure

At Aisha Steel Mills Limited (ASML), we are committed to fostering an equitable and inclusive workplace. In line with Circular No. 10 of 2024 issued by the Securities and Exchange Commission of Pakistan (SECP), we have undertaken a transparent review of our compensation practices to identify and address any gender-based pay disparities.

The gender pay gap is a global issue that reflects differences in earnings between men and women, often influenced by factors such as occupational segregation, variations in experience, and structural biases. At ASML, we recognize that addressing these disparities is not only a matter of fairness but also essential for driving sustainable growth and promoting a more inclusive corporate culture.

By aligning with international best practices and regulatory expectations, ASML is committed to advancing pay equity, increasing transparency, and supporting a diverse workforce. The following data presents our gender pay gap analysis for the year ended June 30, 2026:

Gender Pay Gap Figures

-103.2% Mean gender pay gap

-13.49% Median gender pay gap

We remain committed to regularly monitoring our compensation structures and furthering our efforts to promote fairness, opportunity, and equity for all employees.

Health and Safety Statistics

2.7 Million
Safe man-hours

0.0
Total Recordable Injury Rate

Zero
Fire Cases

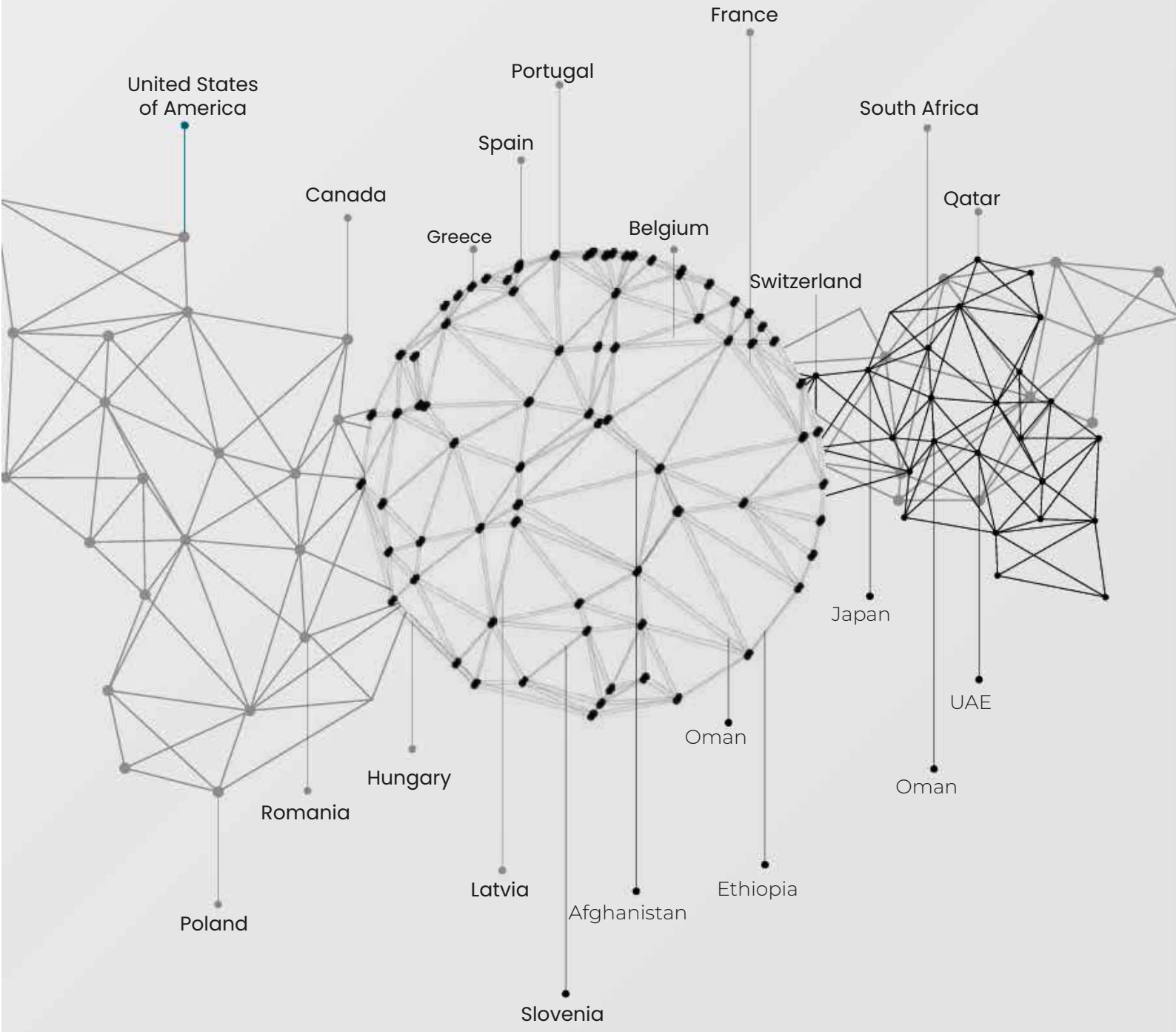
312
Training Man-Hours

Zero
Lost Time Incident Frequency Rate (LTFIR)

Regional Network

- KARACHI – HEAD OFFICE AND FACTORY
- REGIONAL OFFICE – LAHORE
- REGIONAL OFFICE – MULTAN
- REGIONAL OFFICE – RAWALPINDI

Global Network



Milestone Achieved during the year

Signing of MOU with Modulus Tech (Pvt) Ltd and Faisal Bilwany Associates

During the year, ASML signed a Memorandum of Understanding (MOU) with Modulus Tech (Pvt) Ltd and Faisal Bilwany Associates, reflecting the Company's continued efforts to explore strategic collaborations and new avenues for growth. This collaboration aims to bring together the steel sector and the construction industry to develop affordable and sustainable steel-based housing solutions.

山力
SUNNY
SUNNY

Governance

Leadership is having a compelling vision, a comprehensive plan, relentless implementation, and talented people working together.

~Alan Mulally

Directors' Profile

Mr. Arif Habib
Chairman

Mr. Arif Habib is the Chairman of Arif Habib Group and Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of Fatima Fertilizer Company Limited, Power Cement Limited, Aisha Steel Mills Limited, Javedan Corporation Limited (the owner of Naya Nazimabad), Sachal Energy Development (Pvt) Limited and Arif Habib Dolmen REIT Management Limited. Mr. Arif Habib remained the elected President / Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatization Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee.

He has been a member of the Prime Minister's Economic Advisory Council (EAC) and the Think-Tank constituted by the Prime Minister on COVID-19 related economic issues. He has also remained a member of the Prime Minister's Task Force on attracting Foreign Direct Investment (FDI) and a member of Advisory Committee of Planning Commission.

Mr. Habib participates significantly in welfare activities. He remains one of the directors of Pakistan Centre for Philanthropy (PCP), Habib University Foundation, Karachi Education Initiative (KSBL), Arif Habib Foundation and Naya Nazimabad Foundation as well as trustee of Memon Health & Education Foundation (MMI).

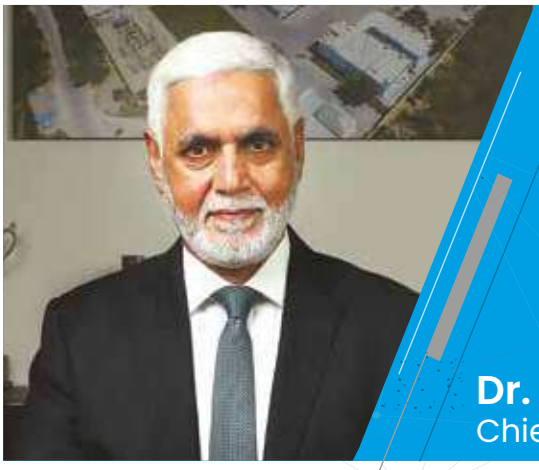
Corporate Responsibilities:

As Chief Executive
- Arif Habib Corporation Limited

As Chairman
- Aisha Steel Mills Limited
- Arif Habib Development and Engineering Consultants (Pvt.) Limited
- Arif Habib Dolmen REIT Management Limited
- Arif Habib Foundation
- Black Gold Power Limited
- Essa Textile and Commodities (Pvt.) Limited
- Fatima Fertilizer Company Limited
- Fatimafert Limited
- Javedan Corporation Limited
- Naya Nazimabad Foundation
- Power Cement Limited
- Sachal Energy Development (Pvt.) Limited
- Sapphire Bay Development Company Limited

As Director
- Arif Habib Consultancy (Pvt.) Limited
- Arif Habib Equity (Pvt.) Limited
- Fatima Cement Limited
- Habib Shipping Company Limited
- International Builders and Developers (Pvt.) Limited
- Naya Nazimabad IT Park Limited
- NCEL Building Management Limited
- Pakarab Energy Limited
- Pakarab Fertilizers Limited
- Pakistan Engineering Company Limited
- Pakistan International Airlines Corporation Limited
- Pakistan Opportunities Limited
- PIA Equity Limited
- The Pakistan Business Council

As Honorary Trustee/Director
- Fatimid Foundation
- Habib University Foundation
- Karachi Education Initiative
- Memon Education Board
- Memon Education Monetary Fund
- Memon Health and Education Foundation
- Pakistan Centre for Philanthropy



Dr. Munir Ahmed
Chief Executive Officer

Dr. Munir gained a B.E (Metallurgy) degree in 1978 from Dawood College of Engineering & Technology Karachi, MS (Metallurgy) in 1982 and a Ph.D. (Metallurgy) in 1985 from Institute of Material Science, University of Connecticut, USA.

He holds 38 years rich experience in progressively senior positions. Prior to joining Aisha Steel Mills Limited, he was associated with Peoples Steel Mills Limited as Managing Director where he served for 15 years at various senior positions including General Manager (Project / BMR), General Manager (Operations) and Director Operations. He also headed EPRF (ENAR Petroleum Refining Facilities).

Dr. Munir served as Member (Industrial Project) in Dr. A. Q. Khan Research Laboratories from June 2009 to June 2014 and also contributed as Chief Scientist from 2002 to 2009. Dr. Munir contributed significantly in the field of Metallurgy and Material Engineering through his researches and publications. Till date he has published 45 articles in Journals and proceedings of International repute. He was also invited by University of Connecticut, USA in June 1989 as a Visiting Scientist to carry out research in the field of thin film superconductors. He was honored with Special Creativity award by National Science Foundation, USA, on the basis of "Exceptional Creativity" shown in his research work on surface modification. Last but not the least, his services were tributed with Sitara-e-Imtiaz by the Government of Pakistan for his contribution in the field of Metallurgy.

Mr. Abdus Samad Habib
Non-executive Director

Starting his career at Arif Habib Corporation Limited, Mr Abdus Samad Habib developed his experience in sales, marketing and corporate activities working his way up through various executive positions.

In 2004, Mr. Abdus Samad Habib joined Arif Habib Limited leading the company as its Chairman and Chief Executive. He played a key role in shaping the strategic direction of the company where he specialized in capital market operations and corporate finance. Several noteworthy Initial Public Offerings (IPOs) and successful private placements took place under his stewardship, showcasing his exceptional financial acumen and deep market insight.

Mr Abdus Samad Habib transitioned to Javedan Corporation Limited, in 2011, as the driving force behind the transformation of a dilapidated cement plant to a vibrant living community, Naya Nazimabad. Mr. Abdus Samad Habib has been pivotal to advancing positive societal change, providing the city's middle class an elevated standard of living. His dedication, passion for social betterment and optimism are set to further transform the area with the largest commercial precinct development in the city presently under planning.

In 2019, Mr. Abdus Samad Habib took on the role of CEO at Safe mix Concrete. Guided by his strategic acumen, Safemix Concrete has undergone a remarkable transformation from a loss making entity to a profitable enterprise.

Corporate Responsibilities:

As Chief Executive
- Javedan Corporation Limited
- Safemix Concrete Limited

As Chairman
- NN Maintenance Company (Pvt) Limited

As Trustee
- Memon Health and Education Foundation

As Director
- Aisha Steel Mills Limited
- Arif Habib Corporation Limited
- Arif Habib Development and Engineering Consultants (Pvt.) Limited
- Arif Habib Dolmen REIT Management Limited
- Arif Habib Equity (Pvt.) Limited
- Arif Habib Foundation
- Black Gold Power Limited
- Essa Textile and Commodities (Pvt.) Limited
- Habib Shipping Company Limited
- Naya Nazimabad Foundation
- Naya Nazimabad IT Park Limited
- Nooriabad Spinning Mills (Pvt.) Limited
- Pakarab Fertilizers Limited
- Pakistan Opportunities Limited
- Parkview Corporation (Pvt.) Limited
- Power Cement Limited
- Rotocast Engineering Company (Pvt.) Limited
- Sachal Energy Development (Pvt.) Limited
- Sapphire Bay Development Company Limited
- Sukh Chayn Gardens (Pvt.) Limited

Mr. Nasim Beg
Non-executive Director

Mr. Nasim Beg is the Chief Executive Officer of Arif Habib Consultancy (Pvt) Limited. He qualified as a Chartered Accountant in 1970 and over the decades has had experience in manufacturing, as well as in financial services, both within and outside the country.

He joined the Group in the year 2000 to conceive and set up an Asset Management Company, namely Arif Habib Investments, which became the market leader and was converted into a joint venture with MCB in 2011 to benefit from the bank's branch network. The Group's shareholding in this company was sold to MCB in 2023. He has also been associated at top-level positions with other asset management and investment advisory companies.

Mr. Beg has also held senior level responsibilities in the automobile industry. During his tenure as the Chief Executive of Allied Precision (a subsidiary of the Allied Engineering Group), he set up a green field project for the manufacture of sophisticated indigenous components for the automotive industry under transfer of technology licenses with Japanese and European manufacturers. His initiation into the financial services business was with the Abu Dhabi Investment Company, UAE, where he was a part of the team that set up the company in 1977. He was the founding Chairman of the Institute of Financial Markets of Pakistan, which was sponsored by the Securities & Exchange Commission of Pakistan (SECP). He has served on several committees set up by the SECP for developing the Capital Markets, including the one that authored the Voluntary Pension System. He has also held the Chairmanship of the Mutual Funds Association of Pakistan. In addition, he has also been a member of the Prime Minister's Economic Advisory Council (EAC).

Corporate Responsibilities:

As Chief Executive
Arif Habib Consultancy (Pvt) Limited

As Director
- Aisha Steel Mills Limited
- Power Cement Limited

Mr. Kashif Habib, FCA
Non-executive Director

Mr. Kashif Habib is the Chief Executive of Power Cement Limited. As a member of the Institute of Chartered Accountants of Pakistan (ICAP) he completed his articleship from A.F. Ferguson & Co. (a member firm of Price Waterhouse Coopers) gaining invaluable insight across sectors, catering to clients across the Financial, Manufacturing, and Services industries.

He began his career at Arif Habib Corporation Limited, gaining valuable experience, and has since served for over a decade as an Executive Director in the Group's cement and fertilizer companies.
This exposure not only enriched his understanding of diverse corporate dynamics but also enabled him to refine his strategic decision-making capabilities.

Kashif is deeply committed to enhancing the country's energy landscape. He remains engaged with experts to establish renewable energy as a viable and readily available solution, benefiting not only industries but also the public at large.

Corporate Responsibilities:

As Chief Executive
- Power Cement Limited

As Director
- Aisha Steel Mills Limited
- All Pakistan Cement Manufacturers Association
- Arif Habib Corporation Limited
- Arif Habib Development and Engineering Consultants (Pvt.) Limited
- Arif Habib Equity (Pvt.) Limited
- Arif Habib Foundation
- BioMasdar Pakistan Limited
- Black Gold Power Limited
- Essa Textile and Commodities (Pvt.) Limited
- Fatima Capital Limited
- Fatima Cement Limited
- Fatima Fertilizer Company Limited
- Fatima Mining Limited
- Fatima Packaging Limited
- Fatima Petroleum Company Limited
- Fatimafert Limited
- Habib Shipping Company Limited
- Javedan Corporation Limited
- Naya Nazimabad IT Park Limited
- Nooriabad Spinning Mills (Pvt.) Limited
- Pakarab Fertilizers Limited
- Pakistan Opportunities Limited
- Prime Agtech Solutions (Private) Limited
- Rotocast Engineering Company (Pvt.) Limited
- Sachal Energy Development (Pvt.) Limited
- Safemix Concrete Limited
- Siddiqsons Energy Limited

Mr. Arslan Muhammad Iqbal

Independent &
Non – Executive Director

Mr. Arslan Muhammad Iqbal is a foreign qualified senior banker with expertise and experience primarily in the Wholesale Banking value chain including Risk Management. Corporate Credit and Project Finance. He has served in various capacities in local / foreign banks with a Banking Career spanning over 18 years and is presently serving as the Chief Risk Officer at a local Bank. He has a well-rounded exposure in local as well as foreign markets across different segments, and is also a subject matter expert on IFRS 9, Credit Modeling, and Risk Management.

He is a member of various organization level committees at his Bank, and is also a Certified Director. Mr. Iqbal. Earned a MBA degree from the University of Wales, UK, a Bachelor's degree from a leading business school in Dublin, Ireland and is also a Moody's trained credit professional.

Corporate Responsibilities:

As Director
- Aisha Steel Mills Limited

As Chief Risk Officer
- Bank of Punjab

Mr. Rashid Ali Khan

Independent &
Non – Executive Director

Mr. Rashid has completed his graduation (BS) in Information Engineering & Operation Research and Masters in Business administration (MBA) both from Cornell University, Ithaca, New York, USA. He has twenty-nine years of experience in Global Finance Management and Business Development in both OECD countries and Emerging Markets.

He has a multi-tiered professional background in banking, finance, consumer marketing and corporate restructuring at senior executive level; including the implementation of large-scale computer systems and proprietary telecom networks for Citibank in Europe and Saudi Arabia. In addition, he successfully launched Islamic Banking in Pakistan. He founded a successful Telecom Fixed Line business and a Real Estate Development company, both of which have achieved a unique branding in their respective markets.

Corporate Responsibilities:

As Director

Elementary Education Foundation
Hayatabad Medical Complex
Pakistan Engineering Company Limited

Ms. Saadia Umar
Independent &
Non – Executive Director

Saadia is a seasoned HR professional currently working as a Partner (People & Change) at Uraan, a management consulting firm. In her current role, she is responsible for providing advisory services to clients, business development, team building, and quality assurance of assignments. Previously, Saadia has worked with the AKU as the lead for Global HR Change and Transformation, Process and People Analytics. She has around 20 years of work experience in human resource development with reputable firms. Saadia, as Senior Director People Advisory laid the foundation for EY's HR consulting practice through business development, managing and supporting multiple interdependent work streams, directing and mentoring project teams, utilizing strong project management, communication and people development skills.

Her key competence includes many different pillars of HR including Reward, Performance and Talent to name a few. She has extensive experience in planning executive remuneration, leadership and capability development, talent management, organizational and operating model redesign, HR process improvement and policy development.

Corporate Responsibilities:

As Director
- Aisha Steel Mills Limited
- Haleon Pakistan Limited

As Partner
- Uraan

Mr. Abdul Majeed
Independent &
Non – Executive Director

Mr. Abdul Majeed Siddique is a highly accomplished banking and finance professional with over four decades of extensive experience in the financial services industry, both in Pakistan and internationally.

He began his career with ABN AMRO Bank in Dubai in 1978 and served the institution with exceptional dedication until 2000. During his 22-year tenure, he rose through the ranks to become ABN AMRO Bank Treasurer – UAE, a testament to his professional excellence and leadership capabilities. Mr. Siddique was known for his conscientious approach, initiative, adaptability, and ability to consistently deliver strong results. He voluntarily resigned from ABN AMRO Bank, leaving behind a legacy of outstanding service and integrity.

Currently, Mr. Siddique is the Managing Director of Wall Street Exchange Company (Private) Limited, an exchange and remittance company in Pakistan. In this capacity, he oversees the company's operations and strategic growth initiatives. Mr. Abdul Majeed Siddique continues to be recognized as a seasoned and trusted professional in the financial sector, known for his deep expertise, principled approach, and enduring contributions to the banking and corporate landscape of the region.

Directors' Report

Dear Fellow Shareholders,

The directors of Aisha Steel Mills Limited (ASML) are pleased to present the Company's Annual Report and Audited Financial Statements for the year ended June 30, 2026, together with the Auditors' Report thereon. This report also provides a brief overview of the steel market and the Company's financial and operational performance during the year.

Principal Activities

ASML manufactures Cold Rolled Coils (CRC) and Galvanized Iron Coils (GI) in accordance with international quality standards, using imported Hot Rolled Coils (HRC) as the primary raw material.

The Company's products serve as premium raw material for further processing across the automotive, industrial, engineering, and manufacturing sectors. These products support both domestic and export markets. GI products are also used in various applications, including building accessories, pipes, and electrical appliances.

Steel Market Review

International HRC Prices

International HRC prices remained broadly stable at around US$ 450 per ton FOB China from June 2025 to January 2026. Prices began to rise after hostilities between the United States and Iran escalated into a full-scale conflict, peaking at approximately US$ 550 per ton FOB China in May 2026. As the conflict subsided, prices eased to around US$ 490 per ton FOB China by June 2026.

The market appears to have stabilized at this level; however, developments in the Middle East could cause conditions to change quickly.

Trade Tariffs and Export Markets

The current U.S. administration has imposed a 50% tariff on steel imports from several countries, including Pakistan. This significantly slowed the Company's exports to the United States. However, exports to Europe increased during the period.

More recently, U.S. steel prices have risen to levels where exports may again become viable despite the 50% tariff.

Domestic Demand and Local Market Share

Steel demand in Pakistan continued to recover. In the flat steel cold-rolled segment, which mainly comprises CRC and GI, overall demand increased from 1.04 million tons in FY 2024-25 to 1.13 million tons in FY 2025-26, representing growth of approximately 9%.

Since most HRC is imported from Japan and China, the Gulf conflict had limited impact on HRC availability or on CRC and GI imports. Local steel prices generally followed international market trends. Encouragingly, the share of local producers increased from 37% in FY 2024-25 to 48% in FY 2025-26.

FATA/PATA Tax Incentive Phase-Out

The sales tax exemption previously available on imports from the FATA/PATA region expired during FY 2024-25. Imports from these regions are now subject to 12% sales tax instead of zero sales tax.

This rate is expected to increase gradually each year until it aligns with the standard 18% sales tax applicable elsewhere in the country. As a result, imports from FATA/PATA have become less attractive, and quantities sold in the open market have declined as well.

Anti-Dumping Duties on Alternate Products

As reported earlier, the National Tariff Commission (NTC), after completing its due diligence and review process, imposed anti-dumping duties on alternate products such as ZAM and Galvalume. These products are now subject to anti-dumping duties similar to those applicable to CRC and GI.

Impact on Local Producers

Both developments have supported local flat steel producers in increasing their market share. ASML's capacity utilization improved from 23% last year to 38% in FY 2025-26 and is expected to exceed 50% during the current financial year.

Company's Performance Highlights

Sales and Exports

During the July 2025 to June 2026 period, the Company sold a total of 257,144 tons, including 61,583 tons of exports. This represents an increase of approximately 73% compared to 148,942 tons sold in the corresponding period last year. Export volumes also increased significantly from 25,456 tons in the previous year.

Production and Inventory

Total production for the period reached 266,476 tons, compared with 162,599 tons produced in the corresponding period last year, reflecting an increase of approximately 64%. Average inventory during the July-to-June period was 24,058 tons, compared with 14,275 tons recorded in the same period last year.

Revenue Growth

Total revenue for the period was Rs. 54.24 billion, compared with Rs. 33.75 billion in the previous year, representing an increase of approximately 61%.

The overall summary of performance is given below:

Description	FY 2025-26 Jul-June	FY 2024-25 Jul-June
Avg. Monthly CRC & GI Production	22,206	13,228
Average Monthly CRC & GI Dispatch	21,429	12,412
Average Monthly FG Stock CRC & GI	24,058	14,275

Financial Indicators

Key Financial Performance

Gross profit margin also improved, rising to 10.94% from 4.94% in the previous year. The Company recorded a profit before tax of Rs. 1,756 million, compared with a loss before tax of Rs. 1,666 million last year.

The table below provides a comparison of the key financial indicators with the previous financial year.

The Company's sales volume for FY 2025-26 increased by 73% compared with FY 2024-25, while revenue grew by approximately 61% during the same period.

	2026	2025
	Rupees in Million	
Description		
Revenue	54,235	33,752
Gross profit	5,933	1,667
Profit from operations	3,644	604
Finance Costs	(1,727)	(2,732)
Profit / (loss) before levies and tax	1,756	(1,666)
Profit / (loss) after levies and tax	981	(1,352)
	Earnings / (Loss) per share in (Rupees)	
Basic	0.99	(1.55)

Relatively higher sale volumes have helped the company to improve margins compared to the last financial year.

Future Outlook

Policy and Regulatory Support

From FY 2025-26, imports from FATA/PATA are subject to 12% sales tax, further reducing their competitive impact on the local market. In addition, the implementation of anti-circumvention measures by the National Tariff Commission is expected to discourage imports of alternate products such as GL and ZAM, supporting greater participation by local producers.

Market Demand and Company Priorities

Improving economic indicators are likely to support further demand growth in the flat steel sector. As the profits for the year, after meeting the dividend entitlement of preference shareholders, are insufficient to support a dividend for ordinary shareholders, the Board has not recommended any dividend to ordinary shareholders for the year. The Company remains confident in its outlook and is committed to increasing its market share while delivering sustainable long-term returns to shareholders.

Non-Financial Performance

Operational Excellence and Quality

The Company has established itself as one of the leading quality producers of both CRC and GI coils. Its well-defined systems, procedures, and experienced management team support the successful operation of this world-class facility.

Continuous improvement in quality and productivity remains the Company's core operational philosophy. At the same time, the Company recognizes the need to further strengthen its marketing efforts to compete more effectively in the market.

Customer Service and Human Capital Development

The Company has set and achieved high standards of customer service and satisfaction within the industry. During the year, it conducted various technical and behavioral training programs to enhance the skills and capabilities of its human capital.

Compliance and Stakeholder Relationships

The Company adheres to all applicable legal and regulatory requirements and maintains strong relationships with its stakeholders.

CRSM Restoration and Insurance Settlement

The skin-pass mode of the CRSM was restored soon after the fire incident in 2020. The rolling mode has also been made operational, and the Company has settled its claim with the insurance company.

Existing Operations and Market Share

In the local market, ASML is considered a significant player in the manufacturing of CRC and GI and aims to enhance its role in meeting both CRC and GI requirements of the industry. The Company plans to expand its market presence and specifically focus on original equipment manufacturers to extract additional share.

The overall market share of ASML, in the year 2025-26 increased to about 17% compared to 12% achieved in the previous year. The imports share decreased to 53% compared to 63% last year. The competitor's share in the local market increased to 21% compared to 17% achieved last year. The cold rolling facility, set up in Lahore, accounted for the balance 9%. ASML exports increased to about 61,583 tons compared to about 25,456 tons last year.

Nature of Business

There has been no change in the nature of the business of the Company during the year.

Raw Material Procurement

Procurement of quality HRC at the right price is of vital significance in CRC / GI business. Higher management of the Company is directly involved in the procurement of HRC and is making every effort to ensure timely availability at optimal price. All efforts are being made to diversify Company's procurement sources. Currently, ASML imports HRC from different countries across the globe.

Risk Management

The Company follows prudent risk management practices. The Board has devised a risk management policy and regularly reviews all key risks that the Company is exposed to. The risk management system is designed to promote a balanced approach towards risks at all organizational levels. The system is geared to identify and analyze the opportunities and risks at an early stage, their measurement and the use of suitable instruments to manage and monitor risks.

The Company's key business being that of a manufacturing concern, has evolved its risk management system incorporating both production and sales strategy. Starting with raw material procurement, the Company has always followed a policy of diversification of sources with a focus on quality, basing its decisions on product mix requirements, customer demand and market analysis. The Company manages its risks by applying caution with respect to the stock selection and inventory levels, avoiding concentration risk, ensuring credit / receipt of clean funds from the buyer dealers and continuously assessing the capacity of the counter-party. In addition, the Company has played a continuing role through its representatives in the development of sector on both ends of manufacturers and customers' awareness and simplification of customs and tariff matters.

In order to minimize and manage operational risk, the starting point has always been an in-depth analysis before making investment in inventory procurement. Supplementing that with hiring qualified and experienced professionals, applying budgetary and other internal controls, continuing review of performance of the procurement, production, sales and corporate governance segments and taking corrective measures as and when needed.

The Board remains committed to managing sustainability-related risks by integrating environmental, social, and governance (ESG) considerations into operations and promoting DE&I through appropriate policies.

The detailed Qualitative Reports and Quantitative analysis on Risk Management is presented in Note # 40 to the annexed audited financial statements.

Principal Risk Factors & Mitigants

Risk	Criticality	Mitigants
Inventory pile up risk The main raw material and the primary cost component of CRC/GI business is Hot Rolled Coil (HRC). Presently HRC is not produced locally and has to be imported from quality manufacturers across the world. All these mills operate on advance order basis. Typically, order has to be placed two to three months in advance. Allowing for shipping and clearance time, HRC inventory exposure of up to four month is normal for the business cycle. In case of abnormal price decline and subsequent slow lifting of the end users, the possibility of inventory pile up and the resulting loss is a real possibility.	High	Inventory pile up risk is mitigated by optimizing order quantities in line with market demand. Continuous monitoring of international market trends and timely adjustment at the local level can minimize inventory pile up risk.
Dumping Risk Traders / Investors import CRC / GI when the price differential increases.	Medium	CRC / GI import risk is mitigated by adopting market-based pricing policy. Representations are made with custom authorities to adopt policies to curb dumping. Enhancement in production capacities by local producers and competitive currency should also lessen the risk.
Work Equipment Operational Risk Risk of injuries during machinery operations.	Medium	Risk is mitigated by acquisition of state-of-the-art plant & machinery, hiring quality operators and implementation of tried and tested systems. Safety designs, controls and defined protocols are in place. Regular maintenance of plant and trainings of staff are conducted.
Credit Risk There is a risk that Company may not recover trade debts.	Low	More than 95% of sales are made against advances received. Further, credit is extended only to reliable customers for a period of less than a week.

Materiality Approach Adopted

The Board of Directors closely monitors all material matters of the Company. In general, matters are considered material if, individually or in aggregate, they are expected to significantly affect the performance and profitability of the Company.

Sustainability and DE&I Governance

The Board of Directors oversees the identification and management of sustainability-related risks and opportunities, including environmental, social, and governance (ESG) considerations. In response to evolving operational and climate-related challenges, ASML has strengthened its EHS practices and safety protocols.

The Company's DE&I Policy reflects its commitment to a fair, inclusive, and merit-based workplace. ASML takes pride in being the first in the steel sector to employ female engineers on the production floor and continues to promote gender diversity, support persons with disabilities, and ensure workplace accessibility and safety.

Environment, Health & Safety

As a responsible corporate citizen, ASML pledges to adhere to highest standards of EHS policy and it is one of the top priorities of the Company. The policies were further reviewed in view of the unfortunate accident at CRSM and additional safety measures have been put in place to avoid such accidents in future. Measures included are training of employees, audit of fire hydrant and firefighting system by a foreign firm, addition in firefighting resources and equipment and update in SOPs with pictorial representation and their translation in Urdu language. Strict compliance is mandatory, and the employees are trained to follow regulations as a habit. Training sessions including mock evacuation drill are conducted to keep employees familiar with all the SOPs.

ASML aspires to be Pakistan's steel industry's benchmark for setting environmental standards, climate change mitigation and resource efficiency.

Corporate Social Responsibility (CSR)

Steel sector is the growing engine of economy of Pakistan and we at ASML are tactically geared towards a robust steel sector portfolio in which we cater to the needs of our customers along with cognizant concern towards the environment and making sure that our people are committed to be and remain active socially responsible citizen. We have vigorously striven to contribute to the society and make the world a better place to live. At ASML, we believe that by imparting quality education to the masses, we can contribute to our society which in turn strengthens the economic growth of our Country. ASML supports Research, Conferences, Trade Fairs, Workshops and other events. We will continue to focus in the area of human health, schooling for less privilege.

ASML: An Employer of Choice

- **Diversity and Inclusion**
  Your Company takes pride in being an equal opportunity employer and therefore provides employment opportunities on merit irrespective of gender, creed, religion or any other affiliation. ASML is committed to creating a diverse work culture. In addition to equality, your Company also provides employment opportunities to persons with special needs.

- **Gratuity Scheme**
  The Company maintains a plan that provides retirement benefits to its employees. This includes a non-contributory and unfunded gratuity scheme for permanent employees.

- **Industrial Relations**
  Your Company believes in providing an equitable, fair and merit-based environment. We believe that if employees are treated fairly and with respect then that would result in high motivation of workforce thus resulting in peaceful and continuous operations. We intend to maintain this approach in years to come.

- **Sporting and Other Activities**
  ASML nurtures an energetic and proactive behavior among the employees and puts faith in inculcating national pride. Various activities are organized for employees during the year including Employee Appreciation Day, Independence Day celebrations, Interdepartmental Cricket Tournament etc. Basic first aid & medical emergency handling session for employees was also conducted during the year.

Contribution to the National Exchequer

Your Company takes its contribution towards national economy seriously and has always discharged its obligations in a transparent, accurate and timely manner. The Company has contributed over PKR 9,991 million during the year towards National Exchequer comprising of income tax, sales tax, custom duty and excise duty.

Corporate Governance

The Company is listed on Pakistan Stock Exchange. Its Board and management are committed to observe the Code of Corporate Governance prescribed for listed companies and are familiar with their responsibilities and monitor the operations and performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information.

The Board would like to state that proper books of accounts of the Company have been maintained and appropriate accounting policies have been adopted and consistently applied except for new accounting standards and amendments to existing standards as stated in Note # 2.3 to the annexed Audited Financial Statements. Preparation of accounts and accounting estimates are based on reasonable and prudent judgment. International Financial Reporting Standards (IFRS) as notified by the Companies Act, 2017, Islamic Financial Accounting Standards (IFAS) as notified by the Companies Act, 2017, and provisions of and directives issued under the Companies Act, 2017, as applicable in Pakistan are followed in the preparation of the financial statements. The system of internal controls, including financial controls is sound in design and has been effectively implemented and monitored. The financial statements of the Company present its state of affairs transparently, the result of its operations, cash flows and changes in equity. No material payment has remained outstanding on account of any taxes, duties, levies or charges.

The Board hereby reaffirm that there is no doubt whatsoever about the Company's ability to continue as a going concern, that there has been no material departure from the best practices of corporate governance as detailed in the applicable rules and regulations, and that the Company has adequate internal financial controls in place.

Six directors (including the Chief Executive Officer) had completed the Directors' Training / Education Program whereas two directors were already exempt from attending the Directors Training Program as per criteria mentioned under Code of Corporate Governance.

Election of Directors

In accordance with the provisions of Section 161 of the Companies Act, 2017, the three years term of eight Directors elected in the Annual General Meeting of 2023 will be completed on October 31, 2026. Accordingly, the election of Directors shall take place in accordance with the provisions of the Companies Act, 2017 and other applicable statutes, in the forthcoming Annual General Meeting of the Company. In August 2026, the Board of Directors has fixed the number of Directors to be elected as eight. The total strength of the post-election Board of Directors of the Company shall be eight (8) elected Directors and the CEO of the Company who will be a deemed Director under section 188(3) of the Act.

Composition of Board / Committees

The Board of Directors comprises eight elected members, including seven male directors and one female director. During the year under review, Mr. Abdul Majeed and Ms. Saadia Umar were appointed as directors on July 14, 2025, to fill the casual vacancies arising from the resignations of Ms. Tayyaba Rasheed and Mr. Muhammad Haroon Usman in the preceding financial year. The Board ensured that the casual vacancies were filled within the prescribed timeframe. The composition of existing Board of Directors and its Committees is as follows:

Board of Directors	Category	Audit Committee	Human Resource & Remuneration Committee	Nomination Committee	Risk Management Committee	Sustainability Committee
Mr. Arif Habib (Chairman)	Other Non - executive	-	Member	Chairman	Chairman	-
Mr. Abdus Samad Habib		Member	-	Member	-	-
Mr. Kashif Habib		Member	Member	-	Member	Member
Mr. Nasim Beg		Member	-	-	-	Chairman
Dr. Munir Ahmed (Chief Executive & deemed Director)	Executive	-	-	-	Member	Member
Mr. Arslan Muhammad Iqbal	Independent	Chairman	-	-	-	-
Mr. Rashid Ali Khan		-	Chairman	-	-	-
Mr. Abdul Majeed		-	-	-	-	-
Ms. Saadia Umar (Female Director)		-	Member	-	-	Member

Trading in Company's Share by Directors and Executives

All directors including the Chief Executive, Chief Financial Officer and Executives of the Company were informed by the Company Secretary to immediately inform in writing, any trading in the Company's shares by themselves or by their spouses and to deliver a written record of the price, number and form of shares and nature of transaction within 7 days of such transaction to the Company Secretary.

A statement showing the Company's shares bought and sold by its directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor family members is annexed as Annexure-I. Except as disclosed in Annexure-I, there has been no trading in Company's shares by any "Executive" of the Company which are CEO, CFO, Head of Internal Audit, Company Secretary and other employees designated as General Managers in the Company, being the threshold set by the directors for disclosure in annual reports.

Attendance at Board Meetings

A statement showing the names of the persons who were directors of the Company during the financial year along with their attendance at Board and Committee(s) meetings is annexed as Annexure-II.

Directors Remuneration Policy

The Non-Executive and independent directors of Aisha Steel Mills Limited may claim meeting fee for attending Board of Directors meeting or any of Boards' sub-committee meeting at the rate approved by Board of Directors from time to time.

Payment of remuneration against assignment of extra services by any director shall be determined by the Board of Directors on the basis of standards in the market and scope of the work and shall be in line as allowed by the Articles of Association of the Company. Levels of remuneration shall also be appropriate and commensurate with the level of responsibility and expertise. However, for an Independent director, it shall not be at a level that could be perceived to compromise the independence.

Where any Executive director of Aisha Steel Mills Limited has been appointed as the director in other Companies, he shall inform the Board in writing regarding his appointment in the immediately succeeding Board meeting. Further, any fee earned by the Executive director due to his / her directorship in other entity may be retained by the director himself / herself, subject to approval of the Board.

The Chief Executive is the sole Executive Director on the Board. Non-Executive Directors are entitled to a fee of PKR 50,000 per Board meeting and PKR 25,000 per Committee meeting, along with reimbursement for travel-related expenses. These rates are subject to revision by the Board. During the year under review, PKR 1.48 million was paid to Non-Executive Directors for attending Board and Committee meetings, including related expenses. Details regarding the Chief Executive's and Executives' remuneration, as well as payments to Non-Executive Directors, are also disclosed in Note # 38 to the Audited Financial Statements.

Pattern of Shareholding

The ordinary and preference shares of the Company are listed on Pakistan Stock Exchange. There were 10,188 (2025: 10,397) ordinary shareholders and 2,132 (2025: 2,118) preference shareholders of the Company as of June 30, 2026. The detailed pattern of shareholding and categories of shareholding of the Company including shares held by directors and executives, if any, are annexed as Annexure-III.

Financial and Business Highlights

The key operating and financial data has been given in summarized form under the caption "Key Operational and Financial Data and its Analysis" (Page Number 131) and graphical representation of the important statistics is presented on (Page Number 153).

Audit Committee

As required under the Code of Corporate Governance, the Audit Committee continued to perform as per its Terms of Reference duly approved by the Board.

Auditors

The present external auditors M/s. A. F. Ferguson & Co., Chartered Accountants, shall retire at the conclusion of Annual General Meeting on October 23, 2026 and being eligible, have offered themselves for reappointment for the year ending on June 30, 2027. The external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program. As suggested by the Audit Committee, the Board recommends reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants, as auditors of the Company for the financial year ending on June 30, 2027 at a fee to be mutually agreed. Approval to this effect will be sought from the shareholders in the forthcoming Annual General Meeting scheduled on October 23, 2026.

Post Balance Sheet Events – Subsequent Events

In its meeting held on August 18, 2026, the Board of Directors has recommended payment of the outstanding cumulative preferential dividends relating to the period from July 1, 2022 to June 30, 2026, on the Company's Cumulative Preference Shares ASLPS and ASLCPS, amounting to Rs. 343.71 million and Rs. 1.14 million respectively, in accordance with the respective terms and conditions of these preference shares. Subject to the approval by members at the Annual General Meeting to be held on October 23, 2026, effect of the above dividend distribution and related appropriation to reserves shall be reflected in the next year's financial statements.

Compliance with Secretarial Practices

During the financial year under review, the secretarial and corporate requirements of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 have been duly complied with.

Related Party Transactions

In order to comply with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in Note # 37 to the annexed Audited Financial Statements.

Acknowledgement

The directors are grateful to the Company's stakeholders for their continuing confidence and patronage. We wish to place on record our appreciation for the faith and trust reposed by our business partners and financial institutions. We are grateful to the Ministry of Finance, Ministry of Industries and Production, Ministry of Commerce, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, National Tariff Commission, the Competition Commission of Pakistan, Central Depository Company of Pakistan and the management of Pakistan Stock Exchange for their continued support and guidance which has been immensely helpful in meeting and overcoming the challenges faced by the Company.

The directors acknowledge the hard work put in by employees of the Company and look forward to their continued commitment. We also appreciate the valuable contribution and active role of the members of the audit and other committees in supporting and guiding the management on matters of great importance.

For and on behalf of the Board

Dr. Munir Ahmed
Chief Executive

Mr. Kashif Habib
Director

Karachi: August 18, 2026

Annexure I

Statement showing shares bought and sold by Directors, CEO, CFO, Company Secretary and their Spouses and Minor Children

From 1st July 2025 to 30th June 2026

Name	Designation	Shares bought	Shares sold	Remarks
Mr. Arif Habib	Chairman	-	-	-
Dr. Munir Ahmed	Chief Executive	-	-	-
Mr. Abdus Samad Habib	Director	-	-	-
Mr. Kashif Habib	Director	-	-	-
Mr. Nasim Beg	Director	-	-	-
Mr. Arslan Muhammad Iqbal	Director	-	-	-
Mr. Rashid Ali Khan	Director	-	-	-
Mr. Abdul Majeed	Director	500	-	Appointed on 14 Jul 2025
Ms. Saadia Umar	Director	50	-	Appointed on 14 Jul 2025
Ms. Anna Samad	Spouse of Mr. Abdus Samad Habib	200,000	50,000	-
Ms. Zainab Kashif	Spouse of Mr. Kashif Habib	100	-	-
Minor Children	-	-	-	-

Annexure II

Statement showing attendance at Board Meetings

From 1st July 2025 to 30th June 2026

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	4	4	4	-	-
Dr. Munir Ahmed	Chief Executive	4	4	4	-	-
Mr. Abdus Samad Habib	Director	4	4	4	-	-
Mr. Kashif Habib	Director	4	4	4	-	-
Mr. Nasim Beg	Director	4	4	3	1	-
Mr. Arslan Muhammad Iqbal	Director	4	4	4	-	-
Mr. Rashid Ali Khan	Director	4	4	4	-	-
Mr. Abdul Majeed	Director	4	4	3	1	-
Ms. Saadia Umar	Director	4	4	4	-	-

Statement showing attendance at Audit Committee Meetings

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arslan Muhammad Iqbal	Chairman	5	5	5	-	-
Mr. Nasim Beg	Director	5	5	3	2	-
Mr. Abdus Samad Habib	Director	5	5	4	1	-
Mr. Kashif Habib	Director	5	5	5	-	-

Statement showing attendance at Human Resource & Remuneration Committee Meeting

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Rashid Ali Khan	Chairman	1	1	1	-	-
Mr. Arif Habib	Director	1	1	1	-	-
Mr. Kashif Habib	Director	1	1	1	-	-
Ms. Saadia Umar	Director	1	1	1	-	-

Statement showing attendance at Nomination Committee Meeting

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	2	2	2	-	-
Mr. Abdus Samad Habib	Director	2	2	2	-	-

Statement showing attendance at Risk Management Committee Meeting

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	1	1	1	-	-
Dr. Munir Ahmed	Member	1	1	1	-	-
Mr. Kashif Habib	Member	1	1	1	-	-

Statement showing attendance at Sustainability Committee Meeting

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Nasim Beg	Chairman	-	-	-	-	The committee was constituted in April 2026. No meeting of the committee was held during the financial year.
Dr. Munir Ahmed	Director	-	-	-	-	
Mr. Kashif Habib	Director	-	-	-	-	
Ms. Saadia Umar	Director	-	-	-	-	

Annexure III

Pattern of Shareholding of Ordinary Shares (Symbol: ASL)
Categories of Shareholders as at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children	13	187,556,251	20.15
Associated Companies, undertakings and related parties	10	493,946,900	53.07
NIT and ICP	1	342,336	0.04
Banks Development Financial Institutions, Non-Banking Financial Institutions	8	19,401,787	2.08
Insurance Companies	4	1,344,971	0.14
Modarabas and Mutual Funds	4	13,422,901	1.44
General Public - Local	9,775	140,801,337	15.13
General Public - Foreign	254	2,565,614	0.28
Others	119	71,402,724	7.67
Total	10,188	930,784,821	100.00

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
MUHAMMAD ARIF HABIB	3	187,391,789	20.13
KASHIF HABIB	1	10,301	0.00
NASIM BEG	2	3,211	0.00
ABDUL MAJEED	1	500	0.00
MUNIR AHMED	1	100	0.00
RASHID ALI KHAN	1	100	0.00
ARSLAN MUHAMMAD IQBAL	1	100	0.00
SAADIA UMAR	1	50	0.00
ANNA SAMAD	1	150,000	0.02
ZAINAB KASHIF	1	100	0.00
Associated Companies, undertakings and related parties			
ARIF HABIB EQUITY (PRIVATE) LIMITED	5	311,913,643	33.51
ARIF HABIB CORPORATION LIMITED	2	179,686,450	19.30
FATIMA CAPITAL LIMITED	1	2,267,707	0.24
ARIF HABIB LIMITED	1	79,000	0.01
MUHAMMAD ABBAS MIRZA	1	100	0.00
NIT and ICP	1	342,336	0.04
Banks Development Financial Institutions, Non-Banking Financial Institutions	8	19,401,787	2.08
Insurance Companies	4	1,344,971	0.14
Modarabas and Mutual Funds	4	13,422,901	1.44
General Public			
a. Local	9,775	140,801,337	15.13
b. Foreign	254	2,565,614	0.28
Others	119	71,402,724	7.67
Total	10,188	930,784,821	100.00

Pattern of Shareholding of Ordinary Shares (Symbol: ASL)
Categories of Shareholders as at 30th June 2026

Categories of Shareholders holding 10% or more	Shares Held	Percentage
MR. MUHAMMAD ARIF HABIB	187,391,789	20.13
ARIF HABIB EQUITY (PRIVATE) LIMITED	311,913,643	33.51
ARIF HABIB CORPORATION LIMITED	179,686,450	19.30

Pattern of Shareholding of Ordinary Shares (Symbol: ASL)
As at June 30, 2026

No. Of Shareholders	Shareholdings' Slab			Total Shares Held
2,715	1	to	100	84,099
2,000	101	to	500	694,320
1,252	501	to	1,000	1,113,618
2,151	1,001	to	5,000	5,999,282
693	5,001	to	10,000	5,647,994
267	10,001	to	15,000	3,453,613
1,045	15,001	to	500,000	75,339,543
36	500,001	to	1,500,000	30,737,009
10	1,500,001	to	2,500,000	19,689,579
10	2,500,001	to	15,000,000	59,503,757
6	15,000,001	to	80,000,000	252,531,330
1	80,000,001	to	150,000,000	113,405,769
2	150,000,001	to	200,000,000	362,584,908
10,188				930,784,821

Pattern of Shareholding of Preference Shares (Symbol: ASLPS)
Categories of Shareholders as at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children	4	2,809,672	6.45
Associated Companies, undertakings and related parties	3	39,067,072	89.63
NIT and ICP	1	121,208	0.28
Banks Development Financial Institutions, Non-Banking Financial Institutions	5	206,850	0.47
Insurance Companies	3	322,123	0.74
Modarabas and Mutual Funds	-	-	-
General Public - Local	1,914	930,011	2.13
General Public - Foreign	6	77,742	0.18
Others	41	53,513	0.12
Total	1,977	43,588,191	100.00

Pattern of Shareholding of Preference Shares (Symbol: ASLPS)
Categories of Shareholders as at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
MUHAMMAD ARIF HABIB	1	2,804,458	6.43
KASHIF HABIB	1	3,208	0.01
NASIM BEG	2	2,006	0.00
Associated Companies, undertakings and related parties			
ARIF HABIB CORPORATION LIMITED	1	35,075,499	80.47
ARIF HABIB EQUITY (PRIVATE) LIMITED	1	3,991,549	9.16
NIDA AHSAN	1	24	0.00
NIT and ICP	1	121,208	0.28
Banks Development Financial Institutions, Non-Banking Financial Institutions	5	206,850	0.47
Insurance Companies	3	322,123	0.74
Modarabas and Mutual Funds	-	-	-
General Public			
a. Local	1,914	930,011	2.13
b. Foreign	6	77,742	0.18
Others	41	53,513	0.12
Total	1,977	43,588,191	100.00

Categories of Shareholders holding 10% or more	Shares Held	Percentage
ARIF HABIB CORPORATION LIMITED	35,075,499	80.47

Pattern of Shareholding of Preference Shares (Symbol: ASLPS)
Categories of Shareholders as at 30th June 2026

No. Of Shareholders	Shareholdings' Slab			Total Shares Held
1,110	1	to	100	37,613
607	101	to	500	138,390
115	501	to	1,000	81,165
114	1,001	to	5,000	229,666
11	5,001	to	10,000	77,167
2	10,001	to	15,000	26,650
10	15,001	to	50,000	333,921
5	50,001	to	500,000	792,113
2	500,001	to	4,000,000	6,796,007
1	4,000,001	to	35,500,000	35,075,499
1,977				43,588,191

Pattern of Shareholding of Preference Shares (Symbol: ASLCPS)
Categories of Shareholders as at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children	1	250	0.18
Associated Companies, undertakings and related parties	-	-	-
NIT and ICP	-	-	-
Banks Development Financial Institutions, Non-Banking Financial Institutions	-	-	-
Insurance Companies	-	-	-
Modarabas and Mutual Funds	-	-	-
General Public - Local	151	137,633	99.79
General Public - Foreign	2	11	0.01
Others	1	26	0.02
Total	155	137,920	100.00

Pattern of Shareholding of Preference Shares (Symbol: ASLCPS)
Categories of Shareholders as at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
ABDUS SAMAD HABIB	1	250	0.18
Associated Companies, undertakings and related parties	-	-	-
NIT and ICP	-	-	-
Banks Development Financial Institutions, Non-Banking Financial Institutions	-	-	-
Insurance Companies	-	-	-
Modarabas and Mutual Funds	-	-	-
General Public			
a. Local	151	137,633	99.79
b. Foreign	2	11	0.01
Others	1	26	0.02
Total	155	137,920	100.00

Categories of Shareholders holding 10% or more	Shares Held	Percentage
TARIQ YAQOOB	76,750	55.65

Pattern of Shareholding of Preference Shares (Symbol: ASLCPS)
Categories of Shareholders as at 30th June 2026

No. Of Shareholders	Shareholdings' Slab			Total Shares Held
89	1	to	100	1,902
42	101	to	500	12,629
10	501	to	1,000	9,072
11	1001	to	5,000	21,898
2	5,001	to	10,000	15,669
1	75,001	to	80000	76,750
155				137,920

Evaluation of Performance of Board of Directors Including Chairman

Annual Evaluation of Board's Performance and its Committees

Having integrity, fairness, quality of strategic direction and good governance at the core of the Company's operating roots, the Board members take the responsibility in putting up a formal, structured and rigorous process of evaluating overall performance of the Board, individual directors and the committees of the Board. The performance evaluation process is not merely a control mechanism over individual Board members, but an efficient tool in identifying areas of improvement. The evaluation mechanism is designed not only to cover the corporate governance compliances, but also covers all the facets of size, structure, composition, expertise, leadership and responsibilities of the Board.

Accordingly, following procedures have been developed based on emerging and leading practices to assist in the self-assessment of the Board as a whole, its committees as well as individual directors. On an annual basis, separate questionnaires for Board and its committees, including Audit committee, are circulated to all directors, which is formally filled by the directors and is submitted anonymously to the Board. The main criteria for the Board's and its committees' evaluation are as follows:

Composition of Board and its Committees

The Board and its committees, including audit committee, comprises of appropriate number of directors and appropriate mix of independent and non-independent directors, expertise, skills, experience and diversity. All directors are encouraged to voice their dissenting opinions and are equally involved in Board's decisions.

Structure and Committees

The Board has formed adequate number of committees to streamline delegation of certain key responsibilities.

Charter of the committees has been designed with due care and diligence to ensure effective internal control system, reporting of significant matters and transactions and effective communication with the Board. The agendas of committee meetings are flexible to address important issues and provide useful recommendations. Board committee meetings are held at appropriate intervals and their recommendations are placed before the Board on a timely basis. Presence of quorum is ensured in every meeting of the Board and its committees.

Vision, Mission, Planning and Oversight

The Board reviews the implementation of strategic and financial plans and has developed and approved clear vision and mission to guide and periodically reviews the same. The Board is well versed with best corporate governance practices and enacts changes where required. The Board meetings are conducted in a manner that ensures open communication and meaningful participation as well as timely resolution of matters concerning the Company.

Board's and its Committees' Effectiveness

The Board and its committee members understand and fulfil duties and responsibilities as director of the Company and member of the committee. Significant matters are placed before the Board by the committees and management. The Board also ensures healthy relationships with the stakeholders through adequate and timely disclosures, together with reviewing adequacy of internal controls, potential risks and risk management procedures

Evaluation of Chairman's Performance

The Chairman demonstrates good leadership by providing equal opportunity for all Board members to voice opinion and ensures maximization of collective synergies of Board members. The Chairman effectively handles the difference of opinions and delegates responsibility among Board members, where required. The overall performance of the Chairman is evaluated based on the effectiveness of the Board meetings, team synergies of the Board members and support of the Board

Review Report by the Chairman

On the overall performance of Board and effectiveness of the role played by the Board in achieving the Company's objectives

The Board of Directors ("the Board") of Aisha Steel Mills Limited consists of members having diversified experience of corporate sector. It has complied with all relevant rules and regulations. The Board has performed their duties diligently in upholding the best interest of shareholders of the Company and has managed the affairs of the Company in an effective and efficient manner. The Board has exercised its powers and has performed its duties as stated in the Companies Act, 2017, and the Code of Corporate Governance ("the Code") and the rule book of the PSX where the Company is listed.

The Board during the year ended June 30, 2026 played an effective role in managing the affairs of the Company and achieving its objectives in the following manner:

- The Board has ensured that there is adequate representation of Non-Executive and independent directors on the Board and its committees as required under the Code, and that members of the Board and its respective committees have adequate skill, experience and knowledge to manage the affairs of the Company;

- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner;

- The Board has ensured that the meetings of the Board and that of its committees were held with the requisite quorum, all the decision making were taken through Board resolutions, and that the minutes of all the meetings (including committees) are appropriately recorded and maintained;

- The Board has developed and adopted a code of conduct setting forth the professional standards and corporate values adhered to throughout the Company and has developed significant policies for smooth functioning;

- The Board has actively participated in strategic planning process, enterprise risk management system, policy development and financial structure, monitoring and approval;

- The Board has formed an Audit Committee, Human Resource and Remuneration Committee, Nomination Committee, Risk and Management Committee and Sustainability Committee has approved their respective terms of references and has assigned adequate resources so that the committees perform their responsibilities;

- The Board has developed and put in place the mechanism for an annual evaluation of its own performance and that of its committees and individual directors. The findings of the annual evaluation are assessed and re-evaluated by the Board periodically;

- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;

- The Board has ensured that the adequate system of internal control is in place and is assessed regularly through self-assessment mechanism and / or internal audit activities;

- The Board has prepared and approved the Director's Report and has ensured that the Directors' Report is published with the quarterly and annual financial statements of the Company and the content of the Directors Report are in accordance with the requirement of applicable laws and regulation;

- The Board has approved the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary and Head of Internal Audit, where required;

- The Board has ensured that adequate information is shared amongst its members in a timely manner and the Board members are kept abreast of developments between meetings; and

- The Board has exercised its powers in accordance with the relevant laws and regulations applicable on the Company, and the Board has always prioritized compliance with all the applicable laws and regulations in terms of their conduct as directors and exercising their power and decision making; and

- The evaluation of the Board's performance is assessed based on those key areas where the Board requires clarity in order to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risk faced by the Company's business; Board dynamics; capability and information flows.

Based on the aforementioned, it can reasonably be stated that the Board of ASML has played a key role in ensuring that the Company's objectives are achieved through a joint effort with the management team and guidance and oversight by the Board and its members.

CEO's Message

The financial year 2025-26 was a year of recovery and renewed momentum for Aisha Steel Mills Limited.

International HRC prices remained broadly stable at around US$450 per ton, FOB China, during the first half of the year before rising to approximately US$550 per ton in May 2026 and subsequently easing to around US$490 per ton by June 2026. Geopolitical developments, particularly the conflict in the Middle East, continued to create uncertainty in international markets.

The imposition of a 50% tariff by the United States on steel imports from several countries, including Pakistan, significantly affected our exports to the U.S. market. However, the Company successfully increased its exports to Europe. The recent increase in U.S. steel prices may open up new opportunities for exports to that region.

The domestic market presented a more encouraging picture. Demand in the flat steel segment, comprising mainly CRC and GI, increased by approximately 9% during the year reaching around 1.13 million tons. At the same time, the share of local producers increased from 37% to 48%. The phase-out of the FATA/PATA tax incentive and anti-dumping measures on alternate products have further improved the competitive environment for local manufacturers.

Against this backdrop, ASML delivered a significant improvement in its operational performance. The Company sold 257,144 tons during the year, including 61,583 tons of exports, compared to 148,942 tons last year, representing an increase of approximately 73%. Production increased by approximately 64% to 266,476 tons, while capacity utilization improved from 23% to 38%.

The higher volumes translated into a strong financial recovery. Revenue increased by approximately 61% to Rs. 54.24 billion from Rs. 33.75 billion. Gross profit increased to Rs. 5.93 billion, with the gross profit margin improving to 10.94% from 4.94%. The Company recorded a profit before levies and tax of Rs. 1.76 billion compared to a loss of Rs. 1.67 billion last year, while profit after levies and tax stood at Rs. 981 million compared to a loss of Rs. 1.35 billion in the previous year.

ASML also strengthened its position in the local market. Its market share increased from approximately 12% to 17%. Exports increased substantially to 61,583 tons from 25,456 tons in the previous year.

Looking forward, the outlook remains cautiously optimistic. Improving economic conditions, recovering demand and a more supportive trade environment are expected to provide opportunities for further growth. The Company will continue to focus on increasing capacity utilization, strengthening its market presence and expanding its customer base, particularly among original equipment manufacturers.

At the same time, prudent management of HRC prices, inventory levels, exchange rate movements, import competition and geopolitical risks will remain critical. Diversification of raw material sources and disciplined procurement will continue to be key priorities.

The ASML team remains committed to operational excellence, quality, productivity and customer service. We will continue to strengthen our marketing efforts, develop our people and build a sustainable and competitive business.

I would like to acknowledge and thank our shareholders, sponsors, Board of Directors, employees, customers, financial institutions, suppliers and all other stakeholders for their continued confidence, support and guidance.

With the resilience and commitment of our people, active oversight of the Board and the continued support of our stakeholders, we remain confident in our ability to build on the progress achieved and create sustainable long-term value for all our stakeholders.

Dr. Munir Ahmed
Chief Executive Officer
August 18, 2026
Karachi

Forward Looking Statement

International HRC prices remained broadly stable at around US$ 450 per ton, FOB China, from June 2025 to January 2026, before rising sharply following the escalation of the US-Iran conflict, peaking at approximately US$ 550 per ton in May 2026. As the conflict subsided, prices eased to around US$ 490 per ton by June 2026. The market appears to have stabilized at this level, though developments in the Middle East could alter conditions quickly.

On the trade front, a 50% U.S. tariff on steel imports from several countries, including Pakistan, significantly slowed the Company's exports to the United States, though exports to Europe increased during the period. More recently, rising U.S. steel prices have made exports to that market viable again, despite the tariff.

Steel demand in Pakistan continued to recover, with the flat steel cold-rolled segment (CRC and GI) growing approximately 9%, from 1.04 million tons to 1.13 million tons. As most HRC is imported from Japan and China, the Gulf conflict had limited impact on HRC availability, and local prices largely tracked international trends. The share of local producers rose encouragingly, from 37% to 48%.

The FATA/PATA sales tax exemption, which expired in FY 2024-25, now attracts 12% sales tax (up from zero), with gradual increases planned until it aligns with the standard 18% rate — making these imports less attractive and reducing open-market quantities. Separately, the NTC has imposed anti-dumping duties on alternate products such as ZAM and Galvalume, aligning them with duties already applicable to CRC and GI.

These developments have supported local producers in gaining market share. ASML's capacity utilization improved from 23% to 38% during the year and is expected to exceed 50% in FY 2026-27. With a firmer policy environment, recovering demand, and a strengthened market position, ASML remains cautiously optimistic about sustaining this momentum, while continuing to monitor international trade and Middle East developments that could quickly alter market conditions.

Financial Projections

Based on the historical and current year trends, enhanced capacity and diversified product portfolio, the Company expects to perform well in future. The Company's revenues are expected to grow further during the ongoing year, supported by improved capacity utilization and a stronger market position. As mentioned above, the prices of HRC are likely to remain at these levels in the near to medium term, subject to the trajectory of geopolitical tensions between the US and Iran. Company has expanded its international customer base during the year and remains committed to further diversifying into new export markets, without compromising on its domestic market lead.

Sources of Information Used for Forecast

Projections are developed based on the historical trends and future expectations of the same. Macro and micro-economic indicators, local market demand, regulatory frameworks, monetary and fiscal policy, exchange rate fluctuations, internal capacity, and other variables form the basis of projections and forecasts. Further, internal functions also serve as key source of primary information,

therefore, input is received from all departments including production, sales, human resource, engineering, electrical and administration.

Data from above sources is corroborated and compiled for preparation of annual budgets and forecasts. These budgets serve as formal plan and target for the Company, once approved by the Board. For any new ventures and expansions, detailed studies and evaluations are made, due diligence is carried, and feasibilities are developed. These are discussed in detail with experts on legal and technical grounds before such ventures are approved by the Board.

Response to Challenges and Uncertainties Likely to Arise

The Company is focused to maintain its lead in the local CRC market along with magnifying its place in the local galvanized steel market, as well as broadening its export market base. The challenge remains to produce quality material to meet the expectations of both local and international customers. The Company with its state-of-the-art equipment, and qualified, capable and dedicated team, expects to be able to swiftly handle this challenge.

Further, the Company expects dumping of flat steel in Pakistan, thereby eradicating local margins. The management closely monitors any such activity and applies to National Tariff Commission for tariff support.

Company's Performance against Last Year's Projections

Revenue during the current year is 10% lower than the targeted revenue of Rs. 60.4 billion, while the Company has generated profit after tax of Rs. 0.98 billion against the targeted profit after tax of Rs. 1.3 billion. The shortfall in revenue was primarily due to lower-than-targeted local sales, partly offset by stronger export growth.

Future Research & Development initiatives

The Company is committed to driving growth by staying at the forefront of industry advancements. Through strategic investments in state-of-the-art machinery and upgraded production capacities, it has maintained an efficient facility that ensures cost-effective products for both the Company and its customers. By focusing on high-quality, innovative solutions developed through in-house research, the Company gains a competitive edge and fosters strong, long-term customer relationships. Continuous product development not only addresses customer needs but also strengthens the Company's position as a leader in both local and international markets. Furthermore, the Company is dedicated to enhancing operational efficiencies and effectively utilizing resources to navigate current challenges and protect the interests of all stakeholders

Board and Management Committees

Based on the listing requirements and to ensure good corporate governance for our stakeholders, various committees have been formed at both the Board and management level. All Board members except for Chief Executive are Non-Executive Directors.

Board Committees

The Board is assisted by five Committees, namely the Audit Committee, Human Resource & Remuneration Committee, Nomination Committee, Risk Management Committee and Sustainability Committee, to support its decision-making in their respective domains:

Audit Committee

Members of Audit Committee on the Reporting Date

Name of Director	Designation	Nature of Directorship
Mr. Arslan Muhammad Iqbal	Chairperson	Independent and non-executive
Mr. Kashif Habib	Member	Non-executive
Mr. Nasim Beg	Member	Non-executive
Mr. Abdus Samad Habib	Member	Non-executive

The Audit Committee comprises of four non-executive directors, of which one director including the chairperson are independent directors. All members of the committee are qualified, competent and financially literate.

Frequency of meetings

Meetings of Audit Committee are held at least once in each quarter. During the year 2025 - 26, five meetings of the Audit Committee were held.

Salient Features and Terms of Reference of Audit Committee

The Board of Directors has approved the Terms of Reference of the Audit Committee. The Board provides adequate resources and authority to enable the Audit Committee to carry out its responsibilities effectively. The Committee meets at least once every quarter of the financial year.

The Audit Committee is, among other things, responsible for determination of appropriate measures to safeguard the Company's assets, reviewing the quarterly, half yearly and annual accounts, ensuring coordination between the internal and external auditors, review of preliminary announcements of results prior to publication, reviewing and approving related party transactions, recommending to the Board of Directors the appointment of external auditors by Company's shareholders and considers any questions of resignation or removal of external auditors, audit fees and provision by external auditors of any service to the Company in addition to audit of its financial statements and consideration of any other issue or matter as may be assigned by the Board of Directors.

At least once a year, the Audit Committee meets the external auditors without the CFO and the Head of Internal Audit being present. Further, at least once a year, the Audit Committee meets the Head of Internal Audit and other members of the internal audit function without the CFO and the external auditors being present. The CFO, the Head of Internal Audit and external auditors attend meetings of the Audit Committee at which issues relating to accounts and audit are discussed. In the absence

of strong grounds to proceed otherwise, the Board of Directors acts in accordance with the recommendations of the Audit Committee.

Statement Showing Attendance at Audit Committee Meetings from July 01, 2025 to June 30, 2026

Details of attendance at Audit Committee have been mentioned in Annexure II of the Directors' Report.

Human Resource & Remuneration Committee

Members of Human Resource & Remuneration (HR&R) Committee on the Reporting Date

Name of Director	Designation	Nature of Directorship
Mr. Rashid Ali Khan	Chairman	Independent and non-executive
Mr. Arif Habib	Member	Non-executive
Mr. Kashif Habib	Member	Non-executive
Ms. Saadia Umar	Member	Non-executive

The HR&R Committee comprises of three non-executive Directors, of which Chairman is an Independent Director. The Head of Human Resource Department has been appointed as the Secretary of the Committee.

Salient Features and Terms of Reference of Human Resource & Remuneration Committee

The main aim of the Committee is to assist the Board and guide the management in the formulation of the market driven HR policies regarding performance management, HR staffing, compensation and benefits that are compliant with the laws and regulations.

The Terms of Reference of the Committee includes the following:

- Recommending human resource management policies to the Board.
- Recommending to the Board the selection, evaluation, compensation (including retirement benefits) of the CEO, CFO, Company Secretary and Head of Internal Audit.
- Ensure a proper system of succession planning for top management is in place and the adequacy of the same in the rest of the organization.
- Review the organizational structure and recommend changes, if any, to increase the effectiveness and efficiency of reporting lines and the division of authority and responsibility.
- Review the effectiveness of the recruitment and recommend changes, if any.
- Guide management in development / revision of all employees' benefits, policies and rewards.
- Oversee employee development by monitoring HR aspects of organizational learning and development.
- Ensure that the performance management system is achieving its objectives of fairly rewarding employees' performance and is in line with Company's objectives.

The Committee meets at least once in a financial year when directed by the Board. The Secretary sets the agenda, time, date and venue for the meeting in consultation with the Chairman of the Committee. Minutes of HR&R Committee are circulated to the Board.

Statement Showing Attendance at HR&R Committee Meeting from July 01, 2025 to June 30, 2026

Details of attendance at HR&R Committee have been mentioned in Annexure II of the Directors' Report

Nomination Committee

Members of Nomination Committee on the reporting date:

Name of Director	Designation	Nature of Directorship
Mr. Arif Habib	Chairman	Non-executive
Mr. Abdus Samad Habib	Member	Non-executive

The Nomination Committee comprises of two non-executive Directors. The Company Secretary has been appointed as the Secretary of the committee.

Salient features and Terms of Reference of Nomination Committee

The aims of the committee is to consider and making recommendations to the Board in respect of the Board's committees and the chairmanship of the Board's committees; and keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary, in accordance with the laws and regulations.

The terms of reference of the committee includes the following:

- Review of composition and structure of committees in line with the applicable laws.
- Review of attendance and participation of the committee members.
- Make recommendations to the Board for filling the casual vacancies in committees, if any.
- Review the effectiveness of the sub-committees and recommend changes, if any.
- Ensure that the sub-committees are achieving respective objectives.

The committee meets on an annual basis to review the chairmanship, composition and structure of sub-committees, unless there arise a need to fill any casual vacancy in between. The Secretary is to set the agenda, time, date and venue for the meeting in consultation with the chairman of the committee. Minutes of committee are circulated to the Board after approval.

Statement Showing Attendance at Nomination Committee Meeting from July 01, 2025 to June 30, 2026

Details of attendance at Nomination Committee have been mentioned in Annexure II of the Directors' Report.

Risk Management Committee

Members of Risk Management Committee on the reporting date:

Name of Director	Designation	Nature of Directorship
Mr. Arif Habib	Chairman	Non-executive
Dr. Munir Ahmed	Member	Executive
Mr. Kashif Habib	Member	Non-executive

The Risk Management Committee comprises of two non-executive directors and one executive director. The Company Secretary has been appointed as the Secretary of the committee.

Salient features and Terms of Reference of Risk Management Committee

The main aim of the committee is to guide the management to carry out a review of effectiveness of risk management procedures and present a report to the Board.

The terms of reference of the committee includes the following:

- Monitoring and review of all material controls (financial, operational, compliance).
- Risk mitigation measures are robust and integrity of financial information is ensured.
- Appropriate extent of disclosure of company's risk framework and internal control system in Directors report.
- To present a document to the Board for annual overall review of business risks to ensure that the management maintains a sound system of risk identification, risk management and related systemic and internal controls to safeguard assets, resources, reputation and interest of the company and shareholders.

The committee meets at least once in a financial year on as required basis or when directed by the Board. The Secretary is to set the agenda, time, date and venue for the meeting in consultation with the chairman of the committee. Minutes of committee are circulated to the Board after approval.

Statement Showing Attendance at Risk Management Committee Meeting from July 01, 2025 to June 30, 2026

Details of attendance at Risk Management Committee have been mentioned in Annexure II of the Directors' Report.

Sustainability Committee

Members of Sustainability Committee on the reporting date:

Name of Director	Designation	Nature of Directorship
Mr. Nasim Beg	Chairman	Non-executive
Mr. Kashif Habib	Member	Non-executive
Ms. Saadia Umar	Member	Non-executive
Dr. Munir Ahmed	Member	Executive

The Sustainability Committee comprises of three non-executive directors and one executive director.

Salient features and Terms of Reference of Sustainability Committee

The main aim of the committee is to guide the management to carry out a review of effectiveness of sustainability related matters and present a report to the Board.

The terms of reference of the committee includes the following:

- To monitor and review the sustainability-related risks and opportunities of the Company;
- To ensure that diversity, equity and inclusion practices are in effect across the various committees of the Board;
- To oversee compliance with relevant laws pertaining to sustainability-related considerations and the making of appropriate disclosures; and
- To submit a report to the Board at least once a year on the embedding of sustainability principles into the Company's strategy and operations to increase corporate value.

The committee meets at least once in a financial year on as required basis or when directed by the Board. The Secretary is to set the agenda, time, date and venue for the meeting in consultation with the

chairman of the committee. Minutes of committee are circulated to the Board after approval.

Statement Showing Attendance at Sustainability Committee Meeting from July 01, 2025 to June 30, 2026

Details of attendance at Sustainability Committee have been mentioned in Annexure II of the Directors' Report.

Management Committees

Management Executive Committee (MANCOM)

The MANCOM conducts its business under the guidance of CEO. The Committee is represented by the heads of all departments of the Company. MANCOM meeting is held monthly to discuss and review the ongoing business operations and future line of action.

Following are members of MANCOM

1. Dr. Munir Ahmed	CEO – Chairman
2. Mr. Ali Hassan	Chief Financial Officer
4. Baber Bin Wasim Chowdhrey	Chief Strategy & Commercial Officer
5. Mr. Farhatullah Siddiqui	Head of Engineering & Operations
6. Mr. Asad Malik	Head of Electrical
7. Ms. Hina Akhtar	Head of Human Resource
8. Mr. Ghufran Ahmed	Head of Quality Control
9. Mr. Saadat Hussain	Head of Supply Chain
10. Mr. Amir Nisar	Head of Administration
11. Mr. Muhammad Abbas Mirza	Head of Internal Audit

Management HR Committee

The objective of Management HR Committee is to review, monitor and make recommendations to the Board through the Human Resource & Remuneration Committee for the following:

- Effective employee development;
- Sound compensation and benefit plans, policies and practices designed to attract and retain the caliber of personnel required to manage the business effectively;
- Review organization structure to evaluate and recommend changes in the various functions for effective management of business operations;
- Establish plans and procedures that provide an effective tool for management to evaluate requirement for manpower; and
- Determine appropriate limits of authority and approval procedures for delegating authority to facilitate decision making at various management levels.

Following are members of Management HR Committee

1. Dr. Munir Ahmed, CEO – Chairman
2. Mr. Farhatullah Siddiqui, Head of Engineering
3. Ms. Hina Akhtar, Head of Human Resource
4. Mr. Ali Hassan, Chief Financial Officer

Additional Information

Liquidity and Cash Management

During the year, the Company has successfully managed the liquidity position through close monitoring of the funding requirements and effective management of its financial resources. As at June 30, 2026, short-term borrowings of Rs. 15.3 billion (2025: Rs. 15.07 billion) and long-term finance Nil (2025: Rs. 0.59 billion) are outstanding. All long term expansion loan has been settled during the year. The average short-term borrowings have decreased during the year due to improved cash inflows resulted from better sales volume.

Currently, finance facilities of more than Rs. 3.6 billion are unutilized. The Company has a history of meeting its financial commitments on a timely basis. The management is confident that the Company will not face any liquidity issues ahead, as the Company has sustainable growth with increased revenues, product diversification and enhanced capacity utilization.

Strategy to Overcome Liquidity Problems

The Company primarily generates funds from sales, while funding from borrowings are kept as secondary source of funding. The cash flow risk is managed via effective and rigorous cash flow forecasting, close monitoring of working capital levels, and planning ahead to have sufficient resources to meet financial obligations when due. In order to minimize liquidity risk and ensure optimum utilization of funds, the management monitors cash flows on a daily basis and adjusts the borrowing level in line with the working capital requirements of the Company.

Financing Arrangements

ASML enjoys healthy and cordial business relationships with its financers and lenders. Thus, the Company has obtained short-term and long-term borrowing at attractive rates. Further, long term loan of Rs. 0.62 billion (2025: Rs. 2.62 billion) was repaid during the year, in line with repayment terms.

The Company paid all its debts on a timely basis as per the terms agreed with the financers. Further, the cash flow forecast provides confidence in ASML's ability to discharge the outstanding borrowings on a timely basis as well.

Adequacy in Capital Structure

Equity of the Company is increased by 25% to Rs. 25.83 billion on account of net contribution from sponsor received of Rs. 3.9 billion and current year profits. Equity mainly comprises of ordinary share capital of Rs. 9.31 billion representing 931 million ordinary shares. Major shareholders of the Company are Arif Habib Equity (Private) Limited, Mr. Arif Habib and Arif Habib Corporation Limited owning 32%, 20% and 22% of share capital of the Company, respectively.

Ownership Structure

As at June 30, 2026, shares of ASML are majorly held by below shareholders, detailed disclosure of ownership structure has been included as Annexure III of the Directors' Report (Page Number 69).

Name of Shareholder	% Owned
Arif Habib Equity (Private) Limited	32%
Mr. Arif Habib	20%
Arif Habib Corporation Limited	22%

Group Companies and Operating Structure

ASML is a part of Arif Habib Group, which along with ASML includes the below mentioned entities:

Group Companies	Nature of Relationship
Arif Habib Corporation Limited	Mr. Arif Habib, Mr. Nasim Beg, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Arif Habib Equity (Pvt.) Limited	Mr. Arif Habib, Mr. Samad A. Habib and Mr. Kashif Habib are directors in both companies.
Arif Habib Consultancy (Pvt.) Limited	Mr. Arif Habib and Mr. Nasim Beg are directors in both companies.
Arif Habib Dolmen REIT Management Limited	Mr. Arif Habib and Mr. Abdus Samad Habib are directors in both companies.
Arif Habib Foundation	Mr. Arif Habib, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Black Gold Power Limited	Mr. Arif Habib, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Fatima Fertilizer Company Limited	Mr. Arif Habib and Mr. Kashif Habib are directors in both companies.
Javedan Corporation Limited	Mr. Arif Habib, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Naya Nazimabad Foudation	Mr. Arif Habib is director in both companies.
Pakistan Opportunities Limited	Mr. Arif Habib, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Power Cement Limited	Mr. Arif Habib, Mr. Nasim Beg, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Rotocast Engineering Company (Pvt.) Limited	Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.
Sachal Energy Development (Pvt.) Limited	Mr. Arif Habib, Mr. Abdus Samad Habib and Mr. Kashif Habib are directors in both companies.

All companies are operated by their management under the oversight of respective Board of Directors. Transactions are entered into normal course of business at arm's length. All transactions are placed for approval of board of directors of respective companies.

Significant Plans

The Company in 2019, successfully installed Continuous Galvanizing Line, Push Pull Pickling Line, Cold Rolling Mill and Batch Annealing Furnaces. Since the completion of the expansion project and addition of GI in the product mix, ASML's local market share has increased to 17%. The management now is focused to achieve maximum capacity utilization, and increase local and export market share. New offices in Multan and Rawalpindi were established in the preceding year to increase its outreach and the customer base while gearing up all the efforts to further penetrate the international market.

In 2026, Company has initiated solar power project to reduce its reliance on purchasing of external electricity and use clean environment friendly energy for its production. Initially, the project will be able to produce 2 Megawatt electricity which will be used to power manufacturing plant and related buildings. The project will result in significant cost savings and favorable impact on profit margins. Solar project will be expected to start producing electricity in FY 2026-27.

Significant Changes in Objectives and Strategies from Prior Years

There is no significant change in objectives and strategies of the Company from prior years.

Board's Composition

The Board is fully aware of its role and responsibilities; and shows high standards of integrity, credibility and participation for providing policy guidelines in affairs and management of the Company. The Board is diverse in respect of areas of expertise, gender representation and has sufficient mix of independent as well as non-executive directors.

The Board includes Mr. Abdul Majeed, Mr. Rashid Ali Khan, Mr. Arslan Iqbal and Ms. Saadia Umar as independent directors as they are not connected nor have any pecuniary or any other relationship with the Company, or any of its associated companies, or directors. They are reasonably perceived as being able to exercise independent business judgment without being subservient to any form of conflict of interest. Further, the Board does not include any foreign director.

Board's Mode of Operation

The Board of Directors has authorized and empowered the CEO to take management decisions for day-to-day decisions. However, the Board closely monitors all material matters of the Company. In general, matters are considered to be material if, individually or in aggregate, they are expected to significantly affect the performance and profitability of the Company. For all matters presented to the Board, the decisions are made / resolutions are passed after mutual discussions, and where required by voting.

Board Meetings held outside Pakistan

During the year, four meetings of the Board of Directors were held. As recommended by SECP Guidelines and to keep the costs in control, the management has conducted all meetings in Pakistan.

Directorships held by Executive Directors

Only Dr. Munir Ahmed, Chief Executive serves as the executive director on the board of the Company.

Separate Office of Chairman and Chief Executive Officer

Corporate governance and compliance is at the very core of the Company and therefore, for effective governance and leadership structure in the Company, Chairman and Chief Executive have separate offices. Separation of Chairman and CEO roles increases the Board's independence from management and thus leads to better monitoring and oversight.

Role of Chairman

The Chairman of the Board is a non-executive director, responsible to manage and provide leadership to overall proceedings of the Board. He also acts as a liaison between management and the Board and provides independent advice and counsel to the Chief Executive. Moreover, the Chairman ensures that the Directors are aware of the activities of the Company and its management and that sufficient information is provided to enable the Directors to form appropriate judgments.

In concert with the Chief Executive, the Chairman sets the agenda and Chair the meetings of the Board and shareholders as well as recommends an annual schedule for date, time and location of Board and Company meetings together with review and signing of minutes of the meetings.

The Chairman also recommends, in consultation with Board's Nomination Committee, the nomination of members of the Committees of the Board. In addition to this, he also assesses and suggests to the Board annually about the effectiveness of the Board as a whole, the Committees and individual Directors. Moreover, he also ensures that after covering the ordinary business of a Board meeting, Directors discuss performance of the Company's management without management being present. Most importantly, he is responsible for avoidance of conflict of interest of Directors.

Role of Chief Executive Officer

Chief Executive of the Company is an Executive Director, responsible for overall day-to-day operations of the Company. Role and responsibilities of the Chief Executive is key and critical to the success of business and operations. This position leads the vision thereby identifying opportunities and serving as an interface between the Board, employees and community. He ensures that the Board and employees has up-to-date, sufficient and relevant information and ensures all efforts are in congruence to achieve desired results.

While leading the business, he not only advocates and promotes the organization and its products but also motivates employees. The Chief Executive is responsible for implementation of policies approved by the Board and assists the Board in strategy formulation and deciding the course of action meanwhile creating an art of achieving the desired targets and capitalizing on opportunities with optimum utilization of resources together with safeguarding them. He is also responsible to sail through the threats surrounding the Company as well as ensures operations are carried out with all the strengths.

Primarily all the efforts of the Chief Executive are centripetal in maximizing shareholders' value in a manner in which standards of corporate social responsibility are not compromised. For day-to-day monitoring of the operations, the Chief Executive sets the budget in consultation with the Chief Financial Officer which is then approved by the Board. The new regulatory environment challenges this position that all the activities of the Company are within regulatory and governance framework with utmost alignment with best practices.

The Chief Executive plays a vital role in building a corporate culture and preservation of the Company's image. The game does not end here and continues to challenge this office to identify risks and to design mitigating strategies with the guidance of the Board for smooth operations and undertaking initiatives for identifying new areas for investment and product diversification.

Directors' Orientation and Training Program

The Board of Directors of the Company consists of highly experienced and seasoned professionals with proven history of leadership and strategic direction. Every new Director is given appropriate orientation of the operations, products, markets and applicable laws and regulations. The Company ensures that every Director is well equipped with all the necessary information to assist them in good discharge of their responsibilities and duties. In accordance with the corporate governance requirements, the Company encourages that the Directors, required to attend the Directors Training Programme have attended the Program from institutes approved by SECP. Details of Directors certified under Directors' Training Program are as under:

Board of Directors	Certification Status	Institute	Year of Certification
Mr. Arif Habib –Chairman	Exempt	Not Applicable	Not Applicable
Mr. Nasim Beg	Exempt	Not Applicable	Not Applicable
Mr. Kashif Habib	Certified	Pakistan Institute of Corporate Governance	2012
Mr. Abdus Samad Habib	Certified	Pakistan Institute of Corporate Governance	2014
Dr. Munir Ahmed (Chief Exceutive)	Certified	Pakistan Institute of Corporate Governance	2017
Mr. Arslan Muhammad Iqbal	Certified	Lahore University of Management Sciences	2019
Mr. Rashid Ali Khan	Certified	Pakistan Institute of Corporate Governance	2018
Ms. Saadia Umar	Certified	Pakistan Institute of Corporate Governance	2021

Business Rationale of Major Capital Expenditure and Projects

ASML has a systematic procedure for evaluating capital expenditure requirements. The management after detailed evaluations and assessments recommends the capital expenditure to the Board for its approval. Before recommending any project to the Board rigorous financial analysis including assessment of payback period, net present value, profitability are assessed. Further, capital expenditure requirements for upcoming year are budgeted and presented to the board for approval.

During the year, net capital expenditure of Rs. 944 million has been incurred. Additions to operating assets, major spare parts and capital work in progress amounts to Rs. 427.8 million, Rs. 435.1 million and Rs. 91.5 million respectively. These additions were partially offset by sale proceeds from disposal of property, plant and equipment of Rs. 10 million.

Issues Raised in Last Annual General Meeting

The Company's twenty first AGM was held on October 17, 2025. During the AGM, the shareholders inquired about the performance of the Company which were responded appropriately and to the satisfaction of the inquirer by the directors present in the meeting.

In reply to a shareholder's query about the penalty imposed by the Competition Commission of Pakistan, the Chief Executive informed that the matter is being examined and the Company will evaluate and pursue available legal options. Various queries regarding market conditions, performance, and future plans were raised and were satisfactorily addressed by the management. The Chairman reiterated the cyclical nature of the steel industry and reaffirmed the Company's commitment to long-term value creation.

Compliance with International Financial Reporting Standards

Preparation and presentation of the financial statements is responsibility of the Management. The management of the Company believes in transparency in reporting and external communications, therefore, follows an unreserved compliance of accounting and reporting standards applicable in Pakistan.

The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- 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 the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

Adoption of International Integrated Reporting Framework <IR>

Concept of integrated reporting has emerged in recent years. Currently, application of IR is not mandatory on local companies. The Company is in the phase of collecting information and integration of every value, mission, vision, processes and practices with overall objective and standing of the Company which needs to be reported and presented in order to comply with the International Integrated Reporting Framework. This report is not completely adhered to IR.

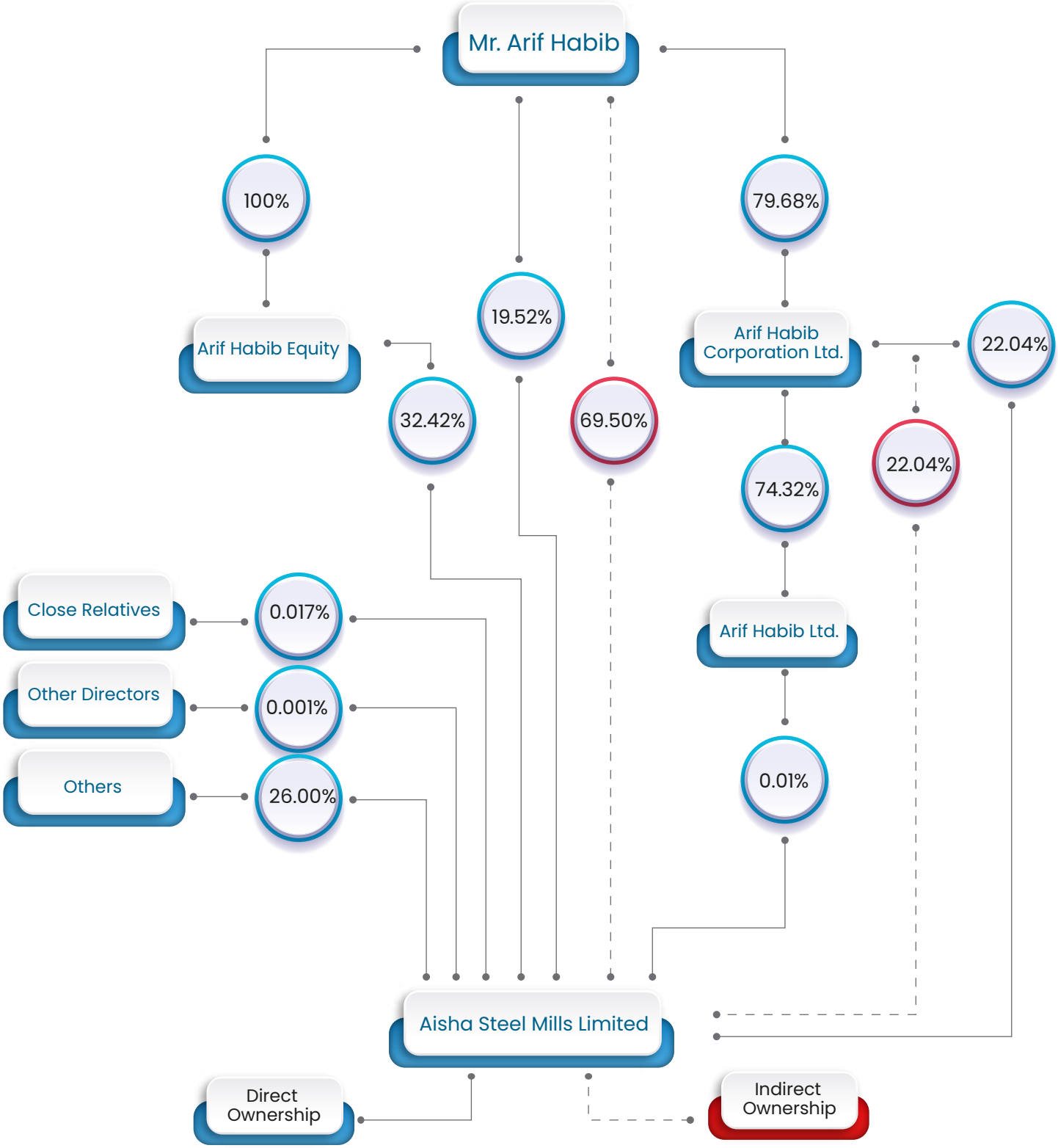
Company's Credit Rating

In the year 2026, the Company rating remain stable to 'BBB+/A-2' (Triple B Plus / A-Two) from last year by VIS Credit Rating Company Limited.

The rating report can be accessed by clicking on below link:
https://docs.vis.com.pk/RatingReports/OP_01018903011_00010189.pdf

Beneficial Ownership and Group Shareholding

As at June 30, 2026



Competitive Landscape and Marketing Position

ASML is one of the major producers of Flat Steel Products i.e. Cold Rolled and Hot Dipped Galvanized coils in Pakistan. It is a state-of-the-art steel rolling complex with rolling capacity of 700,000 tons per annum. ASML produces Cold Rolled Coils (CRC) and Hot Dipped Galvanized Coils (HDGC) of international quality from imported Hot Rolled Coils (HRC). Our CRC is used in automotive, industrial, engineering and manufacturing sectors as a premier raw material for further processing into a wide variety of value-added products for domestic, as well as export markets. HDGC is used in various applications, including building accessories, pipes, electrical appliances etc.

The Company expanded its annual production capacity from 220,000 tons to 700,000 tons at the end of FY 2019. During the year, with the versatile product mix, improved quality, and long-term customer trust the Company achieved a sales revenue of Rs. 54.24 billion (FY2025: 33.75 billion). Further, the Company is expecting to increase its outreach in international market and to further build-up on exports, while enhancing the market position in domestic market in the ongoing financial year.

Our focus remains on designing business strategies that ensures sustainable growth in our market share. We trust our Quality Management System and customer centric approach in expanding our share in the local market. Meanwhile, we also endeavour to develop new markets and meet demands of our international customers as well.

Power of Suppliers

Strong supplier network is key for effective working capital management and timely availability of raw material, general supplies, spares and consumables. For our continuous sustainable growth, ASML is maintaining a supplier base where relationships are beyond "solely commercial" towards strong business partnership. We have developed multiple sources for supply of key components and materials, both locally and internationally.

Our supply chain team closely co-ordinates with suppliers and resolves their issues on priority basis. Company ensures to pay its suppliers on a timely basis. Further, the supply chain team conducts market surveys, explores new options, and diversifies vendors (where required) to create flexibility in available resources.

Our success and performance is dependent on the uninterrupted supply of quality products from our trustworthy suppliers. This trust has been developed over the period through successful completion of contractual obligations by both ASML and our suppliers.

Power of Customers

At ASML, we highly value our customers and focus to build long-term business relationships with them. We remain responsive to our customers' needs and provide high quality products which meet their requirements. Our sales and marketing team remains in touch with customers and resolve their issues on priority basis.

We engage our customers through one-to-one meetings, market visits, communications, and dealer conferences. Our success and performance is dependent upon the loyalty of our strong customer base, which has been developed through years of quality supplies and services.

Competition and Rivalry

Over the years, ASML has maintained major share in the domestic flat-steel market. We believe in healthy competition which keeps us on our toes to maintain and increase our market share and retain our valuable customer base.

Being an import substitute industry, we strive to serve our national objective, by maximizing local production and minimizing imports and thus, saving foreign exchange of the country. Being subjected to unhealthy dumping, National Tariff Commission has imposed Anti-Dumping Duty against dumped imports from certain countries.

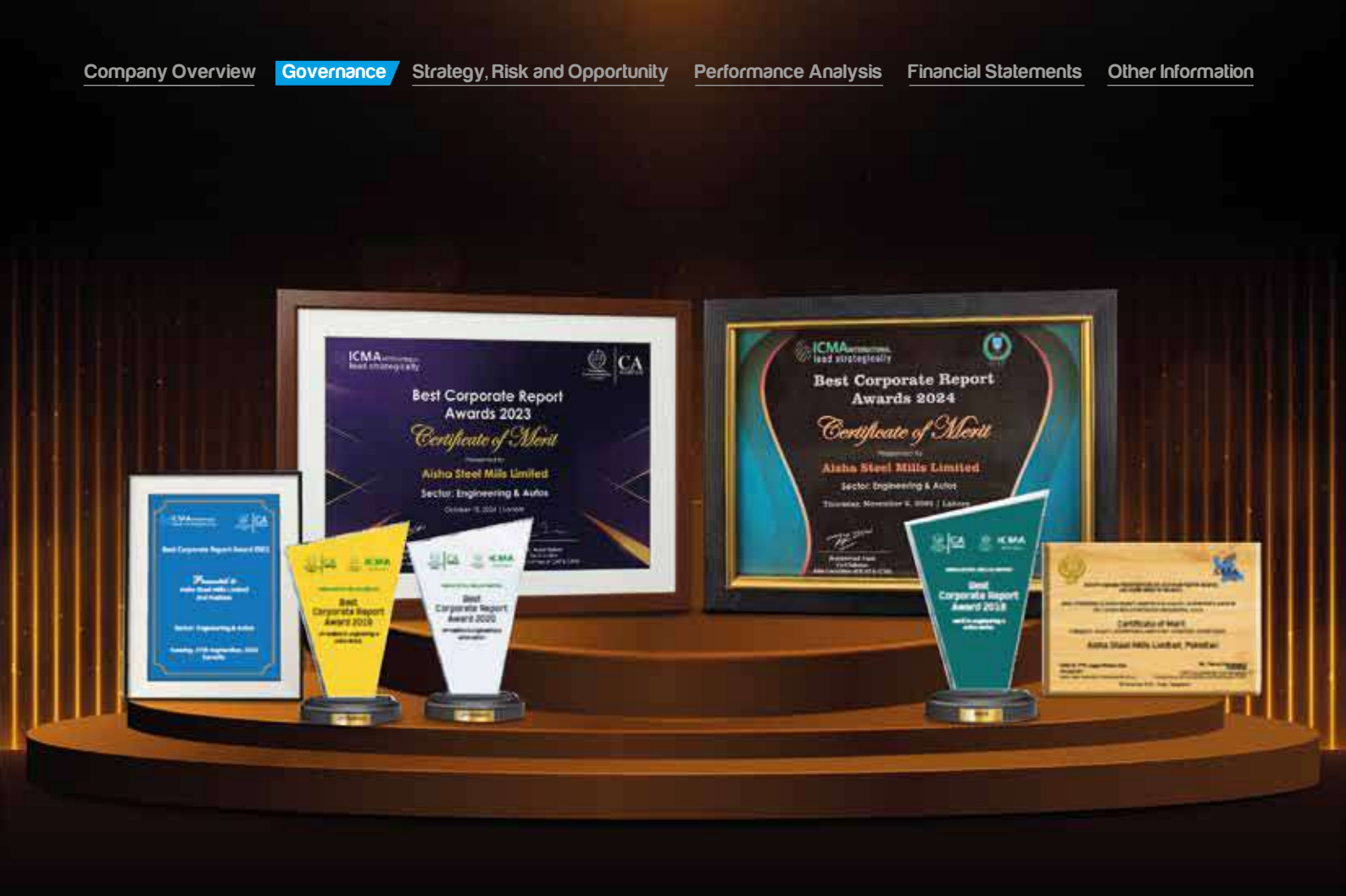
Our state-of-the-art production facilities, strong customer base, competitive team and visionary guidance makes us a quality organization capable of staying ahead of the competition.

Threat of New Entrants

Highly capital-intensive industry, imported raw material, volatile market situation, limited technical resources and strong supply chain acts as a barrier to new entrants, therefore, risk of new entrants is minimum. However, Pakistan is net importer of flat-steel, therefore, any new entrant will act as import substitute rather than risking market share of existing producers.

Threat of Substitute Products

The threat of substitute products does not exist in our products.



Awards and Recognition

The Best Corporate Report Awards are governed by the joint Evaluation Committee of the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP). The competition is intended to promote excellence and transparency in corporate reporting.

Aisha Steel Mills Limited (ASML) has had the honor of participating in these awards for [8] consecutive years, reflecting the Company's consistent commitment to high standards of reporting. ASML secured 2nd Position in the Best Corporate Report Awards for FY 2019, 2020, 2021, and 2022, and received Merit Certificates for FY 2018, 2023, and 2024.

In addition, the Company's Annual Report for the year ended June 30, 2018 was recognized with a Merit Certificate in the Best Presented Annual Report Awards, as well as the SAARC Anniversary Award for Corporate Governance Disclosure 2018. The Annual Report for the year ended June 30, 2022 was further declared Bronze Winner in the Infrastructure and Construction category, reaffirming ASML's continued commitment to excellence and transparency in corporate reporting.

Stakeholders' Engagement

Our stakeholders are the reason we exist, therefore, we consider engagement with them as highly valuable and important. Stakeholder engagement process includes transparent and effective communication, handling stakeholders' grievances appropriately and their timely resolution and compliance with laws and regulations.

Shareholders

Management of Engagement

Our shareholders' interest revolves around good returns, profitability, growth, sustainability and regulatory compliance. We aim to ensure continuous growth, thus, safeguarding shareholders' interest by improving profits.

Process of Engagement

Annual General Meetings, extra ordinary general meetings, corporate briefing sessions, statutory reporting, disclosure of information, and timely updates on the Company's website are most effective means of engagement with our shareholders.

Investors' Grievance Policy

The Company has an Investors' Grievance Policy in place. Any complaint or observation received either directly by the Corporate Department or during general meetings are addressed by the Company Secretary. The Shareholders are given the information as desired by them as per the law, well in time. All the written complaints are replied in writing. Our share registrar is CDC Share Registrar Services Limited which is the leading name in the field. The Company has many old and loyal shareholders, which shows the trust of the shareholders in the management of the Company.

Investors' Section

We believe timely, updated and complete information is of utmost importance to the investors. Therefore, the Company operates with a dynamic website (http://www.aishasteel.com), which is continuously updated to include any changes that may arise and also contains all the major financial information needed for investors' decision making in a separate tab of "Investor Information".

AGM Proceedings

The Company's twenty first AGM was held on October 17, 2025. During the AGM, the shareholders inquired about general matters relating to the Company which were responded appropriately and to the satisfaction of the inquirer, by the Directors present in the meeting.

In reply to a shareholder's query about the penalty imposed by the Competition Commission of Pakistan, the Chief Executive informed that the matter is being examined and the Company will evaluate and pursue available legal options. Various queries regarding market conditions, performance, and future plans were raised and were satisfactorily addressed by the management. The Chairman reiterated the cyclical nature of the steel industry and reaffirmed the Company's commitment to long-term value creation.

Steps Taken to Ensure Board understands views of Majority Shareholders

In order to increase understanding of our stakeholders, including majority and minority shareholders, the Company conducted its corporate briefing sessions on November 13, 2025 through video conferencing facility. The session provided an opportunity to a variety of stakeholders including major shareholders, minority shareholders, banks and investment companies to connect with the Company.

ASML welcomes such sessions and expects to conduct more of such sessions in the future.

Further, in order to develop understanding of the views of majority shareholders about the Company, the Board encourages presence of all Directors at the meetings of the Company.

Steps Taken to Encourage Minority Shareholders

In order to encourage representation of minority shareholders at general meetings and on the basis of SECP's Circular No. 10 of 2014, the Company provides the video conferencing facility to shareholders holding an aggregate 10% or more shareholding residing in any other city, upon receipt of intimation from the shareholders at least 7 days prior to date of meeting.

Effect and Value of Engagement to ASML

Continuous support of shareholders is of prime importance for ASML to achieve its vision and mission.

Our Customers

Management of Engagement

At ASML, we highly value our customers and focus to build long-term business relationships with them. Our customers' expectations are focused on product quality and pricing.

Process of Engagement

Our sales and marketing team remain in touch with customers and resolve their issues on priority basis. We engage our customers through one-to-one meetings, market visits, communications, and dealer conferences.

Continuous Engagement with Customer

During the year, the Company's sales team continued to strengthen relationships with its customers through various engagement initiatives, including an Iftar dinner held during the holy month of Ramadan, a mango distribution drive during the summer season, and the distribution of calendars and keychains as year-end corporate gifts. These gatherings and gestures provided valuable opportunities to interact with customers, dealers, and business partners on a personal level, reinforcing ASML's long-standing relationships and commitment to customer-centricity.

Effect and Value of Engagement to ASML

Our success and performance is dependent upon the loyalty of our strong customer base, which has been developed through years of quality supplies and services provided to them by ASML.

Our Suppliers

Management of Engagement

Strong supplier network is key for effective working capital management and timely availability of raw material, general supplies, spares and consumables. For our continuous sustainable growth, ASML is maintaining a supplier base where relationships are beyond "solely commercial" towards strong business partnership.

Process of Engagement

Our supply chain team closely co-ordinates with suppliers and resolve their issues on priority basis. Company ensures to pay its suppliers on a timely basis. Further, the supply chain team conducts market surveys, explores new options, and diversifies vendors (where required), to create flexibility in available resources.

Effect and Value of Engagement to ASML

Our success and performance is dependent upon the uninterrupted supply of quality products from our trustworthy suppliers. This trust has been developed over the period through successful completion of contractual obligations by both ASML and our suppliers.

Banks and Lenders

Management of Engagement

We value our relationship with our financial partners and lenders who are engaged by the Company for obtaining short-term and long-term financing, negotiating of borrowing rates, issuance of letter of credits and guarantees, payments to local and foreign suppliers and other operational matters. Financial risk management and business sustainability always remains in focus with our financial partners.

Process of Engagement

Periodic briefings, quarterly financial reporting, head office and factory visits are the main modes of engagements. Banks and other institutes help us in obtaining loans at competitive rates and advise on strategic issues.

Effect and Value of Engagement to ASML

Likewise our shareholders, bankers and lenders are also capital providers, enabling us to achieve our mission and vision. High quality engagement with them has helped the Company to continue its operations during its toughest days and has also enabled ASML to strike better financing deals.

Employees

Management of Engagement

Our employees are our backbone. We understand that their issues revolve around work life balance, training and development, fair rewards together with professional and personal growth.

Process of Engagement

ASML strives to continuously enhance and update capabilities, skills, education and motivation of each employee by providing continuous trainings, and to inculcate culture of open and two way communication which encourages expression of every individual's potential and compensate them according to their abilities and performance. We have personal loan, training, long-term employee reward, employee retirement benefits, medical facilities, subsidized meals and free of cost transportation in place to create value for our human resource capital. Employee engagements are also exercised via annual talk with the CEO, sports activities, eid milan party, participation in marathon and independence day celebrations. A motivated and committed employee adds value to the overall process and success of the organization.

Effect and Value of Engagement to ASML

ASML values its human resource capital as an important asset as it has a direct impact on the long-term sustainability of the Company's success. The above mentioned engagement activities and employee benefits have improved our productivity and reduced employee turnover.

Regulators

Management of Engagement

As a responsible corporate citizen, we are highly committed to abide by the applicable laws and regulations.

Process of Engagement

Engagement with regulators includes submission of periodic reports, responding to queries, and meeting as and when required. Active engagement with regulators improves level of compliance.

Effect and Value of Engagement to ASML

Laws and regulations applicable to ASML, may affect ASML and its performance.

Institutional Investors and Analysts

Institutional investors regularly obtain briefings and financial reports from management. Formal meetings are also arranged whenever needed. Without compromising confidentiality, analysts are provided with the required information whenever required. The clear communication with analyst and institutional investors facilitates in clearing any misconception or rumor in the market.

Summary of Analyst Briefing

VIS Credit Rating Company Limited (VIS)

VIS has been publishing its rating report on ASML since 2012. The rating report is based on capital market based research and provides an independent credit rating. VIS has maintained the credit rating of the Company from the last year which can be accessed through below link:

https://docs.vis.com.pk/RatingReports/OP_01018903011_00010189.pdf

(VIS is operating as a 'Full Service' rating agency, providing independent rating services in Pakistan, duly approved by Securities & Exchange Commission of Pakistan and State Bank of Pakistan).

Frequency of Engagement with All Stakeholders

Frequency of engagement with ASML's stakeholders is upon the requirement or as per applicable regulatory framework or to fulfil contractual obligations or on requirement basis.

Further, ASML also conducts Corporate Briefing Sessions, to increase its understanding of the views of its stakeholders.

Strategy, Risk & Opportunity and Sustainability

Strategy is a style of thinking, a conscious and deliberate process, an intensive implementation system, the science of insuring future success.

~Pete Johnsona

Corporate Strategy

Our corporate strategy entails producing the highest quality of products and to continue to increase our market share. The company emphasizes on transparency and building greater standards of ethical values. The Company focuses on regular training and development of its human resource capital given the technologically advanced nature of ASML's plant and machinery.

There is a strong commitment for continuous improvement of each process in order to optimize efficiency and becoming number one company of the country in terms of market share, cost efficiency and profitability

We strongly adhere to the following to be in line with the global best practices:

- Value creation for all stakeholders while maintaining a strong competitive position;
- Keeping a strong focus on the long run sustainable advantages;
- Develop and strengthen a transparent and inventive culture while encouraging ethical values;
- Providing excellent customer services; and
- Ensuring that corporate strategy is observed throughout the organization and is inculcated across the Company.

Strategic Objectives, Strategies, Resources and KPIs

Objective 01: Enhance Operational Efficiencies

Strategy	Maximize our capacity utilization, analyzing and eradicating operational inefficiencies via strong control system in place.
KPIs Monitored	Capacity utilization, gross margin, non-compliance of controls and ethical values.
Status	Ongoing process / operational efficiencies have improved during the year.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	Operational efficiencies and departmental synergies can always be further improved. With focused operational evaluations, improved coordination and collective efforts overall efficiency can be improved.

Nature	Resources Allocated	Priority
Short-term Medium-term	Financial, Human, Intellectual, Manufactured	High

Objective 02: Increase Sales

Strategy	Sales expansion through product diversification, reach out to new global / local markets with improved product quality.
KPIs Monitored	Market share, sales volume, customer base and new market reached.
Status	The market share and revenue of the Company has improved with each year. Further, new products have also been introduced. ASML has also begun to tap into international market.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	Competitive currency would not only support export initiative but would also contribute to the margins. It is hoped that global prices and primary margins would remain firm. Dumping of material can keep the local sales under pressure. However, imposition of anti-dumping duty provides level playing field at the local front.

Nature	Resources Allocated	Priority
Short-term Medium-term	Financial, Human, Intellectual, Manufactured	High

Objective 03: Contribute to Growth of the Country

Strategy	Substitute import and increase export of flat steel by producing cost effective quantities of CRC and HDGC of international quality. Further, also diversify in product portfolio, thus contributing in Pakistan's GDP, reducing current account deficit and improving balance of payments. Moreover, creating employment opportunities which contributes to the overall growth of the Country.
KPIs Monitored	Total export sales, net value added locally, decline in shares of imports reduced.
Status	The Company has enhanced its export sales during the period. Further, with the enhanced capacity the Company is geared to meet future local demand, as well as, to export surplus quantities.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	There is plenty of room to explore in international markets. Further, dumping of material locally by international manufacturers creates threat for the local industry.

Nature	Resources Allocated	Priority
Medium-term Long-term	Financial, Manufactured, Intellectual, Social	High

Objective 04: Diversify Products and Services Offered

Strategy	Explore possible forward and backward integration options by building upon existing strengths and resources.
KPIs Monitored	Variants of products offered.
Status	In recent years the Company had started production and sales of HDGC. Further, a new machine had also been acquired to produce thinner sizes of CRC.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	The existing setup of ASML has been carefully planned to enable further increase in capacity and inclusion of product variants with minimum investment. Once the growth momentum returns, opportunities are available to further step up production.

Nature	Resources Allocated	Priority
Medium-term Long-term	Financial, Human, Intellectual, Manufactured	Medium

Objective 05: Optimize Costs

Strategy	Closely monitor and continuously improve our processes to ensure optimized utilization of resources and build in-house alternatives.
KPIs Monitored	Cost per unit of production, Gross margin, net margin.
Status	This is a process of continuous improvement. During the year the management has implemented several cost controls enabling savings in production, administrative and finance costs.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	Management remains committed to reduce cost without compromising on quality. However, there are various uncontrollable factors including rise in international market price, devaluation of currency, increase in government taxes that may affect the cost adversely.

Nature	Resources Allocated	Priority
Short-term Medium-term	Financial, Human, Intellectual	High

Objective 06: Ensure Health and Safety of People

Strategy	Ensuring health friendly conditions for employees. While also maintaining safety of everyone in all dimensions of operations of the Company.
KPIs Monitored	Number of accidents, number of non-compliances of safety guidelines.
Status	Continuous emphasis is in place to ensure compliance of safety guidelines. Each year safety drills are conducted to ensure that every one is equipped to cater with the challenges, if encountered.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	While safety is the first and foremost priority of ASML. A strict zero - tolerance policy is in place to ensure compliance and safety. However, the risk of accidents can only be reduced and cannot be eliminated.

Nature	Resources Allocated	Priority
Short-term	Financial, Natural, Social	High

Objective 07: Be a Responsible Corporate Citizen

Strategy	Contribute to sustainable development of society throughout all commercial and social activities of the Company. Further, ensure compliance to all applicable laws via strong legal and compliance team.
KPIs Monitored	Number of non-compliances
Status	This is an ongoing process. However, ASML has strong compliance team consisting of qualified professionals who ensure that there is no non-compliance whatsoever. Further, during the year the Company carried various CSR activities which have been disclosed in the Directors' Report.
Future Relevance of KPIs	The KPI will remain relevant in the future as well.
Opportunities and Threats	Strong controls and policies have been placed to make sure that non-compliance of legal framework does not occur. This minimizes the risk that due to frequent changes in law any legal requirement may be inadvertently missed.

Nature	Resources Allocated	Priority
Medium-term Long-term	Financial Human Social	High

Risk Management Report

Key Risks

The management under the oversight of the Board carries robust assessment of the principal risks surrounding the Company including those that would threaten the business model, future performance, solvency or liquidity. The Board actively engages in all strategic decisions of the Company on regular intervals. This includes approval of capital expenditure and operational budgets, investments, issuance of equity and debt capital, related party transactions and appointment of key personnel.

Key risks and opportunities affecting the Company are explained below:

Key Risk 1: Non-availability of Raw Material on Timely Basis

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Business	Internal	Low	High	Financial, Manufactured

Objective

- Enhance operational efficiencies
- Increase sales

Mitigant Measures

An in-house committee including top management has been formed to oversee the raw material procurement process. The requirement of raw material is envisaged for next 6 months and accordingly orders are placed. Quality, economic order, best payments and timely availability are key factors

Opportunities

In rising price trend, timely procurement of raw material provides opportunity to earn inventory gains.

Key Risk 2: Fluctuation in Foreign Currency Rates

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Financial Risk	External	Medium	Medium	Financial

Objective

- Increase sales
- Optimize costs
- Contribute to the growth of the country

Mitigant Measures

Fluctuation in currency cannot be controlled however, cost increases due to Rupee devaluation are passed on to the consumers through changes in pricing policy subject to market conditions.

Opportunities

Devaluation in currency makes exports more viable.

Key Risk 3: Dumping of Imported Material

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term Medium-term	Business	External	Medium	High	Financial

Objective

- Increase sales
- Contribute to the growth of the country

Mitigant Measures

CRC / HDGC import risk is mitigated by adopting market based pricing policy. Representations are made with custom authorities to implement anti-dumping measures. Enhancement in production capacities by local producers and competitive currency also lessens the risk.

Opportunities

The Company has moved application to National Tariff Commission for imposition of protective measures against dumping from South Korea, European Union, Taiwan and Vietnam.

Key Risk 4: Risk of Default in Payment by Customers

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Financial Risk	External	Low	Low	Financial

Objective

- Enhance operational efficiencies / Reduce credit risk

Mitigant Measures

Majority of the sales are against advance payments. Credit sales are made only to highly reputed customers with long term business relationships. Exports are made only in the form of confirmed LCs.

Opportunities

Long term agreements with customers are backed by performance guarantees.

Key Risk 5: Increase in Input Cost

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Financial Risk	External	Medium	Medium	Financial

Objective

- Optimize costs

Mitigant Measures

Local selling price of CRC and HDGC is benchmarked against international pricing. Therefore, any increase in cost of raw material is passed through subject to market conditions. Further, also reducing manufacturing cost through operational efficiencies, synergies and tight cost control.

Opportunities

Increasing trend in raw material pricing may lead to improved margins due to significant lead time between purchase and sell.

Key Risk 6: Changes in Government Policies may Negatively Impact the Consumer Demand

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Financial Risk	External	Low	Low	Financial

Objective

- Increase sales
- Diversify product and services offered

Mitigant Measures

Management keeps close coordination with relevant authorities, governmental advising committee and business forms to provide valuable input for economic reforms.

Opportunities

Favourable policies to promote made-in-Pakistan policy and saving of foreign reserves can play significant role in lifting the local producers of flat steel.

Key Risk 7: Increase in KIBOR Rates Amplifying Borrowing Costs

Nature	Type	Source	Likelihood	Magnitude	Capital
Medium-term	Financial Risk	External	Medium	High	Financial

Objective

- Optimize costs
- Enhance operational efficiencies

Mitigant Measures

Close monitoring / evaluation is robust exercise at management and board level to ensure budgeted targets are met to avoid any liquidity crisis with comfort to optimistic borrowing levels and costs associated.

Opportunities

Higher returns on bank deposits

Key Risk 8: Insufficient Cash Flow to Pay Liabilities Resulting in Liquidity Problems

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Financial Risk	Internal	Low	Medium	Financial

Objective

- Enhance operational efficiencies
- Increase sales

Mitigant Measures

Treasury management system at ASML ensures sufficiency of funds and proactive arrangement of funded / un-funded credit lines wherever required.

Opportunities

Timely repayments and making sufficient credit lines available ensures good credit rating and will enable to enter financing facilities at reduced rates.

Key Risk 9: Decline in International Prices of CRC / HDGC Forcing Local Price Fall & Inventory Piling Up

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Financial Risk	External	Medium	High	Financial

Objective

- Expand sales
- Optimize costs (by ordering quantities as per market demand)

Mitigant Measures

Management has a dedicated committee to oversee procurement of raw materials and keeps close eye on international events and economic scenarios to forecast international prices and demand trends to ensure timely adjustment at the local level and minimize inventory pile up risk.

Opportunities

Taking higher exposure when the international prices touches bottom will allow to improve margins.

Key Risk 10: Turnover of Key Employees may Affect Operations

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Operational	External	Low	Low	Financial, Human

Objective

- Enhance operational efficiencies

Mitigant Measures

Management has top priority for retaining employees and provides every opportunity of learning, development and growth to ensure employees are motivated in and out which helps to keep employee turnover at bare minimum. Moreover, treating employees as customers and providing them with appropriate benefits is also an important feature at ASML. Nevertheless, succession planning practices are actively in place to ensure business continuity and efficiency.

Opportunities

Employee management and participation can further strengthen the operating environment and performance. On the other hand, the successor may bring in fresh ideas to add value and growth.

Key Risk 11: Natural Disasters and Climatic Uncertainties

Nature	Type	Source	Likelihood	Magnitude	Capital
Long-term	Business, Operational	External	Low	Medium	Manufactured

Objective

- Enhance operational efficiencies
- Ensure health and safety of people

Mitigant Measures

Although ASML cannot control nature, however, business continuity plans have been implemented at all locations and staff have been appropriately trained to react to any natural disaster.

Key Risk 12: IT Security Risk

Nature	Type	Source	Likelihood	Magnitude	Capital
Long-term	Operational	Internal	Medium	Medium	Intellectual, Manufactured

Objective

- Enhance operational efficiencies

Mitigant Measures

Sufficient IT controls, firewalls and antiviruses have been placed to safeguard the information of the Company. Further, regular system updates are also conducted.

Key Risk 13: Risk of Injuries During Operations

Nature	Type	Source	Likelihood	Magnitude	Capital
Long-term	Reputational, Operational	Internal	Low	Low	Human, Manufactured

Objective

- Ensure health and safety of people

Mitigant Measures

Provision of safety gears to employees and implementation of 'zero - tolerance' policy for breach of safety procedures. Further, employee / operational training and awareness sessions are conducted at regular intervals.

Key Risk 14: Risk of Accidents Damaging Company's Assets

Nature	Type	Source	Likelihood	Magnitude	Capital
Long-term	Reputational, Operational	Internal	Low	Medium	Financial, Manufactured

Objective

- Enhance operational efficiencies

Mitigant Measures

Proper trainings have been imparted relating to handling and operating assets of the Company. Continuous awareness sessions are conducted to exercise safety in letter and spirit. Further, appropriate insurance covers are in place to safeguard Company's asset. Moreover, necessary preventive measures like automatic hydrant and fire system are in place to reduce the impact of any adverse situation.

Key Risk 15: Volatile Law and Order Situation

Nature	Type	Source	Likelihood	Magnitude	Capital
Long-term	Economic, Political	External	Medium	Low	Human, Manufactured

Objective

- Be a responsible corporate citizen

Mitigant Measures

This risk is not avoidable. However, ASML's facilities are secured and equipped to deal with any intruders.

Key Risk 16: Risk of Non-compliance with Law

Nature	Type	Source	Likelihood	Magnitude	Capital
Short-term	Compliance, Reputational	Internal	Low	Low	Financial, Manufactured, Human

Objective

- Be a responsible corporate citizen
- Increase sales / Uninterrupted Business Operations / Enhance Operational Efficiencies

Mitigant Measures

Highly qualified professionals with compliance department along with network of reputed consultants. Further, trainings are conducted at regular intervals to keep employees up to date with the latest changes in the laws and regulations.

Sustainability & CSR Activities

Sustainability

Governance

The Company has taken a meaningful step forward in strengthening its sustainability oversight during the year, with the Board establishing a dedicated Board Committee comprising four directors to oversee sustainability-related matters.

Name of Director	Designation	Nature of Directorship
Mr. Nasim Beg	Chariman	Non-executive
Mr. Kashif Habib	Member	Non-executive
Ms. Saadia Umar	Member	Non-executive
Dr. Munir Ahmed	Member	Executive

Terms of reference:

- To monitor and review the sustainability-related risks and opportunities of the Company;
- To ensure that diversity, equity and inclusion practices are in effect across the various committees of the Board;
- To oversee compliance with relevant laws pertaining to sustainability-related considerations and the making of appropriate disclosures; and
- To submit a report to the Board at least once a year on the embedding of sustainability principles into the Company's strategy and operations to increase corporate value.

SUSTAINABILITY STRATEGY

The Company is fully committed to its responsibilities toward the people, environment, and climate of Pakistan. In line with this commitment and our dedication to promoting environmental and social sustainability, ASML management is streamlining its process for gathering accurate and reliable data.

Strategy on Product, Service and Market development

The Company consistently invests in new product development to stay ahead of evolving market trends and shifting consumer preferences. Through collaborations with strategic partners, the Company gains valuable insights into technological innovations enabling it to deliver innovative, high-quality products. Additionally, the Company is committed to enhancing customer service by providing comprehensive support that exceeds the typical customer-supplier relationship.

With over 19 years of experience as one of the leading producers in the flat steel industry, the Company aims to further expand its market share. By targeting both domestic and international markets, the Company strives to maximize production capacity and drive shareholder returns, while achieving economies of scale.

Risk Management

The Company follows prudent and structured risk management practices, guided by a Board-approved risk management policy that is reviewed regularly to ensure key risks facing the Company are identified, assessed, and appropriately managed. The risk management framework is designed to promote a balanced approach to risk across all levels of the organization, enabling early identification of risks and opportunities, and the application of suitable tools to monitor and manage them on an ongoing basis.

As part of this broader framework, the Board remains committed to integrating sustainability-related risks, including environmental, social, and governance (ESG) considerations, into the Company's overall risk management processes. This includes ongoing efforts to identify and assess climate-related and other sustainability risks alongside the Company's traditional operational, financial, and market risks, and to embed diversity, equity, and inclusion (DE&I) considerations through appropriate policies.

The Company's sustainability-related risk management approach will continue to evolve as the Board Committee on sustainability finalizes the Company's broader sustainability strategy and metrics, with a view toward formal integration of sustainability risk identification and assessment processes in line with the requirements of IFRS S1 and IFRS S2.

Further details on the Company's overall risk management framework, including qualitative and quantitative risk analysis, are presented in Note 40 to the annexed audited financial statements, as well as in the Risk Management section of this report.

Principal Risk Factors & Mitigants

Risk	Criticality	Mitigants
Inventory pile up risk The main raw material and the primary cost component of CRC/GI business is Hot Rolled Coil (HRC). Presently HRC is not produced locally and has to be imported from quality manufacturers across the world. All these mills operate on advance order basis. Typically, order has to be placed two to three months in advance. Allowing for shipping and clearance time, HRC inventory exposure of up to four month is normal for the business cycle. In case of abnormal price decline and subsequent slow lifting of the end users, the possibility of inventory pile up and the resulting loss is a real possibility.	High	Inventory pile up risk is mitigated by optimizing order quantities in line with market demand. Continuous monitoring of international market trends and timely adjustment at the local level can minimize inventory pile up risk.
Dumping Risk Traders / Investors import CRC / GI when the price differential increases.	Medium	CRC / GI import risk is mitigated by adopting market-based pricing policy. Representations are made with custom authorities to adopt policies to curb dumping. Enhancement in production capacities by local producers and competitive currency should also lessen the risk.
Work Equipment Operational Risk Risk of injuries during machinery operations.	Medium	Risk is mitigated by acquisition of state-of-the-art plant & machinery, hiring quality operators and implementation of tried and tested systems. Safety designs, controls and defined protocols are in place. Regular maintenance of plant and trainings of staff are conducted.
Credit Risk There is a risk that Company may not recover trade debts.	Low	More than 95% of sales are made against advances received. Further, credit is extended only to reliable customers for a period of less than a week.

Materiality Approach Adopted

The Board of Directors closely monitors all material matters of the Company. In general, matters are considered material if, individually or in aggregate, they are expected to significantly affect the performance and profitability of the Company.

Sustainability and DE&I Governance

The Board of Directors oversees the identification and management of sustainability-related risks and opportunities, including environmental, social, and governance (ESG) considerations. In response to evolving operational and climate-related challenges, ASML has strengthened its EHS practices and safety protocols.

The Company's DE&I Policy reflects its commitment to a fair, inclusive, and merit-based workplace. ASML takes pride in being the first in the steel sector to employ female engineers on the production floor and continues to promote gender diversity, support persons with disabilities, and ensure workplace accessibility and safety.

Environment, Health & Safety

As a responsible corporate citizen, ASML pledges to adhere to highest standards of EHS policy and it is one of the top priorities of the Company. The policies were further reviewed in view of the unfortunate accident at CRSM and additional safety measures have been put in place to avoid such accidents in future. Measures included are training of employees, audit of fire hydrant and firefighting system by a foreign firm, addition in firefighting resources and equipment and update in SOPs with pictorial representation and their translation in Urdu language. Strict compliance is mandatory, and the employees are trained to follow regulations as a habit. Training sessions including mock evacuation drill are conducted to keep employees familiar with all the SOPs.

ASML aspires to be Pakistan's steel industry's benchmark for setting environmental standards, climate change mitigation and resource efficiency.

CSR Activities

Solar Power Project

As part of its continued commitment to environmental responsibility and sustainable manufacturing, ASML undertook a significant step in its sustainability journey during the year, with the approval and commencement of a 2 Megawatt (MW) solar power project at its facility. Once fully operational, the project is expected to meaningfully reduce the Company's reliance on grid and conventional energy sources, contributing to lower carbon emissions and enhanced energy security for the Company's operations.

This initiative reflects ASML's broader strategy to embed sustainability into its operations, delivering long-term benefits including:

- Reduction in carbon emissions and the Company's overall environmental footprint
- Greater operational resilience against grid disruptions and energy price volatility
- Enhanced energy self-sufficiency in support of the Company's manufacturing operations
- Meaningful contribution toward the Company's long-term cost efficiency

Steel sector is the growing engine of economy of Pakistan and we at ASML are tactically geared towards a robust steel sector portfolio in which we cater to the needs of our customers along with cognizant concern towards the environment and making sure that our people are committed to be and remain active socially responsible citizen. We have vigorously striven to contribute to the society and make the world a better place to live. At ASML, we believe that by imparting quality education to the masses, we can contribute to our society which in turn strengthens the economic growth of our Country. ASML supports Research, Conferences, Trade Fairs, Workshops and other events. We will continue to focus in the area of human health, schooling for less privilege.

ASML: An Employer of Choice

- **Diversity and Inclusion**

  Your Company takes pride in being an equal opportunity employer and therefore provides employment opportunities on merit irrespective of gender, creed, religion or any other affiliation. ASML is committed to creating a diverse work culture. In addition to equality, your Company also provides employment opportunities to persons with special needs.

- **Gratuity Scheme**

  The Company maintains a plan that provides retirement benefits to its employees. This includes a non-contributory and unfunded gratuity scheme for permanent employees.

- **Industrial Relations**

  Your Company believes in providing an equitable, fair and merit-based environment. We believe that if employees are treated fairly and with respect then that would result in high motivation of workforce thus resulting in peaceful and continuous operations. We intend to maintain this approach in years to come.

- **Sporting and Other Activities**

ASML nurtures an energetic and proactive behavior among the employees and puts faith in inculcating national pride. Various activities are organized for employees during the year including Employee Appreciation Day, Independence Day celebrations, Interdepartmental Cricket Tournament etc. Basic first aid & medical emergency handling session for employees was also conducted during the year.

- **Contribution to the National Exchequer**

Your Company takes its contribution towards national economy seriously and has always discharged its obligations in a transparent, accurate and timely manner. The Company has contributed over PKR 9,991 million during the year towards National Exchequer comprising of income tax, sales tax, custom duty and excise duty.

- **Blood Donation drive**

At ASML, we recognize our responsibility toward humanity and the communities in which we operate. Every year, the Company organizes a blood donation drive in collaboration with Indus Hospital at the ASML mill premises, encouraging employees to voluntarily contribute toward this noble cause. This initiative reflects the Company's ongoing commitment to social welfare and reinforces a culture of compassion and community service among its workforce.

SWOT ANALYSIS

S

Strengths:

- State-of-the-art plant and production facilities.
- One of the largest flat steel plant in local market.
- Experienced and energetic management with track record of envisaging and executing projects.
- Imposition of anti-dumping duty.
- Quality equivalent to international standards.
- Exclusive dealer partners supplying CRC and HDGC all-over Pakistan.
- Excellent customer service.
- Leadership in product innovation.
- Highly efficient and low cost manufacturing.
- Minimum production lead time.

W

Weaknesses:

- Leveraged.
- International market driven pricing.
- Dumping of CRC / HDGC in local market.

O

Opportunities:

- Product diversification allowing to replace imported material.
- Untapped export market.
- Economic growth in various segments to accelerate steel sector growth.
- Anti-dumping duty on further dumping countries.

T

Threats:

- Adverse foreign exchange movement.
- Adverse movement of CRC / HDGC prices.
- Changes in government policies may negatively impact consumer demand.
- Increase in KIBOR rates amplifying borrowing costs.
- Natural disasters and climatic changes
- Risk of on-site accidents.

Performance Analysis

Success is the sum of small efforts, repeated day in and day out.

~Robert Collier

Analysis of Non-Financial & Financial Performance

Non-Financial Performance:

ASML has established itself as a leading quality producer of CRC and GI coils. With a philosophy to create value as a manufacturer, as an employer and as a responsible corporate citizen, it has set and achieved highest customer service and satisfaction standards in the industry. ASML's management ensures the Company's performance to be on track by identifying and monitoring critical performance indicators, which serve as a yardstick in analyzing the Company's performance.

Non-Financial Indicators:

1. High Quality Standards:

ASML is dedicated to manufacturing premium-quality CRC and HDGC. Upholding the highest quality standards remains central to our operations, enabling us to not only meet but consistently surpass customer expectations.

KPIs Monitored: Technological Upgradation and Quality Control Activities

With a state-of-the-art, technologically advanced production facility, the Company delivers superior quality products. A dedicated Quality Control (QC) department ensures rigorous quality standards are maintained across every stage, from procurement to production to packaging.

Future Relevance:

ASML serves a diverse customer base, ranging from large distributors in both domestic and export markets to individual end-users. Our unwavering commitment to quality provides a distinct competitive advantage over other producers and importers of CRC and HDGC. Maintaining superior quality remains critical to sustaining our market leadership.

Resources Allocated:

Manufactured	Human	Intellectual

2. Operational Efficiencies

The Company's core operational philosophy centers on continuous improvement in productivity, anchored by an unwavering commitment to the highest quality standards. This approach ensures long-term growth, competitiveness, and sustained market leadership.

KPIs Monitored: Capacity Utilisation, Compliances of applicable controls

The Company consistently strives to enhance operational efficiency by identifying and eliminating inefficiencies arising from gaps in departmental synergies and coordination.

Future Relevance:

Continuous improvement in operational efficiency remains essential for maximizing capacity utilisation and sustaining long-term performance.

Resources Allocated:

Human	Intellectual	Manufactured

3. Market Lead

As a leading quality producer, ASML continuously strives to increase its market share in domestic as well as international market.

KPIs Monitored: Market share, sales volume, customer base, dealer network, new markets reached

ASML's overall local market share improved to approximately 17%, compared to 12% in the previous year, while sales volumes grew significantly by 73% year-on-year. This growth was primarily driven by a revival in demand from the steel sector. The improvement in local producers' market share was further supported by a curtailment in commercial imports, particularly of GI products, following the imposition of sales tax on FATA/PATA. Additionally, the US-Iran conflict led to a marked increase in international steel prices, which, coupled with the Company's improved sales volumes and market share, translated into stronger profit margins during the year.

Future Relevance:

Sustaining and expanding a strong and diversified customer base, ranging from large distributors to individual end-users, will remain critical for preserving and strengthening ASML's market leadership going forward.

Future Relevance Allocated:

Human	Intellectual	Manufactured	Social

4. Development, Health and Safety

At ASML, the health and safety of our workforce are paramount, as our people are the foundation of the Company's long-term sustainability and success. We recognize that a safe and supportive work environment not only protects our employees but also enhances productivity and operational efficiency. Looking ahead, ASML remains committed to investing in the continuous development of its human capital by assessing evolving training needs and implementing programs that strengthen both technical capabilities and behavioral competencies.

KPIs Monitored: Number of accidents, number of non-compliances of safety guidelines, trainings conducted:

ASML is committed to upholding the highest standards of Environment, Health and Safety (EHS). During the year, a series of EHS trainings were carried out, including mock evacuation drills, safe handling of hazardous materials, Health awareness sessions, and emergency response sessions, to strengthen employees' understanding of safety protocols. In addition, a foreign firm conducted an independent audit of the fire hydrant and firefighting system, following which the Company further enhanced its firefighting resources and equipment.

To support human capital development, ASML organized a range of training programs designed to build both technical and behavioral competencies, aligning with the long-term skill requirements that the Company considers essential for sustainable success.

Future Relevance:

ASML will continue strengthening EHS practices and employee development by focusing on workplace safety, safe handling of hazardous materials, and continuous training, ensuring productivity, compliance, and sustainable growth.

Resources Allocated:

Human	Intellectual	Natural	Social

5. Fulfilment of Social Responsibilities

ASML recognizes its social responsibilities and remains committed to contributing to the sustainable development of society through its commercial and community-focused initiatives

KPIs Monitored: CSR activities, contributions to national exchequer, compliance of applicable laws

Each year, ASML organizes a blood donation drive at its premises in collaboration with Indus Hospital, reflecting its commitment to community welfare.

ASML also takes its economic responsibilities seriously and consistently discharges its obligations in a transparent, accurate, and timely manner. In 2026, the Company's contribution to the government amounted to Rs. 9.991 billion.

Future Relevance:

ASML takes pride in its role as a responsible corporate citizen and remains committed to fostering sustainable societal development through consistent economic contributions and community-focused initiatives.

Resources Allocated:

Human	Natural	Social

Financial Performance

Financial Indicators:

(Rs. In Million)	(Rs. In Million)	(Rs. In Million)	(Rs. In Million)
54,235	1,756	5,933	981
61% Increase	205% Increase	256% Increase	173% Increase
Revenue	Profit Before Taxation	Gross Profit	Profit After Taxation

(Rs. In Million)	(Ratio)	(Percentage)	(Ratio)
4,429	0:100	10.94%	13.27
120% Increase	FY 2025 3:97	121% Increase	FY 2025 (N/A)
EBITDA	Debt to Equity Ratio	Gross Profit Percentage	Price Earning Ratio

(Rs. In Million)	(Rupees)	(Rs. In Million)	(Rupees)
25,828	0.99	51,790	27.76
25% Increase	FY 2025 (1.55)	34% Increase	25% Increase
Shareholder's Equity	Earning/(Loss) per share - Basic	Total Assets	Break-up Value Per Share

Overview of Financial Performance

ASML recorded revenue of Rs. 54,235 million during the year, an increase of 61% over the prior year, reflecting the Company's ability to improve sales volumes amid a challenging operating environment shaped by prevailing geopolitical conditions. Gross profit stood at Rs. 5,933 million, translating into a gross margin of 10.94%. The improvement in margin was primarily driven by the curtailment of commercial imports through sales tax imposition on FATA/PATA imports and the imposition of anti-circumvention duties on steel imports.

The Company reported profit before taxation of Rs. 1,756 million and profit after taxation of Rs. 981 million for the year. The improved results were primarily driven by an increase in sales volume, reduction in finance costs and stable currency movement on imported raw materials.

Export freight expense increased significantly due to of higher sales volume as compared with last year, coupled with rising sea freight rates resulting from the US-Iran conflict.

EBITDA rose to Rs. 4,429 million (2025: Rs. 2,012 million), reflecting the Company's improved operating performance.

During the year, overall finance cost decreased by 37% to Rs. 1,727 million as compared to the previous year, due to a significant decline in average borrowing rates, which reduced both long-term and short-term financing costs. The remaining installments of long-term loans were repaid during the year. Further, a sponsor net injection of Rs. 3,919 million helped reduce average borrowing levels during the year.

Other expenses include a WPPF and WWF provision of Rs. 122 million, recognized on account of the profit recorded by the Company during the year.

Earnings per share for the year stood at Rs. 0.99, as against a loss per share of Rs. 1.55 in the prior year. The improvement in EPS was mainly attributable to increased sales volumes, an upward trend in sales prices, and lower finance costs as compared to the previous year.

Comparison Against Target

ASML closed FY 2025-26 with revenue of approximately Rs. 54,235 million, closely tracking its budgeted revenue of Rs. 60,440 million, reflecting a shortfall of only 10%. During the year, export revenue significantly exceeded budgeted targets, while local revenue remained below expectations.

The Company reported profit after tax of Rs. 981 million, against a budgeted PAT of Rs. 1,271 million. The variance from target was primarily attributable to lower-than-budgeted local sales revenue.

Segmental Reporting of Business Performance

The financial statements of the Company have been prepared based on single reportable segment. The Company operates locally and all the sales comprise of local and export sales. As at June 30, 2026, all assets of the company are located within Pakistan.

Significant changes in Financial Position

Property, plant and equipment comprise operating assets, capital work-in-progress, major spare parts, and standby equipment. During the year, net capital expenditure amounted to Rs. 944 million, comprising additions to operating assets of Rs. 428 million, additions to capital work-in-progress of Rs. 91 million, and additions to major spare parts of Rs. 435 million. These additions were partially offset by sale proceeds from disposal of property, plant and equipment of Rs. 10 million.

Deferred tax asset decreased marginally by Rs. 60 million during the year to Rs. 3,348 million (2025: Rs. 3,408 million; 2024: Rs. 2,651 million). The decrease primarily reflects the utilization/adjustment of carried-forward business losses.

Overall inventories increased by Rs. 10,299 million during the year. Finished goods stock levels rose significantly compared to the prior year, while HRC raw material increased mainly on account of stock in transit as at June 30, 2026.

Sales tax refundable stood at Rs. 712 million as at the reporting date, compared to Rs. 280 million in

FY 2025. The increase is primarily attributable to higher inventory levels at year end to meet future expected demands.

Taxation – payments less provision increased by Rs. 204 million, driven by advance tax paid on imports and local goods amounting to Rs. 929 million and Rs. 217 million, respectively, partly offset by the current year's income tax charge.

Staff retirement benefit obligations increased by Rs. 40 million during the year. A provision of Rs. 70 million was recorded based on the actuarial valuation report, while payments of Rs. 30 million were made during the year in respect of staff retirement.

Accrued mark-up decreased by Rs. 188 million as at FY 2026, due to the significant decline in KIBOR rates during the year. In addition, the expansion loan was fully settled during the year, reflecting continued progress in reducing the Company's financial obligations.

The Company's net worth as at June 30, 2026 stood at Rs. 25,828 million, with a break-up value of Rs. 27.76 per share.

Details of contingencies and commitments are disclosed in the Note 23 of the financial statements.

Above was the brief overview of the Company's performance and the Company's financial position. The same has been further elaborated later in this section from page no. 131 to 160, via detailed analysis along with graphical presentations to increase users' understandability.

Methods and Assumptions Used in Compiling Performance Indicators

Critical performance indicators serve as a yardstick for ASML's management, on the basis of which, it regularly analyses the Company's performance. These are basic indicators of Company's performance and profitability.

Financial

Revenue is a critical factor as it is a primary driver of overall profitability of the Company. ASML currently occupies a significant portion in domestic market of flat steel products and to maintain and grow its market share, gauging sales volume and sales price serves as a key factor.

Gross profit and gross profit margin are critical because it indicates the efficiency of the management in using its direct material, direct labor and direct overhead cost in the production process.

Debt to equity ratio is critical as the Company monitors the debt level it is relying on, to finance its operations. Further, this is also important in evaluating Company's ability to settle debt on timely basis.

Earnings per share measures the net profit of the Company against the total outstanding shares and is critical for the Company, as it drives the shareholders' wealth.

Profitability ratios analyze the Company's financial health and performance.

Non-financial

ASML is dedicated to producing high-quality Cold Rolled Coils (CRC) and Hot Dipped Galvanized Coils (HDGC). Quality remains a cornerstone of our operations, as we consistently aim not only to meet but to exceed customer expectations. A dedicated Quality Control (QC) function ensures that stringent quality standards are upheld across every stage, from procurement through production to final packing.

At ASML, we recognize our human capital as one of our most valuable assets, integral to the long-term sustainability of the Company's success. We provide a safe, clean, and inclusive working environment, while continuously investing in enhancing the skills, knowledge, and motivation of our employees. Through ongoing training programs, open two-way communication, and a performance-based reward system, we foster a culture that empowers individuals to realize their full potential.

The Company remains firmly committed to creating and maximizing value for its shareholders by delivering superior returns, expanding capacities, and driving process efficiencies. These priorities will continue to guide our strategic direction and remain relevant to sustaining our competitive position in the future.

Changes in Indicators and Performance Measures:

There were no changes in indicators and performance measures from the previous year.

Key Operational & Financial Data

Operational Summary

Particulars	2026	2025	2024	2023	2022	2021
Production	266,476	162,599	159,446	112,635	306,527	365,274
Sales	257,144	148,942	164,732	122,334	306,213	379,622

Summary of Statement of Profit & Loss

Rupees in Millions

Revenue	54,235	33,752	42,750	31,102	64,830	55,116
Cost of sales	(48,303)	(32,084)	(38,919)	(29,089)	(59,317)	(43,931)
Gross profit	5,933	1,667	3,831	2,013	5,513	11,185
Profit from operations	3,644	604	2,815	1,459	4,697	10,590
Profit / (Loss) before taxation	1,756	(1,666)	(797)	(4,841)	1,275	8,588
Profit / (Loss) after taxation	981	(1,352)	(132)	(3,216)	1,146	6,368

Summary of Financial Position

Assets

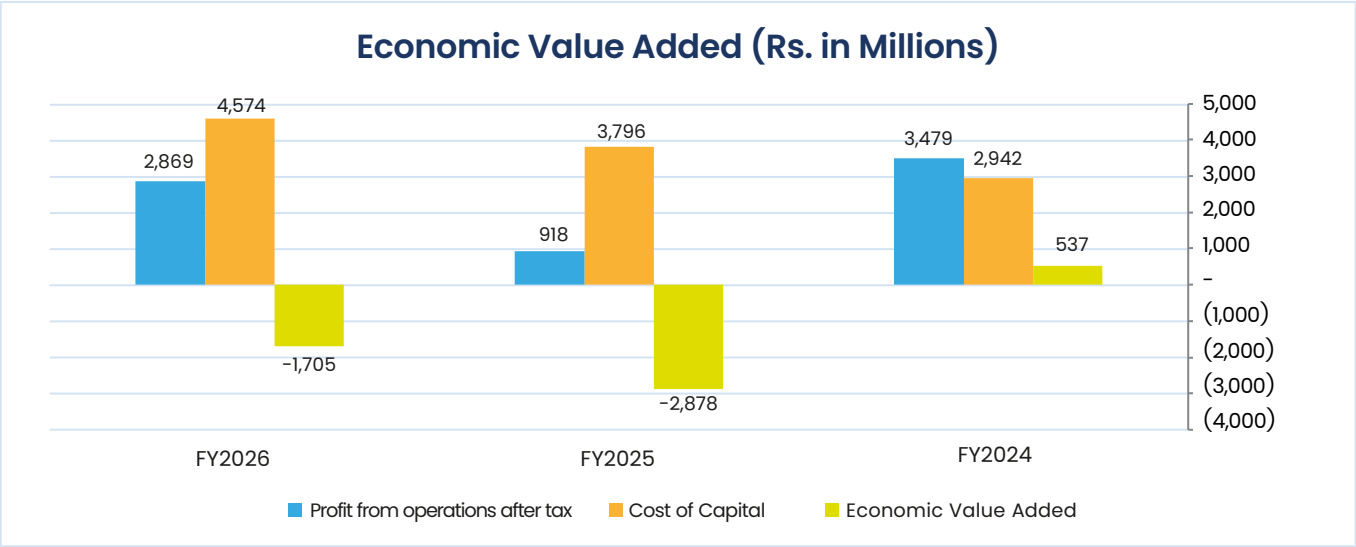
Non-Current Assets	22,987	23,105	22,387	22,265	20,036	19,951
Current Assets	28,802	15,651	18,210	15,781	26,769	16,572
Total Assets	51,789	38,756	40,597	38,046	46,805	36,524

Equity and Liabilities

Shareholders' Equity	25,828	20,616	15,707	15,692	14,036	14,467
Non-Current Liabilities	477	412	942	3,739	5,100	6,274
Current Liabilities	25,484	17,728	23,948	18,615	27,669	15,783
Total Equities and Liabilities	51,789	38,756	40,597	38,046	46,805	36,524

Economic Value Added

	2026	2025	2024
	Rupees in Millions		
Profit from operations after tax	2,869	918	3,479
Cost of Capital	(4,574)	(3,796)	(2,942)
EVA	(1,705)	(2,878)	537
Total Assets	51,789	38,756	40,597
Less: Current Liabilities	(25,484)	(17,728)	(23,948)
Net Capital Invested	26,305	21,028	16,649
WACC %	17.39%	18.05%	17.67%
Cost of Capital	4,574	3,796	2,942



Comments

The Company recorded a negative Economic Value Added (EVA) of Rs. 1,705 million during the year, as compared to a negative EVA of Rs. 2,878 million in the prior year. Although EVA remained negative, the improvement of Rs. 1,173 million reflects the Company's stronger operating performance, with profit from operations after tax rising to Rs. 2,869 million (2025: Rs. 918 million), driven by higher sales volumes and improved gross margins during the year.

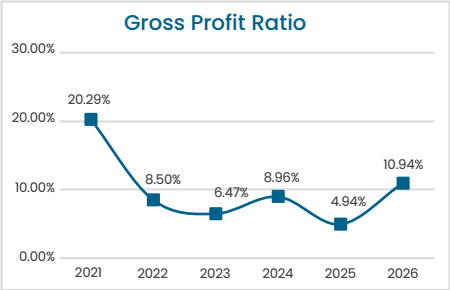
The cost of capital increased to Rs. 4,574 million (2025: Rs. 3,796 million), primarily on account of a higher net capital invested base of Rs. 26,305 million (2025: Rs. 21,028 million). This increase in capital employed was partially offset by a marginal decline in the weighted average cost of capital to 17.39% (2025: 18.05%), largely attributable to the reduction in the Company's average borrowing costs.

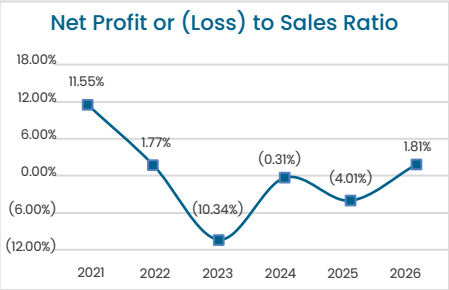
Going forward, the Company remains focused on translating its improved operating profitability into positive economic value, by optimizing working capital levels and sustaining the margin gains achieved during the year.

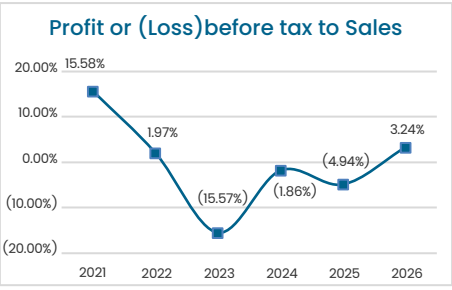
Ratio Analysis

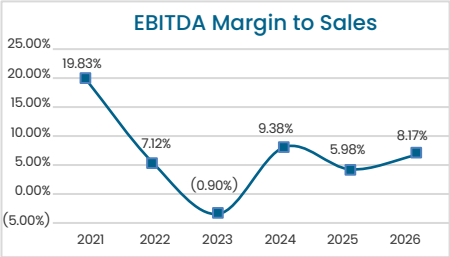
PROFITABILITY RATIOS

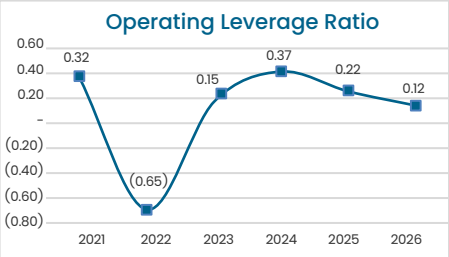
Description	Formula	2026	2025	2024	2023	2022	2021
Gross Profit Ratio (%)	Gross Profit or (Loss) / Net Sales	10.94%	4.94%	8.96%	6.47%	8.50%	20.29%
Net Profit or (Loss) to Sales (%)	Net Profit or (Loss) / Net Sales	1.81%	(4.01%)	(0.31%)	(10.34%)	1.77%	11.55%
Profit or (Loss) Before Tax to Sales (%)	Profit or (Loss) Before Tax / Net Sales	3.24%	(4.94%)	(1.86%)	(15.57%)	1.97%	15.58%
EBITDA Margin to Sales (%)	EBITDA / Net Sales	8.17%	5.98%	9.38%	(0.90%)	7.12%	19.83%
Operating leverage ratio (Times)	Change in EBITDA / Change in Net Sales	0.12	0.22	0.37	0.15	(0.65)	0.32
Return on Equity (%)	Profit or (Loss) After Tax / Average Shareholder's equity	4.23%	(7.44%)	(0.84%)	(21.63%)	8.04%	56.45%
Return on Capital employed (%)	EBIT / Capital employed	13.24%	5.07%	18.41%	(6.20%)	18.68%	48.76%
Shareholders' Funds	Total Assets minus Total Liabilities	25,829	20,616	15,707	15,692	14,036	14,467
Return on Shareholders' Funds (%)	Profit or (Loss) After Tax / Shareholder's equity	3.80%	(6.56%)	(0.84%)	(20.49%)	8.17%	44.02%

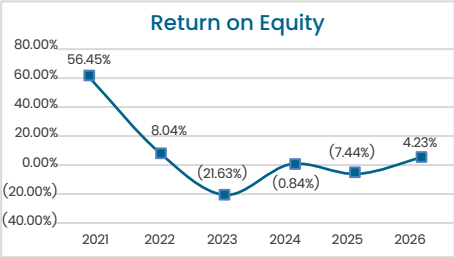


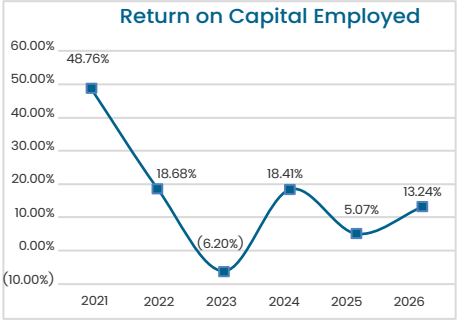


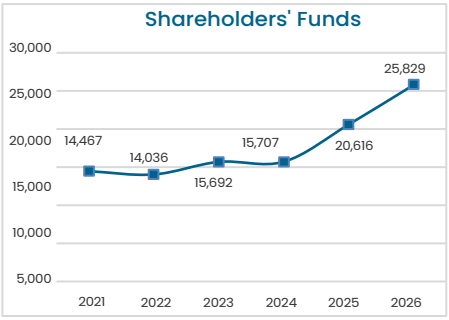


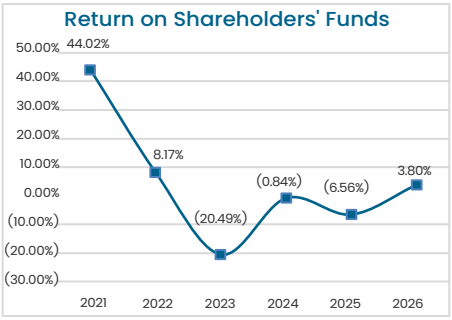












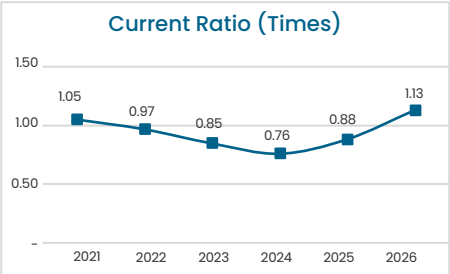
Comments

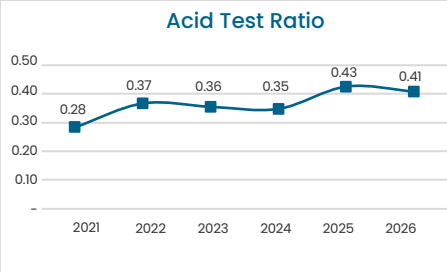
Profitability improved significantly during FY2025-26, with the Company returning to profit after three consecutive years of losses. The improvement was primarily driven by higher sales volumes, stronger demand and improved margins. Demand in Pakistan's flat steel segment increased by approximately 9%, from 1.04 million tons to 1.13 million tons, while the share of local producers increased from 37% to 48%.

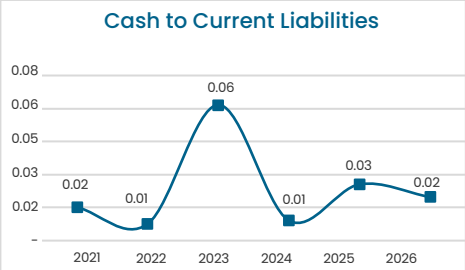
International steel prices also remained supportive during the year, reaching approximately US$550 by May 2026, with local prices broadly following international market trends. These factors enabled the Company to achieve better margins and resulted in an overall improvement in key profitability ratios.

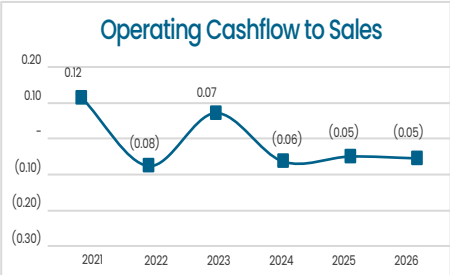
LIQUIDITY RATIOS

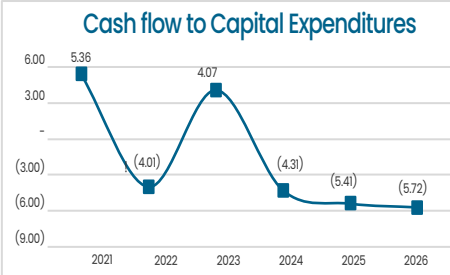
Description	Formula	2026	2025	2024	2023	2022	2021
Current ratio (Times)	Current Assets / Current Liabilities	1.13	0.88	0.76	0.85	0.97	1.05
Quick / Acid test ratio (Times)	Liquid Assets / Current Liabilities	0.41	0.43	0.35	0.36	0.37	0.28
Cash to Current Liabilities (Times)	Cash and Bank / Current Liabilities	0.02	0.03	0.01	0.06	0.01	0.02
Cash Flow from Operations to Sales (Times)	Cashflow from Operations / Net Sales	(0.05)	(0.05)	(0.06)	0.07	(0.08)	0.12
Cash flow to capital expenditures (Times)	Cashflow from Operations / Capital expenditures	(5.72)	(5.41)	(4.31)	4.07	(4.01)	5.36
Cash flow coverage ratio (Times)	Cashflow from Operations / Total debt	(0.19)	(0.11)	(0.84)	0.46	(0.78)	0.83

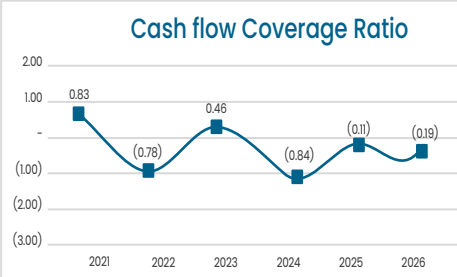










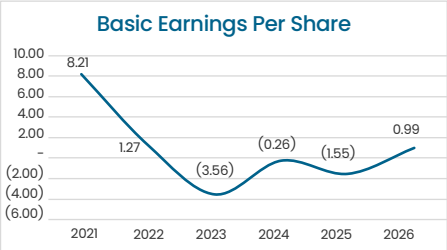


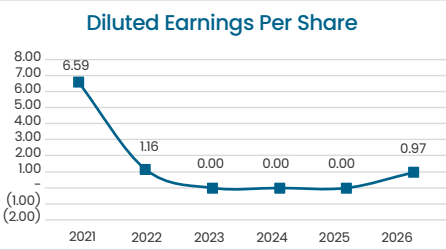
Comments

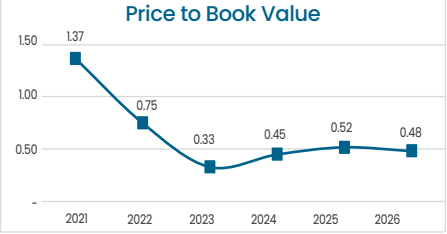
The Company's liquidity position weakened during FY2025-26. The decline was primarily attributable to higher inventory levels and an increase in short-term borrowings. Inventory was maintained at elevated levels to support anticipated production and sales requirements, resulting in higher inventory days and increased working capital requirements. Consequently, operating cash flows remained under pressure despite the improvement in sales revenue during the year.

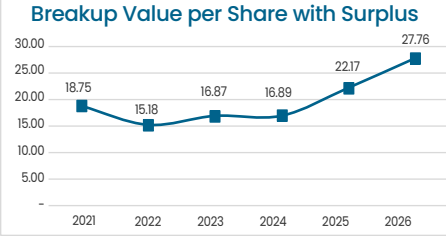
INVESTMENT / MARKET RATIOS

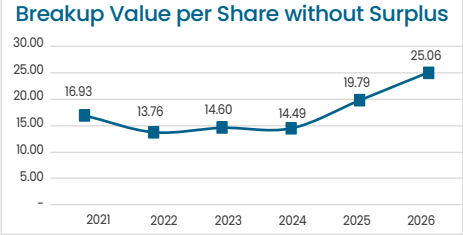
Description	Formula	2026	2025	2024	2023	2022	2021
Basic Earnings / (Loss) per Share (Rs. / Share)	Earnings Attributable to Ordinary Shareholders / Weighted Average Number of Shares	0.99	(1.55)	(0.26)	(3.56)	1.27	8.21
Diluted Earnings / (Loss) per Share (Rs. / Share) (N1)	Diluted Earnings Attributable to Ordinary Shareholders / Weighted Average Number of Shares	0.97	-	-	-	1.16	6.59
Price Earning Ratios (Times) per share	Market Price / Basic Earnings or (Loss) per Share	13.27	-	-	-	8.70	3.03
Price to Book Value Ratio (Times)	Market Price / Book Value per Share	0.48	0.52	0.45	0.33	0.75	1.37
Dividend Yield Ratio	Total Annual Dividend / Market Price	Refer (N1)				8.03%	Refer (N1)
Dividend Payout Ratio	Total Annual Dividend / Annual Income					24.4%	
Cash Dividend per Share	Cash Dividend per Share					2	
Break up Value per Share (with Revaluation Surplus) (Rs. / Share)	Equity including surplus on revaluation of fixed assets / Number of shares	27.76	22.17	16.89	16.87	15.18	18.75
Break up Value per Share (without Revaluation Surplus) (Rs. / Share)	Equity excluding surplus on revaluation of fixed assets / number of shares	25.06	19.79	14.49	14.60	13.76	16.93
Free Cash Flows (Rs. In Millions)		(3,470)	(1,976)	(3,318)	1,673	(6,150)	5,132

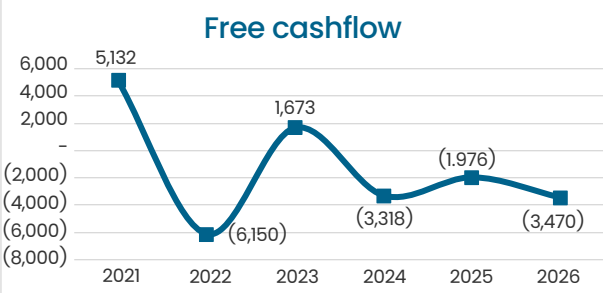












Comments

Investment ratios of the Company improved during FY2025-26, supported by the Company's return to profitability and improved operating performance. The Pakistan Stock Exchange also witnessed a strong upward trend during the year, with the KSE-100 Index increasing from 125,627 points as at June 30, 2025 to 180,302 points as at June 30, 2026, representing an increase of approximately 43.5%.

The Company reported a profit after tax of Rs. 981 million during FY2026 compared with a loss of Rs. 1.35 billion in the preceding year, resulting in basic earnings per share of Rs. 0.99 compared with a loss per share of Rs. 1.55 in FY2025. The improved earnings, together with the positive market environment, supported an improvement in the Company's investment indicators during the year.

The Company continues to focus on strengthening its financial and operational performance, which is expected to support sustainable value creation for its shareholders over the longer term.

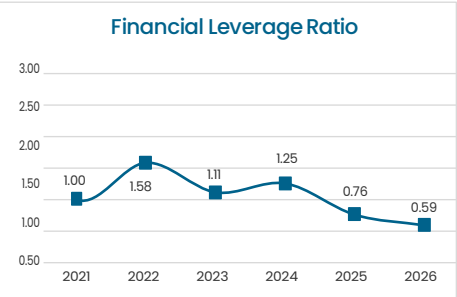
Notes

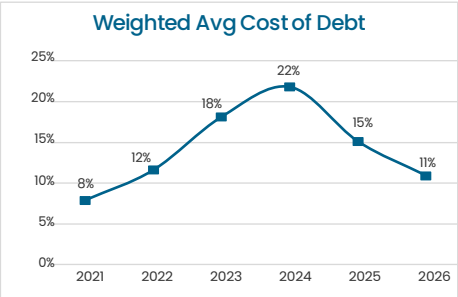
N1 - In view of the Company's recovery from three consecutive years of losses, no cash dividend has been declared for ordinary shareholders during the year, therefore, the same has not been disclosed and presented.

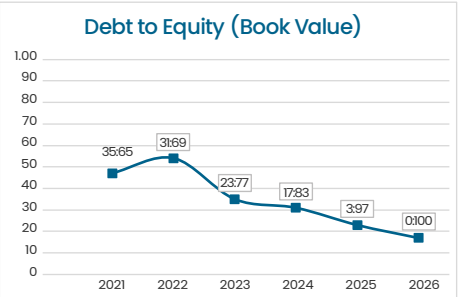
The Company continues to focus on strengthening its financial and operational performance, which is expected to support sustainable value creation for its shareholders over the longer term.

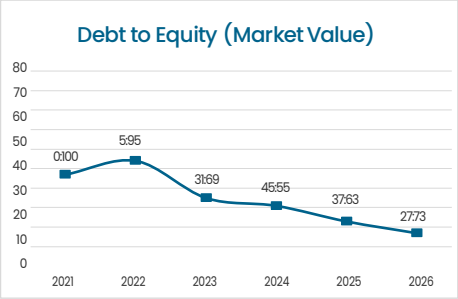
CAPITAL STRUCTURE RATIOS

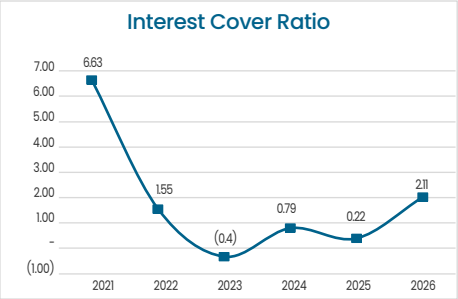
Description	Formula	2026	2025	2024	2023	2022	2021
Financial Leverage Ratio (Times)	Total Debt/ Total Equity	0.59	0.76	1.25	1.11	1.58	1.00
Weighted Average Cost of Debt (%) (N1)	Total Interest / Total Debt	11%	15%	22%	18%	12%	8%
Debt to equity ratio (book value)	Total Long Term Debt / Equity	0:100	3:97	17:83	23:77	31:69	35:65
Debt to equity ratio (market value)	Market Value (MV) of Long Term Debt / MV of Equity	0:100	5:95	31:69	45:55	37:63	27:73
Interest Cover Ratio (Times)	Profit from Operations / Finance Cost	2.11	0.22	0.79	(0.4)	1.55	6.63
Market Value per share (Symbol: ASL)							
- High (Rs. / Share)	N/A	15.94	13.80	9.20	12.23	26.21	28.26
- Low (Rs. / Share)	N/A	8.51	6.17	4.90	5.01	10.26	9.04
- Closing (Rs. / Share)	N/A	13.14	11.23	7.36	5.40	11.05	24.91
Total Volume Traded (Number of shares in million)	N/A	1,308	1,243	659	196	598	1,888

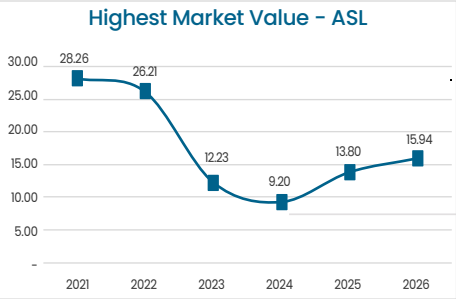


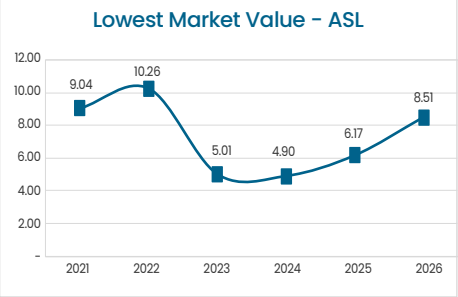












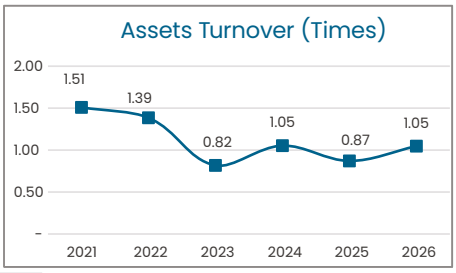
Comments

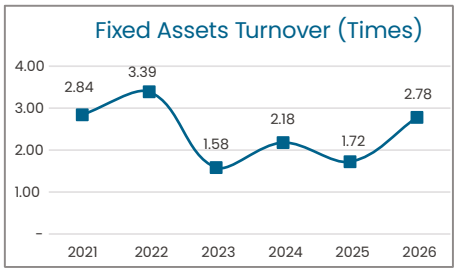
During FY2025-26, the Company strengthened its capital structure, with the financial leverage ratio improving from 0.76x to 0.59x and the long-term debt-to-equity ratio improving to 0:100. This improvement was supported by better operating profitability arising from improved margins and an expansion in the flat steel market. The weighted average cost of debt also declined from 15% to 11%, reducing the overall financing cost.

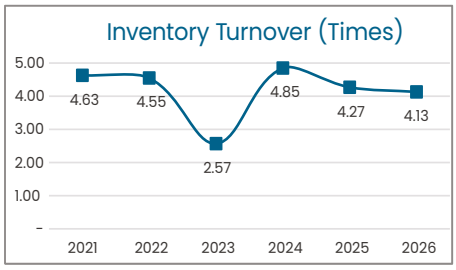
Improved profitability strengthened the Company's debt-servicing capacity, with the interest cover ratio increasing from 0.39x to 2.02x. The Company's improved financial performance was also reflected in its market performance. The ASL share price increased from Rs. 11.23 at June 30, 2025 to Rs. 13.14 at June 30, 2026, while total trading volume increased from 1,243 million shares to 1,308 million shares.

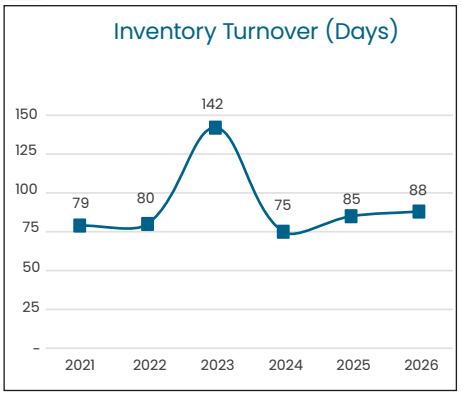
ACTIVITY RATIOS

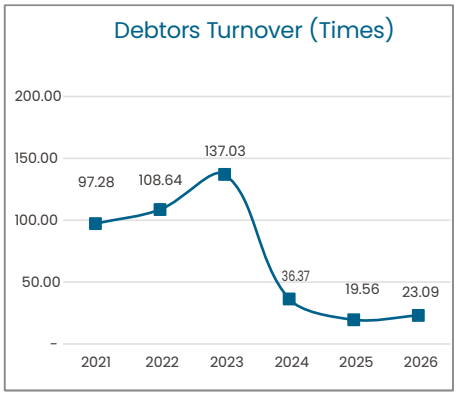
Description	Formula	2026	2025	2024	2023	2022	2021
Total Assets Turnover Ratio (Times)	Net Sales / Total Assets	1.05	0.87	1.05	0.82	1.39	1.51
Fixed Assets Turnover Ratio (Times)	Net Sales / Total Fixed Assets	2.78	1.72	2.18	1.58	3.39	2.84
Inventory Turnover (Times)	Cost of Goods Sold / Average Inventory	4.13	4.27	4.85	2.57	4.55	4.63
Inventory Turnover (Days)	Average Inventory / Cost of Goods Sold x 365	88	85	75	142	80	79
Debtors Turnover (Times)	Sales / Average Receivable	23.09	19.56	36.37	137.03	108.64	97.28
Debtors Turnover (Days)	Average Receivable / Sales x 365	16	19	10	3	3	4
Creditors Turnover (Times)	Cost of Goods Sold / Average Creditors	8.45	12.82	11.05	4.50	7.29	6.63
Creditors Turnover (Days)	Average Creditors / Cost of Goods Sold x365	43	28	33	81	50	55
Operating Cycle (Days)	Days in Inventory + Days in Receivables - Days in Creditors	61	76	52	64	33	28

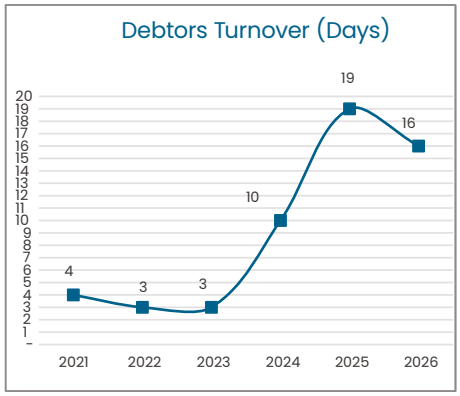


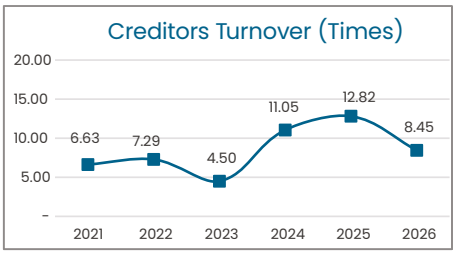


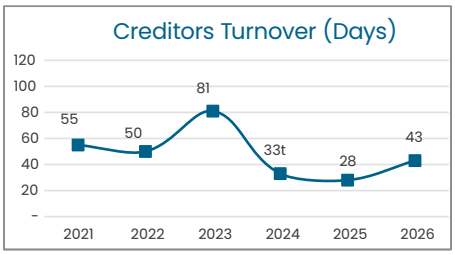


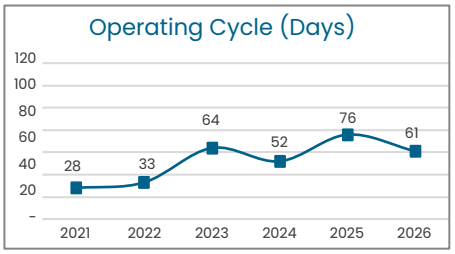












Comments

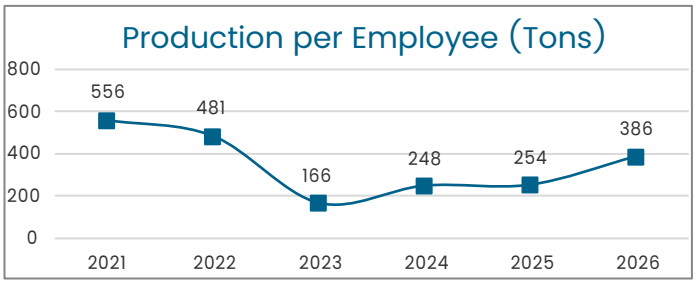
The Company's activity ratios reflect improved asset utilization and a more efficient operating cycle during FY 2025-26. The total assets turnover ratio strengthened to 1.05 times (2025: 0.87 times), while the fixed assets turnover ratio improved significantly to 2.78 times (2025: 1.72 times), reflecting the Company's ability to generate substantially higher sales from its asset base, in line with the 61% growth in revenue achieved during the year.

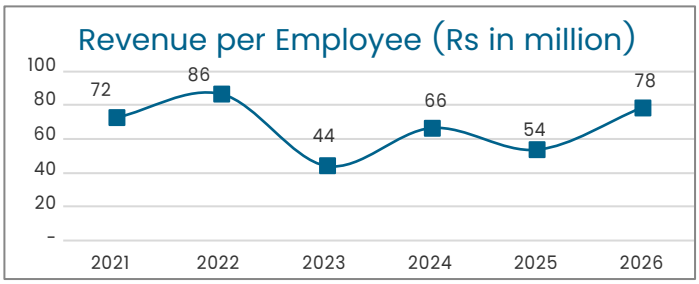
Inventory turnover stood at 88 days (2025: 85 days), broadly consistent with the prior year, as the Company strategically built up inventory levels to support strong sales growth and capture favorable market opportunities. Debtors turnover improved to 16 days (2025: 19 days), with receivables converting to cash more quickly at 23.09 times (2025: 19.56 times), reflecting continued discipline in the Company's credit and collection practices even as sales volumes expanded significantly.

Creditors turnover extended to 43 days (2025: 28 days), reflecting the Company's effective use of supplier credit terms to efficiently manage its working capital requirements amid higher business activity. As a result, the Company's overall operating cycle improved markedly to 61 days (2025: 76 days), a reduction of 15 days, demonstrating enhanced working capital efficiency and the Company's ability to convert its expanded scale of operations into a leaner, more streamlined cash conversion cycle.

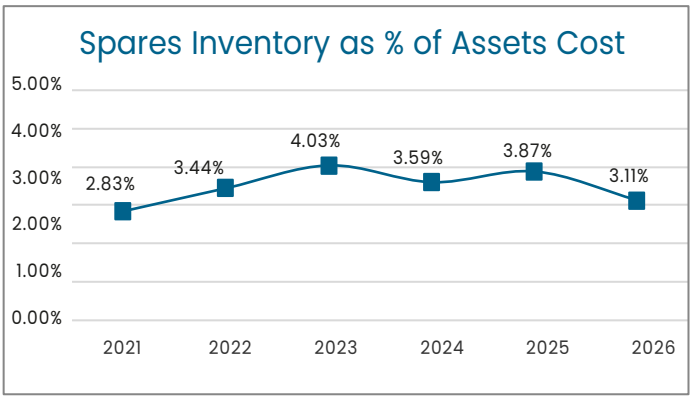
Employee Productivity RATIOS

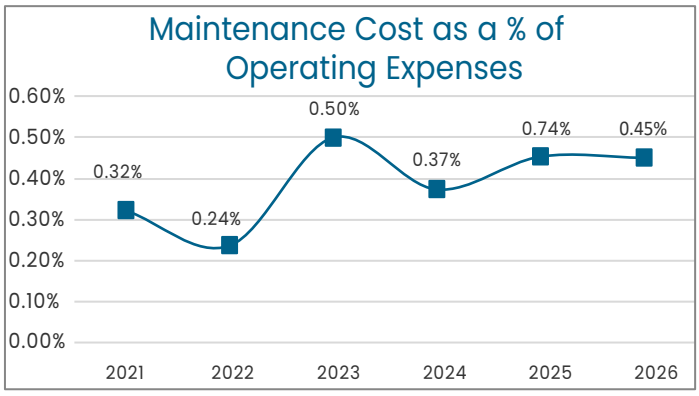
Employee Productivity Ratios	Formula	2026	2025	2024	2023	2022	2021
Production per Employee	Production / Average No. of Factory Employees	386	254	248	166	481	556
Revenue per Employee	Net Sales / Average No. of Employees	78	54	66	44	86	72



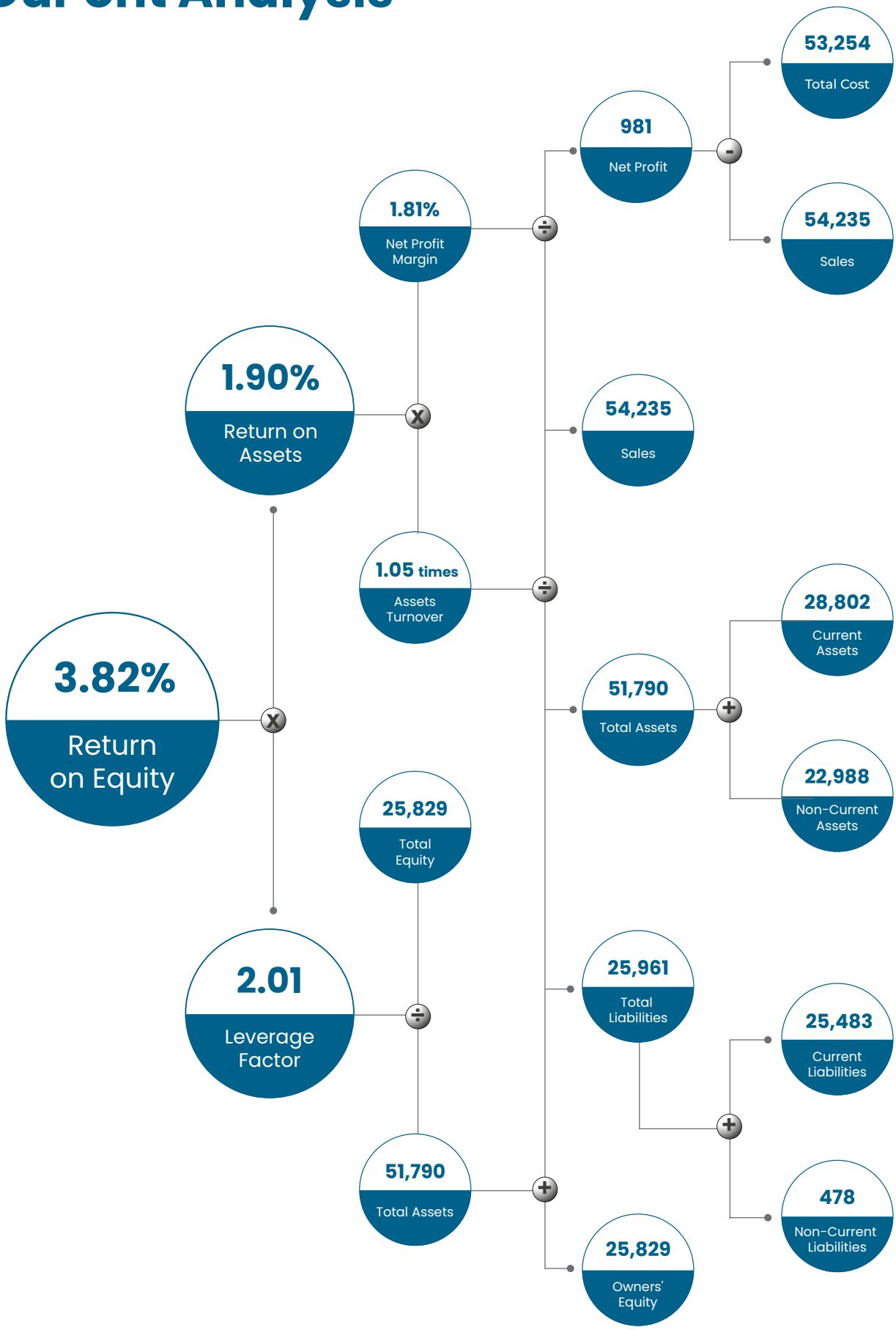


Others	Formula	2026	2025	2024	2023	2022	2021
Spares Inventory as % of Assets Cost	Total Spares / Total Assets	3.11%	3.87%	3.59%	4.03%	3.44%	2.83%
Maintenance Cost as % of Operating Expenses	Maintenance Cost / Operating Expenses	0.45%	0.74%	0.37%	0.50%	0.24%	0.32%





DuPont Analysis



DuPont Analysis

DUPONT ANALYSIS (Rs. In Million)		2026	2025	2024	2023	2022	2021
A	Non-current liabilities	477	412	942	3,739	5,100	6,274
B	Current Liabilities	25,484	17,728	23,948	18,615	27,669	15,783
C = A+B	Total Liabilities	25,961	18,140	24,890	22,354	32,769	22,057
D	Non-current Assets	22,987	23,105	22,387	22,265	20,036	19,951
E	Current Assets	28,802	15,651	18,210	15,781	26,769	16,573
F = D + E	Total Assets	51,789	38,756	40,597	38,046	46,805	36,524
G = F - C	Owners' Equity	25,828	20,616	15,707	15,692	14,036	14,467
H	Sales	54,235	33,752	42,750	31,102	64,830	55,116
I	Total Cost	53,254	35,104	42,882	34,318	63,684	48,748
J = H - I	Net Profit / (Loss)	981	(1,352)	(132)	(3,216)	1,146	6,368
K = J / H	Net Profit / Loss Margin (%)	1.81%	(4.01%)	(0.31%)	(10.34%)	1.77%	11.55%
L = H / F	Assets Turnover (Times)	1.05	0.87	1.05	0.82	1.39	1.51
M = F / G	Leverage Factor (Times)	2.01	1.88	2.58	2.42	3.33	2.52
N = K x L	Return on Assets (%)	1.90%	(3.49%)	(0.33%)	(8.45%)	2.45%	17.44%
O = M x N	Return on Equity (%)	3.82%	(6.56%)	(0.84%)	(20.49%)	8.16%	44.02%

The DuPont analysis illustrates the Company's return on equity through its three key components (profit margin, asset turnover, and financial leverage) providing insight into the drivers behind the Company's improved profitability during the year.

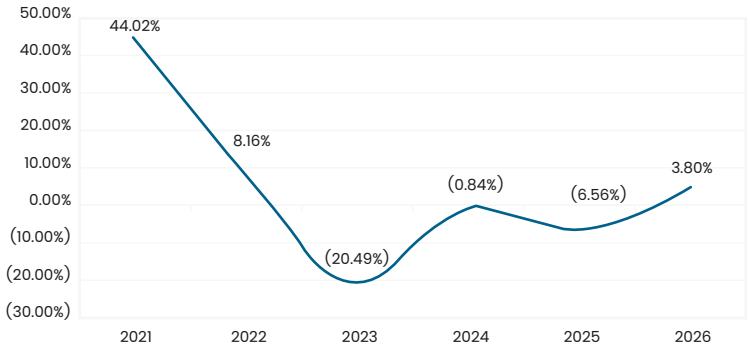
The net profit margin turned positive at 1.81% during FY 2025-26, a marked recovery from the net loss margin of 4.01% recorded in the prior year, driven by improved sales volumes, better gross margins, and reduced finance costs. Asset turnover improved to 1.05 times (2025: 0.87 times), reflecting the Company's enhanced ability to generate sales from its asset base, consistent with the 61% revenue growth achieved during the year. Together, these improvements lifted the return on assets to 1.90% (2025: -3.49%).

The leverage factor stood at 2.01 times (2025: 1.88 times), continuing the Company's multi-year deleveraging trend from a peak of 3.33 times in FY 2022, supported by the sponsor's equity injection and the settlement of the long-term loan during the year. Applying this leverage to the improved return on assets, the Company's return on equity rose to 3.82% (2025: -6.56%), reflecting the combined benefit of stronger operating profitability, more efficient asset utilization, and a progressively strengthened equity base.

Conclusion:

In conclusion, the DuPont analysis shows that ASML's ROE recovery to 3.82% in FY 2025-26 was primarily earnings-driven. A return to a positive net margin of 1.81% and improved asset turnover of 1.05 times were the main contributors, while a modest rise in leverage, from 1.88 to 2.01 times, played a secondary role. This reflects a genuine operational recovery and a more sustainable earnings profile going into the coming year.

Dupont Graph (%)



Horizontal Analysis

	2026		2025		2024		2023		2022		2021	
	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%
Statement of Financial Position												
Assets												
Non-Current Assets	22,987	(1%)	23,105	3%	22,387	1%	22,265	11%	20,036	0%	19,951	(6%)
Current Assets	28,802	84%	15,651	(14%)	18,210	15%	15,781	(41%)	26,769	62%	16,573	25%
Total Assets	51,789	34%	38,756	(5%)	40,597	7%	38,046	(19%)	46,805	28%	36,524	6%
Equity and Liabilities												
Shareholders' Equity	25,828	25%	20,616	31%	15,707	0%	15,692	12%	14,036	(3%)	14,467	79%
Non-Current Liabilities	477	16%	412	(56%)	942	(75%)	3,739	(27%)	5,100	(19%)	6,274	(34%)
Current Liabilities	25,484	44%	17,728	(26%)	23,948	29%	18,615	(33%)	27,669	75%	15,783	(7%)
	51,789	34%	38,756	(5%)	40,597	7%	38,046	(19%)	46,805	28%	36,524	6%
Statement of Profit or (Loss)												
Revenue	54,235	61%	33,752	(21%)	42,750	37%	31,102	(52%)	64,830	18%	55,116	85%
Cost of sales	(48,302)	51%	(32,084)	(18%)	(38,919)	34%	(29,089)	(51%)	(59,317)	35%	(43,931)	60%
Gross profit	5,933	256%	1,668	(56%)	3,831	90%	2,013	(63%)	5,513	(51%)	11,185	373%
Selling and distribution cost	(1,654)	244%	(481)	(15%)	(569)	301%	(142)	(66%)	(421)	76%	(239)	469%
Administrative expenses	(635)	9%	(583)	31%	(446)	8%	(413)	5%	(395)	11%	(357)	12%
Profit from operations	3,643	503%	604	(79%)	2,816	93%	1,458	(69%)	4,697	(56%)	10,589	428%
Other expenses	(221)	191%	(76)	1167%	(6)	(100%)	(2,801)	132%	(1,208)	24%	(977)	100%
Other Income	60	(89%)	538	111%	255	83%	139	61%	86	(83%)	499	1213%
Finance cost	(1,726)	(37%)	(2,731)	(29%)	(3,861)	6%	(3,638)	58%	(2,299)	51%	(1,524)	(55%)
Profit / (Loss) before taxation	1,756	205%	(1,666)	109%	(797)	(84%)	(4,843)	(480%)	1,275	(85%)	8,587	739%
Taxation	(775)	(347%)	314	(53%)	664	(59%)	1,626	(1360%)	(129)	(94%)	(2,219)	(405%)
Profit / (Loss) for the year	981	173%	(1,352)	921%	(132)	(96%)	(3,217)	(381%)	1,146	(82%)	6,368	1,132%

Statement of Financial Position

Total assets grew by 34% to Rs. 51,789 million during FY 2025-26, reversing the declining trend observed in FY 2025 (-5%) and reflecting the Company's expanded scale of operations. This growth was driven by a sharp 84% increase in current assets, largely on account of higher inventory holdings and trade receivables built up to support the year's strong sales growth, while non-current assets remained broadly stable, declining marginally by 1%.

On the equity and liabilities side, shareholders' equity increased by 25% to Rs. 25,828 million, continuing its multi-year growth trajectory and reflecting both the profit earned during the year and the sponsor's equity injection. Non-current liabilities rose by 16% to Rs. 477 million, though this remains substantially below historical levels following the continued repayment of long-term debt in recent years. Current liabilities increased by 44%, broadly in line with the growth in current assets, reflecting higher trade and other payables associated with the year's expanded procurement and production activity.This increase was further supported by a significant rise in advances from customers, which grew to Rs. 1,239 million (2025: Rs. 365 million), reflecting stronger forward order booking and customer confidence amid improving demand conditions.

Statement of Profit or Loss

Revenue grew by 61% to Rs. 54,235 million during the year, marking a strong recovery from the 21% decline recorded in FY 2025 and reflecting a substantial improvement in sales volumes and pricing. Gross profit rose sharply by 256% to Rs. 5,933 million, significantly outpacing revenue growth and reflecting the marked recovery in gross margins during the year.

Selling and distribution costs increased by 244%, largely on account of higher export freight charges linked to increased export volumes and elevated international freight rates, while administrative expenses rose by a more modest 9%, reflecting continued cost discipline. As a result, profit from operations increased by 503% to Rs. 3,643 million.

Finance costs declined by 37% to Rs. 1,727 million, continuing the downward trend from the prior year and reflecting lower average borrowing rates and reduced debt levels following the settlement of long-term loans. This, combined with the strong operating performance, enabled the Company to report a profit before taxation of Rs. 1,756 million, a significant turnaround from the loss of Rs. 1,666 million recorded in FY 2025. After accounting for taxation, the Company reported profit after tax of Rs. 981 million for the year, compared to a net loss of Rs. 1,352 million in the prior year.

Vertical Analysis

	2026		2025		2024		2023		2022		2021	
	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%
Statement of Financial Position												
Assets												
Non-Current Assets	22,987	44%	23,105	60%	22,387	55%	22,265	59%	20,036	43%	19,951	55%
Current Assets	28,802	56%	15,651	40%	18,210	45%	15,781	41%	26,769	57%	16,573	45%
Total Assets	**51,789**	**100%**	**38,756**	**100%**	**40,597**	**100%**	**38,046**	**100%**	**46,805**	**100%**	**36,524**	**100%**
Equity and Liabilities												
Shareholders' Equity	25,828	50%	20,616	53%	15,707	39%	15,692	41%	14,036	30%	14,467	40%
Non-Current Liabilities	477	1%	412	1%	942	2%	3,739	10%	5,100	11%	6,274	17%
Current Liabilities	25,484	49%	17,728	46%	23,948	59%	18,615	49%	27,669	59%	15,783	43%
	51,789	**100%**	**38,756**	**100%**	**40,597**	**100%**	**38,046**	**100%**	**46,805**	**100%**	**36,524**	**100%**
Statement of Profit or Loss												
Revenue	54,235	100%	33,752	100%	42,750	100%	31,102	100%	64,830	100%	55,116	100%
Cost of sales	(48,303)	89%	(32,084)	95%	(38,919)	91%	(29,089)	94%	(59,317)	91%	(43,931)	80%
Gross profit	**5,933**	**10.94%**	**1,668**	**4.94%**	**3,831**	**8.96%**	**2,013**	**6.47%**	**5,513**	**9%**	**11,185**	**20%**
Selling and distribution cost	(1,654)	(3%)	(481)	(1%)	(569)	(1%)	(142)	0%	(421)	(1%)	(239)	0%
Administrative expenses	(635)	(1%)	(583)	(2%)	(446)	(1%)	(413)	(1%)	(395)	(1%)	(357)	(1%)
Profit from operations	**3,643**	**7%**	**604**	**2%**	**2,816**	**7%**	**1,458**	**5%**	**4,697**	**7%**	**10,590**	**19%**
Other expenses	(221)	0%	(76)	0%	(6)	0%	(2,801)	(9%)	(1,208)	(2%)	(977)	(2%)
Other Income	60	0%	538	2%	255	1%	139	0%	86	0%	499	1%
Finance cost	(1,727)	(3%)	(2,731)	(8%)	(3,861)	(9%)	(3,638)	(12%)	(2,299)	(4%)	(1,524)	(3%)
Profit / (Loss) before taxation	**1,756**	**3%**	**(1,666)**	**(5%)**	**(797)**	**(2%)**	**(4,843)**	**(16%)**	**1,275**	**2%**	**8,587**	**16%**
Taxation	(775)	(1%)	314	1%	664	2%	1,627	5%	(129)	0%	(2,219)	(4%)
Profit / (Loss) for the year	**981**	**2%**	**(1,352)**	**(4%)**	**(133)**	**0%**	**(3,216)**	**(10%)**	**1,146**	**2%**	**6,368**	**12%**

Statement of Financial Position

The Company's asset composition shifted notably during FY 2025-26, with current assets rising to 56% of total assets (2025: 40%), driven by the significant build-up in inventory and trade receivables to support the year's strong sales growth. Correspondingly, the share of non-current assets declined to 44% (2025: 60%), reflecting the shift in asset mix toward working capital rather than a reduction in the Company's fixed asset base.

On the equity and liabilities side, shareholders' equity represented 50% of total equity and liabilities (2025: 53%), continuing to form the largest single component of the Company's capital structure, supported by the year's profitability and the sponsor's equity contribution. Non-current liabilities remained minimal at 1% of the total (2025: 1%), continuing a multi-year decline from 17% in FY 2021, reflecting the Company's sustained deleveraging and the full repayment of long-term debt during the year. Current liabilities represented 49% of the total (2025: 46%), rising at a slower pace than current assets, which strengthened the Company's working capital position.

Statement of Profit & Loss

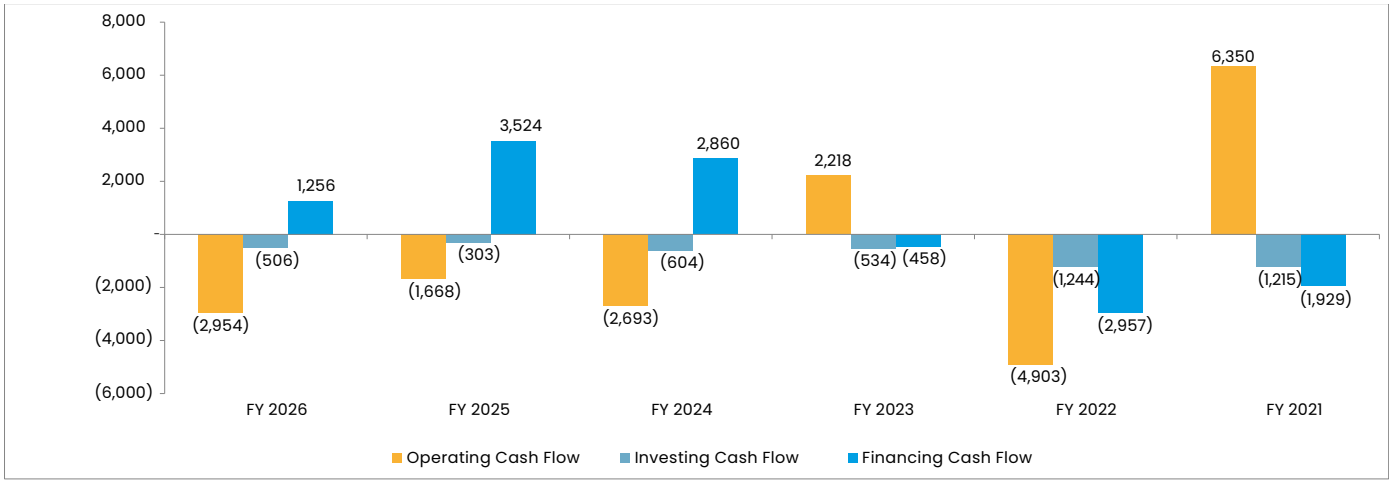
The cost of sales as a percentage of revenue improved to 89% during the year (2025: 95%), translating into a gross margin of 10.94% (2025: 4.94%), the highest level achieved since FY 2021, reflecting the Company's improved pricing and cost efficiency amid a more favorable market environment.

Selling and distribution costs increased to 3% of revenue (2025: 1%), primarily on account of higher export freight charges linked to increased export volumes, while administrative expenses declined to 1% of revenue (2025: 2%), consistent with recent years. As a result, profit from operations improved to 7% of revenue (2025: 2%), returning to levels last seen in FY 2023–2025.

Finance cost as a percentage of revenue declined significantly to 3% (2025: 8%), continuing its downward trend from the elevated levels seen in FY 2023–2025 and reflecting the Company's reduced borrowing levels and lower average interest rates. Consequently, profit before taxation improved to 3% of revenue (2025: -5%), and the Company reported a net profit margin of 2% for the year (2025: -4%).

Summary of Cash Flow Statement

	2026	2025	2024	2023	2022	2021
	Rs. In Million					
Cash (used in) / generated from operations	(144)	2,308	2,026	6,169	(959)	8,964
Income tax and levies paid	(924)	(589)	(923)	(788)	(1,392)	(1,046)
Mark-up on loans paid	(1,843)	(3,369)	(3,789)	(3,142)	(1,810)	(1,580)
Return on bank deposits received	13	10	21	37	35	33
Employee benefits paid	(26)	(30)	(27)	(17)	(15)	(8)
Workers' welfare fund paid	-	-	-	(18)	(194)	-
Workers' profits participation fund paid	-	-	-	(75)	(516)	-
(Increase) / decrease Increase in long-term deposits	(30)	3	(0)	52	(53)	(13)
Net cash (used in) operating activities	(2,954)	(1,668)	(2,693)	2,218	(4,903)	6,350
Purchase of property, plant and equipment	(516)	(308)	(625)	(545)	(1,222)	(1,184)
Purchase of intangibles		-	-	-	(24)	(34)
Sale proceeds from disposal of property, plant and equipment and intangible assets	10	5	21	11	3	3
Net cash used in investing activities	(506)	(303)	(604)	(534)	(1,244)	(1,215)
Proceeds from issue of share capital	-	-	-	-	-	-
Long term loan (repaid) / obtained - net	(613)	(2,623)	(1,363)	(1,483)	(1,452)	(1,908)
Contributions received from associated undertaking	6,919	8,281	-	4,000	-	-
Short-term borrowings obtained / (paid)	(2,021)	(103)	4,333	(2,930)	-	-
Repayment of sponsor's Loan	(3,000)	(2,000)	-	-	-	-
Dividend paid	0	(1)	(65)	(1)	(1,475)	-
Increase / (decrease) in liabilities against assets subject to finance leases	(29)	(30)	(45)	(44)	(29)	(21)
Net cash generated / (used in) from financing activities	1,256	3,524	2,860	(458)	(2,957)	(1,929)
Net increase / (decrease) in cash and cash equivalents	(2,204)	1,554	(436)	1,226	(9,103)	3,205
Cash and cash equivalents at beginning of the year	(0.021)	(1,554)	(1,120)	(2,345)	(6,558)	(9,764)
Cash and cash equivalents at end of the year	(2,204)	(0.021)	(1,554)	(1,120)	(15,661)	(6,558)



Comments on Cash Flow Analysis

In 2026, net cash used in operating activities stood at Rs. 2,954 million. Cash used in operations amounted to Rs. 144 million; however, after mark-up payments of Rs. 1,843 million and income tax payments of Rs. 924 million, along with other operating cash outflows, net cash used in operating activities amounted to Rs. 2,954 million. This reflects continued working capital requirements despite the Company's return to profitability.

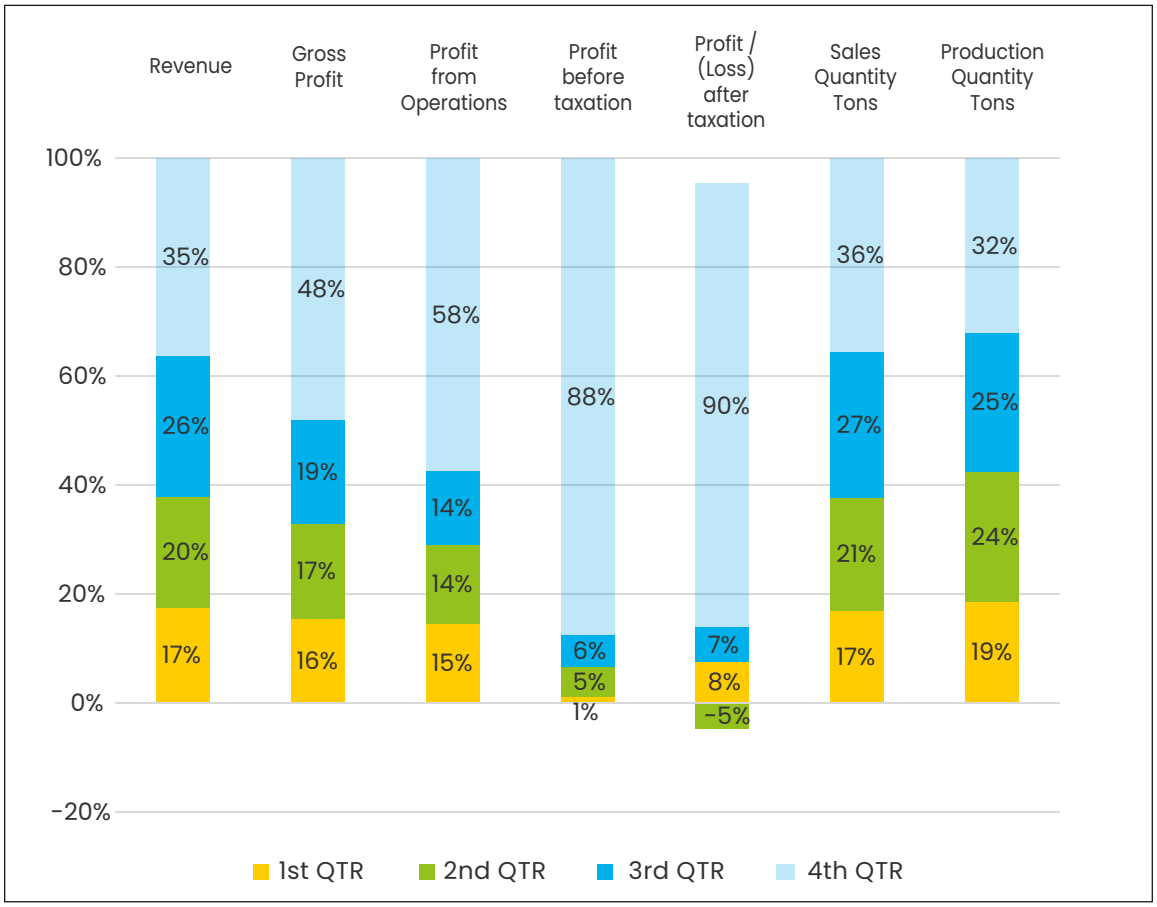
Investing activities resulted in a net cash outflow of Rs. 506 million, primarily due to capital expenditure of Rs. 516 million on property, plant and equipment, partly offset by Rs. 10 million received from the disposal of assets.

Financing activities generated a net inflow of Rs. 1,256 million, primarily due to Rs. 6,919 million received from the sponsor contribution, partly offset by repayment of the sponsor's loan, long-term debt and short-term borrowings.

As a result, cash and cash equivalents decreased by Rs. 2,204 million during the year, reflecting continued working capital requirements and debt-related cash outflows despite the improvement in the Company's operating profitability.

Results Reported in Interim Financial Statements and Final Accounts

	1st QTR	2nd QTR	3rd QTR	4th QTR	FY 2026
	Rs. In '000				
Revenue	9,462,646	11,105,331	13,985,588	19,681,659	54,235,224
Cost of sales	(8,540,635)	(10,076,302)	(12,859,427)	(16,826,175)	(48,302,539)
Gross profit	922,011	1,029,029	1,126,161	2,855,484	5,932,685
Selling and distribution cost	(244,139)	(347,521)	(480,923)	(581,042)	(1,653,625)
Administrative expenses	(145,533)	(159,502)	(150,967)	(179,181)	(635,183)
	(389,672)	(507,023)	(631,890)	(760,223)	(2,288,808)
Profit from operations	532,339	522,006	494,271	2,095,261	3,643,877
Other expenses	(10,181)	(36,828)	(27,241)	(146,799)	(221,049)
Other income	23,255	19,009	7,719	10,164	60,147
Finance cost	(525,351)	(408,412)	(371,881)	(421,668)	(1,727,312)
Profit before taxation	20,062	95,775	102,868	1,536,958	1,755,663
Taxation	61,978	(146,325)	(35,233)	(654,934)	(774,514)
Profit / (loss) after taxation	82,040	(50,550)	67,635	882,024	981,149
Sales Qty (Tons)	43,474	53,220	68,650	91,800	257,144
Production Qty (Tons)	49,513	63,544	67,908	85,511	266,476



Quarterly Results Analysis

Quarter 1

International steel prices remained largely stable during the July–September quarter. In the flat steel sector, HRC prices fluctuated within a narrow band of around US$ 475 per ton, FOB China. The trade tensions between the United States and China further intensified during the quarter, with steep tariffs imposed by the United States on multiple countries, including China. Steel exports from Pakistan to the United States became subject to a 50% tariff, up from the previous 25%, rendering exports to that region considerably more challenging. Exports to other regions, however, registered healthy growth during the period.

The total quantity sold during the Jul-Sep 2025 quarter stood at 43,474 tons, as compared to 20,503 tons sold during the corresponding period last year, reflecting a rise of approximately 112%. Exports during the period stood at 5,856 tons, compared to 1,975 tons exported in the corresponding period last year.

The total quantity produced during the period was 49,513 tons, compared to 23,187 tons in the corresponding period last year, marking a growth of approximately 114%

Quarter 2

HRC prices remained largely stable during the second quarter, hovering around US$ 465 per ton, FOB China. International trade tensions persisted, with the United States threatening additional tariffs on China over rare earth export restrictions, though this had limited impact on global steel pricing during the quarter. Domestically, economic indicators continued to improve, with steel demand strengthening and the Company's local market share expanding further.

The total quantity sold during the period was 53,220 tons, of which 15,219 tons was exported, compared to 35,904 tons sold in the corresponding period last year, an uptick of approximately 48%. The total quantity produced during the quarter stood at 63,544 tons, compared to 40,221 tons produced in the corresponding quarter last year, representing a growth of approximately 58%.

Quarter 3

HRC prices remained largely stable at the start of the third quarter. However, prices began to climb sharply following the outbreak of the US-Iran conflict, which disrupted regional shipping routes and heightened tensions around the Strait of Hormuz, a critical corridor for global energy and freight movement. This led to a marked increase in energy costs and international freight charges, as shipping lines rerouted vessels and freight insurance premiums rose sharply amid escalating geopolitical risk. The resulting cost pressure fed through into higher international steel prices during the later part of the quarter.

On the domestic front, local demand for CRC and GI products continued to strengthen, supported by improving economic conditions. The Company also benefited from a relatively stable Rupee-Dollar exchange rate during the quarter, which helped contain the cost of imported raw materials despite the volatile international pricing environment.

The total quantity sold during the quarter was 68,650 tons, of which 15,422 tons was exported to several countries, compared to 39,170 tons sold in the corresponding period last year, a rise of approximately 75%. The total quantity produced during the quarter was 67,908 tons, compared to 42,012 tons produced in the corresponding quarter last year, marking a growth of approximately 62%, as production was scaled up to meet the growing demand for CRC and GI.

Quarter 4

The fourth quarter saw a significant escalation in the US-Iran conflict, which intensified into a full-scale confrontation and triggered a sharp rise in international steel prices, with HRC peaking at approximately US$ 550 per ton, FOB China, in May 2026, the highest level recorded during the year. The conflict continued to disrupt key shipping lanes, keeping freight and energy costs elevated and contributing to sustained upward pressure on international steel prices through the quarter.

Domestic demand also remained resilient during the quarter, supported by continued growth in local CRC and GI consumption and the Company's strengthened market position.

The total quantity sold during the quarter was 91,800 tons, compared to 53,364 tons sold in the corresponding quarter last year, reflecting a rise of approximately 72%. The total quantity produced during the period was 85,511 tons, compared to 53,148 tons produced in the corresponding quarter last year, representing a growth of approximately 61%. Export sales during the quarter stood at 25,086 tons, underscoring the Company's success in diversifying its export markets amid a challenging trade environment.

Historical Sales & Production Statement

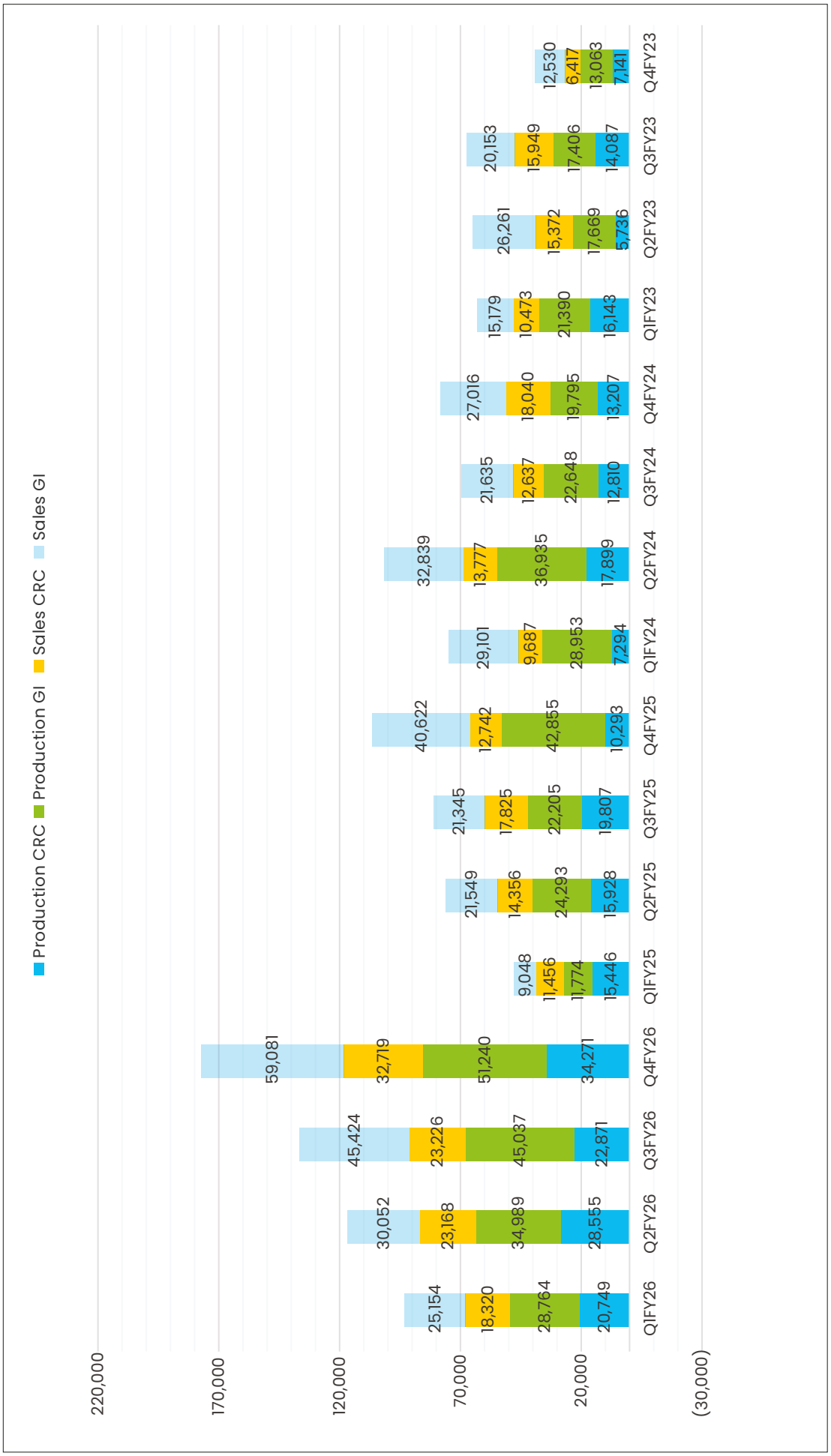
Description	Product	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Production	CRC	20,749	28,555	22,871	34,271	15,446	15,928	19,807	10,293
	GI	28,764	34,989	45,037	51,240	11,774	24,293	22,205	42,855
	Total	49,513	63,544	67,908	85,511	27,219	40,221	42,012	53,148

Description	Product	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Production	CRC	7,294	17,899	12,810	13,207	16,143	5,736	14,087	7,141
	GI	28,953	36,935	22,648	19,795	21,390	17,669	17,406	13,063
	Total	36,247	54,835	35,458	33,002	37,533	23,405	31,493	20,204

Description	Product	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Sales	CRC	18,320	23,168	23,226	32,719	11,456	14,356	17,825	12,742
	GI	25,154	30,052	45,424	59,081	9,048	21,549	21,345	40,622
	Total	43,474	53,220	68,650	91,800	20,503	35,904	39,170	53,364

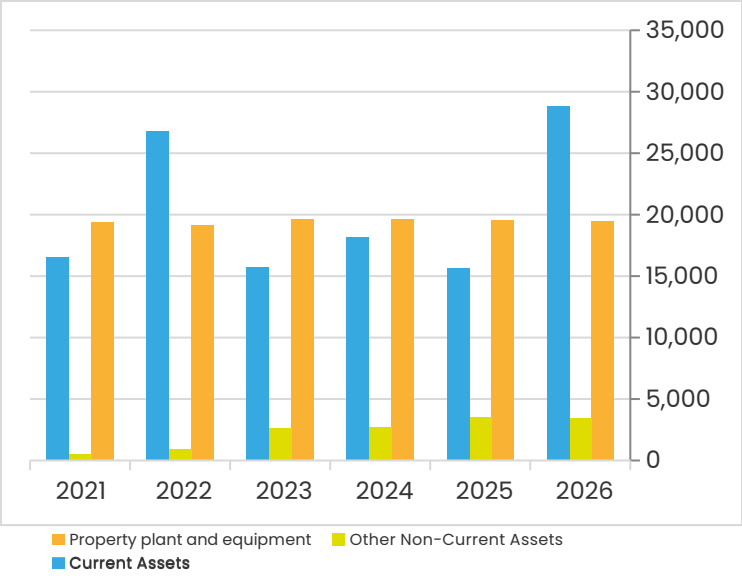
Description	Product	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Sales	CRC	9,687	13,777	12,637	18,040	10,473	15,372	15,949	6,417
	GI	29,101	32,839	21,635	27,016	15,179	26,261	20,153	12,530
	Total	38,788	46,616	34,272	45,056	25,652	41,633	36,102	18,947

Historical Sales & Production Statement

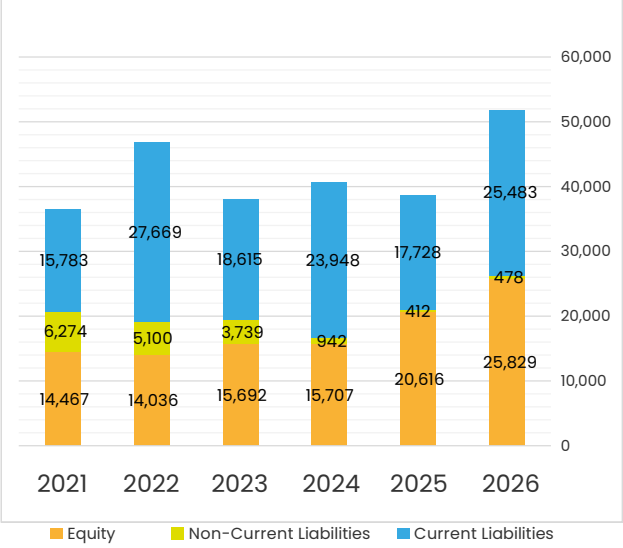


Graphical Representations

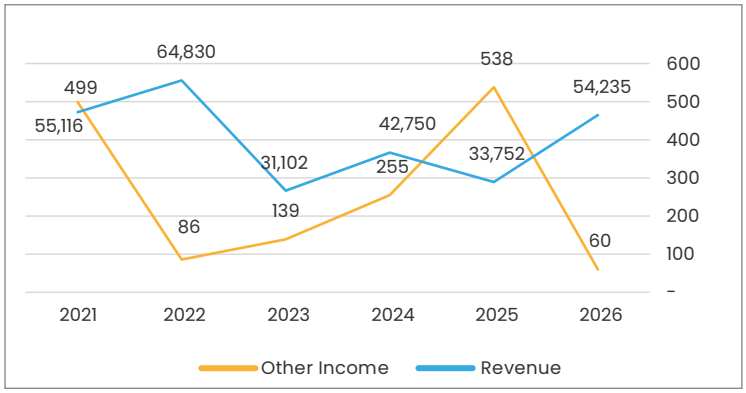
Assets (Rs. in Millions)



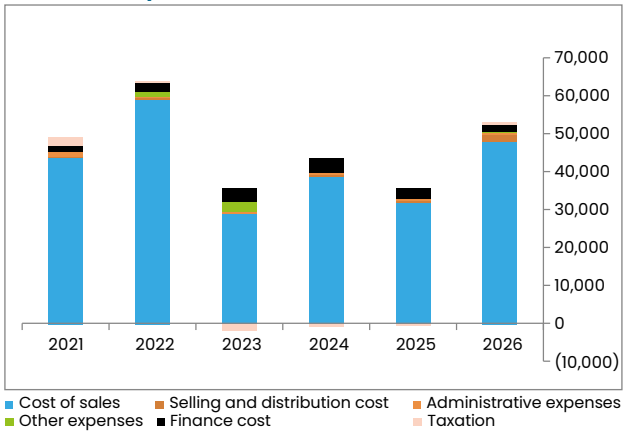
Equity and Liabilities (Rs. in Millions)



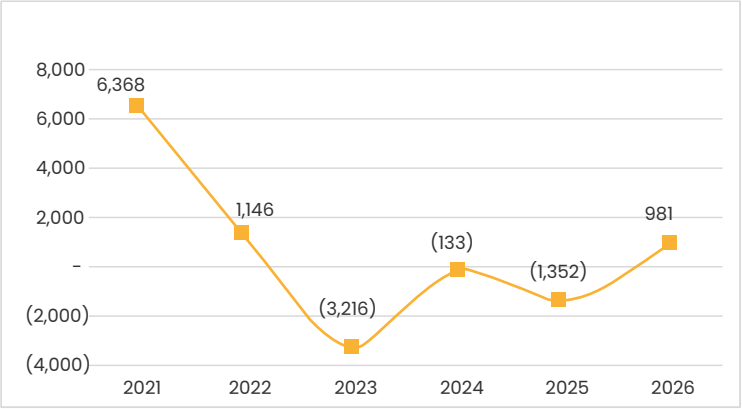
Total Income (Rs. in Millions)



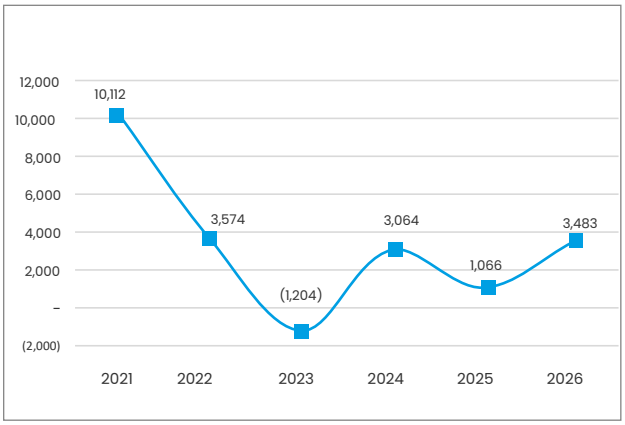
Total Expense (Rs. in Millions)



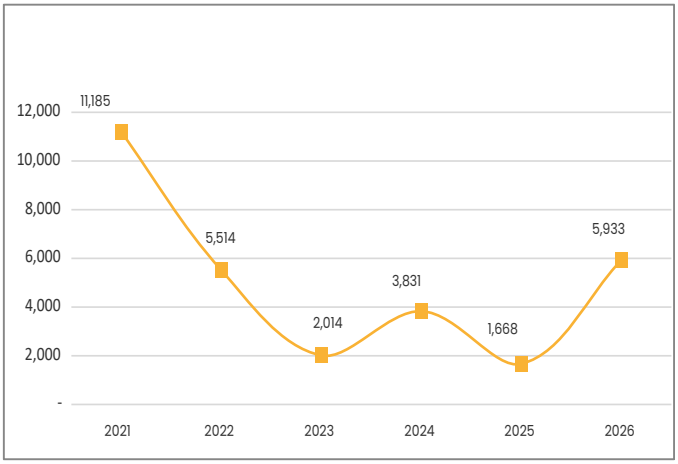
Profit / (Loss) for the year (Rs. in Millions)



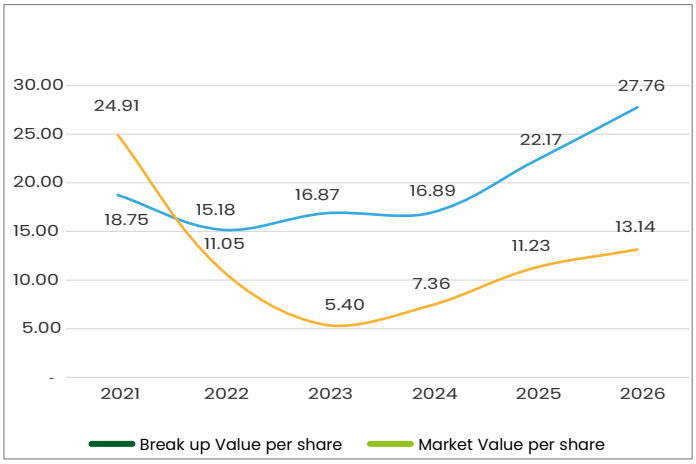
Profit / (Loss) from operations (Rs. in Millions)



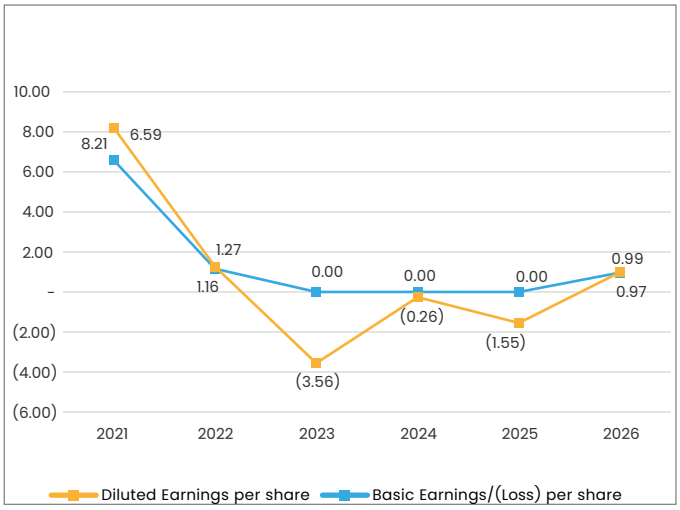
Gross Profit (Rs. in Millions)



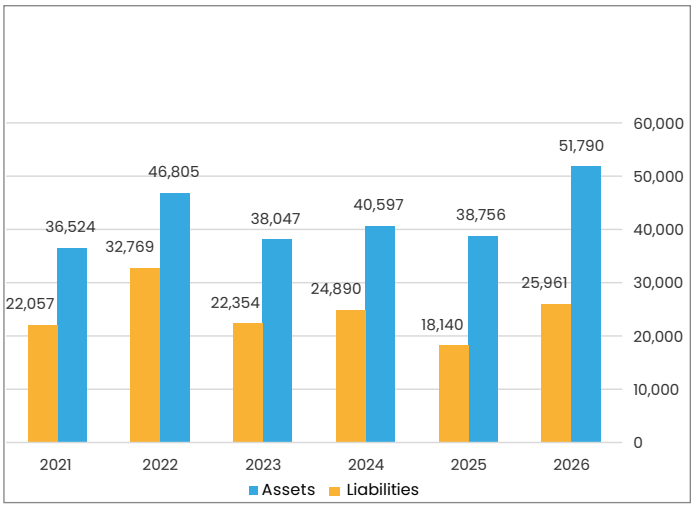
Value Per Share (Rs. per Share)



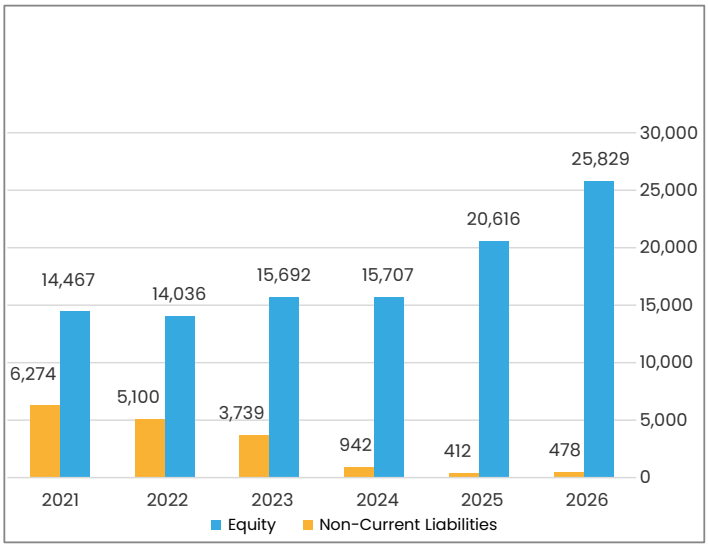
Earning Per Share (Rs. per Share)



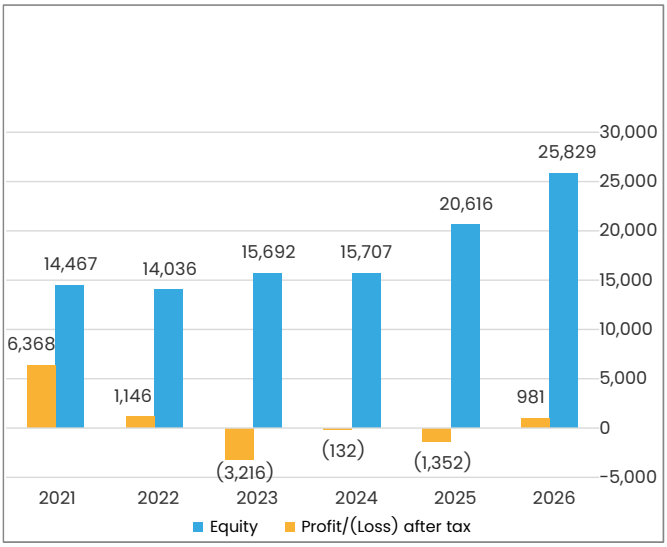
Assets & Liabilities (Rs. in Millions)



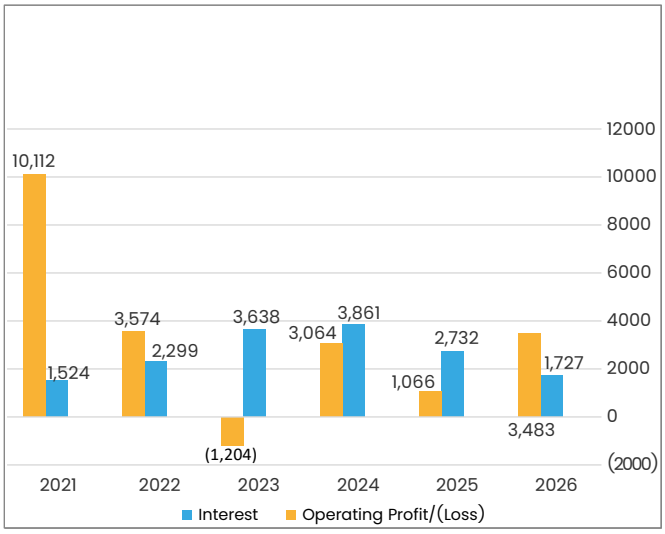
Equity & Non-Current liabilties (Rs. in Millions)



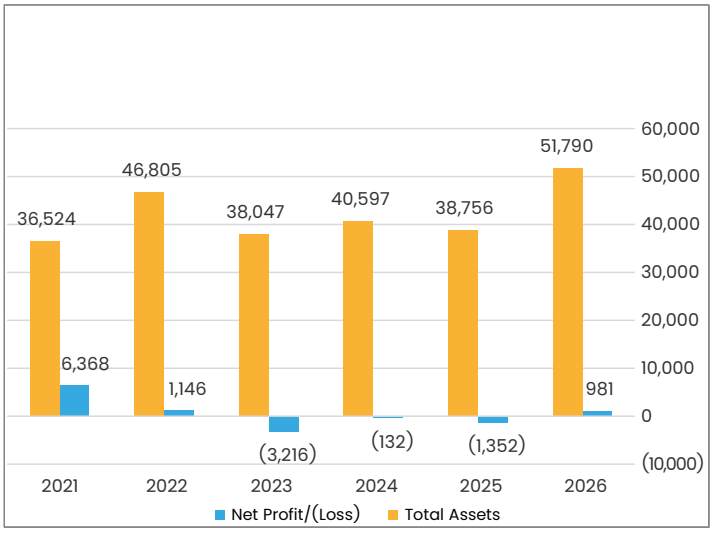
Return on Equity (Rs. in Millions)



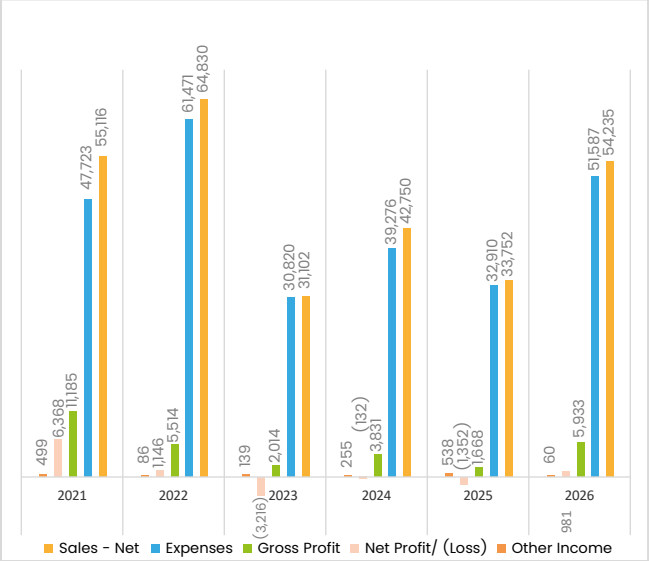
Interest Cover Ratio (Rs. in Millions)



Net Profit to Assets Ratio (Rs. in Millions)



Profitability Trend (Rs. in Millions)

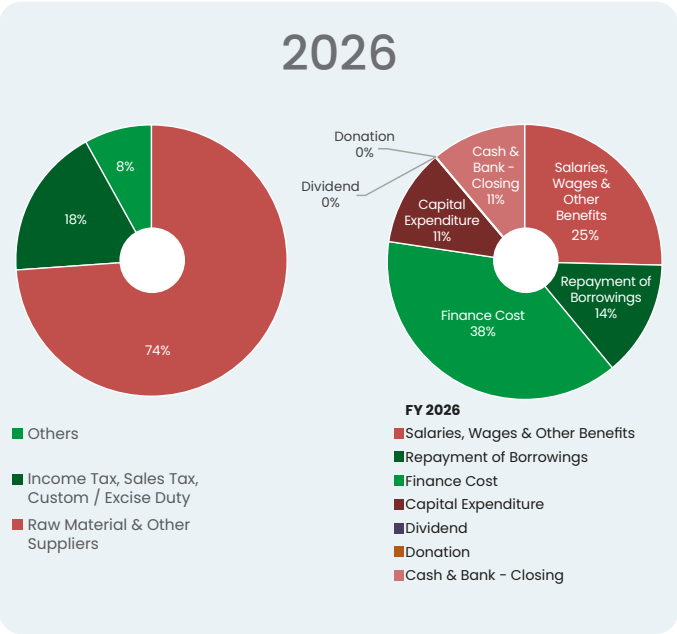


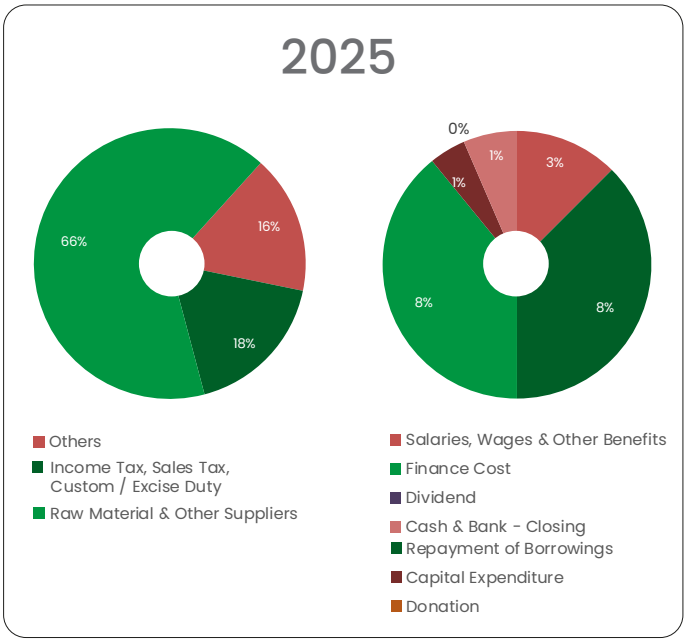
Statement of cash flows - direct method

	2026	2025
	Rs. In '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	53,124,095	35,244,339
Cash paid to suppliers / service providers and employees	(53,298,007)	(32,933,661)
Income tax paid	(924,008)	(589,439)
Mark-up on loans paid	(1,842,648)	(3,369,186)
Return on bank deposits received	13,408	9,673
Employee benefits paid	(26,524)	(30,237)
Net cash (used in) operating activities	(2,953,684)	(1,668,511)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(516,621)	(307,947)
"Sale proceeds from disposal of property, plant and equipment"	10,381	5,433
Net cash used in investing activities	(506,240)	(302,514)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term finance	(612,867)	(2,623,100)
Contributions received from associated undertaking	6,918,902	8,281,098
Contributions repaid to associated undertaking	(3,000,000)	(2,000,000)
Short-term borrowings obtained	47,710,132	43,712,191
Short-term borrowings paid	(49,730,864)	(43,814,619)
Dividend paid	(228)	(845)
Lease rentals paid	(29,180)	(29,868)
Net cash generated from financing activities	1,255,895	3,524,857
Net increase / (decrease) in cash and cash equivalents	(2,204,029)	1,553,832
Cash and cash equivalents at beginning of the year	(21)	(1,553,853)
Cash and cash equivalents at end of the year	(2,204,050)	(21)

Statement of Value Addition & Distribution

	2026		2025	
WEALTH CREATED	Rs. In '000	%	Rs. In '000	%
Receipts from Customers	53,124,095	96%	35,244,339	84%
Other Receipts	60,147	0%	538,014	1%
Cash & Bank - Opening	452,292	1%	217,072	1%
Contribution from sponsor	3,918,902	7%	6,281,098	15%
Short-Term Loan (Paid) / Obtained - Net	(2,020,732)	-4%	(102,428)	0%
	55,534,704	100%	42,178,095	100%
WEALTH DISTRIBUTED				
To Employees				
Salaries, Wages & Other Benefits	1,141,877	2%	870,593	2%
To Government				
Income Tax, Sales Tax, Custom / Excise Duty	9,991,062	18%	7,445,182	18%
To Providers of Capital				
Repayment of Borrowings	612,867	1%	2,623,100	6%
Finance Cost	1,727,312	3%	2,732,465	6%
To Suppliers				
Capital Expenditure	516,621	1%	307,947	1%
Raw Material & Other Suppliers	41,043,175	74%	27,746,516	66%
To Shareholders				
Dividend	-	0%	-	0%
To Society				
Donation	-	0%	-	0%
Retained in Business				
Cash & Bank - Closing	501,790	1%	452,292	1%
	55,534,704	100%	42,178,095	100%





Share Price Sensitivity

Aisha Steel Mills Limited is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange (PSX) in three categories namely Ordinary Shares (ASL), Convertible Cumulative Preference Shares (ASLPS) and Convertible Cumulative Preference Shares (ASLCPS).

Share prices can be affected by variety of factors internal and external to the Company. However, performance of the Company and the economic environment in which it operates, are the two principal factors, affecting the share price. Management of ASML considers the following as key factors, which may impact share price.

Currency Risk

Being an importer of HRC (raw material), an appreciation of the Pak Rupee (PKR) against the US Dollar reduces the cost of imported raw material, leading to enhanced buying power and improved margins in the local market. Conversely, a depreciating PKR increases the cost of imported raw material and exerts pressure on margins.

During FY 2025-26, the average PKR/USD exchange rate remained largely stable at Rs. 280.83, compared to Rs. 279.76 in the prior year, reflecting a marginal depreciation of less than 1%. This continued stability builds on the relative currency stability observed since early 2024, following a period of significant volatility driven by inflationary pressures and political uncertainty in preceding years. The stable exchange rate environment during the year provided greater predictability in raw material costing and supported the Company's efforts to plan imports more effectively, optimize inventory levels, and safeguard margins amid a more favorable pricing environment for finished goods.

HRC Prices in the International Market

Being an importer of HRC (raw material), a rise in HRC prices directly impacts the Company's profitability in the short term; however, over the longer run, this impact is largely passed on to the consumer, which positively correlates with the Company's margins.

HRC prices remained relatively stable at around US$ 450 per ton, FOB China, from July 2025 to February 2026. Thereafter, prices began to rise gradually following the outbreak of the US-Iran conflict, peaking at approximately US$ 550 per ton in May 2026. As the conflict subsided, prices eased to around US$ 490 per ton, FOB China, by June 2026.

Change in Government Policies Affecting Consumer's Buying Power

Any change in government policies relating to micro / macro economic factors affecting consumers buying power in general, and CRC and HDGC in particular, may affect the share price of the Company. Pakistan economy has showed some economic recovery resulting in a positive GDP of 3.7 percent, as compared to last year's growth of just 3.18 percent. This improvement reflecting macroeconomic stabilization and recovery across key sectors of the economy. However, this growth comes amidst high inflation, with Consumer Price Index (CPI) reflecting persistent price pressure in the economy.

Law and Order Situation

Law and order situation govern the social and business environment in which the Company operates. Organization's exhibition is impacted by the political unsettling influences inside and outside the country. Vulnerability in political circumstances and the rule of law circumstance quickly affect Company's presentation and eventually on share cost. It also has an adverse effect on the confidence of stock market investors. However, currently stock market is trading on highest level which shows investors' confidence and stable law and order situation.

Plant Operations and Expansion

Operating plant at maximum capacity and minimum turbulence leads to reduced cost, and higher production. Issues at production negatively affect the performance, and may also affect its share price. Further commission of expansion, increase in capacity, and diversification of products may also affect the share price of the Company. Company expanded its production facilities in 2019. This led to the Company's improved performance which positively impacted the share price.

Shift in Consumers' Demand

Increase in demand of flat steel goods may impact the price of Company's product, thus, may increase margins and profitability. During the current year Economic recovery was hit by change in government and political instability which led to uncertainty in the economic conditions which affected the consumption side of the economy thus impact share price of the Company

Variation in Costs

An increase in the costs affects the margins and resultantly will impact the profits and EPS. Therefore, variation of cost may affect the share price. The aforementioned factors have affected the Company's performance and thus its share price. Impact of the factors including depreciation of PKR, change in government policies, law and order situation, changes in consumers demand, fluctuation in international steel prices contributed to factors affecting Company's share price and volume of trading. The same has been reflected in the table below.

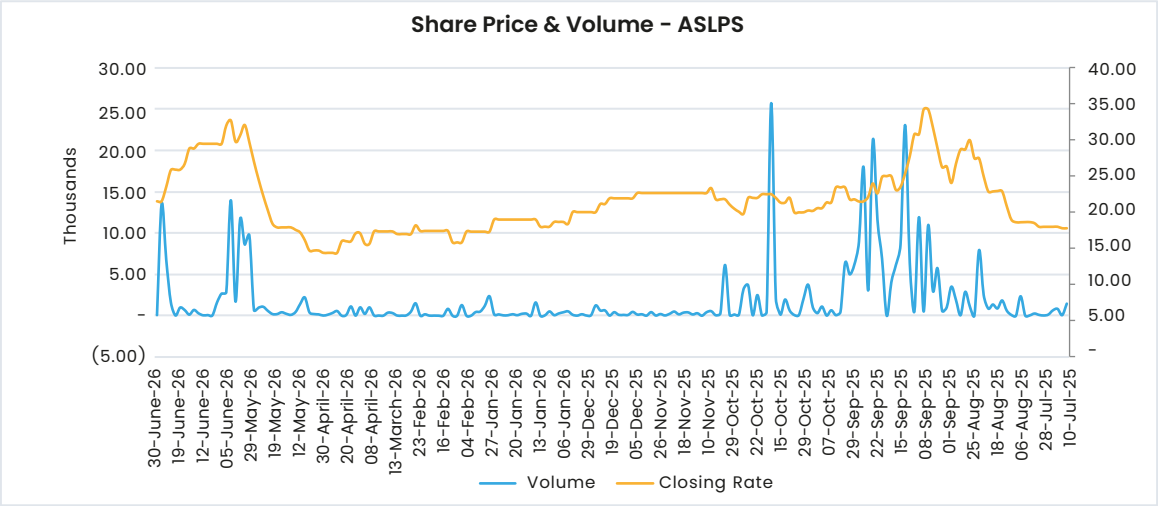
Ordinary Share (Symbol: ASL)				Preference Share (Symbol: ASLPS)				Preference Share (Symbol: ASLCPS)			
Year	Low (Rs.)	High	Volume	Year	Low (Rs.)	High	Volume	Year	Low (Rs.)	High	Volume
2026	8.51	15.94	1,308,029,780	2026	16.65	35.29	372,294	2026	17.00	205.00	209,372
2025	6.17	13.80	1,243,117,290	2025	8.20	19.25	125,935	2025	-	-	-

An analysis of changes in key factors affecting share price sensitivity and their impact is depicted in the below table

Key Factors	Impact on Profit before tax	EPS (Rs.)
Selling Price (Increase or Decrease by 10%)	Lower or higher by Rs. 5.4 billion	5.83
Selling Volume (Increase or Decrease by 5%)	Lower or higher by 297 million	0.32
Interest Rates (Increase or Decrease by 2%)	Lower or higher by Rs. 304 million	0.33
Exchange Rate (Increase or Decrease by 5%)	Lower or higher by Rs. 4 million	0.18

Price and volume data is as under:

Months	Ordinary Share (Symbol: ASL)			Preference Share (Symbol: ASLPS)			Preference Share (Symbol: ASLCPS)		
	High	Low	Volume	High	Low	Volume	High	Low	Volume
Jul-25	14	11	253,586,099	20	17	3,570	27	17	23,392
Aug-25	15	12	225,563,946	30	17	28,990	62	19	22,567
Sept-25	16	13	204,520,946	35	19	168,839	119	43	51,592
Oct-25	15	12	109,393,620	24	18	43,145	175	125	27,214
Nov-25	14	12	33,067,406	24	20	15,937	205	115	24,257
Dec-25	15	13	97,105,581	25	20	3,063	139	86	18,107
Jan-26	14	12	135,060,703	24	16	7,099	105	79	9,680
Feb-26	14	10	39,625,616	21	15	7,074	97	78	1,178
Mar-26	10	9	33,764,140	19	16	2,964	95	57	2,790
Apr-26	13	9	67,919,700	19	13	4,718	84	65	7,318
May-26	12	12	49,253,847	30	15	18,860	79	49	13,531
Jun-26	14	12	59,168,176	35	21	68,035	77	60	7,746
			1,308,029,780			372,294			209,372



Financial Statements

Price is what you pay.
Value is what you get.

~Warren Buffett

More
Bids
Offers
964.1
964.6
964.0
964.7
960.6
965.0
+3.0 (+0.31
962.8
963.9
Multi Order
Bids
964.0
963.9
963.7

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INDEPENDENT AUDITOR'S

REVIEW REPORT TO THE MEMBERS OF AISHA STEEL MILLS LIMITED

Review Report 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 Aisha Steel Mills Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 30, 2026
UDIN: CR202610073nVydZfij1

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STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: AISHA STEEL MILLS LIMITED
FOR THE YEAR ENDED 30TH JUNE 2026

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

1. The total number of Directors are 9 (Nine) as per the following:

a.	Male Directors	Eight
b.	Female Director	One

2. The composition of board as follows:

	Category	Names
a)	Independent Directors	Ms. Saadia Umar (Appointed on July 14, 2025) Mr. Abdul Majeed (Appointed on July 14, 2025) Mr. Arslan Muhammad Iqbal Mr. Rashid Ali Khan
b)	Non-executive Directors	Mr. Arif Habib - Chairman Mr. Nasim Beg Mr. Kashif Habib Mr. Abdus Samad Habib
c)	Executive Director	Dr. Munir Ahmed – CEO (Deemed Director)

3. The directors have confirmed that none of them is serving as a director on 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 the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

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

9. Six Directors (including the Chief Executive) had completed the Directors' Training / Education program whereas two directors (Mr. Arif Habib & Mr. Nasim Beg) were already exempt from attending the Directors Training Program as per criteria mentioned under Code of Corporate Governance;

10. No new appointments of Chief Financial Officer, Company secretary, or Head of Internal Audit were made during the year;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

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

a) Audit Committee

Mr. Arslan Muhammad Iqbal - Chairman
Mr. Nasim Beg
Mr. Abdus Samad Habib
Mr. Kashif Habib

b) HR and Remuneration Committee

Mr. Rashid Ali Khan - Chairman
Ms. Saadia Umar
Mr. Arif Habib
Mr. Kashif Habib

c) Nomination Committee

Mr. Arif Habib – Chairman
Mr. Abdus Samad Habib

d) Risk Management Committee

Mr. Arif Habib – Chairman
Dr. Munir Ahmed
Mr. Kashif Habib

e) Sustainability Committee

Mr. Nasim Beg – Chairman
Mr. Kashif Habib
Dr. Munir Ahmed
Ms. Saadia Umar

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance; The frequency of meetings of the committee were as per following:

a) Audit Committee - 5 (Five) meetings of the committee were held during the financial year.

b) HR and Remuneration Committee - 1 (One) meeting of the committee was held during the financial year.

c) Nomination Committee - 2 (Two) meetings of the committee were held during the financial year.

d) Risk Management Committee – 1 (One) meeting of the committee was held during the financial year.

e) Sustainability Committee – The committee was constituted in April 2026. No meeting of the committee was held during the financial year.

14. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is fully conversant with the policies and procedures of the Company;

15. 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;

16. 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;

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

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

S.No	Requirement	Reg. No	Explanation
1.	Disclosure of Significant policies on website	35(1)	As the regulation provides concession with respect to disclosure of key elements of significant policies on the website, only those policies which were considered necessary have been posted.

For and On behalf of the Board

DR. MUNIR AHMED
Chief Executive

MR. ARIF HABIB
Chairman

Date: August 18, 2026

Report of the Board Audit Committee

The Audit Committee of the Company comprises of four Non-Executive Directors and is chaired by an Independent Director while the Head of Internal Audit is the Secretary of the Audit Committee. The Chief Executive Officer (CEO), Chief Financial Officer (CFO) and External Auditors attend Audit Committee meetings by invitation. The Audit Committee also separately meets the Internal Audit team and External Auditors at least once a year without the presence of the Management.

Meetings of the Audit Committee are held at least once every quarter. Based on reviews and discussions in those meetings, the Audit Committee reports that:

1. Five meetings of the Audit Committee were held during the financial year ended June 30, 2026.

2. The Chairperson of Audit Committee is a senior banker and holds a Master's degree in Business Administration lending sufficient financial and accounting insight to the proceedings of the Audit Committee.

3. The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and the best practices of governance throughout the year.

4. The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed by the External Auditors of the Company.

5. Appropriate accounting policies have been consistently applied. All core and other applicable International Financial Reporting Standards (IFRS) were followed in preparation of financial statements of the Company on a going concern assumption basis, for the financial year ended June 30, 2026 which present fairly the state of affairs, results of operations, cash flows and changes in equity of the Company.

6. Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholder needs.

7. The financial statements comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) 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 the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

8. The Audit Committee reviewed and approved the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board.

9. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) attended all Audit Committee meetings whereas the External Auditors attended two Audit committee meetings by invitation.

10. The CEO and the CFO have endorsed the financial statements of the Company along with Directors' Report. They acknowledged their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and design and effectiveness of internal control system of the Company.

11. The Audit Committee has reviewed and recommended all related party transactions to the Board for approval.

12. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.

13. The Committee has reviewed the Annual Report and concluded that it is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

14. The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders' wealth at all levels within the Company.

15. No cases of complaints regarding accounting, internal controls, audit matters or Whistle Blowing events were received by the Committee.

16. Understanding and Compliance with Company Code of Business Practice and Ethics has been affirmed by the members of the Board, the Management and employees of the Company individually. Equitable treatment of shareholders has also been ensured.

17. Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.

18. All Directors have access to the Company Secretary. All direct and indirect trading and holdings of the Company's shares by Directors and Executives or their spouse were notified in writing to the Company Secretary along with the price, number of shares, form of share certificate and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the pattern of Shareholdings. The Annual Secretarial Compliance Certificates are being filed regularly within stipulated time.

19. All members of the Board Audit Committee were engaged in a formal process to self-evaluate the Committee's performance for the year ended June 30, 2026 through an online questionnaire. All members of the Board Audit Committee are satisfied with the overall performance of the Committee.

Internal Audit

1. The internal control framework has been effectively implemented through an independent in-house internal audit function established by the Board which is independent of the external audit function.

2. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.

3. Internal auditor independently reviews the risks and control processes operated by management. The Internal Audit function has carried out its duties under the charter approved by the Committee. It carries out independent audits in accordance with an internal audit plan which is annually approved by the Audit Committee.

4. The internal audit plan provides a high degree of financial and business segment-wise coverage and devotes significant effort to the review of the risk management framework surrounding the major business risks.

5. Internal audit reporting system include recommendations to improve internal controls together with agreed management action plans to resolve the issues raised. Internal audit follows up the implementation of recommendations and reports progress to senior management and the Audit Committee.

6. The Audit Committee reviews the findings of the internal audits completed during the year, discusses corrective actions in the light of management responses, taking appropriate action or

bringing the matters to the Board's attention where required. This ensures the continual evaluation of controls and improved compliance.

7. The Head of Internal Audit reports to the Chairperson of the Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.

8. Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

1. The statutory Auditors of the Company, M/s A. F. Ferguson & Co., Chartered Accountants, have completed their audit engagement of the "Company's Financial Statements" and the "Statement of Compliance with the Code of Corporate Governance" for the financial year ended June 30, 2026 and shall retire upon the conclusion of the 22nd Annual General Meeting.

2. The Auditors have been allowed direct access to the Audit Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. The Auditors attended the Annual General Meeting of the Company held during the year and have confirmed attendance of the upcoming Annual General Meeting scheduled for October 23, 2026 and have indicated their willingness to continue as Auditors.

3. The performance, cost and independence of the External Auditor is reviewed annually by the Audit Committee. Based on the Committee's review of the performance of External Auditor, the Committee has recommended to the Board to reappoint M/s A. F. Ferguson & Co., Chartered Accountants for the year 2026-27 be proposed at the forthcoming Annual General Meeting.

Mr. Arslan Muhammad Iqbal
Chairman – Audit Committee

August 17, 2026
Karachi

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INDEPENDENT AUDITOR'S REPORT

To the members of Aisha Steel Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Aisha Steel Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting 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, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes 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 income, the changes in equity and its cash flows 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.

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Following are the key audit matters:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	**Revenue from contracts with customers** **(Refer notes 3.18 and 24 to the annexed financial statements)** Revenue is recognised when control of the underlying products is transferred to the customers. The Company primarily generates revenue from sale of cold rolled and galvanized steel coils and sheets to domestic as well as export customers. The Company recognised revenue aggregating to Rs. 54.24 billion, net of taxes, rebates and discounts, for the year ended June 30, 2026. We considered revenue as a key audit matter due to revenue being one of the key performance indicators of the Company and for the year, revenue has increased significantly as compared to last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	Our audit procedures included the following: - obtained an understanding of the Company's process with respect to revenue recognition and tested the design of the controls implemented by the management. - evaluated appropriateness of Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards. - performed verification of revenue transactions on sample basis with the underlying documentation including gate pass, delivery order, sales invoice etc.; - performed cut-off procedures on sample basis to ensure sales have been recorded in the correct period; - performed verification over discounts on sample basis; and - ensured that the presentation and disclosure related to revenue are being addressed appropriately.

S. No.	Key audit matter	How the matter was addressed in our audit
	Deferred tax	
(ii)	**(Refer note 8 to the annexed financial statements)**	
	Under International Accounting Standard 12 "Income Taxes", the Company is required to review recoverability of the deferred tax assets recognised in the statement of financial position at each reporting period. Recognition of deferred tax asset is dependent on management's estimate of availability of sufficient future taxable profits against which carried forward losses and tax credits can be utilised. The future taxable profits are based on approved management's projections. This estimation involves a degree of uncertainty and requires judgement in relation to the future cash flows and also involves assessment of timing of reversals of unused tax losses and tax credits. The Company has recognised deferred tax asset of Rs. 3.35 billion as at June 30, 2026 as disclosed in note 8 to the financial statements that includes carry forward losses and tax credit amounting to Rs. 2.54 billion. The recoverability of these benefits has been assessed based on the financial projections of the Company for future years. The determination of future taxable profit is based on certain key assumptions such as capacity utilisation, gross margin percentage, inflation and interest rates. Deferred tax asset valuation is considered a key audit matter because the amounts involved are material, the complexities of the calculation of future taxable profits and the inherent uncertainty involved in forecasting taxable profits available in future periods	Our audit procedures included the following: - obtained understanding of the Company's process of preparing financial projections; - obtained financial projections from management as approved by the Board of Directors; - evaluated the reasonableness of key assumptions and estimates used by management to prepare financial projections; - considered the expected timing of utilisation of the Deferred Tax Assets (DTA) keeping in view the relevant provision of Income Tax Ordinance 2001 that apply to the utilisation of tax losses; - determined the extent to which taxable profits would arise in the period within which the related losses would be available for utilisation; - ensured that the deferred tax asset is computed using the rates that are enacted or substantively enacted at the reporting date; and - reviewed the adequacy of the disclosures made by the Company with regard to applicable accounting and reporting standards

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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.

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:

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- 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

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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 and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

(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 Syed Muhammad Hasnain.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: September 30, 2026
UDIN: AR202610073GiN3eJMKT

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

AS AT JUNE 30, 2026

	Note	2026	2025
		Rupees in '000	
ASSETS			
Non-current assets			
Property, plant and equipment	4	19,511,817	19,594,487
Intangible assets	5	31,659	37,368
Long-term advances	6	274	279
Long-term deposits	7	95,692	65,613
Deferred tax asset	8	3,347,839	3,407,688
		22,987,281	23,105,435
Current assets			
Inventories	9	18,400,582	8,101,475
Trade and other receivables	10	3,508,742	1,477,417
Loans, advances and prepayments	11	679,231	543,452
Tax refunds due from government - sales tax		712,116	280,611
Taxation - payments less provision		4,999,672	4,795,775
Cash and bank balances	12	501,790	452,292
		28,802,133	15,651,022
Total assets		51,789,414	38,756,457
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	13		
Ordinary shares		9,307,848	9,300,159
Cumulative preference shares		437,261	444,950
Difference on conversion of cumulative preference shares into ordinary shares		(1,762,459)	(1,762,459)
		7,982,650	7,982,650
Capital reserve			
Surplus on revaluation of property, plant and equipment	14	2,509,685	2,214,080
Capital reduction reserve		667,686	667,686
Revenue reserve			
Unappropriated profit / (accumulated loss)		468,122	(529,401)
Contributions from sponsor	15	14,200,000	10,281,098
		25,828,143	20,616,113
Liabilities			
Non-current liabilities			
Lease liabilities	17	176,588	152,174
Employee benefit obligations	18	300,597	260,206
		477,185	412,380
Current liabilities			
Trade and other payables	19	9,372,125	1,070,049
Provisions	20	497,195	497,195
Short-term borrowings	21	15,301,884	15,069,089
Unclaimed dividend		2,150	2,378
Current maturity of long-term finance	16	-	593,580
Current maturity of lease liabilities	17	23,373	21,091
Accrued mark-up	22	287,359	474,582
		25,484,086	17,727,964
Total liabilities		25,961,271	18,140,344
Contingencies and commitments	23		
Total equity and liabilities		51,789,414	38,756,457

The annexed notes 1 to 47 form an integral part of these financial statements.

Chief Executive | Director | Chief Financial Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees in '000	
Revenue from contracts with customers	24	54,235,224	33,751,703
Cost of sales	25	(48,302,539)	(32,084,444)
Gross profit		5,932,685	1,667,259
Selling and distribution cost	26	(1,653,625)	(480,862)
Administrative expenses	27	(635,183)	(582,535)
Operating profit		3,643,877	603,862
Other expenses	28	(221,049)	(75,714)
Other income	29	60,147	538,014
Finance costs	30	(1,727,312)	(2,732,465)
Profit / (loss) before levies and income tax		1,755,663	(1,666,303)
Levies - minimum tax	31	(134,011)	(53,859)
Profit / (loss) before income tax		1,621,652	(1,720,162)
Income tax (charge) / credit	32	(640,503)	368,308
Profit / (loss) for the year		981,149	(1,351,854)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of employee benefit obligations net of deferred tax		639	(20,109)
Surplus on revaluation of property, plant and equipment		316,411	-
Related deferred tax for the year		(15,322)	-
Adjustment related to opening deferred tax balance on buildings		10,251	-
		311,340	-
Other comprehensive income / (loss) for the year		311,979	(20,109)
Total comprehensive income / (loss) for the year		1,293,128	(1,371,963)
		Rupees	
Earnings / (loss) per share			
- Basic	33.1	0.99	(1.55)
- Diluted	33.2	0.97	(1.55)

The annexed notes 1 to 47 form an integral part of these financial statements.

Chief Executive | Director | Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	Share capital			Reserves			Contribution from sponsor	Total
				Capital		Revenue		
	Ordinary shares	Cumulative preference shares	Difference on conversion of cumulative preference shares into ordinary shares*	Surplus on revaluation of property, plant and equipment	Capital reduction reserve (Note 13.2)	Unappropriated profit (Accumulated loss)		
	Rupees '000							
Balance as at July 1, 2024	9,300,159	444,950	(1,762,459)	2,229,316	667,686	827,326	4,000,000	15,706,978
Incremental depreciation net of deferred tax transferred	-	-	-	(15,236)	-	15,236	-	-
Net Contributions received - note 15	-	-	-	-	-	-	6,281,098	6,281,098
Total comprehensive loss for the year ended June 30, 2025								
- Loss for the year ended June 30, 2025	-	-	-	-	-	(1,351,854)	-	(1,351,854)
- Other comprehensive income / (loss) for the year ended June 30, 2025	-	-	-	-	-	(20,109)	-	(20,109)
	-	-	-	-	-	(1,371,963)	-	(1,371,963)
Balance as at June 30, 2025	9,300,159	444,950	(1,762,459)	2,214,080	667,686	(529,401)	10,281,098	20,616,113
Incremental depreciation net of deferred tax transferred	-	-	-	(15,735)	-	15,735	-	-
Net Contributions received - note 15	-	-	-	-	-	-	3,918,902	3,918,902
Cumulative preference shares of Rs.10 each converted into 1 ordinary share of Rs. 10 each during the period	7,689	(7,689)	-	-	-	-	-	-
Total comprehensive income for the year ended June 30, 2026								
- Profit for the year ended June 30, 2026	-	-	-	-	-	981,149	-	981,149
- Other comprehensive income for the year ended June 30, 2026	-	-	-	311,340	-	639	-	311,979
	-	-	-	311,340	-	981,788	-	1,293,128
Balance as at June 30, 2026	9,307,848	437,261	(1,762,459)	2,509,685	667,686	468,122	14,200,000	25,828,143

The annexed notes 1 to 47 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	34	(143,838)	2,307,675
Income tax and levies paid		(924,008)	(589,439)
Mark-up paid		(1,842,648)	(3,369,186)
Return on bank deposits received		13,408	9,673
Employee benefits paid		(26,524)	(30,237)
Receipts from long-term advances		5	15
Receipt / (payment) against long-term deposits		(30,079)	2,988
Net cash used in operating activities		(2,953,684)	(1,668,511)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(516,621)	(307,947)
Sale proceeds from disposal of property, plant and equipment		10,381	5,433
Net cash used in investing activities		(506,240)	(302,514)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term finance		(612,867)	(2,623,100)
Contributions received from sponsor		6,918,902	8,281,098
Repayments made to sponsor		(3,000,000)	(2,000,000)
Short-term loan obtained		47,710,132	43,712,191
Short-term loan repaid		(49,730,864)	(43,814,619)
Dividend paid		(228)	(845)
Lease rentals paid		(29,180)	(29,868)
Net cash generated from financing activities		1,255,895	3,524,857
Net (decrease) / increase in cash and cash equivalents		(2,204,029)	1,553,832
Cash and cash equivalents at beginning of the year		(21)	(1,553,853)
Cash and cash equivalents at end of the year	35	(2,204,050)	(21)

Statement of cash flows based on direct method has also been included in the financial statements in note 36.

The annexed notes 1 to 47 form an integral part of these financial statements.

Chief Executive | Director | Chief Financial Officer

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan on May 30, 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company's shares are listed on Pakistan Stock Exchange (PSX) since August 2012. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi.

1.1 The Company has set up a cold rolling mill complex and a galvanization plant in the downstream Industrial Estate, Pakistan Steel, Bin Qasim, Karachi to carry out its principal business of manufacturing and selling cold rolled steel coils and hot dipped galvanized coils.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- 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 the IFRS standards, the provisions of and directives issued under the Companies Act, 2017, have been followed.

2.2 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

i. Property, plant and equipment

The Company reviews appropriateness of the rate of depreciation, useful life and residual values used in the calculation of depreciation and revaluation of leasehold land and building. Also the Company intends and expect that the leasehold land will be available for an indefinite period and therefore, no amortization has been charged in the financial statements, please refer note 4.1.1. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

ii. Current and deferred income taxes

In making the estimates for income taxes payable by the Company, management considers current income tax laws and the decisions of appellate authorities on certain cases issued in the past. Where the final outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

outcome is determined. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

iii. Surplus on revaluation of property, plant and equipment

Revaluation of property, plant, and equipment is carried out by independent professional valuers. Often, revaluations conducted by these valuers use comparable market rates. The revalued amount of non-depreciable items is determined by reference to local market values, while that of depreciable items is determined by reference to present depreciated replacement values.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. It may be necessary to revalue the item only every three to five years unless earlier required.

iv. Employee benefit obligations - defined benefit plan

The present value of these obligations depends on a number of factors that are determined on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of these obligations. The present values of these obligations and the underlying assumptions are disclosed in note 3.17 & note 18 respectively.

v. Contingencies and provisions

Significant estimates and judgements are being used by the management in accounting for contingencies and provisions relating to legal and taxation matters being contested at various forums based on applicable laws and decisions / judgements.

vi. Expected credit losses on financial assets

Estimates related to expected credit losses on trade receivables are disclosed in note - 3.15.

Estimates and judgements are continually evaluated and adjusted based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

There have been no other critical judgements made by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements.

2.3 Changes in accounting standards, interpretations and amendments to published accounting and reporting standards

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

b) Standards and amendments to approved accounting standards that are not yet effective

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. The following amendments and standard have not been early adopted by the Company:

i) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

ii) IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company's management at present is in process of assessing the full impact of this new standard and is expecting to complete the assessment in due course.

Other than above, there is standard and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 01, 2026. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2.4 Functional and presentation currency

These financial statements are presented in Pakistani rupee which is the Company's functional currency and presentation currency. All financial information presented in Pakistani rupee has been rounded off to the nearest thousand, unless otherwise stated.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The summary of material accounting policies and methods of computations adopted in the preparation of these financial statements are consistently applied.

3.1 Property, plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, except leasehold land which is stated at revalued amount less accumulated impairment losses. The building on leasehold land are stated at revalued amounts less accumulated depreciation and accumulated impairment losses. Capital work-in-progress are stated at cost less accumulated impairment losses.

Depreciation is charged to profit or loss by applying straight-line method whereby the cost less residual value is written off over its estimated useful life. The revalued amounts of buildings is depreciated equally over the remaining life from the date of revaluation. Depreciation on additions is charged from the day the asset is available for use and on disposals up to the day of disposal.

Increases in the carrying amounts arising on revaluation of land is recognised in other comprehensive income. The increase in carrying amount arising on revaluation of buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Any decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the building charged to profit or loss and depreciation based on the building's original cost, net of tax, is reclassified from the revaluation surplus to retained earnings. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount.

The carrying value of operating assets are reviewed 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 assets are written down to their recoverable amount.

Gains and losses on disposal or retirement of property, plant and equipment are recognised in statement of profit or loss. and the related surplus on revaluation of property, plant and equipment, if any, is transferred directly to retained earnings.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, carrying amounts of intangible assets are subject to impairment review at each statement of financial position date and where conditions exist, impairment is recognised. Computer software

licenses are capitalised on the basis of cost incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life using the straight line method.

3.3 Inventories

Stock in trade are valued at the lower of cost and net realisable value. Cost is determined using the weighted average method except for those in transit where it represents invoice value and other charges thereon. The cost of work in process and finished goods comprise of raw materials, direct labour, other direct costs and related production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Stores and spares are valued at weighted average cost. Items in transit are valued at cost comprising invoice value and other charges incurred thereon.

3.4 Taxation

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 other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

Deferred

Deferred tax is accounted for using the statement of financial position liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is charged or credited in the statement of profit or loss and other comprehensive income. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/1AS 37.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.5 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.6 Earnings per share

The Company presents basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.7 Borrowings and their cost

Borrowings are recognised initially at fair value and subsequently at amortised cost using the effective interest method.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use and are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Such borrowing costs are capitalised as part of the cost of that asset.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowings payable within next twelve months are classified as current liabilities.

3.8 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date the Company becomes party to the derivative contract and are subsequently re-measured at their fair value. The Company enters into derivative transactions mainly to hedge foreign currency liabilities or firm commitments and these are designated as fair value hedge.

Changes in the fair value of derivatives used as hedging instruments in hedging relationships that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged liability that are attributable as the hedged risk.

3.9 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

3.10 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its obligation under the contract.

3.11 Provisions

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

3.12 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, 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 the Company has a present legal or constructive 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.

3.13 Segment reporting

Segment results that are reported to the Company's Chief Executive Officer (CEO), the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items, if any, comprise mainly of corporate assets, head office, expenses and tax assets and liabilities. Management has determined that the Company has a single reportable segment and therefore it has only presented entity wise disclosures.

3.14 Foreign currencies

Transactions in foreign currencies are recorded in Pak Rupee at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupee using the exchange rates approximating those prevailing at the statement of financial position date. Exchange differences are taken to statement of profit or loss.

3.15 Financial Instruments - Initial recognition and subsequent measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received, respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect 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.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the 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.

By default, all other financial assets are subsequently measured at FVTPL.

Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"); or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs.

Subsequently, these are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income.

ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value less any directly attributable transaction costs, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive

income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

Impairment of financial asset

The Company recognises loss allowance for Expected Credit Loss on financial assets measured at amortised cost at an amount equal to life time ECLs except for the following, which are measured at 12 months ECLs:

- bank balances for which credit risk (the risk of default occurring over the expected life of the financial instrument) has not increased since the inception.
- employee receivables.
- other short term receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

The Company considers a financial asset in default when it is more than 90 days past due.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12 month ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

Derecognition

i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

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FOR THE YEAR ENDED JUNE 30, 2026

ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss.

Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

3.16 Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents comprise of cash in hand, balances with banks on current, savings and deposit accounts with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and short-term running finance.

3.17 Employee benefit obligations - defined benefit plan

Defined benefit plans define an amount of gratuity that an employee will receive on or after retirement, usually dependent on one or more factors, such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high quality corporate bonds or the market rates on Government bonds. These are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related gratuity obligation.

The Company operates an unfunded gratuity scheme for all its permanent employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to a minimum qualifying period of service under the scheme. The amount of gratuity is dependent on years of service completed and career average gross pay for management employees and years of service completed and last drawn gross pay for non-management employees.

The amount arising as a result of remeasurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur.

Past service costs are recognised immediately in statement of profit or loss.

3.18 Revenue recognition

- Domestic sales are recognised as revenue when invoiced with the transfer of control of goods,

which coincides with the dispatch of goods, as this is the point in time that the consideration becomes unconditional, because only the passage of time is required before the payment is due;
- Export sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides with the date of bill of lading;
- Toll manufacturing income is recognised when the product subject to toll manufacturing is dispatched to customer at a point in time;
- Return on savings accounts is recognised on accrual basis in other income.

No element of financing is deemed present as the majority of local sales are made upon receipts of advances from customers and credit sales are made with a credit term of 30-120 days, which is consistent with the market practice.

The transaction prices are agreed and discounts are offered under the contracts with customers.

3.19 Lease liability and right-of-use asset

Leases are recognised as right-of-use assets with corresponding lease liabilities at the date on which leased assets are available for use by the Company except for leases of short term or low value.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain different terms and conditions.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease liability is initially measured at the present value of the lease payments over the period of lease term and that are not paid at the commencement date, discounted using interest rate implicit in the lease or the Company's incremental borrowing rate.

Lease payments include fixed payments less any lease incentive receivable, variable lease payment that are based on an index or a rate which are initially measured using the index or rate as at the commencement date, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

The lease liability is remeasured when the Company reassesses the reasonable certainty of exercising the extension or termination option upon occurrence of either a significant event or a significant change in circumstances, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is

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FOR THE YEAR ENDED JUNE 30, 2026

made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss and other comprehensive income if the carrying amount of right-of-use asset has been reduced to zero.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

The right-of-use asset is initially measured at an amount equal to the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which the asset is located.

The right-of-use asset is subsequently measured using the cost model. The right-of-use asset is depreciated on a straight-line basis over the lease term, as this method most closely reflects the expected pattern of consumption of future economic benefits. It is also subject to reduction for impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient of not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

3.20 Dividend and appropriations to / from reserves

Dividend distribution to the Company's shareholders and appropriations to / from reserves are recognised as a liability in the period in which these are approved.

	2026	2025
	Rupees in '000	
4. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - note 4.1	17,014,263	17,245,566
Capital work-in-progress - at cost - note 4.2	91,510	-
Major spare parts and stand-by equipment - note 4.3	2,406,044	2,348,921
	19,511,817	19,594,487

4.1 Operating assets

	Owned							Right-of-use asset		
	Leasehold land- Revalued	Building and civil works on leasehold land - Revalued	Plant and machinery	Electrical equipment	Office equipment	Furniture and fixtures	Motor vehicles	Motor vehicles	Rented properties	Total
Net carrying value basis										
Year ended June 30, 2026										
Opening net book value (NBV)	2,125,000	1,916,751	12,557,922	502,176	25,443	298	17,967	93,963	6,046	17,245,566
Additions (at cost) / transfers	-	-	332,723	1,824	18,090	-	548	61,029	13,612	427,826
Disposals (at NBV) - note 4.1.4	-	-	(13,619)	-	(1,127)	-	(115)	(12,125)	(3,023)	(30,009)
Revaluation surplus - note 4.1.1	275,000	41,411	-	-	-	-	-	-	-	316,411
Amortisation / depreciation charge - note 4.1.5	-	(78,162)	(776,309)	(56,718)	(12,817)	(61)	(2,442)	(15,302)	(3,720)	(945,531)
Closing net book value (NBV)	2,400,000	1,880,000	12,100,717	447,282	29,589	237	15,958	127,565	12,915	17,014,263
Gross carrying value basis										
At June 30, 2026										
Cost / revalued amount	2,400,000	1,880,000	18,696,243	1,160,246	145,957	(5,826)	28,324	166,626	33,572	24,505,142
Accumulated amortisation / depreciation	-	-	(6,595,526)	(712,964)	(116,368)	6,063	(12,366)	(39,061)	(20,657)	(7,490,879)
Net book value (NBV)	2,400,000	1,880,000	12,100,717	447,282	29,589	237	15,958	127,565	12,915	17,014,263
Net carrying value basis										
Year ended June 30, 2025										
Opening net book value (NBV)	2,125,000	1,995,000	12,496,226	556,992	36,853	361	19,609	121,137	12,193	17,363,371
Adjustment - note 10.5	-	-	625,569	-	-	-	-	-	-	625,569
Additions (at cost) / transfers	-	-	202,591	1,270	6,466	-	947	18,002	-	229,276
Disposals (at NBV) - note 4.1.4	-	-	-	-	(526)	-	-	(26,159)	-	(26,685)
Amortisation / depreciation charge - note 4.1.5	-	(78,249)	(766,464)	(56,086)	(17,350)	(63)	(2,589)	(19,017)	(6,147)	(945,965)
Closing net book value (NBV)	2,125,000	1,916,751	12,557,922	502,176	25,443	298	17,967	93,963	6,046	17,245,566
Gross carrying value basis										
At June 30, 2025										
Cost / revalued amount	2,125,000	1,995,000	18,393,883	1,158,422	189,121	17,766	28,017	122,240	38,249	24,067,698
Accumulated amortisation / depreciation	-	(78,249)	(5,835,961)	(656,246)	(163,678)	(17,468)	(10,050)	(28,277)	(32,203)	(6,822,132)
Net book value (NBV)	2,125,000	1,916,751	12,557,922	502,176	25,443	298	17,967	93,963	6,046	17,245,566
Useful life in years	-	20 - 33	3 - 40	10 - 33	3 - 5	5	5	5	4	

Operating assets include fully depreciated assets having cost of Rs. 139.66 million (2025: Rs. 170.42 million) at the reporting date which are still in use.

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FOR THE YEAR ENDED JUNE 30, 2026

4.1.1 The Company's leasehold land measuring 50 acres located at plot no. DSU-45, Steel Mill, Downstream Industrial Estate, Bin Qasim, Karachi and the buildings thereon are stated at revalued amounts. The last revaluation was performed on June 30, 2026 resulting in a gain of Rs. 316.41 million. The valuation was carried out by an independent valuer - K. G. Traders (Private) Limited.

Had there been no revaluation, the net book values of leasehold land and buildings on leasehold land as at June 30, 2026 would have been Rs. 175.64 million (2025: Rs. 175.64 million) and Rs. 1,282.81 million (2025: Rs. 1,336.08 million) respectively.

4.1.2 Forced sales value of leasehold land and building on leasehold land as determined on June 30, 2026 was Rs. 1.80 billion and Rs. 1.41 billion respectively.

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

Location	Usage of immoveable property	Total area (in acres)	Covered area (in sq. yards)
DSU - 45, Downstream Industrial Estate, Pakistan Steel, Bin Qasim, Karachi	Cold rolling mill complex and Galvanized steel complex	50	242,000

4.1.4 The details of operating assets sold, having net book value in excess of Rs. 500,000 each are as follows:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	(loss)	Mode of disposal	Particulars & relationship with the purchaser
	Rupees in '000						
Motor vehicle	6,492	595	5,897	6,492	595	Company Policy	Rizwan Saleem - DGM Export
Motor vehicle	4,131	1,021	3,110	2,179	(931)	Company Policy	Waqar Ahmed - Senior Manager finance
Motor vehicle	4,240	2,014	2,226	843	(1,383)	Company Policy	Khawar Ahsan Siddiqui - Director Sales
Motor vehicle	1,781	890	891	512	(379)	Company Policy	Rizwan Saleem - DGM Export
	16,644	4,520	12,124	10,026	(2,098)		

	2026	2025
	Rupees in '000	
4.1.5 Amortisation / depreciation for the year has been allocated as follows:		
Cost of sales - note 25	912,458	897,088
Selling and distribution cost - note 26	1,687	1,580
Administrative expenses - note 27	31,386	47,297
	945,531	945,965

4.2 Capital work-in-progress

	2026				2025			
	Rupees in '000							
	Balance as at July 1, 2025	Additions during the year	Transfers to operating assets	Balance as at June 30, 2026	Balance as at July 1, 2024	Additions during the year	Transfers to operating assets	Balance as at July 1, 2025
Electrical equipments	-	91,510	-	91,510	-	-	-	-
	-	91,510	-	91,510	-	-	-	-

	2026	2025
	Rupees in '000	
Balance at beginning of the year	-	-
Additions during the year	91,510	-
Transfers to operating assets	-	-
Balance at end of the year	91,510	-

4.3 Major spare parts and stand-by equipment

Balance at beginning of the year	2,348,921	2,260,968
Additions during the year	435,092	226,764
Transfers made during the year	(377,969)	(138,811)
Balance at end of the year	2,406,044	2,348,921

5. INTANGIBLE ASSETS

Computer Software

Net carrying value basis		
Opening net book value	37,368	43,300
Amortisation charge for the year - note 5.1	(5,709)	(5,932)
Closing net book value	31,659	37,368
Gross carrying value basis		
Cost	57,093	78,810
Accumulated amortisation	(25,434)	(41,442)
Net book value	31,659	37,368

5.1 Amortisation for the year has been allocated as follows:

Administrative expenses - note 27	5,709	5,932

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees in '000	
6. LONG-TERM ADVANCES - considered good		
Due from		
- executives	61	61
- other employees	213	218
	274	279

6.1 Advances to employees have been given to facilitate purchase of shares of the Company allotted to employees at the time of listing of the Company.

6.2 The maximum aggregate amount of advances due from executives and employees at the end of any month during the year was Rs. 0.28 million (2025: Rs. 0.29 million).

	2026	2025
7. LONG-TERM DEPOSITS		
Security deposits:		
- energy, power and fuel sector	45,455	38,231
- financial institutions, banking and leasing companies	38,163	23,753
- hotels and clubs	1,000	1,000
- others	11,074	2,629
	95,692	65,613
8. DEFERRED TAX ASSET		
Debit balances arising in respect of:		
- carried forward losses - note 8.3	2,539,878	2,680,399
- minimum tax	1,415,431	865,673
- provisions	122,330	128,943
- provision for employee benefit obligations	111,221	101,480
- long-term finance	-	(22,522)
- lease liabilities	73,986	67,574
Credit balances arising in respect of:		
- accelerated tax depreciation / amortisation	(719,283)	(213,964)
- surplus on revaluation of property, plant, and equipment	(195,724)	(199,895)
	3,347,839	3,407,688

8.1 Analysis of change in deferred tax

	Accelerated tax depreciation / amortisation	Long-term finance	Revaluation surplus	Tax losses	Minimum tax	Provisions	Employee benefit obligations	Lease liabilities	Total
	Rupees in '000								
Balance as at July 01, 2025	(213,964)	(22,522)	(199,895)	2,680,399	865,673	128,943	101,480	67,574	3,407,688
(Charge) / credit to profit or loss for the year	(505,319)	22,522	9,242	(140,521)	549,758	(6,613)	10,116	6,412	(54,403)
Charge to other comprehensive income for the year	-	-	(5,071)	-	-	-	(375)	-	(5,446)
Balance as at June 30, 2026	(719,283)	-	(195,724)	2,539,878	1,415,431	122,330	111,221	73,986	3,347,839
Balance as at July 01, 2024	(522,812)	(10,858)	(209,635)	2,456,661	655,908	128,943	77,127	75,602	2,650,936
(Charge) / credit to profit or loss for the year	308,848	(11,664)	9,740	223,738	209,765	-	11,496	(8,028)	743,895
Charge to other comprehensive income for the year	-	-	-	-	-	-	12,857	-	12,857
Balance as at June 30, 2025	(213,964)	(22,522)	(199,895)	2,680,399	865,673	128,943	101,480	67,574	3,407,688

8.2 Under the Finance Act, 2019, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2026, companies are liable to pay super tax at 8% for tax year 2027 and onwards for income more than Rs. 500 million. Accordingly, deferred tax assets and liabilities have been recognised using the expected applicable tax rate.

8.3 The Company's tax losses amount to Rs. 8.76 billion (2025: Rs. 9.24 billion) as at June 30, 2026. The management carries out periodic assessment to assess the benefit of these losses as the Company would be able to set off the profit earned in future years against these carried forward losses. Based on the assessment, management has recognised deferred tax debit balance amounting to Rs. 2.54 billion (2025: Rs. 2.68 billion) including an amount of Rs. 0.96 billion (2025: Rs. 0.96 billion) on unabsorbed tax depreciation, amortisation and initial allowance of Rs. 3.3 billion (2025: Rs. 3.3 billion). The amount of these benefits have been determined based on the financial projections of the Company for future years. The determination of future taxable profit is most sensitive to certain key assumptions such as capacity utilisation, gross margin percentage, inflation and KIBOR rates. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset.

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	2026	2025
	Rupees in '000	

9. INVENTORIES

Raw material [including in transit Rs. 6,801 million (2025: Rs. Nil)]	9,680,668	3,063,673
Work-in-process	2,064,263	390,580
Finished goods [including coil end sheets Rs. 664.81 million (2025: Rs. 182.45 million)] - note 9.1	5,042,988	3,147,684
	16,787,919	6,601,937
Stores	1,145,400	987,904
Spares	467,263	511,634
	1,612,663	1,499,538
	18,400,582	8,101,475

9.1 Finished goods include items amounting to Rs. Nil as at June 30, 2026 (June 30, 2025: Rs. 1,565.09 million) stated at their net realizable values against their cost Rs. Nil (June 30, 2025: Rs. 1,636.85 million).

	2026	2025
	Rupees in '000	

10. TRADE AND OTHER RECEIVABLES

Trade receivables - considered good:		
- Secured - note 10.1	3,009,154	454,215
- Unsecured		
Not yet due from related parties - note 10.2 & 10.3	2,265	9,872
Not yet due from other parties	355,862	867,667
	358,127	877,539
Other receivables:		
Receivable from Etimaad Engineering (Private) Limited - note 10.4	138,485	138,485
Others	2,976	7,178
	141,461	145,663
	3,508,742	1,477,417

10.1 This represents trade receivables relating to export sales which are secured by way of Export Letter of Credit.

	2026	2025
	Rupees in '000	

10.2 These represent amounts due from following related parties:

Globe Residency REIT	1,641	9,541
Power Cement Limited	352	-
Rahat Residency REIT	272	272
Javedan Corporation Limited	-	59
	2,265	9,872

10.3 Maximum aggregate amount due from the related parties at any time during the year calculated by reference to month-end balances is Rs. 14.00 million (2025: Rs. 9.87 million).

10.4 This represents balance of advances given to civil contractor Etimaad Engineering (Private) Limited (Etimaad) for mobilisation and procurements. The Company awarded a contract to Etimaad on December 1, 2007 for certain civil, mechanical and electrical works. However, Etimaad did not complete the work and discontinued the contract. Out of the total outstanding book balance of Rs. 237.86 million, the Company recovered Rs. 99.37 million from Etimaad on January 5, 2012 through encashment of bank guarantee.

At present, the Company is in dispute with the contractor in respect of the outstanding balance of advances. Initially Etimaad had filed a winding up petition against the Company in the High Court of Sindh alleging that the Company has failed to clear its unpaid invoices of Rs. 230 million. Whereas to the contrary, a sum of Rs. 237.86 million before recovery of aforesaid amount was receivable from Etimaad as per books of the Company.

However, for an early resolution of the dispute, the Company filed a suit before the Honourable High Court of Sindh for appointment of an Arbitrator in terms of the contract and under section 20 of the Arbitration Act, 1940. Accordingly, the Honourable High Court upheld the Company's contention and disposed off the said suit and the matter was referred to the Arbitrator appointed with the consent of both parties.

In 2012, arbitration proceedings were initiated in which the Company had filed a claim for recovery of the aforesaid over payments made to Etimaad along with consequential damages aggregating to sum of Rs. 1,109 million together with mark-up at the KIBOR notified by the State Bank of Pakistan from the date the amount became payable till the same is realised. A further sum of Rs. 20 million had also been claimed in lieu of costs. The above claim is net of Rs. 99.37 million which have already been recovered from Etimaad. Etimaad has made a capricious counterclaim of Rs. 825.49 million with mark-up at 16% per annum, which is a mere retort to the Company's bona fide claim.

During the year ended June 30, 2015, the sole Arbitrator passed the Award dated September 25, 2014, in favour of Etimaad, whereby all claims of the Company were rejected on the basis of insufficient evidence and inadequate proof. After hearing the case on numerous dates and then reserving the matter for almost 10 months, the Arbitrator finally gave an Award and stated that Etimaad is entitled to an amount of Rs. 371.73 million plus mark up at 6% per annum. The claim allowed was mainly for the outstanding receivables and the cancellation charges for the change orders. The rest of the claims of Etimaad were rejected.

The Arbitrator found in favour of the Company, and against Etimaad, an amount of Rs. 75 million on account of the frivolous winding up petition filed by Etimaad against the Company before the Honourable High Court and as such deducted this amount of Rs. 75 million from the amount of Rs. 371.73 million and therefore gave a final Award in favour of Etimaad for an amount of Rs. 296.73 million plus mark up at 6% per annum.

The Company filed objections to the above Award before the Honourable High Court of Sindh praying for setting aside the Award. The Honourable High Court issued order dated April 15, 2019, sustaining the objections filed by the Company and has set-aside the Award of the Arbitrator.

Etimaad filed an appeal against the order dated April 15, 2019, before the Division Bench of High Court of Sindh for setting aside the judgement and passing a decree in terms of the Award dated April 25, 2014.

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The Company's Legal Counsel is of the opinion that the Company has reasonable defense and the appeal is likely to be dismissed and no loss is likely to arise. Further, the Company will be able to recover its claim in due course.

	2026	2025
	Rupees in '000	
11. LOANS, ADVANCES AND PREPAYMENTS		
Loans - considered good		
- executives - note 11.1 to 11.4	11,697	6,955
- other employees - note 11.1 to 11.4	10,241	9,569
	21,938	16,524
Advances - considered good		
- executives - note 11.2 to 11.4	2,744	2,481
- other employees - note 11.2 to 11.4	50	18
- suppliers and others	346,990	189,633
	349,784	192,132
Receivable from Government - note 11.5	213,486	213,486
Prepayments	94,023	121,310
	679,231	543,452

11.1 Loans to employees have been given in accordance with Company's policy on interest free basis.

11.2 Reconciliation of carrying amount of loans and advances to executives and employees:

	2026			2025		
	Executives	Other employees	Total	Executives	Other employees	Total
	Rupees in '000					
Balance at July 1	9,436	9,587	19,023	6,407	7,184	13,591
Disbursements	23,300	11,641	34,941	13,465	10,108	23,573
Repayments	(18,295)	(10,937)	(29,232)	(10,436)	(7,705)	(18,141)
Balance at June 30	14,441	10,291	24,732	9,436	9,587	19,023

11.3 The maximum aggregate amount of loans and advances due from executives and employees at the end of any month during the year was Rs. 24.73 million (2025 Rs. 19.02 million).

11.4 Loans and advances have been carried at cost as the effect of carrying these balances at amortised cost is not considered to be material for these financial statements.

11.5 This comprises of the following amounts paid to the Collector of Customs and the Nazir of the High Court of Sindh in the form of pay orders:

	Opening balance	Returned during the year	Closing balance
	Rupees in '000		
Custom duty	155,580	-	155,580
Regulatory duty	26,889	-	26,889
Sales tax thereon	31,017	-	31,017
	213,486	-	213,486

The amounts in respect of customs duty, regulatory duty and sales tax have been paid by the Company under protest on the basis of assessment by the Collector of Customs. During 2015, the Company imported HRC from China under customs SRO 659(I)2007 dated June 30, 2007 and filed goods declaration under HS code 7225.3000, being alloy steel, which was subject to zero customs duty. However, the Collector of Customs assessed these imports under HS code 7208.3890, being non-alloy steel, which was subject to 5% customs duty under the said SRO.

The Company, in line with the practice adopted by other importers, filed petition in the High Court of Sindh against Custom Authorities for every import it made and obtained an interim order for release of goods by paying 50% of the custom duty to the Collector of Customs and remaining 50% amount to the Nazir of the High Court of Sindh through a pay order or by depositing post dated cheques for the same. The Company has deposited un-dated cheques amounting to Rs. 16.16 million in respect of custom duty and Rs. 2.75 million in respect of sales tax thereon with the Nazir of the High Court of Sindh as security.

Regulatory duty at the rate of 12.5% and sales tax at the rate of 17% thereon had also been paid to Collector of Customs under protest on the basis of the same assessment, as per S.R.O. 246 (I) /2015 dated March 27, 2015, which was an amendment to the S.R.O. 568 (I) /2014 dated 26 June 2014. The Company paid this amount through a pay order.

The Company is confident that it has filed "Goods Declarations" as per the specifications and is exempt from custom duty. As per the opinion of legal advisor of the Company, the issue in question is subjudice in the High Court of Sindh in a large number of Constitutional Petitions and a judgement in such cases will also be applicable on the Company. Further, as per the lawyer's opinion, there is a strong case and accordingly the Company considers this amount as recoverable. However, the Company has provided Rs. 213.5 million on prudent basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees in '000	

12. CASH AND BANK BALANCES

Cash at bank		
Conventional		
- On savings accounts		
Local currency - note 12.1	75,648	41,475
- On current accounts		
Local currency	120,190	97,942
Foreign currency	101,669	163,158
	221,859	261,100
	297,507	302,575
Islamic		
- On savings accounts		
Local currency - note 12.2	202,215	143,104
- On current accounts		
Local currency	1,716	6,388
	203,931	149,492
Cash in hand	352	225
	501,790	452,292

12.1 At June 30, 2026, the rates of mark-up on PLS savings accounts was 10% (2025: 5.5% to 9.5%) per annum.

12.2 These are shariah compliant bank balances and carry profit at rates ranging from 7.41% to 7.83% (2025: 4.3% to 5.5%) per annum as at June 30, 2026.

13. SHARE CAPITAL

Authorised share capital

2026	2025		2026	2025
(Number of shares)			Rupees '000	
1,100,000,000	1,100,000,000	Ordinary and Cumulative Preference Shares of Rs. 10 each	11,000,000	11,000,000

Issued, subscribed and paid-up capital

Ordinary shares

2026	2025		2026	2025
(Number of Shares)			Rupees '000	
347,810,033	347,810,033	Shares allotted for consideration paid in cash	3,478,100	3,478,100
32,231,867	31,463,001	Shares allotted against conversion of Cumulative Preference Shares (PSX Symbol - ALSPS)	322,319	314,630
392,499,259	392,499,259	Shares allotted against conversion of Cumulative Preference Shares (PSX Symbol - ALSCPS)	3,924,993	3,924,993
84,703,686	84,703,686	Shares allotted against Cumulative Preference dividend (PSX Symbol - ALSPS)	847,036	847,036
73,539,976	73,539,976	Shares allotted against Cumulative Preference dividend (PSX Symbol - ALSCPS)	735,400	735,400
930,784,821	930,015,955		9,307,848	9,300,159

Cumulative Preference Shares (PSX Symbol - ASLPS)

2026	2025		2026	2025
(Number of Shares)			Rupees '000	
43,588,191	44,357,057	Cumulative Preference Shares of Rs. 10 each - note 13.3	435,882	443,571
43,588,191	44,357,057		435,882	443,571

Cumulative Preference Shares (PSX Symbol - ASLPS)

2026	2025		2026	2025
(Number of Shares)			Rupees '000	
137,920	137,920	Cumulative Preference Shares of Rs. 10 each - note 13.4	1,379	1,379
137,920	137,920		1,379	1,379
		Total Cumulative Preference Shares of Rs. 10 each (PSX Symbol - ASLCPS and ASLPS)	437,261	444,950

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

13.1 681,424,051 (2025: 625,624,320) Ordinary Shares, 41,876,744 'ASLPS (2025: 41,876,744) Cumulative Preference Shares and 250 'ASLCPS' (2025: 250) Cumulative Preference Shares of Rs. 10 each as at June 30, 2026 are held by related parties.

13.2 Pursuant to Share Purchase Agreement executed on March 31, 2016 between the Arif Habib Group [consisting of Mr. Arif Habib, Arif Habib Corporation Limited and Arif Habib Equity (Private) Limited] and Metal One Corporation (Japan) (the Seller), it was agreed that subject to the satisfaction of certain conditions precedent, Mr. Arif Habib individually will acquire all the Ordinary Shares i.e. 66.77 million shares of the Seller in the Company at a price of Rs. 0.5 per share with the intention of writing off and surrendering all the acquired shares of the Seller to the Company, at no cost to the Company and in accordance with Section 96 of the repealed Companies Ordinance, 1984 by way of a court approved scheme of reduction of capital, in order to enhance shareholders value for the remaining shareholders. In this respect, the petition under section 96 of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) was filed before the High Court of Sindh on December 29, 2016 for reduction of share capital of the Company. The Honourable High Court of Sindh in its order dated June 25, 2018 allowed the petition and minutes passed in Annual General Meeting of the Company held on October 27, 2016 for reduction of paid-up capital. As required by section 93 of the Companies Act, 2017, the Company filed the application for registration of order of reduction and consequently, the SECP through its letter dated July 13, 2018 acknowledged the registration of the High Court order for reduction of share capital. The reduction in capital was effective from the date of acknowledgement.

13.3 Cumulative Preference Shares - ASLPS

Cumulative Preference Shares (ASLPS) are non-redeemable but convertible into Ordinary Shares at face value, after Commercial Operations Date, as approved by the Board. The conversion price shall be Rs. 10 per Ordinary Share and for the purpose of conversion accumulated dividend not paid to the Preference Shareholders, if any, accrued upto the date of announcement of conversion by the Company shall be taken into account for determining the number of the Ordinary Shares to be issued upon conversion and therefore the number of Ordinary Shares to be issued to the Preference Shareholders shall be based in the ratio 1:1, plus unpaid preferential dividends, if any.

The rate of dividend on 43,588,191 (2025: 44,357,057) Cumulative Preference Shares (ASLPS) of Rs. 10 each is 3% above six-months KIBOR (reset every six months) which shall be converted into Ordinary Shares for which the Company shall issue the appropriate number of Ordinary Shares.

In case the preferential dividend or any part thereof is not paid in any year, due to loss or inadequate profits, such unpaid dividend will accumulate and will be paid in the subsequent year(s) before any dividend is paid to the ordinary shareholders.

As at June 30, 2026, the undeclared cumulative dividend on Cumulative Preference Shares (ASLPS) amounts to Rs. 343.71 million (2025: Rs. 282.48 million).

13.4 Cumulative Preference Shares - ASLCPS

The shareholders of the Company in their extraordinary general meeting held on May 26, 2014 approved the issue of 50% Right Shares in terms of Cumulative Preference Shares at par value of Rs. 10 each. 171,910,029 Cumulative Preference Shares (ASLCPS) were issued in the ratio of 5 Cumulative Preference Shares for every 10 Ordinary / Cumulative Preference Shares (ASLPS) held by the existing shareholders.

The terms and conditions of such Right Shares are as follows:

- The rate of preferential dividend shall be six months KIBOR plus 3% (reset every six-months) which shall be available for conversion into Ordinary Shares, for which the Company shall issue the appropriate number of Ordinary Shares.

- Preference Shares shall be convertible into Ordinary Shares at the option of the holder of Preference Shares at any time after completion of one year from the date of subscription, as per the following criteria / basis:

a) at face value provided that the book value of the Ordinary Shares after adjustment of all accumulated losses as per latest half yearly / annual published accounts of the Company is Rs. 10 or more; and

b) at book value provided that the book value of the Ordinary Shares after adjustment of all accumulated losses as per latest half yearly / annual published accounts of the Company is lower than Rs. 10.

  - If cash dividend is not paid in any year, due to loss or inadequate profits, then such unpaid cash dividend will accumulate and will be paid in the subsequent year(s) subject to approval of the Board of the Company.

  - If the Company has announced after tax profit in any year and for the purpose of conversion, accumulated dividend not paid to the holders of Preference Shares (ASLCPS), if any, accrued up to the date of receiving the Notice of Conversion by the Company, shall also be taken into account for determining the number of Ordinary Shares, to the extent of aforesaid announced after tax profit, to be issued upon conversion.

As at June 30, 2026, the undeclared cumulative dividend on Cumulative Preference Shares (ASLCPS) amounts to Rs. 1.14 million (2025: Rs. 0.93 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees in '000	

14. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Leasehold land and buildings on leasehold land		
Balance at beginning of the year	2,413,975	2,438,951
Surplus arising on revaluation:		
- Leasehold land	275,000	-
- Building and civil works on leasehold land	41,411	-
Transferred to retained earnings in respect of incremental depreciation charged during the year	(24,977)	(24,976)
Balance at end of the year	2,705,409	2,413,975
Related deferred tax liability	(195,724)	(199,895)
Balance at end of the year - net of deferred tax	2,509,685	2,214,080

The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders of the Company in accordance with section 241 of the Companies Act, 2017.

	2026	2025
	Rupees in '000	

15. CONTRIBUTIONS FROM SPONSOR

Balance at beginning of the year	10,281,098	4,000,000
Contributions received during the year	6,918,902	8,281,098
Contributions repaid during the year	(3,000,000)	(2,000,000)
Balance at the end of the year	14,200,000	10,281,098

15.1 The Company has entered into a financing agreement with Mr. Arif Habib (Sponsor) on the following terms and conditions:

- The repayment of the principal amount and mark-up shall be at the sole and absolute discretion of the Company (taking into consideration the profitability and availability of its cash flows). However, in the event of liquidation, the sponsor will have preferred liquidation rights for recovery of the contribution and outstanding markup prior to Ordinary Shareholders of ASL.

- The financing shall carry mark-up at the rate of 3 months KIBOR + 1.8%. However, the payment of mark-up shall also be at the sole and absolute discretion of the Company. Further, dividends to the ordinary shareholders will only be declared after the payment of markup to sponsor.

Pursuant to the requirements of IAS 32 - 'financial instruments presentation' and the terms of the arrangement, the loan is classified as equity in these financial statements. The accumulated markup as at June 30, 2026 in respect of the above mentioned agreement amounts to Rs. 4,656.37 million (2025: Rs. 2,666.16 million).

	2026	2025
	Rupees in '000	

16. LONG-TERM FINANCE – SECURED

Loan for expansion project

Reconciliation of carrying amount of the loan at the beginning and end of the year is as follows:

Opening		
- Syndicate Term Finance (STF) - note 16.1	398,496	739,723
- Musharaka facility - note 16.2	195,084	445,380
	593,580	1,185,103
- STF repaid during the year	(362,571)	(362,637)
- Musharaka repaid during the year	(250,296)	(250,296)
	(612,867)	(612,933)
Impact of unwinding - finance cost	19,287	21,410
	-	593,580
Less: Current maturity shown under current liabilities	-	(593,580)
	-	-

16.1 This represents draw down from STF facility for Expansion Project. In 2018, the Company entered into STF agreement with various banks amounting to Rs 1.925 billion to finance the Expansion Project. STF is repayable in 10 consecutive semi-annual installments payable in arrears from December 2021 to June 2026. STF carries mark up at six-months KIBOR plus 1.9% per annum to be determined on semi-annual basis.

During the year ended June 30, 2020, with the approval of State Bank of Pakistan, Rs. 1.41 billion of the STF facility had been converted into Long Term Financing (LTF) facility. Mark-up on LTF facility is chargeable at the rate of 6% per annum.

The loan is secured against pari passu charge on all present and future Company's fixed assets, accounts receivable, interest in any insurance claim and the rights and benefits under the Expansion Project Documents.

16.2 This represents draw down from Musharaka facility for Expansion Project. In 2018 the Company entered into Musharaka agreement with various banks, under Islamic mode of financing, amounting to Rs 1.315 billion to finance the Expansion Project. It was repayable in 10 consecutive semi-annual installments in arrears from December 2021 to June 2026. The Musharaka facility was subject to six-months KIBOR prevailing one day before the first Musharaka contribution date, plus a margin of 1.9% per annum to be determined on semi-annual basis. It was secured against pari passu charge on all present and future Company's fixed assets, accounts receivable, interest in any insurance claim and the rights and benefits under the Expansion Project Documents.

During the year ended June 30, 2021, with the approval of State Bank of Pakistan, Rs. 661.43 million of the Musharaka facility had been converted into LTF facility. Mark-up on LTF facility was chargeable at the rate of 5% per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees in '000	
17. LEASE LIABILITIES		
Opening balance	173,265	193,851
Additions to lease liability	59,838	9,282
Termination of lease liability	(3,962)	-
Unwinding of finance cost	13,099	24,056
Lease rentals paid	(42,279)	(53,924)
	199,961	173,265
Less: Current portion of lease liabilities	(23,373)	(21,091)
Long-term portion of lease liabilities	176,588	152,174

17.1

	2026			2025		
	Principal Outstanding	Financial charge for future	Minimum lease payments	Principal Outstanding	Financial charge for future	Minimum lease payments
	Rupees in '000					
Not later than one year	23,373	18,880	42,253	21,091	19,024	40,115
Later than one year but not later than five years	67,004	52,752	119,756	45,716	50,429	96,145
Later than five years	109,584	368,096	477,680	106,458	372,366	478,824
	199,961	439,728	639,689	173,265	441,819	615,084

17.2 These represent liabilities for vehicles acquired under lease arrangements and leasehold land. Finance charge ranging from 8.08% to 24.99% (2025: 8.08% to 23.92%) per annum have been used as discounting factor.

18. EMPLOYEE BENEFIT OBLIGATIONS

18.1 The Company operates an unfunded gratuity scheme for all its permanent employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to a minimum qualifying period of service under the scheme. Actuarial valuation of the scheme is carried out every year and the latest actuarial valuation of the scheme was carried out as at June 30, 2026.

	2026	2025
	Rupees in '000	
18.2 Statement of financial position reconciliation		
Present value of defined benefit obligation	300,597	260,206
18.3 Movement in the present value of defined benefit obligation		
Obligation as at July 01	260,206	197,759
Current service cost	41,404	34,395
Interest expense	28,878	26,828
Benefits due but not paid	(2,353)	(1,505)
Remeasurements	(1,014)	32,966
Benefits paid	(26,524)	(30,237)
Obligation as at June 30	300,597	260,206

	2026	2025
	Rupees in '000	
18.4 Expense recognised in profit or loss		
Current service cost	41,404	34,395
Interest cost	28,878	26,828
	70,282	61,223
18.5 Remeasurement recognised in other comprehensive income		
Actuarial losses	6,981	30,241
Experience (gains) / losses	(7,995)	2,725
	(1,014)	32,966
18.6 Net recognised liability		
Balance as at July 01	260,206	197,759
Expense for the year	70,282	61,223
Benefits paid	(26,524)	(30,237)
Remeasurement recognised in other comprehensive income	(1,014)	32,966
Benefits payable transferred to trade and other payables	(2,353)	(1,505)
Balance as at June 30	300,597	260,206
18.7 Maturity profile of the defined benefit obligation		
Less than five years	160,257	144,781
Later than five but less than ten years	295,133	221,509
Later than ten years	5,684,055	4,873,696
18.8 Actuarial assumptions		
Discount rate used for year end obligation	11.75%	11.75%
Expected rate of increase in salaries	12.29%	11.75%
Retirement age (years)	60	60

18.9 Mortality was assumed to be SLIC (2001-2005) set back one year (2025: SLIC 2001-2005 set back one year).

18.10 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation			
	Change in assumption	Increase in assumption		Decrease in assumption	
		Rupees in '000			
		2026	2025	2026	2025
Discount rate at June 30	1%	(26,976)	(23,101)	31,686	27,162
Future salary increases	1%	25,071	21,930	(21,760)	(19,009)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

18.11 There is no significant change in the obligation if life expectancy increases by 1 year.

18.12 The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the gratuity liability recognised within the statement of financial position.

18.13 The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous period.

18.14 The Company's contribution to the gratuity scheme for the year ending June 30, 2027 is expected to be Rs. 82.81 million.

18.15 Historical information for the five years is as follows:

	2026	2025	2024	2023	2022
	Rupees in '000				
Present value of the defined benefit obligation	300,597	260,206	197,759	153,845	146,809
Experience adjustments - loss / (gain)	(7,995)	27,25	15,890	(20,063)	3,745

18.16 The average duration of the defined benefit obligation is 9.7 years.

	2026	2025
	Rupees in '000	
19. TRADE AND OTHER PAYABLES		
Creditors	448,416	291,127
Bills payable	6,345,218	2,252
Contract liability - note 19.1	1,239,046	364,650
Security deposit from dealers - note 19.2	10,500	10,500
Accrued liabilities - note 19.5	1,161,308	375,491
Withholding tax	46,118	26,029
Workers' Profits Participation Fund - note 19.3	86,896	-
Workers' Welfare Fund - note 19.4	34,623	-
	9,372,125	1,070,049

19.1 99% (2025: 90%) advances from customers included in the contract liability balance at the beginning of the year got converted into revenue during the year.

19.2 This represents amounts received from dealers of the Company, which are utilised for the purpose of business in accordance with the related agreements.

	2026	2025
	Rupees in '000	
19.3 Workers' Profits Participation Fund		
Balance at beginning of the year	-	-
Charge for the year - note 28	86,896	-
Payment made	-	-
Balance at end of the year	86,896	-
19.4 Workers' Welfare Fund		
Balance at beginning of the year	-	-
Charge for the year - note 28	34,623	-
Payment made	-	-
Balance at end of the year	34,623	-

19.5 The Sindh Finance Act, 1994 prescribed an infrastructure fee at the rate of 1% of the C&F value of all goods entering or leaving the province of Sindh via sea or air. The Sindh High Court (SHC), passed an interim order directing that every company subsequent to December 27, 2006 is required to clear the goods on paying 50% of the cess amount involved and furnishing a bank guarantee / security for the remaining amount of 50%. Subsequently, through Sindh Finance Act 2015 and 2016, the legislation has increased the rate to 1.25% from 01 July 2024, the rate has been further increased to 1.85% through Sindh Finance Act, 2024.

On June 04, 2021 SHC declared first four versions of the law unconstitutional and the release of bank guarantees were ordered. However, the Sindh Infrastructure Development Cess Act, 2017 was declared constitutional with retrospective effect from 1994. The operation of the order remained suspended till September 03, 2021.

On September 1, 2021, the Supreme Court granted a stay order and suspended the recovery of levy and operation of judgement of SHC dated June 4, 2021, that the bank guarantees already submitted by the Company in pursuant to the order of High Court is valid and enforceable. The court further ordered that imports should be released on submission of fresh bank guarantees equivalent to 100% of the fee amount under the Act.

The Company has paid the Infrastructure fee till January 2025. Further, bank guarantees and post dated cheques issued as per the above mentioned orders amounting to Rs. 600 million (2025: Rs.199.84 million) and Rs. 215 million (2025: Nil) have been provided to the Excise and Taxation Department. However, a liability to the extent of amount utilized from the limit of guarantee and PDCs has also been provided for by the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

20. PROVISIONS

The provisions comprise of:

	2026			2025		
	Balance as at July 1, 2025	Recognised during the year	Balance as at June 30, 2026	Balance as at July 1, 2024	Recognised during the year	Balance as at June 30, 2025
	Rupees in '000					
Provision for Gas Infrastructure Development Cess - note 20.1	145,224	-	145,224	145,224	-	145,224
Provision against receivable from Eitmaad Engineering (Private) Limited - note 20.2	138,485	-	138,485	138,485	-	138,485
Provision for receivable from government - Collector of Customs - note 20.3	213,486	-	213,486	213,486	-	213,486
Balance as at June 30, 2025	497,195	-	497,195	497,195	-	497,195

20.1 It represents provision for Gas Infrastructure Development Cess (GIDC) of Rs. 145.22 million (2025: Rs. 145.22 million) pertaining to years 2016 to 2021 which has been made on prudent basis in view of the judgement of the Supreme Court of Pakistan although the Company has filed a review petition against the said judgement. Further, the Company has obtained a stay order from the Honorable High Court of Sindh through order dated September 21, 2020 against the payment of GIDC installments.

20.2 It represents an amount of Rs. 138.49 million in respect of long outstanding advance given to a contractor Eitmaad Engineering (Private) Limited for which the goods and services were not received by the Company - refer note 10.4.

20.3 It represents provision for long outstanding receivable balances from Custom authorities amounting to Rs. 213.5 million which was paid under protest on the basis of the assessment made by Collector of Customs - refer note 11.5.

	2026	2025
	Rupees in '000	

21. SHORT-TERM BORROWINGS - secured

Short term finance facilities under:		
- Running finance under mark-up arrangements	2,705,840	452,313
- Istisna-cum-Wakala arrangement - Islamic	500,000	2,463,497
- Export Refinance Scheme	194,000	-
- Finance against Trust Receipts:		
- Conventional	10,466,010	9,653,399
- Islamic	1,436,034	2,499,880
	15,301,884	15,069,089

21.1 The lender wise balances of short-term loan and running finance facilities obtained by the Company are as follows:

	2026	2025
	Rupees in '000	
Habib Bank Limited	2,315,777	2,027,878
National Bank of Pakistan	1,974,192	1,661,118
Habib Metropolitan Bank Limited	699,311	1,077,209
Askari Bank Limited	1,066,308	1,926,539
Meezan Bank Limited	-	1,250,000
Bank Islami Pakistan Limited	-	234,997
MCB Islamic Bank Limited	-	478,500
Allied Bank Limited	820,015	472,893
Dubai Islamic Bank Limited	1,436,034	2,499,880
MCB Bank Limited	287,141	903,631
Bank Alfalah Limited	749,450	955,706
Sindh Bank Limited	349,999	187,727
The Bank of Punjab	422,714	646,168
United Bank Limited	5,180,943	746,843
	15,301,884	15,069,089

21.2 Facilities available from financial institutions amount to Rs. 38.44 billion (June 30, 2025: Rs. 25.15 billion). The rates of mark-up range between 1 month KIBOR plus 0.85% to 3 months KIBOR plus 3% (June 30, 2025: 1 month KIBOR plus 0.85% to 3 months KIBOR plus 3%) per annum. The balance is secured against ranking hypothecation charge over plant, machinery and equipment and pari passu charge over the current assets and fixed assets of the Company.

21.3 The short-term finance facility of a running finance nature for working capital financing from two related parties are also available for an indefinite period with a maximum aggregate limit of Rs. 2.54 billion (2025: Rs. 3.54 billion). The facilities carry mark-up ranging between 1 month KIBOR plus 2% to 3 months KIBOR plus 1.8% (2025: 1 month KIBOR plus 2% to 3 months KIBOR plus 1.8%).

21.4 The facilities for opening letters of credit and guarantees as at June 30, 2026 amounted to Rs. 23.19 billion (2025: Rs. 13.25 billion) of which the amount remained unutilised at year end was Rs. 3.6 billion (2025: Rs. 5.39 billion). Corporate and personal guarantees provided by related parties against LC facility amounted to Rs. 4.3 billion (2025: Rs. 4.3 billion) out of which amount remained unutilised at year end was Rs. 4.3 billion (2025: Rs. 4.3 billion).

22. ACCRUED MARK-UP

Accrued mark-up comprises of mark-up on short-term borrowings, STF facility and Musharaka facility.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

23. CONTINGENCIES AND COMMITMENTS

23.1 CONTINGENCIES

On December 9, 2024, the Competition Commission of Pakistan (CCP) issued an enquiry report concerning alleged collusive practices within the flat steel sector. Pursuant to the findings of the report, a show cause notice was served to the Company, citing potential non-compliance with the provisions of the Competition Act, 2010. The Company submitted a formal response to the CCP and subsequently received an order from the Competition Commission of Pakistan (CCP), dated October 07, 2025. The order imposed penalty of Rs. 648.30 million for alleged non-compliance of section 4 of the Competition Act, 2010.

The Company has filed an appeal before the Competition Appellate Tribunal to challenge the said order. The Company, based on the advice of its legal counsel, expects a favorable outcome in the matter. Accordingly, no provision has been made in these financial statements.

- Income Tax

23.1.1 The Finance Act, 2017 introduced section 5A which imposes tax on public company at the rate of 7.5% of its accounting profit before tax for the year. However, this tax shall not apply in case of a public company which distributes at least 40% of its after tax profits within six months of the end of the tax year through cash or bonus shares. The Company had not distributed any dividend till the end of the prior year. The Company filed a petition in the High Court of Sindh challenging the applicability of the above. The High Court of Sindh vide its order dated April 30, 2021 made judgement in favour of the Company. During the year ended June 30, 2021, a petition had been filed in the Supreme Court of Pakistan against the above decision of High Court of Sindh. During the year, the said petition in appeal was disposed off on May 14, 2026 before the Honourable Supreme Court of Pakistan.

23.1.2 Through an Assessment Order dated July 12, 2024 under section 122 (5A) of the Ordinance for tax year 2021 the Additional Commissioner Inland Revenue has disallowed credit of brought forward minimum tax under section 113 of the Income tax Ordinance amounting to Rs. 533 million (for tax years 2017, 2019 and 2020) on the grounds that the minimum tax was not paid but adjusted against tax credit under section 65B of the Ordinance.

Challenging the assessment order, the Company filed an appeal to the Appellate Tribunal Inland Revenue. The esteemed ATIR acknowledged the Company's arguments and issued an order on April 13, 2026, remanding the case back to the assessing officer for re-evaluation.

23.1.3 During the year ended June 30, 2022, the Company received DCIR orders in 2022 for tax years 2016, 2017, and 2018, establishing income tax demands of Rs. 910.71 million, Rs. 13.95 billion, and Rs. 3.46 billion respectively. Allegations encompass bank credit entries, withholding tax issues, disallowances, and more. Appeals were filed before ATIR, resulting in remand back order dated June 14, 2023.

Thereafter, the department concluded the reassessment of the cases and all the issues were decided in the Company's favour through order dated November 25, 2023. At this point, the only outstanding matters are the disallowed tax credits under section 65B of Rs. 113.5 million for the tax year 2016, Rs. 31 million for the tax year 2017, and Rs. 43 million for the tax year 2018, along with the disallowed minimum tax of Rs. 16 million from the tax year 2013 and Rs. 90 million from the tax year 2014 in the reassessment for the tax year 2018 claiming it to be time barred under the law.

During the year ended June 30, 2024, the Commissioner Inland Revenue (Appeals) (CIRA) decided the appeals in Company's favor through orders dated February 29, 2024 for tax years 2016 - 2018. However, for tax year 2018, minimum tax credit disallowance amounting to Rs. 106.62 million has been remanded back by CIRA to assessing officer for re-examination of the factual aspects, taking into account the timebar issue for the aforementioned tax years. The Company, expects a favourable outcome of remand back proceedings and hence, no provision is made in the financial statements.

23.1.4 During the year ended June 30, 2021, the Company was made subject to tax audit for tax year 2019. After due process, DCIR concluded the audit proceedings in favor of the Company except for two instances where tax credit under section 65B amounting to Rs. 28.07 million and certain business expenses defined under section 21(c) amounting to Rs. 31.70 million were disallowed on non-deduction of withholding tax from payments. The Company has raised an appeal against the said disallowance before the Appellate Tribunal Inland Revenue (ATIR) on July 26, 2024 which is pending for adjudication.

A hearing was conducted on December 5, 2024, during which the company submitted a detailed report, including pictures of the plant and cables. It was also highlighted that the department had already conducted a physical inspection during the sales tax audit for the same period.

Furthermore, the company submitted all evidence related to the alleged non-deduction of withholding tax, including Computerized Payment Receipts (CPRs). These were reviewed and agreed upon by the department during the hearing.

The Tribunal directed the Department Representative (DR) to file a report at the next hearing scheduled for December 11, 2024. However, the DR failed to produce the report on the specified date. The case was heard on the next hearing fixed on January 8, 2025 and reserved for order. Based on the advice of its consultant, the Company expects a favorable outcome of the pending appeal and hence no provision is recorded in the financial statements.

23.1.5 In the fiscal year ending June 30, 2025, the Company underwent a tax audit for the tax year 2020. Following the appropriate procedures, the DCIR concluded the audit in favor of the Company, with the exception of two instances. These included a disallowed brought forward tax credit under section 65B totaling Rs. 28.07 million and a business expense related to GIDC as defined in section 21(c), amounting to Rs. 137.659 million, which were excluded from business losses. The Company submitted an appeal against these disallowances to the Commissioner Appeals Inland Revenue (CIIRA) on April 07, 2025, and the case is currently awaiting adjudication. Based on the advice of its consultant, the Company expects a favorable outcome of the pending case and hence no provision is recorded in the financial statements.

23.1.6 In the fiscal year ending June 30, 2019, the Company underwent a tax audit under Section 122(5A) for the tax year 2018. Following the audit process, the DCIR concluded the proceedings in favor of the Company, with the exception of two instances involving a disallowed minimum tax of Rs. 300 million and a WPPF of Rs. 47.378 million. On July 19, 2019, the Company filed an appeal against this disallowance with the Commissioner Appeals Inland Revenue (CIIRA), but our arguments were not upheld, and the order was confirmed. Subsequently, the Company lodged another appeal against the CIIRA's decision with the Appellate Tribunal Inland Revenue (ATIR) on March 26, 2021. The Company anticipates a positive outcome from the remand proceedings and, therefore, has not made any provision in the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- Sales Tax

23.1.7 During the year ended June 30, 2021, the Company received a sales tax demand of Rs. 54.84 million, including a penalty of Rs. 2.61 million for the tax period July 2019 till June 2020, from the Federal Board of Revenue (FBR) due to alleged supplies to unregistered parties. The Company appealed to the Commissioner Inland Revenue (Appeals) (CIRA), leading to a remand back proceedings order dated August 15, 2022, against which an appeal was filed with the Appellate Tribunal Inland Revenue (ATIR), which is currently pending. The Company holds a stay order from the High Court of Sindh. Based on the advice of its consultant, the Company expects a favorable outcome of the pending appeal and hence no provision is recorded in the financial statements.

23.1.8 During the year ended June 30, 2023, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against order dated December 30, 2022 passed by the Commissioner Inland Revenue (Appeals) (CIRA) whereby sales tax demand of Rs. 97 million along with default surcharge and penalty amounting to Rs. 32.4 million and Rs. 4.8 million respectively was established for the tax period July 2018 till June 2019 on certain allegations which include short payment of sales tax on scrap sales, non-payment of sales tax on disposal of fixed assets, non-payment of sales tax on sales of assets to related parties, inadmissible input tax adjustments and input tax claimed on purchases from blacklisted / suspended persons. The department's appeal is pending before ATIR.

However, the ATIR has decided the Company's appeal vide Order dated May 17, 2021 and deleted sales tax demand of Rs. 88.1 million. It is pertinent to mention here that the principal sales tax demand of Rs. 8.3 million and Rs. 0.6 million related to scrap sales and input tax claimed against blacklisted / suspended suppliers respectively, has been discharged by the Company during the subject year.

Further, the department has also filed an appeal before ATIR on issues decided in favour of the company viz. supplies made to blocked, suspended and non active buyers to avoid further tax and claim of inadmissible input tax on imported air conditioners involving sales tax demand of Rs. 383.16 million and 5.35 million respectively. The aforesaid appeal is pending before ATIR. Based on the advice of its consultant, the Company expects a favorable outcome of the pending appeal and hence no provision is recorded in the financial statements.

23.1.9 Subsequent to the year ended June 30, 2025, an appeal has been filed before CIRA, against the order passed by the Deputy Commissioner Inland Revenue on June 30, 2025 for the tax period July 2019 till June 2020, whereby sales tax demand of Rs.235.44 million and penalty of Rs.11.78 million under section 34 & 33(5) of the Sales Tax Act,1990 respectively, was established against the Company on account of short payment of further tax against sales to blacklisted / suspended suppliers of Rs. 206.67 million, difference in sales tax value as per sales tax returns and audited accounts of Rs. 0.47 million, claim of inadmissible input tax of Rs. 28.02 million on purchase of goods and services against which input is disallowed under section 8, non-payment of sales tax on disposal of fixed assets of Rs. 0.1 million and Short withholding of sales tax on purchase from unregistered suppliers of Rs. 0.18 million. The Company filed the appeal before CIRA in 2026 and the contention of the Company was duly accepted by the CIRA and the case was remanded back to the department for re-assessment on March 30, 2026. The Company anticipates a positive outcome from the remand proceedings and, therefore, has not made any provision in the financial statements.

23.1.10 Following the conclusion of the fiscal year on June 30, 2025, the Company filed an appeal against the order issued by the Deputy Commissioner of Inland Revenue on June 27, 2025 for the tax period July 2018 till June 2019. This order established a sales tax demand of Rs. 80.47 million, along with a penalty of Rs. 4.02 million under Sections 34 and 33(5) of the Sales Tax Act, 1990, due to a shortfall in sales tax payments on re-meltable iron and steel scrap, which were taxed at a fixed rate rather than on an ad-valorem basis. Additionally, there was a short payment of further tax for supplies made to blocked, suspended, and non-active buyers. The appeal was submitted to CIRA, and on March 31, 2026, the demand was upheld. Subsequently, Company filed an appeal before the ATIR, where our Company's arguments were accepted, leading to the case being remanded back to CIRA for re-assessment on July 07, 2026. The Company anticipates a positive outcome from the remand proceedings and, therefore, has not made any provision in the financial statements.

23.1.11 During the year ended June 30, 2021, Company received a sales tax demand of Rs. 50.69 million including Rs. 2.42 million penalty for the tax period July 2019 till June 2020, through an order dated April 13, 2021, over non-withholding of sales tax on commission to dealers. Company filed an appeal to Appellate Tribunal, Sindh Revenue Board, which through its order dated June 01, 2022, reduced the tax demand to Rs. 12.77 million along with default surcharge. The Company has filed an appeal to the High court of Sindh and has obtained a stay order against the sales tax demand made. It is pertinent to mention here that the principal sales tax demand of Rs. 12.77 million along with default surcharge of Rs. 0.64 million has been discharged by the Company during the year.

The Company has filed a civil petition before the Supreme Court against the above demand paid and based on the advice of the legal counsel the petition is likely to be decided in the favour of the company.

23.1.12 During the year ended June 2024, the Company has filed an appeal in ATIR against the order by DCIR dated June 27, 2024 for the tax period January 2014 till July 2018 where sales tax is demanded of Rs. 59.78 million along with penalty of Rs. 3 million was established against the Company on account of claiming inadmissible input tax on purchases from suspended/blacklisted suppliers, inadmissible input tax adjustments and further tax on supplies made to blocked/suspended persons, the appeal was filed before ATIR and on August 05 2025 the case was remanded back to the department for re-assessment. The Company anticipates a positive outcome from the remand proceedings and, therefore, has not made any provision in the financial statements.

- Customs

23.1.13 The Company received Order No. 222/2023-24, dated August 28, 2023, from the Collector of Customs, alleging violations of the Customs Act, 1969 related to the import of "Hot Rolled Coils/Sheets." The order highlighted that in the year 2019-20, the Company reportedly supplied finished goods in violation of relevant SROs, resulting in undue benefits of Rs. 53.89 million through exemptions from duties and taxes. These allegations have led to potential additional exposure of Rs. 78.09 million in lieu of penalties and fines.

The Company has filed an appeal with the Customs Appellate Tribunal under appeal No. K-1592/2023. On June 01, 2024, the Honourable Customs Appellate Tribunal passed the decision against the Company. Subsequently, the Company has filed the Special Custom Reference Application in the High Court of Sindh on July 06, 2024. Based on the advice of the legal counsel, the Company expects a favourable outcome of the petition hence no provision is made in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

23.2 COMMITMENTS

23.2.1 Commitments for capital expenditure outstanding as at June 30, 2026 amounted to Rs. 596.64 million (2025: Rs. 83.73 million).

23.2.2 Commitments under letter of credit for raw materials as at June 30, 2026 amounted to Rs. 17,794 million (2025: Rs. 7,047.74 million).

23.2.3 The guarantee for sindh infrastructure development cess amounting to Rs. 600 million (2025: Rs. 200 million).

23.2.4 Aggregate commitments in respect of ijarah arrangements of motor vehicles are disclosed in note 27.2.1.

	2026	2025
	Rupees in '000	
24. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Local sale of goods - note 24.1, 24.2 & 24.3	47,886,341	33,230,750
Toll manufacturing	2,507	15,476
	47,888,848	33,246,226
Less: Sales tax	(7,026,864)	(4,863,734)
Rebates and discounts	(11,679)	(13,054)
	40,850,305	28,369,438
Export sales	13,384,919	5,382,265
	54,235,224	33,751,703

24.1 This includes sale of scrap amounting to Rs. 2.42 billion (2025: Rs. 1.78 billion).

24.2 Revenue is presented net of customer discounts negotiated and reflected in issued invoices.

24.3 During the year, sales to one dealer constitutes 11.08% (2025: 11.84%) of net revenue amounting to Rs. 3.35 billion (2025: Rs. 4 billion).

24.4 These financial statements do not include disclosures relating to IFRS 8 "Operating Segments" as the Company's business is considered to be a single operating segment.

	2026	2025
	Rupees in '000	
24.5 DISAGGREGATION OF REVENUE		
Primary geographical markets		
Local	40,850,305	28,369,438
North America	4,070,762	4,143,609
Europe	8,617,685	594,659
Middle East	-	225,396
Asia	696,472	418,601
	54,235,224	33,751,703

	2026	2025
	Rupees in '000	

25. COST OF SALES

Raw material consumed		
Raw material - opening	3,063,673	7,010,170
Purchases	52,824,915	26,051,935
	55,888,588	33,062,105
Raw material - closing	(9,680,668)	(3,063,673)
	46,207,920	29,998,432
Salaries, wages and benefits - note 25.1	776,652	605,557
Utilities	2,030,752	1,564,365
Depreciation - note 4.1.5	912,458	897,088
Stores, spares and consumables	1,090,682	549,237
Packing charges	351,514	212,670
Repairs and maintenance	216,299	136,440
Traveling and conveyance	126,031	94,903
Insurance	114,355	123,995
Security charges	30,122	25,485
Consultancy charges	6,484	4,025
Rent, rates and taxes	1,165	238
Communication	1,125	716
Others	5,967	6,075
	51,871,526	34,219,226
Work-in-process - opening	390,580	639,102
	52,262,106	34,858,328
Work-in-process - closing	(2,064,263)	(390,580)
Cost of goods manufactured	50,197,843	34,467,748
Finished goods - opening	3,147,684	764,380
Finished goods - closing	(5,042,988)	(3,147,684)
	(1,895,304)	(2,383,304)
	48,302,539	32,084,444

25.1 Salaries, wages and benefits include Rs. 53.09 million (2025: Rs. 47.72 million) in respect of defined benefit plan.

	2026	2025
	Rupees in '000	

26. SELLING AND DISTRIBUTION COST

Salaries and benefits - note 26.1	106,639	66,349
Freight, Handling and Clearance Charges - note 26.2	1,491,352	372,205
Traveling and conveyance	14,755	7,064
Communication	7,249	4,824
Rent, rates and taxes	1,591	3,677
Utilities	977	1,075
Insurance	2,489	1,860
Depreciation - note 4.1.5	1,687	1,580
Others	26,886	22,228
	1,653,625	480,862

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

26.1 Salaries and benefits include Rs. 6.31 million (2025: Rs. 5.88 million) in respect of defined benefit plan.

26.2 These include amounts in respect of storage charges, outward freight, loading charges, etc.

	2026	2025
	Rupees in '000	
27. ADMINISTRATIVE EXPENSES		
Salaries, allowances and benefits - note 27.1	258,586	198,687
Rent, rates and taxes - note 27.2	26,929	9,103
Depreciation and amortisation - note 4.1.5 & 5.1	37,095	53,229
Repairs and maintenance	68,472	61,340
Traveling and conveyance	47,498	38,799
Utilities	-	4,001
Communication and information technology	36,759	39,962
Printing and stationery	2,407	2,800
Insurance	45,722	44,058
Legal and professional charges	61,614	51,309
Auditors' remuneration - note 27.3	8,665	47,825
Security charges	10,079	9,661
Others	31,357	21,761
	635,183	582,535

27.1 Salaries, allowances and benefits include Rs. 10.88 million (2025: Rs. 7.62 million) in respect of defined benefit plan.

27.2 This includes Rs. 18.63 million (2025: Rs. 6.05 million) in respect of rental against the cars obtained under the Ijarah lease terms under IFAS 2.

27.2.1 The total of future ujrah payments under Ijarah, for each of the following periods:

	Rupees in '000
(i) Not later than one year	16,225
(ii) Later than one year but not later than five years	48,260

	2026	2025
	Rupees in '000	
27.3 Auditors' remuneration		
Audit fee	5,000	4,300
Fee for half yearly review	550	450
Review of Code of corporate governance	500	400
Taxation services	2,065	42,175
Out-of-pocket expenses	550	500
	8,665	47,825
28. OTHER EXPENSES		
Workers' Profits Participation Fund - note 19.3	86,896	-
Workers' Welfare Fund	34,623	-
Loss on disposal of operating assets	16,605	21,252
Exchange loss - net	82,925	54,462
	221,049	75,714

	2026	2025
	Rupees in '000	
29. OTHER INCOME		
Income from financial assets		
Return on savings accounts:		
- conventional	9,435	5,487
- Islamic	3,973	4,186
	13,408	9,673
Income from non-financial assets		
Scrap sales	45,800	20,981
Gain on insurance claim	-	507,360
Gain on termination of lease	939	-
	46,739	528,341
	60,147	538,014
30. FINANCE COSTS		
Mark-up expense:		
- long-term finance		
• conventional	21,317	175,819
• Islamic	15,444	48,055
- Impact of unwinding on long term finance	19,287	21,410
- short-term borrowings		
• conventional	1,252,117	1,661,704
• Islamic	269,958	736,454
Guarantee commission	17,490	6,151
Mark-up on delayed payment to supplier	66,000	-
Finance lease charges	13,099	24,056
Bank and other charges	52,600	58,816
	1,727,312	2,732,465
31. LEVIES - MINIMUM TAX		
Minimum Tax - note 31.1	134,011	53,859

31.1 This represents minimum tax paid under section 154 of the Income Tax Ordinance, 2001.

	2026	2025
	Rupees in '000	
32. INCOME TAX CHARGE / (CREDIT)		
Current		
- for the year	586,100	372,292
- prior year	-	3,295
Deferred	54,403	(743,895)
	640,503	(368,308)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees in '000	
32.1 Relationship between tax expense and accounting profit / loss		
Accounting profit / loss before tax	1,621,652	(1,720,162)
Tax at applicable tax rate of 29% (2025: 29%)	470,279	(498,847)
Minimum Tax charged off	-	157,917
Super tax	36,342	-
Prior year charge	-	3,295
Others	133,882	(30,673)
Income tax charge / (credit)	640,503	(368,308)
33. EARNING / (LOSS) PER SHARE		
33.1 BASIC		
Profit / (loss) for the year attributable to ordinary shareholders	981,149	(1,351,854)
Adjustment for cumulative preference share dividend	(61,440)	(86,706)
Profit / (loss) for the year for calculation of basic earnings per share	919,709	(1,438,560)
Weighted average number of ordinary shares outstanding at year end (in thousand)	930,591	930,016
Earnings / (loss) per share - basic	0.99	(1.55)
33.2 DILUTED		
Profit / (loss) for the year attributable to ordinary shareholders	981,149	(1,351,854)
Weighted average number of ordinary shares outstanding at year end (in thousand)	930,591	930,016
Adjustment for conversion of convertible preference shares (shares in thousands)	76,195	69,556
Weighted average number of potential ordinary shares outstanding at year end (in thousand)	1,006,786	999,572
Earnings / (loss) per share - diluted	0.97	(1.55)

33.3 IAS 33 Earnings per Share (paragraph 43) provides that potential ordinary shares are considered antidilutive when their conversion would increase earnings per share or decrease loss per share.

Accordingly, such potential shares are excluded from the computation of diluted earnings per share and hence diluted earning/ loss per share equates to basic earning/ loss per share.

As disclosed in note 33.2 of the financial for the year ended June 30, 2025, the calculated diluted earning per share was anti-dilutive i.e, Rs. 1.35. Hence, in line with the above requirement, the diluted loss per share was assumed to be equal to the basic loss per share of Rs. 1.55.

For the year ended June 30, 2026, the potential ordinary shares were dilutive and therefore included in the computation of diluted earnings per share. Consequently, the diluted earnings per share for the current and corresponding periods are not directly comparable.

		2026	2025
		Rupees in '000	

34. CASH GENERATED FROM OPERATIONS

Profit / (loss) before levies and income tax		1,755,663	(1,666,303)
Add / (less): Adjustments for non-cash item			
Depreciation of property, plant and equipment	4.1.5	945,531	945,965
Amortisation of intangible assets	5.1	5,709	5,932
Finance lease charges	30	13,099	24,056
Mark up charges		1,642,326	2,628,183
Unwinding of long term finance	30	19,287	21,410
Gain on termination of lease	29	(939)	-
Expense recognised for employee benefit obligations	18.4	70,282	61,223
Loss on disposal of property, plant and equipment	28	16,605	21,252
Return on PLS savings accounts	29	(13,408)	(9,673)
		2,698,492	3,698,348
Profit before working capital changes		4,454,155	2,032,045
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets			
Inventories		(10,299,107)	1,769,497
Trade and other receivables		(2,031,325)	827,944
Loans, advances, deposits and prepayments		(135,779)	11,480
Tax refunds due from government - sales tax		(431,505)	(280,611)
		(12,897,716)	2,328,310
(Decrease) / increase in current liabilities			
Trade and other payables		8,299,723	(1,874,564)
Sales tax payable		-	(178,116)
		(4,597,993)	275,630
Cash generated from operations		(143,838)	2,307,675

35. CASH AND CASH EQUIVALENTS

Cash and bank balances - note 12	501,790	452,292
Running finance - note 21	(2,705,840)	(452,313)
	(2,204,050)	(21)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees in '000	

36. STATEMENT OF CASH FLOWS - DIRECT METHOD

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	53,124,095	35,244,339
Cash paid to suppliers / service providers and employees	(53,298,007)	(32,933,661)
Income tax and levies paid - net	(924,008)	(589,439)
Mark-up paid	(1,842,648)	(3,369,186)
Return on bank deposits received	13,408	9,673
Employee benefits paid	(26,524)	(30,237)
Net cash used in operating activities	(2,953,684)	(1,668,511)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(516,621)	(307,947)
Sale proceeds from disposal of property, plant and equipment	10,381	5,433
Net cash used in investing activities	(506,240)	(302,514)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term finance	(612,867)	(2,623,100)
Contributions received from sponsor	6,918,902	8,281,098
Repayments made to sponsor	(3,000,000)	(2,000,000)
Short-term loan obtained	47,710,132	43,712,191
Short-term loan repaid	(49,730,864)	(43,814,619)
Dividend paid	(228)	(845)
Lease rentals paid	(29,180)	(29,868)
Net cash generated from financing activities	1,255,895	3,524,857
Net (decrease) / increase in cash and cash equivalent	(2,204,029)	1,553,832
Cash and cash equivalents at beginning of the year	(21)	(1,553,853)
Cash and cash equivalents at end of the year - note 35"	(2,204,050)	(21)

37. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, directors of the Company and key management personnel. The Company continues to have a policy whereby transactions with related parties are entered into at commercial terms, approved policy and at rate agreed under a contract / arrangement / agreement. Remuneration of key management personnel are in accordance with their terms of contractual engagements.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary and Non-Executive Directors to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

37.1 TRANSACTIONS WITH RELATED PARTIES

Relationship	Company name / title of individual	Nature of transaction	2026	2025
			Rupees '000	
Associated companies	Arif Habib Corporation Limited			
		- Finance facility utilised	500,000	4,650,000
		- Repayment of short-term finance	500,000	4,650,000
		- Long-term loan repaid	-	78,104
		- Mark-up on finance facilities	1,316	70,094
		- Mark-up on finance facilities paid	2,038	113,976
		- Guarantee commission	1,163	1,126
		- Guarantee commission paid	1,163	977
	Power Cement Limited	- Purchase of construction material	402	377
		- Payment made against purchase of construction material	402	377
		- Contribution received against expenses	429	4,500
		- Contribution paid against expenses	422	
		- Sales made during the year	298	-
	Rotocast Engineering Co. (Private) Limited	- Rent and maintenance paid	31,289	15,793
		- Rent and maintenance expense during the year	31,289	15,793
	Globe Residency REIT	- Sales made during the year	9,855	19,960
		- Receipts against sales made during the year	19,529	11,723
	Rahat Residency REIT	- Sales made during the year	-	738
		- Receipts against sales made during the year	-	466

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Relationship	Company name / title of individual	Nature of transaction	2026	2025
			Rupees '000	
	Javedan Corporation Limited	- Sales made during the year	2,786	-
		- Receipts against sales made during the year	3,371	-
		- Payment against employee's Gymkhana Membership	2,100	-
	Arif Habib Development & Engineering Company	- Sales return during the year	-	319,081
		- Payment made during the year	-	376,974
Other related parties	Mr. Arif Habib, Chairman	- Contribution received from sponsor	6,918,902	8,281,098
		- Contribution repaid to sponsor	3,000,000	2,000,000
Key management personnel	Chief Executive Officer, Chief Financial Officer & Company Secretary	- Salaries and other employee benefits	27,032	33,680
	Chief Financial Officer & Company Secretary	- Post retirement benefits expense	1,113	985
	Non-Executive Director	- Meeting and other expenses	1,475	1,425

37.2 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreements in place:

S. No.	Individual / Company Name	Basis of relationship	Aggregate % of Shareholding
1)	Mr. Arif Habib, Chairman	Shareholder	20%
2)	Arif Habib Corporation Limited	Shareholder Common Directorship	22%
3)	Arif Habib Equity (Private) Limited	Shareholder Common Directorship	32%
5)	Power Cement Limited	Group Company Common Directorship	N/A
6)	Rotocast Engineering Co. (Private) Limited	Group Company	N/A
7)	Globe Residency REIT	Group Company Common Directorship	N/A
8)	Rahat Residency REIT	Group Company Common Directorship	N/A
9)	Javedan Corporation Limited	Group Company Common Directorship	N/A
10)	Arif Habib Development & Engineering Company	Group Company Common Directorship	N/A

37.3 The status of outstanding balances with related parties as at June 30, 2026 is included in the respective notes to the financial statements. These are settled in the ordinary course of business.

38. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration of the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Executives	
	2026	2025	2026	2025
	Rupees in '000			
Managerial remuneration	14,967	14,615	447,665	330,085
Retirement benefits	-	-	37,212	24,992
Reimbursable expenses	-	-	25,622	25,622
Lease rentals	-	7,244	44,877	20,362
	14,967	21,859	574,277	401,061
Number of persons	1	1	161	101

38.1 The Chief Executive and certain Executives are also provided with Company maintained vehicles, security guards, mobile phone, hospitalisation and life insurance in accordance with Company's policy.

38.2 In addition to above, an amount of Rs. 1.48 million (2025: Rs. 1.43 million) was paid to non-executive directors for attending Board of Directors meetings and other expenses.

	2026	2025
	Rupees in '000	

39. NUMBER OF EMPLOYEES

39.1 Number of employees at June 30		
- Permanent	592	560
- Contractual	99	70
	691	630

39.1.1 Number of employees includes 659 (2025: 608) factory employees.

39.2 Average number of employees during the year		
- Permanent	577	570
- Contractual	93	54
	670	624

39.2.1 Average number of employees includes 643 (2025: 601) factory employees.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

40. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

40.1 Financial risk factors

The Company's activities expose it to variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on having cost effective funding as well as managing financial risk to minimise earnings volatility and provide maximum return to shareholders.

a) Market Risk

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk arises from short-term finance which includes running finance facilities (note 21), cash at bank in savings accounts (note 12) and long-term finance (note 16). All the Long-term and short-term finances availed at variable rates expose the Company to significant cash flow interest rate risk. The Company analyses its interest rate exposure on a regular basis by monitoring interest rate trends to determine whether to enter into hedging alternatives.

At June 30, 2026, the Company has variable interest bearing net financial liabilities of Rs. 15.22 billion (2025: Rs. 15.65 billion), and had the interest rate varied by 200 basis points with all the other variables held constant, loss for the year would have been lower / higher by Rs. 304.4 million (2025: Rs. 313 million), mainly as a result of higher / lower interest expense on floating rate borrowings.

ii. Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly where payables and receivables exist due to transactions in foreign currencies. At June 30, 2026 trade and other payables and trade and other receivables exposed to foreign currency risk amount to Rs. 6345.22 million (2025: Rs. 2.25 million) and Rs. 3009.15 million (2025: Rs. 454.22 million) respectively. Further, as at June 30, 2026, the Company has exposure against open letters of credit of Rs. 7860 million (2025: Rs. 7,860 million) denominated in foreign currencies.

As at June 30, 2026, if the Pakistani Rupee had weakened / strengthened by 5% against US Dollar with all other variables held constant, loss before tax for the year would have been higher / lower by Rs. 166.8 million (2025: Rs. 22.6 million) mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated financial assets or liabilities.

The Company manages the risk through settlement of foreign currency liabilities based on the projected trend of future foreign currency fluctuations.

b) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of the total financial assets of Rs. 3.99 billion (2025: Rs. 1.87 billion), the financial assets exposed to the credit risk amount to Rs. 3.99 billion (2025: Rs. 1.87 billion). The carrying values of financial assets which are neither past due nor impaired are as under:

	2026	2025
	Rupees in '000	
Deposits and advances	95,966	65,892
Trade and other receivables	3,370,257	1,338,932
Loans to employees	21,938	16,524
Bank balances	501,438	452,067
	3,989,599	1,873,415

The credit quality of deposits and advances which are neither past due nor impaired can be assessed with reference to external credit ratings as follows:

	Ratings			2026	2025
	Short term	Long term	Rating Agency	Rupees '000	
K-Electric Limited	A1+	AA	PACRA	33,000	33,000
Pakistan State Oil Company Limited	A1+	AAA	JCR-VIS	12,121	2,921
First Habib Modaraba	A1+	AA+	PACRA	27,033	9,285
Others	-	-	-	23,812	20,686
				95,966	65,892

For trade receivables, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. The carrying amount of trade receivables relates to a number of independent customers, from whom there is no recent history of default.

Loans to employees are not exposed to any material credit risk since these are secured against motor vehicles and shares for which these were granted.

Bank balances and accrued mark-up thereon represent low credit risk as these are placed with banks having good credit ratings assigned by credit rating agencies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

	Rating			2026	2025
	Short term	Long term	Rating agency	Rupees '000	
Allied Bank Limited	A1+	AAA	PACRA	49,700	6,957
Askari Bank Limited	A1+	AAA	PACRA	4,084	59,651
Bank Alfalah Limited	A1+	AAA	PACRA	57,709	25,048
Bank Al-Habib Limited	A1+	AAA	PACRA	55,189	13,256
Bank Islami Pakistan Limited	A1	AA-	PACRA	5,678	728
Dubai Islamic Bank Limited	A1+	AA	VIS	959	469
Faysal Bank Limited	A1+	AA+	PACRA	10,442	15,962
Habib Bank Limited	A1+	AA+	VIS	13,469	83,612
Habib Metropolitan Bank Limited	A1+	AAA	PACRA	69,562	46,002
JS Bank Limited	A1+	AA	PACRA	370	8,447
MCB Bank Limited	A1+	AAA	PACRA	17,272	17,497
MCB Islamic Bank Limited	A1	A+	PACRA	840	4,740
Meezan Bank Limited	A1+	AAA	VIS	185,708	123,952
National Bank of Pakistan	A1+	AAA	PACRA	754	2,776
National Bank of Pakistan (Islamic)	A1+	AAA	PACRA	233	973
Sindh Bank Limited	A1+	AA	VIS	98	38
"Standard Chartered Bank (Pakistan) Limited"	A1+	AAA	VIS	207	5,775
"Bank Makramah Limited (formerly Summit Bank Limited) "	A-2	A-	VIS	655	1,450
The Bank of Khyber	A1	AA-	PACRA	308	32
The Bank of Punjab	A1+	AAA	PACRA	3,314	32,960
United Bank Limited	A1+	AAA	VIS	24,687	840
"Industrial and Commercial Bank of China"	F1+	A-	Fitch Rating	200	200

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. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at the reporting date.

c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available.

The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these monitoring statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	2026					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees in '000					
Financial liabilities						
Short-term borrowings	15,301,884	(15,301,884)	(15,301,884)	-	-	-
Accrued mark-up	287,359	(287,359)	(287,359)	-	-	-
Trade and other payables	7,150,731	(7,150,731)	(7,150,731)	-	-	-
Lease liabilities	199,961	(639,690)	(21,127)	(21,127)	(119,756)	(477,680)
Unclaimed dividend	2,150	(2,150)	(2,150)	-	-	-
	22,942,085	(23,381,814)	(22,763,251)	(21,127)	(119,756)	(477,680)

	2025					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees in '000					
Financial liabilities						
Long-term finance - secured	593,580	(593,580)	(294,375)	(299,205)	-	-
Short-term borrowings	15,069,089	(15,069,089)	(15,069,089)	-	-	-
Accrued mark-up	474,582	(474,582)	(474,582)	-	-	-
Trade and other payables	479,529	(479,529)	(479,529)	-	-	-
Lease liabilities	173,265	(615,085)	(20,058)	(20,058)	(96,145)	(478,824)
Unclaimed dividend	2,378	(2,378)	(2,378)	-	-	-
	16,792,423	(17,234,243)	(16,340,011)	(319,263)	(96,145)	(478,824)

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

d) Fair values of the financial instruments

The carrying value of all the financial instruments reflected in the financial statements approximate their reasonable fair values largely due to the short-term maturities of these instruments.

40.2 Financial assets and liabilities by category and their respective maturities

	Interest bearing			Non-interest bearing			
	Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total	Total
	Rupees in '000						
2026							
FINANCIAL ASSETS							
At amortised cost							
Deposits and advances	-	-	-	-	95,966	95,966	95,966
Trade and other receivables	-	-	-	3,370,257	-	3,370,257	3,370,257
Loans to employees	-	-	-	21,938	-	21,938	21,938
Cash and bank balances	277,863	-	277,863	223,927	-	223,927	501,790
	277,863		277,863	3,616,122	95,966	3,712,088	3,989,951
FINANCIAL LIABILITIES							
At amortised cost							
Short-term finance	15,301,884	-	15,301,884	-	-	-	15,301,884
Trade and other payables	-	-	-	7,150,731	-	7,150,731	7,150,731
Accrued mark-up	-	-	-	287,359	-	287,359	287,359
Lease liabilities	23,373	176,588	199,961	-	-	-	199,961
Unclaimed dividend	-	-	-	2,150	-	2,150	2,150
	15,325,257	176,588	15,501,845	7,440,240	-	7,440,240	22,942,085
2025							
FINANCIAL ASSETS							
At amortised cost							
Deposits and advances	-	-	-	-	65,892	65,892	65,892
Trade and other receivables	-	-	-	1,338,932	-	1,338,932	1,338,932
Loans to employees	-	-	-	16,524	-	16,524	16,524
Cash and bank balances	184,579	-	184,579	267,713	-	267,713	452,292
	184,579	-	184,579	1,623,169	65,892	1,689,061	1,873,640
FINANCIAL LIABILITIES							
At amortised cost							
Long-term finance	593,580	-	593,580	-	-	-	593,580
Short-term finance	15,069,089	-	15,069,089	-	-	-	15,069,089
Trade and other payables	-	-	-	479,529	-	479,529	479,529
Accrued mark-up	-	-	-	474,582	-	474,582	474,582
Lease liabilities	21,091	152,174	173,265	-	-	-	173,265
Unclaimed dividend	-	-	-	2,378	-	2,378	2,378
	15,683,760	152,174	15,835,934	956,489	-	956,489	16,792,423

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

	2026				
	Short term borrowings	Long term financing	Dividend	Lease liabilities	Total
	(Rupees in '000)				
Balance as at July 01, 2025	14,616,776	593,580	2,378	173,265	15,385,999
Changes from financing cash flows					
Repayment of long term loan	-	(612,867)	-	-	(612,867)
Proceeds from long term loan	-	-	-	-	-
Payments / (repayments) - net	-	-	-	-	-
Lease rentals paid	-	-	-	(29,180)	(29,180)
Addition / re-assessment / termination of leases"	-	-	-	55,876	55,876
Dividend paid	-	-	(228)	-	(228)
Total changes from financing activities	-	(612,867)	(228)	26,696	(586,399)
Other change					
Interest expense	-	56,048	-	13,099	69,147
Interest paid	-	(36,761)	-	(13,099)	(49,860)
Changes in short term borrowings	(2,020,732)	-	-	-	(2,020,732)
Total loan related other changes	(2,020,732)	19,287	-	-	(2,001,445)
Total equity related other changes	-	-	-	-	-
Balance as at June 30, 2026	12,596,044	-	2,150	199,961	12,798,155

	2025				
	Short term borrowings	Long term financing	Dividend	Lease Liabilities	Total
	(Rupees in '000)				
Balance as at July 01, 2024	14,719,204	3,461,277	3,223	193,851	18,377,555
Changes from financing cash flows					
Repayment of long term loan	-	(2,623,100)	-	-	(2,623,100)
Proceeds from long term loan	-	-	-	-	-
Lease rentals paid	-	-	-	(29,868)	(29,868)
Addition / re-assessment / termination of leases"	-	-	-	9,282	9,282
Dividend paid	-	-	(845)	-	(845)
Total changes from financing activities	-	(2,623,100)	(845)	(20,586)	(2,644,531)
Total equity related other changes	-	-	-	-	-
Balance as at June 30, 2025	14,616,776	593,580	2,378	173,265	15,385,999

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

41. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

The debt to capital ratios at June 30 were as follows:

	2026	2025
	Rupees in '000	
Total borrowings	15,301,884	15,662,669
Cash and bank balances	(501,790)	(452,292)
Net debt	14,800,094	15,210,377
Equity	25,828,143	20,616,113
Total capital	40,628,237	35,826,490
Debt to capital ratio	0.36	0.42

Decrease in debt to capital ratio is due to decrease in borrowings and contribution received from sponsor during the year.

42. MEASUREMENT OF FAIR VALUES

Management engages an independent external expert / valuer to carry out valuation of its non-financial assets (i.e. Land and Building). Involvement of external valuers is decided by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

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

- Level 1: 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).

As at June 30, 2026, all financial assets and financial liabilities are carried at amortised cost which is approximate to their fair value. The Company measures the fair value on the basis of present market value for similar sized plots in the vicinity for leasehold land and replacement values of similar type of buildings based on present cost of construction (level 2).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of cash & cash equivalents, trade and other receivables, short term borrowings, trade and other payables, accrued mark-up and approximate their carrying amounts largely due to short-term maturities of these instruments. For long term deposit and long term financing, management considers that their carrying values approximate fair value owing to credit standing of counterparties and interest payable on borrowings are market rates.

The analysis within the fair value hierarchy of the Company's non-financial assets (by class) measured at fair value at June 30, 2026 are as follows:

	2026			
Non- financial assets	Level 1	Level 2	Level 3	Total
	Rupees '000			
Land and building - at fair value	-	4,280,000	-	4,280,000

	2025			
	Level 1	Level 2	Level 3	Total
	Rupees '000			
Land and building - at fair value	-	4,120,000	-	4,120,000

43. CAPACITY AND PRODUCTION - in metric tonnes

	Total capacity	Capacity at year end	Actual Production	Capacity utilization (of total capacity)	Capacity utilization (of capacity at year end)
	2026				
Rolling	700,000	700,000	261,521	38.1%	38.1%
Galvanization	250,000	250,000	160,078	64.0%	64.0%
	2025				
Rolling	700,000	480,000*	162,599	23.2%	33.9%
Galvanization	250,000	250,000	101,127	40.5%	40.5%

* This represents total capacity excluding the rolling capacity of CRSM plant.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

44. OPERATING SEGMENT

44.1 These financial statements have been prepared on the basis of a single reportable segment.

44.2 Revenue from sales of steel products represents 100% (2025: 99.96%) of total revenue of the Company.

44.3 All non-current assets of the Company as at June 30, 2026 are located in Pakistan.

44.4 75.32% (2025: 84.05%) of gross sales of steel are domestic sales whereas 24.68% (2025: 15.95%) of sales are export / foreign sales.

44.5 Geographic Information

The Company's net revenue from external customers by geographical location is disclosed in note 24.5.

	2026	2025
	Rupees in '000	
Domestic sales	40,850,305	28,369,438
Export sales	13,384,919	5,382,265
	54,235,224	33,751,703

45. DISCLOSURES RELATING TO SHARIAH COMPLIANCE

Disclosures in relation to the statement of financial position - Liability		
i) Mark-up accrued on conventional loan or advance - note 22	235,056	326,318
ii) Short-term financing obtained as per Islamic mode - note 21	1,936,034	4,963,377
iii) Long-term financing obtained as per Islamic mode - note 16	-	250,296
iv) Mark-up accrued on Islamic loan or advance - note 22	81,898	148,264
Disclosures in relation to the statement of financial position - Assets		
i) Long-term Shariah-compliant investments investments	-	-
ii) Shariah-compliant bank deposits - note 12	203,931	149,492

	2026	2025
	Rupees in '000	
Disclosures required in relation to the statement of profit or loss and other comprehensive income		
i) Revenue earned from a Shariah-compliant business segment - note 24	54,235,224	33,751,703
- Break-up of late payments or liquidated damages	-	-
- Gain or loss or dividend earned on Shariah-compliant investments	-	-
ii) Profit earned from Shariah compliant bank deposits - note 29	3,973	4,186
iii) Profit earned from Shariah compliant TDRs	-	-
iv) Exchange gain earned from actual currency	-	-
v) Exchange gains earned using conventional derivative financial instruments	-	-
vi) Profit paid on Islamic mode of financing	403,703	1,061,433
vii) Total Interest earned on any conventional loan or advance	-	-
Break-up of other income excluding profits on bank deposits and TDRs Shariah-compliant income:		
- Scrap sales - note 29	45,800	20,981
Shariah non-compliant income:		
- Gain on termination of lease - note 29	939	-

45.1 Relationship with shariah compliant financial institutions

Islamic Banks

The Company has facilities with BankIslami Pakistan Limited for Letter of Credit, Istisna and Bank Guarantee amounting to Rs. 250 million, Rs. 250 million and Rs. 88 million respectively.

The Company has facilities with Dubai Islamic Bank Limited for Wakala Istithmar, Istisna, Letter of Credit, Import Murabaha amounting to Rs. 2 billion and Shipping Guarantee amounting to Rs. 2 billion.

The Company has facilities with MCB Islamic Bank Limited for Letter of Credit, Import Murabaha, Istisna amounting to Rs. 500 million and Letter of Guarantee and Ijarah amounting to Rs. 300 million and Rs. 100 million respectively .

The Company has facilities with Meezan Bank Limited for Istisna and Letter of Credit amounting to Rs. 1.25 billion.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The Company has facilities with National Bank of Pakistan (Islamic) for Istisna amounting to Rs. 500 million.

Window Takaful Operators

The Company has facilities with EFU General Insurance Limited for vehicles insurance and EFU Life Assurance Limited for health insurance.

46. EVENTS AFTER THE REPORTING DATE

The Board of Directors of the Company in their meeting held on August 18, 2026 have proposed a final cash dividend of Nil (2025: Nil) for the year ended June 30, 2026 which shall be approved by the members of the Company in the Annual General Meeting to be held on October 23, 2026.

Further, the Board of Directors of the Company in the above-mentioned meeting also proposed cumulative dividend on Cumulative Preference Shares ASLPS and ASLCPS amounting to 343.71 million and Rs. 1.14 million respectively.

These financial statements do not include the effects of the proposed dividends which will be accounted for in the financial statements for the year ending June 30, 2027.

47. DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorised for issue by the Board of Directors of the Company on August 18, 2026.

Chief Executive	Director	Chief Financial Officer

Other Information

Someone is sitting in the shade today because someone planted a tree a long time ago.

~Warren Buffett

Shareholders' Information

Aisha Steel Mills Limited

Registered Office

Arif Habib Centre, 23 – M. T. Khan Road,
Karachi – Pakistan – 74000
Tel: (+92 21) 32468317
Fax No: (+92 21) 32468320
Email: info@aishasteel.com
Website: www.aishasteel.com

Share Registrar Office

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, SMCHS,
Main Shahrah-e-Faisal, Karachi - 74400
Phone: 0800 – 23275
Fax: (+92 21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

Listing on Stock Exchanges

ASML Ordinary and Preference shares are listed on the Pakistan Stock Exchange (PSX).

Stock Code

The stock code for dealing in Ordinary, Preference-I and Preference-II shares of the Company at the PSX are ASL, ASLPS and ASLCPS respectively.

Investor Service Centre

ASML share department is operated by CDC Share Registrar Services Limited. It also functions as an Investor Service Centre which is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the Registrar function. Team is headed by Mr. Abdus Samad at the Registrar Office and Company Secretary at ASML Registered Office. For assistance, shareholders may contact either the Registered Office or the Share Registrar Office.

Contact Persons

Mr. Manzoor Raza
Tel: (021) 111-245-111
Email: manzoor.raza@aishasteel.com

Mr. Nadeem Javed Ashraf
Tel: (92-21) 111-111-500 (Ext. 3411)
Email: nadeem_ashraf@cdcsrsl.com

Statutory Compliance

During the year the Company has compiled with all applicable provisions, filled all returns / forms and furnished all the relevant information as required under the Companies Act, 2017 and allied laws and rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listed Companies (Code of Corporate Governance) Regulations, wherever applicable.

Book Closure Dates

Share transfer books of the Company will remain closed from October 16, 2026 to October 23, 2026 (both days inclusive). Transfers received in order at the office of our registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi [(ASML's Share Registrar (CDCSRSL)], by the close of business on Thursday, October 15, 2026 will be treated in time for the determination of entitlement of respective preferential shareholders to Preferential Dividends and for all shareholders to attend and vote at the meeting.

Legal Proceedings

No case has been filed by shareholders against the Company for non-receipt of share/dividend.

General Meetings and Voting Rights

Pursuant to Section 132 of the Companies Act, 2017 ASML holds an Annual General Meeting of shareholders at least once a year. Every shareholder has a right to attend the Annual General Meeting. The notice of such meeting is sent to all shareholders at least 21 days before the meeting and will also be published in at least one English and one Urdu newspaper having Nationwide circulation.

Proxies

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote in the General Meeting of the Company can appoint another person as his / her proxy to attend and vote at the meeting. Every notice calling a General Meeting of the Company contains a statement that shareholder entitled to attend and vote is entitled to appoint a proxy.

Notice of Twenty Second Annual General Meeting

Notice is hereby given that the Twenty Second Annual General Meeting of the Shareholders of Aisha Steel Mills Limited ("the Company") will be held on Friday, October 23, 2026 at 11:30 a.m. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi to transact the following business:

Ordinary Business

1. To confirm minutes of Annual General Meeting held on October 17, 2025.

2. To receive, consider and adopt annual audited financial statements of the Company together with the Directors' and the Auditors' Reports thereon for the year ended June 30, 2026.

   In accordance with Section 223 of the Companies Act, 2017, and pursuant to SRO 389(I)/2023 dated March 21, 2023, as well as the approval granted by shareholders at the AGM held on October 28, 2023, the financial statements of the Company have been uploaded to the Company's website and can be downloaded via the followingweblink or QR code :

   https://www.aishasteel.com/financial-reports

3. To consider and approve 'preferential dividend for the period from July 1, 2022 to June 30, 2026, on Cumulative Preference Shares ASLPS and ASLCPS' (Preferential Dividend), amounting to Rs. 343.71 million and Rs. 1.14 million respectively, as recommended by the Board of Directors in line with the terms and conditions of respective Preference Shares, to be distributed as follows:

   (i) 1 (One) Ordinary Share (ASL) of the Company, having a face value of Rs. 10/- per share, shall be distributed as Preferential Dividend against every Rs. 10/- of dividend calculated/payable on the ASLPS, after deduction (adjustment / collection / receipt) of applicable taxes, for the period from July 1, 2022 to June 30, 2026, to ASLPS shareholders entitled to the dividend as at the book closure date, including those ASLPS shareholders who have successfully exercised the conversion option prior to the book closure date and are entitled to Preferential Dividend for the period from July 1, 2022 to June 30, 2026 or up to their respective dates of conversion, whichever is earlier.

   (ii) 2.285 Ordinary Shares (ASL) of the Company, having a face value of Rs. 10/- per share, shall be distributed as Preferential Dividend against every Rs. 10/- of dividend calculated/payable on the ASLCPS, after deduction (adjustment / collection / receipt) of applicable taxes, for the period from July 1, 2022 to June 30, 2026, to those ASLCPS shareholders who have successfully exercised their conversion option prior to the book closure date.

   (iii) Cash dividend for the period from July 1, 2022 to June 30, 2026 shall be paid as Preferential Dividend to those preference shareholders holding ASLCPS who have not converted their preference shares (ASLCPS) into Ordinary Shares (ASL) prior to the book closure date.

4. To appoint the Auditors for the year ending June 30, 2027 and fix their remuneration. The Board of Directors has recommended for reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants as external auditors.

5. To elect directors of the Company in accordance with the provisions of Section 159 of the Companies Act, 2017 for a term of three years commencing from October 31, 2026. The number of the directors to be elected has been fixed at eight by the Board of Directors. The total strength of the post-election Board of Directors of the Company shall be eight (8) elected directors and the CEO of the Company who will be a deemed Director under section 188(3) of the Act. The following directors will be retiring on October 31, 2026:

   1. Mr. Arif Habib
   2. Mr. Kashif A. Habib
   3. Mr. Samad A. Habib
   4. Mr. Nasim Beg
   5. Mr. Arslan M. Iqbal
   6. Mr. Rashid Ali Khan
   7. Mr. Abdul Majeed
   8. Ms. Saadia Umar

Special Business

6. In order to give effect to Agenda Nos. 3(i) and 3(ii) above, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

Resolved that, depending upon the number of ASLCPS preference shares applied for conversion into ordinary shares (ASL) upto the date of book closure, and subject to applicable tax implications, if any, up to approximately 34.6 million ordinary shares of Rs.10/- each shall be issued / allotted in lieu of ASLPS and ASLCPS Preferential Dividends by capitalizing a sum of approximately up to Rs. 344.8 million out of Company's Profit / Reserves available for appropriation, whereas a sum of approximately up to Rs. 1.46 million may be recorded as 'Difference on conversion of Preferential Dividend.

Further resolved that, the ordinary shares to be allotted in lieu of Preferential Dividend shall rank pari passu with the existing ordinary shares of the Company in all respects.

Further resolved that, the residual nominal value of Preferential Dividend after allotment of ordinary shares in whole numbers to respective shareholder shall be donated to a charitable institution.

Further resolved that, the Chairman, Chief Executive, Chief Financial Officer and the Company Secretary be and are hereby singly authorized and empowered to give effect to the foregoing resolutions and in this regard to do or cause to be done all acts, deeds and things that may be necessary or required.

7. To approve the following in connection with transactions with related parties :

i- approval of related parties transactions / arrangements / agreements / balances as disclosed in audited financial statements for the year ended June 30, 2026

ii- authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending June 30, 2027 or upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017

by passing the following special resolutions with or without modification :

Resolved that, the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended June 30, 2026 be and are hereby approved.

Further resolved that, the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties for the financial year ending June 30, 2027 or upto the next annual general meeting.

Further resolved that, the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval u/s 207 and / or 208 of the Companies Act, 2017 (if required).

Any Other Business

8. To consider any other business with the permission of the Chair.

Statements under Section 134(3) of the Companies Act, 2017 pertaining to the special businesses and Statement under Section 166(3) of the Companies Act, 2017 are being sent to the shareholders along with this notice.

By order of the Board

Manzoor Raza
Company Secretary

Karachi: October 2, 2026

Notes:

1. Share transfer books of the Company will remain closed from October 16, 2026 to October 23, 2026 (both days inclusive). Transfers received in order at the office of our registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi [(ASML's Share Registrar (CDCSRSL)], by the close of business on Thursday, October 15, 2026 will be treated in time for the determination of entitlement of respective preferential shareholders to Preferential Dividends and for all shareholders to attend and vote at the meeting.

2. A member entitled to attend and vote at the meeting may appoint another person as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.

3. **Procedure including the guidelines as laid down in Circular No. I - Reference No. 3 (5-A) Misc / ARO / LES / 96 dated January 26, 2000 issued by Securities & Exchange Commission of Pakistan:**

i. Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
ii. In the case of corporate entity, Board of Directors' resolution / power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
iii. In order to be effective, the proxy forms must be received at the office of ASML's Share Registrar (CDCSRSL) not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.
iv. In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
v. In the case of proxy by a corporate entity, Board of Directors resolution / power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy form.

4. Online Participation in the Annual General Meeting

In order to maximize the member's participation, the Company is convening this AGM via video link in addition to holding physical meeting with shareholders. Accordingly, those members and participants who desire online participation in the AGM are requested to register themselves by sending an email along with following particulars and valid copy of both sides of their CNIC at corporate.affairs@aishasteel.com with subject of 'Registration for ASML AGM 2026' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio No. / CDC Account No.	Cell No.	Email Address

Video Link to join the AGM will be shared with only those Members whose emails, containing all the required and correct particulars, are received at corporate.affairs@aishasteel.com. The Shareholders can also provide their comments and questions for the agenda items of the AGM on this email address and WhatsApp Number 0311-2706624.

5. Provision of Video Link Facility

If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders, who wish to participate through video-link facility, are requested to fill in 'Video Link Facility Form' available at Company's website and send a duly signed copy to the Registered Address of the Company. It may be noted that no person other than the member or proxy holder can attend the meeting through video link facility.

6. Vote Casting In-Person or Through Proxy

Polling booth will be established at the place of physical gathering of the AGM for voting.

7. E-Voting / Voting by Postal Ballot

Members are hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143-144 of the Companies Act, 2017, members will be allowed to exercise their right to vote for the election of directors in the AGM (if the number of persons who

offer themselves to be elected is more than the number of directors fixed under the law) and special business, in accordance with the conditions mentioned therein.

M/s. UHY Hassan Naeem & Co. Chartered Accountants, (a QCR rated audit firm), appointed as Scrutinizer for the election of directors, shall perform its responsibilities accordingly. Details of their qualification & experience are mentioned on their website (www.uhy-hnco.com/).

Following options are being provided to members for voting:

i) E-Voting Procedure

(a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on Thursday, October 15, 2026.
(b) The web address, login details and password will be communicated to members via email. The security codes will be communicated to members through SMS and email from web portal of the e-voting service provider.
(c) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
(d) E-Voting lines will start from October 20, 2026, 9:00 a.m. and shall close on October 22, 2026 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii) Postal Ballot

(a) Members may alternatively opt for voting through postal ballot. Ballot Paper shall also be available for download from the website of the Company at www.aishasteel.com and published in newspapers before October 15, 2026.

(b) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at Arif Habib Centre, 23 M.T. Khan Road, Karachi (Attention of the Company Secretary) OR through the registered email address of shareholder at chairman.generalmeeting@aishasteel.com with subject of 'Postal Ballot for ASML AGM 2026' by Thursday, October 22, 2026 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.

(c) Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

8. Withholding Tax on Issuance of Ordinary Shares (ASL) against the Preferential Dividend

As the issuance of Ordinary Shares (ASL) of the Company against the Preferential Dividend on ASLPS or ASLCPS is considered, in accordance with the legal and tax advice obtained by the Company, to be close in nature to the issuance of bonus shares, the procedure adopted by the Company for issuance of Ordinary Shares and withholding of tax is being followed, to the best and closest extent possible, in accordance with the procedure applicable to issuance of bonus shares.

Accordingly, entitled shareholders of ASLPS by the book closure date, as well as those ASLCPS shareholders who have successfully exercised their conversion option prior to the book closure date and are entitled to the Preferential Dividend, shall be issued Ordinary Shares (ASL) having face value of PKR 10/- each, at par value, against the respective Preferential Dividend.

The entitlement to Ordinary Shares (ASL) against the Preferential Dividend shall be subject to withholding of tax in accordance with the provisions of Section 236Z read with Rule 1 of the Tenth Schedule to the Income Tax Ordinance, 2001. Accordingly, the Company shall withhold 10% (filer) or 20% (non-filer) of the Ordinary Shares to be issued, as applicable.

The Ordinary Shares withheld shall only be issued to a shareholder if the Company collects (or receives) from such shareholder an amount of tax equal to 10% (filer) or 20% (non-filer), as applicable, of the value of the Ordinary Shares issued to the shareholder, including the Ordinary Shares withheld, determined on the basis of the day-end price on the first day of closure of books.

The Company shall deposit the tax in accordance with the provisions of Section 236Z of the Income Tax Ordinance, 2001. Where a shareholder neither makes payment of the tax to the Company nor collects the Ordinary Shares within fifteen days of the date of issuance of the Ordinary Shares, the Company may proceed to dispose of the Ordinary Shares withheld to the extent of the tax paid by the Company on behalf of such shareholder.

9. Payment of cash dividend through Electronic Mode (Mandatory):

Subject to the approval in the AGM, cash dividend for the period from July 1, 2022 to June 30, 2026 shall be paid as Preferential Dividend to those preference shareholders holding ASLCPS who have not converted their preference shares (ASLCPS) into Ordinary Shares (ASL) prior to the commencement of book closure date.

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive cash dividends (if any) directly into their bank account, shareholders are requested to provide their IBAN by filling the Electronic Mode Dividend Form available at Company's website containing prescribed details and send it duly signed along with a copy of CNIC to ASML's Share Registrar (CDCSRSL), in case of physical shares. In case of book-entry securities, respective shareholders must get their respective records including IBAN updated as per the Electronic Mode Dividend Form with their Broker / Participant/ CDC account services.

In the absence of a members' valid bank account details and / or IBAN, the Company will be constrained to withhold the payment of dividend (if any) to such members in accordance with the requirements of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 243(2)(a) of the Companies Act, 2017, till provision of prescribed details.

10. Withholding Tax on Cash Dividend

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

- For Filers [persons whose names are appearing in Active Taxpayers List (ATL)] : 15%
- For Non-filers [persons whose names are not appearing in ATL] : 30%

Shareholders are advised to make sure that their names (and/or the name of their joint holders) are appearing in latest ATL provided on the website of FBR, otherwise they (and/or joint holders) shall be treated as non-filers and tax on their cash dividend income (if any) will be deducted at the rate of 30% instead of 15%.

11. Withholding Tax on Cash Dividend in Case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding proportion in case of Joint account, all shareholders who hold shares with Joint shareholders, are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to ASML's Share Registrar (CDCSRSL), in writing, as follows:

		Principal Shareholder		Joint Shareholder	
Folio / CDS Account #	Total Shares	Name and CNIC #	Shareholding Proportion (%)	Name and CNIC #	Shareholding Proportion (%)

NOTE: In the event of non-receipt of the information by October 15, 2026, each ASLCPS shareholder entitled to cash dividend will be assumed to have equal proportion of shareholding with respective jointholder(s) and the tax will be deducted accordingly.

12. Distribution of Annual Report

The audited financial statements of the Company together with the auditors' report, directors' report and the chairman's review report for the year ended June 30, 2026 (Annual Report) are available on the Company's website (www.aishasteel.com/financial-reports), in addition to annual and quarterly financial statements of prior years. In compliance with section 223(6) of Companies Act 2017, the Company has electronically transmitted the Annual Report via email to shareholders whose email addresses are registered with ASML's Share Registrar (CDCSRSL). For shareholders without a registered email address, printed AGM notices, along with the weblink and QR code to download the Annual Report, have been dispatched. Hard copies of the Annual Report will be provided free of cost to any shareholder upon request, delivered to their registered address within one week of receiving such a request. For the convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" is also available on the Company's website.

13. Prohibition on Distribution of Gifts and Shareholder Conduct :

In compliance with Section 185 of the Companies Act, 2017 and S.R.O. 452(I)/2025 issued by SECP, shareholders are hereby informed that no gifts, in any form, shall be distributed at or in connection with the general meeting. Shareholders are also advised to observe decorum and meeting etiquette as prescribed in SECP's Guidelines for Professional Conduct in General Meetings.

14. Provision of Information by Shareholders :

To comply with various statutory requirements, and to avoid any non-compliance of law or any inconvenience in future, all shareholders are hereby advised to coordinate / update their records with their respective Participant / CDC Investor Account Services / ASML's Share Registrar (CDCSRSL) in connection with following :

- Submission of copies of their valid / updated CNIC / NTN Certificate / Zakat Declaration (Exemption) Form / Tax Exemption Certificate
- Provision of relevant details including valid bank account details / IBAN in order to enable the Company to pay any unclaimed / future cash dividends, if any
- In case of a Joint account, provision of shareholding proportions between Principal shareholder and Joint Holder(s)
- Convert their physical shares into scrip less form, which will also facilitate the shareholders having physical shares in many ways, including safe custody, efficient trading and convenience in other corporate actions.
- Provision of mandatory registration details in terms of Section 119 of the Companies Act, 2017 and Regulation 47 of the Companies Regulations, 2024, including mobile number / landline number and email address (if available).
- Promptly notify any change in mailing address, email address and mobile number by writing to the office of ASML's Share Registrar (CDCSRSL).

Important:

1. Contesting Election of Directors : Any person (including a retiring Director) who seeks to contest election of directors shall file with the Company at its registered office, Arif Habib Centre, 23, M. T. Khan Road, Karachi, not later than 14 days before the said meeting his / her intention to offer himself / herself for the election of the directors in terms of Section 159(3) of the Companies Act, 2017 together with :

   (i) Notice of his / her intention to stand for election, along with duly completed and signed on Appendix to Form-9 under the Companies Regulations, 2024 giving his / her consent to act as Director of the Company if elected (under Section 167(1) of the Companies Act, 2017), and certify that he / she is not ineligible to become a Director under any applicable laws, Rules and Regulations; and that he / she confirms to hold the qualification shares in accordance with the Articles of Association of the Company.

(ii) Details about offices and directorships held in other companies, body corporates, firms, or other legal entities; and a detailed profile along with office address to be placed on the Company's website seven days prior to the date of election in term of SECP's SRO 1196(I)/2019 of October 3, 2019
(iii) Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria as set out in the Companies Act, 2017 and rules and regulations issued thereunder, to act as the director (or independent director, if applicable) of a listed company.
(iv) Attested copy of valid CNIC and NTN.
(v) Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019.
(vi) Undertaking by Independent Director(s) on non-judicial stamp paper that he / she meet the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business given in Agenda item Nos. 6 and 7 of the Notice to be transacted at the Annual General Meeting of the Company. Directors of the Company have no interest in the special businesses, except in their capacity as director / shareholder of the Company and / or where applicable, the related parties.

Agenda # 6 : Approval of Capitalization of Preferential Dividend

This statement sets out the material facts concerning the Special Business given in Agenda item No. 6 of the Notice to be transacted at the Annual General Meeting of the Company.

Share capital of Aisha Steel Mills Limited comprises of Ordinary and Preference Shares. Security symbol of Ordinary shares is "ASL", whereas respective security symbols of two separate Convertible Cumulative Preference shares issued by the Company are "ASLPS" and "ASLCPS". All the three securities are listed at Pakistan Stock Exchange.

The rate of dividends on both the Convertible Cumulative Preference shares, ASLPS and ASLCPS, are 3% above six months KIBOR (reset every six months). Entitlement of dividend ceases upon exercise by shareholder of conversion option of ASLPS / ASLCPS into Ordinary Shares (ASL). However, total accumulated dividend upto the date of conversion is payable by the Company to that Preference Shareholder who has successfully applied for conversion of ASLPS / ASLCPS in Ordinary shares (ASL), in his name.

Based on the terms and conditions, Preferential Dividend on ASLPS for the period from July 1, 2022 to June 30, 2026 can only be paid in the form of issuance of Ordinary shares (ASL) to respective shareholders i.e. those shareholders who hold the shares (ASLPS) as on the book closure date for entitlement of dividend, or those shareholders who have successfully exercised the conversion option between July 1, 2022 and the upcoming book closure date for the purpose of entitlement of dividend.

Based on the terms and conditions of the ASLCPS, for the shareholders who have not applied for the option of conversion of preference shares into ordinary share between July 1, 2022 and the start of upcoming book closure date for the purpose of entitlement of dividend, respective Preferential Dividend shall be payable in Cash. For the shareholders who have exercised the conversion option before the entitlement date, Preferential Dividend shall be paid in the form of Ordinary shares (ASL). Accordingly, in line with the terms and conditions, 2.285 Ordinary share (ASL) shall be issued as Preferential Dividend against every Rs.10/- of the dividend accrued / payable for the period from July 1, 2022 to June 30, 2026, in case the dividend is payable in the form of Ordinary Shares.

Due to loss, preferential dividend or any part thereof could not be paid for the years ended June 30, 2023, June 30, 2024 and June 30, 2025. The unpaid preferential dividend has accumulated and is payable before any dividend is paid to ordinary shareholders. The Board of Directors has recommended payment of outstanding cumulative Preferential Dividends relating to the period from July 1, 2022 to June 30, 2026, on the Company's Cumulative Preference Shares ASLPS and ASLCPS amounting to Rs. 343.71 million and Rs. 1.14 million respectively, in accordance with the respective terms and conditions of these preference shares, subject to approval by the members at the Annual General Meeting.

In line with the terms and conditions, and depending upon the number of ASLCPS preference shares applied for conversion into ordinary shares (ASL) upto the date of book closure, and subject to applicable tax implications, if any, up to approximately 34.6 million ordinary shares of Rs.10/- each shall

be issued / allotted in lieu of ASLPS and ASLCPS Preferential Dividends by capitalizing a sum of approximately up to Rs. 344.8 million out of Company's Profit / Reserves available for appropriation, whereas a sum of approximately up to Rs. 1.46 million may be recorded as 'Difference on conversion of Preferential Dividend'. Above amounts are a near approximate and are calculated as follows:

	(1) Description	(2) Nature (in Million)	(3) Value (in Million)	
			*	**
A	Preferential Dividend on ASLPS for the period from July 1, 2022 to June 30, 2026	Amount	343.7	343.7
B	Preferential Dividend on ASLCPS for the period from July 1, 2022 to June 30, 2026	Amount	1.1	1.1
C	Total Preferential Dividend payable	**Amount (A3 + B3)**	**344.8**	**344.8**
D	Preferential Dividend on ASLCPS for the period from July 1, 2022 to June 30, 2026 payable in cash to shareholders as on book closure date	Amount (Included in B3)	1.1	-
E	Amount to be capitalized against issuance of shares out of Company's Profit / Reserves available for appropriation	**Amount (C3 - D3)**	**343.7**	**344.8**
F	Ordinary Shares (ASL) to be issued against every Rs.10/- of ASLPS Preferential Dividend accrued	Number of shares (A3 x 1 / 10)	34.4	34.4
G	Ordinary Shares (ASL) to be issued against every Rs.10/- of ASLCPS Preferential Dividend accrued on ASLCPS shares already converted	Number of shares ((B3 – D3) x 2.285 / 10) (Rounded)	-	0.2600
H	Approximate number of shares to be issued in lieu of ASLPS and ASLCPS Preferential Dividend	**Number of shares (F3 + G3)** (Rounded)	**34.4**	**34.6**
I	Additional paid-up capital (Ordinary Shares - ASL) in lieu of Preferential Dividends @ Rs.10/- per share	**Amount (H3 x 10)**	**343.7**	**346.3**
J	'Difference on conversion of Preferential Dividend' to be recorded in 'Share capital and reserves' in subsequent relevant 'Statement of Financial Position'	Amount I3 – (C3 – D3)	-	1.4619

*	Approximate values in this column are arrived at based on the assumption that no ASLCPS shareholder converts its shareholding between June 30, 2026 and October 16, 2026 (book closure start date), thereby all outstanding ASLCPS shareholders will be entitled for Preferential Dividend in the form of cash in line with respective terms and conditions.
**	Approximate value of this column are arrived at based on the assumption that all ASLCPS shareholders have converted their shareholding by October 16, 2026 (book closure start date), thereby all the respective shareholders will be entitled for Preferential Dividend in the form of ordinary shares in line with respective terms and conditions.
***	Values mentioned under * and ** in above chart are subject to variation in between, depending upon the quantum of conversions of ASLCPS shares into ASL shares between June 30, 2026 and October 16, 2026 (book closure start date) and subject to applicable tax implications, if any.

Note: Donation shall be paid against residual nominal value of Preferential Dividend after allotment of ordinary shares to respective preference shareholders.

Agenda # 7 : Approval of transactions with related parties

In compliance with applicable laws, related party transactions are approved by the Board as recommended by the Audit Committee on a quarterly basis. As common directors may be deemed to be interested in certain related party transactions due to their directorship and / or shareholding in the associated companies / related parties, the Board, in order to promote transparency, is seeking shareholders' approval for related party transactions / arrangements / agreements / balances as disclosed in the audited financial statements for the year ended June 30, 2026.

Authorization for the Board of Directors to approve those transactions with related parties (if executed) conducted during the financial year ending June 30, 2027 and thereafter upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017.

The Company shall be conducting transactions with its related parties during the aforementioned period as per the approved policy with respect to 'transactions with related parties'. Being the directors of multiple companies, many or majority of the Directors may be deemed to be treated as interested in transactions with related parties due to their common directorships and/or shareholding. In order to promote good corporate governance and transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time, including transactions (if executed) triggering approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017, for the year ending June 30, 2027 and thereafter upto the next annual general meeting, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification. The Directors are interested in the resolution only to the extent of their shareholding and / or common directorships in such related parties.

STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT 2017

Section 166 of the Companies Act 2017 requires that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee for appointment as independent director.

Being a listed company, Aisha Steel Mills Limited is required to have at least three independent directors on its Board in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019. Accordingly, the Company shall ensure that at least three independents are elected in accordance with the procedures for election of directors laid down in Section 159 of the Companies Act 2017.

After the contestants file their notice / intention to stand for elections, the Company shall apply following criteria for choosing the appointee for appointment as independent director :

- Inclusion of name of independent directors in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) duly authorized by SECP.
- Respective competencies, diversity, skill, knowledge and experience of the election contestants shall be assessed.
- The company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.

Form of Proxy

22nd Annual General Meeting

The Company Secretary
Aisha Steel Mills Limited
Arif Habib Centre,
23 M.T. Khan Road,
Karachi

I/we _____ of _____ being a member(s) of Aisha Steel Mills Limited, holding _____ Ordinary/Preference Share as per CDC A/c. No. _____ hereby appoint Mr/Mrs/Miss _____ of (full address) _____ _____ or failing him/her Mr/Mrs/Miss _____ of (full address) _____ _____

(being member of the Company) as my/our Proxy to attend, act vote for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held on Friday, October 23, 2026 and/or any adjournment thereof.

Signed this _____ day of _____ 2026.

Witnesses:

1. Name: _____
   Address: _____
   CNIC No: _____
   Signature: _____

2. Name: _____
   Address: _____
   CNIC No: _____
   Signature: _____

Signature
Revenue Stamp

NOTES:

1. A member entitled to attend and vote at the meeting may appoint another person as his/her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
2. Proxy shall authenticate his/her identity by showing his/her original CNIC or passport and bring folio number at the time of attending the meeting.
3. In order to be effective, the proxy Form must be received at the office of our Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, not later than 48 hours before the meeting duly signed and stamped and witnessed by the two persons with their signatures, name, address and CNIC number given on the form.
4. In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form.
5. In case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy Form.

AISHA STEEL
MILLS LIMITED

پراکسی فارم

بائیسواں سالانہ جنرل اجلاس

کمپنی سیکریٹری
عائشہ اسٹیل ملز لمیٹڈ
عارف حبیب سینٹر
23، ایم ٹی خان روڈ
کراچی۔

میں مسمّی/مسمّاۃ _____ ساکن _____ ضلع _____ بحیثیت ممبر

عائشہ اسٹیل ملز لمیٹڈ، حامل _____ (تعداد) عمومی/خصوصی حصص بمطابق سی ڈی سی اکاونٹ _____ مسمّی/

مسمّاۃ _____ ساکن _____ کو، بصورت دیگر مسمّی/مسمّاۃ _____

ساکن _____ کو بطورِ مختار (پراکسی) مقرر کرتا ہوں تا کہ وہ میری جگہ اور میری طرف سے کمپنی کے بائیسواں سالانہ اجلاسِ عام جو بتاریخ 23 اکتوبر 2026

بروز جمعہ منعقد ہو رہا ہے میں، یا ان کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

دستخط: _____ بروز/ بتاریخ _____ 2026

گواہان:

1	2
نام: _____	نام: _____
پتہ: _____	پتہ: _____
شناختی کارڈ نمبر: _____	شناختی کارڈ نمبر: _____
دستخط: _____	دستخط: _____

دستخط
ریوینیو اسٹیمپ

نوٹ:

- وہ رُکن جسے اجلاس میں شرکت یا ووٹ کا حق حاصل ہے وہ کسی ناگزیر صورتحال میں اپنی جگہ کسی دوسرے شخص کو یہ حق دے سکتا ہے کہ وہ رُکن اُس کی پراکسی استعمال کرتے ہوئے، اُس کے بجائے اجلاس میں شریک ہوسکتا ہے، خطاب کرسکتا ہے یا ووٹ کا اندراج کرسکتا ہے۔
- پراکسی ثابت کرنے کے لئے اُسے اپنا اصل شناختی کارڈ یا پاسپورٹ اور فولیو نمبر کو دکھانا لازمی ہے تا کہ اجلاس میں شرکت کی اجازت سے قبل اُس کی شناخت کی جاسکے۔
- مؤثر بنانے کے لئے، پراکسی فارم ہمارے رجسٹرار میسرز سی ڈی سی شیئر رجسٹرار سروسیز لمیٹڈ کے دفتر سی ڈی سی ہاؤس، B-99، ایس، ایم، سی، ایچ، ایس، شاہراہِ فیصل، کراچی، میں اجلاس سے کم از کم 48 گھنٹے قبل وصول ہونا لازمی ہے۔ فارم میں تمام مطلوبہ معلومات، رُکن کے دستخط اور مہر، نیز دو گواہان کی بنیادی معلومات یعنی نام پتے، دستخط اور شناختی کارڈ نمبر کا اندراج ضروری ہے۔
- انفرادی رُکن کی صورت میں اصل اونر اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول منسلک کرنا لازمی ہے۔
- پراکسی کے کارپوریٹ ہونے کی صورت میں بورڈ آف ڈائریکٹر کی قرارداد، پاور آف اٹارنی، شناختی کارڈ یا پاسپورٹ کی تصدیقی شدہ نقول، پراکسی فارم کے ساتھ منسلک کرنا ضروری ہے۔

GLOSSARY

ASML	Aisha Steel Mills Limited
AGM	Annual General Meeting
ATIR	Appellate Tribunal Inland Revenue
ATL	Active Tax Payer List
BAC	Board Audit Committee
BCP	Business Continuity Planning
Bn	Billion
Board / BOD	Board of Directors
CCG	Code of Corporate Governance
CDC	Central Depository Company
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIR	Commissioner Inland Revenue
CIT	Commissioner Income Tax
CPEC	China Pakistan Economic Corridor
CRC	Cold Rolled Coil
CSR	Corporate Social Responsibility
CWIP	Capital Work in Progress
EBIT	Earnings before Interest and Taxation
EBITDA	Earnings before Interest, Taxation, Depreciation and Amortization
EC	Executive Committee
EPS	Earnings Per Share
FBR	Federal Board of Revenue
FTR	Final Tax Regime
FY	Fiscal Year
GDP	Gross Domestic Product
GIDC	Gas Infrastructure Development Cess
GoP	Government of Pakistan
HDGC	Hot Dipped Galvanized Coil
HoD	Head of Department
HR	Human Resource
HR & RC	Human Resources & Remuneration Committee
HRC	Hot Rolled Coil
HSE	Health, Safety and Environment
IAS	International Accounting Standards
IBA	Institute of Business Administration
ICAP	Institute of Chartered Accountants of Pakistan
ICMAP	Institute of Cost and Management Accountants of Pakistan
IFAC	International Federation of Accountants
IFC	International Finance Corporation
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
IIL	International Industries Limited
IPO	Initial Public Offering
ISL	International Steels Limited
ISO	International Standards Organization
IT	Information Technology

ITAT	Income Tax Appellate Tribunal
ITRA	Income Tax Reference Application
JV	Joint Ventures
KE	Karachi Electric
KIBOR	Karachi Interbank Offer Rate
KPMG	Klynveld Peat Marwick Goerdeler
LIBOR	London Interbank Offered Rate
LTU	Large Taxpayers Unit
M & A	Memorandum and Articles
MAP	Management Association of Pakistan
MC	Management Committee
MOC	Metal One Corporation Limited
Mn	Million
MoM	Month on Month
MT	Metric Ton(s)
NBV	Net Book Value
NEPRA	National Electric Power Regulatory Authority
NOC	No Objection Certificate
NRV	Net Realizable Value
PACRA	Pakistan Credit Rating Agency
PAT	Profit after tax
PCL	Pakistan Cables Limited
PICG	Pakistan Institute of Corporate Governance
PKR / Rs.	Pakistani Rupees
PSX	Pakistan Stock Exchange
SECP	Securities and Exchange Commission of Pakistan
SHC	Sindh High Court
TCF	The Citizens Foundation
US$ / USD	United States Dollar
YoY	Year on Year

سیکریٹریل طریقوں کی تعمیل

زیرِ جائزہ مالی سال کے دوران کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے سیکریٹریل اور کارپوریٹ تقاضوں کی مکمل طور پر تعمیل کی گئی۔

متعلقہ فریقوں کے ساتھ لین دین

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کی تعمیل کے لیے، کمپنی نے متعلقہ فریقوں کے ساتھ کیے جانے والے تمام لین دین کو جائزے اور منظوری کے لیے آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیا۔ ان لین دین کی منظوری آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے اپنے اپنے اجلاسوں میں دی۔ متعلقہ فریقوں کے ساتھ لین دین کی تفصیلات منسلک آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 37 میں فراہم کی گئی ہیں۔

اعتراف

ڈائریکٹرز کمپنی کے اسٹیک ہولڈرز کے مسلسل اعتماد اور تعاون کے لیے ان کے شکر گزار ہیں۔ ہم اپنے کاروباری شراکت داروں اور مالیاتی اداروں کی جانب سے کیے گئے اعتماد اور بھروسے کو قدر کی نگاہ سے دیکھتے ہیں اور اس کا اعتراف کرنا چاہتے ہیں۔ ہم وزارتِ خزانہ، وزارتِ صنعت و پیداوار، وزارتِ تجارت، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، نیشنل ٹیرف کمیشن، مسابقتی کمیشن آف پاکستان، سینٹرل ڈپازٹری کمپنی آف پاکستان اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کے مسلسل تعاون اور رہنمائی کے لیے شکر گزار ہیں، جو کمپنی کو درپیش چیلنجز کا سامنا کرنے اور ان پر قابو پانے میں نہایت معاون ثابت ہوئی ہے۔

ڈائریکٹرز کمپنی کے ملازمین کی جانب سے کی جانے والی محنت کو تسلیم کرتے ہیں اور ان کے مسلسل عزم و وابستگی کے منتظر ہیں۔ ہم آڈٹ کمیٹی اور دیگر کمیٹیوں کے اراکین کی قیمتی خدمات اور فعال کردار کو بھی سراہتے ہیں، جنہوں نے اہم معاملات میں انتظامیہ کی معاونت اور رہنمائی کی۔

بورڈ کی جانب سے

ڈاکٹر منیر احمد
چیف ایگزیکٹو

جناب کاشف حبیب
ڈائریکٹر

کراچی: 18 اگست 2026

کسی بھی ڈائریکٹر کی جانب سے اضافی خدمات کی انجام دہی کے عوض معاوضے کی ادائیگی کا تعین بورڈ آف ڈائریکٹرز مارکیٹ میں رائج معیارات اور کام کی نوعیت و دائرہ کار کی بنیاد پر کرے گا، اور یہ ادائیگی کمپنی کے آرٹیکل آف ایسوسی ایشن میں دی گئی اجازت کے مطابق ہوگی۔ معاوضے کی سطح ذمہ داری اور مہارت کی سطح کے لحاظ سے مناسب اور متناسب بھی ہونی چاہیے۔ تاہم، کسی آزاد ڈائریکٹر کے لیے معاوضہ اس سطح کا نہیں ہونا چاہیے جس سے اس کی آزادی متاثر ہونے کا تاثر پیدا ہو۔

اگر عائشہ اسٹیل ملز لمیٹڈ کے کسی انتظامی ڈائریکٹر کو کسی دوسری کمپنی میں ڈائریکٹر مقرر کیا جاتا ہے، تو وہ فوری طور پر ہونے والے اگلے بورڈ اجلاس میں اپنی تقرری کے بارے میں بورڈ کو تحریری طور پر مطلع کرے گا۔ مزید برآں، کسی دوسری کمپنی یا ادارے میں ڈائریکٹر کی حیثیت سے خدمات انجام دینے کے باعث انتظامی ڈائریکٹر کو حاصل ہونے والی کوئی بھی فیس، بورڈ کی منظوری سے مشروط، خود ڈائریکٹر کے پاس رہ سکتی ہے۔

چیف ایگزیکٹو بورڈ میں واحد انتظامی ڈائریکٹر ہیں۔ غیر انتظامی ڈائریکٹرز بورڈ کے فی اجلاس کے لیے 50,000 پاکستانی روپے اور کمیٹی کے فی اجلاس کے لیے 25,000 پاکستانی روپے فیس وصول کرنے کے حقدار ہیں، اس کے علاوہ سفری اخراجات کی واپسی بھی کی جاتی ہے۔ ان شرحوں میں بورڈ کی جانب سے نظرِ ثانی کی جاسکتی ہے۔ زیرِ جائزہ سال کے دوران، بورڈ اور کمیٹیوں کے اجلاسوں میں شرکت اور متعلقہ اخراجات کی مد میں غیر انتظامی ڈائریکٹرز کو 1.48 ملین پاکستانی روپے ادا کیے گئے۔ چیف ایگزیکٹو اور ایگزیکٹوز کے معاوضے، نیز غیر انتظامی ڈائریکٹرز کو کی جانے والی ادائیگیوں کی تفصیلات، آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 38 میں بھی ظاہر کی گئی ہیں۔

شیئر ہولڈنگ کا پیٹرن

کمپنی کے عام اور ترجیحی حصص پاکستان اسٹاک ایکسچینج میں درج ہیں۔ 30 جون 2026 تک کمپنی کے عام شیئر ہولڈرز کی تعداد 10,188 (2025 میں 10,397) جبکہ ترجیحی شیئر ہولڈرز کی تعداد 2,132 (2025 میں 2,118) تھی۔ کمپنی کے حصص کی ملکیت کے تفصیلی نمونے اور حصص کی ملکیت کے زمرہ جات، جن میں ڈائریکٹرز اور ایگزیکٹوز کے پاس موجود حصص، اگر کوئی ہوں، بھی شامل ہیں، ضمیمہ سوم (Annexure-III) کے طور پر منسلک ہیں۔

مالیاتی اور کاروباری اہم جھلکیاں

اہم آپریشنل اور مالیاتی اعداد و شمار کو "اہم آپریشنل اور مالیاتی اعداد و شمار اور ان کا تجزیہ" کے عنوان کے تحت خلاصہ شدہ شکل میں پیش کیا گیا ہے (صفحہ نمبر 131)، جبکہ اہم اعداد و شمار کی گرافیکل نمائندگی (صفحہ نمبر 153) پر پیش کی گئی ہے۔

آڈٹ کمیٹی

کارپوریٹ گورننس کے ضابطے کے تحت مطلوبہ تقاضوں کے مطابق، آڈٹ کمیٹی بورڈ کی جانب سے باقاعدہ منظور شدہ ٹرمز آف ریفرنس کے تحت اپنی ذمہ داریاں انجام دیتی رہی۔

آڈیٹرز

موجودہ بیرونی آڈیٹرز، میسرز اے۔ ایف۔ فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، 23 اکتوبر 2026 کو ہونے والے سالانہ جنرل اجلاس کے اختتام پر اپنی مدت پوری کر کے سبکدوش ہو جائیں گے۔ چونکہ وہ دوبارہ تقرری کے اہل ہیں، اس لیے انہوں نے 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے دوبارہ تقرری کی پیشکش کی ہے۔ بیرونی آڈیٹرز کو انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت مطلوبہ تسلی بخش درجہ حاصل ہے۔ آڈٹ کمیٹی کی سفارش پر، بورڈ نے میسرز اے۔ ایف۔ فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کرنے کی سفارش کی ہے، جس کی فیس باہمی رضامندی سے طے کی جائے گی۔ اس سلسلے میں منظوری 23 اکتوبر 2026 کو منعقد ہونے والے آئندہ سالانہ جنرل اجلاس میں حصص یافتگان سے حاصل کی جائے گی۔

بیلنس شیٹ کی تاریخ کے بعد کے واقعات

18 اگست 2026 کو منعقد ہونے والے اپنے اجلاس میں، بورڈ آف ڈائریکٹرز نے کمپنی کے مجموعی ترجیحی شیئرز ASLPS اور ASLCPS سے متعلق یکم جولائی 2022 سے 30 جون 2026 تک کی مدت کے بقایا مجموعی ترجیحی منافع کی ادائیگی کی سفارش کی۔ ان کی رقم بالترتیب 343.71 ملین روپے اور 1.14 ملین روپے ہے، جو ان ترجیحی حصص کی متعلقہ شرائط وضوابط کے مطابق ہے۔ 23 اکتوبر 2026 کو منعقد ہونے والے سالانہ جنرل اجلاس میں اراکین کی منظوری سے مشروط، مذکورہ منافع کی تقسیم اور اس سے متعلق ذخائر میں منتقلی کے اثرات اگلے سال کے مالیاتی گوشواروں میں ظاہر کیے جائیں گے۔

بورڈ اور کمیٹیوں کی ساخت

بورڈ آف ڈائریکٹرز آٹھ منتخب اراکین پر مشتمل ہے، جن میں سات مرد ڈائریکٹرز اور ایک خاتون ڈائریکٹر شامل ہیں۔ زیرِ جائزہ سال کے دوران، 14 جولائی 2025 کو جناب عبدالمجید اور محترمہ سعدیہ عمر کو ڈائریکٹرز مقرر کیا گیا تاکہ گزشتہ مالی سال میں محترمہ طیبہ رشید اور جناب محمد ہارون عثمان کے استعفوں کے نتیجے میں پیدا ہونے والی عارضی خالی آسامیوں کو پُر کیا جا سکے۔ بورڈ نے اس بات کو یقینی بنایا کہ عارضی خالی آسامیوں کو مقررہ مدت کے اندر پُر کیا جائے۔ موجودہ بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل درج ذیل ہے:

بورڈ آف ڈائریکٹرز	کٹیگری	آڈٹ کمیٹی	افرادی وسائل اور معاوضہ کمیٹی	نامزدگی کمیٹی	رسک مینجمنٹ کمیٹی	پائیداری کمیٹی
جناب عارف حبیب (چیئرمین)	نان ایگزیکٹو	-	ممبر	چیئرمین	چیئرمین	-
جناب عبدالصمد حبیب		ممبر	-	ممبر	-	-
جناب کاشف حبیب		ممبر	ممبر	-	ممبر	ممبر
جناب نسیم بیگ		ممبر	-	-	-	چیئرمین
ڈاکٹر منیر احمد (چیف ایگزیکٹو اور تصور شدہ ڈائریکٹر)	ایگزیکٹو	-	-	-	ممبر	ممبر
جناب ارسلان محمد اقبال	آزاد	چیئرمین	-	-	-	-
جناب راشد علی خان		-	چیئرمین	-	-	-
جناب عبدالمجید		-	-	-	-	-
محترمہ سعدیہ عمر (خاتون ڈائریکٹر)		-	ممبر	-	-	ممبر

ڈائریکٹرز اور ایگزیکٹوز کی جانب سے کمپنی کے شیئرز کا لین دین

کمپنی کے تمام ڈائریکٹرز، بشمول چیف ایگزیکٹو، چیف فنانشل آفیسر اور کمپنی کے ایگزیکٹوز کو کمپنی سیکریٹری کی جانب سے ہدایت دی گئی کہ وہ اپنے یا اپنے شریکِ حیات کی جانب سے کمپنی کے حصص میں کی جانے والی کسی بھی خرید و فروخت کے بارے میں فوری طور پر تحریری اطلاع دیں، اور اس لین دین کے سات دن کے اندر حصص کی قیمت، تعداد، نوعیت اور لین دین کی تفصیلات پر مشتمل تحریری ریکارڈ کمپنی سیکریٹری کو فراہم کریں۔

کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری اور ان کے شریکِ حیات و نابالغ اہلِ خانہ کی جانب سے کمپنی کے خریدے اور فروخت کیے گئے حصص کی تفصیلات پر مشتمل بیان ضمیمہ اول (Annexure-I) کے طور پر منسلک ہے۔ ضمیمہ اول میں ظاہر کردہ لین دین کے علاوہ، کمپنی کے کسی بھی "ایگزیکٹو" کی جانب سے کمپنی کے حصص میں کوئی لین دین نہیں کیا گیا۔ یہاں "ایگزیکٹو" سے مراد چیف ایگزیکٹو آفیسر (CEO)، چیف فنانشل آفیسر (CFO)، سربراہِ اندرونی آڈٹ، کمپنی سیکریٹری اور کمپنی میں جنرل مینیجر کے عہدے پر فائز دیگر ملازمین ہیں۔ یہ وہ حد ہے جو ڈائریکٹرز کی جانب سے سالانہ رپورٹس میں افشا کرنے کے لیے مقرر کی گئی ہے۔

بورڈ کے اجلاسوں میں شرکت

مالی سال کے دوران کمپنی کے ڈائریکٹرز رہنے والے افراد کے ناموں، نیز بورڈ اور کمیٹیوں کے اجلاسوں میں ان کی شرکت کی تفصیلات پر مشتمل بیان ضمیمہ دوم (Annexure-II) کے طور پر منسلک ہے۔

ڈائریکٹرز کے معاوضے کی پالیسی

عائشہ اسٹیل ملز لمیٹڈ کے نان ایگزیکٹو اور آزاد ڈائریکٹرز بورڈ آف ڈائریکٹرز کے اجلاس یا بورڈ کی ذیلی کمیٹی کے کسی بھی اجلاس میں شرکت کے لیے میٹنگ فیس وصول کر سکتے ہیں، جس کی شرح وقتاً فوقتاً بورڈ آف ڈائریکٹرز کی جانب سے منظور کی جاتی ہے۔

صنعتی تعلقات

آپ کی کمپنی ایک مساوی، منصفانہ اور میرٹ پر مبنی ماحول فراہم کرنے پر یقین رکھتی ہے۔ ہمارا یقین ہے کہ اگر ملازمین کے ساتھ منصفانہ سلوک کیا جائے اور انہیں عزت دی جائے تو اس کے نتیجے میں افرادی قوت کے حوصلے اور حوصلہ افزائی میں اضافہ ہوتا ہے، جو آگے چل کر پُرامن اور مسلسل آپریشنز کا باعث بنتا ہے۔ ہم آنے والے برسوں میں بھی اسی طریقہ کار کو برقرار رکھنے کا ارادہ رکھتے ہیں۔

کھیلوں اور دیگر سرگرمیاں

عائشہ اسٹیل ملز لمیٹڈ اپنے ملازمین میں پُرجوش اور فعال رویے کو فروغ دیتی ہے اور قومی جذبے کو اجاگر کرنے پر یقین رکھتی ہے۔ سال کے دوران ملازمین کے لیے مختلف سرگرمیوں کا انعقاد کیا جاتا ہے، جن میں ملازمین کی پذیرائی کا دن، یومِ آزادی کی تقریبات اور بین الشعبہ جاتی کرکٹ ٹورنامنٹ شامل ہیں۔ سال کے دوران ملازمین کے لیے بنیادی ابتدائی طبی امداد اور طبی ہنگامی صورتِ حال سے نمٹنے کی ایک تربیتی نشست بھی منعقد کی گئی۔

قومی خزانے میں حصہ

آپ کی کمپنی قومی معیشت میں اپنے حصے کو سنجیدگی سے لیتی ہے اور ہمیشہ اپنی ذمہ داریاں شفاف، درست اور بروقت طریقے سے ادا کرتی رہی ہے۔ کمپنی نے سال کے دوران قومی خزانے میں 9, 991 ملین پاکستانی روپے سے زائد کا حصہ ڈالا، جس میں انکم ٹیکس، سیلز ٹیکس، کسٹمز ڈیوٹی اور ایکسائز ڈیوٹی شامل ہیں۔

کارپوریٹ گورننس

آپ کی کمپنی پاکستان اسٹاک ایکسچینج میں لسٹڈ ہے۔ اس کا بورڈ آف ڈائریکٹرز اور انتظامیہ لسٹڈ کمپنیوں کے لیے مقرر کردہ کارپوریٹ گورننس کے ضابطے پر عمل کرنے کے لیے پُرعزم ہیں۔ وہ اپنی ذمہ داریوں سے آگاہ ہیں اور مالیاتی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت کو بہتر بنانے کے لیے کمپنی کے آپریشنز اور کارکردگی کی نگرانی کرتے ہیں۔

بورڈ یہ بیان کرنا چاہتا ہے کہ کمپنی کی اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں اور مناسب اکاؤنٹنگ پالیسیوں کو اپنایا گیا ہے اور ان پر مستقل طور پر عمل کیا گیا ہے، سوائے نئے اکاؤنٹنگ معیارات اور موجودہ معیارات میں کی جانے والی ان ترامیم کے، جن کا ذکر منسلک آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 2.3 میں کیا گیا ہے۔ اکاؤنٹس کی تیاری اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلوں کی بنیاد پر کیے جاتے ہیں۔ مالیاتی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS)، جیسا کہ کمپنیز ایکٹ 2017 کے تحت مطلع کیا گیا ہے، اسلامی مالیاتی اکاؤنٹنگ اسٹینڈرڈز (IFAS)، جیسا کہ کمپنیز ایکٹ 2017 کے تحت مطلع کیا گیا ہے، اور پاکستان میں قابلِ اطلاق کمپنیز ایکٹ 2017 کی دفعات اور اس کے تحت جاری کردہ ہدایات پر عمل کیا جاتا ہے۔ اندرونی کنٹرولز کا نظام، جس میں مالیاتی کنٹرولز بھی شامل ہیں، ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طریقے سے نافذ اور مانیٹر کیا گیا ہے۔ کمپنی کے مالیاتی گوشوارے اس کی مالی حالت، آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو شفاف انداز میں پیش کرتے ہیں۔ ٹیکسز، ڈیوٹیز، لیویز یا دیگر چارجز کی مد میں کوئی بھی اہم ادائیگی واجب الادا نہیں رہی۔

بورڈ اس بات کی دوبارہ تصدیق کرتا ہے کہ کمپنی کے بطور ایک جاری کاروباری ادارے کام جاری رکھنے کی صلاحیت کے بارے میں کسی قسم کا کوئی شک نہیں ہے، قابلِ اطلاق قوانین اور ضوابط میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی اہم انحراف نہیں ہوا، اور کمپنی کے پاس مناسب اندرونی مالیاتی کنٹرولز موجود ہیں۔ چھ ڈائریکٹرز (بشمول چیف ایگزیکٹو آفیسر) نے ڈائریکٹرز ٹریننگ/ایجوکیشن پروگرام مکمل کر لیا تھا، جبکہ دو ڈائریکٹرز کو کارپوریٹ گورننس کے ضابطے میں بیان کردہ معیار کے مطابق ڈائریکٹرز ٹریننگ پروگرام میں شرکت سے پہلے ہی استثنیٰ حاصل تھا۔

ڈائریکٹرز کا انتخاب

کمپنیز ایکٹ 2017 کی دفعہ 161 کی دفعات کے مطابق، 2023 کے سالانہ جنرل اجلاس میں منتخب کیے گئے آٹھ ڈائریکٹرز کی تین سالہ مدت 31 اکتوبر 2026 کو مکمل ہو جائے گی۔ چنانچہ کمپنی کے آئندہ سالانہ جنرل اجلاس میں کمپنیز ایکٹ 2017 اور دیگر قابلِ اطلاق قوانین کی دفعات کے مطابق ڈائریکٹرز کا انتخاب عمل میں لایا جائے گا۔ اگست 2026 میں بورڈ آف ڈائریکٹرز نے منتخب کیے جانے والے ڈائریکٹرز کی تعداد آٹھ مقرر کی ہے۔ انتخابات کے بعد کمپنی کے بورڈ آف ڈائریکٹرز کی مجموعی تعداد آٹھ (8) منتخب ڈائریکٹرز اور کمپنی کے چیف ایگزیکٹو آفیسر پر مشتمل ہوگی، جو ایکٹ کی دفعہ 188(3) کے تحت تصور شدہ ڈائریکٹر (Deemed Director) ہوں گے۔

پائیداری اور DE&I گورننس

بورڈ آف ڈائریکٹرز پائیداری سے متعلق خطرات اور مواقع کی شناخت اور ان کے انتظام کی نگرانی کرتا ہے، جس میں ماحولیاتی، سماجی اور گورننس (Environmental, ESG:Social, Governance) سے متعلق عوامل بھی شامل ہیں۔ آپریشنل اور موسمیاتی تبدیلی سے متعلق چیلنجز میں مسلسل تبدیلی کے پیشِ نظر، عائشہ اسٹیل ملز لمیٹڈ نے اپنے ماحول، صحت اور حفاظت (EHS) سے متعلق طریقہ کار اور حفاظتی پروٹوکولز کو مزید مضبوط بنایا ہے۔

کمپنی کی DE&I پالیسی ایک منصفانہ، جامع اور میرٹ پر مبنی کام کی جگہ کے لیے اس کے عزم کی عکاسی کرتی ہے۔ عائشہ اسٹیل ملز لمیٹڈ کو اس بات پر فخر ہے کہ وہ اسٹیل کے شعبے میں پروڈکشن فلور پر خواتین انجینئرز کو ملازمت دینے والی پہلی کمپنی ہے۔ کمپنی صنفی تنوع کو فروغ دینے، معذوری کے حامل افراد کی معاونت کرنے اور کام کی جگہ پر رسائی اور حفاظت کو یقینی بنانے کے لیے مسلسل اقدامات کر رہی ہے۔

ماحولیات، صحت اور حفاظت

ایک ذمہ دار کارپوریٹ شہری کی حیثیت سے، عائشہ اسٹیل ملز لمیٹڈ EHS پالیسی کے اعلیٰ ترین معیارات کی پابندی کرنے کا عہد کرتی ہے، اور یہ کمپنی کی اولین ترجیحات میں سے ایک ہے۔ CRSM میں پیش آنے والے بدقسمت حادثے کے پیشِ نظر پالیسیوں کا مزید جائزہ لیا گیا، اور مستقبل میں ایسے حادثات سے بچنے کے لیے اضافی حفاظتی اقدامات کیے گئے ہیں۔ ان اقدامات میں ملازمین کی تربیت، ایک غیر ملکی فرم کے ذریعے فائر ہائیڈرنٹ اور آگ بجھانے کے نظام کا آڈٹ، آگ بجھانے کے وسائل اور آلات میں اضافہ، اور تصویری نمائندگی کے ساتھ SOPs کو اپ ڈیٹ کرنا اور ان کا اردو زبان میں ترجمہ شامل ہے۔ سختی سے پابندی لازمی ہے، اور ملازمین کو ضوابط پر عادت کے طور پر عمل کرنے کی تربیت دی جاتی ہے۔ تربیتی سیشنز، جن میں فرضی انخلا کی مشق بھی شامل ہے، منعقد کیے جاتے ہیں تاکہ ملازمین تمام SOPs سے واقف رہیں۔

عائشہ اسٹیل ملز لمیٹڈ پاکستان کی اسٹیل صنعت میں ماحولیاتی معیارات کے تعین، موسمیاتی تبدیلیوں کے تدارک اور وسائل کے مؤثر استعمال کے لیے ایک مثالی معیار بننے کی خواہش رکھتی ہے۔

کارپوریٹ سماجی ذمہ داری

پاکستان کی معیشت میں اسٹیل کا شعبہ ترقی کا ایک اہم محرک ہے، اور ہم عائشہ اسٹیل ملز لمیٹڈ میں ایک مضبوط اسٹیل سیکٹر کے لیے حکمتِ عملی کے ساتھ کام کر رہے ہیں، جس کے تحت ہم اپنے صارفین کی ضروریات پوری کرنے کے ساتھ ساتھ ماحول کے حوالے سے ذمہ دارانہ رویہ اپناتے ہیں اور اس بات کو یقینی بناتے ہیں کہ ہمارے ملازمین سماجی طور پر ذمہ دار شہری بننے اور رہنے کے لیے پُرعزم ہوں۔ ہم نے معاشرے میں اپنا کردار ادا کرنے اور دنیا کو رہنے کے لیے ایک بہتر جگہ بنانے کے لیے بھرپور کوششیں کی ہیں۔ عائشہ اسٹیل ملز لمیٹڈ میں ہمارا یقین ہے کہ عوام کو معیاری تعلیم فراہم کر کے ہم اپنے معاشرے میں مثبت کردار ادا کر سکتے ہیں، جو بدلے میں ہمارے ملک کی معاشی ترقی کو مضبوط بناتا ہے۔ عائشہ اسٹیل ملز لمیٹڈ تحقیق، کانفرنسز، تجارتی نمائشوں، ورکشاپس اور دیگر تقریبات کی معاونت کرتی ہے۔ ہم انسانی صحت اور کم مراعات یافتہ افراد کے لیے اسکولنگ کے شعبوں پر اپنی توجہ برقرار رکھیں گے۔

عائشہ اسٹیل ملز لمیٹڈ ایک پسندیدہ آجر

تنوع اور شمولیت

آپ کی کمپنی کو ایک مساوی مواقع فراہم کرنے والے آجر ہونے پر فخر ہے اور اسی لیے کمپنی جنس، مسلک، مذہب یا کسی بھی دوسری وابستگی سے قطع نظر میرٹ کی بنیاد پر ملازمت کے مواقع فراہم کرتی ہے۔ عائشہ اسٹیل ملز لمیٹڈ کام کی جگہ پر ایک متنوع ثقافت پیدا کرنے کے لیے پُرعزم ہے۔ مساوات کے علاوہ، آپ کی کمپنی خصوصی ضروریات رکھنے والے افراد کو بھی ملازمت کے مواقع فراہم کرتی ہے۔

گریجویٹی اسکیم

کمپنی اپنے ملازمین کو ریٹائرمنٹ کے فوائد فراہم کرنے کے لیے ایک منصوبہ برقرار رکھتی ہے۔ اس میں مستقل ملازمین کے لیے ایک غیر شراکتی اور غیر مالی اعانت یافتہ گریجویٹی اسکیم شامل ہے۔

جائزہ لیتے ہوئے اپنے خطرات کا انتظام کرتی ہے۔اس کے علاوہ، کمپنی نے مینوفیکچررز اور صارفین دونوں کے حوالے سے شعبے کی ترقی، آگاہی اور کسٹمز اور ٹیرف سے متعلق معاملات کو آسان بنانے میں اپنے نمائندوں کے ذریعے مسلسل کردار ادا کیا ہے۔

آپریشنل خطرے کو کم سے کم کرنے اور اس کا انتظام کرنے کے لیے، انوینٹری کی خریداری میں سرمایہ کاری کرنے سے پہلے تفصیلی تجزیہ ہمیشہ نقطۂ آغاز رہا ہے۔اس کے ساتھ ساتھ، اہل اور تجربہ کار پیشہ ور افراد کی خدمات حاصل کرنا، بجٹ اور دیگر انٹرنل کنٹرولز کا اطلاق کرنا، خریداری، پیداوار، فروخت اور کارپوریٹ گورننس کے شعبوں کی کارکردگی کا مسلسل جائزہ لینا، اور ضرورت پڑنے پر اصلاحی اقدامات کرنا بھی شامل ہے۔بورڈ پائیداری سے متعلق خطرات کے انتظام کے لیے پُرعزم ہے، جس کے لیے ماحولیاتی، سماجی اور گورننس (ESG) کے عوامل کو آپریشنز میں شامل کیا جاتا ہے اور مناسب پالیسیوں کے ذریعے تنوع، مساوات اور شمولیت (DE&I) کو فروغ دیا جاتا ہے۔

رسک مینجمنٹ سے متعلق تفصیلی معیاری رپورٹس اور مقداری تجزیہ منسلک آڈٹ شدہ مالیاتی بیانات کے نوٹ نمبر 40 میں پیش کیا گیا ہے۔

بنیادی خطرات اور ان میں تخفیف

خطرہ	سنگینی کی نوعیت	تخفیفی عوامل
انوینٹری کے جمع ہونے کا خطرہ CRC/GI کے کاروبار میں بنیادی خام مال اور لاگت کا اہم ترین جزو ہاٹ رولڈ کوائل (HRC) ہے۔فی الحال HRC مقامی طور پر تیار نہیں کیا جاتا اور اسے دنیا بھر کے معیاری مینوفیکچررز سے درآمد کرنا پڑتا ہے۔یہ تمام ملز پیشگی آرڈر کی بنیاد پر کام کرتی ہیں۔ عموماً آرڈر دو سے تین ماہ پہلے دینا پڑتا ہے۔شپنگ اور کلیئرنس کے وقت کو مدنظر رکھتے ہوئے، HRC کی چار ماہ تک کی انوینٹری کا ایکسپوژر کاروباری سائیکل کے لیے معمول کی بات ہے۔غیر معمولی قیمتوں میں کمی اور اس کے نتیجے میں آخری صارفین کی جانب سے سست رفتاری سے خریداری کی صورت میں، انوینٹری کے جمع ہونے اور اس کے نتیجے میں ہونے والے نقصان کا امکان ایک حقیقی خطرہ ہے۔	زیادہ	انوینٹری کے جمع ہونے کے خطرے کو مارکیٹ کی طلب کے مطابق آرڈر کی مقدار کو بہتر بنا کر کم کیا جاتا ہے۔بین الاقوامی مارکیٹ کے رجحانات کی مسلسل نگرانی اور مقامی سطح پر بروقت ایڈجسٹمنٹ کے ذریعے انوینٹری کے جمع ہونے کے خطرے کو کم سے کم کیا جاسکتا ہے۔
ڈمپنگ کا خطرہ جب قیمتوں میں فرق بڑھ جاتا ہے تو تاجر/سرمایہ کار CRC/GI درآمد کرتے ہیں۔	اوسط	CRC/GI کی درآمد کے خطرے کو مارکیٹ کی بنیاد پر قیمتوں کی پالیسی اختیار کر کے کم کیا جاتا ہے۔ڈمپنگ کی روک تھام کے لیے پالیسیوں کو اپنانے کے سلسلے میں کسٹمز حکام کے سامنے نمائندگی کی جاتی ہے۔مقامی پروڈیوسرز کی پیداواری صلاحیتوں میں اضافہ اور مسابقتی کرنسی بھی اس خطرے کو کم کرنے میں معاون ثابت ہونی چاہیے۔
کام کے آلات سے متعلق آپریشنل خطرہ مشینری چلنے کے دوران چوٹ لگنے کا خطرہ۔	اوسط	اس خطرے کو جدید ترین پلانٹ اور مشینری کے حصول، معیاری آپریٹرز کی خدمات حاصل کرنے اور آزمودہ و ثابت شدہ نظاموں کے نفاذ کے ذریعے کم کیا جاتا ہے۔حفاظتی ڈیزائن، کنٹرولز اور متعین کردہ پروٹوکولز موجود ہیں۔پلانٹ کی باقاعدگی سے دیکھ بھال کی جاتی ہے اور عملے کی تربیت کا انعقاد کیا جاتا ہے۔
قرض کا خطرہ یہ خطرہ موجود ہے کہ کمپنی تجارتی واجبات کی وصولی نہ کر سکے۔	کم	95 فیصد سے زائد فروخت پیشگی وصول شدہ رقوم کے عوض کی جاتی ہے۔مزید برآں، کریڈٹ کی سہولت صرف قابلِ اعتماد صارفین کو ایک ہفتے سے کم مدت کے لیے فراہم کی جاتی ہے۔

مادیت کے لائحہ عمل کا نفاذ

بورڈ آف ڈائریکٹرز کمپنی کے تمام اہم معاملات کی قریبی نگرانی کرتا ہے۔عمومی طور پر، کسی معاملے کو اہم (Material) اس وقت تصور کیا جاتا ہے جب اس سے انفرادی طور پر یا مجموعی طور پر کمپنی کی کارکردگی اور منافع پر نمایاں اثر پڑنے کی توقع ہو۔

کسٹمر سروس اور انسانی سرمائے کی ترقی

کمپنی نے صنعت کے اندر کسٹمر سروس اور صارفین کے اطمینان کے حوالے سے اعلیٰ معیار قائم کیے ہیں اور انہیں حاصل بھی کیا ہے۔ سال کے دوران، کمپنی نے اپنے انسانی سرمائے کی مہارتوں اور صلاحیتوں کو بہتر بنانے کے لیے مختلف تکنیکی اور رویوں سے متعلق تربیتی پروگرامز منعقد کیے۔

تعمیل (کمپلائنس) اور اسٹیک ہولڈرز کے ساتھ تعلقات

کمپنی تمام قابلِ اطلاق قانونی اور ریگولیٹری تقاضوں کی پابندی کرتی ہے اور اپنے اسٹیک ہولڈرز کے ساتھ مضبوط تعلقات برقرار رکھتی ہے۔

CRSM کی بحالی اور انشورنس کلیم کا تصفیہ

2020 میں پیش آنے والے آتش زدگی کے واقعے کے فوراً بعد CRSM کا اسکن پاس موڈ بحال کر دیا گیا تھا۔ رولنگ موڈ کو بھی فعال کر دیا گیا ہے، اور کمپنی نے انشورنس کمپنی کے ساتھ اپنا کلیم بھی طے کر لیا ہے۔

موجودہ آپریشنز اور مارکیٹ شیئر

مقامی مارکیٹ میں عائشہ اسٹیل ملز لمیٹڈ کو CRC اور GI کی تیاری کے شعبے میں ایک اہم ادارہ سمجھا جاتا ہے، اور کمپنی کا مقصد صنعت کی CRC اور GI کی ضروریات کو پورا کرنے میں اپنے کردار کو مزید مضبوط بنانا ہے۔ کمپنی اپنی مارکیٹ میں موجودگی کو وسعت دینے کا ارادہ رکھتی ہے، اور بالخصوص اصل ساز و سامان تیار کرنے والے اداروں پر توجہ مرکوز کرتے ہوئے مارکیٹ میں اپنے حصے میں مزید اضافہ کرنا چاہتی ہے۔

سال 26-2025 کے دوران عائشہ اسٹیل ملز لمیٹڈ کا مجموعی مارکیٹ شیئر بڑھ کر تقریباً 17 فیصد ہو گیا، جبکہ گزشتہ سال یہ 12 فیصد تھا۔ درآمدات کا حصہ گزشتہ سال کے 63 فیصد کے مقابلے میں کم ہو کر 53 فیصد رہ گیا۔ مقامی مارکیٹ میں حریف کمپنیوں کا حصہ گزشتہ سال کے 17 فیصد کے مقابلے میں بڑھ کر 21 فیصد ہو گیا۔ لاہور میں قائم کی گئی کولڈ رولنگ سہولت نے بقیہ 9 فیصد حصے کا احاطہ کیا۔ عائشہ اسٹیل ملز لمیٹڈ کی برآمدات گزشتہ سال کے تقریباً 25,456 ٹن کے مقابلے میں بڑھ کر تقریباً 61,583 ٹن ہو گئیں۔

کاروبار کی نوعیت

سال کے دوران کمپنی کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں ہوئی۔

خام مال کی خریداری

CRC / GI کے کاروبار میں معیاری HRC کی مناسب قیمت پر خریداری انتہائی اہمیت کی حامل ہے۔ کمپنی کی اعلیٰ انتظامیہ HRC کی خریداری کے عمل میں براہِ راست شامل ہے اور بروقت دستیابی کو بہترین ممکنہ قیمت پر یقینی بنانے کے لیے ہر ممکن کوشش کر رہی ہے۔ کمپنی کے لیے خام مال کی خریداری کے ذرائع کو متنوع بنانے کے لیے بھی تمام تر کوششیں کی جا رہی ہیں۔ فی الحال، عائشہ اسٹیل ملز لمیٹڈ دنیا بھر کے آٹھ مختلف ممالک سے HRC درآمد کرتی ہے۔

رسک مینجمنٹ

کمپنی محتاط رسک مینجمنٹ کے طریقوں پر عمل پیرا ہے۔ بورڈ نے رسک مینجمنٹ پالیسی وضع کی ہے اور ان تمام اہم خطرات کا باقاعدگی سے جائزہ لیتا ہے جن سے کمپنی کو واسطہ پڑتا ہے۔ رسک مینجمنٹ کا نظام تنظیم کی تمام سطحوں پر خطرات کے حوالے سے متوازن نقطہ نظر کو فروغ دینے کے لیے ترتیب دیا گیا ہے۔ اس نظام کا مقصد مواقع اور خطرات کی ابتدائی مرحلے میں شناخت اور تجزیہ، ان کی پیمائش، اور خطرات کو منظم کرنے اور ان کی نگرانی کے لیے موزوں ذرائع کا استعمال کرنا ہے۔

کمپنی کا بنیادی کاروبار مینوفیکچرنگ سے متعلق ہونے کی وجہ سے، اس نے اپنے رسک مینجمنٹ نظام کو تشکیل دیا ہے جس میں پیداوار اور فروخت کی حکمت عملی دونوں شامل ہیں۔ خام مال کی خریداری سے آغاز کرتے ہوئے، کمپنی نے ہمیشہ ذرائع کو متنوع بنانے کی پالیسی پر عمل کیا ہے، جس میں معیار پر توجہ مرکوز کی جاتی ہے، جبکہ اپنے فیصلوں کی بنیاد مصنوعات کے امتزاج کی ضروریات، صارفین کی طلب اور مارکیٹ کے تجزیے پر رکھی جاتی ہے۔ کمپنی اسٹاک کے انتخاب اور انوینٹری کی سطحوں کے حوالے سے احتیاط برتتے ہوئے، ارتکاز کے خطرے سے گریز کرتے ہوئے، خریدار ڈیلرز سے کریڈٹ / صاف رقوم کی وصولی کو یقینی بناتے ہوئے اور فریقِ ثانی کی صلاحیت کا مسلسل

مندرجہ ذیل جدول میں اہم مالیاتی اشاریوں کا گزشتہ مالی سال کے ساتھ تقابلی جائزہ پیش کیا گیا ہے۔ مالی سال 26-2025 کے دوران کمپنی کے فروخت کے حجم میں مالی سال 25-2024 کے مقابلے میں 73 فیصد اضافہ ہوا، جبکہ اسی عرصے کے دوران آمدنی میں تقریباً 61 فیصد اضافہ ریکارڈ کیا گیا۔

آمدنی	2026 (روپے ملین میں)	2025 (روپے ملین میں)
مجموعی منافع	54,235	33,752
آپریشنز سے منافع	5,933	1,667
مالیاتی اخراجات	3,644	604
لیویز اور ٹیکس سے قبل منافع / (خسارہ)	(1,727)	(2,732)
لیویز اور ٹیکس کے بعد منافع / (خسارہ)	1,756	(1,666)
	981	(1,352)
فی شیئر منافع / (خسارہ) روپے میں		
	0.99	(1.55)

بنیادی

نسبتاً زیادہ فروخت کے حجم نے کمپنی کو گزشتہ مالی سال کے مقابلے میں اپنے منافع کے مارجن کو بہتر بنانے میں مدد فراہم کی ہے۔

مستقبل کا جائزہ

پالیسی اور ریگولیٹری معاونت

مالی سال 26-2025 سے FATA / PATA سے ہونے والی درآمدات پر 12 فیصد سیلز ٹیکس عائد ہے، جس کے نتیجے میں مقامی مارکیٹ پر ان درآمدات کے مسابقتی اثرات میں مزید کمی متوقع ہے۔ اس کے علاوہ، نیشنل ٹیرف کمیشن کی جانب سے اینٹی سرکم وینشن اقدامات (Anti-Circumvention Measures) کے نفاذ سے GL اور ZAM جیسی متبادل مصنوعات کی درآمدات کی حوصلہ شکنی ہونے کی توقع ہے، جس سے مقامی پروڈیوسرز کی مارکیٹ میں زیادہ شمولیت کو تقویت ملے گی۔

مارکیٹ کی طلب اور کمپنی کی ترجیحات

معاشی اشاریوں میں بہتری سے فلیٹ اسٹیل کے شعبے میں طلب میں مزید اضافے کی توقع ہے۔ چونکہ ترجیحی شیئر ہولڈرز کے منافع (Dividend Entitlement) کی ادائیگی کے بعد سال کے منافع کی مقدار عام شیئر ہولڈرز کے لیے منافع کی ادائیگی کی حمایت کرنے کے لیے ناکافی ہے، اس لیے بورڈ آف ڈائریکٹرز نے اس سال عام شیئر ہولڈرز کے لیے کسی بھی منافع (Dividend) کی سفارش نہیں کی ہے۔ کمپنی اپنے مستقبل کے امکانات کے بارے میں پُراعتماد ہے اور مارکیٹ شیئر میں اضافے کے ساتھ ساتھ شیئر ہولڈرز کے لیے طویل مدتی، پائیدار منافع فراہم کرنے کے عزم پر قائم ہے۔

غیر مالیاتی کارکردگی

آپریشنل برتری اور معیار

کمپنی نے خود کو CRC اور GI کوائلز کے معیاری اور نمایاں پروڈیوسرز میں سے ایک کے طور پر منوایا ہے۔ اس کے واضح اور منظم نظام، طریقہ کار اور تجربہ کار انتظامی ٹیم عالمی معیار کی اس سہولت کے کامیاب آپریشن میں معاونت فراہم کرتے ہیں۔ معیار اور پیداواری صلاحیت میں مسلسل بہتری کمپنی کا بنیادی آپریشنل فلسفہ برقرار ہے۔ اس کے ساتھ ساتھ، کمپنی مارکیٹ میں زیادہ مؤثر انداز میں مقابلہ کرنے کے لیے اپنی مارکیٹنگ کی کوششوں کو مزید مضبوط بنانے کی ضرورت کو بھی تسلیم کرتی ہے۔

متبادل مصنوعات پر اینٹی ڈمپنگ ڈیوٹیز

جیسا کہ پہلے رپورٹ کیا جا چکا ہے، نیشنل ٹیرف کمیشن (NTC) نے اپنی مکمل جانچ پڑتال اور جائزے کے عمل کے بعد ZAM اور Galvalume جیسی متبادل مصنوعات پر اینٹی ڈمپنگ ڈیوٹیز عائد کر دی ہیں۔ اب ان مصنوعات پر بھی CRC اور GI پر لاگو ہونے والی اینٹی ڈمپنگ ڈیوٹیز کے مماثل محصولات عائد ہوتے ہیں۔

مقامی پروڈیوسرز پر اثرات

ان دونوں پیش رفتوں نے مقامی فلیٹ اسٹیل پروڈیوسرز کو اپنا مارکیٹ شیئر بڑھانے میں مدد فراہم کی ہے۔ عائشہ اسٹیل ملز لمیٹڈ کی پیداواری صلاحیت کے استعمال کی شرح گزشتہ سال کے 23 فیصد سے بڑھ کر مالی سال 26-2025 میں 38 فیصد ہو گئی ہے۔ توقع ہے کہ موجودہ مالی سال کے دوران یہ شرح 50 فیصد سے تجاوز کر جائے گی۔

کمپنی کی کارکردگی کی نمایاں جھلکیاں

فروخت اور برآمدات

جولائی 2025 سے جون 2026 کے عرصے کے دوران کمپنی نے مجموعی طور پر 257,144 ٹن مصنوعات فروخت کیں، جن میں 61,583 ٹن برآمدات شامل تھیں۔ یہ مقدار گزشتہ سال کے اسی عرصے میں فروخت کیے گئے 148,942 ٹن کے مقابلے میں تقریباً 73 فیصد اضافے کو ظاہر کرتی ہے۔ برآمدات کی مقدار میں بھی نمایاں اضافہ ہوا، جو گزشتہ سال کے 25,456 ٹن سے بڑھ گئی۔

پیداوار اور انوینٹری

اس عرصے کے دوران کمپنی کی مجموعی پیداوار 266,476 ٹن تک پہنچ گئی، جبکہ گزشتہ سال کے اسی عرصے میں 162,599 ٹن پیداوار ریکارڈ کی گئی تھی۔ یہ تقریباً 64 فیصد اضافے کو ظاہر کرتی ہے۔ جولائی سے جون کے عرصے کے دوران اوسط انوینٹری 24,058 ٹن رہی، جبکہ گزشتہ سال کے اسی عرصے میں یہ 14,275 ٹن ریکارڈ کی گئی تھی۔

آمدنی میں اضافہ

اس عرصے کے دوران کمپنی کی مجموعی آمدنی 54.24 ارب روپے رہی، جبکہ گزشتہ سال یہ 33.75 ارب روپے تھی۔ اس طرح آمدنی میں تقریباً 61 فیصد اضافہ ہوا۔

کارکردگی کا مجموعی خلاصہ

	2025-26 (جولائی تا جون)	2024-25 (جولائی تا جون)
CRC اور GI کی ماہانہ اوسط پیداوار (ٹن میں)	22,206	13,228
CRC اور GI کی ماہانہ اوسط ترسیل (ٹن میں)	21,429	12,412
تیار شدہ مال کا ماہانہ اوسط اسٹاک، CRC اور GI (ٹن میں)	24,058	14,275

مالیاتی اشاریے

اہم مالیاتی کارکردگی

مجموعی منافع کے مارجن میں بھی بہتری آئی، جو گزشتہ سال کے 4.94 فیصد سے بڑھ کر 10.94 فیصد ہو گیا۔ کمپنی نے ٹیکس سے قبل 1,756 ملین روپے منافع ریکارڈ کیا، جبکہ گزشتہ سال ٹیکس سے قبل 1,666 ملین روپے خسارہ ریکارڈ کیا گیا تھا۔

ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز

عائشہ اسٹیل ملز لمیٹڈ کے ڈائریکٹرز بذریعہ ہٰذا 30 جون 2026 کو ختم ہونے والے مالیاتی سال کیلئے کمپنی کی سالانہ رپورٹ کے ہمراہ آڈٹ شدہ مالیاتی مع ان پر آڈٹ کی رپورٹ اور اسٹیل مارکیٹ پر تجزیہ اور کمپنی کی عملیاتی کارکردگی پر مفصل رپورٹ پیش کرتے ہیں۔

اہم کاروباری سرگرمیاں

عائشہ اسٹیل ملز لمیٹڈ بین الاقوامی معیار کے مطابق کولڈ رولڈ کوائلز (CRC) اور گیلونائزڈ آئرن کوائلز (GI) تیار کرتی ہے۔ اس مقصد کے لیے درآمد شدہ ہاٹ رولڈ کوائلز (HRC) کو بنیادی خام مال کے طور پر استعمال کیا جاتا ہے۔

کمپنی کی مصنوعات آٹوموٹیو، صنعتی، انجینئرنگ اور مینوفیکچرنگ کے شعبوں میں مزید پروسیسنگ کے لیے اعلیٰ معیار کے خام مال کے طور پر استعمال ہوتی ہیں۔ یہ مصنوعات ملکی اور برآمدی دونوں مارکیٹوں کی ضروریات پوری کرتی ہیں۔ GI مصنوعات مختلف استعمالات، جن میں تعمیراتی لوازمات، پائپ اور الیکٹریکل مصنوعات شامل ہیں، کے لیے بھی استعمال کی جاتی ہیں۔

اسٹیل مارکیٹ کا جائزہ

بین الاقوامی HRC کی قیمتیں

جون 2025 سے جنوری 2026 تک بین الاقوامی HRC کی قیمتیں تقریباً 450 امریکی ڈالر فی ٹن (FOB چین) کی سطح پر مجموعی طور پر مستحکم رہیں۔ امریکہ اور ایران کے درمیان کشیدگی بڑھ کر مکمل جنگ میں تبدیل ہونے کے بعد قیمتوں میں اضافہ شروع ہوا، اور مئی 2026 میں یہ تقریباً 550 امریکی ڈالر فی ٹن (FOB چین) کی بلند ترین سطح پر پہنچ گئیں۔ جیسے ہی تنازع کی شدت میں کمی آئی، قیمتیں کم ہو کر جون 2026 تک تقریباً 490 امریکی ڈالر فی ٹن (FOB چین) تک چلی گئیں۔ ایسا محسوس ہوتا ہے کہ مارکیٹ اس سطح پر مستحکم ہو چکی ہے، تاہم مشرقِ وسطیٰ میں ہونے والی پیش رفت حالات کو تیزی سے تبدیل کر سکتی ہے۔

تجارتی محصولات اور برآمدی مارکیٹس

موجودہ امریکی انتظامیہ نے پاکستان سمیت متعدد ممالک سے درآمد کیے جانے والے اسٹیل پر 50 فیصد درآمدی ٹیرف عائد کیا ہے۔ اس اقدام کے نتیجے میں کمپنی کی امریکہ کو برآمدات میں نمایاں کمی آئی۔ تاہم، اس عرصے کے دوران یورپ کو کمپنی کی برآمدات میں اضافہ ہوا۔ حالیہ دنوں میں امریکی اسٹیل کی قیمتیں اس سطح تک بڑھ گئی ہیں جہاں 50 فیصد ٹیرف کے باوجود امریکہ کو برآمدات دوبارہ قابلِ عمل ہو سکتی ہیں۔

ملکی طلب اور مقامی مارکیٹ میں حصہ

پاکستان میں اسٹیل کی طلب میں مسلسل بحالی کا رجحان برقرار رہا۔ فلیٹ اسٹیل کے کولڈ رولڈ سیگمنٹ، جس میں بنیادی طور پر CRC اور GI شامل ہیں، میں مجموعی طلب مالی سال 2024-25 کے 1.04 ملین ٹن سے بڑھ کر مالی سال 2025-26 میں 1.13 ملین ٹن ہو گئی، جو تقریباً 9 فیصد اضافے کو ظاہر کرتی ہے۔ چونکہ زیادہ تر HRC جاپان اور چین سے درآمد کیا جاتا ہے، اس لیے خلیجی تنازعے کا HRC کی دستیابی یا CRC اور GI کی درآمدات پر محدود اثر پڑا۔ مقامی اسٹیل کی قیمتیں عمومی طور پر بین الاقوامی مارکیٹ کے رجحانات کے مطابق رہیں۔ حوصلہ افزا بات یہ ہے کہ مقامی پروڈیوسرز کا مارکیٹ شیئر مالی سال 2024-25 کے 37 فیصد سے بڑھ کر مالی سال 2025-26 میں 48 فیصد ہو گیا۔

FATA/PATA ٹیکس مراعات کا مرحلہ وار خاتمہ

FATA/PATA خطے سے درآمدات پر پہلے دستیاب سیلز ٹیکس استثنیٰ مالی سال 2024-25 کے دوران ختم ہو گیا۔ اب ان علاقوں سے ہونے والی درآمدات پر صفر فیصد سیلز ٹیکس کے بجائے 12 فیصد سیلز ٹیکس عائد ہوتا ہے۔

توقع ہے کہ یہ شرح ہر سال بتدریج بڑھتی رہے گی، یہاں تک کہ یہ ملک کے دیگر علاقوں میں لاگو ہونے والے معیاری 18 فیصد سیلز ٹیکس کے برابر ہو جائے گی۔ نتیجتاً، FATA/PATA سے ہونے والی درآمدات کم پرکشش ہو گئی ہیں، جبکہ اوپن مارکیٹ میں فروخت ہونے والی مقدار میں بھی کمی آئی ہے۔

چیف ایگزیکیٹو آفیسر کا پیغام

مالی سال 2025-26 عائشہ اسٹیل ملز لمیٹڈ کے لیے بحالی اور نئی پیش رفت کا سال ثابت ہوا۔ بین الاقوامی سطح پر HRC کی قیمتیں سال کی پہلی ششماہی میں چین سے برآمد ہونے کی بنیاد پر تقریباً 450 امریکی ڈالر فی ٹن کے قریب مستحکم رہیں، اس کے بعد مئی 2026 میں بڑھ کر تقریباً 550 امریکی ڈالر فی ٹن تک پہنچ گئیں، اور پھر جون 2026 تک کم ہو کر تقریباً 490 امریکی ڈالر فی ٹن رہ گئیں۔ بالخصوص مشرقِ وسطیٰ میں جاری تنازع سمیت جغرافیائی و سیاسی پیش رفت نے بین الاقوامی مارکیٹس میں غیر یقینی صورتحال برقرار رکھی۔

امریکہ کی جانب سے پاکستان سمیت متعدد ممالک سے درآمد کیے جانے والے فولاد پر 50% ٹیرف عائد کیے جانے کی وجہ سے ہماری ریاستہائے متحدہ کو برآمدات نمایاں طور پر متاثر ہوئیں۔ تاہم، کمپنی نے یورپ کو اپنی برآمدات میں کامیابی کے ساتھ اضافہ کیا۔ حالیہ عرصے میں ریاستہائے متحدہ میں اسٹیل کی قیمتوں میں اضافہ اس خطے کو برآمدات کے لیے نئے مواقع پیدا کر سکتا ہے۔

ملکی مارکیٹ کی صورتحال نسبتاً زیادہ حوصلہ افزا رہی۔ فلیٹ اسٹیل کے شعبے، جس میں بنیادی طور پر CRC اور GI شامل ہیں، کی طلب میں سال کے دوران تقریباً 9% اضافہ ہوا اور یہ تقریباً 1.13 ملین ٹن تک پہنچ گئی۔ اسی دوران مقامی صنعت کاروں کا حصہ 37% سے بڑھ کر 48% ہو گیا۔ فاٹا/پاٹا (FATA/PATA) کے لیے ٹیکس رعایت کے خاتمے اور متبادل مصنوعات پر انسدادِ ڈمپنگ اقدامات نے بھی مقامی صنعت کاروں کے لیے مسابقتی ماحول کو مزید بہتر بنایا۔ ان حالات کے تناظر میں عائشہ اسٹیل ملز لمیٹڈ اپنی عملی کارکردگی میں نمایاں بہتری کی جانب گامزن رہی۔ کمپنی نے سال کے دوران 257,144 ٹن مصنوعات فروخت کیں، جن میں 61,583 ٹن برآمدات شامل تھیں، جبکہ گزشتہ سال یہ مقدار 148,982 ٹن تھی، جو تقریباً 73% اضافے کو ظاہر کرتی ہے۔ پیداوار میں تقریباً 64% اضافہ ہوا اور یہ 266,476 ٹن تک پہنچ گئی، جبکہ پیداواری صلاحیت کے استعمال کی شرح 23% سے بڑھ کر 38% ہو گئی۔

فروخت میں اضافے کے نتیجے میں مالی کارکردگی میں مضبوط بحالی دیکھنے میں آئی۔ آمدنی تقریباً 61% اضافے کے ساتھ 33.75 بلین روپے سے بڑھ کر 54.24 بلین روپے ہو گئی۔ مجموعی منافع بڑھ کر 5.93 بلین روپے ہو گیا، جبکہ مجموعی منافع کی شرح 4.94% سے بہتر ہو کر 10.94% ہو گئی۔ کمپنی نے محصولات اور ٹیکس سے قبل 1.76 بلین روپے منافع حاصل کیا، جبکہ گزشتہ سال 1.67 بلین روپے خسارہ ہوا تھا۔ اسی طرح محصولات اور ٹیکس کے بعد منافع 981 ملین روپے رہا، جبکہ گزشتہ سال 1.35 بلین روپے خسارہ ہوا تھا۔ عائشہ اسٹیل ملز لمیٹڈ نے مقامی مارکیٹ میں بھی اپنی پوزیشن مزید مضبوط بنائی۔ کمپنی کا مارکیٹ شیئر تقریباً 12% سے بڑھ کر 17% ہو گیا۔ برآمدات گزشتہ سال کے 25,456 ٹن کے مقابلے میں نمایاں اضافے کے ساتھ 61,583 ٹن تک پہنچ گئیں۔

مستقبل کے حوالے سے صورتحال امید افزا ہے۔ بہتر ہوتی ہوئی معاشی صورتحال، بحال ہوتی طلب اور تجارت کے لیے زیادہ سازگار ماحول سے مزید ترقی کے مواقع پیدا ہونے کی توقع ہے۔ کمپنی پیداواری صلاحیت کے بہتر استعمال، مارکیٹ میں اپنی موجودگی مضبوط بنانے اور بالخصوص اصل ساز و سامان تیار کرنے والے اداروں میں اپنے صارفین کی تعداد بڑھانے پر توجہ مرکوز رکھے گی۔ اسی کے ساتھ HRC کی قیمتوں، ذخائر کی سطح، شرح مبادلہ میں اتار چڑھاؤ، درآمدی مسابقت اور جغرافیائی و سیاسی خطرات کا محتاط انتظام انتہائی اہم رہے گا۔ خام مال کے ذرائع میں تنوع اور نظم و ضبط کے ساتھ خریداری کمپنی کی اہم ترجیحات میں شامل رہیں گی۔ عائشہ اسٹیل ملز لمیٹڈ کی ٹیم عملی و عمدہ کارکردگی، معیار، پیداواری صلاحیت اور صارفین کی خدمت کے لیے اپنے عزم پر قائم ہے۔ ہم اپنی کاروباری سرگرمیوں کو مزید مضبوط بناتے رہیں گے، اپنے افراد کی صلاحیتوں کو فروغ دیں گے اور ایک پائیدار اور مسابقتی کاروبار کی تعمیر جاری رکھیں گے۔

میں اپنے شیئر ہولڈرز، اسپانسرز، بورڈ آف ڈائریکٹرز، ملازمین، صارفین، مالیاتی اداروں، سپلائرز اور دیگر تمام اسٹیک ہولڈرز کا ان کے مسلسل اعتماد، تعاون اور رہنمائی پر تہہ دل سے شکریہ ادا کرتا ہوں۔ اپنے اسٹیک ہولڈرز کی ثابت قدمی اور عزم، بورڈ کی فعال نگرانی اور تمام متعلقہ فریقوں کی مسلسل حمایت کے ساتھ ہمیں یقین ہے کہ ہم حاصل کردہ پیش رفت کو مزید آگے بڑھاتے ہوئے اپنے تمام متعلقہ فریقوں کے لیے طویل مدت اور پائیدار قدر کیلئے ہمیشہ کوشاں رہیں گے۔

ڈاکٹر منیر احمد

چیف ایگزیکٹو

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