

WEDOIT

First Quarterly Report September 2022



CONTENTS

- 04 Vision and Mission Statement
- 05 Company Information
- 06 Directors' Review Report
- 09 Condensed Interim Statement of Financial Position
- 10 Condensed Interim Statement of Profit or Loss and Other Comprehensive Income
- 11 Condensed Interim Statement of Changes in Equity
- 12 Condensed Interim Statement of Cash Flows
- 13 Notes To and Forming Part of The Condensed Interim Financial Statements



Vision

To be a global leader in the flat steel industry, acknowledged by its customers for quality and service excellence.

Mission

To provide an environment of motivated employees focused on continuous improvement in product and quality, highest business and work ethics, add value to our customers and ensure sustained return on investment to our shareholders.

COMPANY INFORMATION

Board of Directors

Mr. Arif Habib, Chairman Dr. Munir Ahmed, Chief Executive Mr. Nasim Beg Mr. Rashid Ali Khan Mr. Samad A. Habib Mr. Jawaid Iqbal Mr. Kashif A. Habib Ms. Tayyaba Rasheed Mr. Arslan Iqbal

Audit Committee

Mr. Jəwəid Iqbəl – Chəirmən Mr. Nəsim Beg Mr. Kəshif A. Həbib Ms. Təyyəbə Rəsheed

Human Resource & Remuneration Committee

Mr. Rəshid Ali Khən – Chəirmən Mr. Arif Həbib Mr. Kəshif A. Həbib

Chief Financial Officer Mr. Umair Noor Muhammad

Company Secretary

Mr. Mənzoor Rəzə

Head of Internal Audit

Registered Office

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

Factory Address

DSU - 45, Pəkistən Steel Down Streəm Industriəl Estəte, Bin Qəsim, Kərəchi – Pəkistən. 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, SMCHS, Main Shahrah-e-Faisal, Block B, 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.

Bankers / Lenders

Allied Bank Limited Askari Bank Limited Bank Al Habib Limited Bank Alfalah Limited Bank Islami Pakistan Limited Dubai Islamic Bank Favsal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited 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 Summit Bank Limited The Bank of Khyber The Bank of Punjab United Bank Limited

Website

www.aishasteel.com



Directors' Review Report

The Directors of Aisha Steel Mills Limited (ASML) present herewith Directors' Review Report together with condensed interim financial statements (un-audited) of the Company for the first quarter ended September 30, 2022.

Steel Market Review

The financial year 2022-23 commenced with several unprecedented events, both at the international as well as local level. The world economies started to slow down and adjusted to new realities. Industrial commodities in general, and steel in particular, lost shine and the prices declined substantially and continue to slide further. Several advance economies fear onset of recession.

On the local front, in addition to political instability, declining rupee, high interest rates etc., parts of the country were inundated following the monsoon rains, causing extensive damage to the infrastructure and agriculture. Sindh province in particular, was hit hard and cut off from northern parts of the country for several weeks. Businesses reeling under high inflation stressed further.

The worst, however, appears to have passed. Nevertheless, it will take time for the business activities to pick up.

Operational Review

The total quantity sold during the Jul-Sep 2022 Qtr was 28,443 tons as compared to 88,834 sold during the corresponding period last year, showing a decrease of about 68%. The falling market and slowdown in the international market severely constrained export as well. Only 341 tons was exported during the period, compared to 16,158 tons last year.

The total quantity produced during the period was 40,778 tons compared to 104,653 tons in the corresponding period last year, showing a decrease of 61%. The production was curtailed due to slow offtake and buildup of finished goods inventory. In addition to slow offtake; high rate of mark-up and exchange loss have been the main reasons for weak financial results of the Company.

A brief summary of the financial results as on September 30, 2022 is as follows:

	Quar	ter ended
	September 2022	September 2021
	Rs.	In Millions
Revenue Gross profit Finance Costs Exchange Loss (Net) (Loss) / Profit before tax (Loss) / Profit after tax	6,543 153 (810) (1,255) (2,016) (1,411)	18,007 2,208 (498) (398) 1,015 738
(Loss) / earnings per share	(1.55)	0.94

Future Outlook:

The automotive industry is currently facing head winds due to high car prices, financing cost, depreciating rupee and restriction on CKD imports. The exchange rate, however, is showing signs of stability and some import restrictions relaxed. The auto sector is expected to make modest recovery in the coming quarters. This is likely to generate demand for CRC. The re-construction activities, after the floods, have commenced. GI sales are showing some signs of improvement.

The steel and most of the related commodities pric expected to sustain at this level in the near term. The The company, however, has exposure in foreign curr HRC price can influence future profitability.

Acknowledgement

We would like to record our appreciation and gratitud operations as well as in the expansion project. We continued support.

For and on behalf of the Board

Dr. Munir Ahmed Chief Executive

Kərəchi : October 27, 2022

in the international market are relatively stable and mpany is expected to recover in the coming quarters. A provide the stability of exchange rate and movement in

Arif Habib Chairman

FINANCIAL STATEMENTS



Condensed Interim Statement of Financial Position

AS AT SEPTEMBER 30, 2022

		(Unaudited) September 30, 2022	(Audited) June 30, 2022
	Note	Rupees	s '000
ASSETS			
Non-current assets			
Property, plant and equipment	5	19,002,926	19,124,305
Intangible assets		52,935	53,915
Long-term advances		350	350
Long-term deposits Deferred tax asset		150,463 1,379,122	120,907 736,056
		20,585,796	20,035,533
Current assets			
Inventories	6	22,768,823	16,607,460
Trade and other receivables		3,349,853	5,805,309
Loans, advances and prepayments	8	852,595	1,495,446
Tax refunds due from government - Sales tax Taxation - payments less provision		959,208 2,916,141	- 2,653,075
Cash and bank balances	9	179,907	2,653,075
	$\langle \langle \rangle$	31,026,527	26,769,284
Total assets		51,612,323	46,804,817
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	10		
Ordinary shares		9,248,008	9,248,008
Cumulative preference shares		444,950	444,950
Difference on conversion of cumulative preference shares and dividends		(1 762 466)	(1 762 466)
into ordinary shares		(1,762,456) 7,930,502	(1,762,456) 7,930,502
Surplus on revaluation of property, plant and equipment		1,295,585	1 205 970
Capital reduction reserve		667,686	1,305,870 667,686
Unappropriated profit		2,730,441	4,131,495
		12,624,214	14,035,553
Liabilities			
Non-current liabilities Long-term finance - secured	11	4,459,150	4,831,450
Lease liabilities	11	114,620	121,662
Employee benefit obligations		163,328	146,809
Current liabilities		4,737,098	5,099,921
Trade and other payables	12	16,263,963	9,333,836
Accrued mark-up		679,679	523,635
Short-term borrowings	13	15,726,306	15,869,364
Sales tax payable			361,445
Unclaimed dividend		69,400	69,400
Current portion of deferred income - Government grant Current maturity of long-term finance		1,158 1,476,893	1,158 1,476,893
Current maturity of long-term inance Current maturity of lease liabilities		33,612	33,612
		34,251,011	27,669,343
Total liabilities		38,988,109	32,769,264
Contingencies and commitments	14		
Total equity and liabilities		51,612,323	46,804,817
The annexed notes 1 to 22 form an integral part of these condensed interim fin	ancial statement	ts.	

Inj.

Chief Financial Officer

Chief Executive

Director

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

		(Unaudited) September 30, 2022	(Unaudited) September 30, 2021	
	Note	Rupee	es '000	
Revenue from contracts with customers	15	6,542,516	18,007,065	
Cost of sales		(6,389,897)	(15,798,942)	
Gross profit		152,619	2,208,123	
Selling and distribution cost	16	(24,041)	(145,541)	
Administrative expenses		(93,387)	(81,077)	
Operating profit		35,191	1,981,505	
Other expenses	17	(1,254,697)	(474,581)	
Finance costs	18	(809,773)	(498,226)	
Other income		13,007	6,067	
(Loss) / Profit before taxation		(2,016,272)	1,014,765	
Income tax credit / (expense)	19	604,934	(276,941)	
(Loss) / Profit after taxation		(1,411,338)	737,824	
Other comprehensive income			-	
Total comprehensive (loss) / income		(1,411,338)	737,824	
(Loss) / earnings per share		Rupees		

- Bəsic		(1.55)	0.94
- Diluted	20		0.76

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive

Director

Condensed Interim Statement of Changes in Equity FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

		Share capital			Reserves		Totəl	
			++++	Сәрі	təl	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	Unappropriated profit / (accumulated loss)		
				Rupees '000				
Balance as at July 1, 2021	7,716,843	445,335	(1,348,402)	1,404,689	667,686	5,580,433	14,466,584	
Incremental depreciation net of deferred tax transferred Cumulative preference shares of Rs. 10 each converted to 2.285 Ordinary Shares of Rs. 10 each				(10,287)	$\left \right $	10,287	-	
during the period	880	(385)	(495)	\ \ \ \	() / -)	· ·	-	
Total comprehensive income for the period ended September 30, 2021								
- Profit for the period	-	- / /	$ \uparrow \uparrow \uparrow$		111	737,824	737,824	
- Other comprehensive income for the period	-	L\-			+++	737.824	- 737,824	
Balance as at September 30, 2021	7,717,723	444,950	(1,348,897)	1,394,402	667,686	6,328,544	15,204,408	
Balance as at July 1, 2022	9,248,008	444,950	(1,762,456)	1,305,870	667,686	4,131,495	14,035,553	
Incremental depreciation net of deferred tax transferred				(10,284)	-	10,284		
Total comprehensive income for the period ended September 30, 2022								
- Loss for the period						(1,411,338)	(1,411,338)	
- Other comprehensive income for the period	-	-	-	-	-	- (1,411,338)	- (1,411,338)	
Balance as at September 30, 2022	9,248,008	444,950	(1,762,456)	1,295,586	667,686	2,730,441	12,624,214	
					///			

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive

Director

Condensed Interim Statement Of Cash Flows

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

Rupees '000CASH FLOWS FROM OPERATING ACTIVITIES(Loss) / profit before taxationAdd / (dss): Adjustment for non-cash charges and other itemsDepreciation and amortisationMark-up chargesUnwinding of long-term financeFinance less chargesProvision for staff retirement benefitExchange lossLoss / (gain) on disposal of fixed assetsRother on PLS savings accountsCincrease) / decrease in current assets(Increase) / decrease in current assetsInventoriesTrade and other receivablesLoss / (gain) on disposal of fixed assets(fincrease) / decrease in current assets(Increase) / decrease in current assets(Increase) / decrease in current assets(Increase) / increase in current liabilitiesTrade and other progetisTrade and other progetisNat cash generated / (used) from operationsIncrease in long-term depositsNat cash generated / (used) from operating activitiesCash FLOWS FROM INVESTING ACTIVITIESPurchase of property, plant and equipmentNat cash used in investing activitiesCash redu (used) from operating activitiesCash redu (used) from operating activitiesCash redu (used) from operating activities <tr< th=""><th></th><th>(Unaudited) September 30, 2022</th><th>(Unaudited) September 30, 2021</th></tr<>		(Unaudited) September 30, 2022	(Unaudited) September 30, 2021
(Loss) / profit before taxation(2,016,272)1,014,765Ad/ (less): Adjustment for non-cash charges and other items278,461227,965Depreciation and amortisation41,6119,239Provision for staff retirement benefit13,30110,353Exchange loss1,254,697398,200Loss / (agin) on disposal of fixed assets135(697)Return on PLS savings accounts(13,007)(5,339)Profit before working capital changes23,407,69821,128,708Effect on cash flow due to working capital changes(6,161,360)(3,734,755)Loventories(6,26,450)(4,383,708)(3,951,603)(1,320,654)(1,320,654)(6,34,293)(3,951,603)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,734,755)369,250)(1,320,654)(1,320,654)(3,631,457)(1,320,654)(1,320,654)(1,320,654)(3,631,457)(1,326,657)(1,320,654)(1,320,654)(3,631,457)(1,326,637)(1,320,671)(1,326,637)(1,326,637)(1,326,637)Nark-up on loas paid		Rupe	es '000
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Cash and cash equivalents at beginning of the period (15,661,369) (6,557,646)	Net cash used in financing activities	(422,959)	(378,526)
Cash and cash equivalents at beginning of the period (15,661,369) (6,557,646)	Net increase / (decrease) in cash and cash equivalents	114,970	(1,743,691)
Cash and cash equivalents at end of the period (15,546,399) (8,301,337)			
	Cash and cash equivalents at end of the period	(15 546 399)	(8 301 337)
		(10,040,000)	(0,001,007)

Chief Financial Officer

Chief Executive

Director

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

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.

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 coils and hot dipped galvanized coils.

2. BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2022.

2.1 Changes in accounting standards, interpretations and pronouncements

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 beginning on or after July 1, 2021. However, these do not have any significant impact on the Company's financial reporting.

b) Standards and amendments to approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2022. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2022.

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements.

- **4.2** Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.
- **4.3** The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.

(Unaudited) September 30, 2022	(Audited) June 30, 2022	
Rupees '000		

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets - note 5.1	16,690,680	16,952,995
Capital work in progress (at cost)	395,351	383,946
Major spare parts and stand-by equipment	1,916,895	1,787,364
	19,002,926	19,124,305

5.1 Additions to operating assets during the period are as follows:

	← (Unaudited) →			
	Addit (ət c		Dispo: (at net boo	
	September 30,	September 30,	September 30,	September 30,
	2022	2021	2022	2021
		Rupee	s '000	
Owned assets:				
Plant and machinery	11,679	82,686	-	-
Electrical equipment	1,766	118,069	-	-
Office equipment	3,122	5,361	136	-
Furniture and fixtures	-	339	-	-
Motor vehicles	114	203	-	327
Right of use assets:				
Motor vehicles	-	11,919	1,380	1,434
	16,681	218,577	1,516	1,761

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

		(Unaudited) September 30, 2022	(Audited) June 30, 2022
		Rupees	s '000
6.	INVENTORIES		
	Raw material [including in transit Rs. Nil		10,500,100
	(June 30, 2022: Rs. 8,334.82 million)]	13,937,569	10,580,168
	Work-in-process	495,982	744,126
	Finished goods [including coil end sheets		
	Rs. 71.75 million (June 30, 2022: Rs. 62.83 million)]	6,677,027	3,674,450
		21,110,578	14,998,744
	Stores	1,086,185	841,249
	Spares	572,060	767,467
		1,658,245	1,608,716
		22,768,823	16,607,460
7.	TRADE AND OTHER RECEIVABLES		
	Trade receivables - considered good:		
	Not yet due	430,384	222,963
	Other receivables:		
	Receivable from Etimaad Engineering (Private) Limited	138,485	138,485
	Margin on import letters of credit	2,111,287	4,770,750
	Receivable from insurance company	668,212	668,212
	Others	1,485	4,899
		2,919,469	5,582,346
		3,349,853	5,805,309

8. LOANS, ADVANCES AND PREPAYMENTS

8.1 These include deposit held with a bank amounting to Rs. 85.09 million (June 30, 2022: Rs. 78.11 million) in respect of bank guarantees issued to Regulatory Authorities against disputed duties and taxes, and to a customer in respect of performance of a contract.

		(Unaudited) September 30, 2022	(Audited) June 30, 2022
		Rupees	s '000'
9.	CASH AND BANK BALANCES		
	With banks on	100 107	
	- Current accounts - PLS savings accounts - note 9.1	100,197 79,321	110,567 97,086
	Cash in hand	389 179,907	341 207,994

9.1 At September 30, 2022 the rates of mark up on PLS savings accounts range from 13.5% to 13.9% (June 30, 2022: 12% to 13.5%) per annum.

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

10. SHARE CAPITAL

Authorised share	cəpitəl			
(Unaudited) September 30, 2022	(Audited) June 30, 2022		(Unaudited) September 30, 2022	(Audited) June 30, 2022
(Number	r of shares)		Rupe	ees '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					
(Unaudited) September 30, 2022	(Audited) June 30, 2022		(Unaudited) September 30, 2022	(Audited) June 30, 2022	
(Number of shares)			Rup	bees '000	
924,800,809	771,684,322	Ordinary Shares of Rs. 10 each - Opening	9,248,008	7,716,843	
	87,971	Cumulative Preference Shares (PSX Symbol - ASLCPS) of Rs. 10 each converted to 2.285 Ordinary Shares of Rs. 10 each during the year	-	880	
-	79,489,042	Cumulative preference dividend on Cumulative Preference Shares (PSX Symbol - ASLPS) of Rs. 10 converted to 1 ordinary share of Rs. 10 each during the year	-	794,890	
-	73,539,474	Cumulative preference dividend on Cumulative Preference Shares (PSX Symbol - ASLCPS) of Rs. 10 converted to 2.285 ordinary shares of Rs. 10 each during the year	-	735,395	
924,800,809	924,800,809	or RS. 10 each bonning the year	9,248,008	9,248,008	
Cumulative Pre	924,800,809 eference Shares pol - ASLPS)	of KS. 10 each oof ing the year	9,248,008	9,248,008	
Cumulative Pre	eference Shares	or KS. 10 each borning the year	9,248,008	9,248,008	
Cumulative Pre (PSX Symb 2022	eference Shares pol - ASLPS)	or KS. 10 each borning the year	9,248,008	9,248,008	
Cumulative Pre (PSX Symb 2022	eference Shares bol - ASLPS) 2022	Cumulative Preference Shares of Rs. 10 each	<u>9,248,008</u> 443,571	9,248,008	
Cumulative Pre (PSX Symb 2022 (Numbe	eference Shares bol - ASLPS) 2022 er of shares)	Cumulative Preference Shares			
Cumulative Pre (PSX Symt 2022 (Numbe 44,357,057 44,357,057 Cumulative Pre	r of shares) 44,357,057	Cumulative Preference Shares	443,571	443,571	
Cumulative Pre (PSX Symt 2022 (Numbe 44,357,057 44,357,057 Cumulative Pre	eference Shares bol - ASLPS) 2022 ar of shares) 44,357,057 44,357,057 eference Shares	Cumulative Preference Shares	443,571	443,571	
Cumulative Pre (PSX Symt 2022 (Numbe 44,357,057 44,357,057 Cumulative Pre (PSX Symt 2022	eference Shares bol - ASLPS) 2022 ar of shares) 44,357,057 44,357,057 eference Shares bol - ASLPS)	Cumulative Preference Shares	443,571	443,571	
Cumulative Pre (PSX Symt 2022 (Numbe 44,357,057 44,357,057 Cumulative Pre (PSX Symt 2022	eference Shares bol - ASLPS) 2022 rr of shares) 44,357,057 44,357,057 eference Shares bol - ASLPS) 2022	Cumulative Preference Shares	443,571	443,571	
Cumulative Pre (PSX Symb 2022 (Numbe 44,357,057 44,357,057 Cumulative Pre (PSX Symb 2022 (Numbe	eference Shares pol - ASLPS) 2022 er of shares) 44,357,057 44,357,057 44,357,057 44,357,057 eference Shares pol - ASLPS) 2022 er of shares)	Cumulative Preference Shares of Rs. 10 each Cumulative Preference Shares	443,571 443,571	443,571 443,571	

Total cumulative Preference Shares of Rs. 10 each

(PSX Symbols - ASLCPS and ASLPS)

444,950

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

- 10.1 Cumulative dividend on Preference Shares (PSX Symbol ASLPS) and Preference Shares (PSX Symbol ASLCPS) amounting to Rs. 70.54 million (June 30, 2022: Rs. 52.16 million) and Rs. 0.21 million (June 30, 2022: Rs. 0.16 million) respectively are outstanding as at September 30, 2022.
- 10.2 Of these outstanding cumulative preferential dividends, the Board of Directors of the Company, in their meeting held on September 27, 2022 have proposed distribution of cumulative dividend on Cumulative Preference Shares ASLPS and ASLCPS for the year ended June 30, 2022 amounting to Rs. 52.2 million and Rs. 0.2 million respectively, which is subject to the approval of the members of the Company in their Annual General Meeting scheduled to be held on October 28, 2022, after approval of these quarterly financial statements.
- **10.3** These condensed interim financial statements do not include the effects of the afore-mentioned proposed dividends.

		(Unaudited) September 30, 2022	(Audited) June 30, 2022
		Rupees	'000
11.	LONG-TERM FINANCE - secured		
	Loan under restructuring agreement - note 11.1 Loan for expansion project - note 11.2 Loan under refinance scheme - note 11.3	3,421,316 2,448,567 66,160	3,755,041 2,454,162 99,140
	Less: Current maturity of long-term finance	5,936,043 (1,476,893) 4,459,150	6,308,343 (1,476,893) 4,831,450

- 11.1 The facility carries mark-up ranging from 6 months KIBOR plus 1% per annum to 6 months KIBOR plus 3.25% per annum on the outstanding amount excluding frozen mark-up. It is repayable in 10 unequal semi-annual installments from July 19, 2021 to January 19, 2025.
- **11.2** The facility carries mark up ranging between 6 months KIBOR plus 1.9% per annum to be determined on semi-annual basis to mark up at 6 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 is repayable in 10 consecutive semi-annual installments in arrears from December 2021 to June 2026.
- **11.3** The facility carries mark-up at the rate of 3% per annum and is repayable in 8 equal quarterly installments from January 2021 to October 2022.

		(Unaudited) September 30, 2022	(Audited) June 30, 2022
		Rupees	s '000
12.	TRADE AND OTHER PAYABLES		
	Creditors and accrued liabilites	2,062,737	863,078
	Bills payable	12,664,768	6,978,882
	Contract liability	914,010	854,100
	Security deposit from dealers	11,000	11,000
	Withholding tax	31,198	46,526
	Provisions	497,195	497,195
	Workers' Profits Participation Fund	74,993	74,993
	Workers' Welfare Fund	8,062	8,062
		16,263,963	9,333,836

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

		(Unaudited) September 30, 2022	(Audited) June 30, 2022
		Rupee	s '000
13.	SHORT-TERM BORROWINGS - secured		
	Short term finance facilities under:		
	- Running finance under mark-up arrangement - Istisna-cum-Wakala arrangement - Finance against Trust Receipts	2,074,544 4,176,628 9,475,134 15,726,306	2,553,128 2,427,772 10,888,464 15,869,364

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There has been no significant change during the period in the contingencies reported in the annual financial statements for the year ended June 30, 2022.

14.2 Commitments

Commitments for capital expenditure outstanding as at September 30, 2022 amounted to Rs. 224.27 million (June 30, 2022: Rs. 1,176.61 million).

		Unau()	(Unaudited)	
		September 30, 2022	September 30, 2021	
		Rupee	s '000	
15.	REVENUE FROM CONTRACTS WITH CUSTOMERS			
	Local sale of goods - note 15.1 Sales tax Rebates and discounts Dealer commission Exports	7,771,654 (1,125,538) (182,211) 6,463,905 78,611 6,542,516	17,676,914 (2,573,471) (269,777) 14,833,666 3,173,399 18,007,065	

15.1 This includes scrap sale of coil-end sheets net of sales tax amounting to Rs. 442.3 million (September 30, 2021: Rs. 780.4 million).

16. SELLING AND DISTRIBUTION COST

This includes freight charges on export sales amounting to Rs. 7.2 million (September 30, 2021: Rs. 131.78 million).

		uenU)	(Unaudited) September 30, September 30,	
		September 30, 2022	September 30, 2021	
		Rupee	s '000	
17.	OTHER EXPENSES			
	Workers' Profits Participation Fund	-	56,436	
	Workers' Welfare Fund	-	19,945	
	Exchange loss - net	1,254,697	398,200	
		1,254,697	474,581	

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

		(Unaudited)	
		September 30, 2022	September 30, 2021
		Rupee	s '000
18.	FINANCE COSTS		
	Mark-up expense:		
	- long-term finance	166,445	222,112
	- Impact of unwinding on long-term finance	41,611	9,239
	- short-term borrowings	553,375	242,316
	Finance lease charges	2,006	1,276
	Bank and other charges	46,336	23,283
		809,773	498,226
19.	INCOME TAX (CREDIT) / EXPENSE		
	Current		
	- for the period - princ year	38,132	223,025
	Deferred	(643.066)	53.916
			<u> </u>
	- prior year	(643,066) (604,934)	53,916 276,941

20. DILUTED EARNINGS PER SHARE

Diluted earnings per share has not been presented for period ended September 30, 2022 as it has anti-dilutive effect on the earnings per share.

21. TRANSACTIONS WITH RELATED PARTIES

Disclosure of transactions with related parties during the period are as follows:

			(Unaudited)	
			September 30, 2022	September 30, 2021
Relationship	Name of company	Nature of transaction	Rupees	000
Associated companies	Arif Habib Corporation			
	Limited	- Long-term loan repaid	14,734	14,734
		- Mark-up on finance facilities	5,613	4,136
		- Mark-up on finance facilities paid	8,056	6,455
		- Guarantee commission	326	1,104
		- Guarantee commission paid	325	1,051
	Power Cement Limited	- Purchase of construction material	463	\ / / /-/
		- Payment made against purchase of construction material	-	190
	Rotocast Engineering Co.			
	(Private) Limited	- Rent and maintenance	2,173	4,194
		- Rent and maintenance paid	2,843	4,194
Key mənəgement personnel	Chief Executive Officer, Chief Financial Officer			
	& Company Secretary	- Salaries and other employee benefits	6,661	6,873
	Chief Financial Officer & Company Secretary	- Post retirement benefits	179	157
	Non-Executive Director	- Meeting and other expenses	-	132

FOR THE PERIOD ENDED SEPTEMBER 30, 2022 - (UNAUDITED)

22. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on October 27, 2022.

Chief Financial Officer

Chief Executive

Director