



CONDENSED INTERIM FINANCIAL STATEMENTS HALF YEAR ENDED 31 DECEMBER 2024

BECO STEEL LIMITED
WE STRENGTHEN YOUR DREAMS

COMPANY INFORMATION

BOARD OF DIRECTORS

1. Mr. Muhammad Zain-ul-Afaq	ChairPerson/Non-Executive Director
2. Mr. Muhammad Ali Shafique Chaudhry	Chief Executive Officer
3. Ms. Afifa Shafique	Executive Director
4. Mr. Muhammad Hashim Tareen	Independent Director
5. Mr. Mahmood Aslam	Independent Director
6. Mrs. Shabana Shafique	Non-Executive Director
7. Miss. Eman Shafique	Non-Executive Director

AUDIT COMMITTEE

1. Mr. Muhammad Hashim Tareen	Chairman/Independent Director
2. Mrs. Shabana Shafique	Member
3. Miss. Eman Shafique	Member

HR & REMUNERATION COMMITTEE

1. Mr. Muhammad Hashim Tareen	Chairman/Independent Director
2. Mr. Muhammad Ali Shafique Chaudhry	CEO/Director
3. Miss. Eman Shafique	Member
4. Mrs. Shabana Shafique	Member

CHIEF FINANCIAL OFFICER

Ms. Afifa Shafique

COMPANY SECRETARY

Mr. Abdul Shakoor

EXTERNAL AUDITORS

M/s Malik Haroon Ahmad & Co, Chartered Accountants

SHARE REGISTRAR

Hameed Majeed Associates (Private) Limited

REGISTERED OFFICE

79 – Peco Road Badami Bagh Lahore Pakistan

COMPANY BANKERS

1. Soneri Bank Limited
2. JS Bank Limited
3. Habib Metropolitan Bank Limited
4. Meezan Bank Limited
5. Samba Bank Limited
6. Bank Alfalah Limited
7. United Bank Limited
8. Askari Bank
9. Bank of Punjab

DIRECTORS' REVIEW REPORT

Dear Members

The directors of the company are pleased to present the unaudited financial statements for the half year ended 31 December 2024.

A brief summary of the financial results as on 31 December 2024 is as follow:

	(Amount in Rupees)	
	Half year ended December 31	
Financial highlights	2024	2023
Net Sales	4,326,250,534	1,838,710,139
Gross Profit	343,090,126	51,154,104
Profit before taxation	246,979,245	(154,659)
Taxation	71,460,429	22,983,877
Profit for the period	175,518,816	(23,138,535)
Earnings per share – Basic & Diluted	1.40	(0.93)

Business, Financial & Operational review

The turnover of the period is reported as Rs. 4,326.25 million with gross profit for the period is Rs. 343.09 million and net profit Rs. 175.518 million (2023: Rs.23.138 million). Earnings per share (EPS) for the period is Rs. 1.41. The management is actively engaged in a thorough review of our operations, aiming to identify areas for improvement and implement strategic adjustments to address the issues contributing to the current loss. Our focus is on stabilizing operations, optimizing costs, and exploring avenues for recovery.


Future Outlook

Our strategic initiatives include a comprehensive review of our product offerings, exploring partnerships and collaborations, and adopting innovative technologies to enhance our operational efficiency. We are also evaluating market trends and customer preferences to align our offerings with the evolving demands of the industry.

Acknowledgment

We would like to appreciate our customers, suppliers, shareholders, employees and executives for their support and cooperation to the company. Interim financial statements along with auditors' review report thereon are attached herewith for members' kind perusal and record.

For and on behalf of the Board



Muhammad Ali Shafique Chaudhry
Chief Executive Officer



Zain Afaq
Director/Chairperson

Lahore
February 26, 2025



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BECO STEEL LIMITED
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **BECO STEEL Limited** as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and the condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The financial statements of the company for the half year ended December 31, 2023 and June 30, 2024 were respectively reviewed and audited by another firm of Chartered Accountants who previously expressed unqualified conclusion and opinion thereon vide their reports dated March 01, 2024 and November 05, 2024, respectively.

The figures of condensed interim statement of profit or loss, condensed interim statement of comprehensive income for the quarters ended December 31, 2024 and 2023 have not been reviewed as we are required to review only cumulative figures for the six-month period ended on that date.

The engagement partner on the review resulting in this independent auditor's review report is **Malik Haroon Ahmad (FCA)**.

Malik Haroon Ahmad

Malik Haroon Ahmad & Co.
Chartered Accountants



Place: Lahore

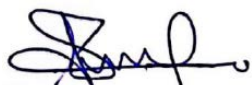
Date: 26 February 2025

UDIN: RR202410206wkd6TxiAj

BECO STEEL LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31 DECEMBER 2024

	Note	Un-audited 31-Dec-2024 Rupees	Audited 30-June-2024 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital:			
150,000,000 (30 June 2024: 150,000,000) ordinary shares of Rs.10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid up capital:		1,249,625,100	1,249,625,100
124,962,510 (30 June 2024: 124,962,510) ordinary shares of Rs. 10/- each			
fully paid in cash			
Loan from sponsor	6	254,072,420	254,672,420
Capital Reserves:			
Share premium		1,999,250,200	1,999,250,200
Revenue Reserves:			
Accumulated losses		(242,981,809)	(418,500,625)
		3,259,965,911	3,085,047,095
Current liabilities			
Trade and other payables		3,595,139,227	3,960,771,737
Deferred tax liability		120,346,181	117,866,944
Unclaimed dividend		4,911,563	4,911,563
		3,720,396,971	4,083,550,244
Contingencies and commitments	7		
		6,980,362,882	7,168,597,339
ASSETS			
Non current assets			
Property, plant and equipment	8	3,705,205,129	3,762,870,968
Long term security deposits		450,000	450,000
		3,705,655,129	3,763,320,968
Current assets			
Stock in trade		1,995,558,299	2,137,557,970
Stores spares and loose tools		528,059	264,500
Trade debts		750,714,268	938,018,505
Advances, deposits and prepayments		223,526,718	166,162,695
Income tax due from Government		184,554,333	144,639,891
Other receivable		8,136,673	-
Cash and bank balances		111,689,403	18,632,810
		3,274,707,753	3,405,276,371
		6,980,362,882	7,168,597,339

The annexed notes from 1 to 15 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

BECO STEEL LIMITED**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	Note	Half year ended		Quarter ended	
		31-Dec-2024 Rupees	31-Dec-2023 Rupees	31-Dec-2024 Rupees	31-Dec-2023 Rupees
Sales		4,326,250,534	1,838,710,139	3,880,130,844	1,592,051,639
Cost of Sales		(3,983,160,408)	(1,787,556,035)	(3,708,207,855)	(1,547,902,355)
Gross profit		343,090,126	51,154,104	171,922,989	44,149,284
Distribution and selling expenses		(763,000)	(921,030)	(114,000)	(43,010)
Administrative and general expenses		(73,289,868)	(46,173,486)	(19,688,138)	(38,938,619)
Other operating expenses		(21,970,083)	(3,422,945)	(15,290,970)	(1,863,530)
		(96,022,951)	(50,517,461)	(35,093,108)	(40,845,159)
Other income		111,735	143,197	-	120,678
Operating profit		247,178,910	779,840	136,829,881	3,424,803
Finance cost		(199,665)	(934,499)	(42,160)	(852,730)
(Loss) / profit before levies and taxation		246,979,245	(154,659)	136,787,721	2,572,073
Levies		-	(22,983,877)	(10,393,297)	(19,900,645)
(Loss) / profit before taxation		246,979,245	(23,138,536)	126,394,425	(17,328,572)
Taxation		(71,460,429)	-	(39,644,723)	-
(Loss) / profit after taxation		175,518,816	(23,138,536)	86,749,702	(17,328,572)
Earning / (Loss) per share - basic and diluted	9	1.40	(0.19)	0.69	(0.14)

The annexed notes from 1 to 15 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

BECO STEEL LIMITED**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	Note	Half year ended		Quarter ended	
		31-Dec-2024 Rupees	31-Dec-2023 Rupees	31-Dec-2024 Rupees	31-Dec-2023 Rupees
Profit/(loss) for the period		175,518,816	(23,138,536)	86,749,702	(17,328,572)
Other comprehensive income:					
Item that will not be reclassified to statement of profit or loss:		-	-	-	-
Items that may be reclassified to statement of profit or loss:		-	-	-	-
		-	-	-	-
Total comprehensive loss for the period		175,518,816	(23,138,536)	86,749,702	(17,328,572)

The annexed notes from 1 to 15 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

BECO STEEL LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Capital Reserve		Revenue Reserve		
	Share capital	Share premium	Loan from sponsor	Accumulated Losses	Total equity
	-----Rupees-----				
Balance as at July 1, 2023 (Audited)	1,249,625,100	1,999,250,200	254,672,420	(325,956,731)	3,177,590,989
Loss for the half year ended 31 December 2023	-	-	-	(23,138,536)	(23,138,536)
Other comprehensive income for the half year ended 31 December 2023	-	-	-	-	-
Total comprehensive loss for the half year ended 31 December 2023	-	-	-	(23,138,536)	(23,138,536)
Balance as at 31 December 2023 (Un-audited)	1,249,625,100	1,999,250,200	254,672,420	(349,095,267)	3,154,452,453
Balance as at July 1, 2024 (Audited)	1,249,625,100	1,999,250,200	254,672,420	(418,500,625)	3,085,047,095
Profit for the half year ended 31 December 2024	-	-	-	175,518,816	175,518,816
Other comprehensive income for the half year ended 31 December 2024	-	-	-	-	-
Total comprehensive income for the half year ended 31 December 2024	-	-	-	175,518,816	175,518,816
Loan returned to sponsors	-	-	(600,000)	-	(600,000)
Balance as at 31 December 2024 (Un-audited)	1,249,625,100	1,999,250,200	254,072,420	(242,981,809)	3,259,965,911

The annexed notes from 1 to 15 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

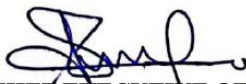

CHIEF FINANCIAL OFFICER

BECO STEEL LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

		Half year ended	
	Note	31-Dec-2024 Rupees	31-Dec-2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / Profit before taxation		246,979,245	(154,659)
Adjustments for following items:			
Depreciation		73,546,689	32,841,343
Finance cost		199,665	934,499
		73,746,354	33,775,842
Operating profit before working capital changes		320,725,599	33,621,183
(Increase) / decrease in current assets			
Trade debts - unsecured but considered good		187,304,237	690,720,895
Stock-in-trade		141,999,671	17,525,207
Stores, spares and loose tools		(263,559)	(264,500)
Trade deposits and short term prepayments		(57,364,023)	(74,307,192)
Other receivable		(8,136,673)	(11,660,910)
		263,539,653	622,013,500
Increase / (decrease) in current liabilities			
Unclaimed dividened		-	-
Trade and other payables		(365,632,510)	(562,733,326)
		(365,632,510)	(562,733,326)
Cash generated from operations		218,632,742	92,901,357
Finance cost paid		(199,665)	(934,499)
Income tax paid		(108,895,634)	(89,714,580)
		(109,095,299)	(90,649,079)
Net cash generated from operating activities		109,537,443	2,252,279
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(15,880,850)	(480,942)
Security deposit		-	-
Net cash used in investing activities		(15,880,850)	(480,942)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from sponsors		(600,000)	-
Net cash used in financing activities		(600,000)	-
Net increase in cash and cash equivalents		93,056,593	1,771,337
Cash and cash equivalents at the beginning of the period		18,632,810	31,354,447
Cash and cash equivalents at the end of the period		111,689,403	33,125,784

The annexed notes from 1 to 15 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

BECO STEEL LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** M/s Beco Steel Limited (Formerly; Ravi Textile Mills Limited) ("the Company") is a Public Limited Company incorporated in Pakistan on 21 April 1987 vide incorporation No: 0015977 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The name of the Company was changed from Ravi Textile Mills Limited to Beco Steel Limited. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company shall be to carrying out the business of manufacturing of steel and allied products, along with ancillary activities thereto.
- 1.2** Pursuant to the special resolutions passed by the shareholders of M/s Beco Steel Limited (formerly: Ravi Textile Mills Limited) (the "Company") at the extraordinary general meeting held on 11 May 2021, and the approvals thereby granted, for, inter alia, the issuance of shares of the Company other than by way of right offer, and for consideration other than cash, in accordance with the provisions of Section 83(1)(b) of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020, the Company filed an application with the Securities and Exchange Commission of Pakistan ("SECP") seeking approval for issuance of shares. SECP vide its letter No. EMD/CI/80/2008/58 dated 31 January 2022, approved the issuance of 99,962,510 ordinary shares of the Company, having par value of PKR 10/- each, at a premium of PKR 20/- per share, in aggregate amounting to the equivalent of PKR 2,998,875,300/-, by way of other than right offer against consideration of non-cash assets, including land, building, and plant & machinery, subject to the fulfilment of the conditions prescribed by the SECP, transfer of the non-cash assets to the Company by the subscribers/allotees of such shares, and carrying out other formalities / steps in accordance with applicable laws. The Company is currently in process of completing legal formalities for the transfer of non-cash assets, including land, building, and plant & machinery, and for the issuance of shares.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standard Board (IASB) as notified under Companies Act, 2017; and
- Provisions of and directives issued under 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.

3 BASIS OF PREPARATION

These condensed interim financial statements have been prepared under the historical cost convention, except as otherwise stated in relevant notes and are presented in Pakistani Rupee (Rs.), which is the functional currency of the Company.

4 MATERIAL ACCOUNTING POLICY INFORMATION

- The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2024, except detailed below or elsewhere. These condensed interim financial statements do not include all the information and disclosures as are required for annual audited financial statements, and therefore, should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024. However, selected explanatory notes are included to explain events and transaction that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements. During the period, certain amendments / interpretations became effective and were adopted by the Company. Management has assessed the changes laid down by the amendments / interpretations that became effective during the period or are yet not elective and determined that they do not have any significant impact on these condensed interim financial
- These condensed interim financial statements are unaudited, however, have been subject to limited scope review by the auditors, and are being submitted to the members as required by the listing regulations of the Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

BECO STEEL LIMITED**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024****5 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS**

The preparation of condensed interim financial statements in conformity with the approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty were the same as those applied to the annual audited financial statements of the Company for the year ended June 30, 2024, except as disclosed otherwise in respective notes.

	Note	Un-Audited 31-Dec-2024 Rupees	Audited 30-June-2024 Rupees
6 LOAN FROM SPONSOR	6.1	254,072,420	254,672,420

- 6.1** This interest-free loan, provided by the sponsor of the Company, is structured in a way that it does not meet the criteria for classification as a liability. Consequently, it is recognized as equity on the Company's financial records at its face value. It is important to note that there will be no subsequent re-measurement of this equity. In accordance with TR-32 'Accounting for Directors' Loan' issued by the Institute of Chartered Accountants of Pakistan, any future decision by the Company to settle the Sponsor's loan by delivering cash or any other financial asset would result in a direct debit to equity. This underscores the understanding that the repayment is treated as an adjustment to the equity section rather than a liability.

7 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments as disclosed in the audited financial statements as at 30 June 2024.

8 PROPERTY, PLANT AND EQUIPMENT

	31-Dec-2024 (Un-audited)	30-June-2024 (Audited)
Opening written down value	3,762,870,968	3,833,278,224
Transfer from CWIP / additions during the period / year (at cost)	15,880,850	18,053,097
	3,778,751,818	3,851,331,321
Disposals during the period / year (at written down value)	-	-
	3,778,751,818	3,851,331,321
Depreciation charged for the period / year	(73,546,689)	(88,460,353)
	3,705,205,129	3,762,870,968

9 EARNING PER SHARE

	Half year ended		Quarter ended	
	31-Dec-2024 Rupees	31-Dec-2023 Rupees	31-Dec-2024 Rupees	31-Dec-2023 Rupees
9.1 Profit/ (Loss) after taxation attributable to ordinary shareholders	175,518,816	(23,138,536)	86,749,702	(17,328,572)
Weighted average number of shares	124,962,510	124,962,510	124,962,510	124,962,510
Loss per share - Basic and diluted	1.40	(0.19)	0.69	(0.14)

- 9.2** There is no dilution effect on the basic earnings per share.

BECO STEEL LIMITED**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024****10 TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

The related parties comprises of associated undertaking, directors and key management personnel. The Company in the normal course of business carried out transaction with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim financial statements are as follows:

	Half year ended		Quarter ended	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
	Rupees	Rupees	Rupees	Rupees
Related Party Balance				
Loan from Sponsor	254,072,420	254,672,420	254,072,420	254,672,420
Assoicated Companies				
Beco Steel Ferrous and non-Ferrous Metals				
Purchases	555,718,432	121,813,012	273,798,609	121,813,012
Payment against Purchases	335,609,396	115,526,140	227,480,190	115,526,140
Key Management Personnel				
Chief Executive Salaries and other	2,098,000	300,000	1,500,000	300,000
Directors empolyee benefits	642,000	600,000	321,000	600,000

11 OPERATING SEGMENT

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

All non-current assets of the Company as at December 31, 2024 and 2023 are located in Pakistan.

Sales made by the Company to its 21 major customers during the period constituted 18% (December 31, 2023: 13%) of total sales.

12 FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the company for the year ended 30 June 2024.

BECO STEEL LIMITED**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

13 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 26-02-2025.

15 GENERAL

Figures have been rounded off to nearest of Rupee.


CHIEF EXECUTIVE OFFICER
DIRECTOR
CHIEF FINANCIAL OFFICER

