# CONDENSED INTERIM FINANCIAL STATEMENTS QUARTER ENDED 31 MARCH 2025

## BECO STEEL LIMITED

WE STRENGTHEN YOUR DREAMS

#### **COMPANY INFORMATION**

#### **BOARD OF DIRECTORS**

Mr. Muhammad Zain-ul-Afaq ChairPerson/Non-Executive Director
 Mr. Muhammad Ali Shafique Chaudhry Chief Executive Officer
 Ms. Afifa Shafique Executive Director
 Mr. Muhammad Hashim Tareen Independent Director

Ms. Atifa Shatique
 Mr. Muhammad Hashim Tareen
 Mr. Mahmood Aslam
 Mrs. Shabana Shafique
 Miss. Eman Shafique
 Executive Director
 Independent Director
 Non-Executive Director
 Non-Executive Director

#### **AUDIT COMMITTEE**

1. Mr. Muhammad Hashim Tareen Chairman/Independent Director

Mrs. Shabana Shafique Member
 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 Member4. 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 Metropoliton 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 Esteemed Members,

The Board of Directors is honored to present the unaudited financial statements of the Company for the period ended 31 March 2025.

A brief summary of the financial results as on 31 March 2025 is as follow:

(Amount in Rupees)

	Nine Months ended March 31,				
Financial highlights	2025	2024			
Net Sales	6,064,354,823	2,781,166,825			
Gross Profit	421,865,230	101,560,821			
Profit before taxation	278,743,363	45,052,130			
Taxation	75,804,434	34,764,584			
Profit for the period	202,938,929	10,287,546			
Earnings per share – Basic & Diluted	1.62	0.08			

#### **Business, Financial & Operational Review**

During the period under review, the Company navigated a challenging economic landscape characterized by political uncertainties, an expanding current account deficit, currency depreciation, pressures on foreign exchange reserves, elevated inflation, higher discount rates, rising energy costs, and a contraction in selling prices. Despite these adversities, the Company remained resilient, maintaining its operational integrity and taking proactive measures to optimize efficiency and control costs.

#### **Future Outlook**

As we look ahead, we remain cautiously optimistic. While the steel industry continues to face headwinds from geopolitical tensions, political developments, currency volatility, and elevated borrowing costs, we anticipate that the economic environment will progressively stabilize. The Company is well-positioned to leverage emerging opportunities, strengthen its market presence, and deliver sustainable value to its stakeholders.

#### Acknowledgment

The Board wishes to place on record its deepest appreciation to our valued customers for their loyalty, to our trusted suppliers for their partnership, to our shareholders for their unwavering confidence, and to our employees and management for their dedication and hard work. We are equally grateful to all stakeholders whose support has been instrumental in the Company's journey. With their continued trust and collaboration, we are confident of achieving further progress and excellence in the times to come.

For and on behalf of the Board

Muhammad Ali Shafique Chaudhry Chief Executive Officer

Muhammad Zain ul Afaq Director

Lahore April 29, 2025

## BECO STEEL LIMITED CONDENSED QUARTERLY STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 31 MARCH 2025

		31-Mar-2025	30-June-2024
EQUITY AND LIABILITIES	Note	Rupees	Rupees
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			
124,962,510 (30 June 2024: 124,962,510) ordinary			
shares of Rs.10 each		1,249,625,100	1,249,625,100
Share Premium		1,999,250,200	1,999,250,200
Loan from directors	5	254,072,420	254,672,420
Revenue reserve		-	-
Accumulated profit/ (loss)		(215,561,696)	(418,500,625)
		3,287,386,024	3,085,047,095
Non current liabilities			-
Current liabilities			
Trade and other payable		3,406,076,418	3,960,771,737
Unclaimed dividend		4,911,563	4,911,563
Deferred tax liability		120,346,181	117,866,944
		3,531,334,162	4,083,550,244
Contingencies and commitments	6	6,818,720,186	7,168,597,339
ASSETS			7,100,057,005
Non current assets			2.7/2.070.0/0
Property, plant and equipment		3,676,096,425	3,762,870,968
Long term deposits		450,000	450,000
		3,676,546,425	3,763,320,968
Current assets			
Stock in Trade		1,666,723,950	2,137,557,970
Stores, spares and loose tools		528,059	264,500
Trade debts		981,801,653	938,018,505
Income tax due from Government		247,467,851	144,639,891
Trade deposits and short term prepayments		210,861,112	166,162,695
Other recieveable		158,627	-
Cash and bank balances		34,632,510	18,632,810
		3,142,173,762	3,405,276,371
		<u>6,818,720,187</u>	7,168,597,339

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

# BECO STEEL LIMITED CONDENSED QUARTERLY STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2025

		Nine Month ended		Quarter	ended
		31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
	Note	Rupees	Rupees	Rupees	Rupees
Sales		6,064,354,823	2,781,166,825	1,738,104,289	942,456,686
Cost of Sales	_	(5,642,489,593)	(2,679,606,004)	(1,659,329,185)	(892,049,969)
Gross profit		421,865,230	101,560,821	78,775,104	50,406,717
Distribution and selling expenses	[	763,000	921,030	-	-
Administrative and general expenses		118,269,348	51,006,514	44,979,480	4,833,028
Other operating expenses		23,953,822	3,567,945	1,983,739	145,000
		142,986,170	55,495,489	46,963,219	4,978,028
Operating profit /(loss)		278,879,060	46,065,332	31,811,885	45,428,689
Other income		123,191	143,197	11,456	-
Profit from operations	•	279,002,252	46,208,529	31,823,342	45,428,689
Finance cost		(258,889)	(1,156,399)	(59,224)	(221,900)
Profit before levies and taxation	•	278,743,363	45,052,130	31,764,118	45,206,789
Levies		_	_	_	_
Profit before taxation	•	278,743,363	45,052,130	31,764,118	45,206,789
Taxation		(75,804,434)	(34,764,584)	(21,726,303)	(11,780,707)
Profit/ (Loss) after taxation		202,938,929	10,287,546	10,037,815	33,426,082
	•				
Earning per share- basic and diluted	7	1.62	0.08	0.08	0.27

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

# BECO STEEL LIMITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Nine Months ended		Quarter ended		
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024	
Note	Rupees	Rupees	Rupees	Rupees	
Profit/(Loss) for the period	202,938,929	10,287,546	36,371,499	36,371,499	
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:	-	-	-	-	
Other comprehensive income for the period	-	-	-	-	
Total comprehensive income for the period	202,938,929	10,287,546	36,371,499	36,371,499	

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

#### BECO STEEL LIMITED

### CONDENSED QUARTERLY STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTH ENDED 31 MARCH 2025

						(Rupees)
		Loan from Revenue reserve Accumula		Accumulated		
	Share capital	Share premium	sponsors	General reserve	Loss / profit	Total equity
Balance as at 30 June 2023	1,249,625,100	1,999,250,200	254,672,420	-	(325,956,731)	3,177,590,989
Profit for the nine month ended						
31 March 2024	-	_	-	_	10,287,546	10,287,546
Loan from sponsor	-	-	-	-	-	-
Loan from sponsor repaid	-	-	-	-	-	-
Other comprehensive income for the nine month ended 31 March 2024	-	-	-	-	-	- -
Total comprehensive income for the nine month ended 31 March 2024	-		-	-	10,287,546	10,287,546
Balance as at 31 March 2024	1,249,625,100	1,999,250,200	254,672,420	-	(315,669,185)	3,187,878,535
Balance as at 30 June 2024 (Audited)	1,249,625,100	1,999,250,200	254,672,420	-	(418,500,625)	3,085,047,095
Profit for the nine month ended 31 March 2025	-	-	-	-	202,938,929	202,938,929
Loan from directors	-	-	-	-	-	-
Loan paid to directors	-	-	(600,000)	-		(600,000)
Other comprehensive income for the nine month ended 31 March 2025	-	-	-	-	-	-
Total comprehensive profit for the nine						
month ended 31 March 2025		<del>-</del>	(600,000)		202,938,929	202,338,929
Balance as at 31 March 2025	1,249,625,100	1,999,250,200	254,072,420		(215,561,696)	3,287,386,024

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF-EXECUTIVE OFFICER

DIRECTOR

# BECO STEEL LIMITED CONDENSED QUARTERLY STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTH ENDED 31 MARCH 2025

		Nine month ended	
		31-Mar-2025 31-March-20	
	Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		278,743,363	45,052,130
Adjustments for following items:			
Depreciation		108,537,393	49,017,206
Finance cost		18,304,584	1,156,399
		126,841,977	50,173,605
Operating profit before working capital changes		405,585,340	95,225,735
(Increase) / decrease in current assets			
Trade debts - unsecured but considered good		(43,783,148)	636,401,782
Loan and advances		-	-
Stock-in-trade		470,834,020	(21,298,909)
Stores, spares and loose tools		(263,559)	-
Trade deposit and prepayment		(44,698,417)	139,715,923
Other receivable		(158,627)	-
		381,930,270	754,818,796
Decrease / (decrease) in current liabilities			
Unclaimed dividend		-	-
Trade and other payables		(554,695,319)	(717,151,066)
		(554,695,319)	(717,151,066)
Cash generated from operations		232,820,291	132,893,465
Finance cost paid		(18,304,584)	(1,156,399)
Income tax paid		(176,153,157)	(105,070,133)
		(194,457,741)	(106,226,532)
Net cash used in operating activities		38,362,549	26,666,933
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(21,762,850)	(869,292)
Security deposit		-	-
Net cash (used in) / generating from investing activities		(21,762,850)	(869,292)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from directors		-	-
Repayment of loan from directors		(600,000)	-
Net cash flows generated from / (used in) financing activities		(600,000)	
Net increase / (decrease) in cash and cash equivalents		15,999,699	25,797,640
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		34,632,509	57,152,087

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

#### BECO STEEL LIMITED

#### SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH ENDED 31 MARCH 2025 (UN-AUDITED)

#### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.01 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.
- 1.02 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 BASIS OF PREPARATION

#### 2.01 Statement of Compliance

- (a) 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.

- (b) These condensed interim financial statements comprise the condensed interim statement of financial position of the company as at 31 March 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with notes forming part thereof.
- (c) These condensed interim statements are un-audited and also not subjected to limited scope review by the external auditors and being submitted to the shareholders as required by the Listing Regulation of Pakistan Stock Exchange Limited and Section 237 of the Company Act, 2017.
- These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended 30 June 2024. Comparative condensed interim statement of financial position has been extracted from annual financial statements for the year ended 30 June 30 2024, whereas comparatives for condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and related notes for the Nine month ended 31 March 2024 have not been subjected to review or audit.

#### SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

#### ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this un condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended 30 June 2024.

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 30 June 2024.

## BECO STEEL LIMITED SELECTED NOTES TO THE CONDENSED QUARTERLY FINANCIAL STATEMENTS FOR THE NINE MONTH ENDED 31 MARCH 2024 (UN-AUDITED)

			Un-Audited	Audited
		Note	31-Mar-25	30-Jun-24
			Rupees	Rupees
5	DIRECTOR'S LOAN	5.01	254,072,420	254,672,420

5.01

These are interest free loans from directors of the Company payable at the discretion of the entity. They do not pass the liability test and thus recorded as equity at face value. They will not be re-measured subsequently. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the directors' loan would be direct debit to equity as per TR-32 'Accounting Directors' Loan' issued by Institute of Chartered Accountants of Pakistan.

#### 6 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.

		Nine month er	nded	Quart	ter ended
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Note	Rupees	Rupees	Rupees	Rupees
		Nine month ended		Quar	ter ended
7	Basic earnings per share	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Profit/(Loss) for the period (Rupees)	202,938,929	10,287,546	10,037,815	33,426,082
	Weighted average number of				
	ordinary shares (Numbers)	124,962,510	124,962,510	124,962,510	124,962,510
	Earnings per share - Basic (Rupees)	1.62	0.08	0.08	0.27

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at 31 March 7.1 2025 and 2024 which would have any effect on the profit per share if the option to convert is exercised.

7.2 Decreases in EPS ratio due to geopolitical and Inflationary impact.

#### 8 TRANSACTIONS 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 quarterly financial statements are as follows:

	Nine month ended			Quarter ended	
	31-Mar-25 31-Mar-24 Rupees Rupees			31-Mar-25 Rupees	31-Mar-24 Rupees
Related Party Transaction					
Purchases from Beco Steel Ferrous And Non Ferrous Metal	682,792,824	11,159,858		193,097,243	11,159,858

#### 9 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.

#### 12 DATE OF AUTHORIZATION FOR ISSUE

These condensed quarterly financial statements were approved by the Board of Directors and authorized for issue on 28 April 2025.

#### 13 GENERAL

Figures have been rounded off to nearest of Rupee.

CHIEF EXECUTIVE OFFICER DIREC



