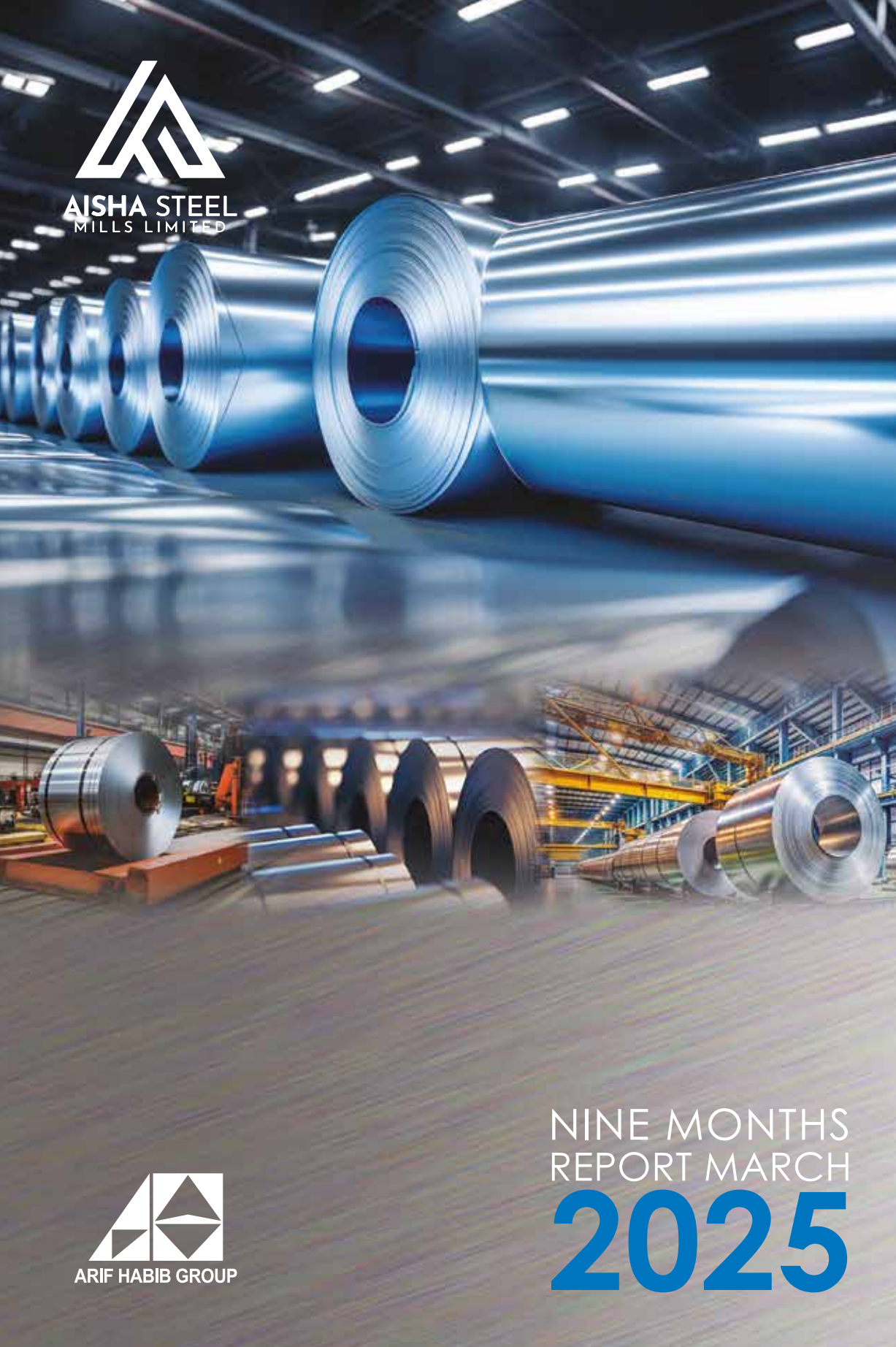




AISHA STEEL
MILLS LIMITED



ARIF HABIB GROUP

NINE MONTHS
REPORT MARCH

2025

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COMPANY OVERVIEW

We at ASML, ROLL raw steel, to a perfect shining sheet, incorporating both strength and resilience.

Unwavering support of our stakeholders, visionary leadership and hard work of our committed team is converting dreams into reality.





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.

COMPANY INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Mr. Nasim Beg
Mr. Samad A. Habib
Mr. Kashif A. Habib

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rashid Ali Khan – Chairman
Mr. Arif Habib
Mr. Kashif A. Habib

CHIEF FINANCIAL OFFICER

Mr. Ali Hassan

COMPANY SECRETARY

Mr. Manzoor Raza

HEAD OF INTERNAL AUDIT

Mr. Muhammad Abbas 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 Tayeb Ali & 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
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
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



Directors' Review Report

The Directors of Aisha Steel Mills Limited (ASML) present herewith the Directors' Review Report together with condensed interim financial statements of the Company for the third quarter ended March 31, 2025.

Steel Market Review

The HRC prices during the December 2024 and March 2025 quarter, remained stable at around US\$ 470, FOB China. The market is expected to remain at these levels. However, if the ongoing trade war between China and America escalates further, disruption in commodities prices, including HRC, can be anticipated. The Chinese HRC price, due to further export restrictions, may move downwards while American and European HRC price may rise.

The restriction elsewhere has resulted in further influx of Chinese CRC and HRC into Pakistan. The local mills had to reduce prices to push sales. The demand for CRC and GI has improved, but cheap imports are blocking an increase in local producers' share.

Operational Review

The total quantity sold during the July 2024 to March 2025 period was 95,528 tons compared to 119,676 tons sold during the corresponding period last year showing a decrease of about 20%. The export quantity was 6,294 tons compared to 18,185 tons exported during the corresponding period last year.

The total quantity produced during the period was 104,892 tons compared to 126,444 tons in the corresponding period last year, a decrease of about 17%. Low sales and high finance costs are the main reasons for the weak financial results of the Company.

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

	Nine Months Period Ended	
	March 2025	March 2024
	Rs. In Millions	
Revenue	21,793	31,436
Gross Profit	634	3,450
Finance Costs	(2,265)	(2,908)
Exchange (Loss) / Gain - Net	(24)	224
(Loss) / Profit before tax	(1,823)	87
(Loss) / Profit after tax	(1,385)	223
(Loss) / Earnings per share (PKR)	(1.56)	0.15

As cited in the last directors' report, the domestic flat steel industry has been significantly affected by the influx of Galvalume Coils from China, which are solely imported to avoid antidumping duties imposed by the National Tariff Commission on galvanized coils. The anti-circumvention case filed, against this misuse, in NTC is progressing well and outcome is expected within this financial year.

Future Outlook:

The ongoing trade war between America and China may bring down commodities prices. Both iron ore and coke prices are exhibiting a declining trend. The local demand is still slow but stable. However, the prices in America and Europe are rising and may open up export options for ASML.

Acknowledgement

The directors are grateful to the Company's stakeholders for their continuing confidence and patronage. We would also like to record our appreciation to the Banks for their continuous support in the ongoing operations. We also acknowledge the support of Regulators for their continued support.



Dr. Munir Ahmed
Chief Executive

For and on behalf of the Board



Mr. Nasim Beg
Director

Karachi: April 29, 2025

FINANCIAL STATEMENTS

FINANCE



Condensed Interim Statement of Financial Position

As at March 31, 2025 - (Unaudited)

As at March 31, 2025 - (Unaudited)		(Unaudited) March 31, 2025	(Audited) June 30, 2024
	Note	Rupees '000	
ASSETS			
Non-current assets			
Property, plant and equipment	5	19,704,833	19,624,339
Intangible assets		38,812	43,300
Long-term advances		294	294
Long-term deposits		73,479	68,601
Deferred tax asset		3,118,505	2,650,936
		<u>22,935,923</u>	<u>22,387,470</u>
Current assets			
Inventories	6	6,990,226	9,870,972
Trade and other receivables	7	1,355,261	2,930,930
Loans, advances and prepayments		515,166	554,932
Tax refunds due from government - Sales tax		387,437	-
Taxation - payments less provision		4,909,927	4,635,782
Cash and bank balances	8	336,045	217,072
		<u>14,494,062</u>	<u>18,209,688</u>
Total assets		<u><u>37,429,985</u></u>	<u><u>40,597,158</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital			
Ordinary shares		9,300,159	9,300,159
Cumulative preference shares		444,950	444,950
Difference on conversion of cumulative preference shares and dividends into ordinary shares		(1,762,459)	(1,762,459)
		<u>7,982,650</u>	<u>7,982,650</u>
Surplus on revaluation of property, plant and equipment		2,181,120	2,229,316
Capital reduction reserve		667,686	667,686
(Accumulated loss) / unappropriated profit		(509,664)	827,326
Contribution from sponsor	9	10,281,098	4,000,000
		<u>20,602,890</u>	<u>15,706,978</u>
Liabilities			
Non-current liabilities			
Long-term finance - secured	10	306,450	572,133
Lease liabilities		154,862	171,579
Employee benefit obligations		242,407	197,759
		<u>703,719</u>	<u>941,471</u>
Current liabilities			
Trade and other payables		981,427	2,943,108
Provisions		497,195	497,195
Short-term borrowings - secured	11	13,484,581	16,490,129
Sales tax payable		-	178,116
Unclaimed dividend		3,223	3,223
Current maturity of long-term finance		612,900	2,623,137
Current maturity of lease liabilities		32,718	22,272
Accrued mark-up		511,332	1,191,529
		<u>16,123,376</u>	<u>23,948,709</u>
Total liabilities		<u>16,827,095</u>	<u>24,890,180</u>
Contingencies and commitments			
	12		
Total equity and liabilities		<u><u>37,429,985</u></u>	<u><u>40,597,158</u></u>

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

Chief Financial Officer

Chief Executive

Director

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

For The Period Ended March 31, 2025

		Quarter Ended		Nine months ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Note	Rupees '000			
Revenue from contracts with customers	13	8,865,844	8,790,107	21,792,807	31,435,915
Cost of sales		(8,131,288)	(7,509,074)	(21,158,950)	(27,985,519)
Gross profit		734,556	1,281,033	633,857	3,450,396
Selling and distribution costs	14	(130,302)	(161,518)	(232,316)	(372,286)
Administrative expenses		(150,466)	(106,045)	(429,942)	(336,884)
Operating (loss) / profit		453,788	1,013,470	(28,401)	2,741,226
Other expenses	15	(15,745)	(977)	(23,920)	(18,046)
Other income	16	479,687	3,905	494,641	271,609
Finance costs	17	(482,178)	(990,976)	(2,264,884)	(2,907,924)
(Loss) / Profit before levies and income tax		435,552	25,422	(1,822,564)	86,865
Levies	18	(4,849)	-	(13,761)	-
(Loss) / profit before income tax		430,703	25,422	(1,836,325)	86,865
Income tax credit / (charge)	19	(113,612)	65,664	451,139	136,389
(Loss) / Profit for the period		317,091	91,086	(1,385,186)	223,254
Other comprehensive income		-	-	-	-
Total comprehensive (loss) / income		317,091	91,086	(1,385,186)	223,254
Rupees					
(Loss) / earnings / per share - basic and diluted	20	0.32	0.07	(1.56)	0.15

The annexed notes from 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 March 31, 2025 - (Unaudited)

	Share capital			Reserves			Contribution from sponsor (Note 9)	Total
	Ordinary shares	Cumulative preference shares	Difference on conversion of cumulative preference shares into ordinary shares	Capital	Capital reduction reserve	Revenue		
				Surplus on revaluation of property, plant and equipment		Unappropriated profit / (accumulated loss)		
	Rupees '000							
Balance as at July 1, 2023	9,300,159	444,950	(1,762,459)	2,116,203	667,686	925,176	4,000,000	15,691,715
Incremental depreciation net of deferred tax transferred	-	-	-	(38,550)	-	38,550	-	-
Total comprehensive income for the period ended March 31, 2024								
- Profit for the period	-	-	-	-	-	223,254	-	223,254
- Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	223,254	-	223,254
Balance as at March 31, 2024	9,300,159	444,950	(1,762,459)	2,077,653	667,686	1,186,980	4,000,000	15,914,968
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	-	-	-	(48,196)	-	48,196	-	-
Total comprehensive loss for the period ended March 31, 2025								
- Loss for the period	-	-	-	-	-	(1,385,186)	-	(1,385,186)
- Contribution received from sponsor - net	-	-	-	-	-	-	6,281,098	6,281,098
- Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	(1,385,186)	6,281,098	4,895,912
Balance as at March 31, 2025	9,300,159	444,950	(1,762,459)	2,181,120	667,686	(509,664)	10,281,098	20,602,890

The annexed notes from 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 March 31, 2025 - (Unaudited)

	(Unaudited) March 31, 2025	(Unaudited) March 31, 2024
	Rupees '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before levies and income tax	(1,822,565)	86,865
Add / (less): Adjustment for non-cash charges and other items		
Depreciation and amortisation	719,225	695,025
Mark-up charges	2,262,946	2,937,269
Unwinding of long-term finance	(15,887)	(28,640)
Finance lease charges	17,825	15,524
Provision for staff retirement benefit	60,104	26,253
(Gain) / loss on disposal of fixed assets	(469,771)	7,834
Return on PLS savings accounts	(7,487)	(15,680)
	2,566,955	3,637,585
Profit before working capital changes	744,390	3,724,450
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Inventories	2,880,746	(1,707,035)
Trade and other receivables	1,457,457	(553,855)
Loans, advances and prepayments	39,766	307,686
Tax refunds due from Government - Sales tax	(565,553)	(8,785)
	3,812,416	(1,961,989)
Increase / (decrease) in current liabilities		
Trade and other payables	(1,961,680)	858,315
Net cash generated from operations	2,595,126	2,620,776
Income tax paid	(304,335)	(615,561)
Mark-up on loans paid	(2,943,143)	(3,004,140)
Staff retirement benefit paid	(15,456)	(16,247)
Decrease / (increase) in long-term deposits	(4,878)	(1,749)
Net cash used in from operating activities	(672,686)	(1,016,921)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(210,692)	(624,524)
Return on PLS accounts	7,487	15,680
Sale proceeds from disposal of property, plant and equipment	3,443	13,183
Net cash used in investing activities	(199,762)	(595,661)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term finance	(2,260,033)	(1,046,939)
Short-term loan obtained	27,864,833	29,541,369
Short-term loan repaid	(30,141,974)	(27,126,392)
Contributions received from associated undertaking - net	6,281,098	-
Lease rental paid	(24,096)	8,996
Net cash generated from financing activities	1,719,828	1,377,034
Net increase / (decrease) in cash and cash equivalents	847,380	(235,548)
Cash and cash equivalents at beginning of the period	(1,553,853)	(1,807,095)
Cash and cash equivalents at end of the period	(706,473)	(2,042,643)

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

Chief Financial Officer

Chief Executive

Director

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (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

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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;
- 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 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, 2024.

2.2 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 beginning July 01, 2024. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements except as for:

Amendment to IAS 1 - Non - current liabilities with covenants:

Further, during the year an amendment to IAS 1 'Presentation of Financial Statements' (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities should be classified as either current or non-current based on the rights available at the end of the reporting period, without consideration of future expectations or events occurring after this date. The amendment also mandates specific disclosures if a liability is classified as non-current but is subject to covenants that must be complied with within twelve months of the reporting date.

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

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

There are standards 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 01, 2025. However, these are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and therefore, have not been disclosed in Financial Statements.

The following standard and amendment are not effective for the accounting periods beginning on or after 1 January 2024 and have not been early adopted by the Company:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

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 cash flows (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).

The management is in process of assessing the impact of above changes.

2.3 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 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 financial statements of the Company for the year ended June 30, 2024.

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, 2024.

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, 2024.

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
Rupees '000		

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets - note 5.1	17,341,717	17,363,371
Major spare parts and stand-by equipment	2,363,116	2,260,968
	<u>19,704,833</u>	<u>19,624,339</u>

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

	Additions (at cost)		Disposals / (reversals) (at net book value)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Rupees '000				
Owned assets:				
Building and civil works on leasehold land	-	5,379	-	-
Plant and machinery	86,609	174,600	(603,906)	-
Electrical equipment	-	18,413	-	-
Office equipment	4,191	10,176	443	329
Furniture and fixtures	-	-	-	-
Motor vehicles	-	15,956	-	-
Right of use assets:				
Motor vehicles	17,802	75,616	24,407	20,799
	<u>108,602</u>	<u>300,140</u>	<u>(579,056)</u>	<u>21,128</u>

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
Rupees '000		

6. INVENTORIES

Raw material [including in transit Rs. Nil (June 30, 2024: Rs. 2,331.09 million)]	1,591,968	7,010,170
Work-in-process	274,618	639,102
Finished goods [including coil end sheets Rs. 208.45 million (June 30, 2024: Rs. 106.07 million)]	3,591,898	764,380
	<u>5,458,484</u>	<u>8,413,652</u>
Stores	1,017,238	936,824
Spares	514,504	520,496
	<u>1,531,742</u>	<u>1,457,320</u>
	<u>6,990,226</u>	<u>9,870,972</u>

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
Rupees '000		

7. TRADE AND OTHER RECEIVABLES

Trade receivables - considered good:

Not yet due from related parties	-	1,557,254
Not yet due from other parties	646,841	562,279
	646,841	2,119,533

Other receivables:

Receivable from Etimaad Engineering (Private) Limited	138,485	138,485
Receivable from insurance company	550,000	668,212
Others	19,935	4,700
	708,420	811,397
	1,355,261	2,930,930

8. CASH AND BANK BALANCES

Cash at bank

Conventional

- On savings accounts - note 8.1	98,874	27,147
- On current accounts	179,316	133,313
	278,190	160,460

Islamic

- On savings accounts - note 8.2	31,022	50,455
- On current accounts	26,433	5,899
	57,455	56,354

Cash in hand	400	258
	336,045	217,072

8.1 At March 31, 2025, the rates of mark up on PLS savings accounts range from 10.5% to 11.5% (June 30, 2024: 18% to 20.5%) per annum.

8.2 These are shariah compliant bank balances and carry profit at rates ranging from 5% to 7% (June 30, 2024: 7.5% to 9.3%) per annum as at March 31, 2025.

9. CONTRIBUTION FROM SPONSOR

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 mark-up prior to ordinary shareholders of the Company.
- The financing shall carry mark-up at the rate of 3 month 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 mark-up to the Sponsor.
- During the period, the Sponsor made net additional investment of Rs. 6.28 billion under the same terms and conditions.

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

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 accrued markup as at March 31, 2025 in respect of the above mentioned agreement amounts to Rs. 2,307.82 million (June 30, 2024: Rs. 1,178.73 million).

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
Rupees '000		
10. LONG-TERM FINANCE - secured		
Loan under restructuring agreement - note 10.1	-	2,010,165
Loan for expansion project - note 10.2		
-Conventional	543,906	739,725
-Islamic	375,444	445,380
	919,350	1,185,105
	919,350	3,195,270
Less: Current maturity of long-term finance	(612,900)	(2,623,137)
	306,450	572,133

10.1 The facility carrying mark-up ranging from 6 months KIBOR plus 1% per annum to 6 months KIBOR plus 3.28% per annum on the outstanding amount excluding frozen mark-up. The entire amount of outstanding loan has been repaid during the period which includes an early payment of Rs. 1,635.17 million.

10.2 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.

	(Unaudited) March 31, 2025	(Audited) June 30, 2024
Rupees '000		
11. SHORT-TERM BORROWINGS - secured		
Short term finance facilities under:		
- Running finance under mark-up arrangement	1,042,518	1,770,925
- Istisna-cum-Wakala arrangement - Islamic	3,999,995	4,959,195
- Finance against Trust Receipts	8,442,068	9,760,009
	13,484,581	16,490,129

12. CONTINGENCIES AND COMMITMENTS

12.1 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, 2024.

12.2 Commitments

Commitments for capital expenditure outstanding as at March 31, 2025 amounted to Rs. 46.86 million (June 30, 2024: Rs. 163.37 million).

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

	(Unaudited)	
	March 31, 2025	March 31, 2024
Rupees '000		
13. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Local sale of goods - note 13.1	24,818,955	33,220,944
Sales tax	(3,526,731)	(4,989,585)
Rebates and discounts	(875,484)	(1,125,647)
	20,416,740	27,105,712
Exports	1,376,067	4,330,203
	21,792,807	31,435,915

- 13.1** This includes scrap sale of coil-end sheets net of sales tax amounting to Rs. 1.084 billion (March 31, 2024: Rs. 1.37 million).

14. SELLING AND DISTRIBUTION COST

This includes freight charges on export sales amounting to Rs. 150.34 million (March 31, 2024: Rs. 307.24 million).

15. OTHER EXPENSES

This includes exchange loss amounting to Rs. 23.9 million (March 31, 2024: Rs. Nil)

	(Unaudited)	
	March 31, 2025	March 31, 2024
Rupees '000		
16. OTHER INCOME		
Income from financial assets		
Return on savings accounts:		
- conventional	6,603	13,588
- Islamic	884	2,092
	7,487	15,680
Income from non-financial assets		
Scrap sales	17,383	31,761
Gain on disposal of operating assets	469,771	-
Exchange gain - net	-	224,168
	487,154	255,929
	494,641	271,609

17. FINANCE COSTS

Mark-up expense:		
- long-term finance	288,582	568,657
- impact of unwinding on long-term finance	(15,887)	(28,640)
- short-term borrowings	1,945,852	2,314,931
Finance lease charges	17,825	15,524
Bank and other charges	28,512	37,452
	2,264,884	2,907,924

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

		(Unaudited)	
		March 31, 2025	March 31, 2024
		Rupees '000	

18. LEVIES

Minimum tax - note 18.1	13,761	-
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18.1 This represent minimum tax under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRC 21/ IAS 37.

		(Unaudited)	
		March 31, 2025	March 31, 2024
		Rupees '000	

19. INCOME TAX CREDIT

Current		
- for the year	259,824	131,276
- prior year	3,295	-
Deferred	(714,258)	(267,665)
	<u>(451,139)</u>	<u>(136,389)</u>

20. (LOSS) / EARNINGS PER SHARE

20.1 BASIC

(Loss) / profit after taxation attributable to ordinary shareholders	(1,385,186)	223,254
Adjustment for cumulative preference share dividend	(70,257)	(83,913)
(Loss) / profit after taxation for calculation of basic		
(loss) / profit per share	<u>(1,455,443)</u>	<u>139,341</u>

Weighted average number of ordinary shares outstanding at the end of period (in thousand)	930,016	930,016
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Rupees

Basic (loss) / earnings per share	<u>(1.56)</u>	<u>0.15</u>
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20.2 DILUTED

Diluted earnings per share has not been presented for period ended March 31, 2025 as it has anti-dilutive effect on the earnings per share.

Notes to and Forming Part of the Condensed Interim Financial Statements

For The Period Ended March 31, 2025 - (Unaudited)

21. TRANSACTIONS WITH RELATED PARTIES

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

			(Unaudited)	
			March 31, 2025	March 31, 2024
Relationship	Name of company	Nature of transaction	Rupees '000	
Associated companies	Arif Habib Corporation Limited	- Finance facility utilised	3,650,000	1,490,000
		- Repayment of finance facility utilised	3,650,000	1,490,000
		- Long-term loan repaid	78,104	28,433
		- Mark-up on finance facilities	67,711	17,207
		- Mark-up on finance facilities paid	111,919	73,868
		- Guarantee commission	807	981
		- Guarantee commission paid	977	981
	Power Cement Limited	- Purchase of construction material	377	-
		- Payment made against purchase of construction material	377	-
		- Contribution received against expenses	4,500	-
	Rotocast Engineering Co. (Private) Limited	- Rent and maintenance	13,844	13,310
		- Rent and maintenance paid	13,844	13,310
	Arif Habib Development & Engineering Company	-Sales return during the period	319,081	-
		-Payment against sales return	374,349	-
Other related parties	Mr. Arif Habib, Chairman	- Contribution received from sponsors	8,281,098	-
		- Contribution repaid to sponsors	2,000,000	-
Key management personnel	Chief Executive Officer, Chief Financial Officer & Company Secretary	- Salaries and other employee benefits	23,025	21,292
		- Post retirement benefits	739	583
		- Post retirement benefits Paid	-	3,106
		- Meeting and other expenses	775	570
	Non-Executive Director			

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 April 29, 2025.



Chief Financial Officer



Chief Executive



Director



Arif Habib Centre 23,
M.T. Khan Road, Karachi - 74000
Tel: (021) 32468317, 34740160
Fax No. (021)34740151
Email: info@aishasteel.com
website: www.aishasteel.com

