


Purpose Precision Progress

ANNUAL REPORT 2025

A dark, industrial photograph of large metal coils in a factory setting. The coils are arranged in rows, and the background shows a complex network of pipes and structural elements. The lighting is dim, with some bright spots from overhead lights. The text is overlaid on the left side of the image.

We at Aisha Steel, MEASURE every move,
not just in numbers but in impact we create.
with purpose at our core, and progress
in our path, we calibrate for the future,
delivering with precision, without pause.

Purpose in Every Decision

We align every move with long-term
value for us, and for Pakistan.



The background of the slide is a photograph of a vast industrial warehouse. The floor is filled with numerous large, cylindrical coils of steel, stacked in neat rows that recede into the distance. The warehouse's structure is visible, featuring a high ceiling with a complex network of steel beams and a series of skylights that allow natural light to filter in, creating a pattern of light and shadow across the interior. The overall tone of the image is industrial and professional.

Built on a Philosophy of Purpose

At Aisha Steel Mills Limited (ASML), our purpose is to be a cornerstone of strength and innovation in the steel industry. We aim to empower industries and communities by delivering high-quality steel products that meet the evolving needs of our customers. Our purpose is rooted in creating value through sustainable practices, fostering partnerships, and contributing to the growth of the economy while ensuring the well-being of our stakeholders. By aligning our operations with this purpose, we strive to build trust, drive growth, and make a meaningful impact in the markets we serve.




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

AUDIT COMMITTEE

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

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

Chief Financial Officer

Mr. Ali Hassan

COMPANY SECRETARY

Mr. Manzoor Raza

HEAD OF INTERNAL AUDIT

Mr. A. Mirza

REGISTERED OFFICE

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

PLANT ADDRESS

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

AUDITORS

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

SHARE REGISTRAR DEPARTMENT

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

LEGAL ADVISOR

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

BANKERS / LENDERS

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

Website

www.aishasteel.com



Company Profile and Nature of Business



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

NATURE OF BUSINESS

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

Products

Cold Rolled Coils (CRC)

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

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

Hot Dipped Galvanized Coils (HDGC)

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

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

Markets

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

As per the Rating Report issued by VIS Credit Rating Company Limited on December 23, 2024, ASML’s credit rating has been reaffirmed at BBB+, reflecting adequate credit quality with reasonable and sufficient protection factors. The outlook has also been maintained as Stable, consistent with the previous year.

Complete report can be accessed at:

https://docs.vis.com.pk/RatingReports/OP_01018903009_00010189.pdf

Machinery and Production Process

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

1. **Push Pull Pickling Line**
This line cleans HRC by using acid solution to eliminate oxide scale and other deposits on the surface. After initiation of commercial operations of the new push pull pickling line from June 26, 2019 the total pickling capacity of ASML accounts to 850,000 tons per annum.
2. **Cold Rolling Mill**
The Rolling Mill is an integral part of the cold rolling complex. In this equipment the cleaned HRC is rolled into thin gauges at room temperature by applying hydraulic force through set of roles. Cold rolled steel possesses better surface enhanced strength and better dimensional accuracy compared to HRC. The output from this mill can be sold as “Full Hard CRC” or further processed into “Annealed CRC”.
3. **Batch Annealing Furnace**
Batch Annealing Furnace (BAF) transforms “Full Hard CRC” into “Annealed CRC” in controlled atmosphere furnaces. Currently the Company is equipped with 14 heating bells and 14 cooling bells with an annealing capacity of approximately 350,000 tons of CRC every year.
4. **Skin Passing and Recoiling Mills**
Skin passing is done to improve mechanical properties and achieve specified surface finish, hardness and flatness. After skin passing the finished product is passed through a recoiling line and coated with corrosion protection oil. The coil size is also adjusted according to the customer specifications.

Production process of HDGC from CRC is as follows:

1. **Surface Preparation**
The Full Hard CRC coils are degreased, pickled and then rinsed to remove impurities, scales and to prepare surface for application of zinc coating.
2. **Galvanizing**
Hot dip galvanizing is the process of coating steel with a layer of zinc by immersing the metal in a bath of molten zinc at a temperature of around 400-45

Geographical Location

We are located at:

- 1. **Registered Office Address:** 1/F Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan
- 2. **Factory Address:** DSU-45, Pakistan Steel, Down Stream Industrial Estate, Bin Qasim, Karachi, Pakistan
- 3. **Lahore Liaison Office:** 601-B, 6th Floor. City Tower, Main Boulevard, Gulberg II, Lahore, Pakistan
- 4. **Multan Liaison Office:** 606-A, 6th Floor. United Mall, Abdali Road, Multan, Pakistan
- 5. **Rawalpindi Liaison Office:** 514, 5th Floor, Kohistan Tower, Saddar, Rawalpindi

SIGNIFICANT FACTORS AFFECTING EXTERNAL ENVIRONMENT

Macro-Economic Factors Affecting Business

Global Overview

The global economy experienced a mixed trajectory, marked by slowing growth momentum amid persistent geopolitical tensions, elevated interest rates, and ongoing supply chain realignments. Advanced economies, particularly the U.S. and the Eurozone, maintained moderate growth supported by resilient labor markets and government spending, but tighter monetary policy and high borrowing costs constrained private investment and consumer demand. In contrast, emerging markets, especially in Asia, continued to drive global output, though challenges such as currency depreciation, rising external debt servicing costs, and volatile capital flows posed risks to financial stability. Trade volumes remained subdued compared to pre-pandemic trends, with protectionist policies and shifting energy dynamics influencing global commerce.

Global inflation, though moderating from its post-pandemic peaks, remained above long-term targets in most economies. Declines in energy and commodity prices helped ease cost pressures, but core inflation was sticky due to elevated service sector costs and wage growth. Central banks, particularly the U.S. Federal Reserve and the European Central Bank, adopted a cautious stance, balancing inflation control with concerns of slowing growth. Overall, the year reflected a transition phase—marked by efforts to stabilize inflation without derailing growth—while structural challenges such as climate change, technological shifts, and geopolitical fragmentation continued to define the outlook.

Local Economic Environment

Pakistan's economy in fiscal year 2024-25 remained under considerable stress, navigating a fragile recovery amid high inflation, tight monetary conditions, and fiscal consolidation measures tied to IMF program requirements. Economic growth stayed modest, supported mainly by improvements in agriculture and a partial rebound in the services sector, while industrial activity continued to face pressures from high energy costs, weak demand, and import restrictions. The external sector showed some stability as exports and remittances provided critical support, though the trade deficit remained wide due to reliance on essential imports. Despite these challenges, foreign exchange reserves saw some improvement with IMF disbursements and bilateral inflows, helping reduce immediate default risks.

Inflation remained elevated through much of the year, driven by high food and energy prices, though gradual easing was observed in the later months as global commodity prices softened and domestic supply improved. The State Bank of Pakistan maintained a cautious monetary stance to anchor inflation expectations, while fiscal authorities struggled to expand revenue mobilization and contain expenditure pressures. Persistent structural weaknesses—including a narrow tax base, energy sector inefficiencies, and governance challenges—continued to weigh on the country's economic resilience. Overall, FY 2024-25 reflected a year of stabilization rather than strong growth, with Pakistan striving to maintain macroeconomic discipline under external support while facing the need for deeper structural reforms to achieve sustainable recovery.

During FY 2025, inflationary pressures experienced a substantial decline, indicative of significant stability within the economy. The Consumer Price Index (CPI) inflation rate, which recorded 11.1 percent year-on-year in July 2024, represented a notable decrease from 28.3 percent in July 2023. This downward trajectory continued, with inflation dropping as low as 1.5 percent in February, followed by 0.7 percent in March and 0.3 percent in April, marking a multidecade low.

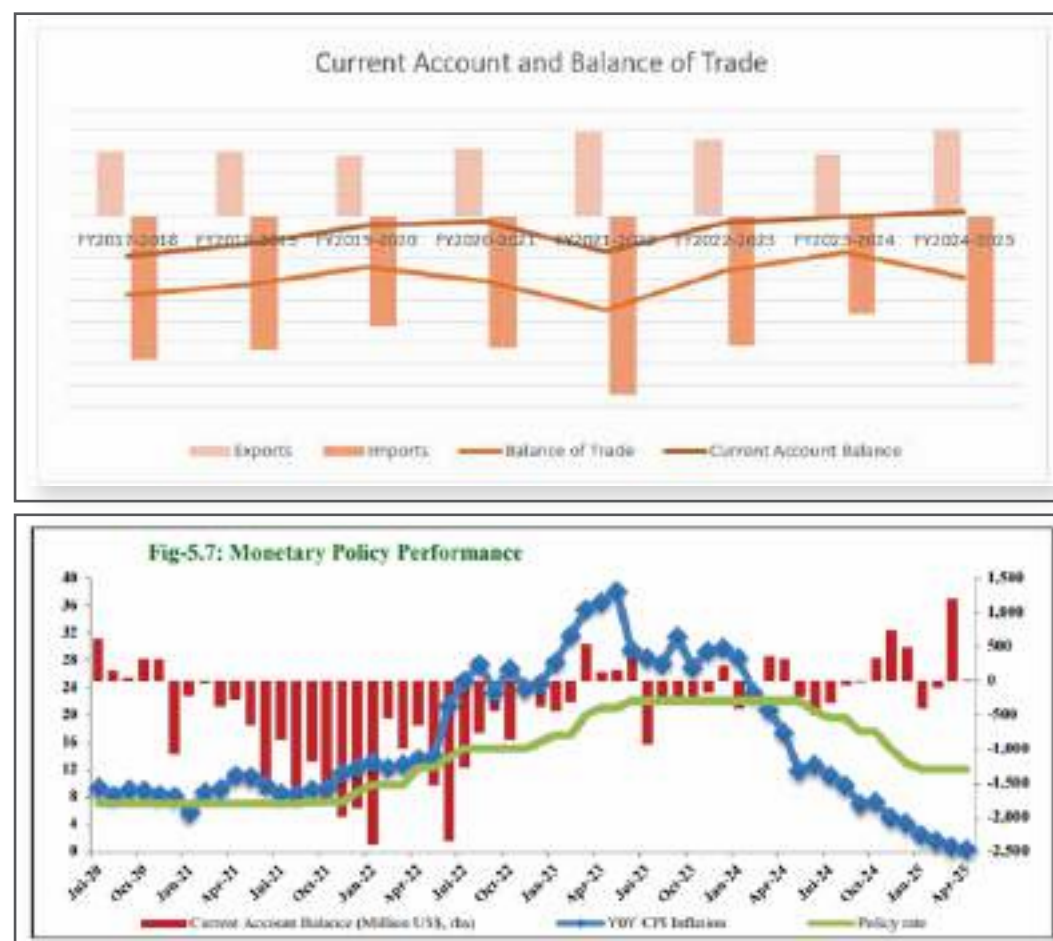


The government has effectively stabilized prices and enhanced the affordability of food and energy products for the general population by implementing a strategic combination of administrative measures, relief initiatives, and policy adjustments. This coordinated policy approach in Pakistan led to a significant drop in inflation, falling to 4.7 percent in April 2025 from 26.0 percent during the correspondence period in last year.

The ongoing efforts towards fiscal consolidation continue to reinforce fiscal discipline throughout the current fiscal year, underpinned by a substantial increase in revenues attributed to various tax policy and administrative measures and effective expenditure management. Thus, the fiscal deficit decreased to 2.6 percent of GDP during July-March FY 2025 from 3.7 percent the previous year. Additionally, the primary surplus 3.0 percent of GDP compared to 1.5 percent the previous year, facilitated by restrained non-markup expenditures.



Pakistan moved from a substantial current account deficit to a surplus in FY 2024-25. The current account recorded a surplus of US\$2.105 billion, compared to a deficit of US\$2.072 billion in FY 2023-24. Consequently, foreign exchange reserves also improved, with reserves rising to around US\$16.6 billion by May 2025, up from about US\$14.3 billion a year earlier. This turnaround was driven largely by strong remittance inflows (US\$38.3 billion), modest export growth, and efforts to restrain import growth.



Economic data has been collected from “Pakistan Economic Survey 2023-24”.

The government continues to prioritize economic stability by strengthening exports, attracting investment, and ensuring fiscal discipline. Sustained implementation of reforms and sound macro-economic management are expected to reinforce growth momentum, keeping the economy on track to achieve the medium-term target of 5.5 percent by FY2027. Ongoing efforts to manage the foreign exchange market have contributed to stability in the external sector and improved investor confidence. Inflation is projected to remain moderate in FY2026, aided by better agricultural performance, a resilient exchange rate, and relatively favorable global market trends

Micro-Economic Factors Affecting Business

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

Competition

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

Raw Material

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

Significant changes from prior year

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

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

The Flat Steel Sector

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

HRC prices gradually declined from around US\$ 530 FOB China in July 2024 to US\$ 450 by June 2025. The prices since have stabilized and showing sign of recovery following China policy changes restricting production to control environment pollution. The international steel market also witnessed radical tariff policy changes implemented by the current American administration, followed by reciprocal steps from the affected countries. The market is now readjusting as per the new norms and signs of stability are emerging. Demand is expected to gradually improve both in America, Europe and other countries.

Political Factors

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

Legal Factors

ASML was incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed in Pakistan Stock Exchange (PSX) since 2012. The Company prepares its financial statements in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The board promotes a culture of compliance with the applicable framework and with the help of professional legal counsels ensure adherence to the applicable laws, regulation and standards.

Technological Factors

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

SAP S/4 HANA

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

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

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

Management of Risks

To control risk factors in ERP, the Company:

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

System Security Assessment and Segregation of Duties

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

Imported versus Local Material and Foreign Currency Sensitivity

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

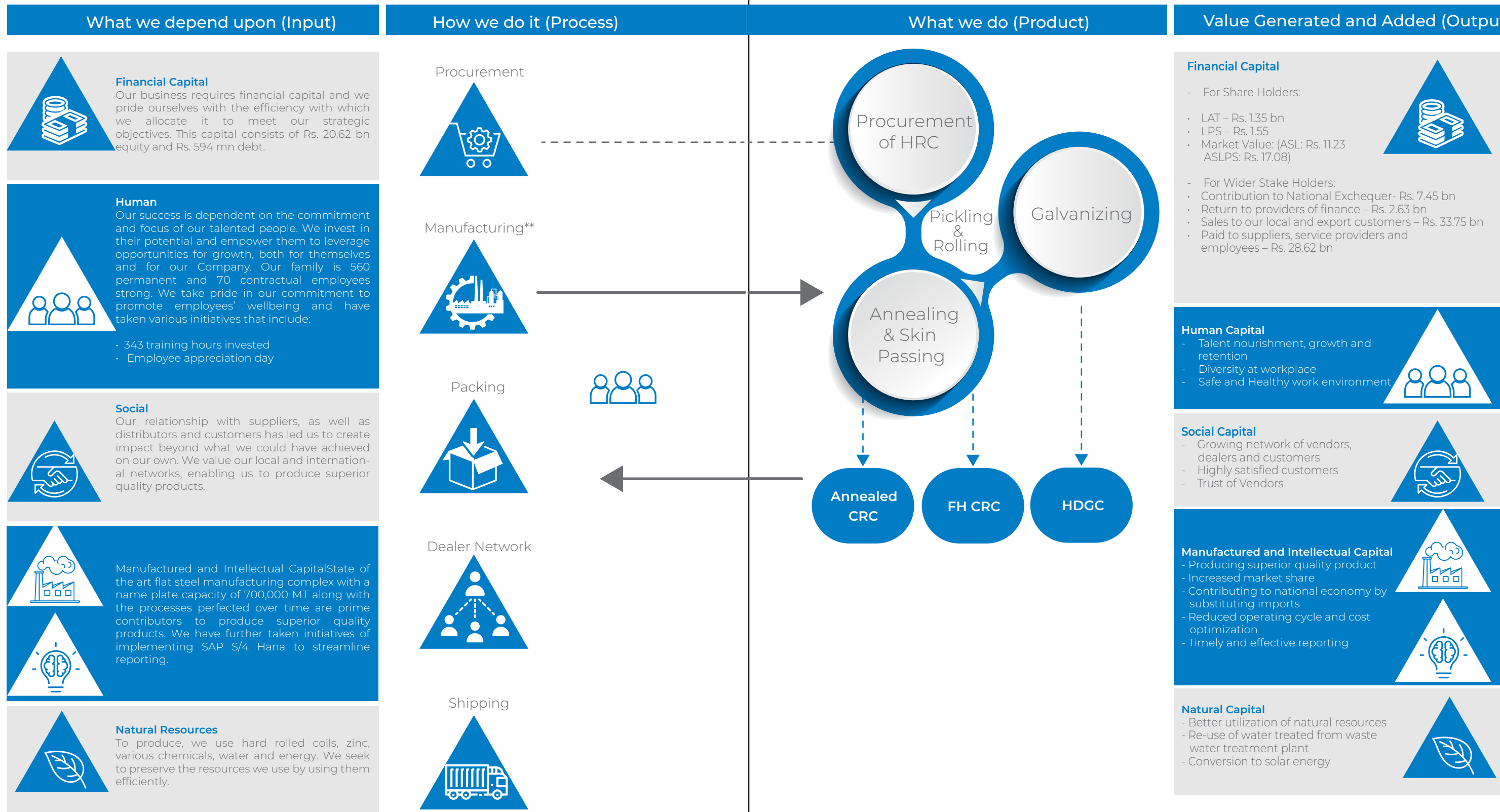
As at June 30, 2025, if the Pakistani Rupee had weakened / strengthened by 5% against US Dollar with all other variables held constant, loss before tax for the year would have been higher / lower by Rs. 22.6 million (2024: Rs. 98.01 million) mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated financial assets or liabilities.

Effect of seasonality

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

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

Business Model



Code of Business Conduct and Ethical Principles

Code of Business Conduct and Ethical Principles

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

1. Human Resource

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

2. Compliance with Laws and Regulations

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

3. Conflict of Interest

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

4. Books and Records

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

5. Fair and Ethical Conduct

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

6. Work Place Harassment

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

7. Confidentiality

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

8. Political Contributions and Activities

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

9. Health and Safety

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

10. Weapons and Drugs

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

11. Protecting Company's Assets

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

12. Non-Retaliation Policy

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

ORGANIZATION CHART



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Core Values

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

1. Integrity and Trust

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

2. Diversity and Fairness

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

3. Excellence

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

4. Teamwork and Team Development

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

5. Regulatory Compliance and Corporate Governance

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

6. Shareholders

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

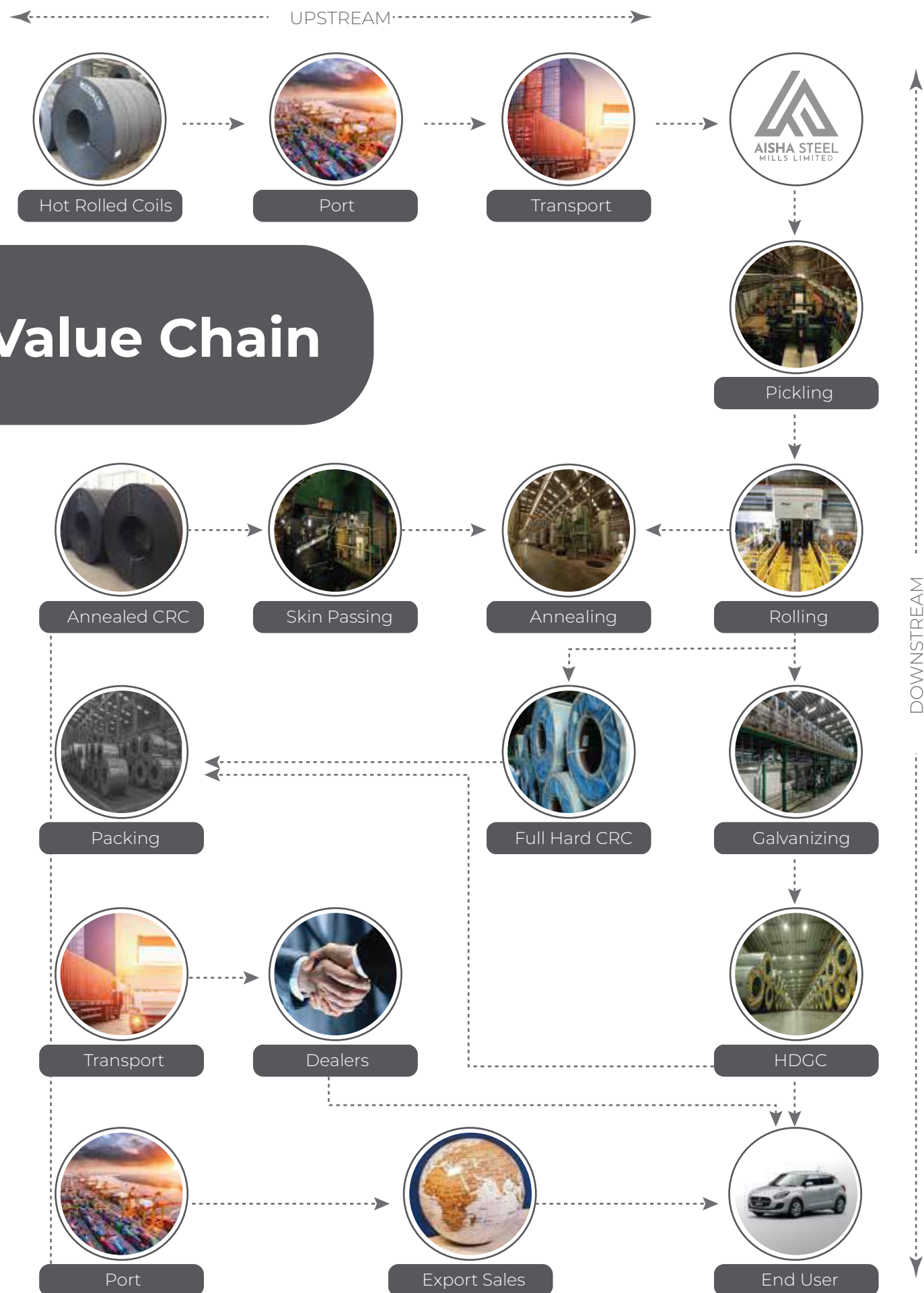
7. Customers

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

8. Ingenuity

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

Value Chain



Production Process of HRC

Sintering

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

Blasting

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

Casting

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

Heating Process

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

Finishing and Rolling

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

Cooling Stage

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

Production Process of CRC and HDGC

Production Process of CRC and HDGC has been mentioned in "Company Profile and Nature of Business". Please refer page no. 18

Calendar of Notable Events

August	14 th	2024	77 th Independence Day Celebrations
September	30 th	2024	97 rd Board of Directors Meeting
October	28 th	2024	20 th Annual General Meeting
October	29 th	2024	98 th Board of Directors Meeting
February	15 th	2025	ASML Annual Cricket Tournament
February	24 th	2025	99 th Board of Directors Meeting
April	09 th	2025	Recreational Activities and fun games for ASML employees
April	29 th	2025	100 th Board of Directors Meeting
June	19 th	2025	Blood donation Drive

Salient Policies In Place

IT Governance Policy

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

The IT Governance Policy consists of:

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

Whistle Blowing Policy

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

Fundamental elements of our Whistle Blowing Policy are highlighted below:

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

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

Corporate Social & Sustainability Responsibility

Corporate Social Responsibility

The objective of this policy is to serve as useful guiding principle to take initiative to contribute to harmonious and sustainable development of society and the earth through all business activities that ASML carry out and in the evaluation of proposals received from our various stakeholders for CSR projects, programs and activities.

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

Policy

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

CSR Policy Guidelines

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

- Education
- Health
- Community Building

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

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

Sustainability

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

HR Management and Succession Planning

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

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

1. Achieving an effective utilization of human resources in the achievement of goals of the Company.
2. Establishing and maintaining an adequate organizational structure and a desirable working relationship among all the members of ASML by dividing of organization tasks into functions, positions, jobs and by defining clearly the responsibility, accountability, authority for each job and its relation with other jobs / personnel in the organization.
3. Securing the integration of the individuals and groups with an organization, by reconciling individual / team with those of an organization in such a manner that the employees feel a sense of involvement, commitment and loyalty towards it.

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

Succession Planning

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

The objectives of succession planning are as follows:

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

Social and Environmental Responsibility Policy

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

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

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

Quality Management

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

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

Our Quality Management system includes:

- Analysis of imported HRC by using testing methodology of visual dimensional, chemical and mechanical properties.

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

Safety of Records

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

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

Conflicts of Interest Policy

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

Management of Conflict of Interest

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

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

Stakeholders’ Engagement Policy

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

Our Investor relation policy includes the following:

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

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

Policy for Directors' Remuneration

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

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

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

The Chief Executive is the sole Executive Director on the Board. Non-Executive Directors are entitled to a fee of PKR 50,000 per Board meeting and PKR 25,000 per Committee meeting, along with reimbursement for travel-related expenses. These rates are subject to revision by the Board. During the year under review, PKR 1.43 million was paid to Non-Executive Directors for attending Board and Committee meetings, including related expenses. Details regarding the Chief Executive's and Executives' remuneration, as well as payments to Non-Executive Directors, are also disclosed in Note 38 to the Audited Financial Statements.

Anti-harassment Policy

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

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

- The Company has displayed copies of the Code of Conduct at prominent locations across all offices and operational sites to ensure accessibility and awareness among employees.

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

Diversity, Equity & Inclusion (DE&I)

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

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

Commitment in Action

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

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

Our Path Forward

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

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

Policy for Security Clearance of Foreign Director

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

Investor Service Centre and Grievances Policy

Investor Service Centre

ASML share department is operated by CDC Share Registrar Services Limited. It also functions as Investor Service Centre managed by well-experienced team of professionals and equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the Registrar function. Investor queries may simultaneously be addressed to the team at the Registrar Office and Company Secretary at ASML Registered Office. Contact details for investor queries shall be mentioned on the website <http://www.aishasteel.com/shareholder-information/>

Investors’ Grievance Policy

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

Business Continuity and Disaster Recovery Plan

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

Business Continuity Planning

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

Disaster Recovery Planning

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

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

Related Party Transactions

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

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

Gender Pay Gap Statement

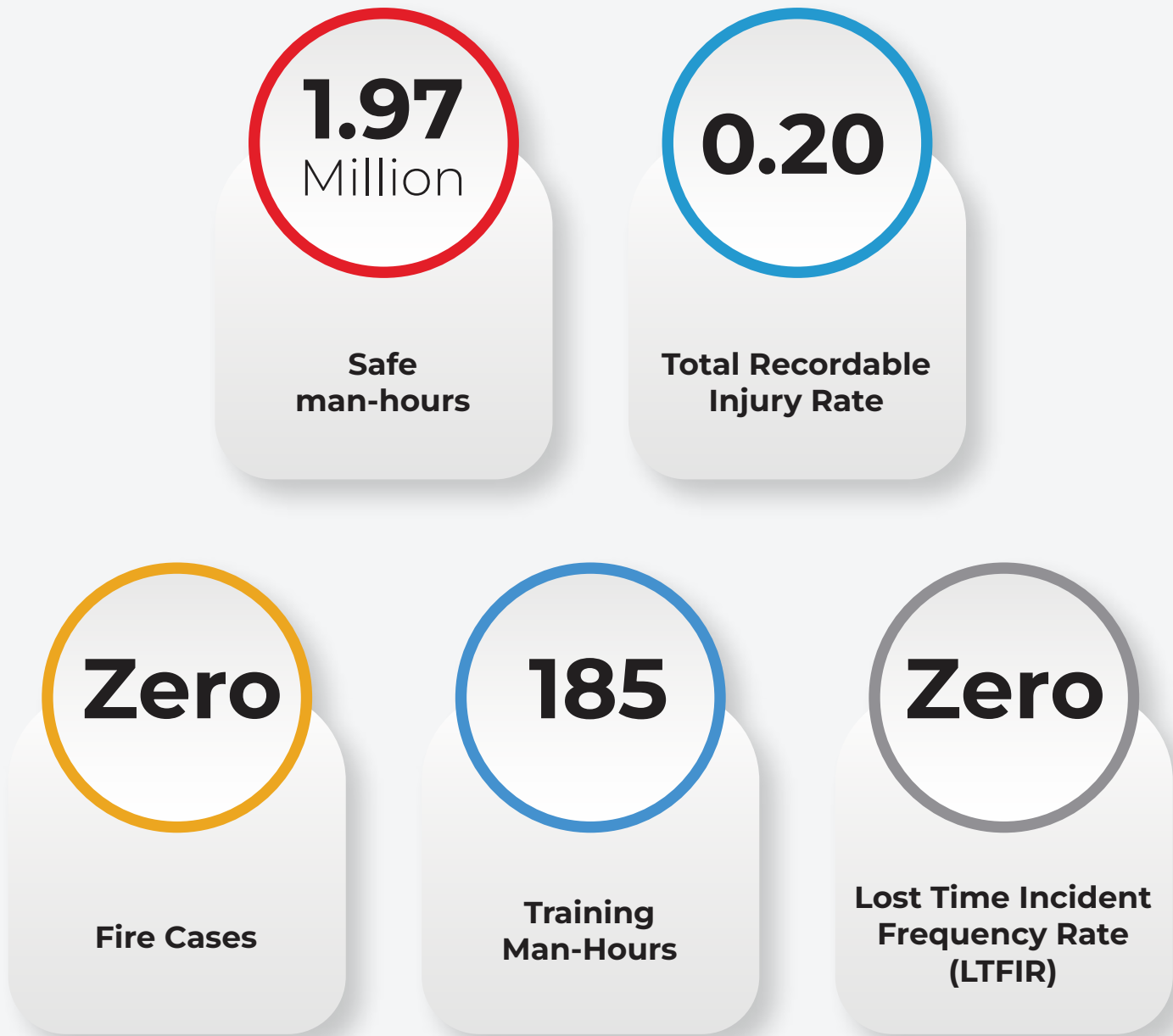
ASML is committed to fostering diversity, equity, and inclusion in line with SECP's Circular No. 10 of 2024 and the Prime Minister's Women Empowerment Package (PM-WEP 2024). In compliance with these regulations, the Company has adopted a Gender Pay Gap Policy which ensures that employees are compensated fairly, based solely on qualifications, role, and performance, without any gender-based discrimination.

The policy also emphasizes transparent career progression, equal opportunity in promotions and development programs, and maintaining consistency in pay structures. We believe these practices promote workplace fairness, enhance morale, and are essential for long-term sustainable growth.

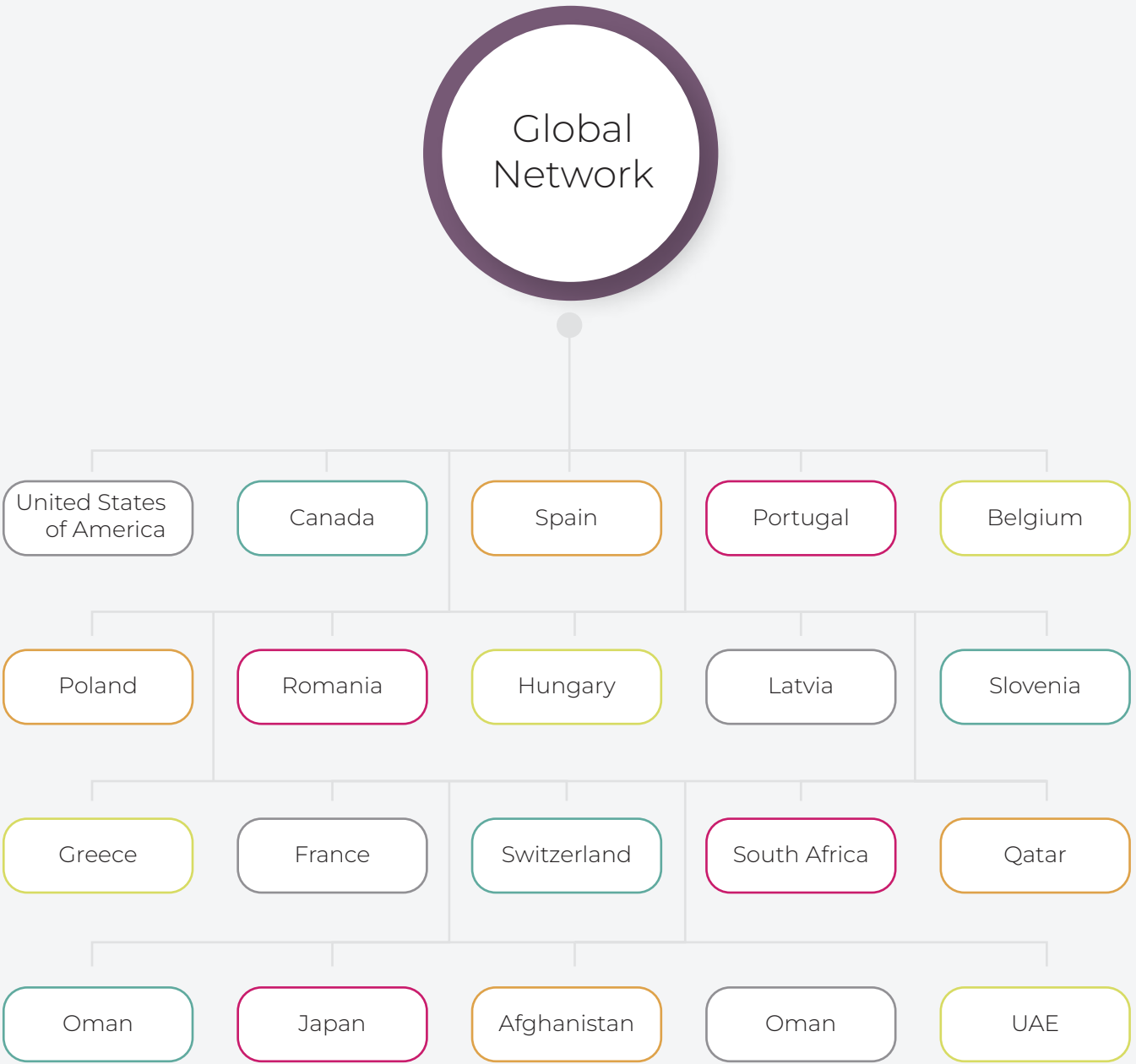
Following is the gender pay gap calculated for the year ended June 30, 2025:

Description	Gender Pay Gap
Meangender pay gap	(151%)
Median gender pay gap	(1.57%)

Health and Safety Statistics



Regional and Global Network



A close-up photograph of two hands reaching towards each other, palms facing up, in a gesture of agreement or partnership. The hands are positioned over a wooden desk. In the foreground, there are several sheets of white paper, a silver pen, and a wooden gavel. The background is slightly blurred, showing a person in a dark suit and another person in a blue and white striped shirt. The overall scene suggests a formal business or legal setting.

Governance

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

– Alan Mulally

DIRECTORS' PROFILE



Mr. Arif Habib
Chairman

Mr. Arif Habib is the Chairman of Arif Habib Group and Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of Fatima Fertilizer Company Limited, Power Cement Limited, Aisha Steel Mills Limited, Javedan Corporation Limited (the owner of Naya Nazimabad), Sachal Energy Development (Pvt) Limited and Arif Habib Dolmen REIT Management Limited.

Mr. Arif Habib remained the elected President / Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatization Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee.

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

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

Other Corporate Responsibilities:

As Chairman

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

As Director

- Arif Habib Corporation Limited (Chief Executive)
- Arif Habib Equity (Pvt) Limited
- Arif Habib Consultancy (Pvt) Limited
- Fatima Cement Limited
- International Builders and Developers (Pvt) Limited
- NCEL Building Management Limited
- Pakarab Energy Limited
- Pakistan Business Council
- Pakistan Engineering Company Limited
- Pakistan Opportunities Limited
- Naya Nazimabad IT Park Limited
- Pakarab Fertilizers Limited

As Honorary Trustee/Director

- Habib University Foundation
- Karachi Education Initiative
- Memon Health and Education Foundation
- Memon Educational Board
- Pakistan Centre for Philanthropy



Dr. Munir Ahmed
Chief Executive Officer

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

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

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



Mr. Abdus Samad Habib

Non-executive Director

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

In 2004, Mr. Abdus Samad Habib joined Arif Habib Limited leading the company as its Chairman and Chief Executive. He played a key role in shaping the strategic direction of the company where he specialized in capital market operations and corporate finance. Several noteworthy Initial Public

Offerings (IPOs) and successful private placements took place under his stewardship, showcasing his exceptional financial acumen and deep market insight.

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

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

Other Corporate Responsibilities:

As Chief Executive

Javedan Corporation Limited
Safemix Concrete Limited

As Chairman

NN Maintenance Company (Pvt) Limited

As Director

Arif Habib Dolmen REIT
Management Limited

Arif Habib Equity (Pvt) Limited
Arif Habib Foundation
Arif Habib Development and
Engineering Consultants (Pvt) Limited
Black Gold Power Limited
Nooriabad Spinning Mills (Pvt) Limited
Memon Health and Education
Foundation
Pakistan Opportunities Limited
Power Cement Limited
Rotocast Engineering Company
(Pvt) Limited
Sapphire Bay Development
Company Limited
Sukh Chayn Gardens (Pvt) Ltd
Sachal Energy Development (Pvt) Limited



Mr. Nasim Beg

Non-executive Director

Mr. Nasim Beg is the Chief Executive Officer of Arif Habib Consultancy (Pvt) Limited.

He qualified as a Chartered Accountant in 1970 and over the decades has had experience in manufacturing, as well as in financial services, both within and outside the country. He joined the Group in the year 2000 to conceive and set up an Asset Management Company, namely Arif Habib Investments, which became the market leader and was converted into a joint venture with MCB in 2011 to benefit from the bank's branch network.

The Group's shareholding in this company was sold to MCB in 2023. He has also been associated at top-level positions with other asset management and investment advisory companies.

Mr. Beg has also held senior level responsibilities in the automobile industry. During his tenure as the Chief Executive of Allied Precision (a subsidiary of the Allied Engineering Group), he set up a green field project for the manufacture of sophisticated indigenous components for the automotive industry under transfer of technology licenses with Japanese and European manufacturers.

His initiation into the financial services business was with the Abu Dhabi Investment Company, UAE, where he was a part of the team that set up the company in 1977. He was the founding Chairman of the Institute of Financial Markets of Pakistan, which was sponsored by the Securities & Exchange Commission of Pakistan (SECP). He has served on several committees set up by the SECP for developing the Capital Markets, including the one that authored the Voluntary Pension System. He has also held the Chairmanship of the Mutual Funds Association of Pakistan. In addition, he has also been a member of the Prime Minister's Economic Advisory Council (EAC).

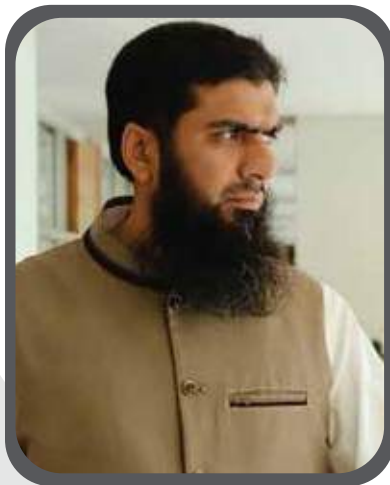
Other Corporate Responsibilities:

As Chief Executive

Arif Habib Consultancy (Pvt.) Limited

As Director

Arif Habib Corporation Limited
Power Cement Limited



Mr. Kashif Habib, FCA

Non-executive Director

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

He began his career at Arif Habib Corporation Limited, gaining valuable experience, and has since served for over a decade as an Executive Director in the Group's cement and fertilizer companies.

This exposure not only enriched his understanding of diverse corporate dynamics but also enabled him to refine his strategic decision-making capabilities.

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

Other Corporate Responsibilities:

As Chief Executive

Power Cement Limited (Chief Executive)

As Director

Fatima Fertilizer Company Limited
Javedan Corporation Limited
Arif Habib Equity (Pvt) Limited
Arif Habib Equity (Pvt) Limited
Arif Habib Foundation
Arif Habib Development and Engineering Consultants (Pvt) Limited
Black Gold Power Limited

Essa Textile And Commodities (Pvt) Limited
Fatima Cement Limited
Fatima Packaging Limited
Nooriabad Spinning Mills (Pvt) Limited
Pakistan Opportunities Limited
Rotocast Engineering Company (Pvt) Limited
Safemix Concrete Limited
Sachal Energy Development (Pvt) Limited
BioMasdar Pakistan Limited
All Pakistan Cement Manufacturers Association



Mr. Arslan Muhammad Iqbal

Independent &
Non – Executive Director

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

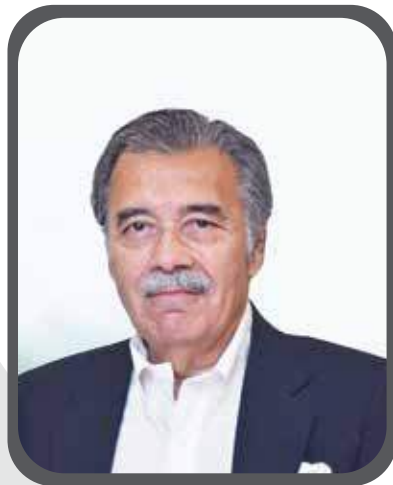
across different segments, and is also a subject matter expert on IFRS 9, Credit Modelling, and Risk Management.

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

Other Corporate Responsibilities:

Chief Risk Officer

Bank of Punjab



Mr. Rashid Ali Khan

Independent &
Non – Executive Director

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

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

Other Corporate Responsibilities:

As Director

Elementary Education Foundation
Hayatabad Medical Complex
Pakistan Engineering Company Limited



Ms. Saadia Umar

Independent &
Non – Executive Director

Ms. Saadia is a seasoned HR professional with over 20 years of diverse experience in human resource development, transformation, and organizational excellence. She is a founding partner at Uraan, where she leads advisory services in People & Change and Operational Excellence, helping organizations enhance performance, design effective structures, and implement sustainable HR strategies.

Prior to Uraan, Saadia held leadership roles at Aga Khan University and EY Ford Rhodes, where she established and scaled HR consulting practices. Her expertise spans HR transformation, executive remuneration, talent management, leadership development, organizational design, and people analytics. Saadia also serves as an Independent Director and Chair of the HR Committee and a member of the Audit & Risk Management Committee at Haleon Pakistan Limited. She holds an MBA from the Institute of Business Administration, Karachi.



Mr. Abdul Majeed

Independent &
Non – Executive Director

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

He began his career with ABN AMRO Bank in Dubai in 1978 and served the institution with exceptional dedication until 2000. During his 22-year tenure, he rose through the ranks to become ABN AMRO Bank Treasurer – UAE, a testament to his professional excellence and leadership capabilities. Mr. Siddique was known

for his conscientious approach, initiative, adaptability, and ability to consistently deliver strong results. He voluntarily resigned from ABN AMRO Bank, leaving behind a legacy of outstanding service and integrity.

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

Directors’ Report

Dear Fellow Shareholders

The directors of Aisha Steel Mills Limited (ASML) present herewith the Annual Report of the Company and the Audited Financial Statements for the year ended June 30, 2025 together with Auditors' Report thereon and a brief overview of the steel market and financial and operational performance of the Company.

Principal Activities

ASML produces Cold Rolled Coils (CRC) and Galvanized Iron Coils (GI) of international quality standards from imported Hot Rolled Coils (HRC). Company's products are used in automotive, industrial, engineering and manufacturing sectors as premier raw material for further processing into a wide variety of value-added products for domestic, as well as export markets. GI products are consumed in various applications, including building accessories, pipes, electrical appliances etc.

Steel Market Review:

HRC prices gradually declined from around US\$ 530 FOB China in July 2024 to US\$ 450 by June 2025. The prices since have stabilized and showing sign of recovery following China policy changes restricting production to control environment pollution. The international steel market also witnessed radical tariff policy changes implemented by the current American administration, followed by reciprocal steps from the affected countries. The market is now readjusting as per the new norms and signs of stability are emerging. Demand is expected to gradually improve both in America, Europe and other countries.

Steel demand in Pakistan is recovering as well. In the flat steel cold rolled sector, comprising mainly of CRC and GI, the overall demand has increased from 570,000 tons recorded in the FY 22-23, to 1,049,000 tons used in FY 2024-25, an increase of about 84%. However, the local producers could not benefit from the demand increase and only saw 3% increase in sales for the period. The imports in the same period increased by around 148%.

The incentive of sales tax-free import allowed to FATA/PATA region continued in the FY 24-25. However, from FY 25-26, FATA/PATA imports will be subjected to 10% sales tax instead of zero. The same is to be increased gradually each year to bring it in line with normal 18% applicable elsewhere in the country. This will make imports from FATA/PATA less attractive, and quantities sold in the open market are expected to come down substantially.

The commercial importers were also very active and found ways to circumvent Antidumping Duties (ADD) by misdeclaration CRC as HRC and importing alternate materials like ZAM and Galvalume in place of GI to avoid ADD.

The local producers had filed case in National Tariff Commission (NTC) to check circumvention of anti-dumping duties on similar application alternate materials. NTC, after due diligence and review process implemented ADD on the alternate products like ZAM and Galvalume. All such products will now be subject to ADD as applicable in case CRC and GI.

Both the above developments will help local flat steel producers to increase their market share. The capacity utilization of ASML is expected to improve in the financial year 2025-2026.

Company’s Performance Highlights

The total quantity sold during the July-2024-June 2025 period was 148,942 tons, out of which 25,456 tons were exports. The quantity sold in the corresponding period last year was 164,732 tons, showing a decrease of about 10%. The exports during the corresponding period last year were 21,135 tons.

The total quantity produced during the period was 162,599 tons compared to 159,444 tons produced in the corresponding period last year, showing a Increase of about 2%. The average inventory in the July-to-June period was 14,275 tons compared to 11,505 tons recorded in the same period last year.

The total revenue for the period remained Rs. 33.75 billion compared to Rs. 42.75 billion achieved last year, showing a decrease of about 21%.

The overall summary of performance is given below:

	FY 2024-25 Jul-Jun	FY 2024-24 Jul-Jun
Avg. Monthly CRC & GI Production	13,228	13,287
Average Monthly CRC & GI Dispatch	12,412	13,728
Average Monthly FG Stock CRC & GI	14,275	11,505

Production was almost same as last yearSales decreased by about 10%

The Financial Indicators

The quantity sold during FY 2024-25 was 10% less compared to the FY 2023-24 and revenue decreased by about 21%. The declining trend in the international HRC, CRC and GI prices and stiff competition from imports forced local producers to drop prices several times during the year. The gross profit margin was squeezed down to 4.94% compared to 8.9% achieved last year. The loss before tax was Rs. 1,666 million compared to Rs. 797 million losses recorded in the previous year. The table below depicts comparison with the last financial year.

Description	2025	2024
	Rs. In Million	
Revenue	33,752	42,750
Gross profit	1,667	3,831
Profit from operations	604	2,815
Finance Costs	2,732	3,861
Loss before tax	(1,666)	(797)
Loss after tax	(1,352)	(132)
	Loss per share in (Rupees)	
Basic	(1.55)	(0.26)

Low sale volume and the gross margin reduction are the main reasons causing a loss of PKR 1,352 million.

Future outlook

The FATA/PATA imports, from FY 2025-26, will be subjected to 10% sales tax, reducing its impact. The implementation of anticircumvention law by NTC will discourage imports of alternate products like GL and ZAM, providing opportunity to the local producers to increase their contribution. The HRC prices have stabilized and are expected to rise gradually going forward. The improvement in economic indicators and positive business sentiment is likely to generate further demand in the flat steel sector. The Company is confident and remains committed to increasing its market share and delivering sustainable returns for its shareholders in the long run.

Non-Financial Performance

Your Company has established itself as one of the leading quality producers, both in CRC and GI coils. It has well defined systems and procedures, as well as an experienced management team to successfully operate this world class facility. Continuous improvement in quality and productivity is the core operational philosophy. We recognize the need for enhancement in our marketing efforts to better compete in the market. We have set and achieved highest customer service and satisfaction standards in the industry. During the year, the Company conducted various training courses, both technical and behavioral for its human resource capital. Company adheres to all legal and regulatory stipulations and maintains strong relationship with all the stakeholders.

The skin pass mode of CRSM was restored soon after the fire accident of 2020. The rolling mode, however, remains suspended. The company has settled its claim with the insurance company. The rolling mode will be restored when the market demand recovers. This does not have adverse impact on our current production and sales as the demand is adequately met through the new rolling mill of 500,000 tons per year capacity.

Existing Operations and Market Share

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

The market share of ASML, in the year 2024-25 dropped to about 12% compared to 18% achieved in the previous year. The imports increased to 63% compared to 52% last year. The competitor’s share in the local market decreased 17% compared to 23% achieved last year. The new cold rolling facility, set up in Lahore accounted for the balance 8%. ASML exports increased to about 25,000 tons compared to about 20,000 tons last year.

Nature of Business

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

Raw Material Procurement

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

Risk Management

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

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

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

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

The detailed Qualitative Reports and Quantitative analysis on Risk Management is presented in Note no. 40 to the annexed audited financial statements.

Principal Risk Factors & Mitigants

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

Materiality Approach Adopted

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

Sustainability and DE&I Governance

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

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

Environment, Health & Safety

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

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

Corporate Social Responsibility (CSR)

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

ASML: An Employer of Choice

Diversity and Inclusion

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

Gratuity Scheme

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

Industrial Relations

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

Sporting and Other Activities

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

Contribution to the National Exchequer

Your Company takes its contribution towards national economy seriously and has always discharged its obligations in a transparent, accurate and timely manner. The Company has contributed over PKR 7,445 million during the year towards National Exchequer comprising of income tax, sales tax, custom duty and excise duty.

Corporate Governance

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

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

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

Six directors (including the Chief Executive Officer and a director resigned during the year under review) had completed the Directors' Training / Education Program whereas three directors were already exempt from attending the Directors Training Program as per criteria mentioned under Code of Corporate Governance.

Election of Directors

The Company in its Annual General Meeting held on October 28, 2023 had elected eight directors, to serve for a three year term commencing from October 31, 2023. The total strength of the post-election Board of Directors of the Company is eight (8) elected directors and the CEO of the Company who is a deemed director under section 188(3) of the Act. In accordance with the provisions of Section 161 of the Companies Act, 2017, the three years term of the elected directors will be completed in October 2026.

Composition of Board / Committees

The Board of Directors comprises eight elected members, including seven male and one female director. During the year under review, changes occurred in the Board due to resignations submitted by Mr. Salman Ahmed Khan and Ms. Tayyaba Rasheed. In addition, Mr. Abbas Mirza and Mr. Muhammad Haroon Usman, who had been appointed during the year to fill casual vacancies, also resigned. The Board ensured that all casual vacancies were filled within the prescribed timeframe. Subsequent to the year-end, Mr. Abdul Majeed and Ms. Saadia Umar were appointed as directors on July 14, 2025, in place of Ms. Tayyaba Rasheed and Mr. Muhammad Haroon Usman. The composition of existing Board of Directors and its Committees is as follows:

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

Trading in Company’s Share by Directors and Executives

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

During the year under review, there has been no trading in Company's shares by the directors and any “Executive” of the Company which are Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and other employees designated as General Managers in the Company, being the threshold set by the directors for disclosure in annual reports.

Attendance at Board Meetings

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

Directors Remuneration Policy

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

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

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

The Chief Executive is the sole Executive Director on the Board. Non-Executive Directors are entitled to a fee of PKR 50,000 per Board meeting and PKR 25,000 per Committee meeting, along with reimbursement for travel-related expenses. These rates are subject to revision by the Board. During the year under review, PKR 1.43 million was paid to Non-Executive Directors for attending Board and Committee meetings, including related expenses. Details regarding the Chief Executive's and Executives' remuneration, as well as payments to Non-Executive Directors, are also disclosed in Note 38 to the Audited Financial Statements.

Pattern of Shareholding

The ordinary and preference shares of the Company are listed on Pakistan Stock Exchange. There were 10,397 (2024: 10,998) ordinary shareholders and 2,118 (2024: 2,263) preference shareholders of the Company as of June 30, 2025. The detailed pattern of shareholding and categories of shareholding of the Company including shares held by directors and executives, if any, are annexed as Annexure-II.

Financial and Business Highlights

The key operating and financial data has been given in summarized form under the caption “Key Operational and Financial Data and its Analysis” (Page Number 134 and graphical representation of the important statistics is presented on (Page Number 156)

Audit Committee

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

Auditors

The present external auditors M/s. A. F. Ferguson & Co., Chartered Accountants, shall retire at the conclusion of Annual General Meeting on October 17, 2025 and being eligible, have offered themselves for reappointment for the year ending on June 30, 2026. The external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program. As suggested by the Audit Committee, the Board recommends reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants, as auditors of the Company for the financial year ending on June 30, 2026 at a fee to be mutually agreed. Approval to this effect will be sought from the shareholders in the forthcoming Annual General Meeting scheduled on October 17, 2025.

Compliance with Secretarial Practices

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


Related Party Transactions

In order to comply with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in Note no. 37 to the annexed Audited Financial Statements.

Acknowledgement


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

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



For and on behalf of the Board

Dr. Munir Ahmed
Chief Executive



Mr. Kashif Habib
Director

Karachi: September 9, 2025

Annexure I

Statement showing attendance at Board Meetings

From 1st July 2024 to 30th June 2025

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	4	4	4	-	-
Dr. Munir Ahmed	Chief Executive	4	4	4	-	-
Mr. Abdus Samad	Director	4	4	4	-	-
Mr. MuhammadKashif	Director	4	4	2	2	-
Mr. Nasim Beg	Director	4	4	4	-	-
Mr. Arslan M. Iqbal	Director	4	4	3	1	-
Mr. Rashid Ali Khan	Director	4	4	3	1	-
Mr. Salman Ahmed Khan	Director	4	-	-	-	Resigned on 5 July 2024
Mr. Abbas Mirza	Director	4	2	2	-	Appointed on 27 Aug 2024 and resigned on 7 February 2025
Ms. Tayyaba Rasheed	Director	4	3	2	1	Resigned on 15 April 2025
Mr. Muhammad Haroon Usman	Director	4	-	-	-	Appointed on 7 May 2025 and resigned on 27 June 2025

Statement showing attendance at Audit Committee Meetings

From 1st July 2024 to 30th June 2025

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Ms. Tayyaba Rasheed	Ex - Chairperson	5	3	2	1	Resigned on 15 April 2025
Mr. Samad Habib	A. Director	5	5	3	2	-
Mr. Kashif Habib	A. Director	5	5	4	1	-
Mr. Nasim Beg	Director	5	5	5	-	-
Mr. Muhammad Haroon Usman	Ex - Chairman	5	1	-	1	Appointed on 7 May 2025 and resigned on 27 June 2025

Statement showing attendance at Human Resource & Remuneration Committee Meeting

From 1st July 2024 to 30th June 2025

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Rashid Ali Khan	Chairman	1	1	-	1	-
Mr. Arif Habib	Member	1	1	1	-	-
Mr. Kashif A. Habib	Member	1	1	1	-	-

Statement showing attendance at Risk Management Committee Meeting

From 1st July 2024 to 30th June 2025

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

Statement showing attendance at Nomination Committee Meeting

From 1st July 2024 to 30th June 2025

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

Annexure II

Pattern of Shareholding (Symbol: ASL)

Categories of Shareholders as at June 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children	10	187,405,601	20.15
Associated Companies, undertakings and related parties	9	438,218,619	47.12
NIT and ICP	1	342,336	0.04
Banks Development Financial Institutions, Non-Banking Financial Institutions	5	27,571,512	2.96
Insurance Companies	5	7,617,240	0.82
Modarabas and Mutual Funds	8	4,278,803	0.46
General Public-Local	10,023	170,355,449	18.32
General Public-Foreign	214	2,450,038	0.26
Others	122	91,776,357	9.87
Total	10,397	930,015,955	100.00

Pattern of Shareholding (Symbol: ASL)

Categories of Shareholders as at June 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
Muhammad Arif Habib	3	187,391,789	20.15
Kashif Habib	1	10,301	0.00
Nasim Beg	2	3,211	0.00
Munir Ahmed	1	100	0.00
Rashid Ali Khan	1	100	0.00
Arslan Muhammad Iqbal	1	100	0.00
Associated Companies, undertakings and related parties			
Arif Habib Equity (Pvt) Limited	5	311,913,643	33.54
Arif Habib Corporation Limited	1	113,405,769	12.19
Arif Habib Limited	2	10,631,500	1.14
Fatima Fertilizer Company Limited	1	2,267,707	0.24
NIT and ICP	1	342,336	0.04
Banks Development Financial Institutions, Non - Banking Financial Institutions	5	27,571,512	2.96
Insurance Companies	5	7,617,240	0.82
Modarabas and Mutual Funds	8	4,278,803	0.46
General Public			
a. Local	10,023	170,355,449	18.32
b. Foreign	214	2,450,038	0.26
Others	122	91,776,357	9.87
Total	10,397	930,015,955	100.00

Pattern of Shareholding (Symbol: ASL)

Categories of Shareholders as at June 30, 2025

Shareholders holding 10% or more	Shares Held	Percentage
Muhammad Arif Habib	187,391,789	20.15
Arif Habib Equity (Pvt) Limited	311,913,643	33.54
Arif Habib Corporation Limited	113,405,769	12.19

Pattern of Shareholding (Symbol: ASL)

As at June 30, 2025

No. of Shareholders	Shareholdings’ Slab	Total Shares Held
2,178	1 to 100	70,600
1,959	101 to 500	712,092
1,324	501 to 1,000	1,197,049
2,439	1,001 to 5,000	6,856,549
850	5,001 to 10,000	6,941,054
320	10,001 to 15,000	4,145,678
1,249	15,001 to 500,000	91,189,355
43	500,001 to 1,500,000	35,538,045
12	1,500,001 to 2,500,000	23,717,469
15	2,500,001 to 15,000,000	94,808,424
5	15,000,001 to 80,000,000	188,848,963
1	80,000,001 to 150,000,000	113,405,769
2	150,000,001 to 200,000,000	362,584,908
10,397		930,015,955

Pattern of Shareholding (Symbol: ASLPS)

Categories of Shareholders as at June 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children	4	2,809,672	6.33
Associated Companies, undertakings and related parties	3	39,067,072	88.07
NIT and ICP	1	121,208	0.27
Banks Development Financial Institutions, Non-Banking Financial Institutions	3	169,575	0.38
Insurance Companies	3	322,123	0.73
Modarabas and Mutual Funds	-	-	0.00
General Public – Local	1,955	957,026	2.16
General Public - Foreign	3	67,901	0.15
Others	47	842,480	1.90
Total	2,019	44,357,057	100.00

Pattern of Shareholding (Symbol: ASLPS)

Categories of Shareholders as at June 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
Muhammad Arif Habib	1	2,804,458	6.32
Kashif Habib	1	3,208	0.01
Nasim Beg	2	2,006	0.00
Associated Companies, undertakings and related parties			
Arif Habib Corporation Limited	1	35,075,499	79.08
Arif Habib Equity (Pvt) Ltd	1	3,991,549	9.00
Nida Ahsan	1	24	0.00
NIT and ICP	1	121,208	0.27
Banks Development Financial Institutions, Non-Banking Financial Institutions	3	169,575	0.38
Insurance Companies	3	322,123	0.73
Modarabas and Mutual Funds	-	-	0.00
General Public			
a. Local	1,955	957,026	2.16
b. Foreign	3	67,901	0.15
Others	47	842,480	1.90
Total	2,019	44,357,057	100

Shareholders holding 10% or more	Shares Held	Percentage
Arif Habib Corporation Limited	35,075,499	79.08

Pattern of Shareholding (Symbol: ASLPS)

Categories of Shareholders as at June 30, 2025

No. of Shareholders	Shareholdings' Slab	Total Shares Held
1102	1 to 100	38,031
637	101 to 500	142,979
123	501 to 1,000	86,960
125	1,001 to 5,000	248,836
10	5,001 to 10,000	71,425
2	10,001 to 15,000	26,650
8	15,001 to 50,000	258,507
8	50,001 to 500,000	927,163
3	500,001 to 4,000,000	7,481,007
1	4,000,001 to 35,500,000	35,075,499
2,019		44,357,057

Pattern of Shareholding (Symbol: ASLCPS)

Categories of Shareholders as at June 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
	1	250	0.18
Associated Companies, undertakings and related parties			
	-	-	0.00
NIT and ICP			
	-	-	0.00
Non-Banking Financial Institutions			
Insurance Companies			
	-	-	0.00
Modarabas and Mutual Funds			
	-	-	0.00
General Public–Local			
	95	134,607	97.60
General Public–Foreign			
	1	900	0.65
Others			
	2	2,163	1.57
Total	99	137,920	100.00

Pattern of Shareholding (Symbol: ASLCPS)

Categories of Shareholders as at June 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
Abdus Samad Habib	1	250	0.18
Associated Companies, undertakings and related parties			
	-	-	0.00
NIT and ICP			
	-	-	0.00
Banks Development Financial Institutions, Non-Banking Financial Institutions			
	-	-	0.00
Insurance Companies			
	-	-	0.00
Modarabas and Mutual Funds			
	-	-	0.00
General Public			
a. Local	95	134,607	97.60
b. Foreign	1	900	0.65
Others	2	2,163	1.57
Total	91	137,920	100.00

Shareholders holding 10% or more	Shares Held	Percentage
Tahir Yaqoob	83,250	60.36

Pattern of Shareholding (Symbol: ASLCPS)

Categories of Shareholders as at June 30, 2025

No. of Shareholders	Shareholdings' Slab	Total Shares Held
43	1 to 100	1,173
36	101 to 500	11,151
6	501 to 1,000	5,635
12	1,001 to 5,000	29,231
1	5,001 to 10,000	7,480
1	10,001 to 85,000	83,250
99		137,920

Evaluation of Performance of Board of Directors Including Chairman

Annual Evaluation of Board's Performance and its Committees

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

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

Composition of Board and its Committees

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

Structure and Committees

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

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

Vision, Mission, Planning and Oversight

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

Board's and its Committees' Effectiveness

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

Evaluation of Chairman's Performance

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

Review Report by the Chairman

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

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

The Board during the year ended June 30, 2025, played an effective role in managing the affairs of the Company and achieving its objectives in the following manner :

- The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as required under the Code, and that members of the Board and its respective committees have adequate skill, experience and knowledge to manage the affairs of the Company;
- The Board has ensured that the Directors are provided with orientation courses to enable them to perform their duties in an effective manner;
- The Board has ensured that the meetings of the Board and that of its committees were held with the requisite quorum, all the decision making were taken through Board resolutions, and that the minutes of all the meetings (including committees) are appropriately recorded and maintained;
- The Board has developed and adopted a code of conduct setting forth the professional standards and corporate values adhered through the Company and has developed significant policies for smooth functioning;
- The Board has actively participated in strategic planning process, enterprise risk management system, policy development and financial structure, monitoring and approval;
- The Board has formed an Audit Committee, Human Resource and Remuneration Committee, Nomination Committee and Risk and Management Committee and has approved their respective terms of references and has assigned adequate resources so that the committees perform their responsibilities;
- The Board has developed and put in place the mechanism for an annual evaluation of its own performance and that of its committees and individual directors. The findings of the annual evaluation are assessed and re-evaluated by the Board periodically;
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision-making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;
- The Board has ensured that the adequate system of internal control is in place and is assessed regularly through self-assessment mechanism and / or internal audit activities;
- The Board has prepared and approved the Director's Report and has ensured that the Directors Report is published with the quarterly and annual financial statements of the Company and the content of the Directors Report are in accordance with the requirement of applicable laws and regulation;

- The Board has approved the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary and Head of Internal Audit, where required;
- The Board has ensured that adequate information is shared amongst its members in a timely manner and the Board members are kept abreast of developments between meetings; and
- The Board has exercised its powers in accordance with the relevant laws and regulations applicable on the Company, and the Board has always prioritized compliance with all the applicable laws and regulations in terms of their conduct as directors and exercising their power and decision making; and
- The evaluation of the Board's performance is assessed based on those key areas where the Board requires clarity in order to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risk faced by the Company's business; Board dynamics; capability and information flows.

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

Arif Habib
Chairman
Aisha Steel Mills Limited

CEO's Message

The overall steel demand in Pakistan is in the recovery phase. In the flat steel cold rolled sector, in particular, comprising mainly of CRC and GI, the overall demand has increased sharply from 570,000 tons recorded in the FY 22-23, to around one million tons in FY 2024-25, an increase of about 85%. The local producers, however, could not benefit from this surge and volume remained more or less stagnant. The imports, during the period, grew by a staggering 148%. The two main reasons attributable to rising imports were the incentive available to FATA/PATA and misdeclaration by commercial importers to avoid antidumping duties. Recent developments, as described below, will reduce impact of both the above factors and most likely improve share of local producers.

The sales tax-free import allowed to FATA/PATA region continued in the FY 24-25. However, from FY 2025-26, such imports will be subjected to 10% sales tax instead of zero. The same is to be increased gradually each year to bring it in line with normal 18% applicable elsewhere in the country. This will make imports from FATA/PATA less attractive.

The commercial importers found ways to circumvent antidumping duties by misdeclaration and also importing alternate materials like ZAM and Galvalume in place of GI to avoid ADD. To address this issue the local producers had filed case in National Tariff Commission (NTC) to check circumvention of anti-dumping duties on similar application alternate materials. NTC, after due diligence and review process implemented ADD on the alternate products like ZAM and Galvalume. All such products will now be subject to ADD as applicable in case CRC and GI.

The international steel market also witnessed radical tariff policy changes implemented by the current American administration, followed by reciprocal steps from the effected countries. The market is now readjusting as per the new norms and signs of stability are emerging. Steel exports from Pakistan will now be subject to 50% customs duty, instead of the previous 25%. Exports to America may become more challenging if the current duty structure sustains. However, exports to Europe and other countries may increase.

The total quantity sold during the July-2024-June 2025 period was 149,876 tons, out of which 25,456 tons were exports. The quantity sold in the corresponding period last year was 164,732 tons, showing a decrease of about 9%. The exports during the corresponding period last year were 21,135 tons. The total quantity produced during the period was 158,732 tons compared to 159,444 tons produced in the corresponding period last year, showing a increase of 2%

The total revenue for the period remained Rs. 33,752 billion compared to Rs. 42.749 billion achieved last year, showing a decrease of about 21%.

The declining trend in the international HRC, CRC and GI prices and stiff competition from imports forced local producers to drop prices several times during the year. The gross profit margin was squeezed down to 5.05% compared to 8.9% achieved last year. The loss before tax was Rs. 1,838 million compared to Rs. 958 million losses recorded in the previous year.

Looking forward, the HRC prices have stabilized and are expected to rise gradually. The improvement in economic indicators and positive business sentiment in the country is likely to generate further demand in the flat steel sector. The Company is confident and remains committed to increasing its market share and delivering sustainable returns for its shareholders in the long run.

Forward Looking Statement

HRC prices gradually declined from around US\$ 530 FOB China in July 2024 to US\$ 450 by June 2025. The prices since have stabilized and showing sign of recovery following China policy changes restricting production to control environment pollution. The international steel market also witnessed radical tariff policy changes implemented by the current American administration, followed by reciprocal steps from the affected countries. The market is now readjusting as per the new norms and signs of stability are emerging. Demand is expected to gradually improve both in America, Europe and other countries

The overall steel demand in Pakistan is in the recovery phase. In the flat steel cold rolled sector, in particular, comprising mainly of CRC and GI, the overall demand has increased sharply from 570,000 tons recorded in the FY 22-23, to around one million tons in FY 2024-25, an increase of about 85%. The local producers, however, could not benefit from this surge and volume remained more or less stagnant. The imports, during the period, grew by a staggering 148%. The two main reasons attributable to rising imports were the incentive available to FATA/PATA and misdeclaration by commercial importers to avoid antidumping duties. Recent developments, as described below, will reduce impact of both the above factors and most likely improve share of local producers.

The continuation of sales tax-free imports allowed to the FATA/PATA region during FY 2024-25 will change from FY 2025-26 onwards, with such imports becoming subject to 10% sales tax, gradually increasing each year until aligned with the standard 18% applicable nationwide. This change is expected to reduce the attractiveness of imports from these regions.

In addition, measures to counter the circumvention of anti-dumping duties by commercial importers—through misdeclaration and the import of alternate materials such as ZAM and Galvalume—have been reinforced. Following petitions by local producers, the National Tariff Commission (NTC) has extended anti-dumping duties to these alternate products, ensuring a level playing field across CRC, GI, ZAM, and Galvalume categories.

On the global front, significant tariff policy changes initiated by the current U.S. administration, along with reciprocal measures by affected countries, have reshaped international trade dynamics. While steel exports from Pakistan to the U.S. will now face 50% customs duty (up from 25%), creating challenges in that market, opportunities may expand in Europe and other destinations.

Looking ahead, Hot Rolled Coil (HRC) prices have stabilized and are anticipated to rise gradually. Coupled with improving economic indicators and a more positive business sentiment in Pakistan, this is expected to drive further demand in the flat steel sector. The Company remains confident in its ability to enhance market share, strengthen competitiveness, and deliver sustainable value to its shareholders over the long term.

Financial Projections

Based on the historical trends, enhanced capacity and diversified product portfolio, the Company expects to perform well in future. The Company's revenues are likely to multiply in the ongoing year. As mentioned above, the prices of HRC are likely to increase gradually in the near to medium term.

Company has expanded its international customer base during the year and strives to further expand in new markets, without compromising on its domestic market lead.

Sources of Information Used for Forecast

Projections are developed based on the historical trends and future expectations of the same. Macro and micro-economic indicators, local market demand, regulatory frameworks, monetary and fiscal policy, exchange rate fluctuations, internal capacity, and other variables form the basis of projections and forecasts. Further, internal functions also serve as key source of primary information, therefore, input is received from all departments including production, sales, human resource, engineering, electrical and administration.

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

Response to Challenges and Uncertainties Likely to Arise

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

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

Company's Performance against Last Year's Projections

Revenue during the current year is 29% lower than the targeted revenue of Rs.47.7 billion, while the Company has generated loss after tax of Rs.1.3 billion against the targeted profit after tax of Rs. 0.11 billion. The deviation from targets was primarily attributable to lower-than-expected sales volumes, compressed margins due to the declining trend in the international HRC, CRC and GI prices. Furthermore stiff competition from imports forced local producers to drop prices substantially during the year.

Future Research & Development initiatives

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



Board and Management Committees

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

Board Committees

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

Audit Committee

Members of Audit Committee on the Reporting Date

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

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

Frequency of meetings

Meetings of Audit Committee are held at least once in each quarter. During the year 2024 - 25, five meetings of the Audit Committee were held.

Salient Features and Terms of Reference of Audit Committee

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

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

At least once a year, the Audit Committee meets the external auditors without the CFO and the Head of Internal Audit being present. Further, at least once a year, the Audit Committee meets the Head of Internal Audit and other members of the internal audit function without the CFO and the external auditors being present. The CFO, the Head of Internal Audit and external auditors attend meetings of the Audit Committee at which issues relating to accounts and audit are discussed. In the absence of strong grounds to proceed otherwise, the Board of Directors acts in accordance with the recommendations of the Audit Committee.

Statement Showing Attendance at Audit Committee Meetings from July 01, 2024 to June 30, 2025

Details of attendance at Audit Committee have been mentioned in Annexure I of the Directors’ Report.

Human Resource & Remuneration Committee

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

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

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

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

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

The Terms of Reference of the Committee includes the following:

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

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

Statement Showing Attendance at HR&R Committee Meeting from July 01, 2024 to June 30, 2025

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

Nomination Committee

Members of Nomination Committee on the reporting date:

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

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

Salient features and Terms of Reference of Nomination Committee

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

The terms of reference of the committee includes the following:

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

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

Statement Showing Attendance at Nomination Committee Meeting from July 01, 2024 to June 30, 2025

Details of attendance at Nomination Committee have been mentioned in Annexure I of the Directors’ Report.

Risk Management Committee

Members of Risk Management Committee on the reporting date

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

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

Salient features and Terms of Reference of Risk Management Committee

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

The terms of reference of the committee includes the following:

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

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

Statement Showing Attendance at Risk Management Committee Meeting from July 01, 2024 to June 30, 2025

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

Management Committees

Management Executive Committee (MANCOM)

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

Following are members of MANCOM

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

Management HR Committee

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

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

Following are members of Management HR Committee

- | | |
|------------------------------|-------------------------|
| 1. Dr. Munir Ahmed, | CEO – Chairman |
| 2. Mr. Khawar A. Siddiqui, | Director Sales |
| 3. Mr. Farhatullah Siddiqui, | Head of Engineering |
| 4. Ms. Hina Akhtar, | Head of Human Resource |
| 5. Mr. Ali Hassan, | Chief Financial Officer |

Additional Information

Liquidity and Cash Management

During the year, the Company has successfully managed the liquidity position through close monitoring of the funding requirements and effective management of its financial resources. As at June 30, 2025, short-term borrowings of Rs. 15.07 billion (2024: Rs. 16.49 billion) and long-term finance of Rs. 593 million (2024: Rs. 3.19 billion) are outstanding. Decrease in long-term borrowing is due to repayment of debt. The average short-term borrowings have decreased during the year due to improved working capital requirements of the Company.

Currently, finance facilities of more than Rs. 9.93 billion are unutilized. The Company has a history of meeting its financial commitments on a timely basis. The management is confident that the Company will not face any liquidity issues ahead, as the Company has sustainable growth with increased revenues, product diversification and enhanced capacity.

Strategy to Overcome Liquidity Problems

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

Financing Arrangements

ASML enjoys healthy and cordial business relationships with its financiers and lenders. Thus, the Company has obtained short-term and long-term borrowing at attractive rates. Further, long term loan of Rs. 2.62 billion (2023: Rs. 1.36 billion) was repaid during the year, in line with repayment terms.

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

Adequacy in Capital Structure

Equity of the Company is increased by 31% to Rs. 20.62 billion on account of contribution from sponsor of Rs. 6.3 billion and decrease in accumulated profits. Equity mainly comprises of ordinary share capital of Rs. 9.30 billion representing 930 million ordinary shares. Major shareholders of the Company are Arif Habib Equity (Private) Limited, Mr. Arif Habib and Arif Habib Corporation Limited owning 32%, 20% and 15% of share capital of the Company, respectively.

Ownership Structure

As at June 30, 2025 shares of ASML are majorly held by below shareholders, detailed disclosure of ownership structure has been included as Annexure II of the Directors' Report (Page Number 68).

Name of Shareholder	% Owned
Arif Habib Equity (Private) Limited	32%
Mr. Arif Habib	20%
Arif Habib Corporation Limited	15%

Group Companies and Operating Structure

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

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

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

Significant Changes in Objectives and Strategies from Prior Years

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

Board's Composition

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

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

Board's Mode of Operation

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

Board Meetings held outside Pakistan

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

Directorships held by Executive Directors

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

Separate Office of Chairman and Chief Executive Officer

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

Role of Chairman

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

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

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

Role of Chief Executive Officer

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

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

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

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

Directors' Orientation and Training Program

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

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

Business Rationale of Major Capital Expenditure and Projects

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

During the year, net capital expenditure of Rs. 307.95 million has been incurred. Additions to operating assets and capital work in progress amounts to Rs. 229.28 million and Rs. 226.76 million respectively. These additions were off-set by disposal proceeds received during the year.

Issues Raised in Last Annual General Meeting

The Company’s Twentieth AGM was held on October 28, 2024. During the AGM, the shareholders inquired about the performance of the Company which were responded appropriately and to the satisfaction of the inquirer by the directors present in the meeting.

In response to a shareholder's question about the performance, the Chairman explained the cyclical nature of the business. He highlighted that during the expansion planning in 2016-17, annual national demand exceeded 1.2 million tons with an expected annual growth rate of 10%. However, subsequent challenges, including pandemic, supply chain disruptions, PKR depreciation, inflation, floods, and volatility in international steel prices, impacted growth expectations. Despite these challenges, the Chairman affirmed the Company's commitment to delivering sustainable returns for shareholders, supported by strong fundamentals and improving economic

Members raised various questions regarding production, sales, margins, market share, and future plans, all of which weresatisfactorily addressed by the management.

Compliance with International Financial Reporting Standards

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

The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Stand-ards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provi-sions of and directives issued under the Companies Act, 2017 have been followed.

Adoption of International Integrated Reporting Framework <IR>

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

Company’s Credit Rating

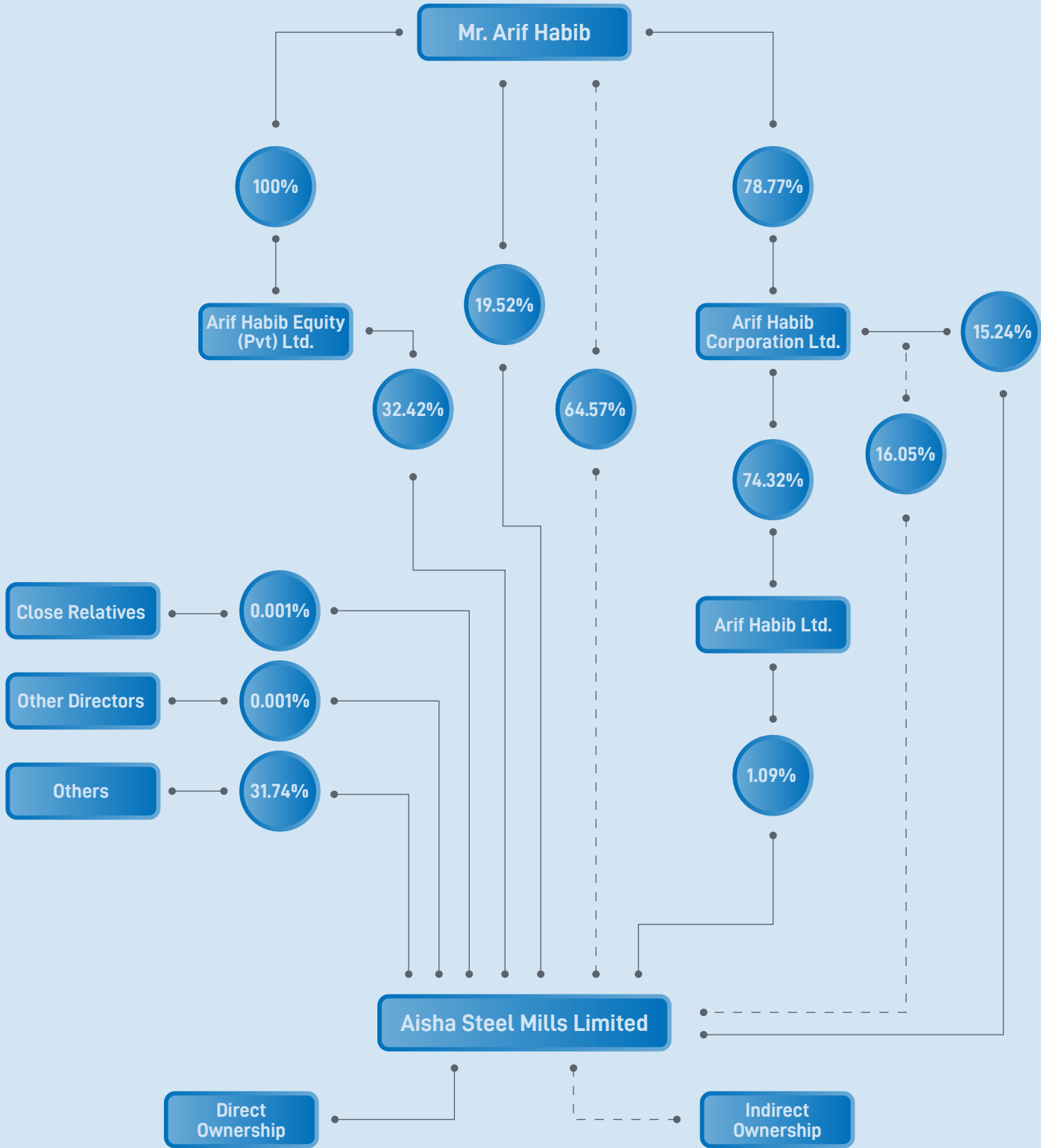
ASML’s credit rating has been reaffirmed at BBB+, reflecting adequate credit quality with reasonable and sufficient protection factors. The outlook has also been maintained as Stable, consistent with the previous year.

The rating report can be accessed at

https://docs.vis.com.pk/RatingReports/OP_01018903009_00010189.pdf

Beneficial Ownership and Group Shareholding

As at June 30, 2025



Competitive Landscape and Marketing Position

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

The Company expanded its annual production capacity from 220,000 tons to 700,000 tons at the end of FY 2019. During the year, with the versatile product mix, improved quality, and long-term customer trust the Company achieved a sales revenue of Rs. 33.75 billion (FY2024: 42.75 billion). Further, the Company is expecting to increase its outreach in international market and to further build-up on exports, while maintaining the lead in domestic market in the ongoing financial year

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

Power of Suppliers

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

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

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

Power of Customers

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

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

Competition and Rivalry

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

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

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

Threat of New Entrants

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

Threat of Substitute Products

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

Awards and Recognition



Best Corporate Report Award

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

Aisha Steel Mills Limited (ASML) has had the honor of participating in these awards for seven consecutive years, reflecting the Company's consistent commitment to high standards of reporting. ASML has secured 2nd Position in the Best Corporate Report Awards for 2019, 2020, 2021, and 2022, while also receiving Merit Certificates for FY2018 and FY2023.

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

Stakeholders' Engagement

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

Shareholders

Management of Engagement

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

Process of Engagement

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

Investors' Grievance Policy

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

Investors' Section

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

AGM Proceedings

The Company's Twentieth AGM was held on October 28, 2024. During the AGM, the shareholders inquired about the performance of the Company which were responded appropriately and to the satisfaction of the inquirer by the directors present in the meeting.

In response to a shareholder's question about the performance, the Chairman explained the cyclical nature of the business. He highlighted that during the expansion planning in 2016-17, annual national demand exceeded 1.2 million tons with an expected annual growth rate of 10%. However, subsequent challenges, including pandemic, supply chain disruptions, PKR depreciation, inflation, floods, and volatility in international steel prices, impacted growth expectations. Despite these challenges, the Chairman affirmed the Company's commitment to delivering sustainable returns for shareholders, supported by strong fundamentals and improving economic

Members raised various questions regarding production, sales, margins, market share, and future plans, all of which were satisfactorily addressed by the management.

Steps Taken to Ensure Board understands views of Shareholders

In order to increase understanding of our stakeholders, including shareholders, the Company conducted its corporate briefing sessions on November 19, 2024 through video conferencing facility. The session provided an opportunity to a variety of stakeholders including major shareholders, minority shareholders, banks and investment companies to connect with the Company. ASML welcomes such sessions and expects to conduct more of such sessions in the future.

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

Steps Taken to Encourage Minority Shareholders

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

Effect and Value of Engagement to ASML

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

Our Customers

Management of Engagement

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

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

Effect and Value of Engagement to ASML

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

Our Suppliers

Management of Engagement

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

Process of Engagement

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

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

Banks and Lenders

Management of Engagement

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

Process of Engagement

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

Effect and Value of Engagement to ASML

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

Employees

Management of Engagement

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

Process of Engagement

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

Effect and Value of Engagement to ASML

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

Regulators

Management of Engagement

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

Process of Engagement

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

Effect and Value of Engagement to ASML

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

Institutional Investors and Analysts

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

Summary of Analyst Briefing

VIS Credit Rating Company Limited (VIS)

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

https://docs.vis.com.pk/RatingReports/OP_01018903009_00010189.pdf

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

Frequency of Engagement with All Stakeholders

Frequency of engagement with ASML’s stakeholders is upon the requirement or as per applicable regulatory framework or to fulfil contractual obligations or on requirement basis. Further, ASML also conducts Corporate Briefing Sessions, to increase its understanding of the views of its stakeholders.

A blue wireframe illustration of a chess knight and a king piece on a dark background. The knight is positioned in the upper left, and the king piece is in the lower right. Both pieces are constructed from a network of glowing blue lines and dots, giving them a digital, geometric appearance. The background is a deep navy blue with subtle light effects.

Corporate Strategy

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

Pete Johnsona

corporate strategy

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

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

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

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

Strategic Objectives, Strategies, Resources and KPIs

Objective 01: Enhance Operational Efficiencies

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

Objective 02: Increase Sales

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

Objective 03: Contribute to Growth of the Country

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

Objective 04: Diversify Products and Services Offered

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






Objective 05: Optimize Costs

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

Objective 06: Ensure Health and Safety of People

Strategy	Ensuringhealth friendly conditions for employees. While also maintaining safety of everyone in all dimensions of operations of the Company.		
KPIs Monitored	Number of accidents, number of non-compliances of safety guidelines.		
Status	Continuous emphasis isin place to ensure compliance of safety guidelines. Each year safety drills are conducted to ensure that every one is equipped to cater with the challenges, if encountered.		
Future Relevance of KPIs	The KPI will remain relevant in the future as well.		
Opportunities and Threats	While safety is the first and foremost priority of ASML. Strict emphasis with no tolerance policy are in place to ensure compliance and safety however, the risk of accidents can only be reduced and cannot be eliminated.		
Nature	Resources Allocated		Priority
<div><div></div><div>Medium-term</div><div></div><div>Short-term</div></div>	<div><div></div><div>Financial</div></div>	<div><div></div><div>Human,</div></div> <div><div></div><div>Intellectual</div></div> <div><div></div><div>Manufactured</div></div>	<div><div></div><div>High</div></div>

Objective 07: Be a Responsible Corporate Citizen

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

Risk & Opportunity Report

Key Risks

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

Keys risks and Opportunities affecting the Company are explained below:

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

Nature	Type	Source	Likelihood	Magnitude	Capital
<div>Short-term</div>	<div>Business</div>	<div>Internal</div>	<div>Low</div>	<div>High</div>	<div>Manufactured Financial</div>

Objective

- Enhance operational efficiencies
- Increase sales

Mitigant Measures

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

Opportunities

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

Key Risk 2: Fluctuation in Foreign Currency Rates

Nature	Type	Source	Likelihood	Magnitude	Capital
<div>Short-term</div>	<div>Finance Risk</div>	<div>External</div>	<div>Medium</div>	<div>Mediium</div>	<div>Risk Financial</div>

Objective

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







Mitigant Measures

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

Opportunities

Devaluation in currency makes exports more viable.

Key Risk 3: Dumping of Imported Material

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

Objective

- Increase sales
- Contribute to the growth of the country







Mitigant Measures

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

Opportunities

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

Key Risk 4: Risk of Default in Payment by Customers

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

Objective

- Enhance operational efficiencies / Reduce credit risk







Mitigant Measures

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

Opportunities

Long term agreements with customers are backed by performance guarantees.

Key Risk 5: Increase in Input Cost

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

Objective

- Optimize costs







Mitigant Measures

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

Opportunities

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

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

Nature	Type	Source	Likelihood	Magnitude	Capital
 Medium-term	 Economic, Reputational	 External	 Low	 High	 Financial- Manufacture

Objective

- Increase sales
- Diversify product and services offered







Mitigant Measures

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

Opportunities

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

Key Risk 7: Increase in KIBOR Rates Amplifying Borrowing Costs

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

Objective

- Optimize costs
- Enhance operational efficiencies







Mitigant Measures

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

Opportunities

Higher returns on bank deposits

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

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

Objective

- Enhance operational efficiencies
- Increase sales







Mitigant Measures

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

Opportunities

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

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

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

Objective

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







Mitigant Measures

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

Opportunities

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

Key Risk 10: Turnover of Key Employees may Affect Operations

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

Objective

- Enhance operational efficiencies







Mitigant Measures

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

Opportunities

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

Key Risk 11: Natural Disasters and Climatic Uncertainties

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







Objective

- Enhance operational efficiencies
- Ensure health and safety of people

Mitigant Measures

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

Key Risk 12: IT Security Risk

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







Objective

- Enhance operational efficiencies

Mitigant Measures

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

Key Risk 13: Risk of Injuries During Operations

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







Objective

- Ensure health and safety of people

Mitigant Measures

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

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

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







Objective

- Enhance operational efficiencies

Mitigant Measures

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

Key Risk 15: Volatile Law and Order Situation

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







Objective

- Be a responsible corporate citizen

Mitigant Measures

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

Key Risk 16: Risk of Non-compliance with Law

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

Objective

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

Mitigant Measures

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

SUSTAINABILITY STRATEGY

The Company is fully committed to its responsibilities toward the people, environment, and climate of Pakistan. In line with this commitment and our dedication to promoting environmental and social sustainability, we have implemented the following:

- Identify and assess environmental and social impact associated with the operations of the Company;
- Adopt measures to avoid / mitigate those impacts;
- Establish and maintain a sound worker-management relationship;
- Promote fair treatment, non-discrimination and equal opportunities for workers;
- Protect and promote the health of workers, especially by promoting safe and healthy working conditions;
- Maintain detailed safety standards - Avoiding / minimizing pollution from operations;
- Identify opportunities for energy and resource efficiency improvements including waste reduction;
- Ensure that safeguarding of employees, labor and property is carried out in a legitimate manner that avoids or minimizes risks to the community's safety and security;
- Ensure that stakeholders are appropriately engaged on environmental and social issues that could potentially affect them through a process of meaningful consultation;
- Maintain a constructive relationship with stakeholders on an ongoing basis through meaningful engagement.

Strategy on Product, Service and Market development

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

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

Strategic Objectives on ESG reporting:

ASML's strategic objectives for ESG reporting are anchored in its vision to enhance transparency, foster trust, and align with both local and international sustainability frameworks. These objectives are structured around four pillars:

1. Compliance & Transparency

ASML is committed to full compliance with the SECP's ESG Disclosure Guidelines and the Code of Corporate Governance. The Company seeks to progressively align with global frameworks to enhance transparency, comparability, and stakeholder confidence in its disclosures.

2. Risk & Opportunity Integration

Sustainability-related risks and opportunities are being embedded into ASML's enterprise risk management framework. This approach enables proactive identification, assessment, and mitigation of climate, environmental, and social risks, while capturing opportunities in clean energy, circularity, and workforce development to drive competitive advantage.

3. Stakeholder Engagement & Accountability

ASML aims to strengthen engagement with key stakeholders—including regulators, investors, employees, and communities—by providing reliable, timely, and relevant sustainability information. The Company emphasizes accountability in disclosing how ESG strategies and performance align with stakeholder expectations.

4. Value Creation & Long-Term Resilience

Through measurable sustainability metrics and structured reporting, ASML seeks to demonstrate its contribution to national priorities such as climate resilience, energy transition, and industrial sustainability. The Company's ESG reporting underscores its commitment to long-term stakeholder value, resilience, and responsible corporate citizenship.

Company's Sustainability and Diversity, Equity & Inclusion:

The Board of Directors provides clear direction on the formulation and implementation of sustainability and Diversity, Equity & Inclusion (DE&I) strategies. In terms of sustainability, the focus areas include reduction of greenhouse gas emissions, energy efficiency, hazardous chemical handling, responsible water and resource management, waste minimization, and occupational health and safety. Further, in context of Diversity, equity and inclusion, the Company emphasizes gender balance, equal opportunity in recruitment and career development, inclusivity at all levels, and maintaining a safe and respectful workplace.

The Board periodically reviews management reports to monitor progress against defined priorities and targets. Where gaps or variances are identified, corrective actions are recommended to ensure effective implementation. These reviews also enable the Board to ensure that ASML's sustainability and DE&I agenda remains aligned with its corporate vision, stakeholder expectations, and evolving regulatory requirements.

Adoption of SECP's ESG Disclosure Guidelines:

The Board acknowledges the SECP ESG Disclosure Guidelines for listed companies and strongly supports their adoption as a means to enhance corporate accountability, sustainable future and stakeholder confidence. ASML is committed to progressively aligning its reporting practices with these guidelines by incorporating internationally recognized sustainability frameworks and standards into its disclosures. The Board has also directed management to establish internal systems and processes to collect, monitor, and report ESG data in a consistent manner, ensuring that the Company's disclosures reflect both regulatory expectations and industry best practices. Over time, ASML intends to further expand the scope of its ESG reporting to cover emerging areas such as supply chain sustainability, climate resilience, and community development, thereby demonstrating its long-term commitment to responsible and sustainable growth.

Board's Role in Sustainability & ESG Oversight

In line with the amended SECP "Listed Companies (Code of Corporate Governance) Regulations, 2019" via SRO 920/2024 (dated June 12, 2024), ASML's Board of Directors affirms its responsibility to oversee sustainability-related matters, including climate and ESG risks and opportunities, across the business. The Board is continuously monitoring sustainability requirements and ensures integration of sustainability into strategic decisions, risk management, resource allocation, and stakeholder accountability.

Sustainability Related Risk:

Time Horizon	Risks / Opportunities	Potential Impact on Financial Performance	Criticality	Mitigation / Strategic Response
Short Term	- Volatility in energy costs	Margin compression and reduced profitability	Medium	- Green energy initiative through solar power project.
	- Fluctuations in global steel prices			- Developing cost optimization strategies
	- Currency devaluation and exchange rate volatility			- Active Negotiation with banks and continuous monitoring of exchange rate
	- Exempt sales taxImports of CRC and GIpessures through FATA/PATA			- FBR initiative for curtailment of FATA/PATA imports through Finance Act.
Medium Term	- Climate change regulations and carbon pricing	Increased compliance costs, technical expertise and resources required	High	- Adoption of environmentally friendly practicesthrough training to employees for waste management
	- Shifting customer preferences toward sustainable steel products			- Proposal for investment in waste water treatment plant.
Long Term	- Transition to low-carbon technologies	Need for significant capex in clean technology; impact on global competitiveness	High	- Continually updating low carbon and state of the art plant and machinery
	- Government policy on zero GHG emissions			- Alignment withsustainability disclosure and local laws compliance

Sustainability Related Opportunities:

Time Horizon	Opportunities	Potential Positive Impact on Financial Performance	Strategic Response
Short Term	- Energy conservation and efficiency savings - Government incentives for local manufacturers	Lower operating costs; improved margins	- Implementing energysaving technologies through solar power project
Medium Term	- Growing demand for sustainable and certified steel products - Increase local and international demand of low carbon steel.	Access to new customer markets; better utilization of resources	- Product differentiation through sustainabilitypolicies - Strategic alliances with eco conscious customers
Long Term	- Transition to green steel and low-carbon technologies- Alignment with international ESG and climate standards	Enhanced global competitiveness; improved access to export markets and green capital	- Investment in low carbon plant and waste management

Sustainable value creation:

At Aisha Steel Mills Limited (ASML), sustainability considerations are embedded throughout the Company's value chain, from the procurement of raw materials to community engagement. Each stage of the value chain presents distinct risks and opportunities, and ASML has taken targeted initiatives, backed by measurable performance indicators, to strengthen resilience and create long-term value.

Procurement:

The Company faces challenges such as global HRC price volatility, exchange rate fluctuations, and supply chain disruptions. To address these, ASML focuses on securing long-term supply contracts, maintaining adequate inventory buffers, and implementing stringent quality and sustainability standards for suppliers to ensure consistent and responsible sourcing.

Production and operations:

The Company continues to face challenges including rising energy costs, stringent quality compliance requirements, greenhouse gas emissions, and occupational health and safety, which remain critical areas of focus. ASML has invested in energy-efficient equipment, clean energy initiative, preventive maintenance programs, and waste reduction technologies.

Distribution and logistics:

Import pressures through FATA/PATA and associated market distortions present challenges for local manufacturers. To address these, the Company actively engages with the National tariff Commission to impose anti-dumping duties on mis-declared imports, especially GI products.

Customer and markets:

There is a growing shift toward sustainable products and increasing expectations around ESG disclosures. ASML views this as an opportunity to differentiate itself by aligning its reporting with global standards such as IFRS S2 and exploring the development of new markets of low-carbon products.

Communities and stakeholders:

Risks include environmental compliance, workforce well-being, and community concerns. ASML addresses these through CSR programs in education and foster the culture of healthcare, enhanced safety precautions and training, and robust environmental monitoring systems. ASML has established a dedicated EHS department for monitoring overall health and safety performance.

Four Pillars of ESG (Governance, Strategy, Risk Management, Metrics & Targets):

Governance:

ASML is in process to establish strong governance structures to oversee sustainability and climate-related matters. The Board of Directors, through the Audit Committee, provides oversight of sustainability risks, while senior management is responsible for implementation and monitoring of initiatives to comply with Sustainability standards and local laws. The Company has approved frameworks for energy management, occupational health and safety, and environmental compliance. Sustainability performance is quarterly reviewed and discussed at Board and management levels to ensure continuous alignment with business priorities and stakeholder expectations.

Strategy:

Sustainability is embedded in ASML’s corporate strategy as a driver of long-term competitiveness and resilience. The Company’s strategy is designed to address short-term operational efficiencies, medium-term regulatory and disclosure requirements, and long-term industry transformation. In the short term, the focus is on optimizing energy use, maintaining raw material availability, and complying with environmental standards. In the medium term, ASML is working to align with IFRS S1 and S2 disclosures, strengthen reporting systems, and adopt advanced energy-saving technologies. Over the long term, the Company aims to move towards low-carbon steel production, renewable energy integration, and a stronger circular economy approach.

Risk Management:

Sustainability-related risks are embedded into ASML’s risk management (ERM) framework. Comprehensive risk identification and management process are in place to assess financial impact, and escalated to the Board when necessary. The Company’s strategy is designed to address short-term operational efficiencies, medium-term regulatory and disclosure requirements, and long-term industry transformation

Metrics & Targets:

ASML has adopted a structured framework of metrics and targets to monitor sustainability performance. The Company tracks progress across energy use, greenhouse gas emissions, water consumption, workplace safety, and compliance with environmental standards.

Highlights of Company’s sustainability performance, initiatives and plans:
Aisha Steel Mills Limited (ASML) continues to strengthen its commitment to sustainability through policies, initiatives, and long-term plans that parallel global best practices adopted by leading industrial companies. Guided by stakeholder input, regulatory requirements, and environmental imperatives, ASML has implemented several programs spanning social inclusion, environmental protection, technological innovation, and resource management.

Social Initiatives

ASML has expanded its social outreach to include enhanced employment generation. The workforce training agenda includes regular workshops on occupational health and safety, emphasizing safe plant operations and emergency preparedness.

Environmental Initiatives

In environmental stewardship, ASML has adopted a 3R (Reduce, Reuse, Recycle) philosophy in plant operations, including initiatives to reduce waste generation, reuse treated water, and recycle industrial by-products wherever feasible. The refabrication of the water treatment plant is one example, aimed at reducing freshwater intake and improving effluent quality. Plans are in place to evaluate investments in clean energy projects, and to implement further emission control technologies.

Technological Initiatives:

Technological advancement plays a key role in ASML’s journey toward operational excellence and sustainability. A significant milestone was the implementation of SAP S/4HANA in 2021, which transformed the Company’s enterprise resource planning (ERP) capabilities. This digital shift has enabled greater efficiency, transparency, and control over production, supply chain, and financial processes. By integrating real-time data analytics, the system has strengthened decision-making, optimized resource management, and contributed to sustainable practices. Alongside this, ASML continues to upgrade production equipment and adopt innovative solutions to improve energy efficiency, minimize emissions, and enhance overall productivity.

Resource Consumption & Management:

ASML maintains strict oversight of its resource utilization, including energy, materials, and water. Monitoring mechanisms are in place to track usage efficiency, emissions, and waste, ensuring compliance with NEQS and international standards. Initiatives such as the refabrication of the water treatment plant, enhanced emissions monitoring, and structured employee training on waste segregation reflect the Company’s ongoing commitment to reducing its environmental footprint

Dedicated Sustainability Committee:

ASML recognizes the critical role of governance in advancing its sustainability agenda. While the Company does not currently maintain a separate Sustainability Committee, oversight of sustainability-related matters rests with the Board Audit Committee.

Members of the Audit Committee have been mentioned in board and management committees in Governance Section.

Submission of sustainability report:

During the year under review, the Audit Committee is in process to develop the structure for sustainability reporting and compliance. However, sustainability-related matters, including ESG disclosures and compliance with SECP requirements, were periodically discussed as part of the Committee's broader oversight responsibilities.

Highlights of CSR Initiatives:

Alongside ESG reporting, ASML remains committed to advancing its Corporate Social Responsibility agenda. The Company continues to invest in initiatives that contribute to education, healthcare, environmental stewardship, and socio-economic development of communities in which it operates. These CSR priorities are reviewed by the Board to ensure alignment with the Company's sustainability strategy and stakeholder expectations. By embedding CSR within its broader ESG framework, ASML demonstrates its commitment to inclusive growth, social equity, and long-term value creation for both shareholders and society.

Investment in Clean Energy Initiative:

As part of its Corporate Social Responsibility and sustainability agenda, ASML has undertaken initiatives to promote clean and renewable energy. Recognizing the impact of energy consumption on the environment, the Company is investing in solar energy solutions and energy-efficient technologies to reduce its reliance on conventional power sources. These initiatives not only contribute to lowering greenhouse gas emissions but also support the national objective of transitioning towards renewable energy.

Refabrication of water treatment plant:

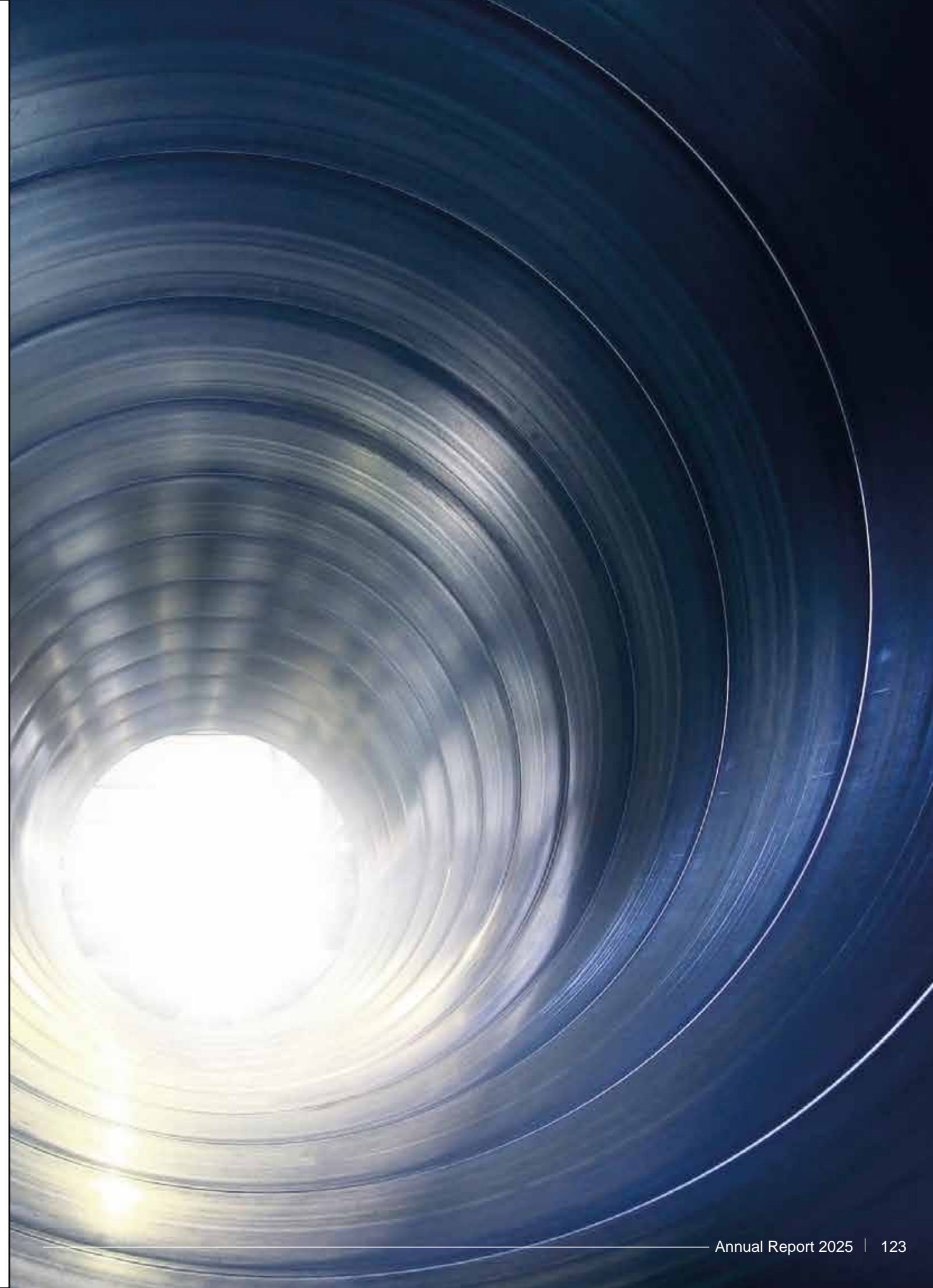
During the year, ASML has undertaken the refabrication and upgradation of its water treatment plant to promote efficient and responsible water use. This initiative reflects the Company's commitment to environmental stewardship and sustainable resource management.

The refurbished plant is designed to recycle and treat process water more effectively, thereby reducing freshwater consumption, minimizing wastewater discharge, and ensuring compliance with environmental standards. In addition to operational benefits, this project supports the broader objective of conserving water resources for local communities and future generations.

Employee training for better management of waste:

In line with its Corporate Social Responsibility objectives, ASML has conducted specialized training programs for employees focused on effective waste management practices. The sessions were designed to build awareness, enhance technical skills, and promote a culture of environmental responsibility across all levels of the workforce.

The training covers areas such as waste segregation at source, safe handling and disposal, recycling opportunities, and compliance with environmental regulations. By empowering employees with the right knowledge and tools, ASML aims to minimize landfill waste, increase recycling efficiency, and ensure safe and sustainable workplace practices.





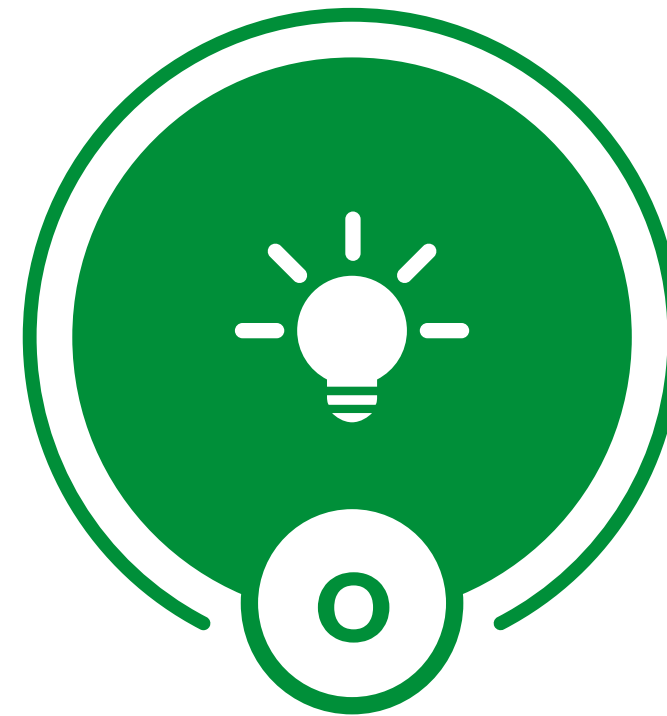
Strengths

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



Weaknesses

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



Opportunities

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



Threats

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

A group of business professionals in a meeting, looking at and pointing to various documents and charts on a table. The documents contain pie charts, bar graphs, and world maps. A white mug and a laptop are also visible on the table.

Performance Analysis

“If you can’t Measure it,
you can’t Manage it.”

– Peter Drucker

Analysis of Non-Financial & Financial Performance

Non-Financial Performance:

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

Non-Financial Indicators:

1. High Quality Standards:

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

KPIs Monitored: Technological Upgradation and Quality Control Activities

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

Future Relevance:

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

Resources Allocated:

Manufactured	Human	Intellectual
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2. Operational Efficiencies

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

KPIs Monitored: Capacity Utilisation, Compliances of applicable controls

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

Future Relevance:

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

Resources Allocated:

Human	Intellectual	Manufactured
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3. Market Lead

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

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

ASML’s overall local market share has dropped to about 12% compared to 18% achieved in the previous year. Sales has dropped by 21% as compared to previous year. Decrease in sales is due to revival in demand of steel sector. However, Local producers’ market share declined due to increased commercial imports, particularly in GI products, as well as the stagnation in international HRC prices, which limited pricing flexibility and competitiveness. The continuation of sales tax-exempt imports into the FATA/PATA region during 2024-25 has remian a persistent challenge, as the exemption is widely misused. This has led to distortion in fair competition, erosion of local producers’ market share, and significant revenue leakage for the national exchequer.

Future Relevance:

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

Resources Allocated:

Human	Intellectual	Manufactured	Social
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4. Development, Health and Safety

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

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

ASML is committed to upholding the highest standards of Environment, Health and Safety (EHS). During the year, a series of EHS trainings were carried out, including mock evacuation drills, safe handling of hazardous materials, Health awareness sessions, and emergency

response sessions, to strengthen employees’ understanding of safety protocols. In addition, a foreign firm conducted an independent audit of the fire hydrant and firefighting system, following which the Company further enhanced its firefighting resources and equipment.

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

Future Relevance:

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

Resources Allocated:

Human	Intellectual	Natural	Social
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5. Fulfilment of Social Responsibilities

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

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

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

ASML also takes its economic responsibilities seriously and consistently discharges its obligations in a transparent, accurate, and timely manner. In 2025, the Company's contribution to the government amounted to Rs. 7.445 billion.

Future Relevance:

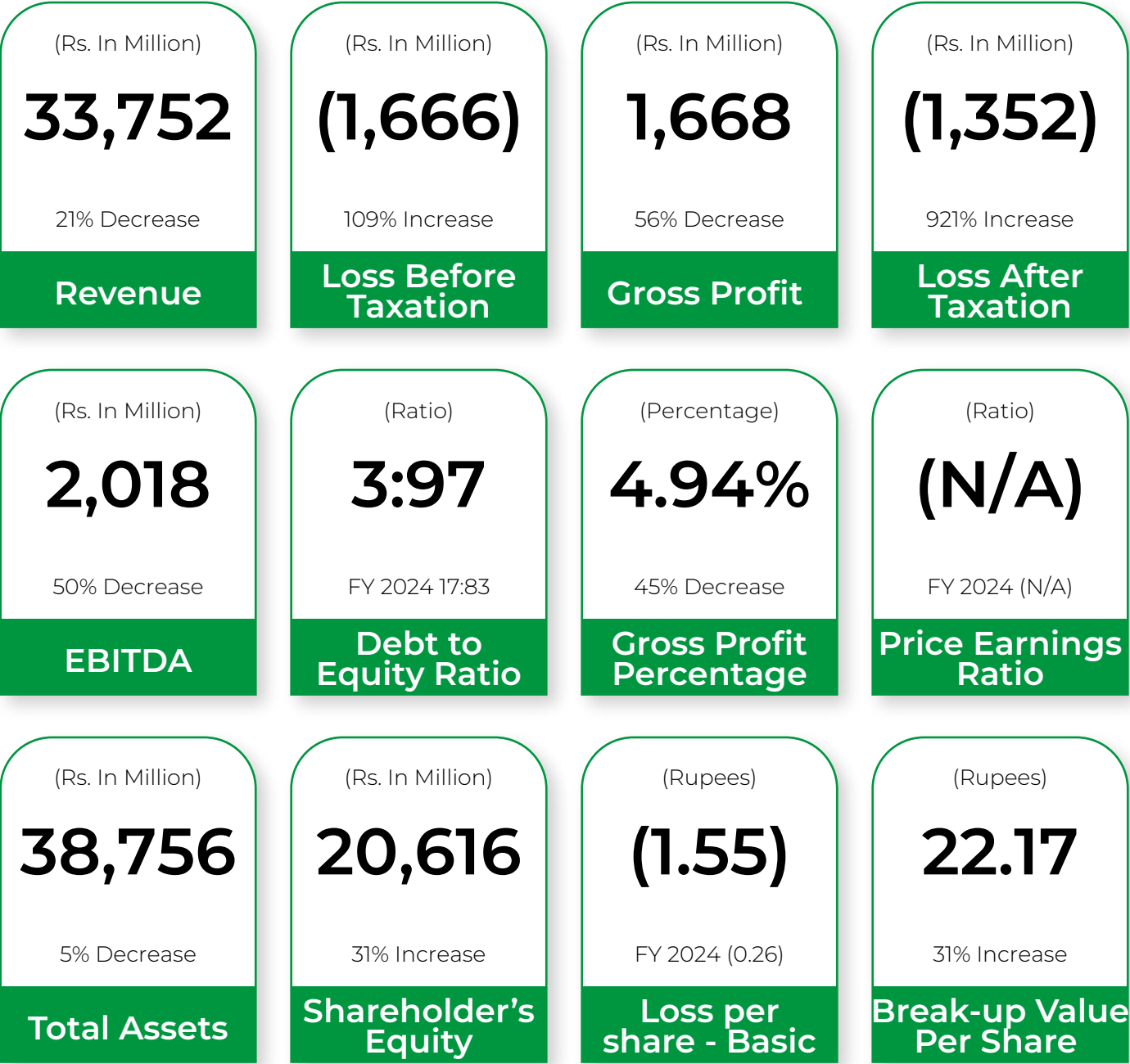
ASML takes pride in its role as a responsible corporate citizen and remains committed to fostering sustainable societal development through consistent economic contributions and community-focused initiatives.

Resources Allocated:

Human	Natural	Social
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Financial Performance

Financial Indicators:



Overview of Financial Performance

ASML recorded revenue of Rs. 33,752 million during the year showing decline by 21% as compared to last year, due to adverse quantity variance amid a challenging operating environment. The declining trend in the international HRC, CRC and GI prices and stiff competition from imports forced local producers to drop prices several times during the year. The gross profit margin was squeezed down to 4.94% compared to 8.96% achieved last year. The gross profit stood at Rs. 1,667 million as compared to Rs. 3,831 million achieved last year.

The Company reported a loss before taxation of Rs. 1,666 million and a loss after taxation of Rs. 1,352 million during the year. The adverse results were primarily driven by adverse price movements on imported raw materials and intense pricing pressures in the domestic market.

EBITDA stood at Rs. 2,018 million (2024: 4,010 million) which depict overall performance of the Company.

During the year, overall finance cost decreased by 29% to Rs. 2,732 million compared to the previous year, due to a significant decline in interest rates, which reduced both long-term and short-term financing costs. However, the average level of short-term borrowings remained elevated, resulting in finance costs amounting to 8% of revenue.

Loss per share of the current year stands at Rs. 1.55 per share as against Rs. 0.26 loss per share recorded last year. Loss per share have increased mainly on account of decline in sales volume, depressed steel prices.

Comparison Against Target

Revenue for the year stood 29% below the target of Rs. 47.74 billion, reflecting the impact of challenging market dynamics and competitive pressures. The Company reported a loss after tax of Rs. 1.35 billion, compared to the targeted profit after tax of Rs. 0.11 billion. The deviation from targets was primarily attributable to lower-than-expected sales volumes, compressed margins due to the declining trend in the international HRC, CRC and GI prices. Furthermore stiff competition from imports forced local producers to drop prices substantially during the year.

Segmental Reporting of Business Performance

The financial statements of the Company have been prepared based on single reportable segment. The Company operates locally and the sales comprise of local and export sales. As at June 30, 2025, all assets of the company are located within Pakistan.

Significant changes in Financial Position

Property, plant and equipment comprise operating assets as well as major spare parts and stand-by equipment. During the year, net capital expenditure amounted to Rs. 308 million, including additions and transfers to operating assets of Rs. 229 million, additions to major spare parts of Rs. 226 million, and adjustments in property, plant and equipment of Rs. 626 million. These were partially offset by disposals of fixed assets with a net book value of Rs. 27 million.

Deferred tax asset increased by Rs. 757 million during the year, reaching Rs. 3,408 million (FY 2024: Rs. 2,651 million). The increase primarily reflects the recognition of deferred tax income on carried-forward turnover tax and business losses.

Overall Inventories have decreased by Rs. 1,770 million. However, Finished goods stock level has increased significantly as compared to last year.

At the reporting date, sales tax refund stood at Rs. 281 million compared to nil in FY 2024. The increase is primarily attributable to a decline in sales during the year, which resulted in lower output tax as against the input tax paid on imports. Consequently, excess input tax created a refundable position.

Taxation - payments less provision has increased by Rs. 160 million, which pertains to advance tax paid on imports and local goods which has been offset by current year income tax and refund received.

Staff retirement benefits have increased by Rs. 62 million in current year as compared to last year. During the year provision amounting to Rs. 61 million, based on actuarial valuation report, has been recorded. Further, payment of Rs. 30 million in respect of staff retirement has been made.

Accrued mark-up decreased by Rs. 717 million as at FY 2025, due to the significant reduction in KIBOR rates during the year. In addition, the restructured loan was fully settled, and two scheduled repayments of the expansion loan were made during the year, reflecting progress in reducing the Company's financial obligations.

Company's net worth as at June 30, 2025 stood at Rs. 20,616 million with a break-up value of Rs. 22.17 per share.

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

Above was the brief overview of the Company's performance and the Company's financial position. The same has been further elaborated later in this section from page no.134 to 143, via detailed analysis along with graphical presentations to increase users' understandability.

Methods and Assumptions Used in Compiling Performance Indicators

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

Financial

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

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

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

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

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

Non-financial

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

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

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

Changes in Indicators and Performance Measures:

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

Key Operational & Financial Data

Operational Summary

Particulars	2025	2024	2023	2022	2021	2020
Production	162,599	159,446	112,635	306,527	365,274	277,800
Sales	148,971	164,732	122,334	306,213	379,622	258,453

Summary of Statement of Profit or Loss

Particulars	Rupees in Millions					
Revenue	33,752	42,750	31,102	64,830	55,116	29,777
Cost of sales	(32,084)	(38,919)	(29,089)	(59,317)	(43,931)	(27,411)
Gross profit	1,667	3,831	2,013	5,513	11,185	2,366
Profit from operations	604	2,815	1,459	4,697	10,590	2,005
(Loss) / profit before taxation	(1,666)	(797)	(4,841)	1,275	8,588	(1,343)
(Loss) / profit for the year	(1,352)	(132)	(3,216)	1,146	6,368	(617)

Summary of Financial Position

Assets

Non-Current Assets	23,105	22,387	22,265	20,036	19,951	21,226
Current Assets	15,651	18,210	15,781	26,769	16,572	13,304
Total Assets	38,756	40,597	38,046	46,805	36,524	34,530

Equity and Liabilities

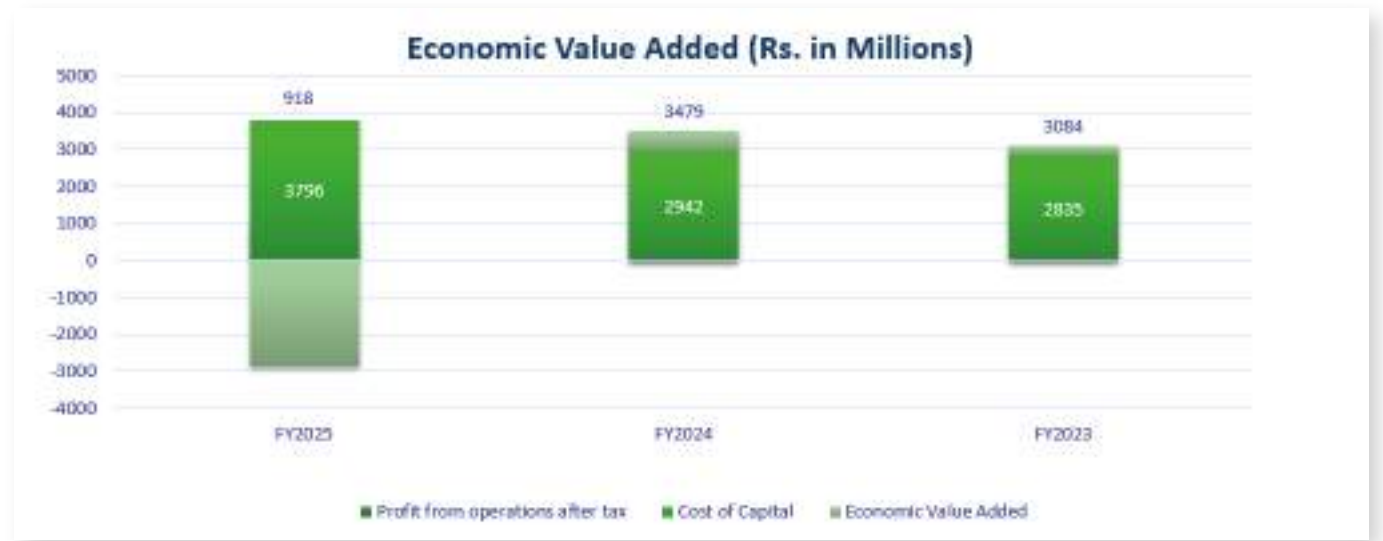
Shareholders' Equity	20,616	15,707	15,692	14,036	14,467	8,097
Non-Current Liabilities	412	942	3,739	5,100	6,274	9,461
Current Liabilities	17,728	23,948	18,615	27,669	15,783	16,972
Total Equities and Liabilities	38,756	40,597	38,046	46,805	36,524	34,530

Economic Value Added

	FY2025	FY2024	FY2023
Profit from operations after tax	918	3,479	3,084
Cost of Capital	(3,796)	(2,942)	(2,835)
EVA (Rs. In Millions)	(2,878)	537	249
Total Assets	38,756	40,597	38,046
Less: Current Liabilities	(17,728)	(23,948)	(18,615)
Net Capital Invested	21,028	16,649	19,431
WACC	18.05%	17.67%	14.59%
Cost of Capital	3,796	2,942	2,835

Comments

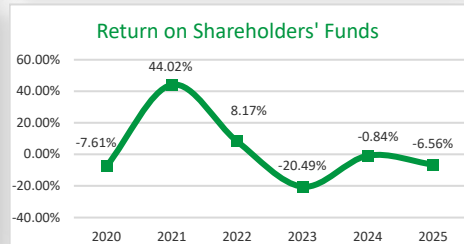
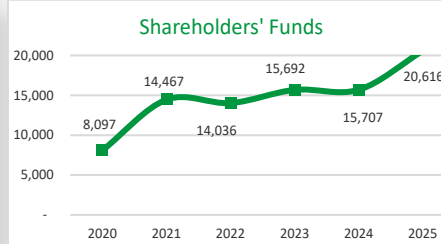
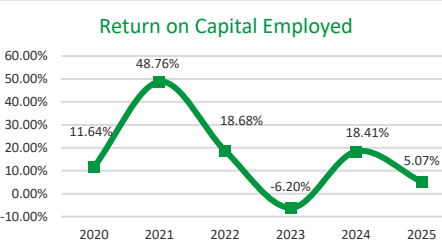
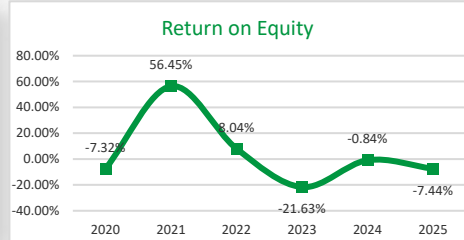
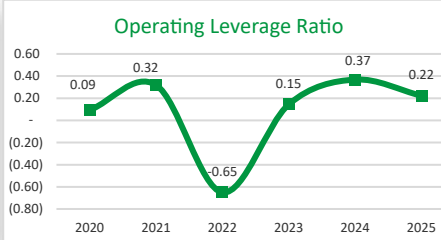
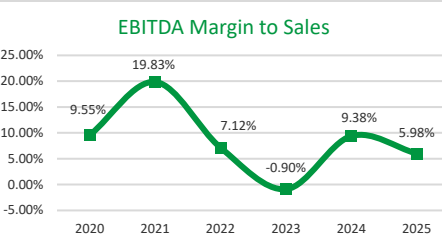
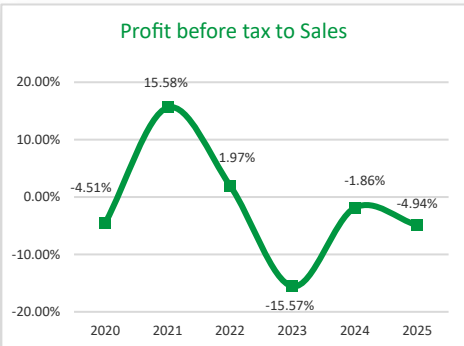
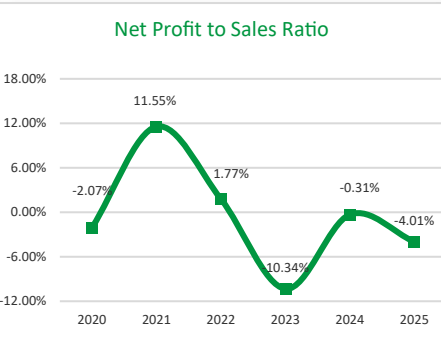
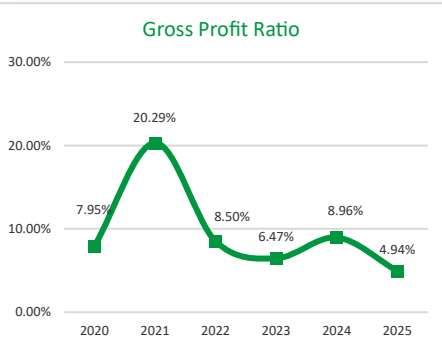
Economic value added has shown decrease as compared to last year, mainly due to the decline in operating profit for the year. Further, weighted average cost of capital (WACC) of the Company increased due to the increase in cost of debt and equity.



Ratio Analysis

PROFITABILITY RATIOS

Description	Formula	2025	2024	2023	2022	2021	2020
Gross Profit Ratio (%)	Gross Profit or (Loss) / Net Sales	4.94%	8.96%	6.47%	8.50%	20.29%	7.95%
Net Profit to Sales (%)	Net Profit or (Loss) / Net Sales	(4.01%)	(0.31%)	(10.34%)	1.77%	11.55%	(2.07%)
Profit Before Tax to Sales (%)	Profit or (Loss) Before Tax / Net Sales	(4.94%)	(1.86%)	(15.57%)	1.97%	15.58%	(4.51%)
EBITDA Margin to Sales (%)	EBITDA / Net Sales	5.98%	9.38%	(0.90%)	7.12%	19.83%	9.55%
Operating leverage ratio (Times)	Change in EBITDA / Change in Net Sales	0.22	0.37	0.15	(0.65)	0.32	0.09
Return on Equity (%)	Profit or (Loss) After Tax / Average Shareholder's equity	(7.44%)	(0.84%)	(21.63%)	8.04%	56.45%	(7.32%)
Return on Capital employed (%)	EBIT / Capital employed	5.07%	18.41%	(6.20%)	18.68%	48.76%	11.64%
Shareholders' Funds	Total Assets minus Total Liabilities	20,616	15,707	15,692	14,036	14,467	8,097
Return on Shareholders' Funds (%)	Profit or (Loss) After Tax / Shareholder's equity	(6.56%)	(0.84%)	(20.49%)	8.17%	44.02%	(7.61%)



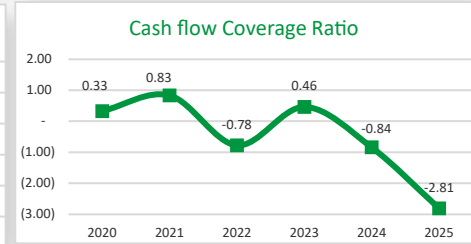
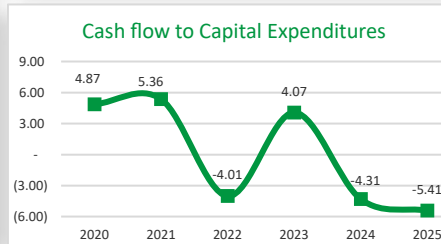
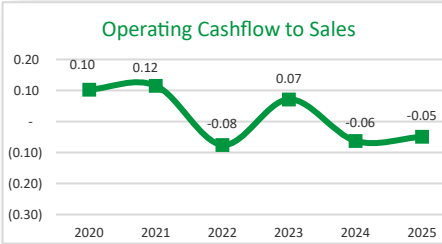
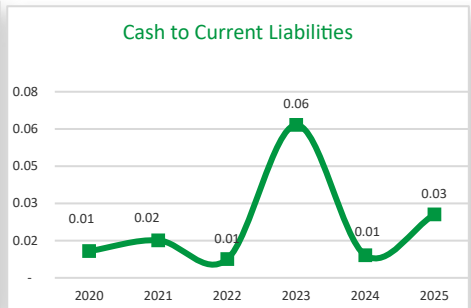
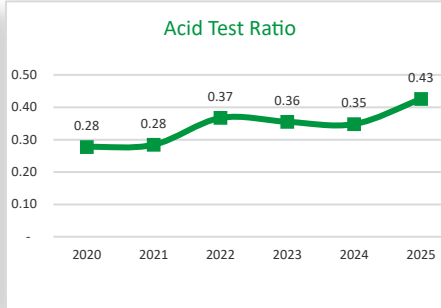
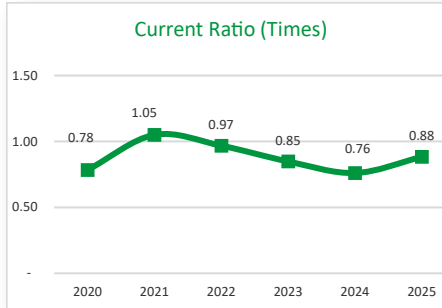
Comments

In 2025, profitability ratios reflected a challenging year, with gross profit margin reducing to 4.94% from 8.96% and EBITDA margin at 5.98% versus 9.38% last year. Net and pre-tax margins remained negative. Returns on equity and capital employed also declined; however, shareholders' funds strengthened on the back of continued sponsor support.

Return on capital employed also fell to 5.07% (2024: 18.41%), reflecting lower earnings against deployed capital. Overall, while equity base improved, profitability ratios remained under stress.

LIQUIDITY RATIOS

Description	Formula	2025	2024	2023	2022	2021	2020
Current ratio (Times)	Current Assets / Current Liabilities	0.88	0.76	0.85	0.97	1.05	0.78
Quick / Acid test ratio (Times)	Liquid Assets / Current Liabilities	0.43	0.35	0.36	0.37	0.28	0.28
Cash to Current Liabilities (Times)	Cash and Bank / Current Liabilities	0.03	0.01	0.06	0.01	0.02	0.01
Cash Flow from Operations to Sales (Times)	Cashflow from Operations / Net Sales	(0.05)	(0.06)	0.07	(0.08)	0.12	0.10
Cash flow to capital expenditures (Times)	Cashflow from Operations / Capital expenditures	(5.41)	(4.31)	4.07	(4.01)	5.36	4.87
Cash flow coverage ratio (Times)	Cashflow from Operations / Total debt	(2.81)	(0.84)	0.46	(0.78)	0.83	0.33

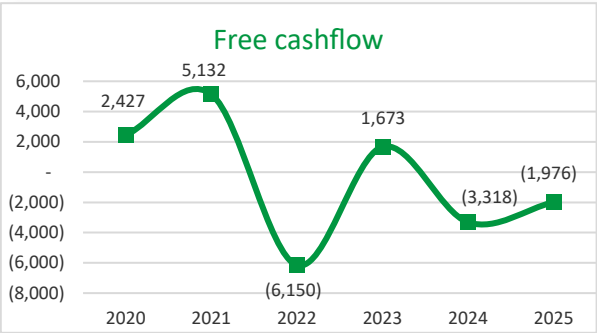
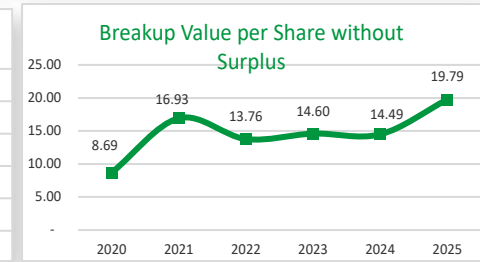
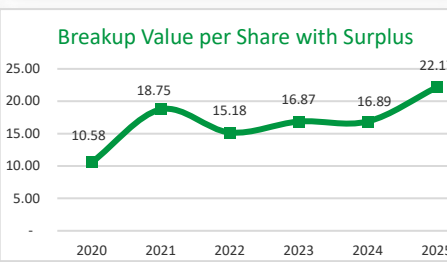
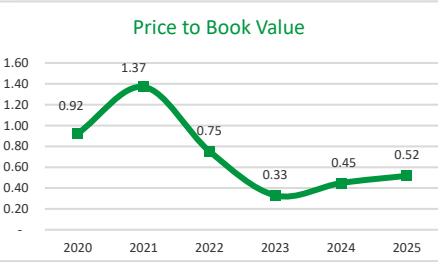
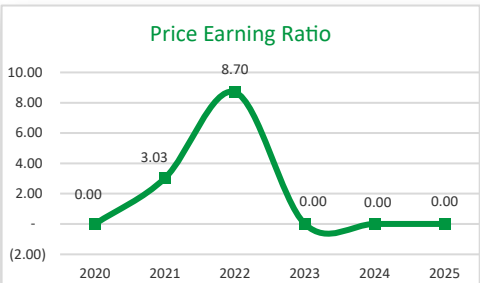
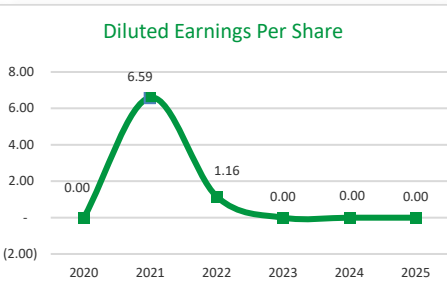
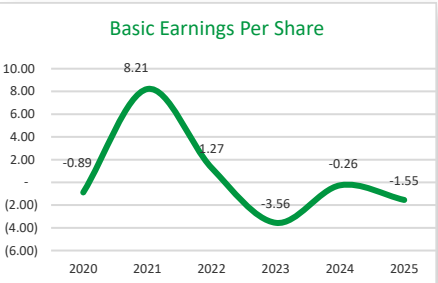


Comments

The Company's liquidity position showed modest improvement during the year, with the current ratio increasing to 0.88x (2024: 0.76x) and the quick ratio rising to 0.43x (2024: 0.35x), reflecting better coverage of short-term obligations through available assets. Cash-to-current liabilities remained low at 0.03x, though slightly better than last year.

INVESTMENT / MARKET RATIOS

Description	Formula	2025	2024	2023	2022	2021	2020
Basic Earnings / (Loss) per Share (Rs. / Share)	Earnings Attributable to Ordinary Shareholders / Weighted Average Number of Shares	(1.55)	(0.26)	(3.56)	1.27	8.21	(0.89)
Diluted Earnings / (Loss) per Share (Rs. / Share) (N1)	Diluted Earnings Attributable to Ordinary Shareholders / Weighted Average Number of Shares	-	-	-	1.16	6.59	N/A
Price Earning Ratios (Times) per share	Market Price / Basic Earnings or (Loss) per Share	-	-	-	8.70	3.03	-
Price to Book Value Ratio (Times)	Market Price / Book Value per Share	0.52	0.45	0.33	0.75	1.37	0.92
Dividend Yield Ratio	Total Annual Dividend / Market Price					8.03%	
Dividend Payout Ratio	Total Annual Dividend / Annual Income		Refer (N2)			24.4%	Refer (N2)
Cash Dividend per Share	Cash Dividend per Share					2	
Break up Value per Share (with Revaluation Surplus) (Rs. / Share)	Equity including surplus on revaluation of fixed assets / Number of shares	22.17	16.89	16.87	15.18	18.75	10.58
Break up Value per Share (without Revaluation Surplus) (Rs. / Share)	Equity excluding surplus on revaluation of fixed assets / number of shares	19.79	14.49	14.60	13.76	16.93	8.69
Free Cash Flows (Rs. In Millions)		(1,976)	(3,318)	1,673	(6,150)	5,132	2,427



Comments

The Company reported a loss per share of Rs. (1.55) compared to Rs. (0.26) last year, mainly reflecting continued operating challenges.

The price-to-book value ratio stood at 0.52x (2024: 0.45x), showing a marginal improvement. Breakup value per share improved to Rs. 22.17 with revaluation surplus and Rs. 19.79 without revaluation surplus, supported by higher equity base.

Free cash flows remained negative at Rs. (1,976) million, though the outflow was lower than last year's Rs. (3,318) million, reflecting some improvement in cash management.

Notes

N1 - Due to losses dilution of earnings per share had anti-dilutive effect for financial year 2014, 2015, 2016 and 2019, therefore, the same has not been disclosed and presented.

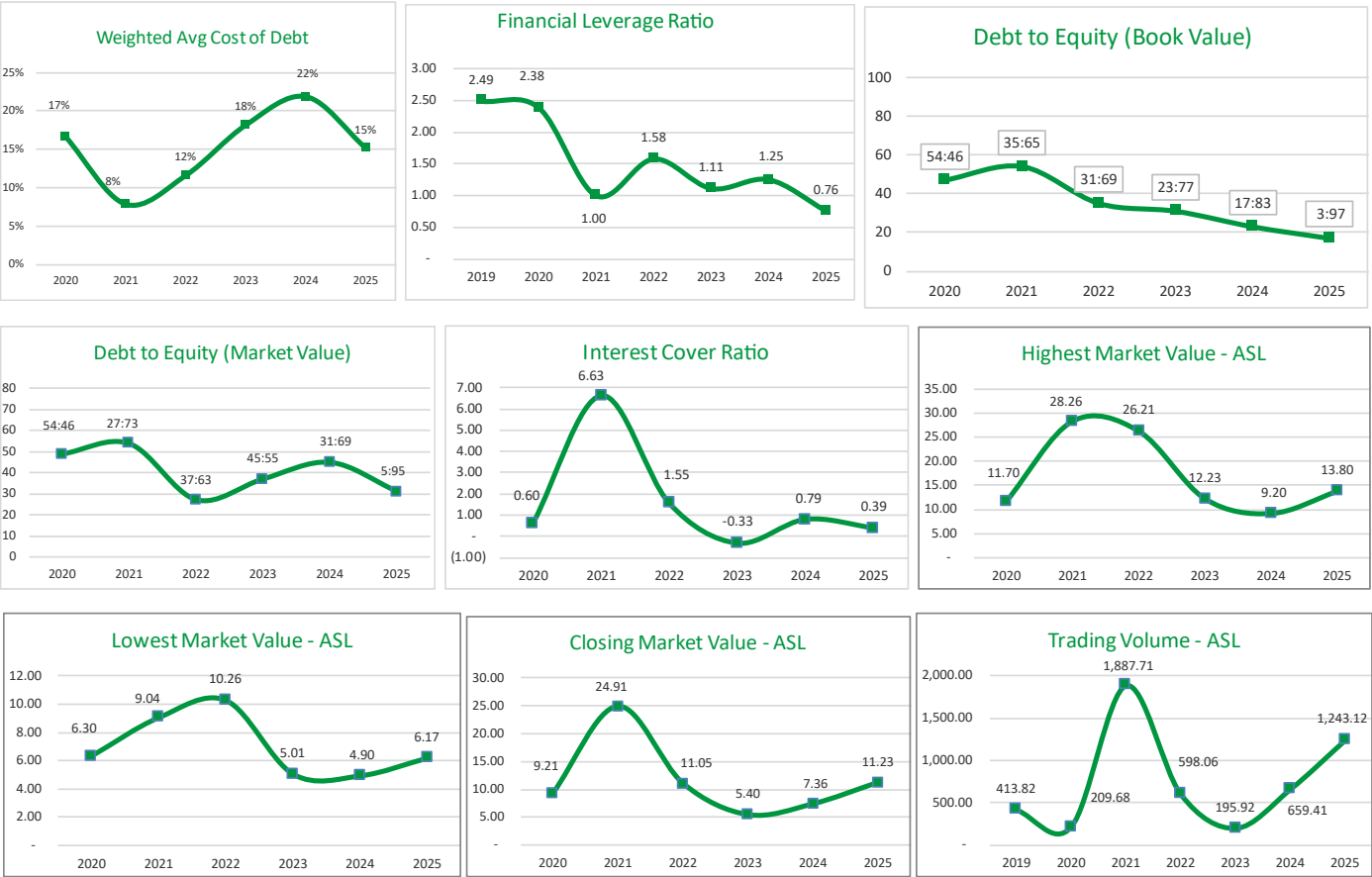
N2 - Since no dividend has been paid, therefore, dividend yield ratio, dividend payout ratio and cash dividend per share ratio are not applicable.

CAPITAL STRUCTURE RATIOS

Description	Formula	2025	2024	2023	2022	2021	2020
Financial Leverage Ratio (Times)	Total Debt/ Total Equity	0.76	1.25	1.11	1.58	1.00	2.38
Weighted Average Cost of Debt (%) (N1)	Total Interest / Total Debt	15%	22%	18%	12%	8%	17%
Debt to equity ratio (book value)	Total Long Term Debt / Equity	3:97	17:83	23:77	31:69	35:65	54:46
Debt to equity ratio (market value)	Market Value (MV) of Long Term Debt / MV of Equity	5:95	31:69	45:55	37:63	27:73	54:46
Interest Cover Ratio (Times)	Profit from Operations / Finance Cost	0.39	0.79	(0.33)	1.55	6.63	0.60

Market Value per share (Symbol: ASL)

- High (Rs. / Share)	N/A	13.80	9.20	12.23	26.21	28.26	11.70
- Low (Rs. / Share)	N/A	6.17	4.90	5.01	10.26	9.04	6.30
- Closing (Rs./ Share)	N/A	11.23	7.36	5.40	11.05	24.91	9.21
Total Volume Traded (Number of shares in million)	N/A	1,243.12	659.41	195.92	598.06	1,887.71	209.68



Comments

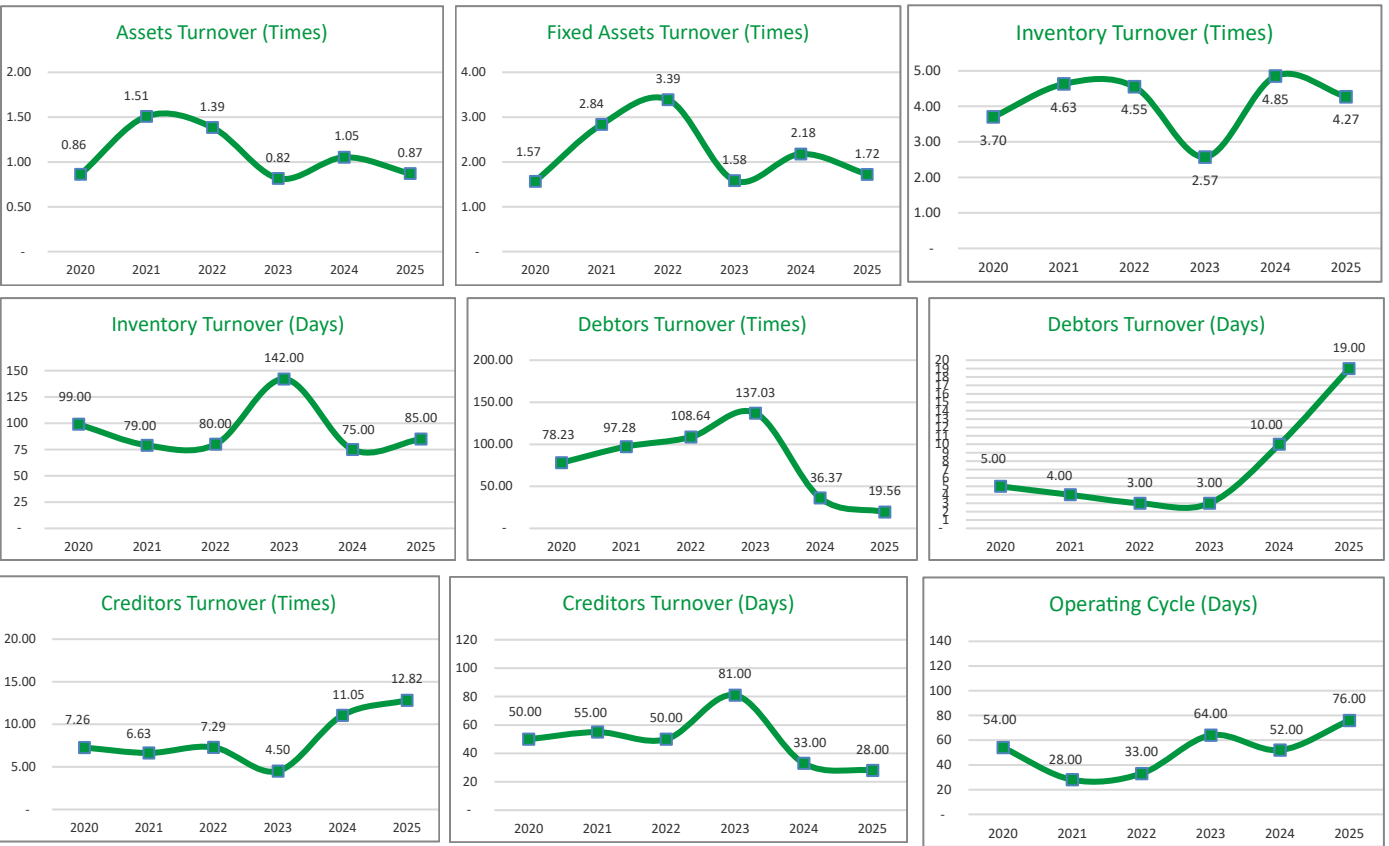
The Company’s leverage improved as the financial leverage ratio declined to 0.76 times (2024: 1.25 times) and the debt-to-equity ratio reduced on both book and market value bases. The cost of debt eased to 15% (2024: 22%), though the interest cover ratio weakened to 0.39 times (2024: 0.79 times) due to lower operating profits. The share price closed at Rs. 11.23 (2024: Rs. 7.36) with higher trading volumes, reflecting stronger investor activity.

Notes

NI - The weighted average cost of debt has been calculated on the basis of avergae debt outstandin

ACTIVITY RATIOS

Description	Formula	2025	2024	2023	2022	2021	2020
Total Assets Turnover Ratio (Times)	Net Sales / Total Assets	0.87	1.05	0.82	1.39	1.51	0.86
Fixed Assets Turnover Ratio (Times)	Net Sales / Total Fixed Assets	1.72	2.18	1.58	3.39	2.84	1.57
Inventory Turnover (Times)	Cost of Goods Sold / Average Inventory	4.27	4.85	2.57	4.55	4.63	3.70
Inventory Turnover (Days)	Average Inventory / Cost of Goods Sold x 365	85	75	142	80	79	99
Debtors Turnover (Times)	Sales / Average Receivable	19.56	36.37	137.03	108.64	97.28	78.23
Debtors Turnover (Days)	Average Receivable / Sales x 365	19	10	3	3	4	5
Creditors Turnover (Times)	Cost of Goods Sold / Average Creditors	12.82	11.05	4.50	7.29	6.63	7.26
Creditors Turnover (Days)	Average Creditors / Cost of Goods Sold x365	28	33	81	50	55	50
Operating Cycle (Days)	Days in Inventory + Days in Receivables - Days in Creditors	76	52	64	33	28	54

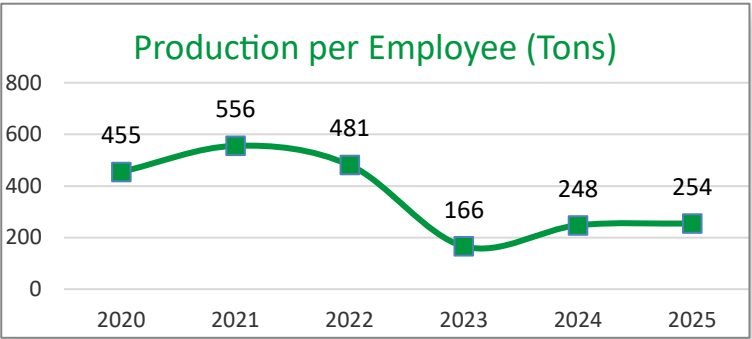


Comments

Asset utilization declined during the year, with total assets turnover at 0.87 times (2024: 1.05 times) and fixed assets turnover at 1.72 times (2024: 2.18 times), mainly due to lower sales. Inventory turnover weakened to 4.27 times as compared to 4.85 in 2024, extending holding days to 85 (2024: 75). Receivables collection slowed, with debtor days rising to 19 (2024: 10), while creditors turnover days deteriorated to 28 (2024: 33). Consequently, the operating cycle stretched to 76 days (2024: 52), reflecting higher working capital requirements.

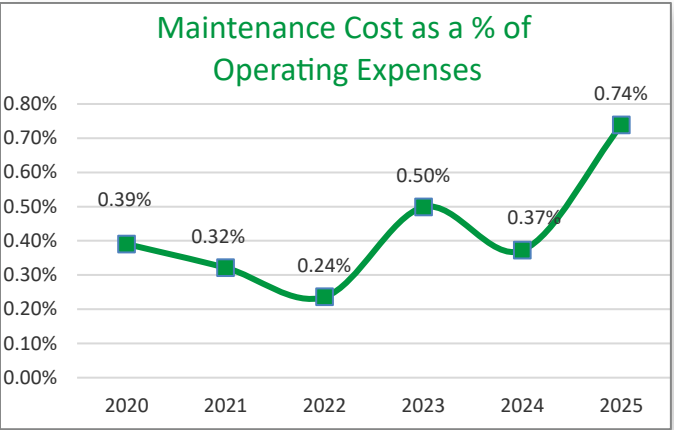
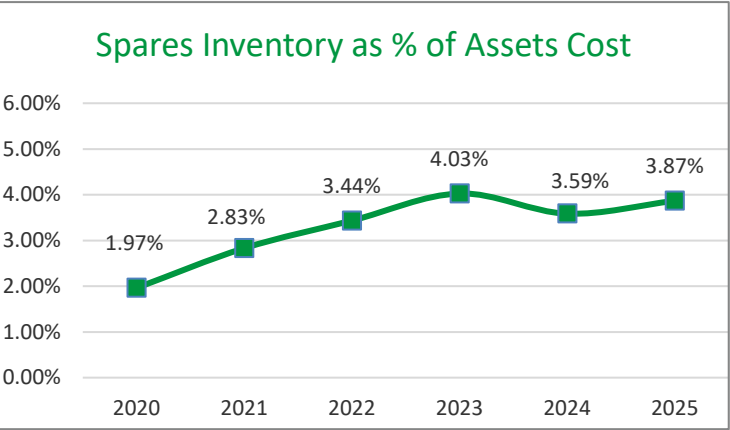
Employee Productivity RATIOS

Description	Formula	2025	2024	2023	2022	2021	2020
Production per Employee	Production / Average No. of Factory Employees	254	248	166	481	556	455
Revenue per Employee	Net Sales / Average No. of Employees	54	66	44	86	72	40

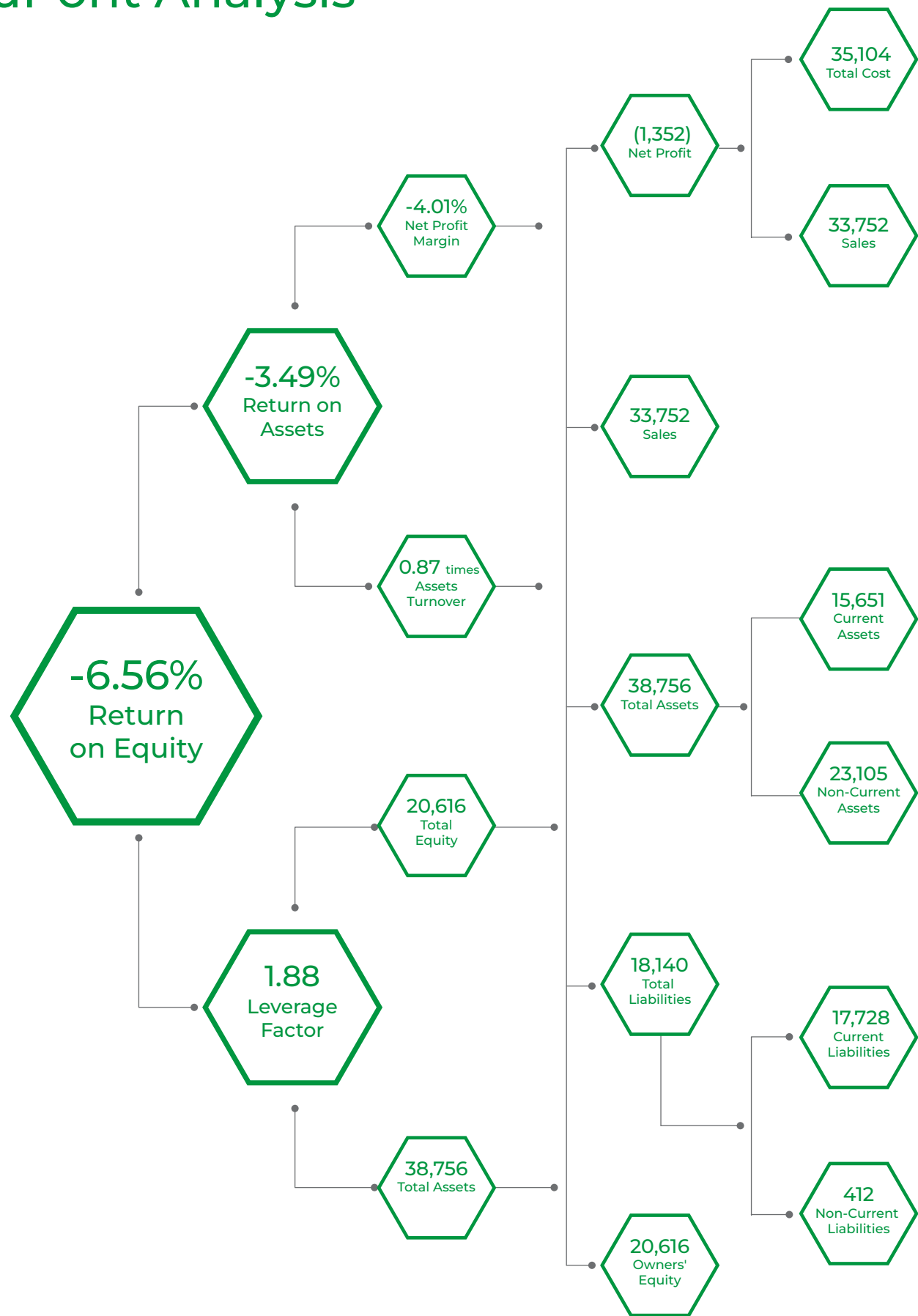


Other

Description	Formula	2025	2024	2023	2022	2021	2020
Spares Inventory as % of Assets Cost	Total Spares / Total Assets	3.87%	3.59%	4.03%	3.44%	2.83%	1.97%
Maintenance Cost as % of Operating Expenses	Cost / Maintenance Operating Expenses	0.74%	0.37%	0.50%	0.24%	0.32%	0.39%



DuPont Analysis



DuPont Analysis

DUPONT ANALYSIS (Rs. In Million)		2025	2024	2023	2022	2021	2020
A	Non-current liabilities	412	942	3,739	5,100	6,274	9,461
B	Current Liabilities	17,728	23,948	18,615	27,669	15,783	16,972
C = A+B	Total Liabilities	18,140	24,890	22,354	32,769	22,057	26,433
D	Non-current Assets	23,105	22,387	22,265	20,036	19,951	21,226
E	Current Assets	15,651	18,210	15,781	26,769	16,573	13,304
F = D + E	Total Assets	38,756	40,597	38,046	46,805	36,524	34,530
G = C - F	Owners' Equity	20,616	15,707	15,692	14,036	14,467	8,097
H	Sales	33,752	42,750	31,102	64,830	55,116	29,777
I	Total Cost	35,104	42,882	34,318	63,684	48,748	30,393
J = H - I	Net Profit / (Loss)	(1,352)	(132)	(3,216)	1,146	6,368	(616)
K = J / H	Net Profit / Loss Margin (%)	-4.01%	-0.31%	-10.34%	1.77%	11.55%	-2.07%
L = H / F	Assets Turnover (Times)	0.87	1.05	0.82	1.39	1.51	0.86
M = F / G	Leverage Factor (Times)	1.88	2.58	2.42	3.33	2.52	4.26
N = K x L	Return on Assets (%)	-3.49%	-0.33%	-8.45%	2.45%	17.44%	-1.78%
O = M x N	Return on Equity (%)	-6.56%	-0.84%	-20.49%	8.16%	44.02%	-7.61%
For Graph	Dupont Graph	2025	2024	2023	2022	2021	2020
	Return on Equity	-6.56%	-0.84%	-20.49%	8.16%	44.02%	-7.61%

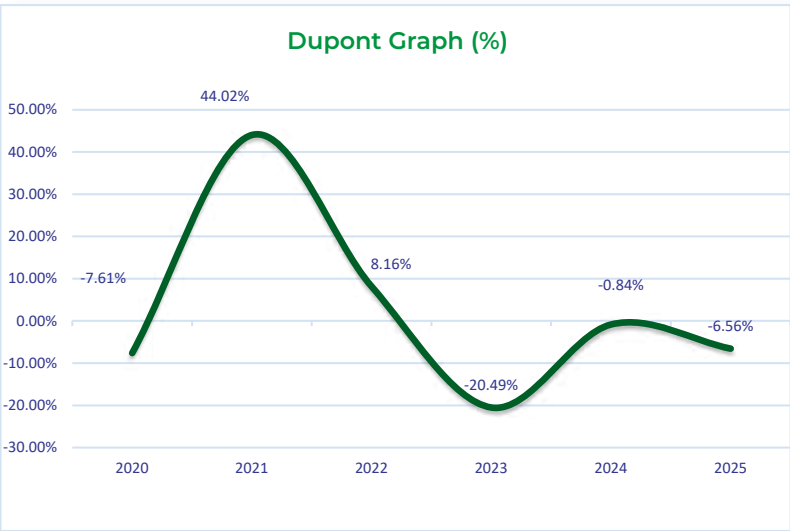
The decline in profitability was on account of lower sales volume and decrease in profit margin. The declining trend in the international HRC, CRC and GI prices and stiff competition from imports forced local producers to drop prices several times during the year. The gross profit margin was squeezed down to 4.94% compared to 8.96% achieved last year.

The asset turnover ratio decreased to 0.87 times from 1.05 times in the prior year, indicating slight reduction in the efficiency of utilizing assets to generate revenues due to lower sales volume.

A leverage ratio assesses the ability of a company to meet its financial obligations. The leverage ratio has decline slightly during the current year. This was primarily on account of increase in equity during the year.

Conclusion:

Overall, the DuPont Analysis highlights that performance in 2025 was adversely affected by declining profitability, increased import pressures, and softer asset efficiency, partly offset by reduced financial leverage. Going forward, management remains committed to strengthening margins, optimizing costs, and improving operational efficiency. Furthermore, management is confident that the misuse of FATA/PATA exemptions will be curtailed through measures recently taken by the Federal Board of Revenue (FBR) to support local manufacturers.



Horizontal Analysis

Statement of Financial Position

	2025		2024		2023		2022		2021		2020	
	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%
Assets												
Non-Current Assets	23,105	3%	22,387	1%	22,265	11%	20,036	0%	19,951	-6%	21,226	-2%
Current Assets	15,651	-14%	18,210	15%	15,781	-41%	26,769	62%	16,573	25%	13,304	19%
Total Assets	38,756	-5%	40,597	7%	38,046	-19%	46,805	28%	36,524	6%	34,530	5%
Equity and Liabilities												
Shareholders' Equity	20,616	31%	15,707	0%	15,692	12%	14,036	-3%	14,467	79%	8,097	-7%
Non-Current Liabilities	412	-56%	942	-75%	3,739	-27%	5,100	-19%	6,274	-34%	9,461	30%
Current Liabilities	17,728	-26%	23,948	29%	18,615	-33%	27,669	75%	15,783	-7%	16,972	2%
	38,756	-5%	40,597	7%	38,046	-19%	46,805	28%	36,524	6%	34,530	5%
Statement of Profit or Loss												
Revenue	33,752	-21%	42,750	37%	31,102	-52%	64,830	18%	55,116	85%	29,777	47%
Cost of sales	(32,084)	-18%	(38,919)	34%	(29,089)	-51%	(59,317)	35%	(43,931)	60%	(27,411)	48%
Gross profit	1,668	-56%	3,831	90%	2,013	-63%	5,513	-51%	11,185	373%	2,366	41%
Selling and distribution cost	(481)	-15%	(569)	301%	(142)	-66%	(421)	76%	(239)	469%	(42)	68%
Administrative expenses	(583)	31%	(446)	8%	(413)	5%	(395)	11%	(357)	12%	(320)	29%
Profit from operations	604	-79%	2,816	93%	1,458	-69%	4,697	-56%	10,589	428%	2,004	43%
Other expenses	(76)	1167%	(6)	-100%	(2,801)	132%	(1,208)	24%	(977)	100%	-	-100%
Other Income	538	111%	255	83%	139	61%	86	-83%	499	1213%	38	-26%
Finance cost	(2,731)	-29%	(3,861)	6%	(3,638)	58%	(2,299)	51%	(1,524)	-55%	(3,387)	82%
(Loss) / Profit before taxation	(1,666)	109%	(797)	-84%	(4,843)	-480%	1,275	-85%	8,587	739%	(1,345)	226%
Taxation	314	-53%	664	-59%	1,626	-1360%	(129)	-94%	(2,219)	-405%	727	-9%
(Loss) / Profit for the year	(1,352)	921%	(132)	-96%	(3,217)	-381%	1,146	-82%	6,368	1132.10%	(618)	

Statement of Financial Position

Non-current assets primarily comprise property, plant and equipment and deferred tax assets. While property, plant and equipment remained broadly unchanged from the previous year, deferred tax assets increased significantly by 29% due to recognition of carried-forward tax losses and minimum tax credits. Current assets declined, mainly reflecting lower inventory levels, which stood at Rs. 8 billion (FY 2024: Rs. 10 billion) in line with sales demand. In addition, receivables reduced substantially owing to improved recoveries.

Shareholders' equity increased during the year, primarily due to sponsor contributions. Non-current liabilities declined significantly following the full repayment of the restructured loan amounting to Rs. 1.6 billion, along with scheduled repayments of the expansion loan.

Current liabilities recorded a significant decline, primarily due to lower short-term borrowings, a reduction in bills payable, and a decrease in the current maturity of long-term loans.

Statement of Profit & Loss

Revenue declined by 21% during FY 2025, reflecting low sales volumes and increased pressure sales prices. Cost of sales also decreased by 18%, but not in proportion to revenue, resulting in a 56% drop in gross profit and compressed margins.

Operating costs showed mixed trends: selling and distribution expenses declined by 15% in line with lower activity, while administrative expenses rose by 31% due to inflationary pressures and higher overheads. Consequently, profit from operations fell sharply by 79%.

Other expenses increased significantly, mainly due to exchange losses. Whereas other income more than doubled (up 111%) on account of insurance claim settlement and higher scrap sales. Finance costs declined by 29% owing to lower interest rates, though still remained a major drag on profitability.

Overall, the Company reported a loss before tax of Rs. 1,666 million compared to the prior year's profit, with net loss after tax of Rs. 1,352 million, primarily driven by reduced gross margins and elevated operating pressures.

Statement of Financial Position

	2025		2024		2023		2022		2021		2020	
	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%	Rs. In Million	%
Assets												
Non-Current Assets	23,105	60%	22,387	55%	22,265	59%	20,036	43%	19,951	55%	21,226	61%
Current Assets	15,651	40%	18,210	45%	15,781	41%	26,769	57%	16,573	45%	13,304	39%
Total Assets	38,756	100%	40,597	100%	38,046	100%	46,805	100%	36,524	100%	34,530	100%
Equity and Liabilities												
Shareholders' Equity	20,616	53%	15,707	39%	15,692	41%	14,036	30%	14,467	40%	8,097	23%
Non-Current Liabilities	412	1%	942	2%	3,739	10%	5,100	11%	6,274	17%	9,461	27%
Current Liabilities	17,728	46%	23,948	59%	18,615	49%	27,669	59%	15,783	43%	16,972	49%
	38,756	100%	40,597	100%	38,046	100%	46,805	100%	36,524	100%	34,530	100%
Statement of Profit or Loss												
Revenue	33,752	100%	42,750	100%	31,102	100%	64,830	100%	55,116	100%	29,777	100%
Cost of sales	32,084	95%	38,919	91%	29,089	94%	59,317	91%	43,931	80%	27,411	92%
Gross profit	1,668	4.94%	3,831	8.96%	2,013	6.47%	5,513	9%	11,185	20%	2,366	8%
Selling and distribution cost	(481)	-1%	(569)	-1%	(142)	0%	(421)	-1%	(239)	0%	(42)	0%
Administrative expenses	(583)	-2%	(446)	-1%	(413)	-1%	(395)	-1%	(357)	-1%	(320)	-1%
Profit from operations	604	2%	2,816	7%	1,458	5%	4,697	7%	10,590	19%	2,004	7%
Other expenses	(76)	0%	(6)	0%	(2,801)	-9%	(1,208)	-2%	(977)	-2%	-	0%
Other Income	538	2%	255	1%	139	0%	86	0%	499	1%	38	0%
Finance cost	(2,731)	-8%	(3,861)	-9%	(3,638)	-12%	(2,299)	-4%	(1,524)	-3%	(3,387)	-11%
Loss) / Profit before taxation	(1,666)	-5%	(797)	-2%	(4,843)	-16%	1,275	2%	8,587	16%	(1,344)	-5%
Taxation	314	1%	664	2%	1,627	5%	(129)	0%	(2,219)	-4%	727	2%
Loss) / Profit for the year	(1,352)	-4%	(133)	0%	(3,216)	-10%	1,146	2%	6,368	12%	(617)	-2%

Statement of Financial Position

In 2025, non-current assets represent 60% of total assets, an increase from 55% in 2024, reflecting the recognition of deferred tax assets.

Conversely, the share of current assets declined to 40% (2024: 45%), mainly due to lower inventory holdings and improved working capital management. Overall, the asset base remains balanced.

Shareholders' equity increased to 53% of total assets in 2025 (2024: 39%), mainly due to sponsor support, reflecting strengthened capital structure. Non-current liabilities represent only 1% of total assets (2024: 2%) following the repayment of restructured loans and scheduled repayments of expansion facilities.

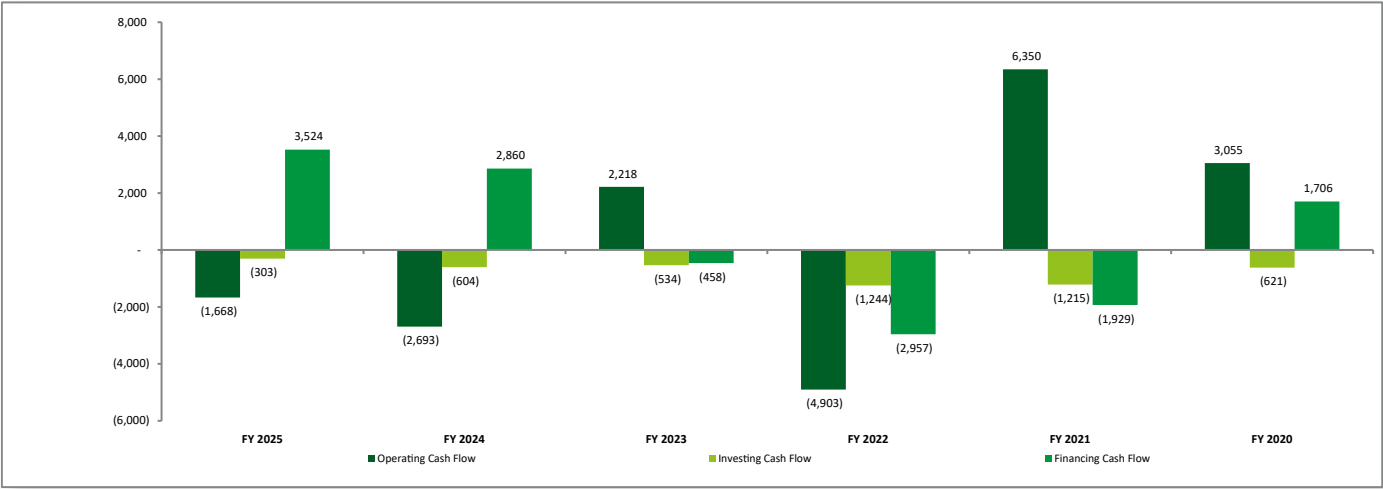
Current liabilities decreased significantly to 46% of total assets (2024: 59%), primarily driven by lower short-term borrowings and reduced trade-related payables. This shift indicates improved financial resilience, with a greater proportion of assets now financed through equity rather than debt.

Statement of Profit & Loss

In 2025, cost of sales absorbed 95% of revenue (2024: 91%), primarily driven by volatility in HRC raw material costs and competitive domestic pricing. As a result, the gross margin narrowed to 4.9%, down from 9.0% in 2024. Operating expenses remained broadly stable relative to revenue, though administrative expenses rose to 2% (2024: 1%). Consequently, profit from operations fell sharply to 2% of revenue (2024: 7%). While other income contributed 2%, persistent finance costs at 8% of revenue (2024: 9%) continued to weigh heavily on results. Overall, the Company posted a net loss of 4% of revenue, compared to a marginal 0% loss in the prior year.

Summary of Cash Flow Statement

	2025	2024	2023	2022	2021	2020
	Rs. In Million					
Cash (used in) / generated from operations	2,308	2,026	6,169	(959)	8,964	6,165
Income tax and levies paid	(589)	(923)	(788)	(1,392)	(1,046)	(116)
Mark-up on loans paid	(3,369)	(3,789)	(3,142)	(1,810)	(1,580)	(3,025)
Return on bank deposits received	10	21	37	35	33	16
Employee benefits paid	(30)	(27)	(17)	(15)	(8)	(5)
Workers' welfare fund paid	-	-	(18)	(194)	-	-
Workers' profits participation fund paid	-	-	(75)	(516)	-	-
(Increase) / decrease in long-term loans and advances	0	0	-	0	0	0
(Increase) / decrease Increase in long-term deposits	3	(0)	52	(53)	(13)	21
Net cash (used in) operating activities	(1,668)	(2,693)	2,218	(4,903)	6,350	3,055
Purchase of property, plant and equipment	(308)	(625)	(545)	(1,222)	(1,184)	(628)
Purchase of intangibles	-	-	-	(24)	(34)	-
Sale proceeds from disposal of property, plant and equipment and intangible assets	5	21	11	3	3	7
Net cash used in investing activities	(303)	(604)	(534)	(1,244)	(1,215)	(621)
Proceeds from issue of share capital	-	-	-	-	-	-
Long term loan (repaid) / obtained - net	(2,623)	(1,363)	(1,483)	(1,452)	(1,908)	1,731
Contributions received from associated undertaking	8,281	-	4,000	-	-	-
Short-term borrowings obtained / (paid)	(103)	4,333	(2,930)	-	-	-
Repayment of sponer's Loan	(2,000)	-	-	-	-	-
Dividend paid	(1)	(65)	(1)	(1,475)	-	-
Increase / (decrease) in liabilities against assets subject to finance leases	(30)	(45)	(44)	(29)	(21)	(25)
Net cash generated / (used in) from financing activities	3,524	2,860	(458)	(2,957)	(1,929)	1,706
Net increase / (decrease) in cash and cash equivalents	1,554	(436)	1,226	(9,103)	3,205	4,139
Cash and cash equivalents at beginning of the year	(1,554)	(1,120)	(2,345)	(6,558)	(9,764)	(13,903)
Cash and cash equivalents at end of the year	(0.021)	(1,554)	(1,120)	(15,661)	(6,558)	(9,764)



Comments on Cash Flow Analysis

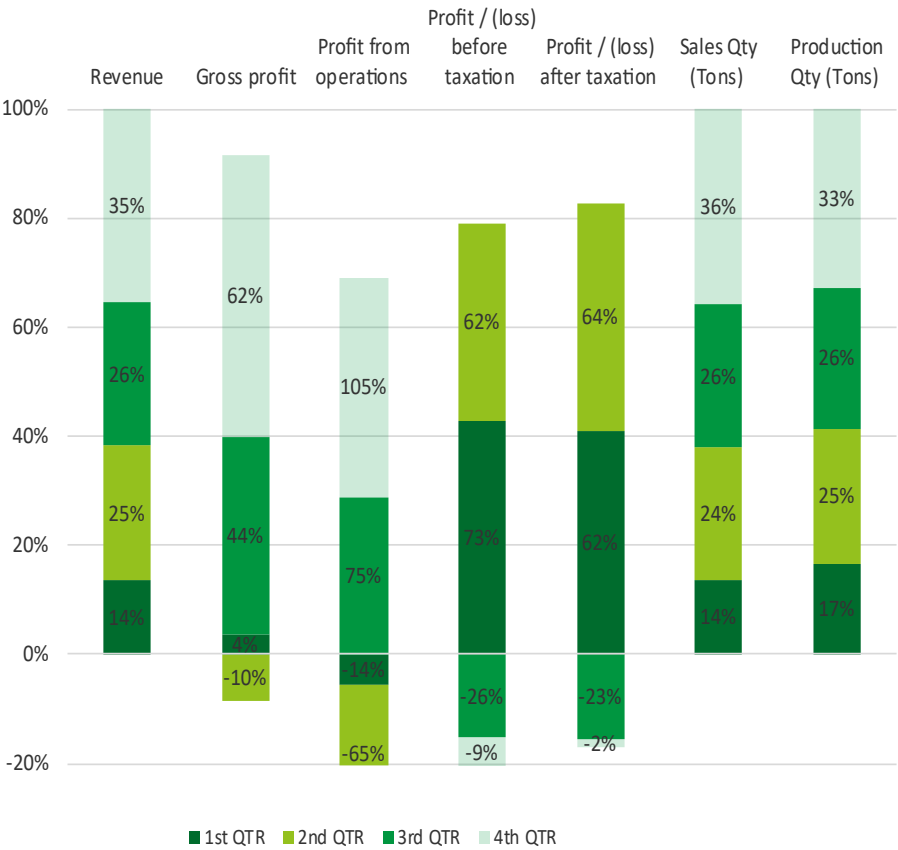
In 2025, net cash used in operating activities stood at Rs. 1.7 billion, reflecting pressure from reduced profitability and high finance costs.

Investing outflows remained modest at Rs. 303 million, mainly for capital expenditure.

Financing activities, however, generated a strong inflow of Rs. 3.5 billion, primarily due to sponsor contributions, which helped offset loan repayments. As a result, the Company recorded a net cash increase of Rs. 1.6 billion, reducing the year-end deficit to Rs. 0.021 million.

Results Reported in Interim Financial Statements and Final Accounts

	1 st QTR	2 nd QTR	3 rd QTR	4 th QTR	FY 2025
Rs. In Million					
Revenue	4,580,421	8,346,542	8,865,844	11,958,896	33,751,703
Cost of sales	(4,509,254)	(8,518,408)	(8,131,288)	(10,925,494)	(32,084,444)
Gross profit	71,167	(171,866)	734,556	1,033,402	1,667,259
Selling and distribution cost	(29,197)	(72,817)	(130,302)	(248,546)	(480,862)
Administrative expenses	(128,914)	(150,562)	(150,466)	(152,593)	(582,535)
	(158,111)	(223,379)	(280,768)	(401,139)	(1,063,397)
Profit from operations	(86,944)	(395,245)	453,788	632,263	603,862
Other expenses	(7,623)	(552)	(15,745)	(51,794)	(75,714)
Other income	1,946	13,008	479,687	43,373	538,014
Finance cost	(1,129,807)	(652,899)	(482,178)	(467,561)	(2,732,465)
Profit / (loss) before taxation	(1,222,428)	(1,035,688)	435,552	156,261	(1,666,303)
Taxation	379,305	176,533	(118,461)	(122,928)	314,449
Profit / (loss) after taxation	(843,123)	(859,155)	317,091	33,333	(1,351,854)
Sales Qty (Tons)	20,503	35,904	39,170	53,364	148,941
Production Qty (Tons)	27,219	40,221	42,012	53,147	162,599



Quarterly Results Analysis

Quarter 1

The international steel market declined in the first quarter of FY 2023-24, with HRC prices dropping from US\$ 510 to US\$ 480 per ton (FOB China). Prices have since stabilized with gradual recovery. Domestic demand for HRC and GI improved, though local manufacturers face strong import competition. FBR measures to curb high-value imports through FATA/PATA provided some relief.

During the quarter, total sales stood at 20,503 tons compared to 38,789 tons in the corresponding period last year, reflecting a decline of about 47%. Sales included 1,975 tons of exports against 2,463 tons in the same period of 2024.

Production for the quarter was recorded at 27,219 tons, down 40% from 38,588 tons produced in the corresponding period last year. The decline primarily resulted from unfavorable market conditions, which constrained capacity utilization.

Quarter 2

During the quarter, international HRC prices gradually declined from US\$ 500 per ton (FOB China) in July 2024 to US\$ 475 by December 2024. Economic indicators showed improvement, with inflation and discount rates on a downward trend, while the exchange rate remained stable and raw material imports continued smoothly.

Sales during the period stood at 35,904 tons, including 4,087 tons of exports, compared to 85,404 tons in the same period last year, reflecting a 34% decline.

Production was 40,221 tons against 52,627 tons in the corresponding period last year, down by 31%. Borrowings also declined due to sponsor contributions.

Quarter 3

During the third quarter, HRC prices remained relatively stable at around US\$ 470 per ton (FOB China). However, tensions between China and the United States exerted pressure on global steel markets, compelling local manufacturers to adjust and reduce their selling prices.

The total quantity sold during the period was 39,170 tons out of which 9,558 tons were exports. The total quantity sold in the corresponding period last year was 36,102 tons, showing decrease of about 5%.

The total quantity produced during the period was 42,012 tons compared to 35,229 tons produced in the corresponding period last year, showing increase of about 12%.

Quarter 4

In the fourth quarter, international HRC prices remained relatively stable, though subdued global demand and competitive pressures continued to weigh on margins. Locally, the steel market showed signs of recovery as demand picked up, supported by improving economic indicators and stable raw material availability.

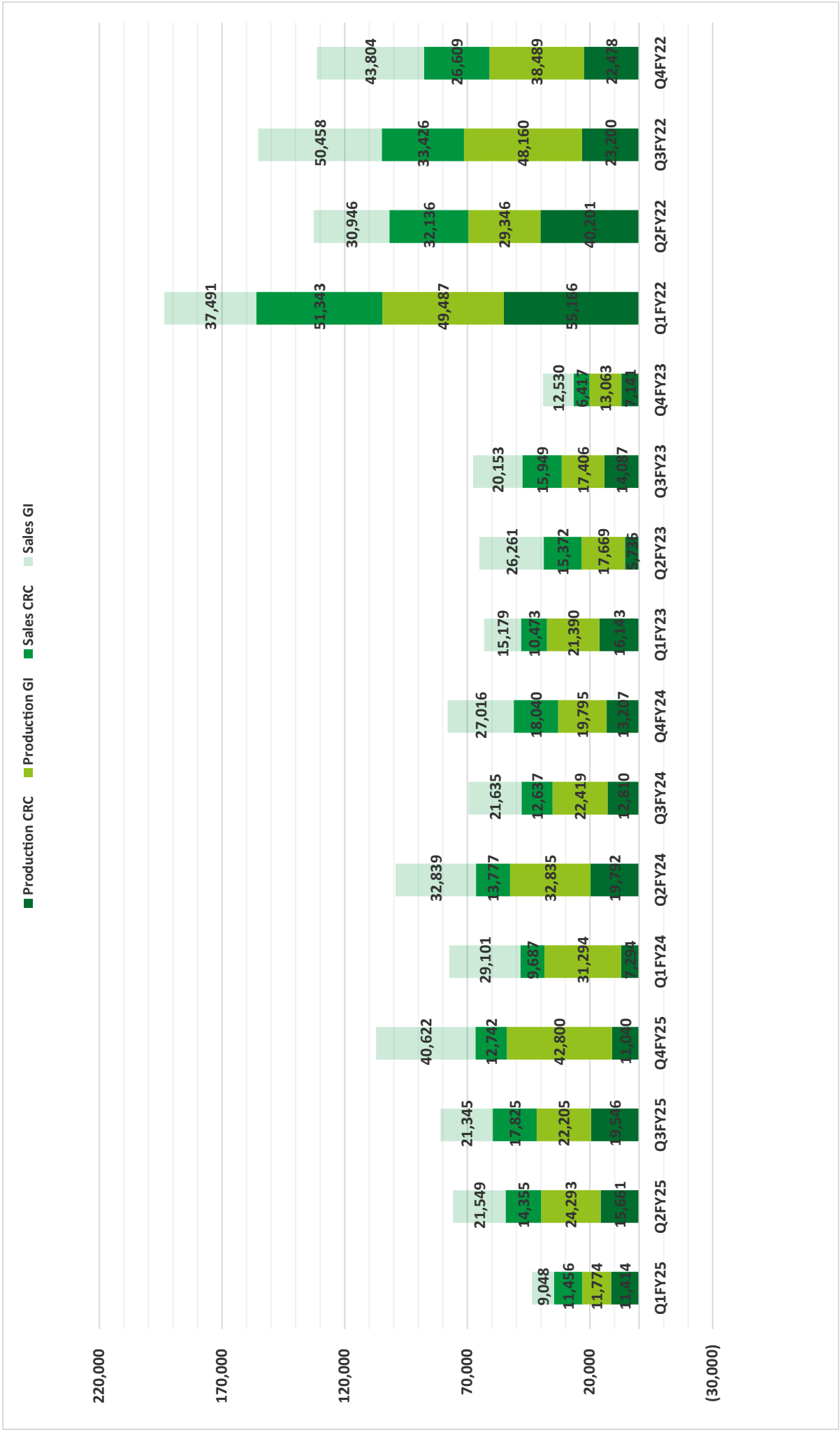
The Company achieved its highest quarterly volumes in the fourth quarter, with sales reaching 53,364 tons, an 18% increase over 45,056 tons in the same period last year. During the quarter, export quantity stood to 19,162.

Production also improved significantly to 53,147 tons compared to 33,000 tons last year, reflecting a strong 63% growth, supported by better capacity utilization and improved market demand.

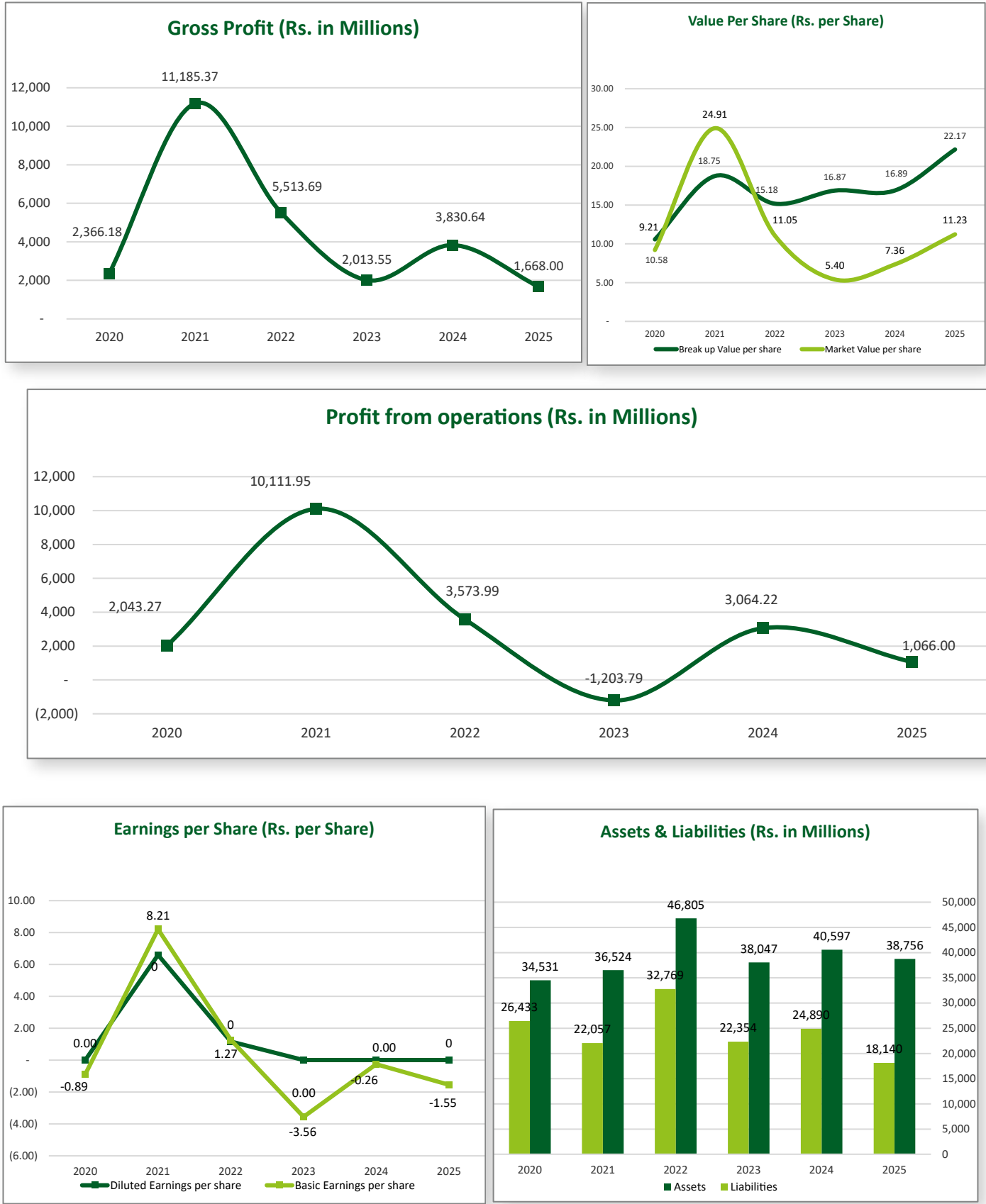
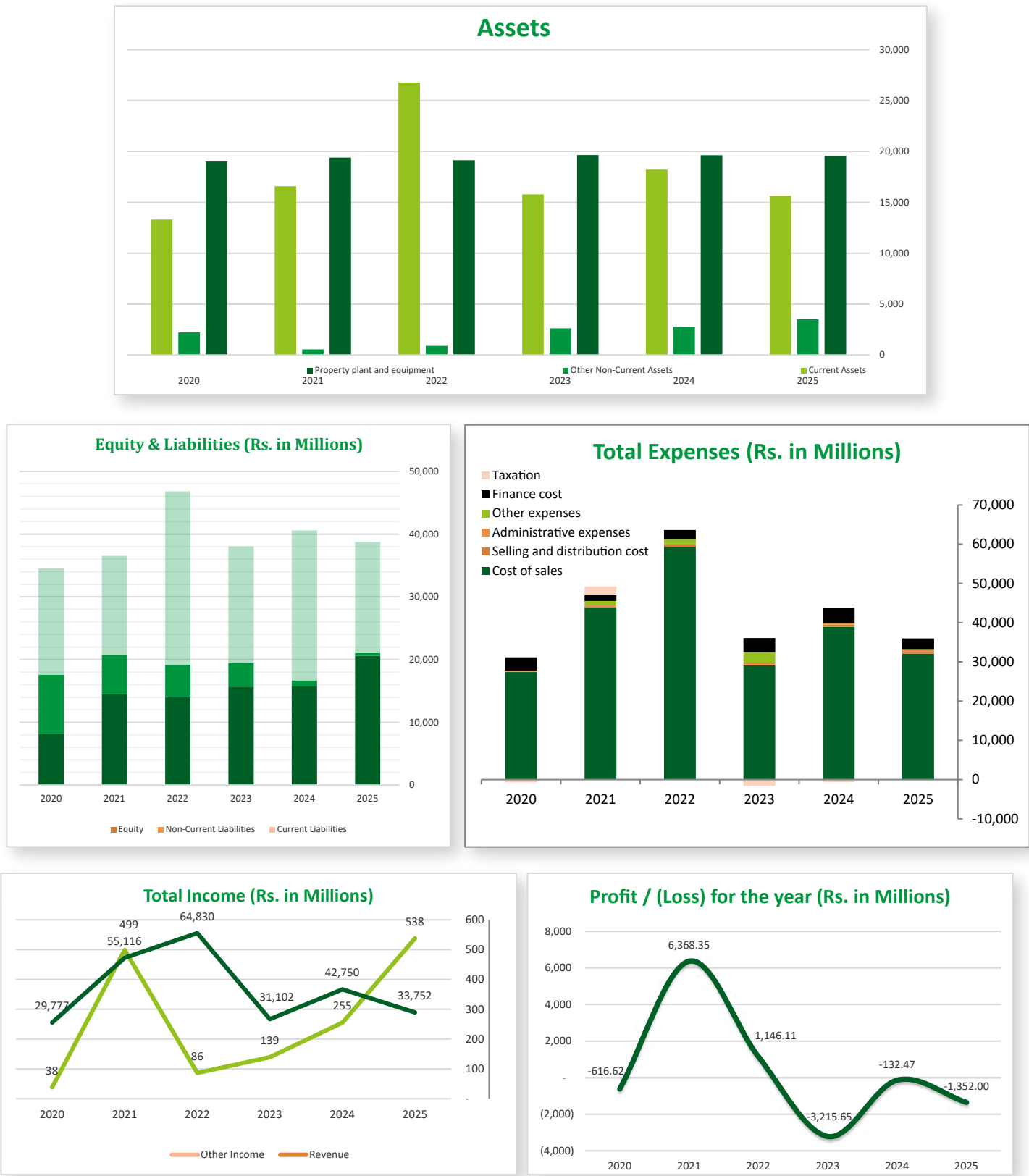
Historical Sales & Production Statement

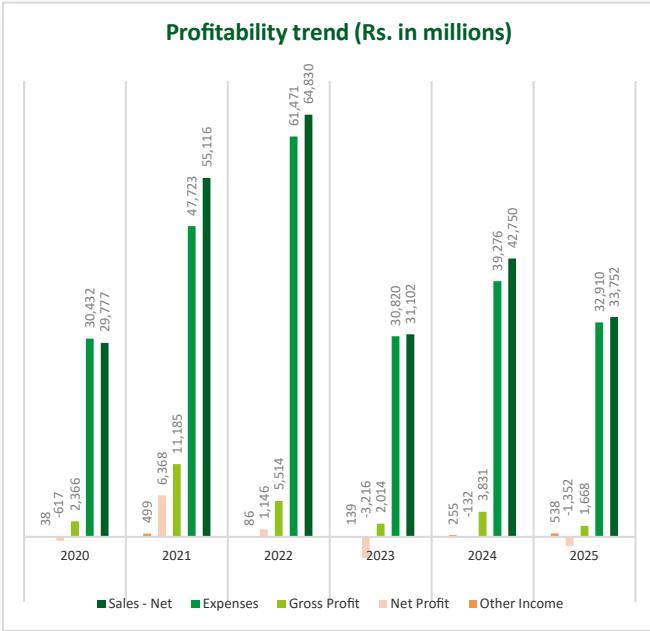
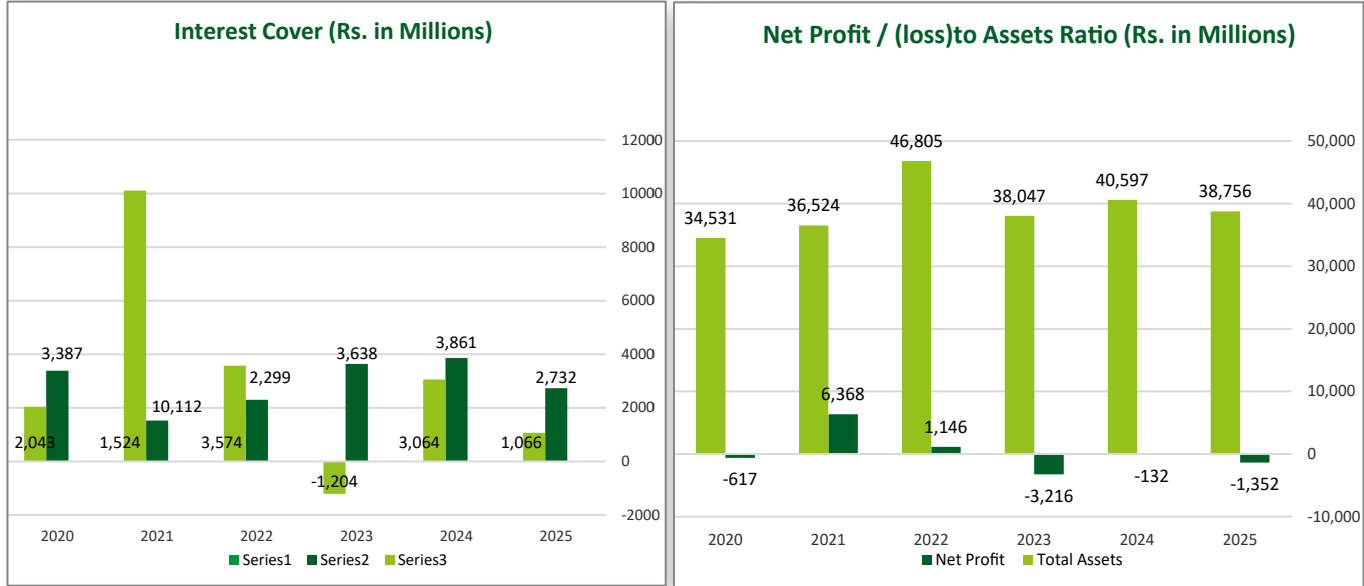
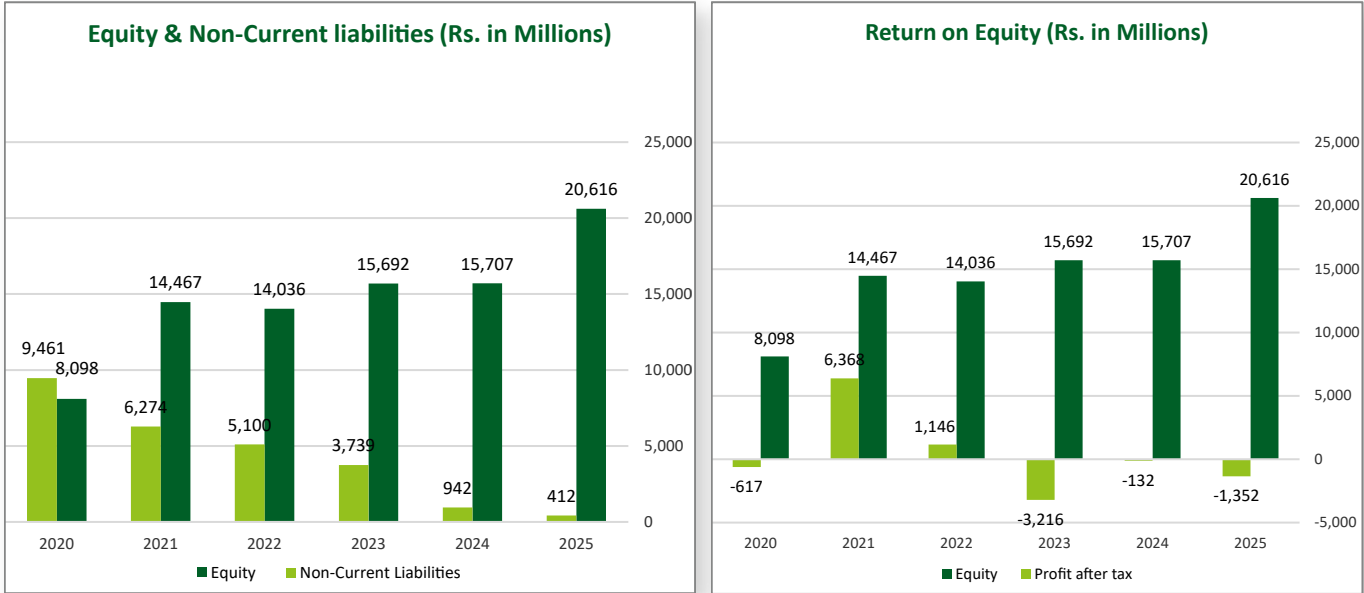
Description	Product	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Production	CRC	15,446	15,928	19,807	10,293	7,294	17,899	12,810	13,207
	GI	11,774	24,293	22,205	42,855	28,953	36,935	22,648	19,795
	Total	27,219	40,221	42,012	53,147	36,247	54,835	35,458	33,002
Description	Product	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY22	Q2FY22	Q3FY22	Q4FY22
Production	CRC	16,143	5,736	14,087	7,141	55,166	40,201	23,200	22,478
	GI	21,390	17,669	17,406	13,063	49,487	29,346	48,160	38,489
	Total	37,533	23,405	31,493	20,204	104,653	69,547	71,360	60,967
Description	Product	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Sales	CRC	11,456	14,355	17,825	12,742	9,687	13,777	12,637	18,040
	GI	9,048	21,549	21,345	40,622	29,101	32,839	21,635	27,016
	Total	20,503	35,904	39,170	53,364	38,788	46,616	34,272	45,056
Description	Product	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY22	Q2FY22	Q3FY22	Q4FY22
Sales	CRC	10,473	5,372	15,949	6,417	51,343	32,136	33,426	26,609
	GI	15,179	26,261	20,153	12,530	37,491	30,946	50,458	43,804
	Total	25,652	41,633	36,102	18,947	88,834	63,082	83,884	70,413

Historical Sales & Production Statement



Graphical Representations





Statement of cash flows - direct method

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers
Cash paid to suppliers / service providers and employees
Income tax paid
Mark-up on loans paid
Return on bank deposits received
Employee benefits paid
Workers' welfare fund paid
Workers' profits participation fund paid
.
Net cash (used in) operating activities
.

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment
Purchase of intangible assets
"Sale proceeds from disposal of property, plant and equipment"

Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term finance
Contributions received from associated undertaking
Contributions repaid to associated undertaking
Short-term borrowings obtained
Short-term borrowings paid
Dividend paid
Lease rentals paid

Net cash generated from financing activities
Net increase / (decrease) in cash and cash equivalents
Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

2025	2024
35,244,339	40,861,552
(32,933,661)	(38,835,665)
(589,439)	(922,861)
(3,369,186)	(3,762,968)
9,673	20,915
(30,237)	(27,159)
-	-
-	-
(1,668,511)	(2,666,186)
(307,947)	(625,369)
-	-
5,433	21,162
(302,514)	(604,207)
(2,623,100)	(1,362,937)
8,281,098	-
(2,000,000)	-
43,712,191	42,725,986
(43,814,619)	(38,392,918)
(845)	(65,046)
(29,868)	(71,112)
3,524,857	2,833,973
1,553,832	(436,420)
(1,553,853)	(1,117,433)
(21)	(1,553,853)

Share Price Sensitivity

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

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

Currency Risk

As an importer of Hot Rolled Coils (HRC), the Company’s cost structure and margins remain highly sensitive to PKR/USD exchange rate movements. A stronger PKR lowers import costs and supports profitability, while depreciation increases input costs and puts pressure on margins.

During the year, the exchange rate averaged Rs. 284.25/USD compared to Rs. 283.23/USD in 2024, reflecting relative stability after sharp fluctuations in previous periods. This stability provided partial relief in raw material planning and supported margin outlooks. The Company continues to adopt prudent procurement strategies to manage exposure and safeguard shareholder value.

HRC Prices in the International Market

As an importer of HRC, international price movements directly affect the Company’s profitability. While higher prices pressure margins in the short term, these are usually passed on to consumers over time.

During the year, HRC prices declined steadily from around USD 530/MT (FOB China) in July 2024 to USD 450/MT by June 2025, mainly due to weak global demand and oversupply. This downward trend provided some relief in procurement costs and helped ease the impact of currency volatility.

Change in Government Policies Affecting Consumer’s Buying Power

Any change in government policies affecting macroeconomic conditions—and thereby consumers’ purchasing power in general, and demand for CRC and HDGC in particular—can influence the Company’s share price. During the year, Pakistan’s economy recorded a GDP growth of 2.68 % for FY 2024-25, up from 2.5 % in the prior year, reflecting modest recovery in industrial activity and consumer demand.

Law and Order Situation

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

Plant Operations and Expansion

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

Shift in Consumers’ Demand

An increase in demand for flat steel goods can positively influence the pricing power of ASML’s products, thereby improving margins and profitability. However, during the current year, the anticipated demand growth was dampened by shifts in government and political instability, which introduced uncertainty into macroeconomic conditions and consumer behavior. These headwinds affected consumption across sectors, particularly in construction and manufacturing, which in turn could have a material impact on the Company’s share price and financial performance.

Variation in Costs

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

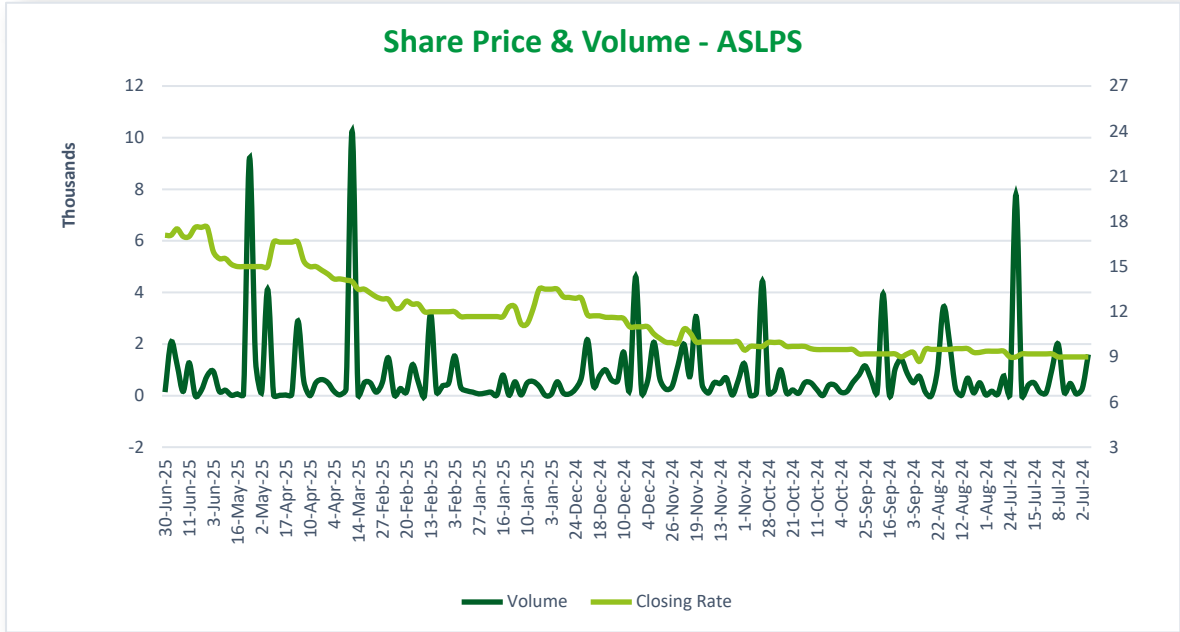
Ordinary Share (Symbol: ASL)				Preference Share (Symbol: ASLPS)				Preference Share (Symbol: ASLCPS)			
Year	Low (Rs.)	High	Volume	Year	Low (Rs.)	High	Volume	Year	Low (Rs.)	High	Volume
2025	6.17	13.80	1,243,117,290	2025	8.20	19.25	125,935	2025	-	-	-
2024	4.90	9.20	659,406,082	2024	9.17	8.81	249,562	2024	-	-	-

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

Key Factors	Impact on Profit before tax	EPS (Rs.)
Selling Price (Increase or Decrease by 10%)	Lower or higher by Rs. 3.4 billion	3.63
Selling Volume (Increase or Decrease by 5%)	Lower or higher by 83 million	0.09
Interest Rates (Increase or Decrease by 2%)	Lower or higher by Rs. 55 million	0.06
Exchange Rate (Increase or Decrease by 5%)	Lower or higher by Rs. 3 million	(0.00)

Price and volume data is as under:

Months	Ordinary Share (Symbol: ASL)			Preference Share (Symbol: ASLPS)			Preference Share (Symbol: ASLCPS)		
	High	Low	Volume	High	Low	Volume	High	Low	Volume
Jul-24	12.07	6.52	35,978,630.00	10	8	15,587	-	-	-
Aug-24	12.40	6.51	55,246,960.00	10	9	8,246	-	-	-
Sep-24	11.67	6.17	57,181,450.00	9	8	11,310	-	-	-
Oct-24	12.51	6.25	72,110,810.00	10	-	9,147	-	-	-
Nov-24	12.93	6.50	202,440,900.00	12	9	11,636	-	-	-
Dec-24	13.01	6.58	229,215,300.00	14	-	16,484	-	-	-
Jan-25	13.40	6.33	100,860,000.00	14	10	4,482	-	-	-
Feb-25	13.80	6.46	88,579,350.00	13	11	9,847	-	-	-
Mar-25	12.94	6.50	81,044,620.00	14	13	11,689	-	-	-
Apr-25	12.73	6.45	142,463,010.00	17	14	9,519	-	-	-
May-25	12.37	6.70	81,281,700.00	17	14	11,222	-	-	-
Jun-25	12.49	6.50	96,714,560.00	19	14	6,766	-	-	-
			1,243,117,290			125,935			-



Statement of Value Addition & Distribution

Wealth Created

Receipts from Customers
Other Receipts
Cash & Bank - Opening
Contribution from sponsor
Short-Term Loan (Paid) / Obtained - Net

Wealth Distributed

To Employees

Salaries, Wages & Other Benefits

To Government

Income Tax, Sales Tax, Custom / Excise Duty

To Providers of Capital

Repayment of Borrowings
Finance Cost

To Suppliers

Capital Expenditure
Raw Material & Other Suppliers

To Shareholders

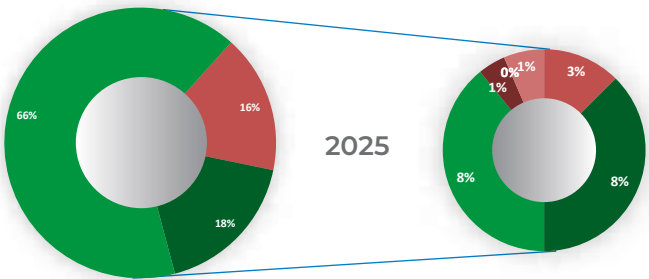
Dividend

To Society

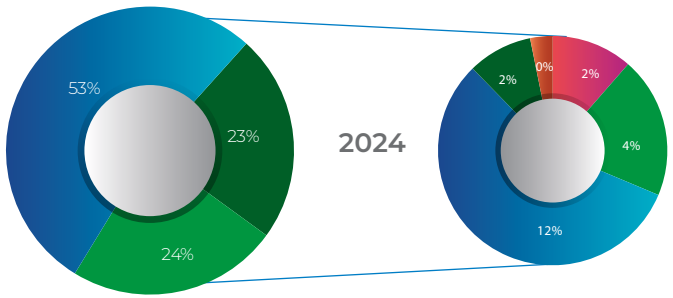
Donation

Retained in Business
Cash & Bank - Closing

2025		2024	
Rs. In '000	%	Rs. In '000	%
35,244,339	84%	40,861,552	89%
538,014	1%	254,902	1%
217,072	1%	1,147,153	2%
6,281,098	15%	-	0%
(102,428)	0%	3,839,407	8%
42,178,095	100%	46,103,014	100%
870,593	2%	782,510	2%
7,445,182	18%	7,836,662	17%
2,623,100	6%	1,362,937	3%
2,732,465	6%	3,860,825	8%
307,947	1%	625,369	1%
27,746,516	66%	31,417,639	68%
-	0%	-	0%
-	0%	-	0%
452,292	1%	217,072	0%
42,178,095	100%	46,103,014	100%



- Others
- Income Tax, Sales Tax, Custom / Excise Duty
- Raw Material & Other Suppliers
- Salaries, Wages & Other Benefits
- Finance Cost
- Dividend
- Cash & Bank - Closing
- Repayment of Borrowings
- Capital Expenditure
- Donation




- Others
- Income Tax, Sales Tax, Custom / Excise Duty
- Raw Material & Other Suppliers
- Salaries, Wages & Other Benefits
- Capital Expenditure
- Cash & Bank - Closing
- Repayment of Borrowings
- Dividend
- Finance Cost
- Donation

Progress in Motion

We evolve with insight, always
looking forward, never settling.



The background image shows a vast industrial interior, likely a semiconductor manufacturing plant. It features a complex network of green-painted steel beams and walkways spanning multiple levels. The floor is a light-colored concrete, and various industrial equipment, including large rolls of material and machinery, are visible. The lighting is bright and even, highlighting the scale and complexity of the facility.

Built on a Philosophy of Progress

At ASML, progress is driven by our relentless pursuit of excellence and adaptability in a dynamic industry landscape. We believe in harnessing technology, innovation, and the potential of our people to continuously improve our processes, products, and services. Progress for us means staying ahead of industry trends, investing in cutting-edge technologies, and nurturing a culture of learning and development. Through progress, we aim to enhance operational efficiency, expand our market reach, and create sustainable value for our customers, employees, and the communities we operate in.

Financial Statement

“If you cannot do great things, do small things in a great way.”

– Napoleon Hill





INDEPENDENT AUDITOR’S

REVIEW REPORT TO THE MEMBERS OF
AISHA STEEL MILLS LIMITED

Review Report on the Statement of Compliance contained in Listed Companies
(Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Aisha Steel Mills Limited (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company’s compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.



A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 26, 2025
UDIN: CR202510059p7aVR2q8J

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

FOR THE YEAR ENDED 30TH JUNE 2025

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

- The total number of Elected Directors are 8 (Eight) as per the following:
 - Male Directors : 7
 - Female Director : 1
- The composition of board (including Chief Executive - Deemed director) during the year under review remained as follows:

Category	Names
Independent Directors	Mr. Arslan Muhammad Iqbal
	Mr. Rashid Ali Khan
	Mr. Salman Ahmed Khan (Resigned on 5 th July 2024)
	Mr. Abbas Mirza (Appointed on 27 th Aug 2024 and resigned on 7 th February 2025)
	Ms. Tayyaba Rasheed (Resigned on 15 th April 2025)
	Mr. Muhammad Haroon Usman (Appointed on 7 th May 2025 and resigned on 27 th June 2025)
Other Non -executive Directors	Mr. Arif Habib
	Mr. Nasim Beg
	Mr. Kashif Habib
	Mr. Abdus Samad Habib
Executive Director	Dr. Munir Ahmed (deemed director)
Female Director	Ms. Tayyaba Rasheed (Resigned on 15 th April 2025) (Also mentioned above in the list of Independent Directors)

Subsequent to the year-end, Mr. Abdul Majeed and Ms. Saadia Umar were appointed as directors on 14th Jul 2025 in place of Ms. Tayyaba Rasheed and Mr. Muhammad Haroon Usman. The casual vacancies were filled within the prescribed timeframe.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- The Board has developed a Vision/Mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (“Act”) and the Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
9. Six directors (including the Chief Executive and a resigned director) had completed the Directors' Training / Education Program whereas three directors (Mr. Arif Habib, Mr. Nasim Beg & Mr. Muhammad Haroon Usman) were already exempt from attending the Directors Training Program as per criteria mentioned under Code of Corporate Governance.
10. During the year, the Board has approved appointment of Head of Internal Audit including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. No new appointments of Chief Financial Officer or Company Secretary were made during the year.
11. CFO and CEO have duly endorsed the financial statements before approval of the board.
12. The board has formed statutory committees comprising of members given below:

a) Audit Committee :	
Ms. Tayyaba Rasheed	Ex -Chairperson (Resigned on 15 th April 2025)
Mr. Abdus Samad Habib	Member
Mr. Kashif Habib	Member
Mr. Nasim Beg	Member

Subsequent to the year-end, Mr. Arslan Muhammad Iqbal was appointed as Chairman and Member of Audit Committee on 14th Jul 2025 in place of Ms. Tayyaba Rasheed.

b) HR and Remuneration Committee :	
Mr. Rashid Ali Khan	Chairman
Mr. Arif Habib	Member
Mr. Kashif Habib	Member

c) Nomination Committee :	
Mr. Arif Habib	Chairman
Mr. Abdus Samad Habib	Member

d) Risk Management Committee :	
Mr. Arif Habib	Chairman
Dr. Munir Ahmed	Member
Mr. Kashif Habib	Member

13. The Terms of Reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance.
14. The frequency of meetings of the Committees were as per following:

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

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

c) Nomination Committee – 2 (Two) meeting of the Committee were held during the financial year.

d) Risk Management Committee – 1 (One) meeting of the Committee was held during the financial year.
15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive, Chief Financial Officer, Head of Internal Audit, Company Secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with.
19. Explanation for non-compliance with requirement, other than 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirement) are below

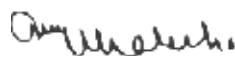
S.No.	Requirement	Explanation	Reg. No.
1	Disclosure of significant policies on website	There is a concession by regulation over disclosure of key element of significant policies on the website. Only those policies which were considered necessary have been posted.	35(1)
2	Role of the Board and its member to address sustainability risk and opportunities. The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term Corporate value. The Board may establish a dedicated sustainability committee.	The Board currently oversees sustainability -related matters. A dedicated committee may be constituted in due course, if considered necessary.	10(A)

For and on behalf of the Board



DR. MUNIR AHMED
Chief Executive

Karachi: September 9, 2025



MR. ARIF HABIB
Chairman

Report of the Board Audit Committee

The Audit Committee of the Company comprises of four Non-Executive Directors. The Head of Internal Audit and the external auditors attend Audit Committee meetings. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) attend the Audit Committee meeting by invitation. The Audit Committee also separately meets the internal audit team and external auditors at least once a year without the presence of the Management.

Meetings of the Audit Committee are held at least once every quarter. Five meetings of the Audit Committee were held during the year 2024-2025. Based on reviews and discussions in those meetings, the Audit Committee reports that:

- Five meetings of the Audit Committee were held during the financial year ended June 30, 2025 out of which four meetings were presided by the Chairperson, Audit Committee while in her absence, one meeting was chaired by the non-executive director.
- The Chairperson of Audit Committee is a senior banker and holds a Master's degree in Business Administration lending sufficient financial and accounting insight to the proceedings of the Audit Committee.
- The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and values and the best practices of governance throughout the year.
- The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed by the external auditors of the Company.
- Appropriate accounting policies have been consistently applied. All core and other applicable International Financial Reporting Standards (IFRS) were followed in preparation of financial statements of the Company on a going concern assumption basis, for the financial year ended June 30, 2025 which present fairly the state of affairs, results of operations, cash flows and changes in equity of the Company.
- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholder needs.
- The financial statements comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- The Audit Committee reviewed and approved the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board.
- The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) attended Audit Committee meetings by invitation.
- The CEO and the CFO have endorsed the financial statements of the Company along with Directors' Report. They acknowledged their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and design and effectiveness of internal control system of the Company.

- 11. The Audit Committee has reviewed and approved all related party transactions.
- 12. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.
- 13. The Committee has reviewed the Annual Report and concluded that it is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.
- 14. The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders' wealth at all levels within the Company.
- 15. No cases of complaints regarding accounting, internal controls, audit matters or Whistle Blowing events were received by the Committee.
- 16. Understanding and Compliance with Company Code of Business Practice and Ethics has been affirmed by the members of the Board, the Management and employees of the Company individually. Equitable treatment of shareholders has also been ensured.
- 17. Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.
- 18. All Directors have access to the Company Secretary. All direct and indirect trading and holdings of the Company's shares by Directors and Executives or their spouse were notified in writing to the Company Secretary along with the price, number of shares, form of share certificate and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the pattern of Shareholdings. The Annual Secretarial Compliance Certificates are being filed regularly within stipulated time.
- 19. All members of the Board Audit Committee were engaged in a formal process to self-evaluate the Committee's performance for the year ended June 30, 2025 through an online questionnaire. All members of the Board Audit Committee are satisfied with the overall performance of the Committee.

Internal Audit

- 1. The internal control framework has been effectively implemented through an independent in-house internal audit function established by the Board which is independent of the external audit function.
- 2. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.
- 3. Internal auditor independently reviews the risks and control processes operated by management. The Internal Audit function has carried out its duties under the charter approved by the Committee. It carries out independent audits in accordance with an internal audit plan which is annually approved by the Audit Committee.
- 4. The internal audit plan provides a high degree of financial and business segment wise coverage and devotes significant effort to the review of the risk management framework surrounding the major business risks

- 5. Internal audit reporting system includes recommendations to improve internal controls together with agreed management action plans to resolve the issues raised. Internal audit follows up the implementation of recommendations and reports progress to senior management and the Audit Committee.
- 6. The Audit Committee reviews the findings of the internal audits completed during the year, discusses corrective actions in the light of management responses, taking appropriate action or bringing the matters to the Board's attention where required. This ensures the continual evaluation of controls and improved compliance.
- 7. The Head of Internal Audit reports to the Chairperson of the Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.
- 8. Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

- 1. The statutory Auditors of the Company, M/s A. F. Ferguson & Co., Chartered Accountants, have completed their audit engagement of the "Company's Financial Statements", and the "Statement of Compliance with the Code of Corporate Governance" for the financial year ended June 30, 2025 and shall retire on the conclusion of the 21st Annual General Meeting.
- 2. The Auditors have been allowed direct access to the Audit Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. The Auditors attended the Annual General Meeting of the Company held during the year and have confirmed attendance of the upcoming Annual General Meeting scheduled for October 17, 2025 and have indicated their willingness to continue as Auditors.
- 3. The performance, cost and independence of the External Auditor is reviewed annually by the Audit Committee. Based on the Committee's review of the performance of External Auditor, the Committee has recommended to the Board to reappoint M/s A. F. Ferguson & Co., Chartered Accountants for the year 2025-2026 be proposed at the forthcoming Annual General Meeting

Mr. Arslan Muhammad Iqbal

Chairman – Audit Committee
Karachi: September 8, 2025



INDEPENDENT AUDITOR’S REPORT

To the members of Aisha Steel Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Aisha Steel Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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KARACHI LAHORE ISLAMABAD



Following are the key audit matters:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	Revenue from contracts with customers (Refer notes 3.18 and 24 to the annexed financial statements) Revenue is recognised when control of the underlying products is transferred to the customers. The Company primarily generates revenue from sale of cold rolled and galvanized steel coils and sheets to domestic as well as export customers. The Company recognised revenue aggregating to Rs. 33.75 billion, net of taxes, rebates and discounts, for the year ended June 30, 2025. We considered revenue as a key audit matter due to revenue being one of the key performance indicators of the Company and for the year, revenue has decreased significantly as compared to last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	Our audit procedures included the following: <ul style="list-style-type: none">- obtained an understanding of the Company's process with respect to revenue recognition and tested the design of the controls implemented by the management.- evaluated appropriateness of Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.- performed verification of revenue transactions on sample basis with the underlying documentation including gate pass, delivery order, sales invoice etc.;- performed cut-off procedures on sample basis to ensure sales have been recorded in the correct period;- performed verification over discounts on sample basis; and- ensured that the presentation and disclosure related to revenue are being addressed appropriately

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S. No.	Key audit matter	How the matter was addressed in our audit
	Deferred tax	
(ii)	(Refer note 8 to the annexed financial statements)	
	Under International Accounting Standard 12 “Income Taxes”, the Company is required to review recoverability of the deferred tax assets recognised in the statement of financial position at each reporting period.	Our audit procedures included the following:
	Recognition of deferred tax asset is dependent on management’s estimate of availability of sufficient future taxable profits against which carried forward losses and tax credits can be utilised. The future taxable profits are based on approved management’s projections. This estimation involves a degree of uncertainty and requires judgement in relation to the future cash flows and also involves assessment of timing of reversals of unused tax losses and tax credits.	<ul style="list-style-type: none"> - obtained understanding of the Company’s process of preparing financial projections; - obtained financial projections from management as approved by the Board of Directors; - evaluated the reasonableness of key assumptions and estimates used by management to prepare financial projections; - considered the expected timing of utilisation of the Deferred Tax Assets (DTA) keeping in view the relevant provision of Income Tax Ordinance 2001 that apply to the utilisation of tax losses;
	The Company has recognised deferred tax asset of Rs. 3.41 billion as at June 30, 2025 as disclosed in note 8 to the financial statements that includes carry forward losses and tax credit amounting to Rs. 2.68 billion. The recoverability of these benefits has been assessed based on the financial projections of the Company for future years. The determination of future taxable profit is based on certain key assumptions such as capacity utilisation, gross margin percentage, inflation and interest rates.	<ul style="list-style-type: none"> - determined the extent to which taxable profits would arise in the period within which the related losses would be available for utilisation; - ensured that the deferred tax asset is computed using the rates that are enacted or substantively enacted at the reporting date; and
	Deferred tax asset valuation is considered a key audit matter because the amounts involved are material, the complexities of the calculation of future taxable profits and the inherent uncertainty involved in forecasting taxable profits available in future periods.	<ul style="list-style-type: none"> - reviewed the adequacy of the disclosures made by the Company with regard to applicable accounting and reporting standards.

Information Other than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Farrukh Rehman.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 26, 2025
UDIN: AR202510059dpgQKh7J

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■ KARACHI ■ LAHORE ■ ISLAMABAD

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

AS AT JUNE 30, 2025

	Note	2025	2024
Rupees in '000			
ASSETS			
Non-current assets			
Property, plant and equipment	4	19,594,487	19,624,339
Intangible assets	5	37,368	43,300
Long-term advances	6	279	294
Long-term deposits	7	65,613	68,601
Deferred tax asset	8	3,407,688	2,650,936
		23,105,435	22,387,470
Current assets			
Inventories	9	8,101,475	9,870,972
Trade and other receivables	10	1,477,417	2,930,930
Loans, advances and prepayments	11	543,452	554,932
Tax refunds due from government - sales tax		280,611	-
Taxation - payments less provision		4,795,775	4,635,782
Cash and bank balances	12	452,292	217,072
		15,651,022	18,209,688
Total assets		38,756,457	40,597,158
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	13		
Ordinary shares		9,300,159	9,300,159
Cumulative preference shares		444,950	444,950
Difference on conversion of cumulative preference shares into ordinary shares		(1,762,459)	(1,762,459)
		7,982,650	7,982,650
Capital reserve			
Surplus on revaluation of property, plant and equipment	14	2,214,080	2,229,316
Capital reduction reserve		667,686	667,686
Revenue reserve			
(Accumulated loss) / unappropriated profit		(529,401)	827,326
Contributions from sponsor	15	10,281,098	4,000,000
		20,616,113	15,706,978
Liabilities			
Non-current liabilities			
Long-term finance - secured	16	-	572,133
Lease liabilities	17	152,174	171,579
Employee benefit obligations	18	260,206	197,759
		412,380	941,471
Current liabilities			
Trade and other payables	19	1,070,049	2,943,108
Provisions	20	497,195	497,195
Short-term borrowings	21	15,069,089	16,490,129
Sales tax payable		-	178,116
Unclaimed dividend		2,378	3,223
Current maturity of long-term finance	16	593,580	2,623,137
Current maturity of lease liabilities	17	21,091	22,272
Accrued mark-up	22	474,582	1,191,529
		17,727,964	23,948,709
Total liabilities		18,140,344	24,890,180
Contingencies and commitments			
	23		
Total equity and liabilities		38,756,457	40,597,158

The annexed notes 1 to 47 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
Rupees in '000			
Revenue from contracts with customers	24	33,751,703	42,749,652
Cost of sales	25	(32,084,444)	(38,919,010)
Gross profit		1,667,259	3,830,642
Selling and distribution cost	26	(480,862)	(568,902)
Administrative expenses	27	(582,535)	(446,436)
Operating profit		603,862	2,815,304
Other expenses	28	(75,714)	(5,989)
Other income	29	538,014	254,902
Finance costs	30	(2,732,465)	(3,860,825)
Loss before levies and income tax		(1,666,303)	(796,608)
Levies - final tax	31	(53,859)	(16,684)
Loss before income tax		(1,720,162)	(813,292)
Income tax credit	32	368,308	680,822
Loss for the year		(1,351,854)	(132,470)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of employee benefit obligations		(20,109)	(19,455)
net of deferred tax			
Surplus on revaluation of property, plant and equipment		-	244,607
Impact of deferred tax		-	(77,419)
		-	167,188
		(20,109)	147,733
Other comprehensive (loss) / income for the year		(1,371,963)	15,263
Total comprehensive (loss) / income for the year			
Loss per share			
		Rupees	
- Basic and diluted	33.1	(1.55)	-0.26

The annexed notes 1 to 47 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Share capital			Reserves		Contribution from sponsor (Note 14)	Total	
	Ordinary shares	Cumulative preference shares	Difference on conversion of cumulative preference shares into ordinary shares*	Capital	Revenue			
				Surplus on revaluation of property, plant and equipment	Capital reduction reserve (Note 13.2) Unappropriated profit (Accumulated loss)			
Rupees '000								
Balance as at July 1, 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	-	-	-	(54,075)	-	54,075	-	-
Total comprehensive loss for the year ended June 30, 2024								
- Loss for the year ended June 30, 2024	-	-	-	-	-	(132,470)	-	(132,470)
- Other comprehensive income / (loss) for the year ended June 30, 2024	-	-	-	167,188	-	(19,455)	-	147,733
	-	-	-	167,188	-	(151,925)	-	15,263
Balance as at June 30, 2024	9,300,159	444,950	(1,762,459)	2,229,316	667,686	827,326	4,000,000	15,706,978
Incremental depreciation net of deferred tax transferred	-	-	-	(15,236)	-	15,236	-	-
Net Contributions received - note 15	-	-	-	-	-	-	6,281,098	6,281,098
Total comprehensive loss for the year ended June 30, 2025								
- Loss for the year ended June 30, 2025	-	-	-	-	-	(1,351,854)	-	(1,351,854)
- Other comprehensive loss for the year ended June 30, 2025	-	-	-	-	-	(20,109)	-	(20,109)
	-	-	-	-	-	(1,371,963)	-	(1,371,963)
Balance as at June 30, 2025	9,300,159	444,950	(1,762,459)	2,214,080	667,686	(529,401)	10,281,098	20,616,113

The annexed notes 1 to 47 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
Rupees in '000			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	2,307,675	2,026,040
Income tax and levies paid		(589,439)	(922,861)
Mark-up paid		(3,369,186)	(3,789,487)
Return on bank deposits received		9,673	20,915
Employee benefits paid		(30,237)	(27,159)
Receipts from long-term advances		15	21
Receipt / (payment) against long-term deposits		2,988	(174)
Net cash used in operating activities		(1,668,511)	(2,692,705)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(307,947)	(625,369)
Sale proceeds from disposal of property, plant and equipment		5,433	21,162
Net cash used in investing activities		(302,514)	(604,207)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term finance		(2,623,100)	(1,362,937)
Contributions received from sponsor		8,281,098	-
Repayments made to sponsor		(2,000,000)	-
Short-term loan obtained		43,712,191	42,725,986
Short-term loan repaid		(43,814,619)	(38,392,918)
Dividend paid		(845)	(65,046)
Lease rentals paid		(29,868)	(44,593)
Net cash generated from financing activities		3,524,857	2,860,492
Net increase / (decrease) in cash and cash equivalents		1,553,832	(436,420)
Cash and cash equivalents at beginning of the year		(1,553,853)	(1,117,433)
Cash and cash equivalents at end of the year	35	(21)	(1,553,853)

Statement of cash flows based on direct method has also been included in the financial statements in note 36.

The annexed notes 1 to 47 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan on May 30, 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company's shares are listed on Pakistan Stock Exchange (PSX) since August 2012. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi.

1.1 The Company has set up a cold rolling mill complex and a galvanization plant in the downstream Industrial Estate, Pakistan Steel, Bin Qasim, Karachi to carry out its principal business of manufacturing and selling cold rolled steel coils and hot dipped galvanized coils.

1.2 During the year, the country's economic conditions showed signs of improvement, marked by reduced inflation and declining interest rates. These developments had a positive impact on the Company's business operations. However, a significant drop in international prices of Cold Rolled Coil (CRC) and Galvanized Iron (GI) compelled the Company to lower its selling prices in order to sustain sales volume.

Additionally, the Company received a capital contribution of Rs. 6.28 billion from its Sponsor. This infusion, coupled with a decline in interest rates, led to a significant reduction in finance cost from Rs. 3.79 billion to Rs. 2.64 billion.

The Government of Pakistan has announced a gradual removal of sales tax exemptions for industrial units in FATA and PATA through Finance Act 2025. Imports from these regions, which were previously sales-tax free, will now attract 10% sales tax in FY26, increasing progressively until it reaches 18%. This development reduces the attractiveness of diverted imports from these regions and creates a level playing field for local producers.

On June 28, 2025, the National Tariff Commission (NTC) imposed anti-dumping duties on galvalume steel coils and sheets imported from China, effective from July 2025 through February 8, 2027. This action was taken to address the circumvention of earlier anti-dumping measures on galvanized steel, as galvalume products were increasingly being used as substitutes to bypass existing tariffs.

Management views these developments as positive indicators for the steel industry, supporting increased local production and revenue growth. The Company remains focused on executing its strategic plans to enhance operational performance and maximize shareholder returns.

1.3 On December 9, 2024, the Competition Commission of Pakistan (CCP) issued an enquiry report concerning alleged collusive practices within the flat steel sector. Pursuant to the findings of the report, a show cause notice was served to the Company, citing potential non-compliance with the provisions of the Competition Act, 2010. The Company has submitted a formal response to the CCP and is actively participating in the ongoing regulatory proceedings. The matter remains under review, and the outcome is pending as of the reporting date.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

i. Property, plant and equipment

The Company reviews appropriateness of the rate of depreciation, useful life and residual values used in the calculation of depreciation and revaluation of leasehold land and building. Also the Company intends and expect that the leasehold land will be available for an indefinite period and therefore, no amortization has been charged in the financial statements.. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

ii. Current and deferred income taxes

In making the estimates for income taxes payable by the Company, management considers current income tax laws and the decisions of appellate authorities on certain cases issued in the past. Where the final outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final outcome is determined. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

iii. Surplus on revaluation of property, plant and equipment

Revaluation of property, plant, and equipment is carried out by independent professional valuers. Often, revaluations conducted by these valuers use comparable market rates. The revalued amount of non-depreciable items is determined by reference to local market values, while that of depreciable items is determined by reference to present depreciated replacement values.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. It may be necessary to revalue the item only every three to five years unless earlier required.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

iv. Employee benefit obligations - defined benefit plan

The present value of these obligations depends on a number of factors that are determined on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of these obligations. The present values of these obligations and the underlying assumptions are disclosed in note 3.17 & note 18 respectively.

v. Leases

The implementation process to identify and process all relevant data associated with the leases is complex and the measurement of the right-of-use asset and lease liability is based on assumptions such as discount rates and lease terms, including termination and renewal options. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the Company's incremental borrowing rate is used, being the rate the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

vi. Contingencies and provisions

Significant estimates and judgements are being used by the management in accounting for contingencies and provisions relating to legal and taxation matters being contested at various forums based on applicable laws and decisions / judgements.

vii. Expected credit losses on financial assets

Estimates related to expected credit losses on trade receivables are disclosed in note - 3.15.

Estimates and judgements are continually evaluated and adjusted based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

There have been no other critical judgements made by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements.

2.3 Changes in accounting standards and interpretations

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial reporting except for the following:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

This amendment aims to improve the information an entity provides when its right to defer settlement of liability is subject to compliance with covenants within twelve months after the reporting period that affects the classification of a liability. These amendments introduce additional disclosure requirements that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period. These amendments only have an impact on the Company's disclosure of long-term borrowings, but not on the measurement, recognition or presentation of any item in these financial statements.

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

The following standards or amendments are not effective for the accounting periods beginning on or after July 1, 2025 and have not been early adopted by the Company:

i) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

ii) IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 01, 2025. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these financial statements.

2.4 Functional and presentation currency

These financial statements are presented in Pakistani rupee which is the Company's functional currency and presentation currency. All financial information presented in Pakistani rupee has been rounded off to the nearest thousand, unless otherwise stated.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The summary of material accounting policies and methods of computations adopted in the preparation of these financial statements are consistently applied.

3.1 Property, plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, except leasehold land which is stated at revlaued amount less accumulmlated impairment losses. The building on leasehold land are stated at revalued amounts less accumulated depreciation and accumulated impairment losses. Capital work-in-progress are stated at cost less accumulated impairment losses.

Depreciation is charged to profit or loss by applying straight-line method whereby the cost less residual value is written off over its estimated useful life. The revalued amounts of buildings is depreciated equally over the remaining life from the date of revaluation. Depreciation on additions is charged from the day the asset is available for use and on disposals upto the day of disposal.

Increases in the carrying amounts arising on revaluation of land is recogniseed in other comprehensive income. The increase in carrying amount arising on revaluation of buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. any decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the building charged to profit or loss and depreciation based on the building's original cost, net of tax, is reclassified from the revaluation surplus to retained earnings. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount.

The carrying value of operating assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Gains and losses on disposal or retirement of property, plant and equipment are recognised in statement of profit or loss. and the related surplus on revaluation of property, plant and equipment, if any, is transferred directly to retained earnings.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, carrying amounts of intangible assets are subject to impairment review at each statement of financial position date and where conditions exist, impairment is recognised. Computer software licenses are capitalised on the basis of cost incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life using the straight line method.

3.3 Inventories

Stock in trade are valued at the lower of cost and net realisable value. Cost is determined using the weighted average method except for those in transit where it represents invoice value and other charges thereon. The cost of work in process and finished goods comprise of raw materials, direct labour, other direct costs and related production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Stores and spares are valued at weighted average cost. Items in transit are valued at cost comprising invoice value and other charges incurred thereon.

3.4 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

Deferred Tax

Deferred tax is accounted for using the statement of financial position liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is charged or credited in the statement of profit or loss and other comprehensive income. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Levies
	The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.
3.5	Share capital
	Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.
3.6	Earnings per share
	The Company presents basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.
3.7	Borrowings and their cost
	Borrowings are recognised initially at fair value and subsequently at amortised cost using the effective interest method.
	Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use and are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Such borrowing costs are capitalised as part of the cost of that asset.
	Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
	Borrowings payable within next twelve months are classified as current liabilities.
3.8	Derivative financial instruments and hedging activities
	Derivatives are initially recognised at fair value on the date the Company becomes party to the derivative contract and are subsequently re-measured at their fair value. The Company enters into derivative transactions mainly to hedge foreign currency liabilities or firm commitments and these are designated as fair value hedge.
	Changes in the fair value of derivatives used as hedging instruments in hedging relationships that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged liability that are attributable as the hedged risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.9	Trade and other payables
	Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.
	Trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.
3.10	Contract liabilities
	A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its obligation under the contract.
3.11	Provisions
	Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.
3.12	Contingent liabilities
	A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.
3.13	Segment reporting
	Segment results that are reported to the Company's Chief Executive Officer (CEO), the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items, if any, comprise mainly corporate assets, head office, expenses and tax assets and liabilities. Management has determined that the Company has a single reportable segment and therefore it has only presented entity wise disclosures.
3.14	Foreign currencies
	Transactions in foreign currencies are recorded in Pak Rupee at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupee using the exchange rates approximating those prevailing at the statement of financial position date. Exchange differences are taken to statement of profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.15 Financial Instruments - Initial recognition and subsequent measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received, respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"); or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs.

Subsequently, these are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value less any directly attributable transaction costs, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Impairment of financial asset

The Company recognises loss allowance for Expected Credit Loss on financial assets measured at amortised cost at an amount equal to life time ECLs except for the following, which are measured at 12 months ECLs:

- bank balances for which credit risk (the risk of default occurring over the expected life of the financial instrument) has not increased since the inception.
- employee receivables.
- other short term receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

The Company considers a financial asset in default when it is more than 90 days past due.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12 month ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Derecognition

i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

3.16 Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents comprise of cash in hand, balances with banks on current, savings and deposit accounts with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and short-term running finance.

3.17 Employee benefit obligations - defined benefit plan

Defined benefit plans define an amount of gratuity that an employee will receive on or after retirement, usually dependent on one or more factors, such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high quality corporate bonds or the market rates on Government bonds. These are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related gratuity obligation.

The Company operates an unfunded gratuity scheme for all its permanent employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to a minimum qualifying period of service under the scheme. The amount of gratuity is dependent on years of service completed and career average gross pay for management employees and years of service completed and last drawn gross pay for non-management employees.

The amount arising as a result of remeasurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur.

Past service costs are recognised immediately in statement of profit or loss.

3.18 Revenue recognition

- Domestic sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides with the dispatch of goods, as this is the point in time that the consideration becomes unconditional, because only the passage of time is required before the payment is due;
- Export sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides with the date of bill of lading.
- Toll manufacturing income is recognised when the product subject to toll manufacturing is dispatched to customer at a point in time;
- Revenue from sales under bill-and-hold arrangement is recognised when a customer gains control of the goods. This occurs when the customer obtains the right to direct the use of goods and acquires substantially all of the benefits, regardless of the physical delivery of the goods; and
- Return on savings accounts is recognised on accrual basis in other income.

No element of financing is deemed present as the majority of local sales are made upon receipts of advances from customers and credit sales are made with a credit term of 30-120 days, which is consistent with the market practice.

The transaction prices are agreed and discounts are offered under the contracts with customers.

3.19 Lease liability and right-of-use asset

Leases are recognised as right-of-use assets with corresponding lease liabilities at the date on which leased assets are available for use by the Company except for leases of short term or low value.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain different terms and conditions.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease liability is initially measured at the present value of the lease payments over the period of lease term and that are not paid at the commencement date, discounted using interest rate implicit in the lease or the Company's incremental borrowing rate.

Lease payments include fixed payments less any lease incentive receivable, variable lease payment that are based on an index or a rate which are initially measured using the index or rate as at the commencement date, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

The lease liability is remeasured when the Company reassesses the reasonable certainty of exercising the extension or termination option upon occurrence of either a significant event or a significant change in circumstances, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss and other comprehensive income if the carrying amount of right-of-use asset has been reduced to zero.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

The right-of-use asset is initially measured at an amount equal to the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which the asset is located.

The right-of-use asset is subsequently measured using the cost model. The right-of-use asset is depreciated on a straight-line basis over the lease term, as this method most closely reflects the expected pattern of consumption of future economic benefits. It is also subject to reduction for impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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The Company has elected to apply the practical expedient of not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

3.20 Dividend and appropriations to / from reserves

Dividend distribution to the Company's shareholders and appropriations to / from reserves are recognised as a liability in the period in which these are approved.

	2025	2024
	Rupees in '000	
4. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - note 4.1	17,245,566	17,363,371
Major spare parts and stand-by equipment - note 4.2	2,348,921	2,260,968
	19,594,487	19,624,339

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

4.1 Operating assets

	Owned							Right-of-use asset		Total
	Leasehold land-Revalued	Building and civil works on leasehold land -Revalued	Plant and machinery	Electrical equipment	Office equipment	Furniture and fixtures	Motor vehicles	Motor vehicles	Rented properties	
Net carrying value basis										
Year ended June 30, 2025										
Opening net book value (NBV)	2,125,000	1,995,000	12,496,226	556,992	36,853	361	19,609	121,137	12,193	17,363,371
Adjustment - note 10.5	-	-	625,569	-	-	-	-	-	-	625,569
Additions (at cost) / transfers	-	-	202,591	1,270	6,466	-	947	18,002	-	229,276
Disposals (at NBV) - note 4.1.4	-	-	-	-	(526)	-	-	(26,159)	-	(26,685)
Amortisation / depreciation charge - note 4.1.5	-	(78,249)	(766,464)	(56,086)	(17,350)	(63)	(2,589)	(19,017)	(6,147)	(945,965)
Closing net book value (NBV)	2,125,000	1,916,751	12,557,922	502,176	25,443	298	17,967	93,963	6,046	17,245,566
Gross carrying value basis										
At June 30, 2025										
Cost / revalued amount	2,125,000	1,995,000	18,393,883	1,158,422	189,121	17,766	28,017	122,240	38,249	24,067,698
Accumulated amortisation / depreciation	-	(78,249)	(5,835,961)	(656,246)	(163,678)	(17,468)	(10,050)	(28,277)	(32,203)	(6,822,132)
Net book value (NBV)	2,125,000	1,916,751	12,557,922	502,176	25,443	298	17,967	93,963	6,046	17,245,566
Net carrying value basis										
Year ended June 30, 2024										
Opening net book value (NBV)	2,000,000	1,990,000	12,995,647	593,295	49,612	623	6,296	79,528	-	17,715,001
Additions (at cost) / transfers	-	5,379	220,435	18,928	10,606	-	15,956	80,772	18,289	370,365
Disposals (at NBV) - note 4.1.4	-	-	-	-	(320)	-	-	(26,831)	-	(27,151)
Revaluation surplus - note 4.1.1	170,395	74,212	-	-	-	-	-	-	-	244,607
Amortisation / depreciation charge - note 4.1.5	(45,395)	(74,591)	(719,856)	(55,231)	(23,045)	(262)	(2,643)	(12,332)	(6,096)	(939,451)
Closing net book value (NBV)	2,125,000	1,995,000	12,496,226	556,992	36,853	361	19,609	121,137	12,193	17,363,371
Gross carrying value basis										
At June 30, 2024										
Cost / revalued amount	2,125,000	1,995,000	17,573,713	1,157,152	183,554	17,766	27,070	152,685	38,249	23,270,189
Accumulated amortisation / depreciation	-	-	(5,077,487)	(600,160)	(146,701)	(17,405)	(7,461)	(31,548)	(26,056)	(5,906,818)
Net book value (NBV)	2,125,000	1,995,000	12,496,226	556,992	36,853	361	19,609	121,137	12,193	17,363,371
Useful life in years	-	20 - 33	3 - 40	10 - 33	3 - 5	5	5	5	4	

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Operating assets include fully depreciated assets having cost of Rs. 170.42 million (2024: Rs. 169.02 million) at the reporting date which are still in use.

4.1.1 The Company's leasehold land measuring 50 acres located at plot no. DSU-45, Steel Mill, Downstream Industrial Estate, Bin Qasim, Karachi and the buildings thereon are stated at revalued amounts. The last revaluation was performed on June 30, 2024 resulting in a gain of Rs. 244.61 million. The valuation was carried out by an independent valuer - K. G. Traders (Private) Limited.

Had there been no revaluation, the net book values of leasehold land and buildings on leasehold land as at June 30, 2025 would have been Rs. 175.64 million (2024: Rs. 179.80 million) and Rs. 1,336.08 million (2024: Rs. 1,389.36 million) respectively. This land was previously classified under right-of-use assets and is now classified as leasehold land to bring it in line with classification under Companies Act, 2017 and industry practice.

4.1.2 Forced sales value of leasehold land and building on leasehold land as determined on June 30, 2024 was Rs. 1.59 billion and Rs. 1.50 billion respectively.

4.1.3 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location	Usage of immovable property	Total area (in acres)	Covered area (in sq. yards)
DSU - 45, Downstream Industrial Estate, Pakistan Steel, Bin Qasim, Karachi	Cold rolling mill complex and Galvanized steel complex	50	242,000

4.1.4 The details of operating assets sold, having net book value in excess of Rs. 500,000 each are as follows:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	(loss)	Mode of disposal	Particulars & relationship with the purchaser
Rupees in '000							
Motor vehicle	16,565	2,348	14,217	458	(13,759)	Company Policy	Munir Ahmed - Chief Executive Officer
Motor vehicle	9,268	4,124	5,144	390	(4,754)	Company Policy	Munir Ahmed - Chief Executive Officer
Motor vehicle	3,362	776	2,586	1,937	(649)	Company Policy	Muhammad Shahid - Deputy General Manager Internal Audit
Motor vehicle	2,700	729	1,971	1,450	(521)	Company Policy	Imtiaz Khakwani - Deputy General Manager Treasury
Motor vehicle	1,509	754	755	291	(464)	Company Policy	Amir Noor - Senior Manager Sales & Marketing
Motor vehicle	1,499	749	750	285	(465)	Company Policy	Usman Iqbal - Senior Manager Sales & Marketing
Motor vehicle	1,472	736	736	294	(442)	Company Policy	Farrukh Khan - Manager Information Technology
Aggregate of assets having book value of less than 500,000 each	36,375	10,216	26,159	5,105	(21,054)		
Office equipment	897	371	526	328	(198)		
2025	37,272	10,587	26,685	5,433	(21,252)		
2024	40,143	12,992	27,151	21,162	(5,989)		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees in '000	
4.1.5 Amortisation / depreciation for the year has been		
allocated as follows:		
Cost of sales - note 25	897,088	901,009
Selling and distribution cost - note 26	1,580	1,560
Administrative expenses - note 27	47,297	36,882
	945,965	939,451
4.2 Major spare parts and stand-by equipment		
Balance at beginning of the year	2,260,968	1,881,431
Additions during the year	226,764	674,536
Transfers made during the year	(138,811)	(294,999)
Balance at end of the year	2,348,921	2,260,968
5. INTANGIBLE ASSETS		
Computer Software		
Net carrying value basis		
Opening net book value	43,300	49,276
Amortisation charge for the year - note 5.1	(5,932)	5,976
Closing net book value	37,368	43,300
Gross carrying value basis		
Cost	78,810	78,810
Accumulated amortisation	(41,442)	35,510
Net book value	37,368	43,300
Year ended June 30, 2024		
5.1 Amortisation for the year has been allocated as follows:		
Administrative expenses - note 27	5,932	5,977
6. LONG-TERM ADVANCES - considered good		
Due from		
- executives	61	71
- other employees	218	223
	279	294
6.1 Advances to employees have been given to facilitate purchase of shares of the Company allotted to employees at the time of listing of the Company.		
6.2 The maximum aggregate amount of advances due from executives and employees at the end of any month during the year was Rs. 0.29 million (2024: Rs. 0.32 million).		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2025	2024							
	Rupees in '000								
7. LONG-TERM DEPOSITS									
Security deposits:									
- energy, power and fuel sector	38,231	38,231							
- financial institutions, banking and leasing companies	23,753	26,841							
- hotels and clubs	1,000	1,000							
- others	2,629	2,529							
	65,613	68,601							
8. DEFERRED TAX ASSET									
Debit balances arising in respect of:									
- carried forward losses - note 8.2	2,680,399	2,456,661							
- minimum tax	865,673	655,908							
- provisions	128,943	128,943							
- provision for employee benefit obligations	101,480	77,127							
- long-term finance	(22,522)	(10,858)							
- lease liabilities	67,574	75,602							
Credit balances arising in respect of:									
- accelerated tax depreciation / amortisation	(213,964)	(522,812)							
- surplus on revaluation of property, plant, and equipment	(199,895)	(209,635)							
	3,407,688	2,650,936							
8.1 Analysis of change in deferred tax									
	Accelerated tax depreciation / amortisation	Long-term finance	Revaluation surplus	Tax losses	Minimum tax	Provisions	Employee benefit obligations	Lease liabilities	Total
	Rupees in '000								
Balance as at July 01, 2024	(522,812)	(10,858)	(209,635)	2,456,661	655,908	128,943	77,127	75,602	2,650,936
(Charge) / credit to profit or loss for the year	308,848	(11,664)	9,740	223,738	209,765	-	11,496	(8,028)	743,895
Charge to other comprehensive income for the year	-	-	-	-	-	-	12,857	-	12,857
Balance as at June 30, 2025	(213,964)	(22,522)	(199,895)	2,680,399	865,673	128,943	101,480	67,574	3,407,688
Balance as at July 01, 2023	(1,830,845)	64,066	(140,579)	3,691,110	529,514	95,881	44,616	47,328	2,501,091
Reclassification	1,441,998	-	-	(1,441,998)	-	-	-	-	-
(Charge) / credit to profit or loss for the year	(133,965)	(74,924)	8,363	207,549	126,394	33,062	32,511	28,274	227,264
Charge to other comprehensive income for the year	-	-	(77,419)	-	-	-	-	-	(77,419)
Balance as at June 30, 2024	(522,812)	(10,858)	(209,635)	2,456,661	655,908	128,943	77,127	75,602	2,650,936

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

8.2 The Company's tax losses amount to Rs. 9.24 billion (2024: Rs. 8.47 billion) as at June 30, 2025. The management carries out periodic assessment to assess the benefit of these losses as the Company would be able to set off the profit earned in future years against these carried forward losses. Based on the assessment, management has recognised deferred tax debit balance amounting to Rs. 2.68 billion (2024: Rs. 2.46 billion) including an amount of Rs. 0.96 billion (2024: Rs. 0.96 billion) on unabsorbed tax depreciation, amortisation and initial allowance of Rs. 3.3 billion (2024: Rs. 3.30 billion). The amount of these benefits have been determined based on the financial projections of the Company for future years. The determination of future taxable profit is most sensitive to certain key assumptions such as capacity utilisation, gross margin percentage, inflation and KIBOR rates. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset.

	2025	2024
	Rupees in '000	
9. INVENTORIES		
Raw material [including in transit Rs. Nil (2024: Rs. 2,331.09 million)]	3,063,673	7,010,170
Work-in-process	390,580	639,102
Finished goods [including coil end sheets Rs. 182.45 million (2024: Rs. 106.07 million)] - note 9.1	3,147,684	764,380
	6,601,937	8,413,652
Stores	987,904	936,824
Spares	511,634	520,496
	1,499,538	1,457,320
	8,101,475	9,870,972

9.1 Finished goods include items amounting to Rs. 1,565.09 million as at June 30, 2025 (June 30, 2024: Rs. Nil) stated at their net realizable values against their cost Rs. 1,636.85 million (June 30, 2024: Rs. Nil).

	2025	2024
	Rupees in '000	

10. TRADE AND OTHER RECEIVABLES

Trade receivables - considered good:		
- Secured - note 10.1	454,215	386,829
- Unsecured		
Not yet due from related parties - note 10.2 & 10.3	9,872	1,557,254
Not yet due from other parties	867,667	175,450
	877,539	1,732,704
Other receivables:		
Receivable from Etimaad Engineering (Private) Limited - note 10.4	138,485	138,485
Receivable from insurance company - note 10.5	-	668,212
Others	7,178	4,700
	145,663	811,397
	1,477,417	2,930,930

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

10.1 This represents trade receivables relating to export sales which are secured by way of Export Letter of Credit.

10.2 These represent amounts due from following related parties:

	2025	2024
	Rupees in '000	
Globe Residency REIT	9,541	1,304
Rahat Residency REIT	272	-
Javedan Corporation Limited	59	59
Rayaan Al - Tijarah (Private) Limited	-	1,555,891
	9,872	1,557,254

10.3 Maximum aggregate due from the related parties at any time during the year calculated by reference to month-end balances is Rs. 9.87 million (2024: Rs. 1,557.25 million).

10.4 This represents balance of advances given to civil contractor Etimaad Engineering (Private) Limited (Etimaad) for mobilisation and procurements. The Company awarded a contract to Etimaad on December 1, 2007 for certain civil, mechanical and electrical works. However, Etimaad did not complete the work and discontinued the contract. Out of the total outstanding book balance of Rs. 237.86 million, the Company recovered Rs. 99.37 million from Etimaad on January 5, 2012 through encashment of bank guarantee.

At present, the Company is in dispute with the contractor in respect of the outstanding balance of advances. Initially Etimaad had filed a winding up petition against the Company in the High Court of Sindh alleging that the Company has failed to clear its unpaid invoices of Rs. 230 million. Whereas to the contrary, a sum of Rs. 237.86 million before recovery of aforesaid amount was receivable from Etimaad as per books of the Company.

However, for an early resolution of the dispute, the Company filed a suit before the Honourable High Court of Sindh for appointment of an Arbitrator in terms of the contract and under section 20 of the Arbitration Act, 1940. Accordingly, the Honourable High Court upheld the Company's contention and disposed of the said suit and the matter was referred to the Arbitrator appointed with the consent of both parties.

In 2012, arbitration proceedings were initiated in which the Company had filed a claim for recovery of the aforesaid over payments made to Etimaad along with consequential damages aggregating to sum of Rs. 1,109 million together with mark-up at the KIBOR notified by the State Bank of Pakistan from the date the amount became payable till the same is realised. A further sum of Rs. 20 million had also been claimed in lieu of costs. The above claim is net of Rs. 99.37 million which have already been recovered from Etimaad. Etimaad has made a capricious counterclaim of Rs. 825.49 million with mark-up at 16% per annum, which is a mere retort to the Company's bona fide claim.

During the year ended June 30, 2015, the sole Arbitrator passed the Award dated September 25, 2014, in favour of Etimaad, whereby all claims of the Company were rejected on the basis of insufficient evidence and inadequate proof. After hearing the case on numerous dates and then reserving the matter for almost 10 months, the Arbitrator finally gave an Award and stated that Etimaad is entitled to an amount of Rs. 371.73 million plus mark up at 6% per annum. The claim allowed was mainly for the outstanding receivables and the cancellation charges for the change orders. The rest of the claims of Etimaad were rejected.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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The Arbitrator found in favour of the Company, and against Etimaad, an amount of Rs. 75 million on account of the frivolous winding up petition filed by Etimaad against the Company before the Honourable High Court and as such deducted this amount of Rs. 75 million from the amount of Rs. 371.73 million and therefore gave a final Award in favour of Etimaad for an amount of Rs. 296.73 million plus mark up at 6% per annum.

The Company filed objections to the above Award before the Honourable High Court of Sindh praying for setting aside the Award. The Honourable High Court issued order dated April 15, 2019, sustaining the objections filed by the Company and has set-aside the Award of the Arbitrator.

Etimaad filed an appeal against the order dated April 15, 2019, before the Division Bench of High Court of Sindh for setting aside the judgement and passing a decree in terms of the Award dated April 25, 2014.

The Company's Legal Counsel is of the opinion that the Company has reasonable defense and the appeal is likely to be dismissed and no loss is likely to arise. Further, the Company will be able to recover its claim in due course.

10.5 During the year, the Company received Rs. 550 million from the insurance company as part of the final settlement of the insurance claim related to the fire incident at the Cold Rolling & Skin-Pass Mill (CRSM) plant. This amount is in addition to Rs. 250 million received in the prior period, bringing the total settlement to Rs. 800 million.

Previously, the Company had provisionally derecognized plant and machinery with a net book value of Rs. 918 million and recognized a corresponding insurance receivable. Following a detailed inspection and evaluation process conducted by the insurance company, certain components of the Rolling Plant were assessed to be in usable condition. Accordingly, the approved claim was finalized at Rs. 800 million.

In parallel, the Company's technical team carried out an independent assessment to determine the extent of damage. Based on this evaluation, assets with a net book value of Rs. 176 million were identified as irreparably damaged. The remaining plant and machinery, with a net book value of Rs. 626 million, was reinstated in the financial statements.

As a result of mapping the insurance proceeds against the derecognized assets, the Company has recognized a gain of Rs. 507 million in the statement of profit or loss.

Table with 3 columns: Description, 2025, 2024. Rows include Loans - considered good (executives, other employees), Advances - considered good (executives, other employees, suppliers and others), Receivable from Government, and Prepayments.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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11.1 Loans to employees have been given in accordance with Company's policy on interest free basis.

11.2 Reconciliation of carrying amount of loans and advances to executives and employees:

Table with 6 columns: Category, 2025 Executives, 2025 Other employees, 2025 Total, 2024 Executives, 2024 Other employees, 2024 Total. Rows include Balance at July 1, Disbursements, Repayments, and Balance at June 30.

11.3 The maximum aggregate amount of loans and advances due from executives and employees at the end of any month during the year was Rs. 19.02 million (2024: Rs. 15.17 million).

11.4 Loans and advances have been carried at cost as the effect of carrying these balances at amortised cost is not considered to be material for these financial statements.

11.5 This comprises of the following amounts paid to the Collector of Customs and the Nazir of the High Court of Sindh in the form of pay orders:

Table with 3 columns: Description, Opening balance, Returned during the year, Closing balance. Rows include Custom duty, Regulatory duty, and Sales tax thereon.

The amounts in respect of customs duty, regulatory duty and sales tax have been paid by the Company under protest on the basis of assessment by the Collector of Customs. During 2015, the Company imported HRC from China under customs SRO 659(I)2007 dated June 30, 2007 and filed goods declaration under HS code 7225.3000, being alloy steel, which was subject to zero customs duty. However, the Collector of Customs assessed these imports under HS code 7208.3890, being non-alloy steel, which was subject to 5% customs duty under the said SRO.

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The Company, in line with the practice adopted by other importers, filed petition in the High Court of Sindh against Custom Authorities for every import it made and obtained an interim order for release of goods by paying 50% of the custom duty to the Collector of Customs and remaining 50% amount to the Nazir of the High Court of Sindh through a pay order or by depositing post dated cheques for the same. The Company has deposited un-dated cheques amounting to Rs. 16.16 million in respect of custom duty and Rs. 2.75 million in respect of sales tax thereon with the Nazir of the High Court of Sindh as security.

Regulatory duty at the rate of 12.5% and sales tax at the rate of 17% thereon had also been paid to Collector of Customs under protest on the basis of the same assessment, as per S.R.O. 246 (I) /2015 dated March 27, 2015, which was an amendment to the S.R.O. 568 (I) /2014 dated 26 June 2014. The Company paid this amount through a pay order.

The Company is confident that it has filed "Goods Declarations" as per the specifications and is exempt from custom duty. As per the opinion of legal advisor of the Company, the issue in question is subjudice in the High Court of Sindh in a large number of Constitutional Petitions and a judgement in such cases will also be applicable on the Company. Further, as per the lawyer's opinion, there is a strong case and accordingly the Company considers this amount as recoverable. However, the Company has provided Rs. 213.5 million on prudent basis.

Table with 2 columns: 2025, 2024. Header: Rupees in '000

12. CASH AND BANK BALANCES

Cash at bank
Conventional

Table with 3 columns: Description, 2025, 2024. Rows: On savings accounts Local currency - note 12.1, On current accounts Local currency, Foreign currency.

Islamic

Table with 3 columns: Description, 2025, 2024. Rows: On savings accounts Local currency - note 12.2, On current accounts Local currency, Cash in hand.

12.1 At June 30, 2025, the rates of mark-up on PLS savings accounts ranged from 5.5% to 9.5% (2024: 18% to 20.5%) per annum.

12.2 These are shariah compliant bank balances and carry profit at rates ranging from 4.3% to 5.5% (2024: 7.5% to 9.3%) per annum as at June 30, 2025.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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13. SHARE CAPITAL

Authorised share capital

Table with 5 columns: 2025, 2024, Description, 2025, 2024. Header: (Number of shares), Rupees '000. Row: Ordinary and Cumulative Preference Shares of Rs. 10 each.

Issued, subscribed and paid-up capital

Ordinary shares

Table with 5 columns: 2025, 2024, Description, 2025, 2024. Header: (Number of Shares), Rupees '000. Rows: Shares allotted for consideration paid in cash, Shares allotted against conversion of Cumulative Preference Shares (PSX Symbol - ALSPS), Shares allotted against conversion of Cumulative Preference Shares (PSX Symbol - ALSCPS), Shares allotted against Cumulative Preference dividend (PSX Symbol - ALSPS), Shares allotted against Cumulative Preference dividend (PSX Symbol - ALSCPS).

Cumulative Preference Shares
(PSX Symbol - ASLPS)

Table with 5 columns: 2025, 2024, Description, 2025, 2024. Header: (Number of Shares), Rupees '000. Row: Cumulative Preference Shares of Rs. 10 each - note 13.3.

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Cumulative Preference Shares
(PSX Symbol - ASLCPS)

2025	2024			
(Number of shares)				
137,920	137,920	Cumulative Preference Shares of Rs. 10 each - note 13.4	1,379	1,379
137,920	137,920		1,379	1,379
Total cumulative Preference Shares of Rs. 10 each (PSX Symbols - ASLCPS and ASLPS)			444,950	444,950

13.1 625,624,320 (2024: 629,883,237) Ordinary Shares, 41,876,744 'ASLPS' (2024: 41,876,744) Cumulative Preference Shares and 250 'ASLCPS' (2024: 250) Cumulative Preference Shares of Rs. 10 each as at June 30, 2025 are held by related parties.

13.2 Pursuant to Share Purchase Agreement executed on March 31, 2016 between the Arif Habib Group [consisting of Mr. Arif Habib, Arif Habib Corporation Limited and Arif Habib Equity (Private) Limited] and Metal One Corporation (Japan) (the Seller), it was agreed that subject to the satisfaction of certain conditions precedent, Mr. Arif Habib individually will acquire all the Ordinary Shares i.e. 66.77 million shares of the Seller in the Company at a price of Rs. 0.5 per share with the intention of writing off and surrendering all the acquired shares of the Seller to the Company, at no cost to the Company and in accordance with Section 96 of the repealed Companies Ordinance, 1984 by way of a court approved scheme of reduction of capital, in order to enhance shareholders value for the remaining shareholders. In this respect, the petition under section 96 of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) was filed before the High Court of Sindh on December 29, 2016 for reduction of share capital of the Company. The Honourable High Court of Sindh in its order dated June 25, 2018 allowed the petition and minutes passed in Annual General Meeting of the Company held on October 27, 2016 for reduction of paid-up capital. As required by section 93 of the Companies Act, 2017, the Company filed the application for registration of order of reduction and consequently, the SECP through its letter dated July 13, 2018 acknowledged the registration of the High Court order for reduction of share capital. The reduction in capital was effective from the date of acknowledgement.

13.3 Cumulative Preference Shares - ASLPS

Cumulative Preference Shares (ASLPS) are non-redeemable but convertible into Ordinary Shares at face value, after Commercial Operations Date, as approved by the Board. The conversion price shall be Rs. 10 per Ordinary Share and for the purpose of conversion accumulated dividend not paid to the Preference Shareholders, if any, accrued upto the date of announcement of conversion by the Company shall be taken into account for determining the number of the Ordinary Shares to be issued upon conversion and therefore the number of Ordinary Shares to be issued to the Preference Shareholders shall be based in the ratio 1:1, plus unpaid preferential dividends, if any.

The rate of dividend on 44,357,057 (2024: 44,357,057) Cumulative Preference Shares (ASLPS) of Rs. 10 each is 3% above six-months KIBOR (reset every six months) which shall be converted into Ordinary Shares for which the Company shall issue the appropriate number of Ordinary Shares.

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In case the preferential dividend or any part thereof is not paid in any year, due to loss or inadequate profits, such unpaid dividend will accumulate and will be paid in the subsequent year(s) before any dividend is paid to the ordinary shareholders.

As at June 30, 2025, the undeclared cumulative dividend on Cumulative Preference Shares (ASLPS) amounts to Rs. 282.48 million (2024: Rs. 196.07 million).

13.4 Cumulative Preference Shares - ASLCPS

The shareholders of the Company in their extraordinary general meeting held on May 26, 2014 approved the issue of 50% Right Shares in terms of Cumulative Preference Shares at par value of Rs. 10 each. 171,910,029 Cumulative Preference Shares (ASLCPS) were issued in the ratio of 5 Cumulative Preference Shares for every 10 Ordinary / Cumulative Preference Shares (ASLPS) held by the existing shareholders.

The terms and conditions of such Right Shares are as follows:

- The rate of preferential dividend shall be six months KIBOR plus 3% (reset every six-months) which shall be available for conversion into Ordinary Shares, for which the Company shall issue the appropriate number of Ordinary Shares.
- Preference Shares shall be convertible into Ordinary Shares at the option of the holder of Preference Shares at any time after completion of one year from the date of subscription, as per the following criteria / basis:
 - a) at face value provided that the book value of the Ordinary Shares after adjustment of all accumulated losses as per latest half yearly / annual published accounts of the Company is Rs. 10 or more; and
 - b) at book value provided that the book value of the Ordinary Shares after adjustment of all accumulated losses as per latest half yearly / annual published accounts of the Company is lower than Rs. 10.
- If cash dividend is not paid in any year, due to loss or inadequate profits, then such unpaid cash dividend will accumulate and will be paid in the subsequent year(s) subject to approval of the Board of the Company.
- If the Company has announced after tax profit in any year and for the purpose of conversion, accumulated dividend not paid to the holders of Preference Shares (ASLCPS), if any, accrued up to the date of receiving the Notice of Conversion by the Company, shall also be taken into account for determining the number of Ordinary Shares, to the extent of aforesaid announced after tax profit, to be issued upon conversion.

As at June 30, 2025, the undeclared cumulative dividend on Cumulative Preference Shares (ASLCPS) amounts to Rs. 0.93 million (2024: Rs. 0.63 million).

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	2025	2024
	Rupees in '000	
14. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
Leasehold land and buildings on leasehold land		
Balance at beginning of the year	2,438,951	2,256,782
Surplus arising on revaluation:		
- Leasehold land	-	170,395
- Building and civil works on leasehold land	-	74,212
Transferred to retained earnings in respect of incremental depreciation charged during the year	(24,976)	(62,438)
Balance at end of the year	2,413,975	2,438,951
Related deferred tax liability	(199,895)	(209,635)
Balance at end of the year - net of deferred tax	2,214,080	2,229,316

The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders of the Company in accordance with section 241 of the Companies Act, 2017.

	2025	2024
	Rupees in '000	
15. CONTRIBUTION FROM SPONSOR		
Balance at beginning of the year	4,000,000	4,000,000
Contributions received during the year	8,281,098	-
Contributions repaid during the year	(2,000,000)	-
Balance at the end of the year	10,281,098	4,000,000

- 15.1 The Company has entered into a financing agreement with Mr. Arif Habib (Sponsor) on the following terms and conditions:
- The repayment of the principal amount and mark-up shall be at the sole and absolute discretion of the Company (taking into consideration the profitability and availability of its cash flows). However, in the event of liquidation, the sponsor will have preferred liquidation rights for recovery of the contribution and outstanding markup prior to Ordinary Shareholders of ASL.
 - The financing shall carry mark-up at the rate of 3 months KIBOR + 1.8%. However, the payment of mark-up shall also be at the sole and absolute discretion of the Company. Further, dividends to the ordinary shareholders will only be declared after the payment of markup to sponsor.

Pursuant to the requirements of IAS 32 - 'financial instruments presentation' and the terms of the arrangement, the loan is classified as equity in these financial statements. The accumulated markup as at June 30, 2025 in respect of the above mentioned agreement amounts to Rs. 2,666.16 million (2024: Rs. 1,178.73 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2025	2024
	Rupees in '000	
16. LONG-TERM FINANCE – SECURED		
Loan		
- under restructuring agreement - notes 16.1, 16.2 & 16.4	-	-
- for expansion project - notes 16.3 & 16.4	-	572,133
	-	572,133

16.1 Loan under restructuring agreement

Reconciliation of carrying amount of the loan at beginning and end of the year is as follows:

	2025	2024
	Rupees in '000	
Opening		
- long-term finance	-	2,279,456
- current maturity of long-term finance	2,010,167	750,000
	2,010,167	3,029,456
Impact of unwinding - finance cost	-	(269,289)
Repayment	(2,010,167)	(750,000)
	-	2,010,167
Less: Current maturity shown under current liabilities	-	(2,010,167)
	-	-

16.2 Original term finance facilities amounting to Rs. 6.33 billion were obtained under three Syndicate Term Finance Facility (STFF) agreements, a Syndicated Running Finance Facility (SRFF) agreement and a Murabaha finance arrangement. Details in relation to these facilities were as follows:

Facility	Repayment Terms	Mark-up Rate	Outstanding as at January 19, 2014 Rupees '000
STFF - I and Murabaha	11 consecutive semi-annual installments from April 2013 to April 2018	2% above six months KIBOR to 3.28% above six months KIBOR	3,770,000
STFF - II	10 equal semi-annual installments from August 2013 to February 2018	3.25% above six months KIBOR	967,839
STFF - III	10 equal semi-annual installments from December 2013 to June 2018	3.25% above six months KIBOR	779,985
SRFF	Running Finance	1% above six months KIBOR	590,061
Frozen Mark-up	-	-	222,282
			6,330,167

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The Company entered into restructuring agreement with the lenders on January 19, 2014. As per the terms of agreement, the above mentioned facilities and the corresponding accrued mark-up thereon (frozen mark-up) amounting to Rs. 222.28 million were restructured as one syndicate loan. Repayment of the principal amounting to Rs. 2,010 million (2024: Rs. 750 million) were made in the current year.

Based on the agreement, the restructured facility carries mark-up at the rate of six months KIBOR on the outstanding amount excluding frozen mark-up. In 2018, as per the first addendum to the restructuring agreement, the mark-up rate was increased from 2.74% below six-months KIBOR to six-months KIBOR plus 0.2% per annum. In 2019, as per second addendum to the restructuring agreement, the mark-up rate has been further increased by 0.25%.

The above restructuring resulted in a gain to the Company which is being reversed over the period of repayment of loan and the charge / credit is recognised as unwinding finance cost / income.

The restructured finance facility is secured against first charge on all present and future Company's fixed assets, accounts receivables, interest in any insurance claim and equitable mortgage over land and building. Moreover, a corporate guarantee in the aggregate amount of Rs. 1.5 billion had been issued by a related party in favour of the syndicate members.

This liability includes share of a related party amounting to Rs. Nil (2024: Rs. 78.1 million).

16.3 Loan for expansion project

Reconciliation of carrying amount of the loan at the beginning and end of the year is as follows

	2025	2024
	Rupees in '000	
Opening		
- Syndicate Term Finance (STF) - note 16.3.1	739,723	1,081,868
- Musharaka facility - note 16.3.2	445,380	695,641
	1,185,103	1,777,509
- STF repaid during the year	(362,637)	(362,676)
- Musharaka repaid during the year	(250,296)	(250,261)
	(612,933)	(612,937)
Impact of unwinding - finance cost	21,410	20,531
	593,580	1,185,103
Less: Current maturity shown under current liabilities	(593,580)	(612,970)
	-	572,133

16.3.1 This represents draw down from STF facility for Expansion Project. In 2018, the Company entered into STF agreement with various banks amounting to Rs 1.925 billion to finance the Expansion Project. STF is repayable in 10 consecutive semi-annual installments payable in arrears from December 2021 to June 2026. STF carries mark up at six-months KIBOR plus 1.9% per annum to be determined on semi-annual basis.

During the year ended June 30, 2020, with the approval of State Bank of Pakistan, Rs. 1.41 billion of the STF facility had been converted into Long Term Financing (LTF) facility. Mark-up on LTF facility is chargeable at the rate of 6% per annum.

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The loan is secured against pari passu charge on all present and future Company's fixed assets, accounts receivable, interest in any insurance claim and the rights and benefits under the Expansion Project Documents.

16.3.2 This represents draw down from Musharaka facility for Expansion Project. In 2018 the Company entered into Musharaka agreement with various banks, under Islamic mode of financing, amounting to Rs 1.315 billion to finance the Expansion Project. It is repayable in 10 consecutive semi-annual installments in arrears from December 2021 to June 2026. The Musharaka facility is subject to six-months KIBOR prevailing one day before the first Musharaka contribution date, plus a margin of 1.9% per annum to be determined on semi-annual basis. It is secured against pari passu charge on all present and future Company's fixed assets, accounts receivable, interest in any insurance claim and the rights and benefits under the Expansion Project Documents.

During the year ended June 30, 2021, with the approval of State Bank of Pakistan, Rs. 661.43 million of the Musharaka facility had been converted into LTF facility. Mark-up on LTF facility is chargeable at the rate of 5% per annum.

16.3.3 Further, corporate and personal guarantees have been provided by related parties for due payment of all or any amounts required to satisfy Project Cost Overruns for the above STF and Musharaka facilities.

16.4 Pursuant to the circular letter no. 14 of 2020 dated March 26, 2020 issued by the State Bank of Pakistan, the Company has made an addendum to the loan agreements relating to restructured loan and loan for expansion project with the lenders for deferral of principal component of installments for one year.

	2025	2024
	Rupees in '000	
17. LEASE LIABILITIES		
Opening balance	193,851	163,199
Additions to lease liability	9,282	75,245
Unwinding of finance cost	24,056	26,519
Lease rentals paid	(53,924)	(71,112)
	173,265	193,851
Less: Current portion of lease liabilities	(21,091)	(22,272)
Long-term portion of lease liabilities	152,174	171,579

	2025			2024		
	Principal Outstanding	Financial charge for future	Minimum lease payments	Principal Outstanding	Financial charge for future	Minimum lease payments
	Rupees in '000					
Not later than one year	21,091	19,024	40,115	22,272	21,987	44,259
Later than one year but not later than five years	45,716	50,429	96,145	71,042	60,283	131,325
Later than five years	106,458	372,366	478,824	100,537	388,993	489,530
	173,265	441,819	615,084	193,851	471,263	665,114

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17.2 These represent liabilities for vehicles acquired under lease arrangements, leasehold land and rented properties. Finance charge ranging from 8.08% to 23.92% (2024: 8.08% to 24.2%) per annum have been used as discounting factor.

18. EMPLOYEE BENEFIT OBLIGATIONS

18.1 The Company operates an unfunded gratuity scheme for all its permanent employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to a minimum qualifying period of service under the scheme. Actuarial valuation of the scheme is carried out every year and the latest actuarial valuation of the scheme was carried out as at June 30, 2025.

	2025	2024
	Rupees in '000	
18.2 Statement of financial position reconciliation		
Present value of defined benefit obligation	260,206	197,759
18.3 Movement in the present value of defined benefit obligation		
Obligation as at July 01	197,759	153,845
Current service cost	34,395	31,389
Interest expense	26,828	22,600
Benefits due but not paid	(1,505)	(2,371)
Remeasurements	32,966	19,455
Benefits paid	(30,237)	(27,159)
Obligation as at June 30	260,206	197,759
18.4 Expense recognised in profit or loss		
Current service cost	34,395	31,389
Interest cost	26,828	22,600
	61,223	53,989
18.5 Remeasurement recognised in other comprehensive income		
Actuarial losses	30,241	3,565
Experience losses	2,725	15,890
	32,966	19,455
18.6 Net recognised liability		
Balance as at July 01	197,759	153,845
Expense for the year	61,223	53,989
Benefits paid	(30,237)	(27,159)
Remeasurement recognised in other comprehensive income	32,966	19,455
Benefits payable transferred to trade and other payables	(1,505)	(2,371)
Balance as at June 30	260,206	197,759
18.7 Maturity profile of the defined benefit obligation		
Less than five years	144,781	135,540
Later than five but less than ten years	221,509	215,264
Later than ten years	4,873,696	7,348,534

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	2025	2024
	Rupees in '000	
18.8 Actuarial assumptions		
Discount rate used for year end obligation	11.75%	14.75%
Expected rate of increase in salaries	11.75%	13.75%
Retirement age (years)	60	60

18.9 Mortality was assumed to be SLIC (2001-2005) set back one year (2024: SLIC 2001-2005 set back one year).

18.10 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation			
	Change in assumption	Increase in assumption		Decrease in assumption	
		Rupees in '000			
		2025	2024	2025	2024
Discount rate at June 30	1%	(23,101)	(16,585)	27,162	19,404
Future salary increases	1%	21,930	16,509	(19,009)	(14,342)

18.11 There is no significant change in the obligation if life expectancy increases by 1 year.

18.12 The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the gratuity liability recognised within the statement of financial position.

18.13 The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous period.

18.14 The Company's contribution to the gratuity scheme for the year ending June 30, 2026 is expected to be Rs. 66.87 million.

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18.15 Historical information for the five years is as follows:

	2025	2024	2023	2022	2021
	Rupees in '000				
Present value of the defined benefit obligation	260,206	197,759	153,845	146,809	123,261
Experience adjustments - loss / (gain)	2,725	15,890	(20,063)	3,745	1,684

18.16 The average duration of the defined benefit obligation is 6 years.

	2025	2024
	Rupees in '000	

19. TRADE AND OTHER PAYABLES

Creditors	291,127	203,392
Bills payable	2,252	2,346,985
Contract liability - note 19.1	364,650	207,318
Security deposit from dealers - note 19.2	10,500	10,500
Accrued liabilities - note 19.3	375,491	152,464
Withholding tax	26,029	22,449
	1,070,049	2,943,108

19.1 90% (2024: 95%) advances from customers included in the contract liability balance at the beginning of the year got converted into revenue during the year.

19.2 This represents amounts received from dealers of the Company, which are utilised for the purpose of business in accordance with the related agreements.

19.3 The Sindh Finance Act, 1994 prescribed an infrastructure fee at the rate of 1% of the C&F value of all goods entering or leaving the province of Sindh via sea or air. The Sindh High Court (SHC), passed an interim order directing that every company subsequent to December 27, 2006 is required to clear the goods on paying 50% of the cess amount involved and furnishing a bank guarantee / security for the remaining amount of 50%. Subsequently, through Sindh Finance Act 2015 and 2016, the legislation has increased the rate to 1.25% from 01 July 2024, the rate has been further increased to 1.85% through Sindh Finance Act, 2024.

On June 04, 2021 SHC declared first four versions of the law unconstitutional and the release of bank guarantees were ordered. However, the Sindh Infrastructure Development Cess Act, 2017 was declared constitutional with retrospective effect from 1994. The operation of the order remained suspended till September 03, 2021.

On September 1, 2021, the Supreme Court granted a stay order and suspended the recovery of levy and operation of judgement of SHC dated June 4, 2021, that the bank guarantees already submitted by the Company in pursuant to the order of High Court is valid and enforceable. The court further ordered that imports should be released on submission of fresh bank guarantees equivalent to 100% of the fee amount under the Act

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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The Company has paid the Infrastructure fee till January 2025. Further, bank guarantees issued as per the above mentioned orders amounting to Rs. 199.84 million (2024: Rs.Nil) have been provided to the Excise and Taxation Department. However, a liability to the extent of amount utilized from the limit of guarantee has also been provided for by the Company.

20. PROVISIONS

The provisions comprise of:

	2025			2024		
	Balance as at July 1, 2024	Recognised during the year	Balance as at June 30, 2025	Balance as at July 1, 2023	Recognised during the year	Balance as at June 30, 2024
	Rupees in '000					
Provision for Gas Infrastructure Development Cess - note 20.1	145,224	-	145,224	145,224	-	145,224
Provision against receivable from Eitmaad Engineering (Private) Limited - note 20.2	138,485	-	138,485	138,485	-	138,485
Provision for receivable from government - Collector of Customs - note 20.3	213,486	-	213,486	213,486	-	213,486
Balance as at June 30, 2025	497,195	-	497,195	497,195	-	497,195

20.1 It represents provision for Gas Infrastructure Development Cess (GIDC) of Rs. 145.22 million (2024: Rs. 145.22 million) pertaining to years 2016 to 2021 which has been made on prudent basis in view of the judgement of the Supreme Court of Pakistan although the Company has filed a review petition against the said judgement. Further, the Company has obtained a stay order from the Honorable High Court of Sindh through order dated September 21, 2020 against the payment of GIDC installments.

20.2 It represents an amount of Rs. 138.49 million in respect of long outstanding advance given to a contractor Eitmaad Engineering (Private) Limited for which the goods and services were not received by the Company - refer note 10.4.

20.3 It represents provision for long outstanding receivable balances from Custom authorities amounting to Rs. 213.5 million which was paid under protest on the basis of the assessment made by Collector of Customs - refer note 11.5.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees in '000	
21. SHORT-TERM BORROWINGS - secured		
Short term finance facilities under:		
- Running finance under mark-up arrangements	452,313	1,770,925
- Istisna-cum-Wakala arrangement - Islamic	2,463,497	2,459,195
- Finance against Trust Receipts:		
- Conventional	9,653,399	9,760,009
- Islamic	2,499,880	2,500,000
	15,069,089	16,490,129

21.1 The lender wise balances of short-term loan and running finance facilities obtained by the Company are as follows:

	2025	2024
	Rupees in '000	
Habib Bank Limited	2,027,878	3,471,428
National Bank of Pakistan	1,661,118	2,514,797
Habib Metropolitan Bank Limited	1,077,209	1,442,401
Askari Bank Limited	1,926,539	1,745,841
Meezan Bank Limited	1,250,000	1,210,000
Bank Islami Pakistan Limited	234,997	250,000
MCB Islamic Bank Limited	478,500	499,195
Allied Bank Limited	472,893	498,591
Dubai Islamic Bank Limited	2,499,880	2,500,000
MCB Bank Limited	903,631	465,143
Bank Alfalah Limited	955,706	428,971
Sindh Bank Limited	187,727	-
The Bank of Punjab	646,168	653,100
United Bank Limited	746,843	810,662
	15,069,089	16,490,129

21.2 Facilities available from financial institutions amount to Rs. 25.15 billion (June 30, 2024: Rs. 24.8 billion). The rates of mark-up range between 1 month KIBOR plus 0.85% to 3 months KIBOR plus 3% (June 30, 2024: 1 month KIBOR plus 1% to 6 months KIBOR plus 1.75%) per annum. The balance is secured against ranking hypothecation charge over plant, machinery and equipment and pari passu charge over the current assets and fixed assets of the Company.

21.3 The short-term finance facility of a running finance nature for working capital financing from two related parties are also available for an indefinite period with a maximum aggregate limit of Rs. 3.54 billion (2024: Rs. 3.54 billion). The facilities carry mark-up ranging between 1 month KIBOR plus 2% to 3 months KIBOR plus 1.8% (2024: 1 month KIBOR plus 2% to 3 months KIBOR plus 1.8%).

21.4 The facilities for opening letters of credit and guarantees as at June 30, 2025 amounted to Rs. 13.25 billion (2024: Rs. 8.43 billion) of which the amount remained unutilised at year end was Rs. 5.39 billion (2024: Rs. 3.49 billion). Corporate and personal guarantees provided by related parties against LC facility amounted to Rs. 4.3 billion (2024: Rs. 4.3 billion) out of which amount remained unutilised at year end was Rs. 4.3 billion (2024: Rs. 4.3 billion).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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22. ACCRUED MARK-UP

Accrued mark-up comprises of mark-up on short-term borrowings, STF facility and Musharaka facility.

23. CONTINGENCIES AND COMMITMENTS

23.1 CONTINGENCIES

- Income Tax

23.1.1 The Finance Act, 2017 introduced section 5A which imposes tax on public company at the rate of 7.5% of its accounting profit before tax for the year. However, this tax shall not apply in case of a public company which distributes at least 40% of its after tax profits within six months of the end of the tax year through cash or bonus shares. The Company had not distributed any dividend till the end of the prior year. The Company filed a petition in the High Court of Sindh challenging the applicability of the above. The High Court of Sindh vide its order dated April 30, 2021 made judgement in favour of the Company. During the year ended June 30, 2021, a petition had been filed in the Supreme Court of Pakistan against the above decision of High Court of Sindh. The Company, based on the advice of its consultant, believes that it is not exposed to any tax liability in this respect.

23.1.2 Through an Assessment Order dated July 12, 2024 under section 122 (5A) of the Ordinance for tax year 2021 the Additional Commissioner Inland Revenue has disallowed credit of brought forward minimum tax under section 113 of the Income tax Ordinance amounting to Rs. 533 million (for tax years 2017, 2019 and 2020 respectively) on the grounds that the minimum tax was not paid but adjusted against tax credit under section 65B of the Ordinance.

The Company has submitted an appeal to the Appellate Tribunal Inland Revenue. The management believes that adjusting the liability against the tax credit is equivalent to making a payment, based on interpretations established in case law. Consequently, the Company anticipates a favorable outcome.

23.1.3 During the year ended June 30, 2022, the Company received DCIR orders in 2022 for tax years 2016, 2017, and 2018, establishing income tax demands of Rs. 910.71 million, Rs. 13.95 billion, and Rs. 3.46 billion respectively. Allegations encompass bank credit entries, withholding tax issues, disallowances, and more. Appeals were filed before ATIR, resulting in remand back order dated June 14, 2023.

Thereafter, the department concluded the reassessment of the cases and all the issues were decided in the Company's favour through order dated November 25, 2023. At this point, the only outstanding matters are the disallowed tax credits under section 65B of Rs. 113.5 million for the tax year 2016, Rs. 31 million for the tax year 2017, and Rs. 43 million for the tax year 2018, along with the disallowed minimum tax of Rs. 16 million from the tax year 2013 and Rs. 90 million from the tax year 2014 in the reassessment for the tax year 2018 claiming it to be time barred under the law.

During the year ended June 30, 2024, the Commissioner Inland Revenue (Appeals) (CIRA) decided the appeals in Company's favor through orders dated February 29, 2024 for tax years 2016 - 2018. However, for tax year 2018, minimum tax credit disallowance amounting to Rs. 106.62 million has been remanded back by CIRA to assessing officer for re-examination of the factual aspects, taking into account the timebar issue for the aforementioned tax years. The Company, expects a favourable outcome of remand back proceedings and hence, no provision is made in the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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23.1.4 During the year ended June 30, 2021, the Company was made subject to tax audit for tax year 2019. After due process, DCIR concluded the audit proceedings in favor of the Company except for two instances where tax credit under section 65B amounting to Rs. 28.07 million and certain business expenses defined under section 21(c) amounting to Rs. 31.70 million were disallowed on non-deduction of withholding tax from payments. The Company has raised an appeal against the said disallowance before the Appellate Tribunal Inland Revenue (ATIR) on July 26, 2024 which is pending for adjudication.

A hearing was conducted on December 5, 2024, during which the company submitted a detailed report, including pictures of the plant and cables. It was also highlighted that the department had already conducted a physical inspection during the sales tax audit for the same period.

Furthermore, the company submitted all evidence related to the alleged non-deduction of withholding tax, including Computerized Payment Receipts (CPRs). These were reviewed and agreed upon by the department during the hearing.

The Tribunal directed the Department Representative (DR) to file a report at the next hearing scheduled for December 11, 2024. However, the DR failed to produce the report on the specified date. The case was heard on the next hearing fixed on February 4, 2025 and reserved for order.

- Sales Tax

23.1.5 During the year ended June 30, 2021, the Company received a sales tax demand of Rs. 54.84 million, including a penalty of Rs. 2.61 million, from the Federal Board of Revenue (FBR) due to alleged supplies to unregistered parties. The Company appealed to the Commissioner Inland Revenue (Appeals) (CIRA), leading to a remand back proceedings order dated August 15, 2022, against which an appeal was filed with the Appellate Tribunal Inland Revenue (ATIR), which is currently pending. The Company holds a stay order from the High Court of Sindh. Based on the advice of its consultant, the Company expects a favorable outcome of the pending appeal and hence no provision is recorded in the financial statements.

23.1.6 During the year ended June 30, 2023, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against order dated December 30, 2022 passed by the Commissioner Inland Revenue (Appeals) (CIRA) whereby sales tax demand of Rs. 97 million along with default surcharge and penalty amounting to Rs. 32.4 million and Rs. 4.8 million respectively was established on certain allegations which include short payment of sales tax on scrap sales, non-payment of sales tax on disposal of fixed assets, non-payment of sales tax on sales of assets to related parties, inadmissible input tax adjustments and input tax claimed on purchases from blacklisted / suspended persons. The department's appeal is pending before ATIR. However, the ATIR has decided the Company's appeal vide Order dated May 17, 2021 and deleted sales tax demand of Rs. 88.1 million. It is pertinent to mention here that the principal sales tax demand of Rs. 8.3 million and Rs. 0.6 million related to scrap sales and input tax claimed against blacklisted / suspended suppliers respectively, has been discharged by the Company during the subject year.

Further, the department has also filed an appeal before ATIR on issues decided in favour of the company viz. supplies made to blocked, suspended and non active buyers to avoid further tax and claim of inadmissible input tax on imported air conditioners involving sales tax demand of Rs. 383.16 million and 5.35 million respectively. The aforesaid appeal is pending before ATIR.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

23.1.7 Subsequent to the year ended June 30, 2025, an appeal has been filed before CIRA, against the order passed by the Deputy Commissioner Inland Revenue on June 30, 2025, whereby sales tax demand of Rs.235.44 million and penalty of Rs.11.78 million under section 34 & 33(5) of the Sales Tax Act,1990 respectively, was established against the Company on account of short payment of further tax against sales to blacklisted / suspended suppliers of Rs. 206.67 million, difference in sales tax value as per sales tax returns and audited accounts of Rs. 0.47 million, claim of inadmissible input tax of Rs. 28.02 million on purchase of goods and services against which input is disallowed under section 8, non-payment of sales tax on disposal of fixed assets of Rs. 0.1 million and Short withholding of sales tax on purchase from unregistered suppliers of Rs. 0.18 million. Based on the advice of its consultant, the Company expects a favorable outcome of the pending appeal and hence no provision is recorded in the financial statements.

23.1.8 Subsequent to the year ended June 30, 2025, the Company filed an appeal against the order passed by the Deputy commissioner Inland Revenue dated June 27, 2025, whereby sales tax demand of Rs. 80.47 million along with a penalty of Rs. 4.02 million under Section 34 & 33(5) of the Sales Tax Act, 1990 respectively, was established against the company on account of short payment of sales tax on the supplies of re-melttable iron and steel scrap at fixed rate instead of ad-valorem basis and short payment of further tax against supplies made to blocked, suspended and non-active buyers. The appeal is pending before CIRA and based on the advice of its consultant, the Company expects a favorable outcome of the pending appeal and hence no provision is recorded in the financial statements.

23.1.9 During the year ended June 30, 2021, Company received a sales tax demand of Rs. 50.69 million including Rs. 2.42 million penalty, through an order dated April 13, 2021, over non-withholding of sales tax on commission to dealers. Company filed an appeal to Appellate Tribunal, Sindh Revenue Board, which through its order dated June 01, 2022, reduced the tax demand to Rs. 12.77 million along with default surcharge. The Company has filed an appeal to the High court of Sindh and has obtained a stay order against the sales tax demand made. It is pertinent to mention here that the principal sales tax demand of Rs. 12.77 million along with default surcharge of Rs. 0.64 million has been discharged by the Company during the year.

The Company has filed a civil petition against the above demand paid and based on the advice of the legal council the petition is likely to be decided in the favour of the company.

23.1.10 During the year ended June 2024, the Company has filed an appeal in ATIR against the order by DCIR dated June 27, 2024 where sales tax is demanded of Rs. 59.78 million along with penalty of Rs. 3 million was established against the Company on account of claiming inadmissible input tax on purchases from suspended/blacklisted suppliers, inadmissible input tax adjustments and further tax on supplies made to blocked/suspended persons, the appeal is pending in ATIR. Based on the advice of its tax consultants, the Company expects a favourable outcome of the appeal hence no provision is made in these financial statements.

23.1.11 The Company received Order No. 222/2023-24, dated August 28, 2023, from the Collector of Customs, alleging violations of the Customs Act, 1969 related to the import of "Hot Rolled Coils/Sheets." The order highlighted that in the year 2019-20, the Company reportedly supplied finished goods in violation of relevant SROs, resulting in undue benefits of Rs. 53.89 million through exemptions from duties and taxes. These allegations have led to potential additional exposure of Rs. 78.09 million in lieu of penalties and fines.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

The Company has filed an appeal with the Customs Appellate Tribunal under appeal No. K-1592/2023. On June 01, 2024, the Honourable Customs Appellate Tribunal passed the decision against the Company. Subsequently, the Company has filed the Special Custom Reference Application in the High Court of Sindh on July 06, 2024. Based on the advice of the legal counsel, the Company expects a favourable outcome of the petition hence no provision is made in these financial statements.

23.2 COMMITMENTS

- 23.2.1 Commitments for capital expenditure outstanding as at June 30, 2025 amounted to Rs. 83.73 million (2024: Rs. 163.37 million).
- 23.2.2 Commitments under letter of credit for raw materials as at June 30, 2025 amounted to Rs. 7,047.74 million (2024: Rs. Nil).
- 23.2.3 The guarantee for sindh infrastructure development cess amounting to Rs. 200 million (2024: Rs. Nil).
- 23.2.4 Aggregate commitments in respect of ijarah arrangements of motor vehicles are disclosed in note 27.2.1.

	2025	2024
Rupees in '000		
24. REVENUE FROM CONTRACTS		
WITH CUSTOMERS		
Local sale of goods - note 24.1, 24.2 & 24.3	33,230,750	44,836,043
Toll manufacturing	15,476	7,003
	33,246,226	44,843,046
Less: Sales tax	(4,863,734)	(6,907,536)
Rebates and discounts	(13,054)	(260,277)
	28,369,438	37,675,233
Export sales	5,382,265	5,074,419
	33,751,703	42,749,652

- 24.1 This includes sale of scrap amounting to Rs. 1.78 billion (2024: Rs. 1.99 billion).
- 24.2 This includes sales to related parties net of sales tax amounting to Rs. Nil (2024: Rs. 3.96 billion) under bill-and-hold arrangement.
- 24.3 Revenue is presented net of customer discounts negotiated and reflected in issued invoices. Previously, such discounts were disclosed separately.
- 24.4 During the year, sales to one dealer constitutes 11.84% (2024: 15.96%) of net revenue amounting to Rs. 4 billion (2024: Rs. 6.82 billion).
- 24.5 These financial statements do not include disclosures relating to IFRS 8 "Operating Segments" as the Company's business is considered to be a single operating segment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
Rupees in '000		
24.6 DISAGGREGATION OF REVENUE		
Primary geographical markets		
Local	28,369,438	37,675,233
North America	4,143,609	3,120,715
Europe	594,659	1,827,643
Middle East	225,396	126,061
Asia	418,601	-
	33,751,703	42,749,652
25. COST OF SALES		
Raw material consumed		
Raw material - opening	7,010,170	5,462,750
Purchases	26,051,935	35,146,868
	33,062,105	40,609,618
Raw material - closing	(3,063,673)	(7,010,170)
	29,998,432	33,599,448
Salaries, wages and benefits - note 25.1	605,557	567,045
Utilities	1,564,365	1,764,973
Depreciation - note 4.1.5	897,088	901,009
Stores, spares and consumables	549,237	645,802
Packing charges	212,670	248,284
Repairs and maintenance	136,440	152,285
Traveling and conveyance	94,903	102,626
Insurance	123,995	135,420
Security charges	25,485	18,438
Consultancy charges	4,025	7,130
Rent, rates and taxes	238	1,047
Communication	716	788
Others	6,075	6,466
	34,219,226	38,150,761
Work-in-process - opening	639,102	186,311
	34,858,328	38,337,072
Work-in-process - closing	(390,580)	(639,102)
Cost of goods manufactured	34,467,748	37,697,970
Finished goods - opening	764,380	1,985,420
Finished goods - closing	(3,147,684)	(764,380)
	(2,383,304)	1,221,040
	32,084,444	38,919,010

- 25.1 Salaries, wages and benefits include Rs. 47.72 million (2024: Rs. 44.67 million) in respect of defined benefit plan.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	2025	2024
	Rupees in '000	
26. SELLING AND DISTRIBUTION COST		
Salaries and benefits - note 26.1	66,349	51,077
Export clearance charges - note 26.2	372,205	475,132
Traveling and conveyance	7,064	8,125
Communication	4,824	3,683
Rent, rates and taxes	3,677	2,883
Utilities	1,075	828
Insurance	1,860	1,167
Depreciation - note 4.1.5	1,580	1,560
Others	22,228	24,447
	<u>480,862</u>	<u>568,902</u>

26.1 Salaries and benefits include Rs. 5.88 million (2024: Rs. 2.61 million) in respect of defined benefit plan.

26.2 These include amounts in respect of storage charges, outward freight, loading charges, etc.

	2025	2024
	Rupees in '000	
27. ADMINISTRATIVE EXPENSES		
Salaries, allowances and benefits - note 27.1	198,687	164,388
Rent, rates and taxes - note 27.2	9,103	3,875
Depreciation and amortisation - note 4.1.5 & 5.1	53,229	42,859
Repairs and maintenance	61,340	45,399
Traveling and conveyance	38,799	40,401
Utilities	4,001	4,496
Communication and information technology	39,962	37,639
Printing and stationery	2,800	2,753
Insurance	44,058	43,210
Legal and professional charges	51,309	27,089
Auditors' remuneration - note 27.3	47,825	6,919
Security charges	9,661	6,337
Others	21,761	21,071
	<u>582,535</u>	<u>446,436</u>

27.1 Salaries, allowances and benefits include Rs. 7.62 million (2024: Rs. 6.71 million) in respect of defined benefit plan.

27.2 This includes Rs. 6.05 million in respect of rental against the cars obtained under the Ijarah lease terms under IFAS 2.

27.2.1 The total of future ujarah payments under Ijarah, for each of the following periods:

(i) Not later than one year	15,117
(ii) Later than one year but not later than five years	51,667

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees in '000	
27.3 Auditors' remuneration		
Audit fee	4,300	4,300
Fee for half yearly review	450	450
Review of Code of corporate governance	400	400
Taxation services	42,175	1,294
Out-of-pocket expenses	500	475
	<u>47,825</u>	<u>6,919</u>

28. OTHER EXPENSES

Loss on disposal of operating assets	21,252	5,989
Exchange loss - net	54,462	-
	<u>75,714</u>	<u>5,989</u>

29. OTHER INCOME

Income from financial assets

Return on savings accounts:		
- conventional	5,487	13,029
- Islamic	4,186	7,886
	<u>9,673</u>	<u>20,915</u>

Income from non-financial assets

Scrap sales	20,981	34,248
Gain on insurance claim - note 10.5	507,360	-
Exchange gain - net	-	199,739
	<u>528,341</u>	<u>233,987</u>
	<u>538,014</u>	<u>254,902</u>

30. FINANCE COSTS

Mark-up expense:		
- long-term finance		
· conventional	175,819	683,929
· Islamic	48,055	77,470
- Impact of unwinding on long term finance	21,410	(248,758)
- short-term borrowings		
· conventional	1,661,704	2,345,748
· Islamic	736,454	929,990
Guarantee commission	6,151	10,730
Finance lease charges	24,056	26,519
Bank and other charges	58,816	35,197
	<u>2,732,465</u>	<u>3,860,825</u>

31. LEVIES - MINIMUM TAX

Minimum Tax - note 31.1	53,859	16,684
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31.1 This represents minimum tax paid under section 154 of the Income Tax Ordinance, 2001.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees in '000	
32. INCOME TAX CREDIT		
Current		
- for the year	372,292	226,710
- prior year	3,295	(680,267)
Deferred	(743,895)	(227,265)
	<u>(368,308)</u>	<u>(680,822)</u>
32.1 Relationship between tax expense and accounting loss		
Accounting loss before tax	(1,720,162)	(813,292)
Tax at applicable tax rate of 29% (2024: 29%)	-498,847	-235,855
Tax credit	-	(302,635)
Prior year losses allowed	-	561,315
Minimum Tax charged off	157,917	-
Rate differential	-	29,438
Prior year charge / (reversal)	3,295	(680,267)
Others	(30,673)	(52,818)
Income tax credit	<u>(368,308)</u>	<u>(680,822)</u>
33. LOSS PER SHARE		
33.1 BASIC		
Loss for the year attributable to ordinary shareholders	(1,351,854)	(132,470)
Adjustment for cumulative preference share dividend	(86,706)	(111,024)
Loss for the year for calculation of basic earnings per share	<u>(1,438,560)</u>	<u>(243,494)</u>
Weighted average number of ordinary shares outstanding at year end (in thousand)	<u>930,016</u>	<u>930,016</u>
Loss per share - basic	<u>(1.55)</u>	<u>(0.26)</u>
33.2 DILUTED		
Diluted loss per share has not been presented for the year ended June 30, 2025 as it has anti-dilutive effect on loss per share.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees in '000	
34. CASH GENERATED FROM OPERATIONS		
Loss before levies and income tax	(1,666,303)	(796,608)
Add / (less): Adjustments for non-cash item		
Depreciation of property, plant and equipment	4.1.5 945,965	939,451
Amortisation of intangible assets	5.1 5,932	5,977
Finance lease charges	30 24,056	26,519
Mark up charges	2,628,183	4,047,896
Unwinding of long term finance	30 21,410	(248,758)
Expense recognised for employee benefit obligations	18.4 61,223	53,989
Loss on disposal of property, plant and equipment	28 21,252	5,989
Return on PLS savings accounts	29 (9,673)	(20,915)
	<u>3,698,348</u>	<u>4,810,148</u>
Profit / (loss) before working capital changes	<u>2,032,045</u>	<u>4,013,540</u>
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Inventories	1,769,497	(703,762)
Trade and other receivables	827,944	(1,887,947)
Loans, advances, deposits and prepayments	11,480	333,214
Tax refunds due from government - sales tax	(280,611)	259,766
	<u>2,328,310</u>	<u>(1,998,729)</u>
(Decrease) / increase in current liabilities		
Trade and other payables	(1,874,564)	(166,887)
Sales tax payable	(178,116)	178,116
	<u>275,630</u>	<u>(1,987,500)</u>
Cash generated from operations	<u>2,307,675</u>	<u>2,026,040</u>
35. CASH AND CASH EQUIVALENTS		
Cash and bank balances - note 12	452,292	217,072
Running finance - note 21	(452,313)	(1,770,925)
	<u>(21)</u>	<u>(1,553,853)</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2025	2024
	Rupees in '000	
36. STATEMENT OF CASH FLOWS - DIRECT METHOD		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	35,244,339	40,861,552
Cash paid to suppliers / service providers and employees	(32,933,661)	(38,835,665)
Income tax and levies paid - net	(589,439)	(922,861)
Mark-up paid	(3,369,186)	(3,762,968)
Return on bank deposits received	9,673	20,915
Employee benefits paid	(30,237)	(27,159)
Net cash used in operating activities	(1,668,511)	(2,666,186)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(307,947)	(625,369)
Sale proceeds from disposal of property, plant and equipment	5,433	21,162
Net cash used in investing activities	(302,514)	(604,207)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term finance	(2,623,100)	(1,362,937)
Contributions received from associated undertaking	8,281,098	-
Contributions repaid to associated undertaking	(2,000,000)	-
Short-term loan obtained	43,712,191	42,725,986
Short-term loan repaid	(43,814,619)	(38,392,918)
Dividend paid	(845)	(65,046)
Lease rentals paid	(29,868)	(71,112)
Net cash generated from financing activities	3,524,857	2,833,973
Net increase / (decrease) in cash and cash equivalents	1,553,832	(436,420)
Cash and cash equivalents at beginning of the year	(1,553,853)	(1,117,433)
Cash and cash equivalents at end of the year - note 35	-21	-1,553,853

37. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, directors of the Company and key management personnel. The Company continues to have a policy whereby transactions with related parties are entered into at commercial terms, approved policy and at rate agreed under a contract / arrangement / agreement. Remuneration of key management personnel are in accordance with their terms of contractual engagements.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary and Non-Executive Directors to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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37.1 Transactions with related parties during the year are as follows:

Relationship	Company name / title of individual	Nature of transaction	2025	2024
			Rupees '000	
Associated companies	Arif Habib Corporation Limited	- Finance facility utilised	4,650,000	2,400,000
		- Repayment of short-term finance	4,650,000	2,400,000
		- Long-term loan repaid	78,104	28,433
		- Mark-up on finance facilities	70,094	47,786
		- Mark-up on finance facilities paid	113,976	85,619
		- Guarantee commission	1,126	1,302
		- Guarantee commission paid	977	1,260
	Arif Habib Limited	- Finance facility utilised	-	1,150,000
		- Repayment of finance facility	-	1,150,000
		- Markup on finance facilities	-	15,032
		- Markup on finance facilities paid	-	2,320
		- Amount paid against expenses	-	21
	Power Cement Limited	- Purchase of construction material	377	320
		- Payment made against purchase of construction material	377	-
		- Contribution received against expenses	4,500	1,500
	Rotocast Engineering Co. (Private) Limited	- Rent and maintenance paid	15,793	14,812
	Globe Residency REIT	- Sales made during the year	19,960	13,674
		- Receipts against sales made during the year	11,723	14,808
	Rahat Residency REIT	- Sales made during the year	738	745
		- Receipts against sales made during the year	466	-

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Relationship	Company name / title of individual	Nature of transaction	2025	2024
			Rupees '000	
	Javedan Corporation Limited	- Sales made during the year	-	5,341
		- Receipts against sales made during the year	-	6,244
	Arif Habib Development & Engineering Company	- Sales made during the year	-	2,644,386
		- Receipts against sales made during the year	-	3,124,000
		- Sales return during the year	319,081	-
		- Payment made during the year	376,974	-
	Rayaan Al - Tijarah (Private) Limited	- Sales made during the year	-	1,317,235
		- Sales return during the year	245,973	-
Other related parties	Mr. Arif Habib, Chairman	- Contribution received from sponsor	8,281,098	-
		- Contribution repaid to sponsor	2,000,000	-
Key management personnel	Chief Executive Officer, Chief Financial Officer & Company Secretary	- Salaries and other employee benefits	33,680	32,439
	Chief Financial Officer & Company Secretary	- Post retirement benefits expense	985	779
		- Post retirement benefits paid	-	3,106
	Non-Executive Director	- Meeting and other expenses	1,425	1,272

37.2 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreements in place:

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S. No.	Individual / Company Name	Basis of relationship	Aggregate % of Shareholding
1)	Mr. Arif Habib, Chairman	Shareholder	20%
2)	Arif Habib Corporation Limited	Shareholder Common Directorship	12%
3)	Arif Habib Equity (Private) Limited	Shareholder Common Directorship	34%
4)	Arif Habib Limited	Shareholder Common Directorship	1%
5)	Power Cement Limited	Group Company Common Directorship	N/A
6)	Rotocast Engineering Co. (Private) Limited	Group Company	N/A
7)	Globe Residency REIT	Group Company Common Directorship	N/A
8)	Rahat Residency REIT	Group Company Common Directorship	N/A
9)	Javedan Corporation Limited	Group Company Common Directorship	N/A
10)	Arif Habib Development & Engineering Company	Group Company Common Directorship	N/A
11)	Rayaan Al - Tijarah (Private) Limited	Group Company Common Directorship	N/A

37.3 The status of outstanding balances with related parties as at June 30, 2025 is included in the respective notes to the financial statements. These are settled in the ordinary course of business.

38. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration of the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Executives	
	2025	2024	2025	2024
	Rupees in '000			
Managerial remuneration	14,615	17,274	330,085	191,707
Retirement benefits	-	-	24,992	14,535
Reimbursable expenses	-	-	25,622	22,548
Lease rentals	7,244	9,620	20,362	23,199
	21,859	26,894	401,061	251,989
Number of persons	1	1	101	52

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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- 38.1 The Chief Executive and certain Executives are also provided with Company maintained vehicles, security guards, mobile phone, hospitalisation and life insurance in accordance with Company's policy.
- 38.2 In addition to above, an amount of Rs. 1.43 million (2024: Rs. 1.27 million) was paid to non-executive directors for attending Board of Directors meetings and other expenses.

	2025	2024
	Rupees in '000	
39. NUMBER OF EMPLOYEES		
39.1 Number of employees at June 30		
- Permanent	560	590
- Contractual	70	35
	630	625

39.1.1 Number of employees includes 608 (2024: 598) factory employees.

	2025	2024
	Rupees in '000	
39.2 Average number of employees during the year		
- Permanent	570	613
- Contractual	54	31
	624	644

39.2.1 Average number of employees includes 601 (2024: 618) factory employees.

40. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

40.1 Financial risk factors

The Company's activities expose it to variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on having cost effective funding as well as managing financial risk to minimise earnings volatility and provide maximum return to shareholders.

a) Market Risk

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk arises from short-term finance which includes running finance facilities (note 21), cash at bank in savings accounts (note 12) and long-term finance (note 16). All the Long-term and short-term finances availed at variable rates expose the Company to significant cash flow interest rate risk. The Company analyses its interest rate exposure on a regular basis by monitoring interest rate trends to determine whether to enter into hedging alternatives.

At June 30, 2025, the Company has variable interest bearing net financial liabilities of Rs. 15.65 billion (2024: Rs. 19.74 billion), and had the interest rate varied by 200 basis points with all the other variables held constant, loss for the year would have been lower / higher by Rs. 313 million (2024: Rs. 394.8 million), mainly as a result of higher / lower interest expense on floating rate borrowings.

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ii. Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly where payables and receivables exist due to transactions in foreign currencies. At June 30, 2025 trade and other payables and trade and other receivables exposed to foreign currency risk amount to Rs. 2.25 million (2024: Rs. 2,350 million) and Rs. 454.22 million (2024: Rs. 390 million) respectively. Further, as at June 30, 2025, the Company has exposure against open letters of credit of Rs. 7,860 million (2024: Rs. 4,940 million) denominated in foreign currencies.

As at June 30, 2025, if the Pakistani Rupee had weakened / strengthened by 5% against US Dollar with all other variables held constant, loss before tax for the year would have been higher / lower by Rs. 22.6 million (2024: Rs. 98.01 million) mainly as a result of foreign exchange losses / gains on translation of US Dollar denominated financial assets or liabilities.

The Company manages the risk through settlement of foreign currency liabilities based on the projected trend of future foreign currency fluctuations.

b) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of the total financial assets of Rs. 1.87 billion (2024: Rs. 3.09 billion), the financial assets exposed to the credit risk amount to Rs. 1.87 billion (2024: Rs. 3.09 billion). The carrying values of financial assets which are neither past due nor impaired are as under:

	2025	2024
	Rupees in '000	
Deposits and advances	65,892	68,895
Trade and other receivables	1,338,932	2,792,445
Loans to employees	16,524	11,775
Bank balances	452,067	216,814
	1,873,415	3,089,929

The credit quality of deposits and advances which are neither past due nor impaired can be assessed with reference to external credit ratings as follows:

	Ratings			2025	2024
	Short term	Long term	Rating Agency	Rupees '000	
K-Electric Limited	A1+	AA	PACRA	33,000	33,000
Pakistan State Oil Company Limited	A1+	AA+	JCR-VIS	2,921	2,921
Others	-	-	-	29,971	32,974
				65,892	68,895

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For trade receivables, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. The carrying amount of trade receivables relates to a number of independent customers, from whom there is no recent history of default.

Loans to employees are not exposed to any material credit risk since these are secured against motor vehicles and shares for which these were granted.

Bank balances and accrued mark-up thereon represent low credit risk as these are placed with banks having good credit ratings assigned by credit rating agencies.

The credit quality of the Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating agency	2025	2024
	Short term	Long term		Rupees '000	
Allied Bank Limited	A1+	AAA	PACRA	6,957	1,236
Askari Bank Limited	A1+	AA+	PACRA	59,651	-
Bank Alfalah Limited	A1+	AAA	PACRA	25,048	3,966
Bank Al-Habib Limited	A1+	AAA	PACRA	13,256	6,189
Bank Islami Pakistan Limited	A1	AA-	PACRA	728	39,204
Dubai Islamic Bank Limited	A-1+	AA	VIS	469	26
Faysal Bank Limited	A1+	AA	PACRA	15,962	6,675
Habib Bank Limited	A-1+	AAA	VIS	83,612	28,578
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	46,002	71,568
JS Bank Limited	A1+	AA	PACRA	8,447	1,520
MCB Bank Limited	A1+	AAA	PACRA	17,497	14,234
MCB Islamic Bank Limited	A1	A+	PACRA	4,740	2,059
Meezan Bank Limited	A-1+	AAA	VIS	123,952	4,685
National Bank of Pakistan	A1+	AAA	PACRA	2,776	4,419
National Bank of Pakistan (Islamic)	A1+	AAA	PACRA	973	
Silk Bank Limited	A-2	A-	VIS	702	236
Sindh Bank Limited	A-1+	AA-	VIS	38	26
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	5,775	1,430
Bank Makramah Limited (formerly Summit Bank Limited) *	A-3	BBB-	VIS	1,450	1,557
The Bank of Khyber	A1	A+	PACRA	32	16
The Bank of Punjab	A1+	AA+	PACRA	32,960	28,645
United Bank Limited	A-1+	AAA	VIS	840	444
Industrial and Commercial Bank of China	F1+	A-	Fitch Ratings	200	100

The rating has been announced on November 23, 2018 for Summit Bank Limited.

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at the reporting date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at the reporting date.

c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available.

The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these monitoring statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	2025					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees in '000					
Financial liabilities						
Long-term finance - secured	593,580	(612,864)	(306,432)	(306,432)	-	-
Short-term borrowings	15,069,089	(15,069,089)	(15,069,089)	-	-	-
Accrued mark-up	474,582	(474,582)	(474,582)	-	-	-
Trade and other payables	479,529	(479,529)	(479,529)	-	-	-
Lease liabilities	173,265	(615,085)	(20,058)	(20,058)	(96,145)	(478,824)
Unclaimed dividend	2,378	(2,378)	(2,378)	-	-	-
	16,792,423	(17,253,527)	(16,352,068)	(326,490)	(96,145)	(478,824)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2024					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees in '000					
Financial liabilities						
Long-term finance - secured	3,195,270	(3,756,113)	(943,653)	(2,155,736)	(656,724)	-
Short-term borrowings	16,490,129	(16,490,129)	(16,490,129)	-	-	-
Accrued mark-up	1,191,529	(1,191,529)	(1,191,529)	-	-	-
Trade and other payables	2,560,877	(2,560,877)	(2,560,877)	-	-	-
Lease liabilities	193,851	(665,114)	(44,259)	-	(131,325)	(489,530)
Unclaimed dividend	3,223	(2,379)	(2,379)	-	-	-
	23,634,879	(24,666,141)	(21,232,826)	(2,155,736)	(788,049)	(489,530)

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at June 30. The rates of mark-up have been disclosed in respective notes to these financial statements.

Long term financing from various banks contains certain loan covenants. A breach of covenant, in future, may require the Company to repay the respective loans earlier than as directed in the above table.

d) Fair values of the financial instruments

The carrying value of all the financial instruments reflected in the financial statements approximate their reasonable fair values largely due to the short-term maturities of these instruments.

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40.2 Financial assets and liabilities by category and their respective maturities

	Interest bearing			Non-interest bearing			Total
	Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total	
	Rupees in '000						
2025							
FINANCIAL ASSETS							
At amortised cost							
Deposits and advances	-	-	-	-	65,892	65,892	65,892
Trade and other receivables	-	-	-	1,338,932	-	1,338,932	1,338,932
Loans to employees	-	-	-	16,524	-	16,524	16,524
Cash and bank balances	184,579	-	184,579	267,713	-	267,713	452,292
	184,579		184,579	1,623,169	65,892	1,689,061	1,873,640
FINANCIAL LIABILITIES							
At amortised cost							
Long-term finance	593,580	-	593,580	-	-	-	593,580
Short-term finance	15,069,089	-	15,069,089	-	-	-	-
Trade and other payables	-	-	-	479,529	-	479,529	479,529
Accrued mark-up	-	-	-	474,582	-	474,582	474,582
Lease liabilities	21,091	152,174	173,265	-	-	-	173,265
Unclaimed dividend	-	-	-	2,378	-	2,378	2,378
	15,683,760	152,174	15,835,934	956,489	-	956,489	16,792,423
2024							
FINANCIAL ASSETS							
At amortised cost							
Deposits and advances	-	-	-	-	68,895	68,895	68,895
Trade and other receivables	-	-	-	2,930,930	-	2,930,930	2,930,930
Loans to employees	-	-	-	11,775	-	11,775	11,775
Cash and bank balances	77,602	-	77,602	139,470	-	139,470	217,072
	77,602	-	77,602	3,082,175	68,895	3,151,070	77,602
FINANCIAL LIABILITIES							
At amortised cost							
Long-term finance	2,623,137	572,133	3,195,270	-	-	-	3,195,270
Short-term finance	16,490,129	-	16,490,129	-	-	-	1,649,0129
Trade and other payables	-	-	-	2,713,341	-	2,713,341	2,713,341
Accrued mark-up	-	-	-	1,191,529	-	1,191,529	1,191,529
Lease liabilities	22,272	171,579	193,851	-	-	-	193,851
Unclaimed dividend	-	-	-	3,223	-	3,223	3,223
	19,135,538	743,712	19,879,250	3,908,093	-	3,908,093	23,787,343

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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40.3 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2025				
	Short term borrowings	Long term financing	Dividend	Lease liabilities	Total
	(Rupees in '000)				
Balance as at July 01, 2024	14,719,204	3,461,277	3,223	193,851	18,377,555
Changes from financing cash flows					
Repayment of long term loan	-	(2,623,100)	-	-	(2,623,100)
Proceeds from long term loan	-	-	-	-	-
Payments / (repayments) - net	-	-	-	-	-
Lease rentals paid	-	-	-	(29,868)	(29,868)
Addition / re-assessment / termination of leases	-	-	-	9,282	9,282
Dividend paid	-	-	(845)	-	(845)
Total changes from financing activities	-	(2,623,100)	(845)	(20,586)	(2,644,531)
Other changes					
Interest expense	-	245,284	-	24,056	269,340
Interest paid	-	(489,881)	-	(24,056)	(513,937)
Changes in short term borrowings	(102,428)	-	-	-	(102,428)
Total loan related other changes	(102,428)	(244,597)	-	-	(347,025)
Total equity related other changes	-	-	-	-	-
Balance as at June 30, 2025	14,616,776	593,580	2,378	173,265	15,385,999
	2024				
	Short term borrowings	Long term financing	Dividend	Lease Liabilities	Total
	(Rupees in '000)				
Balance as at July 01, 2023	10,386,136	5,036,758	68,269	163,199	15,654,362
Changes from financing cash flows					
Repayment of long term loan	-	(1,362,937)	-	-	(1,362,937)
Proceeds from long term loan	-	-	-	-	-
Lease rentals paid	-	-	-	(71,112)	(71,112)
Addition / re-assessment / termination of leases	-	-	-	75,245	75,245
Dividend paid	-	-	(65,046)	-	(65,046)
Total changes from financing activities	-	(1,362,937)	(65,046)	4,133	(1,423,850)
Other changes					
Interest expense	-	504,211	-	26,519	530,730
Interest paid	-	(716,755)	-	-	(716,755)
Changes in short term borrowings	4,333,068	-	-	-	4,333,068
Total loan related other changes	4,333,068	(212,544)	-	26,519	4,147,043
Total equity related other changes	-	-	-	-	-
Balance as at June 30, 2024	14,719,204	3,461,277	3,223	193,851	18,377,555

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

41. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

The debt to capital ratios at June 30 were as follows:

	2025	2024
	Rupees in '000	
Total borrowings	15,662,669	19,685,399
Cash and bank balances	(452,292)	(217,072)
Net debt	15,210,377	19,468,327
Equity	20,616,113	15,706,978
Total capital	35,826,490	35,175,305
Debt to capital ratio	0.42	0.55

Decrease in debt to capital ratio is due to decrease in borrowings and contribution received from sponsor during the year.

42. MEASUREMENT OF FAIR VALUES

Management engages an independent external expert / valuer to carry out valuation of its non-financial assets (i.e. Land and Building). Involvement of external valuers is decided by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2025, all financial assets and financial liabilities are carried at amortised cost which is approximate to their fair value. The Company measures the fair value on the basis of present market value for similar sized plots in the vicinity for leasehold land and replacement values of similar type of buildings based on present cost of construction (level 2).

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If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of cash & cash equivalents, trade and other receivables, short term borrowings, trade and other payables, accrued mark-up and approximate their carrying amounts largely due to short-term maturities of these instruments. For long term deposit and long term financing, management considers that their carrying values approximate fair value owing to credit standing of counterparties and interest payable on borrowings are market rates.

The analysis within the fair value hierarchy of the Company's non-financial assets (by class) measured at fair value at June 30, 2025 are as follows:

Non- financial assets	2025			
	Level 1	Level 2	Level 3	Total
	Rupees '000			
Land and building - at fair value	-	4,120,000	-	4,120,000
	2024			
	Level 1	Level 2	Level 3	Total
	Rupees '000			
Land and building - at fair value	-	4,120,000	-	4,120,000

43. CAPACITY AND PRODUCTION - in metric tonnes

	Total capacity	Capacity at year end (Note 43.2)	Actual Production	Capacity utilization (of total capacity)	Capacity utilization (of capacity at year end)
Rupees in '000					
Rolling	700,000	480,000	162,599	23.2%	33.9%
Galvanization	250,000	250,000	101,127	40.5%	40.5%
Rupees in '000					
Rolling	700,000	480,000	159,444	22.8%	33.2%
Galvanization	250,000	250,000	108,343	43.3%	43.3%

43.1 Lower capacity utilisation during the year is due to lower demand of Company's products.

43.2 This represents total capacity excluding the rolling capacity of CRSM plant mentioned in note 10.5.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

44. OPERATING SEGMENT

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

44.2 Revenue from sales of steel products represents 99.96% (2024: 99.99%) of total revenue of the Company.

44.3 All non-current assets of the Company as at June 30, 2025 are located in Pakistan.

44.4 84.05% (2024: 88.13%) of gross sales of steel are domestic sales whereas 15.95% (2024: 11.87%) of sales are export / foreign sales.

44.5 Geographic Information

The Company's net revenue from external customers by geographical location is disclosed in note 24.6.

	2025	2024
Rupees in '000		
Domestic sales	28,369,438	37,675,233
Export sales	5,382,265	5,074,419
	<u>33,751,703</u>	<u>42,749,652</u>

45. DISCLOSURES RELATING TO SHARIAH COMPLIANCE

Disclosures in relation to the statement of financial position - Liability

i) Mark-up accrued on conventional loan or advance - note 22	326,318	863,547
ii) Short-term financing obtained as per islamic mode - note 21	4,963,377	4,959,195
iii) Long-term financing obtained as per islamic mode - note 21	250,296	488,612
iv) Mark-up accrued on islamic loan or advance - note 22	148,264	327,982

Disclosures in relation to the statement of financial position - Assets

i) Shariah-compliant bank deposits - note 12	149,492	56,354
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Disclosures required in relation to the statement of profit or loss and other comprehensive income

i) Revenue earned from a Shariah compliant business segment - note 24	33,751,703	42,749,652
ii) Profit earned from Shariah compliant bank deposits - note 29	4,186	7,886
iii) Profit paid on Islamic mode of financing	1,061,433	1,035,800

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees in '000	
Break-up of other income excluding profits in bank deposits and TDRs Shariah compliant income:		
- Scrap sales - note 29	20,981	34,248

45.1 Relationship with shariah compliant financial institutions

Islamic Banks

The Company has facilities with BankIslami Pakistan Limited for Letter of Credit, Istisna and Bank Guarantee amounting to Rs. 250 million, Rs. 250 million and Rs. 88 million respectively.

The Company has facilities with Dubai Islamic Bank Limited for Wakala Istithmar, Istisna, Letter of Credit, Import Murabaha amounting to Rs. 2.5 billion and Shipping Guarantee amounting to Rs. 2 billion.

The Company has facilities with MCB Islamic Bank Limited for Letter of Credit, Import Murabaha, Istisna amounting to Rs. 500 million and Letter of Guarantee and Ijarah amounting to Rs. 300 million and Rs. 100 million respectively .

The Company has facilities with Meezan Bank Limited for Istisna and Letter of Credit amounting to Rs. 1.25 billion.

The Company has facilities with National Bank of Pakistan (Islamic) for Istisna amounting to Rs. 500 million.

Window Takaful Operators

The Company has facilities with EFU General Insurance Limited for vehicles insurance and EFU Life Assurance Limited for health insurance.

46. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified wherever necessary for better presentation.

47. DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorised for issue by the Board of Directors of the Company on September 9, 2025.


Chief Executive


Director


Chief Financial Officer



A person in a blue suit and tie is holding a tablet. Overlaid on the image is a network diagram with nodes and lines, and a bar chart. The text 'OTHER INFORMATION' is written in large white letters on the left side.

OTHER INFORMATION

“Someone is sitting in the shade
today because someone planted a
tree a long time ago.”

– Warren Buffett

Shareholders’ Information

Aisha Steel Mills Limited

Registered Office

Arif Habib Centre, 23 – M. T. Khan Road,
Karachi – Pakistan – 74000
Tel: (+92 21) 32468317
Fax No: (+92 21) 32468320
Email: info@aishasteel.com
Website: www.aishasteel.com

Share Registrar Office

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

Listing on Stock Exchanges

ASML Ordinary and Preference shares are listed on the Pakistan Stock Exchange (PSX).

Stock Code

The stock code for dealing in Ordinary, Preference-I and Preference-II shares of the Company at the PSX are ASL, ASLPS and ASLCPS respectively.

Investor Service Centre

ASML share department is operated by CDC Share Registrar Services Limited. It also functions as an Investor Service Centre which is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the Registrar function. Team is headed by Mr. Abdus Samad Habib at the Registrar Office and Company Secretary at ASML Registered Office. For assistance, shareholders may contact either the Registered Office or the Share Registrar Office.

Contact Persons

Mr. Manzoor Raza
Tel: (021) 111-245-111
Email: manzoor.raza@aishasteel.com

Mr. Muhammad Sarwar Dayala,
Tel: (92-21) 111-111-500 (Ext. 3423)
Email: muhammad_sarwar@cdcsrsl.com

During the year the Company has compiled with all applicable provisions, filled all returns / forms and furnished all the relevant information as required under the Companies Act, 2017 and allied laws and rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listed Companies (Code of Corporate Governance) Regulations, wherever applicable.

Book Closure Dates

Share transfer books of the Company will remain closed from October 10, 2025 to October 17, 2025 (both days inclusive). Transfers received in order at the office of our registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi [(ASML's Share Registrar (CDCSRSL))], by the close of business on Thursday, October 9, 2025 will be treated in time for the determination of entitlement of shareholders to attend and vote at the meeting.

Legal Proceedings

No case has been filed by shareholders against the Company for non-receipt of share/dividend.
General Meetings and Voting Rights

Pursuant to Section 132 of the Companies Act, 2017 ASML holds an Annual General Meeting of shareholders at least once a year. Every shareholder has a right to attend the Annual General Meeting. The notice of such meeting is sent to all shareholders at least 21 days before the meeting and will also be published in at least one English and one Urdu newspaper having Nationwide circulation.
Proxies

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote in the General Meeting of the Company can appoint another person as his / her proxy to attend and vote at the meeting. Every notice calling a General Meeting of the Company contains a statement that shareholder entitled to attend and vote is entitled to appoint a proxy.

Web Presence

The website of the Company has been maintained in accordance with the directives of SECP vide various SROs. Updated information about the Company and its affiliates can be accessed at ASML website, www.aishasteel.com

Shareholding Pattern

The shareholding pattern of the equity share capital of the Company as on June 30, 2025 along with categories of shareholders may be viewed at Annexure III to the Directors Report.

Notice of Twenty First Annual General Meeting

Notice is hereby given that the Twenty First Annual General Meeting of the Shareholders of Aisha Steel Mills Limited ("the Company") will be held on Friday, October 17, 2025 at 11:30 a.m. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi to transact the following business:

Ordinary Business

- To confirm minutes of Annual General Meeting held on October 28, 2024.
- To receive, consider and adopt annual audited financial statements of the Company together with the Directors' and the Auditors' Reports thereon for the year ended June 30, 2025.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to SRO 389(I)/2023 dated March 21, 2023, as well as the approval granted by shareholders at the AGM held on October 28, 2023, the financial statements of the Company have been uploaded to the Company's website and can be downloaded via the following weblink or QR code :

https://www.aishasteel.com/financial-reports



- To appoint the Auditors for the year ending June 30, 2026 and fix their remuneration. The Board of Directors has recommended for reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants as external auditors.

Special Business

- To approve the following in connection with transactions with related parties :
 - approval of related parties transactions / arrangements / agreements / balances as disclosed in audited financial statements for the year ended June 30, 2025
 - authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending June 30, 2026 or upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017

by passing the following special resolutions with or without modification :

Resolved that, the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended June 30, 2025 be and are hereby approved.

Further resolved that, the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties for the financial year ending June 30, 2026 or upto the next annual general meeting.

Further resolved that, the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval u/s 207 and / or 208 of the Companies Act, 2017 (if required).

Any Other Business

- To consider any other business with the permission of the Chair.
- Statement under Section 134(3) of the Companies Act, 2017 pertaining to the special business is being sent to the shareholders along with this notice.

By order of the Board

Manzoor Raza
Company Secretary

Karachi: September 26, 2025



Notes:

- Share transfer books of the Company will remain closed from October 10, 2025 to October 17, 2025 (both days inclusive). Transfers received in order at the office of our registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi [(ASML's Share Registrar (CDCSRSL)], by the close of business on Thursday, October 9, 2025 will be treated in time for the determination of entitlement of shareholders to attend and vote at the meeting.
- A member entitled to attend and vote at the meeting may appoint another person as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
- Procedure including the guidelines as laid down in Circular No. I - Reference No. 3 (5-A) Misc / ARO / LES / 96 dated January 26, 2000 issued by Securities & Exchange Commission of Pakistan:
 - Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
 - In the case of corporate entity, Board of Directors' resolution / power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
 - In order to be effective, the proxy forms must be received at the office of ASML's Share Registrar (CDCSRSL) not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.
 - In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - In the case of proxy by a corporate entity, Board of Directors resolution / power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy form.
- Online Participation in the Annual General Meeting**

In order to maximize the member's participation, the Company is convening this AGM via video link in addition to holding physical meeting with shareholders. Accordingly, those members and participants who desire online participation in the AGM are requested to register themselves by sending an email along with following particulars and valid copy of both sides of their CNIC at corporate.affairs@aishasteel.com with subject of 'Registration for ASML AGM 2025' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio No. / CDC Account No.	Cell No.	Email Address

Video Link to join the AGM will be shared with only those Members whose emails, containing all the required and correct particulars, are received at corporate.affairs@aishasteel.com. The Shareholders can also provide their comments and questions for the agenda items of the AGM on this email address and WhatsApp Number 0311-2706624.

5. Provision of Video Link Facility

If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders, who wish to participate through video-link facility, are requested to fill in 'Video Link Facility Form' available at Company's website and send a duly signed copy to the Registered Address of the Company. It may be noted that no person other than the member or proxy holder can attend the meeting through video link facility.

6. Vote Casting In-Person or Through Proxy

Polling booth will be established at the place of physical gathering of the AGM for voting.

7. E-Voting / Postal Ballot

Members are hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143-144 of the Companies Act, 2017, members will be allowed to exercise their right to vote for the special business in accordance with the conditions mentioned therein. Following options are being provided to members for voting:

i) E-Voting Procedure

- Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on Thursday, October 9, 2025.
- The web address, login details and password will be communicated to members via email. The security codes will be communicated to members through SMS and email from web portal of the e-voting service provider.
- Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- E-Voting lines will start from October 14, 2025, 9:00 a.m. and shall close on October 16, 2025 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii) Postal Ballot

- Members may alternatively opt for voting through postal ballot. Ballot Paper shall also be available for download from the website of the Company at www.aishasteel.com or use the same as annexed to this notice and published in newspapers.
- The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at Arif Habib Centre, 23 M. T. Khan Road, Karachi (Attention of the Company Secretary) OR through the registered email address of shareholder at chairman.generalmeeting@aishasteel.com with subject of 'Postal Ballot for ASML AGM 2025' by Thursday, October 16, 2025 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.
- Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

8. Distribution of Annual Report

The audited financial statements of the Company together with the auditors' report, directors' report and the chairman's review report for the year ended June 30, 2025 (Annual Report) are available on the Company's website (www.aishasteel.com/financial-reports), in addition to annual and quarterly financial statements of prior years. In compliance with section 223(6) of Companies Act 2017, the Company has electronically transmitted the Annual Report via email to shareholders whose email addresses are registered with ASML's Share Registrar (CDCSRSL). For shareholders without a registered email address, printed AGM notices, along with the weblink and QR code to download the Annual Report, have been dispatched. Hard copies of the Annual Report will be provided free of cost to any shareholder upon request, delivered to their registered address within one week of receiving such a request. For the convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" is also available on the Company's website.

9. Prohibition on Distribution of Gifts and Shareholder Conduct

In compliance with Section 185 of the Companies Act, 2017 and S.R.O. 452(I)/2025 issued by SECP, shareholders are hereby informed that no gifts, in any form, shall be distributed at or in

connection with the general meeting. Shareholders are also advised to observe decorum and meeting etiquette as prescribed in SECP's Guidelines for Professional Conduct in General Meetings.

10. Provision of Information by Shareholders

To comply with various statutory requirements, and to avoid any non-compliance of law or any inconvenience in future, all shareholders are hereby advised to coordinate / update their records with their respective Participant / CDC Investor Account Services / ASML's Share Registrar (CDCSRSL) in connection with following :

- Submission of copies of their valid / updated CNIC / NTN Certificate / Zakat Declaration (Exemption) Form / Tax Exemption Certificate
- Provision of relevant details including valid bank account details / IBAN in order to enable the Company to pay any unclaimed / future cash dividends, if any
- In case of a Joint account, provision of shareholding proportions between Principal shareholder and Joint Holder(s)
- Convert their physical shares into scrip less form, which will also facilitate the shareholders having physical shares in many ways, including safe custody, efficient trading and convenience in other corporate actions.
- Provision of mandatory registration details in terms of Section 119 of the Companies Act, 2017 and Regulation 47 of the Companies Regulations, 2024, including mobile number / landline number and email address (if available).
- Promptly notify any change in mailing address, email address and mobile number by writing to the office of ASML's Share Registrar (CDCSRSL).

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business given in Agenda item No. 4 of the Notice to be transacted at the Annual General Meeting of the Company. Directors of the Company have no interest in the special businesses, except in their capacity as director / shareholder.

Approval of transactions with related parties

In compliance with applicable laws, related party transactions are approved by the Board as recommended by the Audit Committee on a quarterly basis. As common directors may be deemed to be interested in certain related party transactions due to their directorship and / or shareholding in the associated companies / related parties, the Board, in order to promote transparency, is seeking shareholders' approval for related party transactions / arrangements / agreements / balances as disclosed in the audited financial statements for the year ended June 30, 2025.

Authorization for the Board of Directors to approve those transactions with related parties (if executed) conducted during the financial year ending June 30, 2026 and thereafter upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017.

The Company shall be conducting transactions with its related parties during the aforementioned period as per the approved policy with respect to 'transactions with related parties'. Being the directors of multiple companies, many or majority of the Directors may be deemed to be treated as interested in transactions with related parties due to their common directorships and/or shareholding. In order to promote good corporate governance and transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time, including transactions (if executed) triggering approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017, for the year ending June 30, 2026 and thereafter upto the next annual general meeting, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification. The Directors are interested in the resolution only to the extent of their shareholding and / or common directorships in such related parties.

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AISHA STEEL MILLS LTD

BALLOT PAPER FOR VOTING THROUGH POST / EMAIL



For the Special Business at the Annual General Meeting to be held on Friday, 17th October 2025 at 11:30 a.m. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi as well as through electronic means.

Designated email address of the Chairman at which the duly filled in ballot paper may be sent:

chairman.generalmeeting@aishasteel.com

Name of shareholder / Joint shareholder(s) / Proxy Holder(s)	
Registered Address:	
Folio /CDC Participant / Investor ID with sub-account No.	
Number of shares held (ASL / ASLPS / ASLCPS)	
CNIC / Passport No. (in case of foreigner) (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government)	
Name of Authorized Signatory: CNIC / Passport No. (in case of foreigner) of Authorized Signatory – (copy to be attached)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	No. of shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
	<p>Agenda Item No. 4</p> <p>To approve the following in connection with transactions with related parties:</p> <p>i. approval of related parties transactions / arrangements / agreements / balances as disclosed in audited financial statements for the year ended June 30, 2025</p> <p>ii. authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending June 30, 2026 or upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017</p> <p>by passing the following special resolutions with or without modification :</p> <p>Resolved that, the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended June 30, 2025 be and are hereby approved.</p> <p>Further resolved that, the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties for the financial year ending June 30, 2026 or upto the next annual general meeting.</p> <p>Further resolved that, the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval u/s 207 and / or 208 of the Companies Act, 2017 (if required).</p>			

NOTES:

- Dully filled postal ballot should be sent to the Chairman of Aisha Steel Mills Limited through post at Arif Habib Centre, 23, M.T. Khan Road, Karachi, Pakistan (Attention of the Company Secretary) OR through the registered email address of shareholder at chairman.generalmeeting@aishasteel.com
- Copy of CNIC / Passport No. (in case of foreigner) should be enclosed with the postal ballot form.
- Postal ballot forms through post or email should reach the Chairman by Thursday, 16th October 2025 before 5:00 p.m. Any postal ballot received after this date and time, will not be considered for voting.
- Signature on postal ballot should match with signature on CNIC / Passport No. (in case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
- This postal Poll paper is also available for download from the website of Aisha Steel Mills Limited at <https://www.aishasteel.com/notices-of-general-meetings-dividend-bonus/> Shareholders may download the ballot paper from website or use the same ballot paper as published in newspapers.

Signature of shareholder(s)/ Proxy Holder(s)/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Place: _____

Date: _____

چیئرمین کا مختص کردہ ای میل ایڈریس جس پر مکمل پُر شدہ بیلٹ پیپر بھیجے جاسکتے ہیں: chariman.generalmeeting@aishasteel.com

شیرز ہولڈر / جوائنٹ شیرز ہولڈر (ز) / پراکسی ہولڈر (ز)	
رجسٹرڈ پتہ	
فولیو / سی ڈی سی شرکت کنندہ / انویسٹر ID بمعہ ذیلی اکاؤنٹ نمبر	
حصص کی تعداد (ASL / ASLPS / ASLCPS)	
شناختی کارڈ / پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں)	
(کاپی منسلک کی جائے)	
اضافی معلومات اور منسلکات (ہاڈی کار پورٹ، کار پوریشن اور وفاقی حکومت کے نمائندے کی صورت میں):	
مجاز دستخط کنندہ کا نام	
شناختی کارڈ / پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں) مجاز دستخط کنندہ - (کاپی منسلک کی جائے)	

ہم/میں درج ذیل قراردادوں کے بارے میں اپنی رضامندی/اختلاف ظاہر کرنے کیلئے قرارداد کے سامنے خانے میں ٹک (✓) کا نشان لگا کر اپنا ووٹ بذریعہ پوسٹ بیلٹ استعمال کر رہے ہیں:

نمبر شمار	قرارداد کی نوعیت اور تفصیل	شیرز کی تعداد جن کیلئے ووٹ ڈالا گیا	ہم/میں قرارداد میں/میں قرارداد سے متفق ہیں	ہم/میں قرارداد سے متفق نہیں
1. ایجنڈہ نمبر 4	ملحقہ پارٹیوں کے ساتھ لین دین کے سلسلے میں درج ذیل کو منظور کرنا: (i) 30 جون 2025 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالی گوشواروں میں ظاہر کیے گئے ملحقہ پارٹیوں کے سودوں/انتظامات/معاہدوں/بیلنس کی توثیق اور منظوری۔ (ii) کمپنی کے بورڈ آف ڈائریکٹرز کو بحال بنانا کہ وہ مالیاتی سال 30 جون 2026 کے دوران یا اگلے سالانہ اجلاس عام تک ملحقہ پارٹیوں کے ساتھ کئے جانے والے اُن سودوں (اگر واقع ہوں) کی منظوری دے سکیں جن کے لئے کمپنیز ایکٹ کی دفعہ 207 یا/اور 208 کے تحت حصص یافتگان کی منظوری درکار ہوتی ہے۔ اس کے لئے مندرجہ ذیل خصوصی قراردادیں ترمیم یا بالترتیب منظور کی جائیں گی: قرار پایا کہ ملحقہ پارٹیوں کے ساتھ سودوں/انتظامات/معاہدوں/بیلنس جیسا کہ 30 جون 2025 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالی گوشواروں میں ظاہر کیا گیا ہے، بذریعہ بذاس کی منظوری دی جاتی ہے۔ مزید قرار پایا کہ کمپنی کے بورڈ آف ڈائریکٹرز کو بحال بنایا جاتا ہے کہ مالیاتی سال 30 جون 2026 کے دوران یا اگلے سالانہ اجلاس عام تک ملحقہ پارٹیوں کے ساتھ کئے جانے والے سودوں کو انفرادی طور پر منظور کرنا۔ مزید قرار پایا کہ سودوں کی ڈائریکٹرز سے منظوری کو (اگر واقع ہوں) کمپنیز ایکٹ کی دفعہ 207 یا/اور 208 کے تحت حصص یافتگان کی منظوری تصور کیا جائے گا اور (اگر ضروری ہوا) تو انہیں کمپنیز ایکٹ کی دفعہ 207 یا/اور 208 کے تحت اگلے سالانہ اجلاس عام میں باضابطہ توثیق/منظوری کے لئے حصص یافتگان کے روبرو پیش کیا جائے گا۔			

نوٹ:

- صحیح طریقے سے پُر شدہ بیلٹ پیپر عارف حبیب سینٹر، 23، ایم۔ٹی۔خان روڈ، کراچی میں ڈاک کے ذریعے (کمپنی سیکریٹری کو متوجہ کر کے) یا حصص یافتہ کے رجسٹرڈ ای میل سے chariman.generalmeeting@aishasteel.com پر ارسال کئے جائیں۔
- پوسٹ بیلٹ فارم کے ساتھ شناختی کارڈ/پاسپورٹ (غیر ملکی ہونے کی صورت میں) کی کاپی جمع کرانا لازمی ہے۔
- پوسٹ بیلٹ فارم بذریعہ ڈاک یا ای میل پیپر میں تک بروز جمعرات 16 اکتوبر 2025 شام 5:00 بجے سے پہلے پہنچ جانے چاہئیں۔ مقررہ تاریخ کے بعد موصول ہونے والے بیلٹ فارم ووٹنگ میں شمار نہیں کیے جائیں گے۔
- پوسٹ بیلٹ فارم پر موجود دستخط شناختی کارڈ/پاسپورٹ (غیر ملکی ہونے کی صورت میں) سے مماثل ہونے چاہئیں۔
- نامکمل، غیر دستخط شدہ، غلط، جھٹکے ہوئے، بوسیدہ یا کاٹ چھانٹ والے بیلٹ پیپر مسترد کر دیئے جائیں گے۔
- یہ پوسٹ پل پیپر عائش اسٹیل ملز لمیٹڈ کی ویب سائٹ (https://www.aishasteel.com/notices-of-general-meetings-dividend-bonus/) سے ڈاؤن لوڈ کے لیے بھی دستیاب ہے۔ شیرز ہولڈرز ویب سائٹ سے بیلٹ پیپر ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع ہونے والے اسی بیلٹ پیپر کو استعمال کر سکتے ہیں۔

دستخط شیرز ہولڈر (ز)/پراکسی ہولڈر (ز)/مجاز دستخط کنندہ

(کاروباری ادارہ ہونے کی صورت میں کمپنی کی مہر لگائیں)

مقام:

تاریخ:

Form of Proxy

21st Annual General Meeting

The Company Secretary
Aisha Steel Mills Limited
Arif Habib Centre,
23 M.T. Khan Road, Karachi

I/we _____ of _____ being a member(s) of Aisha Steel Mills Limited, holding _____ Ordinary/Preference Share as per CDC A/c. No. _____ hereby appoint Mr/Mrs/Miss _____ of (full address) _____ or failing him/her Mr/Mrs/Miss _____ of (full address) _____

As my/our Proxy to attend, act vote for me/us and on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Friday, October 17, 2025 and/or any adjournment thereof.

Signed this _____ day of _____ 2025.

Witnesses:

- Name: _____
Address: _____
CNIC No: _____
Signature: _____
- Name: _____
Address: _____
CNIC No: _____
Signature: _____

Signature
Revenue Stamp

NOTES:

- A member entitled to attend and vote at the meeting may appoint another person as his/her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
- Proxy shall authenticate his/her identity by showing his/her original CNIC or passport and bring folio number at the time of attending the meeting.
- In order to be effective, the proxy Form must be received at the office of our Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, not later than 48 hours before the meeting duly signed and stamped and witnessed by the two persons with their signatures, name, address and CNIC number given on the form.
- In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form.
- In case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy Form.

کمپنی سیکریٹری
عائشہ اسٹیل ملز لمیٹڈ
عارف حبیب سینٹر
23، ایم ٹی خان روڈ
کراچی۔

میں مسّی/مسّیۃ _____ ساکن _____ ضلع _____ بحیثیت ممبر
عائشہ اسٹیل ملز لمیٹڈ، حامل _____ (تعداد) عمومی/خصوصی حصص برطانیسی ڈی سی ا کاؤنٹ _____ مسّی/
مسّیۃ _____ ساکن _____ کو، بصورت دیگر مسّی/مسّیۃ _____
ساکن _____ کو بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے ایکسواں سالانہ اجلاس عام جو بتاریخ 17 اکتوبر 2025
بروز جمعہ منعقد ہو رہا ہے میں، یا ان کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

دستخط: _____ بروز/بتاریخ _____ 2025

گواہان:

1	نام:	_____	2	نام:	_____
	پتہ:	_____		پتہ:	_____
	شناختی کارڈ نمبر:	_____		شناختی کارڈ نمبر:	_____
	دستخط:	_____		دستخط:	_____

دستخط
ریونیو اسٹیٹمپ

نوٹ:

- وہ رکن جسے اجلاس میں شرکت یا ووٹ کا حق حاصل ہے وہ کسی ناگزیر صورت حال میں اپنی جگہ کسی دوسرے شخص کو یہ حق دے سکتا ہے کہ وہ رکن اُس کی پراکسی استعمال کرتے ہوئے، اُس کے بجائے اجلاس میں شریک ہو سکتا ہے، خطاب کر سکتا ہے یا ووٹ کا اندراج کر سکتا ہے۔
- پراکسی ثابت کرنے کے لئے اُسے اپنا اصل شناختی کارڈ یا پاسپورٹ اور فوٹیو نمبر کو دکھانا لازمی ہے تاکہ اجلاس میں شرکت کی اجازت سے قبل اُس کی شناخت کی جاسکے۔
- منوثر بنانے کے لئے، پراکسی فارم ہمارے رجسٹرڈ میسرز سی ڈی سی شینئر رجسٹرار سروسز لمیٹڈ کے دفتر سی ڈی سی ہاؤس، 99-B، ایس، ایم، سی، ایچ، ایس، شاہراہ فیصل، کراچی، میں اجلاس سے کم از کم 48 گھنٹے قبل وصول ہونا لازمی ہے۔ فارم میں تمام مطلوبہ معلومات، رکن کے دستخط اور ممبر، نیز دو گواہان کی بنیادی معلومات یعنی نام پتے، دستخط اور شناختی کارڈ نمبر کا اندراج ضروری ہے۔
- انفرادی رکن کی صورت میں اصل اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول منسلک کرنا لازمی ہے۔
- پراکسی کے کارپوریٹ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد، پاور آف اٹارنی، شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول، پراکسی فارم کے ساتھ منسلک کرنا ضروری ہے۔

BCR Criteria Index

SR.NO	Criteria	Reference
1	Organizational Overview and External Environment	
1.01	Mission, vision, code of conduct, ethical, principal and core values.	
1.02	Profile of the company including principal business activities, markets (local and international), key brands, products and services.	
1.03	Geographical location and address of all business units including sales units and plants.	
1.04	The legislative and regulatory environment in which the company operates.	
1.05	Ownership, operating structure and relationship with group companies (i.e. subsidiary, associated undertaking etc.) and number of countries in which the organization operates.	
1.06	Name and country of origin of the holding company/subsidiary company, if such companies are a foreign company.	
1.07	Disclosure of beneficial (including indirect) ownership and flow chart of group shareholding and relationship as holding company, subsidiary company or associated undertaking.	
1.08	Organization chart indicating functional and administrative reporting, presented with legends.	
1.09	A general review of the performance of the company, including its subsidiaries, associates, divisions etc., for the year and major improvements from last year.	
1.10	Description of the performance of the various activities / product(s) / service(s) / segment(s) of the entity and its group entities during the period under review.	
1.11	Position of the reporting organization within the value chain showing connection with other businesses in the upstream and downstream value chain.	
1.12	a) Explanation of significant factors affecting the external environment including political, economic, social, technological, environmental and legal environment that is likely to be faced in the short, medium and long term and the organization's response. b) The effect of seasonality on business in terms of production and sales.	
1.13	The legitimate needs, interests of key stakeholders and industry trends.	
1.14	SWOT Analysis of the company.	
1.15	Competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, relative strengths and weaknesses of competitors and customer demand and the intensity of competitive rivalry).	
1.16	History of major events.	
1.17	Details of significant events occurred during the year and after the reporting period.	

SR.NO	Criteria	Reference
2	Strategy and Resource Allocation	
2.01	Short, medium and long-term strategic objectives and strategies in place to achieve objectives.	
2.02	Resource allocation plans to implement the strategy. Resource mean Capitals' including: a) Financial Capital; b) Human Capital; c) Manufactured Capital; d) Intellectual Capital; e) Social and Relationship Capital; and f) Natural Capital.	
2.03	The capabilities and resources of the company that provide sustainable competitive advantage, resulting in value creation by the company.	
2.04	Company's strategy on market development, product and service development.	
2.05	The effects of the given factors on the company strategy and resource allocation: a) Technological Changes; b) Sustainability reporting and challenges; c) Initiatives taken by the company in promoting and enabling innovation; d) Resource shortages (if any).	
2.06	Key Performance Indicators (KPIs) to measure the achievement against strategic objectives including statement as to whether the indicators used will continue to be relevant in the future.	
2.07	The linkage of strategic objectives with company's overall mission, vision and objectives.	
2.08	Board's statement on the internal controls including IT controls of the company.	
2.09	Board's statement on the significant plans and decisions such as corporate restructuring, business expansion, major capital expenditure or discontinuance of operations.	
2.10	a) Information about defaults in payment of any debt with reasons and its repayment plan; b) Board strategy to overcome liquidity problems and plans to meet operational losses.	
3	Risks and Opportunities	
3.01	Key risks and opportunities (internal and external), including	
3.02	Sustainability-related risks and opportunities, affecting availability, quality and affordability of Capitals.	
3.03	Company's robust assessment of the principal risks and uncertainties being faced, including those that would threaten the business model, future performance and solvency or liquidity. This may include operational risk, IT risk, regulatory risk, legal risk, political risk, strategic risk, and credit risk etc.	
3.04	Risk Management Framework covering principal risks and uncertainties facing by the company, risk methodology, risk appetite and risk reporting. Specific steps being taken to mitigate or manage key risks or to create value from key opportunities by identifying the associated strategic objectives, strategies, plans, policies, targets and KPIs.	

SR.NO	Criteria	Reference
3.05	Disclosure of a risk of supply chain disruption due to an environmental, social or governance incident and company's strategy for monitoring and mitigating these risks (if any).	
4	Sustainability Reporting and Corporate Social Responsibility (CSR)	
4.01	Disclosure of the role of the Board to address the company's sustainability risks and opportunities, as required under the recent amendments of the SECP 'Listed Companies (Code of Corporate Governance) Regulations, 2019, SECP SRO 920/2024 dated June 12, 2024 for the following: a) Disclosures of company specific sustainability-related risks and opportunities (climaterelated risks and opportunities) and their impact on the financial performance in the short, medium and long term and how these are managed or mitigated; b) Disclosures about four-pillars core content (Governance, Strategy, Risk Management and Metrics and Targets), together with the specific metrics designed by the company to demonstrate the performance and progress of the company. c) Disclosure of company's sustainability and DE&I related strategies, priorities and targets, the measures taken to promote in the company as well as performance against these targets are periodically reviewed and monitored. "d) Boards are encouraged to adopt of the SECP's ESG Disclosure Guidelines (https://www.secp.gov.pk/document/secp-esg-disclosure-guidelines-for-listedcompanies/)"	
4.02	"Highlights of the company's performance, policies, initiatives and plans in place relating to the various aspects of sustainability: · Social initiatives - financial inclusion, research and development, employment generation, community health and education, and health and safety of staff etc.; · Environmental initiatives - climate change mitigation etc. by focusing on 3R's (Reduce, Reuse & Recycle), how does the company reduce pollution, depletion and degradation of natural resources; and indirect like investment/financing in green /sustainable project. · Technological innovation - use of advanced technology, innovative ideas leading to sustainability practices like energy-efficient processes or eco-friendly product designs; · Information on consumption and management of materials, energy, water, emissions and waste."	
4.03	a) Has the board established a dedicated sustainability committee, having at least one female director, or assign additional responsibilities to an existing board committee. b) Has the committee submitted to the board a report, at least once a year, on embedding sustainability principles into the organization's strategy and operations to increase corporate value.	
4.04	Board's statement for the adoption of CSR best practices including Board's commitment to promote CSR and how the company's sustainable practices can affect the financial performance of the company.	
4.05	Highlights of the company's performance, policies, initiatives for CSR.	

SR.NO	Criteria	Reference
5	Governance	
5.01	Board composition: a) Leadership structure of those charged with governance;" b) Name of independent directors indicating justification for their independence; c) Diversity in the board i.e. competencies, requisite knowledge & skills, and experience; d) Profile of each director including education, experience and engagement in other entities as CEO, Director CFO or Trustee etc.; e) No. of companies in which the executive director of the reporting organization is serving as non-executive director.	
5.02	A brief description about role of the Chairman and the CEO.	
5.03	A statement of how the board operates, including a high-level statement of which types of decisions are to be taken by the board and which are to be delegated to management.	
5.04	Chairman's Review Report on the overall performance of the board including: a) Effectiveness of the role played by the board in achieving the company's objectives;" b) Chairman's significant commitments, such as strategic, financial, CSR and ESG etc., and any changes thereto from last year'; c) Board statement on the company's structure, processes and outcomes of internal control system and whether board has reviewed the adequacy of the system of internal control.	
5.05	Board statement of its commitment to establish high level of ethics and compliance in the company.	
5.06	Annual evaluation of performance, along with a description of criteria used for the members of the board, including CEO, Chairman, and board's committees.	
5.07	Disclosure if the board's performance evaluation is carried out by an external consultant once in every three years.	
5.08	Details of formal orientation courses for directors.	
5.09	Directors' Training Program (DTP) attended by directors, female executives, and head of departments from the institutes approved by the SECP, along with names of those who availed exemptions during the year.	
5.10	Description of external oversight of various functions like systems audit or internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems.	
5.11	Disclosure about related party transactions: a) Approved policy for related party transactions;" b) Details of all related party transactions, along with the basis of relationship describing common directorship and percentage of shareholding; c) Contract or arrangement with the related party other than in the ordinary course of business on an arm's length basis, if any along with the justification for entering into such contract or arrangement; d) Disclosure of director's interest in related party transactions; e) In case of conflict, disclosure of how conflicts are managed and monitored by the board.	

SR.NO	Criteria	Reference
5.12	Disclosure of Board's Policy on the following significant matters: a) Risk Management and internal control policies. " b) Disclosure of director's interest in significant contracts and arrangements. c) Remuneration of non-executive directors including independent directors for attending board meetings and general meetings. d) Retention of board fee by the executive director earned by him against his services as non-executive director in other companies. e) Security clearance of foreign directors. f) Board meetings held outside Pakistan. g) Human resource management including: • Preparation of succession plan; • Merit based recruitment; • Performance based appraisal system; • Promotion, reward and motivation; • Training and development; • Diversity, Equity & Inclusion (DE&I) policy; and • Employee engagement /feedback." h) Social and environmental responsibility including managing and reporting policies like procurement, waste and emissions. i) Communication with stakeholders. j) Dividend policy. k) Investors' relationship and grievances. l) Employee's health, safety and protection. m) Whistle blowing policy n) anti-harassment policy to safeguard the rights and well-being of employees. o) Safety of records of the company.	
5.13	Board statement of the organization's business continuity plan or disaster recovery plan.	
5.14	Compliance with the Best Practices of Code of Corporate Governance (No marks in case of any non-compliance).	
5.15	Disclosure about: a) Shares held by Sponsors / Directors / Executives;" b) Distribution of shareholders (Number of shares as well as category, e.g. Promoter, Directors / Executives or close family member of Directors / Executives etc.) or foreign shareholding (if any).	
5.16	Details about Board meetings and its attendance.	
5.17	TORs, composition and meeting attendance of the board committees including (Audit, Human Resource, Nomination and Risk management).	
5.18	Timely Communication: Date of authorization of financial statements by the board of directors: Within 40 days - 6 marks Within 50 days - 6 marks (in case of holding company who has listed subsidiary /subsidiaries) Within 60 days - 3 marks (Entities requiring approval from a Regulator before finalization of their financial statements would be provided a 20 days relaxation, on providing evidence to the Committee).	

SR.NO	Criteria	Reference
5.19	<p>Audit Committee report should describe the work of the committee in discharging its responsibilities. The report should include:</p> <p>a) Composition of the committee with at least one member qualified as “financially literate” and all members are non-executive / Independent directors including the Chairman of the Audit Committee.</p> <p>b) Committee’s overall role in discharging its responsibilities for the significant issues related to the financial statements, and how these issues were addressed.</p> <p>c) Committee’s overall approach to risk management and internal control, and its processes, outcomes and disclosure.</p> <p>d) Role of Internal Audit in risk management and internal control, and the approach to Internal Audit to have direct access to Audit Committee and evaluation of Internal Auditor’s performance.</p> <p>e) Review of arrangements for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters, and recommended instituting remedial and mitigating measures.</p> <p>f) An explanation as to how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor; and if the external auditor provides non-audit services, an explanation as to how auditor’s objectivity and independence is safeguarded.</p> <p>g) If Audit Committee recommends external auditors other than the retiring external auditors, before the lapse of three consecutive years, reasons shall be reported.</p> <p>h) The Audit Committee’s views whether the Annual Report was fair, balanced and understandable and also whether it provided the necessary information to shareholders to assess the company’s position and performance, business model and strategy.</p> <p>i) Results of the self-evaluation of the Audit Committee carried out of its own performance.</p> <p>j) Disclosure of the number of whistle-blowing incidences reported to the Audit Committee during the year.</p>	
5.20	Presence of the chairman of the Audit Committee at the AGM to answer questions on the Audit Committee’s activities / matters that are within the scope of the Audit Committee’s responsibilities.	
5.21	<p>Board disclosure on Company’s use of Enterprise Resource Planning (ERP) software including:</p> <p>a) How it is designed to manage and integrate the functions of core business processes / modules like finance, HR, supply chain and inventory management in a single system;”</p> <p>b) Management support in the effective implementation and continuous updation;</p> <p>c) Details about user training of ERP software;</p> <p>d) How the company manages risks or control risk factors on ERP projects;</p> <p>e) How the company assesses system security, access to sensitive data and segregation of duties.</p>	
5.22	Disclosure about the Government of Pakistan policies related to company’s business / sector in Directors’ Report and their impact on the company business and performance.	

SR.NO	Criteria	Reference
5.23	Information on company’s contribution to the national exchequer (in terms of payment of duties, taxes and levies) and to the economy (measured in terms of GDP contribution, new jobs creation, increase in exports, contributions to society & environment and community development etc.)	
6	Analysis of the Financial Information	
6.01	<p>Analysis of the financial and non-financial performance using both qualitative and quantitative indicators, showing linkage between:</p> <p>a) Past and current performance;”</p> <p>b) Performance against targets /budget; and</p> <p>The analysis should cover significant deviations from previous year in operating results and the reasons for loss, if incurred, as well as future prospects of profits.</p>	
6.02	<p>a) Analysis of financial ratios (Annexure I) with graphical presentation and disclosure of methods and assumptions used in compiling the indicators.</p> <p>b) Explanation of negative change in the performance as compared to last year.</p>	
6.03	Vertical and horizontal analysis of Balance Sheet, Profit and Loss Account and summary of Cash Flow Statement for last 6 years. Weightage to be given to graphical presentation.	
6.04	Cash Flow Statement based on Direct Method (separate Cash Flow for specific funds e.g. Zakat).	
6.05	<p>a) Information about business segment and non-business segment; and</p> <p>b) Segmental analysis of business performance including segment revenue, segment results, profit before tax, segment assets and liabilities.</p>	
6.06	Disclosure of market share of the company and share price sensitivity analysis.	
6.09	<p>Statement of value added and its distribution with graphical presentation:</p> <p>a) Employees as remuneration;</p> <p>b) Government as taxes (separately direct and indirect);</p> <p>c) Shareholders as dividends;</p> <p>d) Providers of financial capital as financial charges;</p> <p>e) Society as donation; and</p> <p>f) Retained within the business.”</p>	
6.10	<p>Statement of Economic value added (EVA)</p> <p>[EVA = NOPAT – WACC x TC, where NOPAT is Net Operating Profit After Tax, WACC is Weighted Average Cost of Capital, and TC is Total Invested Capital]”</p>	
6.11	CEO presentation video on the company’s business performance of the year covering the company business strategy to improve and future outlook. (Please provide relevant webpage link of the video in the company’s annual report).	
7	Business Model	
7.01	Describe the business model including inputs, business activities, outputs and outcomes as per international applicable framework.	
7.02	Explanation of any material changes in the entity’s business model during the year.	

SR.NO	Criteria	Reference
8	Disclosures on IT Governance and Cybersecurity	
8.01	The Board responsibility statement on the IT system/ controls and AI strategy of the company including compliance of legal and regulatory requirements regarding data privacy and cyber security and how the board is engaging with management in case of any breaches.	
8.02	Disclosure related to IT governance and cybersecurity programs, policies and procedures and industry specific requirements for cybersecurity and strategy in place.	
8.03	Disclosure that at least one board-level committee is charged with oversight of IT governance and cybersecurity matters and how the board administers its IT risk oversight function related to these risks.	
8.04	Disclosure about Company's controls and procedures about an "early warning system" that enables the company to identify, assess, address, make timely disclosures and timely communications to the board about cybersecurity risks and incidents.	
8.05	Disclosure of policy related to independent comprehensive security assessment of technology environment, including third party risks and when last such review was carried out.	
8.06	Disclosure about resilient contingency and disaster recovery plan in terms of dealing with a possible IT failure or cyber breach and details about company's cyber insurance.	
8.07	Disclosure of advancement in digital transformation on how the organization has leveraged 4.0 Industrial revolution (Artificial Intelligence (AI), RPA, Data Analytics, Block Chain, Cloud Computing etc.) to improve transparency and governance, value creation and reporting.	
8.08	Disclosure about education and training efforts of the Company to mitigate cybersecurity risks.	
	Explanatory Note	
	Companies are recommended to assess the risks related to the potential theft or compromise of their technology, data or intellectual property in connection with their operations, as well as how the recognition of these risks may impact their business, including their financial condition and results of operations, and any effects on their reputation, stock price -and long-term value. Where these risks are material to investment and voting decisions, they should be disclosed, and we encourage companies to provide disclosure that allows investors to evaluate these risks through the eyes of management.	
	Further, the Company should not make such detailed disclosures that could compromise its cybersecurity efforts – for example, by providing a “roadmap or product details” for those who seek to penetrate a company's security protections. However, companies should disclose IT governance and cybersecurity risks and incidents that are material to investors, including the associated financial, legal, or reputational consequences, if any.	
9	Future Outlook	
9.01	Forward-looking statement in narrative and quantitative form, including projections or forecasts about known trends and uncertainties that could affect the company's resources, revenues and operations in the short, medium and long term.	

SR.NO	Criteria	Reference
9.02	Status of the projects in progress and those disclosed in the forward-looking statement in the previous year and whether the performance of the company is aligned with the forwardlooking statement.	
9.03	Disclosures about the company's future plans for AI adoption and its potential impact on the company's long-term strategy.	
9.04	Disclosure about company's future Research & Development initiatives.	
9.05	Sources of information and assumptions used for projections / forecasts in the forward-looking statement, and any assistance taken by any external consultant	
10	Stakeholders Relationship and Engagement	
10.01	Stakeholder's engagement policy of the company and how the company has identified its stakeholders.	
10.02	Stakeholders' engagement process and the frequency of such engagements during the year. Explanation on how the relationship is likely to affect the performance and value of the company, and how those relationships are managed. These engagements may be with: a) Institutional investors; b) Customers & suppliers; c) Banks and other lenders; d) Media; e) Regulators; f) Local committees; and g) Analysts."	
10.03	Steps taken by the management to encourage the minority shareholders to attend the general meetings.	
10.04	Investors' Relations section on the corporate website with all relevant information including audited annual reports are available in the section.	
10.05	Issues raised in the last AGM, decisions taken and their implementation status.	
10.06	a) Steps board has taken to solicit and understand the views of stakeholders through corporate briefing sessions; and b) Disclosure of brief summary of Corporate Analyst briefing conducted during the year."	
10.07	Highlights about redressal of investors' complaints including number of complaints received and resolved during the year.	
10.08	Details about corporate benefits to shareholders like value appreciation, dividend etc.	
10.09	Disclosure of whistle blowing mechanism to receive and handle complains in a fair and transparent manner, and provide protection to the complainant against victimization and reporting in the Audit Committee's report.	
11	Striving for Excellence in Corporate Reporting	
11.01	Board's responsibility statement on full compliance of financial accounting and reporting standards as applicable in Pakistan (i.e. International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB)).	

SR.NO	Criteria	Reference
11.02	BCR criteria cross referred with page numbers of the annual report. (details can be maintained by companies on the Investor Relation section of the company's website).	
12	Specific Disclosures of the Financial Statements	
12.01	Specific disclosures of the financial statements required under the Companies Act, 2017 and IFRSs (Annexure II).	
13	Assessment based on Qualitative Factors	
13.01	Assessment of overall quality of information contained in the annual report based on the following qualitative factors: a) Clarity, simplicity and lucidity in presentation of Financial Statements;" b) Theme on the cover page; c) Effective use of presentation tools, particularly diagrams, graphs, charts, smart arts, icons, tables and infographics in the annual report; d) Effectiveness and relevance of photos and graphs; e) Effectiveness of the theme on the cover page.	
14	Industry Specific Disclosures (if applicable)	
a)	Disclosures required for Banking Company (Annexure III).	
b)	Disclosures required for Insurance Company (Annexure IV).	
c)	Disclosures required for Exploration and Production (E&P) Company (Annexure V).	
d)	Disclosures required for State-Owned Entities (SOEs) as per State-Owned Enterprises (Governance and Operations) Act, 2023 (Annexure VI).	
	Annexure I - Financial Ratios (refer section 6 of the criteria)	
	Financial Sector	
	Profitability Ratios	
	a) Profit before tax ratio b) Gross Yield on Earning Assets c) Gross Spread ratio d) Cost/Income ratio e) Return on Equity f) Return on Capital employed g) Shareholders' Funds h) Return on Shareholders' Funds i) Return on Investment j) Total Shareholder Return	
	Liquidity Ratios	
	a) Advances to deposits ratio b) Current ratio c) Net interest income as a percentage of working funds / operating cost – Efficiency ratio	

SR.NO	Criteria	Reference
	d) Non-interest income as a percentage of working funds	
1	e) Quick / Acid test ratio	
2	f) Cash to Current Liabilities	
3	g) Cost of Funds	
4	h) Cash flow coverage ratio	
5	i) Net interest income as a percentage of working funds / Operating cost -	
6	Efficiency ratio	
7	j) Cash Reserve Ratio / Liquid Asset ratio	
1	k) Gross Non-Performing assets to gross advances	
2	l) Non-Performing loans (Assets) to Total Loans (Assets)	
3	m) Credit-- Deposit Ratio	
4		
5	Investment / Market Ratios	
6		
7	a) Earnings per share (EPS) and diluted EPS b) Price Earnings ratio c) Price to Book ratio d) Dividend Yield ratio e) Dividend Payout ratio / Dividend Cover Ratio f) Cash Dividend per share / Stock Dividend per share g) Market value per share at the end of the year and high/low during the year "h) Breakup value per share i. Without Surplus on Revaluation of property, plant and equipment" ii. With Surplus on Revaluation of property plant and equipment including the effect of all Investments iii. Including Investment in Related Party at fair /market value and also with Surplus on Revaluation of property plant and equipment.	
1		
2		
3	i) DuPont Analysis j) Free Cash Flow	
4	k) Economic Value Added (EVA)	
	Capital Structure	
5	a) Capital Adequacy ratio b) Earning assets to total assets ratio c) Weighted Average cost of deposit d) Statutory Liquidity Reserve (Ratio) e) Net assets per share f) Debt to Equity ratio (as per book and as per market value)	
6		
7	Non-Financial Ratios	
	a) Staff turnover ratio b) Customer Satisfaction Index c) Employee Productivity Rate d) Revenue per Employee e) Customer Retention Ratio	

SR.NO	Criteria	Reference
	Non-Financial Sector	
1	Profitability Ratios	
2		
3	a) Gross Profit ratio	
4	b) Net Profit to Sales	
5	c) EBITDA Margin to Sales	
6	d) Operating leverage ratio	
7	e) Return on Equity / Shareholders' Funds	
1	f) Return on Capital employed	
2	g) Shareholders' Funds	
3	h) Return on Shareholders' Funds	
4	i) Return on Investment	
5	j) Total Shareholder Return	
6		
7	Liquidity Ratios	
	a) Current ratio	
	b) Quick / Acid test ratio	
	c) Cash to Current Liabilities	
	d) Cash flow from operations to Sales	
	e) Cash flow to capital expenditures	
	f) Cash flow coverage ratio	
	Investment /Market Ratios	
	a) Earnings per Share (EPS) and diluted EPS	
1	b) Price Earnings ratio	
2	c) Price to Book ratio	
	d) Dividend Yield ratio	
3	e) Dividend Payout ratio / Dividend Cover Ratio	
	f) Cash Dividend per share / Stock Dividend per share	
4	g) Market value per share at the year end and high/low during the year	
	"h) Breakup value per share	
	i. Without Surplus on Revaluation of property, plant and equipment"	
5	ii. With Surplus on Revaluation of Property plant and equipment including the effect of all Investments	
	iii. Including Investment in Related Party at fair /market value and also with Surplus on Revaluation of property plant and equipment.	
6	i) DuPont Analysis	
	j) Free Cash Flow	
	k) Economic Value Added (EVA)	
7	Capital Structure	
	a) Financial leverage ratio	
	b) Weighted average cost of debt	
	c) Debt to Equity ratio (as per book and as per market value)	
	d) Net assets per share	
	e) Interest Cover /Time Interest earned ratio	

SR.NO	Criteria	Reference
	Activity / Turnover Ratios	
1		
2	a) Total Assets turnover ratio	
3	b) Fixed Assets turnover ratio	
4	c) No. of Days in Inventory	
5	d) No. of Days in Receivables	
6	e) No. of Days in Payables	
7	f) Operating cycle	
1		
2	Non-Financial Ratios	
3		
4	a) % of Plant Availability	
5	b) Customer Satisfaction Index	
6	c) Production per Employee (for manufacturing)/ Employee Productivity	
7	Rate (for service industry)	
	d) Revenue per Employee	
	e) Staff turnover ratio	
	f) Spares Inventory as % of Assets Cost	
	g) Maintenance Cost as % of Operating Expenses	
	h) Customer Retention Ratio	
	Annexure II - Specific Disclosures of the Financial Statements (refer section 12 of the criteria)	
1	Fair value of Property, Plant and Equipment.	
2	Particulars of significant / material assets and immovable property including location and area of land.	
3	Capacity of an industrial unit, actual production and the reasons for shortfall.	
4	Specific disclosures required for shariah compliant companies / companies listed on the Islamic Indices as required under clause 10 of the Fourth Schedule of the Companies Act, 2017.	
5	Disclosure requirements for common control transactions as specified under the Accounting Standard on 'Accounting for common control transactions' developed by ICAP and notified by SECP (through SECP S.R.O. 53(I)/2022 dated January 12, 2022)	
6	Disclosure about Human Resource Accounting (includes the disclosure of process of identifying and measuring the cost incurred by the company to recruit, select, hire, train, develop, allocate, conserve, reward and utilize human assets).	
7	Where any property or asset acquired with the funds of the company and is not held in the name of the company or is not in the possession and control of the company, this fact along with reasons for the property or asset not being in the name of or possession or control of the company shall be stated; and the description and value of the property or asset, the person in whose name and possession or control it is held shall be disclosed.	

SR.NO	Criteria	Reference
	Annexure III - Specific Disclosures for Banking Company	
1	Disclosure of Credit Ratings given by various rating agencies for the Bank and for its Instruments. For e.g. Tier I and Tier II.	
2	Details of Advances portfolio Classification wise as per the direction issued by SBP. "Disclosure for Non-Performing Assets (NPA): i. Movements in NPA; ii. Sector-wise breakup of NPA; iii. Movement of Provisions made against NPA; and iv. Details of accounts restructured as per regulatory guidelines"	
3	Maturity Pattern of Key Assets and Liabilities.	
4	Classification and valuation of investments as per SBP guidelines / IAS / IFRSs.	
5	Details of credit concentration / sector-wise exposure.	
6	Concentration of assets, liabilities and off-Balance Sheet items.	
7	Disclosure of Non-Performing Loans.	
8	Disclosures under regulatory requirements (for e.g. Prudential Regulations and Basel III) issued by SBP.	
10	Details of Non statutory investment portfolio.	
11	Disclosures for derivative investments.	
12	Bank's Network: List of Bank's Branches.	
	Annexure IV - Specific Disclosures for Insurance Company	
1	Claims management and details of outstanding claims (IBNR & IBNER) with estimated liability and ageing thereof.	
2	Highlights of segment revenue account.	
3	Disclosure of outstanding premium / unearned premium.	
4	Details of claims under different categories of policies including average claim settlement period.	
5	Estimated liability in respect of outstanding claims including their ageing.	
6	Disclosures of re-insurance ceded premium & claim recovered.	
7	Disclosure of extent of risk retained, reinsured and unexpired risk.	
8	Disclosures pertaining to solvency margin / solvency ratio.	
9	Valuation & impairment of investment as per regulatory requirements.	
10	Actuarial assumptions made are in compliance with the regulations issued by regulatory authorities.	
11	"Following accounting ratios pertaining to insurance sector: • Claim ratio; • Premium growth ratio; • Claim settlement ratio; • Combined ratio; • Persistency ratio; • Reinsurance premium ceded on gross premium (%); • Reinsurance claim recovery percentage; • Retention ratio; • External liability ratio."	
12	Review of assets quality.	
13	Report of the life actuary (for life insurance).	
14	Statement showing age-wise analysis of unclaimed amount of policyholders.	

SR.NO	Criteria	Reference
1	"Disclosure of definition used by the company for: (i) Net Proved developed reserves (ii) Net Proved undeveloped reserves"	
2	Disclosure of estimates of net proved developed reserves, net proved undeveloped reserves and total net proved reserves showing by major geographical area in tabular form with movement occurred during the year.	
3	Disclosure of the company's progress in converting proved undeveloped reserves into proved developed reserves.	
	Annexure VI - Specific Disclosures required for State Owned Entities (SOEs) as per State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE Act)	
	"Statement by the Board about the SOE's business plan for the three (3) financial years (if SOE has / have subsidiary(ies) then for the group as a whole) encompassing below information: • Operations; • Strategic direction; • Financial and non-financial performance measures; and • How SEO shall achieve its primary objective."	
1		
2		
3	"Disclosure by the board (or the group comprising the SOE and its subsidiaries, if any) that it has adopted and published a 'Statement of Corporate Intent' in respect of that year and the following two financial years, relating to given components: • Main Business of SOE; • Business goals business plan; • Summary of performance measures and benchmarks against business goals/targets and its primary objective; • Summary of strategies for achieving its business goals and primary objective; • Summary of key risks identified in the achievement of the business goals; • Current or anticipated borrowing of SOE; • Details of Accounting policies and summary indicative balance sheet and profit and loss statement; • Proposed dividend declaration and distribution policy; and • Description of any public service obligations and their impact on the forecasted financial outcomes of SOE."	
4		
5		
6		
7	"Declaration of the Board whether, in their opinion: • There are reasonable grounds that SOE shall be able to pay their debts as they become due and payable; and • The financial statements and the notes to them comply with the requirements of SOE Act and IFRSs." Publication of summary of the annual report on the SOE website / Division website, including comparison of the actual performance with the targets or benchmarks, as set in its Statement of Corporate Intent for that financial year. Board statement on the integrity of the systems of internal control and policy and actions taken in case of deviation or violation from the company's code of conduct or other systems of internal control. Disclosure by the Board about the evaluation of the performance of the Audit Committee through a formal review mechanism.	

GLOSSARY

ASML	Aisha Steel Mills Limited
AGM	Annual General Meeting
ATIR	Appellate Tribunal Inland Revenue
ATL	Active Tax Payer List
BAC	Board Audit Committee
BCP	Business Continuity Planning
Bn	Billion
Board / BOD	Board of Directors
CCG	Code of Corporate Governance
CDC	Central Depository Company
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIR	Commissioner Inland Revenue
CIT	Commissioner Income Tax
CPEC	China Pakistan Economic Corridor
CRC	Cold Rolled Coil
CSR	Corporate Social Responsibility
CWIP	Capital Work in Progress
EBIT	Earnings before Interest and Taxation
EBITDA	Earnings before Interest, Taxation, Depreciation and Amortization
EC	Executive Committee
EPS	Earnings Per Share
FBR	Federal Board of Revenue
FTR	Final Tax Regime
FY	Fiscal Year
GDP	Gross Domestic Product
GIDC	Gas Infrastructure Development Cess
GoP	Government of Pakistan
HDGC	Hot Dipped Galvanized Coil
HoD	Head of Department
HR	Human Resource
HR & RC	Human Resources & Remuneration Committee
HRC	Hot Rolled Coil
HSE	Health, Safety and Environment
IAS	International Accounting Standards
IBA	Institute of Business Administration
ICAP	Institute of Chartered Accountants of Pakistan
ICMAP	Institute of Cost and Management Accountants of Pakistan
IFAC	International Federation of Accountants
IFC	International Finance Corporation
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
IIL	International Industries Limited
IPO	Initial Public Offering
ISL	International Steels Limited
ISO	International Standards Organization
IT	Information Technology

ITAT	Income Tax Appellate Tribunal
ITRA	Income Tax Reference Application
JV	Joint Ventures
KE	Karachi Electric
KIBOR	Karachi Interbank Offer Rate
KPMG	Klynveld Peat Marwick Goerdeler
LIBOR	London Interbank Offered Rate
LTU	Large Taxpayers Unit
M & A	Memorandum and Articles
MAP	Management Association of Pakistan
MC	Management Committee
MOC	Metal One Corporation Limited
Mn	Million
MoM	Month on Month
MT	Metric Ton(s)
NBV	Net Book Value
NEPRA	National Electric Power Regulatory Authority
NOC	No Objection Certificate
NRV	Net Realizable Value
PACRA	Pakistan Credit Rating Agency
PAT	Profit after tax
PCL	Pakistan Cables Limited
PICG	Pakistan Institute of Corporate Governance
PKR / Rs.	Pakistani Rupees
PSX	Pakistan Stock Exchange
SECP	Securities and Exchange Commission of Pakistan
SHC	Sindh High Court
TCF	The Citizens Foundation
US\$ / USD	United States Dollar
YoY	Year on Year

ڈائریکٹرز کے معاوضے کی پالیسی:

وہ نان ایگزیکٹو ڈائریکٹرز جن میں عائشہ اسٹیل ملز لمیٹڈ کے آڈیٹڈ ڈائریکٹرز شامل ہیں وہ بورڈ آف ڈائریکٹرز کے اجلاس میں شرکت کے لئے میٹنگ فیس کا دعویٰ کر سکتے ہیں جو بورڈ کی طرف سے وقتاً فوقتاً منظور کی گئی ہو۔

کسی بھی ڈائریکٹر کی طرف سے اضافی خدمات کی تفویض کے حوالے سے معاوضے کی ادائیگی کا تعین بورڈ آف ڈائریکٹرز مارکیٹ کے معیار اور کام کے دائرہ کار کی بنیاد پر کرے گا جو کمپنی کے آرٹیکل آف ایسوسی ایشن کی اجازت کے مطابق ہوگا۔ معاوضے کی سطحیں بھی مناسب ہوں گی اور ذمہ دار اور مہارت کی سطح کے مطابق ہوں گی۔ تاہم، ایک آزاد ڈائریکٹر کے لئے، یہ اس سطح پر نہیں ہوگا جو کہ آزادی سے سمجھوتہ کرنے کے لئے سمجھا جاسکے۔

جہاں عائشہ اسٹیل ملز لمیٹڈ کے کسی بھی ایگزیکٹو دیگر کمپنیوں میں ڈائریکٹر کے طور پر مقرر کیا گیا ہے، وہ بورڈ کی فوری آنے والی میٹنگ میں اپنی تقرری کے حوالے سے بورڈ کو تحریری طور پر آگاہ کرے گا۔ مزید یہ کہ ایگزیکٹو ڈائریکٹر کی جانب سے کسی دوسرے ادارے میں اس کی ڈائریکٹر شپ کی وجہ سے حاصل کردہ کوئی بھی فیس بورڈ کی منظوری سے خود ڈائریکٹر اپنے پاس رکھ سکتا ہے۔

چیف ایگزیکٹو بورڈ کا واحد ایگزیکٹو ڈائریکٹر ہے۔ نان ایگزیکٹو ڈائریکٹرز بورڈ کی ہر میٹنگ میں شرکت کیلئے 50,000 روپے اور ہر کمیٹی میٹنگ میں شرکت کیلئے 25,000 فیس کے ساتھ سفر سے متعلق اخراجات کے بھی حقدار ہیں۔ یہ شرح بورڈ کی جانب سے نظر ثانی کے تابع ہیں۔ زیر جائزہ سال کے دوران، نان ایگزیکٹو ڈائریکٹرز کو بورڈ اور کمیٹی میٹنگز میں شرکت کے لیے 1.43 ملین روپے ادا کیے گئے، جن میں متعلقہ اخراجات شامل ہیں۔ چیف ایگزیکٹو اور ایگزیکٹوز کی تنخواہوں کے ساتھ ساتھ نان ایگزیکٹو ڈائریکٹرز کو کی جانے والی ادائیگیوں کی تفصیلات بھی آڈٹ شدہ مالیاتی گوشواروں کے نوٹ 38 میں بیان کی گئی ہیں۔

شیر ہولڈنگ کا پیٹرن:

کمپنی کے عام اور ترجیحی حصص پاکستان اسٹاک ایکسچینج میں درج ہیں۔ 30 جون 2025 تک کمپنی کے 10,397 عام شیر ہولڈرز (2024: 10,998) اور 2,118 ترجیحی شیر ہولڈرز (2024: 2,263) تھے۔ کمپنی کے شیر ہولڈنگ کے تفصیلی نمونے اور شیر ہولڈنگ کی کٹنگ یز پر بشمول ڈائریکٹرز اور ایگزیکٹوز کے شیر ز اگر کوئی ہیں، ضمیمہ II کے طور پر منسلک ہے۔

مالیاتی اور کاروباری جھلکیاں:

کلیدی آپریٹنگ اور مالی اعداد شمار کو کلیدی آپریٹنگ اور فنانشل ڈیٹا اور اس کا تجزیہ کے عنوان سے (صفحہ 134) پر خلاصہ کی شکل میں دیا گیا ہے اور اہم اعداد و شمار کی گرافیکل نمائندگی (صفحہ نمبر 156) پر پیش کی گئی ہے۔

آڈٹ کمیٹی:

جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت ضروری ہے، آڈٹ کمیٹی نے بورڈ کی طرف سے منظوری دی گئی شرائط کے مطابق اپنی کارکردگی جاری رکھی۔

آڈیٹرز:

موجودہ بیرونی آڈیٹر میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹر اکاؤنٹس، 17 اکتوبر 2025ء کو سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو جائیں گے اور اہل ہونے کے سبب، 30 جون 2025ء کو ختم ہونے والے سال کے لئے دوبارہ تقرری کے لئے خود کو پیش کر چکے ہیں۔ بیرونی آڈیٹرز کی ریٹنگ انسٹیٹیوٹ آف چارٹرز اکاؤنٹس آف پاکستان (ICAP) کے مطابق تسلی بخش ہے جیسا کہ ان کے کوالٹی کنٹرول ریویو پروگرام کے تحت درکار ہے۔ جیسا کہ آڈٹ کمیٹی نے تجویز کیا ہے، بورڈ میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹر اکاؤنٹس کی 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے، طے شدہ فیس پر باہمی رضامندی سے دوبارہ تقرری کی سفارش کرتا ہے، 28 اکتوبر 2024 کو شیڈول ہونے والی سالانہ جنرل میٹنگ میں شیر ہولڈرز سے اس حوالے سے منظوری طلب کریں گے۔

سیکرٹیریل طریقوں کی تعمیل:

زیر نظر مالی سال کے دوران کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت سیکرٹیری اور کارپوریٹ ضروریات کو مناسب طریقے سے پورا کیا گیا ہے۔

متعلقہ پارٹیوں سے لین دین:

لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضروریات کی تعمیل کے لئے، کمپنی نے تمام متعلقہ پارٹی لین دین کو آڈٹ کمیٹی اور بورڈ کے سامنے ان کے جائزے اور منظوری کے لئے پیش کیا۔ ان لین دین کو آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے اپنے متعلقہ اجلاسوں میں منظور کیا ہے۔ متعلقہ پارٹی لین دین کی تفصیلات، ضم شدہ اور آڈٹ شدہ مالی اسٹیٹمنٹ نوٹ نمبر 37 میں فراہم کئے گئے ہیں۔

اعتراف

ڈائریکٹرز کمپنی کے اسٹیک ہولڈرز کے مسلسل اعتماد اور سرپرستی پر شکر گزار ہیں۔ ہم اپنے کاروباری شراکت داروں اور مالیاتی اداروں کی جانب سے کیے گئے اعتماد اور بھروسے پر اپنی قدردانی ریکارڈ پر لانا چاہتے ہیں۔ ہم وزارت خزانہ، وزارت صنعت و پیداوار، وزارت تجارت، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، نیشنل ٹریف ٹیکشن، مقابلہ بیکٹیشن آف پاکستان، سنٹرل ڈپازٹری کمپنی آف پاکستان اور پاکستان اسٹاک ایکسچینج کی اذتقا میہ کے بھی ممنون ہیں جن کی مسلسل معاونت اور رہنمائی کمپنی کو درپیش چیلنجز سے نمٹنے اور انہیں عبور کرنے میں نہایت مددگار ثابت ہوئی ہے۔

ڈائریکٹرز کمپنی کے ملازمین کی محنت کو سراہتے ہیں اور ان کی مسلسل وابستگی کے منتظر ہیں۔ ہم آڈٹ اور دیگر کمیٹیوں کے اراکین کے قیمتی تعاون اور فعال کردار کی بھی قدردانی کرتے ہیں، جنہوں نے اہم معاملات میں مینجمنٹ کی معاونت اور رہنمائی کی۔

اہم خطرات کے عوامل اور ان کے تدارکی اقدامات



ڈاکٹر منیر احمد

چیف ایگزیکٹو

کراچی: 09 ستمبر 2025ء



جناب کاشف حبیب

ڈائریکٹر

قومی خزانے میں شراکت

کپنی قومی معیشت میں اپنے حصے کو بحیدگی سے لیتی ہے اور ہمیشہ اپنی ذمہ داریوں کو خفاف ، درست اور بروقت طریقے سے ادا کرتی رہی ہے۔ کپنی نے اس مالی سال کے دوران انکم ٹیکس بیلنٹیکس کسٹم ڈیوٹی اور ایکسائز ڈیوٹی کی مد میں قومی خزانے میں 7,445 ملین روپے سے زائد کا تعاون کیا ہے۔

کارپوریٹ گورننس:

کمپنی پاکستان اسٹاک ایکسچینج میں درج ہے۔ اس کا بورڈ اور انتظام فہرست کمپنیوں کے لئے مقرر کردہ کارپوریٹ گورننس کے ضابطے کا مشاہدہ کرنے کے لئے پرعزم ہے اور اپنی ذمہ داریوں سے واقف ہے اور مالی اور غیر مالیاتی معلومات کی درستگی ، جامعیت اور شفافیت کو بڑھانے کے لئے آپریشن اور کارکردگی کی نگرانی کرتا ہے۔

بورڈ یہ بتانا چاہے گا کہ کمپنی کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں اور مناسب اکاؤنٹنگ پالیسیاں اپنائی گئی ہیں اور مستقل طور پر لاگو کی گئی ہیں سوائے اکاؤنٹنگ کے نئے معیارات اور موجودہ معیارات میں ترمیمات کے جیسا کہ منسلک آڈٹ شدہ مالی بیانات میں نوٹ نمبر 3.22 میں بیان کیا گیا ہے۔ اکاؤنٹس کی تیاری اور اکاؤنٹنگ کا تخمینہ معقول اور سمجدار فیصلے پر مبنی ہے۔ انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS) جیسا کہ کمپنیز ایکٹ 2017، اسلامک فنانشل اکاؤنٹنگ اسٹینڈرڈز (IFAS) جیسا کہ کمپنیز ایکٹ 2017 اور کمپنیز ایکٹ 2017 کے تحت جاری کردہ ہدایات اور پاکستان میں قابل اطلاق ہدایات پر عمل کیا جاتا ہے۔ مالی اسٹیٹمنٹ کی تیاری میں اندرونی کنٹرول کا نظام، بشمول مالیاتی کنٹرول ڈیزائن میں درست ہے اور اسے موثر طریقے سے نافذ اور مانیٹر کیا گیا ہے۔ کمپنی کے مالیاتی اسٹیٹمنٹ کافی حد تک اس کے حالات، اس کے آپریشنز، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو شفاف انداز میں پیش کرتے ہیں۔ کسی بھی ٹیکس، ڈیوٹی، لیویز یا چارجز کی وجہ سے کوئی مادی ادائیگی بھائی نہیں رہی۔

بورڈ اس کے ذریعہ اس بات کی تصدیق کرتا ہے کہ کمپنی کی مستقل تشویش کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی شک نہیں ہے کہ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے جیسا کہ قابل اطلاق قواعد و ضوابط میں بیان کیا گیا ہے، اور یہ کہ کمپنی کو مناسب اندرونی مالیاتی کنٹرول حاصل ہے۔

چیف ایگزیکٹیفی آفیسر سمیت چھ ڈائریکٹرز نے ڈائریکٹرز ٹریننگ/ ایجوکیشن پروگرام مکمل کیا تھا جبکہ دو ڈائریکٹرز کو ڈآف کارپوریٹ گورننس کے تحت بیان کردہ معیار کے مطابق ڈائریکٹرز ٹریننگ پروگرام میں شرکت سے پہلے ہی مستثنی تھے۔

چھ ڈائریکٹرز (بشمول چیف ایگزیکٹو اور ایک ڈائریکٹر جنہوں نے سال کے دوران استعفی دیا) نے ڈائریکٹرز ٹریننگ/ ایجوکیشن پروگرام مکمل کیا، جبکہ تین ڈائریکٹرز کو پہلے ہی کارپوریٹ گورننس کے ضابطے میں بیان کردہ معیار کے مطابق ڈائریکٹرز ٹریننگ پروگرام میں شرکت سے استثنی ماصل تھا۔

ڈائریکٹرز کے انتخاب

کپنی نے اپنے سالانہ عام اجلاس، جو 28 اکتوبر 2023 کو منعقد ہوا، میں آٹھ ڈائریکٹرز کا انتخاب کیا، جو 31 اکتوبر 2023 سے تین سالہ مدت کے لیے خدمات انجام دیں گے۔ منتخب شدہ بورڈ کی کل تعداد آٹھ (8) منتخب ڈائریکٹرز اور چیف ایگزیکٹو پر مشتمل ہے، جو کہ ایکٹ کی دفعہ (3) 188 کے تحت ڈائریکٹر تصور کیے جاتے ہیں۔ کمپنیز ایکٹ 2017 کی شق 161 کے مطابق منتخب ڈائریکٹرز کی تین سالہ مدت اکتوبر 2026 میں مکمل ہو جائے گی۔

بورڈ/ کمیٹیوں کی تشکیل

بورڈ آف ڈائریکٹرز آٹھ منتخب اراکین پر مشتمل ہے، جن میں سات مرد اور ایک خاتون ڈائریکٹر شامل ہیں۔ سال کے دوران بورڈ میں کچھ تبدیلیاں آئیں جن میں جناب سلمان احمد خان اور محترمہ طیبہ رشید کے استعفیے شامل ہیں۔ مزید برآں، جناب عباس مرزا اور جناب محمد بارون عثمان، جو سال کے دوران عارضی خالی آسامیوں کو پُر کرنے کے لیے تعینات کیے گئے تھے، نے بھی استعفی دے دیا۔ بورڈ نے اس بات کو یقینی بنایا کہ تمام عارضی خالی آسامیاں مقررہ مدت کے اندر پُر کی گئیں۔ سال کے اختتام کے بعد 14 جولائی 2025 کو جناب عبدالحمید اور محترمہ سعدیہ عمر کو بطور ڈائریکٹرز مقرر کیا گیا تا کہ محترمہ طیبہ رشید اور جناب محمد بارون عثمان کی جگہ سنبھال سکیں۔ موجودہ بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل درج ذیل ہے:

بورڈ آف ڈائریکٹر	کیٹگری	آڈٹ کمیٹی	افراد ی وسائل اور معاوضہ کمیٹی	نامزدگی کمیٹی	رسک مینجمنٹ کمیٹی
جناب عارف حبیب (چیئر مین)	دیگرنان ایگزیکٹیفیو	-	ممبر	چیئر مین	چیئر مین
جناب عبدالصمد حبیب	دیگرنان ایگزیکٹیفیو	ممبر	-	ممبر	-
جناب کاشف حبیب	دیگرنان ایگزیکٹیفیو	ممبر	ممبر	-	ممبر
جناب نسیم بیگ	دیگرنان ایگزیکٹیفیو	ممبر	-	-	-
ڈاکٹر منیر احمد (چیف ایگزیکٹیفیو و ڈیپٹڈائریکٹر)	ایگزیکٹیفیو	-	-	-	ممبر
جناب ارسلان اقبال	آزاد	-	-	-	-
جناب راشد علی خان	آزاد	-	چیئر مین	-	-
جناب عبدالحمید	آزاد	-	-	-	-
محترمہ سعدیہ عمر (خاتون ڈائریکٹر)	آزاد	-	ممبر	-	-

ڈائریکٹرز اور ایگزیکٹیفیوز کی طرف سے کمپنی کے شیئرز کا لین دین:

کپنی سیکریٹری نے تمام ڈائریکٹرز بشمول چیف ایگزیکٹو، چیف فنانشل آفیسر اور کپنی کے ایگزیکٹوز کو مطلع کیا کہ وہ اپنی یا اپنے شریک حیات کی جانب سے کپنی کے شیئرز میں ہونے والی کسی بھی خرید و فروخت کی فوری طور پر تحریری اطلاع دیں، اور اس لین دین کے 7 دن کے اندر اندر قیمت، تعداد، شیئرز کی قسم اور لین دین کی نوعیت کی تفصیلات کپنی سیکریٹری کو فراہم کریں۔

سال کے دوران کپنی کے شیئرز میں ڈائریکٹرز یا کسی ایگزیکٹو (جن میں چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ، کپنی سیکریٹری اور دیگر جنرل منیجر سطح کے ملازمین) کی جانب سے کوئی لین دین رجسٹر نہیں ہوا۔ جو کہ سالانہ رپورٹ میں انکشاف کے لیے ڈائریکٹرز کی جانب سے مقرر کردہ حد ہے۔

بورڈ میٹنگز میں حاضری:

ایک اسٹیٹمنٹ جو ان افراد کے نام ظاہر کرتا ہے جو مالی سال کے دوران کمپنی کے ڈائریکٹر تھے اور بورڈ اور کمیٹی کے اجلاسوں میں ان کی حاضری کے ساتھ ضمیمہ۔ ا کے ساتھ منسلک ہے۔
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خطرات کے انتظام پر تفصیلی معیار کی رپورٹس اور مقداری تجزیہ منسلک آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 40 میں پیش کیا گیا ہے۔

اہم خطرات کے عوامل اور ان کے تدارکی اقدامات

خطرہ	سبب کی نوعیت	تخفیفی عوامل
انویسنٹری کے ڈھیر کا خطرہ اصل خام مال اور CRC/GI برنس کی بنیادی قیمت کا بجز HRC ہے۔ فی الوقت HRC کو مقامی طور پر تیار نہیں کیا جا رہا ہے اور اسے دنیا بھر کے معیاری مینوفیکچررز سے درآمد کرنا پڑتا ہے۔ یہ تمام ملز ایڈوانس آرڈر کی بنیاد پر کام کرتی ہیں۔ عام طور پر آرڈر کو دو سے تین ماہ قبل دیا جانا ہوتا ہے۔ شپنگ اور کیریئر کا ٹائم شامل کر لیں تو HRC انویسنٹری مہیا ہونے تک، عموماً چار ماہ میں جا کر برنس سائیکل مکمل ہوتا ہے۔ قیمت کے غیر معمولی گرنے اور صارفین کی جانب سے سست روی کا مظاہرہ کرنے کے سبب انویسنٹری کے جمع ہوجانے اور نتیجتاً نقصان کا قوی امکان رہتا ہے۔	زیادہ	انویسنٹری کے جمع ہوجانے کے خطرے کو کم کرنے کے لئے آرڈر کی تعداد کو مارکیٹ کی مانگ کے مطابق رکھا جاتا ہے۔ بین الاقوامی مارکیٹ کے رجحانات پر مستقل نظر اور مقامی سطح پر وقتاً فوقتاً ایڈجسٹمنٹ سے انویسنٹری کے جمع ہوجانے کے خطرہ کو کم کیا جاسکتا ہے۔
ڈمپنگ کا خطرہ جب قیمت میں فرق بڑھ جاتا ہے تو تا جبر سر مایہ کار CRC اور GI درآمد کرتے ہیں۔	اوسط	مارکیٹ پر مبنی قیمتوں کے تعین کی پالیسی اپناتے ہوئے CRC اور GI درآمد کے خطرے کو کم کیا جاتا ہے۔ ڈمپنگ کو روکنے کی پالیسیوں کو اپنانے کے لئے کسٹم حکام کے ساتھ مذاکرات کئے جاتے ہیں۔ مقامی پروڈیوسروں کی طرف سے پیداواری صلاحیتوں میں اضافہ اور مسابقتی کرنسی سے بھی خطرہ کم ہونا چاہئے۔
آلائنکار کے مصروف عمل ہونے کے دوران خطرہ مشینری چلنے کے دوران زخمی ہونے کا خطرہ	اوسط	جدید ترین پلانٹ اور مشینری کے حصول، معیاری آپریٹرز کی خدمات حاصل کرنے اور آزمودہ اور جانچ شدہ نظاموں کے نفاذ سے خطرے کو کم کیا جاتا ہے۔ حفاظتی ڈیزائنز، کنٹرول اور طے شدہ پروٹوکول لاگو ہیں۔ پلانٹ کی باقاعدگی سے دیکھ بھال اور عملے کی تربیت کی جاتی ہے۔
قرض کا خطرہ خطرہ ہے کہ کمپنی تجارتی قرضوں کی وصولی نہ کر پائے۔	کم	95 فیصد سے زیادہ فروخت پیشگی رقم کے عوض ہوتی ہے۔ مزید برآں، صرف قابل اعتماد گاہکوں کو ایک ماہ سے بھی کم مدت کے لئے کریڈٹ پیش کیا جاتا ہے۔

مادیت کے لائحہ عمل کا نفاذ

بورڈ آف ڈائریکٹرز کمپنی کے تمام مادی معاملات کا قریبی جائزہ لیتے ہیں۔ عمومی طور پر وہ امور مادی تصور کیے جاتے ہیں جو انفرادی یا مجموعی طور پر کمپنی کی کارکردگی اور منافع پر نمایاں اثر ڈالنے کی توقع رکھتے ہوں۔

پائیداری اور DE&I گورننس

بورڈ آف ڈائریکٹرز پائیداری سے متعلق خطرات اور مواقع کی شناخت اور انتظام کی نگرانی کرتا ہے، جس میں ماحولیاتی، سماجی اور گورننس (ESG) امور شامل ہیں۔ عملی اور موسمیاتی چیلنجز کے پیش نظر ASML نے اپنے EHS طریقہ کار اور حفاظتی ضوابط کو مضبوط بنایا ہے۔

کمپنی کی DE&I پالیسی منصفانہ، شمولیتی اور میرٹ پر مبنی کام کا عزم ظاہر کرتی ہے۔ ASML اس بات پر فخر کرتی ہے کہ وہ اسٹیل کے شعبے میں پہلی کمپنی ہے جس نے پروڈکشن فلور پر خواتین انجینئرز کو ملازمت دی، اور یہ سلسلہ جاری رکھتے ہوئے کمپنی ملتی تنوع کو فروغ دیتی ہے، معذور افراد کی معاونت کرتی ہے اور کام کی جگہ پر رسانی اور حفاظت کو یقینی بناتی ہے۔

ماحولیات، صحت وحفاظت (EHS)

ایک ذمہ دار کارپوریٹ شہری کے طور پر ASML اعلیٰ EHS معیار اپنانے کا عزم رکھتی ہے اور یہ کمپنی کی اولین ترجیحات میں شامل ہے۔ CRSM میں پیش آنے والے افسوسناک واقعے کے بعد پالیسیاں مزید نظر ثانی کی گئی ہیں اور مستقبل میں ایسے حادثات سے بچاؤ کے لیے اضافی حفاظتی اقدامات کیے گئے ہیں۔ ان میں ملازمین کی تربیت، غیر ملکی فرم کے ذریعے فائربائڈرنٹ اور فائر فائٹنگ کسٹم کا آڈٹ، فائر فائٹنگ وسائل اور آلات میں اضافہ، اور ایس او پیز (SOPs) کو تصویری خاکوں کے ساتھ اپ ڈیٹ کرنا اور ان کا اردو زبان میں ترجمہ شامل ہیں۔ سخت پابندی لازمی ہے اور ملازمین کو اس بات کی تربیت دی جاتی ہے کہ وہ ضوابط پر عمل کو عادت بنالیں۔ ملازمین کو تمام ایس او پیز (SOPs) سے واقف رکھنے کے لیے تربیتی سیشنز منعقد کیے جاتے ہیں جن میں فرضی انخلا کی مشق (Mock Evacuation Drill) بھی شامل ہے۔

ASML پاکستان کی اسٹیل صنعت کے لیے ماحولیاتی معیار مقرر کرنے موسمیاتی تبدیلیوں کے خلاف اقدامات اور وسائل کے موثر استعمال میں مثال بننے کی کوشش کرتی ہے۔

کارپوریٹ سماجی ذمہ داری (CSR)

اسٹیل کا شعبہ پاکستان کی معیشت کا بڑھتا ہوا بچن ہے اور ہم ASML میں اس شعبے کے ایک مضبوط پورٹ فولیو کی جانب حکمت عملی کے ساتھ بڑھ رہے ہیں، جس میں ہم اپنے صارفین کی ضروریات پوری کرتے ہیں، ماحول کے تحفظ پر توجہ دیتے ہیں اور اس بات کو یقینی بناتے ہیں کہ ہمارے لوگ ایک باخبر اور سماجی طور پر ذمہ دار شہری بننے اور رہنے کے لیے پرعزم ہوں کمپنی نے معاشرے میں مثبت حصہ ڈالنے اور زندگی بہتر بنانے کی کوششیں کی ہیں۔ ASML کا ماننا ہے کہ معیاری تعلیم کے ذریعے ہم سماج میں حصہ ڈال سکتے ہیں جو بالآخر ملکی معاشی ترقی کو مضبوط بنائے گی۔ ASML تحقیق، کانفرنسوں، تجارتی میلوں، ورکشاپس اور دیگر تقریبات کی معاونت کرتی ہے۔ ہم آئندہ بھی انسانی صحت اور کم مراعات یافتہ طبقے کے لیے تعلیم پر اپنی توجہ مرکوز رکھیں گے۔

ASML: ایمپلائز آف چوائس

☆ تنوع اور شمولیت:

آپ کی کمپنی مساوی مواقع کے آجر ہونے پر فخر کرتی ہے اور اسی وجہ سے صنف، مسلک، مذہب یا کسی بھی دوسری وابستگی سے قطع نظر میرٹ پر روزگار کے مواقع فراہم کرتی ہے۔ ASML متنوع ورک کلچر بنانے کے لئے پرعزم ہے۔ مساوات کے علاوہ، آپ کی کمپنی خاص ضروریات کے حامل افراد کو روزگار کے مواقع بھی فراہم کرتی ہے۔

☆ گریجویٹ اسکیم:

کمپنی ایک منصوبہ رکھتی ہے جو اپنے ملازمین کو ریٹائرمنٹ کے فوائد فراہم کرتا ہے۔ اس میں مستقل ملازمین کے لئے ایک غیر شراکت دار اور بلا معاوضہ گریجویٹ اسکیم شامل ہے۔

☆ صنعتی تعلقات:

آپ کی کمپنی ایک منصفانہ، مشفقانہ اور میرٹ پر مبنی ماحول فراہم کرنے پر یقین رکھتی ہے۔ ہمیں یقین ہے کہ اگر ملازمین کے ساتھ منصفانہ اور احترام کے ساتھ سلوک کیا جائے گا تو اس کے نتیجے میں افرادی قوت کی حوصلہ افزائی ہوگی جس کے نتیجے میں پرامن اور روادارانہ ماحول پیدا ہوگا۔ ہم آنے والے برسوں میں اس نقطہ نظر کو برقرار رکھنے کا ارادہ رکھتے ہیں۔

☆ کھیل اور دیگر سرگرمیاں:

ASML ملازمین کے درمیان ایک پرجوش اور فعال روئے کو پروان چڑھاتا ہے اور قومی وقار کو بڑھانے میں یقین رکھتا ہے۔ سال بھر ملازمین کے لئے مختلف سرگرمیوں کا اہتمام کیا جاتا ہے جن میں ملازمین کی تعریف کا دن، یوم آزادی کی تقریبات، انٹراڈیپارٹمنٹل کرکٹ ٹورنامنٹ وغیرہ شامل ہیں۔ ٹریفک قوانین بنیادی فرسٹ ایڈ اور طبی ایمرجنسی ہینڈلنگ سیشن بھی سال کے دوران منعقد کیا گیا۔

عمومی کارکردگی کا خلاصہ

اشارے	مالی سال 2024 - 25 (جولائی تا جون)	مالی سال 2023 - 24 (جولائی تا جون)
اوسط ماہانہ GI و CRC پیداوار (ٹن)	13,228	13,287
اوسط ماہانہ CRC و GI ترسیل (ٹن)	12,412	13,728
اوسط ماہانہ تیار شدہ مصنوعات اسٹاک (ٹن)	14,275	11,505
نوٹ	پیداوار تقریباً گزشتہ سال کے برابر رہی	فروخت میں تقریباً 10% کمی

مالیاتی اشاریے

مالی سال 2024 - 25 میں فروخت شدہ مقدار مالی سال 2023 - 24 کے مقابلے میں 10% کم رہی اور مجموعی آمدنی میں تقریباً 21% کمی آئی۔ بین الاقوامی HRC، CRC اور GI کی قیمتوں میں کمی کے رجحان اور درآمدی مصنوعات سے سخت مقابلے نے مقامی پروڈیوسرز کو سال کے دوران کئی بار قیمتیں کم کرنے پر مجبور کیا۔ مجموعی منافع کا مارجن گھٹ کر 4.94% رہ گیا جبکہ پچھلے سال یہ 8.9% تھا۔ ٹیکس سے پہلے خسارہ 1,666 ملین روپے رہا جبکہ پچھلے سال خسارہ 797 ملین روپے ریکارڈ ہوا۔

منجھے دیئے گئے جدول میں گزشتہ مالی سال کے ساتھ موازنہ دکھایا گیا ہے۔

تفصیل	2025 (روپے میں ملین)	2024 (روپے میں ملین)
آمدنی	33,752	42,750
گراس پروفٹ	1,667	3,831
آپریٹنگ سے منافع	604	2,815
فائننس اخراجات	2,732	3,861
ٹیکس سے پہلے خسارہ	(1,666)	(797)
ٹیکس کے بعد خسارہ	(1,352)	(132)
بنیادی	(1.55)	(0.26)
فروخت کی کم مقدار اور گراس مارجن میں کمی وہ بنیادی وجوہات ہیں جن کی وجہ سے 1,352 ملین روپے کا خسارہ ہوا۔		

مستقبل کا منظر نامہ

مالی سال 2025 - 26 سے FATA/PATA درآمدات پر 10% سیلز ٹیکس لاگو ہونے سے ان کا اثر کم ہو جائے گا۔ NTC کی جانب سے ایٹمی سرکومینشن (anticircumvention) قانون کے نفاذ سے GL اور ZAM جیسی متبادل مصنوعات کی درآمد کم ہوگی، جو مقامی پروڈیوسرز کو اپنی شراکت بڑھانے کے لیے مواقع فراہم کرے گی۔ HRC قیمتیں مستحکم ہو چکی ہیں اور مستقبل میں بتدریج بڑھنے کی توقع ہے۔ بہتر معاشی اشاریے اور مثبت کاروباری ماحول فلیٹ اسٹیل سیکٹر میں مزید طلب پیدا کرنے کی امید دلاتے ہیں۔ کچنی پر عزم ہے کہ وہ اپنا مارکیٹ شیئر بڑھائے اور حصص یافتگان کے لیے طویل مدتی پائیدار منافع فراہم کرے۔

غیر مالی کارکردگی

آپ کی کچنی نے خود کو CRC اور GI کو انڈر کے معیاری سرکردہ پروڈیوسرز میں سے ایک کے طور پر منوالیا ہے۔ کچنی کے پاس واضح نظام وضوابط اور تجربہ کار مینجمنٹ ٹیم موجود ہے جو اس عالمی معیار کی سہولت کو کامیابی کے ساتھ چلانے کے لیے ذمہ دار ہے۔ معیار اور پیداواریت میں مسلسل بہتری کچنی کا بنیادی آپریشنل فلسفہ ہے۔ ماکیننگ کوششوں میں بہتری کی ضرورت کا احساس کیا گیا ہے تاکہ مارکیٹ میں بہتر مقابلہ کیا جاسکے۔ کچنی نے صنعت میں اعلیٰ کسٹمر سروس اور اطمینان کے معیار قائم کیے اور انہیں پورا کیا۔ سال کے دوران کچنی نے نیچکنی اور روویہ جاتی نوعیت کے مختلف تربیتی کورسز کروائے۔ کچنی تمام قانونی وضوابطی تقاضوں کی پاسداری کرتی ہے اور تمام اسٹیک ہولڈرز کے ساتھ مضبوط و مستحکم تعلق برقرار رکھتی ہے۔

CRSM کا سکن پاس موڈ 2020 کی آگ کے حادثے کے فوراً بعد بحال کر دیا گیا تھا۔ تاہم رولنگ موڈ معطل ہے۔ کچنی نے بیر کچنی کے ساتھ اپنے کلیم کو نمٹا لیا ہے۔ جب

مارکیٹ ڈیمانڈ بحال ہوگی تو رولنگ موڈ دوبارہ بحال کیا جائے گا۔ اس کا ہماری موجودہ پیداوار اور فروخت پر کوئی منفی اثر نہیں پڑا کیونکہ طلب کو سالانہ 500,000 ٹن صلاحیت رکھنے والی نئی رولنگ مل کے ذریعے بخوبی پورا کیا جا رہا ہے۔

موجودہ آپریشنز اور مارکیٹ شیئر

مقامی مارکیٹ میں ASML کو CRC اور GI کی تیاری میں ایک اہم کردار ادا کرنے والا ادارہ سمجھا جاتا ہے اور کچنی صنعت کی CRC و GI مطلوبات کو پورا کرنے میں اپنی کردار کو بڑھانے کا ارادہ رکھتی ہے۔ کچنی اپنی مارکیٹ میں موجودگی کو وسعت دینے اور بالخصوص اصل ساز و سامان تیار کنندگان پر توجہ مرکوز کر کے اضافی مارکیٹ شیئر حاصل کرنے کا منصوبہ رکھتی ہے۔

سال 2024 - 25 میں ASML کا مارکیٹ شیئر تقریباً 12% رہ گیا جو گزشتہ سال کے 18% کے مقابلے میں کم ہے۔ درآمدات 63% تک بڑھ گئیں جبکہ پچھلے سال یہ 52% تھیں۔ مقامی مارکیٹ میں حریف کا حصہ 17% رہا جو کہ پچھلے سال حاصل کردہ 23% کے مقابلے میں کم ہے۔ لاہور میں قائم کی گئی نئی کوئلہ رولنگ سہولت نے بقیہ 8% حصہ فراہم کیا۔ ASML کی برآمدات تقریباً 25,000 ٹن تک پہنچ گئیں جو گزشتہ سال کے تقریباً 20,000 ٹن کے مقابلے میں ہیں۔

کاروباری نوعیت

سال کے دوران کچنی کے کاروباری نوعیت میں کوئی تبدیلی نہیں ہوئی ہے۔

نام مال کی خریداری

CRC/GI کے کاروبار میں معیاری HRC کی مناسب قیمت پر دستیابی انتہائی اہمیت رکھتی ہے۔ کچنی کی اعلیٰ انتظامیہ HRC کی خریداری میں براہ راست شامل رہتی ہے اور بروقت دستیابی کو یقینی بنانے کے لیے ہر ممکن کوشش کرتی ہے۔ کچنی اپنی خریداری کے ذرائع کو متنوع بنانے کے لیے مستقل کوشش کر رہی ہے۔ فی الحال، ASML دنیا کے آخر مختلف ممالک سے HRC درآمد کرتا ہے۔

رسک مینجمنٹ

کچنی محتاط رسک مینجمنٹ طریقے اپناتی ہے۔ بورڈ نے رسک مینجمنٹ پالیسی ترتیب دی ہے اور باقاعدگی سے کچنی کے درپیش تمام اہم خطرات کا جائزہ لیتا ہے۔ رسک مینجمنٹ سسٹم تنظیم کے تمام سطحوں پر خطرات کے توازن والی حکمت عملی کو فروغ دینے کے لیے ڈیزائن کیا گیا ہے۔ یہ نظام ابتدائی مرحلے میں مواقع اور خطرات کی شناخت، ان کے تجزیے، پیمائش اور مناسب آلات کے ذریعے ان کے انتظام و نگرانی کے لیے تیار کیا گیا ہے۔

کچنی کا بنیادی کاروبار چونکہ ایک پیداواری ادارے کا ہے، اس لیے اس نے اپنے رسک مینجمنٹ کے نظام کو ترقی دیتے ہوئے اس میں پیداوار اور فروخت دونوں کی حکمت عملی کو شامل کیا ہے۔ نام مال کی خریداری سے آغاز کرتے ہوئے کچنی نے ہمیشہ ذرائع میں تنوع کی پالیسی اپناتی ہے جس میں معیار پر خصوصی توجہ دی جاتی ہے، جبکہ فیصلے مصنوعات کے امتزاج کی ضروریات، صارفین کی طلب اور مارکیٹ کے تجزیے کی بنیاد پر کیے جاتے ہیں۔ کچنی اپنے رسک کو اس طرح منظم کرتی ہے کہ اسٹاک کے انتخاب اور انویسٹری کی سطح کے حوالے سے احتیاط برتی جاتی ہے، توجہ کو کسی ایک جگہ مرکوز کرنے کے خطرے سے بچا جاتا ہے، خریدار ڈیلرز سے صاف فنڈز کی وصولی کو یقینی بنایا جاتا ہے اور مسلسل کاؤنٹر پارٹی کی صلاحیت کا جائزہ لیا جاتا ہے۔ اس کے علاوہ، کچنی نے اپنے نمائندوں کے ذریعے شعبے کی ترقی میں مسلسل کردار ادا کیا ہے، جس میں ایک طرف مینوفیکچررز اور صارفین کی آگاہی شامل ہے اور دوسری طرف کسٹم اور ٹیرف کے معاملات کو آسان کرنے پر توجہ دی گئی ہے۔

آپریشنل رسک کو کم اور منظم کرنے کے لیے کچنی ہمیشہ انٹرنی خریداری سے پہلے گہرائی میں تجزیہ کرتی ہے، تجربہ کار اور ماہر افراد کو بھرتی کرتی ہے، بجٹ اور دیگر اندرونی کنٹرول نافذ کرتی ہے، اور پریکٹس مینٹ، پیداواری، فروخت اور کارپوریٹ گورننس سیکٹرز کی کارکردگی کا مسلسل جائزہ لے کر اصلاحی اقدامات کرتی ہے۔

بورڈ پائیداری سے متعلق خطرات کے انتظام کے لیے پرعزم ہے اور ESG (ماحولیاتی، سماجی، اور گورننس) امور کو آپریشنز میں شامل کرتا ہے اور تنوع، مساوات اور شمولیت

(DE&I) کی مناسب پالیسیاں نافذ کرتا ہے۔

رسک مینجمنٹ پر تفصیلی معیاری رپورٹس اور مقدار کی تجزیہ منسلک آڈٹ شدہ مالی بیانات کے نوٹ نمبر 40 میں پیش کیا گیا ہے۔

چیف ایگزیکٹو آفیسر کا پیغام

پاکستان میں اسٹیل کی مجموعی طلب بحالی کے مرحلے میں ہے۔ فلیٹ اسٹیل کوئلہ رولڈ سیکٹر میں، خاص طور پر سی آئی اور جی آئی پر مشتمل، مجموعی طلب میں مالی سال 2022-23 میں 570,000 ٹن سے تیزی سے اضافہ ہو کر مالی سال 2024-25 میں تقریباً 85% تک پہنچ گئی ہے، جو کہ تقریباً 85% کا اضافہ ہے۔ تاہم، مقامی پیداواری کمپنیاں اس اضافے سے فائدہ نہیں اٹھا سکیں اور ان کی فروخت کا حجم تقریباً مستحکم رہا۔ اس عرصے کے دوران، درآمدات میں 148% کا بہت بڑا اضافہ ہوا ہے۔ بڑھتی ہوئی درآمدات کی دواہم وجوہات فانا/پانا کو دستیاب مراعات اور اینٹی ڈمپنگ ڈیوٹیز سے بچنے کے لیے کمرشل درآمد کنندگان کی جانب سے غلط بیانی تھی۔ ذیل میں بیان کردہ حالیہ پیش رفتوں سے ان دونوں عوامل کا اثر کم ہوگا اور مقامی پیداواری کمپنیوں کا حصہ بہتر ہونے کا امکان ہے۔

مالی سال 24-25 میں فانا/پانا علاقے میں سیزنیکس سے مستثنیٰ درآمدات جاری رہیں۔ تاہم، مالی سال 2025-26 سے، ایسی درآمدات پر زیرو کے بجائے 10% سیزنیکس لاگو ہوگا۔ اسے ہر سال آہستہ آہستہ بڑھایا جائے گا تا کہ اسے ملک میں دیگر ملکوں پر لاگو ہونے والے 18% کے معمول کے مطابق لایا جاسکے۔ یہ فانا/پانا سے درآمدات کو کم پز کشش بنادے گا کمرشل درآمد کنندگان نے غلط بیانی کر کے اور سی آر سی اور جی آئی پر عائد اینٹی ڈمپنگ ڈیوٹیز سے بچنے کے لیے متبادل مواد جیسے کہ زیڈ اے ایم اور گیلوم درآمد کر کے ان ڈیوٹیز کو چکما دینے کے طریقے ڈھونڈ لیے تھے۔ اس مسئلہ کو حل کرنے کے لیے، مقامی پیداواری کمپنیوں نے نیشنل ٹیرف کمیشن (این ٹی سی) میں ایک مقدمہ دائر کیا تا کہ اسی طرح کی اپیلی کیشن والے متبادل مواد پر اینٹی ڈمپنگ ڈیوٹیز کی چوری کوروکا جاسکے۔ این ٹی سی نے جانچ پڑتال اور نظر ثانی کے عمل کے بعد زیڈ اے ایم اور گیلوم جیسی متبادل مصنوعات پر بھی اینٹی ڈمپنگ ڈیوٹی نافذ کر دی۔ اب ایسی تمام مصنوعات پر اینٹی ڈمپنگ ڈیوٹی لاگو ہوگی، جیسا کہ سی آئی اور جی آئی کے معاملے میں ہے۔

بین الاقوامی اسٹیل مارکیٹ میں بھی موجودہ امریکی انتظامیہ کی جانب سے نافذ کی گئی بنیادی ٹیرف پالیسی میں تبدیلیوں کا مضابطہ کیا گیا، جس کے بعد متاثرہ ممالک کی جانب سے جوابی اقدامات کیے گئے۔ مارکیٹ اب نئے اصولوں کے مطابق خود کو دوبارہ ایڈجسٹ کر رہی ہے اور استحکام کے آثار اب بھر رہے ہیں۔ اب پاکستان سے اسٹیل کی برآمدات پر پچھلے 25% کے بجائے 50% کسٹم ڈیوٹی لاگو ہوگی۔ اگر موجودہ ڈیوٹی کا ڈھانچہ برقرار رہتا ہے تو امریکہ کو برآمدات زیادہ مشکل ہو سکتی ہیں۔ تاہم، یورپ اور دیگر ممالک کو برآمدات میں اضافہ ہو سکتا ہے۔

جولائی 2024 تا جون 2025 کی مدت کے دوران فروخت کی گئی کل مقدار 149,876 ٹن تھی، جس میں سے 25,456 ٹن برآمدات تھیں۔ پچھلے سال اسی مدت میں فروخت کی گئی مقدار 164,732 ٹن تھی، جو کہ تقریباً 9% کی کمی کو ظاہر کرتی ہے۔ پچھلے سال اسی مدت میں برآمدات 21,135 ٹن تھیں۔ اس مدت کے دوران تیار کی گئی کل مقدار 162,599 ٹن تھی، جبکہ پچھلے سال اسی مدت میں 159,444 ٹن تیار کی گئی تھی، جو کہ تقریباً 2% اضافے کو ظاہر کرتی ہے۔ اس مدت کے لیے کل آمدنی 33.75 بلین روپے رہی جبکہ پچھلے سال 42.75 بلین روپے حاصل ہوئی تھی، جو کہ تقریباً 21% کی کمی کو ظاہر کرتی ہے۔

بین الاقوامی منیج آئی، سی آئی اور جی آئی کی قیمتوں میں کمی کے رجحان اور درآمدات سے سخت مقابلے نے مقامی پیداواری کمپنیوں کو سال کے دوران کئی بار قیمتیں گرانے پر مجبور کیا۔ مجموعی منافع کا مارجن سکڑ کر 5.05% ہو گیا جبکہ پچھلے سال یہ 8.9% تھا۔ ٹیکس سے پہلے کا نقصان 1,838 ملین روپے تھا جبکہ پچھلے سال 958 ملین روپے کا نقصان ریکارڈ کیا گیا تھا۔

مستقبل کے حوالے سے، منیج آئی کی قیمتیں مستحکم ہو چکی ہیں اور ان میں آہستہ آہستہ اضافہ ہونے کی توقع ہے۔ ملک میں معاشی اشاریوں میں بہتری اور مثبت کاروباری جذبات سے فلیٹ اسٹیل سیکٹر میں مزید طلب پیدا ہونے کا امکان ہے۔ کچنی کارکردگی پر اعتماد ہے اور طویل عرصے میں اپنے مارکیٹ شیئر میں اضافہ کرنے اور اپنے شیئر ہولڈرز کے لیے پائیدار منافع فراہم کرنے کے لیے ہر عزم ہے۔

ڈاکٹر میر احمد

چیف ایگزیکٹو

کراچی: 09 ستمبر 2025ء

ڈائریکٹرز کی رپورٹ

محترم حصص یافتگان،

عانتہ اسٹیل ملز لمیٹڈ (ASML) کے ڈائریکٹرز آپ کی خدمت میں کچنی کی سالانہ رپورٹ اور آڈٹ شدہ مالی بیانات برائے اختتامی سال 30 جون 2025 پیش کر رہے ہیں، جن کے ساتھ آڈیٹرز کی رپورٹ بھی شامل ہے۔ اس رپورٹ میں اسٹیل مارکیٹ کا مختصر جائزہ اور کچنی کی مالی و عملی کارکردگی کا احاطہ بھی کیا گیا ہے۔

بنیادی سرگرمیاں

ASML درآمد شدہ ہاٹ رولڈ کوائلز (HRC) سے بین الاقوامی معیار کے مطابق کوئلہ رولڈ کوائلز (CRC) اور جسٹی کوائلز (GI) تیار کرتی ہے۔ کچنی کی مصنوعات آٹوموٹو، صنعتی، انجینئرنگ اور مینوفیکچرنگ شعبوں میں بطور خام مال استعمال ہوتی ہیں تا کہ انہیں مزید ویلویو ایڈڈ مصنوعات میں بدلا جاسکے، جو ملکی و برآمدی دونوں بازاروں میں دستیاب ہیں۔ GI مصنوعات مختلف اپیلی کیشنز میں استعمال ہوتی ہیں، جن میں تعمیراتی ساز و سامان، پائپ، برقی آلات وغیرہ شامل ہیں۔

اسٹیل مارکیٹ کا جائزہ

ہاٹ رولڈ کوائلز (HRC) کی قیمتیں جولائی 2024 میں چین FOB تقریباً US\$ 530 سے بتدریج کم ہو کر جون 2025 تک US\$ 450 رہ گئیں۔ اس کے بعد قیمتیں مستحکم ہوئیں اور چین کی جانب سے ماحولیاتی آلودگی کو کنٹرول کرنے کے مقصد سے پیداوار محدود کرنے کی پالیسیوں کے باعث بحالی کے آثار ظاہر ہو رہے ہیں۔ بین الاقوامی اسٹیل مارکیٹ میں امریکی انتظامیہ کی جانب سے نفاذ پانے والی کچھ سخت ٹیریف پالیسیاں بھی سامنے آئیں، جن کے جواب میں متاثرہ ممالک نے متقابل اقدامات کیے۔ مارکیٹ اب نئے ضوابط کے مطابق خود کو ایڈجسٹ کر رہی ہے اور استحکام کے آثار نمایاں ہو رہے ہیں۔ توقع ہے کہ امریکہ، یورپ اور دیگر ممالک میں طلب بتدریج بہتر ہوگی۔

پاکستان میں بھی اسٹیل کی طلب بحالی کی طرف گامزن ہے۔ فلیٹ اسٹیل کوئلہ رولڈ سیکٹر، جو بنیادی طور پر CRC اور GI پر مشتمل ہے، میں مجموعی طلب مالی سال 2022-23 میں ریکارڈ شدہ 570,000 ٹن سے بڑھ کر مالی سال 2024-25 میں 1,049,000 ٹن تک پہنچ گئی، جو تقریباً 84% کا اضافہ ہے۔ تاہم مقامی پروڈیوسرز اس طلب کے اضافے سے مناسب فائدہ نہیں اٹھا سکے اور اس عرصے میں صرف تقریباً 3% سیزنیکس فری امپورٹ کا فائدہ مالی سال 2024-25 میں جاری رہا۔ تاہم، مالی سال 2025-26 سے FATA/PATA

امپورٹس پر 0% کی بجائے 10% سیزنیکس عائد کیا جائے گا اور اسے بتدریج ہر سال بڑھا کر ملک کے دیگر حصوں میں لاگو معمول کے 18% نرخ کے برابر لایا جائے گا۔ اس سے FATA/PATA سے ہونے والی امپورٹس نسبتاً کم پز کشش ہوں گی اور اوپن مارکیٹ میں فروخت شدہ مقدار میں خاطر خواہ کمی متوقع ہے۔

کمرشل امپورٹرز بھی نہایت سرگرم رہے اور انہوں نے اینٹی ڈمپنگ ڈیوٹیز (ADD) سے بچنے کے لیے طریقے نکالے، جیسے کہ CRC کو غلط طور پر HRC ظاہر کرنا اور GI کی جگہ متبادل مینیئر یلز جیسے ZAM اور Galvalume درآمد کرنا تا کہ ADD سے بچا جاسکے۔

مقامی پروڈیوسرز نے اینٹی ڈمپنگ ڈیوٹیز کے سے بچاؤ کے لیے نیشنل ٹیرف کمیشن (NTC) میں مقدمات دائر کیے۔ NTC نے مکمل جانچ اور جائزے کے بعد ZAM اور Galvalume جیسے متبادل مصنوعات پر بھی ADD نافذ کر دیں۔ اب ایسی تمام مصنوعات پر وہی ADD لاگو ہوگا جو CRC اور GI کے معاملے میں نافذ ہے۔

مندرجہ بالا دونوں پیش رفتیں مقامی فلیٹ اسٹیل پروڈیوسرز کو اپنی مارکیٹ شیئر بڑھانے میں مدد دیں گی۔ مالی سال 2025-2026 میں عانتہ اسٹیل ملز لمیٹڈ (ASML) کی استعداد کار کے استعمال میں بہتری آنے کی توقع ہے۔

کچنی کی کارکردگی کے اہم نکات

جولائی 2024 تا جون 2025 کے دوران مجموعی فروخت شدہ مقدار 148,942 ٹن رہی، جس میں سے 25,456 ٹن برآمدات تھیں۔ متعلقہ مدت میں پچھلے سال فروخت شدہ مقدار 164,732 ٹن تھی، جو تقریباً 10% کمی ظاہر کرتی ہے۔ اسی مدت میں برآمدات 21,135 ٹن رہیں۔

مجموعی پیداوار اس مدت کے دوران 162,599 ٹن رہی، جو گزشتہ سال کی اسی مدت میں پیدا ہونے والے 159,444 ٹن کے مقابلے میں تقریباً 2% اضافے کو ظاہر کرتی ہے۔ جولائی تا جون اوسطاً اسٹاک 14,275 ٹن رہا، جو پچھلے سال اسی مدت میں درج 11,505 ٹن کے مقابلے میں زیادہ ہے۔ اس مدت کے لیے مجموعی آمدنی 33.75 بلین روپے رہی جبکہ گزشتہ سال 42.75 بلین روپے تھی، جو تقریباً 21% کی کمی کو ظاہر کرتی ہے۔



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