

October 01, 2025

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: Material Information – Restructuring of Finance Facilities

Dear Sir,

We wish to inform you that the **Board of Directors of Agha Steel Industries Limited**, in its meeting held on September 30, 2025, has **approved** the restructuring of the Company's aggregate finance facilities of approximately **PKR 23.2 billion**, availed from various banks and financial institutions, as per the terms proposed by the Majority Lender. The Board has further authorized the management to conclude the formalities of the Sukuk restructuring on the same commercial terms and Shariah guidelines, and, if required, to issue a secondary Sukuk for the deferred component.

The restructuring framework, developed in consultation with the financiers, is aimed at improving the Company's financial sustainability and operational stability. The key features include:

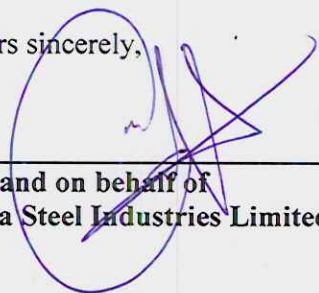
- Conversion of certain short-term borrowings into long-term obligations;
- A 10-year tenor inclusive of a 3-year moratorium on principal repayments;
- Mark-up already accrued up to the restructuring date shall remain deferred for a period of five years, with repayment to commence from the sixth year onwards;
- Mark-up accruing during the first five years post-restructuring shall continue to accrue but shall also remain unpaid during this period, with servicing to commence from the sixth year onwards along with the deferred portion;
- From the sixth year onwards, all deferred and accrued mark-up shall be amortized and serviced over the remaining tenor of the facility, in line with Shariah-compliant modalities.
- The Mi.DA® project is planned to be completed through available insurance proceeds and prudent internal cash flow generation. However, management will review its viability within one year of restructuring in light of market conditions. Should circumstances not be conducive, divestment proceeds may instead be directed towards early debt repayment; while maintaining flexibility and reducing the Company's net debt burden, and
- Strategic realignment of financial and operational resources by sponsors to enhance liquidity and support future business continuity.

The Board also appreciated the equity injection already made by the Majority Sponsor for the revival of the plant operations, which has strengthened the Company's capital structure and underpinned its long-term viability.

The approved plan demonstrates the Company's commitment to financial prudence, improved governance, and long-term value creation.

This disclosure is made in compliance with Section 96 of the Securities Act, 2015, and Clause 5.6.1 of the PSX Rule Book, for circulation among TRE Certificate Holders.

Yours sincerely,


For and on behalf of
Agha Steel Industries Limited

