

international[™]
industries
built on trust



revitalizing legacy,
reclaiming leadership

FOR THE PERIOD ENDED SEPTEMBER 30, 2025



a trusted name
a **bold** new face



Our look has changed but our promise remains the same.
With a renewed identity, we move forward with the same
trust we have built over the past 77 years as
Pakistan's leading pipe company.

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Table of Content

Company Information	03
Director's Report	04
Director's Report (Urdu)	06
Unconsolidated Condensed Interim Statement of Financial Position	08
Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)	09
Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)	10
Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)	11
Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)	12
Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)	13
Consolidated Condensed Interim Statement of Financial Position	29
Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)	30
Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)	31
Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)	32
Consolidated Condensed Interim Statement of Cash Flows (Un-audited)	33
Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)	34

Company Information

Chairman (Non-Executive)

Mr. Kamal A. Chinoy

Independent Director

Mr. Asif Jooma
Mr. Haider Rashid
Mr. Mansur Khan

Non-Executive

Mr. Mustapha A. Chinoy
Mrs. Selina Rashid Khan
Mr. Shoaib Mir

Chief Executive Officer

Mr. Yousuf H. Mirza

Executive Director

Mr. Zain K. Chinoy

Chief Financial Officer

Mr. Salman Najeeb

Company Secretary & Head of Legal Affairs

Mr. Mohammad Irfan Bhatti

Chief Internal Audition

Mr. Muhammad Atif Khan

External Auditor

M/s A.F. Ferguson & Co.

Bank

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank
Industrial and Commercial Bank of China Limited
MCB Bank Limited
Meezan Bank Limited
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
The Bank of Punjab

Legal Advisor

K.M.S. Law Associates

National Tax Number

0710735-8

Sales Tax Registration Number

02-04-7306-001-82

Registered Office

101 Beaumont Plaza,
10 Beaumont Road,
Karachi - 75530, Pakistan.
Telephone: +9221-35680045-54
UAN: +9221-111-019-019
E-mail: investors@iil.com.pk

Lahore Office

Chinoy House, 6 Bank Square,
Lahore - 54000, Pakistan
Telephone: +92-42-37229752-55
UAN: +92-42-111-019-019
Email: lahore@iil.com.pk

Islamabad Office

Plot No. 9, Street No. 01,
Ibrahim Tower, Business Park,
Gulberg Green, Islamabad, Pakistan

Multan Office

Office No. 708-A, The United Mall, Plot No. 74,
Abdali Road, Multan.
Telephone: +92 61-4570571

Peshawar Office

Office No. 1 & 2, 1st Floor,
Huramaz Plaza, Opp. Airport
Main University Road, Peshawar, Pakistan.
Telephone: +9291-5845068

IIL Trading (Pvt.) Limited

101 Beaumont Plaza, 10 Beaumont Road
Karachi - 75530, Pakistan
Website: www.iil.com.pk/csl

Trading Office (Karachi)

Plot No. 91-C, Phase-II
Ext. 24th Commercial Street,
DHA, Karachi.

Trading Office (Lahore)

BWB 192, Broadway Commercial,
DHA, Phase 8, Lahore.

IIL Americas Inc.

Suite 210-5800
Ambler Drive, Mississauga
ONL4W4J4, Canada

IIL Australia Pty Limited

101-103, Abbott Road, Hallam, Victoria 3803, Australia
Website: www.australia.com

INIL Europe Limited

Ground Floor 71,
Lower Baggot Street,
Dublin 2, Co. Dublin,
DO2 P593, Ireland

Factories

Factory 1

LX 15-16, Landhi Industrial Area,
Karachi - 75120, Pakistan
Telephone: +9221-3508045-55

Factory 2

Survey # 405 & 406, Rehri Road,
Landhi, Karachi - 75160, Pakistan

Factory 3

22 KM, Sheikhpura Road, Lahore, Pakistan
Telephone: +9242-37190491-3

Investor Relations Contact

Share Registrar
CDC Share Registrar Services Limited
CDC House, 99 B, Block B, S.M.C.H.S.
Main Shahra-e-Faisal, Karachi, Pakistan.
Telephone: +92-21-34326053
E-mail: info@cdcsrsl.com
Website: www.cdcsrsl.com

Corporate Website

www.iil.com.pk

Director's Report

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

The Directors are pleased to present the financial statements of the Company for the first quarter of the financial year 2025-2026.

The national economy continued to stabilise during the quarter, supported by structural reforms under the International Monetary Fund's (IMF) Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) programs. Prudent fiscal and monetary management kept inflation within the 4.6%-7.00% range, while the current account recorded a USD 2.1 billion surplus in FY 2024-25. Real GDP grew by 2.7% in FY 2024-25 and is projected to rise to 3.6% in FY 2025-26. Although recent floods in key agricultural areas have moderated near-term growth prospects, overall macroeconomic conditions remain stable with a positive outlook.

The global steel industry continued to face challenges from trade restrictions and uneven demand across major economies. Despite this, the domestic steel sector remained resilient, supported by infrastructure spending and sustained construction activity.

During the quarter, the Company achieved double-digit growth in sales volumes across major product lines, reflecting strong operational efficiency and market presence. Profit after tax increased by 31% to Rs. 597 million, compared to Rs. 454 million in the corresponding period last year, primarily due to higher dividend income from the subsidiary, International Steels Limited, and consistent operating performance. Earnings Per Share (EPS) rose to Rs. 4.53, from Rs. 3.44 in the same period of the previous year.

The Company's primary subsidiary, International Steels Limited (ISL), recorded a YTD profit after tax of Rs. 620.342 million, a significant increase from the Rs.179.428 million reported in the equivalent period last year. This translated to an EPS of Rs. 1.43 for ISL, compared to Rs. 0.41 in the prior year's corresponding period.

As the economic environment is showing signs of recovery, the outlook for remainder of the fiscal year appears encouraging. The Company will continue to emphasise market share, operational excellence, cost optimisation, product diversification, and sustainable value creation to strengthen its competitive position and deliver long-term shareholder value.

The Board of Directors expresses its sincere appreciation to all shareholders, customers, employees, and business partners for their continued trust, dedication, and support.

For & on behalf of
International Industries Limited



Kamal A. Chinoy
Chairman

Karachi: October 28, 2025



ڈائریکٹرز کی رپورٹ برائے 30 ستمبر 2025

ہوا جو گزشتہ سال کی اسی مدت کے منافع 179.428 ملین روپے سے نمایاں اضافہ ہے۔ اس کے نتیجے میں ISL کی فی شیئر آمدنی 1.43 روپے ہوئی جو گزشتہ سال کی اسی مدت میں 0.41 روپے تھی۔

جیسا کہ معاشی منظر نامہ کی بحالی کے امکانات ظاہر ہو رہے ہیں، بقیہ مالی سال میں نتائج حوصلہ افزا دیکھتے ہیں۔ کمپنی مارکیٹ شیئر، آپریشنز کی مہارت، لاگت میں اعتدال، پروڈکٹس میں تنوع اور پائیدار ویلیو کی تخلیق پر توجہ مرکوز رکھے گی۔ تاکہ اپنی مسابقتی پوزیشن کو مضبوط تر کرے اور طویل المدت شیئر ہولڈر کی ویلیو فراہم کرے۔

بورڈ آف ڈائریکٹرز تمام شیئر ہولڈرز، صارفین، ایمپلائز اور کاروباری پارٹنرز کی جانب سے ہم پر مستقل اعتماد، خلوص اور مدد جاری رکھنے پر دل سے شکر گزار ہے۔

برائے اور منجانب

انٹرنیشنل انڈسٹریز لمیٹڈ

کمال اے چنائے

چیرمین

کراچی 28 اکتوبر 2025



ڈائریکٹرز کی رپورٹ برائے 30 ستمبر 2025

ڈائریکٹرز کمپنی کے مالیاتی اسٹیٹمنٹس برائے مالیاتی سال 2025-2026 کی پہلی سہ ماہی پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

سہ ماہی کے دوران میں قومی معیشت استحکام کی جانب گامزن رہی جس کو انٹرنیشنل مانیٹری فنڈ (IMF) کے توسیعی فنڈ فیسیلیٹی (EFF) اور ریزرویلنس اینڈ سسٹین ایبیلیٹی فیسیلیٹی (RSF) پروگراموں سے مدد ملی۔ نیز دانشمندانہ مالیاتی اور مانیٹری منیجمنٹ نے افراط زر کو 4.6%-7.00% کی حد میں رکھا، جبکہ مالی سال 2024-25 میں کرنٹ اکاؤنٹ میں 2.1 بلین یو ایس ڈالر کا سرپلس ریکارڈ ہوا۔ مالی سال 2024-25 میں جی ڈی پی کی نمو 2.7% رہی اور مالی سال 2025-26 میں 3.6% تک برہنے کا امکان ظاہر کیا گیا ہے۔ اگرچہ اہم زرعی علاقوں میں حالیہ سیلابوں سے مستقبل قریب میں درمیانہ درجہ کی نمو کی توقع ہے، تاہم مجموعی طور پر میکرو اکنامکس کے حالات مثبت منظر نامے کے ساتھ مستحکم رہیں گے۔

عالمی سطح پر اسٹیل انڈسٹری کو تجارتی پابندیوں اور بڑی معیشتوں میں طلب میں اتار چڑھاؤ کا سامنا رہا۔ اس کے باوجود، ملکی اسٹیل کے شعبہ میں لچک رہی جس کو انفراسٹرکچر پر اخراجات اور پائیدار تعمیراتی سرگرمیوں سے مدد ملی۔

سہ ماہی کے دوران میں، کمپنی نے بڑی پروڈکٹ لائن میں فروخت کے حجم میں دو ہندسی اضافہ ہوا، جو آپریشنز کی مضبوط استعداد اور مارکیٹ میں موجودگی کی عکاسی کرتا ہے۔ بعد از ٹیکس منافع گزشتہ سال کی اسی مدت کے 454 ملین روپے کے مقابلے میں 31% اضافے کے ساتھ 597 ملین روپے حاصل ہوا جس کی بنیادی وجہ ذیلی کمپنی انٹرنیشنل اسٹیلز لمیٹڈ سے حاصل ہونے والی ڈیویڈنڈ کی بڑی رقم اور پائیدار آپریٹنگ پرفارمنس تھی۔ فی شیئر آمدنی (EPS) گزشتہ سال کی اسی مدت کے 3.44 روپے سے بڑھ کر 4.53 روپے ہوئی۔

کمپنی کے بنیادی ذیلی ادارے انٹرنیشنل اسٹیلز لمیٹڈ (ISL) نے بعد از ٹیکس YTD منافع 620.34 ملین روپے ریکارڈ

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**Unconsolidated
Condensed Interim Financial Position**


Unconsolidated Condensed Interim Statement of Financial Position

AS AT SEPTEMBER 30, 2025

	Note	(Un-audited) September 30, 2025	(Audited) June 30, 2025
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	12,785,146	12,960,428
Intangible assets		477	612
Investments	6	3,448,380	3,448,380
Long-term deposits		7,450	7,450
		16,241,453	16,416,870
CURRENT ASSETS			
Stores and spares		171,906	186,095
Stock-in-trade	7	9,920,710	7,933,437
Trade debts		4,790,398	4,129,520
Advances, trade deposits and prepayments		108,463	73,910
Other receivables		665,167	43,404
Staff retirement benefit		79,047	82,240
Sales tax receivable		479,636	250,985
Cash and bank balances		865,332	802,581
		17,080,659	13,502,172
TOTAL ASSETS		33,322,112	29,919,042
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital		1,318,819	1,318,819
Revenue reserves			
General reserve		2,700,036	2,700,036
Unappropriated profit		8,336,660	8,229,862
Capital reserve			
Revaluation surplus on property, plant and equipment		7,372,874	7,410,004
TOTAL SHAREHOLDERS' EQUITY		19,728,389	19,658,721
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing - secured	8	425,821	462,692
Deferred income - government grant		19,748	21,669
Deferred taxation - net		194,623	305,653
		640,192	790,014
CURRENT LIABILITIES			
Trade and other payables	9	4,795,759	3,167,510
Contract liabilities		557,304	429,517
Short-term borrowings - secured	10	6,205,913	5,156,157
Unpaid dividend		527,528	-
Unclaimed dividend		43,018	40,534
Current portion of long-term financing - secured	8	125,723	126,017
Taxation - net		609,816	511,466
Accrued mark-up		88,470	39,106
		12,953,531	9,470,307
TOTAL LIABILITIES		13,593,723	10,260,321
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	11	33,322,112	29,919,042

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.


Haider Rashid
 Director & Chairman
 Borad Audit Committee


Salman Najeel
 Chief Financial
 Officer


Yousuf H. Mirza
 Chief Executive
 Officer

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)


FOR THE PERIOD ENDED SEPTEMBER 30, 2025

		Three months ended	
	Note	September 30, 2025	September 30, 2024
		----- (Rupees in '000) -----	
Revenue from contracts with customers	12	7,302,232	5,289,464
Cost of sales		(6,387,922)	(4,766,958)
Gross profit		914,310	522,506
Selling and distribution expenses		(405,153)	(317,812)
Administrative expenses		(127,057)	(106,738)
Reversal / (charge) of loss allowance on trade debts		(2,154)	3,002
		(534,364)	(421,548)
Operating profit		379,946	100,958
Finance cost		(142,169)	(230,480)
Other operating charges		(23,238)	(19,193)
		(165,407)	(249,673)
Other income	13	608,768	844,194
Profit before tax		823,307	695,479
Income tax expense	14	(226,111)	(241,529)
Profit after tax for the period		597,196	453,950
Earnings per share			
- basic and diluted (Rupees)		4.53	3.44

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeel
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

Three months ended
September 30, 2025 **September 30, 2024**
----- (Rupees in '000) -----

Profit after tax for the period

597,196 453,950

Other comprehensive income

Items that will not be subsequently reclassified
to Unconsolidated Statement of Profit or Loss

Remeasurement of staff retirement benefits

- Adjustment related to opening deferred
tax balance

Surplus on revaluation of land and buildings

- Adjustment related to opening deferred
tax balance

-	-
-	-

**Other comprehensive income for the
period - net of tax**

- -

Total comprehensive income for the period

597,196 **453,950**

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeel
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

	Issued, subscribed and paid-up capital	Revenue Reserves General reserve	Unappropriated profit	Capital Reserve Revaluation surplus on property, plant and equipment	Total
	(Rupees in '000)				
Balance as at July 1, 2024	1,318,819	2,700,036	7,440,635	6,968,184	18,427,674
Profit after tax for the period	-	-	453,950	-	453,950
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	453,950	-	453,950
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	17,455	(17,455)	-
Transactions with owners recorded directly in equity - distributions					
Dividend: - Final dividend at 35% (i.e. Rs. 3.50 per share) for the year ended June 30, 2024	-	-	(461,587)	-	(461,587)
Balance as at September 30, 2024	1,318,819	2,700,036	7,450,453	6,950,729	18,420,037
Balance as at July 1, 2025	1,318,819	2,700,036	8,229,862	7,410,004	19,658,721
Profit after tax for the period	-	-	597,196	-	597,196
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	597,196	-	597,196
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	37,130	(37,130)	-
Transactions with owners recorded directly in equity - distributions					
Dividend: - Final dividend at 40% (i.e. Rs. 4.00 per share) for the year ended June 30, 2025	-	-	(527,528)	-	(527,528)
Balance as at September 30, 2025	1,318,819	2,700,036	8,336,660	7,372,874	19,728,389

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.


Haider Rashid
 Director & Chairman
 Borad Audit Committee


Salman Najeel
 Chief Financial
 Officer


Yousuf H. Mirza
 Chief Executive
 Officer

Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

		Three months ended	
	Note	September 30, 2025	September 30, 2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	15	(592,416)	3,503,200
Finance cost paid		(90,589)	(462,865)
Income on bank deposits received		2,182	5,380
Staff retirement benefits paid		(13,388)	(10,130)
Payment on account of compensated absences		(9,216)	(9,935)
Income tax paid - net		(238,791)	(82,096)
Increase in long-term deposit		-	(1,055)
Net cash (used in) / generated from operating activities		(942,218)	2,942,499
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment	5	(50,347)	(149,608)
Payment for investment in associate company		-	(48,450)
Proceeds from disposal of property, plant and equipment		39,264	31,765
Net cash used in investing activities		(11,083)	(166,293)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(39,381)	(193,797)
Short - term borrowings obtained		7,500,714	4,150,893
Short - term borrowings repaid		(6,133,118)	(6,500,976)
Dividend paid		(30)	(2,687)
Net cash generated from / (used in) financing activities		1,328,185	(2,546,567)
Net increase in cash and cash equivalents		374,884	229,640
Cash and cash equivalents at beginning of the period		(247,113)	(303,518)
Cash and cash equivalents at end of the period	16	127,771	(73,878)

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeel
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

1. STATUS AND NATURE OF BUSINESS

International Industries Limited ("the Company") was incorporated in Pakistan on March 1, 1948 under the Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The Company is engaged in the business of manufacturing and marketing of galvanized steel pipes, precision steel tubes, API line pipes, structural hollow sections, stainless steel tubes, polymer pipes & fittings. The Company also offers customized construction solution services. The registered office of the Company is situated at 101-107 Beaumont Plaza, 10 Beaumont Road, Karachi - 75530.

The manufacturing facilities of the Company are situated as follows:

- i) LX 15 - 16, HX-7/4, LX-2, LX 14/13, LX 14/14, Landhi Industrial Area, Karachi;
- ii) Survey no. 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi; and
- iii) 22 KM Sheikhpura Road, Mouza Khanpur Nabipur, Tehsil Ferozpur, District Sheikhpura.

The sales offices and warehouse of the Company are situated as follows:

- i) Chinoy House, 2nd and 3rd Floor, Bank Square, Lahore;
- ii) Office no. 708-A, United Mall, Abdali Road, Multan;
- iii) Office no. 1 & 2, 1st Floor, Hurmaz Plaza, Main University Road, Peshawar;
- iv) Plot no. 9, Street no. 1, Ibrahim Tower, Business Park, Gulberg Green, Islamabad; and
- v) Plot no. NEIR - 61, Khasra no. 3303 - 3308, Hadbast Mouza Naulakha, GT Road, Lahore.

These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investments in subsidiaries and associate have been accounted for at cost less accumulated impairment losses, if any. Details of the Company's investment in subsidiaries and associated company are stated in note 6 to these unconsolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 These unconsolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

2.1.3 The comparative Unconsolidated Condensed Interim Statement of Financial Position presented in these unconsolidated condensed interim financial statements have been extracted from the audited annual unconsolidated financial statements of the Company for the year ended June 30, 2025, whereas the comparative Unconsolidated Condensed Interim Statement of Profit or Loss, Unconsolidated Condensed Interim Statement of Comprehensive Income, Unconsolidated Condensed Interim Statement of Cash Flows and Unconsolidated Condensed Interim Statement of Changes in Equity are extracted from the un-audited unconsolidated condensed interim financial statements for the period ended September 30, 2024.

2.1.4 These unconsolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

2.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (Gratuity Fund) which is determined on the basis of the present value of defined benefit obligations less fair value of plan assets determined by an independent actuary and land and buildings at revalued amounts assessed by an independent valuer which are stated at fair value.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

3. MATERIAL ACCOUNTING POLICIES INFORMATION

3.1 The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

3.2 Changes in accounting standards, interpretations and pronouncements

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, 2025. However, these do not have any significant impact on the Company's financial reporting.

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

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1** The preparation of unconsolidated condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.
- 4.2** The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual unconsolidated financial statements as at and for the year ended June 30, 2025.
- 4.3** The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2025.

5. PROPERTY, PLANT AND EQUIPMENT

	Operating assets	Capital work- in-progress (including capital stores and spares)	Total
	----- (Rupees in '000) -----		
Cost / revalued amount			
Balance at beginning of the period	17,340,838	52,534	17,393,372
Additions	-	50,347	50,347
Transfers	25,221	(25,221)	-
Disposals	(60,719)	-	(60,719)
	<u>17,305,340</u>	<u>77,660</u>	<u>17,383,000</u>
Accumulated depreciation			
Balance at beginning of the period	(4,432,944)	-	(4,432,944)
Charge for the period	(193,714)	-	(193,714)
Disposals	28,804	-	28,804
	<u>(4,597,854)</u>	<u>-</u>	<u>(4,597,854)</u>
Written down value			
as at September 30, 2025 (Un-audited)	<u>12,707,486</u>	<u>77,660</u>	<u>12,785,146</u>
Written down value as at June 30, 2025 (Audited)	<u>12,907,894</u>	<u>52,534</u>	<u>12,960,428</u>

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

6. INVESTMENTS

(Un-audited) September 30, 2025 (Number of shares)	(Audited) June 30, 2025		(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
Quoted Companies				
245,055,543	245,055,543	International Steels Limited (ISL) - subsidiary company, at cost	2,450,555	2,450,555
9,325,438	9,325,438	Pakistan Cables Limited (PCL) - associated company, at cost	817,553	817,553
Un-quoted Companies				
150,000	150,000	IIL Americas Inc. (IIL Americas) - subsidiary company, at cost	17,966	17,966
100,000	100,000	IIL Australia Pty. Limited (IIL Australia) - subsidiary company, at cost	9,168	9,168
7,727,270	7,727,270	IIL Trading (Private) Limited (Formerly IIL Construction Solutions (Private) Limited) - subsidiary company, at cost	77,273	77,273
4,845,000	4,845,000	Chinoy Engineering & Construction (Private) Limited (CECL) - associated company, at cost	48,450	48,450
90,000	90,000	INIL Europe Limited - subsidiary company, at cost	27,415	27,415
			3,448,380	3,448,380

		(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
7. STOCK-IN-TRADE	Note		
Raw material - in hand	7.1	3,814,912	2,465,317
- in transit		2,306,802	1,654,785
		6,121,714	4,120,102
Work-in-process		1,318,521	1,429,708
Finished goods		2,351,460	2,207,770
By-products		54,557	104,742
Scrap material		74,458	71,115
		9,920,710	7,933,437

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 7.1** Raw material amounting to Rs.1.7 million as at September 30, 2025 (June 30, 2025: Rs. 3.1 million) was held at a vendor's premises for the production of pipe caps.

Note	(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
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8. LONG-TERM FINANCING - secured

CONVENTIONAL

Long-Term Finance Facility (LTFF)	8.2	257,043	281,875
		257,043	281,875

ISLAMIC

Islamic Long-Term Finance Facility (ILTFF)	8.3	64,654	69,474
Islamic Temporary Economic Refinance Facility (ITERF)	8.4	193,222	200,728
Islamic Finance Facility for Renewable Energy (IFRE)	8.5	64,444	66,667
		322,320	336,869
		579,363	618,744
Less: Deferred income - government grant		(27,819)	(30,035)

Less: Current portion of long-term financing:

CONVENTIONAL

Long-Term Finance Facility (LTFF)	(59,494)	(72,025)
	(59,494)	(72,025)

ISLAMIC

Islamic Long-Term Finance Facility (ILTFF)	(14,859)	(14,859)
Islamic Temporary Economic Refinance Facility (ITERF)	(30,037)	(30,244)
Islamic Finance Facility for Renewable Energy (IFRE)	(21,333)	(8,889)
	(66,229)	(53,992)
	(125,723)	(126,017)
	425,821	462,692

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 8.1** These facilities are secured by way of a charge on stocks and all present and future land, buildings and plant and machinery located at Plot Number LX 15 - 16, HX-7/4 and LX-2, LX 14/13, LX 14/14 Landhi Industrial Estate, Karachi and Survey number 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi.
- 8.1.1** In relation to above borrowings the Company needs to observe certain financial and non-financial covenants as specified in the agreement with respective lenders which are complied with as of the reporting date.
- 8.2** This represents finance facility loan obtained from various banks under the State Bank of Pakistan (SBP) Long Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.3** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Long Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.4** This represents long-term loans obtained by the Company under SBP's Islamic Temporary Economic Refinance Facility available from various Islamic banks at below-market interest rates.
- 8.5** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Finance Facility for Renewable Energy for solar power project.

Note	(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
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9. TRADE AND OTHER PAYABLES

Trade creditors		449,819	322,009
Bills payable		1,460,179	317,780
Accrued expenses	9.1	922,949	951,876
Provision for Infrastructure Cess	9.2	1,590,570	1,481,334
Short-term compensated absences		2,400	6,000
Workers' Profit Participation Fund		10,796	2,624
Workers' Welfare Fund	9.3	83,829	74,242
Current portion of deferred income			
- government grant		8,071	8,366
Others		267,146	3,279
		4,795,759	3,167,510

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 9.1** These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 359.04 million (June 30, 2025: Rs. 359.04 million)

In the prior year, Supreme Court of Pakistan (SCP) upheld the vires of the Gas Infrastructure Development Cess Act, 2015 (GIDC Act, 2015) through its judgement dated August 13, 2020 and advised the Government of Pakistan (the GoP) to initiate the gas pipeline project within six months. The SCP on November 2, 2020 ordered that its decision of August 13, 2020 has validated the GIDC Act, 2015 in complete sense and the benefits allowed under Section 8(2) of the GIDC Act to the industrial sector are also available. Further, payment of due Gas Infrastructure Development Cess (the Cess) was allowed in 48 instalments instead of 24 instalments.

The Company has also filed civil suits before Sindh High Court (SHC) on the ground that the Company has not passed on the burden of the Cess. Stay orders were granted in the aforesaid suits, which are operative till the next date of hearing.

Despite the aforesaid order dated August 13, 2020 by the SCP, the GoP did not initiate the gas project within six months. Therefore, during the financial year ended June 30, 2021, the Company has filed a petition with the SHC challenging the validity of the GIDC Act, 2015.

This also includes an accrual against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 86.65 million (2025: Rs. 86.65 million). On February 18, 2023 the Sindh High Court validated the increase in gas tariff w.e.f. October 23, 2020 instead of September 1, 2020 and encashment of cheques submitted to the Nazir against the differential of tariff. The Company preferred an appeal against the said order before the divisional bench.

On March 28, 2024 the divisional bench of the SHC upheld the order of the single judge and ordered for encashment of securities deposited. As advised by the legal advisor, the differential has been deposited with the SSGC under protest.

- 9.2** This represents a liability against the amount guaranteed to Excise and Taxation Department. 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 by paying 50% of the fee amount involved and furnishing a guarantee / security for the balance amount. Bank guarantees issued as per the above-mentioned interim order amounting to Rs. 1,667 million (June 30, 2025: Rs. 1,570 million), have been provided to the Department. However, a provision to the extent of amount utilized from the limit of guarantee has also been provided for by the Company on the basis of prudence. Subsequently, through the Sindh Finance Act 2015 and 2016, the legislation has increase the rate of Infrastructure Cess to 1.25%. The Company had obtained a stay against this and the ultimate dispute had been linked with the previous Infrastructure Cess case.

The case was decided on June 4, 2021 by the SHC whereby the SHC declared the first four versions of the law unconstitutional and release of bank guarantees was 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 3, 2021. The Company was not in agreement with the above orders and filed an appeal before the Supreme Court of Pakistan (SCP).

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

On September 1, 2021, the SCP granted a stay order against the operation of the order of SHC dated June 4, 2021, that the bank guarantees already submitted by the Company in pursuant to the order of the SHC is valid and enforceable. The SHC further ordered that imports should be released on submission of fresh bank guarantees equivalent to the duty under the Act.

From July 01, 2024, the rate has been further increased to 1.85% through Sindh Finance Act, 2024.

- 9.3** The Company filed a constitutional petition with the SHC against notice to the Company for payment of Sindh Workers Welfare Fund under the Sindh Workers Welfare Fund Act, 2014 despite the fact that the Company is making the payments of Workers Welfare Fund to the Federal Government. A stay was obtained on the ground that the Company is a trans-provincial establishment operating industrial and commercial activities across Pakistan and is liable to pay Workers Welfare Fund under Federal Workers Welfare Fund Ordinance, 1971. The Company remains optimistic about a favourable outcome, particularly in view of a recent decision in an identical constitutional petition (No. D-2689 of 2017), wherein the Honourable Court held that a trans-provincial entity is liable to pay WWF to the Federal Government under the Federal Workers Welfare Fund Ordinance, 1971.

	Note	(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
10. SHORT-TERM BORROWINGS - secured			
CONVENTIONAL			
Running finance under mark-up arrangement from banks	10.1	406,310	770,453
Short-term borrowing under Money Market Scheme maturing within three months	10.1	3,000,000	1,415,000
Short-term borrowing under Export Refinance Scheme	10.2	700,000	700,000
Short-term borrowing under Export Finance Scheme	10.3	604,984	715,332
ISLAMIC			
Short-term borrowing under Money Market Scheme maturing within three months	10.4	1,250,000	1,250,000
Short-term borrowing under Running Musharakah maturing within three months	10.5	244,619	305,372
		6,205,913	5,156,157

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 10.1** These facilities for short-term finance available from various commercial banks are for the purpose of meeting working capital requirements. The rates of mark-up on these finances range from 11.06% to 12.38% (June 30, 2025: 11.48% to 22.52%) per annum.
- 10.2** The Company has obtained short-term finance under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities is 8.00% (June 30, 2025: 8.00% to 17.50%) per annum. These facilities mature within six months and are renewable.
- 10.3** The Company has obtained short-term finance under Export Finance Scheme (Post Discount) of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities is 2.00% to 3.00% (June 30, 2025: 2.00% to 3.00%) per annum.
- 10.4** The Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 11.28% to 12.12% (2025: 11.19% to 20.30%) per annum.
- 10.5** The Company has obtained facilities for short-term finance under Running Musharakah. The rates of profit on these facilities range from 11.17% to 11.58% (June 30, 2025: 11.53% to 22.29%) per annum.
- 10.6** As at September 30, 2025, the unavailed facilities from the above borrowings amounted to Rs. 9,909 million (June 30, 2025: Rs. 10,958 million).
- 10.7** The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future moveable assets of the Company.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There have been no significant changes during the period in the contingencies reported in the annual audited unconsolidated financial statements for the year ended June 30, 2025 except as discussed below:

11.2 Commitments

- 11.2.1** Capital expenditure commitments outstanding as at September 30, 2025 amounted to Rs. 31.58 million (June 30, 2025: Rs. NIL).
- 11.2.2** Commitments under letters of credit for raw materials and stores and spares as at September 30, 2025 amounted to Rs. 1,244.97 million (June 30, 2025: Rs. 3,780.21 million).
- 11.2.3** Commitments under purchase contracts as at September 30, 2025 amounted to Rs. 914.18 million (June 30, 2025: Rs. 681.90 million).
- 11.2.4** The facilities for opening letters of credit and guarantees from banks as at September 30, 2025 amounted to Rs. 14,700 million (June 30, 2025: Rs. 14,700 million) and Rs. 4,800 million (June 30, 2025: Rs. 3,800 million) respectively, of which the unutilised balance at period-end amounted to Rs. 13,423 million (June 30, 2025: Rs. 10,919 million) and Rs. 1,380 million (June 30, 2025: Rs. 416 million) respectively.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

		(Un-audited)	
		Three months ended	
		September 30,	September 30,
		2025	2024
		----- (Rupees in '000) -----	
12. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Sale of goods less returns			
Local		8,552,272	6,048,323
Sales tax		(1,164,645)	(852,985)
Trade discounts		(935,404)	(578,318)
		6,452,223	4,617,020
Export		854,362	672,444
Export commission & discounts		(4,353)	-
		850,009	672,444
		7,302,232	5,289,464

13. OTHER INCOME

This includes dividend income from subsidiary and associated companies amounting to Rs. 612.60 million (September 30, 2024: Rs. 735.20 million).

		(Un-audited)	
		Three months ended	
		September 30,	September 30,
		2025	2024
		----- (Rupees in '000) -----	
14. INCOME TAX EXPENSE			
Current		337,140	266,167
Prior		-	5,126
Deferred		(111,029)	(29,764)
		226,111	241,529

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

Note	(Un-audited)	
	Three months ended September 30, 2025	September 30, 2024
	(Rupees in '000)	
15. CASH GENERATED FROM OPERATIONS		
Profit before income tax	823,307	695,479
Add/(less): Adjustment for non-cash charges and other items		
Depreciation of property, plant and equipment	193,714	153,037
Amortisation of intangible assets	136	333
Charge / (reversal) of loss allowance on trade debts	2,154	(3,002)
Provision for staff retirement benefits	10,195	14,153
Provision for compensated absences	5,616	2,507
Provision for stores and spares	25,000	2,985
Income on bank deposits	(2,182)	(5,380)
Gain on disposal of property, plant and equipment	(7,349)	(21,138)
Loss on remeasurement of Gas Infrastructure Development Cess	-	134
Unwinding of Gas Infrastructure Development Cess	-	1,382
Dividend income	(612,639)	(735,167)
Government grant income	(2,216)	(2,488)
Finance cost	142,169	229,098
	577,904	331,934
Changes in working capital	(1,170,320)	3,171,267
	(592,416)	3,503,200

15.1

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

	Note	(Un-audited)	
		Three months ended September 30, 2025	September 30, 2024
15.1 Working capital changes			
Decrease /(increase) in current assets:			
Stores and spares		(10,811)	11,628
Stock-in-trade		(1,987,273)	536,813
Trade debts		(663,032)	1,003,102
Advances, trade deposits and prepayments		(34,553)	(17,496)
Other receivables		(9,124)	(3,671)
Staff retirement benefit		3,193	-
Sales tax receivable		(228,651)	305,198
		(2,930,251)	1,835,574
(Decrease) / increase in current liabilities:			
Trade and other payables		1,632,144	1,347,283
Contract liabilities		127,787	(11,590)
		1,759,931	1,335,693
		(1,170,320)	3,171,267
16. CASH AND CASH EQUIVALENTS			
Cash and bank balances		534,081	169,065
Running finance under mark-up arrangement from banks	10	(406,310)	(242,943)
		127,771	(73,878)

17. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the subsidiary companies, associated undertakings, directors of the Company, key management personnel and staff retirement funds. The Company continues to follow a policy whereby all transactions with related parties are entered into at commercial terms at rate agreed under a contract / arrangement / agreement. The contributions to the defined contribution plan (Provident Fund) are made as per the terms of employment and contributions to the defined benefit plan (Gratuity Fund) are made on the basis of latest actuarial advice. Remuneration of key management personnel are in accordance with their terms of 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, non-executive directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than under terms of their employment / entitlement.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

(Un-audited)	
Three months ended	
September 30, 2025	September 30, 2024
----- (Rupees in '000) -----	

17.1 Transactions with related parties

Subsidiary companies

Sales	464,791	405,478
Purchases	424,420	295,486
Cost of shared resources	515	19,715
Reimbursement of expenses	17,989	4,962
Rental income	4,789	3,430
Dividend income	612,639	735,167

Associated companies

Sales	57,999	-
Purchases	11,375	2,647
Reimbursement of expenses	619	-
Dividend distribution	2,534	-
Registration and training	2,573	-

Key management personnel

Remuneration and allowances	139,206	142,626
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Staff retirement funds

Contribution paid	28,044	30,000
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Non-executive directors

Directors' fee	2,600	3,700
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18. SEGMENT REPORTING

The Company has identified Steel, Polymer and Investments as reportable segments. Performance is measured based on respective segment's results. Information regarding the Company's reportable segments is presented below.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

18.1 Segment revenue and results

	Steel segment	Polymer segment	Investments segment	Total
	(Rupees in '000)			
For the three months ended September 30, 2025				
Revenue from contracts with customers				
Local	5,860,868	591,355	-	6,452,223
Exports	850,009	-	-	850,009
	6,710,877	591,355	-	7,302,232
Cost of sales	(5,856,909)	(531,013)	-	(6,387,922)
Gross profit	853,968	60,342	-	914,310
Selling and distribution expenses	(383,733)	(21,420)	-	(405,153)
Administrative expenses	(116,767)	(10,290)	-	(127,057)
(Charge) / reversal of loss allowance on trade debts	1,430	(3,584)	-	(2,154)
	(499,070)	(35,294)	-	(534,364)
Finance cost	(130,656)	(11,513)	-	(142,169)
Other operating charges	(22,291)	(947)	-	(23,238)
	(152,947)	(12,460)	-	(165,407)
Other income / (loss)	(3,871)	-	612,639	608,768
Profit before levies and income tax	198,080	12,588	612,639	823,307
Levies				-
Income tax expense				(226,111)
Profit after tax for the period				597,196
For the three months ended September 30, 2024				
Revenue from contracts with customers				
Local	3,659,394	957,626	-	4,617,020
Exports	672,444	-	-	672,444
	4,331,838	957,626	-	5,289,464
Cost of sales	(4,036,104)	(730,854)	-	(4,766,958)
Gross profit	295,734	226,772	-	522,506
Selling and distribution expenses	(279,307)	(38,505)	-	(317,812)
Administrative expenses	(87,414)	(19,324)	-	(106,738)
(Charge) / reversal of loss allowance on trade debts	(1,678)	4,680	-	3,002
	(368,399)	(53,149)	-	(421,548)
Finance cost	(188,753)	(41,727)	-	(230,480)
Other operating charges	(7,325)	(11,868)	-	(19,193)
	(196,078)	(53,595)	-	(249,673)
Other income	109,027	-	735,167	844,194
(Loss) / profit before levies and income tax	(159,715)	120,028	735,167	695,479
Levies				-
Income tax expense				(241,529)
Profit after tax for the period				453,950

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

18.2 Segment assets and liabilities


	Steel segment	Polymer segment	Investments segment	Total
	(Rupees in '000)			
As at September 30, 2025 - Un-audited				
Segment assets	23,891,026	3,411,140	3,448,380	30,750,546
Segment liabilities	9,394,808	473,768	-	9,868,576
As at June 30, 2025 - Audited				
Segment assets	21,419,589	3,095,020	3,448,380	27,962,989
Segment liabilities	6,407,632	475,681	-	6,883,313

Reconciliation of segment assets and liabilities with total assets and liabilities in the Unconsolidated Statement of Financial Position is as follows :


	(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
Total for reportable segments assets	30,750,546	27,962,989
Unallocated assets	2,571,566	1,956,053
Total assets as per Unconsolidated Statement of Financial Position	33,322,112	29,919,042
Total for reportable segments liabilities	9,868,576	6,883,313
Unallocated liabilities	3,725,147	3,377,008
Total liabilities as per Unconsolidated Statement of Financial Position	13,593,723	10,260,321

19. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved and authorised for issue on October 28, 2025 by the Board of Directors of the Company.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeab
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

international[™]
industries
built on trust



**Consolidated
Condensed Interim Financial Position**

Consolidated Condensed Interim Statement of Financial Position

AS AT SEPTEMBER 30, 2025

	Note	(Un-audited) September 30, 2025	(Audited) June 30, 2025
----- (Rupees in '000) -----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	33,730,791	34,162,756
Right-of-use assets		83,104	72,623
Intangible assets		320,500	330,152
Investment in equity accounted investee	6	2,061,687	1,995,587
Long-term deposits		7,752	9,689
		36,203,834	36,570,807
CURRENT ASSETS			
Stores and spares		1,060,347	1,073,834
Stock-in-trade	7	37,009,466	30,695,862
Trade debts		6,700,507	3,436,163
Advances, trade deposits and prepayments		306,195	150,584
Other receivables		58,268	47,945
Staff retirement benefits		173,075	183,846
Sales tax receivable		2,071,752	640,953
Taxation - net		42,176	-
Cash and bank balances		3,803,247	4,991,638
		51,225,033	41,220,825
TOTAL ASSETS		87,428,867	77,791,632
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital		1,318,819	1,318,819
Revenue reserves			
General reserve		3,278,085	3,278,085
Unappropriated profit		16,518,941	16,663,914
Capital reserve			
Exchange translation reserves		81,427	72,856
Revaluation surplus on property, plant and equipment		10,333,229	10,326,733
TOTAL SHAREHOLDERS' EQUITY		31,530,501	31,660,407
Non-controlling interest		10,760,680	10,964,355
		42,291,181	42,624,762
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing - secured	8	1,069,157	1,136,634
Deferred income - government grant		87,202	94,917
Deferred taxation - net		2,124,593	2,451,815
Lease liabilities		77,081	63,770
		3,358,033	3,747,136
CURRENT LIABILITIES			
Trade and other payables	9	18,596,084	18,845,208
Contract liabilities		2,525,892	2,347,506
Short-term borrowings - secured	10	18,946,095	9,705,275
Unpaid dividend		528,118	-
Unclaimed dividend		43,018	42,994
Unpaid dividend attributable to non-controlling interest (NCI)		474,643	477
Unclaimed dividend attributable to non-controlling interest (NCI)		1,311	-
Current portion of long-term financing - secured	8	318,352	325,299
Current portion of lease liabilities		17,194	18,171
Taxation - net		-	2,103
Accrued mark-up		328,946	132,701
		41,779,653	31,419,734
TOTAL LIABILITIES		45,137,686	35,166,870
CONTINGENCIES AND COMMITMENTS			
	11		
TOTAL EQUITY AND LIABILITIES		87,428,867	77,791,632

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeel
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

	Note	Three months ended	
		September 30, 2025	September 30, 2024
		----- (Rupees in '000) -----	
Revenue from contracts with customers	12	27,880,658	18,878,777
Cost of sales		(24,489,782)	(17,288,975)
Gross profit		3,390,876	1,589,802
Selling and distribution expenses		(1,296,999)	(798,322)
Administrative expenses		(272,547)	(224,365)
(Charge) / reversal of loss allowance on trade debts		(701)	591
		(1,570,247)	(1,022,096)
Operating profit		1,820,629	567,706
Finance cost		(418,123)	(534,508)
Other operating charges		(201,077)	(61,629)
		(619,200)	(596,137)
Other income - net		11,654	259,727
Share of loss in equity accounted investee		(3,359)	(7,849)
Profit before income tax		1,209,724	223,447
Income tax expense	13	(600,848)	(273,389)
Profit / (loss) after tax		608,876	(49,942)
Profit / (loss) attributable to:			
- Owners of the Holding Company		337,690	(128,063)
- Non-controlling interest (NCI)		271,186	78,121
		608,876	(49,942)
		----- (Rupees) -----	
Earning / (loss) per share - basic and diluted		2.56	(0.97)

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.


Haider Rashid
 Director & Chairman
 Board Audit Committee


Salman Najeel
 Chief Financial
 Officer


Yousuf H. Mirza
 Chief Executive
 Officer

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)


FOR THE PERIOD ENDED SEPTEMBER 30, 2025

	Three months ended	
	September 30, 2025	September 30, 2024
	----- (Rupees in '000) -----	
Profit / (loss) after tax	608,876	(49,942)
Other comprehensive income / (loss)		
Items that will not be subsequently reclassified to Consolidated Statement of Profit or Loss		
Proportionate share of surplus on revaluation of land and buildings of equity accounted investee	72,391	9,448
Related deferred tax for the period	(18,098)	(2,362)
	54,293	7,086
Items that will be subsequently reclassified to Consolidated Statement of Profit or Loss		
Foreign operations - foreign currency translation difference	8,571	6,641
Proportionate share of other comprehensive income of equity accounted investee	(2,932)	13,523
Other comprehensive income for the period	59,932	27,250
Total comprehensive income / (loss) for the period	668,808	(22,692)
Total comprehensive income / (loss) attributable to:		
- Owners of the Holding Company	397,622	(100,813)
- Non-controlling interest (NCI)	271,186	78,121
	668,808	(22,692)

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeeb
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

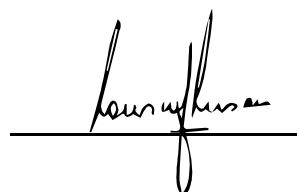
Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

	Attributable to owners of the Holding Company							Total	Non-controlling interest	Total equity
	Issued, subscribed and paid-up capital	Revenue reserves		Total revenue reserves	Capital reserve		Total capital reserves			
		General reserve	Unappropriated profit		Revaluation surplus on property, plant and equipment	Exchange translation reserves				
(Rupees in '000)										
Balance as at July 1, 2024	1,318,819	3,222,432	16,049,218	19,271,650	9,061,218	80,657	9,141,875	29,732,344	10,130,169	39,862,513
(Loss) / profit after tax for the period	-	-	(128,063)	(128,063)	-	-	-	(128,063)	78,121	(49,942)
Other comprehensive income for the period	-	-	13,523	13,523	7,086	6,641	13,727	27,250	-	27,250
Total comprehensive (loss) / income for the period	-	-	(114,540)	(114,540)	7,086	6,641	13,727	(100,813)	78,121	(22,692)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	28,074	28,074	(28,074)	-	(28,074)	-	-	-
Proportionate share of revaluation surplus on property, plant and equipment - PCL	-	-	(4,460)	(4,460)	(462)	-	(462)	(4,922)	-	(4,922)
Transactions with owners recorded directly in equity										
Distributions to owners of Holding Company - Final dividend @ 35% (Rs. 3.50 per share) for the year ended June 30, 2024	-	-	(461,587)	(461,587)	-	-	-	(461,587)	-	(461,587)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	(569,833)	(569,833)
Balance as at September 30, 2024	1,318,819	3,222,432	15,496,705	18,719,137	9,039,768	87,298	9,127,066	29,165,022	9,638,457	38,803,479
Balance as at July 1, 2025	1,318,819	3,278,085	16,663,914	19,941,999	10,326,733	72,856	10,399,589	31,660,407	10,964,355	42,624,762
Profit after tax for the period	-	-	337,690	337,690	-	-	-	337,690	271,186	608,876
Other comprehensive income for the period	-	-	(2,932)	(2,932)	54,293	8,571	62,864	59,932	-	59,932
Total comprehensive income for the period	-	-	334,758	334,758	54,293	8,571	62,864	397,622	271,186	668,808
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	47,749	47,749	(47,749)	-	(47,749)	-	-	-
Proportionate share of surplus on revaluation of property, plant and equipment - PCL	-	-	48	48	(48)	-	(48)	-	-	-
Transactions with owners recorded directly in equity										
Distributions to owners of Holding Company - Final dividend @ 40% (Rs. 4.00 per share) for the year ended June 30, 2025	-	-	(527,528)	(527,528)	-	-	-	(527,528)	-	(527,528)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	(474,861)	(474,861)
Balance as at September 30, 2025	1,318,819	3,278,085	16,518,941	19,797,026	10,333,229	81,427	10,414,656	31,530,501	10,760,680	42,291,181

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.





Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of International Industries Limited (the Holding Company), its 56.33% owned subsidiary International Steels Limited (ISL), its wholly owned subsidiary IIL Trading (Private) Limited (formerly IIL Construction Solutions (Private) Limited) and its wholly owned foreign subsidiaries IIL Australia Pty. Limited (IIL Australia), IIL Americas Inc. (IIL Americas) and INIL Europe Limited (IIL Europe) [together referred to as "the Group" and individually as "Group entities"] and the Holding Company's 17.124% and 34.00% interest in an equity accounted investees namely Pakistan Cables Limited (PCL) and Chinoy Engineering & Construction (Private) Limited (CECL) respectively.

1.2 The Holding Company was incorporated in Pakistan in 1948 under the Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. It is engaged in the business of manufacturing and marketing of galvanized steel pipes, precision steel tubes, API line pipes, structural hollow sections, stainless steel tubes, polymer pipes & fittings. The Group also engages in trading business of construction materials and offers customised construction solution services. The registered office of the Holding Company is situated at 101-107 1st Floor, Beaumont Plaza, 10 Beaumont Road, Karachi - 75530.

The manufacturing facilities of the Holding Company are situated as follows:

- i) LX 15 - 16, HX-7/4, LX-2, LX 14/13, LX 14/14, Landhi Industrial Area, Karachi;
- ii) Survey No. 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi; and
- iii) 22 KM Sheikhpura Road, Mouza Khanpur Nabipur, Tehsil Ferozpur, District Sheikhpura.

The sales offices and warehouse of the Holding Company are situated as follows:

- i) Chinoy House, 2nd and 3rd Floor, Bank Square, Lahore;
- ii) Office No. 708-A, United Mall, Abdali Road, Multan;
- iii) Office No. 1 & 2, 1st Floor, Hurmaz Plaza, Main University Road, Peshawar;
- vi) Plot No. 9, Street No. 01, Ibrahim Tower, Business Park, Gulberg Green, Islamabad; and
- v) Plot No. NEIR - 61, Khasra no. 3303 - 3308, Hadbast Mouza Naulakha, GT Road, Lahore.

1.3 International Steels Limited (ISL) was incorporated on September 03, 2007 as a public unlisted company limited by shares under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is domiciled in the province of Sindh. Subsequent to the sale of shares by the Holding Company to general public under an Initial Public Offer, ISL was listed on the Pakistan Stock Exchange on June 1, 2011. The primary activity of the Company is the business of manufacturing of cold rolled, galvanized and colour coated steel coils and sheets. ISL commenced commercial operations on January 1, 2011. The registered office of ISL is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi - 75530. The Holding Company has 56.33% ownership interest in ISL.

The manufacturing facilities of International Steels Limited are situated as follows:

- i) 399-405, Rehri Road, Landhi Industrial Area, Karachi; and
- ii) Plot No. LE 73-79, 102-103, 112-118, 125-129, Survey No. NC 98, National Industrial Parks (NIP), Bin Qasim Industrial Zone, Karachi.

The sales offices of International Steels Limited are situated as follows:

- i) Chinoy House, 6 Bank Square, Lahore;
- ii) Office No. 303-A, 3rd Floor, Evacuee Trust Complex, Sir Agha Khan Road, Sector F-5/1, Islamabad; and
- iii) Office No. 708-A, United Mall, Abdali Road, Multan.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 1.4** IIL Trading (Private) Limited [Formerly IIL Construction Solutions (Private) Limited] (the Company) was incorporated in Pakistan on August 19, 2020 under the Companies Act, 2017. The Company is engaged in trading business, carrying out distribution and marketing of construction materials, power / hand tools, construction chemicals and other accessories and materials. Its registered office is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi 75530.
- i) Plot No. 91-C, 24th Commercial Street, Phase II Ext. Rd, DHA, Karachi;
 - ii) BWB 192, Broadway Commercial, DHA Phase 8, Lahore; and
 - iii) Plot No. 9, Street No. 01, Ibrahim Tower, Business Park, Gulberg Green Islamabad.
- 1.5** IIL Australia was incorporated in Australia on May 2, 2014. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes, pre-galvanized pipes, stainless steel tubes and galvanized steel sheets and coils. Its registered office and sales office is situated at 101-103, Abbot Road, Hallam, Victoria 3803, Australia.
- 1.6** IIL Americas was incorporated in Canada on October 8, 2019. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes. Its registered office and sales office is situated at Suite 210, 5800 Ambler Drive Mississauga, ON L4W 4J4, Canada.
- 1.7** INIL Europe Limited (the Company) was incorporated on January 10, 2025. The address of its registered office and principal place of business is Ground Floor, 71 Baggot Street Lower, Dublin 2, D02P593, Ireland. The Company is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes.
- 1.8** Details of the equity accounted investee is given in note 6 to these consolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.1.1** These consolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Holding Company as at and for the year ended June 30, 2025.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

2.1.2 The comparative Consolidated Condensed Interim Statement of Financial Position presented in these consolidated condensed interim financial statements have been extracted from the audited annual consolidated financial statements for the year ended June 30, 2025, whereas the comparative Consolidated Condensed Interim Statement of Profit or Loss, Consolidated Condensed Interim Statement of Comprehensive Income, Consolidated Condensed Interim Statement of Cash Flows and Consolidated Condensed Interim Statement of Changes in Equity are extracted from the unaudited consolidated condensed interim financial statements for the period ended September 30, 2024.

2.2 Basis of measurement

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for the Group entities' liabilities under defined benefit plan (Gratuity Fund) which is determined based on the present value of defined benefit obligations less fair value of plan assets determined by an independent actuary and land and buildings at revalued amounts assessed by an independent valuer which are stated at fair value.

2.3 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Holding Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Basis of consolidation

2.4.1 Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

- it has power to direct the activities of the subsidiaries;
- is exposed to variable returns from the subsidiaries; and
- decision-making power allows the Group to affect its variable returns from the subsidiaries.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognised from the date the control ceases. These consolidated condensed interim financial statements include the Holding Company and all companies which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the Subsidiaries).

The interim financial statements of the Subsidiaries have been consolidated on a line-by-line basis. Inter-company transactions, balances, income and expenses on transactions between Group entities are eliminated. Unrealised profits and losses are also eliminated. Accounting policies of the Subsidiaries are consistent with the policies adopted by the Group.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

2.4.2 Transactions and non-controlling interests

Where the ownership of a subsidiary is less than hundred percent and therefore, a non controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income for the period, even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of a subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of audited annual consolidated financial statements as at and for the year ended June 30, 2025.

3.2 Changes in accounting standards, interpretations and pronouncements

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 Group's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Group's financial reporting.

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

There are certain amendments to the accounting and reporting standards that will be mandatory for the annual accounting periods beginning on or after July 1, 2026. However, these are considered either not to be relevant or to have any significant impact on the consolidated financial statements and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of consolidated condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended June 30, 2025.

4.3 The Group's financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements as at and for the year ended June 30, 2025.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

5. PROPERTY, PLANT AND EQUIPMENT

	Operating assets	Capital work- in-progress (including capital spares)	Total
	----- (Rupees in '000) -----		
Cost / revalued amount			
Balance at beginning of the period	50,763,643	638,846	51,402,489
Additions	38,903	203,848	242,751
Translation reserve	(3)	-	(3)
Adjustments / transfers - net	119,757	(62,667)	57,090
Disposals	(67,016)	-	(67,016)
	<u>50,855,284</u>	<u>780,027</u>	<u>51,635,311</u>
Accumulated depreciation			
Balance at beginning of the period	(17,239,733)	-	(17,239,733)
Charge for the period	(696,918)	-	(696,918)
Disposals	32,131	-	32,131
	<u>(17,904,520)</u>	<u>-</u>	<u>(17,904,520)</u>
Written down value as at September 30, 2025 (Un-audited)	<u>32,950,764</u>	<u>780,027</u>	<u>33,730,791</u>
Written down value as at June 30, 2025 (Audited)	<u>33,523,910</u>	<u>638,846</u>	<u>34,162,756</u>

(Un-audited) (Audited)
Note **September 30,** June 30,
2025 2025
----- (Rupees in '000) -----

6. INVESTMENT IN EQUITY ACCOUNTED INVESTEE

Pakistan Cables Limited (PCL)			
- associated company	6.1	<u>1,885,797</u>	<u>1,819,697</u>
Chinoy Engineering & Construction (Pvt.) Limited			
- associated company	6.2	<u>175,890</u>	<u>175,890</u>

- 6.1** The Holding Company holds a 17.124% (June 30, 2025: 17.124%) ownership interest in PCL. The Chief Executive Officer of PCL is Mr. Fahd K. Chinoy. The Holding Company considers it has significant influence over PCL as, in addition to its holding, the companies have common directorships. The price per share of PCL as at reporting date was Rs. 213.58 (June 30, 2025: Rs. 146.88) resulting in a market value of total investment amounting to Rs. 1991.73 million (June 30, 2025: Rs. 1,369.72 million). The share of profit and other comprehensive income for the period is recognised based on the financial statements of PCL as at June 30, 2025 as the latest financial statements as at September 30, 2025 were presently not available.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 6.2** The Holding Company and ISL holds 17% each (June 30, 2025: 17%) ownership interest in CECL resulting in total ownership interest of 34%. The Chief Executive Officer of CECL is Mr. Hamid Rashid. The Holding Company considers it has significant influence over CECL as, in addition to its holding, the companies have common directorships. The Holding Company and ISL have made investment in CECL amounting to Rs. 96.90 million. The remaining shareholding of CECL is owned by Pakistan Cables Limited (17%) and ASCG Engineering (49%). The book value of CECL based on the unaudited financial statements as at March 31, 2025 is Rs. 517.32 million (June 30, 2025: 517.32 million).
- 6.3** Market value of the investment disclosed in note 6.1 is categorised as level 1 fair value measurement in accordance with IFRS 13 "Fair Value Measurement".

	Note	(Un-audited) September 30, 2025	(Audited) June 30, 2025
7. STOCK-IN-TRADE		----- (Rupees in '000) -----	
Raw material - in hand	7.1	12,821,326	6,234,699
- in transit		7,726,445	11,111,005
		20,547,771	17,345,704
Work-in-process		5,804,990	3,965,548
Finished goods - in hand		9,987,423	8,695,983
- in transit		264,789	437,962
By-products		257,139	168,383
Scrap material		147,354	82,282
		37,009,466	30,695,862

- 7.1** Raw material of the Holding Company amounting to Rs. 1.7 million as at September 30, 2025 (June 30, 2025: Rs. 3.10 million) was held at a vendor's premises for the production of pipe caps.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

		(Un-audited) September 30, 2025 ----- (Rupees in '000) -----	(Audited) June 30, 2025
8. LONG-TERM FINANCING - secured			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)	8.2	424,207	468,273
Renewable Energy Financing Facility (REFF)		140,625	150,000
Temporary Economic Refinance Facility (TERF)	8.3	369,752	369,752
		934,584	988,025
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)	8.4	314,924	334,908
Islamic Temporary Economic Refinance Facility (ITERF)	8.5	193,222	200,728
Islamic Finance Facility for Renewabale Energy (IFRE)	8.6	64,444	66,667
		572,590	602,303
		1,507,174	1,590,328
Less: Deferred income - government grant		(119,665)	(128,395)
Less: Current portion of long-term financing:			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)		(92,341)	(111,525)
Renewable Energy Financing Facility (REFF)		(37,500)	(37,500)
Temporary Economic Refinance Facility (TERF)		(61,625)	(61,625)
		(191,466)	(210,650)
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)		(75,516)	(75,516)
Islamic Temporary Economic Refinance Facility (ITERF)		(30,037)	(30,244)
Islamic Finance Facility for Renewabale Energy (IFRE)		(21,333)	(8,889)
		(318,352)	(325,299)
		1,069,157	1,136,634
8.1	The above loans are secured by way of a charge on stocks and all present and future land, buildings and plant and machinery located at Plot Number LX 15 - 16, HX-7/4, LX-2, LX 14/13, LX 14/14, Landhi Industrial Area, Karachi and Survey number 402, 405 - 406, 95 Rehri Road, Landhi Town, Karachi of the Holding Company and by way of joint pari passu charge and ranking charge over the fixed assets of ISL (such as land, building, plant and machinery etc.).		
8.1.1	In relation to these borrowings, the Holding Company and ISL need to observe certain financial and non-financial covenants as specified in the agreement with various lenders which are complied with as of the reporting date.		
8.2	This represents finance facility loans obtained by the Holding Company and ISL from various banks under the State Bank of Pakistan's (SBP) Long-Term Finance Facility for plant and machinery in respect of export-oriented projects.		
8.3	This represents finance facility loans obtained from a commercial bank by ISL under SBP's Temporary Economic Refinance Facility available at below-market interest rates for setting up of new industrial units.		

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 8.4** This represents finance facility loans obtained by the Holding Company and ISL from Islamic banks under SBP's Islamic Long-Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.5** This represents long-term loans obtained by the Holding Company under the SBP's Islamic Temporary Economic Refinance Facility available to the Holding Company from various Islamic banks at below-market interest rates.
- 8.6** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Finance Facility for Renewable Energy for solar power project.

		(Un-audited) September 30, 2025	(Audited) June 30, 2025
	Note		
		----- (Rupees in '000) -----	
9. TRADE AND OTHER PAYABLES			
Trade creditors		5,890,636	8,531,548
Bills payable		4,244,343	331,097
Accrued expenses	9.1	993,382	3,419,948
Provision for Infrastructure Cess	9.2	6,718,626	6,163,979
Provision for government levies		6,767	6,423
Short-term compensated absences		4,513	13,204
Workers' Profit Participation Fund		63,690	20,684
Workers' Welfare Fund	9.3	304,225	273,480
Current portion of deferred income - government grant		32,463	33,478
Others		337,439	51,367
		<u>18,596,084</u>	<u>18,845,208</u>

- 9.1** These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 1,614.06 million (June 30, 2025: Rs.1,614.06 million) .

This also includes a provision against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 631.61 million (June 30, 2025: Rs. 631.61 million). On February 18, 2023 the Sindh High Court validated the increase in gas tariff w.e.f. October 23, 2020 instead of September 1, 2020 and encashment of cheques submitted to the Nazir against the differential of tariff. The Holding Company and ISL preferred an appeal against the said order before the divisional bench.

On March 28, 2024 the divisional bench of the SHC upheld the order of the single judge and ordered for encashment of securities deposited. The Holding Company is considering an appeal before the Supreme Court against the said order, however, in the meantime 25% of the differential has been deposited with the SSGC under protest.

- 9.2** This represents a provision against the amount guaranteed to Excise and Taxation Department. 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 by paying 50% of the fee amount involved and furnishing a guarantee / security for the balance amount. Bank guarantees issued as per the above-mentioned interim order amounting to Rs. 6,900 million (June 30, 2025: Rs. 1,570 million) have been provided to the Department. However, a provision to the extent of amount

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

utilized from the limit of guarantee has also been provided for by the Holding Company and ISL on the basis of prudence. Subsequently, through the Sindh Finance Act 2015 and 2016, the legislation has doubled the rate of Sindh Infrastructure Cess. The Holding Company and ISL had obtained a stay against this and the ultimate dispute has been linked with the previous infrastructure cess case.

The case was decided on June 4, 2021 by the SHC whereby the court declared the first four versions of the law unconstitutional and a release of bank guarantees was 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 3, 2021. The Holding Company and ISL were not in agreement with the above orders and filed an appeal before the Supreme Court of Pakistan (SCP).

On September 1, 2021, the SCP granted a stay order against the operation of the order of SHC dated June 4, 2021, that the bank guarantees already submitted by the Holding Company and ISL in pursuant to the order of the SHC is valid and enforceable. The Court further ordered that imports should be released on submission of fresh bank guarantees equivalent to the duty under the Act.

From July 01, 2024, the rate has been further increased to 1.85% through Sindh Finance Act, 2024.

- 9.3** The Holding Company and ISL have filed a constitutional petition with the SHC against a notice to the companies for payment of Sindh Workers Welfare Fund under the Sindh Workers Welfare Fund Act, 2014 despite the fact that the companies are making the payments of Workers Welfare Fund to the Federal Government. A stay was obtained on the ground that the Holding Company and ISL are trans-provincial establishments operating industrial and commercial activities across Pakistan and are liable to pay Workers Welfare Fund under federal Workers Welfare Fund Ordinance, 1971.

		(Un-audited) September 30, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
10. SHORT-TERM BORROWINGS - secured			
CONVENTIONAL			
Running finance under mark-up arrangement from banks	10.1	406,310	770,453
Short-term borrowing under Money Market Scheme maturing within three months	10.1	5,470,219	1,415,000
Short-term borrowing under Export Refinance Scheme	10.2	4,980,000	4,650,000
Short-term borrowing under Export Finance Scheme	10.3	903,939	1,014,300
ISLAMIC			
Short-term borrowing under Money Market Scheme maturing within three months	10.4	1,250,000	1,250,000
Short-term borrowing under Running maturing within three months	10.5	5,635,627	305,522
Short-term borrowing under Export Refinance Scheme		300,000	300,000
		<u>18,946,095</u>	<u>9,705,275</u>

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

- 10.1** These facilities for short-term finance available from various commercial banks are for the purpose of meeting working capital requirements. The rates of mark-up on these finances obtained by the Holding Company range from 11.06% to 12.38% (June 30, 2025: 11.48% to 22.52%) per annum. The rates of mark-up on these finances obtained by ISL range from 11.20% to 12.37% (June 30, 2025: 11.48% to 12.53%).
- 10.2** The Holding Company and ISL have obtained short-term running finance facilities under the Export Refinance Scheme of the SBP from commercial banks. The rate of mark-up on these facilities obtained by Holding Company is 8.00% (June 30, 2025: 8.00% to 17.50%) per annum. The rates of mark-up on these facilities obtained by ISL range from (June 30, 2025: 7.75% to 8.00%) per annum. These facilities mature within six months and are renewable.
- 10.3** The Holding Company and ISL have obtained short-term finance under Export Finance Scheme (Post Discount) of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities obtained by Holding Company range from 2.00% to 3.00% (June 30, 2025: 2.00% to 3.00%) per annum. The rate of mark-up on these facilities obtained by ISL is 2.00% (June 30, 2025: 2.00% to 2.50%) per annum. These facilities mature within six months.
- 10.4** The Holding Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 11.28% to 12.12% (2025: 11.19% to 20.30%) per annum.
- 10.5** The Holding Company and ISL have obtained facilities for short-term finance under Running Musharakah. The rates of profit on these finances obtained by the Holding Company range from 11.17% to 11.58% (June 30, 2025: 11.53% to 22.29%) per annum. The rates of profit on these finances obtained by ISL range from 11.15% to 11.45% (June 30, 2025: 11.48% to 12.59%) per annum.
- 10.6** As at September 30, 2025, the unavailed facilities from above borrowings for the Holding Company amounted to Rs. 9,909 million (June 30, 2025: Rs. 10,958 million) and for ISL amounted to Rs. 16,119 million (June 30, 2025: Rs. 22,051 million).
- 10.7** The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future movable assets of the Holding Company and ISL.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

Holding Company

There have been no significant changes during the period in the contingencies reported in the audited annual consolidated financial statements for the year ended June 30, 2025.

ISL

The Competition Commission of Pakistan (CCP) initiated an inquiry against the alleged price fixation by local steel producers. During the inquiry proceedings, the Company submitted detailed responses and clarified that prices in the local market are closely linked to international steel prices. Subsequently, the CCP concluded the inquiry with an adverse judgement against the Company and another local steel manufacturer and levied penalties of Rs. 914 million and Rs. 648 million respectively.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

The Company is currently evaluating legal response against the aforesaid order. Management believes that it has strong grounds to secure relief at the relevant appellate forums and accordingly, no provision has been made in this respect.

There have been no significant changes during the period in the contingency reported in the annual audited financial statements for the year ended June 30, 2025 except as discussed above.

11.2 Commitments

Holding Company and ISL

11.2.1 Capital expenditure commitments outstanding as at September 30, 2025 amounted to Rs. 31.6 million (June 30, 2025: Rs. NIL).

11.2.2 Commitments under letters of credit for raw materials and stores and spares as at September 30, 2025 amounted to Rs. 11,729.97 million (June 30, 2025: Rs. 23,396.20 million).

11.2.3 Facilities for opening letters of credit and guarantees from banks as at September 30, 2025 amounted to Rs. 53,200 million (June 30, 2025: Rs. 55,449 million) and Rs. 15,024 million (June 30, 2025: Rs. 13,984 million) respectively, of which the unutilised balance at period-end amounted to Rs. 41,437 million (June 30, 2025: Rs. 30,052 million) and Rs. 1,955 million (June 30, 2025: Rs. 1,193 million) respectively.

Holding Company

11.2.4 Commitments under purchase contracts as at September 30, 2025 amounted to Rs. 914.2 million (June 30, 2025: Rs. 681.90 million).

12. REVENUE FROM CONTRACTS WITH CUSTOMERS

Sale of goods less returns

Local

Sales tax

Trade discounts

Export

Export commission & discounts

----- (Un-audited) -----
Three months ended
September 30, 2025 September 30, 2024
----- (Rupees in '000) -----

25,112,840	19,612,527
(3,476,480)	(2,869,320)
(1,559,946)	(808,619)
20,076,414	15,934,588
7,808,597	2,944,189
(4,353)	-
7,804,244	2,944,189
27,880,658	18,878,777

13. INCOME TAX EXPENSE

Current

Prior

Deferred

946,164	309,029
-	5,126
(345,316)	(40,766)
600,848	273,389

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

		----- (Un-audited) -----	
		Three months ended	
	Note	September 30, 2025	September 30, 2024
----- (Rupees in '000) -----			
14.	CASH (USED IN) / GENERATED FROM OPERATIONS		
Profit before income tax		1,209,724	223,447
Add / (less): adjustments for non-cash charges and other items			
Depreciation of property, plant and equipment		713,960	619,227
Depreciation of right-of-use assets		7,499	2,699
Amortisation of intangible assets		136	333
Charge / (reversal) of loss allowance on trade debts		701	(591)
Provision for obsolescence against stores and spares		25,000	(562)
Provision for staff retirement benefits		19,052	22,582
Provision for compensated absences		7,972	4,757
Income on bank deposits		(29,578)	(40,908)
Gain on disposal of property, plant and equipment		(9,150)	(27,197)
Loss on remeasurement of Gas Infrastructure Development Cess		-	134
Share of loss from associated company		3,359	7,849
Government grant income		(8,730)	(9,641)
Unwinding of Gas Infrastructure Development Cess		-	6,217
Finance cost		418,133	528,290
		2,358,078	1,336,636
Changes in working capital	14.1	(11,244,734)	(3,087,010)
		(8,886,656)	(1,750,374)
14.1	Changes in working capital		
(Increase) / decrease in current assets:			
Stores and spares		(11,513)	(89,685)
Stock-in-trade		(6,313,604)	161,152
Trade debts		(3,265,045)	1,283,490
Advances, trade deposits and prepayments		(155,611)	2,723
Other receivables		(10,323)	(96,860)
Staff retirement benefit		3,193	-
Sale tax receivable		(1,430,799)	(262,596)
		(11,183,702)	998,224
(Decrease) / increase in current liabilities:			
Trade and other payables		(239,418)	(3,758,276)
Contract liabilities		178,386	(326,958)
		(11,244,734)	(3,087,010)
15.	CASH AND CASH EQUIVALENTS		
Cash and bank balances		2,887,996	2,225,630
Running finance under mark-up arrangement from banks		(406,310)	(3,887,766)
Short-term borrowing under Running Musharakah		-	(794,419)
		2,481,686	(2,456,555)

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

16. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the associated undertakings, directors of the group entities, key management employees and staff retirement funds. The group entities continue to follow a policy whereby all transactions with related parties are entered into at commercial terms and conditions. The contributions to the defined contribution plan (Provident Fund) of the group entities, wherever applicable, are made as per the terms of employment and contributions to the group entities defined benefit plan (Gratuity Fund), wherever applicable, are in accordance with the latest actuarial advice. Remuneration to key management personnel is in accordance with their terms of employment and the policies of respective group entities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group entities. The Group entities consider their Chief Executive Officer, Chief Financial Officer, Company Secretary, non-executive directors and departmental heads to be their key management personnel. There are no transaction with key management personnel other than their terms of employment / entitlement.

16.1 Details of transactions with related parties, other than those which have been specially disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	----- (Un-audited)-----	
	Three months ended	
	September 30, 2025	September 30, 2024
	----- (Rupees in '000) -----	
Associated companies		
Sales	1,409,331	190,520
Purchases	13,229,501	13,880,030
Reimbursement of expenses	2,405	-
Rent income	890	795
Dividend distribution	101,228	118,433
Registration and training	2,573	-
Services	3,316	5,327
Key management personnel		
Remuneration and allowances	250,579	265,314
Staff retirement funds		
Contribution paid	46,510	49,601

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

17. SEGMENT REPORTING

Performance is measured based on respective segment's results. Information regarding the reportable segments is presented below:

	Steel coils & sheets	Steel pipes	Polymer pipes	Investment	Total
	(Rupees in '000)				
17.1 Segment revenue and results					
For the three months ended September 30, 2025					
Revenue from contracts with customers					
Local	13,602,800	5,882,259	591,355	-	20,076,414
Exports	6,946,559	857,685	-	-	7,804,244
	20,549,359	6,739,944	591,355	-	27,880,658
Cost of sales	(18,196,025)	(5,762,744)	(531,013)	-	(24,489,782)
Gross profit	2,353,334	977,200	60,342	-	3,390,876
Selling and distribution expenses	(798,690)	(476,889)	(21,420)	-	(1,296,999)
Administrative expenses	(129,853)	(132,404)	(10,290)	-	(272,547)
Reversal / (charge) of loss allowance on trade debts	-	2,883	(3,584)	-	(701)
	(928,543)	(606,410)	(35,294)	-	(1,570,247)
Finance cost	(273,410)	(133,200)	(11,513)	-	(418,123)
Other operating charges	(180,758)	(19,372)	(947)	-	(201,077)
	(454,168)	(152,572)	(12,460)	-	(619,200)
Other income	17,621	(5,967)	-	-	11,654
Share of loss in equity accounted investee		-	-	(3,359)	(3,359)
Profit / (loss) before income tax	988,244	212,251	12,588	(3,359)	1,209,724
Income tax expense					(600,848)
Profit after tax for the period					608,876
For the three months ended September 30, 2024					
Revenue from contracts with customers					
Local	11,317,996	3,658,966	957,626	-	15,934,588
Exports	1,947,735	996,454	-	-	2,944,189
	13,265,731	4,655,420	957,626	-	18,878,777
Cost of sales	(12,360,758)	(4,197,363)	(730,854)	-	(17,288,975)
Gross profit	904,973	458,057	226,772	-	1,589,802
Selling and distribution expenses	(382,050)	(377,767)	(38,505)	-	(798,322)
Administrative expenses	(113,744)	(91,297)	(19,324)	-	(224,365)
(Charge) reversal of loss trade debts	-	(4,089)	4,680	-	591
	(495,794)	(473,153)	(53,149)	-	(1,022,096)
Finance cost	(303,531)	(189,250)	(41,727)	-	(534,508)
Other operating charges	(42,328)	(7,433)	(11,868)	-	(61,629)
	(345,859)	(196,683)	(53,595)	-	(596,137)
Other income	150,661	109,066	-	-	259,727
Share of loss in equity accounted investee	-	-	-	(7,849)	(7,849)
Profit / (loss) before income tax	213,981	(102,713)	120,028	(7,849)	223,447
Income tax expense					(273,389)
Loss after tax for the period					(49,942)

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

17.2 Segment assets and liabilities

	Steel coils & sheets	Steel pipes	Polymer pipes	Investments	Total
	(Rupees in '000)				
As at September 30, 2025 - Un-audited					
Segment assets	57,151,539	23,496,679	3,411,140	2,061,687	86,121,045
Segment liabilities	31,894,724	9,308,479	473,768	-	41,676,971
As at June 30,2025 - Audited					
Segment assets	50,067,519	21,200,382	3,095,020	1,995,587	76,358,508
Segment liabilities	24,956,897	6,516,353	475,681	-	31,948,932

Reconciliation of segment assets and liabilities with total assets and liabilities in the Consolidated Statement of Financial Position is as follows :

	(Un-audited) September 30, 2025 (Rupees in '000)	(Audited) June 30, 2025
Total for reportable segments assets	86,121,045	76,358,508
Unallocated assets	1,307,822	1,433,123
Total assets as per Consolidated Condensed Interim Statement of Financial Position	<u>87,428,867</u>	<u>77,791,632</u>
Total for reportable segments liabilities	41,676,971	31,948,932
Unallocated liabilities	3,460,715	3,217,938
Total liabilities as per Consolidated Condensed Interim Statement of Financial Position	<u>45,137,686</u>	<u>35,166,870</u>

18. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorised for issue on October 28, 2025 by the Board of Directors of the Holding Company.



Haider Rashid
Director & Chairman
Board Audit Committee



Salman Najeel
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

101 Beaumont Plaza,
10 Beaumont Road,
Karachi-75530

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