19th August 2026 **FORM-3**

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

Subject: **Announcement - Financial Results for the Year Ended 30th June 2026**

Dear Sir

We have to inform you that Board of Directors of our company, Aisha Steel Mills Limited (ASML), in their meeting held yesterday, i.e. on Tuesday, 18th August 2026 at 4:00 p.m. at Arif Habib Centre, M. T. Khan Road, Karachi, recommended the following:

i)	**CASH DIVIDEND ON ORDINARY SHARES**	**NIL**
(ii)	**BONUS SHARES**	*
(iii)	**RIGHT SHARES**	**NIL**
(iv)	**ANY OTHER ENTITLEMENT/CORPORATE ACTION**	

* **Preferential Dividend on ASLPS**

Preferential dividend on the Cumulative Preference Shares (ASLPS) for the period from 1st July 2022 to 30th June 2026, amounting to Rs. 343.71 million, is calculated / payable in respect of 43,588,191 ASLPS shares outstanding as at 30th June 2026 and 768,866 ASLPS shares converted during the said period. (Rs.7.76 per ASLPS share outstanding as at 30th June 2026)

In accordance with the terms and conditions of the ASLPS, 1 (One) Ordinary Share of Aisha Steel Mills Limited (ASL) shall be distributed as preferential dividend against every Rs. 10/- of dividend calculated / payable on the ASLPS, after deduction of applicable taxes, for the period from 1st July 2022 to 30th June 2026 or, in the case of ASLPS converted into Ordinary Shares (ASL) during such period, up to the respective date of conversion, whichever is earlier.

The Ordinary Shares in lieu of such preferential dividend shall be distributed to the respective preference shareholders entitled to the dividend as at the book closure date, including those ASLPS shareholders who successfully exercised their conversion option prior to the book closure date and are entitled to dividend up to their respective dates of conversion.

ASML
AISHA STEEL MILLS LTD. KARACHI

* **Preferential Dividend on ASLCPS**

Preferential Dividend on Cumulative Preference Shares (ASLCPS) for the period from 1st July 2022 to 30th June 2026, amounting to Rs. 1.14 million, is calculated / payable in

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respect of 137,920 ASLCPS shares outstanding as at 30th June 2026. (Rs.8.25 per ASLCPS share outstanding as at 30th June 2026)

In accordance with the terms and conditions of the ASLCPS, 2.285 Ordinary Share of Aisha Steel Mills Limited (ASL) shall be distributed as preferential dividend against every Rs. 10/- of dividend calculated / payable on the ASLCPS, after deduction of applicable taxes, for the period from 1st July 2022 to 30th June 2026, to those ASLCPS shareholders who have successfully exercised their conversion option prior to the book closure date for entitlement of dividend.

Further, Cash dividend shall be paid as preferential dividend to those preference shareholders holding ASLCPS who have not converted their preference shares (ASLCPS) into Ordinary Shares (ASL) prior to the book closure date for entitlement of dividend.

(v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

We hereby provide the calculation of the impact on the ex-dividend prices of ASLPS and ASLCPS in connection with the above-referred entitlement / corporate action :

Security & Symbol	Total Dividend recommended for the period from 1 July 2022 to 30 June 2026	Dividend attributable to outstanding shares as on 30th June 2026	Number of outstanding shares as on 30th June 2026	Impact of Dividend per outstanding share as on 30th June 2026
Cumulative Convertible Preference Shares (ASLPS)	Rs. 343,705,744/-	Rs. 338,384,920/-	43,588,191	Rs.7.76
Cumulative Convertible Preference Shares (ASLCPS)	Rs. 1,137,658/-	Rs. 1,137,658/-	137,920	Rs.8.25

We believe that the above disclosure will facilitate determination of the ex-dividend prices of the aforementioned securities of Aisha Steel Mills Limited upon commencement of the book closure.

The financial results for the year ended 30th June 2026, along with the required additional statements, are attached herewith as follows :

- Statement of Profit or Loss and Other Comprehensive Income **(Annexure-A)**
- Statement of Financial Position **(Annexure-B)**
- Statement of Changes in Equity **(Annexure-C)**
- Statement of Cash Flows **(Annexure-D)**
- Directors' Report **(Annexure-E)**

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The Annual General Meeting of the Company will be held on **Friday, 23rd October 2026** at **11:30 a.m.** at **Karachi**.

Share Transfer Books of the Company for its following securities will be closed from **16th October 2026** to **23rd October 2026** (both days inclusive).

- Aisha Steel Mills Limited (Ordinary) – ASL
- Aisha Steel Mills Limited (Preference Shares) – ASLPS
- Aisha Steel Mills Limited (Cumulative Preference Shares) – ASLCPS

Transfers received for aforementioned securities in order at the office of our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi at the close of the business on **Thursday, 15th October 2026** will be considered in time for the determination of entitlement of respective preferential shareholders to preferential dividends and for all shareholders to attend and vote at the meeting.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting.

Yours' faithfully

AISHA STEEL MILLS LTD. ASML KARACHI

Manzoor Raza
Company Secretary

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AISHA STEEL MILLS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees '000	
Revenue from contracts with customers	24	54,235,224	33,751,703
Cost of sales	25	(48,302,539)	(32,084,444)
Gross profit		5,932,685	1,667,259
Selling and distribution cost	26	(1,653,625)	(480,862)
Administrative expenses	27	(635,183)	(582,535)
Operating profit		3,643,877	603,862
Other expenses	28	(221,049)	(75,714)
Other income	29	60,147	538,014
Finance costs	30	(1,727,312)	(2,732,465)
Profit / (loss) before levies and income tax		1,755,663	(1,666,303)
Levies - minimum tax	31	(134,011)	(53,859)
Profit / (loss) before income tax		1,621,652	(1,720,162)
Income tax (charge) / credit	32	(640,503)	368,308
Profit / (loss) for the year		981,149	(1,351,854)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of employee benefit obligations net of deferred tax		639	(20,109)
Surplus on revaluation of property, plant and equipment		316,411	-
Related deferred tax for the year		(15,322)	-
Adjustment related to opening deferred tax balance on buildings		10,251	-
		311,340	-
Other comprehensive income / (loss) for the year		311,979	(20,109)
Total comprehensive income / (loss) for the year		1,293,128	(1,371,963)
		Rupees	Rupees
Earnings / (loss) per share			
- Basic	33.1	0.99	(1.55)
- Diluted	33.2	0.97	(1.55)

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

Chief Executive	Director	Chief Financial Officer

Annexure-B

AISHA STEEL MILLS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

	Note	2026	2025
		Rupees '000	
ASSETS			
Non-current assets			
Property, plant and equipment	4	19,511,817	19,594,487
Intangible assets	5	31,659	37,368
Long-term advances	6	274	279
Long-term deposits	7	95,692	65,613
Deferred tax asset	8	3,347,839	3,407,688
		22,987,281	23,105,435
Current assets			
Inventories	9	18,400,582	8,101,475
Trade and other receivables	10	3,508,742	1,477,417
Loans, advances and prepayments	11	679,231	543,452
Tax refunds due from government - sales tax		712,116	280,611
Taxation - payments less provision		4,999,672	4,795,775
Cash and bank balances	12	501,790	452,292
		28,802,133	15,651,022
Total assets		51,789,414	38,756,457
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	13		
Ordinary shares		9,307,848	9,300,159
Cumulative preference shares		437,261	444,950
Difference on conversion of cumulative preference shares into ordinary shares		(1,762,459)	(1,762,459)
		7,982,650	7,982,650
Capital reserve			
Surplus on revaluation of property, plant and equipment	14	2,509,685	2,214,080
Capital reduction reserve		667,686	667,686
Revenue reserve			
Unappropriated profit / (accumulated loss)		468,122	(529,401)
Contributions from sponsor	15	14,200,000	10,281,098
		25,828,143	20,616,113
Liabilities			
Non-current liabilities			
Lease liabilities	17	176,588	152,174
Employee benefit obligations	18	300,597	260,206
		477,185	412,380
Current liabilities			
Trade and other payables	19	9,372,125	1,070,049
Provisions	20	497,195	497,195
Short-term borrowings	21	15,301,884	15,069,089
Unclaimed dividend		2,150	2,378
Current maturity of long-term finance	16	-	593,580
Current maturity of lease liabilities	17	23,373	21,091
Accrued mark-up	22	287,359	474,582
		25,484,086	17,727,964
Total liabilities		25,961,271	18,140,344
Contingencies and commitments	23		
Total equity and liabilities		51,789,414	38,756,457

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

Chief Executive　　　Director　　　Chief Financial Officer

Annexure-C

AISHA STEEL MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share capital			Reserves			Contribution from sponsor	Total
				Capital		Revenue		
	Ordinary shares	Cumulative preference shares	Difference on conversion of cumulative preference shares into ordinary shares	Surplus on revaluation of property, plant and equipment	Capital reduction reserve (note 13.2)	unappropriated profit / (accumulated loss)		
	Rupees '000							
Balance as at July 1, 2024	9,300,159	444,950	(1,762,459)	2,229,316	667,686	827,326	4,000,000	15,706,978
Incremental depreciation net of deferred tax transferred	-	-	-	(15,236)	-	15,236	-	-
Net Contributions received - note 15	-	-	-	-	-	-	6,281,098	6,281,098
Total comprehensive loss for the year ended June 30, 2025								
- Loss for the year ended June 30, 2025	-	-	-	-	-	(1,351,854)	-	(1,351,854)
- Other comprehensive income / (loss) for the year ended June 30, 2025	-	-	-	-	-	(20,109)	-	(20,109)
	-	-	-	-	-	(1,371,963)	-	(1,371,963)
Balance as at June 30, 2025	9,300,159	444,950	(1,762,459)	2,214,080	667,686	(529,401)	10,281,098	20,616,113
Incremental depreciation net of deferred tax transferred	-	-	-	(15,735)	-	15,735	-	-
Net Contributions received - note 15	-	-	-	-	-	-	3,918,902	3,918,902
Cumulative preference shares of Rs.10 each converted into 1 ordinary share of Rs. 10 each during the period	7,689	(7,689)	-	-	-	-	-	-
Total comprehensive income for the year ended June 30, 2026								
- Profit for the year ended June 30, 2026	-	-	-	-	-	981,149	-	981,149
- Other comprehensive income for the year ended June 30, 2026	-	-	-	311,340	-	639	-	311,979
	-	-	-	311,340	-	981,788	-	1,293,128
Balance as at June 30, 2026	9,307,848	437,261	(1,762,459)	2,509,685	667,686	468,122	14,200,000	25,828,143

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

Chief Executive **Director** **Chief Financial Officer**

AISHA STEEL MILLS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	34	(143,838)	2,307,675
Income tax and levies paid		(924,008)	(589,439)
Mark-up paid		(1,842,648)	(3,369,186)
Return on bank deposits received		13,408	9,673
Employee benefits paid		(26,524)	(30,237)
Receipts from long-term advances		5	15
Receipt / (payment) against long-term deposits		(30,079)	2,988
Net cash used in operating activities		(2,953,684)	(1,668,511)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(516,621)	(307,947)
Sale proceeds from disposal of property, plant and equipment		10,381	5,433
Net cash used in investing activities		(506,240)	(302,514)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term finance		(612,867)	(2,623,100)
Contributions received from sponsor		6,918,902	8,281,098
Repayments made to sponsor		(3,000,000)	(2,000,000)
Short-term loan obtained		47,710,132	43,712,191
Short-term loan repaid		(49,730,864)	(43,814,619)
Dividend paid		(228)	(845)
Lease rentals paid		(29,180)	(29,868)
Net cash generated from financing activities		1,255,895	3,524,857
Net (decrease) / increase in cash and cash equivalents		(2,204,029)	1,553,832
Cash and cash equivalents at beginning of the year		(21)	(1,553,853)
Cash and cash equivalents at end of the year	35	(2,204,050)	(21)

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

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

Chief Executive | Director | Chief Financial Officer

AISHA STEEL
MILLS LIMITED

ARIF HABIB GROUP

Directors' Report

Dear Fellow Shareholders,

The directors of **Aisha Steel Mills Limited (ASML)** are pleased to present the Company's Annual Report and Audited Financial Statements for the year ended June 30, 2026, together with the Auditors' Report thereon. This report also provides a brief overview of the steel market and the Company's financial and operational performance during the year.

Principal Activities

ASML manufactures Cold Rolled Coils (CRC) and Galvanized Iron Coils (GI) in accordance with international quality standards, using imported Hot Rolled Coils (HRC) as the primary raw material.

The Company's products serve as premium raw material for further processing across the automotive, industrial, engineering, and manufacturing sectors. These products support both domestic and export markets. GI products are also used in various applications, including building accessories, pipes, and electrical appliances.

Steel Market Review

International HRC Prices

International HRC prices remained broadly stable at around US$ 450 per ton FOB China from June 2025 to January 2026. Prices began to rise after hostilities between the United States and Iran escalated into a full-scale conflict, peaking at approximately US$ 550 per ton FOB China in May 2026. As the conflict subsided, prices eased to around US$ 490 per ton FOB China by June 2026. The market appears to have stabilized at this level; however, developments in the Middle East could cause conditions to change quickly.

Trade Tariffs and Export Markets

The current U.S. administration has imposed a 50% tariff on steel imports from several countries, including Pakistan. This significantly slowed the Company's exports to the United States. However, exports to Europe increased during the period.

More recently, U.S. steel prices have risen to levels where exports may again become viable despite the 50% tariff.

Domestic Demand and Local Market Share

Steel demand in Pakistan continued to recover. In the flat steel cold-rolled segment, which mainly comprises CRC and GI, overall demand increased from 1.04 million tons in FY 2024-25 to 1.13 million tons in FY 2025-26, representing growth of approximately 9%.

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Since most HRC is imported from Japan and China, the Gulf conflict had limited impact on HRC availability or on CRC and GI imports. Local steel prices generally followed international market trends. Encouragingly, the share of local producers increased from 37% in FY 2024-25 to 48% in FY 2025-26.

FATA/PATA Tax Incentive Phase-Out

The sales tax exemption previously available on imports from the FATA/PATA region expired during FY 2024-25. Imports from these regions are now subject to 12% sales tax instead of zero sales tax.

This rate is expected to increase gradually each year until it aligns with the standard 18% sales tax applicable elsewhere in the country. As a result, imports from FATA/PATA have become less attractive, and quantities sold in the open market have declined as well.

Anti-Dumping Duties on Alternate Products

As reported earlier, the National Tariff Commission (NTC), after completing its due diligence and review process, imposed anti-dumping duties on alternate products such as ZAM and Galvalume. These products are now subject to anti-dumping duties similar to those applicable to CRC and GI.

Impact on Local Producers

Both developments have supported local flat steel producers in increasing their market share. ASML's capacity utilization improved from 23% last year to 39% in FY 2025-26 and is expected to exceed 50% during the current financial year.

Company's Performance Highlights

Sales and Exports

During the July 2025 to June 2026 period, the Company sold a total of 257,144 tons, including 61,583 tons of exports. This represents an increase of approximately 73% compared to 148,942 tons sold in the corresponding period last year. Export volumes also increased significantly from 25,456 tons in the previous year.

Production and Inventory

Total production for the period reached 266,476 tons, compared with 162,599 tons produced in the corresponding period last year, reflecting an increase of approximately 64%. Average inventory during the July-to-June period was 24,058 tons, compared with 14,275 tons recorded in the same period last year.

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Revenue Growth

Total revenue for the period was Rs. 54.24 billion, compared with Rs. 33.75 billion in the previous year, representing an increase of approximately 61%.

The overall summary of performance is given below:

	FY 2025-26 Jul-June	FY 2024-25 Jul-June
Avg. Monthly CRC & GI Production	22,206	13,228
Average Monthly CRC & GI Dispatch	21,429	12,412
Average Monthly FG Stock CRC & GI	24,058	14,275

Financial Indicators

Key Financial Performance

Gross profit margin also improved, rising to 10.89% from 4.94% in the previous year. The Company recorded a profit before tax of Rs. 1,756 million, compared with a loss before tax of Rs. 1,666 million last year.

The table below provides a comparison of the key financial indicators with the previous financial year. The Company's sales volume for FY 2025-26 increased by 73% compared with FY 2024-25, while revenue grew by approximately 61% during the same period.	**2026**	2025
Description	**(Rs. In Million)**	
Revenue	**54,235**	33,752
Gross profit	**5,933**	1,667
Profit from operations	**3,644**	604
Finance Costs	**(1,727)**	(2,732)
Profit / (loss) before levies and tax	**1,756**	(1,666)
Profit / (loss) after levies and tax	**981**	(1,352)
	Earnings / (Loss) per share in (Rupees)	
Basic	**0.99**	(1.55)

Relatively higher sale volumes have helped the company to improve margins compared to the last financial year.

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Future Outlook

Policy and Regulatory Support

From FY 2025-26, imports from FATA/PATA are subject to 12% sales tax, further reducing their competitive impact on the local market. In addition, the implementation of anti-circumvention measures by the National Tariff Commission is expected to discourage imports of alternate products such as GL and ZAM, supporting greater participation by local producers.

Market Demand and Company Priorities

Improving economic indicators are likely to support further demand growth in the flat steel sector. As the profits for the year, after meeting the dividend entitlement of preference shareholders, are insufficient to support a dividend for ordinary shareholders, the Board has not recommended any dividend to ordinary shareholders for the year. The Company remains confident in its outlook and is committed to increasing its market share while delivering sustainable long-term returns to shareholders.

Non-Financial Performance

Operational Excellence and Quality

The Company has established itself as one of the leading quality producers of both CRC and GI coils. Its well-defined systems, procedures, and experienced management team support the successful operation of this world-class facility.

Continuous improvement in quality and productivity remains the Company's core operational philosophy. At the same time, the Company recognizes the need to further strengthen its marketing efforts to compete more effectively in the market.

Customer Service and Human Capital Development

The Company has set and achieved high standards of customer service and satisfaction within the industry. During the year, it conducted various technical and behavioral training programs to enhance the skills and capabilities of its human capital.

Compliance and Stakeholder Relationships

The Company adheres to all applicable legal and regulatory requirements and maintains strong relationships with its stakeholders.

CRSM Restoration and Insurance Settlement

The skin-pass mode of the CRSM was restored soon after the fire incident in 2020. The rolling mode has also been made operational, and the Company has settled its claim with the insurance company.

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Existing Operations and Market Share

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

The overall market share of ASML, in the year 2025-26 increased to about 17% compared to 12% achieved in the previous year. The imports share decreased to 53% compared to 63% last year. The competitor's share in the local market increased to 21% compared to 17% achieved last year. The cold rolling facility, set up in Lahore, accounted for the balance 9%. ASML exports increased to about 61,583 tons compared to about 25,456 tons last year.

Nature of Business

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

Raw Material Procurement

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

Risk Management

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

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

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

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

The detailed Qualitative Reports and Quantitative analysis on Risk Management is presented in Note # 40 to the annexed audited financial statements.

Principal Risk Factors & Mitigants

Risk	Criticality	Mitigants
Inventory pile up risk The main raw material and the primary cost component of CRC/GI business is Hot Rolled Coil (HRC). Presently HRC is not produced locally and has to be imported from quality manufacturers across the world. All these mills operate on advance order basis. Typically, order has to be placed two to three months in advance. Allowing for shipping and clearance time, HRC inventory exposure of up to four month is normal for the business cycle. In case of abnormal price decline and subsequent slow lifting of the end users, the possibility of inventory pile up and the resulting loss is a real possibility.	High	Inventory pile up risk is mitigated by optimizing order quantities in line with market demand. Continuous monitoring of international market trends and timely adjustment at the local level can minimize inventory pile up risk.
Dumping Risk Traders / Investors import CRC / GI when the price differential increases.	Medium	CRC / GI import risk is mitigated by adopting market-based pricing policy. Representations are made with custom authorities to adopt policies to curb dumping. Enhancement in production capacities by local producers and competitive currency should also lessen the risk.

Work Equipment Operational Risk Risk of injuries during machinery operations.	Medium	Risk is mitigated by acquisition of state-of-the-art plant & machinery, hiring quality operators and implementation of tried and tested systems. Safety designs, controls and defined protocols are in place. Regular maintenance of plant and trainings of staff are conducted.
Credit Risk There is a risk that Company may not recover trade debts.	Low	More than 95% of sales are made against advances received. Further, credit is extended only to reliable customers for a period of less than a week.

Materiality Approach Adopted

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

Sustainability and DE&I Governance

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

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

Environment, Health & Safety

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

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

Corporate Social Responsibility (CSR)

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

ASML: An Employer of Choice

- **Diversity and Inclusion**

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

- **Gratuity Scheme**

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

- **Industrial Relations**

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

- **Sporting and Other Activities**

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

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Contribution to the National Exchequer

Your Company takes its contribution towards national economy seriously and has always discharged its obligations in a transparent, accurate and timely manner. The Company has contributed over PKR 9,991 million during the year towards National Exchequer comprising of income tax, sales tax, custom duty and excise duty.

Corporate Governance

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

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

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

Six directors (including the Chief Executive Officer) had completed the Directors' Training / Education Program whereas two directors were already exempt from attending the Directors Training Program as per criteria mentioned under Code of Corporate Governance.

Election of Directors

In accordance with the provisions of Section 161 of the Companies Act, 2017, the three years term of eight Directors elected in the Annual General Meeting of 2023 will be completed on October 31, 2026. Accordingly, the election of Directors shall take place in accordance with the provisions of the Companies Act, 2017 and other applicable statutes, in the forthcoming Annual General Meeting of the Company. In August 2026, the Board of Directors has fixed the number of Directors to be elected as eight. The total strength of the post-election Board of Directors of the Company shall be eight (8) elected Directors and the CEO of the Company who will be a deemed Director under section 188(3) of the Act.

Composition of Board / Committees

The Board of Directors comprises eight elected members, including seven male directors and one female director. During the year under review, Mr. Abdul Majeed and Ms. Saadia Umar were appointed as directors on July 14, 2025, to fill the casual vacancies arising from the resignations of Ms. Tayyaba Rasheed and Mr. Muhammad Haroon Usman in the preceding financial year. The Board ensured that the casual vacancies were filled within the prescribed timeframe. The composition of existing Board of Directors and its Committees is as follows:

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

Trading in Company's Share by Directors and Executives

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

A statement showing the Company's shares bought and sold by its directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor family members is annexed as Annexure-I. Except as disclosed in Annexure-I, there has been no trading in Company's shares by any "Executive" of the Company which are CEO, CFO, Head of Internal Audit, Company Secretary and other employees designated as General Managers in the Company, being the threshold set by the directors for disclosure in annual reports.

Attendance at Board Meetings

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

Directors Remuneration Policy

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

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

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

The Chief Executive is the sole Executive Director on the Board. Non-Executive Directors are entitled to a fee of PKR 50,000 per Board meeting and PKR 25,000 per Committee meeting, along with reimbursement for travel-related expenses. These rates are subject to revision by the Board. During the year under review, PKR 1.45 million was paid to Non-Executive Directors for attending Board and Committee meetings, including related expenses. Details regarding the Chief Executive's and Executives' remuneration, as well as payments to Non-Executive Directors, are also disclosed in Note # 38 to the Audited Financial Statements.

Pattern of Shareholding

The ordinary and preference shares of the Company are listed on Pakistan Stock Exchange. There were 10,188 (2025: 10,397) ordinary shareholders and 2,132 (2025: 2,118) preference shareholders of the Company as of June 30, 2026. The detailed pattern of shareholding and categories of shareholding of the Company including shares held by directors and executives, if any, are annexed as Annexure-II.

Financial and Business Highlights

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

Audit Committee

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

Auditors

The present external auditors M/s. A. F. Ferguson & Co., Chartered Accountants, shall retire at the conclusion of Annual General Meeting on October 23, 2026 and being eligible, have offered themselves for reappointment for the year ending on June 30, 2027. The external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program. As suggested by the Audit Committee, the Board recommends reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants, as auditors of the Company for the financial year ending on June 30, 2027 at a fee to be mutually agreed. Approval to this effect will be sought from the shareholders in the forthcoming Annual General Meeting scheduled on October 23, 2026.

Post Balance Sheet Events – Subsequent Events

In its meeting held on August 18, 2026, the Board of Directors has recommended payment of the outstanding cumulative preferential dividends relating to the period from July 1, 2022 to June 30, 2026, on the Company's Cumulative Preference Shares ASLPS and ASLCPS, amounting to Rs. 343.71 million and Rs. 1.14 million respectively, in accordance with the respective terms and conditions of these preference shares. Subject to the approval by members at the Annual General Meeting to be held on October 23, 2026, effect of the above dividend distribution and related appropriation to reserves shall be reflected in the next year's financial statements.

Compliance with Secretarial Practices

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

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Related Party Transactions

In order to comply with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in Note # 37 to the annexed Audited Financial Statements.

Acknowledgement

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

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

For and on behalf of the Board

Dr. Munir Ahmed
Chief Executive

Mr. Kashif Habib
Director

Karachi: August 18, 2026

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