



# BRINGING DREAMS TO REALITY



**Unaudited Financial Statements**  
**For the period ended September 30, 2026**

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 78 years as  
**Pakistan's leading pipe company.**

international<sup>™</sup>  
industries  
built on trust



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# Company Information

## Chairman (Non-Executive)

Kamal A. Chinoy

## Independent Directors

Asif Jooma  
Haider Rashid  
Mansur Khan

## Non-Executive Directors

Muhammad Asad  
Mustapha A. Chinoy  
Selina R. Khan

## Chief Executive Officer

Yousuf H. Mirza

## Executive Director

Zain K. Chinoy

## Chief Financial Officer

Mujtaba Hussain

## Company Secretary & Head of Legal Affairs

Mohammad Irfan Bhatti

## Chief Internal Auditor

Muhammad Atif Khan

## External Auditors

M/s A.F. Ferguson & Co.

## Bankers

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 Limited  
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  
JS Bank Limited

## 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: 021-111-019-019  
E-mail: investors@iil.com.pk

## Lahore Office

Chinoy House, 6, Bank Square,  
Lahore – 54000, Pakistan  
Telephone: +9242-37229752-55  
UAN: +9242-111-019-019  
E-mail: lahore@iil.com.pk

## Islamabad Office

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

## Multan Office

Office no. 706, 7th Floor, United Mall,  
Abdali Road, Multan.

## Peshawar Office

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

## IIL Australia Pty Limited

22-A Princes Highway,  
Doveton VIC 3177, Australia.  
Website: www.iilaustralia.com

## IIL Americas Inc.

Suite 210 – 5800 Ambler Drive,  
Mississauga, ON L4W4J4, Canada  
Website: www.iilamericas.com

## INIL Europe Limited

Ground Floor, 71 Lower Baggot Street,  
Dublin 2, Co. Dublin,  
D02 P593, Ireland  
Website: www.iileurope.com

## IIL Trading Pvt. Limited

101, Beaumont Plaza, 10, Beaumont Road,  
Karachi – 75530, Pakistan  
UAN: 021-111-020-020  
E-mail: info.trading@iil.com.pk  
Website: www.iil.com.pk/en/page/iil-trading

## Factory 1

LX 15-16, Landhi Industrial Area,  
Karachi – 75120, Pakistan  
Telephone: +9221-35080451-55  
E-mail: factory@iil.com.pk

## Factory 2

Survey # 405 & 406, Rehri Road, Landhi,  
Karachi – 75160, Pakistan  
Telephone: +9221-35017026-28,  
35017030

## Factory 3

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

## IIL Trading Display Outlets

### Lahore:

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

### Islamabad:

Office No. 1, 3rd Floor, Tower 81,  
Civic Center, Gulberg Greens,  
Islamabad.

## Investor Relations Contact

### Shares Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block "B", S.M.C.H.S.,  
Shahrah-e-Faisal, Karachi, Pakistan  
Telephone: +92-080023275  
FAX: +9221-34326053  
E-mail: info@cdcsrsl.com  
Website: www.cdcsrsl.com

## Corporate Website

Website: www.iil.com.pk

# Directors' Report

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

The Directors are pleased to present the financial statements of International Industries Limited (the Company) for the first quarter ended September 30, 2026.

## Economy

Pakistan's economy continued its gradual recovery during the quarter, supported by improving foreign exchange reserves, resilient workers' remittances and fiscal consolidation under the International Monetary Fund (IMF) programme. However, inflationary pressures, elevated energy costs and geopolitical uncertainties continued to constrain growth. Average inflation stood at 10.2%, while the State Bank of Pakistan maintained its policy rate at 11.5%. Despite these challenges, the economic outlook remains encouraging, with GDP growth projected at approximately 3.7% for FY 2026-27.

## Steel Industry

The global steel industry continued to face subdued demand, excess capacity and increasing trade protectionism, resulting in volatile prices and intense competition. Domestically, early signs of recovery in construction and manufacturing offered some encouragement, although high energy costs and import competition continued to weigh on industry margins. A gradual revival in industrial activity and infrastructure investment is expected to support demand going forward.

## Operations

Against this backdrop, the Company delivered an encouraging performance, recording higher sales volumes across its principal product categories and revenue growth of 10% over the corresponding period last year. This momentum reflects the strength of its market position, diversified product portfolio and focused commercial efforts. Profitability, however, remained constrained by supply chain disruptions, significantly higher freight charges and rising input costs. Despite these pressures, the Company earned profit after tax of Rs. 270 million, with earnings per share of Rs. 2.05, demonstrating the resilience of its core business.

The Company's principal subsidiary, International Steels Limited (ISL), recorded a substantial improvement in profitability, reporting profit after tax of Rs. 2,207 million, compared with Rs. 620 million in the corresponding period last year. Earnings per share increased to Rs. 5.07 from Rs. 1.43, reflecting a strong turnaround in financial performance.

## Future Outlook

Looking ahead, the Company remains cautiously optimistic in its ability to capitalise on improving market conditions while navigating persistent cost and competitive pressures. Management will continue to prioritise profitable volume growth, higher capacity utilisation, value-added products and deeper market penetration, alongside selective export opportunities. Operational efficiencies, cost optimisation and prudent working capital management will remain central to sustaining profitability. Effective risk management and diversification of revenue streams will further support the Company's longer-term growth ambitions.

# Directors' Report

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

## Acknowledgement

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

For and on behalf of the Board of Directors



Kamal A. Chinoy

Chairman

Karachi: October 27, 2026



## ڈائریکٹرز کی رپورٹ برائے 30 ستمبر 2026

### مستقبل کے امکانات

کمپنی، آنے والے دنوں میں مارکیٹ میں اپنی حیثیت میں مزید بہتری لانے کے لئے اپنی سرمایہ کاری کی صلاحیت پر بھروسہ رکھتی ہے اور اس کے ساتھ موجودہ لاگت اور مسابقت کے دباؤ سے نمٹنے کے لئے بھی پر عزم ہے۔ انتظامیہ کی بھرپور توجہ حجم میں منافع بخش اضافے اور گنجائش کے زیادہ استعمال، اضافی فائدے کی پروڈکٹس اور مارکیٹ میں زیادہ وسعت پر توجہ دینے کے ساتھ منتخب برآمدات کے مواقع حاصل کرنے پر ترجیح دینے پر مرکوز ہے، جبکہ مستحکم منافع کے حصول کے لئے آپریشنز کی استعداد، لاگت کا بہترین استعمال اور جاری سرمایہ کاری کی دانشمندانہ تنظیم بنیادی توجہ میں شامل رہیں گے۔ نیز ڈرائے آمدنی کے لئے خدشات کی موثر تنظیم اور تنوع سے کمپنی کے طویل المدت ترقی کے عزائم کو تقویت حاصل ہوگی۔

### اظہارِ تشکر

بورڈ آف ڈائریکٹرز اپنے شیئر ہولڈرز، صارفین، ملازمین اور کاروباری ساتھیوں کے ہم پر مسلسل اعتماد، خلوص اور تعاون جاری رکھنے پر دلی شکریہ ادا کرتے ہیں۔

برائے اور منجانب

انٹرنیشنل انڈسٹریز لمیٹڈ

کمال اے چنائے

چیرمین

کراچی : 27 اکتوبر 2026



# ڈائریکٹرز کی رپورٹ

برائے 30 ستمبر 2026

انٹرنیشنل انڈسٹریز لمیٹڈ کے ڈائریکٹرز کمپنی کے مالیاتی گوشوارے برائے پہلی سہ ماہی مختتمہ 30 ستمبر 2026 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

## معاشی منظر نامہ

مذکورہ سہ ماہی کے دوران میں پاکستان کی معیشت رفتہ رفتہ بحالی کی جانب بڑھتی رہی ہے جس کو زر مبادلہ کے ذخائر میں بہتری، بیرون ملک کام کرنے والوں کی ترسیلات اور بین الاقوامی مالیاتی فنڈ (IMF) پروگرام کی بناء پر مالیاتی استحکام سے مدد ملی۔ تاہم افراط زر کے دباؤ، توانائی کی بڑھتی ہوئی قیمتوں اور ارضی سیاسیاتی غیر یقینی کیفیت کے باعث شرح نمو محدود رہی۔ افراط زر کی اوسط شرح 10.2% تھی جبکہ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کو 11.5% پر برقرار رکھا۔ ان تمام چیلنجز کے باوجود مالی سال 2026-2027 کے لئے معاشی منظر نامہ حوصلہ افزا ہے اور جی ڈی پی کی شرح بھی تقریباً 3.7% رہنے کی توقع ہے۔

## اسٹیل کی صنعت

عالمی سطح پر اسٹیل کی صنعت کو طلب میں کمی، اضافی گنجائش، بڑھتے ہوئے تجارتی تحفظات کا سامنا رہا جس کے نتیجے میں قیمتوں میں اتار چڑھاؤ اور سخت مسابقت کی فضا قائم رہی۔ ملکی سطح پر تعمیراتی اور پیداواری شعبہ جات میں بحالی کے حوصلہ افزا آثار نظر آنے لگے، اگرچہ توانائی کی بلند قیمتوں اور درآمدات میں مسابقت سے صنعتی مارجنز پر بوجھ پڑا۔ صنعتی سرگرمیوں میں بتدریج بحالی اور انفراسٹرکچر میں سرمایہ کاری ہونے سے طلب میں اضافے کی توقع کی جاسکتی ہے۔

## کاروباری سرگرمیاں

اس پس منظر کے ساتھ کمپنی نے حوصلہ افزاء کارکردگی کا مظاہرہ کیا اور اس کی بنیادی پروڈکٹس کی اقسام کی فروخت کے حجم میں اضافہ ہوا اور آمدنی میں گزشتہ سال کی اسی مدت کے مقابلے میں 10% اضافہ ہوا۔ بہتری کی اس رفتار سے کمپنی کی مارکیٹ پوزیشن میں استحکام، پروڈکٹس کے پورٹ فولیو میں تنوع اور بھرپور تجارتی کاوشوں کا پتہ چلتا ہے۔ تاہم سپلائی چین میں خلل، نقل و حمل کے اخراجات میں نمایاں اضافے اور بڑھتی ہوئی لاگت کے سبب منافع کی شرح محدود رہی۔ ان تمام اقسام کے دباؤ کے باوجود کمپنی نے 270 ملین ملین روپے کا بعد از ٹیکس منافع حاصل کیا جس سے فی شیئر آمدنی 2.05 روپے ہوئی جس سے ہمارے بنیادی کاروبار میں لچک کی عکاسی ہوتی ہے۔

کمپنی کی مرکزی ذیلی کمپنی انٹرنیشنل اسٹیلز لمیٹڈ (ISL) نے منافع میں نمایاں بہتری کا مظاہرہ کرتے ہوئے 2,207 ملین روپے کا بعد از ٹیکس منافع حاصل کیا جو کہ گزشتہ سال کی اسی مدت میں 620 ملین روپے تھا۔ اس طرح اس طرح فی شیئر آمدنی 1.43 روپے سے بڑھ کر 5.07 روپے ہو گئی جس سے کمپنی کی مالی کارکردگی میں نمایاں اضافے کا اظہار ہوتا ہے۔

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**Unconsolidated  
Condensed Interim Financial Statements**

# Unconsolidated Condensed Interim Statement of Financial Position (Un-audited)

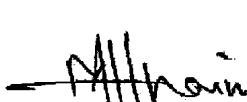
AS AT SEPTEMBER 30, 2026

|                                                      | Note | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|------------------------------------------------------|------|---------------------------------------|-------------------------------|
| ----- (Rupees in '000) -----                         |      |                                       |                               |
| <b>ASSETS</b>                                        |      |                                       |                               |
| <b>NON-CURRENT ASSETS</b>                            |      |                                       |                               |
| Property, plant and equipment                        | 5    | 12,455,715                            | 12,506,116                    |
| Intangible assets                                    |      | 93                                    | 133                           |
| Investments                                          | 6    | 3,409,930                             | 3,409,930                     |
| Long-term deposits                                   |      | 7,450                                 | 7,450                         |
|                                                      |      | <u>15,873,188</u>                     | <u>15,923,629</u>             |
| <b>CURRENT ASSETS</b>                                |      |                                       |                               |
| Stores and spares                                    |      | 296,803                               | 286,755                       |
| Stock-in-trade                                       | 7    | 11,627,645                            | 8,463,151                     |
| Trade debts                                          |      | 4,246,326                             | 3,240,715                     |
| Advances, trade deposits and prepayments             |      | 246,007                               | 97,367                        |
| Other receivables                                    |      | -                                     | 60,422                        |
| Staff retirement benefit                             |      | 210,310                               | 208,755                       |
| Sales tax receivable                                 |      | 555,387                               | 365,394                       |
| Cash and bank balances                               |      | 742,981                               | 1,219,227                     |
|                                                      |      | <u>17,925,459</u>                     | <u>13,941,786</u>             |
| Investment classified as held for sale - associate   | 6    | 48,450                                | 48,450                        |
| <b>TOTAL ASSETS</b>                                  |      | <u><b>33,847,097</b></u>              | <u><b>29,913,865</b></u>      |
| <b>EQUITY AND LIABILITIES</b>                        |      |                                       |                               |
| <b>SHARE CAPITAL AND RESERVES</b>                    |      |                                       |                               |
| <b>Share capital</b>                                 |      |                                       |                               |
| Issued, subscribed and paid-up capital               |      | 1,318,819                             | 1,318,819                     |
| <b>Revenue reserves</b>                              |      |                                       |                               |
| General reserve                                      |      | 2,700,036                             | 2,700,036                     |
| Unappropriated profit                                |      | 9,548,181                             | 9,264,769                     |
| <b>Capital reserve</b>                               |      |                                       |                               |
| Revaluation surplus on property, plant and equipment |      | 7,302,458                             | 7,315,759                     |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                    |      | <u><b>20,869,494</b></u>              | <u><b>20,599,383</b></u>      |
| <b>LIABILITIES</b>                                   |      |                                       |                               |
| <b>NON-CURRENT LIABILITIES</b>                       |      |                                       |                               |
| Long-term financing - secured                        | 8    | 333,207                               | 357,813                       |
| Deferred income - government grant                   |      | 12,907                                | 14,510                        |
| Sindh Infrastructure Development Cess                | 9    | 510,869                               | -                             |
| Deferred taxation - net                              |      | 232,145                               | 232,145                       |
|                                                      |      | <u>1,089,128</u>                      | <u>604,468</u>                |
| <b>CURRENT LIABILITIES</b>                           |      |                                       |                               |
| Trade and other payables                             | 10   | 4,958,949                             | 3,982,675                     |
| Contract liabilities                                 |      | 586,425                               | 591,059                       |
| Short-term borrowings - secured                      | 11   | 5,903,879                             | 3,739,191                     |
| Unclaimed dividend                                   |      | 42,124                                | 44,664                        |
| Current portion of long-term financing - secured     | 8    | 104,561                               | 104,090                       |
| Taxation - net                                       |      | 167,151                               | 158,829                       |
| Accrued mark-up                                      |      | 125,386                               | 89,505                        |
|                                                      |      | <u>11,888,475</u>                     | <u>8,710,013</u>              |
| <b>TOTAL LIABILITIES</b>                             |      | <u><b>12,977,603</b></u>              | <u><b>9,314,481</b></u>       |
| <b>CONTINGENCIES AND COMMITMENTS</b>                 | 12   |                                       |                               |
| <b>TOTAL EQUITY AND LIABILITIES</b>                  |      | <u><b>33,847,097</b></u>              | <u><b>29,913,865</b></u>      |

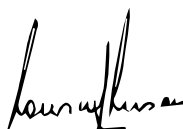
The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



**Haider Rashid**  
Director & Chairman  
Board Audit Committee



**Mujtaba Hussain**  
Chief Financial  
Officer



**Yousuf H. Mirza**  
Chief Executive  
Officer

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

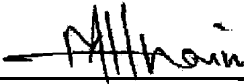
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

| Note                                    | Three months ended           |                    |
|-----------------------------------------|------------------------------|--------------------|
|                                         | September 30, 2026           | September 30, 2025 |
|                                         | ----- (Rupees in '000) ----- |                    |
| Revenue from contracts with customers   | 13 8,002,724                 | 7,302,232          |
| Cost of sales                           | (7,161,417)                  | (6,387,922)        |
| <b>Gross profit</b>                     | <b>841,307</b>               | 914,310            |
| Selling and distribution expenses       | (668,914)                    | (405,153)          |
| Administrative expenses                 | (187,660)                    | (127,057)          |
| Charge of loss allowance on trade debts | (28,887)                     | (2,154)            |
|                                         | (885,461)                    | (534,364)          |
| Operating (loss) / profit               | (44,154)                     | 379,946            |
| Finance cost                            | (157,234)                    | (142,169)          |
| Other operating charges                 | (28,642)                     | (23,238)           |
|                                         | (185,876)                    | (165,407)          |
| Other income                            | 603,744                      | 608,768            |
| <b>Profit before income tax</b>         | <b>373,714</b>               | 823,307            |
| Income tax expense                      | (103,603)                    | (226,111)          |
| <b>Profit after tax for the period</b>  | <b>270,111</b>               | 597,196            |
| <b>Earnings per share</b>               |                              |                    |
| - basic and diluted (Rupees)            | 2.05                         | 4.53               |

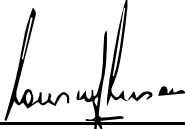
The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



**Haider Rashid**  
Director & Chairman  
Board Audit Committee



**Mujtaba Hussain**  
Chief Financial  
Officer



**Yousuf H. Mirza**  
Chief Executive  
Officer

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

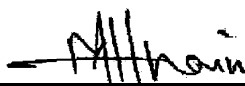
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                                  | Three months ended           |                    |
|--------------------------------------------------|------------------------------|--------------------|
|                                                  | September 30, 2026           | September 30, 2025 |
|                                                  | ----- (Rupees in '000) ----- |                    |
| Profit after tax for the period                  | 270,111                      | 597,196            |
| Other comprehensive income                       | -                            | -                  |
| <b>Total comprehensive income for the period</b> | <b>270,111</b>               | <b>597,196</b>     |

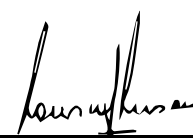
The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



**Haider Rashid**  
Director & Chairman  
Board Audit Committee



**Mujtaba Hussain**  
Chief Financial  
Officer



**Yousuf H. Mirza**  
Chief Executive  
Officer

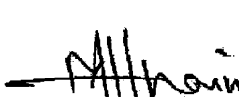
# Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                                                                                                                 | Issued,<br>subscribed<br>and paid-up<br>capital | Revenue<br>General<br>reserve | Reserves<br>Unappropriated<br>profit | Capital Reserve<br>Revaluation<br>surplus on<br>property, plant<br>and equipment | Total             |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------|--------------------------------------|----------------------------------------------------------------------------------|-------------------|
| (Rupees in '000)                                                                                                                |                                                 |                               |                                      |                                                                                  |                   |
| <b>Balance as at July 1, 2025</b>                                                                                               | <b>1,318,819</b>                                | <b>2,700,036</b>              | <b>8,229,862</b>                     | <b>7,410,004</b>                                                                 | <b>19,658,721</b> |
| 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<br>property, plant and equipment on account<br>of incremental depreciation - net of tax | -                                               | -                             | 37,130                               | (37,130)                                                                         | -                 |
| <b>Transactions with owners recorded<br/>directly in equity - distributions</b>                                                 |                                                 |                               |                                      |                                                                                  |                   |
| Dividend:                                                                                                                       |                                                 |                               |                                      |                                                                                  |                   |
| - Final dividend at 40% (i.e. Rs. 4.00 per<br>share) for the year ended June 30, 2025                                           | -                                               | -                             | (527,528)                            | -                                                                                | (527,528)         |
| <b>Balance as at September 30, 2025</b>                                                                                         | <b>1,318,819</b>                                | <b>2,700,036</b>              | <b>8,336,660</b>                     | <b>7,372,874</b>                                                                 | <b>19,728,389</b> |
| <b>Balance as at July 1, 2026</b>                                                                                               | <b>1,318,819</b>                                | <b>2,700,036</b>              | <b>9,264,769</b>                     | <b>7,315,759</b>                                                                 | <b>20,599,383</b> |
| Profit after tax for the period                                                                                                 | -                                               | -                             | 270,111                              | -                                                                                | 270,111           |
| Other comprehensive income for the period                                                                                       | -                                               | -                             | -                                    | -                                                                                | -                 |
| Total comprehensive income for the period                                                                                       | -                                               | -                             | 270,111                              | -                                                                                | 270,111           |
| Transferred from revaluation surplus on<br>property, plant and equipment on account<br>of incremental depreciation - net of tax | -                                               | -                             | 13,301                               | (13,301)                                                                         | -                 |
| <b>Balance as at September 30, 2026</b>                                                                                         | <b>1,318,819</b>                                | <b>2,700,036</b>              | <b>9,548,181</b>                     | <b>7,302,458</b>                                                                 | <b>20,869,494</b> |

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

  
Haider Rashid  
Director & Chairman  
Board Audit Committee

  
Mujtaba Hussain  
Chief Financial  
Officer

  
Yousuf H. Mirza  
Chief Executive  
Officer

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

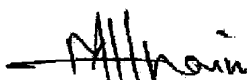
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                                          |      | <b>Three months ended</b>           |                           |
|----------------------------------------------------------|------|-------------------------------------|---------------------------|
|                                                          | Note | <b>September 30, 2026</b>           | <b>September 30, 2025</b> |
|                                                          |      | <b>----- (Rupees in '000) -----</b> |                           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |      |                                     |                           |
| Cash used in operations                                  | 14   | <b>(2,050,901)</b>                  | (592,416)                 |
| Finance cost paid                                        |      | <b>(92,010)</b>                     | (90,589)                  |
| Restricted cash on account of lien                       |      | <b>504,580</b>                      | -                         |
| Income on bank deposits received                         |      | <b>4,822</b>                        | 2,182                     |
| Sindh Infrastructure Development Cess paid               |      | <b>(273,697)</b>                    | -                         |
| Staff retirement benefits paid                           |      | <b>(4,356)</b>                      | (13,388)                  |
| Payment on account of compensated absences               |      | <b>(12,863)</b>                     | (9,216)                   |
| Income tax paid - net                                    |      | <b>(95,281)</b>                     | (238,791)                 |
| Net cash used in from operating activities               |      | <b>(2,019,706)</b>                  | (942,218)                 |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |      |                                     |                           |
| Payment for acquisition of property, plant and equipment | 5    | <b>(86,692)</b>                     | (50,347)                  |
| Proceeds from disposal of property, plant and equipment  |      | <b>198</b>                          | 39,264                    |
| Net cash used in investing activities                    |      | <b>(86,494)</b>                     | (11,083)                  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>              |      |                                     |                           |
| Repayment of long-term financing                         |      | <b>(27,613)</b>                     | (39,381)                  |
| Short - term borrowings obtained                         |      | <b>7,635,691</b>                    | 7,500,714                 |
| Short - term borrowings repaid                           |      | <b>(6,286,305)</b>                  | (6,133,118)               |
| Dividend paid                                            |      | <b>(2,540)</b>                      | (30)                      |
| Net cash generated from financing activities             |      | <b>1,319,233</b>                    | 1,328,185                 |
| Net (decrease) / increase in cash and cash equivalents   |      | <b>(786,968)</b>                    | 374,884                   |
| Cash and cash equivalents at beginning of the period     |      | <b>(458,625)</b>                    | (247,113)                 |
| Cash and cash equivalents at end of the period           | 15   | <b>(1,245,593)</b>                  | 127,771                   |

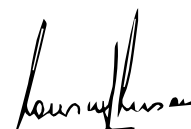
The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



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Director & Chairman  
Board Audit Committee



**Mujtaba Hussain**  
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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, 2026

## 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. 706, 7th Floor, United Mall, Abdali Road, Multan;
- iii) Office no. 1 & 2, 1st Floor, Hurmaz Plaza, Main University Road, Peshawar;
- iv) Plot no. 9, Stree 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.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

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, 2026.
- 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, 2026, 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, 2025.
- 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, 2026.

## **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, 2026. However, these do not have any significant impact on the Company's financial reporting.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 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, 2027. 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.

## 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, 2026.
- 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, 2026.

## 5. PROPERTY, PLANT AND EQUIPMENT

|                                                     | Operating<br>assets          | Capital work-<br>in-progress<br>(including<br>capital stores<br>and spares) | Total              |
|-----------------------------------------------------|------------------------------|-----------------------------------------------------------------------------|--------------------|
|                                                     | ----- (Rupees in '000) ----- |                                                                             |                    |
| <b>Cost / revalued amount</b>                       |                              |                                                                             |                    |
| Balance at beginning of the period                  | 17,533,435                   | 52,811                                                                      | 17,586,246         |
| Additions                                           | -                            | 86,692                                                                      | 86,692             |
| Transfers                                           | 45,869                       | (45,869)                                                                    | -                  |
| Disposals                                           | (1,317)                      | -                                                                           | (1,317)            |
|                                                     | <u>17,577,987</u>            | <u>93,634</u>                                                               | <u>17,671,621</u>  |
| <b>Accumulated depreciation</b>                     |                              |                                                                             |                    |
| Balance at beginning of the period                  | (5,080,130)                  | -                                                                           | (5,080,130)        |
| Charge for the period                               | (137,093)                    | -                                                                           | (137,093)          |
| Disposals                                           | 1,317                        | -                                                                           | 1,317              |
|                                                     | <u>(5,215,906)</u>           | <u>-</u>                                                                    | <u>(5,215,906)</u> |
| <b>Written down value</b>                           |                              |                                                                             |                    |
| <b>as at September 30, 2026 (Un-audited)</b>        | <u>12,362,081</u>            | <u>93,634</u>                                                               | <u>12,455,715</u>  |
| Written down value<br>as at June 30, 2026 (Audited) | <u>12,453,305</u>            | <u>52,811</u>                                                               | <u>12,506,116</u>  |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 6. INVESTMENTS

| (Un-audited)<br>September 30,<br>2026<br>----- (Number of shares) ----- | (Audited)<br>June 30,<br>2026 |                                                                                                                              | Note | (Un-audited)<br>September 30,<br>2026<br>----- (Rupees in '000) ----- | (Audited)<br>June 30,<br>2026 |
|-------------------------------------------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------------------------------------------------|-------------------------------|
| <b>Quoted Companies</b>                                                 |                               |                                                                                                                              |      |                                                                       |                               |
| <b>245,055,543</b>                                                      | 245,055,543                   | International Steels Limited (ISL)<br>- subsidiary company, at cost                                                          |      | <b>2,450,555</b>                                                      | 2,450,555                     |
| <b>9,325,438</b>                                                        | 9,325,438                     | Pakistan Cables Limited (PCL)<br>- associated company, at cost                                                               |      | <b>817,553</b>                                                        | 817,553                       |
| <b>Un-quoted Companies</b>                                              |                               |                                                                                                                              |      |                                                                       |                               |
| <b>150,000</b>                                                          | 150,000                       | IIL Americas Inc. (IIL Americas)<br>- subsidiary company, at cost                                                            |      | <b>17,966</b>                                                         | 17,966                        |
| <b>100,000</b>                                                          | 100,000                       | IIL Australia Pty. Limited<br>(IIL Australia) - subsidiary<br>company, at cost                                               |      | <b>9,168</b>                                                          | 9,168                         |
| <b>7,727,270</b>                                                        | 7,727,270                     | IIL Trading (Private) Limited<br>(Formerly IIL Construction<br>Solutions (Private) Limited)<br>- subsidiary company, at cost |      | <b>77,273</b>                                                         | 77,273                        |
| <b>4,845,000</b>                                                        | 4,845,000                     | Chinoy Engineering & Construction<br>(Private) Limited (CECL)<br>- associated company, at cost                               |      | <b>48,450</b>                                                         | 48,450                        |
| <b>90,000</b>                                                           | 90,000                        | INIL Europe Limited<br>- subsidiary company, at cost                                                                         |      | <b>27,415</b>                                                         | 27,415                        |
| <b>1,000,000</b>                                                        | 1,000,000                     | CFS Mineral (Pvt.) Limited<br>- associated company, at cost                                                                  |      | <b>10,000</b>                                                         | 10,000                        |
|                                                                         |                               |                                                                                                                              |      | <b>3,458,380</b>                                                      | 3,458,380                     |
| <b>Investment classified as<br/>held for sale - associate</b>           |                               | Chinoy Engineering & Construction<br>(Private) Limited (CECL)<br>- associated company, at cost                               |      | <b>(48,450)</b>                                                       | (48,450)                      |
|                                                                         |                               |                                                                                                                              |      | <b>3,409,930</b>                                                      | 3,409,930                     |

## 7. STOCK-IN-TRADE

|                        |     |                   |           |
|------------------------|-----|-------------------|-----------|
| Raw material - in hand | 7.1 | <b>4,052,320</b>  | 3,529,758 |
| - in transit           |     | <b>2,991,714</b>  | 1,294,508 |
|                        |     | <b>7,044,034</b>  | 4,824,266 |
| Work-in-process        |     | <b>1,600,745</b>  | 1,381,256 |
| Finished goods         |     | <b>2,750,488</b>  | 2,107,458 |
| By-products            |     | <b>168,022</b>    | 74,259    |
| Scrap material         |     | <b>64,356</b>     | 75,912    |
|                        |     | <b>11,627,645</b> | 8,463,151 |

**7.1** Raw material amounting to Rs.3.9 million as at September 30, 2026 (June 30, 2026: Rs. 5.2 million) was held at a vendor's premises for the production of pipe caps.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                                       | Note | (Un-audited)<br>September 30,<br>2026<br>----- (Rupees in '000) ----- | (Audited)<br>June 30,<br>2026 |
|-------------------------------------------------------|------|-----------------------------------------------------------------------|-------------------------------|
| <b>8. LONG-TERM FINANCING - secured</b>               |      |                                                                       |                               |
| <b>CONVENTIONAL</b>                                   |      |                                                                       |                               |
| Long-Term Finance Facility (LTFF)                     | 8.2  | <b>188,978</b>                                                        | 200,486                       |
|                                                       |      | <b>188,978</b>                                                        | 200,486                       |
| <b>ISLAMIC</b>                                        |      |                                                                       |                               |
| Islamic Long-Term Finance Facility (ILTFF)            | 8.3  | <b>49,797</b>                                                         | 54,616                        |
| Islamic Temporary Economic Refinance Facility (ITERF) | 8.4  | <b>163,185</b>                                                        | 170,693                       |
| Islamic Finance Facility for Renewable Energy (IFRE)  | 8.5  | <b>55,556</b>                                                         | 57,778                        |
|                                                       |      | <b>268,538</b>                                                        | 283,087                       |
|                                                       |      | <b>457,516</b>                                                        | 483,573                       |
| Less: Deferred income - government grant              |      | <b>(19,748)</b>                                                       | (21,670)                      |
| Less: Current portion of long-term financing:         |      |                                                                       |                               |
| <b>CONVENTIONAL</b>                                   |      |                                                                       |                               |
| Long-Term Finance Facility (LTFF)                     |      | <b>(50,776)</b>                                                       | (50,309)                      |
|                                                       |      | <b>(50,776)</b>                                                       | (50,309)                      |
| <b>ISLAMIC</b>                                        |      |                                                                       |                               |
| Islamic Long-Term Finance Facility (ILTFF)            |      | <b>(14,859)</b>                                                       | (14,856)                      |
| Islamic Temporary Economic Refinance Facility (ITERF) |      | <b>(30,037)</b>                                                       | (30,036)                      |
| Islamic Finance Facility for Renewable Energy (IFRE)  |      | <b>(8,889)</b>                                                        | (8,889)                       |
|                                                       |      | <b>(53,785)</b>                                                       | (53,781)                      |
|                                                       |      | <b>(104,561)</b>                                                      | (104,090)                     |
|                                                       |      | <b>333,207</b>                                                        | 357,813                       |

**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.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 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.

## 9. Sindh Infrastructure Development Cess

This represents the discounted long-term portion of Sindh Infrastructure Development Cess (SIDC) liability arising from the deferred settlement arrangement. During the quarter, the Company entered into a settlement agreement with the Government of Sindh for the outstanding liability of SIDC amounting to PKR 1,825 million. The aforementioned liability has been remeasured at present value by discounting the future cash flows using the effective discount rate at management's best estimate. The resulting gain amounting to PKR 597 million, representing the difference between the nominal value of the liability and its present value, has been recognised as other income in the statement of profit or loss.

|                                                          | Note | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|----------------------------------------------------------|------|---------------------------------------|-------------------------------|
|                                                          |      | ----- (Rupees in '000) -----          |                               |
| <b>10. TRADE AND OTHER PAYABLES</b>                      |      |                                       |                               |
| Trade creditors                                          |      | 135,378                               | 43,621                        |
| Bills payable                                            |      | 2,644,499                             | 910,875                       |
| Accrued expenses                                         | 10.1 | 1,427,114                             | 1,084,168                     |
| Provision for Sindh Infrastructure Development Cess      |      | -                                     | 1,824,645                     |
| Short-term compensated absences                          |      | 6,500                                 | 11,000                        |
| Workers' Profit Participation Fund                       |      | 13,489                                | 11,552                        |
| Workers' Welfare Fund                                    | 10.2 | 46,354                                | 86,400                        |
| Current portion of deferred income                       |      |                                       |                               |
| government grant                                         |      | 6,841                                 | 7,160                         |
| Current portion of Sindh Infrastructure Development Cess |      | 470,324                               | -                             |
| Others                                                   |      | 208,450                               | 3,254                         |
|                                                          |      | <b>4,958,949</b>                      | <b>3,982,675</b>              |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 10.1** These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 359.04 million (June 30, 2026: Rs. 359.04 million)

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 exceptions allowed under section 8(2) of the GIDC Act to the industrial sector are also available. Further, payment of accumulated Gas Infrastructure Development Cess (the Cess) was allowed in 48 installments instead of 24 installments.

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 filed a petition with the SHC challenging the validity of the GIDC Act, 2015.

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.

This also includes a payable against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 86.65 million (June 30, 2026: 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 01, 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. The Company did not prefer an appeal before the Supreme Court against the said order and paid the differential tariff in four (4) equal installments.

- 10.2** 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 a 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.

Government of Sindh has challenged the decision of SHC before the Federal Constitution Court where Company has filed its defense.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

(Un-audited)                      (Audited)  
Note    September 30,                      June 30,  
                 2026                                      2026  
----- (Rupees in '000) -----

## 11. SHORT-TERM BORROWINGS - secured

### CONVENTIONAL

|                                                                             |      |                  |           |
|-----------------------------------------------------------------------------|------|------------------|-----------|
| Running finance under mark-up arrangement from banks                        | 11.1 | <b>1,988,574</b> | 1,173,272 |
| Short-term borrowing under Money Market Scheme maturing within three months | 11.2 | <b>550,000</b>   | 550,000   |
| Short-term borrowing under Export Refinance Scheme                          | 11.3 | <b>917,000</b>   | 700,000   |
| Short-term borrowing under FE-25 Import                                     | 11.4 | <b>510,246</b>   | -         |

### ISLAMIC

|                                                                            |      |                  |                  |
|----------------------------------------------------------------------------|------|------------------|------------------|
| Short-term borrowing under Running Musharakah maturing within three months | 11.5 | <b>1,267,427</b> | 1,215,919        |
| Short-term borrowing under Export Refinance Scheme                         | 11.6 | <b>100,000</b>   | 100,000          |
| Short-term borrowing under FE-25 Import                                    | 11.7 | <b>570,632</b>   | -                |
|                                                                            |      | <b>5,903,879</b> | <b>3,739,191</b> |

**11.1** 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 11.84 to 12.41% (June 30, 2026: 10.68% to 12.66%) per annum.

**11.2** The Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 9.53% (June 30, 2026: 9.53% to 11.3%) per annum and are payable within three months.

**11.3** 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 4.50% to 5.50% (June 30, 2026: 4.50% to 8.00%) per annum. These facilities mature within six months and are renewable.

**11.4** The Company has obtained short-term finance under FE-25 import from commercial banks. The rate of mark-up on these facilities is 4.75% to 4.85% (June 30, 2026: Nil) per annum. These facilities mature within six months and are renewable.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 11.5** The Company has obtained facilities for short-term finance under Running Musharakah. The rates of profit on these facilities range from 11.77% to 12.41 (June 30, 2026: 10.40% to 12.53%) per annum.
- 11.6** The Company has obtained short-term finance under Islamic Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities is 4.50% (June 30, 2026: 4.50%) per annum. These facilities mature within six months.
- 11.7** The Company has obtained short-term finance under FE-25 import from Islamic banks. The rate of mark-up on these facilities is 4.75% (June 30, 2026: Nil) per annum. These facilities mature within six months and are renewable.
- 11.8** As at September 30, 2026, the unavailed facilities from the above borrowings amounted to Rs. 9,911 million (June 30, 2026: Rs. 12,675 million).
- 11.9** 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.

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 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, 2026.

### 12.2 Commitments

- 12.2.1** Capital expenditure commitments outstanding as at September 30, 2026 amounted to Rs. 75.55 million (June 30, 2026: Rs. 67.75 million).
- 12.2.2** Commitments under letters of credit for raw materials and stores and spares as at September 30, 2026 amounted to Rs. 1,644.64 million (June 30, 2026: Rs. 3,150.76 million).
- 12.2.3** Commitments under purchase contracts as at September 30, 2026 amounted to Rs. 524.32 million (June 30, 2026: Rs. 326.59 million).
- 12.2.4** The facilities for opening letters of credit and guarantees from banks as at September 30, 2026 amounted to Rs. 15,700 million (June 30, 2026: Rs. 15,700 million) and Rs. 5,150 million (June 30, 2026: Rs. 3,900 million) respectively, of which the unutilised balance at period-end amounted to Rs. 13,980 million (June 30, 2026: Rs. 12,481 million) and Rs. 3,346 million (June 30, 2026: Rs. 362 million) respectively.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|            |                                                                    | (Un-audited)                 |                    |
|------------|--------------------------------------------------------------------|------------------------------|--------------------|
|            |                                                                    | Three months ended           |                    |
|            |                                                                    | September 30, 2026           | September 30, 2025 |
|            |                                                                    | ----- (Rupees in '000) ----- |                    |
| <b>13.</b> | <b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b>                       |                              |                    |
|            | Sale of goods less returns                                         |                              |                    |
|            | Local                                                              | 9,548,864                    | 8,552,272          |
|            | Sales tax                                                          | (1,353,520)                  | (1,164,645)        |
|            | Trade discounts                                                    | (963,113)                    | (935,404)          |
|            |                                                                    | 7,232,231                    | 6,452,223          |
|            | Export                                                             | 822,800                      | 854,362            |
|            | Export commission & discounts                                      | (52,307)                     | (4,353)            |
|            |                                                                    | 770,493                      | 850,009            |
|            |                                                                    | 8,002,724                    | 7,302,232          |
| <b>14.</b> | <b>CASH GENERATED FROM OPERATIONS</b>                              |                              |                    |
|            | Profit before income tax                                           | 373,714                      | 823,307            |
|            | <b>Add/(less): Adjustment for non-cash charges and other items</b> |                              |                    |
|            | Depreciation of property, plant and equipment                      | 137,093                      | 193,714            |
|            | Amortisation of intangible assets                                  | 40                           | 136                |
|            | Charge of loss allowance on trade debts                            | 28,887                       | 2,154              |
|            | Provision for staff retirement benefits                            | 5,911                        | 10,195             |
|            | Provision for compensated absences                                 | 8,363                        | 5,616              |
|            | Provision for stores and spares                                    | -                            | 25,000             |
|            | Income on bank deposits                                            | (4,822)                      | (2,182)            |
|            |                                                                    | (198)                        | (7,349)            |
|            | Gain on remeasurement of Sindh Infrastructure Development Cess     | (597,176)                    | -                  |
|            | Dividend income                                                    | -                            | (612,639)          |
|            | Government grant income                                            | (1,922)                      | (2,216)            |
|            | Finance cost                                                       | 157,234                      | 142,169            |
|            |                                                                    | 107,124                      | 577,904            |
|            | Changes in working capital                                         | (2,158,026)                  | (1,170,320)        |
|            |                                                                    | (2,050,901)                  | (592,416)          |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|             |                                                      | (Un-audited)                 |                    |
|-------------|------------------------------------------------------|------------------------------|--------------------|
|             |                                                      | Three months ended           |                    |
| Note        |                                                      | September 30, 2026           | September 30, 2025 |
|             |                                                      | ----- (Rupees in '000) ----- |                    |
| <b>14.1</b> | <b>Working capital changes</b>                       |                              |                    |
|             | Decrease /(increase) in current assets:              |                              |                    |
|             | Stores and spares                                    | (10,048)                     | (10,811)           |
|             | Stock-in-trade                                       | (3,164,494)                  | (1,987,273)        |
|             | Trade debts                                          | (1,034,498)                  | (663,032)          |
|             | Advances, trade deposits and prepayments             | (148,640)                    | (34,553)           |
|             | Other receivables                                    | 60,422                       | (9,124)            |
|             | Staff retirement benefit                             | (1,555)                      | 3,193              |
|             | Sales tax receivable                                 | (189,993)                    | (228,651)          |
|             |                                                      | <u>(4,488,806)</u>           | <u>(2,930,251)</u> |
|             | (Decrease) / increase in current liabilities:        |                              |                    |
|             | Trade and other payables                             | 2,335,414                    | 1,632,144          |
|             | Contract liabilities                                 | (4,634)                      | 127,787            |
|             |                                                      | <u>2,330,780</u>             | <u>1,759,931</u>   |
|             |                                                      | <u>(2,158,026)</u>           | <u>(1,170,320)</u> |
| <b>15.</b>  | <b>CASH AND CASH EQUIVALENTS</b>                     |                              |                    |
|             | Cash and bank balances                               | 742,981                      | 865,332            |
|             | Restricted cash on account of lien                   | -                            | (331,251)          |
|             | Running finance under mark-up arrangement from banks |                              |                    |
|             |                                                      | 11 (1,988,574)               | (406,310)          |
|             |                                                      | <u>(1,245,593)</u>           | <u>127,771</u>     |

## 16. 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, 2026

| (Un-audited)                 |                    |
|------------------------------|--------------------|
| Three months ended           |                    |
| September 30, 2026           | September 30, 2025 |
| ----- (Rupees in '000) ----- |                    |

## 16.1 Transactions with related parties

### Subsidiary companies

|                           |           |         |
|---------------------------|-----------|---------|
| Sales                     | 547,285   | 464,791 |
| Purchases                 | 2,347,033 | 424,420 |
| Cost of shared resources  | 3,896     | 515     |
| Reimbursement of expenses | 529,193   | 17,989  |
| Rental income             | 5,448     | 4,789   |
| Dividend income           | -         | 612,639 |

### Associated companies

|                           |        |        |
|---------------------------|--------|--------|
| Sales                     | 10,209 | 57,999 |
| Purchases                 | 2,089  | 11,375 |
| Reimbursement of expenses | 341    | 619    |
| Rental income             | 135    | -      |
| Dividend distribution     | -      | 2,534  |
| Registration and training | 33     | 2,573  |

### Key management personnel

|                             |         |         |
|-----------------------------|---------|---------|
| Remuneration and allowances | 196,958 | 139,206 |
|-----------------------------|---------|---------|

### Staff retirement funds

|                   |        |        |
|-------------------|--------|--------|
| Contribution paid | 26,335 | 28,044 |
|-------------------|--------|--------|

### Non-executive directors

|                |       |       |
|----------------|-------|-------|
| Directors' fee | 2,500 | 2,600 |
|----------------|-------|-------|

## 17. 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, 2026

## 17.1 Segment revenue and results

|                                                          | Steel<br>segment             | Polymer<br>segment | Investments<br>segment | Total            |
|----------------------------------------------------------|------------------------------|--------------------|------------------------|------------------|
|                                                          | ----- (Rupees in '000) ----- |                    |                        |                  |
| <b>For the three months ended<br/>September 30, 2026</b> |                              |                    |                        |                  |
| Revenue from contracts with customers                    |                              |                    |                        |                  |
| Local                                                    | 6,392,590                    | 839,641            | -                      | 7,232,231        |
| Exports                                                  | 770,493                      | -                  | -                      | 770,493          |
|                                                          | <u>7,163,083</u>             | <u>839,641</u>     | <u>-</u>               | <u>8,002,724</u> |
| Cost of sales                                            | (6,420,724)                  | (740,693)          | -                      | (7,161,417)      |
| <b>Gross profit</b>                                      | <u>742,359</u>               | <u>98,948</u>      | <u>-</u>               | <u>841,307</u>   |
| Selling and distribution expenses                        | (631,641)                    | (37,273)           | -                      | (668,914)        |
| Administrative expenses                                  | (167,971)                    | (19,689)           | -                      | (187,660)        |
| Charge of loss allowance on<br>trade debts               | (26,007)                     | (2,880)            | -                      | (28,887)         |
|                                                          | <u>(825,619)</u>             | <u>(59,842)</u>    | <u>-</u>               | <u>(885,461)</u> |
| Finance cost                                             | (140,737)                    | (16,497)           | -                      | (157,234)        |
| Other operating charges                                  | (24,185)                     | -                  | -                      | (28,642)         |
|                                                          | <u>(164,922)</u>             | <u>(20,954)</u>    | <u>-</u>               | <u>(185,876)</u> |
| Other income / (loss)                                    | 603,744                      | (4,457)            | -                      | 603,744          |
| <b>Profit before levies and income tax</b>               | <u>355,562</u>               | <u>18,152</u>      | <u>-</u>               | <u>373,714</u>   |
| Levies                                                   |                              |                    |                        | -                |
| Income tax expense                                       |                              |                    |                        | (103,603)        |
| <b>Profit after tax for the period</b>                   |                              |                    |                        | <u>270,111</u>   |
| <b>For the three months ended<br/>September 30, 2025</b> |                              |                    |                        |                  |
| Revenue from contracts with customers                    |                              |                    |                        |                  |
| Local                                                    | 5,860,868                    | 591,355            | -                      | 6,452,223        |
| Exports                                                  | 850,009                      | -                  | -                      | 850,009          |
|                                                          | <u>6,710,877</u>             | <u>591,355</u>     | <u>-</u>               | <u>7,302,232</u> |
| Cost of sales                                            | (5,856,909)                  | (531,013)          | -                      | (6,387,922)      |
| <b>Gross profit</b>                                      | <u>853,968</u>               | <u>60,342</u>      | <u>-</u>               | <u>914,310</u>   |
| Selling and distribution expenses                        | (383,733)                    | (21,420)           | -                      | (405,153)        |
| Administrative expenses                                  | (116,767)                    | (10,290)           | -                      | (127,057)        |
| (Charge) / reversal of loss allowance on<br>trade debts  | 1,430                        | (3,584)            | -                      | (2,154)          |
|                                                          | <u>(499,070)</u>             | <u>(35,294)</u>    | <u>-</u>               | <u>(534,364)</u> |
| Finance cost                                             | (130,656)                    | (11,513)           | -                      | (142,169)        |
| Other operating charges                                  | (22,291)                     | (947)              | -                      | (23,238)         |
|                                                          | <u>(152,947)</u>             | <u>(12,460)</u>    | <u>-</u>               | <u>(165,407)</u> |
| Other income / (loss)                                    | (3,871)                      | -                  | 612,639                | 608,768          |
| <b>Profit before levies and income tax</b>               | <u>198,080</u>               | <u>12,588</u>      | <u>612,639</u>         | <u>823,307</u>   |
| Levies                                                   |                              |                    |                        | -                |
| Income tax expense                                       |                              |                    |                        | (226,111)        |
| <b>Profit after tax for the period</b>                   |                              |                    |                        | <u>597,196</u>   |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 17.2 Segment assets and liabilities

|                                              | Steel<br>segment             | Polymer<br>segment | Investments<br>segment | Total             |
|----------------------------------------------|------------------------------|--------------------|------------------------|-------------------|
|                                              | ----- (Rupees in '000) ----- |                    |                        |                   |
| <b>As at September 30, 2026 - Un-audited</b> |                              |                    |                        |                   |
| Segment assets                               | <u>24,837,778</u>            | <u>3,419,126</u>   | <u>3,409,930</u>       | <u>31,666,834</u> |
| Segment liabilities                          | <u>9,192,989</u>             | <u>660,094</u>     | <u>-</u>               | <u>9,853,083</u>  |
| <b>As at June 30, 2026 - Audited</b>         |                              |                    |                        |                   |
| Segment assets                               | <u>20,614,318</u>            | <u>3,320,416</u>   | <u>3,409,930</u>       | <u>27,344,664</u> |
| Segment liabilities                          | <u>5,319,690</u>             | <u>538,134</u>     | <u>-</u>               | <u>5,857,824</u>  |

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

|                                                                                | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|--------------------------------------------------------------------------------|---------------------------------------|-------------------------------|
|                                                                                | ----- (Rupees in '000) -----          |                               |
| Total for reportable segments assets                                           | <b>31,666,834</b>                     | 27,344,664                    |
| Unallocated assets                                                             | <b>2,180,263</b>                      | 2,569,201                     |
| <b>Total assets as per Unconsolidated Statement of Financial Position</b>      | <u><b>33,847,097</b></u>              | <u>29,913,865</u>             |
| Total for reportable segments liabilities                                      | <b>9,853,083</b>                      | 5,857,824                     |
| Unallocated liabilities                                                        | <b>3,124,520</b>                      | 3,456,657                     |
| <b>Total liabilities as per Unconsolidated Statement of Financial Position</b> | <u><b>12,977,603</b></u>              | <u>9,314,481</u>              |

## 18. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values. During the period, there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

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

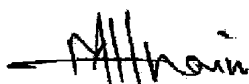
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 19. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved and authorised for issue on October 27, 2026 by the Board of Directors of the Company.



**Haider Rashid**  
Director & Chairman  
Board Audit Committee



**Mujtaba Hussain**  
Chief Financial  
Officer



**Yousuf H. Mirza**  
Chief Executive  
Officer

international<sup>TM</sup>  
industries  
built on trust



**Consolidated  
Condensed Interim Financial Statements**

# Consolidated Condensed Interim Statement of Financial Position (Un-audited)

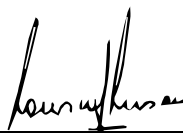
AS AT SEPTEMBER 30, 2026

|                                                                | Note | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|----------------------------------------------------------------|------|---------------------------------------|-------------------------------|
|                                                                |      | ----- (Rupees in '000) -----          |                               |
| ASSETS                                                         |      |                                       |                               |
| NON-CURRENT ASSETS                                             |      |                                       |                               |
| Property, plant and equipment                                  | 5    | 32,362,673                            | 32,437,640                    |
| Right-of-use assets                                            |      | 160,093                               | 233,197                       |
| Intangible assets                                              |      | 283,842                               | 292,533                       |
| Investment in equity accounted investee                        | 6    | 2,018,710                             | 1,932,105                     |
| Long-term deposits                                             |      | 15,712                                | 15,629                        |
|                                                                |      | 34,841,030                            | 34,911,104                    |
| CURRENT ASSETS                                                 |      |                                       |                               |
| Stores and spares                                              |      | 1,448,034                             | 1,225,584                     |
| Stock-in-trade                                                 | 7    | 54,591,528                            | 35,982,668                    |
| Trade debts                                                    |      | 4,119,572                             | 5,172,387                     |
| Advances, trade deposits and prepayments                       |      | 514,569                               | 337,025                       |
| Other receivables                                              |      | -                                     | 21,799                        |
| Staff retirement benefits                                      |      | 238,818                               | 250,622                       |
| Sales tax receivable                                           |      | 2,642,795                             | 613,704                       |
| Taxation - net                                                 |      | 1,150,075                             | 846,084                       |
| Cash and bank balances                                         |      | 3,796,247                             | 3,966,949                     |
|                                                                |      | 68,501,638                            | 48,416,822                    |
| Investment classified as held for sale - associate             | 6    | 700,000                               | 700,000                       |
|                                                                |      | 104,042,668                           | 84,027,926                    |
| 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                                          |      | 20,982,548                            | 19,286,028                    |
| Capital reserve                                                |      |                                       |                               |
| Exchange translation reserves                                  |      | 93,281                                | 95,563                        |
| Revaluation surplus on property, plant and equipment           |      | 10,010,012                            | 9,987,762                     |
|                                                                |      | 35,682,745                            | 33,966,257                    |
| TOTAL SHAREHOLDERS' EQUITY                                     |      |                                       |                               |
| Non-controlling interest                                       |      | 12,670,898                            | 11,707,805                    |
|                                                                |      | 48,353,643                            | 45,674,062                    |
| LIABILITIES                                                    |      |                                       |                               |
| NON-CURRENT LIABILITIES                                        |      |                                       |                               |
| Long-term financing - secured                                  | 8    | 816,326                               | 872,319                       |
| Deferred income - government grant                             |      | 56,459                                | 60,610                        |
| Sindh Infrastructure Development Cess                          | 9    | 2,009,832                             | -                             |
| Deferred taxation - net                                        |      | 2,477,705                             | 1,582,423                     |
| Lease liabilities                                              |      | 90,027                                | 150,669                       |
|                                                                |      | 5,450,349                             | 2,666,021                     |
| CURRENT LIABILITIES                                            |      |                                       |                               |
| Trade and other payables                                       | 10   | 19,424,153                            | 17,814,173                    |
| Contract liabilities                                           |      | 2,454,981                             | 2,687,820                     |
| Short-term borrowings - secured                                | 11   | 27,545,752                            | 14,493,809                    |
| Unclaimed dividend                                             |      | 43,034                                | 44,861                        |
| Unpaid dividend attributable to non-controlling interest (NCI) |      | -                                     | 713                           |
| Current portion of long-term financing - secured               | 8    | 289,197                               | 288,661                       |
| Current portion of lease liabilities                           |      | 90,795                                | 103,911                       |
| Accrued mark-up                                                |      | 390,764                               | 253,895                       |
|                                                                |      | 50,238,676                            | 35,687,843                    |
|                                                                |      | 55,689,025                            | 38,353,864                    |
| TOTAL LIABILITIES                                              |      |                                       |                               |
| CONTINGENCIES AND COMMITMENTS                                  |      |                                       |                               |
|                                                                | 12   |                                       |                               |
| TOTAL EQUITY AND LIABILITIES                                   |      | 104,042,668                           | 84,027,926                    |

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

  
Haider Rashid  
Director & Chairman  
Board Audit Committee

  
Mujtaba Hussain  
Chief Financial  
Officer

  
Yousuf H. Mirza  
Chief Executive  
Officer

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

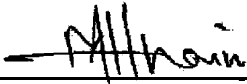
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                              | Three months ended           |                       |
|----------------------------------------------|------------------------------|-----------------------|
| Note                                         | September 30,<br>2026        | September 30,<br>2025 |
|                                              | ----- (Rupees in '000) ----- |                       |
| Revenue from contracts with customers        | 13 29,701,075                | 27,880,658            |
| Cost of sales                                | (25,332,814)                 | (24,489,782)          |
| <b>Gross profit</b>                          | <b>4,368,261</b>             | <b>3,390,876</b>      |
| Selling and distribution expenses            | (1,526,028)                  | (1,296,999)           |
| Administrative expenses                      | (338,361)                    | (272,547)             |
| Charge of loss allowance on trade debts      | (25,968)                     | (701)                 |
|                                              | (1,890,357)                  | (1,570,247)           |
| <b>Operating profit</b>                      | <b>2,477,904</b>             | <b>1,820,629</b>      |
| Finance cost                                 | (649,672)                    | (418,123)             |
| Other operating charges                      | (499,222)                    | (201,077)             |
|                                              | (1,148,894)                  | (619,200)             |
| Other income - net                           | 2,695,116                    | 11,654                |
| Share of loss in equity accounted investee   | (6,854)                      | (3,359)               |
| <b>Profit before tax</b>                     | <b>4,017,272</b>             | <b>1,209,724</b>      |
| Income tax expense                           | (1,393,874)                  | (600,848)             |
| <b>Profit after tax</b>                      | <b>2,623,398</b>             | <b>608,876</b>        |
| <b>Profit attributable to:</b>               |                              |                       |
| - Owners of the Holding Company              | 1,660,305                    | 337,690               |
| - Non-controlling interest (NCI)             | 963,093                      | 271,186               |
|                                              | <b>2,623,398</b>             | <b>608,876</b>        |
|                                              | ----- (Rupees) -----         |                       |
| <b>Earning per share - basic and diluted</b> | <b>12.59</b>                 | <b>2.56</b>           |

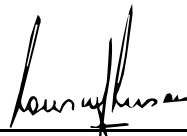
The annexed notes 1 to 19 form an integral part of these consolidated condensed interim financial statements.



**Haider Rashid**  
Director & Chairman  
Board Audit Committee



**Mujtaba Hussain**  
Chief Financial  
Officer



**Yousuf H. Mirza**  
Chief Executive  
Officer

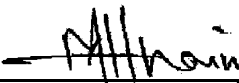
# Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

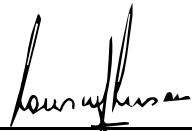
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                                                                                     | Three months ended           |                       |
|-----------------------------------------------------------------------------------------------------|------------------------------|-----------------------|
|                                                                                                     | September 30,<br>2026        | September 30,<br>2025 |
|                                                                                                     | ----- (Rupees in '000) ----- |                       |
| <b>Profit after tax</b>                                                                             | <b>2,623,398</b>             | 608,876               |
| <b>Other comprehensive income</b>                                                                   |                              |                       |
| Items that will not be subsequently reclassified to<br>Consolidated Statement of Profit or Loss     |                              |                       |
| Proportionate share of surplus on revaluation of land and<br>buildings of equity accounted investee | 96,817                       | 72,391                |
| Related deferred tax for the period                                                                 | (34,994)                     | (18,098)              |
|                                                                                                     | 61,823                       | 54,293                |
| Items that will be subsequently reclassified to<br>Consolidated Statement of Profit or Loss         |                              |                       |
| Foreign operations - foreign currency translation<br>difference                                     | (2,282)                      | 8,571                 |
| Proportionate share of other comprehensive income<br>of equity accounted investee                   | (3,358)                      | (2,932)               |
| Other comprehensive income for the period                                                           | 56,183                       | 59,932                |
| Total comprehensive income for the period                                                           | <u>2,679,581</u>             | <u>668,808</u>        |
| Total comprehensive income attributable to:                                                         |                              |                       |
| - Owners of the Holding Company                                                                     | 1,716,488                    | 397,622               |
| - Non-controlling interest (NCI)                                                                    | 963,093                      | 271,186               |
|                                                                                                     | <u>2,679,581</u>             | <u>668,808</u>        |

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

  
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Board Audit Committee

  
Mujtaba Hussain  
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Officer

  
Yousuf H. Mirza  
Chief Executive  
Officer



# Consolidated Condensed Interim Statement of Cash Flows (Un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

| Note | Three months ended           |                       |
|------|------------------------------|-----------------------|
|      | September 30,<br>2026        | September 30,<br>2025 |
|      | ----- (Rupees in '000) ----- |                       |

## CASH FLOWS FROM OPERATING ACTIVITIES

|                                              |    |                     |              |
|----------------------------------------------|----|---------------------|--------------|
| <b>Cash used in operations</b>               | 14 | <b>(10,815,353)</b> | (8,886,656)  |
| Finance cost paid                            |    | <b>(353,702)</b>    | (214,190)    |
| Restricted cash on account of lien           |    | <b>504,580</b>      | -            |
| Income on bank deposits received             |    | <b>33,270</b>       | 29,578       |
| Sindh Infrastructure Development Cess paid   |    | <b>(1,183,697)</b>  | -            |
| Staff retirement benefits paid               |    | <b>(5,593)</b>      | (14,668)     |
| Payment on account of compensated absences   |    | <b>(27,294)</b>     | (16,663)     |
| Income tax paid - net                        |    | <b>(837,090)</b>    | (990,443)    |
| <b>Net cash used in operating activities</b> |    | <b>(12,684,879)</b> | (10,093,042) |

## CASH FLOWS FROM INVESTING ACTIVITIES

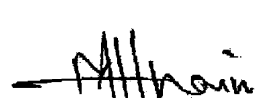
|                                                                 |                  |           |
|-----------------------------------------------------------------|------------------|-----------|
| Payment for acquisition of property, plant and equipment        | <b>(728,477)</b> | (299,840) |
| Investments in term deposit receipt (TDRs)                      | -                | 450,000   |
| Proceeds from disposal of property, plant and equipment         | <b>51,139</b>    | 44,035    |
| <b>Net cash (used in) / generated from investing activities</b> | <b>(677,338)</b> | 194,195   |

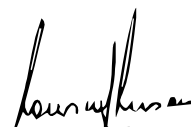
## CASH FLOWS FROM FINANCING ACTIVITIES

|                                                               |                   |           |
|---------------------------------------------------------------|-------------------|-----------|
| Repayment of long-term financing                              | <b>(63,175)</b>   | (82,509)  |
| Proceeds from short-term borrowings                           | <b>13,051,943</b> | 9,547,179 |
| Lease rentals paid                                            | <b>(73,008)</b>   | 13,366    |
| Dividends paid to non-controlling interest                    | <b>(713)</b>      | (695)     |
| Dividends paid to shareholders of the Holding Company         | <b>(1,827)</b>    | -         |
| <b>Net cash generated from financing activities</b>           | <b>12,913,221</b> | 9,477,341 |
| <b>Net decrease in cash and cash equivalents</b>              | <b>(448,996)</b>  | (421,505) |
| Cash and cash equivalents at beginning of the period          | <b>1,116,550</b>  | 2,907,945 |
| Effects of exchange rate changes in cash and cash equivalents | <b>(960)</b>      | (4,754)   |
| <b>Cash and cash equivalents at end of the period</b>         | <b>666,594</b>    | 2,481,686 |

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

  
Haider Rashid  
Director & Chairman  
Board Audit Committee

  
Mujtaba Hussain  
Chief Financial  
Officer

  
Yousuf H. Mirza  
Chief Executive  
Officer

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 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 (IIL Europe) [together referred to as "the Group" and individually as "Group entities"] and the Holding Company's 17.124%, 34.00% and 33.00% interest in an equity accounted investees namely Pakistan Cables Limited (PCL), Chinoy Engineering & Construction (Private) Limited (CECL) and CFS Minerals (Private) Limited 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. 706, 7th Floor, 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 (the Company) was incorporated on September 03, 2007 as a public unlisted company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is domiciled in the Province of Sindh. The Company was listed on the Pakistan Stock Exchange Limited on June 01, 2011. The Company is subsidiary of International Industries Limited (the Holding Company) which holds 245,055,543 (2026: 245,055,543) shares of the Company as at September 30, 2026 representing 56.33% (2026: 56.33%) of the shareholding of the Company. The primary activity of the Company is the business of manufacturing of cold rolled, galvanized and colour coated steel coils and sheets. The Company commenced commercial operations on January 01, 2011.

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.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

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.

**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) Office No. 1, 3rd Floor, Tower 81, Civic Center, Gulberg Greens, Islamabad.

**1.5** IIL Australia PTY Limited 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. The company has diversified its business and has entered into distribution of fast-moving consumer goods (food business). Its registered office and sales office is situated at 22A Princes Highway, Doveton VIC 3177, Australia.

**1.6** IIL Americas Inc. 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 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 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.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

**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, 2026.

**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, 2026, 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, 2025.

## **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, 2026

## 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, 2026.

## 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, 2026. 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, 2027. 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, 2026.

**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, 2026.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 5. PROPERTY, PLANT AND EQUIPMENT

|                                                                     | Operating<br>assets          | Capital work-<br>in-progress<br>(including capital<br>spares) | Total               |
|---------------------------------------------------------------------|------------------------------|---------------------------------------------------------------|---------------------|
|                                                                     | ----- (Rupees in '000) ----- |                                                               |                     |
| <b>Cost / revalued amount</b>                                       |                              |                                                               |                     |
| Balance at beginning of the period                                  | 50,274,771                   | 1,074,353                                                     | 51,349,124          |
| Additions                                                           | 39,702                       | 687,841                                                       | 727,543             |
| Adjustments / transfers - net                                       | 201,235                      | (200,303)                                                     | 932                 |
| Disposals                                                           | (108,325)                    | -                                                             | (108,325)           |
|                                                                     | <u>50,407,383</u>            | <u>1,561,891</u>                                              | <u>51,969,274</u>   |
| <b>Accumulated depreciation</b>                                     |                              |                                                               |                     |
| Balance at beginning of the period                                  | (18,911,484)                 | -                                                             | (18,911,484)        |
| Charge for the period                                               | (781,815)                    | -                                                             | (781,815)           |
| Disposals                                                           | 86,698                       | -                                                             | 86,698              |
|                                                                     | <u>(19,606,601)</u>          | <u>-</u>                                                      | <u>(19,606,601)</u> |
| <b>Written down value as at<br/>September 30, 2026 (Un-audited)</b> | <u>30,800,782</u>            | <u>1,561,891</u>                                              | <u>32,362,673</u>   |
| Written down value as at<br>June 30, 2026 (Audited)                 | <u>31,363,287</u>            | <u>1,074,353</u>                                              | <u>32,437,640</u>   |

## 6. INVESTMENTS IN EQUITY ACCOUNTED INVESTEE

| (Un-audited)<br>September 30,<br>2026<br>(Number of shares)   | (Audited)<br>June 30,<br>2026 |                                                                                                | (Un-audited)<br>September 30,<br>2026<br>(Rupees in '000) | (Audited)<br>June 30,<br>2026<br>(Rupees in '000) |
|---------------------------------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------|
|                                                               |                               | Note                                                                                           |                                                           |                                                   |
| 9,325,438                                                     | 9,325,438                     | Pakistan Cables Limited (PCL) -<br>associated company                                          | 6.1 2,008,710                                             | 1,922,105                                         |
| 9,690,000                                                     | 9,690,000                     | Chinoy Engineering & Construction<br>(Private) Limited (CECL) -<br>associated company          | 6.2 700,000                                               | 700,000                                           |
| 1,000,000                                                     | 1,000,000                     | CFS Mineral (Private) Limited<br>- associated company, at cost                                 | 6.3 10,000                                                | 10,000                                            |
|                                                               |                               |                                                                                                | <u>2,718,710</u>                                          | <u>2,632,105</u>                                  |
| <b>Investment classified as<br/>held for sale - associate</b> |                               | Chinoy Engineering & Construction<br>(Private) Limited (CECL)<br>- associated company, at cost | 6.2 (700,000)                                             | (700,000)                                         |
|                                                               |                               |                                                                                                | <u>2,018,710</u>                                          | <u>1,932,105</u>                                  |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 6.1** The Holding Company holds a 17.124% (June 30, 2026: 17.124%) ownership interest in PCL. The Chief Executive Officer of PCL is Mr. Fahd K. Chinoy. The registered office of PCL is situated in Karachi. The Holding Company considers it has significant influence over PCL as, in addition to its holding, the Chairman of the Board of the Holding Company is also the Chairman of the Board of PCL. The price per share of PCL as at reporting date was Rs. 139.06 (June 30, 2026: Rs. 171.00) resulting in a market value of total investment amounting to Rs. 1,296.80 million (June 30, 2026: Rs. 1,594.64 million). The share of profit after acquisition is recognised based on unaudited condensed interim financial statements of PCL as at June 30, 2026 as the latest financial statements as at September 30, 2026 were not presently available.
- 6.2** The Holding Company and ISL holds 17% each (June 30, 2026: 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 (June 30, 2026: 96.90 million). The remaining shareholding of CECL is owned by Pakistan Cables Limited (17%) and ASCG Engineering (49%).
- 6.3** The Company holds a 33.33% (June 30, 2026: 33.33%) ownership interest in CFS Minerals (Private) Limited. The Chief Executive Officer of CFS Minerals is Mr. Yasir Masood. The Company is incorporated on June 11, 2026.
- 6.4** 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)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|--------------------------|------|---------------------------------------|-------------------------------|
| <b>7. STOCK-IN-TRADE</b> |      |                                       |                               |
| Raw material - in hand   | 7.1  | <b>13,008,434</b>                     | 12,410,244                    |
| - in transit             |      | <b>17,942,931</b>                     | 7,089,138                     |
|                          |      | <b>30,951,365</b>                     | 19,499,382                    |
| Work-in-process          |      | <b>7,187,216</b>                      | 6,116,262                     |
| Finished goods - in hand |      | <b>15,692,603</b>                     | 9,751,436                     |
| - in transit             |      | <b>475,826</b>                        | 350,495                       |
| By-products              |      | <b>181,319</b>                        | 92,406                        |
| Scrap material           |      | <b>103,199</b>                        | 172,687                       |
|                          |      | <b>54,591,528</b>                     | 35,982,668                    |

- 7.1** Raw material of the Holding Company amounting to Rs. 3.9 million as at September 30, 2026 (June 30, 2026: Rs. 5.2 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, 2026

|      |  | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|------|--|---------------------------------------|-------------------------------|
| Note |  |                                       |                               |
|      |  | ----- (Rupees in '000) -----          |                               |

## 8. LONG-TERM FINANCING - secured

### CONVENTIONAL

|                                              |     |                |                |
|----------------------------------------------|-----|----------------|----------------|
| Long-Term Finance Facility (LTFF)            | 8.2 | 323,295        | 347,381        |
| Renewable Energy Financing Facility (REFF)   | 8.3 | 103,125        | 112,500        |
| Temporary Economic Refinance Facility (TERF) | 8.4 | 308,127        | 308,127        |
|                                              |     | <u>734,547</u> | <u>768,008</u> |

### ISLAMIC

|                                                       |     |                |                |
|-------------------------------------------------------|-----|----------------|----------------|
| Islamic Long-Term Finance Facility (ILTFF)            | 8.5 | 239,410        | 259,394        |
| Islamic Temporary Economic Refinance Facility (ITERF) | 8.6 | 163,185        | 170,693        |
| Islamic Finance Facility for Renewabale Energy (IFRE) | 8.7 | 55,556         | 57,778         |
|                                                       |     | <u>458,151</u> | <u>487,865</u> |

|  |                  |                  |
|--|------------------|------------------|
|  | <u>1,192,698</u> | <u>1,255,873</u> |
|--|------------------|------------------|

Less: Deferred income - government grant

|          |          |
|----------|----------|
| (87,175) | (94,893) |
|----------|----------|

Less: Current portion of long-term financing:

### CONVENTIONAL

|                                              |                  |                  |
|----------------------------------------------|------------------|------------------|
| Long-Term Finance Facility (LTFF)            | (75,197)         | (75,098)         |
| Renewable Energy Financing Facility (REFF)   | (37,500)         | (37,500)         |
| Temporary Economic Refinance Facility (TERF) | (61,625)         | (61,625)         |
|                                              | <u>(174,322)</u> | <u>(174,223)</u> |

### ISLAMIC

|                                                       |                  |                  |
|-------------------------------------------------------|------------------|------------------|
| Islamic Long-Term Finance Facility (ILTFF)            | (75,949)         | (75,513)         |
| Islamic Temporary Economic Refinance Facility (ITERF) | (30,037)         | (30,036)         |
| Islamic Finance Facility for Renewabale Energy (IFRE) | (8,889)          | (8,889)          |
|                                                       | <u>(289,197)</u> | <u>(288,661)</u> |

|                |                |
|----------------|----------------|
| <u>816,326</u> | <u>872,319</u> |
|----------------|----------------|

**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 loan obtained from different banks under the SBP's Renewable Energy Financing Facility available to the Company at below-market interest rate for setting up of Solar power project.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 8.4** 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.
- 8.5** 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.
- 8.6** 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. The effective profit rate ranges from 7.9% to 11.69%.
- 8.7** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Finance Facility for Renewable Energy for solar power project.

## 9. Sindh Infrastructure Development Cess

This represents the discounted long-term portion of Sindh Infrastructure Development Cess (SIDC) liability arising from the deferred settlement arrangement. During the quarter, the Holding Company and ISL have entered into a settlement agreement with the Government of Sindh for the outstanding liability of SIDC amounting to PKR 7,895 million. The aforementioned liability has been remeasured at present value by discounting the future cash flows using the effective discount rate at management's best estimate. The resulting gain amounting to PKR 2,605 million, representing the difference between the nominal value of the liability and its present value, has been recognised as other income in the statement of profit or loss.

|                                                          | Note | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|----------------------------------------------------------|------|---------------------------------------|-------------------------------|
|                                                          |      | ----- (Rupees in '000) -----          |                               |
| <b>10. TRADE AND OTHER PAYABLES</b>                      |      |                                       |                               |
| Trade creditors                                          |      | <b>9,393,780</b>                      | 4,373,314                     |
| Bills payable                                            |      | <b>2,644,499</b>                      | 910,875                       |
| Accrued expenses                                         | 10.1 | <b>4,118,414</b>                      | 4,020,276                     |
| Current portion of Sindh Infrastructure Development Cess |      | <b>2,359,690</b>                      | -                             |
| Provision for Sindh Infrastructure Development Cess      |      | -                                     | 7,894,841                     |
| Provision for government levies                          |      | -                                     | 99                            |
| Short-term compensated absences                          |      | <b>6,500</b>                          | 11,000                        |
| Workers' Profit Participation Fund                       |      | <b>199,606</b>                        | 173,617                       |
| Workers' Welfare Fund                                    | 10.2 | <b>373,776</b>                        | 339,375                       |
| Current portion of deferred income - government grant    |      | <b>30,716</b>                         | 34,284                        |
| Others                                                   |      | <b>297,172</b>                        | 56,492                        |
|                                                          |      | <b>19,424,153</b>                     | 17,814,173                    |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 10.1** These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 1,614.06 million (June 30, 2026: Rs.1,614.06 million) .

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 exceptions allowed under section 8(2) of the GIDC Act to the industrial sector are also available. Further, payment of accumulated Gas Infrastructure Development Cess (the Cess) was allowed in 48 installments instead of 24 installments.

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 filed a petition with the SHC challenging the validity of the GIDC Act, 2015.

The Holding 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.

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, 2026: 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 did not prefer an appeal before the Supreme Court against the said order and paid the differential tariff in four (4) equal installments.

- 10.2** The Holding 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 a 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.

Government of Sindh has challenged the decision of SHC before the Federal Constitution Court where Company has filed its defense.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                                                             | Note | (Un-audited)<br>September 30,<br>2026<br>----- (Rupees in '000) ----- | (Audited)<br>June 30,<br>2026 |
|-----------------------------------------------------------------------------|------|-----------------------------------------------------------------------|-------------------------------|
| <b>11. SHORT-TERM BORROWINGS - secured</b>                                  |      |                                                                       |                               |
| <b>CONVENTIONAL</b>                                                         |      |                                                                       |                               |
| Running finance under mark-up arrangement from banks                        | 11.1 | 10,207,131                                                            | 2,838,600                     |
| Short-term borrowing under Money Market Scheme maturing within three months | 11.2 | 550,000                                                               | 550,000                       |
| Short-term borrowing under Export Refinance Scheme                          | 11.3 | 6,801,000                                                             | 5,210,000                     |
| Short-term borrowing under Export Finance Scheme                            | 11.4 | 249,507                                                               | 249,507                       |
| Short-term borrowing under FE-25 import                                     | 11.5 | 788,137                                                               | -                             |
| <b>ISLAMIC</b>                                                              |      |                                                                       |                               |
| Short-term borrowing under Running Musharakah maturing within three months  | 11.6 | 6,875,277                                                             | 5,245,702                     |
| Short-term borrowing under Export Refinance Scheme                          | 11.7 | 400,000                                                               | 400,000                       |
| Short-term borrowing under FE-25 import                                     | 11.8 | 1,674,700                                                             | -                             |
|                                                                             |      | <u>27,545,752</u>                                                     | <u>14,493,809</u>             |

- 11.1** 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 11.84 to 12.41% (June 30, 2026: 10.68% to 12.66%) per annum. The rates of mark-up on these finances obtained by ISL range from 11.84% to 12.41% (June 30, 2026: 11.54% to 12.53%).
- 11.2** The Holding Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities is 9.53% (June 30, 2026: 9.53% to 11.30%) per annum and are payable within three months.
- 11.3** 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 range from 4.50% to 5.50% (June 30, 2026: 4.50% to 8.00%) per annum. The rates of mark-up on these facilities obtained by ISL range from 4.50% to 5.50% (June 30, 2026: 4.50%) per annum. These facilities mature within six months and are renewable.
- 11.4** ISL has availed short term running finance facility under Export Finance Scheme (Rupee Based Discounting) of the State Bank of Pakistan from a conventional bank. The rate of mark-up on this facility is 2.00% (June 30, 2026: 2.00%) per annum.
- 11.5** The Holding Company and ISL have obtained facilities for short-term finance under FE-25 Import finance. The rates of mark-up on these facilities obtained by the Holding Company range from 4.75% to 4.85% (June 30, 2026: NIL) per annum. The rates of mark-up on these facilities obtained by ISL range from 4.25% to 4.45% (June 30, 2026: NIL) per annum.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

- 11.6** 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 11.77% to 12.41% (June 30, 2026: 10.40% to 12.53%) per annum. The rates of profit on these finances obtained by ISL range from 11.74% to 12.32% (June 30, 2026: 11.48% to 12.59%) per annum.
- 11.7** The Holding Company and ISL had availed short-term running finance facility under the Islamic Export Refinance Scheme of the SBP from an Islamic bank. The rates of profit on these facilities obtained by Holding Company is 4.50% (June 30, 2026: 4.50%) per annum. The rates of profit on these facilities obtained by ISL is 5.50% (June 30, 2026: 4.50%) per annum. This facility matures within six months and is renewable.
- 11.8** The Holding Company and ISL have obtained short-term finance under FE-25 import from Islamic banks. The rate of mark-up on these facilities obtained by the Holding Company is 4.75% (June 30, 2026: Nil) per annum. The rate of mark-up on these facilities obtained by ISL is 3.75% (June 30, 2026: Nil) per annum. These facilities mature within six months and are renewable.
- 11.9** As at September 30, 2026, the unavailed facilities from above borrowings for the Holding Company amounted to Rs. 9,911 million (June 30, 2026: Rs. 12,675 million) and for ISL amounted to Rs. 9,765 million (June 30, 2026: Rs. 21,094 million).
- 12.10** 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.

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 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, 2026.

#### ISL

During FY 2025-26, the Competition Commission of Pakistan (CCP) passed an adverse order against the Company, concluding that certain practices were inconsistent with the Competition Act, 2010 and levied a penalty amounting to Rs. 914 million.

The Company, being aggrieved by the order, has preferred an appeal under Section 42 of the Competition Act, 2010 before the Competition Appellate Tribunal (CAT). The Tribunal has admitted the appeal and granted interim relief by suspending the implementation of the penalty through a stay order.

Based on the legal advisor's opinion, Management is confident that outcome of the case would be in the Company's favour. Accordingly, no provision has been recognised in these financial statements in respect of the said matter.

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, 2026 except as discussed above.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 12.2 Commitments

### Holding Company and ISL

- 12.2.1** Capital expenditure commitments outstanding as at September 30, 2026 amounted to Rs. 75.55 million (June 30, 2026: Rs. 67.75 million).
- 12.2.2** Commitments under letters of credit for raw materials and stores and spares as at September 30, 2026 amounted to Rs. 18,961.64 million (June 30, 2026: Rs. 21,819.80 million).
- 12.2.3** Facilities for opening letters of credit and guarantees from banks as at September 30, 2026 amounted to Rs. 54,200 million (June 30, 2026: Rs. 54,200 million) and Rs. 16,904 million (June 30, 2026: Rs. 15,874 million) respectively, of which the unutilised balance at period-end amounted to Rs. 35,162 million (June 30, 2026: Rs. 32,312 million) and Rs. 8,030 million (June 30, 2026: Rs. 1,570 million) respectively.

### Holding Company

- 12.2.4** Commitments under purchase contracts as at September 30, 2026 amounted to Rs. 524.32 million (June 30, 2026: Rs. 326.59 million).

|                               |                                                  | ----- (Un-audited) -----     |                          |
|-------------------------------|--------------------------------------------------|------------------------------|--------------------------|
|                               |                                                  | Three months ended           |                          |
|                               |                                                  | September 30,<br>2026        | September 30,<br>2025    |
|                               |                                                  | ----- (Rupees in '000) ----- |                          |
| <b>13.</b>                    | <b>REVENUE FROM CONTRACTS<br/>WITH CUSTOMERS</b> |                              |                          |
| Sale of goods less returns    |                                                  |                              |                          |
| Local                         |                                                  | 33,092,664                   | 25,112,840               |
| Sales tax                     |                                                  | (4,612,160)                  | (3,476,480)              |
| Trade discounts               |                                                  | (1,991,229)                  | (1,559,946)              |
|                               |                                                  | <u>26,489,275</u>            | <u>20,076,414</u>        |
| Export                        |                                                  | 3,215,517                    | 7,808,597                |
| Export commission & discounts |                                                  | (3,717)                      | (4,353)                  |
|                               |                                                  | <u>3,211,800</u>             | <u>7,804,244</u>         |
|                               |                                                  | <u><u>29,701,075</u></u>     | <u><u>27,880,658</u></u> |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|             |                                                                | ----- (Un-audited) -----     |                       |
|-------------|----------------------------------------------------------------|------------------------------|-----------------------|
|             |                                                                | Three months ended           |                       |
| Note        |                                                                | September 30,<br>2026        | September 30,<br>2025 |
|             |                                                                | ----- (Rupees in '000) ----- |                       |
| <b>14.</b>  | <b>CASH USED IN OPERATIONS</b>                                 |                              |                       |
|             | Profit before income tax                                       | 4,017,272                    | 1,209,724             |
|             | Add / (less): adjustments for non-cash charges and other items |                              |                       |
|             | Depreciation of property, plant and equipment                  | 808,051                      | 713,960               |
|             | Depreciation of right-of-use assets                            | 8,775                        | 7,499                 |
|             | Amortisation of intangible assets                              | 40                           | 136                   |
|             | Charge of loss allowance on trade debts                        | 25,934                       | 701                   |
|             | Provision for obsolescence against stores and spares           | -                            | 25,000                |
|             | Provision for staff retirement benefits                        | 20,507                       | 19,052                |
|             | Provision for compensated absences                             | 11,099                       | 7,972                 |
|             | Income on bank deposits                                        | (33,270)                     | (29,578)              |
|             | Gain on disposal of property, plant and equipment              | (29,512)                     | (9,150)               |
|             | Gain on remeasurement of Sindh Infrastructure Development Cess | (2,604,743)                  | -                     |
|             | Share of loss from associated company                          | 6,854                        | 3,359                 |
|             | Government grant income                                        | (7,716)                      | (8,730)               |
|             | Finance cost                                                   | 649,958                      | 418,133               |
|             |                                                                | <u>2,873,249</u>             | <u>2,358,078</u>      |
|             | Changes in working capital                                     | 14.1 <u>(13,688,602)</u>     | <u>(11,244,734)</u>   |
|             |                                                                | <u>(10,815,353)</u>          | <u>(8,886,656)</u>    |
| <b>14.1</b> | <b>Changes in working capital</b>                              |                              |                       |
|             | (Increase) / decrease in current assets:                       |                              |                       |
|             | Stores and spares                                              | (222,450)                    | (11,513)              |
|             | Stock-in-trade                                                 | (18,608,860)                 | (6,313,604)           |
|             | Trade debts                                                    | 1,026,881                    | (3,265,045)           |
|             | Advances, trade deposits and prepayments                       | (177,544)                    | (155,611)             |
|             | Other receivables                                              | 21,799                       | (10,323)              |
|             | Staff retirement benefit                                       | (1,555)                      | 3,193                 |
|             | Sale tax receivable                                            | (2,029,091)                  | (1,430,799)           |
|             |                                                                | <u>(19,990,820)</u>          | <u>(11,183,702)</u>   |
|             | (Decrease) / increase in current liabilities:                  |                              |                       |
|             | Trade and other payables                                       | 6,535,057                    | (239,418)             |
|             | Contract liabilities                                           | (232,839)                    | 178,386               |
|             |                                                                | <u>(13,688,602)</u>          | <u>(11,244,734)</u>   |
| <b>15.</b>  | <b>CASH AND CASH EQUIVALENTS</b>                               |                              |                       |
|             | Cash and bank balances                                         | 2,712,247                    | 2,887,996             |
|             | Running finance under mark-up arrangement from banks           | (2,045,653)                  | (406,310)             |
|             |                                                                | <u>666,594</u>               | <u>2,481,686</u>      |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 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,<br>2026        | September 30,<br>2025 |
|                                 | ----- (Rupees in '000) ----- |                       |
| <b>Associated companies</b>     |                              |                       |
| Sales                           | <u>983,305</u>               | <u>1,409,331</u>      |
| Purchases                       | <u>17,831,834</u>            | <u>13,229,501</u>     |
| Reimbursement of expenses       | <u>682</u>                   | <u>2,405</u>          |
| Rent income                     | <u>1,107</u>                 | <u>890</u>            |
| Dividend distribution           | <u>-</u>                     | <u>101,228</u>        |
| Registration and training       | <u>33</u>                    | <u>2,573</u>          |
| Services                        | <u>3,893</u>                 | <u>3,316</u>          |
| <b>Key management personnel</b> |                              |                       |
| Remuneration and allowances     | <u>329,691</u>               | <u>250,579</u>        |
| <b>Staff retirement funds</b>   |                              |                       |
| Contribution paid               | <u>51,990</u>                | <u>46,510</u>         |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

## 17. SEGMENT REPORTING

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

### 17.1 Segment revenue and results

For the three months ended  
September 30, 2026

|                                            | Steel coils &<br>sheets | Steel pipes | Polymer<br>pipes | Investment | Total        |
|--------------------------------------------|-------------------------|-------------|------------------|------------|--------------|
|                                            | (Rupees in '000)        |             |                  |            |              |
| Revenue from contracts with customers      |                         |             |                  |            |              |
| Local                                      | 19,249,843              | 6,399,791   | 839,641          | -          | 26,489,275   |
| Exports                                    | 2,524,457               | 687,343     | -                | -          | 3,211,800    |
|                                            | 21,774,300              | 7,087,134   | 839,641          | -          | 29,701,075   |
| Cost of sales                              | (18,365,780)            | (6,226,341) | (740,693)        | -          | (25,332,814) |
| Gross profit                               | 3,408,520               | 860,793     | 98,948           | -          | 4,368,261    |
| Selling and distribution expenses          | (903,541)               | (585,214)   | (37,273)         | -          | (1,526,028)  |
| Administrative expenses                    | (149,601)               | (169,071)   | (19,689)         | -          | (338,361)    |
| Charge of loss allowance on trade debts    | -                       | (23,088)    | (2,880)          | -          | (25,968)     |
|                                            | (1,053,142)             | (777,373)   | (59,842)         | -          | (1,890,357)  |
| Finance cost                               | (489,449)               | (143,726)   | (16,497)         | -          | (649,672)    |
| Other operating charges                    | (472,611)               | (22,154)    | (4,457)          | -          | (499,222)    |
|                                            | (962,060)               | (165,880)   | (20,954)         | -          | (1,148,894)  |
| Other income                               | 2,072,568               | 622,548     | -                | -          | 2,695,116    |
| Share of loss in equity accounted investee |                         | -           | -                | (6,854)    | (6,854)      |
| Profit / (loss) before income tax          | 3,465,886               | 540,088     | 18,152           | (6,854)    | 4,017,272    |
| Income tax expense                         |                         |             |                  |            | (1,393,874)  |
| Profit after tax for the period            |                         |             |                  |            | 2,623,398    |

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 / (loss)                                | 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      |

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

|                                              | Steel coils & sheets | Steel pipes       | Polymer pipes    | Investments      | Total              |
|----------------------------------------------|----------------------|-------------------|------------------|------------------|--------------------|
|                                              | (Rupees in '000)     |                   |                  |                  |                    |
| <b>17.2 Segment assets and liabilities</b>   |                      |                   |                  |                  |                    |
| <b>As at September 30, 2026 - Un-audited</b> |                      |                   |                  |                  |                    |
| Segment assets                               | <u>71,426,019</u>    | <u>24,839,993</u> | <u>3,419,126</u> | <u>2,018,710</u> | <u>101,703,848</u> |
| Segment liabilities                          | <u>42,407,169</u>    | <u>9,336,571</u>  | <u>660,094</u>   | <u>-</u>         | <u>52,403,834</u>  |
| <b>As at June 30, 2026 - Audited</b>         |                      |                   |                  |                  |                    |
| Segment assets                               | <u>55,620,676</u>    | <u>20,433,137</u> | <u>3,320,416</u> | <u>1,932,105</u> | <u>81,306,334</u>  |
| Segment liabilities                          | <u>28,812,312</u>    | <u>5,457,113</u>  | <u>538,134</u>   | <u>-</u>         | <u>34,807,558</u>  |

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

|                                                                                                | (Un-audited)<br>September 30,<br>2026 | (Audited)<br>June 30,<br>2026 |
|------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------|
|                                                                                                | (Rupees in '000)                      |                               |
| Total for reportable segments assets                                                           | <u>101,703,848</u>                    | 81,306,334                    |
| Unallocated assets                                                                             | <u>2,338,820</u>                      | 2,721,593                     |
| <b>Total assets as per Consolidated Condensed Interim Statement of Financial Position</b>      | <u><b>104,042,668</b></u>             | <u>84,027,926</u>             |
| Total for reportable segments liabilities                                                      | <u>52,403,834</u>                     | 34,807,558                    |
| Unallocated liabilities                                                                        | <u>3,285,191</u>                      | 3,546,306                     |
| <b>Total liabilities as per Consolidated Condensed Interim Statement of Financial Position</b> | <u><b>55,689,025</b></u>              | <u>38,353,864</u>             |

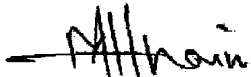
## 18. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values. During the period, there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

## 19. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorised for issue on October 27, 2026 by the Board of Directors of the Holding Company.

  
Haider Rashid  
Director & Chairman  
Board Audit Committee

  
Mujtaba Hussain  
Chief Financial  
Officer

  
Yousuf H. Mirza  
Chief Executive  
Officer

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