BECO STEEL LIMITED

Corporate Briefing Session

FY2026 | Year ended 30 June 2026

Audited financial performance

PRESENTED BY

Mr. Muhammad Imran Raza
Mr. Muhammad Iftikhar

THE COMPANY

An integrated Lahore steelmaker

Operating model

01

Recycled scrap

Steel scrap is melted in electric induction furnaces.

02

Billets

Molten steel is cast into billets.

03

Rolled products

Billets are rolled into re-bars and structural sections.

04

Copper

Non-ferrous products serve local buyers and export customers.

Two manufacturing units

Badami Bagh, Lahore

Products

Billets • re-bars • girders • angles • channels • T-iron • round bars • copper products

86,240 t

annual melting capacity

187,200 t

annual re-rolling capacity

5 MW

solar project under way

FINANCIAL OVERVIEW

Record sales, higher profit and a stronger balance sheet

Sales reached a record Rs 9.86bn and net current assets turned positive. Profit includes a one-off Rs 224.2m tax provision reversal.

REVENUE	GROSS PROFIT	PROFIT AFTER TAX	OPERATING CASH FLOW
Rs 9.86bn	**Rs 427m**	**Rs 311m**	**Rs 82m**
Up 32.3% year on year	Up 10.5%; margin 4.3%	Includes Rs 224.2m reversal	FY2025: Rs (2.5)m outflow

Financial takeaways

01 Gross profit rose 10.5% to Rs 427.0m; gross margin was 4.3% (FY2025: 5.2%) as scrap and power costs rose.

02 Profit before levies and tax rose 102.6%; PAT includes a Rs 224.2m tax provision reversal.

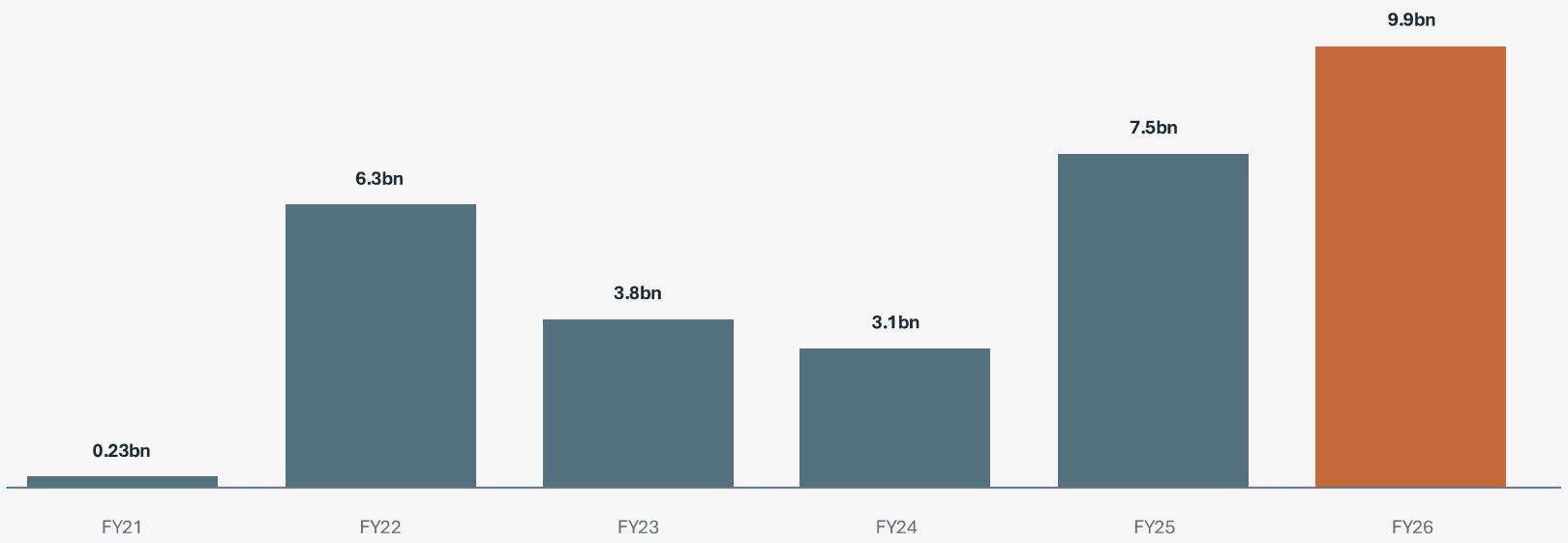
03 Operating profit rose 6.5% to Rs 267.7m as revenue grew 32.3%.

SIX-YEAR SALES

Sales reached a six-year high in FY2026

Rs billion. FY2024 comparative figures are restated in the FY2025 accounts.

Sales revenue

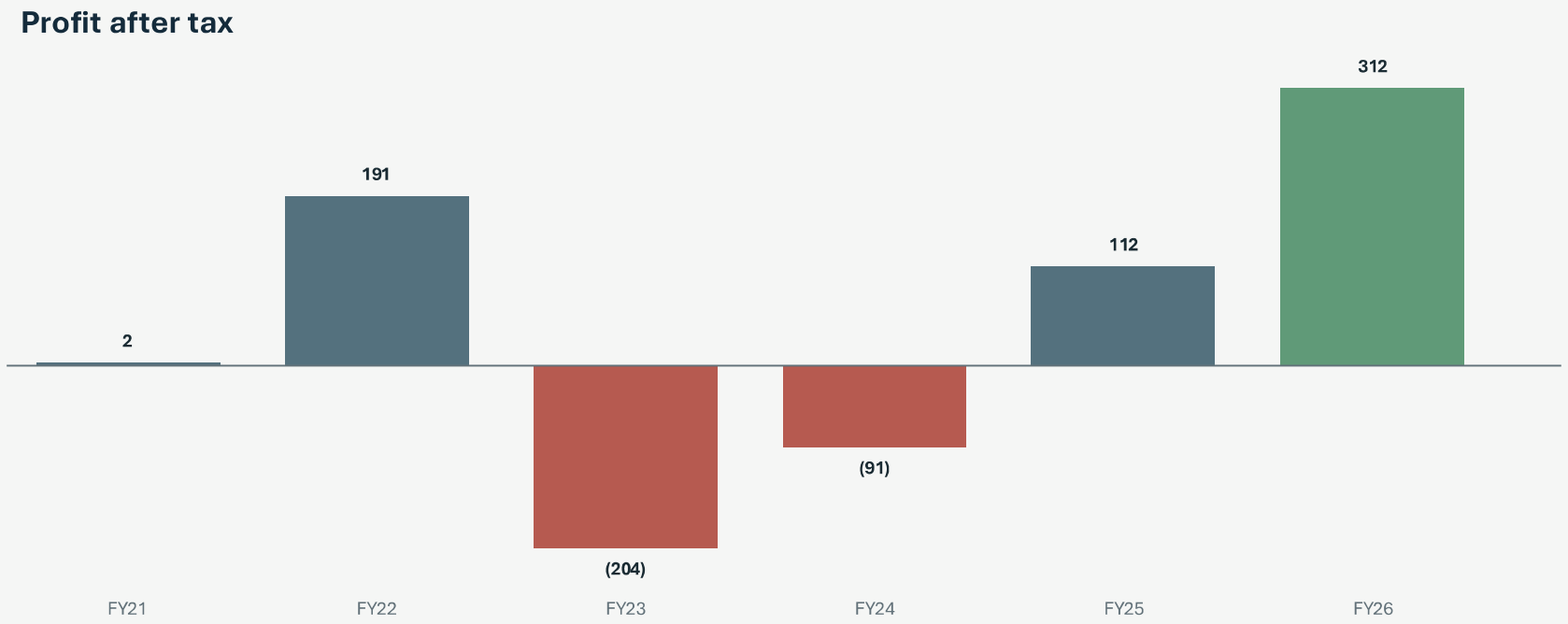


Revenue Rs 9,860.5m | up 32.3% year on year

SIX-YEAR PROFIT

Profit after tax reached a six-year high in FY2026

Rs million. FY2024 comparative figures are restated in the FY2025 accounts.



PAT Rs 311.5m | EPS Re 0.25

BALANCE SHEET

Net current assets turned positive; current ratio up to 1.02x

At 30 June 2026; balances in Rs million.

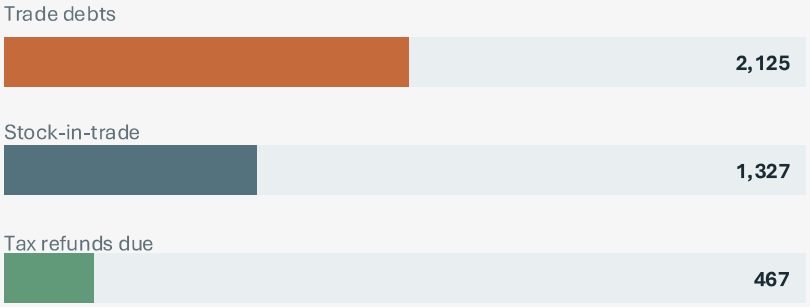
CURRENT RATIO
1.02x
FY2025: 0.93x

NET CURRENT ASSETS
Rs 79m
FY2025: net current liabilities Rs 284m

TRADE DEBTS
Rs 2,125m
Up Rs 748m year on year

STOCK-IN-TRADE
Rs 1,327m
Down Rs 706m year on year

Current asset movement



Credit and liquidity focus

Sales growth increased receivables. The annual report says management reviews customer credit limits and trade debts regularly.

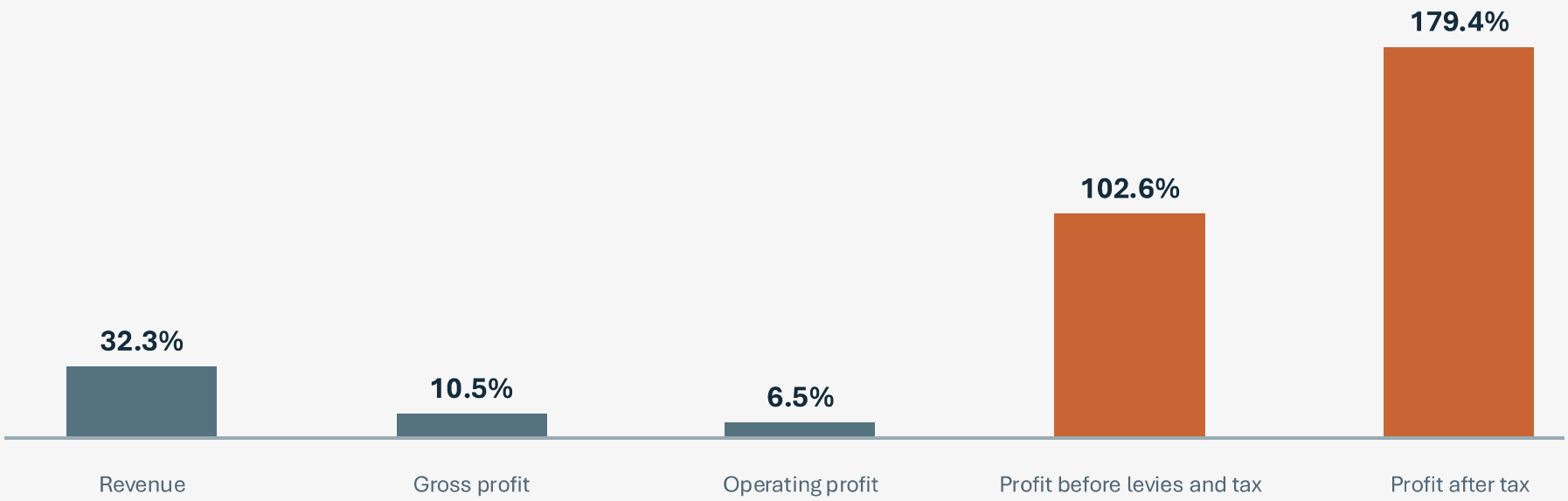
FY2026 audit — **Unmodified opinion; no going-concern emphasis.**

Rs 298m income tax and levies paid in FY2026

FY2026 GROWTH

Profit before tax more than doubled; profit after tax nearly tripled

Year-on-year change. Reported earnings include a Rs 224.2m tax provision reversal.

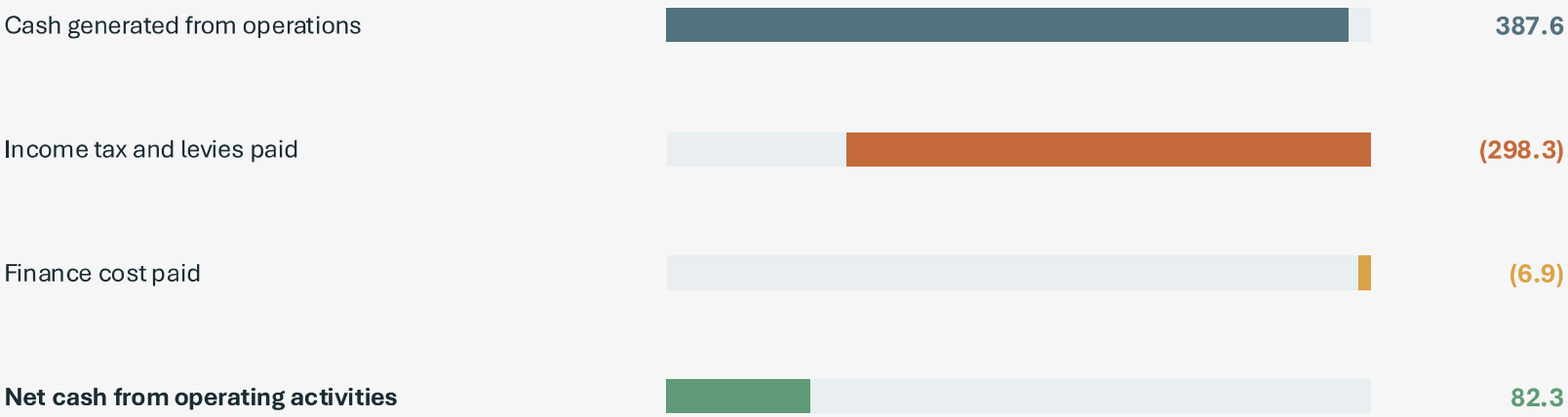


FY2026: revenue +32.3% | gross profit +10.5% | operating profit +6.5%

CASH AND FUNDING

Operations generated Rs 82m after tax and levies paid of Rs 298m

Year ended 30 June 2026; Rs million. Totals may not add due to rounding.



Bank borrowings

Nil at year end

Sponsor / director loan

Rs 282.2m

Classified within equity under the accounting policy

Cash balance

Rs 10.2m

SHAREHOLDER MATTERS

FY2026 profit cleared the accumulated loss; the board retained earnings

No dividend was recommended for the year ended 30 June 2026.

Capital position

Shareholders' equity	**Rs 3,537.2m**
Accumulated profit	**Rs 6.2m**
EPS, basic and diluted	**Re 0.25**
Shares in issue	**1,249.6m**

Why earnings were retained

- Working capital needs
- Higher raw material and energy costs
- Essential capital and operational needs
- Financial resilience

FINANCIAL SUMMARY

Audited FY2026 results

Rs million unless stated.

	FY2026	FY2025	Change
Revenue	**9,860.5**	**7,451.5**	**+32.3%**
Gross profit	**427.0**	**386.3**	**+10.5%**
Gross margin	**4.3%**	**5.2%**	**(0.9) pp**
Operating profit	**267.7**	**251.4**	**+6.5%**
Profit before levies and tax	**442.3**	**218.3**	**+102.6%**
Profit after taxation	**311.5**	**111.5**	**+179.4%**
Operating cash flow	**82.3**	**(2.5)**	**Improved**
Total assets	**7,635.7**	**7,665.7**	**(0.4%)**
Shareholders' equity	**3,537.2**	**3,225.8**	**+9.7%**
Current ratio	**1.02x**	**0.93x**	**+0.09x**

PRINCIPAL RISKS

Principal risks are identified and actively managed

The Board oversees risk through the Audit Committee and reviews the principal risks at least once a year.

Raw material prices and supply

Multiple suppliers and origins; review stock levels and selling prices.

Energy tariffs

Efficient induction melting; solar generation plan; tariff monitoring.

Demand and competition

Broader product range, copper diversification, new re-bar plant.

Customer credit

Set credit limits and review receivables regularly.

FX exposure

Prompt payment of imports; monitor exposure; copper exports partly hedge FX.

Tax and environment rules

Management and adviser review; industry engagement; Punjab EPA compliance.

FY2027 PRIORITIES

Management expects higher volumes, with solar and re-bar supporting growth

With no bank borrowings, an integrated plant and committed sponsors, the Company is well placed to grow.

01	**Bring the 5 MW solar plant into full use**	Measure generation, grid savings and operating reliability.
02	**Take the 72,000-tonne re-bar plant forward**	Track project timeline, capital needs and market acceptance.
03	**Grow copper exports and power-sector supply**	Build repeat export demand and approved supply channels.
04	**Keep the balance sheet strong**	Protect collections, liquidity and the no-bank-borrowing position.

Actual results may differ from management expectations as costs, demand, tariffs and project timing change.

Thank you

Questions and answers

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