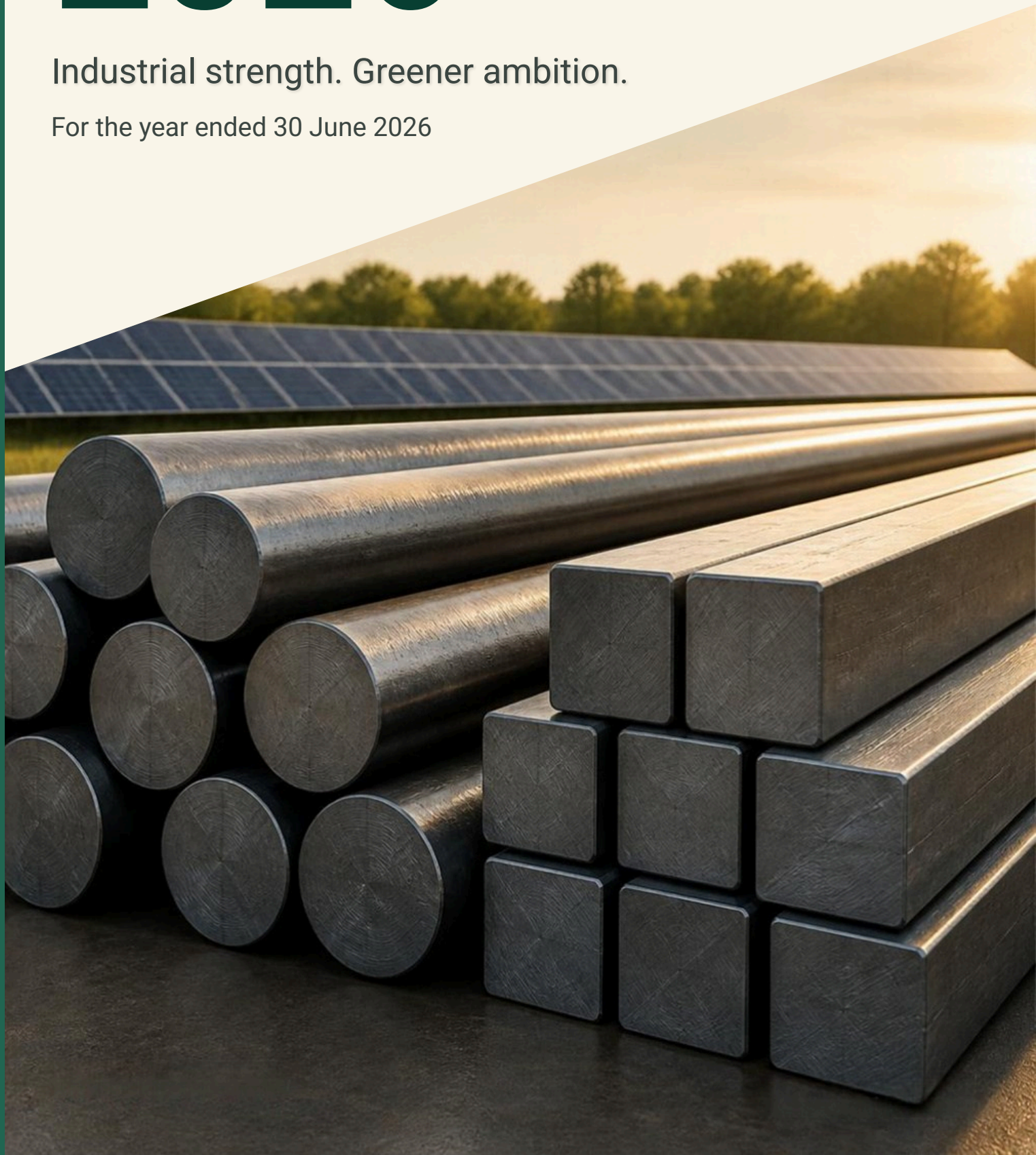
BECO STEEL LIMITED

ANNUAL REPORT

2026

Industrial strength. Greener ambition.

For the year ended 30 June 2026



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Annual Report for the year ended 30 June 2026

READ ONLINE

becosteel.com/annual-reports

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WHO WE ARE

Steel from recycled scrap, made in the heart of Lahore

Beco Steel Limited melts steel scrap in induction furnaces and rolls it into billets, re-bars and structural sections at two manufacturing units in Badami Bagh, Lahore. Its non-ferrous segment supplies copper to local customers and for export.

The Company was incorporated in 1987 as Ravi Textile Mills Limited. In 2020 the Chaudhry family, whose steel business dates back to 1962, acquired control and turned the company into a steelmaker: steel production began in 2021, and in 2022 the Company issued shares to acquire the land, buildings and plant of its melting and re-rolling units. Its shares are listed on the Pakistan Stock Exchange under the symbol BECO.

86,240 t
annual melting capacity (note 48)

187,200 t
annual re-rolling capacity (note 48)

12 t + 8 t
Inductotherm induction furnaces

2 × 5 MW
sanctioned WAPDA load, one per unit

5 MW
solar project under way at our Lahore units

46
permanent employees at 30 June 2026

PRODUCTS

Billets | Re-bars | Girders | Angles | Channels | T-iron | Round bars | Copper products

“We strengthen your dreams”
Company promise

“Our Clients; Our Privilege!”
Chief Executive's principle

OUR BRAND AND MARKETS

Brand. Beco Steel has built its brand largely by word of mouth, from customers who have used and tested our products.

Markets. Our products, such as girders, are sold across the north of the region and rural Khyber Pakhtunkhwa and exported to Afghanistan, as the preferred choice for the stability and durability needed to withstand harsh mountain conditions. Our vision and mission are on page 4.

MILESTONES

1987	Incorporated as Ravi Textile Mills Limited
2020	Chaudhry family sponsors acquire control
2021	Steel production begins
2022	Shares issued for the melting and re-rolling units (SECP approval, January 2022)
Jul 2025	First export: copper ingots to Hong Kong
Oct 2025	Members approve 10-for-1 share subdivision; rebar plant and 5 MW solar plans announced
Nov 2025	Share subdivision takes effect: 1,249.6 million shares of Re 1
Feb 2026	Construction of the 5 MW solar plant begins
Mar 2026	Khawaja Gul Muhammad joins the Board as an independent director
Jun 2026	Record sales of Rs 9.86 billion; accumulated losses cleared

VISION

Strengthening Pakistan's growth through sustainable steel and metal solutions.

MISSION

Turn recycled metal into quality steel and non-ferrous products through efficient, safe and clean operations, creating lasting value for our customers, people, shareholders and communities.

WE STRENGTHEN YOUR DREAMS

CORPORATE DIRECTORY

Company information

As at the date of this report

BOARD OF DIRECTORS

Mr. Muhammad Zain-ul-Afaq	Chairman, non-executive
Mr. Muhammad Ali Shafique Chaudhry	Chief Executive Officer
Ms. Afifa Shafique	Executive
Mr. Muhammad Hashim Tareen	Independent
Khawaja Gul Muhammad	Independent
Mrs. Shabana Shafique	Non-executive
Miss Eman Shafique	Non-executive

AUDIT COMMITTEE

Mr. Muhammad Hashim Tareen	Chairman
Mrs. Shabana Shafique	Member
Miss Eman Shafique	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Muhammad Hashim Tareen	Chairman
Mr. Muhammad Ali Shafique Chaudhry	Member
Mrs. Shabana Shafique	Member
Miss Eman Shafique	Member

MANAGEMENT

Ms. Afifa Shafique	Chief Financial Officer
Mr. Abdul Shakoor	Company Secretary
Mr. Saleem Marwat	Head of Internal Audit

EXTERNAL AUDITORS

Malik Haroon Ahmad & Co.
Chartered Accountants

LEGAL ADVISOR

Mr. Muhammad Imran
7-Begum Road, Mozang, Lahore

BANKERS

Askari Bank Limited
Bank Alfalah Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Meezan Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited

SHARE REGISTRAR

Hameed Majeed Associates (Private) Limited
H.M. House, 7-Bank Square, Lahore

REGISTERED OFFICE AND SALES CENTRE

79-Peco Road, Badami Bagh, Lahore, Pakistan

HEAD OFFICE

G-7 Ground Floor, Florets Luxury Apartments, 127 Ahmad Block, New Garden Town, Lahore

MANUFACTURING UNITS

Unit 1: Khokhar Road, Badami Bagh, Lahore
Unit 2: Mouza Bela Basti Raam, Noor Road, Badami Bagh, Lahore

CONTACT

UAN (042) 111 112 326 · +92 42 37395670
www.becosteel.com · info@becosteel.com
secretary@becosteel.com

YEAR ENDED 30 JUNE 2026

Record sales, a stronger balance sheet

Rs 9,860.5m
Sales
FY25: Rs 7,451.5m ▲ 32.3%

Rs 427.0m
Gross profit
FY25: Rs 386.3m ▲ 10.5%

Rs 267.7m
Operating profit
FY25: Rs 251.4m ▲ 6.5%

Rs 442.3m
Profit before levies and tax
FY25: Rs 218.3m ▲ 102.6%

Rs 311.5m
Profit after tax
FY25: Rs 111.5m ▲ 179.4%

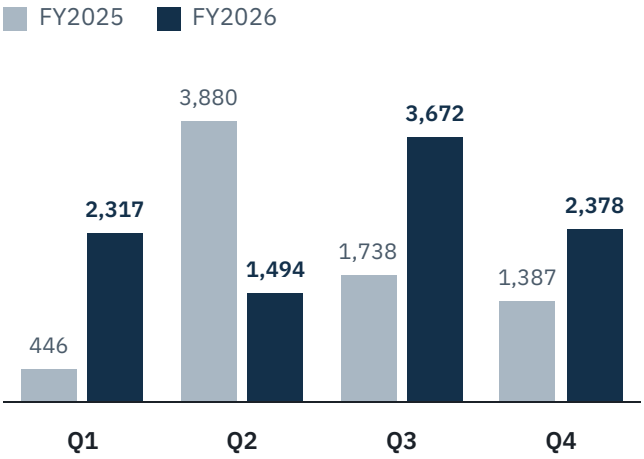
Re 0.25
Earnings per share
FY25: Re 0.09 restated ▲ 179.4%

Rs 3,537.2m
Shareholders' equity
FY25: Rs 3,225.8m ▲ 9.7%

Rs 82.3m
Cash from operating activities
FY25: Rs (2.5)m ▲

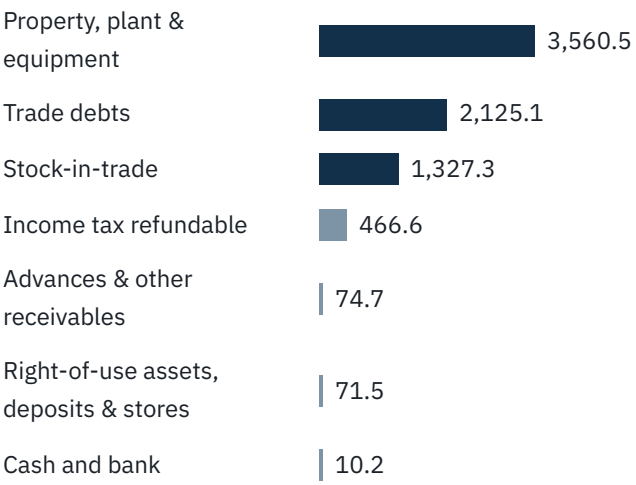
1.02 : 1
Current ratio · no bank borrowings
FY25: 0.93 : 1 ▲

Quarterly sales, Rs million



Sales grew in every quarter but one, led by copper; full-year sales rose 32.3%.

What we own, 30 June 2026, Rs million



Total assets Rs 7,635.7 million. Stock was drawn down by Rs 706.2 million and turned into sales, funding growth without bank borrowing.

30 June 2025
(305.3)
accumulated loss, Rs m

→

30 June 2026
6.2
accumulated profit, Rs m

This year's profit cleared the accumulated loss carried from earlier years, with no borrowing from banks.

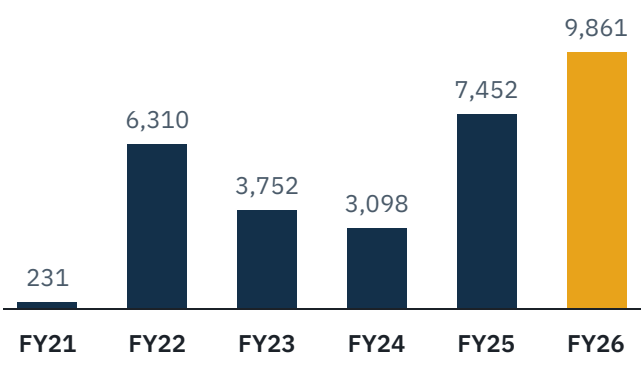
Comparatives: year ended 30 June 2025 (audited); 2025 EPS restated for the 10-for-1 subdivision of November 2025. Q1–Q3 sales are from the published quarterly accounts; Q4 is the full year less nine months.

RUPEES IN MILLION UNLESS STATED

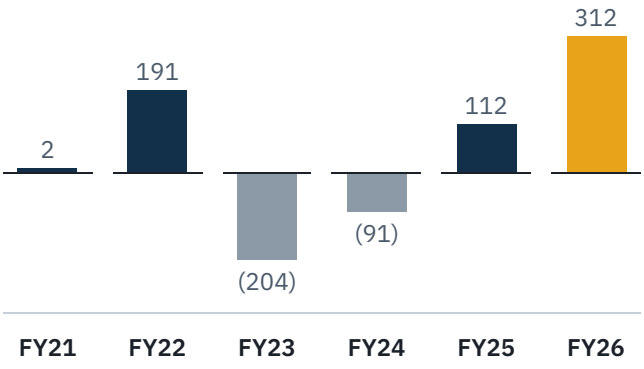
Six years at a glance

	FY2026	FY2025	FY2024 Restated	FY2023	FY2022	FY2021
PROFIT OR LOSS						
Sales	**9,860.5**	7,451.5	3,098.0	3,752.1	6,310.3	230.8
Gross profit / (loss)	**427.0**	386.3	223.4	(20.0)	296.0	4.0
Gross margin, %	**4.3**	5.2	7.2	(0.5)	4.7	1.7
Profit / (loss) before levies and tax	**442.3**	218.3	42.3	(85.4)	220.0	6.3
Profit / (loss) after tax	**311.5**	111.5	(90.8)	(204.1)	190.5	2.3
Earnings / (loss) per share, Re	**0.25**	0.09	(0.07)	(0.16)	0.45	0.01
FINANCIAL POSITION						
Total assets	**7,635.7**	7,665.7	7,179.1	5,854.1	4,469.0	4.6
Shareholders' equity	**3,537.2**	3,225.8	3,086.8	3,177.6	3,361.1	(4.6)
Current assets	**4,004.3**	4,021.5	3,405.3	2,020.3	1,404.6	4.6
Current liabilities	**3,924.9**	4,305.8	3,968.4	2,653.4	1,107.8	9.2
Current ratio, times	**1.02**	0.93	0.86	0.76	1.27	0.50
Cash and bank balances	**10.2**	15.4	16.0	31.4	35.3	1.4
CASH FLOWS AND SHARES						
Net cash from / (used in) operating activities	**82.3**	(2.5)	7.8	867.3	(113.6)	(121.0)
Shares in issue, million	**1,249.6**	1,249.6	1,249.6	1,249.6	1,249.6	250.0
Break-up value per share, Re	**2.83**	2.58	2.47	2.54	2.69	(0.02)

Sales



Profit / (loss) after tax



Shading marks the year under review. FY2024 is as restated in the 2025 accounts; FY2022 financial position as re-presented in the 2023 accounts. FY2021 precedes steel operations. Per-share figures are restated for the 10-for-1 subdivision of November 2025. FY2026 profit includes the one-off reversal of a Rs 224.2 million tax provision (note 31).

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of shareholders of Beco Steel Limited (the Company) will be held on October 28, 2026 (Wednesday) at 12:00 (noon) at Executive Board Room, Royal Palm Golf and Country Club, 52 Canal Road, Mughalpura, Lahore to transact the following business:

1. To confirm minutes of the Annual General Meeting held on October 28, 2025.
2. To receive and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2026, along with Directors and Auditors Reports thereon.
3. To appoint External Auditors of the Company for the financial year ending June 30, 2027, and to fix their remuneration. The shareholders are hereby notified that the Audit Committee and the Board of Directors have recommended the name of M/s Malik Haroon Ahmad & Co, Chartered Accountants for re-appointment as auditors of the Company for the financial year 2026-27.

SPECIAL BUSINESS:

4. To ratify and approve transactions conducted with the Related Parties for the year ended June 30, 2026 by passing the following special resolution with or without modification: -

   "Resolved that, the transactions conducted with the Related Parties as disclosed in the note # 44 to the financial statements of the Company for the year ended June 30, 2026 be and are hereby ratified, approved and confirmed."

5. To authorize the Board of Directors of the Company to approve transactions with the related parties for the financial year ending on June 30, 2027 by passing the following special resolution with or without modification: -

   "Resolved that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with the Related Parties on case-to-case basis for the financial year ending on June 30, 2027.

   Resolved further that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

6. To transact any other business with the permission of the Chair.

Lahore: **October 07, 2026**	**By Order of the Board**  **(Abdul Shakoor)** **Company Secretary**

NOTES: -

1. The Share Transfer Books of the Company will remain closed from October 21, 2026 to October 28, 2026 (both days inclusive). Transfers received in order at the Office of our Share Registrar, Hameed Majeed Associates, upto the close of business hours on October 20, 2026, will be treated in time for the purposes of e for determination of entitlement to attend and vote at the meeting.
2. A member eligible to attend, speak and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. CDC beneficial owners and Proxy Holders must bring with them their valid Computerized National Identity Cards (CNIC)/ Passports in original to prove his/her identity. In case of Proxy, CDC beneficial owners and Proxy Holders must enclose duly notarized copies of their valid CNIC/Passports with the Proxy Form.
3. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the time for holding the meeting and should be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.
4. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting. In case of Proxy, the corporate entity shall also submit the documents required for the meeting along with the Proxy Form to the Company.
5. Pursuant to provisions of Section 134 of the Companies Act, 2017, if the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location to participate in the meeting through video conference at least seven days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.
6. The members and their proxies can attend the Annual General Meeting via video link using their smart phones / tablets. However, they are requested to register themselves by providing the following information along with copy of valid Computerized National Identity Card (both sides) / passport, attested copy of Board Resolution/power of attorney (in case of corporate shareholders) through email at secretary@becosteel.com by October 26, 2026:-

Name of Member/ Proxyholder	Folio No. / CDC Account No.	Cell No. / WhatsApp No.	CNIC No.	Email ID

7. The notice of meeting containing the QR enabled code and the weblink address to view and download the Annual Report including annual audited financial statements, is being dispatched to the members as per requirements of the Companies Act, 2017, on their registered addresses and e-mailed to the
8. shareholders who have provided their valid email IDs to the Share Registrar of the Company. Further, the notice of meeting has also been posted on the Company's website: www.becosteel.com Furthermore, the notice is also being published in English and Urdu languages in a daily newspaper of respective language having nationwide circulation.
9. The Members, who desire for receiving the AGM Notice containing annual audited financial statements/Annual Report through e-mail, are requested to update their e-mail IDs. The Annual Report for the year ended June 30, 2026 is available on website of the Company. However, hard copy of Annual Report will be provided free of cost on written request of the shareholder on Standard Request Form available on website www.becosteel.com.

10. The annual audited financial statements of the Company for the financial year ended June 30, 2026 containing inter alia the audited financial statements, along with Auditors', directors' and Chairman's reports thereon may be reviewed and downloaded by the following QR Code and weblink as given under:

Link	QR Code
https://becosteel.com/annual-reports/	

11. Pursuant to requirement of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, the shareholders are requested to provide their bank details including International Bank Account Number (IBAN) of 24 digits in order to receive unclaimed e-dividends. Further, the shareholders may contact at the Registered Office of the Company to collect / enquire about their unclaimed physical dividends / physical shares;

12. Shareholders holding physical share certificates who have not yet submitted copy of their valid CNIC/NTN are once again requested to send a copy of their valid CNIC/NTN to our Share Registrar, Hameed Majeed Associates (Pvt) Limited. The shareholders while sending copy of CNIC/ NTN must quote their respective folio numbers thereon enabling the Company to comply with the requirements of the Companies Act, 2017 and SROs issued thereunder in order to release the physical dividend warrants.

13. As per Section 72 of the Companies Act, 2017, members of the Company, in their best interest, are requested once again to convert their physical shares into book-entry form at the earliest possible.

14. In view of prohibition under Section 185 of the Companies Act, 2017, the Company will not distribute gifts in any form to its members at the meeting.

15. Members are requested to notify immediately any change in their addresses. CDC beneficial owners maintaining their shares in electronic form should have their addresses updated with their participants or CDC Investor Account Services.

16. Procedure for E-Voting:

(a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers and e-mail addresses available in the register of members of the Company by the close of business on October 22, 2026.

(b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

(c) Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.

(d) E-Voting lines will start from October 23, 2026, 09:00 AM and shall close on October 27, 2026 at 5:00 PM. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

17. Procedure for voting through postal ballot:

a. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.becosteel.com for download.

b. The members shall ensure that duly filled and signed ballot paper along with copy of valid Computerized National Identity Card (CNIC)/ Passport should reach the Chairman of the meeting through post on the Company's registered address, 79-Peco Road, Badami Bagh, Lahore or email at ceo@becosteel.com one day before the Annual General Meeting i.e. on October 27, 2026 till 05:00 PM. The signature on the ballot paper should match with the signature on CNIC.

18. The shareholders are also encouraged to send their comments and suggestions, related to the agenda items of the AGM on secretary@becosteel.com to be discussed in the meeting.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017, SETS OUT THE MATERIAL FACTS CONCERNING THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING OF THE COMPANY.

Agenda item No. 4-5 Ratification and Approval of the Related Party Transactions

All transactions conducted by the Company with related parties for the fiscal year ended June 30, 2026, are detailed in the related party note # 44 to the Annual Financial Statements for the year ended June 30, 2026. The Company conducted transactions with related parties at arm's length price basis in accordance with the approved related party transactions policy, during the normal course of business, and was periodically reviewed by the Audit Committee in accordance with clause 15 of the Listed Companies (Code of Corporate Governance) regulations, 2019.

The Board approved the transactions with related parties in the Quarterly/Annual financial statements for the fiscal year 2025-26; however, due to the interest/concerns of some of the directors due to common directorship, the Board decided to present the above-mentioned related party transactions to the shareholders in AGM for ratification and approval.

Moreover, during the fiscal year ending June 30, 2027, the Company may also conduct transactions with all related parties in the ordinary course of business and at arm's length price basis in accordance with its related party transaction policy. All transactions with the related parties must be approved by the Audit Committee of the Board. Such transactions will be considered for approval by the Board of Directors based on the Audit Committee's recommendations. To promote transparent business practices, shareholders are recommended to authorize the Company's Board of Directors to approve transactions with related parties for the fiscal year ending June 30, 2027, which transactions will be presumed approved by the shareholders.

These transactions will be presented to the shareholders in the next Annual General Meeting for formal ratification/approval.

The Directors are only interested in the decisions within the framework of their common directorship of such related parties.

سالانہ جنرل میٹنگ کا نوٹس

یہاں اطلاع دی جاتی ہے کہ بیکو اسٹیل لمیٹڈ (کمپنی) کے شیئر ہولڈرز کی سالانہ جنرل میٹنگ 28 اکتوبر 2026 (بدھ) کو دوپہر 12:00 بجے ایگزیکٹو بورڈ روم، رائل پام گالف اینڈ کنٹری کلب، 52 کینال روڈ، مغلپورہ، لاہور میں منعقد ہوگی تاکہ درج ذیل کاروبار انجام دیں:

1۔ 28 اکتوبر 2025 کو منعقد ہونے والی سالانہ جنرل میٹنگ کے منٹس کی تصدیق کے لیے۔

2۔ کمپنی کے سالانہ آڈٹ شدہ اکاؤنٹس کو 30 جون 2026 کو ختم ہونے والے سال کے لیے وصول اور اپنانا، ساتھ ہی ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس بھی۔

3۔ 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کمپنی کے بیرونی آڈیٹرز کی تقرری اور ان کی تنخواہ کا تعین کرنا۔ شیئر ہولڈرز کو مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز ملک ہارون احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو مالی سال 27-2026 کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے نامزد کرنے کی سفارش کی ہے۔

خصوصی کاروبار:

4۔ 30 جون 2026 کو ختم ہونے والے سال کے لیے متعلقہ فریقین کے ساتھ کیے گئے لین دین کی توثیق اور منظوری کے لیے، درج ذیل خصوصی قرارداد منظور کرنے کے لیے، چاہے ترمیم کے ساتھ ہو یا بغیر:-

> "یہ طے کیا گیا کہ متعلقہ فریقین کے ساتھ کیے گئے لین دین جیسا کہ نوٹ 44# میں کمپنی کے مالی بیانات میں 30 جون 2026 کو ختم ہونے والے سال کے لیے ظاہر کیا گیا ہے، اس کی توثیق، منظوری اور تصدیق کی جاتی ہے۔"

5۔ کمپنی کے بورڈ آف ڈائریکٹرز کو یہ اختیار دینا کہ وہ 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے متعلقہ فریقین کے ساتھ لین دین کی منظوری دے سکے، جس میں درج ذیل خصوصی قرارداد ترمیم کے ساتھ یا بغیر ترمیم پاس کی جائے:-

> "فیصلہ کیا گیا ہے کہ کمپنی کے بورڈ آف ڈائریکٹرز کو مالی سال 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کیس بہ کیس بنیاد پر متعلقہ فریقین کے ساتھ کیے جانے والے لین دین کی منظوری دینے کا اختیار حاصل ہے۔
> مزید یہ طے کیا گیا کہ بورڈ کی جانب سے کیے گئے ان لین دین کو شیئر ہولڈرز کی منظوری دی گئی سمجھا جائے گا اور انہیں اگلے سالانہ جنرل میٹنگ میں شیئر ہولڈرز کے سامنے ان کی رسمی توثیق / منظوری کے لیے پیش کیا جائے گا۔"

6۔ چیئر کی اجازت سے کسی اور کاروبار کو انجام دینا۔

بورڈ کے حکم پر (عبدالشکور) کمپنی سیکرٹری	لاہور: 07 اکتوبر، 2026

نوٹس:-

1۔ کمپنی کی شیئر ٹرانسفر بکس 21 اکتوبر 2026 سے 28 اکتوبر 2026 تک بند رہیں گی (دونوں دن سمیت)۔ ہمارے شیئر رجسٹرار، حمید مجید ایسوسی ایٹس کے دفتر میں کاروباری اوقات کے اختتام تک موصول ہونے والی منتقلیاں 20 اکتوبر 2026 کو کاروباری اوقات کے اختتام تک وقت پر دی جائیں گی تاکہ اجلاس میں شرکت اور ووٹ دینے کے حق کا تعین کیا جا سکے۔

2۔ اس اجلاس میں شرکت کرنے، بولنے اور ووٹ دینے کے اہل رکن کو کسی اور رکن کو اپنا پراکسی مقرر کیا جا سکتا ہے تاکہ وہ شرکت کرے، تقریر کرے اور ووٹ دے سکے، نہ کہ اس کی جگہ۔ CDC کے فائدہ اٹھانے والے مالکان اور پراکسی ہولڈرز کو اپنی درست کمپیوٹرائزڈ نیشنل آئیڈینٹٹی کارڈز (CNIC) / اصل پاسپورٹ ساتھ لانا ضروری ہے تاکہ اپنی شناخت ثابت ہو سکے۔ پراکسی کی صورت میں، CDC کے فائدہ اٹھانے والے مالکان اور پراکسی ہولڈرز کو اپنے درست CNIC/پاسپورٹ کی نوٹری شدہ کاپیاں پراکسی فارم کے ساتھ منسلک کرنی ہوں گی۔

3۔ پراکسی، مؤثر ہونے کے لیے، اجلاس کے انعقاد سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ دفتر میں وصول کی جانی چاہئیں اور ان پر مناسب مہر لگائی، دستخط شدہ اور گواہی دی جانی چاہیے۔ رکن کو ایک سے زیادہ نمائندے مقرر کرنے کا حق نہیں ہوگا۔

4۔ کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی جس پر نامزد شخص کے نمونہ دستخط ہوں (جب تک کہ پہلے فراہم نہ کیا گیا ہو) میٹنگ کے وقت پیش کی جائے گی۔ پراکسی کی صورت میں، کارپوریٹ ادارہ میٹنگ کے لیے درکار دستاویزات اور پراکسی فارم کمپنی کو جمع کرائے گا۔

5۔ کمپنیز ایکٹ 2017 کے سیکشن 134 کے تحت، اگر کمپنی کو جغرافیائی مقام پر رہنے والے مجموعی 10٪ یا اس سے زیادہ شیئر ہولڈنگ رکھنے والے اراکین سے کم از کم سات دن قبل ویڈیو کانفرنس کے ذریعے میٹنگ میں شرکت کی اجازت مل جائے، تو کمپنی اس شہر میں ویڈیو کانفرنس کی سہولت فراہم کرے گی، بشرطیکہ اس سہولت کی دستیابی اس شہر میں ہو۔

6۔ اراکین اور ان کے نمائندے اپنے اسمارٹ فونز / ٹیبلٹس کے ذریعے ویڈیو لنک کے ذریعے سالانہ جنرل میٹنگ میں شرکت کر سکتے ہیں۔ تاہم، ان سے درخواست کی جاتی ہے کہ وہ درج ذیل معلومات کے ساتھ درست کمپیوٹرائزڈ نیشنل آئیڈینٹیٹی کارڈ (دونوں طرف) / پاسپورٹ کی کاپی، بورڈ ریزولوشن/پاور آف اٹارنی کی تصدیق شدہ کاپی (کارپوریٹ شیئر ہولڈرز کی صورت میں) ای میل کے ذریعے secretary@becosteel.com 26 اکتوبر 2026 تک فراہم کریں:

رکن/پراکسی ہولڈر کا نام	فولیو نمبر / CDC اکاؤنٹ نمبر	موبائل نمبر / واٹس ایپ نمبر	CNIC نمبر	ای میل آئی ڈی

7۔ اجلاس کا نوٹس، جس میں QR سے لیس کوڈ اور ویب لنک ایڈریس شامل ہے جس میں سالانہ رپورٹ دیکھنے اور ڈاؤن لوڈ کرنے کے لیے موجود ہے، جس میں سالانہ آڈٹ شدہ مالیاتی بیانات شامل ہیں، ممبران کو کمپنیز ایکٹ، 2017 کی ضروریات کے مطابق ان کے رجسٹرڈ پتوں پر بھیجا جا رہا ہے اور ای میل کے ذریعے بھیجا جا رہا ہے۔

8۔ شیئر ہولڈرز جنہوں نے اپنی درست ای میل آئی ڈیز کمپنی کے شیئر رجسٹرار کو فراہم کی ہیں۔ مزید برآں، میٹنگ کا نوٹس کمپنی کی ویب سائٹ پر بھی پوسٹ کیا گیا ہے: www.becosteel.com مزید برآں، یہ نوٹس انگریزی اور اردو زبانوں میں بھی متعلقہ زبان کے روزنامہ اخبار میں شائع کیا جا رہا ہے جو ملک بھر میں گردش کرتا ہے۔

9۔ وہ اراکین، جو سالانہ آڈٹ شدہ مالیاتی بیانات / سالانہ رپورٹ پر مشتمل AGM نوٹس ای میل کے ذریعے وصول کرنا چاہتے ہیں، سے درخواست کی جاتی ہے کہ وہ اپنے ای میل آئی ڈیز کو اپ ڈیٹ کریں۔ 30 جون 2026 کو ختم ہونے والے سال کی سالانہ رپورٹ کمپنی کی ویب سائٹ پر دستیاب ہے۔ تاہم، سالانہ رپورٹ کی ہارڈ کاپی شیئر ہولڈر کی تحریری درخواست پر ویب سائٹ www.becosteel.com پر دستیاب اسٹینڈرڈ ریکویسٹ فارم پر مفت فراہم کی جائے گی۔

10۔ کمپنی کے سالانہ آڈٹ شدہ مالی بیانات جو 30 جون 2026 کو ختم ہوئے، مالی سال کے لیے، جن میں دیگر امور کے علاوہ آڈٹ شدہ مالی بیانات اور آڈیٹرز، ڈائریکٹرز اور چیئرمین کی رپورٹس شامل ہیں، درج ذیل QR کوڈ اور ویب لنک کے ذریعے دیے اور ڈاؤن لوڈ کیے جا سکتے ہیں:

کیو آر کوڈ	لنک
	https://becosteel.com/annual-reports/

11۔ کمپنیز ایکٹ، 2017 کے سیکشن 242 اور کمپنیز (ڈیویڈنڈز کی تقسیم) ریگولیشنز، 2017 کے تحت، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے بینک کی تفصیلات بشمول انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) 24 ہندسوں پر مشتمل فراہم کریں تاکہ وہ غیر دعویٰ شدہ ای-ڈیویڈنڈز حاصل کر سکیں۔ مزید برآں، شیئر ہولڈرز کمپنی کے رجسٹرڈ دفتر سے رابطہ کر کے اپنے غیر دعویٰ شدہ جسمانی ڈیویڈنڈز / فزیکل شیئرز کے بارے میں معلومات حاصل کر سکتے ہیں؛

12۔ وہ شیئر ہولڈرز جن کے پاس فزیکل شیئر سرٹیفکیٹس ہیں اور جنہوں نے ابھی تک اپنے درست CNIC/NTN کی کاپی جمع نہیں کروائی ہے، انہیں ایک بار پھر درخواست کی جاتی ہے کہ وہ اپنے درست CNIC/NTN کی کاپی ہمارے شیئر رجسٹرار، حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ کو بھیجیں۔ شیئر ہولڈرز کو CNIC/NTN کی کاپی بھیجتے وقت اپنے متعلقہ فولیو نمبرز کا حوالہ دینا ہوگا تاکہ کمپنی کمپنیز ایکٹ، 2017 اور اس کے تحت جاری کردہ SROs کی شرائط پر عمل کر سکے اور فزیکل ڈیویڈنڈ وارنٹس جاری کر سکے۔

13۔ کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، کمپنی کے اراکین سے درخواست کی جاتی ہے کہ وہ اپنے فزیکل شیئرز کو جلد از جلد بک انٹری فارم میں تبدیل کریں۔

14۔ کمپنیز ایکٹ، 2017 کے سیکشن 185 کے تحت پابندی کے پیش نظر، کمپنی اجلاس میں اپنے اراکین کو کسی بھی شکل میں تحائف تقسیم نہیں کرے گی۔

15۔ اراکین سے درخواست کی جاتی ہے کہ وہ اپنے پتے میں کسی بھی تبدیلی کی فوری اطلاع دیں۔ CDC کے فائدہ اٹھانے والے مالکان جو اپنے شیئرز کو الیکٹرانک شکل میں برقرار رکھتے ہیں، انہیں اپنے پتے شرکاء یا CDC انویسٹر اکاؤنٹ سروسز کے ساتھ اپ ڈیٹ کروانا چاہیے۔

16۔ ای-ووٹنگ کا طریقہ کار:

(أ) ای ووٹنگ سہولت کی تفصیلات کمپنی کے ان اراکین کے ساتھ ای میل کے ذریعے شیئر کی جائیں گی جن کے درست CNIC نمبر، سیل نمبر اور ای میل ایڈریس 22 اکتوبر 2026 کو کمپنی کے ممبران کے رجسٹر میں دستیاب ہوں گے۔

(ب) ویب ایڈریس، لاگ ان کی تفصیلات، ممبران کو ای میل کے ذریعے فراہم کی جائیں گی۔ سیکیورٹی کوڈز ممبران کو CDC شیئر رجسٹرار سروسز لمیٹڈ (جو ای-ووٹنگ سروس فراہم کنندہ ہے) کے ویب پورٹل سے SMS کے ذریعے بھیجے جائیں گے۔

(ت) ای ووٹنگ کے ذریعے ووٹ ڈالنے کے ارادے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کی جائے گی۔

(ث) ای-ووٹنگ لائنز 23 اکتوبر 2026 کو صبح 09:00 بجے شروع ہوں گی اور 27 اکتوبر 2026 کو شام 5:00 بجے بند ہوں گی۔ اراکین اس مدت میں کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار جب کسی رکن کی طرف سے قرارداد پر ووٹ دیا جائے تو اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

17۔ ڈاک کے ذریعے ووٹنگ کا طریقہ:

(أ) اراکین متبادل طور پر پوسٹل بیلٹ کے ذریعے ووٹنگ کا انتخاب کر سکتے ہیں۔ اراکین کی سہولت کے لیے، بیلٹ پیپر اس نوٹس کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ پر بھی دستیاب ہے www.becosteel.com ڈاؤن لوڈ کے لیے دستیاب ہے۔

(ب) اراکین کو یہ یقینی بنانا ہوگا کہ باقاعدہ بھرا ہوا اور دستخط شدہ بیلٹ پیپر، درست کمپیوٹرائزڈ نیشنل آئیڈینٹیٹی کارڈ (CNIC) / پاسپورٹ کی کاپی میٹنگ کے چیئرمین تک کمپنی کے رجسٹرڈ پتے 79 پیکو روڈ، بادامی باغ، لاہور یا ceo@becosteel.com ای میل کے ذریعے سالانہ جنرل میٹنگ سے ایک دن پہلے یعنی 27 اکتوبر 2026 کو شام 05:00 بجے تک پہنچے۔ بیلٹ پیپر پر دستخط CNIC کے دستخط سے میل کھانا چاہیے۔

18۔ شیئر ہولڈرز کو یہ بھی ترغیب دی جاتی ہے کہ وہ اپنی رائے اور تجاویز بھیجیں، جو اجلاس میں زیر بحث آنے والے اے جی ایم secretary@becosteel.com کے ایجنڈے آئٹمز سے متعلق ہوں۔

کمپنیز ایکٹ، 2017 کے سیکشن 134(3) کے تحت بیان میں کمپنی کی سالانہ جنرل میٹنگ میں خصوصی کاروبار سے متعلق اہم حقائق بیان کیے گئے ہیں۔

ایجنڈا آئٹم نمبر 5-4: متعلقہ فریق کے لین دین کی توثیق اور منظوری

30 جون 2026 کو ختم ہونے والے مالی سال کے لیے کمپنی کی جانب سے متعلقہ فریقین کے ساتھ کیے گئے تمام لین دین کی تفصیل 30 جون 2026 کے سالانہ مالیاتی بیانات کے متعلقہ فریق نوٹ 44# میں دی گئی ہے۔ یہ

کمپنی نے متعلقہ فریقین کے ساتھ متعلقہ فریقین کے ساتھ معمول کے کاروبار کے دوران منظور شدہ متعلقہ فریق ٹرانزیکشنز پالیسی کے مطابق قیمت کی بنیاد پر لین دین کیا، اور آڈٹ کمیٹی نے وقتاً فوقتاً لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے کلاز 15 کے مطابق اس کا جائزہ لیا۔

بورڈ نے مالی سال 26-2025 کے سہ ماہی / سالانہ مالیاتی بیانات میں متعلقہ فریقین کے ساتھ لین دین کی منظوری دی؛ تاہم، کچھ ڈائریکٹرز کی مشترکہ ڈائریکٹرشپ کی وجہ سے دلچسپی / خدشات کی وجہ سے، بورڈ نے مذکورہ بالا متعلقہ فریقی لین دین کو AGM میں شیئر ہولڈرز کو توثیق اور منظوری کے لیے پیش کرنے کا فیصلہ کیا۔

مزید برآں، 30 جون 2027 کو ختم ہونے والے مالی سال کے دوران، کمپنی اپنے متعلقہ فریق لین دین کی پالیسی کے مطابق تمام متعلقہ فریقین کے ساتھ معمول کے کاروباری عمل اور فاصلے کی قیمت کی بنیاد پر لین دین کر سکتی ہے۔ متعلقہ فریقین کے ساتھ تمام لین دین بورڈ کی آڈٹ کمیٹی کی منظوری کے لیے ضروری ہیں۔ ایسے لین دین آڈٹ کمیٹی کی سفارشات کی بنیاد پر بورڈ آف ڈائریکٹرز کی منظوری کے لیے زیر غور آئیں گے۔ شفاف کاروباری طریقہ کار کو فروغ دینے کے لیے، شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے متعلقہ فریقین کے ساتھ لین دین کی منظوری دینے کا اختیار دیں، جن لین دین کو شیئر ہولڈرز کی منظوری کے طور پر سمجھا جائے گا۔

یہ لین دین اگلے سالانہ جنرل میٹنگ میں شیئر ہولڈرز کو باضابطہ توثیق / منظوری کے لیے پیش کیے جائیں گے۔

ڈائریکٹرز صرف ان فیصلوں میں دلچسپی رکھتے ہیں جو ان متعلقہ فریقوں کی مشترکہ ڈائریکٹرشپ کے دائرہ کار میں ہوتے ہیں۔

Muhammad Zain-ul-Afaq
Chairman

+32.3%
growth in sales, to Rs 9.86 billion

Rs 311m
profit after tax, nearly three times last year

Nil
borrowings from banks

REVIEW REPORT BY THE CHAIRMAN · SECTION 192, COMPANIES ACT 2017

Growing stronger in a difficult market

Dear Shareholders, I am pleased to present my review of the Company's performance and of the Board's role in achieving its objectives for the year ended 30 June 2026.

The year in context. Pakistan's economy grew by a provisional 3.7%. Lower interest rates helped the first half; in the second, the Middle East conflict raised oil, freight and scrap prices. Construction held up, with domestic cement despatches 9.5% higher.

Your Company grew. Sales rose 32.3% to Rs 9.86 billion, led by strong growth in copper. Profit after tax rose to Rs 311.5 million (2025: Rs 111.5 million), clearing the accumulated loss of earlier years. Operations generated Rs 82.3 million of cash, and we ended the year with no bank borrowings.

Dividend. The Board has decided to retain this year's profit to fund working capital and build resilience against rising costs. The reasons are set out in the Directors' report.

The Board's role. The Board met four times. It set strategy, approved the budget, monitored performance and, through its committees, oversaw risk, internal control and remuneration. It guided the first copper exports, the solar project and the new re-bar plant.

Board evaluation. Under the Code of Corporate Governance, the Board evaluated its own performance and that of its committees and members, and rated it satisfactory.

Composition. The Board has seven directors, including two independent and three women directors. I thank Mr. Mahmood Aslam, who stepped down, and welcome Khawaja Gul Muhammad as an independent director.

Looking ahead. We will bring the solar plant into full use, take the re-bar project forward, grow exports and keep the balance sheet strong. I thank our shareholders, customers, suppliers and bankers for their confidence, and our employees for their hard work.



Muhammad Zain-ul-Afaq
Chairman

Lahore
7 October 2026

محمد زین الآفاق

چیئرمین

+32.3%

فروخت میں اضافہ، 9.86 ارب روپے تک

Rs 311m

بعد از ٹیکس منافع، گزشتہ سال سے تقریباً تین گنا

Nil

بینکوں سے کوئی قرض نہیں

چیئرمین کا جائزہ رپورٹ · کمپنیز ایکٹ 2017ء کی دفعہ 192

مشکل مارکیٹ میں مضبوط تر ترقی

محترم حصص یافتگان! مجھے 30 جون 2026ء کو ختم ہونے والے سال کے لیے کمپنی کی کارکردگی اور اس کے مقاصد کے حصول میں بورڈ کے کردار کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

سال کا پس منظر۔ پاکستان کی معیشت نے عبوری طور پر 3.7 فیصد ترقی کی۔ پہلی ششماہی میں شرحِ سود میں کمی سے مدد ملی، جبکہ دوسری ششماہی میں مشرقِ وسطیٰ کے تنازع کے باعث تیل، کرایوں اور اسکریپ کی قیمتیں بڑھیں۔ تعمیراتی سرگرمیاں برقرار رہیں اور سیمنٹ کی مقامی ترسیل میں 9.5 فیصد اضافہ ہوا۔

آپ کی کمپنی نے ترقی کی۔ تانبے کی فروخت میں نمایاں اضافے کی بدولت مجموعی فروخت 32.3 فیصد اضافے سے 9.86 ارب روپے ہو گئی۔ بعد از ٹیکس منافع بڑھ کر 311.5 ملین روپے (2025ء: 111.5 ملین روپے) ہو گیا، جس سے گزشتہ برسوں کا جمع شدہ خسارہ ختم ہو گیا۔ کاروباری سرگرمیوں سے 82.3 ملین روپے نقد حاصل ہوئے اور سال کے اختتام پر کمپنی پر بینکوں کا کوئی قرض نہیں تھا۔

منافع منقسمہ۔ بورڈ نے ورکنگ کیپٹل کی ضروریات پوری کرنے اور بڑھتی ہوئی لاگت کے مقابلے میں مالی استحکام پیدا کرنے کے لیے اس سال کا منافع کمپنی میں برقرار رکھنے کا فیصلہ کیا ہے۔ اس کی وجوہات ڈائریکٹرز رپورٹ میں بیان کی گئی ہیں۔

بورڈ کا کردار۔ سال کے دوران بورڈ کے چار اجلاس ہوئے۔ بورڈ نے حکمتِ عملی طے کی، بجٹ منظور کیا، کارکردگی کی نگرانی کی اور اپنی کمیٹیوں کے ذریعے خطرات، اندرونی کنٹرول اور معاوضوں پر نظر رکھی۔ بورڈ نے تانبے کی پہلی برآمدات، شمسی منصوبے اور ری بار کے نئے پلانٹ کے سلسلے میں رہنمائی فراہم کی۔

بورڈ کی کارکردگی کا جائزہ۔ کوڈ آف کارپوریٹ گورننس کے تحت بورڈ نے اپنی، اپنی کمیٹیوں اور اراکین کی کارکردگی کا جائزہ لیا اور اسے تسلی بخش قرار دیا۔

بورڈ کی تشکیل۔ بورڈ سات ڈائریکٹرز پر مشتمل ہے جن میں دو آزاد اور تین خواتین ڈائریکٹرز شامل ہیں۔ میں سبکدوش ہونے والے جناب محمود اسلم کا شکریہ ادا کرتا ہوں اور خواجہ گل محمد کو آزاد ڈائریکٹر کی حیثیت سے خوش آمدید کہتا ہوں۔

آئندہ کا لائحہ عمل۔ ہم شمسی پلانٹ کو مکمل طور پر بروئے کار لائیں گے، ری بار منصوبے کو آگے بڑھائیں گے، برآمدات میں اضافہ کریں گے اور بیلنس شیٹ کو مضبوط رکھیں گے۔ میں حصص یافتگان، صارفین، سپلائرز اور بینکوں کا ان کے اعتماد اور ملازمین کا ان کی محنت پر شکریہ ادا کرتا ہوں۔

Faiz Afaq

محمد زین الآفاق

چیئرمین

لاہور، 7 اکتوبر 2026ء

DIRECTORS' REPORT · SECTION 227, COMPANIES ACT 2017

Directors' report to the members

The directors are pleased to present the annual report of Beco Steel Limited, with the audited financial statements for the year ended 30 June 2026 and the auditors' reports on them. This report has been prepared under section 227 of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Principal activities

The Company manufactures and sells steel products (billets, re-bars, girders, angles, channels, T-iron and round bars) and trades in copper, locally and for export. There was no change in the nature of the business during the year.

The economy

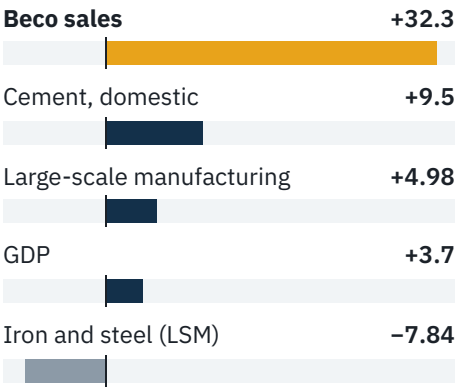
Pakistan's economy grew by a provisional 3.7% in FY2026 and large-scale manufacturing by 4.98%. Lower interest rates and post-flood reconstruction supported the first half. From March 2026 the Middle East conflict raised oil and freight costs, and the policy rate rose to 11.5% in April. The rupee stayed stable and ended the year about 2% stronger against the US dollar.

The steel industry

Construction held up well, with domestic cement despatches 9.5% higher at 41.5 million tonnes. The formal steel industry was weaker, as imports and undocumented producers took a larger share; Beco's sales still grew by 32.3%.

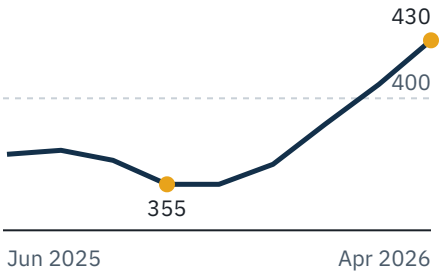
The 2025 budget removed customs duty on melting scrap, and imported scrap fell to a five-year low of about US$355 per tonne in December 2025. The Gulf conflict lifted it to around US$430 in April before it eased below US$400 by June. Copper reached record prices, averaging US$13,552 per tonne in June 2026.

FY2026 growth, %



Beco: sales, FY2026 against FY2025. Others: full year, provisional.

Imported shredded scrap, US$/t



CFR Pakistan, mid-point of reported weekly ranges.

Sources: Pakistan Bureau of Statistics, State Bank of Pakistan, All Pakistan Cement Manufacturers Association, SteelOrbis, Mysteel.

DIRECTORS' REPORT

Operating and financial results

	Year to 30 June 2026	Year to 30 June 2025	Change, %
Sales	9,860.5	7,451.5	+32.3
Cost of sales	(9,433.5)	(7,065.2)	+33.5
Gross profit	**427.0**	**386.3**	**+10.5**
Gross margin, %	*4.3*	*5.2*	
Selling, distribution and administrative expenses	(159.3)	(134.9)	+18.1
Operating profit	**267.7**	**251.4**	**+6.5**
Finance cost	(14.8)	(5.8)	
Other income	226.3	0.4	
Other operating expenses	(36.9)	(27.7)	+33.4
Profit before levies and income tax	**442.3**	**218.3**	**+102.6**
Levies (minimum tax)	(71.7)	(38.5)	
Income tax	(59.1)	(68.3)	–13.5
Profit after tax	**311.5**	**111.5**	**+179.4**
Earnings per share, Re	0.25	0.09*	+179.4

Rupees in million. * Restated for the 10-for-1 share subdivision of November 2025.

Performance

Sales rose 32.3% to Rs 9,860.5 million: steel by 25.0% to Rs 7,830.4 million and copper by 71.0% to Rs 2,030.1 million, including first exports of Rs 79.6 million.

Gross profit grew 10.5% to Rs 427.0 million, three-quarters of it from copper at a 15.9% margin. Steel margins narrowed as scrap and power costs rose faster than prices. Selling and administrative costs rose 18.1%, less than sales.

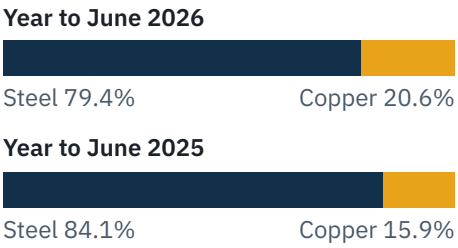
Other income includes the Rs 224.2 million reversal of a tax provision after the case was decided in the Company's favour; without it, profit before levies and tax was Rs 218.1 million, in line with last year. With no bank borrowings, finance cost was only 0.15% of sales.

Profit after tax rose 179.4% to Rs 311.5 million; earnings per share were Re 0.25 (2025: Re 0.09 restated).

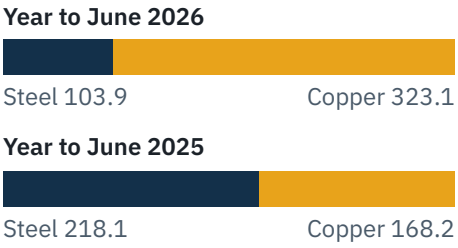
Production

Re-rolling output was 22,690 tonnes (2025: 46,023), matched to demand; sales were also met from opening stock, turning Rs 1.17 billion of finished goods into cash (note 48).

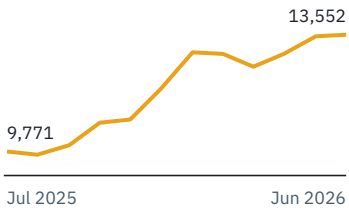
Sales mix



Gross profit by segment, Rs m



Copper price, US$/t



Sources: note 38; World Bank.

DIRECTORS' REPORT

Financial position, dividend and other statutory matters

Financial position

Shareholders' equity rose 9.7% to Rs 3,537.2 million, entirely from profit for the year. The accumulated loss of Rs 305.3 million at 30 June 2025 became an accumulated profit of Rs 6.2 million, and net current liabilities of Rs 284.2 million became net current assets of Rs 79.4 million; the current ratio improved to 1.02 from 0.93.

Stock was reduced by Rs 706.2 million and trade and other payables by Rs 387.7 million, while trade debts rose by Rs 747.7 million with higher sales. The Company repaid its only short-term borrowing, has no bank debt, and paid Rs 298.3 million in income tax and levies during the year.

Dividend: reasons for not declaring a dividend

The Company earned a profit after tax of Rs 311,474,935 for the year ended 30 June 2026. However, the Board of Directors has not recommended any dividend for the year.

The Board, while evaluating the dividend decision, considered the prevailing and anticipated economic slowdown, persistent inflationary pressures, and the substantial increase in the cost of products, raw materials, energy and financing. These factors are expected to adversely impact the Company's cash flows, working capital requirements and overall financial performance in the near term. The Board also noted that this year's profit has been applied first in clearing the accumulated loss of earlier years, leaving an accumulated profit of Rs 6.2 million at 30 June 2026.

In view of the above, and to preserve and strengthen the Company's financial position, the Board has decided to retain the profits and direct them towards meeting working capital requirements, servicing financial obligations, funding essential capital and operational needs, and building financial resilience against prevailing economic uncertainties. This retention is considered prudent and in the long-term interest of the Company and its shareholders.

The Board remains committed to enhancing shareholder value and will continue to review the dividend policy in the light of the Company's financial performance, liquidity position and prevailing economic conditions in future periods. No amount has been transferred to reserves; the profit for the year is carried in accumulated profit.

Auditors' report and going concern

The auditors' report for 2025 drew attention to a material uncertainty about going concern, without modifying their opinion. The conditions behind it have since improved: the Company now has net current assets, the accumulated loss has been cleared, operations generated Rs 82.3 million of cash and there are no bank borrowings. The auditors have issued an unmodified report on the 2026 financial statements, with no such emphasis.

Material changes after the year end

No material changes or commitments affecting the Company's financial position have occurred between 30 June 2026 and the date of this report.

DIRECTORS' REPORT · STRATEGY

SWOT analysis

How the Board sees the Company's position as it enters FY2027.

S Strengths

- **No bank borrowings.** Finance cost was only 0.15% of sales in FY2026.
- **Committed sponsors** who fund growth with interest-free loans.
- **Integrated plant in Lahore** with 86,240 tonnes of melting and 187,200 tonnes of re-rolling capacity, close to Punjab's construction market.
- **Growth ahead of the industry:** sales up 32.3% while formal steel output fell.
- **Diversified earnings:** copper earned three-quarters of gross profit and opened export markets.
- **Recycling-based process** that melts scrap in electric induction furnaces.

O Opportunities

- **New re-bar plant** of 72,000 tonnes a year for housing and infrastructure.
- **5 MW solar plant** to lower energy costs.
- **Copper exports** at record international prices.
- **Power-sector demand** for steel angles on WAPDA and DISCO projects.
- **Lower input costs** from duty-free scrap and reduced industrial power tariffs.
- **Tax reforms** that bring a level playing field for documented producers.
- **Housing finance** growth and new mortgage schemes.

W Weaknesses

- **Smaller scale** than the largest listed steel producers.
- **Thin margins,** typical of the long-steel industry.
- **Working capital** needs rise with growth.

T Threats

- **Volatile scrap and copper prices** and freight costs.
- **Slower public infrastructure spending** in FY2027.
- **Changes in energy tariffs.**

DIRECTORS' REPORT

Principal risks and future outlook

The Board oversees risk through the Audit Committee and reviews the principal risks, including sustainability-related risks, at least once a year. The main risks and how the Company manages them are:

RISK	HOW WE MANAGE IT
Raw material prices and supply	Scrap bought from several suppliers and origins; stock levels and selling prices reviewed regularly.
Demand and competition	A broad product range, copper diversification and the new re-bar plant; focus on documented customers and approved-vendor channels.
Energy cost	Efficient induction melting, the 5 MW solar plant and close monitoring of tariff changes.
Customer credit	Credit limits set and receivables reviewed regularly by management.
Exchange rates	Imports are paid promptly and foreign-currency exposure is monitored; copper exports provide a partial natural hedge.
Regulation and tax	Compliance reviewed by management and tax advisers, with active engagement through the industry association.
Environment and climate	Compliance with Punjab Environmental Protection Agency requirements, recycling-based production and growing use of solar power.

Future outlook

The Government targets GDP growth of 4.0% in FY2027 and the State Bank expects 3.5% to 4.5%, with inflation easing towards its target range by June 2027. Moody's upgraded Pakistan's credit rating to B3 in August 2026, and foreign-exchange reserves have strengthened.

Private construction remains firm: domestic cement despatches rose 7.8% in July to September 2026, and housing finance continues to grow. These trends support demand for steel sections and, in time, for re-bars.

With no bank borrowings, an integrated plant and committed sponsors, the Company is well placed to grow. In FY2027 we expect higher volumes in both steel and copper, supported by the new re-bar plant and lower energy costs from solar power.

PRIORITIES FOR FY2027

1. Bring the 5 MW solar plant into full use
2. Take the 72,000-tonne re-bar plant forward
3. Grow copper exports and power-sector supplies
4. Keep the balance sheet strong, with no bank debt

ENVIRONMENT, SOCIAL AND GOVERNANCE

Recycled steel, cleaner power

The Board is responsible for the Company's sustainability strategy under regulation 10A of the Code of Corporate Governance. It reviews sustainability risks and opportunities, diversity, equity and inclusion, and the Company's environmental and social performance.

5 MW
solar plant at our Lahore units

600,000
kWh of solar power expected each month

11,582 t
of steel melted from recycled scrap in FY2026

3 of 7
directors are women

Environment

Circular steel. We melt steel scrap in electric induction furnaces, giving used steel a new life without iron ore or blast furnaces.

Solar power. Construction of a 5 MW solar plant began in February 2026 to supply part of our own electricity.

Clean air. Our induction furnaces run on electricity, with no coal or oil firing. Dry scrubber plants installed at our melting units treat furnace smoke and capture its harmful content as carbon, and our operations comply with Punjab Environmental Protection Agency guidelines.

Social

Our people. We employed 46 people at 30 June 2026, besides contract labour at our plants. Training and personal protective equipment are provided on the shop floor.

Health and safety. Safety is reviewed in management meetings, and protective equipment and training are provided on the shop floor.

Community. Donations of Rs 407,328 supported health, education and welfare causes. No director has an interest in any donee.

Governance

Diverse Board. Two independent and three women directors serve on a Board of seven.

Policies. The Board has adopted a code of conduct, a policy against harassment at the workplace under regulation 10(4)(xvi), and a diversity, equity and inclusion policy.

Reporting. The Company expects to report under IFRS S1 and S2 from the year ending 30 June 2028 under SECP's phased adoption, and is building its energy and emissions data.

Gender pay gap statement

Under SECP Circular 10 of 2024, for the year ended 30 June 2026

Mean gender pay gap	**(20.5%)**
Median gender pay gap	**(18.8%)**

Calculated on SECP's method from the mean and median hourly pay of male and female employees for June 2026. Figures in brackets mean that women's pay is higher than men's.

Gender inclusion

- A gender diversity policy, endorsed by the Board, forms part of our HR policy and of senior management's KPIs.
- Gender pay gap analysis is carried out each year.
- Women employees receive maternity leave; facilities are reviewed annually.
- An inclusive customer and supplier base is part of senior management's KPIs.
- An anti-harassment policy is in place and its implementation is reviewed by the Board and senior management; complaints go to a senior-management inquiry committee on which women are in the majority.

DIRECTORS' REPORT · CORPORATE GOVERNANCE

The Board and its committees

Composition of the Board

7	4	3	2	3	2
directors in total	male	female	independent	non-executive	executive

Independent: Mr. Muhammad Hashim Tareen and Khawaja Gul Muhammad. Non-executive: Mr. Muhammad Zain-ul-Afaq (Chairman), Mrs. Shabana Shafique and Miss Eman Shafique. Executive: Mr. Muhammad Ali Shafique Chaudhry (Chief Executive Officer) and Ms. Afifa Shafique. Female directors: Ms. Afifa Shafique, Mrs. Shabana Shafique and Miss Eman Shafique.

Meetings and attendance

During the year the Board met four times, the Audit Committee four times and the Human Resource & Remuneration Committee twice. Attendance was:

Director	Category	Board	Audit	HR&R
Mr. Muhammad Zain-ul-Afaq	Chairman, non-executive	4/4	–	–
Mr. Muhammad Ali Shafique Chaudhry	Chief Executive	4/4	–	1/2
Ms. Afifa Shafique	Executive	4/4	–	–
Mr. Muhammad Hashim Tareen	Independent	4/4	4/4	2/2
Khawaja Gul Muhammad (from 31 March 2026)	Independent	1/1	–	–
Mr. Mahmood Aslam (to 31 March 2026)	Independent	1/3	–	–
Mrs. Shabana Shafique	Non-executive	4/4	4/4	2/2
Miss Eman Shafique	Non-executive	4/4	4/4	2/2

Leave of absence was granted to directors who could not attend.

Audit Committee

Mr. Muhammad Hashim Tareen (Chairman, independent), Mrs. Shabana Shafique and Miss Eman Shafique. The Committee reviews the financial statements, internal audit, related party transactions and the external audit.

Human Resource & Remuneration Committee

Mr. Muhammad Hashim Tareen (Chairman, independent), Mr. Muhammad Ali Shafique Chaudhry, Mrs. Shabana Shafique and Miss Eman Shafique.

Directors' remuneration

Under the Board's remuneration policy, non-executive and independent directors receive only a fee for attending meetings, at a rate approved by the Board, and no director decides his or her own pay. Remuneration of the Chief Executive and directors is disclosed in note 46.

Evaluation and training

The Board evaluated its own performance and that of its committees and members for the year. Four directors are certified under the Directors' Training Program and one is exempt; the Company plans to register the remaining two directors for the Program.

DIRECTORS' REPORT

Statements, auditors and acknowledgement

Corporate and financial reporting framework

The directors confirm that:

a. the financial statements prepared by management present fairly the Company's state of affairs, the results of its operations, cash flows and changes in equity;

b. proper books of account have been maintained;

c. appropriate accounting policies have been consistently applied, and accounting estimates are based on reasonable and prudent judgement;

d. International Financial Reporting Standards, as applicable in Pakistan, have been followed, and any departure has been disclosed;

e. the system of internal control is sound in design and has been effectively implemented and monitored;

f. there are no significant doubts about the Company's ability to continue as a going concern;

g. there has been no material departure from the best practices of corporate governance;

h. key operating and financial data for the last six years are on page 7;

i. outstanding taxes and levies are disclosed in the financial statements; and

j. the directors, CEO, CFO, Company Secretary, Head of Internal Audit and their spouses and minor children did not trade in the Company's shares during the year, except that (i) Khawaja Gul Muhammad, independent director, bought 25,000 shares on the stock exchange on 9 and 10 April 2026 (6,000 at Rs 4.84 and 19,000 at Rs 4.85), as disclosed to PSX; (ii) Mr. Muhammad Ali Shafique Chaudhry, Chief Executive Officer, sold on the stock exchange, between 17 October and 26 November 2025, 2,060,000 shares of Rs 10 each before the share subdivision (note 9.1.1) and 76,245,722 shares of Re 1 each after it (together equal to 96,845,722 shares of Re 1 each), as disclosed to PSX; and (iii) members of the sponsoring family transferred shares to him inter se by way of gift.

Related party transactions

All related party transactions were reviewed by the Audit Committee and approved by the Board. As a majority of directors are interested in them, they are placed before members for ratification (notice item 4). Details are in note 44.

External auditors

The auditors, Malik Haroon Ahmad & Co., Chartered Accountants, retire and, being eligible, offer themselves for reappointment. On the recommendation of the Audit Committee, the Board recommends their reappointment for the year ending 30 June 2027, at a remuneration to be fixed by the members at the Annual General Meeting.

Internal audit

The internal audit function, headed by Mr. Saleem Marwat, reports directly to the Audit Committee.

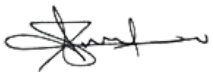
Pattern of shareholding

The pattern of shareholding at 30 June 2026, required by section 227(2)(f) of the Companies Act, 2017 and prepared in Form 20, is on pages 80 and 81.

Acknowledgement

The directors thank our customers, suppliers, bankers and shareholders for their trust, the Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange for their guidance, and our employees for their commitment.

For and on behalf of the Board



Muhammad Ali Shafique Chaudhry
Chief Executive Officer



Eman Shafique
Director

Lahore
7 October 2026

ڈائریکٹرز رپورٹ · کمپنیز ایکٹ 2017ء کی دفعہ 227

ڈائریکٹرز رپورٹ برائے اراکین

ڈائریکٹرز 30 جون 2026ء کو ختم ہونے والے سال کے لیے بیکو اسٹیل لمیٹڈ کی سالانہ رپورٹ، آڈٹ شدہ مالیاتی گوشواروں اور ان پر آڈیٹرز کی رپورٹس کے ہمراہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔ یہ رپورٹ کمپنیز ایکٹ 2017ء کی دفعہ 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019ء کے مطابق تیار کی گئی ہے۔

بنیادی سرگرمیاں

کمپنی اسٹیل مصنوعات (بلٹس، ری بارز، گارڈرز، اینگلز، چینلز، ٹی آئرن اور راؤنڈ بارز) تیار اور فروخت کرتی ہے اور مقامی سطح پر اور برآمد کے لیے تانبے کی تجارت کرتی ہے۔ سال کے دوران کاروبار کی نوعیت میں کوئی تبدیلی نہیں ہوئی۔

معیشت

مالی سال 2026ء میں پاکستان کی معیشت نے عبوری طور پر 3.7 فیصد اور بڑی صنعتوں (ایل ایس ایم) نے 4.98 فیصد ترقی کی۔ شرحِ سود میں کمی اور سیلاب کے بعد تعمیرِ نو نے پہلی ششماہی میں معاونت کی۔ مارچ 2026ء سے مشرقِ وسطیٰ کے تنازع کے باعث تیل اور کرایوں کے اخراجات بڑھے اور اپریل میں پالیسی ریٹ 11.5 فیصد کر دیا گیا۔ روپیہ مستحکم رہا اور سال کے اختتام پر امریکی ڈالر کے مقابلے میں تقریباً 2 فیصد مضبوط ہوا۔

اسٹیل کی صنعت

تعمیراتی سرگرمیاں مستحکم رہیں اور سیمنٹ کی مقامی ترسیل 9.5 فیصد اضافے سے 41.5 ملین ٹن رہی۔ دستاویزی اسٹیل صنعت کمزور رہی کیونکہ درآمدات اور غیر دستاویزی پیداوار کنندگان کا حصہ بڑھا؛ اس کے باوجود بیکو کی فروخت میں 32.3 فیصد اضافہ ہوا۔

بجٹ 2025ء میں پگھلانے والے اسکریپ پر کسٹمز ڈیوٹی ختم کر دی گئی اور دسمبر 2025ء میں درآمدی اسکریپ کی قیمت پانچ سال کی کم ترین سطح، تقریباً 355 امریکی ڈالر فی ٹن پر آ گئی۔ خلیجی تنازع کے باعث اپریل میں یہ تقریباً 430 ڈالر تک پہنچی اور جون تک 400 ڈالر سے کم ہو گئی۔ تانبے کی قیمتیں ریکارڈ سطح پر رہیں اور جون 2026ء میں اوسطاً 13,552 ڈالر فی ٹن رہیں۔

مالی سال 2026ء میں ترقی، فیصد: بیکو کی فروخت 32.3+؛ سیمنٹ، مقامی 9.5+؛ بڑی صنعتیں (ایل ایس ایم) 4.98+؛ جی ڈی پی 3.7+؛ لوہا اور اسٹیل (ایل ایس ایم) 7.84-۔ بیکو: مالی سال 2026ء کی فروخت بمقابلہ مالی سال 2025ء؛ دیگر: پورا سال، عبوری۔ اسکریپ کی قیمتیں: درآمدی شریڈڈ اسکریپ، سی ایف آر پاکستان، ہفتہ وار رپورٹ شدہ قیمتوں کی حد کا وسطی نقطہ۔

ذرائع: پاکستان بیورو آف شماریات، اسٹیٹ بینک آف پاکستان، آل پاکستان سیمنٹ مینوفیکچررز ایسوسی ایشن، اسٹیل اور بس، مائی اسٹیل۔

ڈائریکٹرز رپورٹ

کاروباری و مالیاتی نتائج

	سال مختتمہ 30 جون 2026ء	سال مختتمہ 30 جون 2025ء	تبدیلی %
فروخت	9,860.5	7,451.5	+32.3
لاگتِ فروخت	(9,433.5)	(7,065.2)	+33.5
مجموعی منافع	**427.0**	**386.3**	**+10.5**
مجموعی منافع کا مارجن، فیصد	4.3	5.2	
فروخت، ترسیل اور انتظامی اخراجات	(159.3)	(134.9)	+18.1
آپریٹنگ منافع	**267.7**	**251.4**	**+6.5**
مالیاتی اخراجات	(14.8)	(5.8)	
دیگر آمدنی	226.3	0.4	
دیگر آپریٹنگ اخراجات	(36.9)	(27.7)	+33.4
لیویز اور انکم ٹیکس سے قبل منافع	**442.3**	**218.3**	**+102.6**
لیویز (کم از کم ٹیکس)	(71.7)	(38.5)	
انکم ٹیکس	(59.1)	(68.3)	−13.5
بعد از ٹیکس منافع	**311.5**	**111.5**	**+179.4**
فی حصص آمدنی، روپے	0.25	0.09*	+179.4

ملین روپے۔ *نومبر 2025ء میں حصص کی 1 کے بدلے 10 تقسیم کے مطابق از سرِنو بیان کردہ۔

کارکردگی

فروخت 32.3 فیصد اضافے سے 9,860.5 ملین روپے رہی: اسٹیل کی فروخت 25.0 فیصد اضافے سے 7,830.4 ملین روپے اور تانبے کی فروخت 71.0 فیصد اضافے سے 2,030.1 ملین روپے رہی، جس میں 79.6 ملین روپے کی پہلی برآمدات شامل ہیں۔

مجموعی منافع 10.5 فیصد اضافے سے 427.0 ملین روپے ہو گیا، جس کا تین چوتھائی حصہ 15.9 فیصد مارجن کے ساتھ تانبے سے حاصل ہوا۔ اسکریپ اور بجلی کی لاگت قیمتوں کے مقابلے میں زیادہ تیزی سے بڑھنے کے باعث اسٹیل کے مارجن کم ہوئے۔ فروخت و انتظامی اخراجات میں 18.1 فیصد اضافہ ہوا، جو فروخت میں اضافے کی شرح سے کم ہے۔

دیگر آمدنی میں 224.2 ملین روپے کے ٹیکس پرووژن کی واپسی شامل ہے، جو مقدمے کا فیصلہ کمپنی کے حق میں ہونے کے بعد کی گئی؛ اس کے بغیر لیویز اور ٹیکس سے قبل منافع 218.1 ملین روپے رہا، جو گزشتہ سال کے برابر ہے۔ بینک قرض نہ ہونے کے باعث مالیاتی اخراجات فروخت کا صرف 0.15 فیصد رہے۔

بعد از ٹیکس منافع 179.4 فیصد اضافے سے 311.5 ملین روپے ہو گیا؛ فی حصص آمدنی 0.25 روپے رہی (2025ء: 0.09 روپے، از سرِنو بیان کردہ)۔

پیداوار

ری رولنگ کی پیداوار طلب کے مطابق 22,690 ٹن رہی (2025ء: 46,023 ٹن)؛ فروخت کا کچھ حصہ ابتدائی اسٹاک سے بھی پورا کیا گیا، جس سے 1.17 ارب روپے مالیت کا تیار مال نقد میں تبدیل ہوا (نوٹ 48)۔

ڈائریکٹرز رپورٹ

شعبہ جات، مالی حیثیت اور منافع منقسمہ

شعبہ جات

فروخت کا تناسب: اسٹیل 79.4 فیصد اور تانبا 20.6 فیصد (2025ء: 84.1 فیصد اور 15.9 فیصد)۔ **شعبہ وار مجموعی منافع:** اسٹیل 103.9 ملین روپے اور تانبا 323.1 ملین روپے (2025ء: 218.1 ملین روپے اور 168.2 ملین روپے)۔ تانبے کی قیمت جولائی 2025ء میں 9,771 امریکی ڈالر فی ٹن سے بڑھ کر جون 2026ء میں 13,552 ڈالر فی ٹن ہو گئی۔ شعبہ جات کے اعداد و شمار نوٹ 38 سے اور تانبے کی قیمتیں عالمی بینک کی ماہانہ اوسط سے لی گئی ہیں۔

مالی حیثیت

حصص یافتگان کی ایکویٹی 9.7 فیصد اضافے سے 3,537.2 ملین روپے ہو گئی، جو مکمل طور پر سال کے منافع کی بدولت ہے۔ 30 جون 2025ء کا 305.3 ملین روپے کا جمع شدہ خسارہ 6.2 ملین روپے کے جمع شدہ منافع میں بدل گیا، اور 284.2 ملین روپے کی خالص رواں واجبات 79.4 ملین روپے کے خالص رواں اثاثوں میں تبدیل ہو گئیں؛ کرنٹ ریشو 0.93 سے بہتر ہو کر 1.02 ہو گیا۔

اسٹاک میں 706.2 ملین روپے اور تجارتی و دیگر واجبات میں 387.7 ملین روپے کی کمی ہوئی، جبکہ فروخت بڑھنے کے ساتھ تجارتی وصولیوں میں 747.7 ملین روپے کا اضافہ ہوا۔ کمپنی نے اپنا واحد قلیل مدتی قرض ادا کر دیا ہے، اس پر کوئی بینک قرض نہیں، اور سال کے دوران کمپنی نے انکم ٹیکس اور لیویز کی مد میں 298.3 ملین روپے ادا کیے۔

منافع منقسمہ: منافع منقسمہ کا اعلان نہ کرنے کی وجوہات

کمپنی نے 30 جون 2026ء کو ختم ہونے والے سال کے دوران 311,474,935 روپے کا بعد از ٹیکس منافع حاصل کیا۔ تاہم، بورڈ آف ڈائریکٹرز نے اس سال کے لیے کسی منافع منقسمہ کی سفارش نہیں کی۔

منافع منقسمہ سے متعلق فیصلے کا جائزہ لیتے ہوئے بورڈ نے موجودہ اور متوقع معاشی سست روی، مسلسل افراطِ زر کے دباؤ، اور مصنوعات، خام مال، توانائی اور مالیات (فنانسنگ) کی لاگت میں نمایاں اضافے کو مدِنظر رکھا۔ توقع ہے کہ یہ عوامل مستقبل قریب میں کمپنی کے نقد بہاؤ، ورکنگ کیپیٹل کی ضروریات اور مجموعی مالی کارکردگی پر منفی اثر ڈالیں گے۔ بورڈ نے یہ بھی نوٹ کیا کہ اس سال کا منافع سب سے پہلے گزشتہ برسوں کے جمع شدہ خسارے کو ختم کرنے میں استعمال ہوا ہے، جس کے بعد 30 جون 2026ء کو جمع شدہ منافع 6.2 ملین روپے ہے۔

مندرجہ بالا امور کے پیشِ نظر، اور کمپنی کی مالی حیثیت کو محفوظ اور مستحکم بنانے کے لیے، بورڈ نے منافع کمپنی میں برقرار رکھنے کا فیصلہ کیا ہے تاکہ اسے ورکنگ کیپیٹل کی ضروریات پوری کرنے، مالی ذمہ داریوں کی ادائیگی، ضروری سرمایہ جاتی اور آپریشنل ضروریات کی فنڈنگ، اور موجودہ معاشی غیر یقینی صورتحال کے مقابلے میں مالی استحکام پیدا کرنے کے لیے استعمال کیا جا سکے۔ منافع کو اس طرح برقرار رکھنا دانشمندانہ اور کمپنی اور اس کے حصص یافتگان کے طویل مدتی مفاد میں سمجھا جاتا ہے۔

بورڈ حصص یافتگان کی قدر میں اضافے کے لیے پُرعزم ہے اور آئندہ ادوار میں کمپنی کی مالی کارکردگی، لیکویڈیٹی کی صورتحال اور موجودہ معاشی حالات کی روشنی میں منافع منقسمہ کی پالیسی کا جائزہ لیتا رہے گا۔ ذخائر میں کوئی رقم منتقل نہیں کی گئی؛ سال کا منافع جمع شدہ منافع میں رکھا گیا ہے۔

ڈائریکٹرز رپورٹ

دیگر قانونی امور، اہم خطرات اور مستقبل کا منظر نامہ

آڈیٹرز کی رپورٹ اور گوئنگ کنسرن

2025ء کی آڈیٹرز رپورٹ میں آڈیٹرز نے اپنی رائے میں ترمیم کیے بغیر گوئنگ کنسرن سے متعلق ایک اہم غیر یقینی صورتحال کی جانب توجہ دلائی تھی۔ اس کی بنیاد بننے والے حالات اب بہتر ہو چکے ہیں: کمپنی کے پاس اب خالص رواں اثاثے ہیں، جمع شدہ خسارہ ختم ہو چکا ہے، کاروباری سرگرمیوں سے 82.3 ملین روپے نقد حاصل ہوئے اور کوئی بینک قرض نہیں۔ آڈیٹرز نے 2026ء کے مالیاتی گوشواروں پر غیر ترمیم شدہ رپورٹ جاری کی ہے اور اس میں ایسی کسی بات کی جانب توجہ نہیں دلائی گئی۔

سال کے اختتام کے بعد اہم تبدیلیاں

30 جون 2026ء اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی اہم تبدیلی یا وابستگی واقع نہیں ہوئی۔

اہم خطرات

بورڈ آڈٹ کمیٹی کے ذریعے خطرات کی نگرانی کرتا ہے اور سال میں کم از کم ایک بار پائیداری سے متعلق خطرات سمیت اہم خطرات کا جائزہ لیتا ہے۔ اہم خطرات اور کمپنی کی جانب سے ان کا انتظام درج ذیل ہے:

خطرہ	انتظام
خام مال کی قیمت اور فراہمی	متعدد سپلائرز اور ذرائع سے اسکریپ کی خریداری؛ اسٹاک کی سطح اور فروخت کی قیمتوں کا باقاعدہ جائزہ۔
طلب اور مسابقت	مصنوعات کی وسیع رینج، تانبے کے ذریعے تنوع اور ری بار کا نیا پلانٹ؛ دستاویزی صارفین اور منظور شدہ ویندر چینلز پر توجہ۔
توانائی کی لاگت	مؤثر انڈکشن میلٹنگ، 5 میگاواٹ شمسی پلانٹ اور ٹیرف میں تبدیلیوں کی کڑی نگرانی۔
صارفین کا کریڈٹ	انتظامیہ کی جانب سے کریڈٹ کی حدود کا تعین اور وصولیوں کا باقاعدہ جائزہ۔
شرحِ مبادلہ	درآمدات کی بروقت ادائیگی اور غیر ملکی کرنسی کے خطرے کی نگرانی؛ تانبے کی برآمدات سے جزوی قدرتی تحفظ۔
ضوابط اور ٹیکس	انتظامیہ اور ٹیکس مشیروں کے ذریعے تعمیل کا جائزہ اور صنعتی تنظیم کے ذریعے فعال رابطہ۔
ماحول اور موسمیات	پنجاب انوائرنمنٹل پروٹیکشن ایجنسی کے تقاضوں کی تعمیل، ری سائیکلنگ پر مبنی پیداوار اور شمسی توانائی کا بڑھتا استعمال۔

مستقبل کا منظر نامہ

حکومت نے مالی سال 2027ء کے لیے 4.0 فیصد شرحِ نمو کا ہدف رکھا ہے اور اسٹیٹ بینک 3.5 سے 4.5 فیصد ترقی کی توقع رکھتا ہے، جبکہ جون 2027ء تک مہنگائی کم ہو کر ہدف کی حد کے قریب آنے کی توقع ہے۔ موڈیز نے اگست 2026ء میں پاکستان کی کریڈٹ ریٹنگ بہتر کر کے B3 کر دی اور زرِمبادلہ کے ذخائر مضبوط ہوئے ہیں۔

نجی تعمیرات مستحکم ہیں: جولائی تا ستمبر 2026ء میں سیمنٹ کی مقامی ترسیل 7.8 فیصد بڑھی اور ہاؤسنگ فنانس میں اضافہ جاری ہے۔ یہ رجحانات اسٹیل سیکشنز اور وقت کے ساتھ ری بارز کی طلب میں معاون ہیں۔

بینک قرضوں سے پاک بیلنس شیٹ، مربوط پلانٹ اور پُرعزم اسپانسرز کے ساتھ کمپنی ترقی کے لیے بہتر پوزیشن میں ہے۔ مالی سال 2027ء میں ہم نئے ری بار پلانٹ اور شمسی توانائی سے بجلی کی کم لاگت کی بدولت اسٹیل اور تانبے دونوں کی مقدار میں اضافے کی توقع رکھتے ہیں۔

مالی سال 2027ء کی ترجیحات

1. 5 میگاواٹ شمسی پلانٹ کا مکمل استعمال
2. 72,000 ٹن کے ری بار پلانٹ کی پیش رفت
3. تانبے کی برآمدات اور پاور سیکٹر کو فراہمی میں اضافہ
4. بینک قرض کے بغیر مضبوط بیلنس شیٹ برقرار رکھنا

ڈائریکٹرز رپورٹ · پائیداری اور کارپوریٹ گورننس

پائیداری، بورڈ کی تشکیل اور اجلاس

پائیداری اور ای ایس جی

بورڈ کوڈ آف کارپوریٹ گورننس کے ضابطہ 10A کے تحت کمپنی کی پائیداری کی حکمتِ عملی کا ذمہ دار ہے۔ بورڈ پائیداری سے متعلق خطرات و مواقع، تنوع، مساوات اور شمولیت، اور کمپنی کی ماحولیاتی و سماجی کارکردگی کا جائزہ لیتا ہے۔

ماحول۔ ہم اسٹیل اسکریپ کو برقی انڈکشن فرنسز میں پگھلاتے ہیں، جس سے لوہے کی کچ دھات یا بلاسٹ فرنس کے بغیر استعمال شدہ اسٹیل کو نئی زندگی ملتی ہے؛ مالی سال 2026ء میں ری سائیکل شدہ اسکریپ سے 11,582 ٹن اسٹیل پگھلایا گیا۔ اپنی بجلی کا کچھ حصہ خود پیدا کرنے کے لیے لاہور کے یونٹس میں 5 میگاواٹ شمسی پلانٹ کی تعمیر فروری 2026ء میں شروع ہوئی، جس سے ہر ماہ تقریباً 600,000 کلوواٹ آور بجلی متوقع ہے۔ ہماری انڈکشن فرنسز بجلی سے چلتی ہیں، ان میں کوئلہ یا تیل نہیں جلایا جاتا، اور یہ پنجاب انوائرنمنٹل پروٹیکشن ایجنسی کے تقاضوں کے مطابق کام کرتی ہیں۔ ہمارے پلانٹس پر ڈرائی اسکربر نصب ہیں جو مضر دھوئیں کو کاربن میں تبدیل کر دیتے ہیں۔

سماجی۔ 30 جون 2026ء کو کمپنی کے ملازمین کی تعداد 46 تھی، جبکہ پلانٹس پر کنٹریکٹ لیبر اس کے علاوہ ہے۔ کارخانے میں تربیت اور ذاتی حفاظتی سامان فراہم کیا جاتا ہے۔ حفاظت کا جائزہ انتظامی اجلاسوں میں لیا جاتا ہے۔ 407,328 روپے کے عطیات صحت، تعلیم اور فلاحی مقاصد کے لیے دیے گئے؛ کسی ڈائریکٹر کا کسی عطیہ وصول کنندہ میں کوئی مفاد نہیں۔

گورننس۔ سات اراکین پر مشتمل بورڈ میں دو آزاد اور تین خواتین ڈائریکٹرز شامل ہیں۔ بورڈ نے ضابطۂ اخلاق، ضابطہ 10(4)(xvi) کے تحت کام کی جگہ پر ہراسانی کے خلاف پالیسی، اور تنوع، مساوات اور شمولیت کی پالیسی منظور کی ہے۔ ایس ای سی پی کے مرحلہ وار نفاذ کے تحت کمپنی 30 جون 2028ء کو ختم ہونے والے سال سے IFRS S1 اور S2 کے تحت رپورٹنگ کی توقع رکھتی ہے اور توانائی اور اخراج کا ڈیٹا مرتب کر رہی ہے۔

صنفی تنخواہ کے فرق کا بیان (ایس ای سی پی سرکلر 10 بابت 2024ء، برائے سال مختتمہ 30 جون 2026ء): اوسط فرق (20.5%)؛ وسطانیہ (میڈین) فرق (18.8%)۔ قوسین کا مطلب ہے کہ خواتین کی تنخواہ زیادہ ہے۔ یہ فرق ایس ای سی پی کے طریقۂ کار کے مطابق جون 2026ء کی فی گھنٹہ تنخواہ کے موازنے سے نکالا گیا ہے۔

صنفی شمولیت۔ بورڈ سے منظور شدہ صنفی تنوع کی پالیسی کمپنی کی ایچ آر پالیسی اور سینئر انتظامیہ کے کارکردگی اہداف (KPIs) کا حصہ ہے؛ صنفی تنخواہ کے فرق کا ہر سال تجزیہ کیا جاتا ہے؛ خواتین ملازمین کو زچگی کی چھٹی دی جاتی ہے اور سہولیات کا سالانہ جائزہ لیا جاتا ہے؛ صارفین اور سپلائرز میں خواتین کی شمولیت سینئر انتظامیہ کے اہداف میں شامل ہے؛ اور ہراسانی کے خلاف پالیسی کے نفاذ کا بورڈ اور سینئر انتظامیہ جائزہ لیتے ہیں، جبکہ شکایات کی تحقیقاتی کمیٹی میں خواتین کی اکثریت ہے۔

کارپوریٹ گورننس

بورڈ کی تشکیل۔ کل ڈائریکٹرز 7: مرد 4 اور خواتین 3؛ آزاد 2، نان ایگزیکٹو 3 اور ایگزیکٹو 2۔ آزاد: جناب محمد ہاشم ترین اور خواجہ گل محمد۔ نان ایگزیکٹو: جناب محمد زین الآفاق (چیئرمین)، مسز شبانہ شفیق اور مس ایمان شفیق۔ ایگزیکٹو: جناب محمد علی شفیق چوہدری (چیف ایگزیکٹو آفیسر) اور محترمہ عفیفہ شفیق۔ خواتین ڈائریکٹرز: محترمہ عفیفہ شفیق، مسز شبانہ شفیق اور مس ایمان شفیق۔

اجلاس اور حاضری۔ سال کے دوران بورڈ کے چار، آڈٹ کمیٹی کے چار اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے دو اجلاس ہوئے۔ حاضری درج ذیل رہی:

ڈائریکٹر	زمرہ	بورڈ	آڈٹ	ایچ آر اینڈ آر
جناب محمد زین الآفاق	چیئرمین، نان ایگزیکٹو	4/4	–	–
جناب محمد علی شفیق چوہدری	چیف ایگزیکٹو	4/4	–	1/2
محترمہ عفیفہ شفیق	ایگزیکٹو	4/4	–	–
جناب محمد ہاشم ترین	آزاد	4/4	4/4	2/2
خواجہ گل محمد (31 مارچ 2026ء سے)	آزاد	1/1	–	–
جناب محمود اسلم (31 مارچ 2026ء تک)	آزاد	1/3	–	–
مسز شبانہ شفیق	نان ایگزیکٹو	4/4	4/4	2/2
مس ایمان شفیق	نان ایگزیکٹو	4/4	4/4	2/2

جو ڈائریکٹرز اجلاس میں شریک نہ ہو سکے انہیں رخصت دی گئی۔

ڈائریکٹرز رپورٹ

کمیٹیاں، قانونی تصدیقات، آڈیٹرز اور اظہارِ تشکر

آڈٹ کمیٹی۔ جناب محمد ہاشم ترین (چیئرمین، آزاد)، مسز شبانہ شفیق اور مس ایمان شفیق۔ کمیٹی مالیاتی گوشواروں، اندرونی آڈٹ، متعلقہ فریقوں سے لین دین اور بیرونی آڈٹ کا جائزہ لیتی ہے۔

ہیومن ریسورس اینڈ ریمونریشن کمیٹی۔ جناب محمد ہاشم ترین (چیئرمین، آزاد)، جناب محمد علی شفیق چوہدری، مسز شبانہ شفیق اور مس ایمان شفیق۔

ڈائریکٹرز کا معاوضہ۔ بورڈ کی معاوضہ پالیسی کے تحت نان ایگزیکٹو اور آزاد ڈائریکٹرز کو بورڈ کی منظور شدہ شرح پر صرف اجلاس میں شرکت کی فیس دی جاتی ہے، اور کوئی ڈائریکٹر اپنا معاوضہ خود طے نہیں کرتا۔ چیف ایگزیکٹو اور ڈائریکٹرز کا معاوضہ نوٹ 46 میں ظاہر کیا گیا ہے۔

جائزہ اور تربیت۔ بورڈ نے سال کے لیے اپنی، اپنی کمیٹیوں اور اراکین کی کارکردگی کا جائزہ لیا۔ چار ڈائریکٹرز ڈائریکٹرز ٹریننگ پروگرام کے تحت سند یافتہ ہیں اور ایک ڈائریکٹر اس سے مستثنیٰ ہے؛ کمپنی باقی دو ڈائریکٹرز کو آئندہ اس پروگرام کے لیے رجسٹر کروانے کا ارادہ رکھتی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک۔ ڈائریکٹرز تصدیق کرتے ہیں کہ: (الف) انتظامیہ کے تیار کردہ مالیاتی گوشوارے کمپنی کے امور، اس کے کاروباری نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں؛ (ب) حسابات کی باقاعدہ کتب رکھی گئی ہیں؛ (ج) موزوں اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئی ہیں اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلوں پر مبنی ہیں؛ (د) پاکستان میں قابلِ اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کی پیروی کی گئی ہے اور کسی انحراف کی صورت میں اسے ظاہر کیا گیا ہے؛ (ہ) اندرونی کنٹرول کا نظام اپنی ساخت کے لحاظ سے مضبوط ہے اور اسے مؤثر طریقے سے نافذ کیا گیا ہے اور اس کی نگرانی کی جاتی ہے؛ (و) کمپنی کے گوئنگ کنسرن کے طور پر کام جاری رکھنے کی صلاحیت پر کوئی نمایاں شک نہیں؛ (ز) کارپوریٹ گورننس کے بہترین طریقوں سے کوئی اہم انحراف نہیں ہوا؛ (ح) گزشتہ چھ سال کا اہم کاروباری اور مالیاتی ڈیٹا صفحہ 7 پر ہے؛ (ط) واجب الادا ٹیکس اور لیویز مالیاتی گوشواروں میں ظاہر کیے گئے ہیں؛ اور (ی) ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری، ہیڈ آف انٹرنل آڈٹ اور ان کے شریکِ حیات اور نابالغ بچوں نے یکمال کے دوران کمپنی کے حصص کی خرید و فروخت نہیں کی، سوائے اس کے کہ (1) آزاد ڈائریکٹر خواجہ گل محمد نے 9 اور 10 اپریل 2026ء کو اسٹاک ایکسچینج سے 25,000 حصص خریدے (6,000 حصص 4.84 روپے اور 19,000 حصص 4.85 روپے فی حصص)، جس کی اطلاع پی ایس ایکس کو دی گئی؛ (2) چیف ایگزیکٹو آفیسر جناب محمد علی شفیق چوہدری نے 17 اکتوبر سے 26 نومبر 2025ء کے دوران اسٹاک ایکسچینج پر حصص کی ذیلی تقسیم (نوٹ 9.1.1) سے قبل 10 روپے مالیت کے 2,060,000 حصص اور اس کے بعد 1 روپیہ مالیت کے 76,245,722 حصص (مجموعی طور پر 1 روپیہ مالیت کے 96,845,722 حصص کے برابر) فروخت کیے، جس کی اطلاع پی ایس ایکس کو دی گئی؛ اور (3) اسپانسر خاندان کے افراد نے بطور تحفہ باہمی طور پر حصص ان کے نام منتقل کیے۔

متعلقہ فریقوں سے لین دین۔ متعلقہ فریقوں سے تمام لین دین کا آڈٹ کمیٹی نے جائزہ لیا اور بورڈ نے ان کی منظوری دی۔ چونکہ ڈائریکٹرز کی اکثریت ان میں مفاد رکھتی ہے، اس لیے انہیں اراکین کی توثیق کے لیے پیش کیا جا رہا ہے (نوٹس کا آئٹم 4)۔ تفصیل نوٹ 44 میں ہے۔

بیرونی آڈیٹرز۔ آڈیٹرز میسرز ملک ہارون احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس سبکدوش ہو رہے ہیں اور اہل ہونے کی بنا پر دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔ آڈٹ کمیٹی کی سفارش پر بورڈ 30 جون 2027ء کو ختم ہونے والے سال کے لیے ان کی دوبارہ تقرری، اراکین کی جانب سے سالانہ اجلاسِ عام میں مقرر کردہ معاوضے پر، کی سفارش کرتا ہے۔

اندرونی آڈٹ۔ اندرونی آڈٹ کا شعبہ، جس کے سربراہ جناب سلیم مروت ہیں، براہِ راست آڈٹ کمیٹی کو رپورٹ کرتا ہے۔

حصص داری کا انداز۔ کمپنیز ایکٹ 2017ء کی دفعہ 227(2)(f) کے تحت درکار اور فارم 20 میں تیار کردہ 30 جون 2026ء کا حصص داری کا انداز صفحات 80 اور 81 پر ہے۔

اظہارِ تشکر۔ ڈائریکٹرز اپنے صارفین، سپلائرز، بینکوں اور حصص یافتگان کے اعتماد، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی رہنمائی اور اپنے ملازمین کی لگن کے شکر گزار ہیں۔

بورڈ کی جانب سے

محمد علی شفیق چوہدری	**ایمان شفیق**
چیف ایگزیکٹو آفیسر	ڈائریکٹر

لاہور، 7 اکتوبر 2026ء

REGULATION 36 · ANNEXURE A

Statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of company: Beco Steel Limited · **Year ended:** 30 June 2026

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is seven, as follows: (a) male: four; (b) female: three.
2. The composition of the Board is as follows:

(a) Independent directors	Mr. Muhammad Hashim Tareen; Khawaja Gul Muhammad (appointed 31 March 2026 in place of Mr. Mahmood Aslam)
(b) Other non-executive directors	Mr. Muhammad Zain-ul-Afaq (Chairman); Mrs. Shabana Shafique; Miss Eman Shafique
(c) Executive directors	Mr. Muhammad Ali Shafique Chaudhry (CEO); Ms. Afifa Shafique
(d) Female directors	Ms. Afifa Shafique; Mrs. Shabana Shafique; Miss Eman Shafique

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company, along with its supporting policies and procedures.
5. The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the Company. A complete record of the particulars of significant policies, with the dates on which they were approved or amended, has been maintained.
6. All the powers of the Board have been duly exercised, and decisions on relevant matters have been taken by the Board or shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations on the frequency, recording and circulation of minutes of Board meetings.
8. The Board has a formal policy and transparent procedures for the remuneration of directors in accordance with the Act and these Regulations.
9. Of the seven directors, four are certified under the Directors' Training Program (DTP) and one is exempt from the requirement. The Company plans to register the remaining two directors for the DTP to ensure compliance with the applicable requirements.
10. The Board has approved the appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, and has complied with the relevant requirements of the Regulations.
11. The Chief Financial Officer and the Chief Executive Officer duly endorsed the financial statements before their approval by the Board.
12. The Board has formed committees comprising the members given below:

(a) Audit Committee	Mr. Muhammad Hashim Tareen (Chairman); Mrs. Shabana Shafique; Miss Eman Shafique
(b) Human Resource & Remuneration Committee	Mr. Muhammad Hashim Tareen (Chairman); Mr. Muhammad Ali Shafique Chaudhry; Miss Eman Shafique; Mrs. Shabana Shafique
(c) Nomination Committee	Not constituted; the Board performs its functions (item 19)
(d) Risk Management Committee	Not constituted; the Audit Committee performs its functions (item 19)

Secretary to both committees: Mr. Abdul Shakoor, Company Secretary.

13. The terms of reference of the committees have been formed, documented and advised to the committees for compliance.

14. The frequency of meetings of the committees during the year was as follows:

(a) Audit Committee	Four meetings (quarterly)
(b) Human Resource & Remuneration Committee	Two meetings

15. The Board has set up an effective internal audit function, whose staff are suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review programme of the Institute of Chartered Accountants of Pakistan (ICAP) and are registered with the Audit Oversight Board of Pakistan; that they and all their partners comply with the International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by ICAP; and that they and the partners of the firm involved in the audit are not close relatives (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or any director of the Company, and do not hold shares in the Company.

17. The statutory auditors, or persons associated with them, have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement, and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Regulations 6 and 8: one-third of seven directors is 2.33. The fraction (0.33) relating to the number of independent and executive directors is less than 0.5 and therefore has not been rounded up as one.

19. Explanation for non-compliance with requirements other than regulations 3, 6, 7, 8, 27, 32, 33 and 36:

Requirement	Regulation	Explanation
Nomination Committee	29(1)	The Board performs the committee's responsibilities as and when needed, so a separate committee is not currently considered necessary.
Risk Management Committee	30(1)	The Audit Committee performs the committee's functions, which are included in its terms of reference.
Representation of minority shareholders	5	No minority shareholder has intended to contest the election of directors.
Directors' Training Program for a head of department	19(3)(ii)	Training could not be arranged this year; the Company is committed to arranging it in future.



Muhammad Zain-ul-Afaq
Chairman

Lahore
7 October 2026

Independent Auditor's Review Report
To the Members of "Beco Steel Limited"

Review Report on the Statement of Compliance Contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Beco Steel Limited for the year ended **June 30, 2026** in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended **June 30, 2026**.

MALIK HAROON AHMAD & CO. CHARTERED ACCOUNTANTS

Malik Haroon Ahmad & Co.

Malik Haroon Ahmad & Co.
Chartered Accountants

Lahore
Dated: October 07, 2026
UDIN: CR202610206yUAs56CXD

Independent Auditor's Report

To the Members of "Beco Steel Limited"

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Beco Steel Limited** (the Company), which comprise the statement of financial position as at **June 30, 2026** and the statement of profit or loss and other comprehensive income , the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part there of conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017(XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **June 30, 2026** and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Sr. No	Key audit matter	How the matter was addressed in our audit
1.	**Stock-in trade (Refer to notes 6.9 and 21 to the financial statements)**	
	We have identified existence and valuation of stock in trade as a key audit matter as it forms a significant portion of the total assets, constituting 17.38% of the total assets of the Company, and its valuation involves management judgement in the determination of cost and the assessment of net realizable value.	Our audit procedures in relation to the matter, amongst others, included the following: • Our audit procedures, amongst others, included obtaining an understanding of controls over purchases and valuation of inventories and tested, on a sample basis, their design, implementation and operating effectiveness; • We performed observation of year end inventory counts for raw material and finished goods, carried out test counts and reconciled the count results with the inventory records; • We tested, on a sample basis, the cost of raw material to purchase invoices and the cost of finished goods to the underlying cost records; and • We assessed net realizable value (NRV) by comparing management's estimation of future selling prices for the products with the selling prices achieved subsequent to the reporting period. We also compared the NRV of stock in trade, on a sample basis, to the cost of finished goods and reviewed the ageing analysis to assess whether any adjustments are required to value stock in trade in accordance with applicable accounting and reporting standards.

Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The Other Information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII 1980).

The engagement partner on the audit resulting in this independent auditor's report is ***Malik Haroon Ahmad, FCA***.



Malik Haroon Ahmad & Co.
Chartered Accountants

Lahore
Dated: October 07, 2026
UDIN: AR202610206eTgBJsbzA

BECO STEEL LIMITED

Statement of Financial Position

As at 30 June 2026

	Note	2026 Rupees	2025 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised: 3,000,000,000 (2025: 150,000,000 of Rs 10 each) ordinary shares of Re 1 each	8	3,000,000,000	1,500,000,000
Issued, subscribed and paid-up capital	9	1,249,625,100	1,249,625,100
Capital reserve: share premium	10	1,999,250,200	1,999,250,200
Revenue reserve: accumulated profit / (loss)		6,175,143	(305,299,792)
Loan from sponsors / directors	11	282,184,420	282,184,420
		3,537,234,863	**3,225,759,928**
Non-current liabilities			
Deferred taxation	12	134,399,908	129,341,927
Lease liabilities	18	39,177,159	4,879,705
		173,577,067	**134,221,632**
Current liabilities			
Trade and other payables	13	3,903,284,342	4,290,980,559
Unclaimed dividend	14	4,911,563	4,911,563
Short-term borrowings	16	–	6,900,000
Current portion of lease liabilities	18	16,739,089	2,959,157
		3,924,934,994	**4,305,751,279**
Total liabilities		**4,098,512,061**	**4,439,972,911**
Contingencies and commitments	15		
Total equity and liabilities		**7,635,746,924**	**7,665,732,839**
ASSETS			
Non-current assets			
Property, plant and equipment	17	3,560,465,489	3,635,267,220
Right-of-use assets	18	60,408,423	5,967,574
Security deposits	19	10,111,481	2,537,000
Long-term deposits		450,000	450,000
		3,631,435,393	**3,644,221,794**
Current assets			
Stores, spares and loose tools	20	528,059	528,059
Stock-in-trade	21	1,327,317,279	2,033,470,745
Trade debts	22	2,125,062,267	1,377,337,179
Advances, deposits, prepayments and other receivables	23	74,666,294	300,852,857
Tax refunds due from Government	24	466,573,932	293,963,883
Cash and bank balances	25	10,163,700	15,358,322
		4,004,311,531	**4,021,511,045**
Total assets		**7,635,746,924**	**7,665,732,839**

The annexed notes 1 to 50 form an integral part of these financial statements.

Muhammad Ali Shafique Chaudhry	**Affifa Shafique**	**Eman Shafique**
Chief Executive Officer	Chief Financial Officer	Director

BECO STEEL LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	2026 Rupees	2025 Rupees
Revenue	26	9,860,503,400	7,451,485,486
Cost of sales	27	(9,433,536,878)	(7,065,229,733)
Gross profit		**426,966,522**	**386,255,753**
Operating expenses			
Selling and distribution costs	28	(19,846,670)	(15,936,296)
Administrative expenses	29	(139,423,678)	(118,949,823)
		(159,270,348)	**(134,886,119)**
Operating profit		**267,696,174**	**251,369,634**
Finance cost	30	(14,821,077)	(5,787,411)
Other income	31	226,297,022	386,870
Other operating expenses	32	(36,906,204)	(27,664,225)
Profit before income tax and levies		**442,265,915**	**218,304,868**
Levies	33	(71,733,938)	(38,540,265)
Profit before income tax		**370,531,977**	**179,764,603**
Taxation	34	(59,057,042)	(68,279,831)
Profit after taxation		**311,474,935**	**111,484,772**
Other comprehensive income for the year		–	–
Total comprehensive income for the year		**311,474,935**	**111,484,772**
Earnings per share — basic and diluted (Rupee)	35	0.25	0.09

Earnings per share for 2025 are restated for the 10-for-1 share subdivision (note 35). The annexed notes 1 to 50 form an integral part of these financial statements.

Muhammad Ali Shafique Chaudhry
Chief Executive Officer

Afifa Shafique
Chief Financial Officer

Eman Shafique
Director

BECO STEEL LIMITED

Statement of Changes in Equity

For the year ended 30 June 2026

		Capital reserves		Revenue reserve		
	Issued, subscribed and paid-up capital	Share premium	Total capital reserves	Accumulated profit / (loss)	Loan from sponsors	Total share capital and reserves
Balance as at 1 July 2024	1,249,625,100	1,999,250,200	1,999,250,200	(416,784,564)	254,672,420	3,086,763,156
Total comprehensive income for the year						
Profit for the year	–	–	–	111,484,772	–	111,484,772
Other comprehensive income for the year	–	–	–	–	–	–
	–	**–**	**–**	**111,484,772**	**–**	**111,484,772**
Loan received from sponsors	–	–	–	–	27,512,000	27,512,000
Balance as at 30 June 2025	**1,249,625,100**	**1,999,250,200**	**1,999,250,200**	**(305,299,792)**	**282,184,420**	**3,225,759,928**
Balance as at 1 July 2025	1,249,625,100	1,999,250,200	1,999,250,200	(305,299,792)	282,184,420	3,225,759,928
Total comprehensive income for the year						
Profit for the year	–	–	–	311,474,935	–	311,474,935
Other comprehensive income for the year	–	–	–	–	–	–
	–	**–**	**–**	**311,474,935**	**–**	**311,474,935**
Loan received from sponsors	–	–	–	–	–	–
Balance as at 30 June 2026	**1,249,625,100**	**1,999,250,200**	**1,999,250,200**	**6,175,143**	**282,184,420**	**3,537,234,863**

Amounts in Rupees. Interest-free loans from sponsors and directors are classified as equity under ICAP Technical Release 32 (note 11). The annexed notes 1 to 50 form an integral part of these financial statements.

Muhammad Ali Shafique Chaudhry
Chief Executive Officer

Afifa Shafique
Chief Financial Officer

Eman Shafique
Director

BECO STEEL LIMITED

Statement of Cash Flows

For the year ended 30 June 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	36	387,572,446	242,412,519
Income tax and levies paid		(298,343,048)	(244,333,792)
Finance cost paid		(6,946,963)	(624,116)
Net cash generated from / (used in) operating activities	**A**	**82,282,435**	**(2,545,389)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	17	(64,899,325)	(22,853,140)
Security deposits paid	19	(7,306,573)	–
Net cash used in investing activities	**B**	**(72,205,898)**	**(22,853,140)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan received from sponsors	11	–	27,512,000
Dividend paid		–	–
Lease liabilities paid	18	(15,271,159)	(2,739,960)
Net cash (used in) / generated from financing activities	**C**	**(15,271,159)**	**24,772,041**
Net decrease in cash and cash equivalents	**A+B+C**	**(5,194,622)**	**(626,488)**
Cash and cash equivalents at the beginning of the year		15,358,322	15,984,810
Cash and cash equivalents at the end of the year	**37**	**10,163,700**	**15,358,322**

The annexed notes 1 to 50 form an integral part of these financial statements.

Muhammad Ali Shafique Chaudhry	**Affifa Shafique**	**Eman Shafique**
Chief Executive Officer	Chief Financial Officer	Director

1 THE COMPANY AND ITS OPERATIONS

– Beco Steel Limited ('the Company') is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange Limited. The principal activity of the Company is the manufacturing of steel and allied products, along with ancillary activities thereto.

The geographical locations and addresses of the Company's business units, including the plant, are as follows:

Business unit	Geographical location / address
Registered office	79-Peco Road, Badami Bagh, Lahore
Manufacturing unit 1	Khokhar Road, Badami Bagh, Lahore
Manufacturing unit 2	Mouza Bela Basti Raam, Noor Road, Badami Bagh, Lahore
Sales centre	79-Peco Road, Badami Bagh, Lahore

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on an accrual basis.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees (Rs / Rupees), which is the Company's functional and presentation currency. All figures have been rounded to the nearest rupee, unless otherwise stated.

3 ISSUANCE OF SHARES BY WAY OF OTHER THAN RIGHT OFFER, AND FOR CONSIDERATION OTHER THAN CASH AGAINST ACQUISITION OF NON-CASH ASSETS INCLUDING LAND, BUILDING, PLANT AND MACHINERY

SECP vide its letter No. EMD/CI/80/2008/58 dated 31 January 2022, approved the issuance of 99,962,510 ordinary shares of the Company, having par value of PKR 10/- each, at a premium of PKR 20/- per share, for total value of PKR 2,998,875,300/- by way of other than right offer against consideration of non-cash assets, including land, building, and plant and machinery.

The process of transfer of non-cash assets including land, building and plant and machinery has been completed. Further, title of land has also been transferred in the name of the Company. Ordinary shares numbering 99,962,510 @ Rs. 10 per share with premium Rs. 20 per share against consideration other than cash (i.e. land, building, and plant and machinery) have been issued on 27 April 2022, and the process stands completed in all respects.

During the reporting year, the Company operated on its own manufacturing facility to produce steel and allied products for approximately two months.

4 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

4.1 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 1 July 2025. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 6 to these financial statements.

4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	1 January 2026
IAS 21	The Effects of Changes in Foreign Exchange Rates (Amendments)	1 January 2027
IAS 28	Investments in Associates and Joint Ventures (Amendments)	1 January 2027
IFRS 7	Financial Instruments: Disclosures (Amendments)	1 January 2026
IFRS 9	Financial Instruments (Amendments)	1 January 2026
IFRS 10	Consolidated Financial Statements (Amendments)	1 January 2026
IFRS 17	Insurance Contracts	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

4.3 Management anticipates that the adoption of the above standards, amendments and interpretations in future periods will have no material impact on the financial statements other than in presentation / disclosures.

4.4 Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2026:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 20	Regulatory Assets and Regulatory Liabilities
IFRIC 12	Service Concession Arrangements

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. Estimates and judgements are regularly evaluated and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

(i) Useful lives, residual values, depreciation method, fair value and impairment of property, plant and equipment.

(ii) Provision for impairment of inventories.

(iii) Provision for current income tax and recognition of deferred tax asset.

(iv) Revenue from contracts with customers.

(v) Financial instruments – fair value and allowances for expected credit losses.

(vi) Estimation of provisions.

(vii) Estimation of contingencies.

(viii) Segment reporting.

6 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

6.1 Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other (losses)/gains – net'.

The exchange rates of the major currencies that impact the operations are:

Exchange rates used for conversion into Pakistani Rupees (PKR)

Currency	Closing rate at 30 June 2026	Average rate for the year ended 30 June 2026
USD to PKR	279.42	280.60
AED to PKR	76.53	75.7651

6.2 Property, plant and equipment

Initial measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost.

The cost of an item of property, plant and equipment includes:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce stock-in-trade during that period.

Subsequent measurement – cost model

After initial recognition, property, plant and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure

– Subsequent expenditure incurred on items of property, plant and equipment is only capitalized to the extent that such expenditure enhances the value or previous capacity of those assets. Repairs and maintenance not deemed to enhance the economic benefit or service potential of items of property, plant and equipment are expensed as incurred.

Where the entity replaces parts of an asset, it derecognizes the part of the asset being replaced and capitalizes the new component.

– Depreciation is charged to profit or loss on the reducing balance method so as to write off the cost of an asset over its estimated useful life at the rates given below, and is recognized in profit or loss unless it is included in the carrying amount of another asset. Depreciation on additions to property, plant and equipment is charged from the date when the asset is acquired or capitalized until the date when the asset is disposed of.

Residual values, useful lives and depreciation methods are reviewed at each financial year end. Where there are significant changes in the expected pattern of economic consumption of the benefits embodied in the asset, the relevant changes will be made to the residual values and depreciation rates, and the change will be accounted for as a change in accounting estimate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Asset class	Measurement base	Useful life / depreciation rate	Depreciation method
Freehold land	Cost model	–	
Factory building	Cost model	5%	Reducing balance method
Plant and machinery	Cost model	10%	Reducing balance method
Office and other equipment	Cost model	10%	Reducing balance method
Furniture and fixtures	Cost model	10%	Reducing balance method
Motor vehicles	Cost model	20%	Reducing balance method
Computer and allied equipment	Cost model	30%	Reducing balance method

Impairment

– The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount. The resulting impairment loss is recognized immediately in profit or loss, except where the decrease reverses a previously recognized revaluation increase for the same asset, in which case the decrease is recognized in other comprehensive income to that extent and reduces the amount accumulated in equity under revaluation surplus, and future depreciation charges are adjusted in future periods to allocate the revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

– Where the estimated impairment loss exceeds the carrying amount of the asset to which it relates, the resulting liability is only recognized if it is required by another standard.

– Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in profit or loss when the compensation becomes receivable.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized when the asset is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized. Gains are classified as other gains on the face of the statement of profit or loss and other comprehensive income.

6.3 Financial instruments

Recognition and initial measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortized cost, as the case may be.

Classification of financial assets

The Company classifies its financial instruments in the following categories:

– at amortized cost;

– at fair value through other comprehensive income ('FVTOCI'); or

– at fair value through profit or loss ('FVTPL').

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through OCI

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

(a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, the Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income, provided that the investment is neither held for trading nor is a contingent consideration in a business combination.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

Financial liabilities

The Company classifies its financial liabilities in the following categories:

– at fair value through profit or loss ('FVTPL'); or

– at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Subsequent measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in OCI.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, and subsequently carried at amortized cost and, in the case of financial assets, less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income. Currently, there are no financial liabilities designated at FVTPL.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized cost. Loss allowances are measured on the basis of lifetime ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Credit risk on a financial asset is assumed to have increased significantly if it is past due for more than a reasonable period of time decided by the management of the Company. Further, the Company considers information based on the Company's historical experience and the impact of forward-looking information that is available without undue cost. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Financial assets that are subject to the ECL model include long-term receivables, deposits and trade and other receivables.

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to revenue reserve.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

6.4 Loan to (from) director, manager or employee

The loan to directors is classified as a financial asset at amortized cost, and is initially measured at fair value including transaction costs and subsequently measured at amortized cost using the effective interest method.

The loan from director, manager or employee is classified as a financial liability at amortized cost, and is initially measured at fair value including transaction costs and subsequently measured at amortized cost using the effective interest method.

6.5 Trade and other receivables

– Trade receivables are measured at initial recognition at fair value plus transaction costs. They are subsequently measured at amortized cost using the effective interest rate method, less allowance for expected credit losses. For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognized based on lifetime expected credit losses at each reporting date. A provision matrix has been established that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

– Trade and other receivables are classified as debt instruments and loan commitments at amortized cost.

6.6 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short-term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

6.7 Trade and other payables

Trade payables are initially measured at fair value plus direct transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method.

6.8 Prepayments

Advances, deposits and prepayments consist of various payments that have been made in advance for goods and services to be received in future. Advances, deposits and prepayments are measured at amortized cost, and are derecognized when the goods and services to which the prepayments relate have been received.

6.9 Stock-in-trade

Stock-in-trade is measured at the lower of cost and net realizable value using the weighted average cost formula. The same cost formula is used for all stock-in-trade having a similar nature and use.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of stock-in-trade comprises all costs of purchase, costs of conversion and other costs incurred in bringing the stock-in-trade to its present location and condition.

The cost of stock-in-trade items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned by using specific identification of their individual costs.

– The amount of any write-down of stock-in-trade to net realizable value and all losses of stock-in-trade are recognized as an expense in the period the write-down or loss occurs.

Redundant and slow-moving stock-in-trade is identified and written down from cost to net realizable value with regard to its estimated economic or realizable values, and the write-down or reversal is recognized against the expense as indicated above.

A provision is maintained for obsolete or damaged stock-in-trade. The level of the provision for obsolete stock-in-trade is equivalent to the value of the difference between the cost of the stock-in-trade and its net realizable value or current replacement cost at financial year-end. Movements in this provision are included in the expense recognized as indicated above.

6.10 Taxation

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Provision for current year's taxation is determined in accordance with the prevailing law of taxation on income enacted or substantively enacted by the end of the reporting period and is based on current rates of taxation being applied on the taxable income for the year, after taking into account tax credits and rebates available, if any, and taxes paid under the Final Tax Regime.

Levies

As per the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' issued by the Institute of Chartered Accountants of Pakistan (ICAP), the Company designates any excess of minimum tax over the amount designated as current income tax expense, and final taxes, as a 'Levy'.

Minimum tax

The Company has elected to designate the amount calculated on taxable income using the enacted tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax is then recognized as a levy falling under the scope of IFRIC 21 / IAS 37.

Deferred tax

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted at the statement of financial position date.

Deferred tax liabilities are recognized for all taxable temporary differences. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Sales tax

– Revenues, expenses, assets and liabilities are recognized net of the amount of sales tax except:

(a) where the sales tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense, as applicable; and

(b) when receivables and payables are stated with the amount of sales tax included.

– The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Sales tax assets and liabilities are offset when balances relate to the same taxation authority.

Tax expense (income)

Current and deferred tax is recognized as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognized, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity; or
- a business combination (other than the acquisition by an investment entity of a subsidiary that is required to be measured at fair value through profit or loss).

Current tax and deferred tax are recognized outside profit or loss if the tax relates to items that are recognized, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relate to items that are recognized, in the same or a different period:

- in other comprehensive income, are recognized in other comprehensive income; and
- directly in equity, are recognized directly in equity.

6.11 Capital work-in-progress (CWIP)

These are stated at cost less identified accumulated impairment losses, if any. All expenditure connected with specific assets incurred and advances made during the installation and construction period is carried under capital work-in-progress. These are transferred to specific assets as and when these are made available for use.

6.12 Revenue recognition

– Revenue is recognized when or as performance obligations are satisfied by transferring control of promised goods. For local sales, control is transferred at a point in time, which for customers with 'ex-factory' delivery terms is when the goods are dispatched, and for customers with 'delivery' terms, when the goods are delivered to the customer, based on the current agreements. For export sales, control is transferred in accordance with the terms specified in the agreement, typically based on the applicable shipping terms (e.g. FOB, CIF). Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

– The Company provides services that are recognized at a point in time, when control of the service is transferred to the customer and the performance obligation is fully satisfied.

– Profit on savings accounts is recognized using the effective interest rate method.

– Scrap sales are recognized on delivery to customers at realized amounts.

– All other revenues are accounted for when performance obligations are met.

6.13 Transactions with related parties

Transactions with related parties are carried out by the Company at arm's length prices, whereas transactions lacking commercial substance are conducted at mutually agreed prices in accordance with the approval of the Board of Directors.

6.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief executive officer (CEO) has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The operations principally comprise two segments, the 'Ferrous segment' and the 'Non-ferrous segment'. The ferrous segment comprises mild steel products, whereas the non-ferrous segment comprises mainly copper products and iron.

6.15 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense. As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustment to the amount of a previously recognized provision is recognized in profit or loss unless the provision was originally recognized as part of the cost of an asset.

6.16 Contingencies and commitments

6.16.1 Commitments

– Commitments are disclosed in note 15 to the financial statements.

6.16.2 Contingencies

(a) Contingent assets

– Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

(b) Contingent liabilities

– A contingent liability is disclosed when:

(i) there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

(ii) there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

– In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

6.17 Share capital

Ordinary shares are classified as equity instruments and recognized at their face value. Transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

6.18 Dividend and reserve appropriations

Final dividend distributions to the Company's shareholders are recognized as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognized in the period in which the dividends are approved by the Board of Directors. Any other movements in reserves are recognized in the year in which the appropriations are approved.

6.19 Other income

- Return on long-term deposits, amounts due from related parties and return on bank deposits at amortized cost are accounted for using the effective interest rate method.
- Dividends on equity investments are recognized as income when the Company's right to receive the dividends is established.
- Processing income is recognized when processing services are rendered.
- Duty drawback and export rebates are recognized as income when the bills of lading of the related export sales are received.
- Income from lease rentals is recognized on a straight-line basis over the term of the respective lease agreement.

6.20 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

6.21 Finance income and finance costs

Finance income comprises income on funds invested in saving accounts. Finance income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on bank charges. Finance cost is recognized as it accrues in profit or loss.

6.22 Lease liability and right-of-use asset

- At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.
- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- Lease payments include fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in the determination of the lease term only when the Company is reasonably certain to exercise these options.

– The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

– The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is depreciated on a straight-line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

– The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

7 EARNINGS PER SHARE

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

8 AUTHORISED SHARE CAPITAL

The authorised share capital was increased from Rs 1,500,000,000 (divided into 150,000,000 ordinary shares of Rs 10 each) to Rs 3,000,000,000 (divided into 3,000,000,000 ordinary shares of Re 1 each). The Memorandum of Association was amended accordingly. There was no change in the rights and privileges attached to the shares.

9 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

Issued, subscribed and paid-up share capital comprises:

2026	2025	Particulars	Note	2026	2025
Number of shares	Number of shares			Rupees	Rupees
1,249,625,100	124,962,510	Ordinary shares of Re 1 each (2025: Rs 10 each)	9.1	1,249,625,100	1,249,625,100
1,249,625,100	**124,962,510**			**1,249,625,100**	**1,249,625,100**

9.1 Break-up of ordinary shares is as follows:

2026	2025	Particulars	Note	2026	2025
Number of shares	Number of shares			Rupees	Rupees
250,000,000	25,000,000	Shares allotted for consideration paid in cash		250,000,000	250,000,000
999,625,100	99,962,510	Shares allotted for consideration other than cash		999,625,100	999,625,100
1,249,625,100	**124,962,510**			**1,249,625,100**	**1,249,625,100**

9.1.1 During the year ended 30 June 2026, the Company sub-divided (stock split) the face value of its ordinary shares from Rs 10 to Re 1 per share, in the ratio of 10-for-1, with the aim of enhancing investor accessibility, improving liquidity and broadening shareholder participation. The sub-division was approved by the members of the Company through a special resolution passed under section 85(1)(c) of the Companies Act, 2017 at the Annual General Meeting held on 28 October 2025, and became effective on 15 November 2025, after the required regulatory and procedural formalities were completed. Following the sub-division, the number of issued, subscribed and paid-up ordinary shares increased from 124,962,510 ordinary shares of Rs 10 each to 1,249,625,100 ordinary shares of Re 1 each, with no change in the amount of paid-up capital.

9.2 In accordance with the financial reporting framework, the weighted average number of ordinary shares outstanding during the year, and for all comparative periods presented, has been adjusted in the ratio of 10-for-1 for the calculation of earnings per share.

9.3 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

9.4 Ordinary shares of the Company held by associated companies and directors as at the year end are as follows:

Sr.	Particulars	Note	2026 Number of shares	2025 Number of shares
			Number of shares	Number of shares
	Directors/sponsors etc.			
1	Ch Muhammad Shafique		49,466,410	53,583,307
2	Muhammad Hashim Tareen		25,000	2,500
3	Khawaja Gul Muhammad	9.4.1	25,000	–
4	Mahmood Aslam	9.4.1	–	2,500
5	Eman Shafique		5,000	500
6	Afifa Shafique		5,000	500
7	Shabana Shafique		21,733,330	2,173,333
8	Sarwar Sultana		25,000	13,042,500
9	Muhammad Ali Shafique		520,945,938	102,500
10	Muhammad Zain Ul Afaq		1,595,000	159,500
			593,825,678	**69,067,140**

		Note	2026	2025
			Rupees	Rupees

Shares held by associated companies and directors (continued)

Sr.	Particulars	Note	2026 Number of shares	2025 Number of shares
			Number of shares	Number of shares
	Associated undertakings/companies			
1	Chaudhry Steel Re-rolling Mills (Pvt) Ltd		274,191,770	27,419,177
			274,191,770	**27,419,177**

9.4.1 Mr. Mahmood Aslam ceased to be a director with effect from 31 March 2026, and Mr. Khawaja Gul Muhammad was appointed in his place on the same date. Mr. Mahmood Aslam continues to hold 25,000 shares at the year end; as he is no longer a director, these are excluded from "Directors/sponsors" for 2026 and shown above only for comparison with 2025.

10 SHARE PREMIUM

Land	1,450,866,700	1,450,866,700
Building, plant and machinery	548,383,500	548,383,500
	1,999,250,200	**1,999,250,200**

10.1 SECP, vide its letter No. EMD/CI/80/2009/58 dated 31 January 2022, approved the issuance of 99,962,510 ordinary shares of the Company having a par value of Rs 10 per share, at a premium of Rs 20 per share, aggregating Rs 2,998,875,300 (i.e. par value of shares Rs 999,625,100 and share premium Rs 1,999,250,200), by way of other than right offer against consideration of non-cash assets, including land, building and plant and machinery. The process of issuance of shares was completed within the year 2022, and the non-cash assets, including land, building and plant and machinery, have been transferred to the Company.

10.2 This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

11 LOAN FROM SPONSORS/DIRECTORS

In accordance with TR-32 'Accounting for Directors' Loan' issued by the Institute of Chartered Accountants of Pakistan, the loan provided by the sponsor of the Company is structured in a way that it does not meet the criteria for classification as a liability. Consequently, it is recognised as equity in the Company's financial records at its face value. It is important to note that there will be no subsequent remeasurement of this equity. The arrangement reflects the understanding that any repayment, if made, will be entirely at the discretion of the Company and shall be treated as an adjustment within equity, rather than as the settlement of a liability.

11.1 No loan was raised from sponsors during the year (2025: Rs 27.51 million). In accordance with TR-32 'Accounting for Directors' Loan' issued by the Institute of Chartered Accountants of Pakistan, any future decision by the Company to settle the sponsor's loan by delivery of cash or any other financial asset would result in a direct debit to equity.

12 DEFERRED TAXATION

Deferred taxation comprises:

Deferred tax liability on taxable temporary differences:		
Property, plant and equipment	133,097,177	129,903,313
Right-of-use assets	17,518,443	1,790,272
Deferred tax liability on deductible temporary differences:		
Lease liabilities	(16,215,712)	(2,351,658)
Net deferred tax liability	**134,399,908**	**129,341,927**

12.1 Deferred tax is measured at the tax rates that are expected to apply in the period the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax for the current year is measured at 29% (2025: 30%), following the abolition of super tax under the Finance Act, 2026 for income up to Rs 500 million, applicable from tax year 2027 onward.

	Note	2026	2025
		Rupees	Rupees

12.2 Deferred tax asset has not been recognised in respect of unused tax losses and unused tax credits available, as management does not consider it probable that sufficient future taxable profits will be available against which these losses can be utilised.

12.3 Details of unused tax losses and minimum tax are as follows:

Minimum tax

Financial year	Amount of minimum tax	Financial year in which minimum tax carried forward will expire
2026	71,733,938	2029
2025	93,143,569	2028
2024	38,725,211	2027
	131,868,780	

Business losses

Financial year	Amount of business losses	Financial year in which business losses carried forward will expire
2023	12,038,570	2029
	12,038,570	

Tax losses related to unabsorbed tax depreciation

Financial year	Amount of depreciation losses	Accounting year in which depreciation losses carried forward will expire
2024	171,798,234	Unlimited
2023	107,444,602	Unlimited
	279,242,836	

13 TRADE AND OTHER PAYABLES

13.1 Trade and other payables comprise:

Creditors for goods		2,494,962,341	2,825,993,264
Accrued liabilities		8,077,372	4,490,604
Deferred electricity bill payable		278,110,137	342,026,076
Workers' profit participation fund	13.2	62,780,242	35,484,348
Provincial workers' welfare fund	13.3	20,759,337	10,290,873
Other payables		710,502,711	679,384,938
Contract liabilities		–	24,162,040
Provision against litigation	13.4	–	224,174,403
Import payable		61,725,864	55,860,403
Income tax payable		28,434	13,610
Advance from customers	13.5	266,337,904	89,100,000
		3,903,284,342	**4,290,980,559**

13.2 Workers' profit participation fund

Balance at the beginning of the year		35,484,348	20,735,989
Mark-up on funds utilised in the Company's business	30	3,543,697	3,024,145
		39,028,045	**23,760,134**
Allocation for the year		23,752,197	11,724,214
		62,780,242	**35,484,348**
Payments during the year		–	–
Balance as at 30 June		**62,780,242**	**35,484,348**

Interest on workers' profit participation fund has been provided at the rate of 1-year KIBOR + 2.5%.

	Note	2026	2025
		Rupees	Rupees
13.3 Provincial workers' welfare fund			
Balance at the beginning of the year		10,290,873	5,162,325
Allocation for the year		9,025,835	4,455,201
Mark-up on funds utilised in the Company's business	30	1,442,629	673,347
		20,759,337	**10,290,873**
Payments made during the year		–	–
Balance as at 30 June		**20,759,337**	**10,290,873**

Interest on workers' welfare fund has been provided at the rate of 15%.

13.4 Provision against litigation

During the year, the tax demand raised by the Federal Board of Revenue (FBR) under sections 161/205 of the Income Tax Ordinance, 2001 and section 48 of the Sales Tax Act, 1990, amounting to Rs 224,174,403, was decided in favour of the Company. Consequently, the provision of Rs 224,174,403 previously recognised against this matter has been reversed and recognised as other income in the statement of profit or loss for the year ended 30 June 2026 (note 31). Accordingly, no provision against this litigation remains outstanding as at the reporting date (2025: Rs 224,174,403).

13.5 Advance from customers

These are unsecured and represent advance payments received from customers against which goods are to be supplied.

14 UNCLAIMED DIVIDEND

This represents unclaimed dividend and includes an amount of Rs 4.911 million (2025: Rs 4.911 million) on account of unclaimed dividend outstanding for more than three years.

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

– Corporate guarantees and indemnity bonds issued as at the reporting date amount to Rs 13,762,909 (2025: Rs 13,762,909).

Claims subject to legal proceedings:

The details of claims by and/or against the Company which are currently subject to legal proceedings are detailed below:

– Show cause notice in respect of misuse of section 8B

Tax period: August 2024 to November 2024 – Rs 76,695,053

Proceedings under section 8B of the Sales Tax Act, 1990 were initiated for the aforementioned tax periods through Show Cause Notice No. 636 dated 7 March 2025. On behalf of the Company, all requisite information and supporting documents were duly submitted in response to the notice, accompanied by a comprehensive written reply. As of the reporting date, no order has been issued in this matter and, accordingly, no reliable estimate of any potential liability can be made. Nevertheless, based on the factual position and legal arguments presented, management remains confident of a favourable outcome.

– Notice under section 2(37) of the Sales Tax Act, 1990 in respect of evasion of section 11(E)

Tax period: 2023 – Rs 184,293,130

Proceedings under section 2(37) of the Sales Tax Act, 1990 were initiated for the aforementioned tax period through Notice C.No. CTO/UNIT-01/809 dated 27 June 2025. On behalf of the Company, all requisite information and supporting documents were duly submitted in response to the notice, along with a comprehensive written reply. As of the reporting date, no order has been issued in this matter and, accordingly, no reliable estimate of any potential liability can be made. However, based on the factual position and legal arguments presented, management remains confident of a favourable outcome.

	Note	2026	2025
		Rupees	Rupees

15.2 Commitments

– Commitments for import of steel products against letter of credit facility as at the reporting date are nil (2025: Rs 32,118,055 million).

16 SHORT-TERM BORROWING

The loan was unsecured, interest-free, and repayable on demand that is paid during the year (2025: Rs 6,900,000).

17 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets – owned	17.1	3,560,465,489	3,635,267,220
		3,560,465,489	**3,635,267,220**

17.1 Operating fixed assets – owned

– Reconciliation of carrying amounts for the year ended 30 June 2026 is as follows:

Description	Freehold land	Buildings on freehold land	Plant and machinery	Motor vehicles	Furniture and fixtures	Office and other equipment	Computer and allied equipment	Capital work in progress	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Year ended 30 June 2026									
Cost									
Balance at 1 July 2025	2,192,552,451	203,395,650	1,526,614,250	12,016,000	4,163,998	19,102,826	2,097,713	–	3,959,942,888
Additions	–	–	–	7,363,830	3,974,630	53,560,865	–	–	64,899,325
Transfers	–	–	–	–	–	–	–	–	–
Balance at 30 June 2026	**2,192,552,451**	**203,395,650**	**1,526,614,250**	**19,379,830**	**8,138,628**	**72,663,691**	**2,097,713**	**–**	**4,024,842,213**
Accumulated depreciation									
Balance at 1 July 2025	–	30,381,092	285,713,865	4,942,589	380,554	2,144,326	1,113,242	–	324,675,668
Charge for the year	–	8,650,728	124,090,039	2,022,682	590,583	4,051,683	295,341	–	139,701,056
Balance at 30 June 2026	**–**	**39,031,820**	**409,803,904**	**6,965,271**	**971,137**	**6,196,009**	**1,408,583**	**–**	**464,376,724**
Written down value at 30 June 2026	**2,192,552,451**	**164,363,830**	**1,116,810,346**	**12,414,559**	**7,167,491**	**66,467,682**	**689,130**	**–**	**3,560,465,489**
Rate of depreciation (%)	–	5	10	20	10	10	30	–	

	Note	2026	2025
		Rupees	Rupees

Operating fixed assets – owned (continued)

– Reconciliation of carrying amounts for the year ended 30 June 2025 is as follows:

Description	Freehold land	Buildings on freehold land	Plant and machinery	Motor vehicles	Furniture and fixtures	Office and other equipment	Computer and allied equipment	Capital work in progress	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Year ended 30 June 2025									
Cost									
Balance at 1 July 2024	2,192,552,451	202,680,300	1,510,791,250	9,516,000	1,181,738	1,466,850	1,845,963	17,055,196	3,937,089,748
Additions	–	715,350	15,823,000	2,500,000	2,982,260	580,780	251,750	–	22,853,140
Transfers	–	–	–	–	–	17,055,196	–	(17,055,196)	–
Balance at 30 June 2025	**2,192,552,451**	**203,395,650**	**1,526,614,250**	**12,016,000**	**4,163,998**	**19,102,826**	**2,097,713**	**–**	**3,959,942,888**
Accumulated depreciation									
Balance at 1 July 2024	–	21,285,654	148,186,649	3,513,278	195,778	275,270	762,151	–	174,218,780
Charge for the year	–	9,095,438	137,527,216	1,429,311	184,776	1,869,056	351,091	–	150,456,888
Balance at 30 June 2025	**–**	**30,381,092**	**285,713,865**	**4,942,589**	**380,554**	**2,144,326**	**1,113,242**	**–**	**324,675,668**
Written down value at 30 June 2025	**2,192,552,451**	**173,014,558**	**1,240,900,385**	**7,073,411**	**3,783,444**	**16,958,500**	**984,471**	**–**	**3,635,267,220**
Rate of depreciation (%)	–	5	10	20	10	10	30	–	

17.2 The depreciation charge for the year has been apportioned as follows:

Cost of revenue	27	133,331,350	146,807,430
Administrative expenses	29	6,369,706	3,649,458
		139,701,056	**150,456,888**

17.2.1 No impairment related to operating fixed assets has been charged during the year. There is no item of property, plant and equipment which is temporarily idle or otherwise retired from active use. Assets are not subject to any mortgage, lien or charge.

18 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

18.1 Right-of-use assets

Opening balance		5,967,574	7,956,766
Add: Additions during the year		60,460,758	–
Less: Disposals during the year		–	–
Less: Depreciation charge for the year	18.1.1	(6,019,909)	(1,989,192)
Closing balance		**60,408,423**	**5,967,574**

18.1.1 The depreciation charge on right-of-use assets for the year has been allocated as follows:

Selling and distribution expenses	28	4,697,827	1,876,325
Administrative expenses	29	1,322,082	112,867
		6,019,909	**1,989,192**

	Note	2026	2025
		Rupees	Rupees

18.2 Lease liabilities

During the year, the Company entered into lease agreements for seven godowns, each with a term of five years commencing on 1 March 2026. Rentals are payable annually in advance and escalate by 10% at each anniversary of the lease. On commencement, the Company recognised right-of-use assets and lease liabilities measured at the present value of the lease payments, discounted at the Company's incremental borrowing rate of 11% per annum, determined by reference to prevailing market interest rates at the commencement date for a borrowing of similar term and security. The right-of-use assets are depreciated on a straight-line basis over the lease term. Finance cost on the lease liabilities is recognised using the effective interest method and, for the period from 1 March 2026 to 30 June 2026, has been recognised for four months.

The plot leases, which commenced in the year ended 30 June 2024 with a term of five years and annual escalation of 8%, continue to be measured using the discount rate of 23% applied at their commencement. Security deposits paid under these leases are disclosed in note 19.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Opening balance		7,838,860	9,113,018
Add: Additions during the year		60,460,758	–
Less: Payments during the year		(15,271,157)	(2,739,961)
Add: Interest on lease liabilities	30	2,887,787	1,465,803
Closing balance		**55,916,248**	**7,838,860**
Current portion		16,739,089	2,959,157
Non-current portion		39,177,159	4,879,705
		55,916,248	**7,838,862**

18.2.2 The future minimum lease payments to which the Company is committed under the agreements will be due as follows:

Less than one year	16,739,089	2,959,157
Between one and five years	52,762,351	6,647,450
Finance cost	(13,585,193)	(1,767,744)
Present value of lease liabilities	**55,916,247**	**7,838,862**

19 SECURITY DEPOSITS

Opening balance		2,537,000	2,537,000
Add: Additions during the year	19.1	7,306,573	–
Add: Interest income	30	267,908	–
Less: Refunds during the year		–	–
Closing balance		**10,111,481**	**2,537,000**

19.1 Additions represent interest-free security deposits paid to lessors under godown lease agreements. The deposits amount to Rs 12.312 million at face value and are refundable in cash on expiry of the lease term on 28 February 2031. As the deposits carry no interest and are repayable after five years, they have been initially measured at fair value, being the amount paid discounted at the Company's incremental borrowing rate of 11% per annum over the lease term. The difference of Rs 5.005 million between the amount paid and fair value has been charged to finance cost on the date of payment.

19.2 After initial recognition, the deposits are measured at amortised cost using the effective interest method.

	Note	2026	2025
		Rupees	Rupees

20 STORES, SPARES AND LOOSE TOOLS

	Stores and spares	528,059	528,059
	Total stores, spares and loose tools	**528,059**	**528,059**

20.1 The Company does not have any stores, spares and loose tools in transit as at the reporting date. Further, there are no items of stores, spares and loose tools that are slow-moving, obsolete, or impaired as at the reporting date.

21 STOCK-IN-TRADE

Stock-in-trade comprises:

	Raw materials	705,296,829	245,920,592
	Finished goods	622,020,450	1,787,550,153
	Total stock-in-trade	**1,327,317,279**	**2,033,470,745**

21.1 The Company does not have any stock in transit as at the reporting date. Further, there are no items of stock-in-trade that are slow-moving, obsolete, or impaired as at the reporting date.

22 TRADE DEBTS

(Considered good and unsecured)

Trade debts are non-interest bearing and are generally uninsured. Information about the Company's exposure to credit and market risks for trade debts is included in note 40.

22.1 Trade debtors comprise:

	Local	2,125,062,267	1,377,337,179
	Allowance for expected credit losses (ECL) 22.2	–	–
	Total trade debts	**2,125,062,267**	**1,377,337,179**

22.2 No expected credit loss (ECL) has been recognised, as the amount of expected credit loss is immaterial and management reasonably expects that all receivables will be recovered in full within the agreed credit terms.

23 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Sales tax refunds	59,527,094	253,436,975
Other receivables	–	158,627
LC margin	–	32,118,055
Guarantee margin	15,139,200	15,139,200
Total advances, deposits, prepayments and other receivables	**74,666,294**	**300,852,857**

24 TAX REFUNDS DUE FROM GOVERNMENT

24.1 Income tax due from Government comprises:

	Advance income tax and levies – net 24.2	466,573,932	293,963,883
	Total tax refunds due from Government	**466,573,932**	**293,963,883**

24.2 Advance income tax and levies – net

Opening balance	293,963,883	144,639,891
Add: tax deducted during the year	298,343,048	244,333,792
	592,306,931	**388,973,683**
Less: provisions / adjustments – net	(125,732,999)	(95,009,800)
Closing balance	**466,573,932**	**293,963,883**

	Note	2026	2025
		Rupees	Rupees

25 CASH AND BANK BALANCES

25.1 Cash and bank balances include:

Cash in hand		2,298,296	5,377,112
Cash at bank			
– Current accounts		6,042,402	8,330,174
– Saving accounts	25.2	1,823,002	1,651,036
Total cash and bank balances		**10,163,700**	**15,358,322**

25.2 These carry profit ranging from 5.50% to 7.00% (2025: 8.50% to 11.50%) per annum.

26 REVENUE

Revenue comprises:

Sale of goods		
Local sales		
– Local	11,541,423,153	8,715,042,181
Less: sales tax at 18%	(1,760,556,074)	(1,329,413,214)
Total local sales	**9,780,867,079**	**7,385,628,967**
Export sales		
– Export	79,636,321	65,856,519
Less: sales tax on export sales (zero-rated)	–	–
Total export sales	**79,636,321**	**65,856,519**
Total revenue	**9,860,503,400**	**7,451,485,486**

26.1 All goods are transferred at a point in time. Revenue recognised during the year from contract liabilities is Rs 24,162,040 (2025: Nil).

26.2 Reconciliation with segment information is as follows:

	Ferrous	Non-ferrous	Total
	Rupees	Rupees	Rupees
Net revenue from external customers:			
Local sales			
– Manufacturing	7,709,659,079	–	7,709,659,079
– Trading	120,764,000	1,950,444,000	2,071,208,000
Export sales			
– Manufacturing	–	–	–
– Trading	–	79,636,321	79,636,321
30 June 2026	**7,830,423,079**	**2,030,080,321**	**9,860,503,400**
Local sales			
– Manufacturing	6,264,096,807	–	6,264,096,807
– Trading	–	1,121,532,160	1,121,532,160
Export sales			
– Manufacturing	–	–	–
– Trading	–	65,856,519	65,856,519
30 June 2025	**6,264,096,807**	**1,187,388,679**	**7,451,485,486**

	Note	2026	2025
		Rupees	Rupees

27 COST OF SALES

27.1 Cost of sales comprises:

Raw materials consumed	27.2	6,569,951,193	5,698,791,793
Stores, spares and chemicals consumed		41,105,867	59,858,356
Salaries, wages and other benefits	27.3	330,906,900	285,375,645
Import charges		345,105	341,853
Fuel and power		1,175,899,212	1,378,393,121
Repairs and maintenance		16,467,548	17,645,032
Other factory overhead		–	95,236
Depreciation	17.2	133,331,350	146,807,430
		8,268,007,175	**7,587,308,466**
Cost of goods manufactured		8,268,007,175	7,587,308,466
Changes in inventories of finished goods			
Opening stock		1,787,550,153	1,265,471,420
Closing stock		(622,020,450)	(1,787,550,153)
		1,165,529,703	**(522,078,733)**
Cost of sales		**9,433,536,878**	**7,065,229,733**

27.2 Raw materials consumed

Opening stock	245,920,592	872,086,550
Purchases during the year	7,029,327,430	5,072,625,835
Available for consumption	**7,275,248,022**	**5,944,712,385**
Closing stock	(705,296,829)	(245,920,592)
	6,569,951,193	**5,698,791,793**

27.3 This amount includes an amount paid to contractors amounting to Rs 298,359,120 (2025: Rs 261,237,789).

28 SELLING AND DISTRIBUTION COSTS

Carriage and transport		514,481	2,129,772
Fuel and maintenance		–	366,772
Loading charges		8,174,623	7,016,981
Advertisement expense		6,459,739	4,546,446
Depreciation on right-of-use assets	18.1.1	4,697,827	1,876,325
Total selling and distribution costs		**19,846,670**	**15,936,296**

		Note	2026	2025
			Rupees	Rupees
29	**ADMINISTRATIVE EXPENSES**			
	Salaries, wages and other benefits		48,377,272	40,001,058
	Director's remuneration		740,000	1,322,000
	Security charges		2,866,005	2,606,366
	Donations	29.2	407,328	1,854,548
	Electricity and water		886,685	749,490
	Entertainment		6,255,305	9,042,548
	Mess expense		6,304,863	4,067,653
	Legal and professional charges		7,040,479	3,013,269
	Postage and telegram		4,527,109	3,572,844
	Auditor's remuneration – fees	29.1	1,647,200	1,490,000
	Printing and stationery		8,022,409	7,337,577
	Repair and maintenance		9,534,684	10,017,024
	Fees and subscriptions		10,697,801	8,532,898
	Fine and penalty		266,872	185,000
	Travelling and conveyance		13,538,816	14,850,218
	Medical expense		6,119,005	4,372,968
	Miscellaneous		4,500,057	2,172,037
	Depreciation	17.2	6,369,706	3,649,458
	Depreciation on right-of-use assets	18.1.1	1,322,082	112,867
	Total administrative expenses		**139,423,678**	**118,949,823**
29.1	**Auditor's remuneration**			
	Audit fee		1,300,000	1,200,000
	Review of interim financial information		250,000	250,000
	Out-of-pocket expenses		97,200	40,000
	Total auditor's remuneration		**1,647,200**	**1,490,000**
29.2	**Donations**			
	No director has any interest in the donees.			
30	**FINANCE COST**			
	Finance costs included in profit or loss			
	Bank charges and commission		1,941,536	624,116
	Notional interest	19.1	5,005,427	–
	Interest on workers' profit participation fund		3,543,697	3,024,145
	Interest on workers' welfare fund		1,442,629	673,347
	Interest on lease liabilities	18.2	2,887,787	1,465,803
	Total finance cost		**14,821,077**	**5,787,411**

	Note	2026	2025
		Rupees	Rupees
31 OTHER INCOME			
Income from financial assets			
Interest income from saving account		104,395	386,870
Interest income from security deposit		267,908	–
Income from other assets			
Reversal of provision	13.4	224,174,403	–
Unrealised exchange gain		1,750,316	–
		225,924,719	**–**
Total other income		**226,297,022**	**386,870**
32 OTHER OPERATING EXPENSES			
Other operating expenses included in profit or loss			
Realised exchange loss		4,128,172	4,266,357
Other operating expenses		–	7,218,453
Workers' welfare fund		9,025,835	4,455,201
Workers' profit participation fund		23,752,197	11,724,214
Total other operating expenses		**36,906,204**	**27,664,225**
33 LEVIES			
33.1 Minimum / levies			
Minimum tax		71,733,938	38,540,265
Total levies		**71,733,938**	**38,540,265**

33.2 This represents minimum tax under section 113 of the Income Tax Ordinance, 2001, representing levies in accordance with the requirements of IFRIC 21 / IAS 37.

	Note	2026	2025
		Rupees	Rupees

34 TAXATION

Current tax			
– For the year		53,284,639	56,469,535
– Prior period		714,422	–
		53,999,061	**56,469,535**
Deferred tax	12	5,057,981	11,810,296
Total income tax expense		**59,057,042**	**68,279,831**

34.1 The tax liability as per applicable tax laws represented minimum tax under section 113 of the Income Tax Ordinance, 2001, which has been recognised as levies. The relationship between tax liability as per applicable tax laws and accounting profit, along with its bifurcation into current income tax and levies, is as follows:

Profit before taxation		442,265,915	218,304,868
Tax on accounting profit at the applicable corporate tax rate of 29% (2025: 29%)		128,257,115	63,308,412
Tax effect of amounts that are admissible for tax purposes		(117,984,085)	(52,281,212)
Tax effect of amounts that are inadmissible for tax purposes		41,249,324	43,576,103
Tax effect of income subject to super tax at 1% (2025: 1%)		1,762,284	1,866,232
Effect of minimum tax / levies		71,733,938	38,540,265
Effect of prior year taxes		714,422	–
Effect of deferred tax		5,057,981	11,810,296
Portion of tax liability as per tax laws, representing levies and income tax	**33 & 34**	**130,790,979**	**106,820,096**

35 EARNINGS PER SHARE

35.1	Profit / (loss) after taxation attributable to ordinary shareholders		311,474,935	111,484,772
	Weighted average number of shares	9.2	1,249,625,100	1,249,625,100
	Earnings per share – basic and diluted		**0.25**	**0.09**

35.2 There were no dilutive ordinary shares outstanding as at 30 June 2026 and 30 June 2025.

35.3 During the year, the Company sub-divided its ordinary shares of Rs 10 each into ordinary shares of Rs 1 each, in the ratio of 1:10, effective 15 November 2025. In accordance with IAS 33 'Earnings per Share', this sub-division has been accounted for retrospectively and the weighted average number of ordinary shares used in calculating earnings per share for the current year, and the comparative earnings per share for the year ended 30 June 2025, have been adjusted to reflect the new number of shares, as if the sub-division had occurred at the beginning of the earliest period presented. The sub-division did not result in any change in the total share capital or equity of the Company.

	Note	2026	2025
		Rupees	Rupees
36 CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax and levies		442,265,915	218,304,868
Adjustments for:			
Depreciation	17.2	139,701,056	150,456,888
Depreciation on right-of-use assets		6,019,909	1,989,192
Provision for workers' profit participation fund		23,752,197	11,724,214
Provision for workers' welfare fund		9,025,835	4,455,201
Finance cost	30	14,821,077	5,787,411
Interest income from security deposit	31	(267,908)	–
Operating profit before working capital changes		**635,318,081**	**392,717,774**
Changes in working capital			
(Increase) / decrease in current assets			
Stores, spares and loose tools		–	(263,559)
Stock-in-trade		706,153,466	104,087,225
Trade debts		(747,725,088)	(439,318,674)
Advances, deposits, prepayments and other receivables		226,186,563	(132,042,162)
Net (increase) in current assets		**184,614,941**	**(467,537,170)**
(Decrease) / increase in current liabilities			
Trade and other payables		(425,460,576)	310,331,915
Short-term borrowings		(6,900,000)	6,900,000
Net increase / (decrease) in current liabilities		**(432,360,576)**	**317,231,915**
Net cash generated from operations		**387,572,446**	**242,412,519**

37 CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

Cash and bank balances	**25**	**10,163,700**	**15,358,322**

	Note	2026	2025
		Rupees	Rupees

38 SEGMENT REPORTING

38.1 The Company's reportable segments are as follows:

– Ferrous

– Non-ferrous

The ferrous segment comprises steel-related products, whereas the non-ferrous segment mainly comprises copper and aluminium.

38.2 Segment revenues and measure of segment profit or loss

Following is an analysis of the Company's revenue and results by reportable segment for the years ended 30 June 2026 and 30 June 2025, along with a reconciliation of the total of the reportable segments' measures of profit or loss to the Company's profit or loss for the year:

Rupees	Ferrous 2026	Ferrous 2025	Non-ferrous 2026	Non-ferrous 2025	Total 2026	Total 2025
Total sales	7,830,423,079	6,264,096,807	2,030,080,321	1,187,388,679	9,860,503,400	7,451,485,486
Inter-segment transactions	–	–	–	–	–	–
Net external sales	**7,830,423,079**	**6,264,096,807**	**2,030,080,321**	**1,187,388,679**	**9,860,503,400**	**7,451,485,486**
Commission	–	–	–	–	–	–
Net sales after commission	**7,830,423,079**	**6,264,096,807**	**2,030,080,321**	**1,187,388,679**	**9,860,503,400**	**7,451,485,486**
Total cost of sales	(7,726,549,159)	(6,046,036,982)	(1,706,987,719)	(1,019,192,751)	(9,433,536,878)	(7,065,229,733)
Inter-segment transactions	–	–	–	–	–	–
External cost of sales	**(7,726,549,159)**	**(6,046,036,982)**	**(1,706,987,719)**	**(1,019,192,751)**	**(9,433,536,878)**	**(7,065,229,733)**
Gross profit	**103,873,920**	**218,059,825**	**323,092,602**	**168,195,928**	**426,966,522**	**386,255,753**

Unallocated income and expenses	2026	2025
	Rupees	Rupees
Sales and marketing expenses	(19,846,670)	(15,936,296)
Administrative expenses	(139,423,678)	(118,949,823)
Other operating expenses	(36,906,204)	(27,664,225)
Other income	226,297,022	386,870
Finance cost	(14,821,077)	(5,787,411)
Minimum tax	(71,733,938)	(38,540,265)
Taxation	(59,057,042)	(68,279,831)
Profit for the year	**311,474,935**	**111,484,772**

Revenue reported above represents revenue generated from external customers. The accounting policies of the reportable segments (except as disclosed otherwise) are the same as the Company's accounting policies described in note 6.14 to these financial statements. The ferrous segment allocates a certain percentage of sales-related common expenditure to the non-ferrous segment. Segment profit represents the profit earned by each segment before taking account of unallocated income and expenses, which are presented separately. This is the measure reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance.

	Note	2026	2025
		Rupees	Rupees

38.3 Revenue from external customers

The analysis of the Company's revenue from external customers for major products is as follows:

Ferrous		
Steel re-bars	73.32%	63.95%
Billets	23.10%	21.87%
Others	3.59%	14.19%
	100%	**100%**
Non-ferrous		
Copper products	100.00%	85.18%
Others	0.00%	14.82%
	100%	**100%**

38.4 Information about major customers

Revenue from major customers of the ferrous segment represents 35% (2025: 46%) of the total revenue of the ferrous segment. Revenue from major local customers of the non-ferrous segment represents 93.14% (2025: 15%) of the total revenue of the non-ferrous segment. Revenue from major foreign customers of the non-ferrous segment represents approximately 3.92% (2025: 5.5%) of the total revenue of the non-ferrous segment.

38.5 Geographical information

All revenues from external customers of the ferrous segment were generated in Pakistan. 3.92% (2025: 7%) of revenues from external customers of the non-ferrous segment were generated from outside Pakistan, while the remaining revenues were generated from external customers within Pakistan. The majority of sales outside Pakistan are made to customers in Hong Kong. All non-current assets of the Company as at 30 June 2026 and 30 June 2025 were located and operating in Pakistan.

38.6 Measure of total assets and total liabilities

Reportable segments' assets and liabilities as at 30 June 2026 and 30 June 2025 have not been presented, as management was unable to identify a reasonable basis for allocating these balances to the respective segments. In accordance with the requirements of IFRS 8 'Operating Segments', such information is disclosed only when the measures are regularly provided to the chief operating decision-maker (CODM) for the purpose of assessing segment performance and allocating resources. Since no such information is provided regularly to the CODM, the allocation of assets and liabilities by segment has not been made.

39 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

Rupees	Opening balance	Financing cash flows	Other changes	Closing balance
Unclaimed dividend	4,911,563	–	–	4,911,563
Short-term borrowings	6,900,000	(6,900,000)	–	–
30 June 2026	**11,811,563**	**(6,900,000)**	**–**	**4,911,563**
Unclaimed dividend	4,911,563	–	–	4,911,563
Short-term borrowings	–	6,900,000	–	6,900,000
30 June 2025	**4,911,563**	**6,900,000**	**–**	**11,811,563**

	Note	2026	2025
		Rupees	Rupees

40 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

40.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, without considering the fair value of the collateral available there against.

Risk management

To manage credit risk, the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes, the financial viability of all counterparties is regularly monitored and assessed.

Exposure to credit risk

The carrying amount of the respective financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

Long-term deposits		450,000	450,000
Trade debts	22	2,125,062,267	1,377,337,179
Advances, deposits and prepayments	23	15,139,200	47,415,882
Bank balances	25	7,865,404	9,981,210
		2,148,516,871	**1,435,184,271**

The Company does not take into consideration the value of collateral while testing financial assets for impairment. The Company considers the creditworthiness of counterparties as part of its risk management.

Trade debtors

The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The majority of the Company's sales are made against receipts in advance from customers. The Company has no major concentration of credit risk with any single customer. The majority of trade customers have been transacting with the Company for several years. The Company establishes an allowance for impairment where it considers recoveries are not probable.

	Note	2026	2025
		Rupees	Rupees

40.1 Credit risk (continued)

The expected loss rates are based on the payment profiles of sales over a period of 6 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The ageing analysis of trade debtors is as follows:

Not yet due	373,138,329	259,829,258
Past due 0–90 days	1,393,093,403	147,471,944
Past due 90–180 days	358,830,535	882,861,789
Past due 180–270 days	–	87,174,188
	2,125,062,267	**1,377,337,179**

Management believes that the unimpaired balances that are past due are still collectible in full, based on historical payment behaviour and a review of the financial strength of the respective customers.

Cash is held only with reputable banks with high-quality external credit ratings assessed by external rating agencies.

Following are the credit ratings of banks with which balances are held or credit lines are available:

Bank	Rating short term	Rating long term	Agency
JS Bank Limited	A1+	AA	PACRA
Soneri Bank Limited	A1+	AA	PACRA
Meezan Bank Limited	A1+	AAA	VIS
Bank Alfalah Limited	A1+	AAA	PACRA
Habib Metropolitan Bank Limited	A1+	AAA	PACRA
Askari Bank Limited	A1+	AAA	PACRA
United Bank Limited	A1+	AAA	VIS
The Bank of Punjab	A1+	AAA	PACRA

Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at the reporting date.

40.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or there is difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

	Note	2026	2025
		Rupees	Rupees

40.2 Liquidity risk (continued)

The Company ensures that it has sufficient cash to meet expected working capital requirements by having credit lines available. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

2026 – gross carrying value

Rupees	Carrying amount	Not later than 1 year	Later than 1 year
Trade and other payables	3,553,378,425	3,553,378,425	–
Short-term borrowings	–	–	–
Unclaimed dividend	4,911,563	4,911,563	–
	3,558,289,988	**3,558,289,988**	**–**

2025 – gross carrying value

Rupees	Carrying amount	Not later than 1 year	Later than 1 year
Trade and other payables	3,907,755,285	3,907,755,285	–
Unclaimed dividend	4,911,563	4,911,563	–
	3,912,666,848	**3,912,666,848**	**–**

40.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

40.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the interest rate exposure arises from long-term financing, short-term borrowings, long-term investment in debt instruments, loan to subsidiary company, saving accounts and term deposit receipts. At the reporting date, the interest rate risk profile of the Company's interest-bearing financial instruments is as follows:

(a) Fixed rate financial instruments

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the statement of profit or loss.

(b) Variable rate financial instruments

	2026	2025
	Rupees	Rupees
Financial assets	1,823,002	1,651,036

40.3.2 Price risk management

The Company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

40.3.3 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of the gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long-term financing, lease for related parties and short-term borrowings obtained by the Company. Total capital employed includes 'total equity' as shown in the statement of financial position.

40.3.4 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is mainly exposed to currency risk on foreign trade debts, foreign creditors, foreign currency accounts and short-term foreign loans, which are denominated in currencies other than the functional currency of the Company.

The Company's net exposure to foreign currency risk is as follows:

2026	Currency	Year-end rate	FCY amount	Amount in Rupees
Receivables			–	–
Payables	USD	279.42	935,116	261,290,113
	AED	76.53	6,443,737	493,139,183

40.3.5 Sensitivity analysis

At the reporting date, if the PKR had strengthened or weakened by 1% against the foreign currencies, with all other variables held constant, post-tax profit / (loss) for the year would have been lower / (higher) by the amounts shown below, mainly as a result of net foreign exchange gain on translation of foreign creditors.

Impact on profit before tax

Rupees	1% increase	1% decrease
USD	(2,612,901)	2,612,901
AED	(4,931,392)	4,931,392

41 RECOGNISED FAIR VALUE MEASUREMENTS – FINANCIAL INSTRUMENTS

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. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

41.1 Level 1 inputs

These are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

41.2 Level 2 inputs

These are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

41.3 Level 3 inputs

These are inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

42 FINANCIAL ASSETS

Carrying amount of financial assets by category:

	Note	At amortised cost	Total
		Rupees	Rupees
Year ended 30 June 2026			
Trade debtors		2,125,062,267	2,125,062,267
Advances, deposits and other receivables		15,139,200	15,139,200
Cash and bank balances		10,163,700	10,163,700
		2,150,365,167	**2,150,365,167**
Year ended 30 June 2025			
Trade debtors		1,377,337,179	1,377,337,179
Advances, deposits and other receivables		47,415,882	47,415,882
Cash and bank balances		15,358,322	15,358,322
		1,440,111,383	**1,440,111,383**

43 FINANCIAL LIABILITIES

Carrying amount of financial liabilities by category:

	Note	At amortised cost	Total
		Rupees	Rupees
Year ended 30 June 2026			
Trade and other payables		3,553,378,425	3,553,378,425
Short-term borrowings		–	–
Unclaimed dividend		4,911,563	4,911,563
		3,558,289,988	**3,558,289,988**
Year ended 30 June 2025			
Trade and other payables		3,907,755,285	3,907,755,285
Short-term borrowings		6,900,000	6,900,000
Unclaimed dividend		4,911,563	4,911,563
		3,919,566,848	**3,919,566,848**

44 RELATED PARTY DISCLOSURES

The Company ("the reporting entity"), in the normal course of business, carries out arm's length transactions with various related parties ("the entities"). Related parties comprise group company (subsidiary) and entities regarded as related / associated due to common directorship or common management, major shareholders, key management personnel and their close family members ("the relatives"). Major shareholders are those persons having control of, or significant influence over, the reporting entity. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the reporting entity, directly or indirectly, including directors (whether executive or otherwise) of the reporting entity.

Following are the related parties / associated companies / undertakings with whom the Company had entered into transactions or had agreements and / or arrangements in place during the financial year, along with the basis of relationship describing common directorship and percentage of shareholding of the Company:

	Note	2026	2025
		Rupees	Rupees
44	**Related party disclosures (continued)**		
	Ali Enterprises Re-rolling Mills (associated company)		
	Opening balance	22,000,000	927,904,181
	Sale during the year	16,191,580	926,334,701
	Receipt during the year	(303,529,250)	(1,832,238,882)
	Closing balance	**(265,337,670)**	**22,000,000**
	Sale of goods by the Company to related party	–	–
	Maximum balance at any time during the year	265,460,670	926,334,701
	Chaudhry Muhammad Shafique (shareholder)		
	Opening balance	254,672,420	254,672,420
	Received during the year	–	–
	Payments during the year	–	–
	Closing balance	**254,672,420**	**254,672,420**
	Maximum balance at any time during the year	254,672,420	254,672,420
	Ali Shafique (shareholder / director)		
	Opening balance	27,512,000	–
	Loan received during the year	–	27,512,000
	Loan paid during the year	–	–
	Closing balance	**27,512,000**	**27,512,000**
	Maximum balance at any time during the year	27,512,000	27,512,000
	Beco Steel Ferrous and Non-Ferrous Metal (associated company)		
	Opening balance	373,310,281	66,022,852
	Purchases during the year	464,786,723	892,471,829
	Payments during the year	(400,565,400)	(585,184,400)
	Closing balance	**437,531,604**	**373,310,281**
	Maximum balance at any time during the year	521,731,427	373,310,281
	Beco Holding (Private) Limited (associated company)		
	Opening balance	–	–
	Sale during the year	89,290,000	–
	Receipt during the year	(71,600,000)	–
	Closing balance	**17,690,000**	**–**
	Maximum balance at any time during the year	79,290,000	–

	Note	2026	2025
		Rupees	Rupees

45 SHARIAH DISCLOSURE

Statement of financial position			
Financing / loans / advances obtained as per Islamic mode		–	–
Interest or mark-up accrued on any conventional loan or advance		–	–
Long-term and short-term Shariah compliant investments		–	–
Shariah compliant bank deposits / bank balances / TDRs		–	–
Statement of profit or loss			
Revenue earned from a Shariah compliant business segment	26	9,860,503,400	7,451,485,486
Profit earned from Shariah compliant bank deposits / balances / TDRs		–	–
Exchange gain earned	31	1,750,316	–
Profit earned from Shariah compliant investments		–	–
Profit / interest earned on any conventional loan or advance paid on any conventional loan or advance	31	104,395	386,870
Mark-up / profit paid on Islamic mode of financing		–	–
Interest paid on any conventional loan or advance		–	–

45.1 Disclosures other than the above are not applicable to the Company.

45.2 The source and detailed break-up of other income is provided in note 31.

46 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the full-time working directors and executives of the Company is as follows:

	Chief Executive	Directors	Executives
	Rupees	Rupees	Rupees
2026			
Managerial remuneration	6,000,000	1,480,000	35,730,256
Bonus / allowances	–	–	–
	6,000,000	**1,480,000**	**35,730,256**
Number of persons	1	2	28
2025			
Managerial remuneration	5,200,000	1,322,000	38,657,856
Bonus / allowances	–	–	–
	5,200,000	**1,322,000**	**38,657,856**
Number of persons	1	2	30

46.1 Executives mean employees, other than the Chief Executive Officer and directors, whose basic salary exceeds Rs 1,200,000 in a financial year.

47 NUMBER OF EMPLOYEES

	Number	Number
Number of employees at year end	46	48
Average number of employees during the year	42	43

	Note	2026	2025
		Rupees	Rupees

48 PLANT CAPACITY AND ACTUAL PRODUCTION

		Metric tons	Metric tons
Actual production			
Melting		11,582.34	20,529.00
Re-rolling		22,690.00	46,023.05
Plant capacity			
Melting		86,240.00	86,240.00
Re-rolling		187,200.00	187,200.00

48.1 Short-fall in actual production of ferrous and non-ferrous segments is due to market demand.

49 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 7 October 2026 by the Board of Directors of the Company.

50 GENERAL

Figures in these financial statements have been rounded to the nearest rupee.

Muhammad Ali Shafique Chaudhry	**Afifa Shafique**	**Eman Shafique**
Chief Executive Officer	Chief Financial Officer	Director

FORM 20 · SECTION 227(2)(F), COMPANIES ACT 2017

Pattern of shareholding as at 30 June 2026

Shares of Re 1 each; 1,249,625,100 shares in issue. Source: the Company's share registrar.

Categories of shareholders

#	Category	Shareholders	Shares held	%
1	Directors, Chief Executive, their spouses and minor children	11	593,825,678	47.5203
2	Associated companies, undertakings and related parties	2	274,216,770	21.9439
3	Banks, development finance institutions and non-banking finance institutions	7	5,904,320	0.4725
4	General public: local	16,139	367,791,000	29.4321
5	Funds	2	328,030	0.0263
6	Joint stock companies	28	5,558,377	0.4448
7	Others	6	2,000,925	0.1601
	Total	**16,195**	**1,249,625,100**	**100.0000**

NIT and ICP, insurance companies, modarabas and mutual funds, and foreign general public: nil.

Additional information

	Directors, Chief Executive, their spouses and minor children	Shares held	%
	Mr. Muhammad Zain-ul-Afaq (Chairman)	1,595,000	0.1276
	Mr. Muhammad Ali Shafique Chaudhry (Chief Executive Officer)	520,945,938	41.6882
	Ms. Afifa Shafique	5,000	0.0004
	Mr. Muhammad Hashim Tareen	25,000	0.0020
	Khawaja Gul Muhammad	25,000	0.0020
	Mrs. Shabana Shafique	21,733,330	1.7392
	Miss Eman Shafique	5,000	0.0004
	Ch. Muhammad Shafique	49,466,410	3.9585
	Mrs. Sarwar Sultana	25,000	0.0020
		593,825,678	**47.5203**
	Associated companies, undertakings and related parties		
	Chaudhry Steel Re-Rolling Mills (Private) Limited	274,191,770	21.9419
	Mr. Waheed Akbar	25,000	0.0020
	Banks, development finance institutions and non-banking finance institutions		
	Bank Alfalah Limited	5,600,970	0.4482
	National Bank of Pakistan	1,950	0.0002
	Orient Impex (Private) Limited	27,500	0.0022
	Ahsam Securities (Private) Limited	7,500	0.0006
	Saya Securities (Private) Limited	211,400	0.0169
	Z. A. Ghaffar Securities (Private) Limited	5,000	0.0004
	Networth Securities Limited	50,000	0.0040
	Funds		
	Trustee National Bank of Pakistan Employees Pension Fund	316,910	0.0254
	Trustee National Bank of Pakistan Employees Benevolent Fund Trust	11,120	0.0009
	Shareholders holding 5% or more of the voting rights		
	Mr. Muhammad Ali Shafique Chaudhry	520,945,938	41.6882
	Chaudhry Steel Re-Rolling Mills (Private) Limited	274,191,770	21.9419

Pattern of shareholding by size of holding as at 30 June 2026

Number of shareholders	Holding from	Holding to	Total shares held
1,880	1	100	64,141
1,648	101	500	534,884
1,493	501	1,000	1,305,584
4,128	1,001	5,000	12,423,606
2,060	5,001	10,000	16,667,016
978	10,001	15,000	12,565,883
793	15,001	20,000	14,626,046
483	20,001	25,000	11,274,988
422	25,001	30,000	12,035,510
228	30,001	35,000	7,518,389
237	35,001	40,000	9,132,652
134	40,001	45,000	5,795,093
269	45,001	50,000	13,283,245
116	50,001	55,000	6,077,290
113	55,001	60,000	6,633,044
59	60,001	65,000	3,727,673
76	65,001	70,000	5,204,454
60	70,001	75,000	4,397,680
56	75,001	80,000	4,422,943
39	80,001	85,000	3,226,119
39	85,001	90,000	3,445,212
32	90,001	95,000	2,971,187
179	95,001	100,000	17,851,660
41	100,001	105,000	4,211,444
43	105,001	110,000	4,664,233
15	110,001	115,000	1,690,964
17	115,001	120,000	2,028,380
24	120,001	125,000	2,972,121
18	125,001	130,000	2,324,193
12	130,001	135,000	1,605,333
23	135,001	140,000	3,191,460
12	140,001	145,000	1,723,759
50	145,001	150,000	7,476,855
17	150,001	155,000	2,606,124
16	155,001	160,000	2,527,529
13	160,001	165,000	2,121,945
11	165,001	170,000	1,853,284
9	170,001	175,000	1,566,854
17	175,001	180,000	3,030,011
9	180,001	185,000	1,644,437
7	185,001	190,000	1,324,217
7	190,001	195,000	1,351,148
29	195,001	200,000	5,797,022
13	200,001	205,000	2,632,192
8	205,001	210,000	1,670,159
5	210,001	215,000	1,060,906
6	215,001	220,000	1,311,674
3	220,001	225,000	675,000
6	225,001	230,000	1,378,000
6	230,001	235,000	1,400,037
1	235,001	240,000	236,525
3	240,001	245,000	731,211
21	245,001	250,000	5,240,708
4	250,001	255,000	1,010,488
2	255,001	260,000	519,336
1	260,001	265,000	260,230
10	265,001	270,000	2,680,120
1	270,001	275,000	270,839
3	275,001	280,000	839,547
1	280,001	285,000	281,245
2	285,001	290,000	574,600
2	290,001	295,000	588,992
22	295,001	300,000	6,600,000
5	300,001	305,000	1,503,562
2	305,001	310,000	616,550
3	310,001	315,000	940,987
3	315,001	320,000	956,910
4	320,001	325,000	1,297,505
3	325,001	330,000	987,966
2	330,001	335,000	668,000
2	335,001	340,000	680,000
3	340,001	345,000	1,025,066
3	345,001	350,000	1,050,000
2	350,001	355,000	702,800
2	355,001	360,000	716,889
2	360,001	365,000	725,172
1	365,001	370,000	366,500
3	370,001	375,000	1,122,140
1	375,001	380,000	380,000
2	380,001	385,000	767,200
1	385,001	390,000	390,000
2	390,001	395,000	783,602
11	395,001	400,000	4,397,000
2	405,001	410,000	820,000
1	410,001	415,000	413,000
1	425,001	430,000	428,500
1	435,001	440,000	435,159
1	440,001	445,000	444,234
4	445,001	450,000	1,795,217
1	455,001	460,000	455,570
2	465,001	470,000	940,000
3	470,001	475,000	1,420,007
1	475,001	480,000	479,971
2	480,001	485,000	966,000
3	485,001	490,000	1,469,301
1	490,001	495,000	492,010
10	495,001	500,000	5,000,000
2	500,001	505,000	1,005,943
1	505,001	510,000	506,694
3	515,001	520,000	1,557,500
1	525,001	530,000	526,000
1	550,001	555,000	555,000
1	565,001	570,000	570,000
1	575,001	580,000	576,733
1	580,001	585,000	580,763
2	620,001	625,000	1,247,507
1	640,001	645,000	641,370
1	645,001	650,000	650,000
1	660,001	665,000	662,500
2	670,001	675,000	1,341,441
2	695,001	700,000	1,396,100
1	700,001	705,000	704,000
1	705,001	710,000	705,429
1	750,001	755,000	750,780
1	760,001	765,000	760,842
1	785,001	790,000	790,000
1	790,001	795,000	795,000
2	795,001	800,000	1,600,000
1	810,001	815,000	814,160
1	845,001	850,000	850,000
1	865,001	870,000	866,000
1	895,001	900,000	900,000
1	915,001	920,000	920,000
1	930,001	935,000	930,209
1	935,001	940,000	937,000
1	950,001	955,000	955,000
1	965,001	970,000	969,090
5	995,001	1,000,000	5,000,000
1	1,035,001	1,040,000	1,038,290
3	1,095,001	1,100,000	3,300,000
1	1,120,001	1,125,000	1,121,000
1	1,140,001	1,145,000	1,140,388
2	1,195,001	1,200,000	2,400,000
1	1,235,001	1,240,000	1,240,000
1	1,335,001	1,340,000	1,336,160
1	1,405,001	1,410,000	1,406,727
1	1,425,001	1,430,000	1,428,972
1	1,495,001	1,500,000	1,500,000
1	1,505,001	1,510,000	1,510,000
1	1,525,001	1,530,000	1,525,249
1	1,530,001	1,535,000	1,534,737
1	1,590,001	1,595,000	1,595,000
1	1,645,001	1,650,000	1,650,000
1	1,650,001	1,655,000	1,654,200
1	1,710,001	1,715,000	1,715,000
1	1,725,001	1,730,000	1,728,500
1	1,795,001	1,800,000	1,800,000
1	2,095,001	2,100,000	2,100,000
1	2,495,001	2,500,000	2,499,224
1	4,175,001	4,180,000	4,179,278
1	5,600,001	5,605,000	5,600,970
1	14,900,001	14,905,000	14,903,945
1	21,730,001	21,735,000	21,733,330
1	49,465,001	49,470,000	49,466,400
1	274,190,001	274,195,000	274,191,770
1	516,765,001	516,770,000	516,766,660
16,195		**Total**	**1,249,625,100**

BECO STEEL LIMITED · ANNUAL GENERAL MEETING

Form of proxy

I / We _____ of _____

being a member of Beco Steel Limited and holder of _____ ordinary shares,

Folio No. / CDC Participant ID and Account No. _____

hereby appoint _____ of _____

or failing him / her _____ of _____

as my / our proxy to attend, speak and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on Wednesday, 28 October 2026 at 12:00 noon and at any adjournment thereof.

Signed this _____ day of _____ 2026

Witness 1

Signature _____

Name _____

CNIC _____

Address _____

Witness 2

Signature _____

Name _____

CNIC _____

Address _____

Affix revenue stamp

_____

Signature of member (should agree with the specimen registered with the Company)

NOTES

1. A member entitled to attend and vote at the meeting may appoint a proxy. The proxy form, duly completed, signed and witnessed, must be deposited at the registered office of the Company, 79-Peco Road, Badami Bagh, Lahore, at least 48 hours before the meeting.
2. If a member appoints more than one proxy and more than one instrument of proxy is deposited, all such instruments of proxy shall be invalid.
3. CDC account holders: attested copies of the CNIC or passport of the beneficial owner and of the proxy must be attached to the proxy form, and the proxy must produce an original CNIC or passport at the meeting.
4. Corporate members: the Board of Directors' resolution or power of attorney, with specimen signatures of the nominee, must be submitted with the proxy form.

بیکو اسٹیل لمیٹڈ · سالانہ اجلاسِ عام

پراکسی فارم

میں / ہم _____ ساکن _____

بحیثیت رکن بیکو اسٹیل لمیٹڈ اور _____ عام حصص کے حامل،

فولیو نمبر / سی ڈی سی پارٹیسپنٹ آئی ڈی و اکاؤنٹ نمبر _____

بذریعہ ہذا _____ ساکن _____

یا ان کی عدم موجودگی میں _____ ساکن _____

کو اپنا / ہمارا پراکسی مقرر کرتا / کرتی / کرتے ہیں تاکہ وہ بروز بدھ، 28 اکتوبر 2026ء کو منعقد ہونے والے کمپنی کے سالانہ اجلاسِ عام یا اس کے کسی ملتوی شدہ اجلاس میں میری / ہماری جانب سے شرکت کریں، بات کریں اور ووٹ دیں۔

آج بتاریخ _____ بماہ _____ 2026ء کو دستخط کیے گئے۔

گواہ 1

دستخط _____

نام _____

شناختی کارڈ نمبر _____

پتہ _____

گواہ 2

دستخط _____

نام _____

شناختی کارڈ نمبر _____

پتہ _____

رسیدی ٹکٹ چسپاں کریں

_____

رکن کے دستخط (کمپنی کے پاس رجسٹرڈ نمونہ دستخط کے مطابق)

نوٹس

1. اجلاس میں شرکت اور ووٹ کا حق رکھنے والا رکن پراکسی مقرر کر سکتا ہے۔ مکمل، دستخط شدہ اور گواہ شدہ پراکسی فارم اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس، 79 بیکو روڈ، بادامی باغ، لاہور میں جمع کرانا لازمی ہے۔
2. اگر کوئی رکن ایک سے زائد پراکسی مقرر کرے اور ایک سے زائد پراکسی فارم جمع کرائے جائیں تو تمام پراکسی فارم کالعدم تصور ہوں گے۔
3. سی ڈی سی اکاؤنٹ ہولڈرز: بینیفیشل اونر اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ساتھ منسلک کی جائیں، اور پراکسی اجلاس میں اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرے۔
4. کارپوریٹ اراکین: بورڈ آف ڈائریکٹرز کی قرارداد یا مختار نامہ، نامزد شخص کے نمونہ دستخط کے ساتھ، پراکسی فارم کے ہمراہ جمع کرایا جائے۔

Postal Ballot Paper

Postal Ballot Paper for voting through post for the Special Business at the Annual General Meeting to be held on **Wednesday, October 28, 2026 at 12:00 (noon)** at Executive Board Room, Royal Palm Golf and Country Club, 52 Canal Road, Mughalpura, Lahore or at any adjournment thereof.

Contact Details of the Chairman at which the duly filled in ballot paper may be sent:

Address: **Beco Steel Limited**
79-Peco Road, Badami Bagh, Lahore, Pakistan
E-mail address: chairman@becosteel.com
Phone: +92-42-37612715
Website: www.becosteel.com

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) copy to be attached	

Additional information and enclosures (in case of representative of body corporate, corporation, and Federal Government).

Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

INSTRUCTIONS FOR POLL

1. Please indicate your vote by ticking (√) the relevant box.
2. In case if both the boxes are marked as (√), your poll shall be treated as **"Rejected"**.

I/we hereby exercise my/our vote in respect of the following special resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;

Nature and Description of Resolution(s) **As per agenda items**	**I/We assent to the Resolution(s) (FOR)**	**I/We dissent to the Resolution(s) (AGAINST)**
4. To ratify and approve transactions conducted with the Related Parties for the year ended June 30, 2026 by passing the following special resolution with or without modification: - *"Resolved that, the transactions conducted with the Related Parties as disclosed in the note # 44 to the financial statements of the Company for the year ended June 30, 2026 be and are hereby ratified, approved and confirmed."*		
5. To authorize the Board of Directors of the Company to approve transactions with the related parties for the financial year ending on June 30, 2027 by passing the following special resolution with or without modification: - *"Resolved that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with the Related Parties on case-to-case basis for the financial year ending on June 30, 2027.* *Resolved further that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."*		

Postal ballot paper (continued)

NOTES:

1. Dully filled ballot paper should be sent to the Chairman at 79-Peco Road, Badami Bagh, Lahore or email at chairman@becosteel.com
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman one day before AGM i.e. on October 27, 2026. Any postal ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable.
7. Ballot Paper form has also been placed on the website of the Company at: www.becosteel.com Members may download the ballot paper from the website or use an original/photocopy published in newspapers.

Shareholder / Proxy Holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Place: _____

Date: _____

ڈاک کا بیلٹ پیپر

خصوصی کاروبار کے لیے ڈاک کے ذریعے ووٹنگ کے لیے پوسٹل بیلٹ پیپر، جو بدھ، 28 اکتوبر 2026 کو دوپہر 12:00 بجے ایگزیکٹو بورڈ روم، رائل پام گالف اینڈ کنٹری کلب، 52 کینال روڈ، مغلپورہ، لاہور میں یا کسی بھی ملتوی وقت پر منعقد ہوگی۔

چیئرمین کی رابطہ تفصیلات جہاں باقاعدہ طور پر بھری گئی بیلٹ پیپر بھیجی جا سکتی ہے:

پتہ: بیکو اسٹیل لمیٹڈ، 79-پیکو روڈ، بادامی باغ، لاہور، پاکستان

ای میل ایڈریس: chairman@becosteel.com

فون: +92-42-37612715

ویب سائٹ: www.becosteel.com

فولیو / سی ڈی ایس اکاؤنٹ نمبر	
شیئر ہولڈر / پراکسی ہولڈر کا نام	
رجسٹرڈ پتہ	
حصص کی تعداد	
CNIC/پاسپورٹ نمبر۔ (غیر ملکی کی صورت میں) اس کی نقل منسلک کی جائے گی	

اضافی معلومات اور انکلوژرز (اگر ادارہ کارپوریٹ، کارپوریشن، اور وفاقی حکومت کے نمائندے ہوں)۔

مجاز دستخط کنندہ کا نام	
CNIC/پاسپورٹ نمبر۔ (غیر ملکی کی صورت میں) مجاز دستخط کنندہ کا (نقل منسلک کی جائے گی)	

پول کے لیے ہدایات

1۔ براہ کرم متعلقہ خانہ (√) پر نشان لگا کر اپنا ووٹ ظاہر کریں۔

2۔ اگر دونوں خانوں کو (√) کے طور پر نشان زد کیا جائے تو آپ کا پول "مسترد" سمجھا جائے گا۔

میں/ہم یہاں درج ذیل خصوصی قرارداد کے حوالے سے اپنی رائے کا استعمال کرتے ہوئے مناسب خانے میں ٹک (√) نشان لگا کر قرارداد کی منظوری یا اختلاف ظاہر کرتا ہوں؛

ڈاک کا بیلٹ پیپر (جاری)

نوعیت اور ریزولوشن کی تفصیل ایجنڈا آئٹمز کے مطابق	میں/ہم قرارداد (FOR) کی منظوری دیتے ہیں	میں/ہم قرارداد(ان) (مخالف) سے اختلاف کرتے ہیں
4۔ 30 جون 2026 کو ختم ہونے والے سال کے لیے متعلقہ فریقین کے ساتھ کیے گئے لین دین کی توثیق اور منظوری کے لیے درج ذیل خصوصی قرارداد کو ترمیم کے ساتھ یا بغیر ترمیم کے پاس کرنا:- "یہ طے کیا گیا کہ متعلقہ فریقین کے ساتھ کیے گئے لین دین جیسا کہ نوٹ #44 میں کمپنی کے مالی بیانات میں 30 جون 2026 کو ختم ہونے والے سال کے لیے ظاہر کیا گیا ہے، اس کی توثیق، منظوری اور تصدیق کی جاتی ہے۔"		
5۔ کمپنی کے بورڈ آف ڈائریکٹرز کو یہ اختیار دینا کہ وہ 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے متعلقہ فریقین کے ساتھ لین دین کی منظوری دے سکے، اور درج ذیل خصوصی قرارداد کو ترمیم کے ساتھ یا بغیر ترمیم کے پاس کرے:- "فیصلہ کیا گیا ہے کہ کمپنی کے بورڈ آف ڈائریکٹرز کو مالی سال 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کیس بہ کیس بنیاد پر متعلقہ فریقین کے ساتھ کیے جانے والے لین دین کی منظوری دینے کا اختیار حاصل ہے۔ مزید یہ طے کیا گیا کہ بورڈ کی جانب سے کیے گئے ان لین دین کو شیئر ہولڈرز کی منظوری دی گئی سمجھا جائے گا اور انہیں اگلے سالانہ جنرل میٹنگ میں شیئر ہولڈرز کے سامنے ان کی رسمی توثیق / منظوری کے لیے پیش کیا جائے گا۔"		

نوٹس:

1۔ بے رنگ بھرے ہوئے بیلٹ پیپر کو چیئرمین کو 79-بیکو روڈ، بادامی باغ، لاہور پر بھیجا جائے یا ای میل chairman@becosteel.com پر

2۔ CNIC/پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) ڈاک کے بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔

3۔ بیلٹ پیپر چیئرمین تک اے جی ایم سے ایک دن پہلے یعنی 27 اکتوبر 2026 کو پہنچنا چاہیے۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی ڈاک کا بیلٹ ووٹنگ کے لیے زیر غور نہیں آئے گا۔

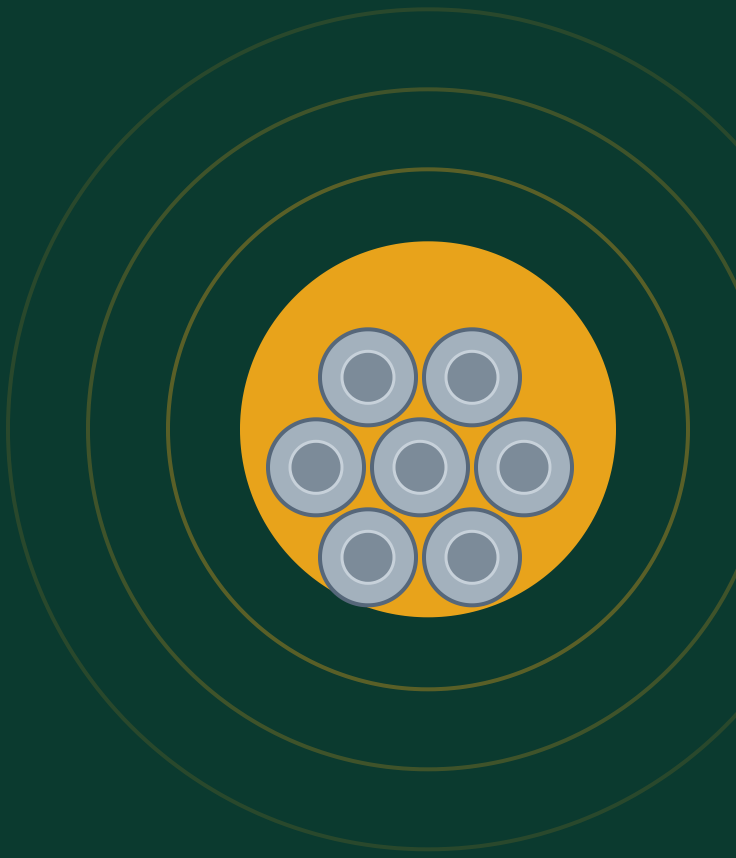
4۔ بیلٹ پیپر پر دستخط CNIC/پاسپورٹ پر دستخط کے ساتھ میل کھانا چاہیے (غیر ملکی کی صورت میں)۔

5۔ نامکمل، بغیر دستخط کے، غلط، خراب شدہ، پھٹا ہوا، مسخ شدہ، زیادہ لکھا ہوا پول پیپر مسترد کر دیا جائے گا۔

6۔ اگر کسی ادارے کے نمائندے کی صورت میں کارپوریٹ، کارپوریشن یا وفاقی حکومت کا نمائندہ ہو، تو بیلٹ پیپر فارم کے ساتھ مجاز شخص کا CNIC کاپی، بورڈ ریزولوشن / پاور آف اٹارنی / اجازت نامہ وغیرہ کی تصدیق شدہ کاپی ہونا چاہیے، جیسا کہ کمپنیز ایکٹ، 2017 کے سیکشن 138 یا 139 کے مطابق ہو۔

7۔ بیلٹ پیپر فارم کمپنی کی ویب سائٹ پر بھی رکھا گیا ہے: www.becosteel.com اراکین ویب سائٹ سے بیلٹ پیپر ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع شدہ اصل / فوٹو کاپی استعمال کر سکتے ہیں۔

شیئر ہولڈر / پراکسی ہولڈر دستخط / مجاز دستخط کنندہ (اگر کوئی کارپوریٹ ادارہ ہو تو براہ کرم کمپنی اسٹیمپ لگائیں)	مقام	تاریخ



BECO STEEL LIMITED

Registered office: 79-Peco Road, Badami Bagh, Lahore
Head office: G-7, Florets Luxury Apartments, 127 Ahmad Block,
New Garden Town, Lahore

UAN (042) 111 112 326
www.becosteel.com
info@becosteel.com

PSX symbol: BECO

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