

international[™]
industries
built on trust



revitalizing legacy, reclaiming leadership

FOR THE PERIOD ENDED MARCH 31, 2026



a trusted name
a **bold** new face



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

international[™]
industries
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Company Information

Chairman (Non-Executive)

Mr. Kamal A. Chinoy

Independent Directors

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

Non-Executive Directors

Mr. Asim Rafiq
Mr. Mustapha A. Chinoy
Mrs. Selina Rashid Khan

Chief Executive Officer

Mr. Yousuf H. Mirza

Executive Director

Mr. Zain K. Chinoy

Chief Financial Officer

Mr. Mujtaba Hussain

Company Secretary & Head of Legal Affairs

Mr. Mohammad Irfan Bhatti

Chief Internal Auditor

Mr. Muhammad Atif Khan

External Auditor

M/s A.F. Ferguson & Co.

Bank

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

Legal Advisor

K.M.S. Law Associates

National Tax Number

0710735-8

Sales Tax Registration Number

02-04-7306-001-82

Registered Office

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

Lahore Office

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

Islamabad Office

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

Multan Office

Office No. 708-A, United Mall,
Abdali Road, Multan.

Peshawar Office

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

IIL Trading (Pvt) Limited

101 Beaumont Plaza, 10 Beaumont Road
Karachi - 75530, Pakistan
Website: <https://iil.com.pk/en/page/iiltrading>

• IIL Trading Display Outlets

Karachi :

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

Lahore :

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

Islamabad :

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

IIL Americas Inc.

Suite 210-5800
Ambler Drive, Mississauga
ONL4W4J4, Canada

IIL Australia Pty Limited

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

INIL Europe Limited

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

Factories

Factory 1

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

Factory 2

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

Factory 3

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

Investor Relations Contact

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

Corporate Website

www.iil.com.pk

Directors' Report

FOR THE QUARTER ENDED MARCH 31, 2026

The Directors are pleased to present the financial statements of the Company for the quarter ended March 31, 2026.

Economic Overview

During the quarter under review, the economy continued to exhibit gradual stabilization, supported by ongoing reform measures and the recent staff-level agreement with the International Monetary Fund (IMF). This has contributed to improved confidence in the external account, greater clarity on macroeconomic direction, and relative stability in the exchange rate.

Disciplined fiscal management and a measured monetary stance helped ease inflationary pressures during the year. However, later in Q3, geopolitical developments in the Middle East led to a rise in inflation and firmer energy prices, with crude oil averaging above USD 100 per barrel and heightened volatility in international markets. These factors created a more challenging cost environment, particularly in energy and logistics.

Despite these pressures, domestic demand conditions remained broadly stable, supported by construction activity and a gradual recovery in industrial output.

Industry Overview

The global steel market remained uneven, with demand conditions varying across regions and trade-related factors continuing to influence pricing dynamics. Freight markets also remained firm, with elevated shipping costs and logistical disruptions contributing to higher landed costs and extended lead times.

In the domestic market, the steel sector maintained relative stability, supported by ongoing infrastructure activity, although margins remained sensitive to movements in input and energy costs.

Company Performance

Against this backdrop, the Company maintained a stable operating performance, supported by its continued focus on operational discipline, cost management, and market responsiveness. Sales volumes were 84,529 MT compared to 59,323 MT in the corresponding period last year. Profit after tax stood at Rs. 1,210 million, as compared to Rs. 807 million in the same period last year, while earnings per share (EPS) for the period were Rs. 9.18, compared to Rs. 6.12 in the corresponding quarter of the previous year.

The Company's subsidiary, International Steels Limited, recorded a profit after tax of Rs. 2,408 million, compared to Rs. 951 million in the same period last year, with EPS of Rs. 5.54 (Last year: Rs. 2.19).

Outlook

The outlook for the remainder of the financial year is broadly stable, underpinned by continued progress on the reform agenda and improving macroeconomic conditions.

Directors' Report

FOR THE QUARTER ENDED MARCH 31, 2026

At the same time, external uncertainties, particularly geopolitical developments and elevated energy and freight costs, are expected to continue influencing cost structures.

The Company remains focused on maintaining efficiency, preserving financial discipline, and leveraging its market position to navigate the prevailing environment and sustain long-term value creation

Acknowledgement

The Directors place on record their appreciation for the continued support of the Company's shareholders, customers, employees, and business partners, whose commitment remains integral to the Company's performance.

For & on behalf of
International Industries Limited



Kamal A. Chinoy
Chairman

Karachi: April 23, 2026



ڈائریکٹرز کی رپورٹ برائے 31 مارچ 2026

از ٹیکس منافع، گزشتہ سال کی اسی مدت کے منافع 807.8 ملین روپے کے مقابلے میں 1,210 ملین روپے حاصل ہوا، جبکہ فی شیئر آمدنی بھی گزشتہ سال کی اسی مدت کے 6.12 روپے کے مقابلے میں 9.18 روپے ہوئی۔

کمپنی کے ذیلی ادارے، انٹرنیشنل اسٹیلز لمیٹڈ نے بعد از ٹیکس 2,408 ملین روپے کا ریکارڈ منافع حاصل کیا جبکہ گزشتہ سال کی اسی مدت میں 951 ملین روپے منافع ہوا تھا اور فی شیئر آمدنی 5.54 روپے ہوئی (گزشتہ سال: 2.19 روپے)۔

آئندہ کا منظر نامہ

مالی سال کے بقیہ حصے کا منظر نامہ بڑی حد تک مستحکم نظر آتا ہے جس کو اصلاحات کے ایجنڈے پر مسلسل پیش رفت اور میکرو اکنامک کی صورتحال میں بہتری سے سہارا رہے گا۔ ایسے وقت میں بیرونی غیر یقینی کیفیت، خاص طور پر ارضی سیاسی پیش رفت اور توانائی اور مال برداری کے اخراجات میں اضافہ سے بھی لاگت کے اسٹریکچرز پر دباؤ جاری رہنے کی توقع ہے۔

کمپنی کی توجہ استعداد برقرار رکھنے، مالیاتی انتظامات کو تحفظ دینے اور اپنی مارکیٹ پوزیشن میں اضافے پر مرکوز ہے تاکہ موجودہ صورتحال میں آگے بڑھنے اور طویل المدت اقدار کی تخلیق کے عمل کو برقرار رکھا جاسکے۔

اعتراف

ڈائریکٹرز اپنی کمپنی کے شیئر ہولڈرز، کسٹمرز، ایمپلائز اور بزنس پارٹنر کے مسلسل تعاون کیلئے ان کے بے حد ممنون ہیں جو کمپنی کی کارکردگی سے مطمئن ہیں۔

برائے اور منجانب

انٹرنیشنل انڈسٹریز لمیٹڈ

کمال اے چنائے

چیئر مین

کراچی۔ 23 اپریل، 2026



ڈائریکٹرز کی رپورٹ برائے 31 مارچ 2026

ڈائریکٹرز، کمپنی کے مالیاتی اسٹیٹمنٹس برائے سہ ماہی ختمہ 31 مارچ 2026 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی عمومی جائزہ

زیر جائزہ سہ ماہی کے دوران معیشت میں درجہ بدرجہ استحکام کا عمل جاری رہا جس کو اصلاحات کے رواں اقدامات اور انٹرنیشنل مانیٹری فنڈ (IMF) کے ساتھ اسٹاف کی سطح پر حالیہ معاہدے سے مدد ملی۔ اس سے بیرونی اکاؤنٹ میں بہتری آئی، میکرو اکنامکس کی سمت زیادہ واضح ہوئی اور شرح مبادلہ میں نسبتاً استحکام نظر آیا۔

منظوم مالیاتی انتظامات اور مالیاتی پالیسی کی وجہ سے دوران سال افراط زر میں کمی دیکھی گئی۔ تاہم مالی سال کی تیسری سہ ماہی میں مشرق وسطیٰ میں ارضی سیاسی حالات کے باعث توانائی کی قیمتیں، فی بیرل خام تیل کی اوسط قیمت 100 یو ایس ڈالر سے بڑھ گئی اور بین الاقوامی مارکیٹس میں شدید اتار چڑھاؤ کی کیفیت پیدا ہو گئی۔ ان عوامل کے نتیجے میں لاگت کی صورت حال، خصوصاً توانائی اور لاجسٹکس میں مزید چیلنجز سامنے آئے۔

ان تمام دباؤ کے باوجود، مقامی طور پر طلب کی صورت حال بڑی حد تک مستحکم رہی جس کو تعمیراتی سرگرمیوں اور صنعتی پیداوار میں درجہ بدرجہ بہتری آنے سے تقویت حاصل ہوئی۔

صنعت کا جائزہ

عالمی سطح پر اسٹیل کی مارکیٹ ناہموار رہی اور تمام خطوں میں طلب کی صورت حال میں بھی کمی بیشی آتی رہی اور تجارت سے متعلق عوامل نے قیمتوں کے تعین کے عمل پر دباؤ جاری رکھا۔ مال برداری کی مارکیٹس بھی بلند رہیں جبکہ شپنگ کے اضافی اخراجات اور لاجسٹکس میں انتشار کی کیفیت سے مال برداری کی قیمت میں اضافہ ہوا اور مال پہنچانے میں بھی زیادہ وقت صرف ہوا۔ مقامی مارکیٹ میں، اسٹیل کا شعبہ نسبتاً مستحکم رہا جس کو انفراسٹرکچر کی جاری سرگرمیوں سے مدد ملی، تاہم ان پٹ اور انرجی کی لاگت میں کمی بیشی کی کیفیت سے مارجن پر اثرات پڑے۔

کمپنی کی کارکردگی

اس پس منظر میں کمپنی کی مستحکم آپریٹنگ کی کارکردگی برقرار رہی جس کو اس کے آپریشنز کے نظم و ضبط پر خصوصی توجہ، لاگت کے انتظام اور مارکیٹ کے ردعمل سے مدد ملی۔ فروخت کا حجم 84,529 میٹرک ٹن رہا جو کہ گزشتہ سال کی اسی مدت میں 59,323 میٹرک ٹن تھا۔ بعد

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**Unconsolidated
Condensed Interim Financial Position**

Unconsolidated Condensed Interim Statement of Financial Position

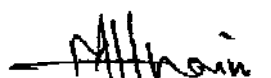
AS AT MARCH 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	12,570,541	12,960,428
Intangible assets		205	612
Investments	6	3,448,380	3,448,380
Long-term deposits		7,450	7,450
		<u>16,026,576</u>	<u>16,416,870</u>
CURRENT ASSETS			
Stores and spares		292,818	186,095
Stock-in-trade	7	9,613,400	7,933,437
Trade debts		4,148,463	4,129,520
Advances, trade deposits and prepayments		126,749	73,910
Other receivables		22,443	43,404
Staff retirement benefits		92,661	82,240
Sales tax receivable		384,391	250,985
Cash and bank balances	8	1,152,109	802,581
		<u>15,833,034</u>	<u>13,502,172</u>
		<u>31,859,610</u>	<u>29,919,042</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital		1,318,819	1,318,819
Revenue reserves			
General reserve		2,700,036	2,700,036
Unappropriated profit		8,748,592	8,229,862
Capital reserve			
Revaluation surplus on property, plant and equipment		7,310,077	7,410,004
TOTAL SHAREHOLDERS' EQUITY		<u>20,077,524</u>	<u>19,658,721</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing - secured	9	403,755	462,692
Deferred income - government grant		16,175	21,669
Deferred taxation - net		146,050	305,653
		<u>565,980</u>	<u>790,014</u>
CURRENT LIABILITIES			
Trade and other payables	10	5,557,191	3,167,510
Contract liabilities		679,294	429,517
Short-term borrowings - secured	11	4,468,973	5,156,157
Unclaimed dividend		44,875	40,534
Current portion of long-term financing - secured	9	88,997	126,017
Taxation - net		266,109	511,466
Accrued mark-up		110,667	39,106
		<u>11,216,106</u>	<u>9,470,307</u>
		<u>11,782,086</u>	<u>10,260,321</u>
TOTAL LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	12		
TOTAL EQUITY AND LIABILITIES		<u>31,859,610</u>	<u>29,919,042</u>

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

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

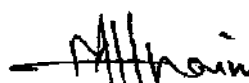
FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Nine months ended		Three months ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- (Rupees in '000) -----					
Revenue from contracts with customers	13	21,653,062	18,655,380	7,647,642	6,803,535
Cost of sales	14	(19,062,627)	(16,356,635)	(6,733,760)	(5,706,375)
Gross profit		2,590,435	2,298,745	913,882	1,097,160
Selling and distribution expenses		(1,282,204)	(955,047)	(445,571)	(315,590)
Administrative expenses		(376,426)	(301,780)	(127,233)	(99,982)
Reversal / (charge) of loss allowance on trade debts		24,369	6,189	28,405	(8,915)
Operating profit		956,174	1,048,107	369,483	672,673
Finance cost		(444,461)	(451,423)	(141,304)	(104,342)
Other operating expense		(52,159)	(54,400)	(19,988)	(44,702)
Other income	15	1,271,610	747,972	549,996	56,536
Profit before levies and income tax		1,731,164	1,290,256	758,187	580,165
Levies	16	-	(20,551)	-	(5,397)
Profit before tax		1,731,164	1,269,705	758,187	574,768
Income tax expense	17	(521,069)	(462,368)	(247,705)	(154,914)
Profit after tax for the period		1,210,095	807,337	510,482	419,854
Earnings per share					
- basic and diluted (Rupees)		9.18	6.12	3.87	3.18


The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Nine months ended		Three months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----			
Profit after tax for the period	1,210,095	807,337	510,482	419,854
Other comprehensive income				
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>1,210,095</u>	<u>807,337</u>	<u>510,482</u>	<u>419,854</u>

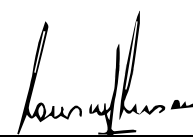
The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

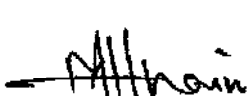
Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

FOR THE PERIOD ENDED MARCH 31, 2026

	Issued, subscribed and paid-up capital	Revenue Reserves		Capital Reserve	Total
		General reserve	Unappropriated profit	Revaluation surplus on property, plant and equipment	
----- (Rupees in '000) -----					
Balance as at July 1, 2024	1,318,819	2,700,036	7,440,635	6,968,184	18,427,674
Profit after tax for the period	-	-	807,337	-	807,337
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	807,337	-	807,337
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	52,068	(52,068)	-
Transactions with owners recorded directly in equity - distributions					
Final dividend at 35% (i.e. Rs. 3.50 per share) for the year ended June 30, 2024	-	-	(461,587)	-	(461,587)
Balance as at March 31, 2025	1,318,819	2,700,036	7,838,453	6,916,116	18,773,424
Balance as at July 1, 2025	1,318,819	2,700,036	8,229,862	7,410,004	19,658,721
Profit after tax for the period	-	-	1,210,095	-	1,210,095
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,210,095	-	1,210,095
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	99,927	(99,927)	-
Transactions with owners recorded directly in equity - distributions					
Final dividend at 40% (i.e. Rs. 4.00 per share) for the year ended June 30, 2025	-	-	(527,528)	-	(527,528)
Interim dividend at 20% (i.e. Rs. 2.00 per share) for the year ended June 30, 2026	-	-	(263,764)	-	(263,764)
Balance as at March 31, 2026	1,318,819	2,700,036	8,748,592	7,310,077	20,077,524

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Haider Rashid
Director & Chairman
Board Audit Committee


Mujtaba Hussain
Chief Financial
Officer


Yousuf H. Mirza
Chief Executive
Officer

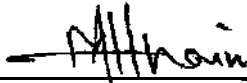
Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Nine months ended	
		March 31, 2026	March 31, 2025
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	18	2,177,666	6,472,856
Finance cost paid		(366,510)	(622,155)
Restricted cash on account of lien		(202,000)	(174,251)
Income on bank deposits received		5,192	20,463
Staff retirement benefits paid		(40,653)	(82,505)
Payment on account of compensated absences		(13,956)	(24,596)
Income tax and levies paid / subsidiaries		(926,029)	(458,956)
Increase in long-term deposit		-	(3,092)
Net cash generated from operating activities		633,710	5,127,764
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(216,057)	(294,876)
Investment in associate / subsidiaries		-	(75,865)
Proceeds from disposal of property, plant and equipment		62,829	72,090
Dividend received		1,243,528	735,167
Net cash generated from investing activities		1,090,300	436,516
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(102,347)	(1,172,461)
Short term - borrowing obtained		24,331,883	9,154,403
Short term - borrowing repaid		(24,978,921)	(12,342,762)
Dividend paid		(786,951)	(463,657)
Net cash used in from financing activities		(1,536,336)	(4,824,477)
Net increase in cash and cash equivalents		187,674	739,804
Cash and cash equivalents at beginning of the period		(247,123)	(135,091)
Cash and cash equivalents at end of the period	19	(59,449)	604,713

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Haider Rashid
Director & Chairman
Board Audit Committee


Mujtaba Hussain
Chief Financial
Officer


Yousuf H. Mirza
Chief Executive
Officer

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

FOR THE PERIOD ENDED MARCH 31, 2026

1. STATUS AND NATURE OF BUSINESS

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

The manufacturing facilities of the Company are situated as follows:

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

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

FOR THE PERIOD ENDED MARCH 31, 2026

2.1.2 These unconsolidated condensed interim financial statements are unaudited and are being submitted to the shareholder as required under section 237 of the Companies Act, 2017. These unconsolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. MATERIAL ACCOUNTING POLICIES INFORMATION

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

3.2 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company's financial reporting.

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

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

IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

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

FOR THE PERIOD ENDED MARCH 31, 2026

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The management is in process of assessing the impact of above changes.

Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 01, 2025. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these financial statements.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

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

FOR THE PERIOD ENDED MARCH 31, 2026

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Operating assets	Capital work- in-progress (including capital stores and spares)	Total
----- (Rupees in '000) -----				
Cost / revalued amount				
Balance at beginning of the period		17,340,838	52,534	17,393,372
Additions		-	216,057	216,057
Transfers	5.1	210,968	(210,968)	-
Disposals	5.1	(133,416)	-	(133,416)
		<u>17,418,390</u>	<u>57,623</u>	<u>17,476,013</u>
Accumulated depreciation				
Balance at beginning of the period		(4,432,944)	-	(4,432,944)
Charge for the period		(559,512)	-	(559,512)
Disposals	5.1	86,985	-	86,985
		<u>(4,905,471)</u>	<u>-</u>	<u>(4,905,471)</u>
Written down value as at March 31, 2026 (Un-audited)				
		<u>12,512,918</u>	<u>57,623</u>	<u>12,570,541</u>
Written down value as at June 30, 2025 (Audited)				
		<u>12,907,894</u>	<u>52,534</u>	<u>12,960,428</u>

5.1 Additions and disposals of operating assets during the period are as follows:

	Additions (at cost)		Disposals (at net book value)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- (Rupees in '000) -----				
Freehold land	-	44,388	-	-
Building on freehold land	12,076	29,801	-	-
Building on leasehold land	32,686	4,040	-	-
Plant and machinery	112,493	156,284	40,371	9,411
Furniture, fixtures and office equipment	27,638	20,065	161	813
Vehicles	26,076	51,090	5,900	7,713
	<u>210,968</u>	<u>305,668</u>	<u>46,431</u>	<u>17,937</u>

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

FOR THE PERIOD ENDED MARCH 31, 2026

6. INVESTMENTS

March 31, 2026 (Number of shares)	June 30, 2025	Note	(Un-audited) March 31, 2026 ------(Rupees in '000) -----	(Audited) June 30, 2025
Quoted Companies				
245,055,543	245,055,543	International Steels Limited (ISL) - subsidiary company, at cost	2,450,555	2,450,555
9,325,438	9,325,438	Pakistan Cables Limited (PCL) - associated company, at cost	817,553	817,553
Un-quoted Companies				
150,000	150,000	IIL Americas Inc. (IIL Americas) - subsidiary company, at cost	17,966	17,966
100,000	100,000	IIL Australia Pty. Limited (IIL Australia) - subsidiary company, at cost	9,168	9,168
7,727,270	7,727,270	IIL Trading (Private) Limited - subsidiary company, at cost	77,273	77,273
90,000	90,000	INIL Europe Limited - subsidiary company, at cost	27,415	27,415
4,845,000	4,845,000	Chinoy Engineering & Construction (Private) Limited - associated company, at cost	48,450	48,450
			3,448,380	3,448,380

7. STOCK-IN-TRADE

Raw material - in hand	7.1	3,020,826	2,465,317
- in transit		2,557,967	1,654,785
		5,578,793	4,120,102
Work-in-process		1,290,353	1,429,708
Finished goods		2,572,391	2,207,770
By-products		113,472	104,742
Scrap material		58,391	71,115
		9,613,400	7,933,437

7.1 Raw material amounting to Rs. 5.2 million as at March 31, 2026 (June 30, 2025: Rs. 3.1 million) was held at a vendor's premises for the production of pipe caps.

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

FOR THE PERIOD ENDED MARCH 31, 2026

8. CASH AND BANK BALANCES

This includes Rs. 481.25 million (June 30, 2025: Rs. 279.25 million) held as margin in a restricted account against bank guarantee issued in favor Excise and Taxation Officer in respect of Sindh Infrastructure Development Cess.

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
9. LONG-TERM FINANCING - secured			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)	9.2	220,971	281,875
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)	9.3	57,225	69,474
Islamic Temporary Economic Refinance Facility (ITERF)	9.4	178,201	200,728
Islamic Finance Facility for Renewable Energy (IFRE)	9.5	60,000	66,667
		295,426	336,869
		516,397	618,744
Less: Deferred income - government grant		(23,645)	(30,035)
Less: Current portion of long-term financing:			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)		(36,537)	(72,025)
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)		(14,859)	(14,859)
Islamic Temporary Economic Refinance Facility (ITERF)		(28,712)	(30,244)
Islamic Finance Facility for Renewable Energy (IFRE)		(8,889)	(8,889)
		(52,460)	(53,992)
		(88,997)	(126,017)
		403,755	462,692

9.1 These facilities are secured by way of a charge on stocks and all present and future land, buildings and plant and machinery located at Plot Number LX 15 - 16, HX-7/4 and LX-2, LX 14/13, LX 14/14 Landhi Industrial Estate, Karachi and Survey number 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi.

9.1.1 In relation to the above borrowings, the Company needs to observe certain financial and non-financial covenants as specified in the agreement with respective lenders which are complied with as of the reporting date.

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

FOR THE PERIOD ENDED MARCH 31, 2026

- 9.2** This represents finance facility loan obtained from various banks under the State Bank of Pakistan (SBP) Long Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 9.3** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Long Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 9.4** This represents long-term loans obtained by the Company under SBP's Islamic Temporary Economic Refinance Facility available from various Islamic banks at below-market interest rates.
- 9.5** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Finance Facility for Renewable Energy for solar power project.

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
10. TRADE AND OTHER PAYABLES			
Trade creditors		745,387	322,009
Bills payable		1,831,636	317,780
Accrued expenses	10.1	1,138,375	951,876
Infrastructure Cess	10.2	1,728,425	1,481,334
Short-term compensated absences		7,200	6,000
Workers' Profit Participation Fund		25,923	2,624
Workers' Welfare Fund	10.3	68,747	74,242
Current portion of deferred income - government grant		7,470	8,366
Others		4,028	3,279
		<u>5,557,191</u>	<u>3,167,510</u>

- 10.1** This includes an accrual of Gas Infrastructure Development Cess amounting to Rs. 359.04 million (June 30, 2025: Rs. 359.04 million)

This also includes a payable against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 86.65 million (June 30, 2025: Rs. 86.65 million). On February 18, 2023 the Sindh High Court validated the increase in gas tariff w.e.f. October 23, 2020 instead of September 01, 2020 and encashment of cheques submitted to the Nazir against the differential of tariff. The Company preferred an appeal against the said order before the divisional bench.

On March 28, 2024 the divisional bench of the SHC upheld the order of the single judge and ordered for encashment of securities deposited. The Company did not prefer an appeal before the Supreme Court against the said order.

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

FOR THE PERIOD ENDED MARCH 31, 2026

10.2 This represents a liability against the amount guaranteed to Excise and Taxation Department. The Sindh Finance Act, 1994 prescribed an infrastructure fee at the rate of 1% of the C&F value of all goods entering or leaving the province of Sindh via sea or air. The Sindh High Court (SHC), passed an interim order directing that every company subsequent to December 27, 2006, is required to clear the goods by paying 50% of the fee amount involved and furnishing a guarantee / security for the balance amount. Bank guarantees issued as per the above-mentioned interim order amounting to Rs. 1,799 million (June 30, 2025: Rs. 1,570 million), have been provided to the Department. However, a provision to the extent of amount utilized from the limit of guarantee has also been provided for by the Company on the basis of prudence. Subsequently, through the Sindh Finance Act 2015 and 2016, the legislation has increase the rate of Infrastructure Cess to 1.25%. The Company had obtained a stay against this and the ultimate dispute had been linked with the previous Infrastructure Cess case.

The case was decided on June 4, 2021 by the SHC whereby the SHC declared the first four versions of the law unconstitutional and a release of bank guarantees was ordered. However, the Sindh Infrastructure Development Cess Act, 2017 was declared constitutional with retrospective effect from 1994. The operation of the order remained suspended till September 3, 2021. The Company was not in agreement with the above orders and filed an appeal before the Supreme Court of Pakistan (SCP).

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

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

10.3 The Company filed a constitutional petition with the SHC against notice to the Company for payment of Sindh Workers Welfare Fund under the Sindh Workers Welfare Fund Act, 2014 despite the fact that the Company is making the payments of Workers Welfare Fund to the Federal Government. A stay was obtained on the ground that the Company is a trans-provincial establishment operating industrial and commercial activities across Pakistan and is liable to pay / is paying Workers Welfare Fund under Federal Workers Welfare Fund Ordinance, 1971. The Sindh High Court decided the Company remains optimistic about a favourable outcome, particularly in view of a recent decision in an identical constitutional petition (No. D-2689 of 2017), wherein the Honourable Court held that a trans-provincial entity is liable to pay WWF to the Federal Government under the Federal Workers Welfare Fund Ordinance, 1971 and the Council of Common Interests (CCI) has to decide a mechanism to align the WWF with the 18th amendment of the constitution. However, the said decision has been challenged by the provincial government before the Supreme Court of Pakistan.

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
11. SHORT-TERM BORROWINGS - secured			
CONVENTIONAL			
Running finance under mark-up arrangement from banks	11.1	730,307	770,453
Short-term borrowing under Money Market Scheme maturing within three months	11.2	750,000	1,415,000
Short-term borrowing under Export Refinance Scheme	11.3	700,000	700,000
Short-term borrowing under Export Finance Scheme	11.4	348,862	715,332
ISLAMIC			
Short-term borrowing under Money Market Scheme maturing within three months	11.5	950,000	1,250,000
Short-term borrowing under Running Musharakah maturing within three months	11.6	989,804	305,372
		4,468,973	5,156,157

11.1 These facilities for short-term finance available from various commercial banks are for the purpose of meeting working capital requirements. The rates of mark-up on these finances range from 10.68% to 12.66% (June 30, 2025: 11.48% to 22.52%) per annum.

11.2 The Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 10.43% to 11.46% (June 30, 2025: 11.48% to 22.52%) per annum.

11.3 The Company has obtained short-term finance under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities range from 4.50% to 8.00% (June 30, 2025: 8.00% to 17.50%) per annum. These facilities mature within six months and are renewable.

11.4 The Company has obtained short-term finance under Export Finance Scheme (Post Discount) of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities range from 2.00% to 3.00% (June 30, 2025: 2.00% to 3.00%) per annum.

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

FOR THE PERIOD ENDED MARCH 31, 2026

- 11.5** The Company has obtained facilities for short-term finance under money market scheme. The rates of profit on these facilities range from 10.42% to 12.14% (June 30, 2025: 11.19% to 20.30%) per annum.
- 11.6** The Company has obtained facilities for short-term finance under Running Musharakah. The rates of profit on these facilities range from 10.40% to 12.26% (June 30, 2025: 11.53% to 22.29%) per annum.
- 11.7** As at March 31, 2026, the unavailed facilities from the above borrowings amounted to Rs. 11,946 million (June 30, 2025: Rs. 10,958 million).
- 11.8** The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future moveable assets of the Company.

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

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

12.2 Commitments

- 12.2.1** Capital expenditure commitments outstanding as at March 31, 2026 amounted to Rs. 52.39 million (June 30, 2025: Rs. Nil).
- 12.2.2** Commitments under letters of credit for raw materials and stores and spares as at March 31, 2026 amounted to Rs. 2,095.62 million (June 30, 2025: Rs. 3,780.21 million).
- 12.2.3** Commitments under purchase contracts as at March 31, 2026 amounted to Rs. 15.24 million (June 30, 2025: Rs. 681.90 million).
- 12.2.4** The facilities for opening letters of credit and guarantees from banks as at March 31, 2026 amounted to Rs. 15,700 million (June 30, 2025: Rs. 14,700 million) and Rs. 4,800 million (June 30, 2025: Rs. 3,800 million) respectively, of which the unutilised balance at period-end amounted to Rs. 13,604 million (June 30, 2025: Rs. 10,919 million) and Rs. 1,213 million (June 30, 2025: Rs. 416 million) respectively.
- 12.2.5** The Company provided the following corporate guarantees in favor of Habib Bank Limited on behalf of Chinoy Engineering & Construction (Private) Limited ("CECL"), an associated undertaking:
- A corporate guarantee securing financial facilities of up to Rs. 1,500 million, granted to CECL;
 - A performance guarantee to assure CECL's fulfillment of contractual obligations under its agreement with Reko Diq Mining Company Limited ("RDMC").

The obligation against the above corporate and performance guarantee carries joint and several liability alongside associated entities namely International Steels Limited and Pakistan Cables Limited.

These guarantees have been issued in alignment with the Company's strategic support framework for its associated undertakings and represent potential contingent liabilities to the extent of the guaranteed amounts, subject to CECL's compliance and performance under the stated obligations.

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

FOR THE PERIOD ENDED MARCH 31, 2026

	(Un-audited)			
	Nine months ended		Three months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- (Rupees in '000) -----				
13. REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of goods less returns				
Local	25,701,661	21,721,169	9,048,311	8,152,014
Sales tax	(3,491,039)	(3,018,253)	(1,236,860)	(1,130,413)
Trade discounts	(2,973,943)	(2,102,613)	(1,063,823)	(757,729)
	19,236,679	16,600,303	6,747,628	6,263,872
Export	2,430,398	2,058,532	905,927	540,438
Export commission	(14,015)	(3,455)	(5,913)	(775)
	2,416,383	2,055,077	900,014	539,663
	21,653,062	18,655,380	7,647,642	6,803,535

14. COST OF SALES

This amount includes grid levy of Rs. 36.11 million (March 31, 2025: Rs. Nil) on account of the 'Off the Grid Levy' imposed via the Off the Grid (Captive Power Plants) Levy Act, 2025.

15. OTHER INCOME

This includes dividend income from subsidiary and associated company amounting to Rs. 1,102.75 million (March 31, 2025: Rs. 735.17) and 140.78 million (March 31, 2025: Rs. Nil) respectively.

	(Un-audited)			
	Nine months ended		Three months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- (Rupees in '000) -----				
16. LEVIES				
Minimum Tax u/s 154	-	20,551	-	5,397
17. INCOME TAX EXPENSE				
Current	680,671	549,047	255,703	186,332
Prior	-	5,126	-	-
Deferred	(159,602)	(91,805)	(7,998)	(31,418)
	521,069	462,368	247,705	154,914

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

FOR THE PERIOD ENDED MARCH 31, 2026

		(Un-audited)	
		Nine months ended	
Note		March 31, 2026	March 31, 2025
------(Rupees in '000) -----			
18.	CASH GENERATED FROM OPERATIONS		
	Profit before levies and income tax	1,731,164	1,290,256
	Add/(less): Adjustment for non-cash charges and other items		
	Depreciation of property, plant and equipment	559,512	469,058
	Amortisation of intangible assets	407	803
	Reversal of loss allowance on trade debts	(24,369)	(6,189)
	Provision for staff retirement benefits	30,232	45,059
	Provision for compensated absences	15,156	20,168
	(Reversal) / Provision for stores and spares	(45,000)	22,985
	Income on bank deposits	(5,192)	(20,463)
	Gain on disposal of property, plant and equipment	(16,397)	(54,153)
	Unwinding of Gas Infrastructure Development Cess	-	1,811
	Dividend income	(1,243,528)	(735,167)
	Government grant income	(6,390)	(4,911)
	Finance cost	444,461	449,612
		<u>1,440,056</u>	<u>1,478,869</u>
	Changes in working capital	18.1 <u>737,610</u>	<u>4,993,987</u>
		<u><u>2,177,666</u></u>	<u><u>6,472,856</u></u>
18.1	Working capital changes		
	Decrease /(increase) in current assets:		
	Stores and spares	(61,723)	3,936
	Stock-in-trade	(1,679,963)	1,522,522
	Trade debts	5,426	180,429
	Advances, trade deposits and prepayments	(52,839)	(33,426)
	Other receivables	20,961	(30,765)
	Sales tax receivable	(133,406)	404,182
		<u>(1,901,544)</u>	<u>2,046,878</u>
	(Decrease) / increase in current liabilities:		
	Trade and other payables	<u>2,389,377</u>	<u>3,086,400</u>
	Contract liabilities	249,777	(156,321)
	Sales tax payable	-	17,031
		<u>2,639,154</u>	<u>2,947,109</u>
		<u><u>737,610</u></u>	<u><u>4,993,987</u></u>
19.	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	1,152,109	930,880
	Restricted cash on account of lien	(481,251)	(204,251)
	Running finance under mark-up arrangement from banks	11 (730,307)	(121,916)
		<u>(59,449)</u>	<u>604,713</u>

19.1 Short term borrowings other than running finance have been reclassified as financing activities in the statement of cash flows which was previously included as cash and cash equivalents. In addition, cash balances subject to lien have been excluded from cash and cash equivalents for comparative purposes to align with the current period presentation.

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

FOR THE PERIOD ENDED MARCH 31, 2026

20. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the subsidiary companies, associated undertakings, directors of the Company, key management personnel and staff retirement funds. The Company continues to follow a policy whereby all transactions with related parties are entered into at commercial terms at rate agreed under a contract / arrangement / agreement. The contributions to the defined contribution plan (Provident Fund) are made as per the terms of employment and contributions to the defined benefit plan (Gratuity Fund) are made on the basis of latest actuarial advice. Remuneration of key management personnel are in accordance with their terms of engagements.

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

		(Un-audited)			
		Nine months ended		Three months ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----			
20.1	Transactions with related parties				
	Subsidiary companies				
	Sales	1,246,017	1,405,557	305,120	506,945
	Purchases	2,789,535	1,593,829	882,839	1,042,752
	Cost of shared resources	515	23,985	-	-
	Reimbursement of expenses	90,142	121,234	37,573	35,103
	Rental income	14,859	10,290	5,117	3,430
	Dividend received	1,102,750	735,167	490,111	-
	Associated companies				
	Sales	87,799	29,114	11,801	25,918
	Purchases	34,429	17,902	12,362	9,158
	Reimbursement of expenses	3,165	19,695	850	892
	Rental Income	405	-	135	-
	Dividend received	140,778	-	51,000	-
	Dividend paid	3,801	2,218	1,267	-
	Subscription	-	2,500	-	-
	Registration and training	3,667	2,459	3,594	1,604
	Key management personnel				
	Remuneration and allowances	330,069	309,081	95,426	82,233
	Staff retirement funds				
	Contribution paid	88,187	150,175	55,156	35,097
	Non-executive directors				
	Meeting fee	5,400	7,600	1,600	2,400

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

FOR THE PERIOD ENDED MARCH 31, 2026

21. SEGMENT REPORTING

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

21.1 Segment revenue and results

	Steel segment	Polymer segment	Investments segment	Total
----- (Rupees in '000) -----				
For the nine month ended March 31, 2026				
Revenue from contracts with customers				
Local	16,770,180	2,466,500	-	19,236,679
Exports	2,416,383	-	-	2,416,383
	<u>19,186,563</u>	<u>2,466,500</u>	<u>-</u>	<u>21,653,062</u>
Cost of sales	<u>(16,948,625)</u>	<u>(2,114,002)</u>	<u>-</u>	<u>(19,062,627)</u>
Gross profit	2,237,938	352,497	-	2,590,435
Selling and distribution expenses	(1,157,195)	(125,009)	-	(1,282,204)
Administrative expenses	(333,547)	(42,879)	-	(376,426)
Reversal / (charge) of loss allowance on trade debts	29,565	(5,196)	-	24,369
	<u>(1,461,177)</u>	<u>(173,084)</u>	<u>-</u>	<u>(1,634,261)</u>
Finance cost	(393,833)	(50,628)	-	(444,461)
Other operating expense	(43,144)	(9,015)	-	(52,159)
	<u>(436,977)</u>	<u>(59,643)</u>	<u>-</u>	<u>(496,620)</u>
Other income	28,082	-	1,243,528	1,271,610
Profit before levies and income tax	367,865	119,771	1,243,528	1,731,164
Levies				-
Income tax expense				(521,069)
Profit after tax for the period				1,210,095
For the nine month ended March 31, 2025				
Revenue from contracts with customers				
Local	11,804,704	4,795,599	-	16,600,303
Exports	2,055,077	-	-	2,055,077
	<u>13,859,781</u>	<u>4,795,599</u>	<u>-</u>	<u>18,655,380</u>
Cost of sales	<u>(13,019,270)</u>	<u>(3,337,365)</u>	<u>-</u>	<u>(16,356,635)</u>
Gross profit	840,511	1,458,234	-	2,298,745
Selling and distribution expenses	(827,121)	(127,926)	-	(955,047)
Administrative expenses	(224,204)	(77,576)	-	(301,780)
Reversal / (charge) of loss allowance on trade debts	(25,197)	31,386	-	6,189
	<u>(1,076,522)</u>	<u>(174,116)</u>	<u>-</u>	<u>(1,250,638)</u>
Finance cost	(335,379)	(116,044)	-	(451,423)
Other operating income / (expense)	27,365	(81,765)	-	(54,400)
	<u>(308,014)</u>	<u>(197,809)</u>	<u>-</u>	<u>(505,823)</u>
Other income	12,805	-	735,167	747,972
Profit before levies and income tax	(531,220)	1,086,309	735,167	1,290,256
Levies				(20,551)
Income tax expense				(462,368)
Profit after tax for the period				807,337

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Steel segment	Polymer segment	Investments segment	Total
----- (Rupees in '000) -----				
As at March 31, 2026 - Un-audited				
Segment assets	<u>23,027,197</u>	<u>3,841,292</u>	<u>3,448,380</u>	<u>30,316,870</u>
Segment liabilities	<u>7,883,759</u>	<u>784,087</u>	<u>-</u>	<u>8,667,846</u>
As at June 30, 2025 - Audited				
Segment assets	<u>21,419,589</u>	<u>3,095,020</u>	<u>3,448,380</u>	<u>27,962,989</u>
Segment liabilities	<u>6,407,632</u>	<u>475,681</u>	<u>-</u>	<u>6,883,313</u>

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

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
Total for reportable segments assets		30,316,870	27,962,989
Unallocated assets		1,542,741	1,956,053
Total assets as per Unconsolidated Statement of Financial Position		<u>31,859,610</u>	<u>29,919,042</u>
Total for reportable segments liabilities		8,667,846	6,883,313
Unallocated liabilities		3,114,240	3,377,008
Total liabilities as per Unconsolidated Statement of Financial Position		<u>11,782,086</u>	<u>10,260,321</u>

22. SHARIAH COMPLIANCE STATUS DISCLOSURE

Unconsolidated statement of financial position - Liability Side

i) Short-term financing as per Islamic mode	11	1,939,804	1,555,372
ii) Long-term financing as per Islamic mode	9	271,781	306,834
iii) Mark-up accrued on conventional		42,302	28,365
iv) Mark-up accrued on Islamic loan		68,365	10,741

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	(Un-audited) March 31, 2026 ----- (Rupees in '000) -----	(Audited) June 30, 2025
Unconsolidated statement of financial position - Asset Side			
i) Shariah-compliant bank balances		146	14
ii) Shariah-compliant investments	6	3,448,380	3,448,380
		(Un-audited) March 31, 2026 ----- (Rupees in '000) -----	(Un-audited) March 31, 2025
Unconsolidated statement of profit and loss			
i) Revenue earned from Shariah-compliant business segment	13	21,653,062	18,655,380
ii) Loss from exchange		(27,661)	(79,183)
iii) Profit paid on Islamic mode of financing		(44,253)	(203,299)
iv) Dividend income from Shariah - compliant investments		1,243,528	735,167
Break-up of Other income excluding profits on bank			
Shariah compliant income			
Unwinding of Government grant		6,390	7,215
Gain on disposal of property, plant and equipment		16,397	54,153
Rental income		27,764	10,290
Shariah non-compliant income			
Income on bank deposits - conventional		5,192	20,463
Loss on remeasurement of Gas Infrastructure Development Cess		-	(134)

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

FOR THE PERIOD ENDED MARCH 31, 2026

22.1 Relationship with Shariah-compliant financial institutions

Islamic Banks

The Company has facilities with Faysal Bank Limited for Running Musharakah and letter of credit amounting to Rs. 1,350 million and Rs. 1,000 million respectively.

The Company has facilities with Meezan Bank Limited for Running Musharakah, letter of guarantees and letter of credit amounting to Rs. 2,000 million, Rs. 1,000 million and Rs. 2,000 million respectively.

The Company has facilities with Bank Islami Pakistan Limited for Running Musharakah, letter of guarantees and letter of credit amounting to Rs. 1,000 million, Rs. 1,000 million and Rs. 1,000 million respectively.

The Company has facilities with Bank Al Falah Limited for Running Musharakah and letter of credit amounting to Rs. 500 million and Rs. 500 million respectively.

The Company has facilities with United Bank Limited for Running Musharakah and letter of credit amounting to Rs. 1,500 million and Rs. 1,500 million respectively.

The Company has facilities with Habib Bank Limited for Running Musharakah amounting to Rs. 2,000 million respectively.

Takaful operators

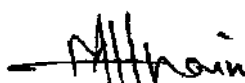
The company has no relationship with takaful operators.

23. DATE OF AUTHORISATION FOR ISSUE

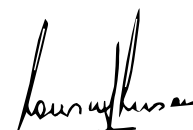
These unconsolidated condensed interim financial statements were approved and authorised for issue on April 23, 2026 by the Board of Directors of the Company.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

international[™]
industries
built on trust



**Consolidated
Condensed Interim Financial Position**

Consolidated Condensed Interim Statement of Financial Position

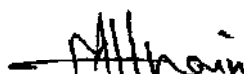
AS AT MARCH 31, 2026

	(Un-audited) Note March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----		
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5 32,698,951	34,162,756
Right-of-use assets	89,079	72,623
Intangible assets	301,194	330,152
Investment in equity accounted investee	6 2,779,108	1,995,587
Long-term deposits	15,215	9,689
	35,883,547	36,570,807
CURRENT ASSETS		
Stores and spares	1,138,740	1,073,834
Stock-in-trade	7 40,272,654	30,695,862
Trade debts	4,207,746	3,436,163
Advances, trade deposits and prepayments	499,035	150,584
Other receivables	23,073	47,945
Staff retirement benefits	172,267	183,846
Sales tax receivable	2,317,916	640,953
Taxation - net	316,297	-
Cash and bank balances	4,127,175	4,991,638
	53,074,903	41,220,825
TOTAL ASSETS	88,958,450	77,791,632
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital		
Issued, subscribed and paid-up capital	1,318,819	1,318,819
Revenue reserves		
General reserve	3,278,085	3,278,085
Unappropriated profit	17,576,229	16,663,914
Exchange translation reserves	87,100	72,856
Capital reserve		
Revaluation surplus on property, plant and equipment	10,206,996	10,326,733
TOTAL SHAREHOLDERS' EQUITY	32,467,229	31,660,407
Non-controlling interest	11,161,932	10,964,355
	43,629,161	42,624,762
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term financing - secured	8 967,563	1,136,634
Deferred income - government grant	67,361	94,917
Deferred taxation - net	1,771,969	2,451,815
Lease liabilities	54,482	63,770
	2,861,375	3,747,136
CURRENT LIABILITIES		
Trade and other payables	9 16,907,164	18,845,208
Contract liabilities	4,571,431	2,347,506
Short-term borrowings - secured	10 20,232,111	9,705,275
Unclaimed dividend	45,015	42,994
Unpaid dividend attributable to non-controlling interest (NCI)	160	477
Current portion of long-term financing - secured	8 274,043	325,299
Current portion of lease liabilities	48,024	18,171
Taxation - net	-	2,103
Accrued mark-up	389,966	132,701
	42,467,913	31,419,734
TOTAL LIABILITIES	45,329,289	35,166,870
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	88,958,450	77,791,632

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

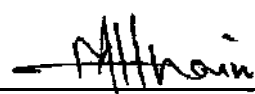
Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Nine months ended		Three months ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- (Rupees in '000) -----					
Revenue from contracts with customers	12	87,229,079	63,337,818	30,483,390	19,633,708
Cost of sales		(77,259,837)	(57,304,173)	(27,019,443)	(17,425,586)
Gross profit		9,969,242	6,033,645	3,463,947	2,208,122
Selling and distribution expenses		(3,504,365)	(2,237,272)	(1,183,983)	(596,972)
Administrative expenses		(857,049)	(687,681)	(254,911)	(232,149)
Reversal / (charge) of loss allowance on trade debts		26,403	12,739	28,956	(2,162)
		(4,335,011)	(2,912,214)	(1,409,938)	(831,283)
Operating profit		5,634,231	3,121,431	2,054,009	1,376,839
Finance cost		(1,424,083)	(1,145,825)	(495,917)	(238,300)
Other operating charges		(732,840)	(561,319)	(295,452)	(465,700)
		(2,156,923)	(1,707,144)	(791,369)	(704,000)
Other income		162,845	558,920	72,739	441,027
Share of profit in equity accounted investee		994,444	49,185	199,708	81,813
Profit before income tax		4,634,597	2,022,392	1,535,087	1,195,680
Levies	13	-	(88,682)	-	(23,943)
Profit before income tax		4,634,597	1,933,710	1,535,087	1,171,736
Income tax expense	14	(2,050,876)	(957,890)	(739,375)	(427,639)
Profit after tax for the period		2,583,721	975,820	795,712	744,097
Profit attributable to:					
- Owners of the Holding Company		1,531,394	541,833	449,143	542,818
- Non-controlling interest (NCI)		1,052,327	433,987	346,569	201,278
		2,583,721	975,820	795,712	744,097
----- (Rupees) -----					
Earnings per share - basic and diluted		11.61	4.11	3.41	4.12

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.


Haider Rashid
Director & Chairman
Board Audit Committee


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Officer


Yousuf H. Mirza
Chief Executive
Officer

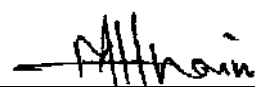
Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

FOR THE PERIOD ENDED MARCH 31, 2026

	Nine months ended		Three months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----			
Profit after tax for the period	2,583,721	975,820	795,712	744,097
Other comprehensive income				
Items that will not be subsequently reclassified to Consolidated Statement of Profit or Loss				
Proportionate share of surplus on revaluation of land and buildings of equity accounted investee	72,553	9,448	(4,473)	-
Related deferred tax for the period	(18,138)	(2,362)	1,119	-
	54,415	7,086	(3,354)	-
Items that will be subsequently reclassified to Consolidated Statement of Profit or Loss				
Foreign operations - foreign currency translation difference	14,244	303	9,327	2,217
Proportionate share of other comprehensive income of equity accounted investee	(1,939)	(39,861)	(4,775)	4,465
Other comprehensive income / (loss) for the period	66,720	(32,472)	1,198	6,682
Total comprehensive income for the period	2,650,441	943,348	796,910	750,779
Total comprehensive income attributable to:				
- Owners of the Holding Company	1,598,114	509,361	450,341	549,501
- Non-controlling interest (NCI)	1,052,327	433,987	346,569	201,278
	2,650,441	943,348	796,910	750,779

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.


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Officer

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

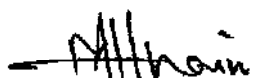
FOR THE PERIOD ENDED MARCH 31, 2026

	Attributable to owners of the Holding Company							Total	Non-controlling interest	Total equity
	Issued, subscribed and paid-up capital	Revenue reserves			Capital reserve		Total capital reserves			
		General reserve	Unappropriated profit	Total revenue reserves	Revaluation surplus on property, plant and equipment	Exchange translation reserves				
	(Rupees in '000)									
Balance as at July 1, 2024	1,318,819	3,222,432	16,049,218	19,271,650	9,061,218	80,657	9,141,875	29,732,344	10,130,169	39,862,513
Profit after tax for the period	-	-	541,833	541,833	-	-	-	541,833	433,987	975,820
Other comprehensive income / (loss) for the period	-	-	(42,223)	(42,223)	9,448	303	9,751	(32,472)	-	(32,472)
Total comprehensive income for the period	-	-	499,610	499,610	9,448	303	9,751	509,361	433,987	943,348
Proportionate share of transfer to general reserves of equity accounted investee	-	55,653	(55,653)	-	-	-	-	-	-	-
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	83,923	83,923	(83,923)	-	(83,923)	-	-	-
Proportionate share of surplus on revaluation of property, plant and equipment - PCL	-	-	(3,953)	(3,953)	(969)	-	(969)	(4,922)	-	(4,922)
Transactions with owners recorded directly in equity										
Distributions to owners of Holding Company - Final dividend @ 35% (Rs. 3.50 per share) for the year ended June 30, 2024	-	-	(461,587)	(461,587)	-	-	-	(461,587)	-	(461,587)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	(569,833)	(569,833)
Balance as at March 31, 2025	<u>1,318,819</u>	<u>3,278,085</u>	<u>16,111,558</u>	<u>19,389,643</u>	<u>8,985,774</u>	<u>80,960</u>	<u>9,066,734</u>	<u>29,775,196</u>	<u>9,994,323</u>	<u>39,769,519</u>
Balance as at July 1, 2025	1,318,819	3,278,085	16,663,914	19,941,999	10,326,733	72,856	10,399,589	31,660,407	10,964,355	42,624,762
Profit after tax for the period	-	-	1,531,394	1,531,394	-	-	-	1,531,394	1,052,327	2,583,721
Other comprehensive income / (loss) for the period	-	-	(1,939)	(1,939)	54,415	14,244	68,659	66,720	-	66,720
Total comprehensive income for the period	-	-	1,529,455	1,529,455	54,415	14,244	68,659	1,598,114	1,052,327	2,650,441
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	174,104	174,104	(174,104)	-	(174,104)	-	-	-
Proportionate share of surplus on revaluation of property, plant and equipment - PCL	-	-	48	48	(48)	-	(48)	-	-	-
Transactions with owners recorded directly in equity										
Distributions to owners of Holding Company - Final dividend @ 40% (Rs. 4.00 per share) for the year ended June 30, 2025	-	-	(527,528)	(527,528)	-	-	-	(527,528)	-	(527,528)
Distributions to owners of Holding Company - Interim dividend at 20% (i.e. Rs. 2.00 per share) for the year ended June 30, 2026	-	-	(263,764)	(263,764)	-	-	-	(263,764)	-	(263,764)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	(854,750)	(854,750)
Balance as at March 31, 2026	<u>1,318,819</u>	<u>3,278,085</u>	<u>17,576,229</u>	<u>20,854,314</u>	<u>10,206,996</u>	<u>87,100</u>	<u>10,294,096</u>	<u>32,467,229</u>	<u>11,161,932</u>	<u>43,629,161</u>

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer




Yousuf H. Mirza
Chief Executive
Officer

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

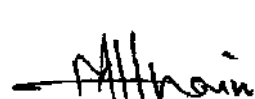
FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Nine months ended	
		March 31, 2026	March 31, 2025
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	15	(4,799,388)	8,841,656
Finance cost paid		(1,123,671)	(1,349,487)
Restricted cash on account of lien		(202,000)	(174,251)
Income on bank deposits received		79,879	299,984
Staff retirement benefits paid		(45,224)	(83,763)
Payment on account of compensated absences		(24,408)	(41,367)
Income tax paid - net		(3,067,399)	(1,824,440)
Increase / (decrease) in long-term deposit		5,526	(3,161)
Net cash (used in) / generated from operating activities		(9,176,684)	5,665,171
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment		(971,604)	(1,055,922)
(Proceeds) / payments from investment in associate company		123,778	(124,315)
Payment for acquisition of intangible assets		-	(60,334)
Proceeds from disposal of property, plant and equipment		140,842	148,509
Investments in Term Deposit Receipt		50,000	250,000
Net cash used in investing activities		(656,984)	(842,062)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(245,805)	(1,420,318)
Proceeds / (repayments) from short-term borrowings - net		6,322,812	(1,934,236)
Lease rentals paid		(27,442)	6,341
Dividends paid to non-controlling interest		(855,227)	(570,263)
Dividends paid to shareholders of the Holding Company		(789,271)	(463,657)
Net cash generated from / (used in) financing activities		4,405,067	(4,382,133)
Net (decrease) / increase in cash and cash equivalents		(5,428,602)	440,976
Cash and cash equivalents at beginning of the period		2,907,945	2,729,765
Effects of exchange rate changes in cash and cash equivalents		6,103	(41,523)
Cash and cash equivalents at end of the period	16	(2,514,554)	3,129,218

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Haider Rashid
Director & Chairman
Board Audit Committee



Mujtaba Hussain
Chief Financial
Officer



Yousuf H. Mirza
Chief Executive
Officer

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

FOR THE PERIOD ENDED MARCH 31, 2026

1. THE GROUP AND ITS OPERATIONS

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

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

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

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

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

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

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

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

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

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

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

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

FOR THE PERIOD ENDED MARCH 31, 2026

- 1.4** ILL Trading (Private) Limited [Formerly ILL Construction Solutions (Private) Limited] (the Company) was incorporated in Pakistan on August 19, 2020 under the Companies Act, 2017. The Company is engaged in trading business, carrying out distribution and marketing of construction materials, power / hand tools, construction chemicals and other accessories and materials. Its registered office is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi 75530.
- i) Plot No. 91-C, 24th Commercial Street, Phase II Ext. Rd, DHA, Karachi;
ii) BWB 192, Broadway Commercial, DHA Phase 8, Lahore; and
iii) Plot No. 9, Street No. 01, Ibrahim Tower, Business Park, Gulberg Green Islamabad.
- 1.5** ILL Australia was incorporated in Australia on May 2, 2014. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes, pre-galvanized pipes, stainless steel tubes and galvanized steel sheets and coils. The company has diversified its business and has entered into distribution of fast-moving consumer goods (food business). Its registered office and sales office is situated at 22A Princes Highway, Doveton VIC 3177, Australia.
- 1.6** ILL Americas was incorporated in Canada on October 8, 2019. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes. Its registered office and sales office is situated at Suite 210, 5800 Ambler Drive Mississauga, ON L4W 4J4, Canada.
- 1.7** INIL Europe Limited (the Company) was incorporated on January 10, 2025. The address of its registered office and principal place of business is Ground Floor, 71 Baggot Street Lower, Dublin 2, D02P593, Ireland. The Company is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes.
- 1.8** Details of the equity accounted investee is given in note 6 to these consolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

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

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

FOR THE PERIOD ENDED MARCH 31, 2026

2.1.2 The comparative Consolidated Condensed Interim Statement of Financial Position presented in these consolidated condensed interim financial statements have been extracted from the audited annual consolidated financial statements for the year ended June 30, 2025, whereas the comparative Consolidated Condensed Interim Statement of Profit or Loss, Consolidated Condensed Interim Statement of Comprehensive Income, Consolidated Condensed Interim Statement of Cash Flows and Consolidated Condensed Interim Statement of Changes in Equity are extracted from the unaudited consolidated condensed interim financial statements for the period ended March 31, 2025.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Basis of consolidation

2.4.1 Subsidiaries

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

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

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

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

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

FOR THE PERIOD ENDED MARCH 31, 2026

2.4.2 Transactions and non-controlling interests

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

3.2 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Group's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Group's financial reporting.

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

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

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

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

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

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

FOR THE PERIOD ENDED MARCH 31, 2026

5. PROPERTY, PLANT AND EQUIPMENT

	Operating assets	Capital work- in-progress (including capital spares)	Total
	----- (Rupees in '000) -----		
Cost / revalued amount			
Balance at beginning of the period	50,763,643	638,846	51,402,489
Additions	108,404	784,153	892,557
Adjustments / transfers - net	385,118	(385,118)	-
Disposals	(253,594)	-	(253,594)
	<u>51,003,571</u>	<u>1,037,881</u>	<u>52,041,452</u>
Accumulated depreciation			
Balance at beginning of the period	(17,239,733)	-	(17,239,733)
Charge for the period	(2,269,831)	-	(2,269,831)
Disposals	167,063	-	167,063
	<u>(19,342,501)</u>	<u>-</u>	<u>(19,342,501)</u>
Written down value as at March 31, 2026 (Un-audited)	<u>31,661,069</u>	<u>1,037,881</u>	<u>32,698,951</u>
Written down value as at June 30, 2025 (Audited)	<u>33,523,910</u>	<u>638,846</u>	<u>34,162,756</u>
	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
		----- (Rupees in '000) -----	

6. INVESTMENT IN EQUITY ACCOUNTED INVESTEE

Pakistan Cables Limited (PCL) - associated company	6.1	<u>1,923,503</u>	<u>1,819,697</u>
Chinoy Engineering & Construction (Pvt.) Limited (CECL) - associated company	6.2	<u>855,605</u>	<u>175,890</u>

6.1 The Holding Company holds a 17.124% (June 30, 2025: 17.124%) ownership interest in PCL. The Chief Executive Officer of PCL is Mr. Fahd K. Chinoy. The Holding Company considers it has significant influence over PCL as, in addition to its holding, the companies have common directorships. The price per share of PCL as at reporting date was Rs. 140.23 (June 30, 2025: Rs. 146.88) resulting in a market value of total investment amounting to Rs. 1,307.71 million (June 30, 2025: Rs. 1,369.72 million). The share of profit and other comprehensive income for the period is recognised based on the financial statements of PCL as at December 31, 2025 as the latest financial statements as at March 31, 2026, were presently not available.

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

FOR THE PERIOD ENDED MARCH 31, 2026

6.2 The Holding Company and ISL holds 17% each (June 30, 2025: 17%) ownership interest in CECL resulting in total ownership interest of 34%. The Chief Executive Officer of CECL is Mr. Hamid Rashid. The Holding Company considers it has significant influence over CECL as, in addition to its holding, the companies have common directorships. The Holding Company and ISL have made investment in CECL amounting to Rs. 96.90 million. The remaining shareholding of CECL is owned by Pakistan Cables Limited (17%) and ASCG Engineering (49%). [The book value of CECL based on the financial statements as at December 31, 2025 is Rs. 888.02 million (June 30, 2025: 517.32 million)].

6.3 Market value of the investment disclosed in note 6.1 is categorised as level 1 fair value measurement in accordance with IFRS 13 "Fair Value Measurement".

7. STOCK-IN-TRADE

	Note	(Un-audited) March 31, 2026 ----- (Rupees in '000) -----	(Audited) June 30, 2025
Raw material - in hand	7.1	15,865,689	6,234,699
- in transit		3,984,592	11,111,005
		19,850,281	17,345,704
Work-in-process		7,654,730	3,965,548
Finished goods - in hand		12,032,425	8,695,983
- in transit		414,290	437,962
By-products		130,969	168,383
Scrap material		189,959	82,282
		40,272,654	30,695,862

7.1 Raw material of the Holding Company amounting to Rs. 5.2 million as at March 31, 2026 (June 30, 2025: Rs. 3.10 million) was held at a vendor's premises for the production of pipe caps.

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	(Un-audited) March 31, 2026 ----- (Rupees in '000) -----	(Audited) June 30, 2025
8. LONG-TERM FINANCING - secured			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)	8.2	368,341	468,273
Renewable Energy Financing Facility (REFF)		121,875	150,000
Temporary Economic Refinance Facility (TERF)	8.3	338,939	369,752
		829,155	988,025
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)	8.4	277,167	334,908
Islamic Temporary Economic Refinance Facility (ITERF)	8.5	178,201	200,728
Islamic Finance Facility for Renewabale Energy (IFRE)	8.6	60,000	66,667
		515,368	602,303
		1,344,523	1,590,328
Less: Deferred income - government grant		(102,917)	(128,395)
Less: Current portion of long-term financing:			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)		(61,801)	(111,525)
Renewable Energy Financing Facility (REFF)		(37,500)	(37,500)
Temporary Economic Refinance Facility (TERF)		(61,625)	(61,625)
		(160,926)	(210,650)
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)		(75,516)	(75,516)
Islamic Temporary Economic Refinance Facility (ITERF)		(28,712)	(30,244)
Islamic Finance Facility for Renewabale Energy (IFRE)		(8,889)	(8,889)
		(274,043)	(325,299)
		967,563	1,136,634

8.1 The above loans are secured by way of a charge on stocks and all present and future land, buildings and plant and machinery located at Plot Number LX 15 - 16, HX-7/4, LX-2, LX 14/13, LX 14/14, Landhi Industrial Area, Karachi and Survey number 402, 405 - 406, 95 Rehri Road, Landhi Town, Karachi of the Holding Company and by way of joint pari passu charge and ranking charge over the fixed assets of ISL (such as land, building, plant and machinery etc.).

8.1.1 In relation to the above borrowings, the Holding Company and ISL need to observe certain financial and non-financial covenants as specified in the agreements with various lenders which are complied with as of the reporting date.

8.2 This represents finance facility loans obtained by the Holding Company and ISL from various banks under the State Bank of Pakistan's (SBP) Long-Term Finance Facility for plant and machinery in respect of export-oriented projects.

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

FOR THE PERIOD ENDED MARCH 31, 2026

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

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
9. TRADE AND OTHER PAYABLES			
Trade creditors		2,888,098	8,531,548
Bills payable		1,831,636	331,097
Accrued expenses	9.1	3,914,979	3,419,948
Infrastructure Cess	9.2	7,636,681	6,163,979
Provision for government levies		-	6,423
Short-term compensated absences		7,200	13,204
Workers' Profit Participation Fund		227,811	20,684
Workers' Welfare Fund	9.3	291,867	273,480
Current portion of deferred income - government grant		35,556	33,478
Others		73,336	51,367
		16,907,164	18,845,208

- 9.1** These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 1,614.1 million (June 30, 2025: Rs.1,614.1 million)

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

On March 28, 2024 the divisional bench of the SHC upheld the order of the single judge and ordered for encashment of securities deposited. The Holding Company did not prefer an appeal before the Supreme Court against the said order.

- 9.2** This represents a provision against the amount guaranteed to Excise and Taxation Department. The Sindh Finance Act, 1994 prescribed an infrastructure fee at the rate of 1% of the C&F value of all goods entering or leaving the province of Sindh via sea or air. The Sindh High

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

FOR THE PERIOD ENDED MARCH 31, 2026

Court (SHC) passed an interim order directing that every company subsequent to December 27, 2006, is required to clear the goods by paying 50% of the fee amount involved and furnishing a guarantee / security for the balance amount. Bank guarantees issued as per the above-mentioned interim order amounting to Rs. 7,832 million (June 30, 2025: Rs. 1,570 million) have been provided to the Department. However, a provision to the extent of amount utilized from the limit of guarantee has also been provided for by the Holding Company and ISL on the basis of prudence. Subsequently, through the Sindh Finance Act 2015 and 2016, the legislation has increased the rate of Infrastructure Cess to 1.25%. The Holding Company and ISL had obtained a stay against this and the ultimate dispute has been linked with the previous infrastructure cess case.

The case was decided on June 4, 2021 by the SHC whereby the court declared the first four versions of the law unconstitutional and a release of bank guarantees was ordered. However, the Sindh Infrastructure Development Cess Act, 2017 was declared constitutional with retrospective effect from 1994. The operation of the order remained suspended till September 3, 2021. The Holding Company and ISL were not in agreement with the above orders and filed an appeal before the Supreme Court of Pakistan (SCP).

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

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

- 9.3** The Holding Company filed a constitutional petition with the SHC against notice to the Company for payment of Sindh Workers Welfare Fund under the Sindh Workers Welfare Fund Act, 2014 despite the fact that the Company is making the payments of Workers Welfare Fund to the Federal Government. A stay was obtained on the ground that the Company is a trans-provincial establishment operating industrial and commercial activities across Pakistan and is liable to pay / is paying Workers Welfare Fund under Federal Workers Welfare Fund Ordinance, 1971. The Sindh High Court decided the Company remains optimistic about a favourable outcome, particularly in view of a recent decision in an identical constitutional petition (No. D-2689 of 2017), wherein the Honourable Court held that a trans-provincial entity is liable to pay WWF to the Federal Government under the Federal Workers Welfare Fund Ordinance, 1971 and the Council of Common Interests (CCI) has to decide a mechanism to align the WWF with the 18th amendment of the constitution. However, the said decision has been challenged by the provincial government before the Supreme Court of Pakistan.

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
----- (Rupees in '000) -----			
10. SHORT-TERM BORROWINGS - secured			
CONVENTIONAL			
Running finance under mark-up arrangement from banks	10.1	5,176,478	770,453
Short-term borrowing under Money Market Scheme maturing within three months	10.2	750,000	1,415,000
Short-term borrowing under Export Refinance Scheme	10.3	5,210,000	4,650,000
Short-term borrowing under Export Finance Scheme	10.4	399,845	1,014,300
Short-term borrowing under FE-25 import	10.5	354,302	-
ISLAMIC			
Short-term borrowing under Money Market Scheme maturing within three months	10.5	950,000	1,250,000
Short-term borrowing under Running Musharakah maturing within three months	10.6	7,091,486	305,522
Short-term borrowing under Export Refinance Scheme		300,000	300,000
		20,232,111	9,705,275

10.1 These facilities for short-term finance available from various commercial banks are for the purpose of meeting working capital requirements. The rates of mark-up on these finances obtained by the Holding Company range from 10.68% to 12.66% (June 30, 2025: 11.48% to 22.52%) per annum. The rates of mark-up on these finances obtained by ISL range from 10.68% to 11.29% (June 30, 2025: NIL) per annum.

10.2 The Holding Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 10.43% to 11.46% (June 30, 2025: 11.48% to 22.52%) per annum.

10.3 The Holding Company and ISL have obtained short-term running finance facilities under the Export Refinance Scheme of the SBP from commercial banks. The rate of mark-up on these facilities obtained by Holding Company range from 4.50% to 8.00% (June 30, 2025: 8.00% to 17.50%) per annum. The rates of mark-up on these facilities obtained by ISL is 4.50% (June 30, 2025: 7.75% to 8.00%) per annum. These facilities mature within six months and are renewable.

10.4 The Holding Company and ISL have obtained short-term finance under Export Finance Scheme (Post Discount) of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities obtained by Holding Company range from 2.00% to 3.00% (June 30, 2025: 2.00% to 3.00%) per annum. The rate of mark-up on these facilities obtained by ISL is 2.00% (June 30, 2025: 2.00% to 2.50%) per annum. These facilities mature within six months.

10.5 The Holding Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 10.42% to 12.14% (June 30, 2025: 11.19% to 20.30%) per annum.

10.6 The Holding Company and ISL have obtained facilities for short-term finance under Running Musharakah. The rates of profit on these finances obtained by the Holding Company range from 10.40% to 12.26% (June 30, 2025: 11.53% to 22.29%) per annum. The rates of profit on these finances obtained by ISL range from 10.51% to 11.13% (June 30, 2025: 11.48% to 12.59%) per annum.

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

FOR THE PERIOD ENDED MARCH 31, 2026

10.7 As at March 31, 2026, the unavailed facilities from above borrowings for the Holding Company amounted to Rs. 11,946 million (June 30, 2025: Rs. 10,958 million) and for ISL amounted to Rs. 16,167 million (June 30, 2025: Rs. 22,051 million).

10.8 The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future movable assets of the Holding Company and ISL.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

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

ISL

The Competition Commission of Pakistan (CCP) initiated an inquiry against the alleged price fixation by local steel producers. Pursuant to the findings of the report, a show cause notice was served to the Company, citing potential non-compliance with the provisions of the Competition Act, 2010. Subsequently during the period, the CCP issued an order and concluded the inquiry with an adverse judgement against the Company and levied penalty of Rs. 914 million.

The Company has filed an appeal under section 42 of the Competition Act, 2010 in the Competition Appellate Tribunal (CAT) which has suspended penalty implementation by issuing the stay order. The management believes based on legal advice that it has strong grounds to secure relief at the relevant appellate forums and accordingly, no provision has been made in this respect.

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

11.2 Commitments

Holding Company and ISL

11.2.1 Capital expenditure commitments outstanding as at March 31, 2026 amounted to Rs. 52.40 (June 30, 2025: Rs. NIL).

11.2.2 Commitments under letters of credit for raw materials and stores and spares as at March 31, 2026 amounted to Rs. 13,986.62 million (June 30, 2025: Rs. 23,396.20 million).

11.2.3 Facilities for opening letters of credit and guarantees from banks as at March 31, 2026 amounted to Rs. 54,200 million (June 30, 2025: Rs. 55,449 million) and Rs. 15,974 million (June 30, 2025: Rs. 13,984 million) respectively, of which the unutilised balance at period-end amounted to Rs. 40,212 million (June 30, 2025: Rs. 30,052 million) and Rs. 1,821 million (June 30, 2025: Rs. 1,193 million) respectively.

Holding Company

11.2.4 Commitments under purchase contracts as at March 31, 2026 amounted to Rs. 15.24 million (June 30, 2025: Rs. 681.90 million).

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

FOR THE PERIOD ENDED MARCH 31, 2026

	----- (Un-audited) -----			
	Nine months ended		Three months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----			
12. REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of goods less returns				
Local	89,359,959	66,972,729	32,728,479	22,159,889
Sales tax	(12,404,560)	(9,608,852)	(4,558,989)	(3,117,803)
Trade discounts	(6,305,240)	(2,831,808)	(2,431,079)	(1,181,779)
	70,650,159	54,532,069	25,738,411	17,860,307
Export	16,592,935	9,279,982	4,750,892	1,904,402
Export commission & discounts	(14,015)	(474,233)	(5,913)	(131,001)
	16,578,920	8,805,749	4,744,979	1,773,401
	87,229,079	63,337,818	30,483,390	19,633,708
13. LEVIES				
Minimum Tax / Final Tax u/s 154	-	88,682	-	23,943
14. INCOME TAX EXPENSE				
Current	2,748,402	1,290,211	1,041,964	429,488
Prior	-	5,126	-	-
Deferred	(697,526)	(337,447)	(302,589)	(1,849)
	2,050,876	957,890	739,375	427,639

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

FOR THE PERIOD ENDED MARCH 31, 2026

		----- (Un-audited) -----	
		<u>Nine months ended</u>	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
15.	CASH (USED IN) / GENERATED FROM OPERATIONS		
	Profit (Used in) / before income tax	4,634,597	2,022,392
	Add / (less): adjustments for non-cash charges and other items		
	Depreciation of property, plant and equipment	2,320,923	2,000,109
	Depreciation of right-of-use assets	19,889	8,098
	Amortisation of intangible assets	407	803
	Reversal of loss allowance on trade debts	(26,403)	(12,739)
	(Reversal) / Provision for stores and spares	(19,681)	40,139
	Provision for staff retirement benefits	56,802	70,396
	Provision for compensated absences	22,012	26,918
	Income on bank deposits	(79,879)	(299,984)
	Gain on disposal of property, plant and equipment	(54,294)	(92,828)
	Share of profit from associated company	(994,444)	(49,185)
	Government grant income	(25,477)	(19,132)
	Unwinding of Gas Infrastructure Development Cess	-	8,614
	Finance cost	1,424,092	1,137,211
		<u>7,278,544</u>	<u>4,840,812</u>
	Changes in working capital	15.1 (12,077,932)	4,000,844
		<u>(4,799,388)</u>	<u>8,841,656</u>
15.1	Changes in working capital		
	(Increase) / decrease in current assets:		
	Stores and spares	(45,225)	(52,822)
	Stock-in-trade	(9,576,792)	(566,462)
	Trade debts	(745,180)	1,597,383
	Advances, trade deposits and prepayments	(348,451)	(252,891)
	Other receivables	24,872	(59,235)
	Sale tax receivable	(1,676,963)	46,903
		<u>(12,367,739)</u>	<u>712,876</u>
	(Decrease) / increase in current liabilities:		
	Trade and other payables	(1,934,118)	3,920,317
	Contract liabilities	2,223,925	(632,349)
		<u>(12,077,932)</u>	<u>4,000,844</u>
16.	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	3,143,175	3,464,317
	Restricted cash on account of lien	(481,251)	(204,251)
	Running finance under mark-up arrangement from banks	(5,176,478)	(130,848)
		<u>(2,514,554)</u>	<u>3,129,218</u>

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

FOR THE PERIOD ENDED MARCH 31, 2026

17. TRANSACTIONS WITH RELATED PARTIES

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

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

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

	----- (Un-audited) -----			
	Nine months ended		Three months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----			
Associated companies				
Sales	<u>3,309,658</u>	961,388	<u>1,261,844</u>	745,163
Purchases	<u>30,116,216</u>	27,012,012	<u>8,795,442</u>	8,731,168
Reimbursement of expenses	<u>7,805</u>	32,298	<u>2,080</u>	370
Rental income	<u>3,075</u>	2,385	<u>1,025</u>	795
Dividend received	<u>264,556</u>	-	<u>85,000</u>	-
Dividend paid	<u>181,450</u>	120,651	<u>80,222</u>	-
Registration and training	<u>3,667</u>	2,459	<u>1,094</u>	1,604
Services / Donations	<u>10,441</u>	9,825	<u>1,491</u>	3,826
Key management personnel				
Remuneration and allowances	<u>666,700</u>	648,251	<u>207,565</u>	189,063
Staff retirement funds				
Contribution paid	<u>145,254</u>	206,019	<u>74,169</u>	52,968
Non-executive directors				
Directors' fee	<u>8,600</u>	12,300	<u>2,400</u>	3,400

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
18. SHARIAH COMPLIANCE STATUS DISCLOSURE			
Consolidated statement of financial position - Liability Side			
i)	10	8,341,486	1,855,522
ii)	8	491,723	572,268
iii)		176,731	95,226
iv)		210,638	37,475
Consolidated statement of financial position - Asset Side			
i)		2,779,108	1,995,587
ii)		200,146	951,185
		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
		----- (Rupees in '000) -----	
Consolidated statement of profit and loss			
i)	12	87,229,079	63,337,818
ii)		373,752	169,141
iii)		289,731	341,057
iv)		994,444	49,185
v)		11,932	65,386
Break-up of Other income excluding profits on bank deposits			
Shariah compliant income			
		25,477	28,279
		54,294	92,828
		19,305	1,692
		(29,500)	(305,306)
		-	188,743
		12,524	19,680
Shariah non-compliant income			
		67,947	234,598
		(1,653)	7,002
		-	(134)
		30,180	28

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

FOR THE PERIOD ENDED MARCH 31, 2026

18.1 Relationship with Shariah-compliant financial institutions

Islamic Banks

Holding Company

The Company has facilities with Faysal Bank Limited for Running Musharakah and letter of credit amounting to Rs. 1,350 million and Rs. 1,000 million respectively.

The Company has facilities with Meezan Bank Limited for Running Musharakah, letter of guarantees and letter of credit amounting to Rs. 2,000 million, Rs. 1,000 million and Rs. 2,000 million respectively.

The Company has facilities with Bank Islami Pakistan Limited for Running Musharakah, letter of guarantees and letter of credit amounting to Rs. 1,000 million, Rs. 1,000 million and Rs. 1,000 million respectively.

The Company has facilities with Bank Al Falah Limited for Running Musharakah and letter of credit amounting to Rs. 500 million and Rs. 500 million respectively.

The Company has facilities with United Bank Limited for Running Musharakah and letter of credit amounting to Rs. 1,500 million and Rs. 1,500 million respectively.

The Company has facilities with Habib Bank Limited for Running Musharakah amounting to Rs. 2,000 million respectively.

Takaful operators

The Holding company has no relationship with takaful operators.

Islamic Banks

ISL

The Company has facilities with Faysal Bank Limited for Running Musharakah, Letter of guarantees and letter of credit amounting to Rs. 3,660 million, Rs. 990 million and Rs. 2,000 million respectively.

The Company has facilities with Meezan Bank Limited for Running Musharakah Diminishing Musharakah (ILTFF), Letter of Guarantees and Letter of Credit amounting to Rs. 1,500 million, Rs. 220 million, Rs. 1,000 million and Rs. 4,000 million respectively.

The Company has facilities with Bank Islami Pakistan Limited for Running Musharakah and letter of credit amounting to Rs. 3,500 million and Rs. Nil respectively.

The Company has facility with Standard Chartered Bank (Pakistan) Limited - Islamic window for Running Musharakah amounting to Rs. 500 million.

The Company has facilities with MCB Islamic limited for Running Musharakah, export finance scheme, letter of guarantees and letter of credit amounting to Rs. 150 million, Rs. 100 million, Rs. 2,800 million and Rs. 1,000 million respectively.

Takaful operators

The company has no relationship with takaful operators.

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

FOR THE PERIOD ENDED MARCH 31, 2026

19. SEGMENT REPORTING

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

	Steel coils & sheets	Steel pipes	Polymer pipes	Investment	Total
19.1 Segment revenue and results	----- (Rupees in '000) -----				
For the nine months ended March 31, 2026					
Revenue from contracts with customers					
Local	51,262,007	16,921,652	2,466,500	-	70,650,159
Exports	13,620,894	2,958,026	-	-	16,578,920
	<u>64,882,901</u>	<u>19,879,678</u>	<u>2,466,500</u>	-	<u>87,229,079</u>
Cost of sales	(57,695,659)	(17,450,176)	(2,114,002)	-	(77,259,837)
Gross profit	<u>7,187,242</u>	<u>2,429,502</u>	<u>352,498</u>	-	<u>9,969,242</u>
Selling and distribution expenses	(1,934,724)	(1,444,632)	(125,009)	-	(3,504,365)
Administrative expenses	(432,279)	(381,891)	(42,879)	-	(857,049)
Charge / (reversal) of loss allowance on trade debts	-	31,599	(5,196)	-	26,403
	<u>(2,367,003)</u>	<u>(1,794,924)</u>	<u>(173,084)</u>	-	<u>(4,335,011)</u>
Finance cost	(971,396)	(402,059)	(50,628)	-	(1,424,083)
Other operating charges	(680,681)	(43,144)	(9,015)	-	(732,840)
	<u>(1,652,077)</u>	<u>(445,203)</u>	<u>(59,643)</u>	-	<u>(2,156,923)</u>
Other income	93,751	69,094	-	-	162,845
Share of profit in equity accounted investee	-	-	-	994,444	994,444
Profit before levies and income tax	<u>3,261,913</u>	<u>258,469</u>	<u>119,771</u>	<u>994,444</u>	<u>4,634,597</u>
Levies					-
Income tax expense					(2,050,876)
Profit after tax for the period					<u>2,583,721</u>
For the nine months ended March 31, 2025					
Revenue from contracts with customers					
Local	38,083,688	11,652,782	4,795,599	-	54,532,069
Exports	5,946,512	2,859,237	-	-	8,805,749
	<u>44,030,200</u>	<u>14,512,019</u>	<u>4,795,599</u>	-	<u>63,337,818</u>
Cost of sales	(40,462,089)	(13,504,719)	(3,337,365)	-	(57,304,173)
Gross profit	<u>3,568,111</u>	<u>1,007,300</u>	<u>1,458,234</u>	-	<u>6,033,645</u>
Selling and distribution expenses	(1,032,635)	(1,076,711)	(127,926)	-	(2,237,272)
Administrative expenses	(345,386)	(264,719)	(77,576)	-	(687,681)
Charge / (reversal) of loss allowance on trade debts	-	(18,647)	31,386	-	12,739
	<u>(1,378,021)</u>	<u>(1,360,077)</u>	<u>(174,116)</u>	-	<u>(2,912,214)</u>
Finance cost	(691,986)	(337,795)	(116,044)	-	(1,145,825)
Other operating charges	(506,598)	27,044	(81,765)	-	(561,319)
	<u>(1,198,584)</u>	<u>(310,751)</u>	<u>(197,809)</u>	-	<u>(1,707,144)</u>
Other income	519,455	39,465	-	-	558,920
Share of profit in equity accounted investee	-	-	-	49,185	49,185
Profit before levies and income tax	<u>1,510,961</u>	<u>(624,063)</u>	<u>1,086,309</u>	<u>49,185</u>	<u>2,022,392</u>
Levies					(88,682)
Income tax expense					(957,890)
Profit after tax for the period					<u>975,820</u>

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Steel coils & sheets	Steel pipes	Polymer pipes	Investments	Total
	----- (Rupees in '000) -----				
19.2 Segment assets and liabilities					
As at March 31, 2026 - Un-audited					
Segment assets	<u>58,502,706</u>	<u>22,972,031</u>	<u>3,841,292</u>	<u>2,351,315</u>	<u>87,667,344</u>
Segment liabilities	<u>32,939,605</u>	<u>8,261,476</u>	<u>784,087</u>	<u>-</u>	<u>41,985,168</u>
As at June 30, 2025 - Audited					
Segment assets	<u>50,067,519</u>	<u>21,200,382</u>	<u>3,095,020</u>	<u>1,995,587</u>	<u>76,358,507</u>
Segment liabilities	<u>24,956,897</u>	<u>6,516,353</u>	<u>475,681</u>	<u>-</u>	<u>31,948,932</u>

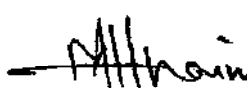
Reconciliation of segment assets and liabilities with total assets and liabilities in the Consolidated Condensed Interim Statement of Financial Position is as follows :

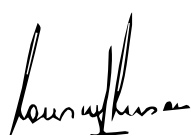
	(Un-audited) March 31, 2026	(Audited) June 30, 2025
	----- (Rupees in '000) -----	
Total for reportable segments assets	87,667,344	76,358,507
Unallocated assets	1,291,106	1,433,124
Total assets as per Consolidated Condensed Interim Statement of Financial Position	<u>88,958,450</u>	<u>77,791,632</u>
Total for reportable segments liabilities	41,985,168	31,948,932
Unallocated liabilities	3,344,121	3,217,938
Total liabilities as per Consolidated Condensed Interim Statement of Financial Position	<u>45,329,289</u>	<u>35,166,870</u>

20. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorised for issue on April 23, 2026 by the Board of Directors of the Holding Company.


Haider Rashid
Director & Chairman
Board Audit Committee


Mujtaba Hussain
Chief Financial
Officer


Yousuf H. Mirza
Chief Executive
Officer

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