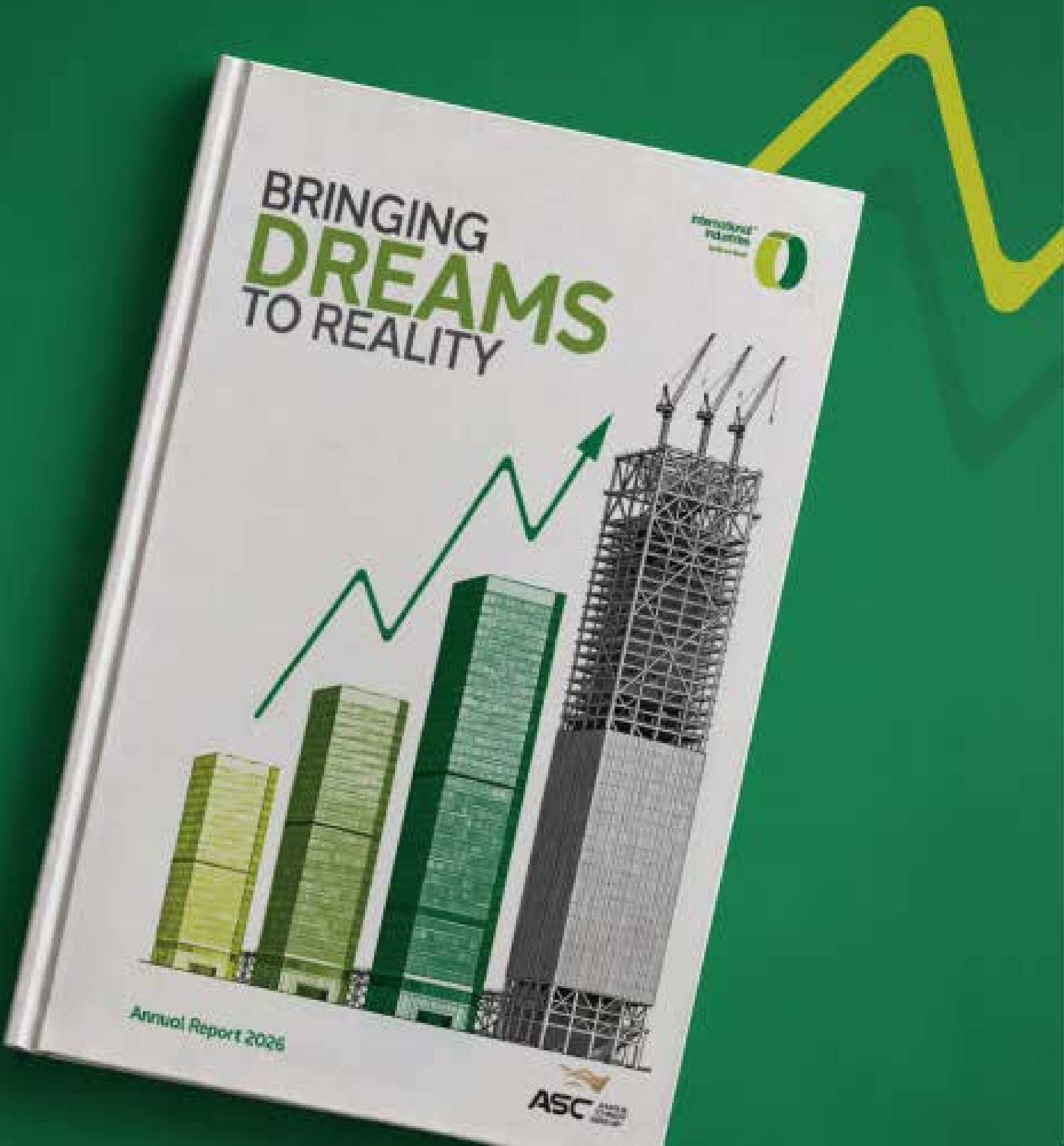
international™ industries
built on trust

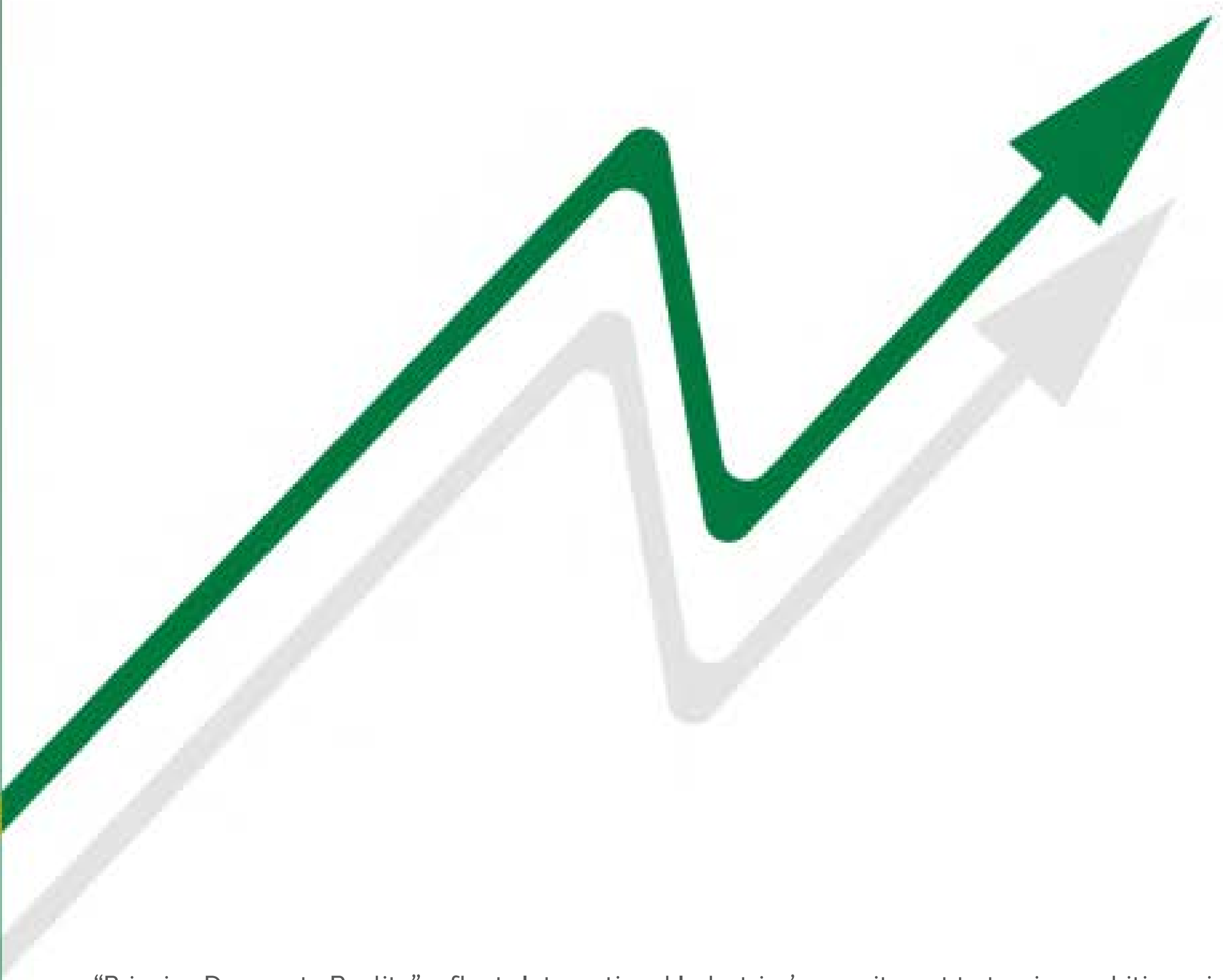
BRINGING DREAMS TO REALITY

Annual Report 2026

ASC

ABOUT THE
COVER





“Bringing Dreams to Reality” reflects International Industries’ commitment to turning ambitious visions into tangible achievements. It represents a company that not only imagines a better future but also actively helps build one through trust, resilience, and purposeful progress.

At International Industries, every dream begins with a strong foundation of integrity, innovation, and collaboration. Like the pillars of a rising structure, our values support our journey forward, transforming aspirations into meaningful outcomes for industries, communities, and generations.

The cover also highlights our responsibility toward stakeholders and society at large. Through disciplined execution, sustainable growth, and an unwavering belief in progress, we remain committed to bringing ideas to life and shaping a future built to last.

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international industries™
انٹرنیشنل انڈسٹریز

ABOUT THE REPORT

We are pleased to present our Annual Report for the year ended June 30, 2026. The objective of this report is to provide all stakeholders with a transparent and balanced appraisal of the material events and challenges that the business faced during the year under review. This report should be read in conjunction with the full financial statements.

Scope and Limitations of This Report
This annual report is for the period from July 1, 2025, to June 30, 2026 and provides an account of the Company's operational, financial, social, economic, and environmental performance as well as corporate governance.

Annual Financial Statements
These financial statements are also available on our website (www.iil.com.pk) and provide a detailed insight into the financial position of the Company for the period under review.

Forward-Looking Statements
This report contains certain 'forward-looking statements' which are related to the future. These statements include known and unknown risks and opportunities, uncertainties, and important factors that could turn out to be materially different from current expectations following the publication of these results. These statements are as of the date of this document. The Company undertakes no obligation to update publicly or release any provisions pertaining to these forward-looking statements.

Feedback
We value the feedback of our stakeholders and use it to continuously improve our reporting and to ensure that we are sharing information about matters relevant to them.

Feedback is welcome at investors@iil.com.pk

KEY PERFORMANCE
HIGHLIGHTS

(RS.) **314.134**
Break-up Value with Revaluation And Market Value Of Investment˚

(Rs. In Million) **29,073**
Sales Revenue

(Rs.) **7.00**
Dividend Per Share

(Times) **0.45**
Gearing Ratio

% **13.90**
Gross Profit Ratio

(Rs.) **12.16**
Earning Per Share ˜basic & Diluted˚

% **14.31**
Return On Capital Employed

(Rs. In Million) **29,914**
Total Assets

% **12.87**
Ebitda Margin To Sales

(Rs. In Million) **340**
Capital Expenditure

(Rs. In Million) **2,415**
Profit Before Tax

(Rs. In Million) **20,599**
Shareholders' Equity

% **5.51**
Net Profit Margin

(Times) **13.89**
Price Earning Ratio

(Times) **1.60**
Current Ratio

(Rs.) **168.87**
Share Price

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78th

ANNUAL GENERAL MEETING

Beach Luxury Hotel, Karachi
and via Video Conferencing

Wednesday, October 7, 2026
at 10:30 am

CONNECTING WITH STAKEHOLDERS

We believe in building dreams together, through trust, transparency, and shared vision.

ENFORCING RESPONSIBILITY

Progress without purpose is incomplete. We're investing in people, planet, and future generations.

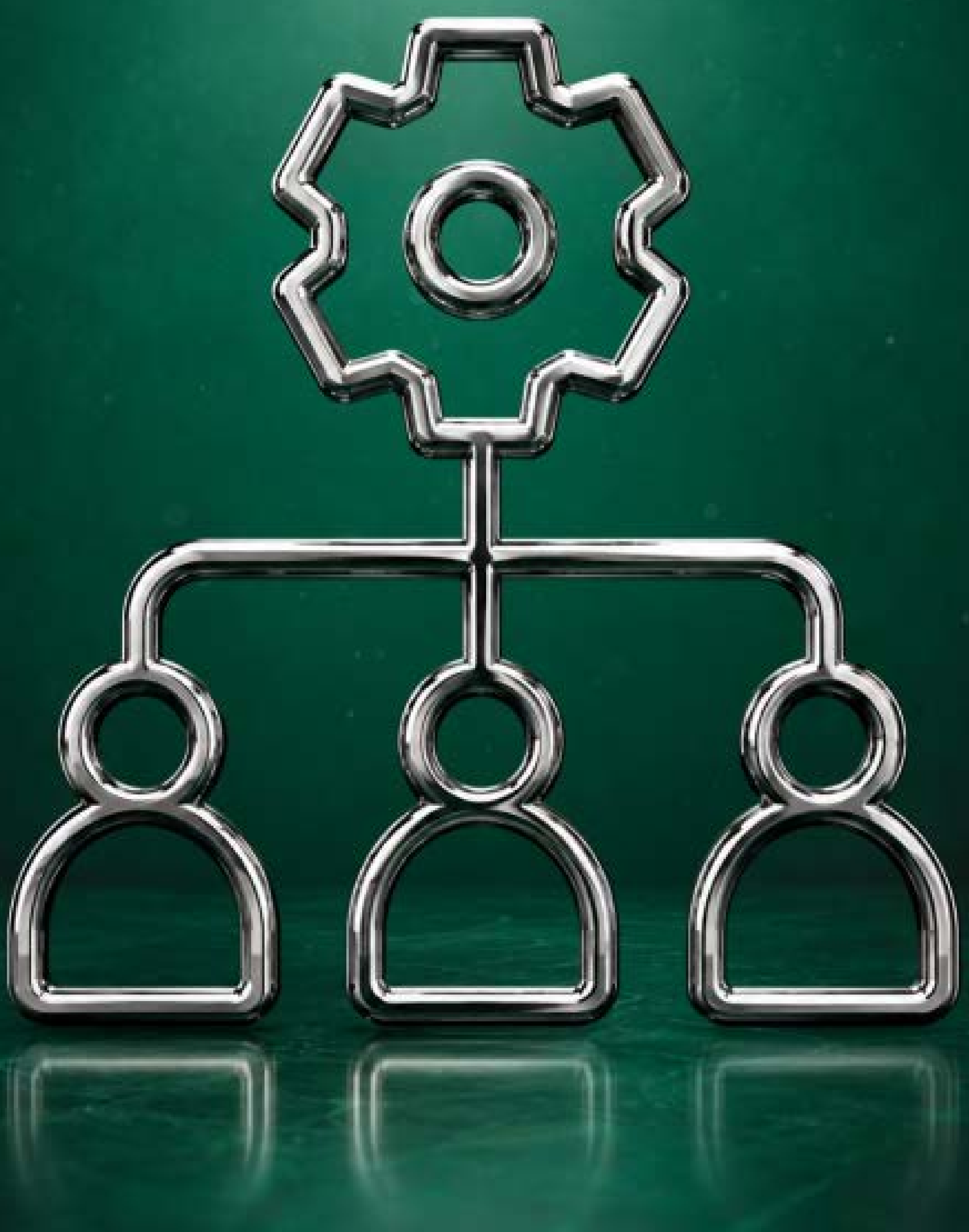
INVENTING POSSIBILITIES

Every challenge creates an opportunity. We push boundaries to develop smarter solutions that shape a stronger tomorrow.

AFFIRMING **TRUST**

Trust is the foundation of every relationship. We strengthen it through integrity, transparency, and dependable performance.

SECTION 1.0
Organizational Overview and External Environment



VISION

"Building Dreams Together."

At International Industries, our vision is more than words it is the foundation of everything we aspire to achieve.

Building: A nod to our industry, "building" reflects not just the products we manufacture but the progress, growth, and positive action we enable for our customers, partners, and communities.

Dreams: We see dreams as the fuel for innovation, ambition, and a future-focused outlook. Our vision embraces ideas that inspire transformation and create long-term value.

Together: Collaboration lies at the heart of our success. Whether it's partnering with customers, empowering employees, or engaging communities, we believe that only by working together can we shape a sustainable and prosperous future.

This vision means that we are committed to partnering with all stakeholders to turn dreams into reality through every pipe, every project, and every promise. To people, to progress, and to the planet.

وژن

”خوابوں کی تعمیر اشتراک کے ساتھ۔“

انٹرنیشنل انڈسٹریز میں، ہمارا وژن محض الفاظ نہیں بلکہ وہ بنیاد ہے جس پر ہماری تمام خواہشات اور مقاصد استوار ہیں۔

تعمیر: یہ صرف ہماری صنعت کا اشارہ نہیں بلکہ اس ترقی، بڑھوتری اور مثبت عمل کی علامت ہے جو ہم اپنے صارفین، شراکت داروں اور کمیونٹیز کے لیے ممکن بناتے ہیں۔ ہماری مصنوعات صرف ڈھانچے تعمیر نہیں کرتیں بلکہ ترقی کی راہیں بھی ہموار کرتی ہیں۔

خواب: خواب ہمارے لیے جدت، جذبہ اور مستقبل کی سوچ کا ایندھن ہیں۔ ہمارا وژن ان خیالات کو اپناتا ہے جو تبدیلی کو متاثر کرتے ہیں اور طویل المدتی قدر تخلیق کرتے ہیں۔

اشتراک: اشتراک ہماری کامیابی کی بنیاد ہے۔ چاہے صارفین کے ساتھ شراکت ہو، ملازمین کو بااختیار بنانا ہو یا کمیونٹیز کے ساتھ روابط، ہمارا یقین ہے کہ پائیدار اور خوشحال مستقبل صرف مل کر ہی تشکیل دیا جا سکتا ہے۔

یہ وژن اس عزم کی عکاسی کرتا ہے کہ ہم تمام اسٹیک ہولڈرز کے ساتھ مل کر خوابوں کو حقیقت میں بدلنے کے لیے پرعزم ہیں — ہر پائپ، ہر منصوبے اور ہر وعدے کے ذریعے۔ یہ وژن انسانیت، ترقی اور کرۂ ارض کے نام ہے۔

MISSION

“To make the world a more liveable place by relentlessly pursuing excellence and innovation to exceed stakeholder expectations.”

Our mission is both ambitious and purposeful it reflects how International Industries approaches business, responsibility, and growth.

Liveable: We define a liveable world as one where safety, access to resources, affordability, connectivity, wellness, and sustainability are enhanced. Our products and practices contribute directly to building such environments for our customers and communities.

Excellence: Excellence is the standard we live by from delivering the highest-quality products and operational efficiency to ensuring ethical conduct, integrity, and customer- centricity in everything we do.

Innovation: We are future-focused, constantly seeking new ideas, solutions, and technologies that differ entiate us.

Stakeholders: We are focused in adding value for our stakeholders, and keeping a close connection with all our stakeholders.

Our mission extends to all stakeholders International Industries customers, shareholders, employees, suppliers, communities, regulators, and beyond. By relentlessly pursuing excellence and innovation, we aim to exceed expectations, foster trust, and create lasting impact.

مشن

”اعلی ترین مہارت اور جدت کے تسلسل کے ذریعے دنیا کو زیادہ قابل سکونت جگہ بنانا تاکہ شراکت داروں کی توقعات سے بڑھ کر نتائج حاصل کر سکیں۔“

ہمارا مشن بیک وقت بلند حوصلہ اور بامقصد ہے یہ اس بات کی عکاسی کرتا ہے کہ انٹرنیشنل انڈسٹریز کاروبار، ذمہ داری اور ترقی کو کس انداز سے دیکھتی ہے۔

قابلِ سکونت: ہم ایک ایسی دنیا کو قابلِ سکونت سمجھتے ہیں جہاں تحفظ، وسائل تک رسائی، استطاعت، ربط، فلاح و بہبود اور پائیداری بہتر سے بہتر ہوں۔ ہماری مصنوعات اور طریقۂ کار ایسے ہی ماحول کی تعمیر میں براہِ راست کردار ادا کرتے ہیں جو ہمارے صارفین اور کمیونٹیز کے لیے سازگار ہوں۔

مہارت: مہارت ہمارا معیار ہے چاہے وہ اعلیٰ معیار کی مصنوعات فراہم کرنا ہو، عملی کارکردگی میں بہتری لانا ہو یا ہر قدم پر اخلاقی اقدار، دیانت اور صارفین کو مرکز میں رکھنا۔

جدت: ہم مستقبل کی سوچ رکھتے ہیں اور ہمیشہ نئی سوچ، نئے حل اور نئی ٹیکنالوجیز تلاش کرتے ہیں جو ہمیں دوسروں سے ممتاز کریں۔

شراکت داران: ہم اپنے تمام شراکت داران کے لیے قدر میں اضافہ کرنے اور ان کے ساتھ قریبی تعلق قائم رکھنے پر فوکس رکھتے ہیں۔

ہمارا مشن تمام شراکت داران تک پھیلا ہوا ہے چاہے وہ صارفین ہوں، حصص یافتگان، ملازمین، سپلائرز، کمیونٹیز یا ریگولیٹرز۔ مہارت اور جدت کو مستقل بنیادوں پر اپناتے ہوئے ہمارا مقصد توقعات سے بڑھ کر کارکردگی دکھانا، اعتماد کو فروغ دینا اور دیرپا اثرات پیدا کرنا ہے۔

VALUES

اقدار

At International Industries, our values are more than words they are the principles that define how we think, act, and lead. Aligned under the acronym SICCID, these six values embody how we SUCCEED as individuals and as an organization.

انٹرنیشنل انڈسٹریز میں ہماری اقدار محض الفاظ نہیں بلکہ وہ اصول ہیں جو ہمارے سوچنے، عمل کے مخفف کے تحت "SICCID" کرنے اور قیادت کرنے کے انداز کو متعین کرتے ہیں۔ منظم یہ چھ اقدار اس بات کی نمائندگی کرتی ہیں کہ ہم بطور فرد اور بطور ادارہ کس طرح کامیاب ہوتے ہیں۔ (SUCCEED)

Sustainability
We commit to sustainability. We create a future that lasts for all.

پائیداری
پائیداری کیلئے پر عزم۔ ہم سب کیلئے پائیدار مستقبل تخلیق کرتے ہیں۔

Integrity
We commit to integrity. We earn trust through consistent truth.

دیانتداری
دیانتداری کیلئے پر عزم۔ ہم مسلسل سچ کے ذریعے اعتماد حاصل کرتے ہیں۔

Customer Focus
We commit to our customers. We stand firm on a foundation of care.

صارف پر توجہ
صارف سے عہد کیلئے پر عزم۔ ہم خیال رکھنے کی بنیاد پر مضبوطی سے جڑے ہیں۔

Collaboration
We commit to collaboration. We grow stronger by working better together.

تعاون
باہمی تعاوم کیلئے پر عزم۔ ہم باہمی تعاون سے بہتر کارکردگی کے ذریعے مزید مضبوط بنتے ہیں۔

Innovation
We commit to innovation. We shape tomorrow through bold ideas.

جدت
جدت کیلئے پر عزم۔ ہم جری خیالات کے ساتھ کل کی تشکیل کرتے ہیں۔

Diversity
We commit to diversity. We build unity through many perspectives.

تنوع
تنوع کیلئے پر عزم۔ ہم مختلف زاویہ ٕ نگاہ کے ذریعے اتحاد قائم کرتے ہیں۔

COMPANY PROFILE

International Industries is a premier manufacturer of steel and polymer pipes, tubes, and fittings, recognized globally for its commitment to innovation, quality, and sustainability. As Pakistan's market leader and a notable player on the international stage, the Company has a proud legacy of driving industrial growth since its establishment in 1948.

Publicly listed on the Pakistan Stock Exchange, the Company is supported by a substantial equity of PKR 20.6 billion (USD 73 million) and generates annual revenue of PKR 29.1 billion (USD 104 million). The company has consistently ranked among Pakistan's Top 25 Companies for 18 consecutive years, reflecting its strong financial performance and industry leadership.

The Company is a core member of the Amir S. Chinoy (ASC) Group, a conglomerate known for its ethical practices, industrial excellence, and innovation. The ASC Group also includes:

International Steels Limited: Pakistan's largest producer of cold-rolled, galvanized, and color-coated steel coils and sheets, with an annual manufacturing capacity 1 million tons and annual revenues of PKR 93.3 billion (USD 334 million).

Pakistan Cables Limited: The nation's largest manufacturer of electrical cables, wires, copper rods, PVC compounds, wiring accessories and aluminium sections, a household brand with annual revenues of PKR 33.7 billion (USD 121 million).

Chinoy Engineering & Construction (Pvt) Limited: A pivotal entity in the ASC Group's strategic versification into construction and engineering, providing value-added revenue streams and enhancing down stream integration.

Expanding its global footprint, the Company operates through key subsidiaries:

IIL Australia Pty Limited: IIL's wholly-owned Australian subsidiary represents the Group's interests in the Asia-Pacific region, with annual revenues of AUD 6.2 million (USD 4.4 million).

IIL Americas Inc.: Based in Toronto, this subsidiary focuses on the North American market, generating annual revenues of CAD 2.5 million (USD 1.8 million).

INIL Europe Limited: Based in Ireland, this subsidiary focuses on the European market.

In addition to these global subsidiaries, the Company also operates a Pakistan-based subsidiary, **IIL Trading Pvt. Limited**. IIL Trading is a premium trading company representing globally renowned brands such as Milwaukee, Fischer, and Mapei.

International Industries' products have reached over 60 countries across six continents, enabling the company to earn the prestigious FPCCI Export Performance Award for 25 consecutive years. This accolade underscores the Company's unwavering commitment to excellence in international markets.

Our dedication to excellence is further reflected in the numerous awards and certifications the Company has garnered, including the Corporate Excellence Award, Environment Excellence Award, and OHSE Award. The Company is certified to international standards such as ISO 9001, ISO 14001, ISO 45001, API 5L, PSQCA, UL, and CE. Notably, International Industries was the first Pakistani company to achieve ISO 45001 certification from Lloyds Register Quality Assurance (LRQA).

As a responsible corporate citizen, the Company actively contributes to community development and upholds ESG best practices. We are proud to champion the UN Sustainable Development Goal (SDG) 7 Affordable and Clean Energy for All by transitioning a significant portion of our energy needs to renewable sources.

Our industry leadership is further strengthened through memberships in esteemed associations such as the International Tube Association (ITA), Galvanizers Associations of Australia (GAA), Australian Wire Industry Association (AWIA), and Canadian Fence Association (CFA). Additionally, the Company's accreditation as an Australian Trusted Trader (ATT) and by the Australia Border Force (ABF) highlights our dedication to international standards and integrity.

For more information on the Company's legacy of innovation and reliability, please visit www.iil.com.pk.

Key Achievements FY 2025-26

Diamond Recognition Award, Large National, at 11th Employer of the Year Award 2025 organized by the Employers' Federation of Pakistan (EFP).

Gold Award at the 3rd, EFP Skills Development Employers' Recognition Award organized by the Employers' Federation of Pakistan (EFP).

Top 25 Companies Award by the Pakistan Stock Exchange (PSX).

Certificate of Excellence by the Management Association of Pakistan (MAP).

5th Position for the Best Corporate Report Award by the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP).

Risk-Based Fire Safety Award from the Fire Protection Association of Pakistan.

NFEH's 18th Annual CSR Award 2026 for ESG & Sustainability Leadership.

COMPANY INFORMATION

Chairman (Non-Executive)
Kamal A. Chinoy

Independent Directors
Asif Jooma
Haider Rashid
Mansur Khan

Non-Executive Directors
Muhammad Asad
Mustapha A. Chinoy
Selina R. Khan

Chief Executive Officer
Yousuf H. Mirza

Executive Director
Zain K. Chinoy

Chief Financial Officer
Mujtaba Hussain

Company Secretary & Head of Legal Affairs
Mohammad Irfan Bhatti

Chief Internal Auditor
Muhammad Atif Khan

External Auditors
M/s A.F. Ferguson & Co.

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

Legal Advisor
K.M.S. Law Associates

National Tax Number
0710735-8

Sales Tax Registration Number
02-04-7306-001-82

Registered Office
101, Beaumont Plaza, 10, Beaumont Road,
Karachi – 75530, Pakistan
Telephone: +9221-35680045-54
UAN: 021-111-019-019
E-mail: investors@iil.com.pk

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

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

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

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

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

IIL Americas Inc.
Suite 210 - 5800 Ambler Drive,
Mississauga, ON L4W4J4, Canada
Website: www.iilamericas.com

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

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

Factory 1
LX 15-16, Landhi Industrial Area,
Karachi – 75120, Pakistan
Telephone: +9221-35080451-55
E-mail: factory@iil.com.pk

Factory 2
Survey # 405 & 406, Rehri Road, Landhi,
Karachi –75160, Pakistan
Telephone: +9221-35017026-28,
35017030

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

IIL Trading Display Outlets

Karachi:
91 – C, 24th Commercial Street,
DHA Phase II Ext.,
Karachi, Pakistan

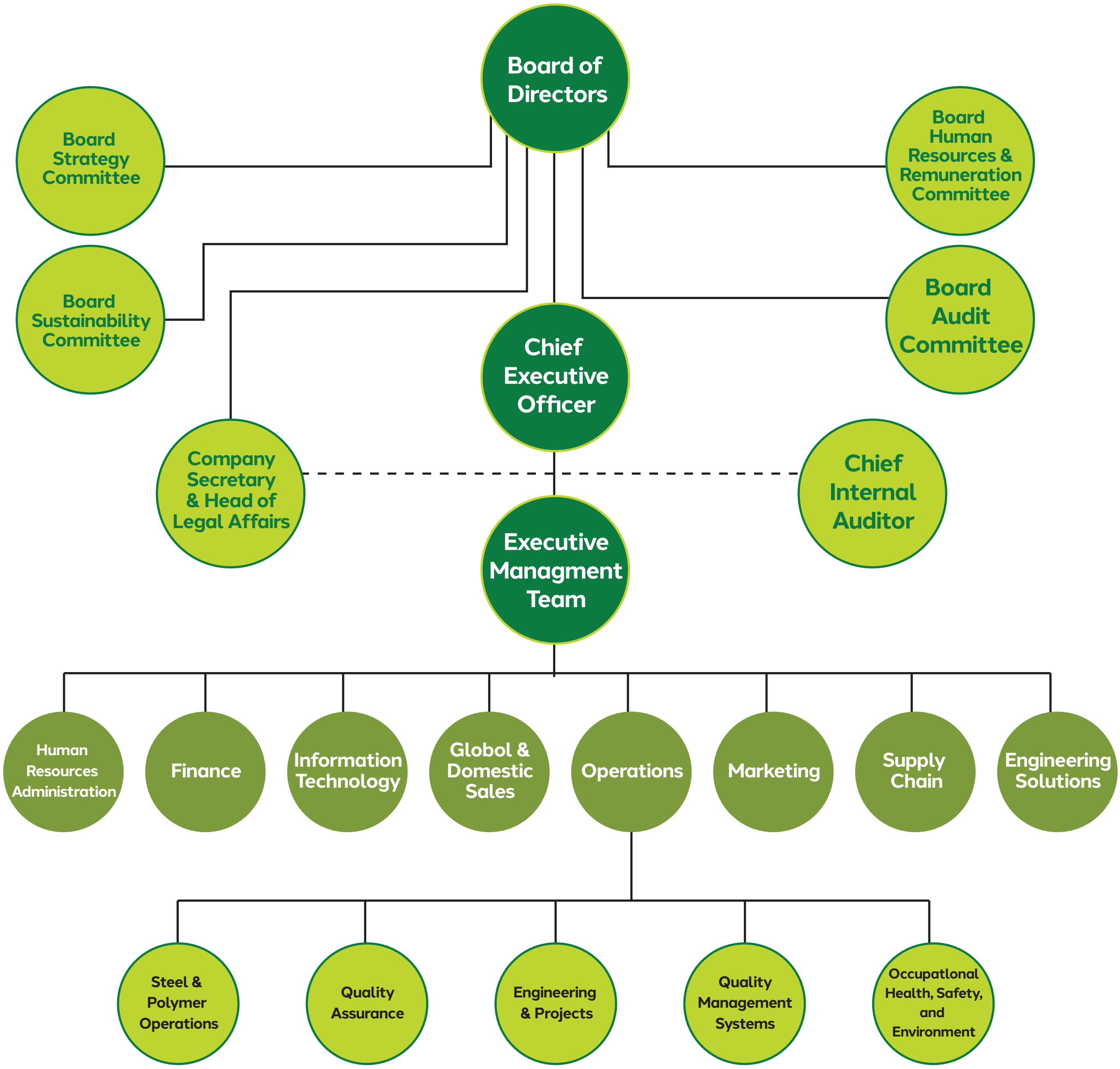
Lahore:
BWB 192, Broadway Commercial,
DHA Phase 8,
Lahore, Pakistan

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

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

Corporate Website
Website: www.iil.com.pk

ORGANIZATION CHART



Business at a Glance

Principal Business Activities
International Industries is engaged in the manufacture, marketing, and sale of **steel pipes and tubes, stainless steel tubes, and polymer pipes and fittings.**

The Company's **Engineering Solutions** business segment provides innovative products & services tomeet industry needs i.e., scaffolding (tube & clamp, ringlock, and frames & brace), shoring, formwork solutions, renewable energy, agri solutions, and material handling solutions.

The Company has also established a new subsidiary, **IIL Trading Pvt. Limited**, which acts as a business development hub to introduce and represent reputable overseas industrial brands in Pakistan. In addition to its premium global brands, IIL Trading also has a substantial commodity trading portfolio spanning industrial chemicals, solvents and metals.

Key Markets
The Company is the market leader in Pakistan with sales across the nation. Its domestic operations are geographically divided into 20 territories representing the country's largest urban centers.

Additionally, the Company is also Pakistan's largest exporter of pipes and tubes with a widespread export footprint spanning 60 countries across 6 continents.

The Company's key export markets are Australia, North America, Europe, the United Kingdom, Southeast Asia, and the Middle East.

Key Products & Services
International Industries is widely recognized as Pakistan's leading brand of pipes and tubes across various business segments. These comprise of:

1. Steel Pipes & Tubes
2. Stainless Steel Tubes
3. Polymer Pipes & Fittings
4. Engineering Solutions
5. IIL Trading Pvt. Limited

STEEL
PIPES & TUBES

Steel Pipes & Tubes

Galvanized Iron (GI) Pipes

GI pipes are corrosion and rust-resistant pipes that are ideal for the transmission of potable water, natural gas, oil, and other fluids. They are also used in fencing, hand pumps, low-cost shelters, and general fabrication.

They are certified to European Conformity Standards (CE) and are manufactured in accordance with the highest applicable international standards (BS EN 10255: 2004, ASTM A53, ASTM A795, EN39, SLS829:2009, AS 1074, AS 4792).

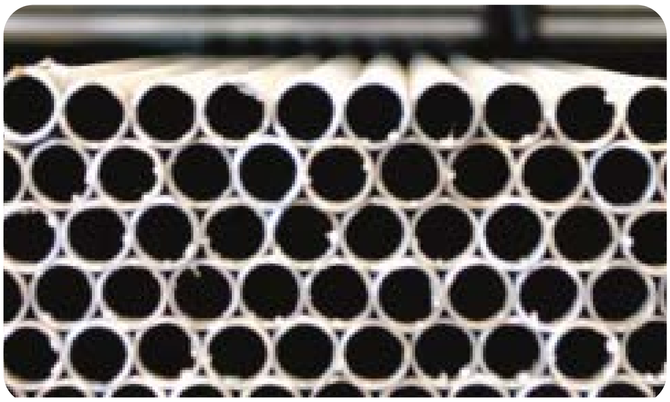
They are available in nominal diameters from 15mm (1/2”) to 200mm (8”) and in thicknesses ranging from 1.60 mm to 5.40 mm.

Hollow Structural Sections (HSS), MS & Black Pipes

These pipes are ideal for the construction of buildings, bridges, pedestrian walkways, stadiums, and many other structures.

They are made in accordance with the highest applicable international quality standards (BS EN 10219, ASTM A53, A500 & A252).

They are available in round, square, and rectangular shapes with thicknesses ranging from 1.65 mm to 12.70 mm.



Cold Rolled (CR) Steel Tubes

CR steel tubes are predominantly used in the automotive, motorcycle, bicycle, and transformer industries and in the manufacturing of fans, furniture, tents, and other mechanical and general engineering items.

They are certified to European Conformity Standards (CE) and are manufactured in accordance with the highest applicable international standards (BS 1717: 1983, BS EN 10305-3: 2010, BSEN 10305-5: 2010 and EN 10296-1:2003).

They are available in round, square, rectangular, oval, and elliptical shapes in various sizes with thicknesses ranging from 0.60 mm to 2.00 mm.

Scaffolding Pipes

Our high-strength scaffolding pipes can be applied for scaffolding use in all types of construction projects.

They are manufactured in accordance with BS EN 39:2001, which is the highest applicable international quality standard for such pipes.

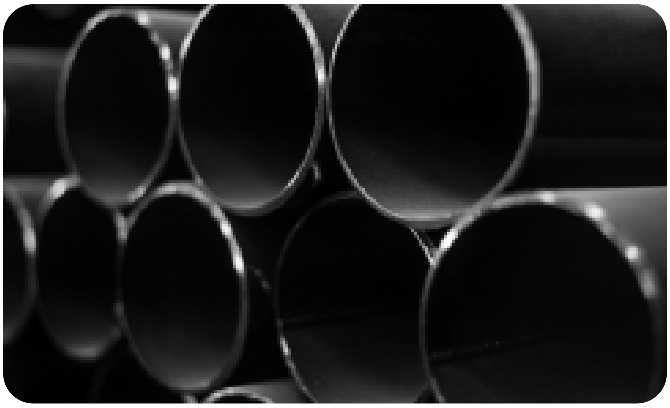
They are available in galvanized and black forms with an outer diameter of 48.30mm in Types 2, 3, and 4.

Firefighting Pipes

Firefighting pipes are ideal for specialized water transmission (high pressure, chemical liquids, extreme temperature steam, water, and gas).

They are certified by European Conformity Standards (CE) and Underwriters Laboratories (UL) and are manufactured in accordance with the highest applicable international standards (ASTM A53 Sch. 40 Grade A and B and ASTM A795).

They are available in nominal diameters of ½” to 12” with thicknesses ranging from 2.77 mm to 10.31 mm.



HRS Tubes

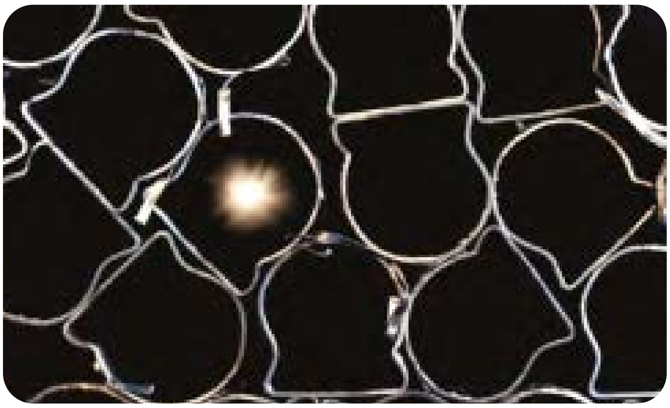
HRS tubes are ideal for straight use and are most commonly used in the fabrication of gates, grills, railings, light bedsteads, and other furniture. They are available in various thicknesses ranging from 0.90 mm to 1.80 mm.

API (American Petroleum Institute) Line Pipes

API Line pipes are used in the distribution of natural gas and petroleum.

They are available in PSL1 and PSL2 specifications made in accordance with API Monogram and API Specification under license 5L-0391 and 5L-1104.

They are available in diameters ranging from ¾” to 12 ¾” with lengths ranging from 6.00 m to 12.20 m.



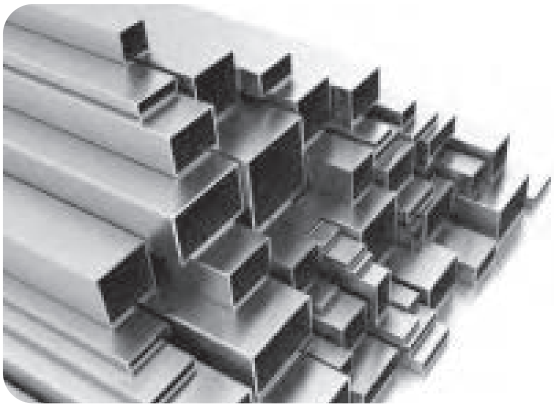
L-T-Z-D Profiles

L-T-Z-D profiles are used in the fabrication of doors, windows, gates, and railings.

These profiles are available in various sizes with thicknesses ranging from 0.70 mm to 1.20 mm.

STAINLESS STEEL
TUBES

Stainless Steel Tubes



Cosmo (SS Grade 300 Series)

Cosmo tubes are rust-resistant, premium stainless-steel tubes that can be used in a variety of ornamental applications.

Cosmo tubes are made in accordance with ASTM A240 & A554 and JIS G-4305 standards. They are available in round, square, and rectangular shapes in various sizes with thicknesses ranging from 0.80 mm to 1.50 mm. These tubes are available in bright, satin/euro, and hairline surface finishes.

Econic (SS Grade 200 Series)

Econic tubes are economical-grade stainless steel tubes that can be used in indoor applications and non-coastal environments.

Econic tubes are made in accordance with ASTM A240 and A554, JIS G-4305 standards.

They are available in round, square, and rectangular shapes in various sizes with thicknesses ranging from 0.80 mm to 1.50 mm.

These tubes are available in bright, satin/euro, and hairline surface finishes.

Forza (SS Grade 400 Series)

Forza tubes are manufactured for use in automotive exhausts, trims, frames, and mufflers as well as home hot water systems.

Forza tubes are manufactured in accordance with ASTM A240 and A554 standards.

They are available in diameters ranging from 12.00 mm to 63.50 mm with thicknesses ranging from 0.80 mm to 1.50 mm.

POLYMER
PIPES & FITTINGS

Polymer Pipes & Fittings

PPRC Pipes & Fittings

PPRC pipes and fittings are ideal for the transmission of hot and cold water in all residential, commercial, and industrial settings.

PPRC pipes and fittings are manufactured in accordance with the highest applicable international quality standards (DIN 16962, DIN 8077, DIN 8078) and are PSQCA-certified PPRC pipes and fittings.

These pipes are available in PN-16, PN-20, and PN-25 standards with diameters ranging from 20 mm to 110 mm and thicknesses ranging from 2.80 mm to 18.30 mm, making the PPRC range the widest range of PPRC pipes in Pakistan.

UPVC Pipes & Fittings

UPVC Pipes & Fittings are excellent at fulfilling the needs of customers for sewerage, soil, waste, and vent systems and are manufactured on state-of-the-art automatic machinery with standardized raw material formulations.

They are available in Medium Grades M, G1, G2, G3, SDR, and Pressure Class with diameters ranging from 2 inches to 8 inches and thicknesses ranging from 1.60 mm to 5.00 mm.

HDPE Water Pipes

HDPE water pipes are used in municipal and industrial applications and provide a safe and corrosion-free piping system for transporting potable water and other liquids.

HDPE water pipes are made in accordance with the highest applicable quality standards (DIN 8074/75, ISO 4427) and are PSQCA certified.

They are available in Grade-80 (PN 08), Grade-100 (PN 08, PN 10, PN 12.5, PN 16, and PN 20) with diameters ranging from 20.00 mm to 1600.00 mm and thicknesses ranging from 1.90 mm to 94.10 mm. At 1600.00mm in diameter, the Company manufactures the largest HDPE pipe in Pakistan.

HDPE Duct Pipes

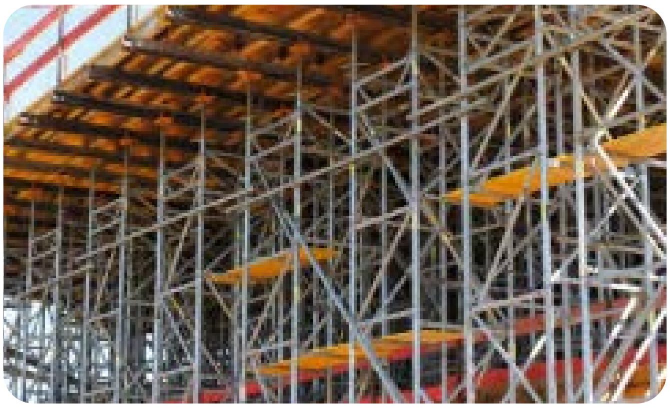
HDPE duct pipes are used to provide a ducting sheath for fiber optic and telecom cables.

HDPE duct pipes are made in accordance with the highest applicable international quality standards (ASTM D638, ISO 1183, ASTM F-2160, ISO 2505, Bell Core GR-456).

They are available in diameters ranging from 12.00 mm to 250.00 m.

ENGINEERING SOLUTIONS

Engineering Solutions



Construction Solutions

Comprehensive construction support with expertise in modular scaffolding, shoring systems, and formwork tailored for safe and efficient project delivery. Our offerings include complete Pre-Engineered Metal Building (PEMB) structures, covering the entire scope from design to execution, along with integrated MEP solutions. We are also excelling in light pole manufacturing, delivering outstanding results across both local and international markets.

Agri Solutions

Our Agri Solutions are tailored to meet the evolving needs of Pakistan's growing corporate farming sector. Leveraging modern engineering practices, we offer advanced irrigation, storage, and structural solutions that enhance productivity, improve operational efficiency, and support sustainable agricultural growth. By bringing innovation and reliability to farming infrastructure, we help agribusinesses scale up operations while maintaining quality and environmental responsibility.

Renewable Energy

We provide robust and reliable renewable energy structures
designed to meet international standards and withstand demanding environments. Our solutions support solar and wind projects, delivering durability, efficiency, and long-term value. By enabling businesses to lower energy costs and reduce their environmental footprint, we contribute to the broader goal of sustainable development and clean energy adoption in Pakistan. With a focus on innovation and quality, our Renewable Energy solutions are helping shape a greener and more resilient future.

Material Handling Solutions

Our Material Handling Solutions are designed to optimize the movement, storage, and flow of goods across diverse industries. From warehousing to logistics, we provide engineered systems that improve efficiency, reduce costs, and enhance workplace safety. Backed by our technical expertise and industry knowledge, these solutions ensure businesses can manage their supply chains with greater reliability and resilience, ultimately supporting growth in an increasingly competitive environment.

IIL TRADING PVT. LIMITED

IIL Trading Pvt. Limited

The Company has established a new subsidiary, IIL Trading Pvt. Limited, which acts as a business development hub to introduce and represent reputable overseas industrial brands in Pakistan. Through this subsidiary, IIL is representing the following brands for the distribution of their products throughout Pakistan:

1) Fischer – Over 14,000 products including electrical fixings, nylon and steel fixings, chemical fixings, bits and accessories, construction chemicals, machine accessories, fire protection, and screws.

2) Milwaukee - Power Tools, Accessories, Hand Tools, Storage, and related Spare Parts.

3) Mapei – Chemical products for the building industry.

In addition to its premium global brands, IIL Trading also has a substantial commodity trading portfolio spanning industrial chemicals, solvents and metals.

Global Brands

fischer

Milwaukee

MAPEI

Legislative and Regulatory Environment

International Industries operates within a complex legislative and regulatory environment. Understanding and compling with these regulations is the core for maintaining operational integrity, legal compliance, and competitive advantage. Below is an overview of the key legislative and regulatory aspects with which we comply:

1. Industry-Specific Regulations

Steel Industry Regulations: Environmental Compliance: Regulations governing emissions, waste management, and environmental impact are stringent. Compliance with standards such as the Environmental Protection Agency (EPA) guidelines and local environmental regula tions is mandatory.

Safety Standards: The steel industry is subject to occupational health and safety regu lations to ensure worker safety. Compliance with standards set by organizations such as OSHAS (Occupational Safety and Health Administration Systems) is required.

Trade Regulations: Import/Export Controls: Regulations governing the import and export of steel prod ucts, including tariffs, trade agreements, and customs procedures, affect cross-border trade. Adherence to interna tional trade agreements and local customs laws is essential.

Product Standards: Compliance with international standards for quality, such as those set by BSEN, ASTM, API, ISO and others, is necessary to meet market expectations.

2. Corporate Governance and Compliance

Corporate Law: Companies Act Compliance: Adherence to corporate governance standards as defined by the Companies Act, which governs company registration, management, and reporting requirements.

Disclosure and Transparency: Requirements for financial reporting, audit processes, and corporate disclosures are enforced to ensure transparency and protect sharehold erinterests.

Ethical Practices: Anti-Corruption Laws: Compliance with anti-corruption and anti- bribery laws to prevent unethical practices and ensure fair dealings.

Data Protection: Adherence to data protection regulations such as the General Data Protection Regulation (GDPR) or local data privacy laws to safeguard customer and employee information.

3. Environmental and Sustainability Regulations

Environmental Protection: Pollution Control: Regulations related to air and water pollution control, including limits on emissions and discharge, is followed.

Waste Management: Compliance with waste disposal and recycling regulations to manage industrial by-products and reduce environmental impact.

Sustainability Reporting: ESG Requirements: Reporting obligations related to environmental, social, and govern ance (ESG) factors to demonstrate sustainability and ethical practices.

4. Labor and Employment Laws

Labor Standards: Employment Rights: Compliance with local labor laws concerning wages, working conditions, and employee rights.

Health and Safety: Adherence to occupational health and safety regulations to ensure a safe working environment.

Union Regulations: Collective Bargaining: Compliance with laws related to employee unions, collective bargaining agree ments, and labor disputes.

5. Financial Regulations

Fiscal: Corporate Tax Compliance: Adherence to corporate tax laws, including the filing of tax returns and payment of taxes in accordance with FBR.

Navigating the legislative and regulatory environment is critical for the Company's operations. Compliance with industry-specific regulations, corporate governance standards, environmental laws, labor and employment rules, and financial regulations ensures legal adherence and supports sustainable business practices. Staying informed and proactive in addressing regulatory changes is essential for maintaining operational efficiency and achieving long-term success.

Amir S. Chinoy Group

The Amir S. Chinoy group (ASC) has been at the forefront of Pakistan's industrial development since the founding of the country 79 years ago. Our founder, Mr. Amir S. Chinoy, a pioneer of industrialization in Pakistan, laid the foundation of the ASC Group by setting up manufacturing concerns in heavy chemicals (Pak Chemicals Limited, 1951), steel, and galvanized pipes (International Industries Limited, 1948) and electrical wires and cables (Pakistan Cables Limited, 1953). His commercial interests also extended to trading, electrical contracting, and the representation of major European and international companies in South Asia. As flag bearers of determination and innovation, the group later invested in a green field project for the manufacturing of Cold Rolled, Galvanized and Colour Coated steel coils and sheet (International Steels Limited, 2007).

Today, the ASC group is one of the leading industrial groups in Pakistan with proven expertise in manufacturing, trading, and industrial services. The member companies enjoy a credible export pedigree with combined export revenues of Rs. 26 billion. The ASC Group's growing global footprint is further represented by an on-ground presence in Australia, Canada, and Ireland through its wholly owned subsidiaries IIL Australia Pty. Ltd., IIL Americas Inc. & INIL Europe Ltd., which collectively contribute Rs. 1.96 billion in export revenues. In addition, the Group operates IIL Trading Pvt. Ltd. in Pakistan, a premium trading company representing globally renowned brands such as Milwaukee, Fischer, Mapei, and Brenntag. In Pakistan, the ASC group has an extensive distribution network through 1,600+ outlets in 500 cities and towns.

The broad range of products manufactured by its member companies:

- Cold Rolled Steel
- Galvanized Steel
- Colour Coated Steel
- Steel Pipes (CR, HR, Galvanized, Stainless Steel)
- Polymer Pipes (UPVC, PPRC, PE)
- Hollow Structural Sections (Steel)
- Scaffolding Systems and Formwork
- Flat Steel Sheets, Profiles & Purlins
- Electric Wires & Cables (LV & MV)
- Electric Overhead Conductors of Aluminium & Copper
- Special Cables
- PVC Compound
- Copper Rod
- Aluminium Rod
- Wiring Accessories

Member companies of the ASC group have attached international equity partners of repute, which have further enriched their technical expertise and best practices. Leading equity partners associated with member companies include:

- British Insulated Callender's Cable (BICC), UK.
- Doogood, Australia.
- General Cables, USA.
- JFE Steel Corporation, Japan.
- Sumitomo Corporation, Japan.
- International Finance Corporation (IFC), USA.

Group Highlights

156
(PKR IN BILLION)
SALES TURNOVER

70
(PKR IN BILLION)
MARKET CAPITALISATION

33
(PKR IN BILLION)
CONTRIBUTION TO NATIONAL EXCHEQUER

26
(PKR IN BILLION)
EXPORT SALES

612,000
(METRIC TONS)
TOTAL METALS PRODUCED

73
YEARS OF PRODUCTION

2,000+
NUMBER OF EMPLOYEES

40
NUMBER OF EXPORT DESTINATIONS (INCLUDING USA, CANADA, EUROPE)

500
GEOGRAPHICAL FOOTPRINT IN PAKISTAN (CITIES & TOWNS)

1,600+
NUMBER OF DEALERS/DISTRIBUTORS

6,400+
TOTAL COMMUNITY BENEFICIARIES REACHED

*As on FY ending 30th June 2026

Member Companies

ASC AMIR S. CHINOY GROUP

International Industries
international industries — built on trust

Incorporated in 1948
Listed on PSX since 1984
Credit Rating AA/A-1

Product Lines:
Steel Pipes and Tubes, Polymer Pipes and Fittings, Stainless Steel Tubes, Engineering Solutions

29 PKR Billion Turnover (2025 - 2026)

Pakistan Cables
TRUSTED NOT TO COMPROMISE

Incorporated in 1953
Listed on PSX since 1955
Credit Rating A/A-1

Product Lines:
Wires and Cables, Conductors, Copper Rod Aluminium Rods, PVC Compounds, Wiring Accessories

34 PKR Billion Turnover (2025 - 2026)

International Steels Limited
Shaping Tomorrow

Incorporated in 2007
Listed on PSX since 2011
Credit Rating A+/A-1

Product Lines:
Cold Rolled Steel, Hot Dip Galvanized Steel, Color Coated Steel

93 PKR Billion Turnover (2025 - 2026)

CHINOY ENGINEERING & CONSTRUCTION (PRIVATE) LIMITED

Incorporated in 2024

Services:
Contracting services in the construction and engineering industry

*Rounded off

Highlights of the ASC Group Member Companies' Events

ASC Group Marks Pinktober, Hosts Paddle tournament

ASC Group organized a Breast Cancer Awareness event, by inviting member companies' female staff for an engagement activity at SportOn featuring paddle. Guests included the representatives from the Shaukat Khanum Hospital who briefed participants about the symptoms, prevention, and treatment of breast cancer.

3rd Amir S. Chinoy Women's Tapeball Cricket Tournament 2026

The 3rd Amir S. Chinoy Women's Tape-ball Cricket Tournament, held in February 2026, yet another significant milestone in the ASC group's commitment to promote diversity, and collaboration across its member companies. The tournament featured over 40 enthusiastic players with Tectonic Titans (IIL), Electric Eagles (PCL), and Steel Strikers (ISL) teams embodying the spirit of sportsmanship. Steel Strikers (ISL) claimed the championship title in an electrifying final with Electric Eagles (PCL) as runners-up, capping off a successful two-day event that celebrated inclusion and unity on and off the field.

11th Amir S.Chinoy Memorial Cricket Tournament 2026

The final of 11th Amir S. Chinoy Memorial Tape Ball Tournament for Men – 2026 played in January 2026, at UBL Sports Complex between International Industries Limited – Royals and Pakistan Cables Limited – Spartans, with PCL Spartans emerging as the tournament champions. Their victory reflected the team's dedication, energy, and strong competitive spirit, making it a proud moment for Pakistan Cables and its supporters.

ASCF Sports collaboration

Under a multi-year sponsorship agreement by the Amir S. Chinoy Foundation, the ASC group continues to proudly support Sana and Saif Bahader—two exceptionally talented squash athletes who continue to break barriers.

Sana and Saif Bahader continued to represent ASC group across tournaments both locally and internationally. With the ASC group support, the duo completed a 3 month tour in Australia participating in various tournaments.

Classified as Persons with Disabilities, their unwavering determination and remarkable skill embody the spirit of Pakistan's resilient youth. This collaboration reflects our commitment to inclusivity and aims to elevate their talent—and Pakistan's squash legacy—onto the global stage.

ASCF and Zaman Foundation

ASCF, in partnership with the Zaman Foundation, installed a water filtration plant in Dharasar village, Umerkot, continues to provide clean drinking water access to the local community. Dharasar is a remote desert village located 65km from Umerkot, home to over 600 residents across 350+ households. The predominantly Hindu community faces limited infrastructure and essential services access.

Emerge Incubation Centre completed Cohort IV

ASCF in collaboration with The Hunar Foundation completed its COHORT IV pitch deck round in which 30 highly promising incubatees were meticulously selected, setting the stage for a dynamic and competitive cohort. Emerge is Pakistan's first TVET based incubation center for the underprivileged youth, set up by the Foundation with the intent to promote entrepreneurial skills among them. Overall, post setting up Emerge, ASCF successfully supported six cohorts in two years imparting training on launching and sustaining small businesses covering 180 beneficiaries.

ASCF partners with STEAM – Pakistan

To promote Science, Technology, Engineering, Arts and Maths (STEAM) based subjects in government schools across Pakistan, ASCF signed an MoU with STEAM Pakistan. As part of the partnership, member companies' employees can conduct volunteering sessions on STEM based subjects empowering students aged between 12-16 years enrolled in the schools. Volunteering sessions conducted across Karachi and Pindi covering 220 direct beneficiaries.

Volunteering Drives

Employees of the member companies volunteered at the Emergency Wards managed by the Child Life Foundation in Karachi. Volunteers visited the Civil Hospital and Lyari General Hospital distributing toys among children covering 100 direct beneficiaries approximately.

Employees also participated in engagement sessions with students enrolled in The Citizens Foundation (TCF) schools by visiting the IIL Campus and Chinoy Campus both adopted and supported through the ASCF. Engagement sessions covered 100 direct beneficiaries.

OUR PRESENCE

Domestic Presence

International Industries has established itself as a cornerstone of Pakistan's industrial landscape, with a significant domestic presence that spans the length and breadth of the country. The Company's commitment to quality, innovation, and customer satisfaction is deeply embedded in its operations, ensuring that it serves the local market with the same dedication that has earned it international acclaim.

Headquarters and Production Facilities:
The Company's corporate headquarters are strategically located in Karachi, the commercial and industrial hub of Pakistan. From this central location, we oversee and manage our extensive operations across the country, ensuring that our strategic vision is effectively implemented at every level of the organization.

The Company's manufacturing strength is anchored by three state-of-the-art production facilities, two of which are located in Karachi and a third in Sheikhupura. These facilities are equipped with the latest technology and adhere to the highest international standards of production. This allows the Company to meet the diverse needs of its domestic market while maintaining the quality and reliability that customers have come to expect from the Company. The strategic placement of these facilities enables the Company to efficiently manage production and logistics, ensuring the timely delivery of its products to customers across the country.

Regional Offices:
To provide comprehensive coverage and support to its customers, the Company has established regional offices in all major urban centers of Pakistan. These offices serve as vital points of contact for the clients, offering localized support and ensuring that the Company remains closely connected to the needs of the market. The regional offices are located in:

Karachi: Serving as both the corporate headquarters and a key regional hub, the Karachi office plays a pivotal role in managing the operations across the southern region of Pakistan.

Lahore: As the heart of Pakistan's economic and cultural activity, the Lahore office caters to the central region, providing essential support to industries and businesses throughout Punjab.

Islamabad: The office in Islamabad enables the Company to efficiently serve the northern region, including the twin city of Rawalpindi and the surrounding areas.

Peshawar: Located in the northwest, the Peshawar office allows the Company to maintain a strong presence in Khyber Pakhtunkhwa, supporting the region's growing industrial and construction sectors.

Multan: The Multan office serves the southern Punjab region, providing tailored solutions and support to the agricultural and industrial sectors that are the backbone of the local economy.

IIL Trading Display Centres:

IIL Trading, a newly established subsidiary of International Industries, serves as a dedicated business development hub to introduce and represent globally renowned industrial brands in Pakistan. With a growing domestic footprint, IIL Trading is actively distributing a diverse portfolio of premium products, including Fischer's extensive range of fixings and construction solutions, Brenntag's specialty chemicals for the oil and gas sector, Milwaukee's professional-grade power tools and accessories, and Mapei's chemical products for the building industry. To support its outreach and customer engagement across the country, IIL Trading has established display outlets in Karachi, Lahore, and Islamabad, ensuring nationwide accessibility and fostering stronger connections with industrial and commercial customers.

Distribution and Retail Network:

International Industries' extensive distribution and retail network is a testament to its commitment to ensuring that the products are readily available to customers across Pakistan. With over 1,500 customers, the network serves more than 200 cities and towns nationwide, effectively covering both urban and rural areas. The Company's distribution system is meticulously organized into 5 regions and 20 territories, allowing it to manage its operations efficiently and deliver its products with precision.

This robust network not only ensures the widespread availability of the products but also supports the customers by providing them with the resources and assistance they need to succeed. The network's reach extends to every corner of the country, making International Industries a trusted and reliable partner for businesses and industries throughout Pakistan.

Global Presence

At International Industries, the commitment to excellence and innovation has allowed it to establish a truly global presence, reflecting its foresight in being a world-class manufacturer and supplier of steel and polymer pipes, tubes, and fittings. The Company's products are trusted in over 60 countries across 6 continents, making the Company a significant player on the international stage.

Expanding Our Global Footprint

Over 1 Million Tons of Exports to Date:

The journey towards becoming a globally renowned player is marked by the milestone of exporting over 1 million tons of products worldwide. This achievement underscores the Company's ability to meet the rigorous demands of international markets, where quality, reliability, and consistency are paramount.

Presence in Key Markets:

As a truly international company, International Industries has strategically established on-ground operations in several key markets, including Australia, Canada, Ireland, and Sri Lanka. These locations serve as critical hubs for our operations, enabling us to respond swiftly to the needs of our customers and ensure the timely delivery of our products.

Australia: IIL Australia Pty Limited is a wholly owned subsidiary in Melbourne, Australia, plays a vital role in representing the Group's interests across the Asia-Pacific region. This presence allows the Company to tap into one of the world's most dynamic markets, characterized by a high demand for quality infrastructure and industrial products.

Canada: IIL Americas Inc. is a wholly owned subsidiary in Toronto, Canada, serves as the cornerstone of our operations in North America. This strategic positioning allows the Company to cater to the complex and diverse needs of the North American market, offering customized solutions that meet the highest standards of quality and performance.

Ireland: INIL Europe Limited is a wholly owned subsidiary in Dublin, Ireland, which plays a vital role in representing the Group's interest in the European Market.

Sri Lanka: The Company maintains an onground presence in Sri Lanka, providing us with a platform to serve emerging South Asia markets with significant growth potential.

Preferred Supplier in Global Markets

Proven Quality:

The Company's reputation for producing high-quality products that meet international standards has been a key driver of our global success. Our adherence to stringent quality controls and certifications, such as ISO 9001, ISO 14001, ISO 45001, API 5L, PSQCA, UL, and CE, ensures that our products are trusted by customers worldwide, whether in advanced economies or emerging markets.

Strong Supply Chain:

The robust supply chain capabilities enable the Company to efficiently manage the complexities of global logistics, ensuring that the products reach customers on time, every time. By leveraging state-of-the-art technology and strategic partnerships with leading logistics providers, the Company maintains a seamless flow of products across borders, adapting to the unique requirements of each market.

Dedicated Customer Service:

At International Industries, customer satisfaction is at the core of its operations. The dedicated customer service teams are equipped with the knowledge and expertise to provide personalized support, ensuring that the clients receive the best possible solutions tailored to their specific needs. This commitment to customer service has earned us the loyalty and trust of clients around the world, positioning the Company as a preferred supplier in both advanced and conventional export markets.

Recognition and Accolades

Export Performance Awards:
The Company's excellence in international trade has been recognized with the prestigious FPCCI Export Performance Award for 24 consecutive years. This accolade is a testament to the Company's unwavering commitment to delivering superior products and services to its global clientele.

Strategic Global Partnerships:
The Company's memberships in esteemed associations such as the International Tube Association (ITA), the Galvanizers Association of Australia (GAA), the Australian Wire Industry Association (AWIA), and the Canadian Fence Association (CFA) further enhance its global standing. These affiliations enable the Company to stay at the forefront of industry trends and best practices, ensuring that the Company continues to meet the evolving needs of its customers worldwide.

The Company's global presence is a cornerstone of its success, allowing the Company to connect with customers around the world and deliver the high-quality products and services they expect. As the Company continues to grow and expand, these subsidiaries will play a crucial role in its strategy to enhance the Company's global footprint, strengthen customer relationships, and drive long-term value for the Company's stakeholders. The Company is committed to pursuing new opportunities, embracing innovation, and maintaining its name in the global steel manufacturing industry.

Milestones

Since its inception in 1948, International Industries has journeyed through decades of transformation, growth, and innovation, marked by defining milestones that reflect our resilience and forward vision. From our earliest foundations to becoming a diversified, globally recognized industrial leader, each achievement captures our relentless pursuit of excellence, commitment to stakeholders, and readiness to embrace change. The following milestones stand as testaments to our enduring legacy and our determination to shape a stronger, more sustainable future.

1948

- Established as Sir Sultan Chinoy & Company

1949

- Incorporated as International Industries Ltd. (IIL) and Sponsored Pak Chemicals Ltd.

1953

- Sponsored Pakistan Cables Limited in a joint venture with BICC UK.

1984

- Converted to a public limited company and quoted on the Karachi Stock Exchange

1992

- Turnover crossed Rs. 1 Billion

2007

- Commenced project to produce Cold Rolled & Galvanized Steel Flat Products which later was Hive-downed as ISL

2013

- Turnover crossed Rs. 20 billion

2014

- Incorporated IIL Australia Pty Ltd.

2020

- Incorporated IIL Americas Inc.

2026

- Launch of refreshed brand identity and new vision, mission, and values
- 4 MW solar project at our Factories across Pakistan

SIGNIFICANT EVENTS

Significant Events

QUARTER 1

- Launch of New Brand Identity, Vision, Mission & Values
- Performance Assessment for the year 2024-25
- WISE GTEs Onboarding
- Mango Day Celebration
- Next Gen Event Bowl for the Soul (Karachi)
- Industry Academia Collaboration (UET)
- Independence Day
- Learning Need Analysis and Annual Technical Training Plan
- Code of Conduct and iACT competency Awareness Trainings
- SMART Objectives Training
- Sales Product Training
- 380th Board of Directors Meeting
- 381th Board of Directors Meeting
- 77th Annual General Meeting
- Corporate Briefing Session

QUARTER 2

- Breast Cancer Awareness Session
- Pinktober Padel Event
- Bowl for the Soul (Lahore)
- 5S Methodology Training
- Code of Conduct/Anti Harassment/iACT Competency awareness
- Harassment Law Implementation Training
- Mid Year Review
- Serving with Class and Care Training
- Technical and Sales Capability Enhancement
- API Specification (10th Edition Training)
- Diwali and Christmans Celebration
- Industrial visit of UET students at Factory 3
- Q- training 25/204 Eddy Current Level 1 & 2
- 382nd Board of Directors Meeting

QUARTER 3

- Spot Awards Program Kickoff
- Fuel your Wellness 2.0 (Karachi and Lahore)
- Employee Appreciation Day
- ASC Women's Day (Karachi)
- From Sustainibility Reporting to Business Resilience Training
- Protection against Harassment Training
- ASC Women Cricket Tournament
- ASC Men Cricket Tournament
- Employee of the Year 2025
- Voluntary Pension Scheme (VPS) & Tax Structure awareness Session
- API Spec Q1 10th Edition
- 383th Board of Directors Meeting

QUARTER 4

- ASC Women Day Celebration (Lahore)
- Mother's Day Celebration
- Long Service Awards
- Annual Performance Review
- Code of Conduct/iACT competency and Protection Against harassment Training
- 384th Board of Directors Meeting
- 385th Board of Directors Meeting
- Extraordinary General Meeting

Certifications

STANDARD	DESCRIPTION	CERTIFIED BY	SINCE	LICENSE #
ISO 9001	Quality Management System	Lloyds Register Quality Assurance (United Kingdom)	1997	ISO 9001 – 0049981
ISO 14001	Environment Management System		2000	ISO 14001 – 0049980
ISO 45001	Occupational Health & Safety Management Systems		2000	ISO 45001 – 0049979
API Specification Q1® & 5L	FACTORY-1 Manufacturer of Line Pipe Plain End as PSL 1	American Petroleum Institute - API (United States)	2000	5L-0391
	FACTORY-2 Manufacturer of Line Pipe Plain End as PSL 1 & PSL 2		2016	5L-1104
BS EN 10255, BS EN10266	CE Mark for Hot Dip Galvanized ERW Carbon Steel Pipes	CNC Services (Germany)	2011	CNC/EEC/4112/11
BS EN 10296-1, BS EN 10305-5 & BS 1717	CE Mark for ERW Tubes from Cold Rolled Carbon Steel		2011	CNC/EEC/4113/11
BS EN 10219, BS EN 39, BS EN 10240, ASTM A-500, ASTM A-252, ASTM A-53, AS/NZS 1163 AS/NZS 4792	CE Mark for Cold-Formed Welded Structural Hollow Sections (HSS)		2018	CNC/EEC/4525/18

STANDARD	DESCRIPTION	CERTIFIED BY	SINCE	LICENSE #
UL-852 ASTM 795	UL Certification (ERW & Galvanized Pipes for Fire Sprinkler System)	Underwriter Laboratories UL (United States)	2017	EX27362
UL-852 (UAE)	UL UAE Certification (Metallic Sprinkler Pipe for Fire Protection Service)	Underwriter Laboratories UL (United States)	2017	VIZY - EX27362
PS:4533-34	License for the use of Pakistan Standard Mark for PPRC Pipe - FACTORY-3	Pakistan Standards Quality Control Authority (PSQCA)	2018	CML/N/1287/2018
DIN 16962	License for the use of Pakistan Standard Mark for PPRC Fittings - FACTORY-3		2018	CML/N/1288/2018
PS:3580	Polyethylene Pipe for Water Supply "MEGAFLO" Brand		2015	CSDC/L-170/2015 (R)
ASTM A53	MS Pipe (Mild Steel Pipe) - FACTORY-1		2017	CSDC/L-205/2017 (R)
ASTM A53	MS Pipe (Mild Steel Pipe) - FACTORY-2		2017	CSDC/L-206/2017 (R)
Sri Lanka Standards Institution		SLSI	2020	II/CME/72/RM-02

Code of Conduct

The Code of Conduct is applicable to the Board of Directors as well as all the employees of the Company and employees of local and overseas wholly-owned subsidiaries. Salient features of the Code of Conduct are as follows:

A. Business Ethics

i) The Company's policy is to conduct its business with honesty and integrity and be ethical in its dealings, showing respect for the interest of all stakeholders including its shareholders, employees, customers, suppliers, and society at large.

ii) The Company is dedicated to providing a safe and non-discriminatory working environment for all employees.

iii) The Company does not support any political party or contribute funds to groups whose activities promote political interests.

iv) The Company is committed to providing products that consistently offer value in terms of price and quality and are safe for their intended use to satisfy customer needs and expectations.

v) The Board of Directors and the management are committed to ensuring that the Company is a responsible corporate citizen and that business is carried out in a sustainable manner.

vi) The Company's operations shall be carried out with minimum adverse effects on the environment and produce quality products in a healthy and safe working environment.

vii) The Company as a responsible corporate citizen shall play its part in the betterment of society in the health and education sectors as a part of its Corporate Social Responsibility.

B. Anti-harassment, Diversity, Equity, Inclusion and Belonging

i. The Company is committed to providing an environment that is free from all forms of harassment, intimidation, bullying, ragging, discrimination, or exploitation. Each employee is responsible for fostering mutual respect and dignity and for refraining from conduct that violates this.

ii. The Company is dedicated to fostering a diverse, equitable, inclusive, and supportive environment where all individuals are valued and respected. Our focus is on principles of Equal Opportunity Employer and fostering an inclusive workplace that reflects gender diversity and equality.

C. Conflicts of Interest

i) Every employee should conduct his/her personal and business affairs in a manner such that neither a conflict nor the appearance of a conflict, arises between those interests and the interests of the Company.

ii) An employee should avoid any situation in which he or she, or a family member, might profit personally (either directly or indirectly) from the Company's facilities, its products, or relationships with its vendors or customers.

iii) An employee should not permit himself/herself (or members of his/her family) to be obligated (other than in the course of normal banking relationships) to any organization or individual with whom the Company has a business relationship.

However, business lunches, dinners or social invitations, nominal giveaways, and attendance at conferences and seminars would not be considered a violation of this Code.

iv) In case an employee is offered or receives something of value which he/she believes may be questionable under this Code, he/ she should disclose the matter.
v) Conflicts of interest shall be avoided and promptly disclosed where they exist and guidance should be sought from supervisors.

D. Accounting Records, Controls and Statements

i) All books, records, accounts, and statements should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations and should be maintained accurately.

ii) Employees are expected to sign only documents or records which they believe to be accurate and truthful.

E. Environment

i) The Company is committed to carrying its business in an environmentally sound and sustainable manner and promoting the preservation and sustainability of the environment.

ii) All employees are required to adhere strictly to all applicable environmental laws and regulations that impact the Company's operations.

F. Regulatory Compliance

i) The Company is committed to making prompt public disclosure of 'material information' as prescribed by the Pakistan Stock Exchange Regulations, if required.

ii) Where an employee is privy to information which is generally referred to as 'material inside information', the same must be held in strict confidence by the employee involved until it is publicly released or is no longer considered as 'material inside information'.

iii) Employees shall abide by applicable competition laws and shall not enter into understandings, arrangements or agreements with competitors which have the effect of fixing or controlling prices, dividing and allocating markets or territories or boycotting suppliers or customers.

G. Personal Conduct

i) All employees should conduct themselves with the highest degree of integrity and professionalism in the workplace or any other location while on company business.

ii) Employees shall be careful while dealing with personal or business associates and not disclose, divulge, or provide any information regarding the Company to anyone except where the same is used as a part of his/ her official obligations and as required for official purposes and shall abide by the Closed Period announced by the Company from time to time and also sign a Non- Disclosure Agreement if the need arises.

iii) Employees should avoid any kind of bribery, extortion, and all other forms of corruption.

iv) Employees should always be cognizant of the need to adhere strictly to all safety policies and regulations.

v) Any legally prohibited or controlled substances, if found in the possession of any employee, will be confiscated and, where appropriate, turned over to the authorities.

vi) Employees must ensure no instances of personal deliveries using the company's resources, tax number and/or business name.

H. Miscellaneous

i) Employees are required to comply with this Code of Conduct and are personally responsible for doing so. Employees must comply with any rules set out in this Code of Conduct. Breach of any principles within the Code may result in disciplinary action and a serious breach, such as if any employee is found to be in wanton abuse of the Code and their action can cause reputational risk or damage or financial loss to the Company, may amount to gross misconduct, which may result in dismissal. Further, the Company reserves the right to seek redress and damages from such individuals.

ii) Employees at all levels will be required to certify annually that they understand the Code and that they are in full compliance with it. The Board monitors the findings of this certification on an annual basis.

iii) The Company has in place a confidential 'Whistleblowing Policy' as a mechanism and process to encourage the reporting of any non-compliance with the Code of Conduct.

iv) Employees agree that all right, title and interest in and to all work product resulting from the course of his/her employment with the Company, whether generated or produced by him/her or others or under his/her supervision, whether for the Company and/or for any affiliate or associate of the Company, including, without limiting the generality of the foregoing, all ideas, designs, concepts, information, data, inventions, improvements, works, discoveries, know-how and all intellectual property, including but not limited to patent, copyright, trade secrets and other related rights, belong to the Company and/or the affiliate or associate, as the case may be, exclusively and shall be the exclusive property of the Company and/or the affiliate or associate, as the case may be, and may be used by the Company and/or the affiliate or associate, as the case may be, at any time without any obligation to pay the employee any compensation whatsoever, and to the extent that ownership of such work product may not automatically vest in the Company and/or the affiliate or associate, as the case may be, by operation of law or otherwise, the employee hereby assign, and upon the future creation thereof shall assign, all right, title and interest in and to the work product to the Company and/or the affiliate or associate, as the case may be, and may be used by the Company and/or the affiliate or associate, as the case may be, at any time without any obligation to pay him/her any compensation whatsoever, and to the extent that ownership of such work product may not automatically vest in the Company and/or the affiliate or associate, as the case may be, by operation of law or otherwise, the employee hereby assign, and upon the future creation thereof shall assign, all right, title and interest in and to the work product to the Company and/or the affiliate or associate, as the case may be, without any obligation on the part of the Company and/or the affiliate or associate, as the case may be, to pay him/her any compensation whatsoever, and the employee shall not use the same for any purpose other than for the benefit of the Company and/or the affiliate or associate, as the case may be, nor will he/she pass it on to any other person or institution other than to those approved by the Board of Directors of the Company, and the employee will not take the same with him/her when the employee ceases to be an employee of the Company for any reason whatsoever, and the employee shall take all steps and shall execute all such documents as may be necessary or reasonably required by the Company, at the expense of the Company, to procure and ensure that the Company and/or the affiliate or associate, as the case may be, obtains and retains complete and exclusive legal title to any such invention or improvement, and the employee shall assist the Company and/or the affiliate or associate, as the case may be, in obtaining, securing and enforcing the above-mentioned intellectual property rights as is needed by the Company and/or the affiliate or associate, as the case may be.

v) Employee shall not, for a period of three (3) years after separation from the Company, engage directly or indirectly, either as proprietor, stockholder, partner, officer, employee, or otherwise, in any business within Pakistan, which manufactures, produces, distributes or sells products or provides services similar to those manufactured, produced, distributed, sold or provided by the Company and/or any affiliate or associate of the Company.

STEEPLE Analysis

S — SOCIAL

- High Population Growth Rate
- Shrinking Middle Class & Reduced Purchasing Power
- Increasing Demand for Affordable Housing
- Social Polarization and the Rise of Intolerance

T — TECHNOLOGICAL

- Industry 4.0 and the Growing Role of Artificial Intelligence (AI)
- Digital Marketing Growth Low-Cost Industrial Equipment
- Growth in Fintech, E-Commerce, and Alternate Energy Sectors
- Growth in Communication Infrastructure
- Modernization of Trade

E — ECONOMIC

- Macroeconomic Stabilization Underway
- Inflation Cooling and Credit Rating Upgrade
- IMF Program and Structural Reform Momentum
- Current Account Surplus and Remittance Inflows
- Near-Term Economic Outlook Still Challenged
- Debt Servicing and Fiscal Pressures

E — ENVIRONMENTAL

- ESG Imperatives and Reporting as an Integral Part of Business
- Moral Obligations to Environmental Stewardship
- Renewable/Alternate Energy is an Imperative
- Scarcity of Water and Gas
- Global Demand for 'Green Steel'
- Drive Towards Net Zero Emission
- Growing Importance of UN SDGs
- Carbon Border Adjustment Mechanism (CBAM)

P — POLITICAL

- VUCA World: Volatility, Uncertainty, Complexity, and Ambiguity
- Stabilizing National Political Landscape
- Shifting balance of powers in South Asia
- Implications of Security Challenges in the Region
- Growth of Multiple Centers of Global Power
- Global and Regional Geopolitical Developments
- Growing Chinese Influence

L — LEGAL

- Legislative Volatility
- Anti-Dumping Rules and International Trade Measures
- Slow Judicial Process/Rule of Law Issues
- Inadequate Legal Protection of Assets
- Poorly Implemented Labor Laws
- Taxation Reforms & Digital Enforcement

E — ETHICAL

- Tax Evasion and Questionable Business Practices
- Inaccurate Declarations of Imports and Under-Invoicing
- Below Standard Pipe Quality, Thickness, and Weight
- General Acceptance of the Endemic Environment of Corruption
- Regulatory Circumvention by International Competitors

Social

- **Population Growth and Urbanisation**
  Pakistan's growing population and continued urbanisation are driving long-term demand for housing, water, sanitation, utilities, transportation and other infrastructure. This creates structural demand opportunities across International Industries' steel, polymer and Engineering Solutions portfolio.

- **Affordability Pressures and Demand for Value**
  While macroeconomic conditions have improved, household purchasing power and affordability remain important considerations. Customers are increasingly seeking cost-effective solutions without compromising quality, creating opportunities for manufacturers that can deliver value through product innovation, efficiency and reliable quality.

- **Growing Infrastructure and Institutional Demand**
  Increasing infrastructure requirements, public-sector development and institutional projects are creating opportunities across construction, water, energy and communication infrastructure. The Company's growth in domestic volumes and its stronger focus on institutional and tender business reflect this evolving demand environment.

- **Changing Customer Expectations**
  Customers are increasingly evaluating suppliers not only on price and product availability, but also on quality, reliability, technical support, sustainability and responsiveness. This reinforces the importance of International Industries' customer-centric approach and its broader transition towards value-added solutions.

Technological

- **Digitalisation, Automation and Industry 4.0**
  Rapid advances in automation, data analytics and artificial intelligence are reshaping manufacturing and business processes. Adoption of these technologies presents opportunities to improve productivity, quality, cost efficiency and decision-making.

- **Digital Customer Engagement and Market Access**
  Digital channels are increasingly influencing how customers discover, evaluate and engage with businesses. Stronger digital capabilities can enhance customer engagement, market visibility and access to new domestic and international segments.

- **Smart Supply Chains and Operational Visibility**
  Technology-enabled inventory management, logistics tracking, e-invoicing and integrated enterprise systems are becoming increasingly important for supply-chain efficiency and customer responsiveness. International Industries has already advanced in these areas through ERP integration, barcode-based inventory controls and real-time transport tracking.

- **Technology-Enabled Product and Engineering Solutions**
  Advances in engineering, materials and manufacturing technologies are creating opportunities to develop customised and higher-value solutions for sectors such as renewable energy, construction and agriculture. This supports International Industries' strategy of expanding beyond traditional products into value-added Engineering Solutions.

Economic

- **Gradual Macroeconomic Stabilisation**
  Pakistan's macroeconomic environment has continued to stabilise, with contained inflation, exchange-rate stability and a gradual strengthening in economic activity. The IMF's July 2026 outlook projected real GDP growth of 3.6% for Pakistan in 2026.

- **Gradual Recovery in Industrial and Infrastructure Activity**
  Improving macroeconomic conditions, infrastructure investment and a gradual recovery in industrial activity provide opportunities for increased demand. The domestic tube and pipe market expanded by approximately 20% during the year, although industry margins remained under pressure.

- **Global Steel Overcapacity and Price Pressure**
  Global steel demand remains subdued, with worldsteel forecasting only 0.3% growth in 2026. Global overcapacity, elevated exports and increasing trade protectionism continue to place pressure on prices and margins.

- **Energy, Freight and Input-Cost Volatility**
  Geopolitical disruptions, particularly in the Middle East, have increased volatility in energy, freight and insurance costs. Volatility in crude oil, resin and other imported inputs remains an important consideration for both steel and polymer businesses.

Environmental

- **Decarbonisation and Green Manufacturing**
  Growing pressure to reduce industrial emissions is changing expectations around steel production and manufacturing. Energy efficiency, renewable energy adoption and lower-carbon production are increasingly important to maintaining competitiveness and accessing environmentally conscious markets.

- **Carbon Border Adjustment Mechanism and Green Trade Requirements**
  The EU's CBAM entered its definitive regime on January 1, 2026, introducing carbon-related reporting and financial requirements for covered imports, including iron and steel. This makes carbon measurement, reporting and emissions performance increasingly relevant to export competitiveness.

- **Resource Efficiency and Energy Security**
  Water, energy and other resource constraints are becoming increasingly important for industrial businesses. Efficient resource utilisation therefore supports both environmental responsibility and operational resilience. International Industries' 4 MW solar capacity across its manufacturing sites contributes to both objectives.

- **Climate Change and Physical Risk**
  Increasing exposure to extreme weather, flooding, heat and water stress can disrupt manufacturing, infrastructure and supply chains. Climate resilience and business continuity are therefore becoming increasingly important components of long-term operational planning.

Political

- **Geopolitical Volatility and Regional Conflict**
  Persistent geopolitical tensions and conflicts are disrupting energy markets, shipping routes and global supply chains. The Middle East conflict in particular has increased volatility in energy, freight and insurance costs and created additional downside risks for trade.

- **Shifting Global Trade Alliances and Protectionism**
  The global trading environment is becoming increasingly fragmented, with major economies introducing tariffs, quotas and other protective measures. This is particularly significant for steel exporters, with International Industries experiencing tighter market-access conditions in the US, Canada and other markets.

- **Regional Economic Integration and Infrastructure Development**
  Continued investment in infrastructure across South Asia, the Middle East and other developing markets presents opportunities for industrial and engineering businesses. International Industries' diversification across markets can help capture these opportunities while reducing dependence on any single geography.

- **Pakistan's Policy and Reform Environment**
  Continued IMF engagement, fiscal discipline and structural reforms are shaping Pakistan's economic and regulatory environment. Greater macroeconomic discipline can support stability over the medium term, while also increasing expectations around documentation, taxation, governance and formalisation.

Legal

- **Increasing Trade Regulation and Protectionism**
  Anti-dumping measures, tariffs, quotas and other trade remedies are becoming increasingly significant in international markets. These measures can affect market access, pricing and the competitiveness of Pakistani exports.

- **Strengthening Tax and Digital Compliance**
  Expansion of the formal tax net, digital taxation and e-invoicing requirements are increasing compliance expectations for businesses. These developments also have the potential to reduce informal market practices and promote a more level competitive environment.

- **Evolving Environmental and Product Standards**
  International markets are increasingly introducing requirements relating to carbon emissions, sustainability, product standards and traceability. Compliance with these requirements is becoming an important consideration for maintaining access to developed export markets.

- **Regulatory and Enforcement Environment**
  Changes in legislation, regulatory enforcement and the effectiveness of institutional processes can affect business certainty, contract enforcement and operating costs. Maintaining strong governance, compliance and legal oversight remains important in navigating this environment.

Ethical

- **Unethical Market Practices and Informal Competition**
  Tax evasion, under-invoicing and other unfair trade practices continue to distort competition and disadvantage compliant businesses. Greater enforcement and formalisation are important for creating a level playing field.

- **Substandard Products and Quality Integrity**
  The presence of substandard products and practices that compromise product specifications can undermine industry standards, customer confidence and end-user safety. This reinforces the importance of quality, certification and adherence to recognised standards.

- **Corruption and Regulatory Circumvention**
  An entrenched culture of corruption and circumvention of regulatory requirements, including by certain international competitors, remains an ethical challenge. Transparent business practices, strong governance and compliance are increasingly important differentiators.

The Company's Strategic Response to STEEPLE Analysis

Market and Product Diversification

International Industries is pursuing greater diversification across markets, products and applications to reduce exposure to individual geographies and cyclical demand. The Company continues to expand its polymer portfolio and develop Engineering Solutions across construction, renewable energy, agriculture and material handling, creating new avenues for sustainable growth.

Customer-Centricity and Market Development

The Company is strengthening its customer-centric approach by deepening engagement across its customer and distribution network and expanding its presence in institutional, project and value-added segments. Greater market insight, targeted engagement and a broader product offering are being leveraged to address evolving customer requirements and strengthen market position.

Operational Excellence and Cost Competitiveness

Against continued pressure from input costs, energy prices and global competition, International Industries remains focused on manufacturing efficiency, productivity and disciplined cost management. Digitalisation, automation, process optimisation and renewable energy adoption are being leveraged to improve productivity, reduce costs and enhance operational resilience.

Sustainability, Innovation and Digital Transformation

Sustainability and innovation are increasingly embedded in the Company's growth strategy. Investments in renewable energy, resource efficiency, digital systems and technology-enabled processes are supporting both operational performance and the Company's long-term ESG objectives, while positioning the business for evolving environmental and technological expectations.

Resilience and Disciplined Growth

In an increasingly volatile geopolitical, economic and trade environment, the Company continues to pursue disciplined capital allocation, prudent financial management and resilient supply-chain and business continuity practices. Geographic diversification, selective investment in value-added opportunities and continuous monitoring of external risks are intended to support sustainable growth while protecting the Company's long-term competitiveness.

Swot Analysis

The SWOT analysis below provides a comprehensive overview of the Company's strategic position, helping the company identify areas of strength to leverage, weaknesses to address, opportunities to pursue, and threats to mitigate in order to sustain its leadership in the industry.

INTERNAL

STRENGTHS

- Strong Brand Equity and 77-Year Legacy
- Diversified Product and Business Portfolio
- Manufacturing Scale and Technical Expertise
- Strong Domestic Market and Distribution Relationships
- International Market Presence
- Operational Efficiency and Financial Discipline

WEAKNESS

- Exposure to Volatile Input and Energy Costs
- Exposure to Cyclical Industrial Demand
- Higher Cost Structure Relative to Informal Market Participants

EXTERNAL

OPPORTUNITIES

- Recovery and Growth in Domestic Infrastructure and Construction
- Expansion of Polymer Products
- Engineering Solutions as a New Growth Platform
- Renewable Energy Transition
- Export Market and Geographic Diversification
- Digitalisation and Technology-Enabled Growth

THREATS

- Global Steel Overcapacity and Import Competition
- Trade Protectionism and Market-Access Barriers
- Geopolitical and Supply-Chain Disruptions
- Informal and Unregulated Competition
- Energy and Resource Constraints
- Climate and Environmental Risks

POSITIVE

NEGATIVE

Strengths

Strong Brand Equity and 77-Year Legacy
International Industries has built substantial brand equity through seven decades of manufacturing excellence, quality and trusted relationships. The refreshed corporate identity and renewed positioning around Built on Trust strengthen the Company's relevance while building on this established equity.

Diversified Product and Business Portfolio
The Company's presence across steel, stainless steel and polymer products, complemented by its expanding Engineering Solutions portfolio, provides multiple avenues for growth and reduces dependence on any single product category or application.

Manufacturing Scale and Technical Expertise
Established manufacturing capabilities, technical expertise and quality systems enable International Industries to serve diverse customer requirements across domestic and international markets.

Strong Domestic Market and Distribution Relationships
Long-standing relationships with customers, dealers, distributors and institutional buyers provide broad market reach and support the Company's ability to respond to changing market requirements.

International Market Presence
An established presence across international markets provides geographic diversification, market knowledge and access to a broader customer base, while creating a platform for further selective expansion.

Operational Efficiency and Financial Discipline
Continued focus on manufacturing productivity, cost optimisation, working-capital management and disciplined capital allocation strengthens the Company's ability to navigate volatile input costs and competitive market conditions. Manufacturing cost per tonne declined by 14% during FY26.

Weaknesses

Exposure to Volatile Input and Energy Costs
The Company's manufacturing operations remain exposed to fluctuations in raw material, energy, freight and other input costs, which can place pressure on margins and competitiveness.

Exposure to Cyclical Industrial Demand
Demand for steel, tubes and related products remains closely linked to construction, infrastructure, industrial activity and broader economic conditions, resulting in exposure to cyclical fluctuations.

Higher Cost Structure Relative to Informal Market Participants
The Company's commitment to quality, compliance, taxation, certification and formal business practices can result in a higher cost structure than that of informal and less-regulated competitors.

Opportunities

Recovery and Growth in Domestic Infrastructure and Construction
Improving macroeconomic conditions and infrastructure activity can support demand for steel, polymer products and construction-related solutions. The domestic tube and pipe market grew approximately 20% during FY26.

Expansion of Polymer Products
Growing adoption of polymer piping systems, particularly PPRC, HDPE and MDPE, provides an opportunity to expand market share and diversify the Company's product mix.

Engineering Solutions as a New Growth Platform
The Company's expanding Engineering Solutions portfolio provides opportunities to participate in higher-value applications beyond traditional pipe and tube manufacturing, including construction, renewable energy and agriculture.

Renewable Energy Transition
Growing demand for solar and other

renewable-energy infrastructure creates opportunities for International Industries to leverage its engineering and manufacturing capabilities in a rapidly expanding segment.

Export Market and Geographic Diversification
Changing global supply chains and demand patterns create opportunities to expand into selected markets and applications, while geographic diversification can help offset protectionist measures and weakness in individual markets.

Digitalisation and Technology-Enabled Growth
Increasing adoption of digital platforms, automation, data and AI provides opportunities to improve operational efficiency, customer engagement, supply-chain visibility and decision-making.

Threats

Global Steel Overcapacity and Import Competition
Global steel overcapacity, subdued demand and elevated exports are increasing competitive pressure and creating risks of lower prices and compressed margins. Domestic manufacturers also face increasing competition from imported products.

Trade Protectionism and Market-Access Barriers
Increasing tariffs, quotas, anti-dumping measures and carbon-related trade requirements can restrict market access, increase compliance costs and affect the competitiveness of exports.

Geopolitical and Supply-Chain Disruptions
Regional conflicts and geopolitical tensions can disrupt shipping routes, increase freight and insurance costs, affect energy prices and create uncertainty across international supply chains.

Informal and Unregulated Competition
Tax evasion, under-invoicing, substandard products and other market irregularities can create an uneven competitive environment and place pressure on compliant manufacturers.

Energy and Resource Constraints
Volatility in energy prices, availability of gas and electricity, and increasing pressure on water and other resources can affect manufacturing costs and operational continuity.

Climate and Environmental Risks
Climate change, extreme weather events and increasingly stringent environmental requirements can create operational, compliance and market-access risks, particularly for export-oriented businesses.

The Company's Strategic Response to SWOT Analysis

International Industries will leverage its established brand equity, manufacturing capabilities, customer relationships and market presence to capture emerging opportunities while addressing cost and demand-related vulnerabilities. The Company will accelerate growth in polymers and Engineering Solutions, pursue selective geographic and product diversification, strengthen customer-centric market development, and continue to improve operational efficiency through digitalisation, automation and renewable energy. Disciplined capital allocation and proactive management of geopolitical, trade, energy and climate-related risks will remain central to building a resilient and sustainable growth platform.

Competitive Landscape and Market Positioning

Porter's Five Forces model

International Industries applies Porter's Five Forces framework to assess the competitive dynamics of its industry and evaluate its market positioning. The framework is applied across the following five forces:

1. Threat of New Entrants — Moderate

The steel and pipe manufacturing industry requires significant capital investment in plant, machinery, working capital, technical expertise and quality infrastructure, creating meaningful barriers to entry. Established relationships with customers and distribution networks, brand reputation and compliance requirements further increase the difficulty of competing at scale.

However, relatively smaller-scale manufacturers can enter selected product categories with lower capital requirements, particularly in standardised and price-sensitive segments. The presence of informal and unregulated market participants therefore continues to moderate the barriers to entry.

2. Bargaining Power of Suppliers — Low–Moderate

The Company's principal raw materials, including steel and polymer inputs, are influenced by international commodity prices and global supply-demand dynamics. This exposes manufacturers to fluctuations in raw material prices, freight costs, energy prices and exchange rates.
However, access to established supply channels, procurement scale and the Company's broader group ecosystem provide some mitigation against supplier concentration. The ability to source from multiple suppliers also reduces dependence on any individual source.

3. Bargaining Power of Buyers — Moderate–High

Buyer power remains relatively high, particularly in standardised products where customers can compare prices and switch between suppliers. The availability of domestic competitors, imported products and informal market participants increases price sensitivity, particularly in distributor and trade channels. However, buyer power is lower in applications where product quality, technical specifications, certification, reliability, consistent supply and technical support are critical. International Industries' established brand, product breadth and customer relationships provide differentiation beyond price.

4. Threat of Substitutes — Moderate

Customers across International Industries' product categories have access to alternative materials and solutions, creating a meaningful threat of substitution. Steel and polymer piping systems may compete with materials such as concrete, ductile iron, copper and alternative polymer products, depending on application, technical requirements and relative cost. However, substitution is constrained in specification-driven applications by technical standards, certification requirements, installation considerations, lifecycle performance and existing infrastructure. International Industries' presence across both steel and polymer products also provides a degree of protection by enabling the Company to participate across multiple material categories.

5. Competitive Rivalry — High

Competitive rivalry remains high across the Company's principal markets, driven by multiple domestic manufacturers, fragmented informal competition, imported products and significant price sensitivity in standardised product categories.

Competitive intensity is further influenced by uneven market demand, excess global steel capacity and pressure from international suppliers seeking alternative markets. Competitors increasingly compete on price, product availability, quality, service and market reach.

International Industries' scale, established brand, product breadth, quality credentials, distribution network and growing portfolio of value-added solutions provide important sources of differentiation. Nevertheless, maintaining competitiveness requires continued focus on cost efficiency, innovation, customer engagement and market development.

Strategic Implications

The competitive environment remains challenging, characterised by high rivalry, significant buyer price sensitivity and increasing pressure from imported and informal competition. International Industries' scale, established market position, product breadth and technical capabilities provide meaningful competitive advantages; however, sustained competitiveness will depend on continued cost optimisation, customer-centricity, product differentiation and expansion into higher-value applications and solutions.

international™
industries
built on trust

together,
we made it possible

proud to be awarded **employer of the year** by

EMPLOYERS' FEDERATION OF PAKISTAN
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ASC AMIR S. CHINOY GROUP

Our Employees

At International Industries, our employees are more than just team members they are partners in our journey toward sustainable growth and excellence. International Industries' greatest competitive advantage is the quality, motivation, and well-being of its people. Every initiative outlined in this report from recruitment and development to recognition and engagement reflects this conviction in action.

We remain committed to fostering an environment where every employee can thrive, innovate, and contribute to our shared success regardless of their role, location, or background. Guided by a high-performance and engaging culture, underpinned by the Company's core competencies and values, and aligned with its vision, mission, and strategic priorities, we invest in our people to ensure they remain motivated, empowered, and committed to achieving the Company's objectives.

Talent Management

The Company's HR department places a strong emphasis on recruiting individuals who align with the Company's culture, values, and strategic direction. Our commitment to diversity is woven into every stage of the hiring process, with practices that prioritize equal opportunity. Our Equal Employment Opportunity principles enable a fair and transparent recruitment process in which employment decisions are based solely on merit, qualifications, and business requirements, without discrimination of any kind.

WISE – Women in Science & Engineering
International Industries' Women in Science (WISE) initiative is a unique and purposeful programme aimed at opening engineering careers to female engineering graduates. In FY 2025–26, as part of the Company's commitment to expanding opportunities for women in engineering and manufacturing. Each participant entered a structured hiring programme designed to provide exposure across multiple departments and operational functions. Every WISE trainee is paired with an experienced mentor committed to guiding her technical growth and professional development throughout the programme.

Creating an inclusive workplace in which diverse talent can develop and succeed remains an important component of the Company's people strategy. IIL continued to advance gender diversity through equal opportunities in recruitment, development and career progression. The WISE (Women in Science and Engineering) initiative supports aspiring female professionals through mentoring, technical development and leadership opportunities, and the onboarding of a second cohort of female engineers marked further progress during the year.

The Company also onboarded female Management Trainees in functions including Human Resources, Finance and Sales, providing structured development opportunities for young female talent.

Diversity & Inclusion

Commitment to Equal Opportunity

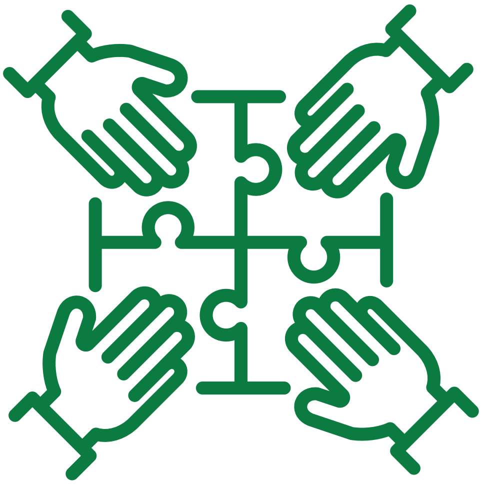
At International Industries, fostering an inclusive workplace that celebrates diversity is not merely a policy statement; it is a lived organizational value. All employment decisions are based on business needs and individual qualifications, free from discrimination or bias of any kind. This commitment is reflected in the composition of our workforce, our hiring practices, and the programmes we design to ensure that every individual has an equal opportunity to contribute and advance.

Cultural Inclusion

IIL acknowledges and celebrates the full spectrum of cultural and religious identities represented within its workforce. Token celebrations were organized for Hindu employees on Diwali and for Christian employees during Christmas, held across all company locations. These gestures, while modest in scale, carry significant symbolic weight, signaling clearly that every cultural tradition within IIL's workforce is seen, respected, and honored. This commitment to cultural sensitivity is an integral part of the organization's broader Diversity, Equity & Inclusion agenda.

Employee Engagement

International Industries has consistently prioritized promoting, motivating, and connecting its people in meaningful ways. The Company recognizes that employee engagement is a key driver of sustained business performance and that recreational and cultural initiatives play an important role in strengthening morale, fostering a sense of belonging, and building collaborative, resilient teams. Throughout FY 2025–26, the Human Resources Department organized a wide range of employee engagement initiatives, ensuring that employees at all organizational levels, across all locations, were actively and meaningfully included.



Pinktober – Breast Cancer Awareness
October was anchored by a powerful health and awareness initiative organized in collaboration with Shaukat Khanum Memorial Cancer Hospital. Employees from across all group companies joined a Breast Cancer Awareness session that created an open, informed, and empathetic space to discuss early detection, preventive care, and the importance of breaking health-related stigmas. The Pinktober Padel Tournament added an active dimension to the initiative, bringing together female employees and members of the leadership team in an environment that promoted both physical well-being and awareness.

Jashn-e-Aam – Mango Day
In line with International Mango Day on 22nd July 2025, the organization celebrated Jashn-e-Aam across all Pakistan locations. Colleagues gathered to enjoy fresh seasonal fruits, refreshing desserts, and a program of team-building activities and light-hearted competitions which served as a reminder that shared moments of informal joy build the social connections that carry teams through more demanding days.

Bowl for the Soul – Team Building
The Bowl for the Soul event, held on 26th July 2025 at Arena Recreational Club, brought

together employees and members of the Senior Management Team in Karachi for a day of friendly bowling competition, team interaction, and a shared lunch. The relaxed setting allowed colleagues to strengthen relationships beyond day-to-day work. A similar event was held in Lahore on 1st November 2025 at Uptown LA Bowling Alley, where employees participated in team-based activities and bowling sessions, promoting camaraderie, collaboration, and cross-functional engagement.

Independence Day

Independence Day was celebrated with great enthusiasm across all International Industries' locations on 13th August 2025. Each site came alive with flag hoisting, national songs, and light fun competitive activities that encouraged active participation from employees at every level. Leadership delivered inspiring speeches emphasizing the values of freedom, unity, and national identity. The festivities concluded with a joyful cake-cutting ceremony and a collective singing of the National Anthem, reinforcing patriotism and the organization's shared commitment to Pakistan's ideals.

Fuel for Wellness 2.0

Reaffirming its commitment to employee well-being, the Company organized Fuel for Wellness 2.0 across Karachi and Lahore through cycling, running, and walking activities. The Karachi chapter was held at Do Darya, followed by a networking brunch with senior management. The Lahore chapter took place at Bagh-e-Jinnah, concluding with a networking dinner with senior management. Both chapters were enthusiastically attended and generated a strong sense of shared purpose across the organization.

ASC Women's Day

The ASC Group organized Women's Day events in Karachi and Lahore under the theme Give to Gain. The Karachi event featured a legal aid awareness session on workplace rights, a wellness yoga session, and clay making and pottery activities supporting women's professional, personal, and legal awareness and development. In Lahore, a dedicated event was held in April 2026 for outstation female employees, covering the history and significance of Women's Day, an Executive Presence Workshop, Tote Bag Painting, and interactive group activities that strengthened connections across functions and locations reaffirming that inclusion is an organization-wide commitment.

Employee Appreciation Day

In recognition of International Employee Appreciation Day, observed on the first Friday of March 2026, International Industries celebrated the dedication, commitment, and contributions of employees across the organization. The occasion served as an opportunity to acknowledge the individuals whose efforts drive the Company's continued success and strengthen its culture of collaboration and excellence.

A peer nomination process encouraged employees to recognize colleagues who had made a positive impact through their performance, teamwork, and support. Selected employees received appreciation gifts, while 'Pack of Nine' appreciation cards were distributed across the organization to promote a culture of gratitude and recognition. To ensure the celebration reached every level of the workforce, the Administration team personally presented appreciation cards to non-management employees, reinforcing the message that every contribution is valued and appreciated.

Performance Management

Performance Management System

The Company's Performance Management Process is designed around Management by Objectives (MBO) principles, ensuring that individual goals are directly aligned with the Company's strategic objectives. The system involves setting clear, measurable performance standards at the beginning of each cycle, facilitating meaningful and ongoing dialogue between managers and employees throughout the year, and addressing performance issues proactively rather than retrospectively.

Our digital Performance Management System incorporates a comprehensive competency framework, the iACT model (Initiative, Accountability, Customer Orientation, Teamwork), ensuring a holistic approach to both employee development and performance evaluation. SMART Objective Setting training was conducted across the organization to ensure employees understood how to create effective, meaningful goals within the Decibel Software platform.

Bridging Industry and Academia

International Industries actively maintains its commitment to closing the gap between industry and academia, nurturing young talent through practical exposure, and building awareness of the Company's operations, values, and career opportunities among the next generation. In FY 2025–26, this commitment was expressed through a series of meaningful partnerships and visits.

On 31st July 2025, the Senior Technical & Sales Team hosted a business meeting with the Chairman of Polymer Engineering at UET to explore collaboration opportunities, discuss emerging industry trends, and identify ways to better align academic curricula with real manufacturing needs.

On 9th December 2025, Factory-3 (Sheikhupura) welcomed 34 Chemical Engineering students from UET's KSK Campus for an industrial visit covering manufacturing processes, product applications, and hands-on operational exposure.

Students from FAST National University's Department of Cyber Security also visited Factory 1 (Landhi) as part of their Professional Practices in IT course, engaging directly with International Industries' technology professionals on corporate IT environments and professional ethics.

Recreational Activities

FY 2025–26 featured two landmark ASC Group sporting events that brought together employees from across group companies in the spirit of healthy competition, inclusion, and shared pride. Both tournaments reinforced the Company's belief that sports serve as a powerful platform for cultivating qualities that drive organizational success, including teamwork, resilience, discipline, leadership, and the ability to perform under pressure.

11th Amir S. Chinoy Memorial Cricket Tournament 2026
The 11th Amir S. Chinoy Memorial Cricket Tournament, a beloved annual tradition of the ASC Group, was held from 21st to 25th January 2026. Teams from across the group competed across multiple days in a spirit of sportsmanship, camaraderie, and spirited rivalry.

ASC Women's Cricket Tournament 2026
Held on 3rd February 2026, the ASC Women's Cricket Tournament was a landmark occasion for women's sport across the group. Three teams representing the Group's member companies took to the field in a spirit of healthy competition, teamwork, and sportsmanship, showcasing the organization's continued commitment to inclusion and employee engagement.

Recognition & Rewards

To recognize, motivate, and celebrate its people, International Industries has built a robust recognition framework that spans real-time recognition, formal annual awards, and ceremonies that honour long-term service and exceptional achievement. FY 2025–26 marked a significant maturation of this framework — with the Employee of the Year Award formally institutionalized, and the Spot Awards programme launched to ensure that no exceptional contribution goes unnoticed, regardless of the level or function from which it comes.

International Industries firmly believes that recognition is not merely a motivational tool it is an organizational signal about what the Company values, what behaviors it wants to see more of, and what kind of culture it is committed to building. When recognition is timely, specific, and publicly visible, it creates a positive cycle: employees who are recognized perform better, inspire their peers, and contribute to a culture of determined effort that drives business performance.

Employee of the Year Award 2025

The Employee of the Year Award 2025 was presented at a formal ceremony on 30th January 2026. Nominees were put forward through a structured process involving Line Managers, Heads of Department, and Cross-Functional HODs, ensuring a holistic, multi-perspective evaluation across both managerial and officer cadres.

The Employee of the Year Award is the organization's highest individual recognition celebrating those who embody the values of International Industries and set the benchmark of excellence for their peers.

Muhammad Atiq Ur Rahman
National Key Account Manager

Zoha Nadeem
Associate HR Business Partner

Spot Award Recipients

Spot Awards – Recognizing Excellence in Action

Launched this year, the Spot Awards program recognizes employees in real time for exceptional contributions and outstanding performance. Awards are aligned with iACT core competencies and SICCID values, and nominations are evaluated against tangible outcomes including cost savings, process improvements, and going the extra mile.



Long Service Awards

International Industries' Long Service Awards celebrate the loyalty and lasting contributions of employees who have dedicated significant years of service to the organization. This year, 112 employees were honoured for their unwavering commitment individuals whose tenure reflects not just years served, but the institutional knowledge, professional growth, and organizational memory they have steadily built and generously shared. The ceremony stands as a meaningful reminder that the Company values its people for the long term, and that dedication is recognized and celebrated as an example of long-term commitment and professional excellence. For newer employees, these recipients are a living example of what a fulfilling, purposeful career at the Company can look like.

Learning & Development

Learning and Development (L&D) within Human Resources plays a vital role in enhancing organizational performance by strengthening employee capabilities and supporting continuous growth. International Industries is deeply committed to the continuous development of its employees, offering extensive L&D programmes that cover a range of topics from technical skills and quality management to general management, behavioral competencies, and Health, Safety & Environment (HSE). Employees are actively nominated to attend external training programs at esteemed institutions such as LUMS, IBA, NED, IoBM, PSTD, and PIM, gaining broader insights and expertise that benefit both the individual and the organization.

A commitment to holistic growth shapes the Company's L&D strategy. Carefully curated training programs internally and externally sourced are executed annually, drawing on the organization's own subject matter experts as well as the best available external institutions. The synthesis of these two avenues reflects the Company's dedication to empowering its workforce across all functions, levels, and locations.

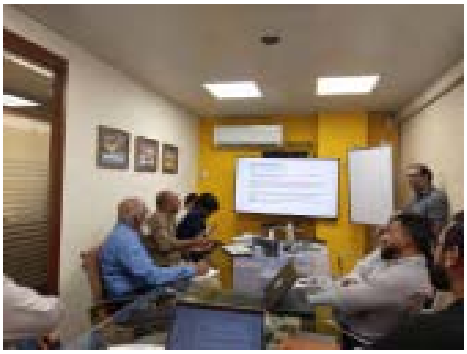
By fostering continuous learning, the Company nurtures individual careers while simultaneously strengthening operational capabilities. This approach ensures adaptability in navigating evolving business, regulatory, and technological landscapes.

International Industries' L&D initiatives embody the organization's commitment to equipping every employee for success and sustaining a culture of excellence that endures beyond any single year.

In FY 2025–26, different training sessions and workshops both in-house and external were conducted across all locations. Among the noteworthy programs delivered this year were:

- Management Development Program
- Key Account Manager Program
- Mastering Generative AI for Modern Workflows
- Serving with Class and Care
- Data Analytics Mastery
- Sales Force Management
- Advanced Predictive Maintenance
- From Sustainability Reporting to Business Resilience
- 5S Training
- API SPEC 5L (10th Edition) Practitioner Course
- Eddy Current Level 1 and 2

Demonstrating its commitment to employee development, International Industries conducted training sessions totaling 2736 internal training hours and 2413 external training hours across the year spanning diverse areas from technical competencies and safety practices to leadership, behavioral skills, and compliance. In-house trainers facilitated a broad spectrum of sessions covering technical skills, behavioral development, and organizational policies and procedures.


Training Summary — July 2025 to June 2026

1666
Total Participants

5149
Total Training Hours

EFP Skills Development Employers' Recognition Award

International Industries is proud to be recognized with the GOLD AWARD by the Employers Federation of Pakistan for our excellence in On-the-Job Training, Apprenticeship, and Industry-Academia Linkages.

This achievement reflects our commitment to nurturing future-ready talent and empowering Pakistan's workforce.

Policy & Compliance Training

Code of Conduct Rollout

A structured rollout of Code of Conduct training was delivered across all locations, covering iACT core competencies, ethical decision-making, recruitment practices, and workplace conduct expectations. Continued sessions throughout the year ensured that both established employees and new joiners remained aligned with organizational policies and individual responsibilities.

Protection Against Harassment

In collaboration with Mehergarh, comprehensive harassment law training was conducted covering the formal inquiry process, reporting mechanisms, and procedural safeguards. Dedicated sessions for contractual staff were conducted throughout the year at Factory 3 (Sheikhupura) and the North Office, reinforcing the organization's zero-tolerance stance on harassment and promoting a respectful, safe workplace for all.

Our Communities

In line with the values and heritage shared across the ASC Group, the Company remains committed to creating lasting social value in the communities where it operates. Through its Corporate Social Responsibility (CSR) initiatives, the Company pursues a holistic approach to community engagement that extends beyond traditional philanthropy and focuses on sustainable development, capacity building, and improving quality of life. Through strategic investments in education, healthcare, community infrastructure, and skills development, the Company aims to foster inclusive growth and create meaningful opportunities for individuals and families. As part of this commitment, the Company allocates 2.5% of its annual Profit After Tax (PAT) toward community development initiatives, reflecting its belief that long-term business success is closely linked to the well-being, resilience, and prosperity of the communities it serves.

Education, Health, and Community Welfare

Education, healthcare, and community welfare remain central to the Company's social investment strategy. The Company has established and continues to support key community institutions, including a TCF school, a sponsored healthcare clinic, and a mosque located near its manufacturing facility in Landhi. The TCF campus in Landhi provides free or affordable education to nearly 400 students, with female students representing approximately 48% of total enrolment. These initiatives help expand access to quality education, essential healthcare services, and community support, while contributing to the long-term social and economic development of local communities.

The Company also seeks to create economic opportunities within the communities surrounding its factory locations by prioritizing local hiring wherever feasible. In addition, adult education programs, vocational training, skill development initiatives, and apprenticeship opportunities are designed to strengthen employability, enhance workforce capabilities, and support sustainable livelihoods for both employees and community members.

Community Infrastructure and Social Partnerships

The Company actively supports projects that strengthen community infrastructure and improve public well-being. Contributions toward the development of healthcare facilities, educational institutions, community centers, and emergency response infrastructure reflect the Company's commitment to holistic community development. Recognizing the importance of public safety, the Company supported the establishment of the LATI Fire Station in Landhi, helping enhance emergency preparedness and protection for the surrounding community.

The Company also provided construction materials free of cost for the development of a community center in Karachi that offers young men and women access to sports, learning, and recreational activities in a safe and supportive environment. These collaborations contribute to stronger, more resilient communities while promoting social inclusion and community engagement.

Sustainable Operations and Innovation

From its diversified housing solutions to responsible emissions and waste management, the Company also ensures that its operations align with sustainable ethos. Its Hollow Structural Sections (HSS) and other innovative engineering solutions not only expedite construction but also contribute to reducing harmful environmental impact through greater resource efficiency and a lower carbon footprint.

Employee Volunteerism and Community Support

Employee participation plays an important role in advancing the Company's community engagement efforts. Through blood donation drives and other social initiatives, employees actively contribute to causes that support the well-being of local communities. These efforts reflect a culture of compassion, volunteerism, and shared responsibility, while reinforcing the Company's commitment to creating positive social impact beyond its business operations.

Global Community Engagement

With offices in Melbourne and Toronto, the Company benefits from a network of customers, partners, and stakeholders that extends beyond Pakistan. This international presence has enabled the Company to build meaningful relationships and contribute to community initiatives across different regions. During the devastating floods in Pakistan in 2022, the Company was grateful to receive charitable contributions from its customers and business partners in Australia and Canada, reflecting the strength of these relationships and a shared commitment to supporting communities in times of need. The Company has also supported fundraising initiatives for educational institutions in Pakistan and contributed to charitable organizations in Canada, including those dedicated to assisting children with learning disabilities.

These initiatives reflect the Company's belief that responsible corporate citizenship extends beyond geographical boundaries and that collaboration can create a positive and lasting impact on the communities connected to its business and stakeholders.

Looking Ahead

Looking ahead, the Company will continue to strengthen its CSR initiatives by expanding investments in education, healthcare, skills development, and community partnerships. By fostering inclusive growth and supporting resilient communities, the Company seeks to create long-term social value while contributing to its broader sustainability objectives.

Occupational Health, Safety, and Environment (OHSE)

Our commitment to Occupational Health, Safety, and Environment (OHSE) is a core pillar of our business strategy and operational excellence. We strive to provide a safe, healthy, and sustainable workplace where every employee returns home safely each day. Through proactive risk management, continuous improvement, environmental stewardship, and employee engagement, we aim to prevent injuries and occupational illnesses, minimize our environmental footprint, and promote a culture where safety, responsibility, and sustainability are embedded in every decision and activity. Our vision is to achieve zero harm, protect natural resources, and create long-term value for our people, communities, and stakeholders.

Safety as a Core Value

Safety is a fundamental value in the Company and is deeply embedded in our organizational culture and decision-making at every level. We are guided by the belief that all incidents are preventable, and we remain focused on achieving zero harm across our operations. Through a proactive and risk-based approach to safety management, we strengthen awareness, accountability, and safe behaviors, ensuring that the health and safety of our employees, contractors, communities, and stakeholders remain a central priority.

Building a Proactive Safety Culture

Our “Zero Harm” campaign, championed by the CEO and Executive Management Team, fosters a deep sense of personal accountability and reinforces that safety is a shared responsibility. This initiative empowers all employees to take ownership of their actions and actively contribute to safe practices in their daily operations. It is reinforced by visible leadership engagement, including regular executive safety walks, alongside structured safety awareness and competency training programs. Together, these efforts cultivate a proactive and vigilant culture where safe behavior is consistently practiced and sustained.

The Company is advancing the implementation of a Behavior-Based Safety (BBS) program to further strengthen its safety culture and HSE performance. The program further supports existing safety practices by encouraging greater individual accountability, safe behaviors, and continuous improvement across all operations. By means of active employee engagement and behavioral safety principles, the program aims to reduce workplace risks and to foster a culture in which safety remains a top priority for all members.

Safety Training and Competency Development

Protecting the health and safety of our workforce requires continuous investment in training and competency development. During the fiscal year, the Company delivered 6,340 hours of specialized safety training and conducted 16,245 toolbox talks across its operations. These sessions covered key Occupational Health, Safety, and Environment (OHSE) topics, including Behavior-Based Safety (BBS), Permit-to-Work (PTW) and Lockout/Tagout (LOTO) procedures, safe crane operations, proper PPE usage, firefighting techniques, and working-at-heights safety. These training programs helped strengthen employees' ability to identify hazards, adopt safe work practices, and respond effectively to emergency situations.

Safety Induction for New Employees

Safety induction training is mandatory for all new employees, contractors, and visitors. The induction program covers workplace hazards and associated risks, mitigation measures, emergency preparedness and response procedures, and the Company's Safety Golden Rules. The training is further reinforced by a post-training assessment to ensure a clear understanding of safety expectations and protocols.

Safety Monitoring and Recognition

To strengthen safety performance and drive continuous improvement, the Company conducts regular inspections, monthly leadership safety walks, and periodic OHSE reviews across all operational sites. These activities provide opportunities to identify risks, assess compliance, and implement corrective actions where required. The reviews bring together senior management, line managers, and service providers to reinforce accountability and promote a shared commitment to workplace safety. In recognition of outstanding safety performance, monthly safety trophies are awarded to encourage positive safety behaviors and reinforce a culture of continuous improvement across the organization.

Digital OHSE Systems

The Company has implemented a digital Incident Management System that enables employees to promptly report near misses, incidents, hazards, unsafe acts, and unsafe conditions. The system enhances the collection, tracking, and analysis of HSE data, supporting timely investigations, corrective actions, and continuous improvement. In addition, the Daily HSE Dashboard provides real-time visibility into safety performance, enabling the proactive identification of risks and prompt response to emerging issues.

Development of Digitalized HSE Statistics Boards

The Company has developed and installed digital HSE statistics boards across all factory locations to enhance visibility and communication of safety performance. These boards display key HSE KPIs, targets, and current status in real time, enabling better awareness at all levels of the organization.

Lost Time Injury Frequency Rate (LTIFR)

Our continued focus on operational safety has contributed to a sustained reduction in workplace incidents and the strengthening of a safety-conscious culture across all business units. The Company achieved a Lost Time Injury Frequency Rate (LTIFR) of 0.7 per million hours worked, maintaining performance broadly in line with leading industry standards, including a global benchmark of 0.64. This performance was supported by proactive hazard identification, disciplined implementation of safety controls, regular training, and strong leadership engagement across all levels of the organization. As we continue our journey toward zero harm, we remain committed to providing a safe and healthy working environment for all employees, contractors, and other stakeholders.

Celebration of Safety Week

The Company organized a comprehensive Safety Week across all corporate offices and manufacturing facilities, combining awareness campaigns and interactive activities to reinforce workplace safety. The activities included expert guest speaker sessions, leadership floor walkthroughs, emergency drills, and targeted classroom training designed to strengthen safe working practices.

The event encouraged active employee participation through a range of activities, including poster design competitions, video submissions, and the sharing of workplace safety improvement ideas. The involvement of employees' children further extended safety awareness beyond the workplace and into the home environment. Employee-submitted safety recommendations demonstrated a proactive approach to hazard identification and continuous improvement, reflecting the Company's strong safety culture.

Environmental Stewardship

The Company remains deeply committed to proactive environmental stewardship, systematically minimizing its ecological footprint while embedding sustainable practices across all facets of its operations. Recognizing our responsibility to the environment and future generations, our environmental strategy is built around the following key operational pillars:

Resource & Energy Efficiency:
Optimizing energy consumption and integrating energy-efficient technologies across our manufacturing lines to reduce carbon intensity.

Sustainable Waste Management: Implementing rigorous waste segregation, minimization, and recycling protocols to advance circular economy principles and reduce landfill dependency.

Water Conservation & Effluent Treatment: Deploying responsible water management strategies, including efficient usage loops and robust treatment processes, to preserve vital water resources.

Emissions Control & Compliance: Continuous monitoring and mitigation of industrial emissions, ensuring strict compliance with national and international environmental standards.

Sustainable Environmental Management and Compliance

The Company conducts regular monitoring of emissions and effluents in strict compliance with applicable regulatory requirements, ensuring that our environmental impact remains within permissible limits. Our monthly and quarterly reporting to the Sindh and Punjab Environmental Protection Agencies (EPAs), along with the submission of Annual Environmental Management Plans, demonstrates our consistent adherence to National Environmental Quality Standards (NEQS). This structured approach reinforces our commitment to transparency, regulatory compliance, and responsible environmental management.

Resource Efficiency and Environmental Approvals

The Company is committed to improving resource efficiency and minimizing waste across its operations. Through ongoing initiatives focused on optimization and sustainable practices, we actively reduce our environmental footprint. The Company also maintains all required environmental approvals through timely renewals, demonstrating its commitment to regulatory compliance and responsible environmental management.

Employee Health and Well-being

The health and well-being of our employees remain a top priority. We are dedicated to providing a safe and supportive working environment, ensuring access to necessary health and wellness resources for all employees. In addition, periodic assessments of ambient air quality, drinking water quality, and noise levels are conducted by independent third parties to ensure compliance with applicable standards and support a healthy workplace environment.

Medical Facilities and Support

Comprehensive medical facilities are provided, including an on-site clinic, qualified medical professionals, and ambulance services, along with access to Social Security and Health Insurance schemes. Clean and filtered drinking water is available at all facilities, with periodic third-party testing conducted to ensure quality and compliance with health standards.

Recognition for Safety Excellence

The Company was honored with the Risk-Based Fire Safety Excellence Award by the Fire Protection Association of Pakistan (FPAP) in October 2025, in recognition of its proactive fire safety measures and strong commitment to OHSE excellence. This achievement reflects the effectiveness of our risk-based approach and our continued focus on strengthening workplace safety standards across all operations.

The Company remains focused on maintaining high standards of occupational health, safety, and environmental performance. Driven by strong leadership engagement, proactive risk management, and ongoing investment in people, processes, and technology, our OHSE framework promotes a safe and healthy workplace while advancing responsible and sustainable business practices. We will continue to strengthen our safety culture, environmental stewardship, and employee well-being initiatives as part of our commitment to creating long-term value for our employees, communities, and other stakeholders.

Our Customers

Creating Value Through Meaningful Customer Partnerships

Customers remain at the heart of our business strategy and play a critical role in shaping our decisions, innovations, and long-term growth ambitions. Throughout the year, we continued to strengthen relationships across our stakeholder ecosystem by investing in engagement platforms, expanding brand visibility, enhancing customer support initiatives, and improving the overall experience associated with our products and services.

Our approach is guided by a simple principle: understanding customer needs and responding with solutions that create value while fostering trust and long-term partnerships.

Customer Engagement and Relationship Building

Maintaining close connections with customers enables us to better understand evolving market dynamics and emerging requirements. During the year, we increased direct interaction with key stakeholder groups through a series of structured engagement initiatives.

Dealer engagement remained a key focus area, with dedicated events providing opportunities to discuss market trends, business challenges, product developments, and growth opportunities. Similarly, targeted engagements with plumbers and institutional stakeholders allowed us to strengthen relationships with important influencers and decision-makers who contribute significantly to project success and customer satisfaction.

These interactions not only enhanced collaboration but also provided valuable insights that support informed decision-making and continuous improvement across our operations.

Enhancing the Customer Experience

Delivering a positive and consistent customer experience remains an important priority for the Company. During the year, our participation in industry exhibitions and trade events enabled us to connect directly with a broad audience, showcase our product portfolio, and demonstrate the value and performance of our solutions.

To further strengthen accessibility and visibility, we expanded retail branding initiatives across key markets, ensuring a stronger and more recognizable presence at customer touchpoints. These efforts helped improve brand recall and reinforced customer confidence in our products.

We also launched stakeholder-focused testimonial campaigns that highlighted authentic experiences from across our value chain, providing customers with greater insight into the practical benefits and performance of our offerings.

Supporting Customers Through Product Excellence

Customer expectations continue to drive the evolution of our products and services. During the reporting year, we undertook a comprehensive refresh of our product packaging, aligning it with the Company's renewed brand identity while improving presentation, consistency, and ease of recognition.

To support customers in the effective use of our products, we continued to provide technical assistance and specialized equipment where required. Product demonstration tools and institutional sample displays were also developed to facilitate informed decision-making and support project specifications.

These initiatives reflect our commitment to ensuring that product quality is complemented by an equally strong customer support experience.

Open, Responsible and Trust-Based Communication

Clear and consistent communication is

fundamental to building strong customer relationships. During the year, we formalized a comprehensive communication framework and brand guideline system that strengthens message consistency across all customer and stakeholder interactions.

By adopting a more integrated approach to brand communication, we aim to ensure that customers receive accurate, relevant, and timely information regardless of the channel through which they engage with us.

Accessible Solutions for Diverse Customer Needs

Our extensive market presence enables us to serve customers across a broad geographic footprint and a wide range of customer segments. Through our distribution network and channel partnerships, we continue to improve product accessibility and availability across the country.

Our engagement model is designed to be inclusive, incorporating feedback and perspectives from retailers, dealers, plumbers, institutions, contractors, and end users. This collaborative approach helps ensure that our products and services remain aligned with the needs of the markets we serve.

Ethical Marketing and Customer Confidence

Integrity continues to guide the way we market and promote our brands. During the year, we implemented our new corporate identity across customer-facing platforms and supported the rollout through carefully designed awareness and communication campaigns.

All marketing activities are conducted with a focus on transparency, accuracy, and responsible representation, enabling customers to make informed decisions with confidence.

Fostering a Customer-Oriented Culture

Customer focus is embedded throughout the organization and supported by leadership at every level. We continue to encourage a culture where customer needs, feedback, and expectations influence business decisions and operational priorities.

The year also saw continued efforts to recognize and strengthen relationships with our distributors, dealers, and other business partners through appreciation initiatives, stakeholder engagement programs, and collaborative activities that reinforce long-term partnerships.

Building Stronger Communities and Relationships

Our commitment to customers extends beyond commercial interactions. Through seasonal outreach initiatives, relationship-building activities, and stakeholder appreciation programs, we continued to nurture meaningful connections across our network.

These efforts support our broader objective of creating lasting value for customers and stakeholders while contributing to the development of sustainable and mutually beneficial relationships.

Looking Ahead

As customer expectations continue to evolve, we remain committed to deepening engagement, improving experiences, and delivering solutions that create measurable value. By combining innovation, quality, and customer insight, we aim to strengthen our position as a trusted partner and ensure that customer success remains central to our long-term growth strategy.

Quarterly Activities 2025-26

Quarter 1

- Successfully executed the International Industries Brand Identity Unveiling at three locations in a single day, including two setups at Factory 1 and one setup at Factory 3.
- Successfully organized the Sales Conference, bringing together key stakeholders to align on business priorities and strategic objectives.
- Conducted the International Industries Brand Identity Unveiling Dealer Events for the V&T and S&F segments across eight cities: Karachi, Hyderabad, Lahore, Peshawar, Islamabad, Faisalabad, Multan, and Sukkur.
- Successfully organized an Institutional Customer Engagement Event.
- Successfully replaced the previous corporate identity with the new International Industries Brand Identity at both Factory 1 and the Head Office.
- Installed the new International Industries Brand Identity Wall Display and Shop Board at Ali Sher International, Bahawalpur.
- Recognized three customers with Gold Awards for achieving their quarterly sales targets.
- Developed branded giveaways for Trade Partners, Institutional and Commercial Key Opinion Leaders (KOLs) to support engagement initiatives and strengthen brand recall.
- Deployed promotional items and Heat Jointing Machines across the trade network through sales-linked initiatives, strengthening trade partner engagement, supporting business development, and reinforcing International Industries' value proposition in the market.

Quarter 2

- Successfully conducted Plumber Engagement Events across Karachi, Lahore, Sahiwal, and Abbottabad, strengthening engagement with key opinion leaders (KOLs).
- Participated in the Build Pakistan Expo (Lahore) and the HVACR Exhibition (Marriott, Karachi) to showcase International Industries' products and enhance market presence.
- Successfully converted existing Shop Boards to the new International Industries Brand Identity, strengthening retail brand visibility.
- Successfully completed the replacement of the previous corporate identity with the new International Industries Brand Identity at both Factory 1 and the Head Office.
- Successfully completed the Brand Identity Rollout across Factory 2 (Karachi), Lahore Office, and Multan Office, ensuring a consistent corporate brand experience across key International Industries facilities.
- Distributed Certificates of Appreciation to our valued Distributors in recognition of their continued partnership and performance.
- Distributed Wall Calendars and Desk Calendars to customers and internal stakeholders, reinforcing brand engagement.
- Developed and distributed branded giveaways to customers, Key Opinion Leaders (KOLs), and cross-functional stakeholders to strengthen brand recall and engagement.
- Deployed promotional items and Heat Jointing Machines across the trade network through sales-linked initiatives, strengthening trade partner engagement, supporting business development, and reinforcing International Industries' value proposition in the market.

Quarter 3

- Successfully conducted Plumber Engagement Events across Karachi, Hyderabad, Lahore, Okara, Sahiwal, Gujranwala, Sialkot, Peshawar, Sargodha, Bahawalpur, and Kohat, strengthening engagement with Key Opinion Leaders (KOLs).
- Successfully organized a V&T Dealer Engagement Event in Bahawalpur.
- Successfully organized a combined workshop for the Institutional and International Industries Trading segments to strengthen customer engagement and cross-segment collaboration.
- Participated in the Build Asia Exhibition, HVACR Karachi Expo, and Tube Düsseldorf Exhibition (Germany), enhancing International Industries' brand visibility and market presence.
- Distributed Ramadan Date Boxes to our valued trade partners as a gesture of sharing the blessings of Ramadan and appreciating their continued partnership and support.
- Distributed Certificates of Appreciation to our valued distributors in recognition of their continued partnership and performance.
- Successfully developed customized Sample Boards for the Institutional Segment to support customer and project-specific requirements.
- Developed and distributed branded giveaways to customers, Key Opinion Leaders (KOLs), and cross-functional stakeholders to strengthen brand engagement and recall.
- Successfully deployed new International Industries Shop Boards across the nationwide trade network, enhancing retail visibility and reinforcing the new brand identity.
- Deployed promotional items and Heat Jointing Machines across the trade network through sales-linked initiatives, strengthening trade partner engagement, supporting business development, and reinforcing International Industries' value proposition in the market.

Quarter 4

- Successfully organized a combined customer engagement event for the Institutional and International Industries Trading segments in Lahore.
- Successfully organized Dealer Engagement Events for the V&T and S&F segments across Hyderabad and Karachi, strengthening relationships with channel partners.
- Participated in the METSFAB Exhibition at Lahore Expo Centre, showcasing International Industries' products and enhancing brand visibility.
- Successfully deployed new International Industries Shop Boards across the trade network, strengthening retail visibility and reinforcing the new brand identity.
- Developed and distributed product brochures to enhance product awareness and equip the Sales team with informative marketing collateral for effective customer engagement.
- Developed Distributor Visiting Cards for our valued distributors to strengthen business relationships and corporate representation.
- Deployed promotional items and Heat Jointing Machines across the trade network through sales-linked initiatives, strengthening trade partner engagement, supporting business development, and reinforcing International Industries' value proposition in the market.

SECTION 2.0
Strategic Objectives, Strategies & Key Performance Indicators

Strategic Objectives & Key Performance Indicators

The Company's primary endeavour is to ensure that our overall corporate and strategic objectives are met by playing an exemplary leadership role in the local steel & polymer industry in line with global best practices. The Company continuously strives to modernize and grow its business to ensure continued profitability and maximize return to shareholders.

Through its comprehensive strategy encompassing six key imperatives, International Industries is focused on driving long-term growth and operational excellence.

1. Customer and Brand Focus
2. Organizational Transformation and Talent Management
3. Financial Stability
4. Operational Excellence
5. Digital Transformation
6. Business Sustainability

S. No.	Strategic Imperatives	Objectives	Strategies	KPIs	Actions Taken by the Company
1	Customer and Brand Focus	Enhance customer focus and brand visibility to strengthen market position and loyalty.	• Increase Customer Support: Implement advanced customer service platforms and train support staff to deliver superior service. • Maintain Focus on Value Proposition: Regularly review and refine value propositions to ensure alignment with market needs. • Foster Customer-Centric Culture: Embed customer-centric practices across all levels of the organization through workshops and ongoing training. • Research and Development: Invest in R&D to innovate and improve product offerings, aligning with market trends and customer preferences. • Increase Brand Visibility: Launch targeted marketing campaigns and leverage digital platforms to enhance brand presence. • Invest in Marketing: Allocate a substantial portion of the budget to strategic marketing initiatives and brand promotion. • Quality as a Cornerstone: Maintain stringent quality control measures and continuous improvement processes.	• Customer Satisfaction Score (CSAT) • Net Promoter Score (NPS) • Brand Awareness Index • R&D Investment as a Percentage of Revenue • Marketing ROI	• The Company has enhanced its customer support by introducing a new CRM system that allows for better tracking and response to customer inquiries. • Recent marketing campaigns have increased brand visibility significantly, as evidenced by a rise in brand awareness metrics. • The brand identity has been updated to keep up with changing market and customer preferences, and customer focus has been added to the corporate values of the company •Customer satisfaction surveys have been formalized through dedicated third parties to ensure standardized reporting
2	Digital Transformation	Leverage digital technologies to optimize operations and enhance customer experiences.	• Implement Digital Tools: Adopt state-of-the-art ERP and CRM systems to streamline operations and improve efficiency. • Enhance Online Presence: Develop a robust digital marketing strategy and e-commerce platform to capture online market share. • Data Analytics: Utilize data analytics for better decision-making and performance monitoring.	• System Downtime and Performance Metrics • Data Utilization Efficiency	• The Company has embarked on a digital transformation journey by integrating an advanced ERP system that has improved operational efficiency.
3	Financial Stability	Achieve robust financial health through efficient asset management and revenue growth.	• Increase Inventory Turns: Optimize inventory management to reduce holding costs and improve turnover rates. • Reduce Debtor Days: Implement stringent credit control measures and enhance collections processes. • Evolve Subsidiaries' Models: Review and adapt business models of overseas subsidiaries to align with local market dynamics. • Maximize Cash Generation: Focus on improving cash flow through better financial management and operational efficiency.	• Inventory Turnover Ratio • Days Sales Outstanding (DSO) • Revenue Growth from Overseas Subsidiaries • Cash Flow from Operations	• The Company has reduced debtor days by improving its credit control mechanisms and adopting more aggressive collection strategies. • Inventory management practices have been enhanced, leading to improved turnover rates and cost savings.

S. No.	Strategic Imperatives	Objectives	Strategies	KPIs	Actions Taken by the Company
4	Operational Excellence	Achieve superior operational performance through continuous improvement and safety culture.	• Promote Safety Culture: Implement comprehensive safety training programs and regular audits to enhance workplace safety. • Align Operational Models: Streamline business and operational processes to ensure efficiency and alignment with strategic goals. • Data-Driven Decisions: Introduce data-driven decision-making tools and performance monitoring systems.	• Safety Incident Rate • Operational Efficiency Metrics • Process Improvement Initiatives • Data Utilization in Decision-Making	• The Company has made significant strides in safety by introducing new safety protocols and training programs, resulting in a reduction in workplace incidents. • Operational processes have been optimized through lean management practices and continuous improvement initiatives.
5	Organizational Transformation and Talent Management	Build a high-performing, engaged workforce and foster a culture of inclusivity and growth.	• Invest in Talent: Recruit top talent and provide ongoing development opportunities to enhance skills and performance. • Succession Planning: Develop and implement a succession planning strategy to ensure leadership continuity. • Performance Management: Establish a transparent performance management system with clear metrics and feedback mechanisms. • Foster Inclusivity: Promote a diverse and inclusive workplace culture with ongoing initiatives and support systems.	• Employee Satisfaction and Engagement Scores • Turnover Rates of Key Talent • Succession Plan Readiness • Diversity and Inclusion Metrics	• The Company has enhanced its talent management practices by implementing new recruitment strategies and professional development programs. • The organization has introduced a comprehensive performance management system and increased its focus on diversity and inclusion initiatives. •A WISE (women in science and engineering) program has been launched successfully to foster inclusivity
6	Business Sustainability	Ensure long-term sustainability and ethical governance while minimizing environmental impact.	• Enhance Corporate Governance: Adhere to best practices in corporate governance and ethical standards. • Invest in Green Energy: Explore and invest in renewable energy sources to reduce environmental impact and dependency on external energy supplies. • Diversify Business Areas: Expand into associated products or new business areas to mitigate risks and drive growth. • Develop Business Continuity Plans: Create and maintain robust business continuity plans to ensure resilience and operational stability.	• Sustainability Performance Metrics • Green Energy Investment Ratio • Corporate Governance Ratings • Business Continuity Plan Readiness	• The Company has committed to sustainability by investing in green energy projects and implementing more stringent corporate governance practices. • The Company has diversified its product offerings and developed a comprehensive business continuity plan to safeguard against disruptions.

Relevance of Key Performance Indicators (KPIs) for Future Strategic Alignment

The KPIs identified across the Company's strategic imperatives are well-aligned with current best practices and future trends in their respective areas. They address critical aspects such as customer satisfaction, operational efficiency, financial health, talent management, sustainability, and digital transformation. As long as these strategic objectives remain relevant to the Company's business context and external environment, the identified KPIs will continue to be essential for measuring and driving success in the future. Regular review and adjustment of these KPIs will ensure they remain aligned with evolving business priorities and market dynamics.

Relationship Between Company's Results and Management Objectives

The Company's results and its objectives, as outlined above, are very strongly aligned. Our commitment to corporate governance standards, our employees and our shareholders is detailed in the Sustainability Section of this report as well as the financial and non-financial segments.

Strategic Roadmap: (Short term 1-2 years, Medium term 3-5 years, Long term 6-10 years Objectives and Strategies)

The Company has developed a structured approach to short-term, medium-term, and long-term strategic objectives and strategies, tailored to align with the **six strategic imperatives.**

S.No.	Strategic Area	Timeframe	Strategic Objectives	Strategies
1	Customer and Brand Focus	Short-Term	Improve customer support and satisfaction	- Implement a new CRM system - Train customer service teams
		Medium-Term	Enhance brand visibility and value proposition	- Launch targeted marketing campaigns - Increase investment in brand promotion
		Long-Term	Foster a culture of customer-centricity and innovation	- Develop a robust R&D setup - Continuously refine product offerings based on customer feedback
2	Digital Transformation	Short-Term	Begin digital transformation initiatives	- Implement ERP and CRM systems - Initiate digital marketing strategies
		Medium-Term	Optimize digital tools and platforms	- Integrate advanced data analytics - Enhance online user experience
		Long-Term	Achieve digital maturity and operational integration	- Fully integrate digital tools across all functions - Leverage AI and machine learning for insights
3	Financial Stability	Short-Term	Improve inventory management and cash flow	- Optimize inventory processes - Implement tighter credit controls
		Medium-Term	Increase cash generation and reduce debtor days	- Enhance cash flow management practices - Revise credit policies and collection processes
		Long-Term	Evolve global subsidiary business models	- Adapt and innovate business models for international markets - Focus on sustainable revenue streams
4	Operational Excellence	Short-Term	Enhance safety protocols and operational efficiency	- Conduct safety training programs - Streamline operational processes
		Medium-Term	Implement data-driven decision-making	- Introduce performance monitoring systems - Utilize data analytics for process improvements
		Long-Term	Achieve high operational performance standards	- Standardize best practices across operations - Foster a culture of continuous improvement
5	Organizational Transformation and Talent Management	Short-Term	Recruit and develop key talent	- Launch recruitment campaigns for critical roles - Implement initial training and development programs
		Medium-Term	Strengthen succession planning and performance management	- Develop and communicate succession plans - Enhance performance management systems
		Long-Term	Build a diverse and inclusive workplace	- Foster an inclusive culture through policies and practices - Promote cross-functional collaboration
6	Business Sustainability	Short-Term	Implement sustainable practices and improve governance	- Adhere to corporate governance standards - Initiate green energy assessments
		Medium-Term	Invest in green energy and diversify business areas	- Begin transitioning to renewable energy sources - Explore new business opportunities
		Long-Term	Ensure long-term sustainability and continuity	- Develop and maintain a comprehensive business continuity plan - Continuously align with best practices

Resource Allocation Plan for Strategic Implementation

Below is the summary of the resource allocation plan to implement the strategic objectives of across the six strategic imperatives. The table outlines the allocation of different types of capital financial, human, manufactured, intellectual, social and relationship, and natural over short-term, medium-term, and long-term periods. The time horizons shown are those selected for FY2025; the reassessed horizons for the year ended 30 June 2026 will follow in the Company's forthcoming Sustainability Report.

S.No.	Strategic Imperative	Capital Type	Short-Term (1-2 years)	Medium-Term (3-5 years)	Long-Term (6-10 years)
1	**Customer and Brand Focus**	**Financial Capital**	Allocate funds for customer support enhancements and initial marketing campaigns.	Increase budget for strategic partnerships and market research to expand market reach	Continue investing in long-term brand-building initiatives and customer experience innovations.
		Human Capital	Recruit and train customer service teams to improve customer support.	Expand marketing and customer support teams to handle increased market reach and customer engagement.	Develop a high-performing customer relations team focused on maintaining industry-leading customer satisfaction levels.
		Manufactured Capital	Enhance CRM systems to improve customer support operations.	Invest in new customer service infrastructure and tools to support an expanding customer base.	Maintain and upgrade customer service infrastructure and technology as needed to support continuous innovation.
		Intellectual Capital	Develop training programs for customer-centric culture and support.	Create advanced training modules and customer insight programs.	Establish a center of excellence for customer experience research and i nnovation.
		Social and Relationship Capital	Initiate community engagement and brand awareness campaigns.	Strengthen partnerships with industry stakeholders and customer communities to enhance brand loyalty and trust.	Build long-term relationships with strategic partners and key customers to establish a loyal customer base.
		Natural Capital	Minimal allocation.	Minimal allocation.	Incorporate eco-friendly packaging and customer education on sustainability practices.
2	**Digital Transformation**	**Financial Capital**	Invest in initial digital tools, such as ERP and CRM systems.	Allocate funds for ongoing digital platform enhancements and integration across departments.	Continue funding for digital innovation projects and advanced technology adoption.
		Human Capital	Hire and train IT professionals and digital transformation specialists.	Expand digital teams to manage integrated systems and support digital growth.	Develop a skilled digital workforce with expertise in cutting-edge technologies and innovation management.
		Manufactured Capital	Acquire hardware and software to support digital initiatives.	Invest in high-performance IT infrastructure to enable comprehensive digital integration.	Maintain and update IT infrastructure to keep pace with technological advancements and business needs.
		Intellectual Capital	Develop digital literacy and data management training programs.	Enhance digital strategy capabilities and data analytics expertise.	Establish a digital innovation hub to drive technology-led growth and operational excellence.
		Social and Relationship Capital	Collaborate with technology partners to support digital initiatives.	Strengthen partnerships with tech firms and consultants for advanced digital solutions.	Build long-term strategic alliances with leading technology providers and innovators.
		Natural Capital	Minimal allocation.	Explore digital tools to enhance sustainability tracking and reporting.	Integrate digital solutions to reduce environmental footprint, such as smart energy management systems.

3	**Financial Stability**	**Financial Capital**	Reallocate funds to improve cash flow management and optimize inventory.	Increase investment in financial systems and processes to enhance profitability and risk management.	Allocate capital for strategic acquisitions and diversification to support long-term financial stability.
		Human Capital	Enhance finance team capabilities with training on cash management and inventory optimization.	Build a stronger finance team with expertise in international markets and financial risk management.	Develop a robust financial leadership team with a focus on strategic growth and sustainability.
		Manufactured Capital	Optimize inventory management systems to reduce holding costs.	Invest in state-of-the-art inventory and financial management systems to enhance operational efficiency.	Upgrade financial and inventory management infrastructure as part of long-term growth strategies.
		Intellectual Capital	Provide training on financial analysis and inventory management for key personnel.	Develop advanced financial modeling and risk assessment capabilities within the organization	Establish a financial center of excellence to continuously improve financial strategies and practices.
		Social and Relationship Capital	Engage with financial institutions to improve credit terms and cash flow management.	Build strong relationships with international financial partners to support global operations.	Maintain long-term partnerships with key financial institutions to secure favorable terms and support strategic growth.
		Natural Capital	Minimal allocation.	Minimal allocation.	Explore green financing options to support sustainability initiatives and reduce environmental impact.
4	**Operational Excellence**	**Financial Capital**	Allocate funds for safety training programs and process improvement initiatives	Invest in advanced technologies and proc ess automation to enhance operational efficiency.	Continue funding for innovation in operations and continuous improvement projects.
		Human Capital	Hire safety experts and train employees on new safety protocols.	Expand operational teams with expertise in process optimization and data-driven decision-making.	Develop a skilled workforce with a focus on lean operations and continuous improvement.
		Manufactured Capital	Upgrade equipment and facilities to improve safety and operational efficiency.	Invest in state-of-the-art machinery and process automation tools.	Regularly update and maintain high-performance equipment and technology to support operational excellence.
		Intellectual Capital	Implement training programs on lean management and operational best practices.	Develop advanced operational training and knowledge-sharing platforms.	Establish an operations excellence academy to foster continuous learning and innovation.
		Social and Relationship Capital	Build relationships with industry experts and consultants to support operational improvement.	Strengthen collaboration with suppliers and partners to drive supply chain efficiency.	Develop long-term partnerships with industry leaders to benchmark and continuously improve operational practices.
		Natural Capital	Implement initiatives to reduce waste and improve energy efficiency in operations.	Invest in energy-efficient equipment and sustainable operational practices	Continuously enhance sustainability practices across operations to reduce environmental impact.

5	**Organizational Transformation and Talent Management**	**Financial Capital**	Allocate budget for recruitment and initial training programs.	Increase investment in talent development and leadership training programs.	Continue funding for strategic talent initiatives, including diversity and inclusion programs and organizational development.
		Human Capital	Hire and onboard new talent with a focus on customer support and digital expertise.	Expand teams across functions to support strategic growth, with a focus on diversity and inclusion.	Develop a strong pipeline of future leaders through comprehensive succession planning and leadership development programs.
		Manufactured Capital	Invest in tools and technology to support talent development initiatives.	Upgrade HR systems and platforms to enhance performance management and employee engagement.	Maintain and update HR infrastructure to support continuous organizational growth and transformation.
		Intellectual Capital	Develop onboarding and training programs to enhance employee skills and knowledge.	Create advanced leadership development programs and continuous learning opportunities.	Establish a knowledge management system to capture and share best practices and expertise across the organization.
		Social and Relationship Capital	Strengthen internal communications and employee engagement initiatives.	Build partnerships with educational institutions and industry bodies to enhance talent pipelines and development opportunities.	Maintain strong relationships with key educational and industry partners to support talent development and organizational growth.
		Natural Capital	Minimal allocation.	Promote sustainable practices and environmental awareness among employees.	Integrate sustainability goals into employee performance management and organizational culture initiatives.
6	**Business Sustainability**	**Financial Capital**	Initiate investment in renewable energy and sustainability projects.	Increase funding for sustainability initiatives and diversification into associated business areas.	Continue funding for sustainability projects and strategic diversification to reduce environmental impact and enhance long-term resilience.
		Human Capital	Hire sustainability experts and develop training programs focused on environmental stewardship.	Expand sustainability teams to lead and implement green initiatives and new business development projects.	Develop a workforce skilled in sustainability and corporate social responsibility to support long-term goals.
		Manufactured Capital	Invest in sustainable manufacturing practices and green technologies.	Upgrade facilities and equipment to meet sustainability standards and reduce environmental impact.	Regularly review and upgrade manufacturing capabilities to align with evolving sustainability goals and best practices.
		Intellectual Capital	Create training programs focused on sustainability and ethical business practices.	Develop advanced sustainability frameworks and ethical governance training programs.	Establish a sustainability center of excellence to drive continuous improvement and innovation in sustainable practices.
		Social and Relationship Capital	Engage with stakeholders on sustainability initiatives and build community relations.	Strengthen partnerships with NGOs, community groups, and industry bodies to enhance sustainability efforts and stakeholder engagement.	Maintain strong relationships with sustainability-focused partners to support long-t erm environmental and social goals.
		Natural Capital	Implement initial green initiatives and start investing in renewable energy sources.	IExpand investment in renewable energy projects and sustainable practices across operations.	Continuously innovate and nvest in green technologies and sustainable practices to reduce environmental impact and enhance long-term business resilience.

Capabilities and Resources that Provide a Sustainable Competitive Advantage for the Company

By focusing on the below holistic capabilities and resources, the Company creates a sustainable competitive advantage that drives long-term value for the company and its stakeholders.

Core Capabilities and Resources

1. Manufacturing Excellence:
State-of-the-Art Facilities: Advanced manufacturing facilities with modern technology enhance production efficiency and product quality.

Quality Control Systems: Robust quality management systems ensure high standards and consistent product quality, critical for maintaining market reputation.

2. Innovation and Research & Development (R&D):
R&D Capabilities: Dedicated R&D centers focus on developing new products and improving existing ones, driving innovation and meeting market demands.

Technology Integration: Use of cutting-edge technology and automation in manufacturing processes to increase productivity and reduce costs.

3. Financial Strength:
Strong Financial Position: Solid financial health and capital resources enable investment in growth opportunities, R&D, and infrastructure.

Effective Financial Management: Efficient financial practices support stability and flexibility in managing market fluctuations.

4. Skilled Workforce:
Talent and Expertise: A highly skilled and experienced workforce contributes to operational excellence and innovative capabilities.

Training and Development: Ongoing employee training and development programs ensure that staff are well-equipped to meet evolving industry challenges.

5. Market Position and Brand Strength:
Established Brand: The Company's well-recognized brand name with a strong market presence builds customer loyalty and drives sales.

Customer Relationships: The Company's strong relationships with key customers and stakeholders enhance market positioning and create long-term value.

6. Strategic Partnerships and Alliances:
Collaborations: The Company's strategic partnerships with suppliers, distributors, and industry stakeholders enhance operational capabilities and market reach.

Global Network: The Company's extensive network of partners and customers supports global market expansion and diversification.

7. Sustainability Practices:
Environmental Initiatives: The Company's commitment to sustainability through energy-efficient practices, waste reduction, and green energy investments.

Corporate Social Responsibility (CSR): Active CSR programs that contribute to community development and environmental stewardship.

8. Technological Advancements:
Digital Transformation: Implementation of digital tools and technologies to improve operational efficiency and data management.

Innovation in Products: Development of advanced products and solutions that meet customer needs and differentiate the company from competitors.

Value Creation Through Sustainable Competitive Advantage

1. Enhanced Efficiency and Productivity:
Leveraging advanced manufacturing technologies and quality control systems leads to higher production efficiency and cost savings, contributing to overall profitability.

2. Market Leadership:
Strong brand recognition and customer relationships enhance market position, driving sales and establishing the Company as a leader in its industry.

3. Innovation and Growth:
Continuous investment in R&D and technological advancements fosters innovation, enabling the Company to meet evolving customer demands and explore new market opportunities.

4. Financial Stability:
A strong financial position and effective financial management support strategic investments and ensure resilience against market fluctuations.

5. Sustainability and CSR:
Commitment to sustainability and CSR initiatives not only enhances corporate reputation but also contributes to long-term environmental and social value.

6. Talent and Expertise:
A skilled workforce and ongoing employee development programs ensure that the Company remains competitive and adaptable in a rapidly changing market.

Effects of Key Factors on Company Strategy and Resource Allocation

The Company evaluates several critical factors that impact our strategic direction and resource allocation. These factors include technological changes, sustainability-related risks and opportunities, innovation initiatives, and resource shortages. Here's an overview of how these factors affect our strategy and resource allocation:

S.No.	Key Factors	Effects on Company Strategy	Effects on Resource Allocation
1	Technological Changes	• Innovation Drive: Rapid technological advancements necessitate ongoing investment in research and development (R&D) to stay ahead of industry trends. We focus on adopting and integrating new technologies to enhance our product offerings and operational efficiency. • Digital Transformation: Technology changes drive our digital transformation strategy, including the adoption of advanced data analytics, automation, and digital tools to improve decision-making and process efficiency.	• Capital Investment: We allocate substantial financial resources to technology upgrades, R&D, and digital tools. This includes investing in new manufacturing technologies and IT infrastructure. • Talent Acquisition: To support technological advancements, we invest in hiring skilled professionals with expertise in emerging technologies and digital tools. • Training and Development: We allocate resources to upskill our workforce on new technologies and systems to ensure effective implementation and utilization.
2	Sustainability Reporting and Challenges	• Enhanced Transparency: Sustainability reporting drives us to improve transparency and accountability in our environmental, social, and governance (ESG) practices. We incorporate sustainability goals into our overall strategic framework. • Regulatory Compliance: Addressing sustainability challenges ensures compliance with evolving regulations and standards, influencing our operational practices and product development strategies.	• Investment in Sustainable Practices: We allocate capital towards implementing sustainable practices, such as energy-efficient technologies, waste reduction, and green energy investments. • Reporting and Auditing: Resources are dedicated to sustainability reporting and auditing processes to track performance, ensure compliance, and communicate our sustainability efforts to stakeholders. • Research and Innovation: We invest in R&D for sustainable product development and processes that align with our sustainability goals.
3	Initiatives Taken by the Company in Promoting and Enabling Innovation	• Innovation Leadership: Our commitment to innovation enhances our competitive edge and drives strategic initiatives focused on developing new products and improving existing ones. We foster a culture of creativity and continuous improvement. • Strategic Partnerships: We engage in collaborations with technology providers, research institutions, and industry experts to drive innovation and access new technologies.	• R&D Funding: Significant financial resources are allocated to R&D activities to support innovation projects and new product development. • Collaboration Investments: We invest in strategic partnerships and collaborations to access external expertise and resources that facilitate innovation. • Talent and Infrastructure: Resources are allocated to building innovation capabilities, including hiring skilled personnel and developing infrastructure that supports creative processes and technology development.
4	Resource Shortages	• Operational Adjustments: Resource shortages, such as shortages in raw materials or skilled labor, require us to adjust our operational strategies. This may involve diversifying suppliers, optimizing inventory management, or adjusting production schedules. • Cost Management: Resource shortages impact cost structures, leading us to implement cost-saving measures and efficiency improvements to mitigate financial impacts.	• Supply Chain Management: We allocate resources to developing resilient supply chains and sourcing strategies to address and mitigate shortages. • Investment in Alternatives: Resources are invested in alternative materials, technologies, and processes to reduce dependency on scarce resources. • Efficiency Improvements: Financial and operational resources are directed towards process improvements and technology upgrades to enhance efficiency and reduce resource consumption.

The interplay of technological changes, sustainability-related risks and opportunities, innovation initiatives, and resource shortages significantly influences the Company's strategic direction and resource allocation. By adapting to these factors, we enhance our ability to drive growth, innovation, and sustainability while effectively managing challenges and opportunities.

Key Performance Indicators (KPIs) Against Strategic Objectives

To effectively measure the achievement of strategic objectives at the Company, Key Performance Indicators (KPIs) are aligned with each of the six strategic imperatives outlined in the Company's strategic plan. Below is a set of KPIs tailored to each strategic objective:

1. Customer & Brand Focus

Objective: Enhance customer focus and brand visibility to strengthen market position and loyalty.

KPIs:
Customer Satisfaction Score (CSAT): Measures customer satisfaction with products and services.

Net Promoter Score (NPS): Gauges customer loyalty and the likelihood of customers recommending the Company to others.

Brand Awareness Index: Tracks the level of brand recognition and recall in target markets.

Market Share Growth: Measures the increase in market share in key segments.

R&D Investment as a Percentage of Revenue: Indicates the level of investment in research and development relative to total revenue.

First Contact Resolution Rate: Percentage of customer inquiries or issues resolved in the first interaction.

2. Digital Transformation

Objective: Leverage digital technologies to optimize operations and enhance customer experiences.

KPIs:
System Downtime and Performance Metrics: Tracks the reliability and uptime of IT systems and infrastructure.

Data Utilization Efficiency: Evaluates the effectiveness of data usage in decision-making processes.

IT Investment as a Percentage of Revenue: Measures the proportion of revenue allocated to IT and digital transformation initiatives.

Automation Rate: Percentage of processes automated to reduce manual intervention.

3. Financial Stability

Objective: Achieve robust financial health through efficient asset management and revenue growth.

KPIs:
Revenue Growth Rate: Measures the year-over-year growth in revenue.

Net Profit Margin: Tracks the profitability of the company after all expenses.

Inventory Turnover Ratio: Indicates the efficiency of inventory management and turnover.

Days Sales Outstanding (DSO): Measures the average number of days it takes to collect payment after a sale.

Debt-to-Equity Ratio: Assesses the company's financial leverage and capital structure.

Cash Flow from Operations: Tracks the cash generated from the company's core business operations.

4. Operational Excellence

Objective: Achieve superior operational performance through continuous improvement and a culture of safety.

KPIs:
Safety Incident Rate (Lost Time Injury Frequency Rate - LTIFR): Measures the number of lost-time injuries per million hours worked.

Overall Equipment Effectiveness (OEE): Assesses the efficiency and effectiveness of production equipment.

Operational Cost Efficiency: Tracks the cost of operations relative to revenue.

Process Improvement Rate: Measures the number of process improvements implemented over a specific period.

Cycle Time Reduction: Monitors the reduction in the time required to complete a production cycle or process.
Quality Control Metrics (Defect Rate): Measures the percentage of products that fail to meet quality standards.

5. Organizational Transformation & Talent Management

Objective: Build a high-performing, engaged workforce and foster a culture of inclusivity and growth.

KPIs:

Employee Satisfaction and Engagement Scores: Measures overall employee satisfaction and engagement levels.

Employee Turnover Rate: Tracks the rate at which employees leave the company, especially key talent.

Diversity and Inclusion Metrics: Monitors the representation of diverse groups within the workforce.

Succession Plan Readiness: Evaluates the preparedness and effectiveness of succession planning efforts.

Training Hours per Employee: Measures the average number of training hours received per employee.

Internal Promotion Rate: The percentage of positions filled by internal candidates, indicating career development opportunities.

6. Business Sustainability

Objective: Ensure long-term sustainability and ethical governance while minimizing environmental impact.

KPIs:
Carbon Footprint Reduction: Measures the reduction in greenhouse gas emissions.

Energy Consumption from Renewable Sources: Tracks the percentage of total energy consumption derived from renewable sources.

Waste Reduction Rate: Monitors the decrease in waste production and increase in recycling rates.

Corporate Governance Rating: Assesses adherence to best practices in corporate governance.

Sustainability Performance Metrics (e.g., ESG Score): A strategic indicator the Company will use to track its ESG progress over time.

Community Engagement Index: Measures the impact of corporate social responsibility initiatives in local communities.

IMPORTANT NOTE: The business-sustainability objectives, strategies and key performance indicators set out in this section form part of the Company's strategy and resource-allocation reporting under the Companies Act 2017 and the Code of Corporate Governance. They are distinct from the Company's sustainability-related financial disclosures under IFRS S1 and IFRS S2, which will be presented in the Company's Sustainability Report 2026, currently in preparation for publication with the half-yearly interim financial statements for the period ending 31 December 2026.

By implementing these KPIs, the Company effectively measures progress toward its strategic objectives, makes informed decisions, and ensures alignment with its mission and vision. These indicators provide a comprehensive view of the company's performance across various dimensions, facilitating continuous improvement and long-term success.

Relevance of Key Performance Indicators (KPIs) for Future Strategic Alignment

Based on the strategy detailed for the Company, the following are the ways in which the key performance indicators (KPIs) will continue to be relevant in the future:

1. Customer & Brand Focus:

KPIs like Customer Satisfaction Score (CSAT), Net Promoter Score (NPS), Brand Awareness Index, R&D Investment as a Percentage of Revenue, and Marketing ROI are highly relevant and will remain so. These metrics directly measure customer satisfaction, brand strength, innovation efforts, and marketing effectiveness, which are crucial for maintaining competitive advantage and customer loyalty.

2. Digital Transformation:

KPIs such as System Downtime and Performance Metrics, and Data Utilization Efficiency are essential in the digital age. As businesses increasingly rely on digital tools and platforms, these metrics will continue to gauge the effectiveness of digital initiatives and operational efficiencies driven by technology.

3. Financial Stability:

KPIs such as Inventory Turnover Ratio, Days Sales Outstanding (DSO), Revenue Growth from Overseas Subsidiaries, and Cash Flow from Operations are fundamental to financial health and efficiency. These metrics will remain relevant as they measure liquidity, profitability, and operational effectiveness, which are critical for sustaining growth and managing financial risks.

4. Operational Excellence:

KPIs like Safety Incident Rate, Operational Efficiency Metrics, Process Improvement Initiatives, and Data Utilization in Decision-Making are pivotal for operational performance and continuous improvement. They ensure that the organization maintains high standards of safety, efficiency, and adaptability, which are timeless requirements for sustainable success.

5. Organizational Transformation & Talent Management:

KPIs such as Employee Satisfaction and Engagement Scores, Turnover Rates of Key Talent, Succession Plan Readiness, and Diversity and Inclusion Metrics are vital for organizational health and resilience. These metrics reflect the organization's ability to attract, retain, and develop talent while fostering a culture of inclusivity and growth, which will remain crucial in the future of work.

6. Business Sustainability:

KPIs, including Sustainability Performance Metrics, Green Energy Investment Ratio,Corporate Governance Ratings, and Business Continuity Plan Readiness, are increasingly important as stakeholders prioritize environmental, social, and governance (ESG) factors. These metrics demonstrate the company's commitment to long-term sustainability, ethical governance, and resilience against disruptions.

The KPIs identified across the Company’s strategic imperatives are well-aligned with current best practices and future trends in their respective areas. They address critical aspects such as customer satisfaction, operational efficiency, financial health, talent management, sustainability, and digital transformation. As long as these strategic objectives remain relevant to the Company’s business context and external environment, the identified KPIs will continue to be essential for measuring and driving success in the future.

Linkage of Strategic Objectives with Vision and Mission

By aligning the Company's strategic objectives with its vision and mission, it becomes clear that each objective supports the company's overarching goals. This alignment ensures that the strategic initiatives effectively drive towards becoming a globally respected and innovative company while fulfilling its mission and maintaining a commitment to quality, customer focus, and sustainability.

S.No.	Strategic Area	Vision: Building Dreams Together	Mission: To make the world a more liveable place by relentlessly pursuing excellence and innovation to exceed stakeholder expectations
1	**Customer and Brand Focus**	• **Building:** Enhancing customer focus and brand visibility reflects positive action and growth.	• **Excellence:** Superior customer service and uncompromising quality elevate experiences.
		• **Dreams:** Fulfills aspirations by delivering trusted, quality products.	• **Innovation:** R&D and evolving value propositions create new value for customers.
		• **Together:** Strengthens collaboration with customers and stakeholders.	• **Stakeholders:** Enhances trust, loyalty, and satisfaction across markets.
2	**Digital Transformation**	• **Building:** Digitalization strengthens the Company's foundations through efficiency and modern systems.	• **Excellence:** Digital tools streamline operations and decision-making
		• **Dreams:** Unlocks future-focused possibilities through technology.	• **Innovation:** ERP, CRM, and analytics foster smarter, adaptive solutions.
		• **Together:** Improves engagement by connecting digitally with customers and partners.	• **Stakeholders:** Enhances accessibility, responsiveness, and service quality.
3	**Financial Stability**	• **Building::** Strong financial performance underpins resilience and growth.	• **Excellence:** Sound financial management maximizes cash generation and efficiency.
		• **Dreams:** Enables sustained investment in new opportunities and innovation.	• **Innovation:** Adapting business models in subsidiaries ensures relevance.
		• **Together:** Provides value and security for shareholders, employees, and communities.	• **Stakeholders:** Delivers fair returns, stability, and confidence in the Company's future.
4	**Operational Excellence**	• **Building:** Continuous improvement strengthens operational foundations.	• **Excellence:** Safety, efficiency, and lean practices drive superior outcomes.
		• **Dreams:** Safe, reliable processes ensure trust and quality in every product.	• **Innovation:** Data-driven decision-making enhances agility and competitiveness.
		• **Together:** Engages the workforce in achieving shared performance goals.	• **Stakeholders:** Guarantees consistent quality and operational reliability.
5	**Organizational Transformation & Talent Management**	• **Building:** Cultivating talent builds organizational strength.	• **Excellence:** A high-performing, engaged workforce strengthens culture and results.
		• **Dreams:** Encourages ambition, creativity, and professional growth.	• **Innovation:** Fostering diversity and development unlocks new perspectives and solutions.
		• **Together:** Promotes inclusivity, collaboration, and belonging across the workforce.	• **Stakeholders:** Ensures continuity, leadership readiness, and employee well-being.
6	**Business Sustainability**	• **Building:** Sustainability anchors growth in responsibility and long-term value.	• **Excellence:** ESG leadership and governance elevate the Company's standing as a responsible industry leader.
		• **Dreams:** Supports a future-focused vision through green energy and climate action.	• **Innovation:** Green energy and circular practices drive sustainable progress.
		• **Together:** Embeds shared responsibility with communities, regulators, and global partners.	• **Stakeholders:** Protects the environment, communities, and long-term stakeholder value.

Board's Statement on Significant Plans And Decisions

We would like to provide an update on the plans and decisions of the Company regarding our corporate restructuring, business expansion, major capital expenditure, and operations.

1.Corporate Restructuring:

No Major Change: After a comprehensive review of our organizational structure and operational efficiency, the Board has determined that there will be no major changes to the corporate structure at this time. We remain committed to our current organizational framework, which supports our strategic goals and operational needs effectively.

2.Business Expansion:

Exploring Global Partnerships: We are committed to expanding our international footprint by exploring strategic global partnerships. This initiative aims to leverage synergies with international organizations to enhance our market reach, share technological advancements, and access new business opportunities. Through these partnerships, we intend to strengthen our global position and drive mutual growth.

Expanding the Trading Business: The Company's Trading Subsidiary maintains focus on trading opportunities, including the import and export of products, to complement our existing operations and diversify our revenue streams. The division will operate with the same commitment to quality and excellence that defines the Company, ensuring that we deliver value to our customers and stakeholders in this new domain.

3.Major Capital Expenditure:

No Major Expenditure: We will continue to manage our capital expenditures prudently, ensuring that any investment aligns with our strategic objectives and operational requirements while maintaining our financial stability.

4. Discontinuance of Operations:

No Discontinuation: We are committed to maintaining and supporting all our existing business operations, focusing on operational excellence and continuous improvement.

These strategic moves are designed to align with our long-term vision of becoming a globally respected, innovative, and entrepreneurial company. By exploring global partnerships and expanding the trading business, we aim to capitalize on new opportunities, enhance our competitive advantage, and drive sustainable growth.

Board Strategy to Overcome Liquidity Problems (If Arise) and Plans to Meet Operational Losses (If Arise)

In the event of liquidity challenges or operational losses, following would be the approach to address these issues effectively:

Liquidity Management: The Company implements proactive liquidity management practices to ensure adequate cash reserves and financial flexibility. This includes optimizing working capital, closely monitoring cash flows, and maintaining efficient inventory management. We also explore various financing options to bolster liquidity when necessary.

Cost Control Measures: To manage operational losses, we focus on stringent cost control measures and operational efficiency initiatives. This involves identifying cost-saving opportunities, streamlining processes, and implementing lean management practices across our operations.

Revenue Enhancement: We actively seek opportunities to enhance revenue through market penetration, market expansion, product diversification, and innovation. By expanding into new markets and developing new products, we aim to increase our revenue streams and mitigate the impact of any operational losses.

Strategic Investments: We strategically invest in initiatives that drive long-term growth and profitability. This includes investing in technology, improving operational efficiency, and exploring new business areas to ensure sustained financial health.

Regular Financial Reviews: The Company conducts regular financial reviews and scenario planning to anticipate potential challenges and develop appropriate contingency plans. This proactive approach allows us to respond swiftly to changing conditions and maintain financial stability.

Information about Defaults in Payment of Any Debt (None)

The Company is pleased to report that there have been no defaults in the payment of any debt obligations. Our strong financial management practices and robust liquidity position ensure that we consistently meet our debt repayment schedules in a timely manner. We maintain a vigilant approach to managing our cash flows and financial commitments, which helps us avoid any instances of default.

SECTION 3.0
Risks and Opportunities

Key Risks and Opportunities (Internal and External) Effecting Availability, Quality and Affordability of Capital

Form of Capital	Key Risk	Key Opportunities	Time Horizon
Financial Capital	• Currency Fluctuations: raising costs of imported raw materials and equipment. • Interest Rate Volatility: increasing borrowing costs and straining working capital. • Economic Slowdowns: dampening demand, revenues, and cash flow.	• Expanding Exports: diversifying revenue by entering new markets. • Technology Modernization: boosting efficiency and cutting production costs. • Government Support: utilizing tax concessions and subsidies to lower expenses	Short to Long Term
Human Capital	• Skills Shortage: scarcity of technically trained personnel. • High Employee Turnover: loss of driving knowledge and increasing recruitment costs.	• Workforce Development: training investments to build skills and succession depth. • Employee Retention: targeted initiatives to improve engagement and cut attrition.	Short to Medium Term
Physical Capital	• Asset Wear and Tear: ageing infrastructure and machinery reducing operational efficiency. • Natural Hazards: environmental events damaging facilities and disrupting operations. • Utility Disruptions: power, water, or gas interruptions halting production.	• Infrastructure Upgrades: improving efficiency and production capacity. • Energy Efficiency: deploying technologies to reduce utility costs. • Strategic Expansion: positioning facilities to optimise logistics and market access.	Short to Medium Term
Social Capital	• Weak Community Relations: risk of community unrest and operational disruption. • Labor Conflicts: union activity or strained relations causing strikes and added costs. • CSR Demands: social responsibility pressures consuming management time and resources.	• Community Engagement: programmes deepening local ties and goodwill. • Partnerships: collaborating with NGOs, local bodies, and government to create shared value.	
Natural Capital	• Raw Material Shortages: scarcity of metals and polymers vital to production. • Regulatory Pressure: tightening environmental rules raising costs and requiring process changes. • Climate Risks: extreme weather disrupting operations and supply chains.	• Sustainable Resource Use: reducing waste through efficient consumption and recycling. • Eco-friendly Products: earning environmental certifications to capture growing green demand. • Clean Energy Adoption: shifting to renewable energy sources.	
Intellectual Capital	• IP Misuse: theft of proprietary technology or processes eroding competitive advantage. • Technological Obsolescence: rapid innovation rendering current products and methods outdated.	• IP Safeguards: reinforcing patents and trademarks to protect innovations. • Anti-Counterfeit Measures: curbing product imitation to preserve brand integrity.	

Risk Management Framework Covering Principal Risks and Uncertainties Facing the Company, Risk Methodology, Risk Appetite and Risk Reporting

IIL's Board-approved Risk Management Framework governs risk identification and management across all key
areas.

Assessment of Principal Risks: The Board reviews a detailed analysis of major risks and opportunities impacting the business model, performance, and financial stability.

Risk Architecture: IIL's Risk Architecture enforces governance and promotes measured risk-taking.

- **Board of Directors:** The Board holds ultimate accountability for risk oversight, embedding it across all processes and setting the governance structure.
- **Board Audit Committee:** The Audit Committee evaluates risks, opportunities, and mitigation strategies, reviewing Committee reports and tracking audit recommendation progress.
- **Risk Management Committee:** Develops risk strategies and policies aligned with the company's risk appetite and exposures.
- **Risk Champions:** Risk Champions cultivate a risk-aware culture, set performance targets, drive improvement actions, and flag emerging risks.
- **Risk Management Function:** Maintains the Risk Register, mapping company-wide risks against objectives, opportunities, and mitigations.
- **Internal Audit:** Internal Audit independently conducts ongoing reviews to verify compliance with the Risk Methodology.

Risk Management Policy: The Board's Risk Management Policy sets risk tolerance levels, defines mitigation mechanisms, and provides company-wide guidelines across key risk areas.

The Risk Management Process Covers the Following Steps:

- **Risk Identification:** All major functions identify risks from internal and external environments.
- **Risk Assessment and Evaluation:** Risk Champions guide functions in assessing risks by likelihood and impact.
- **Implementation and Monitoring:** Functions execute mitigation strategies and track their effectiveness.
- **Risk Review:** Risks are reviewed by the Risk Management Committee, then by the Audit Committee.
- **Risk Reporting:** Material risks are reported to the Board on Committee recommendation.
- **Risk Updating:** The Risk Register is kept current and updated regularly per Committee recommendations.

Broad Types of Risks: IIL operates a robust system for identifying, assessing, and mitigating business risks in a timely manner.

- **Strategic Risks:** can impede long-term goals through shifts in the business environment, competition, regulations, or internal decisions.
- **Commercial Risks:** threaten revenue and financial stability via competition, changing preferences, supply disruptions, credit stress, and downturns.
- **Operational Risks:** stem from process failures, system breakdowns, or human error — including fraud, IT failures, and non-compliance.
- **Financial Risks:** affect financial health through market volatility, credit defaults, liquidity gaps, and interest rate movements.
- **Compliance Risks:** arise from non-adherence to laws and policies, exposing the Company to penalties, financial losses, and reputational harm.
- **Reputational Risks:** undermine public trust through adverse publicity, ethical lapses, poor service, or product quality failures.

Specific Steps Being Taken to Mitigate or Manage Key Risks or to Create Value from Key Opportunities by Identifying the Associated Strategic Objectives, Strategies, Plans, Policies, Targets and KPIs.

Plans and Strategies for Mitigating These Risks and Potential Opportunities

IIL's risk governance system is structured and well-established, operating as follows.

Board and Its Committees: The Audit Committee oversees financial exposures and regulatory compliance, promptly escalating significant issues to the Board.

The HR & Remuneration Committee manages compensation and succession risks, reducing exposure and ensuring key roles are covered by capable personnel.

Policies and Procedures: Documented policies govern risk across financial, operational, and compliance areas. The Board upholds best practices reinforcing ethics and values, delegating authority to management, with all key functions covered by approved policies.

Control Activities: Management identifies risks and deploys preventive, detective, and corrective controls accordingly.

Internal Audit: Internal Audit independently assesses governance, risk, and compliance adequacy, reporting directly to the Audit Committee.

Key Risks

Strategic Risks

Major Business Risk/Opportunity	Sensitivity	Source of Risk/ Opportunity	Mitigating Factors / Steps to Create Value
Geopolitical instability, sanctions, and regional conflict disrupting supply chains, trade flows, energy availability, and business continuity.	High	External	• Geopolitical risk embedded in sourcing and export decisions • Diversified supplier and export base avoiding high-risk concentrations • Strategic buffer stocks maintained for critical materials • Ongoing geopolitical scenario monitoring • Political risk insurance where feasible • Quarterly macro and geopolitical review at Board level
Changing steel pipe market dynamics driven by composite material innovations, evolving standards, and competitive pressures.	High	External	• Expanded beyond water and gas segments by leveraging IIL's established position in plastics. • Active pursuit of new market opportunities for existing products.
Rapid technology advances risking product and process obsolescence, eroding local and international competitiveness.	Medium	External	• Continuous process and facility upgrades. • Investment in modern machinery aligned with industry advances.

Financial Risks

Major Business Risk/Opportunity	Sensitivity	Source of Risk/ Opportunity	Mitigating Factors / Steps to Create Value
Weak financial performance of wholly owned subsidiaries requiring IIL support, affecting consolidated profitability and borrowing capacity.	High	Internal	• Monthly management and quarterly Board performance reviews • Formal capital allocation and funding approval framework • KPI-linked turnaround plans for loss-making subsidiaries
USD/PKR and other currency movements raising import costs and pressuring margins, competitiveness, and profitability.	Medium	External	• Export market diversification as natural hedge • Forex monitoring by Treasury team • Pricing adjustments linked to exchange rate movements
Slow collections and financing constraints creating liquidity pressure, rising bad debts, and stress on banking facilities.	High	External	• Efficient raw material planning • Standardised credit approval matrix and risk assessment • Ageing-based receivables dashboards • Regular review of bank facility utilization & covenant compliance • Diversified banking relationships with committed backup lines • Periodic working capital stress testing
Rising interest rates elevating borrowing costs	Medium	Internal	• Preferential rates secured with banking partners. • Borrowings reduced through sustained cost-saving initiatives.

Operational Risks

Major Business Risk/Opportunity	Sensitivity	Source of Risk/ Opportunity	Mitigating Factors / Steps to Create Value
International price volatility from forex, shipping, and geopolitical factors disrupting cost structure and delivery commitments.	Medium	External	• Strategic procurement timed to market conditions, guided by robust intelligence and data insights.
Substandard raw materials, counterfeit IIL products, and standards non-compliance increasing wastage, legal exposure, and reputational risk.	Medium	Internal / External	• Supplier quality audits • Pre-shipment and third-party inspections • Incoming material testing against documented acceptance criteria • Full material traceability records • Market surveillance for counterfeit detection • Legal action against counterfeiters • Dealer authentication program
Cyberattacks or data breaches potentially disrupting operations and compromising sensitive information.	Medium	External / Internal	• Next-Generation Firewall (NGAF) deployed against cyberattacks. • Real-time endpoint monitoring for threat detection and incident response. • Employee cybersecurity awareness training. • Periodic Vulnerability Assessment and Penetration Testing (VAPT).
Energy and water supply shortages within Pakistan	High	External	• In-house solar energy generation installed. • Continuous evaluation of alternative energy sources.
Elevated turnover within senior leadership.	Medium–Low	Internal	• Robust HR policies, engagement drives, and satisfaction surveys. • Training and retention programmes to strengthen employee retention.
Workplace accidents and safety hazards at operational sites.	Medium	Internal	• Senior management-led OHSE culture with safety walks, training, and drills. • Mandatory safety gear and health insurance overseen by the OHSE Committee.
Risk of supplier defaults disrupting supply continuity.	Medium – High	External	• Long-term relationships with reputable global suppliers. • Adequate raw material and finished goods stockpiles. • Insurance coverage for in-transit raw materials.

Commercial Risks

Major Business Risk/Opportunity	Sensitivity	Source of Risk/ Opportunity	Mitigating Factors / Steps to Create Value
Low-cost, substandard competitors eroding IIL's margins and market share as the company upholds quality and compliance standards.	Medium	External	• Brand differentiation built on quality and compliance • Campaigns highlighting substandard product risks • Cost optimization to protect margins without quality compromise • Strengthened distribution across rural and urban markets
Economic downturns reducing demand for company products.	Medium	External	• Diversified product portfolio and export presence reduce cyclical market exposure.
Export market trade barriers — tariffs and anti-dumping duties — restricting sales.	Medium–High	External	• Pricing and volumes managed to avoid anti-dumping exposure. • Export diversification across multiple regions to reduce single-market reliance.
Competitor malpractice artificially suppressing market prices or exploiting regulatory exemptions.	Medium–High	External	• 50+ years of premium brand equity and consistent quality. • Scale and procurement strengths underpin competitive pricing.

Compliance Risks

Major Business Risk/Opportunity	Sensitivity	Source of Risk/ Opportunity	Mitigating Factors / Steps to Create Value
Environmental impact arising from company operations	Medium	Internal	• Renewable energy, urban forestry, and waste heat recovery to reduce carbon footprint.
Employee health and safety risks at factory and company sites.	Medium	Internal	• Regular safety training and adherence to best practices. • Frequent audits to maintain ongoing compliance.

Key Opportunities

Opportunity	Area of Impact	Key source of Opportunity	Strategy to materialize
Investment in emerging business portfolios	Financial Capital	Strategic investments in high-growth sectors and projects.	Selectively invest in high-potential ventures aligned with IIL's long-term objectives and risk appetite.
Investment in renewable energy projects	Physical Capital	Lower energy costs with added environmental benefits.	Continued investment in renewables that cut energy costs and reduce carbon footprint.
Generate additional revenue from scrap sales	Physical / Financial Capital	Efficient scrap collection and resale generating a strong ancillary revenue stream.	A structured process with dedicated staff to collect and competitively sell scrap material.
Enhance delivery timelines through strategic warehousing near key markets	Physical Capital	Reduced delivery lead times enabling faster customer response.	Warehousing near target markets with higher inventory levels and overseas stock where needed to cut lead times.
Diversified and inclusive work environment	Human Capital	Enhanced workplace conditions and employee well-being.	Targeted gender balance initiatives including the WISE programme, providing equal technical career opportunities for female engineers.

Disclosure of a Risk of Supply Chain Disruption Due to an Environmental, Social Or Governance Incident and Company's Strategy for Monitoring and Mitigating these Risks (If Any).

International Industries Limited (IIL) proactively monitors and manages environmental, social, and governance (ESG) risks within its value chain that could impact operational continuity, cost structures, or market access:

1. Environmental Risks: include climate-induced logistical disruptions, regional geopolitical energy shocks, and tightening global carbon regulations (such as the EU's Carbon Border Adjustment Mechanism) which may escalate raw material costs or impact export competitiveness.
2. Social Risks: exposures stemming from upstream labor disputes, community friction surrounding industrial operations, and health and safety non-compliance that can impair value chain continuity and operational efficiency.
3. Governance Risks: from evolving legal and ESG governance requirements necessitating supply chain and process adjustments.

Mitigation Strategy

To insulate from these compounding exposures the company manages these risks through the following measures:

1. Supplier Diversification: Sourcing key raw materials from a globally diversified vendor base to mitigate concentration risk and hedge against regional geopolitical or logistical shocks.
2. Sustainability Projects: Investing in on-site renewable energy, urban forestry, and industrial waste heat recovery systems to reduce the company's carbon footprint, environmental exposure and hedge against volatile utility costs.
3. Risk Monitoring and Assessment: Regular ESG-focused supply chain risk assessments with corrective actions implemented as needed.
4. Strong Compliance Practices: Strict compliance frameworks maintained through regular audits, training, and stakeholder engagement.
5. Contingency and Emergency Planning: Emergency response plans, critical material buffer stocks, and mapping alternative transit routes to ensure rapid supply chain recovery.

These proactive measures effectively neutralize ESG value chain exposure while safeguarding IIL's operational resilience, cost efficiency, and international competitiveness.

Section 4.0
Sustainability

Transition to Sustainability Related Financial Disclosures

About our Transition Journey

International Industries Limited ("IIL" or "the Company") is implementing the IFRS Sustainability Disclosure Standards: IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures) , issued by the International Sustainability Standards Board (ISSB) and adopted by the Securities and Exchange Commission of Pakistan (SECP) for phased application by listed companies in Pakistan.

The Company assessed its applicability against the implementation criteria prescribed by the SECP and determined that it falls within Phase I of the implementation roadmap. Phase I applies to annual reporting periods beginning on or after 1 July 2025.

The Company will apply the transition provisions provided by the SECP. Accordingly, the Company will issue its sustainability-related financial disclosures within the permitted timeframe of up to nine months following the financial year-end. In line with this transition approach, IIL's Sustainability Report 2026, which the Company will prepare in accordance with IFRS S1 and IFRS S2, will be published alongside the Company's half-yearly interim financial statements for the period ending 31 December 2026.

This Statement forms part of the Annual Report for the year ended 30 June 2026. It explains the Company's approach to implementing the IFRS Sustainability Disclosure Standards, outlines its sustainability governance arrangements and progress to date, and sets out the basis for preparing the Sustainability Report 2026.

Basis of Preparation

The following sections explain the basis and key considerations that IIL will apply when preparing its Sustainability Report 2026 under IFRS S1 and IFRS S2, taking into account the transition relief available to the Company as a first-year preparer.

Reporting Entity and Period

The Company will prepare its sustainability-related financial disclosures for the same reporting entity as its financial statements, namely International Industries Limited, on a standalone basis.

The Sustainability Report 2026 will cover the same reporting period as the Company's financial statements, namely the financial year ended 30 June 2026.

Primary Users

The Company will prepare its sustainability-related financial disclosures primarily for users of its general purpose financial reports, including existing and potential investors, lenders and other creditors.

The disclosures will focus on sustainability-related risks and opportunities that could reasonably be expected to affect the Company's prospects. The Company will provide information that enables primary users to assess how these risks and opportunities may influence its future cash flows, access to finance and cost of capital over the short, medium and long term.

Fair Presentation and Information Connectivity

The Company will present its sustainability-related financial disclosures fairly and provide a balanced representation of its material sustainability-related risks and opportunities. The Company will develop and present information in a manner that supports relevance, faithful representation, comparability, verifiability, timeliness and understandability.

Where relevant, the Company will connect its sustainability-related financial information with the information presented in its financial statements. This will include the underlying data, assumptions and estimates that support the preparation of the relevant financial and sustainability-related information.

Judgements, Assumptions and Estimation Uncertainty

The Company will apply judgement and, where necessary, develop assumptions and estimates when preparing its sustainability-related financial disclosures. The Company will use all reasonable and supportable information available at the reporting date when making such judgements and developing these estimates.

Where estimation uncertainty affects the measurement or assessment of sustainability-related information, the Company will apply appropriate methodologies, data sources and internal controls to develop reasonable and consistent estimates.

The Company will identify and disclose material judgements, assumptions and estimates, including those relating to relevant time horizons and significant sources of estimation uncertainty, where these could reasonably be expected to affect the reported information or result in a material adjustment.

Statement of Compliance

The Company will prepare its Sustainability Report 2026 in accordance with IFRS S1 and IFRS S2, as adopted by the Securities and Exchange Commission of Pakistan (SECP), while applying the transition relief available to the Company.

Letter to Stakeholders

Dear Stakeholders,

As International Industries Limited continues to advance its sustainability journey, we are taking an important step in strengthening how we identify, assess and communicate sustainability-related risks and opportunities. Our transition to the IFRS Sustainability Disclosure Standards represents an important evolution in our approach to sustainability reporting.

The adoption of IFRS S1 and IFRS S2 provides an opportunity to further strengthen the connection between sustainability-related matters, our business strategy, risk management and financial considerations. Our objective is not only to establish the processes, systems, governance and capabilities required to implement these Standards, but also to provide our stakeholders with meaningful and decision-useful information on sustainability-related risks and opportunities that could reasonably be expected to affect our prospects.

As a listed company falling within Phase I of the Securities and Exchange Commission of Pakistan's (SECP) implementation roadmap, we are progressing towards reporting in accordance with IFRS S1 and IFRS S2. In our first year of implementation, we are applying the transition relief provided by the SECP. As part of this transition, we are assessing matters that could reasonably be expected to affect our strategy, business model, cash flows, access to finance and cost of capital, while ensuring that our disclosures remain relevant to our stakeholders and connected to our broader business and financial context.

During the year, we also conducted dedicated capacity-building initiatives to strengthen our teams' understanding of sustainability and ESG matters and clarify their respective responsibilities. Alongside our reporting transition, we continued to enhance our operational and sustainability practices, focusing on operational efficiency, environmental management, workplace safety, accountability and continuous improvement. We also continued to invest in our people and support their development and well-being, recognizing that our workforce remains fundamental to our long-term success.

We remain committed to progressing this transition with transparency, accountability and continuous improvement, while providing stakeholders with information that enables them to better understand our sustainability-related risks and opportunities and their potential implications for IIL.

On behalf of the Board of Directors and management, we thank our stakeholders for their continued trust and support. We look forward to continuing this journey and further strengthening our sustainability-related financial reporting in the years ahead.

On Behalf of Board

Kamal A. Chinoy
Chairman

Transition Reliefs Applied

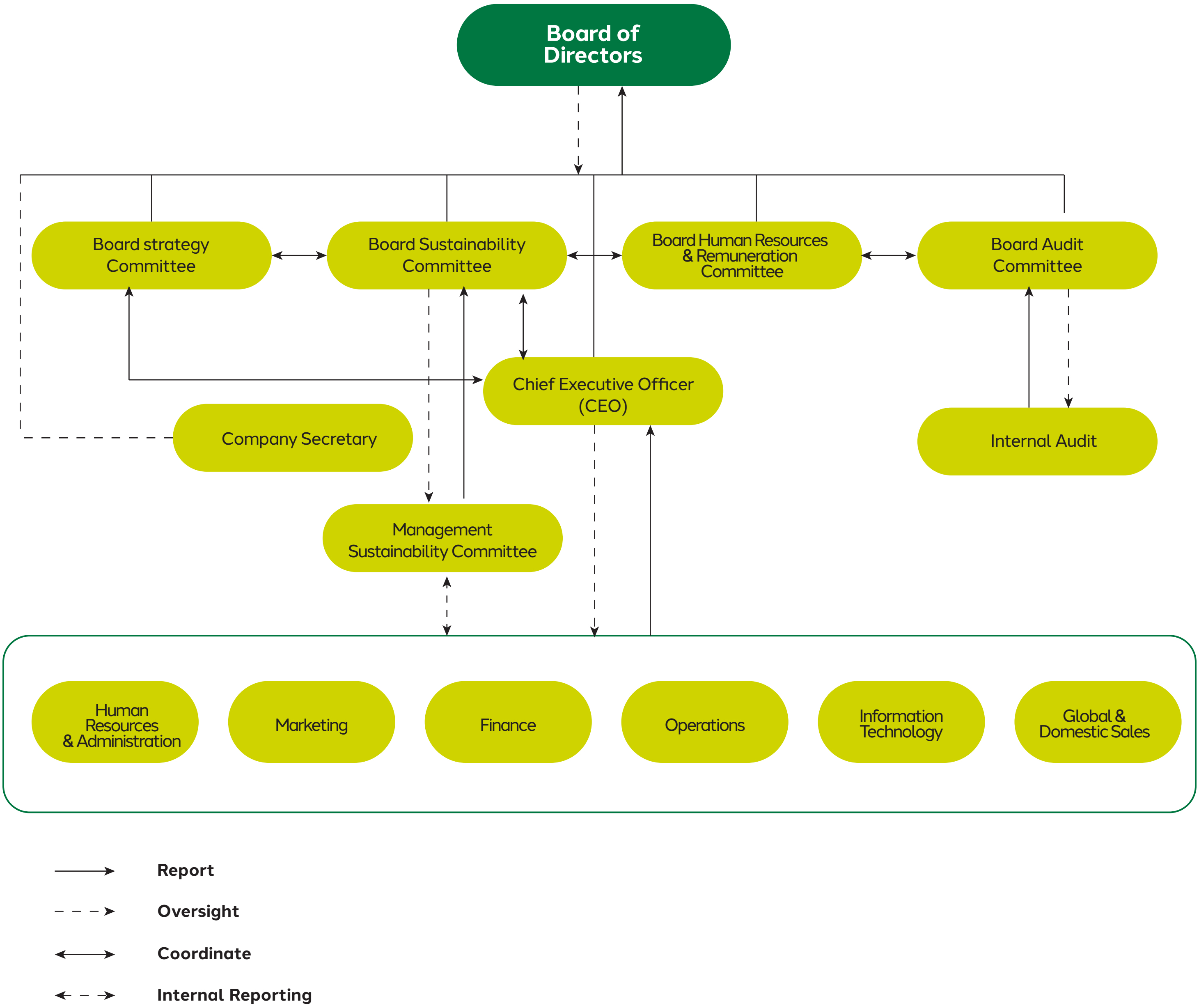
As this is the Company's first year of sustainability reporting under the IFRS Sustainability Standards, IIL is applying the following reliefs, and discloses the fact that it has used them:

Relief	Description
Timing of Reporting	Sustainability disclosures will be published after the annual financial statements, with the half-yearly interim accounts (period ending 31 December 2026), within nine months of the year-end.
Comparative Information	No comparative information will be presented for this first reporting period.
Scope 3 GHG Emissions	Scope 3 (value-chain) greenhouse-gas emissions will not be disclosed in the first year, they will be introduced from the second year.
External Assurance	The first-year disclosures will be unassured, external assurance will be introduced from the second year, in line with SECP requirements.

Sustainability Governance

Sustainability oversight at International Industries Limited is embedded within the Company's corporate governance framework. The Board of Directors retains overall responsibility for the Company's sustainability strategy, sustainability- and climate-related risks and opportunities, and related disclosures.

The Board has delegated focused oversight of sustainability matters to the Sustainability Committee, which provides strategic guidance, reviews relevant risks and opportunities, and monitors sustainability performance and disclosures.



Director Skills Matrix

In accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board conducts an annual self-assessment of its performance. The Board of Directors considers continuous evaluation essential to assessing the effectiveness of its performance against the objectives and goals established by the Board. The outcomes of the evaluation help identify areas requiring improvement, following which appropriate corrective measures and action plans are developed and implemented.

Skills	Kamal A. Chinoy	Asif Jooma	Haider Rashid	Mansur Khan	Mustapha A. Chinoy	Muhammad Asad	Selina Rashid	Yousuf H. Mirza	Zain K. Chinoy
Financial Management & Capital Allocation	3	3	3	3	3	3	3	2	2
Legal & Regulatory Affairs	2	3	2	2	1	1	3	3	2
Enterprise Risk & Resilience	2	2	3	2	2	1	3	3	3
Human Capital Management	3	3	3	3	3	3	3	3	2
Sustainability & Decarbonization	2	2	2	2	2	3	2	3	2
Strategic Planning & Decision making	3	3	3	3	3	3	3	3	3
Corporate Governance & Oversight	3	3	3	3	3	2	3	3	1
Stakeholder / Investor Relations	3	3	3	3	3	3	3	3	2
Sales & Business Development	3	3	3	3	3	1	3	3	3
Technology & Digital Transformation	1	1	3	2	2	2	3	2	2
Supply Chain & Logistics	3	2	2	2	1	1	1	3	3

1. Little knowledge or direct experience
2. Familiar with the topic and some direct experience
3. Good knowledge and direct experience

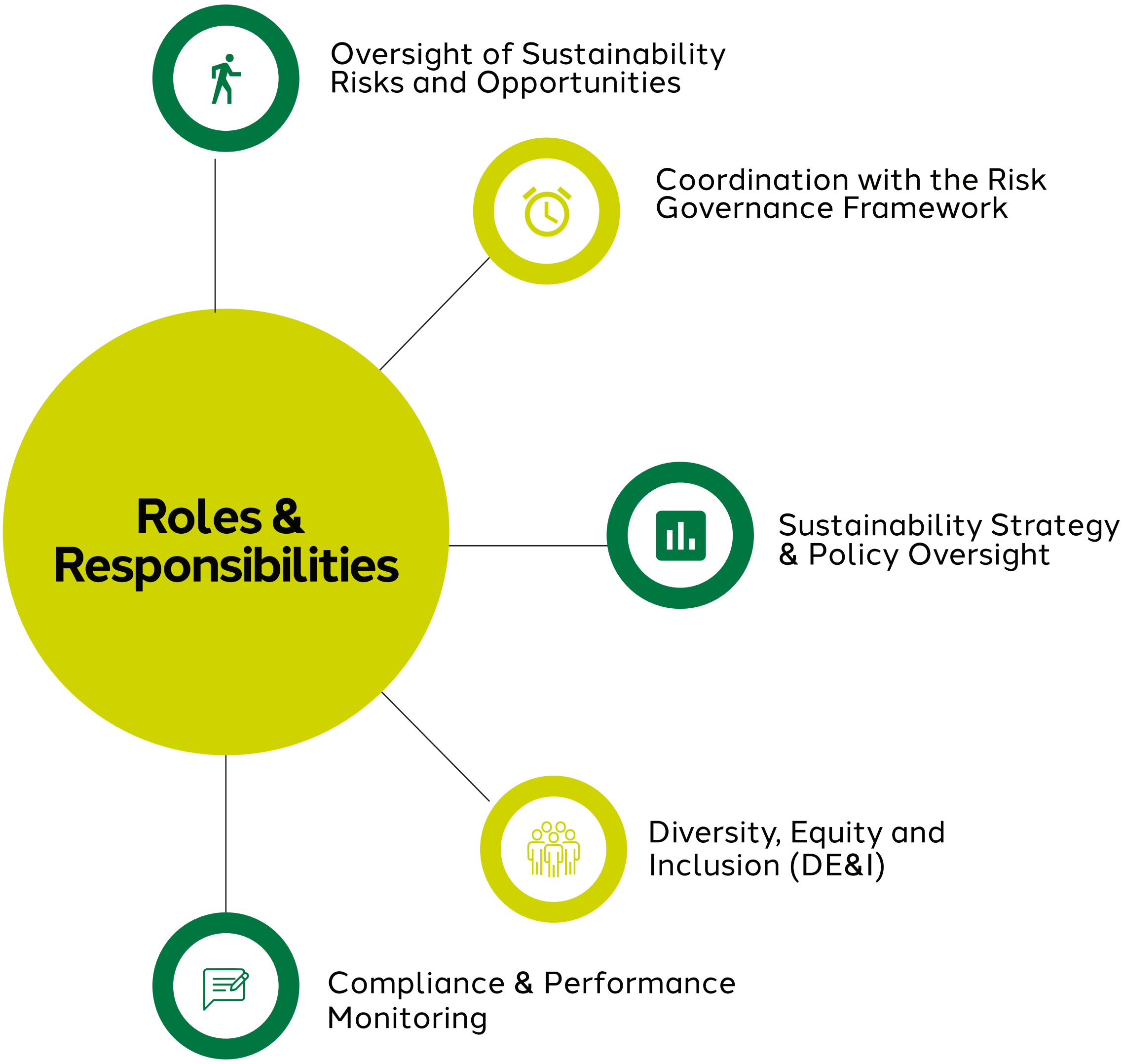
Basis of the Board Skills and Competency Matrix

The Board skills and competency matrix set out above is presented as at the date of this report and reflects the Board as currently constituted, including Mr. Muhammad Asad (Non-Executive Director), who was appointed to fill the casual vacancy arising on the cessation of Mr. Asim Rafiq's directorship. The skills and competency disclosure under IFRS S1 is directed at whether appropriate skills and competencies are available, or will be developed, to oversee the Company's strategy for managing sustainability-related risks and opportunities. As this is a forward-looking assessment, the matrix has been prepared on the basis of the Board responsible for that continuing oversight — the Board as presently constituted. The outgoing director had served only a part of the financial year before ceasing to hold office, and an assessment of the competencies of a director no longer on the Board would not be decision-useful to the users of this report.

Board Sustainability Committee (BSUC)

The BSUC comprises one (1) independent director who is the Chairman of the BSUC, one (1) non-executive director, and the CEO. The Chief Internal Auditor is the secretary of the BSUC. The minutes of the meetings of the BSUC meetings are provided to all members and directors.

1	Mr. Asif Jooma	Chairman BSUC	Independent Director
2	Mrs. Selina R. Khan	Member	Non-Executive Director
3	Mr. Yousuf H. Mirza	Member	Chief Executive Officer
4	Mr. Muhammad Atif Khan	Secretary	Chief Internal Auditor



Management Level Governance

Below the Board and its Sustainability Committee, responsibility for embedding sustainability into day-to-day operations rests with Executive Management, led by the Chief Executive Officer (CEO). The Management Sustainability Committee (MSC) translates Board-level direction into operational action coordinating IIL's functions, consolidating sustainability-related data into disclosures. The CEO chairs the MSC and the Chief Internal Auditor serves as its Convenor.

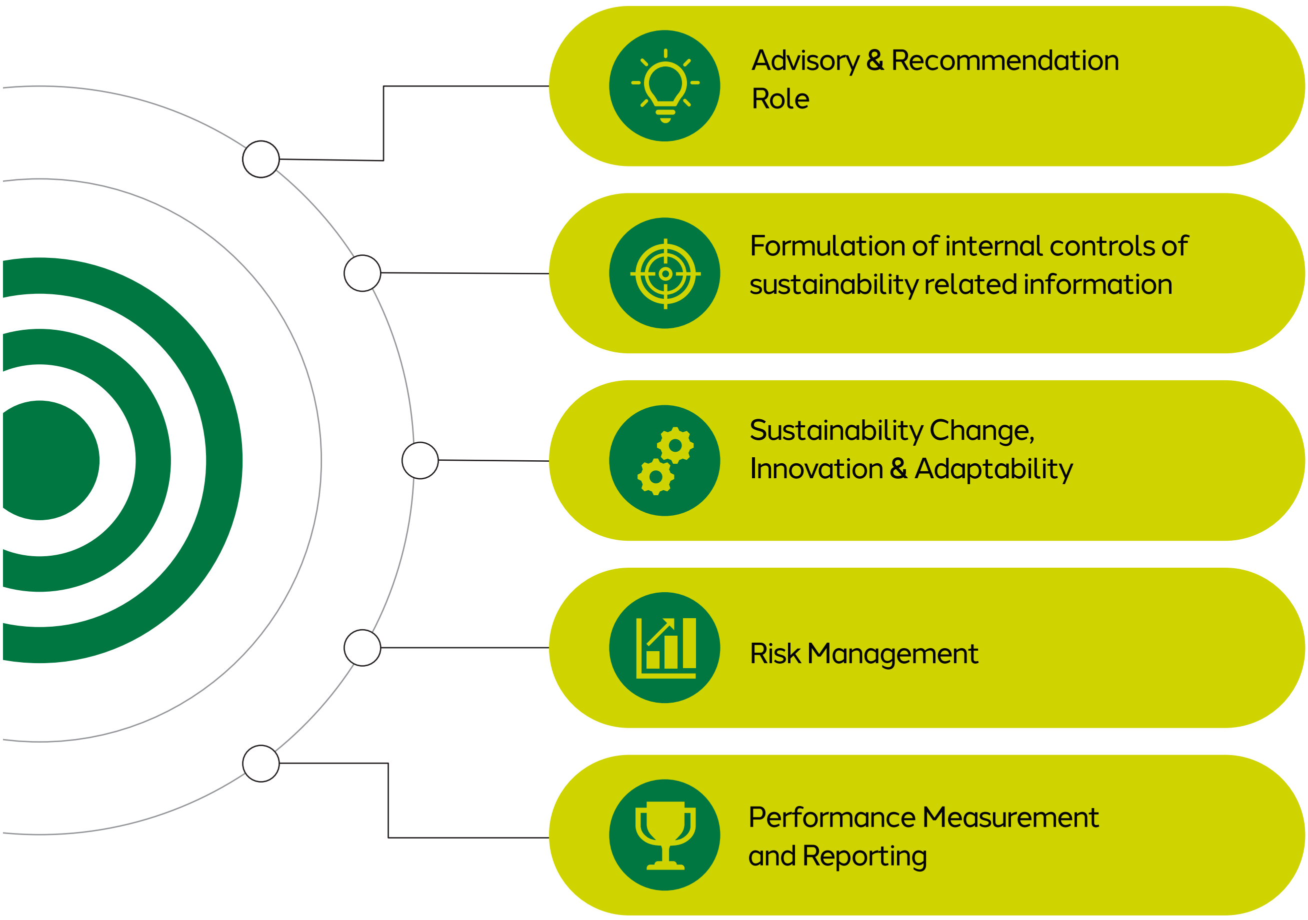
Reporting Line

Board Sustainability Committee (BSUC)

↓

Management Sustainability Committee (MSC)
Chaired by the CEO, Convened by the Chief Internal Auditor

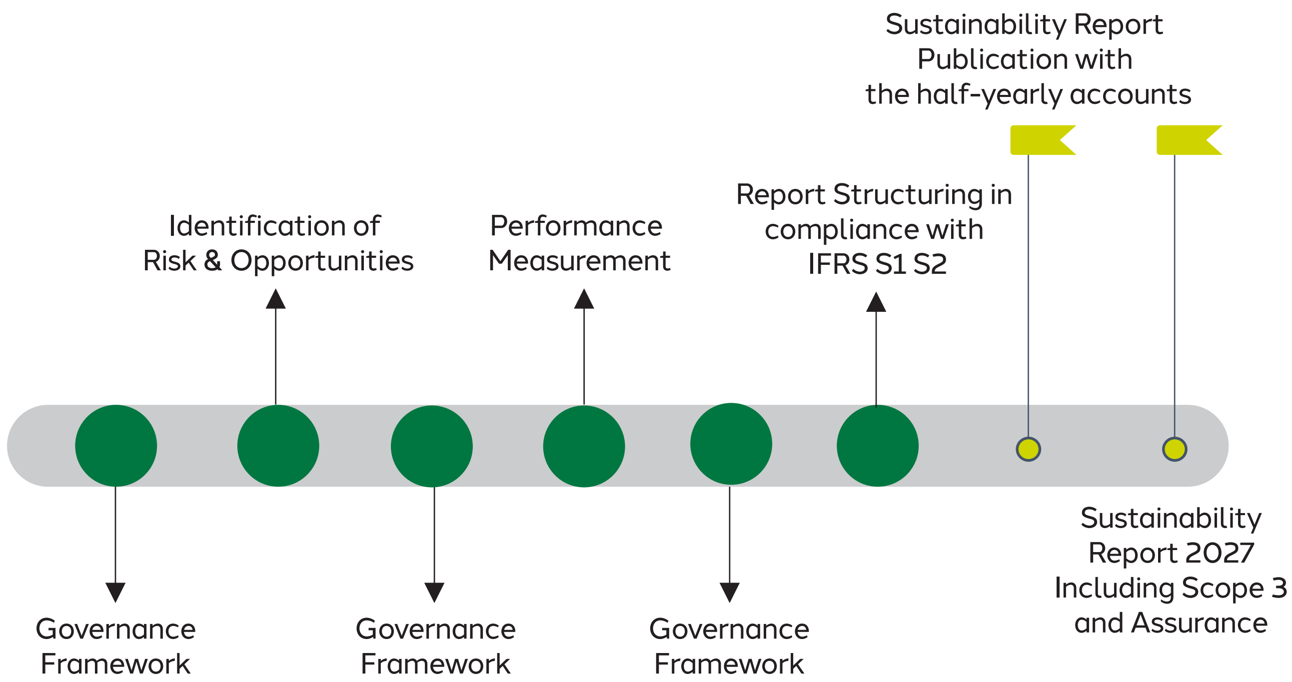
Roles & Responsibilities



Time Horizon

IIL's current time horizons, Short term (1-2 Years), Medium Term (3-5 Years), Long Term (5-10 Years) represent the Company's initial selection for the last reporting year. IIL will reassess these time horizons, taking into consideration the Company's evolving business context, strategic planning cycles and the relevant requirements of the IFRS Sustainability Disclosure Standards. The rationales and supporting considerations for the selected time horizons will be finalized and disclosed as part of the Company's upcoming sustainability report.

IFRS S1 S2 Adoption Roadmap



SECTION 5.0
Stakeholders Relationship and Engagement

Stakeholder Engagement Policy

The Company is committed to fostering transparent, constructive, and proactive relationships with all its stakeholders. Effective stakeholder engagement is vital for the sustainable success of its business. The stakeholder policy outlines the Company's approach to identifying and engaging with stakeholders to ensure that their interests, concerns, and expectations are considered in its decision-making processes.

This policy establishes a framework for stakeholder engagement that aligns with the Company's values, vision, and mission. The goal is to ensure that the Company engages with stakeholders in a consistent, transparent, and responsible manner, fostering mutual trust and respect.

Identification of Stakeholders

The Company has identified its key stakeholders through a comprehensive analysis of its business operations, industry environment, and the impact of its activities. The stakeholders are categorized based on their relationship with the capitalize their influence on or interest in the Company's operations, and the impact that the Company's decisions may have on them. The key stakeholders identified by the Company include:

Stakeholders	Why they are important	Nature of engagement	Frequency
Shareholders	1. Owners of the Company. 2. Expect a fair return on their investment. 3. Decisions are made in line with increasing shareholder value.	1. AGM 2. EOGM 3. Interim reports 4. Annual report 5. Website 6. Social media	1. Annually 2. If/when needed 3. Quarterly 4. Continuous
Customers	1. Purchase our products and generate revenue for the Company. 2. Expect quality and drive demand for the Company's products. 3. Are its business partners.	1. Direct relationships 2. Customer gatherings 3. Satisfaction surveys 4. Website 5. Social media 6. Net Promoter Score (NPS)	1. Continuous/ongoing 2. Regularly 3. Annually 4. Continuous 5. Continuous
Employees	1. Are the Company's most valueable assets.	1. Interaction with management 2. alignment/placement issue 3. Job satisfaction survey 4. Union interactions 5. Employee events 6. Newsletter 7. Website 8. Social media 9. Training & development 10. Town Hall meetings	1. Daily 2. Annual/semi-annual 3. Annual 4. Regularly 5. Regularly 6. Continuous 7. Continuous 8. Continuous 9. Regularly 10. Quarterly
Suppliers	1. Reliable and reasonable provision of raw materials. 2. Are the Company's business partners.	1. Direct relationships 2. Meetings 3. Trade shows 4. Website 5. Social media	1. Continuous/ongoing 2. Regularly 3. Regularly 4. Continuously available 5. Continuously available
Government Bodies	1. Determine and implement policies that could positively or negatively impact the Company.	1. Issue-specific meetings/ discussions/ correspondence 2. Submission of statutory returns and reports 3. Website 4. Social media	1. Annually 2. If/when needed 3. Quarterly 4. Continuous

Stakeholders	Why they are important	Nature of engagement	Frequency
Local Community	1. Provide manpower for our operations. 2. Their quality of life is influenced by the environmental perfor mance of the Company's operations. 3. Key target of the Company's CSR initiatives.	1. TCF School in Majid Colony 2. Mosque in Majid Colony 3. Union and employees 4. Website 5. Social media	1. Continuous 2. Continuous 3. Continuous 4. Continuous 5. Continuous
Banks	Provision of finance and trade facilities.	1. Direct relationships 2. Meetings 3. Financial reporting 4. Website / social media	1. Continuous/ongoing 2. As needed 3. Periodic 4. Continuously available
Media	Ability to influence brand awareness and perception.	1. Advertising campaign 2. Press releases 3. Interviews	1. Regularly 2. As needed 3. As needed

Engagement Principles

The Company's approach to stakeholder engagement is guided by the following principles:

Transparency: Open and honest communication with stakeholders, providing timely and accurate information.

Inclusiveness: Actively seeking to understand and consider the views and concerns of all stakeholders, recognizing their diverse interests.

Responsiveness: Promptly addressing stakeholder concerns and feedback, incorporating them into the Company's decision-making processes where appropriate.

Respect: Treating all stakeholders with respect, recognizing their rights, needs, and contributions to the Company's success.

Mutual Benefit: Creating shared value, ensuring that our business activities benefit both thecompany and our stakeholders.

The Company is committed to fostering positive relationships with all its stakeholders. Through effective stakeholder engagement, the Company aims to build trust, enhance its reputation, and create long-term value for the Company and its stakeholders.

Investor Relations Section on Corporate Website:

The Company has a dedicated and updated Investors Relations Section on its corporate website (http://www.iil.com.pk/investors) which provides comprehensive information for investors. This section includes key Company information, detailed corporate governance information, financial information and other reports, stocks and dividend information, announcements, and a link to the SECP website and SECP complaint forms.

Legitimate Needs and Interests of Key Stakeholders

For the Company, understanding the legitimate needs and interests of key stakeholders, along with staying attuned to industry trends, is crucial for strategic alignment and sustainable growth. Here's a detailed overview of these aspects:

1. **Shareholders and Investors**

   Financial Performance: Shareholders seek consistent financial returns, profitability, and growth in shareholder value. They are interested in transparent financial reporting and strategic plans that drive long-term value.

   Governance: Investors expect strong corporate governance practices, ethical conduct, and adherence to regulatory requirements. They value clear communication about risk management and strategic decisions.

2. **Customers**

   Product Quality: Customers demand high-quality, reliable products that meet their specifications and industry standards. They value innovations that enhance product performance and longevity.

   Customer Service: Efficient, responsive customer service and technical support are crucial for customer satisfaction. Customers are also interested in value-added services and timely delivery.

3. **Employees**

   Work Environment: Employees seek a safe, inclusive, and supportive work environment. They are interested in career development opportunities, fair compensation, and recognition for their contributions.

   Job Security: Job stability and clear career progression paths are important to employees, along with transparent performance evaluation and feedback mechanisms.

4. **Suppliers and Partners**

   Fair Transactions: Suppliers and partners are concerned with fair, timely payments and transparent dealings. They value long-term relationships built on mutual trust and respect.

   Collaboration: Opportunities for collaboration and joint development projects are important, as they contribute to mutual growth and innovation.

5. **Regulators and Industry Bodies**

   Compliance: Regulators require adherence to industry regulations, environmental standards, and safety protocols. They are interested in the Company's compliance with legal and ethical standards.

   Reporting: Accurate and timely reporting on environmental, social, and governance (ESG) practices is essential for maintaining regulatory relationships and industry standing.

6. **Communities and Environmental Groups**

   Sustainability: Communities and environmental groups are focused on the Company's environmental impact and sustainability practices. They expect the Capitalize to minimize its carbon footprint, manage waste responsibly, and contribute positively to local communities.

   Corporate Social Responsibility: They value the Company's involvement in community development, including educational initiatives, health programs, and other social contributions.

Industry Trends Affecting the Company

1. Technological Advancements

Automation and Digitization: The steel and polymer industries are increasingly adopting automation and digital technologies to enhance production efficiency, product quality, and supply chain management.

Advanced Materials: There is a growing focus on developing advanced materials with improved properties, such as higher strength and better corrosion resistance.

2. Sustainability and Green Practices

Environmental Regulations: Stricter environmental regulations are driving the industry towards greener practices, including the use of renewable energy and reduction of carbon emissions.

Circular Economy: The trend towards a circular economy is influencing companies to adopt recycling and waste management practices to minimize environmental impact.

3. Globalization and Market Expansion

Emerging Markets: There is a growing demand for steel and polymer products in emerging markets, offering opportunities for international expansion and diversification.

Trade Policies: Changes in trade policies and tariffs can impact global supply chains and market dynamics, influencing strategic decisions.

4. Customer Expectations

Customization and Innovation: Customers are increasingly seeking customized solutions and innovative products that meet specific industry requirements and performance standards.

Sustainable Products: There is a rising preference for products that align with sustainability goals, including those made from recycled materials or with lower environmental impact.

5. Economic Factors

Raw Material Prices: Fluctuations in the prices of raw materials, such as steel and polymers, can impact production costs and pricing strategies.

Economic Cycles: Economic downturns or booms influence demand for steel and polymer products, affecting industry growth and profitability.

6. Regulatory and Compliance Trends

Health and Safety Standards: Enhanced health and safety regulations are shaping industry practices, necessitating rigorous compliance and continuous improvement in workplace safety.

The Company aligns its strategies with the legitimate needs and interests of key stakeholders while adapting to industry trends. By addressing these needs and staying ahead of trends, the Company aims to sustain its competitive advantage, foster positive stakeholder relationships, and drive long-term success in the market.

Board Actions to Solicit and Understand Stakeholder Views Through Corporate Briefing Sessions

In compliance with the listing regulations of the Pakistan Stock Exchange, the Company arranges corporate briefing session(s) to answer queries of the various stakeholders including investors and financial analysts.

The Company also recognizes the importance of understanding the perspectives, concerns, and expectations of its stakeholders. To achieve this, the Board has implemented a structured approach to stakeholder engagement through regular corporate briefing sessions. The last Corporate Briefing Session was held on Friday, September 26, 2025, to brief investors/analysts/shareholders about the financial performance and future outlook of the Company.

Steps Taken by the Board:

1. **Annual Corporate Briefing Sessions:**

   The Company organizes the corporate briefing session once a year to engage with key stakeholders. This session is held coinciding with major financial announcements or strategic updates.

2. **Tailored Briefing Content:**

   Each corporate briefing session is tailored to address the specific interests and concerns of the participating stakeholder group.

3. **Two-Way Communication:**

   The Company ensures that corporate briefing sessions are not just about disseminating information but also about listening to stakeholders. An open Q&A session is incorporated to encourage stakeholders to share their views and concerns.

4. **Involvement of Senior Management:**

   Senior management, including the CEO, CFO, Company Secretary and heads of key departments, actively participate in the briefing sessions. This allows stakeholders to engage directly with those responsible for executing the Capitalize strategy and provides the Board with firsthand insights into stakeholder concerns.

5. **Transparency and Accountability:**

   The Company ensures transparency by publicly sharing the outcomes of financial results.

6. **Integration into Strategic Planning:**

   Insights gained from stakeholder engagement during corporate briefing sessions are integrated into the Capitalize strategic planning process. This ensures that stakeholder expectations are aligned with the Capitalize long-term goals and objectives.

7. **Continuous Improvement:**

   The Company regularly reviews the effectiveness of the corporate briefing sessions and makes adjustments as necessary to improve engagement quality. This may include changes to the format, frequency, or content of the sessions based on stakeholder feedback.

   Through these steps, the Board actively solicits and understands the views of stakeholders, ensuring that their input plays a critical role in shaping the company's strategy and operations. This approach not only strengthens relationships with stakeholders but also enhances the company's reputation for transparency and responsiveness.

CEO's Presentation on Annual Business Performance

In the Company's commitment to transparency and keeping its stakeholders informed, the CEO of International Industries has presented a comprehensive overview of the Capitalize business performance for the year. This presentation covers key aspects of the Company's operations, including:

Business Performance: A detailed analysis of the Capitalize financial and operational achievements over the past year, highlighting areas of growth, challenges faced, and how they were addressed.

Business Strategy: Insights into the strategic initiatives implemented to enhance the Company's market position, drive innovation, and improve operational efficiency. This section also explores the steps taken towards digital transformation, customer engagement, and sustainability.

Future Outlook: A forward-looking perspective on the Capitalize plans for the coming year, including expected market trends, growth opportunities, and how the Company intends to navigate the evolving business landscape.

To view the full presentation and gain deeper insights into the Company's strategic direction and performance, please visit the following webpage:

https://iil.com.pk/en/page/investors/financial-information

The presentation forms part of the Company's Annual Report disclosures and is available on the Company's official website.

We encourage all stakeholders to watch the presentation to better understand the Capitalize achievements and future plans.

SECTION 6.0
Governance

DIRECTORS' PROFILE

Kamal A. Chinoy

Chairman (Non-Executive)
Chairman Since: September 30, 2022
Director Since: February 6, 1984

Mr. Kamal A. Chinoy is a graduate of the Wharton School, University of Pennsylvania, USA. He is the Honorary Consul General of the Republic of Cyprus. Currently, he is Chairman of International Industries Limited, International Steels Limited, IIL Americas Inc., and a Director of Pakistan Cables Ltd., IIL Australia Pty Ltd, and Chinoy Engineering & Construction (Pvt) Ltd.

He has served as Chairman of the Aga Khan Foundation (Pakistan) and Jubilee Life Insurance Co., and also as a Director of Pakistan Centre for Philanthropy, Atlas Insurance Limited, Pakistan Security Printing Corporation, NBP Fullerton Asset Management Limited, Atlas Battery Ltd, ICI Pakistan Limited, Askari Bank Limited, First International Investment Bank, Atlas Power Limited and Pakistan Business Council.

He also served as CEO of Pakistan Cables Ltd. for 27 years. He was an instrumental role in the team that negotiated the exit of BICC from the ownership of the Company in the early 1990s. Then in 2010 he led the effort to attract General Cable, a Fortune 500 company, as an equity investor in PCL.

Mr. Kamal A. Chinoy is a member of the executive committee of the International Chamber of Commerce, Pakistan and is also a past President of the Management Association of Pakistan (MAP). He has also served on the Admissions Committee of Aga Khan University and the Alumni Admissions Committee for the University of Pennsylvania. He has also been a member of the Board of Governors of Army Burn Hall Institutions.

He has been a member of the Pakistan-UK Forum for Investment and Technology (under the Board of Investment, GoP) and the Experts Advisory Group for Engineering Goods for the Fifth Five-Year Plan for the Government of Pakistan.

Asif Jooma

Independent Director
Director Since: March 16, 2021

Mr. Asif Jooma was formerly Chief Executive Officer and Director of Lucky Core Industries Ltd. (formerly ICI Pakistan Ltd.) for a period of 13 years. He was appointed Chief Executive of Lucky Core Industries in February 2013, retiring in May 2026. With a career spanning over forty years, Jooma has extensive experience in senior commercial and leadership roles. Following his early years with ICI and subsequently Pakistan PTA Limited, he was appointed Managing Director of Abbott Laboratories Pakistan Limited in 2007. After serving there for nearly six years, he returned to Lucky Core Industries Limited as Chief Executive.

Mr. Jooma holds directorships in Pakistan Tobacco Company Limited, International Industries Limited and NIFT. He has previously served as a Director on the Board of Systems Limited, NIB Bank Limited, Engro Fertilizers Limited, National Bank of Pakistan, and as Director and Member Executive Committee of the Board of Investment (BOI) – Government of Pakistan.

He has also served as the President of the American Business Council, President of the Overseas Investors Chamber of Commerce and Industry, and Chairman of the Pharma Bureau.

Additionally, Mr. Jooma has served on the Board of Governors of the Lahore University of Management Sciences, a Trustee of the Duke of Edinburgh's Awards Programme and the Board of Indus Valley School of Art and Architecture. He graduated cum laude from Boston University with a Bachelor of Arts in Development Economics and attended Executive Development programmes at INSEAD and Harvard Business School thereafter.

In June 2024, he was also appointed as an Ambassador-at-Large in an honorary capacity by the Government of Pakistan for a two-year period.

Haider Rashid

Independent Director
Director Since: January 24, 2022

Mr. Haider Rashid gained an honours degree in Accounting and Finance from the University of Lancaster, England. His early career involved ten years in the chemical and agriculture industry in Pakistan, initially for the ICI group, and then the Hoechst AG group where he was the CEO for Hoechst AgrEvo Pakistan. During this time, he also served two terms as President of the Agricultural Chemical Trade Association of Pakistan (PAPA).

Since 1997, Mr. Rashid held several senior corporate positions in international companies, including Head of Controlling for Hoechst AG, Germany, Head of Integration for Aventis SA, France, Member of the Executive Committee of Aventis Crop Science, France, Chief Information Officer and Head of Finance & Controlling for ABB, Switzerland and Regional President for ABB. He was also the founder and CEO of K&R Consulting AG. His external responsibilities have included membership of the IBM Board of Advisors and membership of the Executive Committee of the European Roundtable for Digital Strategies, founded by the Tuck School of Business at Dartmouth.

Mansur Khan

Independent Director
Director Since: September 30, 2019

Mr. Mansur Khan has over 30 years of diversified experience and a proven track record in development/commercial/investment banking. He has a Master's degree in Business Administration (with distinction) from Pace University, New York, USA, majoring in Financial Management.

Mr. Khan has served as President / CEO of Zarai Taraqiati Bank Limited (ZTBL), SME Bank Limited, Managing Director of Pak Kuwait Investment Company, Punjab Small Industries Corporation (PSIC) and the Sudanese Microfinance Development Facility (SMDF). He has international experience of working in Asia, Africa, the USA, Europe and the Middle East. Prior to joining Pak Kuwait as Managing Director, he was associated with Weidemann Associates Inc, a Crown Agents USA company. Mr. Khan was also a fighter pilot in the Pakistan Air Force from 1970 to 1978.

He held directorships in The General Tyre and Rubber Company of Pakistan Limited, Sudanese Microfinance Development Facility, Zarai Taraqiati Bank Limited, National Commodity Exchange Limited, Saudi Pak Agricultural and Investment Company Limited, National Database and Registration Authority (NADRA), Kissan Support Services Limited, SME Bank Limited, SME Leasing Limited, TMT Venture Capital Fund, Small and Medium Enterprise Development Authority (SMEDA), Business Competitiveness/Support Funds and Punjab Small Industries Corporation. He is also a certified director from Pakistan Institute of Corporate Governance.

Mustapha A. Chinoy

Non-Executive Director
Director Since: February 23, 1998

Mr. Mustapha A. Chinoy is a B.Sc. in Economics from Wharton School of Finance, University of Pennsylvania, USA with majors in Industrial Management and Marketing. Upon return from the United States, he took up the position of Marketing Manager at International Industries Ltd. He is currently the Chairman of Pakistan Cables Ltd., Travel Solutions (Pvt) Ltd., Global E-Commerce Services (Pvt.) Ltd., Global Reservation (Pvt.) Ltd, BinaryVibes (Pvt) Ltd. and Chinoy Engineering & Construction (Pvt.) Ltd.. He is the Chief Executive of Intermark (Pvt.) Ltd. He has previously served on the Boards of Union Bank Ltd and Security Papers Ltd.

Selina Rashid Khan

Non-Executive Director
Director Since: September 30, 2022

Selina Rashid Khan is the Founder and CEO of Lotus Client Management & Public Relations, Pakistan's first strategic communications agency, established in 2007. Under her leadership, Lotus has built Pakistan's modern communications industry from the ground up and has become one of the country's most awarded strategic communications consultancies. With more than two decades of experience, Selina is widely recognised as one of the Pakistan's leading communications strategists and reputation advisors.

She is also the Co-Founder of The Lotus Advisory, a GCC headquartered strategic communications consultancy focused on the intersection of artificial intelligence, reputation and strategic communications. Through The Lotus Advisory, she advises organisations on AI reputation management, executive preparedness, crisis resilience, and the future of communications.

Selina is the first and only Pakistani recipient of the prestigious PR News Top Women in PR global award and is among the few South Asian communications professionals to be invited to the Forbes Business Council. She serves as President of PREDA, Pakistan's Association for Public Relations, Event Management, Digital and Activations, where she is leading efforts to professionalize and advance Pakistan's communications industry.

Her public sector appointments have included serving as Chair of Brand Pakistan, an advisory panel to the Special Assistant to the Prime Minister on Tourism and Overseas Pakistanis, and as Honorary Advisor to the Minister of Foreign Affairs on public diplomacy reform.

Selina serves as a non-executive director on the boards of International Industries Limited (IIL), Avanceon Limited, and Zaman Foundation. She is a frequent advisor to multinational corporations, government institutions, international organisations, and leading entrepreneurs on reputation, stakeholder engagement, corporate affairs and strategic communications.

She holds an Honours degree in Politics from the University of Warwick and has completed specialised education programmes in leadership at Harvard University. She began her career at Avalon Public Relations in London.

Muhammad Asad

Non-Executive Director
Director Since: August 6, 2026

Muhammad Asad has joined as Managing Director of National Investment Trust Limited (NITL), Pakistan's oldest Asset Management Company, for a three-year term on July 16, 2026. Prior to joining NITL, Muhammad Asad has served as Chief Investment Officer of Al Meezan Investment Management Limited and was associated for 25 years with the firm. In that role, he has been responsible for managing and overseeing funds exceeding Rs.700 billion (US$2.5 billion), while also serving as second-in command at the company with additional oversight of Shariah compliance and a seat on its Investment Committee. He brings more than 30 years of experience across capital markets, investment banking, insurance and commercial banking at leading local and multinational institutions. Prior to Al Meezan, Muhammad Asad served as a Fund Manager at State Life Insurance Corporation of Pakistan, the country's largest Insurance Corporation, and earlier held a credit and marketing role at Habib Metropolitan Bank. He holds a Master's degree in Business Administration from the Institute of Business Administration (IBA), University of Karachi.

Yousuf H. Mirza

Chief Executive Officer
CEO Since: October 1, 2024

Mr. Yousuf H. Mirza is the Chief Executive Officer of International Industries Limited (IIL). With over 25 years of distinguished leadership experience across the steel, manufacturing, engineering, and industrial gases sectors, he has established a reputation for driving strategic transformation, operational excellence, sustainable growth, and long-term value creation. Throughout his career, he has successfully led complex organisations through periods of expansion, modernization, and enhanced competitiveness in both domestic and international markets.

Prior to joining IIL, Mr. Mirza served as the Chief Executive Officer of International Steels Limited (ISL) from January 2015 to September 30, 2024. Under his leadership, ISL consolidated its position as one of Pakistan's leading flat steel manufacturers, delivering sustained business growth, expanding manufacturing capabilities, strengthening operational resilience, and broadening its portfolio of value-added products. Earlier, as Chief Operating Officer, he played a pivotal role in optimizing operations, improving productivity, and establishing a culture of continuous improvement that laid the foundation for the Company's subsequent growth.

Before joining ISL, Mr. Mirza held senior leadership positions with Linde Pakistan Limited and its regional operations in the Philippines, Malaysia, and Southeast Asia. During this period, he gained extensive international experience in manufacturing, commercial management, supply chain optimization, business development, and organisational leadership, successfully managing multicultural teams and complex cross-border operations.

Mr. Mirza holds a Bachelor's degree in Mechanical Engineering from NED University of Engineering and Technology and a Master of Business Administration from the Institute of Business Administration (IBA), Karachi. He has further strengthened his executive leadership capabilities through advanced management and leadership programmes at the University of Oxford's Saïd Business School, INSEAD, and Nanyang Technological University, Singapore.

An active contributor to Pakistan's industrial and business landscape, Mr. Mirza serves on the Boards of IIL Americas Inc., the German Pakistan Chamber of Commerce and Industry, the Employers' Federation of Pakistan, and the Pakistan Japan Business Forum. He also serves as a Member of the Engineering Development Board under the Ministry of Industries and Production, Government of Pakistan, where he contributes to the formulation of policies aimed at strengthening Pakistan's manufacturing and engineering sectors.

As Chief Executive Officer of International Industries Limited, Mr. Mirza is leading the Company's next phase of growth by focusing on innovation, operational excellence, sustainability, digital transformation, customer-centricity, and disciplined capital allocation. Under his leadership, IIL continues to strengthen its position as Pakistan's leading manufacturer of steel pipes, polymer pipes, and allied engineering solutions while pursuing sustainable value creation for all stakeholders.

Zain K. Chinoy

Executive Director
Director Since: September 30, 2025

Mr. Zain K. Chinoy holds a Bachelor's degree in Psychology and Economics from The University of Western Ontario in Canada and an MBA from IE Business School in Spain.

Having previously worked with top financial consultancy and global shipping firms in Canada, Mr. Zain is currently the Director of Global Business at International Industries Limited where he leads the Company's international expansion programme and manages a global export portfolio spanning six continents, with on-ground presence in Australia, Canada, Ireland, and Sri Lanka.

Mr. Zain is a Certified Director by the Pakistan Institute of Corporate Governance (PICG) and serves on the Boards of IIL Americas Inc., IIL Australia Pty Limited, INIL Europe Limited and IIL Trading Pvt Limited. He is a member of the Pak-EU Business Forum and has previously served as a trustee of the Amir Sultan Chinoy Foundation (ASCF) which focuses on philanthropy in Pakistan.

Associated Companies

30-06-2026

Name	ASSOCIATED COMPANIES Business occupation and directorship (if any)	INTERESTED AS
Kamal A. Chinoy	Chinoy Engineering & Construction (Pvt) Ltd. IIL Americas Inc. IIL Australia Pty Ltd. International Industries Ltd. International Steels Ltd. Pakistan Cables Ltd.	Director Chairman Director Chairman Chairman Director
Asif Jooma	International Industries Limited Pakistan Tobacco Company Limited National Institutional Facilitation Technologies (NIFT) (Pvt) Ltd	Director Director Director
Haider Rashid	International Industries Limited	Director
Mansur Khan	International Industries Limited	Director
Mustapha A. Chinoy	International Industries Limited International Steels Ltd. Pakistan Cables Ltd. Binary Vibes (Pvt) Ltd. Bridge Vue Solutions DMCC Global e-Commerce Services (Pvt) Ltd. Global Reservation (Pvt) Ltd. Global Travel Services Ltd. BVI Habal International Pte Ltd. Trave Tech Solutions TSL (Pvt) Ltd. Intermark (Pvt) Ltd. Chinoy Engineering & Construction (Pvt) Ltd. Ibex Enterprises Singapore Pte Ltd	Director " Chairman Director & Chairman Director Director & Chairman " " Director " Director & Chairman Chief Executive Director & Chairman Director
Muhammad Asad	International Industries Limited Services Industries Limited	Director Director
Selina Saadia R. Khan	International Industries Limited Avanceon Limited Lotus Client Management & Public Relations Zaman Foundation	Director Director Chief Executive Officer Director
Yousuf H. Mirza	International Industries Limited International Steels Limited IIL Americas Inc. IIL Trading (Pvt) Ltd. Chinoy Engineering & Construction (Pvt) Ltd. CFS Minerals (Pvt) Ltd. Employers Federation of Pakistan	CEO Director Director Director Director Director Member
Zain K. Chinoy	International Industries Limited IIL Trading (Pvt) Limited IIL Americas Inc. IIL Australia Pty Ltd. INIL Europe Limited	Director CEO Director Director Chairman

Governance Framework

The main philosophy of business followed by the sponsors of International Industries Limited for the last 78 years has been to create value for all stakeholders through fair and sound business practices, which translates into policies approved by the Board and implemented throughout the Company to enhance the economic value of all stakeholders of the organisation.

Our governance strategy is to ensure that the Company follows the direction defined by its core values, current regulatory framework, and global best practices. Our approach towards corporate governance ensures ethical behavior, transparency, and accountability in all that we do, while striving to attain a fair return for our shareholders.

Compliance Statement

The Board of Directors has, throughout the year 2025-26, complied with the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulation, 2019, the Rule Book of the Pakistan Stock Exchange Limited, the Corporate Financial Reporting Framework and ESG guidelines by the Securities and Exchange Commission of Pakistan (SECP).

The directors confirm that the following has been complied with

a) Financial statements have been prepared in a way that fairly represent the state of affairs of the Company, the result of its operations, cash flows, and changes in equity
b) Proper books of accounts of the Company have been maintained.
c) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent business judgment.
d) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of the financial statements, and any departures therefrom have been adequately disclosed and explained.
e) The system of internal control is sound in design and has been effectively implemented and monitored.
f) There are no significant doubts about the Company's ability to continue as a going oncern
g) There is no material departure from the best practices of corporate governance as per regulations.

The Board of Directors

The Board of Directors consists of qualified individuals possessing knowledge, experience, and skills in various disciplines with the leadership and vision to provide oversight to the Company.

The Board is chaired by Mr. Kamal A. Chinoy, a non-executive director; out of eight (8) elected directors, three (3) are independent directors. The current board composition reflects a good mix of experience and diversity in backgrounds, skills, and qualifications. All directors have several years of experience and are fully aware of their duties and responsibilities under the Code of Corporate Governance. At present, all directors have attended a directors' training program, except Mr. Mustapha A. Chinoy, who, with a minimum of 14 years of education and 15 years of experience on the boards of listed companies, is exempt from the directors' training program. Further, an orientation program is an integral part of the induction/election of new directors to give them an introduction to the Company, fellow directors, management, overall business, and current financial information.

In compliance with Clause 7 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, a female director was again elected at the last election of the Board of Directors at the 77th Annual General Meeting in September 2025.

A digital interface is being used to update the Board of Directors by providing the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019, relevant portions of the PSX Rule Book, the Company's

Memorandum & Articles of Association, and various policies and procedures.
To further its role of providing oversight and strategic guidelines to the Company, the Board has formulated a Board Charter to define its role of strategic leadership and provide guidance to the management. The Board has established four subcommittees: the Board Audit Committee (BAC), the Human Resource & Remuneration Committee (HRRC), the Strategy Committee (SC) and the Sustainability Committee (SUC). The composition, role, and responsibilities of the committees are clearly defined in their respective terms of reference.

Annual Calendar and Agenda for Meetings

A calendar is issued annually to reflect the dates planned for the Board of Directors, its subcommittees, and the Annual General Meeting. During the year 2025-26, the Board had six (6) meetings, out of which four (4) were held to review the annual/quarterly results and the other meetings were held to discuss the investment in associated company, potential business diversification opportunities, and a dedicated post investment review. The average attendance of the directors in board meetings during the year was 98%.

Changes in the Board

At the 77th Annual General Meeting of the Company on September 26, 2025, eight (8) Directors were elected for a term of three (3) years. In January 2026, a casual vacancy arose due to the resignation of Shoaib Mir, which was duly filled by appointing Asim Rafiq. However, Rafiq was also replaced by M. Asad in August, 2026. In addition, Yousuf H. Mirza was re-appointed as the CEO of the Company w.e.f. September 26, 2025 for a term of three (3) years in compliance with Section 187(1) of the Companies Act, 2017.

Board Meetings Outside Pakistan

During the year 2025-26, all board meetings were held in Pakistan. However, the Directors who were overseas at the time of the meetings were facilitated to attend meetings through video conferencing.

Role and Responsibilities of the Chairman and Chief Executive

The Board of Directors provides the overall direction for company operations, provides oversight for various policies, and monitors the management in light of operational and financial plans. The roles of the Board and the Chief Executive Officer have been clearly defined, where the Board is responsible for strategic guidance and providing directions for sustainable business.

The Chairman and the Chief Executive have separate and distinct roles. The Chairman has all the powers vested in him under the Listed Companies (Code of Corporate Governance) Regulations, 2019, and presides over all board meetings. The Chief Executive performs his duties under the powers vested by the law and the Board. He recommends, implements business plans, and is responsible for overall control & operation of the Company.

Business Philosophy and Best Corporate Practices

We believe in ethical practices, sustainable manufacturing processes, transparent reporting to the shareholders, and the best practices of corporate governance to ensure business success and better results for all stakeholders.

The Board Charter defines the scope of the Board's activities in 'setting the tone at the top', formulating strategies, and providing oversight to the management for the sustainable growth of the business. Board members actively participate in meetings to guide the Company's business activities and operational plans, review corporate operations, and formulate and review all significant policies. The Board firmly adheres to ethical practices and fully recognizes its responsibilities for the protection and efficient utilization of company assets for legitimate business objectives and compliance with laws and regulations. The Chairman ensures that the discussions held during board meetings and the consequent decisions arising are duly recorded and circulated to all the directors within fourteen (14) days. The CFO and the Company Secretary attend all the meetings of the Board as required by the Code of Corporate Governance.

All periodic financial statements and other working papers which normally include a detailed analysis of business matters for the consideration of the Board/subcommittees are circulated to the directors at least a week before the meetings, except for emergent meeting(s), through a cloud-based digital application so as to give them sufficient time to review and make decisions on an informed basis.

Timely Communication of Financial Results

Unaudited quarterly financial statements and the half-yearly financial statements (with limited review by the auditors) were duly circulated within thirty (30) days and sixty (60) days, respectively, along with the Directors' Report. Audited annual financial statements, including consolidated financial statements, were authorized by the Board of Directors and communicated to the Pakistan Stock Exchange within fifty-two (52) days from the close of the financial year. Additionally, all important disclosures, including the financial statements, were made on the Company's website to keep the stakeholders duly informed.

Board Evaluation

The Board of Directors has formulated a policy to evaluate its performance, the salient features of which are as follows:

1. The Board Evaluation methodology to be adopted as a self-evaluation of the Board as a whole and for individual directors through agreed-upon questionnaires.
2. The evaluation exercise is to be carried out every year.
3. The evaluation system is designed to address areas of critical importance and includes, but is not limited to, the following:

a) Appraising the basic organisation of the Board of Directors,
b) The effectiveness and efficiency of the operation of the Board and its committees
c) Assess the Board's overall scope of responsibilities,
d) Evaluate the flow of information, and validate the information provided by the management.

4. The Board reviews business results and suggests measures to improve the areas identified for improvement

The Board has continued its self-evaluation for many years as a part of good governance and has identified areas for further improvement in line with global best practices. The main focus remained on strategic growth, business opportunities, risk management, board composition, and providing oversight to the management.

Directors' Remuneration Policy

A formal policy to review and approve the remuneration of non-executive directors is in place. The Company believes in remunerating its non-executive directors and Chairman adequately to justify their continued guidance and contributions to the Company's objectives, good corporate governance, and sustained long-term value creation for shareholders while maintaining their independent status.

Risk and Opportunity Management

The company understands that risk is inherent in its business operations and recognizes that taking risks is necessary to achieve goals and objectives.

It is committed to managing risks in a prudent and responsible manner to maintain a balance between risks and rewards. It is willing to take on reasonable and calculated risks that are consistent with the overall risk management framework and that allow it to achieve its strategic objectives.

Internal Control Framework

The Company upholds a well-defined control framework consisting of distinct structures, delegation of authority and assigned responsibilities. It maintains comprehensive policies, procedures, and budgeting mechanisms for conducting regular reviews. All control measures and policies are duly recorded. The Board sets the corporate strategy and defines the business goals of the Company.

The Board Audit Committee (BAC) has been entrusted with the primary responsibility of internal controls. It receives audit reports from the internal and external auditors and, after detailed deliberations and suggesting improvements, periodic reports are submitted to the Board of Directors. The Company places a high value on transparency, both internally and externally, in its corporate management. It focuses consistently on the implementation of efficient management practices for the purpose of achieving clear and quantifiable commitments.

The management has placed an explicit internal control framework with clear structures, authority limits and accountabilities, well-defined policies and detailed procedures enabling the BAC and the Board to have a clear understanding of risk areas and to place effective controls to mitigate risks.

External Oversight of Functions

Along with in-house monitoring mechanisms, the Company engages with external entities that are not directly affiliated with the Company for oversight of various corporate functions. These external oversight entities include government regulatory agencies, consultants for information security, quality auditors like ISO and API, statutory auditors, and external consultants assuring manufacturing processes. During the year, these external entities have helped the Company in safeguarding assets, ensuring transparency, compliance with applicable laws, and manufacturing while ensuring best practices and standards in the industry.

Disclosure of Conflict of Interest

The Company has taken measures to prevent conflicts of interest between directors, employees, and the organisation. In this regard, a clear policy on conflict of interest is contained in the Code of Conduct duly approved by the Board of Directors which is placed on page No. 56. As per the Listed Companies (Code of Corporate Governance) Regulation, 2019 the Company annually circulates the Code of Conduct and takes appropriate steps to disseminate it across all ranks. Further, the directors and key employees are reminded of insider trading rules and of avoiding dealing in Company shares during the close period.

Every director is required to bring to the attention of the Board complete details regarding any material transaction that has a conflict of interest for prior approval of the Board. The interested directors neither participate in discussions nor vote on such matters.

Complete details of all transactions with related parties are submitted to the Board Audit Committee, which recommends them to the Board for approval in each quarter. These transactions are also fully disclosed in the annual financial statements of the Company

Corporate Social Responsibility

The Company has implemented comprehensive policies on Occupational Health, Safety and Environment and Corporate Social Responsibility, and Sustainable Development to meet its corporate and societal responsibilities. This reflects the Company's recognition that there is a strong positive correlation between financial performance and corporate, social, and environmental responsibility.

Our role as a responsible corporate citizen is as important to us as the satisfaction of our customers and earning a fair return for our shareholders. We are committed to working for the betterment and prosperity of all our stakeholders. The management has endeavored to provide a safe and healthy work atmosphere by adopting practices and creating working conditions that are safe and healthy for our employees, vendors, contractors, suppliers, and customers.
We are committed to providing better education and health facilities to the less fortunate, especially within our stakeholder community.

In line with our CSR philosophy, we maintain and support the TCF School Campus in Landhi, adjacent to our factory, for a better tomorrow for our younger generation. We also support NGOs like SINA Foundation, Indus Hospital, and Amir Sultan Chinoy Foundation to help the vulnerable.

Sustainability Measures

All aspects of sustainability, including efficient operational procedures, effective internal controls, ethical behavior, and energy conservation, are an integral part of our business model. We also believe that employees are most critical to the progress, growth, and sustainability of our organisation. For more details, please refer to our Sustainability Report, which is available on our website (www.iil.com.pk)

Engaging Stakeholders and Transparency

The nurturing of stakeholder relationships is of paramount importance to the Company. Building stakeholder engagement, compliance with regulatory requirements, and terms and conditions are some of the main business principles by which we abide.
To bring an accurate understanding of the management's policies and business activities to all its stakeholders, the Company strives to make full disclosure of all material information to all stakeholders by various announcements on its website, to the Stock Exchange, social media, and other sources available to help investors make informed decisions. The Company encourages full participation of the members in the Annual General Meetings by sending corporate results and sufficient information following prescribed timelines to enable shareholders to participate on an informed basis. By increasing management transparency, it aims to strengthen its relationships and trust with shareholders and investors.

Our stakeholders include but are not limited to customers, employees, government, shareholders, suppliers, local communities, and banks.

Corporate Briefing Session

In compliance with the listing regulations of the Pakistan Stock Exchange, the Company arranges corporate briefing sessions to answer queries of the various stakeholders, including investors and financial analysts.

The last Corporate Briefing Session was held on Friday, September 26, 2025, to brief investors/ analysts/ shareholders about the financial performance and future outlook of the Company.

Policy for Investor Grievances

The Company has an Investor Relations Policy that sets out the principles for providing shareholders and prospective investors with the necessary information to make well-informed investment decisions and to ensure a level playing field. Investor grievances and complaints are very important and are properly reviewed to minimize recurrence. The following principles are adhered to regarding investor grievances:

1. Investors are always treated fairly.
2. Complaints raised are addressed in a courteous and timely manner.
3. Various modes of communication, including email, telephone, meetings, and raising matters at the Annual General Meeting, are available to investors to raise grievances.
4. Queries and complaints are treated fairly and efficiently.
5. Employees work in good faith and without prejudice towards the interest of the shareholders.
6. Detailed information, including financial highlights, investor information, and other requisite information specified under relevant regulations, has been placed on the corporate website of the Company, which is updated regularly.

Safety of Company Records

The Company has a clear Document and Record Control Policy for establishing, approving, reviewing, changing, maintaining, replacing, retrieving, retaining, distributing and administering control of all documents and data that relate to the Company and has taken the following measures to ensure the safety/security of the records and promote a paperless environment:

- All important documents such as minutes and proceedings of the Board and its sub-committees, Annual General Meetings, statutory certificates, title documents of the Company's properties, all other important communications & records are digitally scanned and archived on secure company servers.
- All important original documents are placed in a neutral, secure, and documented vault.
- All financial and non-financial records are maintained as per regulatory requirement

Human Resource Management Policies and Succession Planning

A comprehensive set of policies has been implemented to cover all HR matters including but not limited to code of conduct, anti harassment and gender diversity policies. The main focus of the policies is to train, motivate, and retain valuable human assets for the future growth of the Company. In order to maintain continuity of the business operations, particularly in senior management and key managerial positions, a well-defined succession policy is in place

Gender Diversity Policy

The Company has a clear policy to actively promote the participation of women at all levels of the organisation. The Company recognizes that achieving gender balanced representation is essential to driving inclusive growth, foster innovation, and organisational excellence. Through targeted initiatives, supportive policies, and a culture of equity and inclusion, the Company aims to create an environment where women can thrive, lead, and contribute meaningfully to our collective success.

Policy on Behaviour, Conduct and Responsibilities

The Company believes that sustainable growth can be achieved by ensuring the right behaviour and conduct of the Company and its employees. A detailed policy on the behaviour, conduct and responsibilities has been implemented, which also ensure the Company's commitment to comply with the Protection Against Harassment of Women at Workplace Act, 2010 to eliminate all forms of discrimination, bullying, harassment and victimization in the Company that can create a threatening and intimidating work environment and adversely affect job performance, health and well being of female employees.

The Company is dedicated to fostering a diverse, equitable, inclusive, and supportive environment where all individuals are valued and respected.

Information Technology Policy

A clearly-defined Information Technology Policy is in place to help achieve efficient and effective use of IT resources so as to establish priorities, increase productivity, and deliver the right services to users. The Head of IT is responsible for ensuring the communication of IT security policies to all users. Further, the Internal Audit department is responsible for monitoring compliance with IT policies.

Whistleblowing Policy

We are committed to creating an atmosphere in which our people can freely communicate their concerns to their supervisors and functional heads. Our Whistle-blowing Policy has been in place for several years to encourage the reporting of any corrupt or unethical behavior if employees feel that they are not able to use normal management routes.

Policy for Security Clearance of Foreign Directors

The Company has no foreign directors on its Board.

Matters Raised at the Last AGM/EOGM

While general clarifications were sought by shareholders on the Company's published financial statements during the 77th Annual General Meeting held on September 26, 2025, no significant issues were raised.

An extraordinary general meeting of the Company was also held on June 18, 2026 where the shareholders of the Company unanimously approved the investment of upto Rs.500 million in tranches into CFS Minerals (Pvt) Ltd., an associated company established to explore the potential business opportunities in mining sector.

Dividends

The Board of Directors has recommended a final dividend of Rs.5.0 per share (50%) for the financial year ended June 30, 2026, which is subject to shareholders' approval. The proposed final cash dividend is in addition to the 20% interim cash dividend announced and already paid, making a total dividend of Rs. 7.0 per share (70%) for the financial year ended June 30, 2026, as recommended by the Board of Directors.

Pattern of Shareholding

A statement on the pattern of shareholding along with categories of shareholders, where disclosure is required under the reporting framework and the statement of shares held by the directors and executives as on June 30, 2026, is placed on Page 353.

Gender Pay Gap Statement under Circular 10 of 2025

The following is the gender pay gap calculated for the year ended June 30, 2026

i. Mean Gender Pay Gap: 10.53%
ii. Median Gender Pay Gap: 15.62%

Board Committees

The Board is assisted by the following four committees to support its decision-making in their respective domains:

A. Board Audit Committee (BAC)

1.	Haider Rashid	Chairman BAC	Independent Director
2.	Mansur Khan	Member	Independent Director
3.	Mustapha A. Chinoy	Member	Non-Executive Director
4.	Muhammad Atif Khan	Secretary	Chief Internal Auditor

The BAC comprises two (2) independent directors and one (1) non-executive director. The Chairman of the Committee is an independent director and has around thirty years of global experience of Integration of global businesses, Finance & Controlling, Digital Strategies and Corporate consultation.

The Chief Financial Officer (CFO) and the Chief Internal Auditor attend the BAC meetings, while the Chief Executive Officer is invited to attend the meetings. The BAC also separately meets the internal and external auditors at least once a year without the presence of the management.

Meetings of the BAC are held at least once every quarter. The recommendations of the BAC and the financial results of the Company are then submitted for approval by the Board. During the year 2025-26, the BAC held five (5) meetings. The minutes of the BAC meetings are provided to all members, directors, and the CFO.

The Board has tasked the Board Audit Committee to oversee risk management related matters of the Company.

The Chief Internal Auditor meets the BAC, without the presence of the management, at least once a year, to point out various risks, their intensity and suggestions for mitigating risks and improvement areas. The business risks identified are referred to the respective departments and corrective actions are then implemented.

The BAC has concluded its self-evaluation process. The evaluation involved collecting individual responses from each member, based on a thorough assessment checklist. The outcomes of the evaluation were deemed satisfactory.

Terms of Reference of the BAC

The BAC is mainly responsible for reviewing the financial statements, ensuring proper internal controls to align operations in accordance with the mission, vision and business plans and monitoring compliance with all applicable laws and regulations and accounting and financial reporting standards

The salient features of the terms of reference of the BAC are as follows:

1. Recommending the appointment of internal and external auditors to the Board.
2. Consideration of questions regarding resignation or removal of external auditors, audit fees and provision by the external auditors of any services to the Company in addition to the audit of financial statements
3. Determination of appropriate measures to safeguard the Company's assets.
4. Review of quarterly, half-yearly and annual financial statements of the Company prior to their approval by the Board, focusing on major judgment areas, significant adjustments resulting from the audit, any changes in accounting policies and practices, compliance with applicable accounting standards and compliance with listing regulations and other statutory and regulatory requirements.
5. Facilitating the external audit and discussion with external auditors on major observations arising from the audit and any matter that the auditors may wish to highlight (without the presence of the management, where necessary).
6. Review of the Management Letter issued by external auditors and the management's response thereto.
7. Ensuring coordination between the internal and external auditors of the Company.
8. Review of the scope and extent of the internal audit and ensure that an adequately resourced internal audit function is placed within the organisation.
9. Consideration of major findings of internal investigations and the management's response thereto
10. Ascertaining that the internal control system including financial and operational controls accounting system and reporting structure are adequate and effective.
11. Review of the Company's statement on the internal control systems prior to endorsement by the Board.

12. Instituting special projects, value for money studies or other investigations on any matter specified by the Board, in consultation with the Chief Executive, and consider remittance of any matter to the external auditors or to any other external body.
13. Determination of compliance with relevant statutory requirements review of periodic financial statements and preliminary announcements of results prior to the external communication and publication.
14. Monitoring compliance together with the external auditors and internal audit with the best practices of corporate governance and identification of significant violations such as fraud, corruption and abuse of power thereof.
15. Consideration of any other issue or matter as may be assigned by the Board.
16. Chairman BAC to organize and oversee the annual evaluation of Committee's effectiveness.

B. Board Human Resource & Remuneration Committee (HRRC)

1.	Mansur Khan	Chairman HRRC	Independent Director
2.	Haider Rashid	Member	Independent Director
3.	Kamal A. Chinoy	Member	Non-Executive Director
4.	Mustapha A. Chinoy	Member	Non-Executive Director
5.	Yousuf H. Mirza	Ex-Officio-Member	Chief Executive Officer (CEO)
6.	Samon Babar	Secretary	Chief Human Resources Officer

The HRRC comprises of two (2) independent directors, including the Chairman, two (2) non-executive directors, and the CEO. Meetings are conducted at such frequency as the Chairman may determine. The Chief Human Resource Officer is the secretary of the HRRC. The minutes of the meetings of the HRRC meetings are provided to all members and directors. The Committee held three (3) meetings during the year 2025-26.

Terms of Reference of the HRRC

The Committee defines the HR policy framework and makes recommendations to the Board in the evaluation and approval of employee remuneration, benefit plans, and succession planning.

The salient features of the Terms of Reference of HRRC are as follows:

1. Major HR Policy/framework including compensation.
2. Overall organisational structure.
3. Organisation model and periodic assessment of the same.
4. Succession planning for key executives, including the CEO.
5. Recruitment, remuneration and evaluation of the CEO and his/her direct reports, including the CFO, Chief Internal Auditor and Company Secretary.
6. The CEO, being a member of the HRRC shall not be a part of committee meetings, when her/his compensation/performance is being discussed/ evaluated.
7. Charter of demands and negotiated settlements with the CBA.
8. Compensation of the Non-Executive Directors.
9. Board Remuneration Policy & Procedure.
10. Board Evaluation Policy and Procedure for the Board as a whole and for the individual directors.

C. Board Strategy Committee (BSC)

1.	Kamal A. Chinoy	Chairman BSC	Non-Executive Director
2.	Mustapha A. Chinoy	Member	Non-Executive Director
3.	Haider Rashid	Member	Independent Director
4.	Selina R. Khan	Member	Non-Executive Director
5.	Yousuf H. Mirza	Ex-Officio-Member	Chief Executive Officer
6.	M. Irfan Bhatti	Secretary	Company Secretary

The BSC comprises three (3) non-executive directors, including the Chairman, one (1) independent director, and the CEO. Meetings are conducted at such frequency as the Chairman may determine. The Company Secretary is the secretary of the BSC. The minutes of the meetings of the BSC meetings are provided to all members and directors.

Terms of Reference of the BSC

The Committee defines the strategic direction and makes recommendations to the Board to decide the way forward

The salient features of the Terms of Reference of BSC are as follows:

1. Review and recommend the long-term strategic vision and plan.
2. Ensure alignment of the annual strategy plan with the long-term strategic plan.
3. Monitor the execution of the annual strategy plan and report on progress.
4. Facilitate an annual Board review of the Company's strategy and strategic options, and ensure the Board is regularly apprised of the Company's progress with respect to implementation of the approved strategy.
5. To review and assess strategic plans, proposals and implementation of major strategic actions, capital expenditures, and infrastructure development and make recommendations to management and to the Board on these matters.
6. Review the company's performance against strategic goals and key performance indicators (KPIs).
7. Benchmark the company's operational performance against competitors
8. Review and evaluate investment propositions and strategic partnerships.
9. Review with management the key issues and external developments impacting the Company's Strategy
10. Identify and assess strategic risks and ensure appropriate mitigation strategies are in place.
11. Review risks and opportunities of the strategy as identified by the Company's strategic risk assessment and other processes, and the impact of emerging or evolving competitive activity, governmental or legislative developments and global economic conditions.
12. Advise the Board on strategic matters, including matters related with subsidiaries, mergers, acquisitions, and other significant business opportunities.

D. Board Sustainability Committee (BSUC)

1.	Asif Jooma	Chairman BSUC	Independent Director
2.	Selina R. Khan	Member	Non-Executive Director
3.	Yousuf H. Mirza	Ex-Officio-Member	Chief Executive Officer
4.	Mr.Muhammad Atif Khan	Secretary	Chief Internal Auditor

The BSUC comprises one (1) independent director who is the Chairman of the BSUC, one (1) non-executive director, and the CEO. Meetings are conducted at such frequency as the Chairman may determine. The Chief Internal Auditor is the secretary of the BSUC. The minutes of the meetings of the BSUC meetings are provided to all members and directors.

Terms of Reference of the BSUC

The salient features of the Terms of Reference of BSUC are as follows:

1. Review and recommend the Company's sustainability strategy and key policies.
2. Ensure alignment of initiatives with long-term goals and risk appetite of the company.
3. Provide guidance on climate-related risks, opportunities, and capital allocation.
4. Oversee environmental policies, including climate risk, energy, water, waste, and emissions.
5. Monitor implementation of systems for measuring and reporting carbon footprint, GHG emissions, and energy usage.
6. Review policies related to workforce diversity, equal opportunity, workplace safety, and employee well-being.
7. Oversee mechanisms for grievance handling, non-discrimination, and inclusion.
8. Oversee frameworks related to ethics, data privacy, anti-corruption, and responsible business practices.
9. Ensure sustainability is integrated into the overall risk management and governance framework.
10. Monitor progress against sustainability KPIs and targets.
11. Review sustainability-related disclosures and performance reports.
12. Ensure compliance with local/international sustainability standards.
13. Oversee the preparation of the Company's annual sustainability report.
14. Encourage transparency and dialogue with stakeholders.
15. Review stakeholder feedback relevant to sustainability.

Meetings of the Board of Directors

Meetings of the Board of Directors and sub-committees were held according to an annual schedule circulated before each financial year to maximize directors' participation:

Directors	Board	Audit Committee	HumanRe source & Remuneration Committee
Meetings held during FY 2025-26	6	5	3
Kamal A. Chinoy	6/6	-	3/3
Mustapha A. Chinoy	6/6	5/5	2/3
Asif Jooma	6/6		
Asim Rafiq **	3/3		
Haider Rashid	5/6	5/5	3/3
Mansur Khan	6/6	5/5	3/3
Selina R. Khan	6/6		
Yousuf H. Mirza	6/6		3/3
Zain K. Chinoy ***	4/4		
Jehangir Shah *	2/2	1/1	
Shoaib Mir *	3/3		

* Retired/Resigned during the year

** Filled the casual vacancy during the year

*** Elected as director at the 77th AGM

Executive Management Team (EMT)

The aim of the Executive Management Team (EMT) is to support the CEO in determining and implementing business policies within the strategy approved by the Board of Directors.

EMT reviews all operational and financial aspects of the business, advises improvements to operational policies/procedures, and monitors the implementation of the same. The EMT meets every month to review operational performance and to consider various policies and procedures.

Composition of the EMT

1.	Yousuf H. Mirza	Chairman EMT	Chief Executive Officer
2.	Zain K. Chinoy	Member	Director Global Business
3.	Mujtaba Hussain	Member	Chief Financial Officer
4.	Imran Sharif	Member	Country Head Sales
5.	Muhammad Imran Siddiqui	Member	Chief Manufacturing Officer
6.	Samon Babar	Member	Chief Human Resource Officer
7.	Ghazanfar Ali Shah	Member	BUH Engineering Solutions & GM Supply Chain
8.	Nasir Raja	Member	Head of Polymers, Quality & OHSE
9.	Haseeb Mukry	Member	Head of Information Technology
10.	Mohammad Irfan Bhatti	Member & Secretary	Company Secretary & Head of Legal Affairs

Role of the EMT

The forum is responsible for the following:

1. Reviewing organisational structure and resource planning.
2. Establishing specific committees and task groups and setting their TORs
3. Reviewing the annual budget of the Company.
4. Reviewing business principles, strategic priorities, risk analysis, business plan, as well as key performance indicators, financial performance, annual targets, and variances.
5. Reviewing the Company's Management Information System.

Other Key Committees

These include:

1. IT Steering Committee
2. Raw Material Purchase Committee
3. Production Trends Analysis Committee
4. OHSE Committee

Report of the Board Audit Committee in Adherence to the Listed Companies (Code of Corporate Governance) Regulations, 2019

The Board Audit Committee has concluded its annual review of the conduct and operations of the Company for the year ended June 30, 2026 and reports that:

Corporate Governance

1. The Company has adhered in full, without any material departure, to both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Listed Companies (Code of Corporate Governance) Regulations, 2019 the Company's Code of Conduct and Values, and the international best practices of governance throughout the year.
2. The Securities and Exchange Commission of Pakistan has issued a Certificate of Compliance with all statutory requirements.
3. The Company has issued a Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, which has also been reviewed and certified by the auditors of the Company.
4. Appropriate accounting policies have been consistently applied except those disclosed in the financial statements. Applicable accounting standards were followed in the preparation of the financial statements of the Company on a going concern basis for the financial year ended June 30, 2026, which fairly presents the state of affairs, results of operations, profits, cash flows, and changes in equity of the Company for the year under review.
5. The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the Company and the Chairman and Directors' Reports. They acknowledge their responsibility for a true and fair presentation of the financial statements, the accuracy of reporting, compliance with regulations and applicable accounting standards, and the establishment and maintenance of internal controls and systems of the Company.
6. Accounting estimates are based on reasonable and prudent judgment. Proper, accurate, and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017.
7. The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017, and applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) notified by the SECP.
8. All direct and indirect trading in and holdings of the Company's shares by directors and executives or their spouses were duly notified in writing to the Company Secretary along with the price, the number of shares, the form of shares, and the nature of the transaction. All such transactions were disclosed at the PSX and reported to the Board of Directors.

Risk Management and Internal Control

1. The Company has in place a Risk Management Framework through which risks are identified, analyzed, evaluated and mitigated through appropriate actions in the form of policies and procedures. The company periodically monitors the emerging risks, suggests actions and obtains reports on the implementation status of risk mitigating actions.
2. Identified risks and actions to mitigate such risks are also periodically reported to and monitored by the Audit Committee.
3. No material risk was noted during the period that has not been appropriately mitigated by the management.

Internal Audit Function

1. The Company has a well-resourced in-house Internal Audit function which is led by a suitably qualified Chief Internal Auditor in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019. To ensure its independence, the Chief Internal Auditor reports functionally to the Chairman of the Board Audit Committee and administratively to the CEO.
2. The Internal Audit function continually evaluates the Company's system of internal control to ensure its effectiveness as per the Audit Plan. This is done by following a risk-based audit approach whereby Internal Audit focuses and provides reasonable assurance on risks that matter most to the business.
3. The Board Audit Committee has ensured the achievement of operational, compliance, and financial reporting objectives, safeguarding the assets of the Company and shareholders' wealth through effective financial, operational, and compliance controls and risk management at all levels within the Company.
4. Coordination between the external and internal auditors was facilitated to ensure efficiency and Contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations
5. During the year, undeterred access to the BAC was provided to the Chief Internal Auditor. Further, BAC met the Chief Internal Auditor in the absence of the CFO, CEO, and External Auditors to comply with the regulatory requirements. However, no material issue warranting mitigating actions was highlighted by the CIA during such interaction.
6. The BAC has reviewed the performance of the Internal Audit Function based on the coverage of the Annual Audit Plan and management feedback against the value added by the Internal Audit function.

Whistle Blowing Policy and Anti-Harassment Procedure

The company has implemented a comprehensive Whistleblowing Policy to strengthen governance. It provides a platform for all stakeholders to raise alerts transparently and efficiently to maintain accountability and integrity in all areas of Company operations. Any employee or volunteer wishing to report a matter of concern shall approach the Chairman Board Audit Committee directly to raise concerns.

The company has implemented a well defined procedure to comply with The "Protection Against Harassment of Women at Workplace Act 2010" (as amended from time to time) to eliminate all forms of discrimination, bullying, harassment and victimization in the Company that can create a threatening and intimidating work environment and adversely affect job performance, health and well-being of female employees.

External Auditors

1. The statutory auditors of the Company, A.F. Ferguson & Co., Chartered Accountants, have completed their audit of the Company's financial statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended June 30, 2026, and shall retire on the conclusion of the 78th Annual General Meeting.
2. The final Management Letter is required to be submitted within forty-five (45) days of the date of the Auditors' Report on the financial statements under the listing regulations and the Listed Companies (Code of Corporate Governance) Regulations 2019 and shall therefore be discussed at the next Board Audit Committee meeting.
3. The audit firm has been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the

firm is fully compliae International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. The auditors have indicated their willingness to continue as auditors.

4. Being eligible for reappointment under the listing regulations and the Listed Companies (Code of Corporate Governance) Regulations, 2019, M/S A.F. Ferguson & Co., Chartered Accountants have given their consent and the Board Audit Committee recommended their reappointment for the financial year ending June 30, 2027, on the terms and remuneration negotiated by the Chief Executive Officer.

Annual Report 2026

The Company has issued a very comprehensive Annual Report, which gives fair, balanced, and understandable information over the regulatory requirements to offer an in-depth understanding of the management style, the policies set in place by the Company, its performance during the year, and prospects to various stakeholders of the Company. The Audit Committee believes that the Annual Report 2026 includes both financial and non-financial performance, risks and opportunities, and outcomes attributable to the Company's activities and key stakeholders having significant influence on its value creation ability.

Haider Rashid
Chairman-Board Audit Committee

Dated: August 18, 2026
Karachi

Mechanism for Providing Information

Formal Reporting Line

The current organisational structure of the Company consists of various departments, each of which is led by a head.

Employees

Employees are encouraged to express their views and forward their suggestions, and we follow an open-door policy. Employees are encouraged to raise grievances and concerns with the Company. In case the matter is of a significant nature, it is addressed in the meetings of the Executive Management Team, the Board of Directors or the relevant board committees.

The Company also has a Whistle-blowing Policy to enable employees to raise serious concerns at the relevant forum without fear of repercussions.

Town hall meetings are conducted regularly during which the CEO shares information about the Company's results, plans and strategic directions with employees. Enthusiastic participation and candid Q&A is encouraged at this forum.

Shareholders

Every year, the Annual General Meeting of shareholders is held in accordance with the requirements of the Companies' Act, 2017, which is attended by the Board, CEO, Company Secretary, CFO and the senior management of the Company.

The interactive session with the shareholders allows them to ask questions on financial, economic, social and other issues and also give suggestions and recommendations. Corporate Investor briefings are also organized at which the CEO interacts with the investor and analyst community and provides insight into the Company's strategy, operations and prospects.

The Company has also provided contact details of all relevant personnel for queries on its website.

Managing Conflict of Interest

As per the Listed Companies (Code of Corporate Governance) Regulations, 2019 the Company annually circulates the Code of Conduct amongst all employees and directors. Further, the directors and key employees are reminded of insider trading rules and to avoid dealing in shares during close periods.

Directors are required to bring to the attention of the Board complete details regarding any transaction that has a conflict of interest for prior approval of the Board. The interested director(s) neither participate in discussions nor vote on such matters.

Complete details of all transactions with related parties are provided to the Board for approval. These transactions are also fully disclosed in the annual financial statements of the Company.

Independent Auditor's Review Report

To the members of International Industries Limited

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

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

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

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

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

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

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 15, 2026

UDIN: CR202610059TKx09NuqB

Statement of Compliance

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

International Industries Limited June 30, 2026

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

1. The total number of directors are nine (9) as per the following:

a	Female	One (1)
b	Male	Eight (8)

2. The composition of the Board is as follows:

Independent Directors	Asif Jooma Haider Rashid Mansur Khan
Non-Executive Directors	Asim Rafiq** Kamal A. Chinoy Mustapha A. Chinoy
Female Director (Non-Executive Director)	Selina R. Khan
Chief Executive Officer	Yousuf H. Mirza*
Executive Director	Zain K. Chinoy

*Mr. Yousuf H. Mirza was re-appointed as the Chief Executive Officer of the Company after the election of directors in September 2025. He is a deemed director as defined in Section 188(3) of the Companies Act, 2017.

**Mr. Asim Rafiq was appointed as a Director of the Company to fill the casual vacancy created due to resignation of Mr. Shoaib Mir, however, Mr. Rafiq was replaced by Mr. Muhammad Asad in August, 2026.

3. The directors have confirmed that none of them are serving as a director in more than seven listed companies, including this company.
4. The Company has prepared a Code of Conduct and ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed vision/mission statements, overall corporate strategy and significant policies of the Company. The Board has ensured that a complete record of particulars of the significant policies along with their date of approval or updating, is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Companies Act 2017 and these Regulations.
7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording, and circulating minutes of meetings of the Board;
8. The Board has a formal policy and transparent procedures for the remuneration of directors in accordance with the Act and these Regulations;
9. Out of the nine Directors, the following eight (8) Directors have obtained a certificate of Directors' Training Program:

i. Kamal A. Chinoy
ii. Asif Jooma
iii. Asim Rafiq
iv. Haider Rashid
v. Mansur Khan
vi. Selina R. Khan
vii. Yousuf H. Mirza
viii. Zain K. Chinoy

Mr. Mustapha A. Chinoy is exempt from the requirement of Directors' Training Program as per the Regulations.

10. The Board has approved the appointment of the Chief Financial Officer, Company

Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, and complied with relevant requirements of the Regulations;

11. The Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed four sub-committees comprising of the following members:

A) Board Audit Committee			
1.	Haider Rashid	Chairman BAC	Independent Director
2.	Mansur Khan	Member	Independent Director
3.	Mustapha A. Chinoy	Member	Non-Executive Director

B) Human Resource & Remuneration Committee			
1.	Mansur Khan	Chairman HRRC	Independent Director
2.	Haider Rashid	Member	Independent Director
3.	Kamal A. Chinoy	Member	Non-Executive Director
4.	Mustapha A. Chinoy	Member	Non-Executive Director
5.	Yousuf H. Mirza	Ex-Officio-Member	Chief Executive Officer

C)Strategy Committee			
1.	Kamal A. Chinoy	Chairman BSC	Non-Executive Director
2.	Mustapha A. Chinoy	Member	Non-Executive Director
3.	Haider Rashid	Member	Independent Director
4.	Selina R. Khan	Member	Non-Executive Director
5.	Yousuf H. Mirza	Ex-Officio-Member	Chief Executive Officer (CEO)

D)Sustainability Committee			
1.	Asif Jooma	Chairman BSUC	Independent Director
2.	Selina R. Khan	Member	Non-Executive Director
3.	Yousuf H. Mirza	Ex-Officio-Member	Chief Executive Officer

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

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

    i. Board Audit Committee: 5

    ii. Human Resource & Remuneration Committee: 3

15. The Board has set up an effective Internal Audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company;

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

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

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

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33, and 36 (non-mandatory requirements) are as follows:

S.No.	Requirement	Explanation	Reg. No.
1	It is mandatory for chief executive officer and the directors of the company, representing 1/3 of the board size or four whichever is greater, to attend its general meeting(s) (ordinary and extraordinary) unless there are compelling reasons for not attending the meeting	Eight (8) directors of the Board attended the 77th Annual General Meeting. Mr..Haider Rashid was granted leave of absence due to personal reasons. Six (6) directors of the Board attended the Extra Ordinary General Meeting. Asif Jooma, Haider Rashid and Zain K. Chinoy were granted leave of absence due to personal reasons.	10
2	Role of the Board and its members to address Sustainability Risks and Opportunities: The committee shall submit to the board a report, at least once a year, on embedding sustainability principles into the organization's strategy and operatIons to increase corporate value.	The matter of compliance with requirements of clause 10A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 was discussed in the meeting of the Board of Directors and consequently, Sustainability Committee was formed during the year. The committee is to meet and submit the required report to the board in due time.	10A
3	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of Directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the nomination committee are being addressed at Board level as and when needed so a separate committee is not considered to be necessary.	29
4	The Board may constitute the risk management committee, of such number and class of Directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has tasked the Board Audit Committee to oversee risk management related matters of the Company.	30

On behalf of the Board International Industries Ltd.

Yousuf H. Mirza
Chief Executive Officer

Kamal A. Chinoy
Chairman

Karachi: August 20, 2026

Chairman's Review

For the year ended June 30, 2026

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the audited annual financial statements of your Company for the year ended June 30, 2026.

The global economic environment remained challenging during the year, shaped by heightened trade protectionism, geopolitical tensions and volatile energy and freight markets. Higher tariffs and other protective measures, particularly in the steel sector, disrupted established trade flows, increased price volatility and intensified competition across international markets. Middle East conflicts added further uncertainty by affecting energy markets and key shipping routes. Against this backdrop, global steel demand remained subdued, with only modest growth expected in 2026.

Pakistan's economy continued to consolidate the stabilization achieved in the preceding year, supported by implementation of reforms under the IMF programme, improved foreign exchange reserves and greater macroeconomic discipline. Inflation moderated significantly from earlier peaks and financing conditions eased, while the exchange rate remained comparatively stable. Economic activity also showed signs of gradual improvement. More recently, Pakistan's sovereign credit profile has benefited from improved reform implementation and institutional stability. Nevertheless, the economy remains exposed to external energy-price shocks, global trade volatility and the need for sustained structural reforms.

In this environment, your Company delivered a strong performance in the year. For the year ended June 30, 2026, the Company recorded net sales of Rs. 29.1 billion, profit after tax of Rs. 1.603 billion and earnings per share of Rs. 12.16, compared with net sales of Rs. 25.1 billion, profit after tax of Rs. 1.104 billion and earnings per share of Rs. 8.37 in the preceding year. The improvement reflects higher domestic volumes, disciplined cost management, stronger margins and increased dividend income from subsidiaries and investments.

The Board of Directors has recommended a final cash dividend of Rs. 5.00 (50%) per ordinary share of Rs. 10 each in addition to the interim cash dividend of Rs.2.0 per share (20%), announced and paid, making a total of Rs. 7.0 per share (70%) for the year ended June 30, 2026 (FY2025: Rs. 4.00 per share), subject to approval by shareholders at the Annual General Meeting.

Together, International Industries Limited and its major subsidiary, International Steels Limited (ISL), recorded consolidated turnover of approximately Rs. 122.4 billion during the year and contributed approximately Rs. 26.32 billion to the national exchequer. ISL reported gross turnover of Rs. 93.3 billion, profit after tax of Rs. 3.67 billion and earnings per share of Rs. 8.44, compared with gross turnover of Rs. 62.3 billion, profit after tax of Rs. 1.56 billion and earnings per share of Rs. 3.58 in the preceding year.

Changes to the Board and Management

The present Board of Directors was elected on September 26, 2025 for a term of three years. During the year, Mr. Shoaib Mir resigned from the Board and the resulting casual vacancy was filled by Mr. Asim Rafiq, a nominee of National Investment Trust Limited (NIT). Subsequently, Mr. Asim Rafiq resigned and, in August 2026, Mr. Muhammad Asad, Managing Director of NIT, was appointed to fill the casual vacancy for the remaining term of the Board. The Board places on record its appreciation for the valuable contributions of Mr. Shoaib Mir and Mr. Asim Rafiq and wishes them well in their future endeavours.

Mr. Yousuf H. Mirza was re-appointed as the Chief Executive Officer of your Company w.e.f. September 30, 2025.

Board Performance and Governance

The Board discharged its responsibilities diligently throughout the year, providing strategic oversight, monitoring business and management performance and maintaining a strong focus on risk management, governance and long-term value creation. Directors, including the independent directors, actively contributed to deliberations and supported informed and collaborative decision-making.

As Chairman, I remain committed to fostering a culture of openness, constructive challenge and accountability and to ensuring that the Board receives timely, relevant and comprehensive information to enable effective oversight and decision-making.

The Company maintains a robust internal control framework supported by an independent Internal Audit function and a risk-based audit approach. The Board Audit Committee reviews audit findings and the status of agreed corrective actions on a quarterly basis and evaluates key business risks before they are considered by the Board.

Annual self-evaluation exercises were conducted for the Board, the Board Audit Committee and the Human Resource & Remuneration Committee, providing a structured basis for identifying opportunities for continued improvement in governance effectiveness, strategic oversight, risk management and organizational development.

The Board Audit Committee, Human Resource & Remuneration Committee and Sustainability Committee are chaired by independent directors Mr. Haider Rashid, Mr. Mansoor Khan and Mr. Asif Jooma, respectively, while I chair the Strategy Committee. These committees play an important role in supporting the Board's oversight responsibilities. The Board met regularly during the year, including quarterly reviews of the Company's financial and operating performance.

Future Outlook

Your Company remains committed to sustainable growth, diversification and disciplined investment. During the year, IIL decided to explore opportunities in Pakistan's mining sector through CFS Minerals (Pvt) Ltd., a joint venture with Cherat Cement Company Limited and Shirazi Investments (Pvt) Limited. IIL holds a 33.33% interest in the venture, with potential investment exposure of up to Rs. 500 million, subject to the approved business plan and investment requirements.

The Company is also renewing its focus on polymer pipes and fittings, including the relaunch of uPVC products for infrastructure and housing applications, while continuing to develop PPRC, HDPE and other polymer segments.

The outlook for FY2027 is cautiously optimistic. A gradual improvement in domestic economic activity and infrastructure investment should support demand; however, the operating environment will remain exposed to Middle East conflicts, energy and freight volatility, global steel overcapacity and increasing trade protectionism. The World Steel Association expects global steel demand to grow only modestly in 2026 before strengthening in 2027, underscoring the importance of market diversification, cost competitiveness and disciplined capital allocation.

Your Board and management remain focused on strengthening the Company's resilience and competitiveness through prudent financial management, operational excellence, innovation, sustainability and selective strategic investments. With an established domestic market position, diversified product portfolio and re-focused international presence, IIL is well positioned to pursue emerging opportunities while delivering sustainable long-term value to shareholders.

On behalf of the Board of Directors, I extend my sincere appreciation to our shareholders, customers, employees, bankers, suppliers and business partners for their continued trust, commitment and support.

Kamal A. Chinoy
Chairman

Karachi: August 20, 2026

میں، بطور چیئرمین، ایک آزادانہ ماحول کو پروان چڑھانے، تعمیراتی چیلنج اور احتساب کے عمل کے لئے پرعزم ہوں اور مجھے یقین ہے کہ بورڈ کو بروقت، متعلقہ اور جامع معلومات فراہم کی جائیں گی تاکہ موثر نگرانی اور فیصلہ سازی میں مدد مل سکے۔

کمپنی کا ایک مضبوط و موثر اندرونی کنٹرول نیٹ ورک موجود ہے جسے ایک خود مختار اندرونی آڈٹ کرتا ہے اور خدشات پر مبنی آڈٹ کا نقطہء نظر پیش کرتا ہے۔ بورڈ آڈٹ کمیٹی سہ ماہی کی بنیاد پر آڈٹ کی حاصل شدہ معلومات اور متفقہ اجتماعی کارروائی کی صورتحال کا جائزہ لیتی ہے اور بورڈ کو غوروخوض کے لئے پیش کرنے سے پہلے اہم کاروباری خدشات کی جانچ کرتی ہے۔

بورڈ، بورڈ آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے لئے ازخود جانچ کی سالانہ مشقیں منعقد کی گئیں جن کا مقصد ایک مستحکم بنیاد فراہم کرنا ہے جس کے ذریعے موثر گورننس، حکمت عملی کی نگرانی، خدشات کی مینجمنٹ اور اداراتی ترقی میں مسلسل بہتری کے لئے مواقع کی نشاندہی کی جائے۔

بورڈ آڈٹ کمیٹی، ہیومن ریسورس اینڈ ریمونریشن کمیٹی اور سسٹین ایبلیٹی کمیٹی کی صدارت بالترتیب خود مختار ڈائریکٹرز جناب حیدر رشید، جناب منصور خان اور جناب آصف جمعہ کرتے ہیں جبکہ میں اسٹریٹیجی کمیٹی کا صدر ہوں۔ یہ کمیٹیاں بورڈ کی نگرانی کی ذمہ داریوں میں تعاون فراہم کرتی ہیں۔ بورڈ کمپنی کی مالیاتی اور کاروباری کارکردگی کے جائزے کے لئے باقاعدہ سہ ماہی میٹنگ کرتا ہے۔

مستقبل کا منظر نامہ

آپ کی کمپنی مستحکم ترقی، تنوع اور منظم سرمایہ کاری کے لئے پرعزم ہے۔ سال کے دوران میں، آئی آئی ایل نے سی ایس ایف منرلز (پرائیویٹ) لمیٹڈ کے ذریعے، جوچیراٹ سیمنٹ کمپنی لمیٹڈ اور شیرازی انویسٹمنٹس (پرائیویٹ) لمیٹڈ کے ساتھ جوائنٹ وینچر ہے، پاکستان کے کان کنی کے شعبہ میں نئے مواقع حاصل کرنے کا فیصلہ کیا ہے۔ آئی آئی ایل اس وینچر میں 33.33٪ حصص کی ملکیت اور 500 ملین روپے تک کی متوقع سرمایہ کاری کرنے میں دلچسپی رکھتا ہے جو منظور شدہ کاروباری منصوبے اور سرمایہ کاری کی شرائط سے مشروط ہے۔

آپ کی کمپنی انفرا اسٹرکچر اور ہاؤسنگ اپلی کیشنز کے لئے پولیمر پائپس اور فٹنگز پر دوبارہ توجہ دینے کے علاوہ یو پی وی سی پروڈکٹس کے دوبارہ اجرا کا ارادہ رکھتی ہے، جب کہ پی پی آر سی، ایچ ڈی پی ای اور پولیمر کے دیگر شعبہ جات کی ڈیولپمنٹ بھی جاری رکھے ہوئے ہے۔

مالی سال 2027 کا منظر نامہ محتاط اندازے کے مطابق مثبت ہے۔ مقامی معیشت کی سرگرمی اور انفرا اسٹرکچر میں سرمایہ کاری کی وجہ سے بتدریج بہتری اور طلب میں اضافہ میں معاون ہوگی، تاہم آپریٹنگ کی صورتحال پر مشرق وسطیٰ کے تنازعات، توانائی اور مال برداری میں اتار چڑھاؤ، عالمی سطح پر گنجائش سے زیادہ اسٹیل اور بڑھتی ہوئی تجارتی تحفظ پسندی کا اثر رہے گا۔ دی ورلڈ اسٹیل ایسوسی ایشن نے توقع ظاہر کی ہے کہ 2027 میں تقویت حاصل کرنے سے پہلے 2026 میں عالمی سطح پر اسٹیل کی طلب میں معمولی اضافہ ہوگا۔ یہ صورتحال مارکیٹ میں تنوع، قیمتوں میں مسابقت اور سرمایہ کی منظم تفویض کی اہمیت پر زور دیا۔ آپ کا بورڈ اور انتظامیہ دانشمندانہ مالیاتی مینجمنٹ، آپریشنز کی مہارت، جدت، استحکام اور منتخب حکمت عملی کے ذریعے کمپنی کی استقامت کو مضبوط تر کرنے پر بھرپور توجہ دے رہے ہیں۔ ایک مضبوط مقامی مارکیٹ کی پوزیشن کے ساتھ آئی آئی ایل، متنوع پروڈکٹ پورٹ فولیو اور بین الاقوامی سطح پر موجودگی میں اضافے کے ساتھ، ابھرتے ہوئے مواقع حاصل کرنے کی پوزیشن میں ہے جبکہ اپنے شیئر ہولڈرز کو طویل المدت مضبوط اقدار فراہم کر رہی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے میں اپنے شیئر ہولڈرز، کسٹمرز، ایمپلائز، بینکرز، سپلائرز اور بزنس پارٹنرز کے ہم پر مسلسل اعتماد، خلوص اور تعاون پر بے حد شکر گزار ہوں۔

کمال اے چنائے

چیئرمین

کراچی 20 اگست 2026

چیئرمین کا جائزہ

برائے سال مختتمہ 30 جون 2026

عزیز شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے مجھے آپ کی کمپنی کے آڈٹ شدہ سالانہ مالی اسٹیٹمنٹس برائے سال مختتمہ 30 جون 2026 پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

سال کے دوران میں عالمی معاشیاتی ماحول میں کئی چیلنجز کا سامنا رہا جن کی وجہ سے شدید کاروباری تحفظ پسندی، جیو پولیٹیکل تناؤ اور توانائی اور مال برداری کی مارکیٹس میں تغیر پذیری ہیں۔ بلند ترین محصولات اور دیگر حفاظتی اقدامات سے، خاص طور پر اسٹیل کے شعبہ میں، مستحکم تجارتی سرگرمیوں میں رکاوٹ پیدا کی، قیمتوں میں اتار چڑھائو میں اضافہ ہوا اور بین الاقوامی مارکیٹس میں تقابلی تناؤ دیکھنے میں آیا۔ مشرق وسطیٰ کے تنازعات نے غیر یقینی کیفیت میں مزید اضافہ کیا جس میں توانائی کی مارکیٹس اور جہاز رانی کے راستوں کا بری طرح متاثر ہونا شامل ہے۔ اس شدید صورتحال کے پس منظر میں، عالمی سطح پر اسٹیل کی طلب میں کمی واقع ہوئی اور 2026 میں اس میں معمولی اضافے کی توقع کی جاسکتی ہے۔

پاکستان کی معیشت میں گزشتہ سال میں ہونے والا استحکام برقرار رہا، جس کو آئی ایم ایف پروگرام کے تحت کی جانے والی اصلاحات، بہتر زرمبادلہ کے ذخائر اور زیادہ بہتر میکرو اکنامک انتظام، نے سہارا دیا افراط زر میں گزشتہ بلند سطح کے مقابلے میں نمایاں طور پر معمولی کمی اور مالیاتی حالات میں سہولت سے کافی سہارا ملا جب کہ زرمبادلہ کی شرح نسبتاً مستحکم رہی۔ معاشی سرگرمیوں میں بھی بتدریج بہتری کے آثار نظر آئے۔ گزشتہ قریبی عرصے میں پاکستان کے خودمختار کریڈٹ پورٹ فولیو کو بہتر اصلاحات کے نفاذ اور ادارہ جاتی استحکام سے فائدہ ہوا۔ بہرحال، معیشت پر بیرونی توانائی کی قیمتوں کے دھچکے، عالمی تجارت کی تغیر پذیری اور مستحکم اسٹرکچرل اصلاحات کی کمی کے اثرات موجود رہے۔

ایسے ماحول میں بھی آپ کی کمپنی نے سال کے دوران میں بھرپور کارکردگی کا مظاہرہ کیا۔ 30 جون 2026 کو ختم ہونے والے سال کے لئے کمپنی نے 29.1 بلین روپے کی خالص فروخت ریکارڈ کی جب کہ بعد از ٹیکس منافع 1.603 بلین روپے ہوا اور فی شیئر آمدنی 12.16 روپے حاصل ہوئی جبکہ گزشتہ سال خالص فروخت 25.1 بلین روپے ہوئی تھی، بعد از ٹیکس منافع 1,104 بلین روپے تھا اور فی شیئر آمدنی 8.37 روپے تھی۔ اس بہتری سے ظاہر ہوتا ہے کہ ملکی سطح پر سیلز میں اضافہ ہوا، لاگت کی منظم مینجمنٹ، مضبوط مارجن کے ساتھ ذیلی کمپنیوں سے منافع منقسمہ کی آمدنی اور سرمایہ کاری سے آمدنی میں اضافہ ہوا۔

بورڈ اف ڈائریکٹرز نے حتمی منافع منقسمہ بحساب 5 روپے 50% برائے 10 روپے والے فی عمومی شیئر کے حساب سے ادا کرنے کی سفارش کی ہے جو عبوری نقد منافع منقسمہ بحساب 2.00 روپے فی شیئر 20٪ کے حساب سے اعلان شدہ اور پہلے سے ادا شدہ کے علاوہ ہے جس سے سال مختتمہ 30 جون 2026 کے لئے کل منافع 7 روپے 70% بنتا ہے (مالیاتی سال 2025 میں 4.00 روپے فی شیئر تھا)، جو سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

انٹرنیشنل انڈسٹریز لمیٹڈ اور اپنی بڑی ذیلی کمپنی انٹرنیشنل اسٹیلز لمیٹڈ (آئی ایس ایل) نے سال کے دوران مجموعی طور پر تقریباً 122.4 بلین روپے آمدنی حاصل کی اور قومی خزانے میں تقریباً 26.32 بلین روپے جمع کرائے۔ آئی ایس ایل نے 93.3 بلین روپے آمدنی حاصل کی، بعد از ٹیکس 3.67 بلین روپے منافع ہوا اور فی شیئر آمدنی 8.44 روپے ہوئی جب کہ اس کے مقابلے میں گزشتہ سال مجموعی آمدنی 62.3 بلین روپے، بعد از ٹیکس منافع 1.56 بلین روپے رہا اور فی شیئر امدنی 3.58 روپے تھی۔

بورڈ اور انتظامیہ میں تبدیلیاں

موجودہ بورڈ آف ڈائریکٹرز کا انتخاب 26 ستمبر 2025 کو تین سال کی مدت کے لئے ہوا تھا۔ سال کے دوران میں جناب شعیب میر نے بورڈ سے استعفیٰ دے دیا جس کے نتیجے میں خالی ہونے والی عارضی اسامی پر جناب عاصم رفیق کا تقرر کیا گیا، جو نیشنل انویسٹمنٹ ٹرسٹ لمیٹڈ (این آئی ٹی) کے نامزد کردہ تھے۔ کچھ عرصے بعد جناب عاصم رفیق نے بھی استعفیٰ دے دیا اور بورڈ کی بقیہ مدت کے لئے اگست 2026 میں اس عارضی اسامی پر این آئی ٹی کے مینجنگ ڈائریکٹر جناب محمد اسد کا تقرر کیا گیا۔ بورڈ جناب شعیب میر اور جناب عاصم رفیق کی گرانقدر خدمات کا اعتراف کرتا ہے اور ان کی مستقبل میں کامیابیوں کا خواہشمند ہے۔ جناب یوسف ایچ مرزا کو 30 ستمبر 2025 سے آپ کی کمپنی کا دوبارہ چیف ایگزیکٹیو آفیسر مقرر کیا گیا ہے۔

بورڈ کی کارکردگی اور گورننس

سال کے دوران میں بورڈ نے نہایت تندہی سے اپنی ذمہ داریاں ادا کیں، حکمت عملی کے تحت نگرانی فراہم کی، کاروباری اور انتظامی کارکردگی کی نگرانی کی اور رسک مینجمنٹ، گورننس اور طویل المدت اقدار کی تخلیق کے لئے کام کیا۔ تمام ڈائریکٹرز بشمول خودمختار ڈائریکٹرز، نے فعال طور پر غور و خوض کے ساتھ معاونت اور اشتراک سے فیصلہ سازی کی۔

Directors' Report

For the year ended June 30, 2026

The Directors of International Industries Limited (the "Company" or "IIL") are pleased to present their report, together with the audited financial statements of the Company, for the year ended June 30, 2026.

Board Composition & Remuneration

The composition of the Board of Directors and its committees is presented on pages 141 and 158 under the Corporate Governance section of the Annual Report. The Company has well-documented policies and procedures governing directors' remuneration, as disclosed in Note 36 to the unconsolidated financial statements, in accordance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Global Economy

The global economy remains resilient but fragile amid persistent geopolitical and trade uncertainty. In its July 2026 World Economic Outlook Update, the International Monetary Fund projected global growth of 3.0% in 2026, followed by 3.4% in 2027. The outlook reflects the competing effects of technology-led investment and the continuing energy shock arising from conflicts in the Middle East, while inflationary pressures remain elevated in several economies.

Middle East conflicts and disruptions to key energy and shipping routes, particularly the Strait of Hormuz and the Red Sea, have increased volatility in oil, freight and insurance costs and continue to pose downside risks to global trade and supply chains. Although energy prices have moderated from earlier peaks, uncertainty remains high and could constrain investment, delay monetary easing and weigh disproportionately on energy-importing and developing economies.

Accordingly, the global outlook remains subject to significant downside risks from a prolonged or broader regional conflict, renewed trade fragmentation and financial-market volatility. Against this backdrop, businesses continue to prioritize supply-chain resilience, cost discipline and market diversification.

Domestic Economy

Pakistan's economy continued to consolidate the macroeconomic stabilization achieved in the preceding year. The Pakistan Economic Survey 2025–26 reported contained inflation during the first ten months of FY2026, supported by exchange rate stability, improved domestic supply conditions and easing commodity prices before renewed external energy pressures emerged. The IMF's July 2026 outlook projects Pakistan's real GDP growth at 3.6% for 2026, indicating a gradual strengthening in economic activity.

The operating environment nevertheless remains exposed to external risks, particularly higher energy and freight costs arising from Middle East conflicts, as well as global financial and trade volatility. Continued fiscal discipline, structural reforms, export competitiveness, stronger foreign exchange reserves and sustained investment will remain important to preserve macroeconomic stability and support durable growth.

Over the medium term, improving macroeconomic conditions, infrastructure investment, digitalization and a gradual recovery in industrial activity should create opportunities for the Company. IIL remains focused on maintaining financial discipline, strengthening its market position and responding selectively to opportunities in domestic and international markets.

Global Steel Scenario

Global steel demand remains subdued, with only a modest recovery expected in 2026. The World Steel Association's April 2026 Short Range Outlook forecasts global steel demand to increase by 0.3% to approximately 1,724 million tonnes in 2026, followed by stronger growth of 2.2% in 2027. China's steel demand is expected to decline by 1.5% in 2026 as the property-sector correction continues, while demand in India and selected developing markets remains comparatively resilient.

Global overcapacity, elevated exports from major producing countries and increasing trade-protection measures continue to exert pressure on prices and margins. Middle East conflicts have further increased uncertainty through higher energy, freight and insurance costs and disruption to key shipping routes, reinforcing the need for diversified sourcing and disciplined inventory management.

Steel Tube & Pipe Industry

The global tube and pipe industry grew by approximately 10% year-on-year to 177.9 million MT, with China maintaining a dominant share of approximately 52%. In Pakistan, the market expanded by approximately 20% year-on-year to around one million MT. Despite volume growth, the domestic industry continues to face margin pressure from market fragmentation, low-cost non-standard alternatives, substitution by polymer products and volatility in imported raw-material costs.

Polymers

The structural shift toward polymer alternatives continues to support the Company's polymer business, which manufactures pipes and fittings for water, gas, sewerage, telecom and ducting applications. The Company remains focused on broadening its product offering, strengthening distribution and increasing market penetration.

During the year, raw-material costs and supply chains were affected by volatility in crude oil and resin markets and disruptions associated with Middle East conflicts. The outlook remains cautiously optimistic, supported by infrastructure demand and improving domestic macroeconomic conditions.

Strategies, Objectives and Critical Performance Indicators

The Company remains committed to creating long-term stakeholder value through customer focus, operational excellence, innovation, responsible growth and continuous improvement in products and processes. Strategic objectives and critical performance indicators are detailed on page 96 of the Annual Report.

Sustainability & Compliance with ESG Guidelines

During FY2026, IIL continued to strengthen its environmental, social and governance (ESG) framework and engaged M/s Crowe Hussain Chaudhury & Co. as ESG consultants to support the development and implementation of a comprehensive ESG roadmap. The engagement includes an assessment of existing sustainability practices, identification of material ESG risks and opportunities, alignment with applicable regulatory requirements and recognized reporting frameworks, and enhancement of governance and oversight mechanisms.

Through this initiative, the Company aims to improve the quality of ESG disclosures, strengthen environmental stewardship and social responsibility, and further embed sustainability considerations into strategy, risk management and decision-making.

Company Operations

Our Products

IIL remains a leading manufacturer of tubes and pipes in Pakistan, offering a broad product portfolio that includes Galvanized Iron (GI) pipes, Cold Rolled (CR) tubes, Stainless Steel tubes and pipes, Hollow Structural Sections (HSS), Black and Scaffolding pipes, and polymer pipes and fittings. Through its Engineering Solutions division, the Company also provides customized, value-added solutions for specific industry applications. The IIL brand continues to be recognized for quality, reliability and long-standing customer trust.

Renewed Brand Identity

During FY2026, the Company advanced its strategic brand transformation through a comprehensive refresh of its Vision and Mission statements, corporate values and brand identity. The initiative followed a structured, research-driven and inclusive process, incorporating insights from employees, customers, business partners, shareholders and other key stakeholders to align the Company's identity with its long-term strategic direction, purpose and aspirations.

The renewed brand identity reinforces IIL's commitment to innovation, sustainability, customer-centricity, operational excellence and responsible business practices, while providing a unified platform to strengthen organizational culture, stakeholder engagement and long-term value creation.

Gross Sales

Sales revenue increased by 16% to Rs. 29.1 billion (FY2025: Rs. 25.1 billion), primarily driven by higher volumes in new product segments, including HRS, expansion of distribution channels and a more focused approach to institutional and tender business in the domestic market. Despite a challenging operating environment, the Company recovered market share through a customer-first strategy. Export markets, however, remained highly competitive as major economies continued to strengthen trade-protection measures.

Domestic Sales

Domestic sales increased by 18% to Rs. 26.0 billion (FY2025: Rs. 22.0 billion), while volumes increased by 40% to approximately 98,000 MT. The Company strengthened its position in polymers, particularly in the PPRC, HDPE and MDPE segments, and expects further opportunities from public-sector and infrastructure-related demand.

The Company continues to expand its distribution footprint and deepen engagement with commercial and institutional customers through targeted nationwide outreach, industry events, sponsorships and direct customer engagement.

Engineering Solutions

The Company successfully expanded its value-added coated steel structural solutions for the solar-power industry, generating sales of Rs. 494 million, representing growth of approximately 40%. The segment is expected to provide further growth opportunities. Additional solutions for the construction, engineering and agriculture sectors are under development to address specific customer and industry requirements.

Export Steel Sales

The United States' 50% Section 232 tariff on steel imports, together with protectionist measures in other major markets, contributed to global oversupply, trade diversion and price volatility. Despite these challenging conditions, the Company maintained export sales at approximately Rs. 3.0 billion (USD 11.1 million).

IIL Australia Pty Limited, Melbourne, Australia

IIL Australia Pty Limited, a wholly owned subsidiary, was established to provide the Company with a stable presence in the mature Australian market. Steel sales remained subdued amid intensified competition, including from suppliers benefiting from free trade arrangements. Net sales declined to USD 4.2 million (FY2025: USD 5.2 million). As part of its diversification strategy, the subsidiary also entered the food-distribution business during the year.

IIL Americas Inc., Toronto, Canada

The Canadian steel market remained challenging amid trade tensions and tighter import controls. Canada's tariff-rate quota regime for steel imports from non-CUSMA partners, including substantially reduced quota volumes for countries without a free trade agreement and a 50% surtax on above-quota imports, constrained market access and growth opportunities. Consequently, the subsidiary's sales declined to USD 1.8 million (FY2025: USD 3.1 million).

INIL Europe Limited, Ireland

Established in 2025, INIL Europe Limited provides the Company with a platform to develop business in the European Union and strengthen regional customer engagement and regulatory capability. The EU Carbon Border Adjustment Mechanism (CBAM) entered its definitive regime on January 1, 2026, introducing carbon-related compliance and financial obligations for covered imports, including iron and steel products. Together with country-specific trade measures, these requirements are expected to make market access more demanding. The subsidiary recorded net sales of USD 1.0 million in its first year of operations.

IIL Trading (Pvt) Ltd., Pakistan

IIL Trading (Pvt) Ltd., a wholly owned subsidiary, commenced operations in January 2025. During FY2026, it expanded its market presence through display centres in Karachi, Lahore and Islamabad and continued to develop industrial and construction-related product categories. The subsidiary recorded net sales of Rs. 520 million (FY2025: Rs. 70.9 million), in addition to commission income.

Safety, Health and Environment

The Company continues to place strong emphasis on the safety, health and well-being of its people and on minimizing the environmental impact of its operations. Year-round safety programs addressing both operational and behavioural aspects were implemented across manufacturing locations. The Company's 4 MW solar-power capacity supplied clean energy across its three manufacturing sites, while a rainwater-harvesting pilot project was initiated to support groundwater recharge.

Manufacturing

The Company continued to improve manufacturing efficiency through initiatives focused on energy management, waste reduction, process productivity and workforce capability. Despite inflationary pressures, manufacturing cost per tonne declined by 14%. The installation of solar-power plants across all three manufacturing facilities, with a combined capacity of 4 MW, further supports cost efficiency and the Company's sustainability objectives.

Financial Results

During the year, the Company reported net sales of Rs. 29.1 billion, representing growth of 16% over the previous year. Gross profit amounted to Rs. 4,029 million, profit before tax to Rs. 2,414 million and profit after tax to Rs. 1,603 million, resulting in earnings per share of Rs. 12.16. Improved sales, cost optimization and higher dividend income from subsidiaries and investments supported profitability.

Cost of sales amounted to Rs. 25.1 billion, representing approximately 86% of net sales. Selling and distribution expenses increased by 31% to Rs. 1,744 million, mainly due to higher volumes, increased fuel costs in the latter part of the year and additional marketing expenditure associated with the renewed brand identity. Administrative expenses increased by 16% to Rs. 508 million, primarily reflecting inflationary pressures on operating costs.

Other income increased by 52% to Rs. 1,314 million, mainly due to higher dividend income and a relatively stable exchange rate. Finance costs declined by 4% to Rs. 583 million, supported by disciplined working-capital management and a more stable interest-rate environment.

Cash Flow Management and Borrowing Strategy

Prudent liquidity and working-capital management remained a key financial priority during the year. The Company focused on disciplined inventory management, cash conservation and controlled capital expenditure, while subsidiaries increasingly managed their working-capital requirements through appropriately structured financing arrangements in their respective jurisdictions.

The Company maintained a debt-to-equity ratio of approximately 69%. Management continues to focus on optimizing the funding mix, reducing financing costs and maintaining adequate liquidity while supporting business requirements and strategic investments.

Dividend

The Board of Directors has recommended a final cash dividend of Rs.5.00 (50%) per ordinary share of Rs. 10 each for the financial year ended June 30, 2026 (FY2025: Rs. 4.00 per share), subject to approval by shareholders at the Annual General Meeting.

Appropriations

Rupees in '000	2026	2025
Profit after tax for the year	1,603,226	1,104,324
Interim dividend – Rs. 2.00 per share (2025: Nil)	(263,764)	–
Final dividend – Rs.5.0 per share (2025: Rs. 4.00 per share)	(659,409)	(527,528)

Auditors

On the recommendation of the Board Audit Committee, the Board has approved the reappointment of A.F. Ferguson & Co., Chartered Accountants, as the Company's external auditors for FY2027, subject to the applicable shareholder approval requirements. Reference may be made to page 163 for the Board Audit Committee's report on compliance with the Code of Corporate Governance.

Information Systems

The Company continued to strengthen its technology infrastructure and advance process automation and digitalization. During the year, initiatives included further enhancement and integration of the ERP environment, implementation of barcode-based inventory controls, deployment of a transport management system with real-time shipment tracking, and adoption of digital platforms for e-invoicing and customer feedback. These initiatives are intended to improve operational visibility, control, efficiency and customer responsiveness.

Social Impact

IIL remains committed to its role as a responsible corporate citizen and continues to support communities through social, philanthropic and environmental initiatives. A detailed overview of these activities is presented in the Company's Sustainability Report.

Human Resource Management

Our people remain central to IIL's long-term success. The Company continued to build a high-performing and future-ready workforce by investing in learning, leadership development, employee engagement, diversity, performance management and well-being, while aligning human-capital priorities with the Company's strategic objectives.

- **Learning and Development**

The Company continued to foster a culture of continuous learning through structured talent and capability-development initiatives. Programs included Next Gen for emerging talent, Strategic Leadership Development and skill-based Functional Capability Programs. Employees also participated in Sales Force Management, Key Account Management and Management Development Program courses at leading institutions, including LUMS, to strengthen commercial, managerial and leadership capabilities and gain exposure to emerging technologies and international best practices.

- **Talent Management**

Developing future leaders from within remains a key element of the Company's talent strategy. A structured succession-planning process identifies high-potential employees and prepares them for critical roles through targeted development, mentoring and cross-functional exposure. Internal mobility and promotions are encouraged to recognize performance and potential while creating meaningful career pathways.

- **Employee Engagement**

The Company continued to promote employee well-being, collaboration and engagement through recreational and team-building activities across its locations. The Spot On recognition initiative was introduced to acknowledge employees who demonstrate behaviours aligned with organizational values, competencies and exceptional contribution.

- **Diversity, Equity and Inclusion**

Creating an inclusive workplace in which diverse talent can develop and succeed remains an important component of the Company's people strategy. IIL continued to advance gender diversity through equal opportunities in recruitment, development and career progression. The WISE (Women in Science and Engineering) initiative supports aspiring female professionals through mentoring, technical development and leadership opportunities, and the onboarding of a second cohort of female engineers marked further progress during the year.

The Company also onboarded female Management Trainees in functions including Human Resources, Finance and Sales, providing structured development opportunities for young female talent.

- **Performance Management and Employee Recognition**

The Company continued to strengthen its

performance-driven culture through a structured performance-management philosophy that aligns individual and functional objectives with business priorities. Clear objectives and key performance indicators are established across functions, supported by regular feedback and a reward framework linked to performance, contribution and organizational values.

- **Skills Development – Gold Recognition Award**

The Company received the Skills Development – Gold Recognition Award from the Employers' Federation of Pakistan in recognition of its commitment to workforce capability development. The recognition reflects IIL's structured approach to apprenticeships and graduate-trainee programs, on-the-job learning, technical and behavioural training, leadership development, industry-academia collaboration and continuous learning.

- **Employer of the Year – Diamond Recognition Award**

IIL also received the Employer of the Year – Diamond Recognition Award in the National Category (Large Manufacturing Sector) at the 11th Employer of the Year Award 2025 organized by the Employers' Federation of Pakistan. The recognition reflects the Company's practices in governance, people management, employee engagement, talent development, occupational health and safety, diversity and inclusion, employee well-being and responsible business conduct.

Contribution to the National Exchequer

The Company, registered with the Large Taxpayers Unit (LTU), contributed approximately Rs. 6.9 billion to the national exchequer through income tax, sales tax and other levies during the financial year.

Internal Control Framework

The Company maintains an internal control framework designed to safeguard assets, support reliable financial reporting and promote compliance with approved policies and procedures. Further details are provided on page 154 of the Annual Report.

Risk, Opportunity and Mitigation Report

Management, in consultation with the Board of Directors, continues to strengthen the Company's ability to identify, assess and respond to strategic, operational, financial and emerging risks and opportunities. A comprehensive Risk & Opportunity Report is presented on page 114.

Relationship with Stakeholders

The Company is committed to maintaining constructive relationships with its stakeholders through transparent, timely and open communication. Engagement mechanisms include regular CEO-led town halls and other formal and informal channels that facilitate dialogue across the organization and with key stakeholder groups.

Quarterly and Annual Financial Statements

Quarterly unaudited financial statements and Directors' Reviews were approved and disseminated within the prescribed timelines. The half-yearly financial statements were subject to limited review by the external auditors, while the annual audited financial statements, approved by the Board, will be presented to shareholders at the Annual General Meeting. The financial statements are endorsed by the Chief Executive Officer and Chief Financial Officer and reviewed in accordance with applicable legal and regulatory requirements.

Chief Financial Officer, Company Secretary and Head of Internal Audit

The Chief Financial Officer and Head of Internal Audit meet the qualification requirements prescribed under the Listed Companies (Code of Corporate Governance) Regulations, 2019, while the Company Secretary meets the requirements of the Companies Act, 2017. Their appointments, remuneration and terms and conditions of employment are determined by the Board in accordance with applicable requirements.

Compliance

The Company remains committed to high standards of corporate governance, ethical conduct and regulatory compliance. The Board regularly reviews the Company's strategic direction and operating performance, while the Board Audit Committee provides oversight of financial reporting, internal controls, compliance and related party transactions before their submission to the Board, where applicable.

Credit Rating

VIS Credit Rating Company Limited has reaffirmed the Company's entity ratings at 'AA-/A-1' (Double A Minus / A-One), with a stable outlook, reflecting the Company's financial profile and operating position.

Investments

The Company holds a 56.33% equity stake in International Steels Limited (ISL) and a 17.12% interest in Pakistan Cables Limited (PCL), a leading manufacturer of copper rods, wires and cables.

The Company also wholly owns four subsidiaries: IIL Australia Pty Limited, IIL Americas Inc., IIL Trading (Pvt) Ltd. and INIL Europe Limited. In addition, IIL holds a 17% equity interest in Chinoy Engineering & Construction (Pvt) Ltd. (CECL) and a 33.33% interest in the newly incorporated CFS Minerals (Pvt) Ltd.

Buyback offer by Chinoy Engineering & Construction (Pvt) Ltd.

IIL's original investment of PKR 48.45 million in CECL has generated exceptional returns, including PKR 163.20 million in dividends, in addition to significant direct and indirect business opportunities. With CECL's procurement and supply activities substantially complete, the investment has largely achieved its strategic and commercial objectives. Accordingly, the Company has negotiated a buyback consideration of PKR 350 million, equivalent to approximately PKR 72.24 per share. The proposed transaction is expected to result in an estimated pre-tax gain of PKR 301.55 million and cumulative cash realization of approximately PKR 513.20 million, including dividends already received.

At its 387th meeting held on August 20, 2026, the Board of Directors recommended that the proposed buyback offer by CECL be placed before the shareholders for approval, subject to compliance with all applicable statutory and regulatory requirements and receipt of any requisite approvals.

Future Prospects

The outlook for FY2027 remains cautiously optimistic, although global geopolitical, energy and trade risks are expected to persist. Domestic macroeconomic stabilization and a gradual recovery in industrial and infrastructure activity may support demand, while international markets will remain influenced by protectionist measures, steel overcapacity, freight volatility and increasingly stringent carbon-related requirements.

The Company will continue to pursue sustainable growth through market and product diversification, customer-centricity, operational efficiency, disciplined capital allocation and selective expansion in value-added segments. Investments in innovation, digitalization, renewable energy and ESG capability are expected to strengthen resilience and competitiveness.

With a diversified product portfolio, established domestic market position and re-focused international presence, IIL remains focused on navigating near-term uncertainty while building the capabilities required to deliver sustainable long-term value to shareholders and other stakeholders.

Acknowledgement

The Board extends its appreciation to the Company's shareholders, customers, employees, bankers, suppliers, business partners and other stakeholders for their continued trust, commitment and support. We remain confident in the Company's ability to pursue sustainable growth and contribute positively to the prosperity of Pakistan and the well-being of its stakeholders.

For and on behalf of the Board of Directors

Yousuf H. Mirza
Chief Executive Officer

Kamal A. Chinoy
Chairman

Karachi: August 20, 2026

VIS (ڈبل اے مائنس 'اے ون) مع مستحکم مستقبل کا درجہ دیا ہے جو کمپنی کے مالیاتی پروفائل اور آپریٹنگ کی صورتحال کی عکاسی کرتا ہے۔

سرمایہ کاری

کمپنی انٹرنیشنل اسٹیلز لمیٹڈ (آئی ایس ایل) میں ٪56.33 ایکویٹی اسٹیک کی اور صف اول کے کاپر راڈزز، وائر اور کیبلز بنانے والے پاکستان کیبلز لمیٹڈ (پی سی ایل) میں ٪17.12 کی شراکت رکھتی ہے۔

کمپنی کی آئی آئی ایل آسٹریلیا پی ٹی وائی لمیٹڈ، آئی آئی ایل امریکاز آئی این سی، آئی آئی ایل ٹریڈنگ پرائیویٹ لمیٹڈ اور آئی این آئی ایل - یورپ لمیٹڈ کے نام سے چار کل ملکیتی ذیلی کمپنیاں بھی ہیں۔ ان کے علاوہ آئی آئی ایل چنائے انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ (سی ای سی ایل) میں ٪17 ایکویٹی کی شراکت رکھتی ہے اور نئی قائم ہونے والی کمپنی سی ایف ایس منرلز (پرائیویٹ) لمیٹڈ میں ٪33.33 کی شراکت دار ہے۔

چنائے انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ کی جانب سے بائی بیک آفر

سی ای سی ایل میں آئی آئی ایل کی 48.45 ملین روپے کی اصل سرمایہ کاری سے خاطر خواہ منافع حاصل ہوا، جس میں 163.20 ملین روپے کے منافع منقسمہ کے علاوہ اہم براہِ راست اور بالواسطہ کاروباری مواقع بھی شامل ہیں۔ سی ای سی ایل کی خریداری اور سپلائی سے متعلق سرگرمیاں بڑی حد تک مکمل ہو چکی ہیں، جس کے باعث یہ سرمایہ کاری اپنے مقاصد بڑی حد تک حاصل کر چکی ہے۔ چنانچہ، کمپنی نے 350 ملین روپے کے بائی بیک معاوضے پر مذاکرات کیے ہیں، جو تقریباً 72.24 روپے فی شیئر کے مساوی ہے۔ مجوزہ لین دین کے نتیجے میں قبل از ٹیکس تقریباً 301.55 ملین روپے کا متوقع منافع اور مجموعی طور پر تقریباً 513.20 ملین روپے کی نقد وصولی متوقع ہے، جس میں پہلے سے وصول شدہ منافع منقسمہ بھی شامل ہے۔ اگست 20، 2026 کو منعقدہ بورڈ آف ڈائریکٹرز کے 387ویں اجلاس میں، بورڈ نے سفارش کی کہ سی ای سی ایل کی جانب سے پیش کردہ مجوزہ بائی بیک آفر کو تمام قابلِ اطلاق قانونی اور ضابطہ جاتی تقاضوں کی تکمیل اور مطلوبہ منظوریوں کے حصول سے مشروط، منظوری کے لیے شیئر ہولڈرز کے سامنے پیش کیا جائے۔

مستقبل کے امکانات

مالی سال 2027 کا منظر نامہ محتاط طور پر مثبت ہے، اگرچہ عالمی سطح پر جیو پولیٹکل، توانائی اور تجارتی خدشات کے برقرار رہنے کی توقع ہے۔ مقامی میکرو اکنامک کے مستحکم ہونے اور صنعتی اور انفرا اسٹرکچر سرگرمی میں بتدریج بحالی سے طلب کو مدد مل سکتی ہے، جبکہ بین الاقوامی مارکیٹس حفاظتی اقدامات، اسٹیل کی اضافی دستیابی، مال برداری کی تغیر پذیری اور کاربن سے متعلق شرائط میں بڑھتی ہوئی شدت کے زیر اثر رہیں گی۔

کمپنی پروڈکٹ کی تنوع، صارف پر توجہ، آپریشن کی استعداد، سرمایہ کی منظم تفویض اور اضافی فوائد کے حصوں میں منتخب توسیع کے ذریعے مستحکم ترقی کے عمل کو جاری رکھے گی۔ جدت، ڈیجیٹلائزیشن، ری نیو ایبل انرجی اور ای ایس جی کی اہلیت کے ساتھ توقع ہے کہ ہم لچک اور مسابقت کو مضبوط سے مضبوط تر کریں گے۔

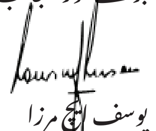
متنوع پروڈکٹ پورٹ فولیو، مستحکم مقامی مارکیٹ پوزیشن اور بین الاقوامی سطح پر موجودگی کے ساتھ، آئی آئی ایل نے قریب المدت صورتحال سے نمٹنے پر توجہ مرکوز رکھی ہے جبکہ شیئر ہولڈرز اور دیگر اسٹیک ہولڈرز کے لئے مستحکم طویل المدت اقدار فراہم کرنے کے لئے درکار صلاحیتوں کو بروئے کار لا رہے ہیں۔

اعتراف

بورڈ، کمپنی کے شیئر ہولڈرز، کسٹمرز، ایمپلائز، بینکرز، سپلائرز، بزنس پارٹنرز اور دیگر اسٹیک ہولڈرز کے ہم پر مسلسل بھروسے، خلوص اور تعاون کے لئے ان کا شکر گزار ہے۔

ہمیں کمپنی کی مستحکم ترقی کی جانب بڑھنے اور پاکستان کی خوشحالی کے لئے مثبت کردار ادا کرنے اور اپنے اسٹیک ہولڈرز کی فلاح کے لئے عمل کرنے کی صلاحیت پر پورا اعتماد ہے۔

برائے اور منجانب بورڈ آف ڈائریکٹرز



یوسف ایچ مرزا
چیف ایگزیکٹیو آفیسر

کمال اے چنائے
چیئرمین

کراچی 20 اگست 2026

ہنر مندی کی نشوونما ۔ سونے کا اعترافی ایوارڈ

کمپنی کو افرادی قوت کی صلاحیتوں کی نشوونما کے عزم کے اعتراف میں ایمپلائرز فیڈریشن آف پاکستان کی جانب سے سونے کا اعترافی ایوارڈ دیا گیا ہے۔ اس اعتراف سے آئی آئی ایل کے اپرنٹس شپس اور گریجویٹ ٹرینی پروگرامز، آن جاب لرننگ، ٹیکنیکل اور خوش اخلاقی کی ٹریننگ، لیڈر شپ ڈیولپمنٹ، صنعتی و تعلیمی اداروں کا اشتراک اور مسلسل سیکھنے کے عمل کی عکاسی کرتا ہے۔

ایمپلائی آف دی ایئر ۔ ڈائمنڈ ریکوگنیشن ایوارڈ

آئی آئی ایل کو نیشنل کیٹگری (لارج مینوفیکچرنگ سیکٹر) ایمپلائیر آف دی ایئر ۔ ڈائمنڈ ریکوگنیشن ایوارڈ بھی دیا گیا۔ یہ ایوارڈ ایمپلائرز فیڈریشن آف پاکستان کی جانب سے 11ویں ایمپلائر آف دی ایئر ایوارڈ 2025 کی تقریب میں دیا گیا۔ یہ اعتراف کمپنی کی گورننس، افرادی مینجمنٹ، ایمپلائیز کی مصروفیات، صلاحیتوں کی نشوونما، پیشہ ورانہ صحت اور تحفظ، تنوع اور شمولیت، ایمپلائز کی فلاح اور ذمہ دارانہ کاروباری رویئے کی عکاسی کرتا ہے۔

قومی خزانے میں حصہ

کمپنی نے، جو لارج ٹیکس پیئر یونٹ (ایل ٹی یو) کے ساتھ رجسٹرڈ ہے، مالی سال کے دوران میں انکم ٹیکس، سیلز ٹیکس اور دیگر محصولات کی مد میں قومی خزانے میں تقریباً 6.9 بلین روپے جمع کرائے۔

اندرونی کنٹرول کا فریم ورک

کمپنی کا اندرونی کنٹرول کا فریم ورک موجود ہے جو اثاثہ جات کی حفاظت، بھروسہ مند مالیاتی رپورٹنگ کی مدد اور منظور شدہ پالیسیز اور پروسیجرز کے ساتھ عمل درآمد کو فروغ دیتی ہے۔ مزید تفصیلات سالانہ رپورٹ کے صفحہ 154 پر دی گئی ہیں۔

خدشات، مواقع اور تدارک کی رپورٹ

انتظامیہ، بورڈ آف ڈائریکٹرز کے مشورے سے، کمپنی کی تخمینہ لگانے، اور حکمت عملی کے رد عمل، آپریشنل، مالیاتی اور ابھرنے والے خدشات اور مواقع کی شناخت کرنے کی اہلیت کو مضبوط کرنے کا عمل جاری رکھتی ہے۔ خدشات اور مواقع کی ایک جامع رپورٹ صفحہ نمبر 114 پر درج ہے۔

اسٹیک ہولڈرز کے ساتھ تعلقات

کمپنی اپنے اسٹیک ہولڈرز کے ساتھ مثبت تعلقات قائم رکھنے کے لئے پرعزم ہے اور ایک شفاف، بروقت اور کھلے ذہن کے ساتھ میل جول رکھتی ہے۔ ملاقات کے طریقہ کار میں سی ای او کی سربراہی میں ٹاؤن ہالز اور دیگر رسمی اور غیر رسمی چینل استعمال کئے جاتے ہیں جو ادارے اور اہم اسٹیک ہولڈر گروپس کے ساتھ باہمی گفت وشنید پر مبنی ہوتے ہیں۔

سہ ماہی اور سالانہ مالیاتی اسٹیٹمنٹس

سہ ماہی غیر آڈٹ شدہ مالیاتی اسٹیٹمنٹس اور ڈائریکٹرز کی جائزہ رپورٹ معینہ مدت میں منظور کی گئی اور تقسیم کردی گئی۔ ششماہی مالیاتی اسٹیٹمنٹس بیرونی آڈیٹرز کے محدود جائزے سے مشروط تھے، جبکہ سالانہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس، جو بورڈ سے منظور شدہ ہیں، شیئر ہولڈرز کو سالانہ اجلاس عام میں پیش کردیئے جائیں گے۔ مالیاتی اسٹیٹمنٹس چیف ایگزیکٹیو آفیسر اور چیف فنانشل آفیسر سے توثیق شدہ ہوتے ہیں اور لاگو قانونی اور ضوابط کی شرائط کے مطابق ان کا جائزہ لیا جاتا ہے۔

چیف فنانشل آفیسر، کمپنی سیکرٹری اور ہیڈ آف انٹرنل آڈٹ

چیف فنانشل آفیسر اور ہیڈ آف انٹرل آڈٹ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ضوابط 2019 کی شرائط کے مطابق اہلیت کے حامل ہیں جبکہ کمپنی سیکرٹری کمپنیز ایکٹ 2017 کی شرائط کے مطابق اہلیت رکھتا ہے۔ ان کی تقرری بورڈ کرتا ہے جو تقرر، معاوضہ اور شرائط و ضوابط تعین لاگو شرائط کے مطابق کی جاتی ہے۔

عمل درآمد

کمپنی کارپوریٹ گورننس، اخلاقی برتاؤ اور ضوابط کی پیروی کے اعلیٰ معیارات کی پابندی کے لئے پرعزم ہے۔ بورڈ باقاعدگی کے ساتھ کمپنی کی حکمت عملی کی سمت اور آپریٹنگ کی کارکردگی کا جائزہ لیتا ہے، جب کہ بورڈ آڈٹ کمیٹی مالیاتی رپورٹنگ، اندرونی کنٹرولز، ان پر عمل درآمد اور متعلقہ پارٹی کے ساتھ لین دین کی نگرانی کرتا ہے اور جہاں ضرورت ہو بورڈ کو پیش کرنے سے پہلے اس کا جائزہ لیتا ہے۔

کریڈٹ ریٹنگ

کریڈٹ ریٹنگ کمپنی لمیٹڈ نے کمپنی کی بطور ادارہ 'ڈبل اے، / اے۔ا

سماجی تاثر

آئی آئی ایل اپنے سماجی اجتماعی شہری کے کردار کے لئے پرعزم ہے اور مستقل طور پر سماجی، فلاحی اور ماحولیاتی سرگرمیوں کے ذریعے کمیونٹیز کو تعاون فراہم کرنے کے لئے کوشاں ہے۔ ان سرگرمیوں کا ایک تفصیلی جائزہ کمپنی کی سسٹین ایبلٹی رپورٹ میں پیش کیا گیا ہے۔

ہیومن ریسورس مینجمنٹ

ہمارے افراد آئی آئی ایل کی دیرپا کامیابیوں کے لئے مرکزی حیثیت رکھتے ہیں۔ کمپنی ایک اعلیٰ کارکردگی اور مستقبل کے لئے تیار افردی قوت تشکیل دینے کے لئے مسلسل سرگرم عمل ہیں جس میں سیکھنے، قائدانہ صلاحیت ابھارنے، ایمپلائیز کی شمولیت، تنوع، کارکردگی کی مینجمنٹ اور فلاحی کام شامل ہیں جبکہ افرادی سرمایہ کی ترجیحات کو کمپنی کی حکمت عملی کے مقاصد کے ساتھ منسلک کیا گیا ہے۔

سیکھنا اور آگے بڑھنا

کمپنی کا اپنا ایک کلچر ہے جس کے تحت منظم صلاحیت اور اہلیت کو ابھارنے کے اقدام کے ذریعے مسلسل سیکھنے کا عمل جاری رہتا ہے۔ ان پروگراموں میں ابھرتے ہوئے باصلاحیت افراد کے لئے نیکسٹ جن، حکمت عملی کی قیادت کا فروغ اور ہنر پر مبنی عملی اہلیت کے پروگرام شامل ہیں۔ ایمپلائز نے معروف LUMSمیں بھی سیلز فورس مینجمنٹ، بنیادی اکائونٹ مینجمنٹ اور مینجمنٹ اداروں، جیسے ڈیولپمنٹ پروگرام کے کورسز میں شرکت کے ذریعے کمرشل، منیجیریل اور لیڈرشپ کی اہلیت کو مضبوط کرنے کی کوشش کی اور ابھرتی ہوئی ٹیکنالوجیز اور بین الاقوامی بہترین مشقوں سے سیکھا۔

ٹیلنٹ مینجمنٹ

اس کے علاوہ کمپنی کے اندر مستقبل کے قائدین کو تیار کرنا کمپنی کی صلاحیت کی حکمت عملی ہے۔ ایک تشکیل شدہ وراثت کی پلاننگ کے طریقہ ء کار کے ذریعے اعلیٰ صلاحیتون کے حامل ایمپلائز کی شناخت کی جاتی ہے اور ان کو ہدف پر مبنی ڈیولپمنٹ، رہنمائی اور مختلف شعبوں کے تجربے کے ذریعے اہم کردار کے لئے تیار کیا جاتا ہے۔ اندرونی طور پر تبادلوں اور ترقی کے ذریعے کارکردگی اور امکانات کی جانچ کی جاتی ہے اور پھر ایک بامقصد کیرئیر کا راستہ اختیار کیا جاتا ہے۔

ایمپلائز کی مصروفیات

کمپنی نے ایمپلائز کی فلاح، اشتراک اور مصروفیت کے لئے تمام لوکیشنز پر تفریحی اور ٹیم سازی کی سرگرمیوں کا انعقاد کیا۔ اداراتی اقدار، اہلیت اور غیر معمولی عمل کے ساتھ ساتھ اچھے رویئے کا مظاہرہ کرنے والے ایمپلائز کے اعتراف کے لئے اسپاٹ آن پروگرام متعارف کروایا گیا۔

تنوع، عدل و انصاف اور شمولیت

ایک ایسی کام کی جگہ بنانے کی کوشش رہی جہاں متنوع صلاحیت کے حامل افرد اپنی صلاحیتوں کو ابھار سکیں اور کامیاب ہو، جو کمپنی کی لوگوں کے لئے حکمت عملی کا اہم جزو ہے۔ آئی آئی ایل میں صنف کی تنوع کا جدید نظام موجود ہے جس کے تحت بھرتی، ڈیولپمنٹ اور کیرئیر میں آگے بڑھنے کے لئے برابر کے مواقع موجود ہیں۔ ڈبلیو آئی ایس ای (ویمن ان سائنس اینڈ انجینئرنگ) کے اقدام سے پروفیشنل خواتین کو رہنمائی، ٹیکنیکل ڈیولپمنٹ اور لیڈرشپ کے مواقع فراہم کئے جاتے ہیں اور سال کے دوران میں خواتین انجینئرز کے دوسرے گروہ پر پہنچنے پر مزید ترقی دی گئی۔

کمپنی نے خواتین مینجمنٹ ٹرینیز تقرر کیا ہے جو مختلف امور بشمول ہیومن ریسورسز، فنانس اینڈ سیلز، میں کام کریں گی اور نوجوان باصلاحیت لڑکیوں کو جامع ڈیولپمنٹ کے مواقع فراہم کئے جائیں گے۔

کارکردگی کی تنظیم اور ایمپلائی کی حوصلہ افزائی

کمپنی نے کارکردگی پر مبنی کلچر کو ایک تشکیل شدہ کارکردگی کی مینجمنٹ فلاسفی کے ذریعے مضبوط کرنے کا عمل جاری رکھا ہے جو فرد کو کاروباری ترجیحات کے ساتھ تشکیل شدہ کارکردگی کو عملی مقاصد سے ہم آہنگ کرتا ہے۔ تمام کاموں میں واضح اہداف اور کارکردگی کے اشارئیے قائم کئے جاتے ہیں جس کو باقاعدگی کے ساتھ فیڈ بیک کے ساتھ منسلک کیا جاتا ہے اور کارکردگی، خدمات اور اداراتی اقدار سے متعلق ایک انعام کا نظام منسلک ہے۔

مالیاتی نتائج

سال کے دوران میں کمپنی نے 29.1 بلین روپے کی خالص فروخت کی، جو گزشتہ سال کے مقابلے میں 16٪ زیادہ ہے۔ مجموعی منافع 4,029 ملین روپے ہوا اور قبل از ٹیکس منافع 2,414 ملین روپے رہا جبکہ بعد از ٹیکس منافع 1,603 ملین روپے ہوا جس کے نتیجے میں فی شیئر آمدنی 12.16 روپے ہوئی۔ بہتر فروخت، لاگت کی اصلاح اور ذیلی کمپنیوں اور سرمایہ کاری سے زائد منافع میں بہتری آئی۔

فروخت کی قیمت 1۔25بلین روپے ہوئی جو سیلز کا تقریباً 86٪ ہے۔ فروخت اور تقسیم کاری کے اخراجات 31٪ اضافے کے ساتھ 1,744 ملین روپے ہوئے جو بڑی حد تک زیادہ حجم، سال کے آخری حصے میں فیول کی بڑھتی ہوئی قیمتوں اور برانڈ کی نئی شناخت سے متعلق مارکیٹنگ کے اضافی اخراجات پر مبنی ہیں۔ انتظامی اخراجات 16٪ اضافے کے ساتھ 508 ملین روپے ہوے جو آپریٹنگ کی لاگت پر افراط زر کے دباؤ کا اظہار کرتے ہیں۔

دیگر آمدنی 52٪ اضافے کے ساتھ 1,314 ملین روپے ہوئی جس کی بڑی وجہ ڈویڈنڈ کی زیادہ آمدنی اور زرمبادلہ کا نسبتاً مستحکم ہونا تھی۔ مالیاتی لاگت میں 4٪ کمی ہوئی جو 583 ملین روپے رہی، جس کی بنیادی وجہ جاری سرمایہ کاری کی منظم مینجمنٹ اور زیادہ مستحکم شرح سود کا ماحول تھی۔

نقد بہاؤ کی مینجمنٹ اور قرضہ کے حصول کی حکمت عملی

سال کے دوران میں دانشمندانہ لیکویڈیٹی اور جاری سرمایہ کی مینجمنٹ ہماری بنیادی مالیاتی ترجیح رہی۔ کمپنی نے اپنی توجہ انونٹری کی منظم مینجمنٹ، نقدی کا تحفظ اور سرمایہ کے کنٹرول شدہ اخراجات تھی جبکہ ذیلی کمپنیوں نے اپنی متعلقہ حدود میں جاری سرمایہ کاری کی حدود کو اضافی طور پر منظم رکھا۔

کمپنی نے قرضہ اور ایکویٹی کے درمیان شرح کو تقریباً 69٪ تک رکھا۔ انتظامیہ نے فنڈنگ کے ذرائع کے حصول کا بہترین تناسب جاری رکھا، جس سے مالیاتی لاگت میں کمی رہی اور مناسب لیکویڈیتی برقرار رہی جس سے معاون کاروباری ضروریات اور حکمت عملی پر مبنی سرمایہ کاری کو مدد ملی۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے مالیاتی سال مختتمہ 30 جون 2026 کے لئے حتمی نقد ڈیویڈنڈ 5 روپے (50٪) برائے 10 روپے والے فی عمومی شیئر کے حساب سے ادائیگی کی سفارش کی ہے۔ (2025: 4 روپے) جو سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

تخصیص

روپے؛ '000 میں	2026	2025
بعد از ٹیکس منافع برائے سال	1,603,226	1,104,3241
عبوری ڈیویڈنڈ۔ 2.00 روپے فی شیئر (کچھ نہیں :2025)	(263,764)	--
حتمی ڈیویڈنڈ۔ 5.00روپے فی شیئر (2025: 4.00 روپے فی شیئر)	(659,409)	(527,528)

آڈیٹرز

بورڈ آڈٹ کمیٹی کی سفارش پر بورڈ نے مالی سال 2027 کے لئے اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کا دوبارہ بطور بیرونی آڈیٹرز تقرر کیا ہے جو شیئر ہولڈرز کی منظوری سے مشروط ہے۔ اس حوالے کے لئے کوڈ آف کارپوریٹ گورننس کے مطابق عمل درآمد کے لئے بورڈ آڈٹ کمیٹی کی رپورٹ کے صفحہ 163 پر ملاحظہ کریں۔

معلومات کا نظام

کمپنی نے اپنی ٹیکنالوجی انفرا اسٹرکچر کو مضبوط کرنے اور ایڈوانس پروسیس آٹومیشن اور ڈیجیٹلائزیشن کا عمل جاری رکھا۔ سال کے دوران میں کئے گئے اقدامات میں ای آرپی انوائرنمنٹ میں مزید اضافہ اور انضمام، بارکوڈ پر مبنی انونٹری کنٹرولز کا نفاذ، ٹرانسپورٹ مینجمنٹ سسٹم کا رئیل ٹائم شپمنٹ ٹریکنگ، تعین کرنا اور ای انوائسنگ اور کسٹمر فیڈبیک کے لئے ڈیجیٹل پلیٹ فارمز حاصل کرنا شامل ہے۔ یہ اقدامات آپریشنز کے واضح نظر آنے، کنٹرول، استعداد اور کسٹمر کے رد عمل کی غرض سے کئے گئے ہیں۔

برآمدی اسٹیل کی فروخت

امریکہ کی جانب سے اسٹیل کی درآمد پر %50 سیکشن 232 ٹیرف مع دیگر مارکیٹس میں تحفظ پسندی کے اقدامات سے عالمی سطح پر اضافی سپلائی، تجارتی انحراف اور قیمت کی تغیرپذیری واقع ہوئے۔ ان چیلنجز والے حالات میں، کمپنی نے تقریباً 3 بلین روپے کی برآمدات کی جو کے (11.1 ملین) امریکی ڈالر ہیں۔

آئی آئی ایل اسٹریلیاپی ٹی وائی لمیٹڈ، میلبورن، آسٹریلیا

آئی آئی ایل اسٹریلیاپی ٹی وائی لمیٹڈ، ایک کل ملکیتی ذیلی ادارہ ہے، جو کمپنی کو آسٹریلیا کی پختہ مارکیٹ میں کمپنی کی نمائندگی کرتا ہے۔ سخت مسابقتی صورتحال میں ، بشمول صارفین کے لئے فری ٹریڈ کے انتظام سے فائدہ اٹھانے کے باعث اسٹیل کی فروخت کم رہی۔ خالص فروخت کم ہوکر 2۔4 ملین امریکی ڈالر تک آگئی (2025: 5.2 ملین امریکی ڈالر) ۔ سال کے دوران میں وسعت کی حکمت عملی کے طور پر ذیلی کمپنی نے فوڈڈسٹری بیوشن کے کاروبار میں شمولیت اختیار کی۔

آئی آئی ایل امریکاز انکارپوریٹڈ، ٹورنٹو، کینیڈا

کینیڈین اسٹیل مارکیٹ تجارتی تناؤ اور زیادہ سخت درامدی کنٹرول کے باعث چیلنج کی صورتحال سے پارٹنرز سے اسٹیل کی درآمد کے لئے کینیڈا کے شرح سود کی حدبندی دوچار رہی۔ بشمول آزادانہ تجارت کے معاہدے میں NON-CUSMA کے نظام شامل نہ ہونے والے ممالک کے لئے کوٹہ کے حجم میں کافی حد تک کمی اور درج بالا کوٹہ کی درآمد پر %50 سرٹیکس کے سبب مارکیٹ تک رسائی اور بڑھنے کے مواقع کو ختم کردیا۔ اس کے نتیجے میں ذیلی کمپنی کی فروخت 8۔1 ملین امریکی ڈالر کی حد تک کم ہوگئی۔(2025: 3.1 ملین امریکی ڈالر)

آئی این آئی ایل یورپ لمیٹڈ، آئرلینڈ

آئی این آئی ایل یورپ لمیٹڈ، جو 2025 میں قائم ہوئی تھی، کمپنی کو یورپین یونین میں کاروبار کے فروغ میں پلیٹ فارم فراہم کرنے کے علاوہ علاقائی صارفین سے رابطے قائم کرنے اور ضابطہ جاتی صلاحیت کو مضبوط کرنے میں مدد دیتی ہے۔یورپین یونین کاربن بارڈر ایڈجسٹمنٹ مکینزم (سی بی اے ایم) نے یکم جنوری 2026 کو اپنا حتمی نظام قائم کردیا اور درآمدات بشمول آئرن اور اسٹیل پروڈکٹس کو ضابطے میں شامل کرکے کاربن سے متعلق ان کی تعمیل اور مالیاتی ذمہ داریوں سے متعارف کروایا۔ملک کے خصوصی تجارتی اقدامات کے ساتھ ان شرائط سے توقع کی جاسکتی ہے کہ مارکیٹ تک رسائی زیادہ وقت طلب ہوجائے گی۔ذیلی کمپنی نے اپنے آپریشنز کے پہلے سال میں 0۔1 ملین امریکی ڈالر کی فروخت کی۔

آئی آئی ایل ٹریڈنگ (پرائیویٹ) لمیٹڈ، پاکستان

آئی آئی ایل ٹریڈنگ (پرائیویٹ) لمیٹڈ، ایک کل ملکیتی ذیلی کمپنی ہے جس کے آپریشنز کا آغاز یکم جنوری 2025 کو ہوا۔مالی سال 2026 کے دوران میں، اس نے کراچی، لاہور اور اسلام آباد میں ڈسپلے سینٹرز کے ذریعے اپنی مارکیٹ میں موجودگی کو توسیع دی اور تسلسل کے ساتھ صنعت اور تعمیرات سے متعلق پروڈکٹ کی اقسام کو فروغ دیا۔ ذیلی کمپنی نے 520 ملین روپے کی خالص فروخت ریکارڈکی (مالی سال 2025: 70.9 ملین روپے) جو کمیشن کی آمدنی کے علاوہ ہے۔

تحفظ، صحت اور ماحولیات

کمپنی تحفظ، صحت اور عوام کی فلاح و بہبود اور اپنے آپریشنز پر ماحولیات کے اثر کو کم سے کم کرنے پر مسلسل زور دیتی ہے۔اس سلسلے میں پورے سال کے دوران میں تحفظ پروگرام کئے جاتے ہیں جن میں آپریشنل اور رویوں، دونوں پہلوئوں کا احاطہ کیا جاتا ہے اور پھر اسے مینوفیکچرنگ کی تمام لوکیشنز پر نافذ کیا جاتا ہے۔ کمپنی کی 4 میگا واٹ سولر پاور کی سہولت اپنی تینوں مینوفیکچرنگ سائٹس پر صاف توانائی فراہم کرتی ہے، جبکہ رین واٹرہارویسٹنگ پائلٹ پروجیکٹ سے زمینی پانی کو ری چارج کرنے میں مدد ملتی ہے۔

مینوفیکچرنگ

کمپنی اپنی مینوفیکچرنگ کی استعداد کو بہتر سے بہتربنانے کے لئے مختلف اقدامات پر عمل کرتی ہے جن میں توانائی کی مینجمنٹ ، زیاں میں کمی پیداوار کی پروسیس اور افرادی قوت کی صلاحیت پر زور دیا جاتا ہے۔ افراط زر کے دبائو کے باوجود، فی ٹن مینوفیکچرنگ کی لاگت میں %14 کمی آئی۔تمام تینوں منوفیکچرنگ کے مقامات پرسولر پاور پلانٹس نصب کئے گئے ہیں جن کی مجموعی گنجائش 4 میگا واٹ ہے جو لاگت میں مزید بہتری لانے اور کمپنی کے پائیدار مقاصد میں معاون ہے۔

خدشات کی مینجمنٹ اور فیصلہ سازی میں پائیداری کے تقاضوں کو ملحوظ رکھنا شامل ہے۔

کمپنی کے آپریشنز

ہماری مصنوعات

ائی آئی ایل پاکستان میں ٹیوبز اور پائپس کے مینوفیکچررز میں سر فہرست ہے جو پروڈکٹ پورٹ فولیو کی ایک وسیع رینج پیش کرتے ہیں جن میں گیلونائز آئرن (جی آئی) پائپس، کولڈ رولڈ (سی ار) ٹیوبز، اسٹین لیس اسٹیل ٹیوبز اور پائپس، ہالو اسٹرکچرل سیکشنز (ایچ ایس ایس)، بلیک اینڈ سکیفولڈنگ پائپس اور پولیمر پائپس اور فٹنگس شامل ہیں۔ کمپنی اپنے انجینئرنگ سلوشن ڈویژن کی جانب سے خاص صنعتوں میں استعمال کے لئے صارف کی ضرورت کے مطابق، اضافی فوائد کے سلوشنز پیش کرتی ہے۔ ائی ائی ایل برانڈ معیار، بھروسے اور صارف کے برسوں کے اعتماد کی علامت ہے۔

برانڈ کی جدید شناخت

مالی سال 2026 کے دوران میں کمپی نے اپنے وژن اینڈ مشن اسٹیٹمنٹس، مجموعی اقدار اور برانڈ کی شناخت کی جامع تجدید کے ذریعے اپنی حکمت عملی کی علامت کے برانڈ میں تبدیلی کی۔ اس کے بعد ایک مربوط، تحقیق پر مبنی اور خصوصی طریقہ کار کے تحت ایمپلائز، کسٹمرز، بزنس پارٹنرز، شیئر ہولڈرز اور دیگر اہم اسٹیک ہولڈرز کے نقطہ نظر کو شامل کیا گیا تاکہ ایک طویل حکمت عملی کی سمت، مقصد اور امنگوں کے مطابق کمپنی کی شناخت اجاگر کی جائے۔

برانڈ کی یہ جدید شناخت آئی آئی ایل کے جدت، پائیداری اور کسٹمر پر توجہ، آپریشنز کی مہارت اور ذمہ دارانہ کاروباری امور کے عزم کی تجدید ہے جبکہ یہ اداراتی کلچر کو مضبوط تر کرنے، اسٹیک ہولڈرز کی شمولیت اور پائیدار اقدار کی تخلیق کا مربوط پلیٹ فارم ہے۔

مجموعی فروخت

فروخت کی آمدنی 16٪ اضافے کے ساتھ 29.1 بلین روپے ہوئی (مالی سال 2025: 22.1 بلین روپے)، جو بنیادی طور پر پروڈکٹ کے نئے شعبہ میں زیادہ حجم کے باعث حاصل ہوئی، نیز ایچ آر ایس، مقامی مارکیٹ میں تقسیم کاری کے چینل کے نیٹ ورک میں توسیع اور اداراتی اور ٹینڈر کے کاروبار کے ذریعے حاصل ہوئی۔ آپریٹنگ میں چیلنجز کے ماحول کے باوجود، کمپنی نے کسٹمر فرسٹ کی حکمت عملی کے ذریعے اپنا مارکیٹ شیئر بحال کر لیا۔ تاہم برآمدی مارکیٹس میں انتہائی مسابقت کا ماحول رہا کیونکہ بڑی معیشتوں نے تجارتی تحفظ پسندی کے اقدامات کو مزید مضبوط کیا۔

مقامی فروخت

مقامی فروخت 18٪ اضافے کے ساتھ 26.0 بلین روپے ہوئی (2025: 22.0 بلین)، جبکہ حجم 40٪ اضافے کے ساتھ تقریبا 98،000 میٹرک ٹن رہا۔ کمپنی نے پولیمر میں، خاص طور پر پی پی آر سی ایچ ڈی پی ای اور ایم ڈی پی ای کے شعبہ جات میں اپنی پوزیشن مضبوط کر لی۔ اور توقع ہے کہ پبلک کے شعبہ اور انفرا اسٹرکچر سے متعلق طلب سے مزید مواقع حاصل ہوں گے۔

کمپنی اپنی تقسیم کاری کے دائرے کو توسیع دینے اور تجارتی اور اداراتی صارفین کے ساتھ رابطوں کو مزید مضبوط بنانے میں مسلسل کوشاں ہے، جس کے لئے ملک بھر میں اہداف مقرر کرنے، تقریبات کے انعقاد، اسپانسر شپس اور براہ راست کسٹمر کی شمولیت وغیرہ شامل ہیں۔

انجینئرنگ کے سلوشن

کمپنی نے سولر پاور انڈسٹری کے لیے اضافی فوائد والے کوٹڈ اسٹیل اسٹرکچرل سلوشن کو کامیابی کے ساتھ توسیع دی جس سے 494 ملین روپے کی آمدنی حاصل ہوئی جو نمو کا تقریبا 40٪ ہے۔ توقع ہے کہ اس شعبہ سے مزید افزائش کے مواقع فراہم ہوں گے۔ اس کے علاوہ تعمیرات، انجینئرنگ اور زراعت کے شعبہ جات کے لئے مزید سلوشن تیاری کے مراحل میں ہیں جو خصوصی صارفین اور صنعت کی ضروریات کے مطابق پیش کئے جائیں گے۔

اسٹیل کا عالمی منظر نامہ

عالمی سطح پر اسٹیل کی طلب میں کمی کا رجحان رہا اور 2026 میں اس میں معمولی سی بحالی کی توقع ہے۔ ورلڈ اسٹیل ایسوسی ایشن کے اپریل 2026 کے شارٹ رینج آئوٹ لک میں 2026 میں عالمی سطح پر اسٹیل کی طلب میں 0.3٪ یعنی تقریباً 1,724 ملین ٹن اور اس کے بعد 2027 میں 2.2٪ کی مضبوط نمو کی توقع ظاہر کی گئی ہے۔ 2026 میں چین کی اسٹیل کی طلب میں 1.5٪ کمی کا امکان ہے جو پراپرٹی کے شعبہ میں اصلاح کے باعث واقع ہوگی جبکہ انڈیا اور بعض ترقی پذیر مارکیٹس میں اسٹیل کی طلب نسبتاً مستحکم رہے گی۔

عالمی سطح پر گنجائش سے زیادہ موجودگی، بڑے پیداواری ملکوں سے زیادہ برآمد اور تجارت میں تحفظ پسندی کے اقدامات میں اضافے کے سبب قیمتوں اور مارجن میں نمایاں اثر پڑ رہا ہے۔ مشرق وسطیٰ کے تنازعات نے توانائی، مال برداری اور انشورنس کی لاگت کے علاوہ شپنگ کے اہم راستوں میں خلل سے غیر یقینی کیفیت میں اضافہ ہوا ہے اور متنوع ذرائع اور منظم انونٹری مینجمنٹ کی شدید ضرورت ہے۔

اسٹیل ٹیوب اور پائپ کی صنعت

عالمی سطح پر ٹیوب اور پائپ کی صنعت سال بہ سال تقریباً 10٪ کی شرح سے 177.9 ملین میٹرک ٹن تک بڑھ گئی جس میں چین تقریباً 52٪ حصے کے ساتھ غالب رہا۔ پاکستان میں مارکیٹ سال بہ سال تقریباً 20٪ اضافے کے ساتھ تقریباً ایک ملین میٹرک ٹن رہی۔ حجم میں اضافے کے باوجود، مقامی طور پر مارکیٹ کے حصوں میں تقسیم ہونے، کم قیمت کم معیار کے متبادل اور متبادل کے طور پر پولیمر پروڈکٹس کے استعمال اور درآمد شدہ خام مال کی قیمتوں میں تغیرپذیری سے مقامی صنعت میں مارجنز پر دباؤ برقرار رہا۔

پولیمرز

اسٹرکچر کے لحاظ سے متبادل کے طور پر پولیمر کے انتخاب سے کمپنی کے پولیمر کاروبار کے فروغ میں مدد ملی جو پانی، گیس، نکاسی، ٹیلی کام اور ڈکٹنگ کی استعمال کے لئے پائپس اور فٹنگز پر مشتمل ہے۔ اس لحاظ سے کمپنی کے فراہم کی جانے والی پروڈکٹس کی رینج کو وسیع کرنے، تقسیم کاری کو تقویت دینے اور مارکیٹ میں زیادہ سے زیادہ جگہ بنانے پر توجہ مرکوز کی ہے۔

سال کے دوران میں خام تیل اور ریزن کی مارکیٹس میں تغیرپذیری اور مشرق وسطیٰ کے تنازعات کے سلسلے میں خام مال کی قیمتوں اور سپلائی چین پر اثرات مرتب ہوئے۔ انفراسٹرکچر کی طلب اور مقامی میکرو اکنامک حالات میں بہتری کے سبب مستقبل کا منظر نامہ محتاط طور پر مثبت رہنے کی توقع ہے۔

حکمت عملی، مقاصد اور کارکردگی کے اہم اشاریئے

کمپنی اپنے شیئر ہولڈرز کے ساتھ طویل المدت اقدار کی تخلیق کے لئے پرعزم ہے اور اس سلسلے میں صارف پر توجہ، آپریشنز کی مہارت، جدت، ذمہ دارانہ نمو اور پروڈکٹس اور پروسیسز میں مسلسل بہتری پر بھرپور توجہ دی جاتی ہے۔ حکمت عملی، مقاصد اور کارکاردگی کے اہم اشاریئے اور تفصیلات سالانہ رپورٹ کے صفحہ 96 پر دی گئی ہیں۔

ESGکی رہنما ہدایات کے مطابق پائیداری اور عمل درآمد

مالی سال 2026 کے دوران میں آئی آئی ایل نے اپنی ماحولیات، سماجی اور گورننس (ای ایس جی) کے فریم ورک کو خوب سے خوب تر بنانے کا عمل جاری رکھا اور ییسرز کرائو حسین چوہدری اینڈ کمپنی کو بطور ای ایس جی کنسلٹنٹس کی خدمات حاصل کی گئیں جو ای ایس جی کے جامع لائحہ ء عمل کی تیاری اور نفاذ میں مددگار ہوں گے۔ ان کے کاموں میں استحکام کے موجودہ معمولات کی جانچ، ای ایس جی کے مادی خدشات اور مواقع کی نشاندہی، لاگو ضوابط کی ضروریات اور تسلیم شدہ رپورٹنگ فریم ورکس سے ہم آہنگی اور گورننس اور نگرانی کے طریقہ کار میں بہتری لانا شامل ہے۔

اس اقدام سے، کمپنی کا مقصد ای ایس جی کی تشہیر کے معیار میں بہتری لانا، ماحولیاتی ذمہ داریوں اور سماجی فرائض پر عمل کو مضبوط کرنا، نیز حکمت عملی،

ڈائریکٹرز کی رپورٹ

برائے سال مختتمہ 30 جون 2026

انٹرنیشنل انڈسٹریز لمیٹڈ کے ڈائریکٹرز اپنی کمپنی کی رپورٹ مع آڈٹ شدہ مالیاتی اسٹیٹمنٹس برائے سال مختتمہ 30 جون 2026 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

بورڈ کی ساخت اور معاوضے

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل سالانہ رپورٹ کے کارپوریٹ گورننس سیکشن میں صفحہ نمبر 141 اور 158 پر دی گئی ہے۔ ڈائریکٹرز کے معاوضے سے متعلق پالیسیز اور طریقہ کار، کمپنی کے غیر مجموعی مالیاتی اسٹیٹمنٹس کے نوٹ 36 میں دیا گیا ہے، جو کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق ہے۔

عالمی معیشت

عالمی معیشت مستحکم رہی مگر موجودہ جیو پولیٹکل اور تجارتی غیر یقینی صورتحال میں نازک صورتحال سے دوچار ہے۔ ورلڈ اکنامک آؤٹ لک اپ ڈیٹ برائے جولائی 2026 میں انٹرنیشنل مانیٹری فنڈ نے 2026 میں عالمی نمو 3٪ اور 2027 کے لئے 3.4٪ تک رہنے کی توقع ظاہر کی ہے۔ آؤٹ لک میں ٹیکنالوجی پر مبنی سرمایہ کاری کے مقابلے کے اثرات اور مشرق وسطیٰ میں تنازعات کے نتیجے میں ابھرنے والے توانائی کے اثرات کا ذکر کیا گیا ہے جبکہ کئی معیشتوں میں افراط زر کا دباؤ بڑھ رہا ہے۔

مشرق وسطیٰ کے تنازعات اور اہم توانائی اور شپنگ کے راستوں، خصوصاً آبنائے ہرمز اور ریڈ سی میں خلل سے آئل، مال برداری اور انشورنس کی لاگت کی تغیرپذیری میں اضافہ ہوا ہے جو عالمی تجارت اور سپلائی چین میں تنزلی کی طرف اشارہ کرتے ہیں۔ اگرچہ توانائی کی قیمتیں گزشتہ بلند سطح کے مقابلے میں کچھ مناسب ہوئی ہیں، مگر غیر یقینی کی کیفیت میں اضافہ برقرار ہے جو توانائی درآمد کرنے والوں اور ابھرتی ہوئی معیشتوں کے لئے سرمایہ کاری میں رکاوٹ، مالیاتی سہولتوں میں تاخیر اور عدم توازن کی مشکلات کا بوجھ ڈال سکتی ہے۔

اس تناظر میں عالمی منظر نامہ طویل اور وسیع علاقائی تنازعات، تجارت کے تجدید شدہ ٹکڑوں اور مالیاتی مارکیٹ کی تغیرپذیری سے مشروط رہے گا۔ اس پس منظر میں کاروبار کے لئے، سپلائی چین کی استقامت، قیمتوں کو منظم کرنے اور مارکیٹ میں تنوع کو ترجیح جاری رکھی جائے گی۔

ملکی معیشت

پاکستان کی معیشت گزشتہ سال حاصل کئے گئے میکرو اکنامک استحکام کو تقویت دینے کے عمل کو جاری رکھا۔ پاکستان اکنامک سروے 26-2025 کی رپورٹ کے مطابق مالی سال 2026 کے دس ماہ کے دوران میں زرمبادلہ کی شرح میں استحکام، مقامی سپلائی کی بہتر صورتحال اور از سرنو بیرونی توانائی کے دباؤ کے اثر سے پہلے اشیاء کی قیمتوں میں کمی کے سبب افراط زر میں بہتری آئی۔ آئی ایم ایف کے جولائی 2026 کے آؤٹ لک میں 2026 میں پاکستان کی اصل شرح نمو (جی ڈی پی) 3.6٪ کی توقع ظاہر کی گئی ہے جس سے معاشی سرگرمیوں میں بتدریج مضبوطی کا اظہار ہوتا ہے۔

اس کے باوجود آپریٹنگ کا ماحول بیرونی خدشات، خاص طور پر مشرق وسطیٰ کے تنازعات سے توانائی اور مال برداری کی قیمتوں میں اضافے کے علاوہ عالمی مالیاتی اور تجارتی تغیرپذیری کے زیر اثر رہا۔ تاہم پائیدار ترقی کے لئے مالی تنظیم، اسٹرکچرل اصلاحات، برآمدی مسابقت، مضبوط تر بیرونی حفاظتی عوامل (بفرز) اور مستحکم سرمایہ کاری کا جاری رہنا ضروری ہے۔

وسطی مدت میں میکرو اکنامک صورتحال میں بہتری، انفرا اسٹرکچر میں سرمایہ کاری، طریقہ کار کو ڈیجیٹل بنانے کا عمل اور صنعتی سرگرمیوں میں بتدریج بحالی سے نئے مواقع حاصل ہوں گے۔ آئی آئی ایل مالیاتی تنظیم برقرار رکھنے، اپنی مارکیٹ پوزیشن کو مضبوط تر کرنے اور ملکی اور بین الاقوامی مارکیٹس میں مواقع کا انتخاب کرنے پر توجہ مبذول رکھے گی۔

SECTION 7.0
IT Governance And Cybersecurity

IT Governance and Cybersecurity

Summary Highlights of IT Initiatives

- Strengthened cybersecurity posture with implementation of XDR (Extended Detection and Response) and MDR (Managed Detection and Response) services, providing 24/7 monitoring and expert-led threat response.
- Introduced Distribution and Secondary Sales Management System (Route to Market) to optimize distribution, improve sales tracking, and enhance market visibility.
- Through accelerated digitalization, various manual processes were transitioned to paperless operations with automated workflow approvals, strengthening compliance and improving transparency.
- Enhanced operational resilience through continuous Disaster Recovery drills and improved business continuity planning.
- Expanded employee cybersecurity training programs, promoting a stronger security-aware culture across the organization.

IT Governance, Cybersecurity, and Digital Transformation

Enforcement of Legal and Regulatory Implications of Cyber Risks
The Company continues to prioritize the enforcement of legal and regulatory implications of cyber risks, ensuring the highest standards of compliance and data protection. Through regular risk assessments, audits, and training programs, we proactively identify and mitigate vulnerabilities, safeguarding sensitive information and maintaining stakeholder trust. Our dedicated team continuously monitors evolving regulatory requirements, implementing advanced security technologies to stay ahead of emerging threats.

IT Governance and Cybersecurity Programs
The Company maintains a strong IT governance and cybersecurity framework that secures both physical and virtual assets. Our comprehensive policies and procedures aligned with industry best practices cover access controls, encryption, and monitoring to ensure data confidentiality, integrity, and availability.

Cybersecurity Enhancements
This year, we strengthened our cybersecurity posture by implementing advanced XDR and MDR services. These solutions provide advanced threat detection, incident response, and 24/7 expert-led monitoring to proactively safeguard against complex cyberattacks. By leveraging AI-driven analytics and managed security expertise, International Industires has significantly enhanced its ability to prevent, detect, and respond to cyber risks in real time.

Cybersecurity Management
The Company's Board works closely with management to oversee cybersecurity risks. Routine reporting, comprehensive risk assessments, and training initiatives ensure effective oversight and strong resilience against cyber threats.

Disaster Recovery and Business Continuity
The Company maintains state-of-the-art primary and disaster recovery data centres, with a robust Disaster Recovery Plan (DRP) that is periodically tested through drills. These efforts guarantee operational resilience and uninterrupted business services.

Employee Training and Awareness
Regular cybersecurity awareness sessions equip employees to recognize phishing, manage passwords securely, and protect sensitive data. These initiatives foster a strong culture of cybersecurity vigilance across the organization.

Digital Transformation and Paperless Operations
In alignment with our strategic objectives, International Industries accelerated its digitalization journey this year to reduce reliance on manual and paper-based processes. Key initiatives include:

Distribution and Secondary Sales Management System (Route to Market):
Implementation of an advanced digital platform to optimize distribution, sales tracking, and market visibility. This solution enables real-time monitoring of secondary sales, improved route planning, and stronger alignment with customer demand.

Paperless Operations: Through accelerated digitalization, various manual processes were transitioned to paperless operations with automated workflow approvals, strengthening compliance and improving transparency.

Efficiency & Customer-Centricity:
Automation of manual processes has reduced errors, improved operational efficiency, and strengthened customer satisfaction.

These initiatives and efforts not only testify to our commitment towards creating a digital workplace ensuring, transparency and information security, but have also been recognized and awarded by CxO Global, highlighting our leadership in technology and cybersecurity.

SECTION 8
Future Outlook

Future Outlook

The year ahead is expected to remain one of **measured opportunity amid continued global uncertainty.** While the global economy remains resilient and Pakistan's macroeconomic conditions continue to stabilise, geopolitical tensions, energy and freight volatility, trade protectionism and structural pressures in the global steel industry will continue to shape the operating environment. Against this backdrop, International Industries enters FY2026–27 with a clear focus on strengthening resilience, pursuing sustainable growth and selectively capitalising on emerging opportunities across its markets and businesses.

Global Economic Landscape

The global economy is expected to maintain moderate growth, with the International Monetary Fund projecting global GDP growth of 3.0% in 2026 and 3.4% in 2027. However, the recovery remains uneven, with the ongoing conflict in the Middle East creating energy and supply-chain disruptions, while trade fragmentation and financial-market volatility continue to present downside risks. At the same time, technology-led investment, particularly around artificial intelligence, is supporting activity in several economies.

For International Industries, these dynamics reinforce the importance of **market diversification, supply-chain resilience, cost competitiveness and disciplined capital allocation.** Continued volatility in energy, freight and commodity prices, together with increasingly protectionist trade policies, will require the Company to remain agile in its approach to international markets and sourcing.

Global Steel Market Outlook

The global steel industry is expected to remain challenging in the near term. The World Steel Association's April 2026 Short Range Outlook forecasts global steel demand to grow by only **0.3% in 2026 to approximately 1,724 million tonnes,** before accelerating to **2.2% in 2027.** While demand in markets such as India remains resilient, continued weakness in China and persistent global overcapacity are expected to constrain pricing and margins.

The combination of excess capacity, elevated exports from major producing countries and increasing trade protectionism is likely to sustain competitive pressure across international markets. For International Industries, this environment reinforces the need to differentiate through quality, customer-centricity and value-added offerings, while selectively expanding into attractive markets and applications. The Company's diversified product portfolio and growing Engineering Solutions platform provide additional avenues to reduce reliance on traditional steel markets.

Domestic Economic Outlook

Pakistan's economy is expected to continue its gradual recovery as macroeconomic stabilisation progresses. The IMF's July 2026 outlook projects real GDP growth of **3.6% for 2026,** reflecting a gradual strengthening in economic activity. Continued fiscal discipline, structural reforms, improved foreign exchange reserves and greater macroeconomic stability should provide a more supportive environment for investment and industrial activity.

Nevertheless, the domestic economy remains exposed to external energy-price shocks, global trade volatility and the need for sustained structural reforms. Over the medium term, improving economic conditions, infrastructure investment and a gradual recovery in industrial activity are expected to support demand across the Company's core markets.

Strategic Priorities

International Industries enters FY2026–27 with a strategy centred on **diversification, customer-centric growth, operational excellence and disciplined investment.** The Company will continue to strengthen its domestic market position while selectively expanding its international footprint in response to changing global trade dynamics.

A renewed focus on **polymer pipes and fittings,** including the relaunch of uPVC products alongside continued development of PPRC, HDPE and other polymer segments, provides an important avenue for growth as customers increasingly adopt alternative piping solutions.

The Company's Engineering Solutions business also provides a platform for participation in higher-value and emerging markets. Its growing presence in solar-power structural solutions, together with solutions under development for construction, engineering and agriculture, will support the Company's broader diversification agenda.

The Company will also continue to pursue selective strategic investments, including exploration of opportunities in Pakistan's mining sector through CFS Minerals (Pvt.) Ltd., while maintaining disciplined capital allocation and prudent financial management.

Growth Drivers and Risks

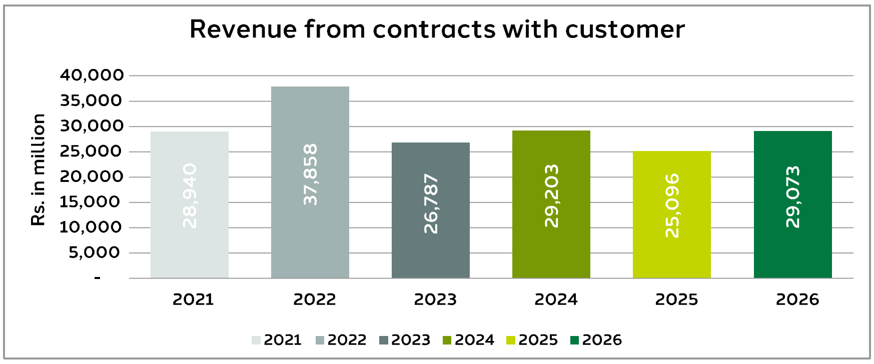
Domestic infrastructure development, housing, industrial activity and the structural shift towards polymer piping are expected to provide opportunities for growth. International Industries' established domestic market position, diversified product portfolio, expanding Engineering Solutions capabilities and customer relationships provide a strong platform from which to capture these opportunities.

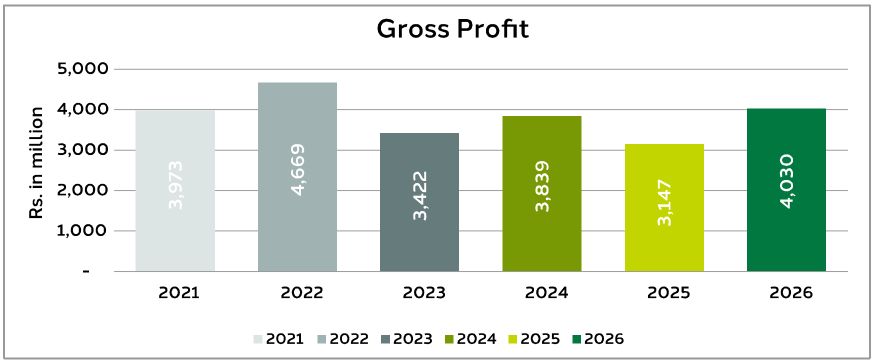
At the same time, the Company remains mindful of significant external risks. **Geopolitical tensions, energy and freight volatility, global steel overcapacity, trade protectionism, increasing carbon-related requirements and competitive pressure in export markets** may continue to affect demand, costs and market access. The Company's response will centre on geographic and product diversification, operational efficiency, supply-chain resilience and disciplined investment.

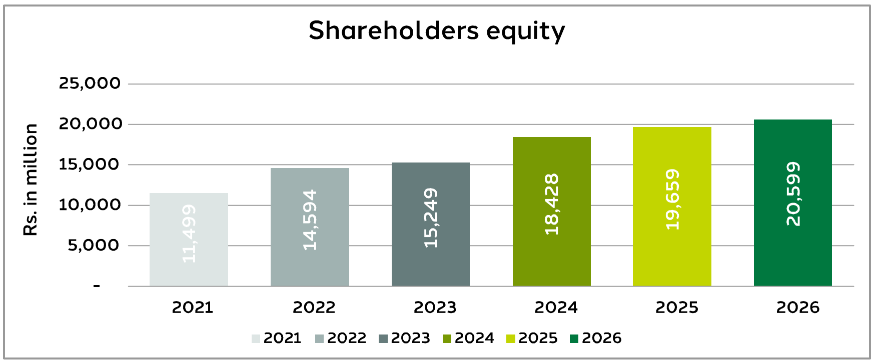
SECTION 9.0
Analysis of the Financial Information

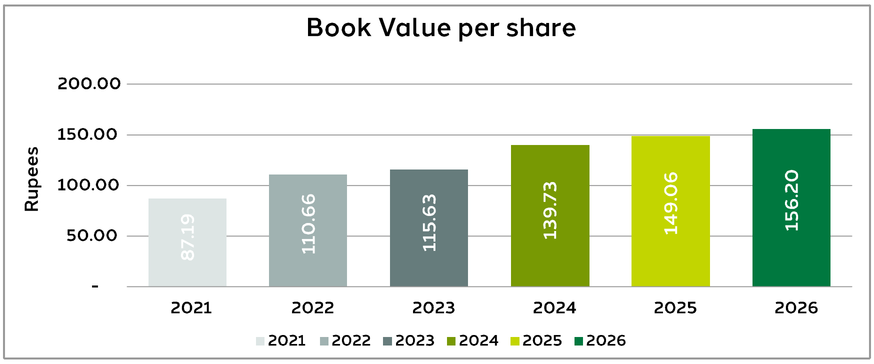
FINANCIAL HIGHLIGHTS

	2026	2025	Change %
	(Rupees in million)		
Revenue from contracts with customer	29,073	25,096	15.8%
Gross Profit	4,030	3,147	28.0%
Property, Plant & Equipment	12,506	12,960	-3.5%
Shareholders equity	20,599	19,659	4.8%
Book Value per share (Rupees)	156.20	149.06	4.8%









ANALYSIS OF FINANCIAL STATEMENTS

Statement of Financial Position

	2026	2025	2024	2023	2022	2021
	-----	-----	-----	Rs. in million	-----	-----
Property, plant and equipment	12,506	12,960	12,246	9,934	9,984	7,480
Investments (Non current & held for sale)	3,458	3,448	3,373	3,373	3,373	3,373
Other non current assets	8	8	41	4	4	281
Current assets	13,942	13,502	15,977	20,645	22,935	17,657
Total assets	**29,914**	**29,919**	**31,638**	**33,956**	**36,296**	**28,791**
Shareholders' equity	20,599	19,659	18,428	15,249	14,594	11,499
Non current liabilities	604	790	3,380	4,287	1,867	2,418
Current portion of long term financing	104	126	615	609	1,079	889
Short term borrowings	3,739	5,156	5,086	7,345	12,637	10,181
Other Current liabilities	4,867	4,188	4,129	6,466	6,118	3,805
Total equity & liabilities	**29,914**	**29,919**	**31,638**	**33,956**	**36,296**	**28,791**
Vertical Analysis	-----	-----	-----	Percentage	-----	-----
Property, plant and equipment	41.8	43.3	38.7	29.3	27.5	26.0
Investments (Non current & held for sale)	11.6	11.5	10.7	9.9	9.3	11.7
Other non current assets	0.0	0.0	0.1	0.0	0.0	1.0
Current assets	46.6	45.1	50.5	60.8	63.2	61.3
Total assets	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Shareholders' equity	68.9	65.7	58.2	44.9	40.2	39.9
Non current liabilities	2.0	2.6	10.7	12.6	5.1	8.4
Current portion of long term financing	0.3	0.4	1.9	1.8	3.0	3.1
Short term borrowings	12.5	17.2	16.1	21.6	34.8	35.4
Other Current liabilities	16.3	14.0	13.1	19.0	16.9	13.2
Total equity & liabilities	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Horizontal Analysis	-----	-----	-----	Percentage	-----	-----
Property, plant and equipment	(3.5)	5.8	23.3	(0.5)	33.5	5.6
Investments (Non current & held for sale)	0.3	2.2	0.0	0.0	0.0	2.3
Other non current assets	(5.9)	(80.5)	834.1	1.2	(98.4)	5,278.4
Current assets	3.3	(15.5)	(22.6)	(10.0)	29.9	38.4
Total assets	**0.0**	**(5.4)**	**(6.8)**	**(6.4)**	**26.1**	**24.4**
Shareholders' equity	4.8	6.7	20.8	4.5	26.9	28.5
Non current liabilities	(23.5)	(76.6)	(21.2)	129.7	(22.8)	23.4
Current portion of long term financing	(17.4)	(79.5)	1.0	(43.6)	21.4	116.3
Short term borrowings	(27.5)	1.4	(30.8)	(41.9)	24.1	8.4
Other Current liabilities	16.2	1.4	(36.1)	5.7	60.8	56.6
Total equity & liabilities	**0.0**	**(5.4)**	**(6.8)**	**(6.4)**	**26.1**	**24.4**

ANALYSIS OF FINANCIAL STATEMENTS

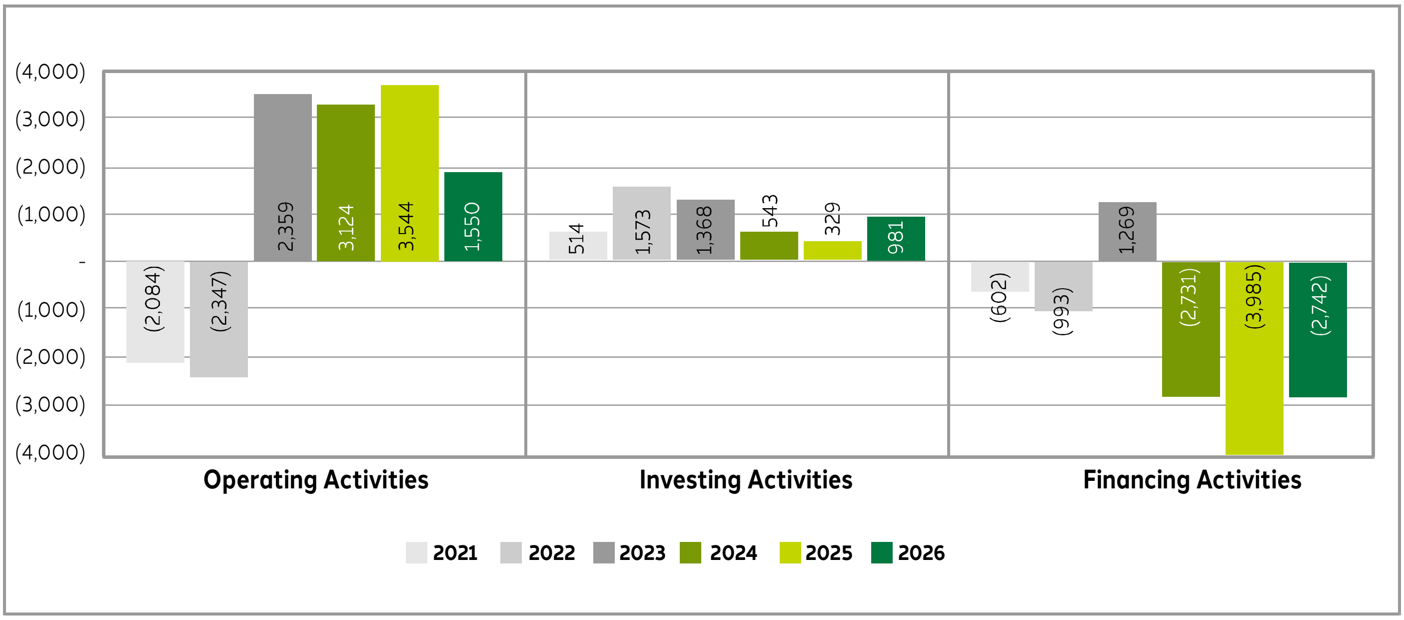
Statement of Profit or Loss

	2026	2025	2024	2023	2022	2021
	Rs. in million					
Revenue from contracts with customer	29,073	25,096	29,203	26,787	37,858	28,940
Cost of Sales	(25,044)	(21,949)	(25,364)	(23,365)	(33,189)	(24,967)
Gross Profit	**4,030**	**3,147**	**3,839**	**3,422**	**4,669**	**3,973**
Administrative, Selling and Distribution expenses	(2,223)	(1,762)	(1,841)	(1,808)	(2,966)	(1,825)
Other operating expenses	(123)	(75)	(70)	(88)	(124)	(189)
Other operating income	1,315	864	1,351	3,089	3,261	1,054
Operating profit before financing cost	**2,998**	**2,175**	**3,279**	**4,615**	**4,839**	**3,015**
Finance cost	(583)	(609)	(1,473)	(1,732)	(1,182)	(756)
Profit before levies and income tax	**2,415**	**1,565**	**1,806**	**2,883**	**3,657**	**2,259**
Levies and Income tax	(812)	(461)	(333)	(610)	(1,501)	56
Profit after Taxation	**1,603**	**1,104**	**1,473**	**2,273**	**2,156**	**2,315**
Vertical Analysis	Percentage					
Revenue from contracts with customer	100.0	100.0	100.0	100.0	100.0	100.0
Cost of Sales	(86.1)	(87.5)	(86.9)	(87.2)	(87.7)	(86.3)
Gross Profit	**13.9**	**12.5**	**13.1**	**12.8**	**12.3**	**13.7**
Administrative, Selling and Distribution expenses	(7.6)	(7.0)	(6.3)	(6.8)	(7.8)	(6.3)
Other operating expenses	(0.4)	(0.3)	(0.2)	(0.3)	(0.3)	(0.7)
Other operating income	4.5	3.4	4.6	11.5	8.6	3.6
Operating profit before financing cost	**10.3**	**8.7**	**11.2**	**17.2**	**12.8**	**10.4**
Finance cost	(2.0)	(2.4)	(5.0)	(6.5)	(3.1)	(2.6)
Profit before levies and income tax	**8.3**	**6.2**	**6.2**	**10.8**	**9.7**	**7.8**
Levies and Income tax	(2.8)	(1.8)	(1.1)	(2.3)	(4.0)	0.2
Profit after Taxation	**5.5**	**4.4**	**5.0**	**8.5**	**5.7**	**8.0**
Horizontal Analysis	Percentage					
Revenue from contracts with customer	15.8	(14.1)	9.0	(29.2)	30.8	52.6
Cost of Sales	14.1	(13.5)	8.6	(29.6)	32.9	41.9
Gross Profit	**28.0**	**(18.0)**	**12.2**	**(26.7)**	**17.5**	**189.8**
Administrative, Selling and Distribution expenses	26.2	(4.3)	1.8	(39.0)	62.6	64.0
Other operating expenses	63.1	7.5	(19.9)	(29.6)	(34.0)	514.1
Other operating income	52.1	(36.0)	(56.3)	(5.3)	209.3	81.7
Operating profit before financing cost	**37.9**	**(33.7)**	**(29.0)**	**(4.6)**	**60.5**	**272.8**
Finance cost	(4.3)	(58.6)	(15.0)	46.5	56.4	(39.0)
Profit before levies and income tax	**54.3**	**(13.3)**	**(37.4)**	**(21.2)**	**(61.9)**	**(625.5)**
Levies and Income tax	76.0	38.4	(45.4)	(59.4)	(2,793.6)	(121.1)
Profit after Taxation	**45.2**	**(25.0)**	**(35.2)**	**5.4**	**(6.9)**	**433.4**

ANALYSIS OF FINANCIAL STATEMENTS

Statement of Cash Flows

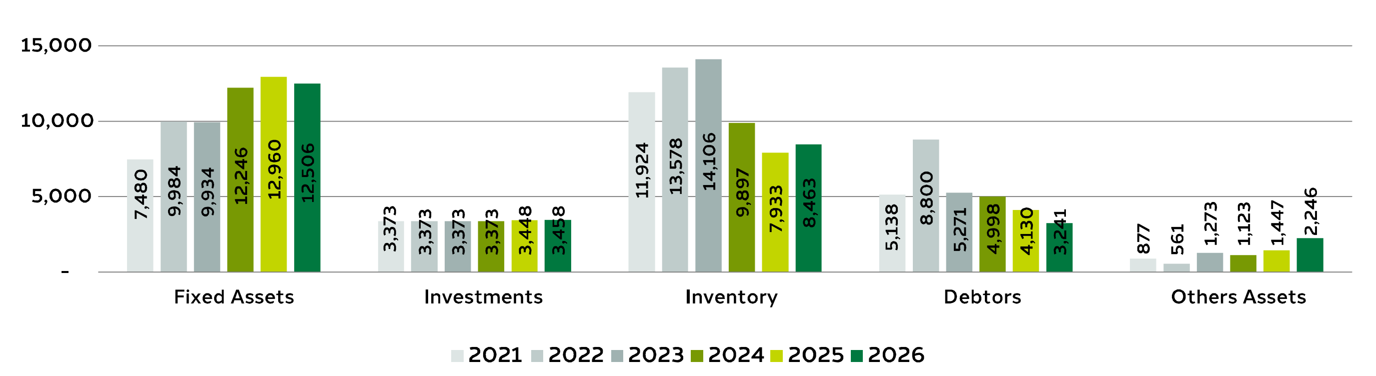
	2026	2025	2024	2023	2022	2021
	Rs. in million					
Net cash generated from/(used in) operating activities	1,550	3,544	3,124	3,359	(2,347)	(2,084)
Net cash inflows/(outflows) from investing activities	981	329	543	1,368	1,573	514
Net cash (outflows)/inflows from financing activities	(2,742)	(3,985)	(2,731)	1,269	(993)	(602)
Net increase/(decrease) in cash and cash equivalents	**(212)**	**(112)**	**936**	**5,995**	**(1,767)**	**(2,173)**
Vertical Analysis	Percentage					
Net cash generated from/(used in) operating activities	733	3,163.2	333.8	56.0	(132.9)	(95.9)
Net cash inflows/(outflows) from investing activities	464	293.9	58.0	22.8	89.0	23.6
Net cash (outflows)/inflows from financing activities	(1,296)	(3,557.1)	(291.8)	21.2	(56.2)	(27.7)
Net increase/(decrease) in cash and cash equivalents	**(100.0)**	**(100.0)**	**100.0**	**100.0**	**(100.0)**	**(100.0)**
Horizontal Analysis	Percentage					
Net cash generated from/(used in) operating activities	(56.3)	13.4	(7.0)	(243.1)	12.6	(878.0)
Net cash inflows/(outflows) from investing activities	197.9	(39.3)	(60.3)	(13.0)	206.1	192.8
Net cash (outflows)/inflows from financing activities	(31.2)	45.9	(315.2)	(227.8)	64.8	(65.2)
Net increase/(decrease) in cash and cash equivalents	**88.8**	**(112.0)**	**(84.4)**	**(439.3)**	**(18.7)**	**68.5**



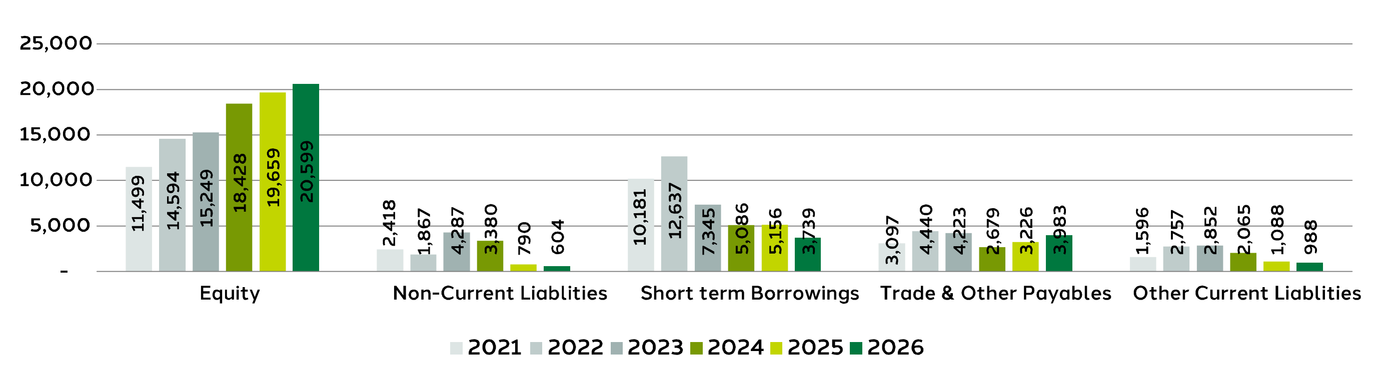
GRAPHICAL PRESENTATION OF STATEMENT OF

Financial Position and Profit & Loss Account

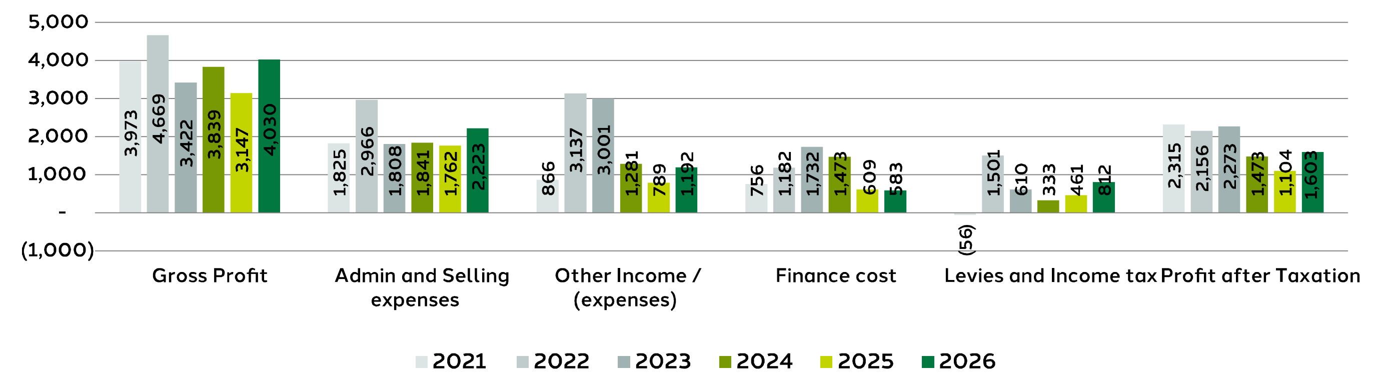
Total Assets



Equity & Liablities

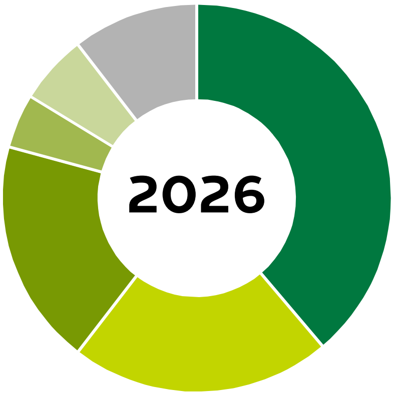


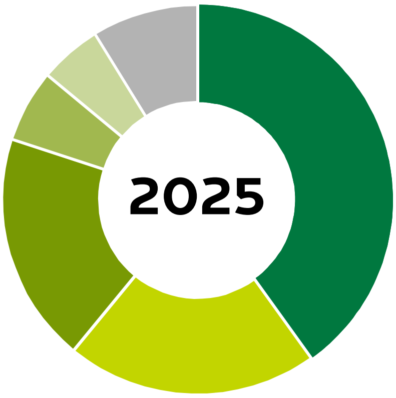
Statement of Profit or loss



KEY FINANCIAL INDICATORS (GRAPHS)

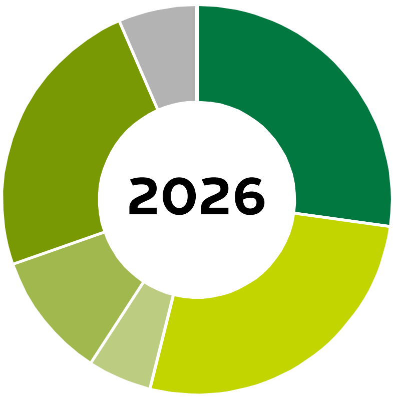
CONVERSION COST

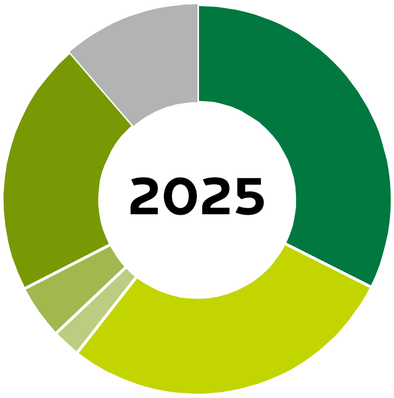




	2026	2025
	(Rupees in million)	
Salaries, wages and benefits	1,394	1,243
Electricity, gas and water	777	647
Depreciation and amortisation	675	593
Operational supplies and consumables	162	187
Repairs and maintenance	206	160
Others	377	272
	3,591	3,102

PRODUCT WISE-VOLUMES





	2026	2025
	% of tonnage	
Product Wise Performance		
Galvanized steel pipes	27%	32%
Colled Rolled tubes	27%	28%
API line pipes	05%	02%
Black pipes	10%	04%
Others (Steel)	24%	21%
Polymer pipes & fittings	07%	11%
	100%	100%

KEY FINANCIAL INDICATORS

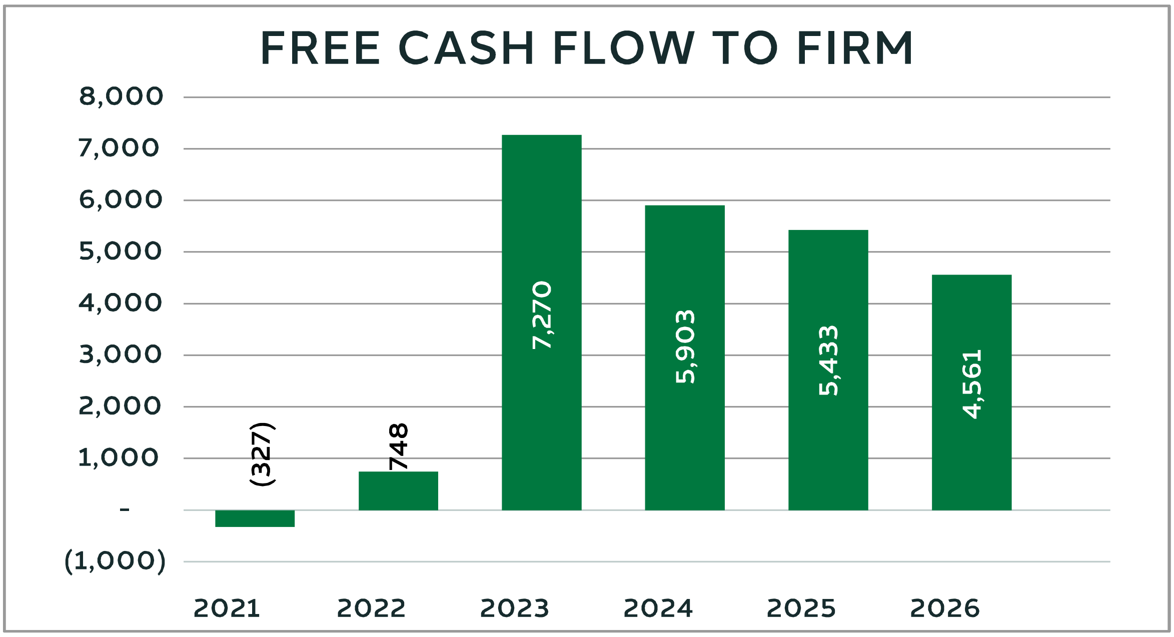
		2026	2025	2024	2023	2022	2021
Profitability Ratios							
Gross profit ratio	%	13.9	12.5	13.1	12.8	12.3	13.7
Net profit to Sales	%	5.5	4.4	5.0	8.5	5.7	8.0
EBITDA Margin to Sales	%	12.9	11.2	13.4	19.5	14.1	12.2
Cost to Income Ratio	Times	3.2	3.5	2.5	2.8	3.2	1.9
Operating Leverage	%	2.1	2.0	(2.7)	0.1	1.7	3.1
Return on Equity with Surplus on revaluation of fixed assets	%	7.8	5.6	8.0	14.9	14.8	20.1
Return on Equity without Surplus on revaluation of fixed assets	%	12.1	9.0	12.9	22.0	22.7	27.4
Operating Margin	%	6.2	5.5	6.8	6.0	4.5	7.4
Return on Capital Employed	%	14.3	10.8	15.1	24.0	30.4	22.2
Return on Total Assets	%	5.4	3.7	4.7	6.7	5.9	8.0
Shareholders' funds ratio	%	68.9	65.7	58.2	44.9	40.2	39.9
Liquidity Ratios							
Current ratio	Times	1.60	1.43	1.63	1.43	1.16	1.19
Quick / Acid test ratio	Times	0.60	0.57	0.60	0.44	0.46	0.37
Operating Cash Flow Ratio	Times	0.18	0.32	0.23	(0.12)	(0.14)	0.02
Cash to Current Liabilities	Times	(0.05)	(0.03)	(0.01)	(0.31)	(0.53)	(0.58)
Cash flow from Operations to Sales	Times	0.05	0.14	0.11	0.13	(0.06)	(0.07)
Activity / Turnover Ratios							
Inventory turnover ratio	Times	3.1	2.5	2.1	1.7	2.6	2.5
Inventory turnover in days	Days	119	148	173	216	140	149
Debtor turnover ratio	Times	10.2	7.0	7.1	4.6	6.4	8.0
Debtor turnover in days	Days	36	52	52	79	57	46
Creditor turnover ratio	Times	28	36	18	13	19	42
Creditor turnover in days	Days	13	10	20	29	20	9
Total assets turnover ratio	Times	1.0	0.8	0.9	0.8	1.0	1.0
Fixed assets turnover ratio	Times	2.3	1.9	2.4	2.7	3.8	3.9
Operating cycle in days	Days	142	190	204	266	177	186
Capital employed turnover ratio	Times	1.4	1.2	1.4	1.5	2.6	2.4
Investment / Market Ratios							
Earnings per share - basic and diluted	Rs.	12.2	8.4	11.2	17.2	16.3	17.6
Price earning ratio	Times	13.9	21.1	17.5	4.2	6.3	12.0
Dividend Yield ratio	%	4.1	2.3	2.8	10.2	7.7	4.7
Dividend Payout ratio	%	57.6	47.8	49.2	43.5	48.9	57.0
Dividend per share - Cash	Rs.	7.00	4.00	5.50	7.50	8.00	10.00
Sustainable Growth Rate	Times	3.30	2.93	4.06	8.42	7.54	8.66
Free-Float of Shares	%	45.00	45.00	45.00	45.00	45.00	45.00
Turnover of Shares	%	52.63	123.15	137.36	40.66	92.97	327.21
Bonus shares	Rs.	-	-	-	-	-	-
Dividend Cover	(x)	1.74	2.09	2.03	2.30	2.04	1.76
Market value per share at the end of the year	Rs.	168.87	177.01	195.71	73.24	103.73	211.02
Market value per share high during the year	Rs.	249.00	222.00	203.00	119.75	219.60	242.50
Market value per share low during the year	Rs.	127.30	119.99	77.00	62.40	90.50	94.51
Break-up value per share with revaluation of fixed assets	Rs.	156.20	149.06	139.73	115.63	110.66	87.19
Break-up value per share without revaluation of fixed assets	Rs.	100.72	92.88	86.89	78.41	71.91	63.98
Price to book ratio	Times	0.74	0.78	0.82	0.28	0.38	0.97
Break-up value per share including Investment in Related Party with revaluation of fixed assets	Rs.	314.34	306.85	282.03	170.94	202.62	242.88
Break-up value per share including Investment in Related Party without revaluation of fixed assets	Rs.	258.87	250.66	229.19	133.73	163.87	219.68

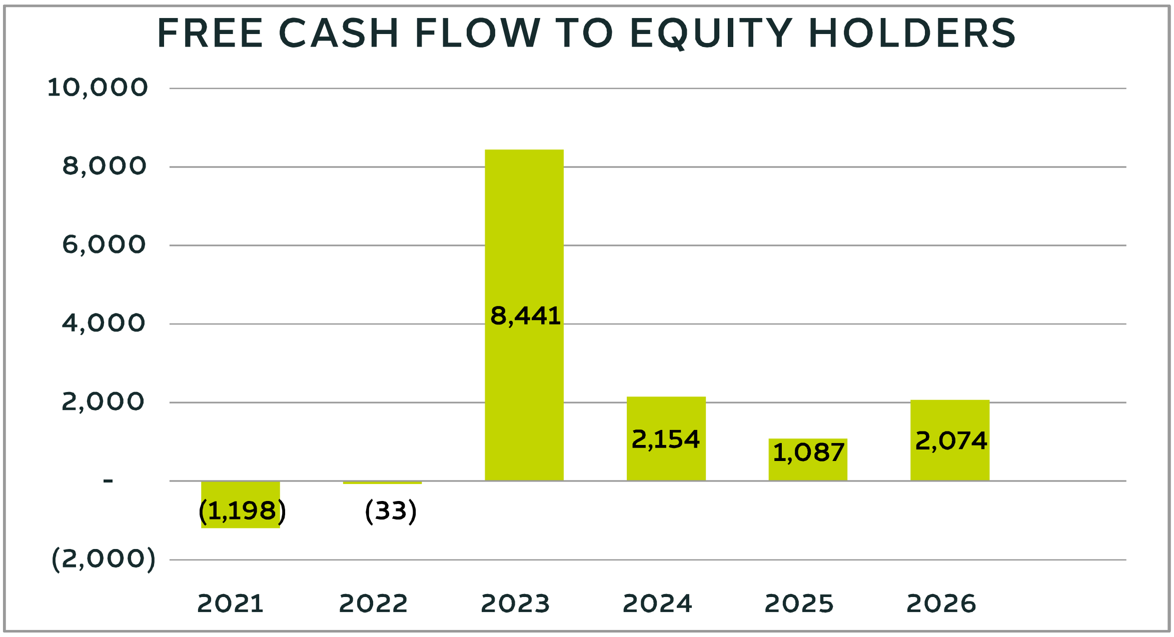
KEY FINANCIAL INDICATORS

		2026	2025	2024	2023	2022	2021
ISL (Market Value of Investment at year end)	Rs.m	22,236	22,717	20,719	9,932	14,547	22,891
PCL (Market Value of Investment at year end)	Rs.	1,595	1,370	1,315	631	850	911
CECL (Market Value of Investment at year end)	Rs.	350	48	-	-	-	-
IIL Australia (Unquoted - Value of Initial Investment)	Rs.	9	9	9	9	9	9
IIL Americas (Unquoted - Value of Initial Investment)	Rs.	18	18	18	18	18	18
IIL Trading (Unquoted - Value of Initial Investment)	Rs.	77	77	77	77	77	77
INIL Europe (Unquoted - Value of Initial Investment)	Rs.	19	19	-	-	-	-
CFS Minerals (Pvt.) Ltd (Unquoted - Value of Initial Investment)		10	-	-	-	-	-
Total Investment in Related Parties at Market Value	Rs.	24,314	24,258	22,139	10,668	15,500	23,906
Capital Structure Ratios							
Financial leverage ratio	(x)	0.5	0.5	0.7	1.2	1.5	1.5
Weighted average cost of debt	(x)	11.7	8.3	14.1	12.8	8.1	6.0
Net assets per share	Rs.	156.20	149.06	139.73	115.63	110.66	87.19
Total Debt : Equity ratio	(x)	17 : 83	23 : 77	33 : 67	44 : 56	51 : 49	53 : 47
Interest cover	(x)	3.1	2.3	1.4	0.9	1.4	2.8
Employee Productivity and others							
Production per employee	Tons	115	80	91	92	162	192
Revenue per employee	Rs M	32.3	27.6	31.3	28.6	39.8	30.3
Spares inventory as % of assets cost	%	1.0%	0.6%	0.6%	0.7%	0.8%	0.8%
Maintenance cost as % of operating expenses	%	2.8%	3.4%	2.9%	2.7%	2.5%	3.3%
Value Addition							
Employees as remuneration	Rs M	2,035	1,803	1,686	1,564	1,587	1,516
Government as taxes	Rs M	6,894	5,944	6,433	5,525	6,524	6,576
Shareholders as dividends	Rs M	923	528	725	989	1,055	1,319
Retained within the business	Rs M	680	577	748	1,284	1,101	996
Financial charges to providers of finance	Rs M	583	609	1,473	1,732	1,182	756

FREE CASHFLOW

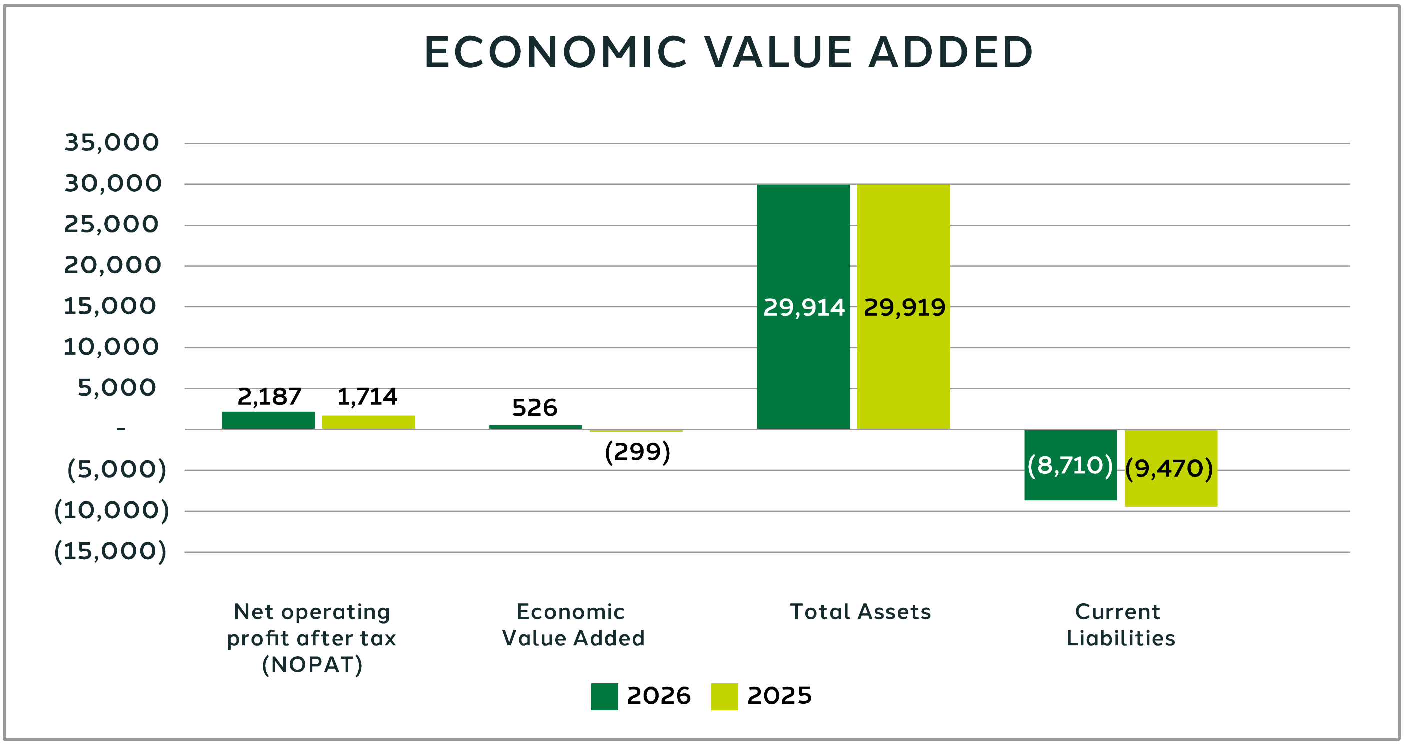
	2026	2025	2024	2023	2022	2021
	---Rs. million---					
Earnings before Interest and Taxes	2,998	2,175	3,279	4,615	4,839	3,015
Depreciation & amortization	745	631	644	597	506	524
Changes in Working capital	1,158	3,039	2,763	2,609	(3,831)	(3,623)
Capital expenditure incurred	(340)	(411)	(783)	(551)	(766)	(243)
	1,563	3,259	2,624	2,655	(4,091)	(3,342)
Free cash flow to firm	**4,561**	**5,433**	**5,903**	**7,270**	**748**	**(327)**
Net borrowing raised / (paid)	(1,955)	(3,523)	(2,198)	2,779	124	(135)
Interest paid	(533)	(824)	(1,551)	(1,608)	(905)	(736)
	(2,488)	(4,347)	(3,750)	1,171	(781)	(871)
Free cash flow to Equity holders	**2,074**	**1,087**	**2,154**	**8,441**	**(33)**	**(1,198)**





ECONOMIC VALUE ADDED

	2026	2025	2024	2023	2022	2021
	Rs. million					
Net operating profit after tax (NOPAT)	2,187	1,714	2,946	4,005	3,338	3,070
Cost of Capital*	(1,660)	(2,013)	(2,425)	(2,285)	(1,847)	(1,435)
Economic Value Added	526	(299)	520	1,720	1,490	1,635
Cost of Capital*						
Total Assets	29,914	29,919	31,638	33,956	36,296	28,791
Current Liabilities	(8,710)	(9,470)	(9,830)	(14,420)	(19,835)	(14,875)
Invested Capital	21,204	20,449	21,808	19,536	16,461	13,916
WACC	7.83%	9.84%	11.12%	11.69%	11.22%	10.31%
	1,660	2,013	2,425	2,285	1,847	1,435



Comments on Six Years Analysis

On the performance of the Company

ECONOMIC OVERVIEW

Over the past six years, Pakistan's economy has navigated a challenging and volatile environment, marked by the COVID-19 pandemic, elevated inflation, exchange rate pressures and external financing constraints. Recent stabilization measures and IMF-supported reforms have contributed to improved macroeconomic conditions, including moderation in inflation and strengthening of foreign exchange reserves. During FY26, economic activity continued to recover gradually, supported by improved macroeconomic stability, although global commodity price fluctuations and external economic risks remained key factors influencing the outlook.

STATEMENT OF FINANCIAL POSITION

The Company has invested PKR 3.1 Billion in the last 6 years in capex. This year we invested in efficiency and continuity projects, 5s process improvements, safety and furthered our sustainability agenda by initiatives such as rain-water harvesting. Revaluation done during the last 6 years also resulted in gain in value of our Land and Building thus increasing our overall asset base.

We have been monitoring our inventory and receivable closely and this has enabled us to consistently improve our overall working capital. We have also unlocked much value by recovering old receivables during the year.

Long Term investments represent the Company's strategic stake in listed companies, including 56.33% in International Steels Limited and 17.12% in Pakistan Cables Limited. The Company also has wholly owned subsidiaries including IIL Australia, IIL Americas, IIL Trading (Private) Limited and INIL Europe. During the year, the Company further strengthened its investment portfolio by investing in CFS Minerals Pvt. Ltd. through a JV arrangement for mining activities. These investments affirm our commitment to enter new markets, diversify our business and continuously seek growth opportunities.

The shareholders' equity consists of share capital, reserves, and revaluation surplus. The equity surged over the past six years due to accumulated retained earnings and the revaluation surplus.

The non-current liabilities of the Company have reduced in the past 2 years due to our constant efforts to reduce working capital enabled us to pay off a substantial portion of our debt and subsequently reduce our finance cost burden. Current liabilities increased in FY22 and FY 23 due to inflation and PKR devaluation, however have largely remained stable in last few years.

STATEMENT OF PROFIT OR LOSS

During FY 26, Sales increased by 15% reflecting improved business activity and stronger market demand. The Company continued to focus on strengthening its brand through enhanced brand building and marketing initiatives, including billboard and social media campaigns, while expanding its distribution network and enhancing engagement with commercial and institutional customers through nationwide events, sponsorships and direct outreach programs. The Company continues to develop value-added coated steel structural solutions and additional solutions targeting the construction, engineering and agriculture sectors to address specific industry needs. These initiatives, together with a customer-centric strategy, reinforce the Company's ability to anticipate and respond to evolving market demands.

Administrative and selling expenses were broadly consistent with the proportion to the sales in last six years. Distribution expenses remained in line with exchange and fuel rates except for abnormal container shortages and congestion at major ports during FY 22.

High other income in FY 22 and FY 23 mainly consists of dividends received from strategic investments and exchange gains due to Rupee devaluation. Other expenses mainly comprise of WWF / WPPF which are a derivative of profitability.

The corporate tax rates pertaining to normal, presumptive, and minimum regimes remained consistent over the period except for Super tax imposed by Finance Act 2022 for subsequent periods.

CASHFLOW ANALYSIS

The Company's capex expenditure is financed through profit retention and / or long-term borrowings at favorable terms. The working capital needs are fulfilled through short-term running finance from reputable banks.

Cashflow from operations has turned positive in last couple of years due to management focus to reduce funds deployed in working capital. Investing activities comprises of investment in capital expenditure, subsidiaries, and dividend income.

Financing activities comprise of long-term loans obtained, changes in short-term borrowings and dividends paid to the shareholders. In the last 2 years, Cash equivalents decreased mainly due to repayment of borrowings.

RATIO ANALYSIS

PROFITABILTY

In FY 26, Gross profit increased by 1.4%, supported by disciplined pricing and effective cost management. As a result, the Company improved its EBITDA margin to approximately 13% by procuring raw materials at competitive rates, optimizing operating costs and improving operational efficiencies. These measures enabled the Company to sustain profitability margins while supporting growth in the top line.

INVESTMENT / MARKET

From FY21- FY23, profitability rebounded strongly on account of robust margins during the commodity Supercycle and the SBP-driven curbs on the establishment of Letters of Credit. In the last 2 years, a reduced topline and increased taxation has put pressure on profitability, however, FY26 posted a healthy earning per share of PKR 12.16. The dividend payout ratio reached its highest level to date, reflecting the Company's commitment to returning value to shareholders.

LIQUIDITY

Throughout the last six years, the Company's current ratio remained above 1. All debt commitments were discharged on timely basis. Net Cash from operations remained volatile depending on pressures on international steel prices and / or exchange rates.

CAPITAL STRUCTURE

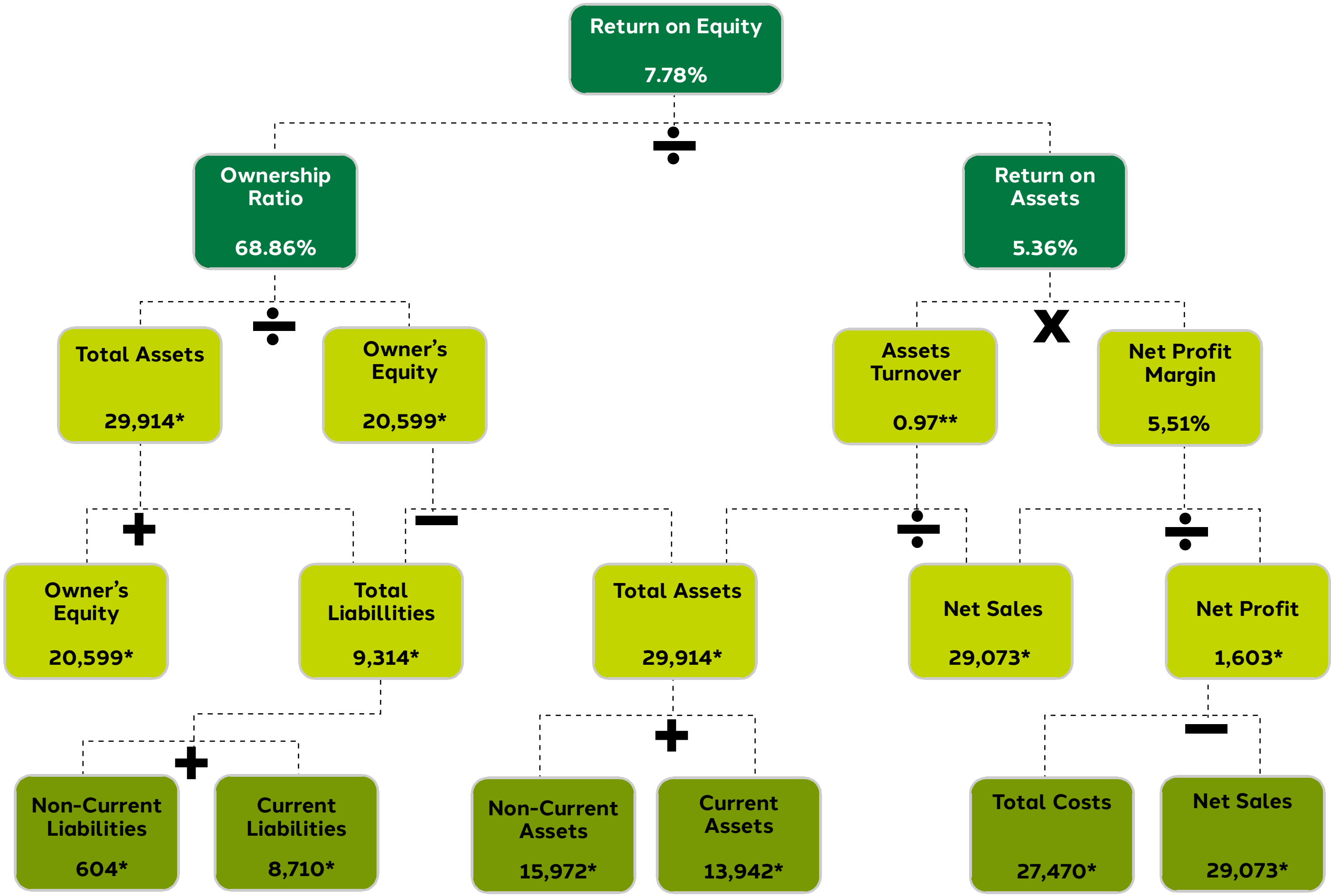
The gearing level of the Company has improved significantly over the past six years. The Company's historical borrowings of approximately 53% is reduced through working capital optimisation, profit retention and repayment of borro wings, reducing to 17% by FY26. This represents the lowest gearing level in the past six years and reflects the Company's continued focus on strengthening its balance sheet and reducing reliance on debt financing.

ACTIVITY / TURNOVER

The operating cycle remained elevated during FY23 and FY24, reaching its highest levels during the six-year period amid challenging market conditions and increased working capital requirements. However, the Company achieved a significant improvement in FY26, reducing the operating cycle to 142 days from 190 days in FY25. This improvement was primarily driven by more efficient inventory and receivable management, reflecting the Company's continued focus on optimizing working capital and operational efficiency.

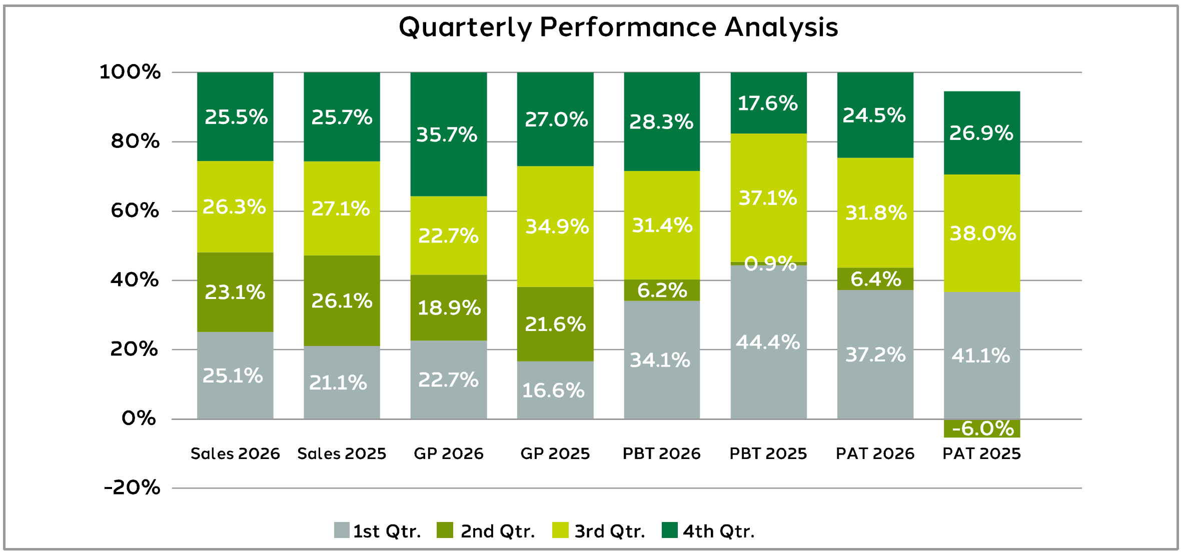
DUPONT ANALYSIS 2026

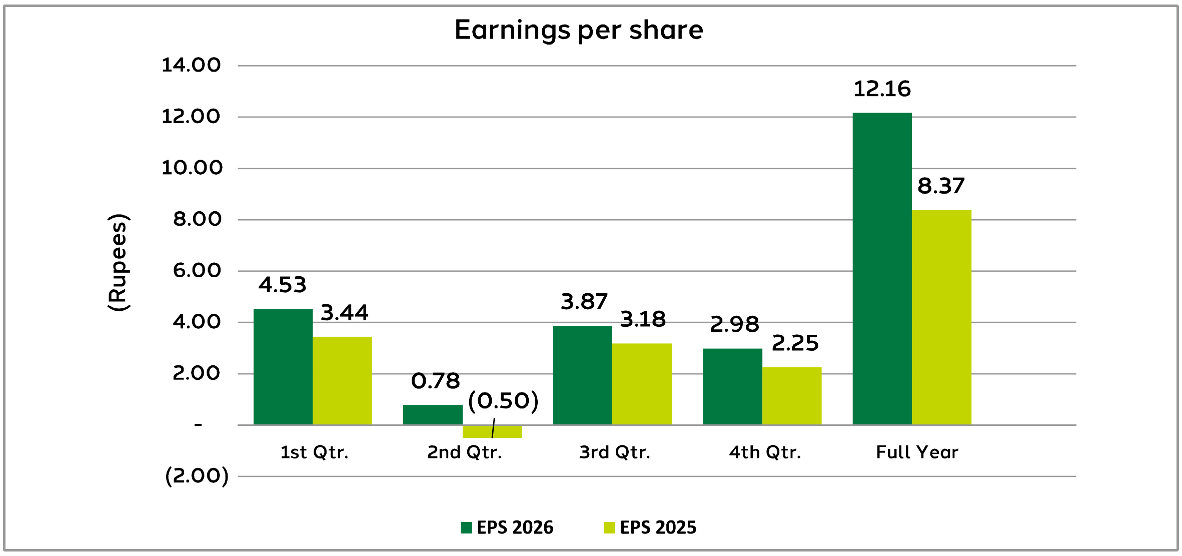
** Rupees in million*
*** Times*



Quarterly Performance Analysis

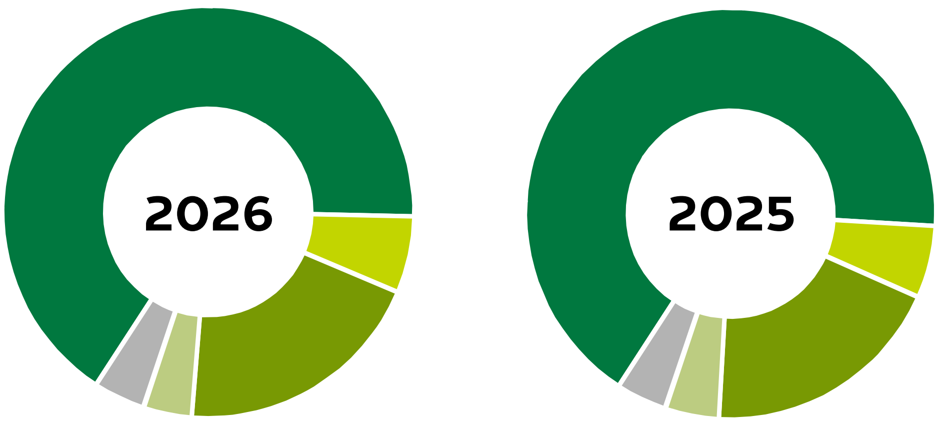
	2026									
	Q 1		Q 2		Q 3		Q 4		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	-----Rupees in million-----									
Revenue	7,302	100	6,703	100	7,648	100	7,420	100	29,073	100
Cost of sales	(6,388)	(87)	(5,941)	(89)	(6,734)	(88)	(5,981)	(81)	(25,044)	(86)
Gross Profit	914	13	762	11	914	12	1,439	19	4,030	14
Selling and distribution cost	(407)	(6)	(433)	(6)	(417)	(5)	(457)	(6)	(1,715)	(6)
Administration Cost	(127)	(2)	(122)	(2)	(127)	(2)	(131)	(2)	(508)	(2)
Operating Profit	380	5	207	3	369	5	851	11	1,806	6
Other expenses	(23)	(0)	(9)	(0)	(20)	(0)	(71)	(1)	(123)	(0)
Other income	609	8	113	2	550	7	43	1	1,315	5
EBIT	965	13	311	5	899	12	823	11	2,998	10
Finance cost	(142)	(2)	(161)	(2)	(141)	(2)	(139)	(2)	(583)	(2)
PBT	823	11	150	2	758	10	684	9	2,415	8
Taxation	(226)	(3)	(47)	(1)	(248)	(3)	(290)	(4)	(812)	(3)
PAT	597	8	102	2	510	7	393	5	1,603	6
EPS (Rupees)	4.53		0.78		3.87		2.98		12.16	



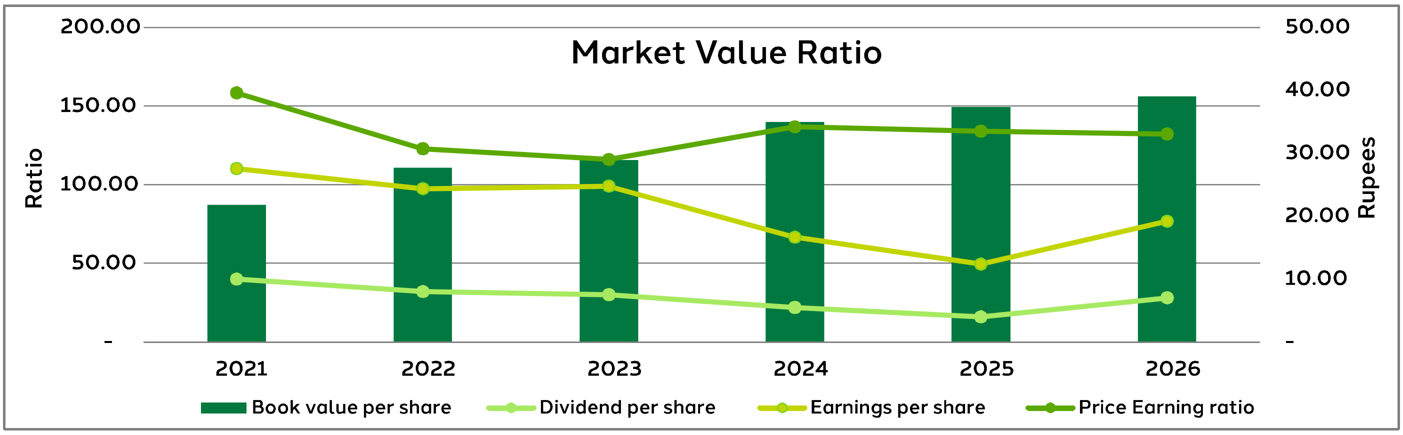


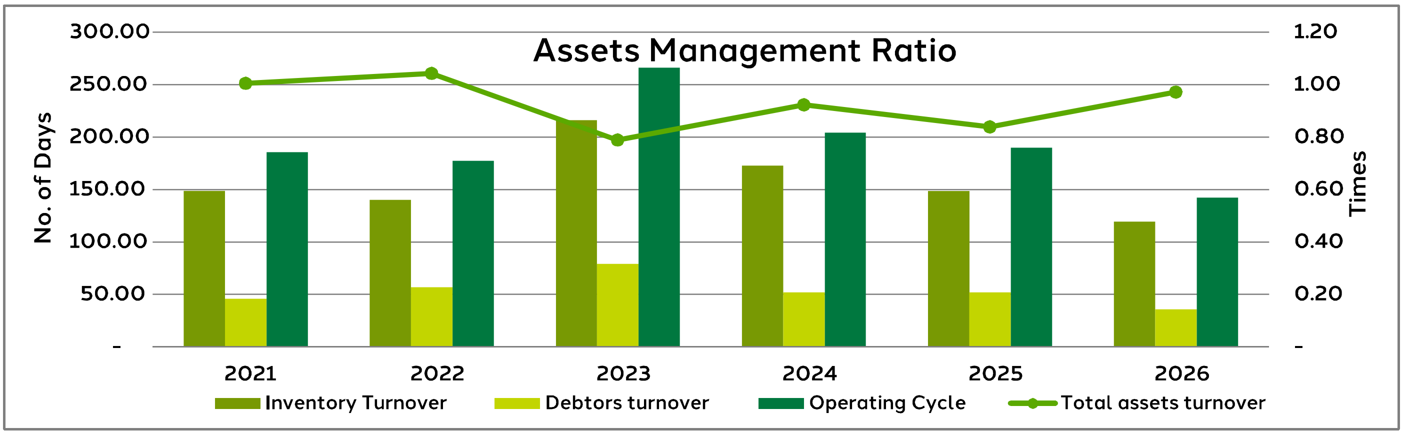
Statement of Value Addition

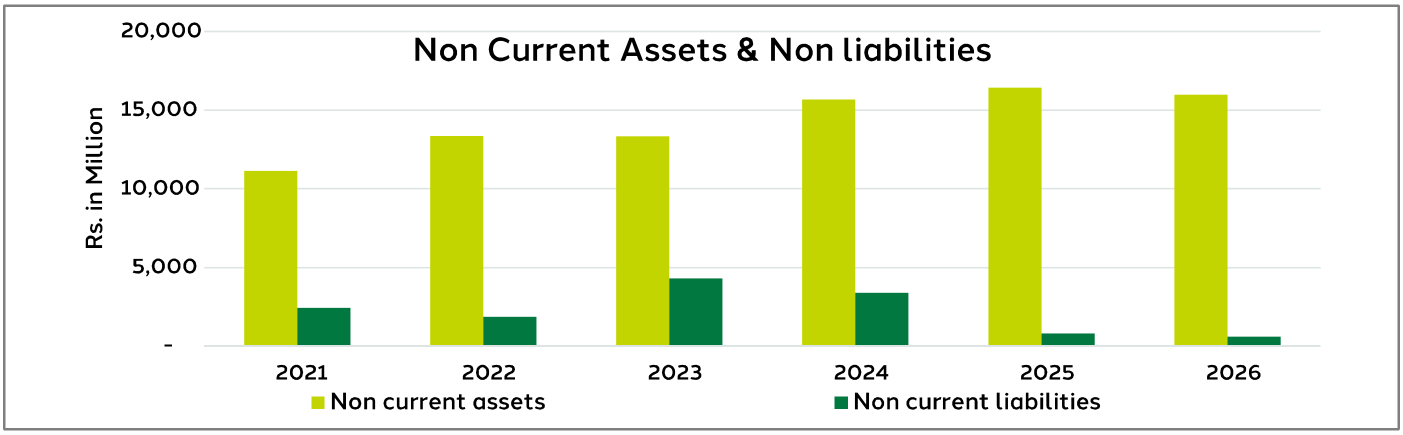
	2026		2025	
	Rupees in '000	%	Rupees in '000	%
Wealth Generated				
Sales including sales tax	33,797,379	96.3%	29,091,477	97.1%
Other operating income	1,314,556	3.7%	864,457	2.9%
	35,111,935	100%	29,955,934	100%
Wealth Distributed				
Cost of material & services	23,235,459	66.2%	19,853,649	66.3%
To Employees				
Salaries & other related cost	2,034,516	5.8%	1,802,994	6.0%
To Government				
Taxes & Duties	6,815,776	19.4%	5,882,478	19.6%
Worker Profit Participation Fund	53,588	0.2%	40,757	0.1%
Worker Welfare Fund	24,935	0.1%	20,792	0.1%
	6,894,299	19.6%	5,944,027	19.8%
To Providers of Capital				
Dividend to shareholders	923,173	2.6%	527,528	1.8%
Finance cost	583,285	1.7%	609,248	2.0%
	1,506,458	4.3%	1,136,776	3.8%
To Society				
Donation	16,010	0.05%	11,000	0.04%
Retained in Business				
For replacement of fixed assets				
Depreciation & Amortization	745,140	2.1%	630,692	2.1%
To provide for growth: Retained Profit	680,053	1.9%	576,796	1.9%
	1,425,193	4.1%	1,207,488	4.0%
	35,111,935	100%	29,955,934	100%

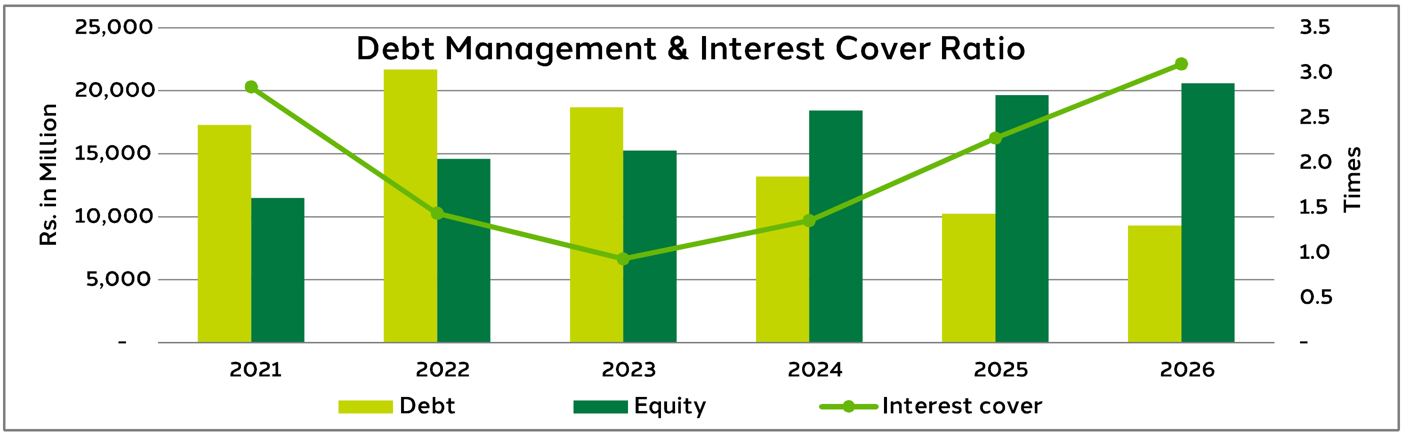


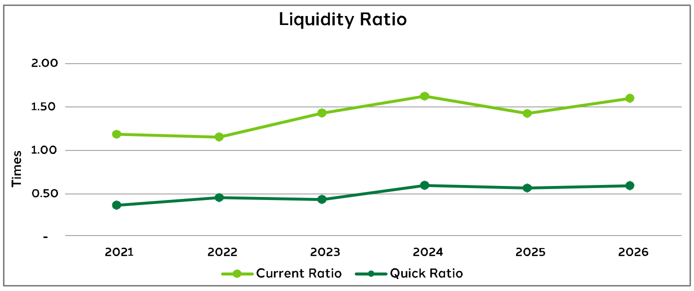
	2026	2025
	% of tonnage	
Cost of material & services	66.2%	66.3%
To Employees	5.8%	6.0%
To Government	19.6%	19.8%
To Providers of Capital	4.3%	3.8%
To Society	0.0%	0.0%
Retained in Business	4.1%	4.0%

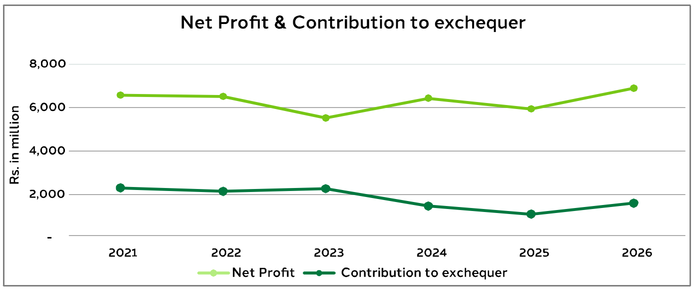

Market Value Ratio
200.00
150.00
100.00
50.00
-
Ratio
50.00
40.00
30.00
20.00
10.00
-
Rupees
2021
2022
2023
2024
2025
2026
Book value per share
Dividend per share
Earnings per share
Price Earning ratio

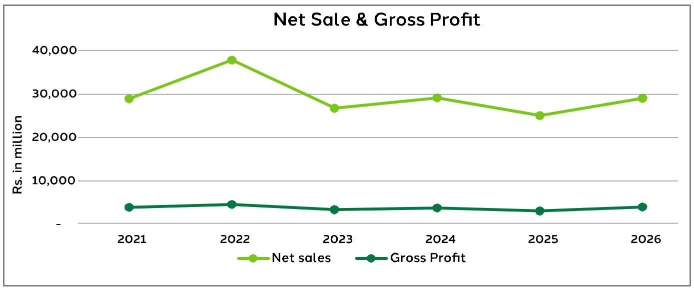

Assets Management Ratio
300.00
250.00
200.00
150.00
100.00
50.00
-
No. of Days
1.20
1.00
0.80
0.60
0.40
0.20
-
Times
2021
2022
2023
2024
2025
2026
Inventory Turnover
Debtors turnover
Operating Cycle
Total assets turnover

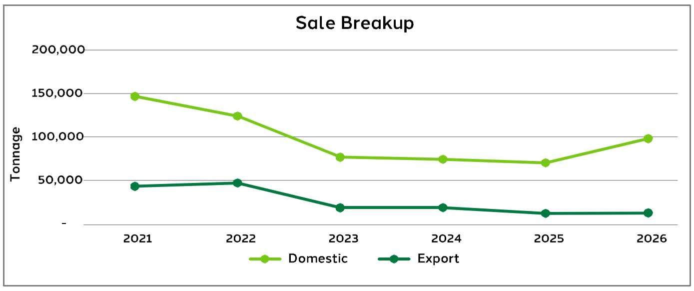

Non Current Assets & Non liabilities
20,000
15,000
10,000
5,000
-
Rs. in Million
2021
2022
2023
2024
2025
2026
Non current assets
Non current liabilities

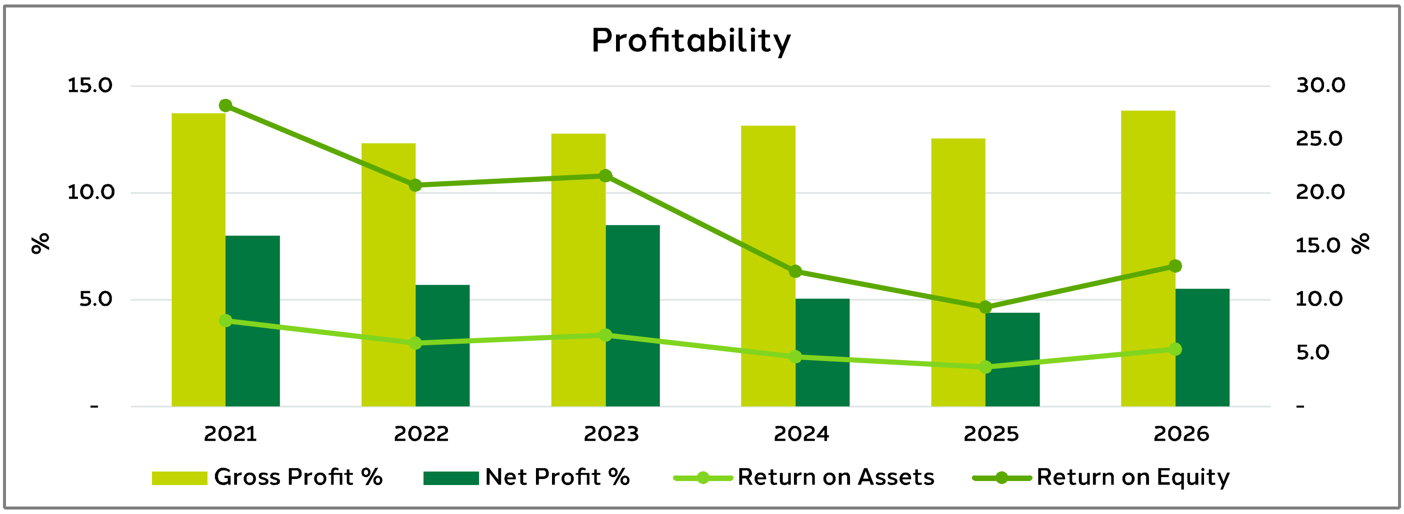

Debt Management & Interest Cover Ratio
25,000
20,000
15,000
10,000
5,000
-
Rs. in Million
3.5
3.0
2.5
2.0
1.5
1.0
0.5
-
Times
2021
2022
2023
2024
2025
2026
Debt
Equity
Interest cover

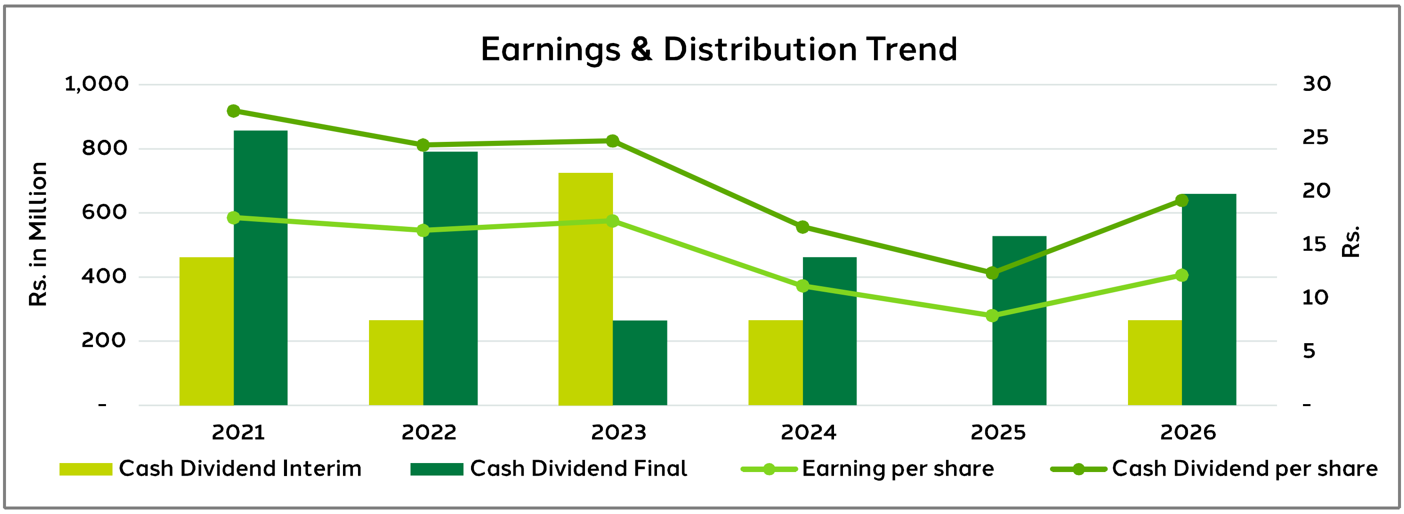

Liquidity Ratio
Times
2.00
1.50
1.00
0.50
-
2021
2022
2023
2024
2025
2026
Current Ratio
Quick Ratio


Net Profit & Contribution to exchequer
Rs. in million
8,000
6,000
4,000
2,000
-
2021
2022
2023
2024
2025
2026
Net Profit
Contribution to exchequer


Net Sale & Gross Profit
Rs. in million
40,000
30,000
20,000
10,000
-
2021
2022
2023
2024
2025
2026
Net sales
Gross Profit


Sale Breakup
Tonnage
200,000
150,000
100,000
50,000
-
2021
2022
2023
2024
2025
2026
Domestic
Export


Profitability
%
15.0
10.0
5.0
-
30.0
25.0
20.0
15.0
10.0
5.0
-
%
2021
2022
2023
2024
2025
2026
Gross Profit %
Net Profit %
Return on Assets
Return on Equity


Earnings & Distribution Trend
Rs. in Million
1,000
800
600
400
200
-
30
25
20
15
10
5
-
Rs.
2021
2022
2023
2024
2025
2026
Cash Dividend Interim
Cash Dividend Final
Earning per share
Cash Dividend per share

Statement of Cash Flows - Direct Method

For the year ended 30 June 2026

	Note	2026	2025
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		34,942,960	29,832,425
Cash paid to suppliers / service providers and employees		(31,031,134)	(23,779,059)
Workers Funds		(78,326)	(61,532)
Sales tax payments		(475,208)	(897,576)
Finance cost paid		(532,886)	(823,942)
Income on bank deposits received		9,780	22,575
Staff retirement benefits paid		(51,000)	(88,994)
Payment on account of compensated absences		(18,103)	(29,636)
Income tax paid - net		(1,216,140)	(627,323)
Decrease in long-term deposits		-	(3,092)
Net cash used in operating activities		1,549,944	3,543,845
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment		(339,783)	(410,990)
Investment in an associated/Subsidary company		(10,000)	(75,865)
Proceeds from disposal of property, plant and equipment		69,926	75,479
Dividend received		1,260,528	740,593
Net cash generated from investing activities		980,671	329,217
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(135,171)	(3,312,230)
Receipt / (repayment) of short-term borrowings - net		(1,819,784)	(210,536)
Dividend paid		(787,162)	(462,328)
Net cash used in financing activities		(2,742,117)	(3,985,094)
Net decrease in cash and cash equivalents		(211,502)	(112,033)
Cash and cash equivalents at beginning of the year		(247,123)	(135,091)
Cash and cash equivalents at end of the year		(458,625)	(247,123)
CASH AND CASH EQUIVALENTS COMPRISE OF:			
Cash and bank balances		714,647	523,330
Short-term borrowings maturing within three months		(1,173,272)	(770,453)
		(458,625)	(247,123)

INDEPENDENT AUDITOR'S REPORT

To the members of International Industries Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matter

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

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Following is the Key audit matter:

S.No.	Key audit matter	How the matter was addressed in our audit
(i)	**Revenue from contracts with customers** ***(Refer note 3.11 and note 25 to the unconsolidated financial statements)*** The Company recognizes revenue from domestic as well as export customers when the performance obligation is satisfied by transferring control of a promised good to the customer. During the year, net sales to the domestic customers have increased by 18.21%and net sales to export customers have decreased by 1.12%. As part of our overall response to the audit risks when identifying and assessing the risk in revenue recognition, we considered that there is an inherent risk that revenue may be overstated as it is a key performance measure, which could create an incentive or pressure. Further, we have focused our audit activities over the revenue recognised near to the year end as there was a high risk that the revenue is recorded before the control of goods is transferred to the customer and in an incorrect accounting period. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company and for the year revenue has increased as compared to the last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	**Our audit procedures amongst others included the following:** - obtained an understanding of the Company's process with respect to revenue recognition and tested design and operating effectiveness of controls relevant to such process; - assessed the design, implementation and operating effectiveness of key internal controls involved in revenue recognition; - understood and evaluated the accounting policy with respect to revenue recognition; - performed testing of revenue on a sample basis with underlying documentation including dispatch documents and sales invoices; - performed cut-off procedures on sample basis to ensure sales has been recorded in the correct period; - verified that sales prices are negotiated and approved by appropriate authority; and - ensured that presentation and disclosures related to revenue are being addressed appropriately.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the unconsolidated financial statements and our auditor's reports thereon.

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

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

(d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Farrukh Rehman.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 15, 2026

UDIN: AR202610059OwXlckMUA

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	12,506,116	12,960,428
Intangible assets	5	133	612
Investments	6	3,409,930	3,448,380
Long-term deposits		7,450	7,450
		15,923,629	16,416,870
CURRENT ASSETS			
Stores and spares	7	286,755	186,095
Stock-in-trade	8	8,463,151	7,933,437
Trade debts	9	3,240,715	4,129,520
Advances, trade deposits and prepayments	10	97,367	73,910
Other receivables	11	60,422	43,404
Staff retirement benefit	12	208,755	82,240
Sales tax receivable		365,394	250,985
Cash and bank balances	13	1,219,227	802,581
		13,941,786	13,502,172
Investment classified as held for sale - associate	6	48,450	-
TOTAL ASSETS		29,913,865	29,919,042
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital	14	1,318,819	1,318,819
Revenue reserves			
General reserve	15	2,700,036	2,700,036
Unappropriated profit		9,264,769	8,229,862
Capital reserve			
Revaluation surplus on property, plant and equipment	16	7,315,759	7,410,004
TOTAL SHAREHOLDERS' EQUITY		20,599,383	19,658,721
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing - secured	17	357,813	462,692
Deferred income - government grant	18	14,510	21,669
Deferred taxation - net	19	232,145	305,653
		604,468	790,014
CURRENT LIABILITIES			
Trade and other payables	20	3,982,675	3,226,119
Contract liabilities	21	591,059	370,908
Short-term borrowings - secured	22	3,739,191	5,156,157
Unclaimed dividend		44,664	40,534
Current portion of long-term financing - secured	17	104,090	126,017
Taxation - net	23	158,829	511,466
Accrued mark-up		89,505	39,106
		8,710,013	9,470,307
TOTAL LIABILITIES		9,314,481	10,260,321
CONTINGENCIES AND COMMITMENTS	24		
TOTAL EQUITY AND LIABILITIES		29,913,865	29,919,042

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

Haider Rashid Director & Chairman Board Audit Committee	**Mujtaba Hussain** Chief Financial Officer	**Yousuf H. Mirza** Chief Executive Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
Revenue from contracts with customers	25	29,073,437	25,096,323
Cost of sales	26	(25,043,866)	(21,949,202)
Gross profit		4,029,571	3,147,121
Selling and distribution expenses	27	(1,744,349)	(1,331,940)
Administrative expenses	28	(507,784)	(431,781)
Reversal of loss allowance on trade debts	9.3	28,993	2,122
Operating profit		1,806,431	1,385,522
Finance cost	29	(583,285)	(609,248)
Other operating charges	30	(122,972)	(75,391)
Other income	31	1,314,556	864,457
Profit before income tax		2,414,730	1,565,340
Income tax expense	32	(811,504)	(461,016)
Profit for the year		1,603,226	1,104,324
		Rupees	
Earnings per share - basic and diluted	33	12.16	8.37

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

Haider Rashid	Mujtaba Hussain	Yousuf H. Mirza
Director & Chairman Board Audit Committee	Chief Financial Officer	Chief Executive Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	(Rupees in '000)	
Profit for the year	**1,603,226**	1,104,324
Other comprehensive income		
Items that will not be subsequently reclassified to Unconsolidated Statement of Profit or Loss		
Re-measurement of staff retirement benefits	**107,952**	126,974
Related deferred tax charge for the year	**(19,971)**	(49,520)
Adjustment related to opening deferred tax balance	**1,645**	-
	(18,326)	(49,520)
Revaluation of freehold land	**-**	63,695
Revaluation of leasehold land	**-**	(167,200)
Net deficit on land	**-**	(103,505)
Revaluation of buildings on freehold land	**-**	92,645
Revaluation of buildings on leasehold land	**-**	914,504
Related deferred tax for the year	**-**	(392,788)
Adjustment related to opening deferred tax balance on buildings	**39,102**	-
	39,102	614,361
Other comprehensive income for the year - net of tax	**128,728**	588,310
Total comprehensive income for the year	**1,731,954**	1,692,634

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

Haider Rashid
Director & Chairman
Board Audit Committee

Mujtaba Hussain
Chief Financial
Officer

Yousuf H. Mirza
Chief Executive
Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 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 for the year	-	-	1,104,324	-	1,104,324
Other comprehensive income for the year	-	-	77,454	510,856	588,310
Total comprehensive income for the year	-	-	1,181,778	510,856	1,692,634
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	69,036	(69,036)	-
Transactions with owners recorded directly in equity - distributions					
Dividend:					
- 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 June 30, 2025	**1,318,819**	**2,700,036**	**8,229,862**	**7,410,004**	**19,658,721**
Profit for the year	**-**	**-**	**1,603,226**	**-**	**1,603,226**
Other comprehensive income for the year	**-**	**-**	**89,626**	**39,102**	**128,728**
Total comprehensive income for the year	**-**	**-**	**1,692,852**	**39,102**	**1,731,954**
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	**-**	**-**	**133,347**	**(133,347)**	**-**
Transactions with owners recorded directly in equity - distributions					
Dividend:					
- 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 June 30, 2026	**1,318,819**	**2,700,036**	**9,264,769**	**7,315,759**	**20,599,383**

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

Haider Rashid	**Mujtaba Hussain**	**Yousuf H. Mirza**
Director & Chairman Board Audit Committee	Chief Financial Officer	Chief Executive Officer

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

	Note	2026	2025
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	3,583,622	5,343,509
Finance cost paid		(532,886)	(823,942)
Restricted cash on account of lien		(225,329)	(249,251)
Income on bank deposits received		9,780	22,575
Staff retirement benefits paid		(51,000)	(88,994)
Payment on account of compensated absences		(18,103)	(29,636)
Income tax paid		(1,216,140)	(627,323)
Long-term deposits paid		-	(3,092)
Net cash generated from operating activities		1,549,944	3,543,845
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment		(339,783)	(410,990)
Investment in an associated company		(10,000)	(48,450)
Investment in a subsidiary company		-	(27,415)
Proceeds from disposal of property, plant and equipment		69,926	75,479
Dividend received		1,260,528	740,593
Net cash generated from investing activities		980,671	329,217
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(135,171)	(3,312,230)
Short-term loans obtained		32,282,480	18,528,270
Short-term loans repaid		(34,102,264)	(18,738,806)
Dividend paid		(787,162)	(462,328)
Net cash used in financing activities		(2,742,117)	(3,985,094)
Net decrease in cash and cash equivalents		(211,502)	(112,032)
Cash and cash equivalents at beginning of the year		(247,123)	(135,091)
Cash and cash equivalents at end of the year	35	(458,625)	(247,123)

The annexed notes from 1 to 47 form an integral part of these unconsolidated 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 FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1. STATUS AND NATURE OF BUSINESS

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

The manufacturing facilities of the Company are situated as follows:

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

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, Stree no.1, Ibrahim Tower,Business Park, Gulberg Green, Islamabad; and
v) Plot no. NEIR - 61, Khasra no. 3303 - 3308, Hadbast Mouza Naulakha, GT Road, Lahore.

These unconsolidated 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 financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These unconsolidated financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan comprise of:

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

2.2 Basis of measurement

These unconsolidated 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 by an independent actuary less fair value of plan assets determined and land and buildings at revalued amounts.

2.3 Functional and presentation currency

These unconsolidated 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.

2.4 Use of estimates and judgements

The preparation of unconsolidated 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.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Information about the judgements made by the management in the application of the accounting policies, that have the most significant effect on the amount recognised in these unconsolidated financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of asset and liabilities in future periods are described in the following notes:

- Useful life of property, plant and equipment (note 3.1)
- Provisioning against slow moving and obsolete stores and spares (note 3.5)
- Net realisable value of stock-in-trade (note 3.6)
- Taxation (note 3.7)
- Assumptions used in valuation of staff retirement benefits (note 3.9)
- Impairment of financial and non financial assets (note 3.14)
- Provisions (note 3.15)
- Contingent liabilities (note 3.16)

2.5 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 statements and therefore are not stated in these unconsolidated financial statements.

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

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. The following amendments and standard have not been early adopted by the Company:

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

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.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of Environment, Social and Governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

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 notyeteffective and have not been early adopted by the Company. Such standards and amendments are not expected to have any significant impact on the Company's financial reporting and, therefore, have not been presented in these financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The summary of material accounting policies and methods of computations adopted in the preparation of these unconsolidated financial statements are same as those applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended June 30, 2025.

3.1 Property, plant and equipment

3.1.1 Operating assets and depreciation

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment (except freehold land, leasehold land and buildings) are stated at cost less accumulated depreciation and impairment losses, if any. Freehold and leasehold lands are stated at revalued amounts, and buildings on freehold and leasehold lands are stated at revalued amounts less accumulated depreciation and impairment loss, if any. The value assigned to leasehold lands is not amortized as the respective leases are expected to be renewed for further periods on payment of relevant rentals.

The costs of property, plant and equipment include:

(a) its purchase price including import duties, non-refundable purchase taxes after deducting trade discounts and rebates; and

(b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) Borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Expenditure incurred to replace a significant component of an item of plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. All other expenditure (including repairs and normal maintenance) is recognised in the Unconsolidated Statement of Profit or Loss as an expense when it is incurred.

Depreciation

Depreciation on all items except for land is charged on straight line method at the rates specified in note 4.1 to the unconsolidated financial statements and is generally recognised in the Unconsolidated Statement of Profit or Loss.
Depreciation on addition is charged from the month the asset is available for use up to the month prior to disposal.

Depreciation methods, useful lives and residual values of each property, plant and equipment are reviewed and adjusted, if appropriate, at each reporting period. During the year the Company undertook a revision of useful lives of buildings, as disclosed in note 4.1.6.

Revaluation surplus

Revaluation of lands and buildings is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of lands and buildings is recognised, net of tax, in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognised in the Unconsolidated Statement of Profit or Loss, in which case the increase is first recognised in the Unconsolidated Statement of Profit or Loss to the extent of the decrease previously charged. Any decrease that reverse previous increase of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset and all other decreases are charged to Unconsolidated Statement of Profit or Loss. The revaluation reserve is not available for distribution to the Company's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the Unconsolidated Statement of Profit or Loss and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation surplus to unappropriated profit.

Gains and losses on disposal

Gains and losses on disposal of assets are taken to the Unconsolidated Statement of Profit or Loss, and the related revaluation surplus on property, plant and equipment, if any, is transferred directly to unappropriated profit (net of tax).

3.1.2 Capital work-in-progress (CWIP)

Capital work-in-progress is stated at cost less impairment loss, if any, and consists of expenditure incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

Advances paid to suppliers for acquisition of property, plant and equipment including land and building are also classified under capital work-in-progress.

3.2 Investments

Investments in subsidiaries

Investments in subsidiaries are initially stated at cost less impairment, if any. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated which is the higher of its value in use and its fair value less cost to sell. An impairment loss is recognised if the carrying amount exceeds its recoverable amount.

Impairment losses are recognised in the Unconsolidated Statement of Profit or Loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the Unconsolidated Statement of Profit or Loss.

Investments in associates

Investments in associates are initially stated at cost less impairment, if any. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated which is higher of its value in use and its fair value less cost to sell. An impairment loss is recognised if the carrying amount exceeds its recoverable amount.

Impairment losses are recognised in the Unconsolidated Statement of Profit or Loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the Unconsolidated Statement of Profit or Loss.

3.3 Financial instruments

3.3.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at calculated using **FVOCI**	These assets are subsequently measured at fair value. Interest / markup income the effective interest method, foreign exchange gains and losses and impairment are recognised in the Unconsolidated Statement of Profit or Loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the Unconsolidated Statement of Profit or Loss.
Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Unconsolidated Statement of Profit or Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the Unconsolidated Statement of Profit or Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the Unconsolidated Statement of Profit or Loss.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognised in the Unconsolidated Statement of Profit or Loss.

3.3.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade debts, deposits, advances, other receivables and cash and cash equivalents. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.3.2.1 Trade debts, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off where there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss details of which are disclosed in note 3.14.1.

3.3.2.2 Cash and cash equivalents

For the purpose of presentation in the Unconsolidated Statement of Cash Flows, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts, short-term investments with original maturities of three months or less and short-term running finance availed by the Company, which are payable on demand and form an integral part of the Company's cash management.

3.3.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings, unclaimed dividend, accrued mark-up and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

3.3.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs, if any. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the Unconsolidated Statement of Profit or Loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

3.3.3.2 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

3.3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

3.4 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies its performance obligation under the contract.

3.5 Stores and spares

Stores and spares are stated at lower of weighted average cost and net realizable value, less provision for impairment, if any. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Provision is made for obsolete and slow moving spares and is recognised in the Unconsolidated Statement of Profit or Loss.

3.6 Stock-in-trade

These are valued at lower of cost and net realisable value. Cost is determined under the weighted average basis. Cost comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Raw materials in transit comprise of invoice value and other charges incurred thereon till the reporting date. Net realisable value signifies the estimated selling price in the ordinary course of the business less estimated cost of completion and selling expenses. Scrap and by-product is valued at estimated realisable value.

3.7 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Unconsolidated Statement of Profit or Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current tax

Current tax is the expected tax payable on the taxable income or otherwise for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the Company at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax or alternate corporate tax as applicable, after taking into account tax credits and tax rebates available, if any.

Deferred tax

Deferred tax is recognised using balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

The Company recognises a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss as these levies fall under the scope of IFRIC 21/ IAS 37.

Tax on dividend from subsidiaries, associates and joint ventures are not considered as levy as the dividends are specifically covered by IAS 12.

3.8 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.9 Staff retirement benefits

3.9.1 Defined benefit plan

The Company provides gratuity benefits to all its eligible employees, who have completed their minimum qualifying period of service i.e. three year (except in case of workers where minimum qualifying period of service is six months) except employees who have joined after July 1, 2024. For executives and officers having total service of over twenty years, the benefit is available at one month's basic salary (eligible salary) for each completed year of service. For executives and officers having total service of less than twenty years, the benefit is available at half month's basic salary (eligible salary) for each completed year of service. For workers, the benefit is available at one month's gross salary less conditional allowances (eligible salary) for each completed year of service.

The Company's obligation is determined through actuarial valuations carried out under the 'Projected Unit Credit Method'. Remeasurements which comprise actuarial gains and losses are recognised immediately in other comprehensive income. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognised in the Unconsolidated Statement of Profit or Loss.

The latest actuarial valuation was conducted at the reporting date by a qualified professional firm of actuaries. The actual return on plan assets represent the difference between the fair value of plan assets at the beginning and end of the year and adjusted for contributions and benefits paid.

3.9.2 Defined contribution plan

The Company provides provident fund benefits to all its officers. Equal contributions are made, both by the Company and the employees, at the rate of 8.33% of basic salary and cost of living allowance and the same is charged to the Unconsolidated Statement of Profit or Loss.

3.9.3 Compensated absences

The liability for accumulated compensated absences of employees is recognised in the period in which employees render service that increases their entitlement to future compensated absences.

3.10 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange ruling on the reporting date. Exchange differences are included in the Unconsolidated Statement of Profit or Loss. The exchange gain on export receivable is restricted as per foreign exchange circulars issued by State Bank of Pakistan.

3.11 Revenue recognition

- Domestic sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides with delivery, as this is the point in time that the consideration becomes unconditional, because only the passage of time is required before the payment is due.

- Export sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides either with the date of bill of lading or upon delivery to customer or its representative, based on terms of arrangement.

- Toll manufacturing / partial manufacturing income is recognised at a point in time when related services are rendered.

No element of financing is deemed present as the sales are made with a credit term of up to 180 days, which is consistent with the market practice.

3.12 Other income

- Dividend income is recognised when the right to receive the dividend is established.

- Gains / losses arising on sale of investments are included in the Unconsolidated Statement of Profit or Loss in the period in which the investments are disposed.

- Rental income is recognised on straight line basis over the term of the respective lease agreement.

- Profit from savings accounts is accounted for as income on accrual basis.

3.13 Income on bank deposits and finance cost

The Company's finance income and finance cost includes interest income and interest expense. Interest income or expense is recognised using the effective interest method.

3.14 Impairment

3.14.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade debts are always measured at an amount equal to lifetime ECLs.

The expected loss rates are based on the payment profiles of sales over a period of 36 - 60 months before June 30, 2026 or July 1, 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the Gross Domestic Product (GDP) and the unemployment rate of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovery of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

A financial asset is considered in default when the counterparty fails to make contractual payments within one year of when they fall due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

3.14.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, stock-in-trade and stores and spares are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Unconsolidated Statement of Profit or Loss.

3.15 Provisions

A provision is recognised in the Unconsolidated Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the obligation. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate. The nature of provision is not stated in the financial statements where such is expected to materially prejudice company's position, as allowed under the applicable accounting framework.

3.16 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting structure. The management monitors the operating results of its products (i.e. Steel and Polymer pipes) separately for the purposes of making decisions regarding resource allocation and performance assessment. Further, due to significant returns from its investment in subsidiaries and associated companies, the management monitors returns from its strategic investments separately. Accordingly, investments has also been identified as a reportable segment.

3.18 Dividend and appropriation to / from reserves

Dividend distribution to the Company's shareholders and appropriations to / from reserves are recognised as a liability in the period in which these are approved.

3.19 Leasing arrangements

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the Unconsolidated Statement of Profit or Loss due to its operating nature.

3.20 Earnings per share

Earnings per share is calculated by dividing the profit attributable to owners of the Company by weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year, if any.

3.21 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount or fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised at the date of the sale of the non-current asset is recognised at the date of derecognition. Non-current assets are not depreciated or amortised while they are classified as held for sale.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	2026	2025
		(Rupees in '000)	
Operating assets	4.1	**12,453,305**	12,907,894
Capital work-in-progress (CWIP)	4.2	**45,110**	45,607
Stores and spares held for capital expenditures - at cost	4.3	**7,701**	6,927
		12,506,116	12,960,428

4.1 Operating assets

	Land - revalued - note 4.1.2		Buildings - revalued - note 4.1.2		Plant and machinery	Furniture, fixtures and office equipment	Vehicles	Total
	Freehold**	Leasehold	Freehold land	Leasehold land				
	---------- (Rupees in '000) ----------							
Balance as at July 1, 2025								
Cost / revalued amount	818,215	6,272,987	523,236	2,212,040	7,006,383	209,833	298,144	17,340,838
Accumulated depreciation	-	-	-	-	(4,159,902)	(165,488)	(107,554)	(4,432,944)
Net book value (NBV)	818,215	6,272,987	523,236	2,212,040	2,846,481	44,345	190,590	12,907,894
Additions	-	-	15,809	75,176	171,577	50,868	26,076	339,506
Surplus / (deficit) on revaluation - note 4.1.3	-	-	-	-	-	-	-	-
Disposals - note 4.1.4								
- Cost	-	-	-	-	(94,685)	(24,554)	(27,670)	(146,909)
- Accumulated depreciation	-	-	-	-	53,831	24,386	19,258	97,475
	-	-	-	-	(40,854)	(168)	(8,412)	(49,434)
Depreciation charge - note 4.1.1	-	-	(50,168)	(244,622)	(360,241)	(24,966)	(64,664)	(744,661)
Balance as at June 30, 2026 (NBV)	818,215	6,272,987	488,877	2,042,594	2,616,963	70,079	143,590	12,453,305
Gross carrying value as at June 30, 2026								
Cost / revalued amount	818,215	6,272,987	539,045	2,287,216	7,083,275	236,148	296,550	17,533,435
Accumulated depreciation	-	-	(50,168)	(244,622)	(4,466,312)	(166,068)	(152,960)	(5,080,130)
Net book value	818,215	6,272,987	488,877	2,042,594	2,616,963	70,079	143,590	12,453,305
Depreciation rates (% per annum)	-	-	3 - 10	2.5 - 20	2 - 50	6 - 33.3	20 - 33.3	
Balance as at July 1, 2024								
Cost / revalued amount	709,883	6,440,187	438,549	1,462,265	6,793,365	190,100	240,824	16,275,174
Accumulated depreciation	-	-	-	-	(3,871,444)	(148,993)	(99,836)	(4,120,273)
Net book value (NBV)	709,883	6,440,187	438,549	1,462,265	2,921,921	41,108	140,988	12,154,901
Additions	44,637	-	39,208	7,473	265,861	26,669	106,172	490,020
Surplus / (deficit) on revaluation - note 4.1.3	63,695	(167,200)	92,645	914,504	-	-	-	903,644
Disposals								
- Cost / revalued amount	-	-	-	-	(52,843)	(6,936)	(48,852)	(108,631)
- Accumulated depreciation	-	-	-	-	52,538	6,061	39,081	97,680
	-	-	-	-	(305)	(875)	(9,771)	(10,951)
Depreciation charge - note 4.1.1	-	-	(47,166)	(172,202)	(340,996)	(22,557)	(46,799)	(629,720)
Balance as at June 30, 2025 (NBV)	818,215	6,272,987	523,236	2,212,040	2,846,481	44,345	190,590	12,907,894
Gross carrying value as at June 30, 2025								
Cost / revalued amount	818,215	6,272,987	523,236	2,212,040	7,006,383	209,833	298,144	17,340,838
Accumulated depreciation*	-	-	-	-	(4,159,902)	(165,488)	(107,554)	(4,432,944)
Net book value	818,215	6,272,987	523,236	2,212,040	2,846,481	44,345	190,590	12,907,894
Depreciation rates (% per annum)	-	-	3 - 10	1 - 20	2 - 50	6 - 33.3	20 - 33.3	

* Accumulated depreciation of buildings has been adjusted against the gross carrying amount of the assets using the elimination approach to incorporate the revaluation impact.

4.1.1 The depreciation charge for the year has been allocated as follows:

	Note	2026	2025
		(Rupees in '000)	
Cost of sales	26	674,618	592,665
Selling and distribution expenses	27	23,636	18,603
Administrative expenses	28	46,407	18,452
		744,661	629,720

4.1.2 Particulars of immovable property (i.e. land and building) in the name of the Company and related forced sales values are as follows:

Particulars	Location	Area of land (Acres)	Covered Area (Square Feet)	Forced sales value (Rupees in '000)
Leasehold Land and Building (Manufacturing plant)	Plot no. LX15 - 16, HX-7/4, LX-2, LX 14/13, LX 14/14 Landhi Industrial Estate, Karachi	25.59	815,879	**5,134,202**
Leasehold Land and Building (Manufacturing plant)	22 KM Sheikhupura Road, Mouza Khanpur Nabipur, Tehsil Ferozpur, District Sheikhupura	30.24	339,810	**1,391,838**
Freehold Land and Building (Manufacturing plant)	Survey no. 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi	10	291,852	**975,785**
Leasehold Building (Office premises)	Office no. 101 - 107, 1st Floor, Beaumont Plaza, 10 Beaumont Road, Karachi	Not applicable	13,675	**218,809**
Leasehold Building (Sales office premises)	Chinoy House, 2nd and 3rd Floor, Bank Square, Off Thornton Road, Hadbast Mouza Khas, Lahore	Not applicable	8,420	**43,173**
Freehold Land and Building (Sales godown)	Plot no. NEIR - 61, Khasra no. 3303 - 3308, Hadbast Mouza Naulakha, GT Road, Lahore	0.17	7,394	**63,776**
Freehold Land	Plot no. 19, 9th Avenue, Precinct-7, Bahria Town, Karachi (Commercial Plot)	0.05	2,429	**33,600**
				7,861,183

4.1.3 The revaluation of freehold and leasehold land and buildings thereon was last carried out as of June 30, 2025 by MYK Associates (Private) Limited (an independent valuer who is located in Karachi) on the basis of their professional assessment of present market values based on their methodology for estimating the cost of land of similar nature, size and location including consideration of cost of acquisition or construction net of diminution owing to depreciation, keeping in view the current condition.

The Company commissioned independent valuation of freehold land, leasehold land and buildings thereon during the years / periods ended June 30, 1988, June 30, 1997, June 30, 2000, June 30, 2004, December 31, 2007, June 30, 2013, June 30, 2016, June 30, 2019, June 30, 2022, June 30, 2024 and June 30, 2025.

The carrying amount of the aforementioned assets as at June 30, 2026, if the said assets had been carried at historical cost, would have been as follows:

	Cost	Accumulated depreciation	Net book value
	---------------- (Rupees in '000) ----------------		
Freehold land	174,627	-	174,627
Leasehold land	725,144	-	725,144
Buildings	1,835,410	(1,058,814)	776,596
As at June 30, 2026	2,735,181	(1,058,814)	1,676,367
As at June 30, 2025	2,636,092	(964,591)	1,671,501

4.1.4 Details of property, plant and equipment disposed of having book value of five hundred thousand rupees or more each are as follows:

Asset category	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain on disposal	Mode of disposal	Particulars of buyer	Relationship with buyer
	---------------- (Rupees in '000) ----------------							
Vehicles								
Vehicle BVS-470	2,967	2,126	841	3,187	2,346	As per policy	Mr. Asif Jameel	Employee
Vehicle BWW-870	2,250	1,463	788	2,120	1,332	As per policy	Mr. Sharjeel Mustafa	Employee
Vehicle BZA-433	6,832	2,847	3,985	5,000	1,015	As per policy	Ms. Samon Baber	Employee
Vehicle BYN-051	6,008	3,805	2,203	3,496	1,293	As per policy	Mr. Faraz Hameed	Employee
Plant and Machinery								
1230 KW Gas Generator	52,602	22,639	29,963	28,974	(989)	Negotiation	Nordroy Power FZC UAE	None
Absorption Chiller	35,487	25,129	10,358	8,673	(1,685)	Negotiation	M. Shahid Steel	None
Total	106,146	58,009	48,138	51,450	3,313			

4.1.5 Operating fixed assets include fully depreciated assets having cost of Rs. 2,327.47 million (June 2025: Rs. 1,007 million).

4.1.6 Change in accounting estimates

During the year, the Company conducted a review of the estimated useful lives of its buildings on freehold and leasehold land. As a result of management's assessment of the assets' physical condition, expected utilisation, maintenance practices, and anticipated economic life, the estimated useful lives were revised.

In accordance with IAS 8, the change has been accounted for prospectively as a change in accounting estimate from November 01, 2025. Comparative figures have not been restated. The change resulted in a decrease in depreciation expense of Rs. 41.37 million for the year and a corresponding increase in profit before tax of Rs. 41.37 million. The estimated impact on future years is expected to have the same effect, subject to future changes in the carrying amounts, residual values and useful lives of the assets.

4.2 Capital work-in-progress (CWIP)

	2026				2025			
	As at July 1, 2025	Additions	Transfers	As at June 30, 2026	As at July 1, 2024	Additions	Transfers	As at June 30, 2025
	(Rupees in '000)							
Freehold land	-	6,000	-	6,000	-	44,637	(44,637)	-
Buildings on freehold land	7,017	18,288	(15,809)	9,496	-	46,225	(39,208)	7,017
Buildings on leasehold land	2,076	72,270	(75,176)	(830)	365	9,184	(7,473)	2,076
Plant and machinery	20,399	178,110	(171,577)	26,932	80,063	206,197	(265,861)	20,399
Furniture, fixtures and office equipment	16,115	38,265	(50,868)	3,512	4,154	38,630	(26,669)	16,115
Vehicles	-	26,076	(26,076)	-	-	106,172	(106,172)	-
	45,607	339,009	(339,506)	45,110	84,582	451,045	(490,020)	45,607

	Note	2026	2025
		(Rupees in '000)	
4.3 Stores and spares held for capital expenditures - at cost			
Net book value (NBV) at beginning of the year		6,927	6,983
Additions during the year		7,866	12,487
Transfers made during the year		(7,092)	(12,543)
NBV at end of the year		7,701	6,927

	Note	2026	2025
5. INTANGIBLE ASSETS			
Operating intangible assets	5.1	133	612
5.1 Operating intangible assets			
Net book value at beginning of the year		612	1,584
Amortisation	5.1.2	(479)	(972)
Balance at end of the year		133	612
Gross carrying value as at June 30			
Cost		80,679	80,679
Accumulated amortisation		(80,546)	(80,067)
Net book value		133	612
		------------- Percent -------------	
Amortisation rate (per annum)		33.33	33.33

5.1.1 Intangible assets comprise of computer software and licenses.

5.1.2 The amortisation expense for the year has been allocated as follows:

	Note	2026	2025
		(Rupees in '000)	
Cost of sales	26	160	160
Selling and distribution expenses	27	319	424
Administrative expenses	28	-	388
		479	972

6 INVESTMENTS

2026	2025		Note	2026	2025
(Number of shares)				(Rupees in '000)	
Quoted Companies					
245,055,543	245,055,543	International Steels Limited (ISL) - subsidiary company, at cost	6.1	2,450,555	2,450,555
9,325,438	9,325,438	Pakistan Cables Limited (PCL) - associated company, at cost	6.2	817,553	817,553
Un-quoted Companies					
150,000	150,000	IIL Americas Inc. (IIL Americas) - subsidiary company, at cost	6.4	17,966	17,966
100,000	100,000	IIL Australia Pty. Limited (IIL Australia) - subsidiary company, at cost	6.5	9,168	9,168
7,727,270	7,727,270	IIL Trading (Private) Limited (Formerly IIL Construction Solutions (Private) Limited) - subsidiary company, at cost	6.6	77,273	77,273
4,845,000	4,845,000	Chinoy Engineering & Construction (Private) Limited (CECL) - associated company, at cost	6.7	48,450	48,450
90,000	90,000	INIL Europe Limited - subsidiary company, at cost	6.8	27,415	27,415
1,000,000	-	CFS Minerals (Pvt.) Limited - associated company, at cost	6.9	10,000	-
				3,458,380	3,448,380
Investment classified as held for sale - associate		Chinoy Engineering & Construction (Private) Limited (CECL) - associated company, at cost	6.7	(48,450)	-
				3,409,930	3,448,380

6.1 The Company holds 56.33% (2025: 56.33%) ownership interest in ISL. The Chief Executive Officer of ISL is Mr. Samir Chinoy. The price per share of ISL as at reporting date was Rs. 90.74 (2025: Rs. 92.7) resulting in a market value of total investment amounting to Rs. 22,236.34 million (2025: Rs. 22,716.65 million). ISL has a registered office situated at 101 Beaumont Plaza, Beaumont Road, Karachi.

6.1.1 The Company has pledged 500,000 shares of International Steels Limited in the Honourable Sindh High Court as explained in note 24.1.2.

6.2 The Company holds 17.124% (2025: 17.124%) ownership interest in PCL. The registered office of PCL is situated in Karachi. The Chief Executive Officer of PCL is Mr. Fahd K. Chinoy. The Company considers it has significant influence over PCL as, in addition to its holding, the Chairman of the Board of the Company is also the Chairman of the Board of PCL. The price per share of PCL as at reporting date was Rs. 171.00 (2025: Rs. 146.88) resulting in a market value of total investment amounting to Rs. 1,594.64 million (2025: Rs. 1,369.72 million).

6.3 Market values of the investments disclosed in note 6.1 and 6.2 are categorised as level 1 fair value measurement in accordance with IFRS 13 'Fair Value Measurement'.

6.4 The Company holds 100% (2025: 100%) ownership interest in IIL Americas. The Chief Executive Officer of IIL Americas is Mr. Aslam Sadurdidin. IIL Americas has a registered office situated at Suite 210, 5800 Ambler Drive Mississauga, ON L4W 4J4, Canada. The Company has invested CAD 150,000 (2025: CAD 150,000) in IIL Americas as at year end. The book value of IIL Americas based on the unaudited financial statements as at June 30, 2026 is CAD (1,625,768) [Rs. (317.5 million)] [2025: CAD (1,606,025) Rs. (333.18 million)].

6.5 The Company holds 100% (2025: 100%) ownership interest in IIL Australia. The Chief Executive Officer of IIL Australia is Mr. Sohail R. Bhojani. The Company has a registered office situated at 101-103, Abbot Road, Hallam, Victoria 3803, Australia. The latest available financial statements are prepared on going concern basis. IIL Australia has been audited by KST Partners Chartered Accountants and they have expressed an unqualified opinion on the financial statements of the subsidiary. The Company has invested AUD 100,000 (2025: AUD 100,000) in IIL Australia as at year end. The book value of IIL Australia based on the financial statements as at June 30, 2026 is AUD 218,070 (Rs. 41.66 million) [2025: AUD 711,570 (Rs. 131.97 million)].

6.6 The Company holds 100% (2025: 100%) ownership interest in IIL Trading amounting to Rs. 77.3 million (2025: Rs. 77.3 million). IIL Trading has its registered office situated at 101, Beaumont Plaza, 10, Beaumont Road, Karachi - 75530. The subsidiary is engaged in trading business, carrying out distribution and marketing of construction materials, power / hand tools, contruction chemicals and other accessories and materials. The Chief Executive Officer of IIL Trading is Mr. Zain Chinoy. The book value of IIL Trading based on the financial statements as at June 30, 2026 is Rs. 7.54 million (2025: Rs. 29.65 million).

6.7 The Company holds a 17% (June 30, 2025: 17%) ownership interest in CECL. The Chief Executive Officer of CECL is Mr. Hamid Rashid. The Company considers it has significant influence over CECL as, in addition to its holding, the companies have common directorships. The Holding Company has made investment in CECL amounting to Rs. 48.45 million. The remaining shareholding of CECL is owned by International Steels Limited (17%), Pakistan Cables Limited (17%) and ASCG Engineering (49%). The book value of CECL based on the unaudited financial statements as at March 31, 2026 is Rs. 2,998.73 million (2025: 517.32 million).

The registered office of the associate is at 101, Beaumont Plaza, 10 Beaumont Road, Civil Lines, Karachi, Pakistan. The country of incorporation or registration is also its principal place of business.

CECL is incorporated in Pakistan and is engaged in the business of construction industry, encompassing a range of activities including design, construction, demolition and infrastructure development.

6.7.1 The Company has decided to dispose of its shareholding in CECL pursuant to a proposed buy-back arrangement, under which CECL will acquire the entire shareholding held by the Company. Consequently, the investment in associate has been classified as held for sale in these unconsolidated financial statements. The fair value of CECL shares is higher than the cost of investment therefore no impairment loss is recognized in these unconsolidated financial statements.

6.8 The Company holds 100% (2025: 100%) ownership interest in INIL Europe Limited amounting to Rs. 27.42 million (2025: Rs. 27.42 million). INIL Europe Limited has its registered office and principal place of business is Ground Floor, 71 Baggot Street Lower, Dublin 2, D02P593, Ireland. The Company has invested EUR 90,000 (2025: 90,000) in INIL Europe Limited as at year end. The book value of INIL Europe Limited based on the financial statements as at June 30, 2026 is EUR 7,781 (Rs. 2.46 million) [2025: EUR 55,867 (Rs. 18.58 million)].

6.9 The Company holds a 33.33% (June 30, 2025: nil) ownership interest in CFS Minerals (Private) Limited. The Chief Executive Officer of CFS Minerals is Mr. Yasir Masood. The Company is incorporated on June 11, 2026.

6.10 The above investments have been made in accordance with the requirements of Companies Act, 2017.

7. STORES AND SPARES

	Note	2026	2025
		(Rupees in '000)	
Stores		257,874	211,766
Spares		67,635	55,744
Loose tools		9,110	11,449
		334,619	278,959
Less: Provision for obsolescence	7.1	(47,864)	(92,864)
		286,755	186,095
7.1 Provision for obsolescence			
Balance as at 1 July		92,864	90,570
Provision during the year		(45,000)	2,294
Balance as at 30 June		47,864	92,864

		Note	2026	2025
8.	**STOCK-IN-TRADE**		(Rupees in '000)	
	Raw material			
	- in hand	8.1	3,529,758	2,465,317
	- in transit		1,294,508	1,654,785
			4,824,266	4,120,102
	Work-in-process		1,381,256	1,429,708
	Finished goods	8.2	2,107,458	2,207,770
	By-products		74,259	104,742
	Scrap material		75,912	71,115
			8,463,151	7,933,437

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

8.2 Finished goods include items amounting to Rs. NIL as at June 30, 2026 (June 30, 2025: Rs. 100.99 million) stated at their net realisable values against their cost of Rs. NIL (June 30, 2025: Rs. 109.49 million).

		Note	2026	2025
9.	**TRADE DEBTS**		(Rupees in '000)	
	- secured	9.1	116,791	201,474
	- unsecured	9.2	3,311,912	4,152,659
			3,428,703	4,354,133
	Loss allowance on trade debts	9.3	(187,988)	(224,613)
			3,240,715	4,129,520

9.1 These includes trade debts arising on account of export sales of Rs. 116.79 million (June 2025: Rs. 198.81 million) which are secured by way of export Letters of Credit.

9.2 This includes trade debts due from the following related parties:

	2026	2025
	(Rupees in '000)	
IIL Australia Pty Limited	724,773	1,151,993
IIL Americas Inc.	598,149	840,752
Pakistan Cables Limited	4,552	15,438
IIL Trading (Private) Limited	377,028	491,911
INIL Europe Limited	50,967	41,160
Chinoy Engineering & Construction (Private) Limited	120	16,502
	1,755,589	2,557,756

9.2.1 The maximum aggregate amount due from the related parties at any time during the year calculated by reference to month-end balances is Rs. 2,512.83 million (June 2025: Rs. 2,575.45 million). Company's wholly owned subsidiaries, IIL Americas and IIL Australia, have obtained credit insurance on their debtors.

9.2.2 The ageing of trade debts from related parties as at the reporting date is as under:

	Note	2026	2025
		(Rupees in '000)	
Not yet due		178,186	450,674
Past due 1 - 60 days		166,350	464,896
Past due 61 - 180 days		286,681	613,513
Past due 181 - 365 days		660,999	818,245
Past due 1 year		463,373	210,428
		1,755,589	2,557,756

9.3 Loss allowance on trade debts

	Note	2026	2025
Balance at beginning of the year		224,613	234,180
Reversal of loss allowance on trade debts		(28,993)	(2,122)
Write-off during the year		(7,632)	(7,445)
Balance at end of the year		187,988	224,613

10. ADVANCES, TRADE DEPOSITS AND PREPAYMENTS

	Note	2026	2025
Advance to:			
- Suppliers	10.1	61,087	31,975
- Employees for business related expenses	10.1	943	9,624
Trade deposits	10.1	9,390	8,662
Prepayments		25,947	23,649
		97,367	73,910

10.1 These advances and trade deposits are non interest bearing.

11. OTHER RECEIVABLES

	Note	2026	2025
Receivable from Provident Fund			
- unsecured	11.1	-	40,620
Receivable from related parties	11.2	60,422	-
Others		-	2,784
		60,422	43,404
Considered doubtful			
Receivable from Workers' Welfare Fund on account of excess allocation of Workers' Profit Participation Fund in earlier periods		25,940	25,940
		86,362	69,344
Provision for receivable from Workers' Welfare Fund on account of excess allocation of Workers' Profit Participation Fund in prior periods		(25,940)	(25,940)
		60,422	43,404

11.1 This represents amount receivable from International Industries Limited - Employees' Contributory Provident Fund, a related party. The maximum aggregate amount due from the fund at any time during the year calculated by reference to month-end balances is Rs. 40.62 million (June 2025: Rs.40.62 million).

11.2 This includes Rs. 31.7 million (June 2025: NIL) receivable from International Steels Limited on account of rent receivable and Rs. 17 million (June 2025: NIL) receivable from Chinoy Engineering & Construction (Private) Limited on account of dividend. The maximum aggregate amount outstanding at any time during the year by reference to month-end balances is Rs. 60.42 million (June 2025: NIL).

12. STAFF RETIREMENT BENEFITS

12.1 Defined contribution plan

Staff Provident Fund

All investments in collective investment schemes, listed equity and listed debt securities out of Provident Fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

12.2 Defined benefit scheme

Staff Gratuity Fund

12.2.1 As stated in note 3.9, the Company operates approved funded defined benefit gratuity plan for all eligible employees meeting the specified criteria for all active employees subject to minimum service of prescribed period as per the respective trust deeds. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2026.

12.2.2 Plan assets held in trust are governed by local regulations which mainly include Sindh Trusts Act, 2020; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the respective trust deeds. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the respective Board of Trustees. The Company appoints trustees from among its employees.

12.2.3 Risks on account of defined benefit plan

The Company faces the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Asset volatility - Most assets are invested in risk free investments of 3, 5 or 10 year Regular Income Certificates, Defence Savings Certificates and Government Bonds. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to market yields on government bonds. A decrease in market yields on government bonds will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investment.

Risk of insufficiency of assets - This is managed by making regular contribution to the Fund as advised by the actuary.

12.2.4 Funding

The gratuity plan is fully funded by the Company. The funding requirements are based on the Gratuity Fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions used in determining defined benefit liability. Employees are not required to contribute to the plan.

12.2.5 The actuarial valuation of gratuity was carried out at June 30, 2026 under projected unit credit method using the following significant assumptions:

		2026	2025
		per annum	
Financial Assumptions			
Discount Rate		11.75%	11.75%
Salary increase rate			
First year	- Unionized staff	11.75%	11.75%
First year	- Management	11.25%	10.75%
Long term	- Unionized staff	11.75%	11.75%
Long term	- Management	11.25%	10.75%

	Note	2026	2025
		per annum	
Demographic Assumptions			
Mortality rate		SLIC 2001-05-1	SLIC 2001-05-1
Rates of employee turnover - Unionized staff		Light	Light
Rates of employee turnover - Management		Moderate	Moderate
Retirement assumption		Age 60 years	Age 60 years

12.2.6 The amounts recognised in Unconsolidated Statement of Financial Position are as follows:

	Note	2026	2025
		(Rupees in '000)	
Present value of defined benefit obligation	12.2.9	801,917	749,857
Fair value of plan assets	12.2.10	(1,010,672)	(832,097)
Surplus at end of the year		(208,755)	(82,240)

12.2.7 Movements in the net defined benefit liability

	Note	2026	2025
Balance at beginning of the year		(82,240)	73,664
Expense chargeable to Unconsolidated Statement of Profit or Loss	12.2.8	32,437	60,064
Contribution paid during the year		(51,000)	(88,994)
Re-measurements recognised in other comprehensive income during the year	12.2.8.1	(107,952)	(126,974)
Balance at end of the year		(208,755)	(82,240)

12.2.8 Amount recognised in total comprehensive income

The following amounts have been charged in respect of these benefits to Unconsolidated Statement of Profit or Loss and Unconsolidated Statement of Comprehensive Income:

	2026	2025
	(Rupees in '000)	
Component of defined benefit costs recognised in profit or loss		
Service cost		
Current service cost	41,578	50,404
Interest cost on defined benefit obligation	87,835	104,280
Return on plan assets	(96,976)	(94,620)
	(9,141)	9,660
	32,437	60,064
Component of defined benefit costs (re-measurement) recognised in other comprehensive income		
Actuarial gain on obligation	(27,161)	(70,577)
Actuarial gain on plan assets	(80,791)	(56,397)
Total re-measurements recognised in other comprehensive income	(107,952)	(126,974)
Total defined benefit cost recognised in profit or loss and other comprehensive income	(75,515)	(66,910)

	2026	2025
12.2.8.1 Analysis of remeasurements recognised in other comprehensive income	(Rupees in '000)	
Re-measurements: Actuarial loss on obligation		
Loss / (gain) due to change in financial assumptions	16,423	(6,411)
Gain due to change i experience adjustments	(43,584)	(64,166)
Total actuarial gain on obligation	(27,161)	(70,577)
Re-measurements: Actuarial gain on plan assets		
Actual return on plan assets	(150,661)	(157,316)
Interest income on plan assets	96,976	94,620
Opening difference	(27,106)	6,299
Total actuarial gain on plan assets	(80,791)	(56,397)
	(107,952)	(126,974)
12.2.9 Movements in the present value of defined benefit obligation		
Present value of defined benefit obligation at beginning of the year	749,857	748,206
Current service cost	41,578	50,404
Interest cost	87,835	104,280
Benefits paid	(50,192)	(82,456)
Re-measurements: Actuarial gain on obligation	(27,161)	(70,577)
Present value of defined benefit obligation	801,917	749,857
12.2.10 Movements in the fair value of plan assets		
Fair value of plan assets at beginning of the year	832,097	674,542
Interest income on plan assets	96,976	94,620
Contribution to the fund	51,000	88,994
Benefits paid	(50,192)	(82,456)
Re-measurements: Actuarial gain on plan assets	80,791	56,397
Fair value of plan assets	1,010,672	832,097
12.2.11 Analysis of present value of defined benefit obligation		
Vested / non-vested		
- vested benefits	794,920	740,075
- non-vested benefits	6,997	9,782
	801,917	749,857
Type of benefits earned to date		
- Accumulated benefit obligation	319,273	301,754
- Amounts attributed to future salary increases	482,644	448,103
	801,917	749,857
12.2.12 Disaggregation of fair value of plan assets		
Cash and cash equivalents (after adjusting liabilities)	28,254	10,445
Equity instruments - listed	214,618	214,504
Debt instruments		
Pakistan Investment Bonds	200,511	201,887
Market Treasury Bills	333,503	197,380
Defence Saving Certificates	233,786	207,881
	1,010,672	832,097

12.2.13 **The Company ensure asset / liability matching by investing in government securities, bank deposits and equity securities and does not use derivatives to manage its risk.**

	2026	2025
12.2.14 Maturity profile of the defined benefit obligation	Years	
Weighted average duration of the defined benefit obligation	9.66	9.88

	2026	2025
Distribution of timing of benefit payments	(Rupees in '000)	
One year	68,189	54,707
Two years	72,375	76,595
Three years	43,439	73,394
Four years	108,857	45,399
Five years	81,607	109,541
Six years to ten years	508,968	410,253

12.2.15 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2026	2025
	(Rupees in '000)	
Discount rate + 1%	729,928	681,188
Discount rate - 1%	885,596	830,155
Long term salary increases + 1%	888,121	832,545
Long term salary increases - 1%	726,667	678,115

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

12.2.16 The Company contributes to the gratuity fund on the advice of the funds' actuary. The expense in relation to gratuity benefit for the year ending June 30, 2027 is expected to be Rs. 23.78 million.

		Note	2026	2025
13. CASH AND BANK BALANCES			(Rupees in '000)	
Cash at bank				
Conventional				
Current accounts	- local currency		4,668	158,218
	- foreign currency		624,576	360,598
Savings accounts	- local currency	13.1	81,336	279,287
Term deposit receipts		13.2 & 13.3	486,251	-
			1,196,831	798,103
Islamic				
Current accounts	- local currency		74	14
Savings accounts	- local currency		25	-
Term deposit receipts		13.2 & 13.3	18,333	-
			18,432	14
Cash in hand			3,964	4,464
			1,219,227	802,581

13.1 As at June 30, 2026, the rates of mark up / profit on savings accounts range from 7.50% to 9.75% (June 30, 2025: 8.00% to 19.00%) per annum. This includes Rs. NIL (June 30, 2025: Rs. 279.25 million) held as margin in a restricted account against bank guarantee issued in favor of Excise and Taxation Officer in respect of infrastructure cess.

13.2 This represents Rs. 504.58 million (June 30, 2025: Rs. NIL) held as margin in a restricted account against bank guarantee issued in favor of Excise and Taxation Officer in respect of infrastructure cess.

13.3 As at June 30, 2026, the rates of mark up / profit on term deposit receipts range from 4.00% to 9.00% (June 30, 2025: NIL) per annum.

14. ISSUED, SUBCRIBED AND PAID UP CAPITAL

Authorised share capital

2026	2025		2026	2025
(Number of shares)			(Rupees in '000)	
200,000,000	200,000,000	Ordinary shares of Rs. 10 each	2,000,000	2,000,000

Issued, subscribed and paid-up capital

2026	2025		2026	2025
(Number of shares)			(Rupees in '000)	
6,769,725	6,769,725	Fully paid ordinary shares of Rs. 10 each issued for cash	6,769,725	6,769,725
125,112,155	125,112,155	Fully paid ordinary shares of Rs.10 each issued as bonus shares	1,251,122	1,251,122
131,881,880	131,881,880		1,318,819	1,318,819

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

15. GENERAL RESERVE

General reserve is maintained for fulfilling various business needs including meeting contingencies, offsetting future losses, enhancing the working capital and paying dividends.

16. REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT

		2026	2025
Freehold land			
Balance at beginning of the year		661,096	597,401
Surplus on revaluation of freehold land		-	63,695
Balance at end of the year		661,096	661,096
Leasehold land			
Balance at beginning of the year		5,547,843	5,715,043
Deficit on revaluation of leasehold land		-	(167,200)
Balance at end of the year		5,547,843	5,547,843
Buildings			
Balance at beginning of the year		1,963,546	1,069,571
Surplus on revaluation of buildings		-	1,007,149
Effect of incremental depreciation		(211,662)	(113,174)
		1,751,884	1,963,546
Related deferred tax liability	16.2	(645,064)	(762,481)
Balance at end of the year - net of deferred tax		1,106,820	1,201,065
		7,315,759	7,410,004

16.1 The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders of the Company in accordance with section 241 of the Companies Act, 2017.

	Note	2026	2025
		(Rupees in '000)	

16.2 Movement in related deferred tax liability

Balance at beginning of the year		762,481	413,831
Deferred tax on revaluation surplus		-	392,788
Effect of change in rate of tax		(39,102)	-
Tax effect on incremental depreciation transferred to unappropriated profit		(78,315)	(44,138)
Balance at end of the year		645,064	762,481

17. LONG-TERM FINANCING - secured

	Note	2026	2025
Conventional			
Long-Term Finance Facility (LTFF)	17.2	**200,486**	281,875
Islamic			
Islamic Long-Term Finance Facility (ILTFF)	17.3	**54,616**	69,474
Islamic Temporary Economic Refinance Facility (ITERF)	17.4	**170,693**	200,728
Islamic Finance Facility for Renewable Energy (IFRE)	17.5	**57,778**	66,667
		283,087	336,869
		483,573	618,744
Less: Deferred income - government grant	18	**(21,670)**	(30,035)
Less: Current portion of long-term financing			
Conventional			
Long-Term Finance Facility (LTFF)		**(50,309)**	(72,025)
Islamic			
Islamic Long-Term Finance Facility (ILTFF)		**(14,856)**	(14,859)
Islamic Temporary Economic Refinance Facility (ITERF)		**(30,036)**	(30,244)
Islamic Finance Facility for Renewable Energy (IFRE)		**(8,889)**	(8,889)
		(53,781)	(53,992)
		(104,090)	(126,017)
		357,813	462,692

17.1 Long-term finances utilised under mark-up arrangements

	CONVENTIONAL	Sale price	Purchase price	Number of instalments and commencement date	Date of maturity / repayment	Rate of mark-up per annum	Carrying amount 2026	Carrying amount 2025
		(Rupees in '000)					(Rupees in '000)	
i)	LTFF							
	MCB Bank Limited Assistance for plant and machinery	550,000	906,963	34 quarterly October 29, 2016	November 18, 2025	3.7% (fixed rate)	-	26,771
	MCB Bank Limited Assistance for plant and machinery	100,000	149,976	34 quarterly August 31, 2019	August 31, 2027	3.5% (fixed rate)	14,881	27,003
	MCB Bank Limited Assistance for plant and machinery	100,000	147,862	34 quarterly March 30, 2020	June 30, 2028	3.5% (fixed rate)	22,069	32,961
	Allied Bank Limited Assistance for plant and machinery	500,000	578,167	16 half yearly December 30, 2023	July 20, 2032	2.5% to 7.5% (fixed rate)	163,536	195,140
							200,486	281,875
	ISLAMIC							
i)	ILTFF Habib Bank Limited Acquisition of Musharakah assets	150,000	187,500	16 half yearly February 22, 2022	May 31, 2030	2.5% (fixed rate)	54,616	69,474
ii)	ITERF Habib Bank Limited Assistance for plant and machinery	131,000	163,750	32 quarterly June 28, 2023	April 9, 2031 to June 18, 2031	2% (fixed rate)	73,265	87,446
	Bank Islami Pakistan Limited Assistance for plant and machinery	125,000	156,250	32 quarterly November 06, 2024	May 6, 2031 August 26, 2032	2% (fixed rate)	97,428	113,282
							170,693	200,728
iii)	IFRE Bank Islami Pakistan Limited Assistance for Solar Project	80,000	101,347	32 quarterly March 30, 2024	November 30, 2032	6.0% (fixed rate)	57,778	66,667
							283,087	336,869
							483,573	618,744

17.1.1 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.

17.1.2 In relation to above borrowings the Company needs to observe certain covenants as specified in the agreement with respective lenders which are complied with as of the reporting date.

17.2 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.

17.3 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.

17.4 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.

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

17.6 During the year, mark-up paid on conventional and Islamic long term finance amounts to Rs.8.64 million (June 30, 2025: Rs. 14.60 million) and Rs. 16.95 million (June 30, 2025: Rs. 367.57 million) respectively.

	Note	2026	2025
		(Rupees in '000)	

18. DEFERRED INCOME - GOVERNMENT GRANT

	Note	2026	2025
Balance at beginning of the year		30,035	39,512
Deferred grant recorded:			
Government grant recognised in income	31	(8,365)	(9,477)
Balance at end of the year		21,670	30,035
Less: current portion of deferred income - government grant	20	(7,160)	(8,366)
		14,510	21,669

18.1 This represents deferred grant recognised in accordance with IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance' in respect of SBP's Refinance Scheme for the Islamic Temporary Economic Refinance Facility obtained at concessionary rates. The Company has fulfilled the criteria of the said loans and have accordingly recognised the grant income in the Unconsolidated Statement of Profit or Loss.

19. DEFERRED TAXATION - NET

	Accelerated tax depreciation	Surplus on revaluation of buildings	Provision for infrastructure cess	Loss allowance on trade debts	Provision for compensated absences	Staff retirement benefits	Minimum Tax - note 19..2	Tax loss - note 19.2	Other Provisions	Total
	(Rupees in '000)									
Balance at July 1, 2025	(508,340)	(762,481)	577,721	87,599	2,340	(32,073)	160,676	120,804	48,102	(305,653)
(Charge) / credit to profit or loss for the year	66,695	78,315	97,398	(18,044)	1,730	11,780	(24,591)	(15,429)	(25,407)	172,447
(Charge) / credit to other comprehensive income for the year	-	39,102	-	-	-	(18,326)	-	-	-	20,776
Impact on statement of financial position	-	-	-	-	-	-	(119,716)	-	-	(119,716)
Balance at June 30, 2026	(441,645)	(645,064)	675,119	69,555	4,070	(38,619)	16,369	105,375	22,695	(232,145)
Balance at July 1, 2024	(518,026)	(413,831)	491,661	91,330	3,482	28,729	158,567	147,136	47,207	35,496
(Charge) / credit to profit or loss for the year	9,686	44,138	86,060	(3,731)	(1,142)	(11,282)	2,109	(26,332)	895	101,159
(Charge) to other comprehensive income for the year	-	(392,788)	-	-	-	(49,520)	-	-	-	(442,308)
Balance at June 30, 2025	(508,340)	(762,481)	577,721	87,599	2,340	(32,073)	160,676	120,804	48,102	(305,653)

19.1 The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the Unconsolidated Statement of Financial Position.

19.2 The deferred tax asset on minimum tax and tax loss will be recoverable based on the estimated future taxable income and approved business plans and budgets.

19.3 Under the Finance Act, 2019, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2022, companies operating in certain sectors, including steel, are liable to pay super tax at 10% for tax year 2022 and upto 4% for tax year 2023 and onwards. However Finance Act, 2023 has introduced progressive rate on high earning persons ranging from 1% to 10% whereas on companies having income in excess of Rs. 500 million would be liable to pay super tax at 10%. The rate of super tax has now been fixed at 8% for companies having income in excess of Rs. 500 million through Finance Act, 2026. Accordingly, deferred tax assets and liabilities have been recognised at 37%.

	Note	2026	2025
20. TRADE AND OTHER PAYABLES		(Rupees in '000)	
Trade creditors		43,621	322,009
Bills payable		910,875	317,780
Accrued expenses	20.1	1,084,168	1,010,485
Infrastructure Cess	20.2	1,824,645	1,481,334
Short-term compensated absences		11,000	6,000
Workers' Profit Participation Fund	20.3	11,552	2,624
Workers' Welfare Fund	20.4	86,400	74,242
Current portion of deferred income			
- government grant		7,160	8,366
Others		3,254	3,279
		3,982,675	3,226,119

20.1 This includes Gas Infrastructure Development Cess amounting to Rs. 359.04 million (June 30, 2025: Rs. 359.04 million).

Supreme Court of Pakistan (SCP) upheld the vires of the Gas Infrastructure Development Cess Act, 2015 (GIDC Act, 2015) through its judgement dated August 13, 2020 and advised the Government of Pakistan (the GoP) to initiate the gas pipeline project within six months. The SCP on November 2, 2020 ordered that its decision of August 13, 2020 has validated the GIDC Act, 2015 in complete sense and the exceptions allowed under section 8(2) of the GIDC Act to the industrial sector are also available. Further, payment of accumulated Gas Infrastructure Development Cess (the Cess) was allowed in 48 installments instead of 24 installments.

Despite the aforesaid order dated August 13, 2020 by the SCP, the GoP did not initiate the gas project within six months. Therefore, during the financial year ended June 30, 2021, the Company filed a petition with the SHC challenging the validity of the GIDC Act, 2015.

The Company has also filed civil suits before Sindh High Court (SHC) on the ground that the Company has not passed on the burden of the Cess. Stay orders were granted in the aforesaid suits, which are operative till the next date of hearing.

This also includes a payable against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 86.65 million (June 30, 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 and paid the differential tariff in four (4) equal installments.

	Note	2026	2025
		(Rupees in '000)	
20.2 Infrastructure Cess			
Balance at beginning of the year		1,481,334	1,260,670
Charge for the year		343,311	220,664
Balance at end of the year		1,824,645	1,481,334

20.2.1 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. 1,854 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 was further increased to 1.85% through Sindh Finance Act, 2024 and all importers were subject to the new rate of Cess.

During the year, the Government of Sindh (GoS) enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026. Subsequent to the year end, the Company opted to avail the settlement framework under sections 10A to 10F of the amended Act under which the outstanding liability shall be settled through staged payments comprising 15% by July 15, 2026, a further 15% by October 15, 2026, 15% by July 15, 2027 with the remaining balance discharged in forty-eight equal quarterly instalments commencing July 15, 2028 and continuing until 2040. As required under the settlement framework, the Company has withdrawn all pending litigation and waived related claims against the GoS. Resultantly, thereafter, the reduced rate of 0.85% is applicable on the Company as per the settlement framework.

	Note	2026	2025
20.3 Workers' Profit Participation Fund		(Rupees in '000)	
Balance at beginning of the year		2,624	240
Interest on funds utilised in the Company's business - nil (2025: 75%)	29	-	17
		2,624	257
Expense for the year		62,319	43,124
		64,943	43,381
Payments made during the year		(53,391)	(40,757)
Balance at end of the year		11,552	2,624
20.4 Workers' Welfare Fund			
Balance at beginning of the year		74,242	85,109
Net charge for the year		37,093	9,925
Adjustment / payment		(24,935)	(20,792)
Balance at end of the year		86,400	74,242

20.4.1 The Company filed a constitutional petition with the Sindh High Court (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 Honourable Sindh High 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 or the provinces comes to a mutual agreement. This decision of SHC has been challenged by the provincial government before the Supreme Court of Pakistan. IIL prefers to file a defense against this appeal by the Sindh government.

21. CONTRACT LIABILITIES

During the year, the Company recognised revenue amounting to Rs. 241.44 million (June 30, 2025: Rs. 270.86 million) out of the contract liabilities balance outstanding at beginning of the year.

	Note	2026	2025
22. SHORT-TERM BORROWINGS - secured		(Rupees in '000)	
Conventional			
Running finance under mark-up arrangement from banks	22.1	1,173,272	770,453
Short-term borrowing under Money Market Scheme maturing within three months	22.2	550,000	1,415,000
Short-term borrowing under Export Refinance Scheme	22.3	700,000	700,000
Short-term borrowing under Export Finance Scheme	22.4	-	715,332
Islamic			
Short-term borrowing under Money Market Scheme maturing within three months	22.5	-	1,250,000
Short-term borrowing under Running Musharakah	22.6	1,215,919	305,372
Short-term borrowing under Export Refinance Scheme	22.7	100,000	-
		3,739,191	5,156,157

22.1 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 facilities range from 10.68% to 12.66% (June 30, 2025: 11.48% to 22.52%) per annum.

22.2 The Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 9.53% to 11.3% (June 30, 2025: 11.48% to 22.52%) per annum and are payable within three months.

22.3 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.

22.4 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. These facilities mature within six months.

22.5 The 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 11.19% (June 30, 2025: 11.19% to 20.30%) per annum and are payable within three months.

22.6 The Company has obtained facilities for short-term finance under Running Musharakah. The rates of profit on these facilities range from 10.40% to 12.53% (June 30, 2025: 11.53% to 22.29%) per annum and are payable within twelve months.

22.7 The Company has obtained short-term finance under Islamic Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities is 4.50% (June 30, 2025: Nil) per annum. These facilities mature within six months.

22.8 As at June 30, 2026, the unavailed facilities from the above borrowings amounted to Rs. 12,675 million (June 30, 2025: Rs. 10,958 million).

22.9 The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future moveable assets of the Company.

23. TAXATION - NET

	2026	2025
	(Rupees in '000)	
Balance at beginning of the year	511,466	576,614
Tax payments / adjustments made during the year	(1,336,588)	(627,323)
	(825,122)	(50,709)
Less: Provision for income tax	983,951	562,175
Balance at end of the year	158,829	511,466

23.1 Under the Finance Act, 2022, the Federal Government inserted section 4C to the Income Tax Ordinance, 2001 which imposed a super tax on persons earning more than Rs. 150 million at varying rates. The Company, along with the other companies, filed a petition in SHC on October 22, 2022 against the chargeability of Super Tax for the tax year 2022 and accordingly submitted a bank guarantee amount to Rs. 398.75 million in the Nazir of SHC. On December 22, 2022, the SHC decided that the Super Tax shall be applicable from FY 2023 instead of FY 2022 at a rate of a maximum 4%. In an appeal by FBR against this order, the Supreme Court passed an interim order to encash the bank guarantees by 4% till the case is finally decided. Consequently, the bank guarantee was reduced to Rs. 239.25 million.

In FY 2026, the Federal Constitution Court (FCC) held that the super tax imposed under Section 4-B and 4-C are intra Vires with the Constitution and ordered for either encashment of remaining bank guarantees or payment of due amount as super tax.

The Company prefers to abide by the decision of the Apex legal forum, therefore, instructed its legal counsel to give consent for the encashment of bank guarantee.

23.2 This includes Rs. 756.59 million in respect of tax on inter-corporate dividends received from the Company's subsidiary, International Steels Limited (ISL). The Company has challenged the chargeability of such tax before the Sindh High Court (SHC). In connection with the litigation, 500,000 shares of ISL have been pledged with the Nazir of the SHC and bank guarantees aggregating Rs. 664.70 million have been furnished. In September 2023, the SHC dismissed the petitions; however, the Company has filed an appeal before the Supreme Court / Federal Constitutional Court, which has granted interim relief and directed the tax authorities not to proceed with recovery until the final decision. The appeal remains pending adjudication at year end.

24 CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

	Description of the factual basis of the proceeding and relief sough	Name of the court	Principal parties	Date Instituted
24.1.1	The Collector of Customs has charged the Company for a redemption fine of Rs. 83 million on clearance of imported raw material consignments in 2006. The Company has filed an appeal before the Sindh High Court (SHC), which has set aside the examination reports including subsequent order produced by the custom authorities, and ordered the authorities to re-examine the matter afresh. However, the custom authorities had filed an application for leave to appeal against the order of the SHC. The management anticipates that the chances of admission of such appeal are remote.	Sindh High Court	Collector of Customs / Federation of Pakistan	August 30, 2007
24.1.2	As per section 95 of the Custom Act read with Customs Rules, 2001, the Company sold zinc wastages generated from imports under manufacturing bond at 0% duty for export during 2012-13, 2013-14 and 2014-15. All these sales were subject to sales tax payments in term of Custom Rules. However, on August 31, 2020, the Collector of Customs (Adjudication - II) has passed ONO no. 473, 474 and 475 against the Company and ordered for recovery of customs duty amounting to Rs. 402.72 million on zinc wastages. The Company filed appeals against these orders in the Customs Tribunal. However, due to non-functioning of Tribunal and considering the importance, Company preferred to file an appeal with the SHC. SHC granted stay order against the order of the Collector of Customs and issued notices for the hearing. The SHC vide its order dated October 12, 2021 has disposed off the case with directions to the Appellate Tribunal to decide the pending appeal within sixty days. The SHC further directed that the respondents shall not take any coercive action against the Company in respect of the impugned demand till the conclusion of the appeal. The case was decided against IIL by the Custom Appelate Tribunal. Being aggrieved by the decision of the Appellate Tribunal, the Company preferred a reference to the SHC. The SHC, at the hearing on September 9, 2022 adjourned the matter for a later date. The next date of hearing is on August 19, 2026. As per the advise of legal advisor the Company has good arguable case on merit with a chance of favorable outcome.	Sindh High Court	Collector of Customs	October 10, 2020

24.2 Commitments

24.2.1 Capital expenditure commitments outstanding as at June 30, 2026 amounted to Rs. 67.75 million (June 30, 2025: Rs. NIL).

24.2.2 Commitments under Letters of Credit for raw materials and stores and spares as at June 30, 2026 amounted to Rs. 3,150.76 million (June 30, 2025: Rs. 3,780.21 million).

24.2.3 Commitments under purchase contracts as at June 30, 2026 amounted to Rs. 326.59 million (June 30, 2025: Rs. 681.90 million).

24.2.4 The facilities for opening letters of credit and guarantees from banks as at June 30, 2026 amounted to Rs. 15,700 million (June 30, 2025: Rs. 14,700 million) and Rs. 3,900 million (June 30, 2025: Rs. 3,800 million) respectively, of which the unutilised balance at year-end amounted to Rs. 12,481 million (June 30, 2025: Rs. 10,919 million) and Rs. 362 million (June 30, 2025: Rs. 416 million) respectively.

24.2.5 The Company has 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 fulfilment of contractual obligations under its agreement with Reko Diq Mining Company Limited ("RDMC"). This obligation carries joint and several liability alongside associated entities 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.

25. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2026	2025
	(Rupees in '000)	
Sale of goods less returns		
Local	34,451,694	28,988,899
Sales tax	(4,723,942)	(3,995,154)
Trade discounts	(3,691,174)	(2,968,569)
	26,036,578	22,025,176
Export	3,054,221	3,078,601
Export commission and discounts	(17,362)	(7,454)
	3,036,859	3,071,147
	29,073,437	25,096,323

25.1 DISAGGREGATION OF REVENUE

In the following table, revenue is disaggregated by primary geographical markets and major product lines:

	2026	2025
Primary geographical markets:		
Local	26,036,577	22,025,176
Australia	722,389	964,854
Americas	71,798	539,293
Europe	403,866	308,639
Asia	1,838,807	1,258,361
	29,073,437	25,096,323
Major Product Lines:		
Steel products	25,493,700	19,480,234
Polymer products	3,579,737	5,616,089
	29,073,437	25,096,323

26. COST OF SALES

	Note	2026	2025
		(Rupees in '000)	
Raw material consumed			
Opening stock of raw material		2,465,317	4,533,554
Purchases		22,343,202	15,899,003
		24,808,519	20,432,557
Closing stock of raw material	8	(3,529,758)	(2,465,317)
		21,278,761	17,967,240
Manufacturing overheads			
Salaries, wages and benefits	26.1	1,393,840	1,243,039
Depreciation and amortisation	4.1.1 & 5.1.2	674,778	592,825
Electricity, gas and water		776,638	646,898
Operational supplies and consumables		162,308	187,150
Repairs and maintenance		206,431	160,000
Security and janitorial		82,279	73,481
Vehicle, travel and conveyance		53,339	46,124
Internal material handling		67,140	49,484
Postage, telephone and stationery		44,332	40,452
Toll manufacturing		77,634	686
Insurance		16,115	18,149
Legal and professional charges		900	1,398
Sundries		31,642	34,501
Rent, rates and taxes		1,962	6,801
Environment controlling expense		1,317	1,190
		3,590,655	3,102,178
		24,869,416	21,069,418
Work-in-process			
Opening stock		1,429,708	996,717
Closing stock	8	(1,381,256)	(1,429,708)
		48,452	(432,991)
Cost of goods manufactured		24,917,868	20,636,427
Finished goods, by-products and scrap:			
Opening stock		2,383,627	3,696,402
Closing stock	8	(2,257,629)	(2,383,627)
		125,998	1,312,775
		25,043,866	21,949,202

26.1 These include Rs. 22.61 million (2025: Rs. 19.84 million) in respect of contribution to the Provident Fund, Rs. 19.13 million (2025: Rs. 41.21 million) in respect of the Gratuity Fund and Rs. 16.23 million (2025: Rs. 11.26 million) in respect of compensated absences.

27. SELLING AND DISTRIBUTION EXPENSES

	Note	2026	2025
		(Rupees in '000)	
Freight and forwarding		1,132,887	853,462
Salaries, wages and benefits	27.1	304,680	250,874
Advertising and sales promotion		161,011	105,642
Vehicle, travel and conveyance		72,106	58,674
Depreciation and amortisation	4.1.1 & 5.1.2	23,955	19,027
Postage, telephone and stationery		18,390	15,873
Electricity, gas and water		5,003	4,953
Certification and registration charges		8,824	7,644
Rent, rates and taxes		6,787	5,950
Repairs and maintenance		1,926	1,337
Insurance		1,465	1,269
Office supplies		152	18
Others		7,163	7,217
		1,744,349	1,331,940

27.1 These include Rs. 8.37 million (2025: Rs. 7.12 million) in respect of contribution to the Provident Fund, Rs. 5.71 million (2025: Rs. 8.42 million) in respect of the Gratuity Fund and Rs. 1.37 million (2025: Rs. 5.97 million) in respect of compensated absences.

28. ADMINISTRATIVE EXPENSES

	Note	2026	2025
		(Rupees in '000)	
Salaries, wages and benefits	28.1	335,996	309,081
Depreciation and amortisation	4.1.1 & 5.1.2	46,407	18,840
Vehicle, travel and conveyance		32,646	17,798
Legal and professional charges		32,404	32,959
Postage, telephone and stationery		15,502	14,472
Certification and registration charges		9,423	8,059
Entertainment		1,995	3,978
Repairs and maintenance		5,075	4,093
Electricity, gas and water		2,823	3,659
Insurance		2,001	1,589
Office supplies		1,537	1,445
Rent, rates and taxes		178	148
Others		21,797	15,660
		507,784	431,781

28.1 These include Rs. 10.07 million (2025: Rs. 9.39 million) in respect of contribution to the Provident Fund, Rs. 7.08 million (2025: Rs. 10.43 million) in respect of the Gratuity Fund and Rs. 5.47 million (2025: Rs. 9.47 million) in respect of compensated absences.

29. FINANCE COST

	Note	2026	2025
		(Rupees in '000)	
Conventional:			
- Mark-up on long-term financing		7,928	14,604
- Mark-up on short-term borrowings		507,772	213,319
		515,700	227,923
Islamic:			
- Share of profit on long-term financing		16,817	367,566
- Share of profit on short-term borrowings		3,797	4,398
		30,614	371,964
Exchange gain on borrowings		9,954	(6,721)
Interest on Workers' Profit Participation Fund	20.3	-	17
Unwinding of Gas Infrastructure Development Cess		-	1,811
Bank charges		27,017	14,254
		583,285	609,248

30. OTHER OPERATING CHARGES

	Note	2026	2025
Auditors' remuneration	30.1	7,550	10,844
Donations	30.2	16,010	11,000
Workers' Profit Participation Fund		62,319	43,124
Workers' Welfare Fund		37,093	9,925
Business development expense		-	498
		122,972	75,391

30.1 Auditors' remuneration

	2026	2025
Audit services		
Audit fee	4,550	4,000
Half yearly review	1,700	1,500
Certifications for free float, CDC, Code of Corporate Governance and IT Controls Review	600	4,598
Out of pocket expenses	700	746
	7,550	10,844

30.2 Donations

30.2.1 Donation to the following organizations exceed 10% of total amount of donations made or Rs.1 million, whichever is higher.

	Note	2026	2025
		(Rupees in '000)	
Amir Sultan Chinoy Foundation	30.2.2	13,500	6,000
SINA Health Education and Welfare Trust		-	3,750
Al Rehmat Benevolent Fund		1,000	-
		14,500	9,750

30.2.2 The director's of the Company are also on the Board of Trustees of Amir Sultan Chinoy Foundation.

31. OTHER INCOME

	Note	2026	2025
		(Rupees in '000)	
Income from financial assets			
(Loss) / income from foreign exchange		(31,163)	13,157
Unwinding of Government grant		8,365	9,477
Income on bank deposits - conventional		9,780	22,575
Income from non-financial assets			
Dividend income from subsidiary	31.1	1,102,750	735,167
Dividend income from associate	31.1	157,778	5,426
Gain on disposal of property, plant and equipment		20,492	64,528
Rental income from related parties	31.2	46,553	14,261
Loss on remeasurement of Gas Infrastructure Development Cess		-	(134)
		1,314,556	864,457

31.1 This represents dividend income from International Steels Limited and Chinoy Engineering & Construction Limited.

31.2 This includes Rs. 46.01 million (2025: Rs 14.26 million) rental income from International Steels Limited and minimum lease payments receivable in future years are as follows:

	2026	2025
	(Rupees in '000)	
Within one year	61,094	14,750
Between one to three years	76,373	32,901
	137,467	47,651

32. INCOME TAX EXPENSE

	Note	2026	2025
Current	32.1	(983,951)	(638,862)
Prior		-	76,687
Deferred		172,447	101,159
		(811,504)	(461,016)

32.1 This includes super tax of Rs. 301.39 million (June 30, 2025: Rs. 191.64 million).

32.2 **Relationship between income tax expense and accounting profit**

	2026	2025	2026	2025
	(Effective tax rate %)		(Rupees in '000)	
Profit before income tax			2,414,730	1,565,340
Tax at the enacted tax rate	(29.00%)	(29.00%)	(700,272)	(453,949)
Tax effect of:				
Super tax	(12.48%)	(12.24%)	(301,390)	(191,638)
Income taxed as separate block of income	7.21%	5.91%	174,093	92,465
Prior year tax	0.00%	4.90%	-	76,687
Others	0.67%	0.99%	16,065	15,419
Income tax expense - note 32	(33.60%)	(29.44%)	(811,504)	(461,016)

33. EARNINGS PER SHARE - BASIC AND DILUTED

	Note	2026	2025
		(Rupees in '000)	
Profit for the year attributable to ordinary shareholders		1,603,226	1,104,324
Weighted average number of ordinary shares outstanding during the year	14	131,881,880	131,881,880
Earnings per share - basic and diluted		(Rupees)	
		12.16	8.37

33.1 There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2026 and 2025.

34. CASH GENERATED FROM FROM OPERATIONS

	Note	2026	2025
		(Rupees in '000)	
Profit before income tax		2,414,730	1,565,340
Adjustments for non-cash charges and other items			
Depreciation of property, plant and equipment	4.1.1	744,661	629,720
Amortisation of intangible assets	5.1.2	479	972
Charge of loss allowance on trade debts	9.3	(28,993)	(2,122)
Provision for staff retirement benefits	12.2.8	32,437	60,064
Provision for compensated absences		23,103	26,700
Provision for stores and spares	7.1	(45,000)	2,294
Income on bank deposits	31	(9,780)	(22,575)
Gain on disposal of property, plant and equipment	31	(20,492)	(64,528)
Loss on remeasurement of Gas Infrastructure Development Cess	31	-	134
Unwinding of Gas Infrastructure Development Cess	29	-	1,811
Dividend income	31	(1,260,528)	(740,593)
Government grant income	31	(8,365)	(9,477)
Finance cost	29	583,285	607,437
		2,425,537	2,055,178
Changes in working capital	34.1	1,158,085	3,288,331
		3,583,622	5,343,509

34.1 CHANGES IN WORKING CAPITAL

	2026	2025
Decrease / (increase) in current assets:		
Stores and spares	(55,660)	6,929
Stock-in-trade	(529,714)	1,963,917
Trade debts	925,430	830,878
Advances, trade deposits and prepayments	(23,457)	(14,883)
Other receivables	(17,018)	(5,034)
Sales tax receivable	(114,409)	153,197
	185,172	2,935,004
Increase / (decrease) in current liabilities:		
Trade and other payables	752,762	490,693
Contract liabilities	220,151	(137,366)
	1,158,085	3,288,331

35. CASH AND CASH EQUIVALENTS

	Note	2026	2025
Cash and bank balances	13	1,219,227	802,581
Restricted cash on account of lien	13.2	(504,580)	(279,251)
Running finance under mark-up arrangement from banks	22	(1,173,272)	(770,453)
		(458,625)	(247,123)

36. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2026	2025	**2026**	2025	**2026**	2024
	(Rupees in '000)					
Managerial remuneration	**44,719**	39,927	**8,591**	-	**296,520**	280,082
Bonus	**14,906**	9,982	**2,864**	-	**98,840**	93,361
Variable performance pay	**10,370**	-	**-**	-	**56,832**	69,266
Retirement benefits	**3,611**	2,494	**716**	-	**22,502**	20,683
Rent, utilities allowance etc.	**22,359**	14,973	**4,295**	-	**148,260**	140,041
Ex Gratia	**-**	-	**-**	-	**-**	3,954
Directors' fees	**-**	-	8,300	11,300	**-**	-
	95,965	67,376	**24,766**	11,300	**622,954**	607,387
Number of persons	1	2*	10**	9	107	106

* During the previous year, Mr. Yousuf H. Mirza was appointed as the Chief Executive Officer of the Company to fill the casual vacancy created due to resignation of Mr. Sohail R. Bhojani.

** During the year, Mr. Sheikh Asim Rafiq was appointed as an Non-Executive Director to fill the casual vacancy created due to resignation of Mr. Shoaib Mir.

36.1 The Chief Executive, Directors and certain executives are provided with free use of Company maintained vehicles and Chief Executive is provided with security in accordance with the Company's policy.

36.2 Fees paid to 9 (June 30, 2025: 9) non-executive directors were Rs. 8.30 million (June 30, 2025: Rs. 11.30 million) on account of meetings attended by them.

37. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

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

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

37.1 Credit risk

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

37.1.1 Exposure to credit risk

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

	Note	2026	2025
		(Rupees in '000)	
Long-term deposits		7,450	7,450
Trade debts - net of provision	9	3,240,715	4,129,520
Trade deposits	10	9,390	8,662
Other receivables	11	60,422	43,404
Bank balances	13	1,215,263	798,117
		4,533,240	4,987,153

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

Long-term deposits

These represent long-term deposits with various parties for the purpose of securing supplies of raw materials and services. The Company does not foresee any credit exposure there against as the amounts are paid to counterparties as per agreements and are refundable on termination of the agreements with respective counterparties.

Trade deposits

These represent deposits placed with various suppliers as per the terms of securing availability of services. The management does not expect to incur credit loss there against.

Trade debts

The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The majority of the customers have been transacting with the Company for several years. The Company establishes an allowance for impairment that represents its estimate of incurred losses.

Analysis of gross amounts receivable from local and foreign trade debtors are as follows:

	2026	2025
	(Rupees in '000)	
Domestic	1,938,096	1,990,723
Export	1,490,607	2,363,410
	3,428,703	4,354,133

Impairment losses
The ageing of trade debtors as per above at the reporting date was as follows:

	2026		2025	
	Gross	Impairment	Gross	Impairment
	---------------------------- (Rupees in '000) ----------------------------			
0 - 60 days	1,691,494	1,260	2,396,549	2,027
61 - 180 days	443,114	3,761	704,491	9,125
181 - 365 days	687,342	12,804	852,895	25,122
More than 365 days	606,753	170,163	400,198	188,339
	3,428,703	187,988	4,354,133	224,613

Management believes that the unimpaired balances that are past dues are still collectible in full, based on historical payment behaviour and review of financial strength of respective customers. Further, certain trade debtors are secured by way of Export Letter of Credit and Inland Letter of Credit which can be called upon if the counter party is in default under the terms of the agreement.

Bank balances

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks within which balances are held or credit lines available:

Bank	Rating Agency	Rating	
		Short term	Long term
Habib Bank Limited	VIS	A-1+	AAA
United Bank Limited	VIS	A-1+	AAA
Faysal Bank Limited	PACRA	A-1+	AA+
Bank Al Habib Limited	PACRA	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
Standard Chartered Bank (Pakistan) Limited	VIS	A-1+	AAA
Meezan Bank Limited	VIS	A-1+	AAA
Bank Al Falah Limited	PACRA	A-1+	AAA
Allied Bank Limited	PACRA	A-1+	AAA
Askari Bank Limited	PACRA	A-1+	AAA
Samba Bank Limited	PACRA	A-1+	AA
Soneri Bank Limited	PACRA	A-1+	AA
Industrial & Commercial Bank of China	FITCH	A-1	A-1
Bank Islami Pakistan Limited	PACRA	A-1	AA-
Habib Metropolitan Bank Limited	PACRA	A-1+	AAA
The Bank of Punjab (BOP)	PACRA	A-1+	AAA
JS Bank Limited	PACRA	A-1+	AA

37.1.2 Concentration of credit risk

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

37.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash to meet expected working capital requirements by having credit lines available. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	2026					
		Contractual cashflows				
	Carrying amount	**Six months or less**	**Six to twelve months**	**Two to five years**	**More than five years**	**Total**
	-------	-------	-------	(Rupees in '000)	-------	-------
Non-derivative financial liabilities						
Long-term financing	**461,903**	**(56,600)**	**(57,521)**	**(340,166)**	**(62,486)**	**(516,773)**
Trade and other payables	**2,052,918**	**(2,052,918)**	**-**	**-**	**-**	**(2,052,918)**
Accrued mark-up	**89,505**	**(89,505)**	**-**	**-**	**-**	**(89,505)**
Short-term borrowings	**3,739,191**	**(3,739,191)**	**-**	**-**	**-**	**(3,739,191)**
Unclaimed dividend	**44,664**	**(44,664)**	**-**	**-**	**-**	**(44,664)**
	6,388,181	**(5,982,878)**	**(57,521)**	**(340,166)**	**(62,486)**	**(6,443,051)**

	2025					
		Contractual cashflows				
	Carrying amount	Six months or less	Six to twelve months	Two to five years	More than five years	Total
	-------	-------	-------	(Rupees in '000)	-------	-------
Non-derivative financial liabilities						
Long-term financing	588,709	(87,149)	(59,689)	(404,161)	(152,466)	(703,465)
Trade and payables	1,659,553	(1,659,553)	-	-	-	(1,659,553)
Accrued mark-up	39,106	(39,106)	-	-	-	(39,106)
Short-term borrowings	5,156,157	(5,156,157)	-	-	-	(5,156,157)
Unclaimed dividend	40,534	(40,534)	-	-	-	(40,534)
	7,484,059	(6,982,499)	(59,689)	(404,161)	(152,466)	(7,598,815)

37.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rate of mark-up have been disclosed in respective notes to these unconsolidated financial statements.

37.2.2 Long-term financing from various banks contains certain loan covenants. A breach of covenant, in future, may require the Company to repay the respective loans earlier than as directed in the above table.

37.3 Market risk

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

37.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to currency risk

The Company is exposed to currency risk on trade debts, borrowings, accrued mark-up and trade creditors that are denominated in a currency other than the respective functional currency of the Company. The Company's exposure to foreign currency risk is as follows:

	2026						2025					
	Rupees	US Dollars Dollars	Australian Dollars	Euro	Canadian Dollars	Others	Rupees	US Dollars Dollars	Australian Dollars	Euro	Canadian Dollars	Others
Financial assets	(In '000)											
Bank Balance	624,576	2,247	-	-	-	-	360,598	1,272	-	-	-	-
Trade debts	1,938,096	433	3,794	161	3,044	-	1,990,724	1,243	6,212	124	3,942	-
Financial liabilities												
Trade and other payables	(929,945)	(3,020)	-	244)	-	(864)	(608,712)	(1,008)	-	-	-	-
Net exposure	**1,632,727**	**(340)**	**3,794**	**(83)**	**3,044**	**(864)**	1,742,610	1,507	6,212	124	3,942	-

The following significant exchange rates were applicable during the year:

	Reporting date rate	
	2026	2025
	Buying/Selling	Buying/Selling
US Dollars (USD) to Pakistan Rupee	**277.88 / 278.31**	283.53 / 283.96
Australian Dollars (AUD) to Pakistan Rupee	**191.05 / 191.33**	185.45 / 185.75
Euro to Pakistan Rupee	**316.73 / 317.22**	332.62 / 333.12
Canadian Dollars (CAD) to Pakistan Rupee	**195.28 / 195.58**	207.45 / 207.77
Yuan to Pakistan Rupee	**40.93 / 40.98**	39.58 / 39.63
AED to Pakistan Rupee	**75.66 / 75.77**	77.31 / 77.32

Sensitivity analysis

A 10 percent strengthening / weakening of the Pak Rupee against the USD, AUD, Euro and CAD at June 30 would have decreased / increased the equity / profit after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for both the years.

	Effect on Unconsolidated Statement of Profit or Loss	
	2026	2025
	(Rupees in '000)	
As at 30 June		
Effect in USD	**(5,435)**	24,215
Effect in AUD	**41,117**	65,354
Effect in Euro	**(1,505)**	2,339
Effect in CAD	**33,722**	46,397
Effect in Others	**(2,163)**	-

37.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate exposure arises from short and long-term borrowings from banks.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instrument is:

	Note	Carrying amount	
		2026	2025
Fixed rate instruments			
Financial liabilities	**17 & 22**	**1,261,903**	1,288,709
Variable rate instruments			
Financial liabilities	**17 & 22**	**2,939,191**	4,456,157

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and the profit after tax by Rs. 16.67 million (June 30, 2025: Rs. 24.06 million) with the corresponding effect on the carrying amount of the liability. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for both the years.

Fair value sensitivity analysis for fixed rate instruments

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

37.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2026			
	Short-term borrowings and accrued markup (except running finance)	Long-term financing and accrued markup	Unclaimed dividend	Total
	(Rupees in '000)			
Balance as at July 1, 2025	**4,420,203**	**593,316**	**40,534**	**5,054,053**
Changes from financing cash flows				
Repayment of long-term loan	-	(135,171)	-	(135,171)
Proceeds from long-term loan	-	-	-	-
Short-term loans obtained	32,282,480	-	-	32,282,480
Short-term loans repaid	(34,102,264)	-	-	(34,102,264)
Dividend paid	-	-	(787,162)	(787,162)
Total changes from financing activities	(1,819,784)	(135,171)	(787,162)	(2,742,117)
Other changes				
Interest expense	521,569	24,745	-	546,314
Interest paid	(470,334)	(25,585)	-	(495,919)
Deferred government grant recognised	-	8,365	-	8,365
Total loan related other changes	51,235	7,525	-	58,760
Dividend issued	-	-	791,292	791,292
Balance as at June 30, 2026	**2,651,654**	**465,670**	**44,664**	**3,161,988**

	2025			
	Short-term borrowings and accrued markup (except running finance)	Long-term financing and accrued markup	Unclaimed dividend	Total
	(Rupees in '000)			
Balance as at July 1, 2024	4,700,703	4,052,087	41,275	8,794,065
Changes from financing cash flows				
Repayment of long-term loan	-	(3,312,230)	-	(3,312,230)
Proceeds from long-term loan	-	-	-	-
Short-term loans obtained	18,528,270	-	-	18,528,270
Short-term loans repaid	(18,738,806)	-	-	(18,738,806)
Dividend paid	-	-	(462,328)	(462,328)
Total changes from financing activities	(210,536)	(3,312,230)	(462,328)	(3,985,094)
Other changes				
Interest expense	217,717	382,170	-	599,887
Interest paid	(287,681)	(528,711)	-	(816,392)
Deferred government grant recognised	-	-	-	-
Total loan related other changes	(69,964)	(146,541)	-	(216,505)
Dividend issued	-	-	461,587	461,587
Balance as at June 30, 2025	4,420,203	593,316	40,534	5,054,053

37.5 Price risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has no exposure to price risk as its investments are measured at cost.

37.6 Fair value of financial assets and liabilities

The carrying values of financial assets and financial liabilities reported in the Unconsolidated Statement of Financial Position approximate their fair values.

37.7 Financial instruments by categories

	Note	2026	2025
		(Rupees in '000)	
Financial assets			
Held at amortised cost			
- Long-term deposits		7,450	7,450
- Trade debts	9	3,240,715	4,129,520
- Trade deposits	10	9,390	8,662
- Other receivables	11	60,422	43,404
- Cash and bank balances	13	22,396	4,478
		3,340,373	4,193,514
Financial liabilities			
Held at amortised cost			
- Long-term financing	17	461,903	588,709
- Trade and other payables	20	2,052,918	1,659,553
- Accrued mark-up		89,505	39,106
- Short-term borrowings	22	3,739,191	5,156,157
- Unclaimed dividend		44,664	40,534
		6,388,181	7,484,059

38. CAPITAL MANAGEMENT

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses. The Company intends to manage its capital structure by monitoring return on capital, as well as the level of dividends to ordinary shareholders.

39. MEASUREMENT OF FAIR VALUES

Management engages an independent external expert / valuer to carry out valuation of its non-financial assets (i.e. Land and Building) with sufficient regularity and obtains rate from financial institution to value derivative financial instruments. Involvement of external valuers is decided upon by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

When measuring the fair value of an asset or a liability , the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2026, all financial assets and financial liabilities are carried at amortised cost which is approximate to their fair value. The Company measures the Land and Buildings at fair value and all of the resulting fair value estimates in relation to Land and Buildings of the Company are included in Level 2.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the unconsolidated financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

The following table provides the valuation approach, inputs used and inter-relationship between significant unobservable inputs and fair value measurement of the Company's Land and Buildings measured at fair value:

Assets measured at fair value	Date of valuation	Valuation approach and inputs used	Inter-relationship between significant unobservable inputs and fair value measurement
Revalued property, plant and equipment - Land and buildings	June 30, 2026	The valuation model is based on price per square meter and current replacement cost method adjusted for depreciation factor for the existing assets in use. In determining the valuations for land and buildings, the valuer refers to current market conditions, structure, current replacement cost, sale prices of comparable land in similar location adjusted for differences in key attributes such as land size and inquires with numerous independent local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building is considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets.	The fair values are subject to change owing to changes in input. However, management does not expect material sensitivity to the fair values arising from the non-observable inputs.

Management assessed that the fair values of cash and cash equivalents, other receivable, trade deposits, trade debts, short-term borrowings, trade and other payables, accrued mark-up and unclaimed dividends approximate their carrying amounts largely due to short-term maturities of these instruments. For long-term deposit and long-term financing, management consider that their carrying values approximates fair value owing to credit standing of counterparties and interest payable on borrowings are market rates. Fair values of investment in quoted subsidiary and associate are disclosed in note 6 to these unconsolidated financial statements.

40. 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 transactions with related parties are entered into at commercial terms and 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 contribution 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 their terms of employment / entitlement.

		2026	2025
40.1	**Transactions with related parties**	(Rupees in '000)	
	Subsidiary companies		
	Sales	**1,467,580**	1,893,652
	Purchases	**3,766,525**	2,221,376
	Purchases of fixed assets	**-**	44,900
	Cost of shared resources	**515**	23,985
	Rental income	**46,013**	14,261
	Dividend received	**1,102,750**	735,167
	Reimbursement of expenses	**152,180**	174,950
	Associated companies		
	Sales	103,606	51,114
	Purchases	47,848	28,608
	Dividend paid	3,801	2,218
	Dividend income	157,778	5,426
	Registration and training	4,587	2,782
	Rental income	540	540
	Subscription	-	2,500
	Reimbursement of expenses	3,921	22,719
	Key management personnel		
	Remuneration	425,764	388,450
	Disposal of vehicle	-	4,690
	Non-executive directors		
	Directors' fee	8,300	11,300
	Staff retirement funds		
	Contributions paid	118,750	137,538

40.2 The following are the related parties with whom the Company had entered into transactions or had agreements and / or arrangements in place during the year.

Name of the Related Party	Relationship and percentage of shareholding
International Steels Limited	Subsidiary company - 56.33% (2025: 56.33%) shareholding
IIL Australia Pty. Limited	Wholly owned subsidiary company
IIL Americas Inc.	Wholly owned subsidiary company
INIL Europe Limited	Wholly owned subsidiary company
IIL Trading (Private) Limited.	Wholly owned subsidiary company
(formerly IIL Construction Solutions (Pvt) Limited)	
Pakistan Cables Limited	Associated company - 17.12% (2025: 17.12%) shareholding
Chinoy Engineering & Construction (Private) Limited	Associated company - 17% (2025: 17%) shareholding
CFS Minerals (Pvt.) Limited	Associated company - 33.33% (2025: NIL) shareholding
Employers' Federation of Pakistan	Associated company by virtue of common directorship

40.3 Outstanding balances with related parties have been separately disclosed in trade debts and trade and other payables. These are settled in ordinary course of business.

	Note	2026	2025
		(Rupees in '000)	

41. SHARIAH COMPLIANCE STATUS DISCLOSURE

	Note	2026	2025
Unconsolidated statement of financial position - Liability Side			
i) Short-term financing as per Islamic mode	22	1,315,919	1,555,372
ii) Long-term financing as per Islamic mode	17	261,417	306,834
iii) Mark-up accrued on conventional loan		49,364	28,365
iv) Mark-up accrued on Islamic loan		40,141	10,741
Unconsolidated statement of financial position - Asset Side			
i) Long-term and short-term Shariah compliant Investments (including asset held for sale)	6	3,458,380	3,448,380
ii) Shariah-compliant bank balances	13	74	14
iii) Shariah-compliant TDRs	13	18,333	-
Unconsolidated statement of profit and loss			
i) Revenue earned from Shariah-compliant business segment	25	29,073,437	25,096,323
ii) Break-up of late payments or liquidated damages		-	-
iii) Dividend income from Shariah - compliant investments	31	1,260,528	740,593
iv) Share of net income from shariah compliant associates		-	-
v) Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	31	382	-
vi) (Loss) / income from foreign exchange	31	(31,163)	13,157
vii) Exchange gains earned using conventional derivative financial instruments		-	-
viii) Profit paid on Islamic mode of financing		(203,819)	(405,382)
ix) Total Interest earned on any conventional loan or advance		-	-
Break-up of Other income excluding profits on bank deposits			
Shariah compliant income			
Unwinding of Government grant	31	8,366	9,477
Gain on disposal of property, plant and equipment	31	20,492	64,528
Rental income from related parties	31	46,553	14,261
Shariah non-compliant income			
Income on bank deposits - conventional	31	9,398	22,575
Loss on remeasurement of Gas Infrastructure Development Cess		-	(134)

41.1 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.

42. ANNUAL PRODUCTION CAPACITY

	2026	2025
	(Metric Tonnes)	
Name-plate production capacity at the year end was as follows*:		
Steel pipe	585,000	585,000
Galvanizing	90,000	90,000
Cold rolled steel strip	50,000	50,000
Polymer pipes and fittings	35,000	35,000
Stainless steel - pipe	4,800	4,800

** Annual production capacity of steel pipe, galvanizing, cold rolled steel strip, polymer pipes and fittings and stainless steel pipe as per sales mix is 335,000, 60,000, 20,000, 35,000 and 4,800 metric tonnes respectively.*

	2026	2025
The actual production for the year was:	(Metric Tonnes)	
Steel pipe	95,182	62,057
Galvanizing	33,148	26,722
Polymer pipes and fittings	7,379	9,314
Stainless steel - pipe	897	1,085

Actual production during the year was sufficient to meet the market demand.

The name-plate capacities of the plants are determined based on a certain product mix. The actual production mix was different.

43. SEGMENT REPORTING

Performance is measured based on respective segment results. Information regarding the Company's reportable segments specified in note 3.17 are presented below:

43.1 Segment revenue and results

	Steel segment	Polymer segment	Investments segment	Total
For the year ended June 30, 2026	(Rupees in '000)			
Revenue from contracts with customers				
Local	22,496,762	3,539,816	-	26,036,578
Exports	3,036,859	-	-	3,036,859
	25,533,621	3,539,816	-	29,073,437
Cost of sales	(22,087,306)	(2,956,560)	-	(25,043,866)
Gross profit	3,446,315	583,256	-	4,029,571
Selling and distribution expenses	(1,535,405)	(208,944)	-	(1,744,349)
Administrative expenses	(445,959)	(61,825)	-	(507,784)
Charge of loss allowance on trade debts	16,788	12,205	-	28,993
Operating profit	1,481,739	324,692	-	1,806,431
Finance cost	(512,268)	(71,017)	-	(583,285)
Other operating charges	(105,215)	(17,757)	-	(122,972)
	(617,483)	(88,774)	-	(706,257)
Other income	54,028	-	1,260,528	1,314,556
Profit before levies and income tax	918,284	235,918	1,260,528	2,414,730
Levies				-
Income tax expense				(811,504)
Profit after tax for the year				1,603,226

	Steel segment	Polymer segment	Investments segment	Total
For the year ended June 30, 2025	(Rupees in '000)			
Revenue from contracts with customers				
Local	16,460,431	5,564,745	-	22,025,176
Exports	3,071,147	-	-	3,071,147
	19,531,578	5,564,745	-	25,096,323
Cost of sales	(17,982,005)	(3,967,198)	-	(21,949,202)
Gross profit	1,549,574	1,597,547	-	3,147,121
Selling and distribution expenses	(1,147,610)	(184,330)	-	(1,331,940)
Administrative expenses	(335,025)	(96,756)	-	(431,781)
(Charge) / reversal of loss allowance on trade debts	(25,502)	27,624	-	2,122
Operating profit	41,437	1,344,085	-	1,385,522
Finance cost	(474,156)	(135,092)	-	(609,248)
Other operating charges	9,238	(84,629)	-	(75,391)
	(464,918)	(219,721)	-	(684,639)
Other income	123,864	-	740,593	864,457
Profit before levies and income tax	(299,617)	1,124,364	740,593	1,565,340
Levies				-
Income tax expense				(461,016)
Profit after tax for the year				1,104,324

43.2 Segment assets and liabilities

	Steel segment	Polymer segment	Investments segment	Total
	(Rupees in '000)			
As at June 30, 2026				
Segment assets	**20,614,318**	**3,320,416**	**3,409,930**	**27,344,664**
Segment liabilities	**5,319,690**	**538,134**	**-**	**5,857,824**
As at June 30, 2025				
Segment assets	21,419,589	3,095,020	3,448,380	27,962,989
Segment liabilities	6,407,632	475,681	-	6,883,313

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

	2026	2025
	(Rupees in '000)	
Total for reportable segments assets	**27,344,664**	27,962,989
Unallocated assets	**2,569,201**	1,956,053
Total assets as per Unconsolidated Statement of Financial Position	**29,913,865**	29,919,042
Total for reportable segments liabilities	**5,857,824**	6,883,313
Unallocated liabilities	**3,456,657**	3,377,008
Total liabilities as per Unconsolidated Statement of Financial Position	**9,314,481**	10,260,321

43.3 Segment revenues reported above are revenues generated from external customers. There were no inter-segment sales during the year.

43.4 Segment assets reported above comprise of property, plant and equipment, stock-in-trade and trade debts. Segment assets and liabilities are measured in the same way as in the unconsolidated financial statements. These assets are identified based on the operations of the segment and remaining assets and liabilities are presented as unallocated assets and liabilities.

43.5 Additions to non-current assets in relation to steel and polymer segments amounts to Rs. 252.82 million (June 30, 2025: Rs. 473.07 million) and Rs. 86.69 million (June 30, 2025: Rs. 16.95 million respectively.

43.6 Information about major customers

Revenue from major customers individually accounting for more than 10% of the segment revenue for polymer segment and steel segment was Rs. 553.29 million (June 30, 2025: Rs. 2,923 million) and Rs. NIL (June 30, 2025: Nil) respectively.

43.7 Geographical information

The Company's net revenue from external customers by geographical location is disclosed in note 25.1.

Management considers that revenue from its ordinary activities are shariah compliant.

As at June 30, 2026, all non-current assets of the Company are located in Pakistan with an exception of its investment in IIL Australia Pty. Limited which is domiciled in Victoria, Australia, IIL Americas Inc. which is domiciled in Mississauga, Canada and INIL Europe Limited which is domiciled in Dublin, Ireland.

	2026	2025
	(Rupees in '000)	

44. NUMBER OF EMPLOYEES

The detail of number of employees are as follows:

	2026	2025
Total employees of the Company at the year end	899	909
Average employees of the Company during the year	899	909

45. CORRESPONDING FIGURES

Comparative information has been reclassified and re-arranged in these financial statements, wherever necessary, to facilitate comparison and to confirm with presentation in the current period.

46. NON-ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company, in their meeting held on August 20, 2026 has proposed a final cash dividend of Rs. 5.00 (2025: Rs. 4.00) per share amounting to Rs. 659.41 million (2025: Rs. 527.53 million) for the year ended June 30, 2026. The approval of the members of the Company for the dividend shall be obtained at the Annual General Meeting to be held on October 7, 2026. The unconsolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed final cash dividend which will be accounted for in the year ending June 30, 2027.

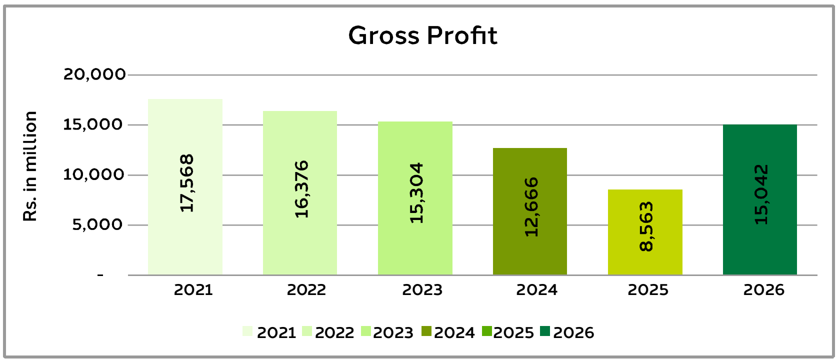
47. DATE OF AUTHORISATION FOR ISSUE

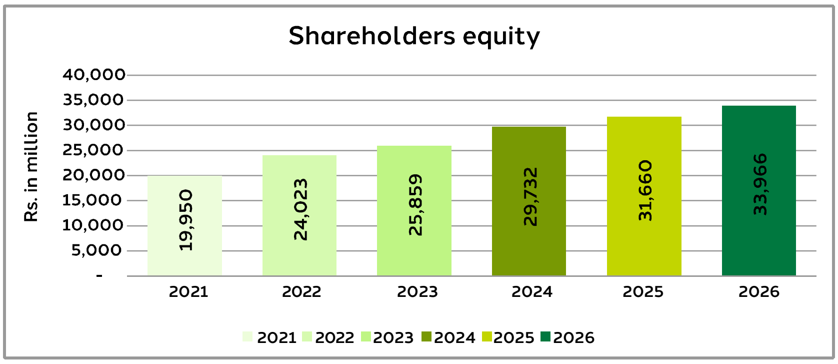
These unconsolidated financial statements were approved and authorised for issue on August 20, 2026 by the Board of Directors of the Company.

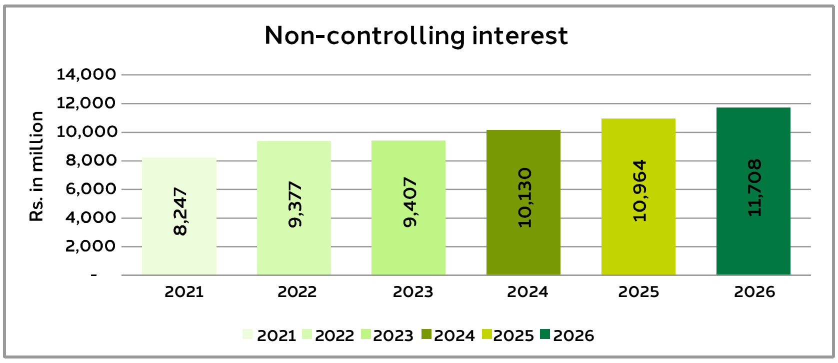
Haider Rashid Director & Chairman Board Audit Committee	**Mujtaba Hussain** Chief Financial Officer	**Yousuf H. Mirza** Chief Executive Officer

CONSOLIDATED FINANCIAL HIGHLIGHTS

	2026	2025	Change %
	(Rupees in million)		
Revenue from contracts with customer	120,255	85,813	40.1%
Gross Profit	15,042	8,563	75.7%
Property, Plant & Equipment	32,438	34,163	-5.0%
Shareholders equity	33,966	31,660	7.3%
Non - controlling interest	11,708	10,964	6.8%







ANALYSIS OF FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

	2026	2025	2024	2023	2022	2021
	---	---	Rs. in million	---	---	---
Property, plant and equipment	**32,438**	34,163	32,254	30,232	30,771	26,706
Investments (Non current & held for sale)	**2,632**	1,996	1,910	1,855	1,239	1,132
Other non current assets	**541**	412	430	339	213	14
Current assets	**48,417**	41,221	40,074	42,946	57,036	40,288
Total assets	**84,028**	**77,792**	**74,667**	**75,372**	**89,260**	**68,140**
Shareholders' equity	**33,966**	31,660	29,732	25,859	24,023	19,950
Non - controlling interest	**11,708**	10,964	10,130	9,407	9,377	8,247
Non current liabilities	**2,666**	3,747	6,321	7,742	6,649	8,614
Current portion of long term financing	**289**	325	960	986	2,498	2,351
Short term borrowings	**14,494**	9,705	8,646	11,042	29,997	16,978
Other Current liabilities	**20,905**	21,389	18,877	20,336	16,716	12,000
Total equity & liabilities	**84,028**	**77,792**	**74,667**	**75,372**	**89,260**	**68,140**
Vertical Analysis	---	---	Percentage	---	---	---
Property, plant and equipment	**38.6**	43.9	43.2	40.1	34.5	39.2
Investments (Non current & held for sale)	**3.1**	2.6	2.6	2.5	1.4	1.7
Other non current assets	**0.6**	0.5	0.6	0.4	0.2	0.0
Current assets	**57.6**	53.0	53.7	57.0	63.9	59.1
Total assets	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Shareholders' equity	**40.4**	40.7	39.8	34.3	26.9	29.3
Non - controlling interest	**13.9**	14.1	13.6	12.5	10.5	12.1
Non current liabilities	**3.2**	4.8	8.5	10.3	7.4	12.6
Current portion of long term financing	**0.3**	0.4	1.3	1.3	2.8	3.5
Short term borrowings	**17.2**	12.5	11.6	14.6	33.6	24.9
Other Current liabilities	**24.9**	27.5	25.3	27.0	18.7	17.6
Total equity & liabilities	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Horizontal Analysis	---	---	Percentage	---	---	---
Property, plant and equipment	**-5.0**	5.9	6.7	-1.8	15.2	-3.7
Investments (Non current & held for sale)	**31.9**	4.5	2.9	49.8	9.4	3.4
Other non current assets	**31.3**	-4.1	27.0	58.7	1419.4	-32.2
Current assets	**17.5**	2.9	-6.7	-24.7	41.6	14.7
Total assets	**8.0**	**4.2**	**(0.9)**	**(15.6)**	**31.0**	**6.5**
Shareholders' equity	**7.3**	6.5	15.0	7.6	20.4	39.1
Non - controlling interest	**6.8**	8.2	7.7	0.3	13.7	50.9
Non current liabilities	**(28.9)**	(40.7)	(18.4)	16.4	(22.8)	1.1
Current portion of long term financing	**(11.3)**	(66.1)	(2.7)	(60.5)	6.3	23.8
Short term borrowings	**49.3**	12.2	(21.7)	(63.2)	76.7	(18.8)
Other Current liabilities	**(2.3)**	13.3	(7.2)	21.7	39.3	(6.5)
Total equity & liabilities	**8.0**	**4.2**	**(0.9)**	**(15.6)**	**31.0**	**6.5**

ANALYSIS OF FINANCIAL STATEMENTS

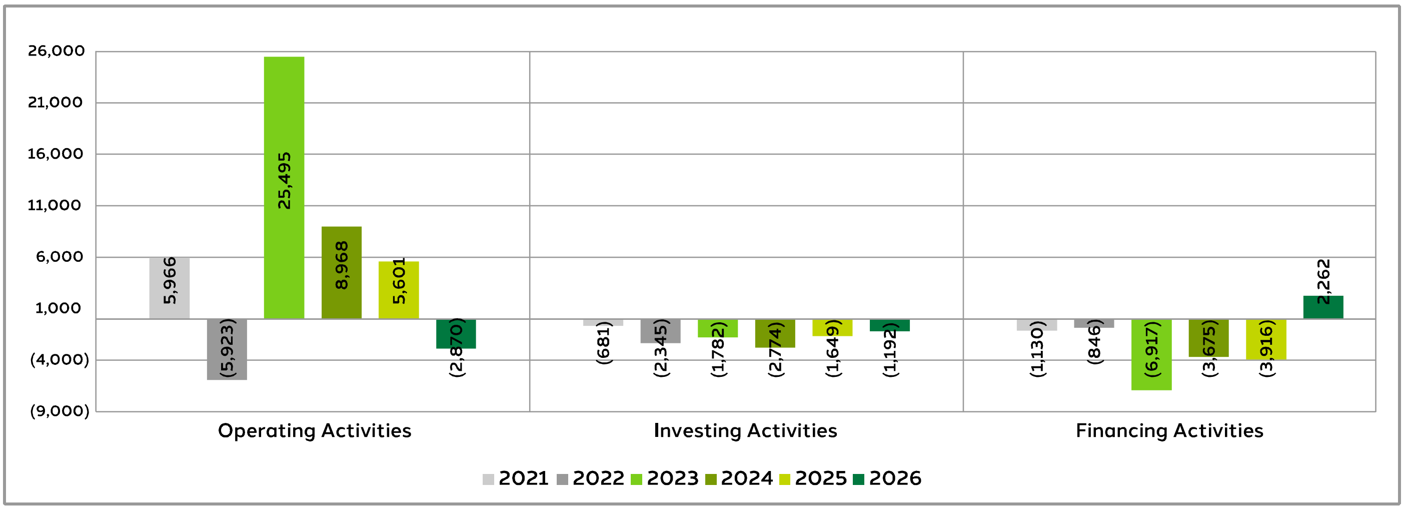
Consolidated Statement of Profit & Loss

	2026	2025	2024	2023	2022	2021
	Rs. in million					
Revenue from contracts with customers	120,255	85,813	99,156	100,737	121,740	98,746
Cost of sales	(105,213)	(77,250)	(86,490)	(85,433)	(105,364)	(81,178)
Gross profit	**15,042**	**8,563**	**12,666**	**15,304**	**16,376**	**17,568**
Administrative, Selling and Distribution expenses	(6,197)	(4,189)	(4,679)	(3,500)	(5,226)	(3,273)
Other operating expenses	(1,147)	(295)	(475)	(530)	(817)	(1,466)
Share of profit in equity accounted investee	872	37	78	107	166	34
Other income / (losses) - net	341	255	69	(122)	575	493
Operating profit before financing cost	**8,910**	**4,370**	**7,659**	**11,258**	**11,074**	**13,355**
Finance cost	(1,804)	(1,426)	(2,334)	(4,024)	(2,504)	(1,567)
Profit /(loss) before Taxation	**7,106**	**2,944**	**5,325**	**7,234**	**8,569**	**11,788**
Taxation	(2,610)	(1,366)	(1,498)	(2,625)	(3,835)	(3,071)
Profit/(loss) after Taxation	**4,496**	**1,579**	**3,827**	**4,609**	**4,734**	**8,717**
Vertical Analysis	Percentage					
Revenue from contracts with customers	100.0	100.0	100.0	100.0	100.0	100.0
Cost of sales	(87.5)	(90.0)	(87.2)	(84.8)	(86.5)	(82.2)
Gross profit	**12.5**	**10.0**	**12.8**	**15.2**	**13.5**	**17.8**
Administrative, Selling and Distribution expenses	(5.2)	(4.9)	(4.7)	(3.5)	(4.3)	(3.3)
Other operating expenses	(1.0)	(0.3)	(0.5)	(0.5)	(0.7)	(1.5)
Share of profit in equity accounted investee	0.7	0.0	0.1	0.1	0.1	0.0
Other income / (losses) - net	0.3	0.3	0.1	(0.1)	0.5	0.5
Operating profit before financing cost	**7.4**	**5.1**	**7.7**	**11.2**	**9.1**	**13.5**
Finance cost	(1.5)	(1.7)	(2.4)	(4.0)	(2.1)	(1.6)
Profit /(loss) before Taxation	**5.9**	**3.4**	**5.4**	**7.2**	**7.0**	**11.9**
Taxation	(2.2)	(1.6)	(1.5)	(2.6)	(3.2)	(3.1)
Profit/(loss) after Taxation	**3.7**	**1.8**	**3.9**	**4.6**	**3.9**	**8.8**
Horizontal Analysis	Percentage					
Revenue from contracts with customers	40.1	(13.5)	(1.6)	(17.3)	23.3	50.4
Cost of sales	36.2	(10.7)	1.2	(18.9)	29.8	35.8
Gross profit	**75.7**	**(32.4)**	**(17.2)**	**(6.5)**	**(6.8)**	**198.6**
Administrative, Selling and Distribution expenses	47.9	(10.5)	33.7	(33.0)	59.7	43.5
Other operating expenses	288.4	(37.8)	(10.4)	(35.1)	(44.3)	300.8
Share of profit in equity accounted investee	2,236.7	(52.4)	(26.7)	35.5	(385.9)	(624.2)
Other income / (losses) - net	33.9	271.3	(156.3)	(121.2)	16.6	136.4
Operating profit before financing cost	**103.9**	**(42.9)**	**(32.0)**	**1.7**	**(17.1)**	**288.4**
Finance cost	26.5	(38.9)	(42.0)	60.7	59.8	(55.8)
Profit /(loss) before Taxation	**141.3**	**(44.7)**	**(26.4)**	**(15.6)**	**(27.3)**	**10,924.7**
Taxation	91.1	(8.8)	(42.9)	(31.5)	24.9	1,352.1
Profit/(loss) after Taxation	**184.8**	**(58.8)**	**(17.0)**	**(2.7)**	**(45.7)**	**2,821.0**

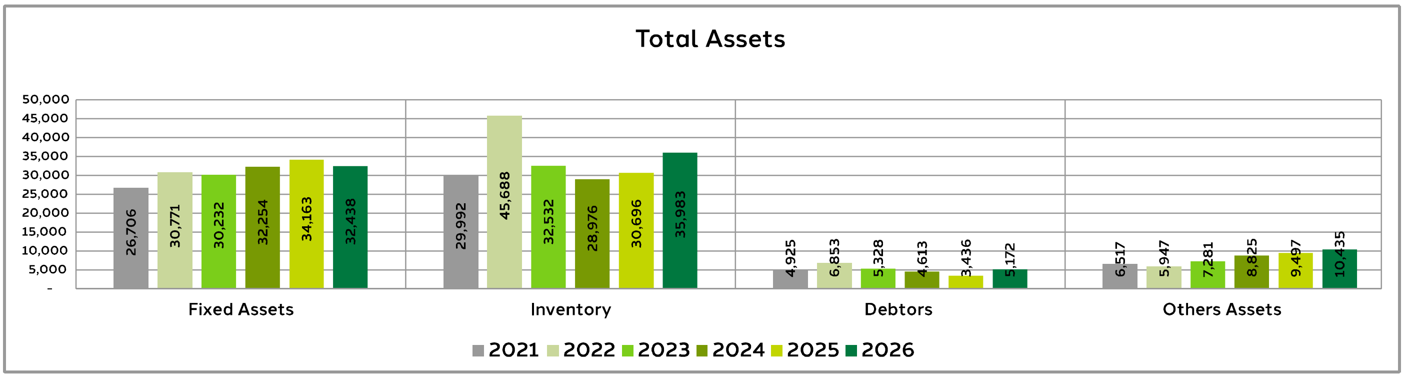
ANALYSIS OF FINANCIAL STATEMENTS

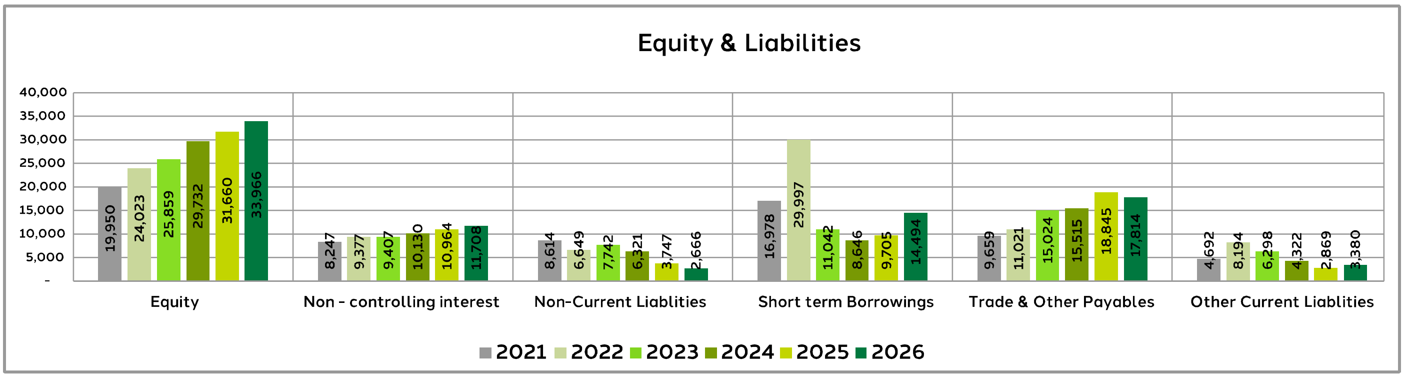
Consolidated Statement of Cash Flows

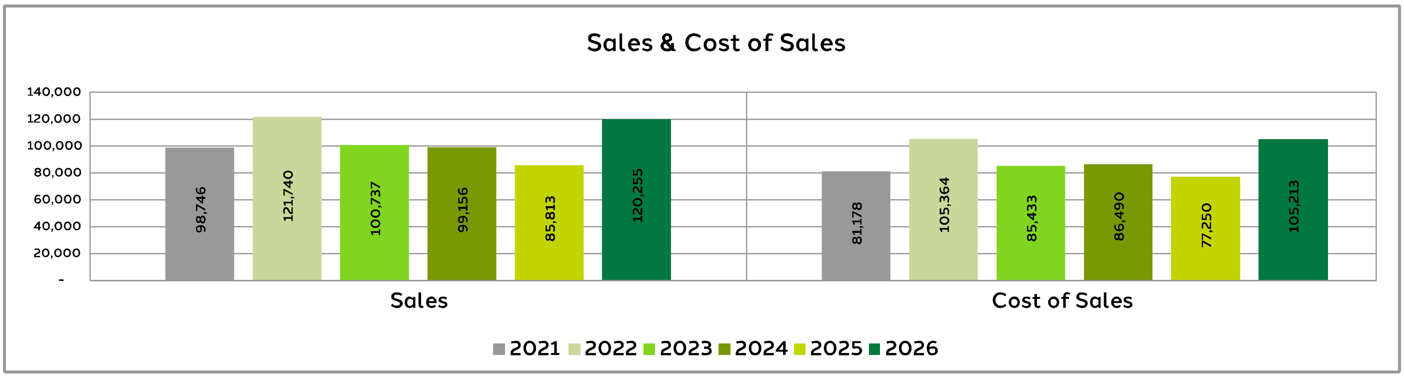
	2026	2025	2024	2023	2022	2021
	Rs. in million					
Net cash generated from/(used in) operating activities	(2,870)	5,601	8,968	25,495	(5,923)	5,966
Net cash inflows/(outflows) from investing activities	(1,192)	(1,649)	(2,774)	(1,782)	(2,345)	(681)
Net cash (outflows)/inflows from financing activities	2,262	(3,916)	(3,675)	(6,917)	(846)	(1,130)
Net increase/(decrease) in cash and cash equivalents	**(1,800)**	**36**	**2,518**	**16,795**	**(9,113)**	**4,155**
Vertical Analysis	Percentage					
Net cash generated from/(used in) operating activities	159.4	15,598.5	356.1	151.8	(65.0)	143.6
Net cash inflows/(outflows) from investing activities	66.2	(4,591.7)	(110.2)	(10.6)	(25.7)	(16.4)
Net cash (outflows)/inflows from financing activities	(125.7)	(10,906.8)	(145.9)	(41.2)	(9.3)	(27.2)
Net increase/(decrease) in cash and cash equivalents	**100**	**100**	**100**	**100**	**(100)**	**100**
Horizontal Analysis	Percentage					
Net cash generated from/(used in) operating activities	(151.2)	(37.5)	64.8	530.5	(199.3)	156.0
Net cash inflows/(outflows) from investing activities	27.7	40.6	(55.7)	24.0	(244.4)	71.1
Net cash (outflows)/inflows from financing activities	157.8	(6.6)	46.9	(717.9)	25.2	67.5
Net increase/(decrease) in cash and cash equivalents	**(5,112.6)**	**(98.6)**	**(85.0)**	**284.3**	**(319.3)**	**218.5**



GRAPHICAL PRESENTATION OF CONSOLIDATED STATEMENT OF
Financial Position and Profit & Loss Account







CONSOLIDATED KEY OPERATING HIGHLIGHTS

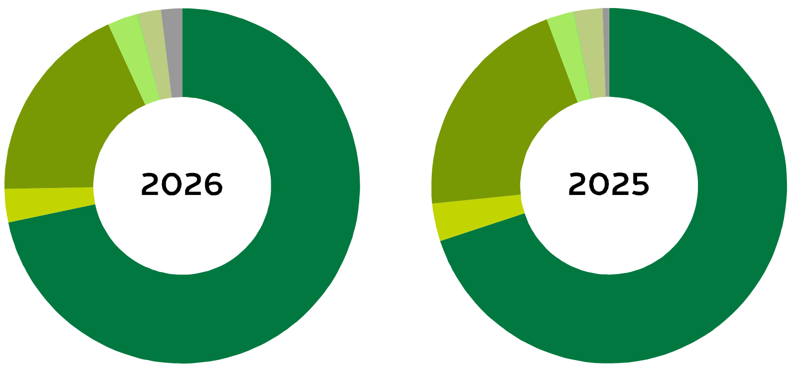
		2026	2025	2024	2023	2022	2021
KEY INDICATORS							
Profitability Ratios							
Gross profit ratio	%	12.5	10.0	12.8	15.2	13.5	17.8
Net profit to Sales	%	3.7	1.8	3.9	4.6	3.9	8.8
EBITDA Margin to Sales	%	9.9	8.1	10.2	13.4	10.8	15.6
Cost to Income Ratio	Times	1.78	3.14	1.74	0.94	1.09	0.68
Operating Margin	%	7.35	5.10	8.06	11.72	9.16	14.48
Operating Leverage	%	1.8	2.3	16.0	(0.2)	(0.6)	3.7
Return on Equity with Surplus on revaluation of fixed assets	%	9.8	3.7	9.6	13.1	14.2	30.9
Return on Equity without Surplus on revaluation of fixed assets	%	12.6	4.9	12.4	16.3	17.9	36.4
Return on Capital Employed	%	19.1	10.0	17.4	28.0	29.5	39.3
Return on Total Assets	%	5.4	2.0	5.1	6.1	5.3	12.8
Shareholders' funds ratio	%	54.4	54.8	53.4	46.8	37.4	41.4
Liquidity Ratios							
Current ratio Times	Times	1.38	1.31	1.41	1.33	1.16	1.29
Quick / Acid test ratio	Times	0.33	0.30	0.35	0.28	0.21	0.30
Operating Cash Flow Ratio	Times	(0.08)	0.18	0.31	0.79	(0.12)	0.19
Cash to Current Liabilities	Times	0.03	0.09	0.10	(0.05)	(0.38)	(0.30)
Cash flow from Operations to Sales	Times	(0.02)	0.07	0.09	0.25	(0.05)	0.06
Activity / Turnover Ratios							
Invetory turnover ratio	Times	3.2	2.6	2.8	2.2	2.8	3.0
Inventory turnover in days	days	116	141	130	167	131	121
Debtor turnover ratio	Times	33.7	25.7	23.6	19.4	24.0	25.8
Debtor turnover in days	days	11	14	15	19	15	14
Creditor turnover ratio	Times	14.4	8.6	12.3	15.8	40.4	17.8
Creditor turnover in days	days	25	42	30	23	9	21
Total assets turnover ratio	Times	1.4	1.1	1.3	1.3	1.4	1.4
Fixed assets turnover ratio	Times	3.7	2.5	3.1	3.3	4.0	3.7
Operating cycle in days	days	101	113	116	163	137	115
Capital employed turnover ratio	Times	2.6	2.0	2.3	2.5	3.2	2.9
Investment / Market Ratios							
Earnings per share - basic and diluted	Rs.	21.92	6.82	16.44	23.36	18.38	41.38
Price earning ratio	Times	7.70	25.97	11.90	3.14	5.64	5.10
Dividend Yield ratio	%	4.1	2.3	2.8	10.2	7.7	4.7
Dividend Payout ratio	%	31.9	58.7	33.4	32.1	43.5	24.2
Dividend per share - Cash	Rs.	7.00	4.00	5.50	7.50	8.00	10.00
Sustainable Growth Rate	%	6.7	1.5	6.4	8.9	8.0	23.4
Free-Float of Shares	%	45.0	45.0	45.0	45.0	45.0	45.0
Turnover of Shares	Rs. M	52.6	123.1	137.4	40.7	93.0	327.2
Bonus shares	%	-	-	-	-	-	-
Dividend Cover	Times	3.13	1.70	2.99	3.11	2.30	4.14
Market value per share at the end of the year	Rs.	168.87	177.01	195.71	73.24	103.73	211.02
Market value per share high during the year	Rs.	249.00	222.00	203.00	119.75	219.60	242.50
Market value per share low during the year	Rs.	127.30	119.99	77.00	62.40	90.50	94.51
Price to book ratio	(x)	0.27	0.30	0.35	0.13	0.15	0.41
Break-up value per share with revaluation of fixed assets	Rs.	256.83	239.51	224.84	195.45	181.95	151.23
Break-up value per share without revaluation of fixed assets	Rs.	181.09	161.21	156.13	141.85	128.98	118.86

CONSOLIDATED KEY OPERATING HIGHLIGHTS

		2026	2025	2024	2023	2022	2021
Capital Structure Ratios							
Financial leverage ratio	(x)	0.8	0.8	0.9	1.1	1.7	1.4
Weight avg cost of debts	%	13.5%	11.5%	15.2%	15.0%	8.1%	5.7%
Net assets per share	Rs	346	323	302	267	253	214
Total Debt : Equity ratio	(x)	26 : 74	21 : 79	26 : 74	33 : 67	52 : 48	47 : 53
Interest cover	Times	4.9	3.1	3.4	2.9	4.5	9.1
Value Addition							
Employees as remuneration	Rs. M	4,167	3,399	3,311	2,877	2,862	2,605
Government as taxes	Rs. M	25,376	20,647	19,768	22,245	26,067	21,205
Shareholders as dividends	Rs. M	923	528	725	989	1,055	1,319
Retained within the business	Rs. M	3,573	1,051	3,102	3,620	3,679	7,399
Financial charges to providers of finance	Rs. M	1,804	1,426	2,334	4,024	2,504	1,567
Employee Productivity and others							
Production per employee	Tons	344	212	222	239	498	601
Revenue per employee	Rs M	75	54	61	62	73	60
Spares inventory as % of assets cost	%	1.5%	1.4%	1.5%	1.7%	1.3%	1.3%
Maintenance cost as % of operating expenses	%	3.2%	3.1%	2.4%	2.8%	2.4%	2.9%

Statement of Value Addition

	2026		2025	
	Rupees in '000	%	Rupees in '000	%
Wealth Generated				
Sales including sales tax	137,162,439	99.8%	98,557,591	99.7%
Other operating income	341,014	0.2%	254,653	0.3%
	137,503,453	100%	98,812,244	100%
Wealth Distributed				
Cost of material & services	98,586,941	71.7%	69,129,308	70.0%
To Employees				
Salaries & other related cost	4,166,970	3.0%	3,399,181	3.4%
To Government				
Taxes & Duties	24,874,956	18.1%	20,405,127	20.7%
Worker Profit Participation Fund	338,848	0.2%	175,101	0.2%
Worker Welfare Fund	162,222	0.1%	66,798	0.1%
	25,376,026	18.5%	20,647,026	20.9%
To Providers of Capital				
Dividend to shareholders	1,872,896	1.4%	1,002,389	1.0%
Finance cost	1,804,311	1.3%	1,425,964	1.4%
	3,677,207	2.7%	2,428,353	2.5%
To Society				
Donation	73,168	0.05%	33,600	0.03%
Retained in Business				
For replacement of fixed assets				
Depreciation & Amortization	2,999,714	2.2%	2,598,547	2.6%
To provide for growth: Retained Profit	2,623,427	1.9%	576,229	0.6%
	5,623,141	4.1%	3,174,776	3.2%
	137,503,453	100%	98,812,244	100%



	2026	2025
	% of tonnage	
Cost of material & services	71.7%	70.0%
To Employees	3.0%	3.4%
To Government	18.5%	20.9%
To Providers of Capital	2.7%	2.5%
To Society	0.1%	0.0%
Depreciation & Amortization	2.2%	2.6%
Retained Profit	1.9%	0.6%

INDEPENDENT AUDITOR'S REPORT

To the members of International Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matter

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

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Following is the Key audit matter:

S.No.	Key audit matter	How the matter was addressed in our audit
(i)	**Revenue from contracts with customers** ***(Refer note 3.12 and note 26 to the consolidated financial statements)*** The Group recognises revenue from the domestic and export customers when the performance obligation is satisfied by transferring control of a promised goods to the customer. During the year, net sales to domestic customers have increased by 33.09% and net sales to export customers have increased by 78.50%. As part of our overall response to the audit risks when identifying and assessing the risk in revenue recognition, we considered that there is an inherent risk that revenue may be overstated as it is a key performance measure, which could create an incentive or pressure. Further, we have focused our audit activities over the revenue recognised near to the year end as there was a high risk that the revenue is recorded before the control of goods is transferred to the customer and in an incorrect accounting period. Based on the above and considering that the revenue recognition is a high-risk area, we considered this as a key audit matter.	**Our audit procedures amongst others included the following:** - obtained an understanding of the Company's process with respect to revenue recognition; - assessed the design, implementation and operating effectiveness of key internal controls involved in revenue recognition; - understood and evaluated the accounting policy with respect to revenue recognition; - performed testing of revenue on a sample basis with underlying documentation including dispatch documents and sales invoices; - performed cut-off procedures on sample basis to ensure sales has been recorded in the correct period; - verified that sales prices are approved by appropriate authority; - recalculated the commission as per Company's policy and verified related distribution expenses; and - ensured that presentation and disclosures related to revenue are being addressed appropriately.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Farrukh Rehman.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 15, 2026

UDIN: AR202610059UtnJ0hp2r

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	32,437,640	34,162,756
Right-of-use assets	5	233,197	72,623
Intangible assets	6	292,533	330,152
Investments in equity accounted investee	7	1,932,105	1,995,587
Long-term deposits		15,629	9,689
		34,911,104	36,570,807
CURRENT ASSETS			
Stores and spares	8	1,225,584	1,073,834
Stock-in-trade	9	35,982,668	30,695,862
Trade debts	10	5,172,387	3,436,163
Advances, trade deposits and prepayments	11	337,025	150,584
Other receivables	12	21,799	47,945
Staff retirement benefits	13	250,622	183,846
Sales tax receivable		613,704	640,953
Taxation - net	14	846,084	-
Cash and bank balances	15	3,966,949	4,991,638
		48,416,822	41,220,825
Investment classified as held for sale - associate	7	700,000	-
TOTAL ASSETS		84,027,926	77,791,632
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital	16	1,318,819	1,318,819
Revenue reserves			
General reserves	17	3,278,085	3,278,085
Un-appropriated profit		19,286,028	16,663,914
Capital reserves			
Exchange translation reserve		95,563	72,856
Revaluation surplus on property, plant and equipment	18	9,987,762	10,326,733
TOTAL SHAREHOLDERS' EQUITY		33,966,257	31,660,407
Non - controlling interest		11,707,805	10,964,355
TOTAL EQUITY		45,674,062	42,624,762
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing - secured	19	872,319	1,136,634
Deferred income - government grant	20	60,610	94,917
Deferred taxation - net	21	1,582,423	2,451,815
Lease liabilities	5	150,669	63,770
		2,666,021	3,747,136
CURRENT LIABILITIES			
Trade and other payables	22	17,814,173	18,845,208
Contract liabilities	23	2,687,820	2,347,506
Short-term borrowings - secured	24	14,493,809	9,705,275
Unclaimed dividend		44,861	42,994
Unpaid dividend attributable to non-controlling interest (NCI)		713	477
Current portion of long-term financing - secured	19	288,661	325,299
Current portion of lease liabilities	5	103,911	18,171
Taxation - net	25	-	2,103
Accrued mark-up		253,895	132,701
		35,687,843	31,419,734
TOTAL LIABILITIES		38,353,864	35,166,870
CONTINGENCIES AND COMMITMENTS	25		
TOTAL EQUITY AND LIABILITIES		84,027,926	77,791,632

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

Haider Rashid
Director & Chairman
Board Audit Committee

Mujtaba Hussain
Chief Financial
Officer

Yousuf H. Mirza
Chief Executive
Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
Revenue from contracts with customers	26	120,254,749	85,813,041
Cost of sales	27	(105,212,672)	(77,249,781)
Gross profit		15,042,077	8,563,260
Selling and distribution expenses	28	(5,065,608)	(3,204,786)
Administrative expenses	29	(1,162,760)	(944,042)
(Reversal) / charge of loss allowance on trade debts	10.3	30,913	(40,616)
Operating profit		8,844,622	4,373,816
Finance cost	30	(1,804,311)	(1,425,964)
Other operating charges	31	(1,147,092)	(422,152)
Other income - net	32	341,014	381,481
Share of profit from equity accounted investee	7.1.2	871,619	37,301
Profit before levies and income tax		7,105,852	2,944,481
Levies	33	(10,104)	(6,503)
Profit before income tax		7,095,748	2,937,979
Income tax expense	34	(2,599,425)	(1,359,361)
Profit for the year		4,496,323	1,578,618
Profit attributable to:			
- Owners of the Holding Company		2,891,329	898,978
- Non-controlling interest (NCI)		1,604,994	679,640
		4,496,323	1,578,618
		(Rupees)	
Earnings per share - basic and diluted	35	21.92	6.82

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

Haider Rashid
Director & Chairman
Board Audit Committee

Mujtaba Hussain
Chief Financial
Officer

Yousuf H. Mirza
Chief Executive
Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
Profit for the year		4,496,323	1,578,618
Other comprehensive income			
Items that will not be subsequently reclassified to Consolidated Statement of Profit or Loss			
Remeasurements of staff retirement benefits		83,253	210,411
Adjustment related to opening deferred tax balance		1,645	-
Related deferred tax for the year		(10,832)	(82,060)
Net remeasurement gain on staff retirement benefits		74,066	128,351
Revaluation of freehold land	18	-	777,367
Revaluation of leasehold land	18	-	(167,200)
Net surplus on land		-	610,167
Revaluation of buildings on freehold land		-	1,558,812
Revaluation of buildings on leasehold land		-	914,504
Related deferred tax for the year		-	(964,593)
Adjustment related to opening deferred tax on balance on building		39,102	-
Net surplus on buildings		39,102	1,508,723
Proportionate share of loss on revaluation of land and buildings of equity accounted investee		72,391	(51,587)
Related deferred tax for the year		(16,650)	12,897
Adjustment related to opening deferred tax balance on buildings		9,342	-
		65,083	(38,690)
		178,251	2,208,551
Items that will be subsequently reclassified to Consolidated Statement of Profit or Loss			
Foreign operations - foreign currency translation difference		22,707	(7,801)
Proportionate share of other comprehensive income of equity accounted investee		(1,939)	14,301
		20,768	6,500
Other comprehensive income for the year		199,019	2,215,051
Total comprehensive income for the year		4,695,342	3,793,669
Total comprehensive income attributable to:			
- Owners of the Holding Company		3,097,142	2,389,650
- Non-controlling interest (NCI)		1,598,200	1,404,019
		4,695,342	3,793,669

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

Haider Rashid	**Mujtaba Hussain**	**Yousuf H. Mirza**
Director & Chairman Board Audit Committee	Chief Financial Officer	Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	Attributable to owners of the Holding Company								Non-controlling interest	Total equity
	Issued, subscribed and paid - up capital	Capital reserve		Total capital reserves	Revenue reserves		Total revenue reserves	Total		
		Revaluation surplus on property, plant and equipment	Exchange translation reserve		General reserve	Un-appropriated profit				
	(Rupees in '000)									
Balance as at July 1, 2024	1,318,819	9,061,218	80,657	9,141,875	3,222,432	16,049,218	19,271,650	29,732,344	10,130,169	39,862,513
- Profit for the year	-	-	-	-	-	898,978	898,978	898,978	679,640	1,578,618
- Other comprehensive income / (loss) for the year	-	1,378,046	(7,801)	1,370,245	-	120,427	120,427	1,490,672	724,379	2,215,051
Total comprehensive income for the year	-	1,378,046	(7,801)	1,370,245	-	1,019,405	1,019,405	2,389,650	1,404,019	3,793,669
Proportionate share transferred to general reserves related to equity accounted investee	-	-	-	-	55,653	(55,653)	-	-	-	-
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	(111,510)	-	(111,510)	-	111,510	111,510	-	-	-
Proportionate share of surplus on revaluation property, plant and equipment - PCL	-	(1,021)	-	(1,021)	-	1,021	1,021	-	-	-
Transactions with owners recorded directly in equity:										
Distributions to owners of the Holding Company - Final dividend @ 35% (i.e. 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 June 30, 2025	1,318,819	10,326,733	72,856	10,399,589	3,278,085	16,663,914	19,941,999	31,660,407	10,964,355	42,624,762
- Profit for the year	-	-	-	-	-	2,891,329	2,891,329	2,891,329	1,604,994	4,496,323
- Other comprehensive income / (loss) for the year	-	104,185	22,707	126,892	-	78,921	78,921	205,813	(6,794)	199,019
Total comprehensive income for the year	-	104,185	22,707	126,892	-	2,970,250	2,970,250	3,097,142	1,598,200	4,695,342
Balance carried forward	1,318,819	10,430,918	95,563	10,526,481	3,278,085	19,634,164	22,912,249	34,757,549	12,562,555	47,320,104
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	(206,486)	-	(206,486)	-	206,486	206,486	-	-	-
Proportionate share of surplus on revaluation property, plant and equipment - PCL	-	(932)	-	(932)	-	932	932	-	-	-
Transferred to unappropriated profit on disposal of revalued land - PCL	-	(235,738)	-	(235,738)	-	235,738	235,738	-	-	-
Transactions with owners recorded directly in equity										
Distributions to owners of the 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)
- 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 June 30, 2026	1,318,819	9,987,762	95,563	10,083,325	3,278,085	19,286,028	22,564,113	33,966,257	11,707,805	45,674,062

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

Haider Rashid Director & Chairman Board Audit Committee	**Mujtaba Hussain** Chief Financial Officer	**Yousuf H. Mirza** Chief Executive Officer

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

	Note	2026	2025
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	36	3,081,187	9,477,480
Finance cost paid		(1,702,844)	(1,638,796)
Income on bank deposits received		115,863	329,910
Staff retirement benefits paid	13.2.7	(51,000)	(88,994)
Payment on account of compensated absences		(34,413)	(50,247)
Income tax paid - net		(4,272,551)	(2,425,360)
Long-term deposits paid		(5,940)	(3,212)
Net cash (used in) / generated from operating activities		(2,869,697)	5,600,781
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment		(1,378,900)	(1,409,741)
Payment for acquisition of intangible assets		(324)	(129,361)
Investment in associate		(10,000)	(96,900)
Dividend from equity accounted investee		315,554	10,852
Investment in Pakistan Investment Bonds		-	(13,440,886)
Proceeds from disposal of Pakistan Investment Bonds		-	13,493,559
Investment in term-deposit receipts (TDRs)		(275,329)	(300,000)
Proceeds from disposal of property, plant and equipment		156,609	223,793
Net cash used in investing activities		(1,192,390)	(1,648,684)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(334,455)	(3,657,078)
Short-term borrowings obtained		160,326,815	18,528,270
Short-term borrowings repaid		(156,029,642)	(17,719,979)
Lease liabilities		(58,395)	(30,671)
Dividends paid to non-controlling interest		(852,647)	(576,865)
Dividends paid to shareholders of the Holding Company		(789,425)	(459,868)
Net cash generated from / (used in) financing activities		2,262,251	(3,916,191)
Net (decrease) / increase in cash and cash equivalents		(1,799,836)	35,905
Cash and cash equivalents at beginning of the year		2,907,935	2,869,766
Effects of exchange rate changes in cash and cash equivalents		8,451	2,263
Cash and cash equivalents at end of the year	37	1,116,550	2,907,935

The annexed notes from 1 to 50 form an integral part of these consolidated 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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of International Industries Limited (the Holding Company), its 56.33% owned subsidiary International Steels Limited (ISL), its wholly owned subsidiary IIL Trading (Private) Limited (formerly IIL Construction Solutions (Private) Limited) and its wholly owned foreign subsidiaries IIL Australia Pty. Limited (IIL Australia), IIL Americas Inc. (IIL Americas) and INIL Europe (IIL Europe) [together referred to as "the Group" and individually as "Group entities"] and the Holding Company's 17.124%, 34.00% and 33.00% interest in an equity accounted investees namely Pakistan Cables Limited (PCL), Chinoy Engineering & Construction (Private) Limited (CECL) and CFS Minerals (Private) Limited respectively.

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

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

i) LX 15 - 16, HX-7/4, LX-2, LX 14/13, LX 14/14, Landhi Industrial Area, Karachi;

ii) Survey no. 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi; and

iii) 22 KM Sheikhupura Road, Mouza Khanpur Nabipur, Tehsil Ferozpur, District Sheikhupura.

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 (the Company) was incorporated on September 03, 2007 as a public unlisted company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is domiciled in the Province of Sindh. The Company was listed on the Pakistan Stock Exchange Limited on June 01, 2011. The Company is subsidiary of International Industries Limited (the Holding Company) which holds 245,055,543 (2025: 245,055,543) shares of the Company as at June 30, 2026 representing 56.33% (2025: 56.33%) of the shareholding of the Company.The primary activity of the Company is the business of manufacturing of cold rolled, galvanized and colour coated steel coils and sheets. The Company commenced commercial operations on January 01, 2011.

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

i) 399-405, Rehri Road, Landhi Industrial Area, Karachi; and

ii) Plot No. LE 73-79, 102-103, 112-118, 125-129, Survey No. NC 98, National Industrial Parks (NIP), Bin Qasim Industrial Zone, Karachi.

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

i) Chinoy House, 6 Bank Square, Lahore;

ii) Office No. 303-A, 3rd Floor, Evacuee Trust Complex, Sir Agha Khan Road, Sector F-5/1, Islamabad; and

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

1.4 IIL Trading (Private) Limited [Formerly IIL Construction Solutions (Private) Limited] (the Company) was incorporated in Pakistan on August 19, 2020 under the Companies Act, 2017. The Company is engaged in trading business, carrying out distribution and marketing of construction materials, power / hand tools, contruction chemicals and other accessories and materials. Its registered office is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi 75530.

The sales offices of the Subsidiary Company are situated as follows:

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 IIL Australia PTY Limited was incorporated in Australia on May 2, 2014. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes, pre-galvanized pipes, stainless steel tubes and galvanized steel sheets and coils. The company has diversified its business and has entered into distribution of fast-moving consumer goods (food business). Its registered office and sales office is situated at 22A Princes Highway, Doveton VIC 3177, Australia.

1.6 IIL Americas Inc. was incorporated in Canada on October 8, 2019. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes. Its registered office and sales office is situated at Suite 210, 5800 Ambler Drive Mississaugs, ON L4W 4J4, Canada.

1.7 INIL Europe Limited was incorporated on January 10, 2025 . The address of its registered office and principal place of business is Ground Floor, 71 Baggot Street Lower, Dublin 2, D02P593, Ireland. The Company is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes.

1.8 Details of the associated company are stated in note 7 to these consolidated financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

2.2 Basis of measurement

These consolidated 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 by an independent actuary less fair value of plan assets determined and land and buildings which are stated at revalued amounts.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistan Rupees which is the Group's functional and presentation currency. All amounts have been rounded off to the nearest thousand, unless otherwise indicated.

2.4 Use of significant estimates and judgements

The preparation of the consolidated 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 the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about the judgements made by the management in the application of the accounting policies, that have the most significant effect on the amount recognized in these consolidated financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of asset and liabilities in the future periods are described in the following notes:

- Property, plant and equipment (note 3.2)
- Lease Liability and Right-of-use assets (note 3.1)
- Trade debts, advances and other receivables (note 3.5.2)
- Stores and spares (note 3.7)
- Stock-in-trade (note 3.8)
- Taxation (note 3.9)
- Staff retirement benefits (note 3.10)
- Impairment (note 3.14)
- Provisions (note 3.15)
- Contingent liabilities (note 3.16)

2.5 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 Company's consolidated financial statements.

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

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 1, 2026. The following amendments and standard have not been early adopted by the group:

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

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.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of Environment, Social and Governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

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 Group. 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 consolidated financial statements.

The management is in a process of assessing the impact of above amendments.

2.6 Basis of consolidation

i) 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 financial statements include International Industries Limited (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 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 companies are eliminated. Profits and losses (unrealised) are also eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

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 of the period, even if that results in a deficit balance.

ii) Transactions and non-controlling interests

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

Material accounting policies and methods of computations adopted in the preparation of these consolidated financial statements are same as those applied in the preparation of the annual consolidated financial statements of the Group for the year ended June 30, 2025.

3.1 Lease liability and Right-of-use assets

The Group, as a lessee, has recognised right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At inception of a contract, the Group assesses whether a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Group mainly leases properties for its operations. The Group recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition. the right-of-use asset is periodically reduced by impairment losses, if any.

The Group has various lease agreements for sales offices which were previously classified by the Group based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for all the leases - i.e. these leases are recognised in the Consolidated Statement of Financial Position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Dismantling costs and Restoration costs.

The Group has not elected to recognise right-of-use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.2 Property, plant and equipment

3.2.1 Operating assets and depreciation

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the group entities and the cost of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment (except freehold and leasehold land and buildings) are stated at cost less accumulated depreciation and impairment losses, if any. Freehold and leasehold lands are stated at revalued amounts, and buildings on freehold and leasehold lands are stated at revalued amounts less accumulated depreciation and impairment loss, if any. The value assigned to leasehold lands is not amortized as the respective leases are expected to be renewed for further periods on payment of relevant rentals. The costs of Property, plant and equipment include:

(a) its purchase price including import duties, non-refundable purchase taxes after deducting trade discounts and rebates;

(b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and

(c) Borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Expenditure incurred to replace a significant component of an item of plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the group entities and the cost of the items can be measured reliably. All other expenditure (including repairs and normal maintenance) is recognised in the Consolidated Statement of Profit or Loss as an expense when it is incurred.

Depreciation

Depreciation on all items except for land is charged on straight line method at the rates specified in note 4.1 to the consolidated financial statements and is generally recognised in the Consolidated Statement of Profit or Loss.

Depreciation on addition is charged from the month the asset is available for use up to the month prior to disposal.

Depreciation methods, useful lives and residual values of each property, plant and equipment are reviewed and adjusted, if appropriate, at each reporting period. During the year the Company undertook a revision of useful lives of buildings, as disclosed in note 4.1.6.

Revaluation surplus

Revaluation of land and building is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of land and building is recognised, net of tax, in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment" except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognised in other comprehensive income, in which case the increase is first recognised in the Consolidated Statement of Profit or Loss to the extent of the decrease previously charged. Any decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to the Consolidated Statement of Profit or Loss. The revaluation reserve is not available for distribution to the Group's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to Consolidated Statement of Profit or Loss and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation surplus to unappropriated profit.

Gains and losses on disposal

Gains and losses on disposal of assets are taken to the Consolidated Statement of Profit or Loss, and the related revaluation surplus on property, plant and equipment, if any, is transferred directly to unappropriated profit net of tax.

3.2.2 Capital work-in-progress (CWIP)

Capital work-in-progress is stated at cost less impairment loss, if any and consists of expenditure incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

Advances paid to suppliers for acquisition of property, plant and equipment including land and building is also classified under capital work-in-progress.

3.3 Intangible assets

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the group entities and the cost of such asset can be measured reliably.

Costs directly associated with identifiable software that will have probable economic benefits exceeding one year are recognised as an intangible asset.

Indefinite Intangible

These are stated at cost less impairment, if any.

Definite Intangible

a) These are stated at cost less accumulated amortisation and impairment, if any.

b) Intangible assets are amortised on straight line basis over its estimated useful life(s) (refer note 6).

c) Amortisation on additions during the year is charged from the month in which the asset is intended to be used, whereas no amortisation is charged from the month the asset is disposed-off.

3.4 Investments in associates

Investments in associates are accounted for using equity method of accounting in the consolidated financial statements in which the investments are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post-acquisition profits or losses of the investee in profit or loss, and the Group’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

The carrying amount of investments in associates is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the investment's recoverable amount is estimated which is higher of its value in use and its fair value less cost to sell. An impairment loss is recognised if the carrying amount exceeds its recoverable amount.

Impairment losses are recognised in Consolidated Statement of Profit or Loss. An impairment loss is reversed if there has been a change in estimate used to determine the recoverable amount but limited to the extent of carrying value of the investments. A reversal of impairment loss is recognised in the Consolidated Statement of Profit or Loss.

3.5 Financial Instruments

Initial measurement of financial asset

The Group classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairmentare recognised in the Consolidated Statement of Profit or Loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the Consolidated Statement of Profit or Loss.
Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Consolidated Statement of Profit or Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in consolidated statement of comprehensive income and are never reclassified to the Consolidated Statement of Profit or Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the Consolidated Statement of Profit or Loss.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognized in the Consolidated Statement of Profit or Loss.

3.5.1 Non-derivative Financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which group entities become party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, deposits, advances, other receivables and cash and cash equivalent. Group entities derecognise the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.5.2 Trade debts, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.5.3 Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value and short-term borrowings availed by group entities, which are repayable on demand and form an integral part of the group entities' cash management.

3.5.4 Financial Liabilities

Financial liabilities are initially recognised on trade date i.e. date on which an group entities become party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings, unclaimed / unpaid dividend, accrued mark-up and trade and other payables. Group entities derecognise the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

3.5.5 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the Consolidated Statement of Profit or Loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

3.5.6 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

3.5.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated financial statements only when group entities has currently legally enforceable right to set-off the recognised amounts and the group entities intend either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the group entities' or the counter parties.

3.6 Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group entities have received consideration. If a customer pays consideration before the Group entities transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group entities satisfy the performance obligations under the contract.

3.7 Stores and spares

Stores and spares are stated at lower of weighted average cost and net realisable value, less provision for impairment, if any. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Provision is made for net realisable value write down and is recognised in the Consolidated Statement of Profit or Loss.

3.8 Stock-in-trade

Stock-in-trade is valued at lower of cost and net realisable value. Cost is determined under the weighted average basis. Cost comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Raw material in transit comprise of invoice value and other charges thereon. Net realisable value signifies the estimated selling price in the ordinary course of the business less estimated cost of completion and selling expenses. Scrap and by-product is valued at estimated realisable value.

3.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit or Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by an group entities, the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the group entities, other than the wholly owned foreign subsidiary, under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax liability or alternate corporate tax as applicable, after taking into account tax credits and tax rebates available, if any

Deferred tax

Deferred tax is recognised using the liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date.

The group entities recognise a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the consolidated statement of profit or loss as these levies fall under the scope of IFRIC 21/IAS 37.

Tax on dividend from subsidiaries, associates and joint ventures are not considered as levy as these dividends are specifically covered by IAS 12.

3.10 Staff retirement benefits

3.10.1 Defined benefit plan

The Holding Company and ISL provide gratuity benefit to all their respective permanent employees who have completed their minimum qualifying period of service i.e. three years (except in case of workers where minimum qualifying period of service is six months).

For executives and officers having total service of over twenty years, the benefit is available at one month's basic salary (eligible salary) for each completed year of service. For executives and officers having total service of less than twenty years, the benefit is available at half month's basic salary (eligible salary) for each completed year of service. For workers, the benefit is available at one month's gross salary less conditional allowances (eligible salary) for each completed year of service.

Obligations of Holding Company and ISL are determined through actuarial valuations carried out under the Projected Unit Credit Method". Remeasurements which comprise actuarial gains or losses and the return on plan assets (excluding interest) are recognised immediately in other comprehensive income in the consolidated financial statements.

The Holding Company and ISL determine their respective net interest expenses (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognised in the Consolidated Statement of Profit or Loss. The latest actuarial valuations were conducted at the reporting date by qualified professional firms of actuaries.

The actual return on plan assets represent the difference between the fair value of plan assets at the beginning and end of the year and adjusted for contributions and benefits paid.

3.10.2 Defined contribution plan

The Holding Company and ISL provide provident fund to all its officers. Equal contributions are made, both by the Companies and their employees, at the rate of 8.33% of basic salary and cost of living allowance and the same is charged to the Consolidated Statement of Profit or Loss.

3.10.3 Compensated absences

The liability for accumulated compensated absences of employees is recognized in the period in which employees render service that increases their entitlement to future compensated absences.

3.11 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange ruling on the reporting date. Exchange differences are included in the Consolidated Statement of Profit or Loss currently.

3.12 Revenue recognition

- Domestic sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides with delivery, as this is the point in time that the consideration becomes unconditional, because only the passage of time is required before the payment is due.

- Export sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides either with the date of bill of lading or upon delivery to customer or its representative, based on terms of arrangement.

- Toll manufacturing / partial manufacturing income is recognised when related services are rendered. No element of financing is deemed present as the sales are made with the credit term of upto 180 days, which is consistent with the market practice.

3.13 Other Income

- Income from power generation plant on account of sales of surplus electricity is recognised on transmission of electricity to K-Electric Limited.

- Gains / losses arising on sale of investments are included in the Consolidated Statement of Profit or Loss in the period in which they arise.

- Rental income is recognised on straight line basis over the term of the respective lease agreement.

- Profit from savings accounts and term deposit receipts are accounted for as income on accrual basis.

3.14 Impairment

3.14.1 Financial assets

Loss allowances for Expected Credit Loss (ECL) are recognised in respect of financial assets measured at amortised cost.

Loss allowances are measured at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade debts are always measured at an amount equal to lifetime ECLs.

The expected loss rates are based on payment profiles of sales over a period of 36 - 60 months before June 30, 2026 or July 1, 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group entities have identified the Gross Domestic Product (GDP) and the unemployment rate of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, Group entities consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on Group entities historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument. 12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECL is the maximum contractual period over which group entities are exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when group entities have no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. Group entities individually make an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. Group entities expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group entities procedures for recovery of amounts due.

A financial asset is considered in default when the counterparty fails to make contractual payments within one year of when they fall due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

3.14.2 Non-Financial assets

The carrying amounts of non-financial assets, other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit or Loss.

3.15 Provisions

A provision is recognised in the Consolidated Statement of Financial Position when Group entities have a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre-tax rate reflects current market assessment of the time value of money and the risk specific to the obligation. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate. The nature of provision is not stated in the consolidated financial statements where such is expected to materially prejudice company's position, as allowed under the applicable accounting framework.

3.16 Contingent liabilities

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting structure. The operating results are monitored separately for each product category (i.e. Steel Coils and Sheets, Steel Pipes and Polymer Pipes) for the purposes of making decisions regarding resource allocation and performance assessment.

The Group entities do not consider sale of electricity to K-Electric Limited as separate reportable segment as the power plants of the entities are installed primarily to supply power to their production facilities and currently any excess electricity, if any, is sold to KE.

3.18 Dividend and appropriation to / from reserves

Dividend distribution to the Group entities shareholders and appropriations to / from reserves are recognised as a liability in the period in which these are approved.

3.19 Government grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the Group entities' operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below- market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

3.20 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.21 Earnings per share

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.22 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount or fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised at the date of the sale of the non-current asset is recognised at the date of derecognition. Non-current assets are not depreciated or amortised while they are classified as held for sale.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	2026	2025
		(Rupees in '000)	
Operating assets	4.1	31,363,287	33,523,910
Capital work-in-progress (CWIP)	4.2	546,192	83,487
Store and spares held for capital expenditure - at cost	4.3	528,161	555,359
		32,437,640	34,162,756

4.1 Operating assets

	Land - revalued - note 4.1.2 & 4.1.3		Buildings - revalued - note 4.1.2 & 4.1.3		Plant and machinery	Furniture, fixtures and office equipment	Vehicles	Total
	Freehold	Leasehold	Freehold land	Leasehold land				
	(Rupees in '000)							
Balance as at July 1, 2025								
Cost / revalued amount	4,348,091	6,272,987	5,744,214	2,008,900	30,784,830	768,375	836,246	50,763,643
Accumulated depreciation	-	-	-	-	(16,584,485)	(360,344)	(294,904)	(17,239,733)
Net book value (NBV)	4,348,091	6,272,987	5,744,214	2,008,900	14,200,345	408,031	541,342	33,523,910
Additions / transfers from CWIP	-	-	32,214	75,176	442,780	86,909	186,356	823,435
Surplus on revaluation - note 4.1.3	-	-	-	-	-	-	-	-
Translation reserve	-	-	-	-	-	44	-	44
Disposals - note 4.1.4								
- Cost / revalued amount	-	-	-	-	(134,683)	(30,604)	(113,582)	(278,869)
- Accumulated depreciation	-	-	-	-	91,088	30,339	65,875	187,302
	-	-	-	-	(43,595)	(265)	(47,707)	(91,567)
Depreciation charge - note 4.1.1	-	-	(484,960)	(316,968)	(1,802,098)	(108,873)	(179,636)	(2,892,535)
Balance as at June 30, 2026 (NBV)	4,348,091	6,272,987	5,291,468	1,767,108	12,797,432	385,846	500,355	31,363,287
Gross carrying value as at June 30, 2026								
Cost / revalued amount	4,348,091	6,272,987	5,121,341	1,705,681	31,092,927	824,724	909,020	50,274,771
Accumulated depreciation *	-	-	170,127	61,427	(18,295,495)	(438,878)	(408,665)	(18,911,484)
Net book value	4,348,091	6,272,987	5,291,468	1,767,108	12,797,432	385,846	500,355	31,363,287
Depreciation rates (% per annum)	-	-	3 - 10	2.5 - 25	2 - 50	5 - 50	20 - 33.3	
Balance as at July 1, 2024								
Cost / revalued amount	3,526,086	6,440,187	3,203,755	929,326	29,605,113	446,486	712,977	44,863,930
Accumulated depreciation	-	-	757,046	320,930	(14,866,602)	(306,462)	(249,020)	(14,344,108)
Net book value (NBV)	3,526,086	6,440,187	3,960,801	1,250,256	14,738,511	140,024	463,957	30,519,822
Additions / transfers from CWIP	44,638	-	584,329	16,808	1,276,400	334,351	332,087	2,588,613
Surplus on revaluation - note 4.1.3	777,367	(167,200)	1,558,812	914,504	-	-	-	3,083,483
Translation reserve	-	-	-	-	-	(4)	-	(4)
Disposals - note 4.1.4								
- Cost	-	-	-	-	(96,683)	(12,458)	(208,818)	(317,959)
- Accumulated depreciation	-	-	-	-	91,802	11,200	114,322	217,324
	-		-	-	(4,881)	(1,258)	(94,496)	(100,635)
Depreciation charge - note 4.1.1	-	-	(359,728)	(172,668)	(1,809,685)	(65,082)	(160,206)	(2,567,369)
Balance as at June 30, 2025 (NBV)	4,348,091	6,272,986	5,744,214	2,008,900	14,200,345	408,031	541,342	33,523,910
Gross carrying value as at June 30, 2025								
Cost / revalued amount	4,348,091	6,272,987	5,744,214	2,008,900	30,784,830	768,375	836,246	50,763,643
Accumulated depreciation *	-	-	-	-	(16,584,485)	(360,344)	(294,904)	(17,239,733)
Net book value	4,348,091	6,272,987	5,744,214	2,008,900	14,200,345	408,031	541,342	33,523,910
Depreciation rates (% per annum)	-	-	2 - 50	2 - 50	2 - 50	5 - 50	20	

* Accumulated depreciation of buildings has been adjusted against the gross carrying amount of the assets using elimination approach to incorporate the revaluation impact.

4.1.1 The depreciation charge for the year has been allocated as follows:

	Note	2026	2025
		(Rupees in '000)	
Cost of sales	27	2,455,578	2,168,412
Selling and distribution expenses	28	48,160	39,663
Administrative expenses	29	79,155	59,526
Loss from power generation	32.1	309,642	299,768
		2,892,535	2,567,369

4.1.2 Particulars of immovable property (i.e. land and building) in the name of the Group and related forced sales values are as follows:

Particulars	Location	Area of Land (acres)	Covered Area (Sq. Ft.)	Forced sales value (Rs in '000)
Leasehold Land and Building (Manufacturing plant)	Plot no. LX15 - 16, HX-7/4, LX-2, LX-14/13, LX-14/14 Landhi Industrial Estate, Karachi	25.59	815,879	5,134,202
Leasehold Land and Building (Manufacturing plant)	22 KM Sheikhupura Road, Mouza Khanpur Nabipur, Tehsil Ferozpur, District Sheikhupura	30.24	339,810	1,391,838
Freehold Land and Building (Manufacturing plant)	Survey no. 402, 405 - 406, 95, Rehri Road, Landhi Town, Karachi	42.45	1,705,374	6,151,894
Leasehold Building (Office premises)	Office no. 101 - 107, 1st Floor, Beaumont Plaza, 10 Beaumont Road, Karachi	Not applicable	13,675	218,809
Leasehold Building (Office premises)	Office no. 203, 2nd Floor, Beaumont Plaza, 10 Beaumont Road, Karachi	Not applicable	1,794	28,710
Leasehold Building (Sales office premises)	Chinoy House, 2nd and 3rd Floor, Off Thornton Road, Hadbast Mouza Khas, Lahore	Not applicable	8,420	43,173
Freehold Land and Building (Sales godown)	Plot no. NEIR - 61, Khasra no. 3303 - 3308, Hadbast Mouza Naulakha, GT Road, Lahore	0.17	7,394	63,776
Service center	Plot no. LE-73-79, 102 - 103, 112 - 118, 125 - 129 Survey no. NC. 98, near Arabian Country Club, NIP, Bin Qasim Industrial Park, Karachi	Not applicable	653,400	1,529,357
Multan plot Not applicable	Khewat no. (B)38, 114, 302, Khatooni no. 127 475, 1114, Mouza Laar Bahawalpur Road, Multan	Not applicable	372,711	96,900
Freehold Land (Commercial Plot)	Plot no. 19, 9th Avenue, Precinct-7, Bahria Town, Karachi	0.05	2,429	33,600
				14,692,259

4.1.3 The revaluation of freehold and leasehold land and buildings thereon was carried out by Holding Company and ISL as at June 30, 2025 by MYK Associates (Private) Limited (an external valuer who is located in Karachi) on the basis of their professional assessment of present market values based on their methodology for estimating the cost of land of similar nature, size and location including consideration of cost of acquisition or construction net of diminution owing to depreciation, keeping in view the current condition.

The Holding Company commissioned full-scope independent valuation of freehold land, leasehold land and buildings thereon during the years / periods ended June 30, 1988, June 30, 1997, June 30, 2000, June 30, 2004, December 31, 2007, June 30, 2013, June 30, 2016, June 30, 2019, June 30, 2022, June 30, 2024 and June 30, 2025. ISL commissioned independent valuation of freehold land and buildings thereon during the years / periods ended June 30, 2013, June 30, 2016, June 30, 2019, June 30, 2022 and June 30, 2025.

The carrying amount of the aforementioned assets as at June 30, 2026, if the said assets had been carried at historical cost, would have been as follows:

	Cost	Accumulated depreciation	Net book value
	---------------- (Rupees in '000) ----------------		
Freehold land	1,105,168	-	1,105,168
Leasehold land	1,250,144	-	1,250,144
Buildings	5,618,141	(2,621,011)	2,997,130
As at June 30, 2026	**7,973,453**	**(2,621,011)**	**5,352,442**
As at June 30, 2025	7,857,959	(2,309,181)	5,548,778

4.1.4 Details of property, plant and equipment disposed off / scrapped having book value of five hundred thousand rupees or more each are as follows:

Description	Original Cost	Accumulated depreciation	Book value	Sale proceeds	Gain on disposal	Mode of disposal	Particulars of buyer	Relationship with buyer
	---------------- (Rupees in '000) ----------------							
Plant and machinery								
1230 KW Gas Generator	52,602	22,639	29,963	28,974	(989)	Negotiation	Nordroy Power FZC UAE	None
Absorption Chiller	35,487	25,129	10,358	8,673	(1,685)	Negotiation	M. Shahid Steel	None
Solar Panel	2,201	275	1,926	1,952	26	Insurance Claim	Jubilee General Insurance	Third Party
	90,290	48,043	42,247	39,599	(2,648)			
Vehicles								
Vehicle BVS-470	2,967	2,126	841	3,187	2,346	As per policy	Mr. Asif Jameel	Employee
Vehicle BWW-870	2,250	1,463	787	2,120	1,333	As per policy	Mr. Sharjeel Mustafa	Employee
Vehicle BZA-433	6,832	2,847	3,985	5,000	1,015	As per policy	Ms. Samon Baber	Employee
Vehicle BYN-051	6,008	3,805	2,203	3,496	1,293	As per policy	Mr. Faraz Hameed	Employee
TOYOTA YARIS 1.3 GLI CVT	4,835	322	4,513	4,434	(79)	As per policy	Mr. Syed Huzaifa Ahmed	Employee
HONDA CITY 1.2 CVT	4,878	1,789	3,089	2,864	(225)	As per policy	Mr. Syed Kazim Abbas	Employee
TOYOTA YARIS ATIV MANUAL	4,512	1,654	2,858	3,019	161	As per policy	Mr. Mukesh Kumar	Employee
TOYOTA YARIS ATIV MANUAL	4,512	1,880	2,632	2,970	338	As per policy	Mr. Zia Ur Rehman	Employee
SUZUKI ALTO VXL	3,045	558	2,487	2,524	37	As per policy	Mr. Arsalan Abid	Employee
SUZUKI ALTO VXL	3,045	609	2,436	2,575	139	As per policy	Mr. Zeeshan Ullah Khan	Employee
TOYOTA YARIS ATIV MANUAL	4,512	2,256	2,256	2,738	482	As per policy	Mr. Abdul Rehman Khan	Employee
SUZUKI CULTUS VXL	4,084	1,838	2,246	2,942	696	As per policy	Mr. Ahsan Khalid Baloch	Employee
TOYOTA YARIS ATIV AUTOMATIC	4,802	2,561	2,241	3,482	1,241	As per policy	Mr. Asher Sameul	Employee
SUZUKI ALTO VXL	3,045	812	2,233	2,560	327	Negotiation	M/S Yasin Motors	Third Party
SUZUKI ALTO VXL	2,935	1,027	1,908	2,600	692	As per policy	Mr. Muhammad Uzair	Employee
SUZUKI ALTO VXL	2,935	1,272	1,663	2,354	691	As per policy	Mr. Shamsuddoha	Employee
SUZUKI ALTO VXR	2,935	1,468	1,467	2,340	873	As per policy	Mr. Muhammad Waqas Asad	Employee
SUZUKI ALTO VXR	2,935	1,468	1,467	2,329	862	As per policy	Mr. Moaj Ali	Employee
SUZUKI ALTO VXR	2,935	1,565	1,370	2,307	937	As per policy	Mr. Uzair Ilyas Razzaqui	Employee
SUZUKI CULTUS VXR	2,754	1,698	1,056	2,304	1,248	As per policy	Mr. Nadeem Uddin	Employee
SUZUKI CULTUS VXR	2,754	1,836	918	2,208	1,290	As per policy	Mr. Aziz Ahmed	Employee
HONDA CITY 1.2 CVT	2,967	2,225	742	2,925	2,183	As per policy	Mr. Danish Aftab	Employee
	82,477	37,079	45,398	63,278	17,880			
Total	172,767	85,122	87,645	102,877	15,232			

4.1.5 Operating fixed assets include fully depreciated assets having cost of Rs. 5,267.02 million (2025: Rs. 3,914.72 million).

4.1.6 Change in accounting estimates

During the year, the Holding Company conducted a review of the estimated useful lives of its buildings on freehold and leasehold land. As a result of management's assessment of the assets' physical condition, expected utilisation, maintenance practices, and anticipated economic life, the estimated useful lives were revised.

In accordance with IAS 8, the change has been accounted for prospectively as a change in accounting estimate from November 01, 2025. Comparative figures have not been restated. The change resulted in a decrease in depreciation expense of Rs. 41.37 million for the year and a corresponding increase in profit before tax of Rs. 41.37 million. The estimated impact onfuture years is expected to have the same effect, subject to future changes in the carrying amounts, residual values and useful lives of the assets.

4.2 Capital work-in-progress (CWIP)

	Cost				Cost			
	As at July 1, 2025	Additions / Adjustments	Transfers / Adjustments	As at June 30, 2026	As at July 1, 2024	Additions / Adjustments	Transfers / Adjustments	As at June 30, 2025
	----------------------- (Rupees in '000)	-----------------------			----------------------- (Rupees in '000)	-----------------------		
Freehold land	-	6,000	-	6,000	-	44,637	(44,637)	-
Buildings on freehold land	7,017	279,482	(32,214)	254,285	335,795	255,551	(584,329)	7,017
Buildings on leasehold land	2,077	80,368	(75,176)	7,269	366	9,184	(7,473)	2,077
Plant and machinery	57,493	526,948	(442,780)	141,661	756,634	577,259	(1,276,400)	57,493
Furniture, fixtures and office equipment	16,900	186,660	(82,720)	120,840	26,371	82,946	(92,417)	16,900
Vehicles	-	202,492	(186,355)	16,137	158	331,929	(332,087)	-
	83,487	1,281,950	(819,245)	546,192	1,119,324	1,301,506	(2,337,343)	83,487

4.2.1 This balance includes advances to suppliers amounting Rs. 107.20 million (June 30, 2025: 18.16 million).

	Note	2026	2025
4.3 Stores and spares held for capital expenditures - at cost		(Rupees in '000)	
NBV at beginning of the year		555,359	614,649
Additions during the year		380,385	276,151
Transfers / adjustments made during the year		(287,583)	(215,441)
Provision for obsolescence against capital spares		(120,000)	(120,000)
NBV at end of the year		528,161	555,359

5. LEASES

5.1 Right-of-use assets

	Note	2026	2025
Balance at beginning of the year		72,623	13,049
Additions		244,685	84,801
Termination of leases		(14,875)	-
Depreciation charge during the year	5.1.1	(69,236)	(25,227)
Balance at end of the year		233,197	72,623

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

	Note	2026	2025
		(Rupees in '000)	
Selling and distribution expenses	28	54,952	21,734
Administrative expenses	29	14,284	3,493
		69,236	25,227

5.2 Lease liabilities

Rental contracts are made for a fixed period subject to renewal upon mutual consent of the Group and lessor. Wherever practicable, the Group seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

5.2.1 Set out below the carrying amount of lease liabilities and the movements during the year:

	Note	2026	2025
		(Rupees in '000)	
Balance at beginning of the year		81,941	15,714
Additions		247,999	84,800
Termination of leases		(16,965)	-
Interest expense	30	23,755	12,098
Payments		(82,151)	(30,671)
Balance at end of the year		254,580	81,941
Current portion		103,911	18,171
Non-current portion		150,669	63,770
		254,580	81,941

5.2.2 Lease liabilities are payable as follows:

	2026			2025
	Minimum lease payments	Interest	Present value of minimum lease payments	Present value of minimum lease payments
	(Rupees in '000)			
Less than one year	115,872	(11,961)	103,911	18,171
Between one and five years	163,858	(13,189)	150,669	63,770
	279,730	(25,150)	254,580	81,941

6 INTANGIBLE ASSETS

	Note	2026	2025
		(Rupees in '000)	
Operating intangible assets	6.1	292,533	330,152
Capital work-in-progress (CWIP)	6.2	-	-
		292,533	330,152

6.1 Operating intangible assets

	Note	2026	2025
Net book value at beginning of the year		330,152	8,460
Additions		324	327,643
Amortisation	6.1.2	(37,943)	(5,951)
Net book value at end of the year		292,533	330,152
Gross carrying value			
Cost		439,867	112,224
Additions		324	327,643
Accumulated amortisation		(147,658)	(109,715)
Net book value		292,533	330,152

	2026	2025
	(Percent)	
Amortization rate (per annum)	10 - 33.33	10 - 33.33

6.1.1 Intangible assets comprise of computer software and licenses.

6.1.2 The amortisation expense for the year has been allocated as follows:

	Note	2026	2025
		(Rupees in '000)	
Cost of sales	27	37,624	5,139
Selling and distribution expenses	28	319	424
Administrative expenses	29	-	388
		37,943	5,951

7. INVESTMENTS IN EQUITY ACCOUNTED INVESTEE

2026	2025		Note	2026	2025
(Number of shares)					
9,325,438	9,325,438	Pakistan Cables Limited (PCL) - associated company, at cost	7.1	1,922,105	1,819,697
9,690,000	9,690,000	Chinoy Engineering & Construction (Private) Limited (CECL) - associated company, at cost	7.2	700,000	175,890
1,000,000	-	CFS Minerals (Pvt.) Limited - associated company, at cost	7.3	10,000	-
				2,632,105	1,995,587
Investment classified as held for sale - associate		Chinoy Engineering & Construction (Private) Limited (CECL) - associated company, at cost	7.2	(700,000)	-
				1,932,105	1,995,587

7.1 The Holding Company holds a 17.124% (2025: 17.124%) ownership interest in PCL. The Chief Executive Officer of PCL is Mr. Fahd K. Chinoy. The registered office of PCL is situated in Karachi. The Holding Company considers it has significant influence over PCL as, in addition to its holding, the Chairman of the Board of the Holding Company is also the Chairman of the Board of PCL. The price per share of PCL as at reporting date was Rs. 171.00 (2025: Rs. 146.88) resulting in a market value of total investment amounting to Rs. 1,594.64 million (2025: Rs. 1,369.72 million). The share of profit after acquisition is recognised based on unaudited condensed interim financial statements of PCL as at March 31, 2026 as the latest financial statements as at June 30, 2026 were not presently available.

7.1.1 Market value of the investment disclosed in note 7.1 is categorised as level 1 fair value measurement in accordance with IFRS 13 'Fair Value Measurement'.

7.1.2 The movement of carrying value of investment during the year, summarised financial information of the associate and reconciliation with the carrying amount of the investment in these consolidated financial statements are set out below:

	2026	2025
	(Rupees in '000)	
Investment at the beginning of the year	1,819,697	1,909,524
Share of profit / (loss) from associate - before tax	34,447	(53,187)
Related tax	(2,492)	646
Share of profit / (loss) from associate - net of tax	31,955	(52,541)
Share of other comprehensive income	(1,939)	14,301
Share of surplus / (deficit) on revaluation of building	72,391	(51,587)
Investment at end of the year	1,922,105	1,819,697
Cost of investment	817,553	817,553

	For the period from April 1, 2025 to March 31, 2026	For the period from April 1, 2024 to March 31, 2025
	Rupees in '000	
Revenue	30,314,962	28,854,785
Profit / (loss) after taxation	186,615	(306,825)
Other comprehensive income / (loss)	411,420	(217,743)
Total comprehensive income / (loss)	598,035	(524,568)
Non-current assets	16,288,722	15,457,802
Current assets	26,815,294	20,949,259
Non-current liabilities	(5,665,152)	(7,894,257)
Current liabilities	(27,749,315)	(19,416,831)
Net assets	9,689,549	9,095,973
Carrying value	1,922,105	1,819,697

7.1.2.3 Reconciliation of the above summarized financial information to the carrying amount of the interest in associate recognized in these consolidated financial statements is as follows:

	For the period from April 1, 2025 to March 31, 2026	For the period from April 1, 2024 to March 31, 2025
	Rupees in '000	
Net assets at beginning of the year	9,095,973	9,620,541
Total comprehensive (loss) / income for the year	598,035	(524,568)
Net assets of the associate	9,694,008	9,095,973
Proportion of Company's interest in associate	17.124%	17.124%
Share of net assets of associate	1,660,002	1,557,594
Goodwill and others	262,103	262,103
Carrying amount of the Company's interest in associate	1,922,105	1,819,697

7.2 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 (June 30, 2025: 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 unaudited financial statements as at March 31, 2026 is Rs. 2,998.73 million (June 30, 2025: Rs. 517.32 million).

The registered office of the associate is at 101, Beaumont Plaza, 10 Beaumont Road, Civil Lines, Karachi, Pakistan. The country of incorporation or registration is also its principal place of business.

CECL is incorporated in Pakistan and is engaged in the business of construction industry, encompassing a range of activities including design, construction, demolition and infrastructure development.

7.2.1 The movement of carrying value of investment during the year and summarised financial information of the associate are set out below:

	Note	For the period from April 1, 2025 to March 31, 2026	For the period from September 20, 2024 to March 31, 2025
		Rupees in '000	
Investment at the beginning of the year		175,890	-
Investment acquired during the year		-	96,900
Share of net income of associate accounted for using the equity method		961,252	89,842
Dividend	7.2.1.3	(315,550)	(10,852)
		821,592	175,890
Impairment loss		(121,592)	-
Balance at end of year		700,000	175,890

7.2.1.2 The Holding Company and ISL provided the following corporate guarantees in favor of Habib Bank Limited on behalf of CECL:

- 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"). This obligation carries joint and several liability alongside Pakistan Cables Limited.

These guarantees have been issued in alignment with the Holding 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.

7.2.1.3 CECL, in its Board meeting held on May 12, 2026, declared a dividend for the quarter ended March 31, 2026. The Holding Company and ISL has recognised its share of dividend, amounting to Rs. 34 million, in these consolidated financial statements, as the Company's right to receive the dividend had been established as at the reporting date.

7.2.1.4 The Company has decided to dispose of its shareholding in CECL pursuant to a proposed buy-back arrangement, under which CECL will acquire the entire shareholding held by the Company. Consequently, the investment in associate has been classified as held for sale in these financial statements. Based on fair value less costs of disposal, the recoverable amount of the investment was assessed at Rs. 700 million. Accordingly, the carrying value of the investment was written down from Rs. 821.59 million to Rs. 700 million, and an impairment loss of Rs. 121.59 million has been recognised in profit or loss for the year ended June 30, 2026.

7.3 The Company holds a 33.33% (June 30, 2025: nil) ownership interest in CFS Minerals (Private) Limited. The Chief Executive Officer of CFS Minerals is Mr. Yasir Masood. The Company is incorporated on June 11, 2026.

7.4 The above investments have been made in accordance with the requirements of Companies Act, 2017.

	Note	2026	2025
8. STORES AND SPARES		(Rupees in '000)	
Stores		1,400,668	1,320,294
Spares		257,693	189,195
Loose tools		31,827	29,396
		1,690,188	1,538,885
Less: Provision for net realisable value written down	8.1	(464,604)	(465,051)
		1,225,584	1,073,834

	Note	2026	2025
		(Rupees in '000)	
8.1 Provision for net realisable value written down			
Balance as at 1 July 2025		465,051	410,292
(Reversal) / provision during the year		(447)	54,759
Balance as at 30 June 2026		464,604	465,051

	Note	2026	2025
9. STOCK-IN-TRADE			
Raw material - in hand	9.1	12,410,244	6,234,699
- in transit		7,089,138	11,111,005
		19,499,382	17,345,704
Work-in-process		6,116,262	3,965,548
Finished goods - in hand	9.2	9,751,436	8,695,983
- in transit		350,495	437,962
By-products		92,406	168,383
Scrap material		172,687	82,282
		35,982,668	30,695,862

9.1 Raw material of the Holding Company amounting to Rs. 5.2 million as at June 30, 2026 (June 30, 2025: Rs. 3.1 million) is held at a vendor's premises for the production of pipe caps.

9.2 Finished goods include items amounting to Rs. nil as at June 30, 2026 (June 30, 2025: Rs. 100.99 million) stated at their net realisable values against their cost of Rs. nil (June 30, 2025: Rs. 109.49 million).

	Note	2026	2025
10. TRADE DEBTS		(Rupees in '000)	
Considered good - secured	10.1	2,438,085	1,133,697
- unsecured		2,955,446	2,562,156
		5,393,531	3,695,853
Loss allowance on trade debts	10.3	(221,144)	(259,690)
		5,172,387	3,436,163

10.1 This represents trade debts arising on account of export sales of Rs. 2,288.61 million (June 30, 2025: Rs. 1,030.7 million) which are secured by way of Export Letters of Credit and Rs. 149.47 million (June 30, 2025: Rs. 100.32 million) on account of domestic sales which are secured by way of Inland Letters of Credit.

10.2 Related parties from whom trade debts are due as at June 30, 2026 are as under:

	2026	2025
	(Rupees in '000)	
Sumitomo Corporation	-	367,310
Pakistan Cables Limited	4,552	15,438
Chinoy Engineering & Construction (Private) Limited	120	16,502
	4,672	399,250

10.2.1 The maximum aggregate amount due from the related parties at any time during the year calculated by reference to month-end balances is Rs. 55.17 million (June 30, 2025: Rs. 31.94 million).

10.2.2 The ageing of the trade debts receivable from related parties as at the reporting date are as under:

	2026	2025
	(Rupees in '000)	
Not yet due	-	376,385
Past due 1 - 60 days	90	15,593
Past due 61 - 180 days	30	3,534
Past due 181 - 365 days	4,552	3,738
	4,672	399,250

		Note	2026	2025
			(Rupees in '000)	
10.3	**Loss allowance on trade debts**			
	Balance at beginning of the year		259,690	224,877
	(Reversal) / charge of loss allowance on trade debts		(30,913)	40,616
	Writen off during the year		(7,632)	(7,445)
	Effect of translation		-	1,642
	Balance at end of the year		221,144	259,690
11.	**ADVANCES, TRADE DEPOSITS AND PREPAYMENTS**			
	Considered good - unsecured			
	- Suppliers	11.1	191,766	63,788
	- Employees for business related expenses	11.1	943	9,624
	Trade deposits	11.1	82,611	28,001
	Prepayments		61,705	49,171
			337,025	150,584

11.1 These advances and trade deposits are non interest bearing.

		Note	2026	2025
12.	**OTHER RECEIVABLES**			
	Considered good			
	Receivable from K-Electric Limited (KE) - unsecured		-	4,541
	Receivable from Provident Fund - unsecured	12.1	-	40,620
	Receivable from Related party	12.2	17,000	-
	Others		4,799	2,784
			21,799	47,945
	Considered doubtful			
	Receivable from Workers' Welfare Fund on account of excess allocation of Workers' Profit Participation Fund in earlier periods		25,940	25,940
			47,739	73,885
	Provision for receivable from Workers' Welfare Fund on account of excess allocation of Workers' Welfare Fund in prior periods		(25,940)	(25,940)
			21,799	47,945

12.1 Prior year balance represents amount receivable from International Industries Limited - Employees' Contributory Provident Fund, a related party. The maximum aggregate amount due from the fund at any time during the year calculated by reference to month-end balances is Rs. 40.62 million (June 2025: Rs.40.62 million).

12.2 This pertains to receivable from CECL on account of dividend.

13. STAFF RETIREMENT BENEFITS

13.1 Defined Contribution Plan

13.1.1 Staff Provident Fund

All investments in collective investment scheme, listed equity and listed debt securities out of the Provident Funds have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

13.2 Defined benefit scheme

Staff Gratuity Fund

13.2.1 As stated in note 3.10, the Holding Company and ISL operate approved funded defined benefit gratuity plans for all permanent employees meeting the specified criteria and defined contribution plan for all active employees subject to minimum service of prescribed period as per the respective trust deeds. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2026.

13.2.2 Plan assets held in trust are governed by local regulations which mainly include Sindh Trusts Act, 2020; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the respective trust deeds. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the respective Board of Trustees. The Holding Company and ISL appoints the trustees from among its employees.

13.2.3 Risks on account of defined benefit plan

The Group faces the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Group has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Asset volatility - Most assets are invested in risk free investments of 6 months, 3, 5 or 10 year Regular Income Certificates, Defence Savings Certificates, Treasury Bills and Government Bonds. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to market yields on government bonds. A decrease in market yields on government bonds will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investment.

Risk of insufficiency of assets - This is managed by making regular contribution to the Fund as advised by the actuary.

13.2.4 Funding

The gratuity plans are fully funded by the Group. The funding requirements are based on the Gratuity Funds' actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions used in determining defined benefit liability. Employees are not required to contribute to the plan.

13.2.5 The actuarial valuation of the gratuity benefit was carried out at June 30, 2026 under projected unit credit method using the following significant assumptions:

	2026	2025
Financial assumptions	----------- per annum	-----------
Holding Company		
Discount rate	**11.75%**	11.75%
Salary increase rate		
First year - Unionized staff	**11.75%**	11.75%
First year - Management	**11.25%**	10.75%
Long term - Unionized staff	**11.75%**	11.75%
Long term - Management	**11.25%**	10.75%
ISL		
Discount rate	**12.25%**	12.25%
Salary increase rate	**13.00%**	11.25%
Demographic assumptions		
Holding Company		
Mortality rate	**SLIC 2001-05-1**	SLIC 2001-05-1
Rates of employee turnover - Unionized staff	**Light**	Light
Rates of employee turnover - Management staff	**Moderate**	Moderate
Retirement assumption	**Age 60 years**	Age 60 years
ISL		
Mortality rate	**SLIC 2001-05**	SLIC 2001-05
Rates of employee turnover	**Moderate**	Moderate
Retirement assumption	**Age 60 years**	Age 60 years

13.2.6 The amount recognised in the Consolidated Statement of Financial Position is as follows:

	Note	2026	2025
		(Rupees in '000)	
Present value of defined benefit obligation	13.2.9	1,481,797	1,253,232
Fair value of plan assets	13.2.10	(1,732,419)	(1,437,078)
Deficit as at June 30		(250,622)	(183,846)

13.2.7 Movements in net defined benefit liability

	Note	2026	2025
Balance at beginning of the year		(183,846)	18,142
Expense chargeable to consolidated statement of profit or loss	13.2.8	67,475	97,417
Contribution paid during the year		(51,000)	(88,994)
Re-measurements recognised in other comprehensive income	13.2.8.1	(83,251)	(210,411)
Balance at end of the year		(250,622)	(183,846)

13.2.8 Amount recognised in total comprehensive income

The following amounts have been charged in respect of these benefits to the Consolidated Statement of Profit or Loss and other comprehensive income:

Component of defined benefit costs recognized in Consolidated Statement of Profit or Loss	2026	2025
	(Rupees in '000)	
Service cost		
Current service cost	97,785	97,133
Past service cost	(8,336)	-
Interest cost on defined benefits obligation	148,514	166,052
Return on plan assets	(170,488)	(165,768)
	(21,974)	284
	67,475	97,417
Component of defined benefit costs (re-measurement) recognised in other comprehensive income		
Actuarial gain on obligation	56,871	(81,300)
Actuarial loss on plan assets	(140,122)	(129,111)
Total re-measurements recognised in other comprehensive income	(83,251)	(210,411)
Total defined benefit cost recognised in profit or loss and other comprehensive income	(15,776)	(112,994)

13.2.8.1 Analysis of remeasurements recognised in other comprehensive income

	2026	2025
	(Rupees in '000)	
Re-measurements: Actuarial gain on obligation		
Gain due to change in financial assumptions	100,454	(17,134)
Gain due to change in experience adjustments	(43,584)	(64,166)
Total actuarial gain obligation	56,870	(81,300)
Re-measurements: Actuarial gain on plan assets		
Actual return on plan assets	(209,994)	(230,030)
Interest income on plan assets	96,976	94,620
Opening difference	(27,104)	6,299
Total actuarial gain on plan assets	(140,122)	(129,111)
	(83,252)	(210,411)

13.2.9 Movement in the present value of defined benefit obligation

	2026	2025
Present value of defined benefit obligation at beginning of the year	1,253,232	1,194,634
Current service cost	97,785	97,133
Interest cost	148,514	166,052
Benefits paid	(66,268)	(123,287)
Re-measurement : Actuarial gain on obligation	56,870	(81,300)
Present value of defined benefit obligation at end of the year	1,481,797	1,253,232

13.2.10 Movement in the fair value of plan assets

	2026	2025
Fair value of plan assets at beginning of the year	1,437,078	1,176,490
Interest income on plan assets	170,488	165,769
Contribution to the Fund	51,000	88,995
Benefits paid	(66,268)	(123,286)
Re-measurement : Actuarial gain on plan assets	140,122	129,110
Fair value of plan assets at the end of the year	1,732,419	1,437,078

13.2.11 Analysis of Present value of defined benefit obligation

	2026	2025
Vested / Non-Vested		
Vested Benefits	1,474,803	513,157
Non-Vested benefits	6,994	740,075
	1,481,797	1,253,232

13.2.12 Disaggregation of fair value of plan assets

	2026	2025
Cash and cash equivalents (after adjusting current liabilities)	36,955	33,807
Equity instruments - listed	371,572	383,988
Debt instruments	1,323,893	1,019,282
	1,732,420	1,437,077

13.2.13 The Holding Company and ISL ensures asset / liability matching by investing in government securities, bank deposits and equity securities and does not use derivatives to manage its risk.

13.2.14 Maturity profile of the defined benefit obligation

	2026	2025
	(Years)	
Weighted average duration of the defined benefit obligation		
Holding Company	9.66	9.88
ISL	11	11

	2026			2025		
	Holding Company	ISL	Total	Holding Company	ISL	Total
	------------------------------------- Rupees in '000 ----------------------------------					
One year	**68,189**	**24,319**	**92,508**	54,707	21,266	75,973
Two years	**72,375**	**29,641**	**102,016**	76,595	27,086	103,681
Three years	**43,439**	**33,009**	**76,448**	73,394	26,957	100,351
Four years	**108,857**	**89,698**	**198,555**	45,399	29,496	74,895
Five years	**81,607**	**44,786**	**126,393**	109,541	82,722	192,263
Six years to ten years	**508,968**	**12,323,771**	**12,832,739**	410,253	8,769,847	9,180,100

13.2.15 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2026			2025		
	Holding Company	ISL	Total	Holding Company	ISL	Total
	------------------------------------- Rupees in '000 ----------------------------------					
Discount rate + 1%	**729,928**	**611,440**	**1,341,368**	681,188	453,108	1,134,296
Discount rate - 1%	**885,596**	**759,857**	**1,645,453**	830,155	562,133	1,392,288
Long-Term Salary increase + 1%	**888,121**	**759,969**	**1,648,090**	832,545	562,880	1,395,425
Long-Term Salary increase - 1%	**726,667**	**610,098**	**1,336,765**	678,115	451,606	1,129,721

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant acturial assumptions, the same method (present value of the defined benefit obligation with the project unit credit method at the end of the reporting period) has been applied.

13.2.16 The Company contributes to the gratuity fund on the advice of the fund's actuary. The expense in relation to gratuity benefit for the year ending June 30, 2027 is expected to be Rs. 82.17 million for the Holding Company and ISL.

14. TAXATION - NET	2026	2025
	(Rupees in '000)	
Provision for taxation less payment	(844,711)	2,103

14.1 Under the Finance Act, 2022, the Federal Government inserted section 4C to the Income Tax Ordinance, 2001 which imposed a super tax on persons earning more than Rs. 150 million at varying rates. The Holding Company and ISL, along with the other companies, filed a petition in SHC on October 22, 2022 against the chargeability of Super Tax for the tax year 2022 and accordingly submitted a bank guarantee amount to Rs. 748.75 million in the Nazir of SHC. On December 22, 2022, the SHC decided that the Super Tax shall be applicable from FY 2023 instead of FY 2022 at a rate of a maximum 4%. In an appeal by FBR against this order, the Supreme Court passed an interim order to encash the bank guarantees by 4% till the case is finally decided. Consequently, the bank guarantee was reduced to Rs. 623.25 million.

In FY 2026, the Federal Constitution Court (FCC) held that the super tax imposed under Section 4-B and 4-C are intra Vires with the Constitution and ordered for either encashment of remaining bank guarantees or payment of due amount as super tax.

The Holding Company prefers to abide by the decision of the Apex legal forum, therefore, instructed its legal counsel to give consent for the encashment of bank guarantee and ISL has paid the required amount.

14.2 This includes Rs. 756.59 million in respect of tax on inter-corporate dividends received from International Steels Limited (ISL). The Holding Company has challenged the chargeability of such tax before the Sindh High Court (SHC). In connection with the litigation, 500,000 shares of ISL have been pledged with the Nazir of the SHC and bank guarantees aggregating Rs. 664.70 million have been furnished. In September 2023, the SHC dismissed the petitions; however, the Holding Company has filed an appeal before the Supreme Court / Federal Constitutional Court, which has granted interim relief and directed the tax authorities not to proceed with recovery until the final decision. The appeal remains pending adjudication at year end.

15. CASH AND BANK BALANCES

	Note	2026	2025
		(Rupees in '000)	
Cash at bank			
Conventional			
Current accounts			
- local currency		73,484	1,377,636
- foreign currency		1,764,264	1,953,346
Savings accounts			
- local currency	15.1	396,994	317,924
Term deposit receipt	15.3	1,370,251	1,034,000
		3,604,993	4,682,906
Islamic			
Current accounts			
- local currency		17,029	171,888
- foreign currency		101,957	129,297
Saving accounts - local currency	15.1	16,802	-
Term deposit receipt	15.3	218,333	-
Cash in hand		7,835	7,547
		3,966,949	4,991,638

15.1 At June 30, 2026, the rates of mark up on savings accounts denominated in local currency range from 7.50% to 9.75% (June 30, 2025: 3.5% to 19.00%) per annum.

15.2 As at June 30, 2026, the rates of mark up / profit on term deposit receipts range from 4.00% to 10.00% (2025: nil) per annum.

15.3 Out of total TDR's of Rs. 1,588.58 million, an amount of Rs. 1,204.58 million (2025: 429.25 million) has been held as margin against bank guarantee issued in favor Excise and Taxation Officer in respect of infrastructure cess and Rs. 384 million (2025: Rs. 384 million) held as margin against bank guarantee submitted to the Nazir of Sindh High Court in relation to petition filed by the Company in the Court against chargeability of Super Tax.

16. SHARE CAPITAL

Authorised share capital

2026	2025		2026	2025
(Number of shares)			(Rupees in '000)	
200,000,000	200,000,000	Ordinary shares of Rs. 10 each	2,000,000	2,000,000

Issued, subscribed and paid-up capital

2026	2025		2026	2025
(Number of shares)			(Rupees in '000)	
6,769,725	6,769,725	Fully paid ordinary shares of Rs. 10 each issued for cash	67,697	67,697
125,112,155	125,112,155	Fully paid ordinary shares of Rs.10 each issued as bonus shares	1,251,122	1,251,122
131,881,880	131,881,880		1,318,819	1,318,819

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

17. GENERAL RESERVES

General reserve is maintained for fulfilling various business needs including meeting contingencies, offsetting future losses, enhancing the working capital and paying dividends.

18. REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT

	Note	2026	2025
		(Rupees in '000)	
Freehold land			
Balance at beginning of the year		2,184,332	1,718,593
Surplus on revaluation of freehold land		-	465,739
Balance at end of the year		2,184,332	2,184,332
Leasehold land			
Balance at beginning of the year		5,547,843	5,715,043
Surplus on revaluation of leasehold land		-	(167,200)
Balance at end of the year		5,547,843	5,547,843
Buildings			
Balance at beginning of the year		3,399,016	1,748,710
Surplus on revaluation of buildings		-	1,833,108
Transferred to (unappropriated profit) in respect of incremental depreciation charged during the year		(373,797)	(182,802)
		3,025,219	3,399,016
Related deferred tax liability	18.2	(1,121,677)	(1,328,090)
Balance at end of the year - net of deferred tax		1,903,542	2,070,927
		9,635,717	9,803,101
Proportionate share of surplus on revaluation of building of equity accounted investee		711,873	640,413
Related deferred tax liability		(124,090)	(116,782)
Transferred to unappropriated profit on disposal of revalued land - PCL		(235,738)	-
		352,045	523,631
		9,987,762	10,326,733

18.1 The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders of the Holding Company in accordance with section 241 of the Companies Act, 2017.

18.2 Movement in related deferred tax liability

	2026	2025
	(Rupees in '000)	
Balance at beginning of the year	1,328,090	684,471
Deferred tax for the year	-	714,912
Tax effect on incremental depreciation transferred to retained earnings	(167,311)	(71,293)
Effect of change in rate of super tax	(39,102)	-
Balance at end of the year	1,121,677	1,328,090

19. LONG-TERM FINANCING - secured

	Note	2026	2025
		(Rupees in '000)	
CONVENTIONAL			
Long-Term Finance Facility (LTFF)	19.2	347,381	468,273
Renewable Energy Financing Facility (REFF)	19.3	112,500	150,000
Temporary Economic Refinance Facility (TERF)	19.4	308,127	369,752
		768,008	988,025
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)	19.5	259,394	334,908
Islamic Temporary Economic Refinance Facility (ITERF)	19.6	170,693	200,728
Islamic Finance Facility for Renewabale Energy (IFRE)	19.7	57,778	66,667
		487,865	602,303
		1,255,873	1,590,328
Deferred income - government grant	20	(94,893)	(128,395)
		1,160,980	1,461,933
Current portion of long-term financing			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)		(75,098)	(111,525)
Temporary Economic Refinance Facility (TERF)		(61,625)	(61,625)
Renewable Energy Financing Facility (REFF)		(37,500)	(37,500)
		(174,223)	(210,650)
ISLAMIC			
Islamic Long-Term Finance Facility (ILTFF)		(75,513)	(75,516)
Islamic Temporary Economic Refinance Facility (ITERF)		(30,036)	(30,244)
Islamic Finance Facility for Renewabale Energy (IFRE)		(8,889)	(8,889)
		(114,438)	(114,649)
		(288,661)	(325,299)
		872,319	1,136,634

19.1 Long-term finances utilised under mark-up arrangements

	CONVENTIONAL	Sale price	Purchase price	Number of instalments and commencement date	Date of maturity / repayment	Rate of mark-up per annum	Carrying amount 2026	2025
		(Rupees in '000)					(Rupees in '000)	
i)	**LTFF**							
	MCB Bank Limited Assistance for plant and machinery	550,000	906,963	34 quarterly October 29, 2016	November 18, 2025	3.7% / 5.2% (fixed rate)	-	26,771
	MCB Bank Limited Assistance for plant and machinery	100,000	149,976	34 quarterly August 31, 2019	August 31, 2027	3.5% (fixed rate)	**14,881**	27,003
	MCB Bank Limited Assistance for plant and machinery	100,000	147,862	34 quarterly March 30, 2020	June 30, 2028	3.5% (fixed rate)	**22,069**	32,961
	Allied Bank Limited Assistance for plant and machinery	500,000	578,167	16 half yearly December 30, 2023	July 20, 2032	2.5% to 7.5% (fixed rate)	**163,536**	195,140
	Allied Bank Limited Assistance for plant and machinery	500,000	578,168	16 half yearly January 20, 2022	January 20, 2032	0.50% over SBP Refinance rate	**146,527**	170,949
	Bank Al Habib Assistance for plant and machinery	1,000,000	2,501,562	16 half yearly December 12, 2016	May 30, 2026	1.00% over SBP Refinance rate	-	2,426
	United Bank Limited Assistance for plant and machinery	1,000,000	4,675,000	32 quarterly October 16, 2016	July 15, 2026	1.00% over SBP Refinance rate	**368**	13,023
							347,381	468,273
ii)	**TERF**							
	National Bank of Pakistan Assistance for plant and machinery	500,000	1,188,140	16 half yearly April 6, 2021	April 6, 2031	1.25% over SBP Refinance rate	**308,127**	369,752
iii)	**Renewable Energy Finance Facility**							
	Bank Alfalah Limited	100,000	163,868	16 quarterly installments May 29, 2024	May 29, 2029	3.00% over SBP Refinance rate	**75,000**	100,000
	Allied Bank Limited	50,000	96,232	16 quarterly installments June 28, 2024	June 28, 2029	3.00% over SBP Refinance rate	**37,500**	50,000
							112,500	150,000
							768,008	988,025

	ISLAMIC	Sale price	Purchase price	Number of instalments and commencement date	Date of maturity / repayment	Rate of mark-up per annum	Carrying amount 2026	Carrying amount 2025
		(Rupees in '000)					(Rupees in '000)	
i)	**ILTFF**							
	Habib Bank Limited							
	Acquisition of Musharakah assets	150,000	187,500	16 half yearly February 22, 2022	May 31, 2030	2.5% (fixed rate)	54,616	69,474
	Meezan Bank Limited							
	Assistance for plant and machinery	700,000	792,312	32 quarterly October 17, 2020	March 13, 2030	3.00% over SBP Refinance rate	204,778	265,434
							259,394	334,908
ii)	**ITERF**							
	Habib Bank Limited							
	Assistance for plant and machinery	131,000	163,750	32 quarterly June 28, 2023	April 9, 2031 to June 18, 2031	2% (fixed rate)	73,265	87,446
	Bank Islami							
	Assistance for plant and machinery	125,000	156,250	32 quarterly November 06, 2024	May 6, 2031 August 26, 2032	2% (fixed rate)	97,428	113,282
							170,693	200,728
iii)	**IFRE**							
	Bank Islami Pakistan Limited							
	Assistance for Solar Project	80,000	101,347	32 quarterly March 30, 2024	November 30, 2032	6.0% (fixed rate)	57,778	66,667
							487,865	602,303
							1,255,873	1,590,328

19.1.1 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 pari passu charge over the fixed assets of ISL (such as land, building, plant and machinery etc.).

19.1.2 In relation to these borrowings, the Group needs to observe certain financial and non-financial covenants as specified in the agreement with various lenders which are complied with as of the reporting date.

19.2 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.

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

19.4 This represents finance facility loans obtained from a commercial bank by ISL under SBP's Temporary Economic Refinance Facility available at below-market interest rates for setting up of new industrial units.

19.5 This represents finance facility loans obtained by the Holding Company and ISL from Islamic banks under SBP's Islamic Long-Term Finance Facility for plant and machinery in respect of export-oriented projects.

19.6 This represents long-term loans obtained by the Holding Company under the SBP's Islamic Temporary Economic Refinance Facility available to the Holding Company from various Islamic banks at below-market interest rates. The effective profit rate ranges from 7.9% to 11.69%.

19.7 This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Finance Facility for Renewabale Energy for solar power project.

19.8 During the year, mark-up paid on conventional and Islamic long-term finance amounts to Rs. 29.64 million (2025: Rs. 48.6 million) and Rs. 31.45 million (2025: Rs. 386.9 million) respectively.

	Note	2026	2025
20. DEFERRED INCOME - GOVERNMENT GRANT		(Rupees in '000)	
Balance at beginning of the year		**128,395**	165,684
Deferred grant recorded:			
Government grant recognised in income	32	**(33,502)**	(37,289)
Balance at end of the year		**94,893**	128,395
Less: current portion of deferred income - government grant		**(34,283)**	(33,478)
		60,610	94,917

20.1 This represents deferred grant recognised in accordance with IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance' in respect of SBP's Refinance Scheme for the Islamic Temporary Economic Refinance Facility obtained at concessionary rates. The Company has fulfilled the criteria of the said loans and have accordingly recognised the grant income in the Consolidated Statement of Profit or Loss.

21. DEFERRED TAXATION - NET

	Balance at July 1, 2025	(Credit)/ charge to profit or loss for the year	(Credit)/ charge to other comprehensive income for the year	Impact on statement of financial position	Balance at June 30, 2026	Balance at July 1, 2024	(Credit) / charge to profit or loss for the year	(Credit) / charge to other comprehensive income for the year	Balance at June 30, 2025
	------	------	(Rupees in '000)	------	------	------	------	(Rupees in '000)	------
Accelerated tax depreciation	3,011,018	(220,651)	-	-	2,790,367	3,174,758	(163,740)	-	3,011,018
Share of profit from equity accounted investee	310,894	41,337	7,308	-	359,538	273,976	49,815	(12,897)	310,894
Surplus on revaluation of buildings	1,766,499	(236,292)	(39,102)	-	1,491,105	894,246	(92,340)	964,593	1,766,499
Provision for infrastructure cess and government levies	(2,109,423)	(514,675)	-	-	(2,624,098)	(1,695,076)	(414,347)	-	(2,109,423)
Loss allowance on trade debts	(87,599)	(18,044)	-	-	(105,643)	(91,330)	3,731	-	(87,599)
Provision for net realisable value write down against stores and spares	(103,564)	-	-	-	(103,564)	(103,564)	-	-	(103,564)
Provision for compensated absences	(5,150)	(899)	-	-	(6,049)	(9,579)	4,429	-	(5,150)
Provision for lease liability	(1,571)	(61,361)	-	-	(62,932)	(8,061)	6,490	-	(1,571)
Staff retirement benefits	50,130	(15,605)	9,187	-	43,712	(28,729)	(3,201)	82,060	50,130
Gas Infrastructure Development Cess	14,879	-	-	-	14,879	(1,794)	16,673	-	14,879
Unrealised exchange losses	(16,673)	1,794	-	-	(14,879)	(1,863)	(14,810)	-	(16,673)
Minimum Tax	(160,676)	24,591	-	119,716	(16,369)	(158,567)	(2,109)	-	(160,675)
Net effect of consolidation adjustments - note 21.3	(12,483)	2,382	-	-	(10,101)	(1,215)	(11,268)	-	(12,483)
Tax loss - note 21.2	(136,346)	30,971	-	-	(105,375)	(147,136)	10,790	-	(136,346)
Provision for long term & trade deposit	(1,768)	-	-	-	(1,768)	(1,768)	-	-	(1,768)
Provision for stores & spares	(56,235)	5,721	-	-	(50,514)	(35,322)	(20,913)	-	(56,235)
Provision for WPPF	(10,117)	519	-	-	(9,598)	(10,117)	-	-	(10,117)
Dividend receivable	-	(6,290)		-	(6,290)				
Total	2,451,815	(966,501)	(22,607)	119,716	1,582,423	2,048,859	(630,799)	1,033,756	2,451,815

21.1 The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the Consolidated Statement of Financial Position.

21.2 The deferred tax asset on tax loss will be recoverable based on the estimated future taxable income and approved business plans and budgets. The aggregate amount of temporary differences associated with the investment in subsidiaries for which deferred tax liabilities have not been recognized related to undistributed profit and foreign currency translation reserve amounted to Rs. 10,673.10 million (June 30, 2025: Rs. 9,684.64 million) and Rs. 95.56 million (June 30, 2025: Rs. 72.85 million) respectively. A deferred tax liability has not been recognised on these temporary differences as there is no expectation of disposal of foreign subsidiaries and there is no expectation that the temporary differences related to undistributable profits will reverse in foreseeable future.

21.3 This represents tax impact arising on elimination of unrealised gain on inventory and property, plant and equipment on intra-group transactions.

21.4 Under the Finance Act, 2019, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2022, companies operating in certain sectors, including steel, are liable to pay super tax at 10% for tax year 2022 and upto 4% for tax year 2023 and onwards. However Finance Act, 2023 has introduced progressive rate on high earning persons ranging from 1% to 10% whereas on companies having income in excess of Rs. 500 million 10% super tax will be applicable. Such higher rate of tax has been made perpetual thus substantially increasing the overall tax costs for the businesses. Accordingly, deferred tax assets and liabilities have been recognised using the expected applicable rate.

		Note	2026	2025
22.	**TRADE AND OTHER PAYABLES**		(Rupees in '000)	
	Trade creditors	22.1	**4,373,314**	8,531,548
	Bills payable		**910,875**	331,097
	Accrued expenses	22.2	**4,020,276**	3,419,949
	Provision for Infrastructure Cess	22.3	**7,894,841**	6,163,979
	Short-term compensated absences		**11,000**	13,204
	Workers' Profit Participation Fund	22.5	**173,617**	20,684
	Workers' Welfare Fund	22.6	**339,375**	273,480
	Current portion of deferred income - government grant	20	**34,284**	33,478
	Provision for Government Levies	22.4	**99**	6,423
	Others		**56,492**	51,367
			17,814,173	18,845,208

22.1 This includes payable to Sumitomo Corporation, related party of ISL, amounting to Rs. NIL (June 30, 2025: Rs. 4,374.76 million).

22.2 This includes accrual of of Gas Infrastructure Development Cess amounting to Rs. 1,614.06 million (June 30, 2025: Rs. 1,614.06 million).

22.2.1 In the prior years, the Honorable Supreme Court of Pakistan (SCP) has decided the Appeal against consumers upholding the vires of GIDC Act, 2015 through its judgement dated August 13, 2020. The Supreme court on November 02, 2020 ordered that their decision of August 13, 2020 has validated the GIDC Act, 2015 in complete sense and the benefits allowed under its Section 8(2) to the industrial sector is also available. Further, payment of due GIDC was allowed in 48 installments instead of 24 installments.

ISL has also filed a civil suit before the Honourable High Court of Sindh (SHC) on the ground that the Company has not passed on the burden of Cess. Stay order was granted in the aforesaid suit, which has been operative till the next date of hearing which is pending.

ISL has not recognised GIDC amounting to Rs. 769 million (2025: Rs. 769 million) pertaining to period from July 01, 2011 to July 31, 2020 with respect to its captive power plant from which power generation is supplied to K-Electric Limited. Management considers that, in the event such levy is imposed, it shall recover GIDC from K-Electric Limited through fuel adjustments after getting requisite approval from National Electric Power Regulatory Authority (NEPRA).

Despite the speaking order dated August 13, 2020 by the Supreme court, the Federal Government did not initiate the gas project within six months, therefore, ISL filed a petition in the SHC challenging the decision of the Supreme court.

		2026	2025
22.3	**Provision for Infrastructure Cess**	(Rupees in '000)	
	Balance at beginning of the year	**6,163,979**	4,291,707
	Charge for the year	**1,730,862**	822,609
	Balance at end of the year	**7,894,841**	5,114,316

22.3.1 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. 8,086.5 million (2025: Rs. 6302.5 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.

During the year, the Government of Sindh (GoS) enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026. Subsequent to the year end, the Company opted to avail the settlement framework under sections 10A to 10F of the amended Act under which the outstanding liability shall be settled through staged payments comprising 15% by July 15, 2026, a further 15% by October 15, 2026, 15% by July 15, 2027, with the remaining balance discharged in forty-eight equal quarterly instalments commencing July 15, 2028 and continuing until 2040. As required under the settlement framework, the Company has withdrawn all pending litigation and waived related claims against the GoS. Resultantly, thereafter, the reduced rate of 0.85% is applicable on the Company as per the settlement framework.

		Note	2026	2025
22.4	**Provision for Government levies - stamp duty**		(Rupees in '000)	
	Balance at beginning of the year		**6,423**	4,717
	Provided during the year		**2,600**	3,600
	Payment during the year		**(8,924)**	(1,894)
	Balance at end of the year		**99**	6,423
22.5	**Workers' Profit Participation Fund**			
	Balance at beginning of the year		**20,684**	252,582
	Interest on funds utilized in the Holding Company's business 75% (2025: 75%)	30	**539**	1,107
			21,223	253,689
	Expense for the year	31	**338,848**	175,101
			360,071	428,790
	Payments made during the year		**(186,454)**	(408,106)
	Balance at end of the year		**173,617**	20,684
22.6	**Workers' Welfare Fund**			
	Balance at beginning of the year		**273,480**	326,500
	Charge for the year		**162,222**	66,798
	Payment / adjustment during the year		**(96,327)**	(119,818)
	Balance at end of the year		**339,375**	273,480

The Company filed a constitutional petition with the Sindh High Court (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 Honourable Sindh High 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 or the provinces comes to a mutual agreement. This decision of SHC has been challenged by the provincial government before the SupremeCourt of Pakistan. IIL prefers to file a defense against this appeal by the Sindh government.

23. CONTRACT LIABILITIES

During the year, the Holding Company and ISL recognised revenue amounting to Rs. 1,975.44 million (2025: Rs.1,763.08 million) out of the contract liabilities balance outstanding at the beginning of the year.

		Note	2026	2025
24.	**SHORT-TERM BORROWINGS - secured**		(Rupees in '000)	
	CONVENTIONAL			
	Running finance under mark-up arrangement from banks	24.1	**2,838,600**	770,453
	Short-term borrowing under Money Market Scheme maturing within three months	24.2	**550,000**	1,415,000
	Short-term borrowing under Export Refinance Scheme	24.3	**5,210,000**	4,650,000
	Short-term borrowing under Export Finance Scheme	24.4	**249,507**	1,014,300
			8,848,107	7,849,753

ISLAMIC	Note	2026	2025
		(Rupees in '000)	
Short-term borrowing under Money Market Scheme maturing within three months		-	1,250,000
Short-term borrowing under Running Musharakah	24.5	5,245,702	305,522
Short-term borrowing under Islamic Export Refinance Scheme	24.6	400,000	300,000
		5,645,702	1,855,522
		14,493,809	9,705,275

24.1 The 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 11.54% to 12.53% (June 30, 2025: NIL) per annum.

24.2 The Holding Company has obtained facilities for short-term finance under money market scheme. The rates of mark-up on these facilities range from 9.53% to 11.3% (June 30, 2025: 11.48% to 22.52%) per annum and are payable within three months.

24.3 The Holding Company and ISL have obtained short-term running finance facilities under the Export Refinance Scheme of the State Bank of Pakistan 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.

24.4 The Holding Company and ISL had 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 rates of mark-up on these facilities obtained by ISL is is 2.00% (June 30, 2025: 2.00% to 2.50%) per annum. These facilities mature within six months.

24.5 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 12.53% (June 30, 2025: 11.53% to 22.29%) per annum. The rates of profit on the finances obtained by ISL range from 11.49% to 11.59% (June 30, 2025: 11.48% to 12.59%) per annum.

24.6 The Holding Company and ISL had availed short-term running finance facility under the Islamic Export Refinance Scheme of the SBP from an Islamic bank. The rates of profit on these facilities obtained by Holding Company is 4.50% (June 30, 2025:NIL) per annum. The rates of profit on these facilities obtained by ISL is 4.50% (June 30, 2025: 8.00%) per annum.This facility matures within six months and is renewable.

24.7 As at June 30, 2026, the unavailed facilities from the above borrowings for the Holding Company amounted to Rs. 12,675 million (June 30, 2025: Rs. 10,958 million) and for ISL amounted to Rs. 33,768.93 million (June 30, 2025: Rs. 22,051 million).

24.8 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.

25. CONTINGENCIES AND COMMITMENTS

Description of factual basis of the proceeding and relief sought	Name of court	Principal parties	Date instituted
Holding Company			
The Collector of Customs has charged the Company for a redemption fine of Rs. 83 million on clearance of imported raw material consignments in 2006. The Company has filed an appeal before the Sindh High Court (SHC), which has set aside the examination reports including subsequent order produced by the custom authorities, and ordered the authorities to re-examine the matter afresh. However, the custom authorities had filed an application for leave to appeal against the order of the SHC. The management anticipates that the chances of admission of such appeal are remote.	Sindh High Court	Collector of Customs / Federation of Pakistan	August 30, 2007
Holding Company			
As per section 95 of the Custom Act read with Customs Rules, 2001, the Company sold zinc wastages generated from imports under manufacturing bond at 0% duty for export during 2012-13, 2013-14 and 2014-15. All these sales were subject to sales tax payments in term of Custom Rules. However, on August 31, 2020, the Collector of Customs (Adjudication - II) has passed ONO no. 473, 474 and 475 against the Company and ordered for recovery of customs duty amounting to Rs. 402.72 million on zinc wastages. The Holding filed appeals against these orders in the Customs Tribunal. However, due to non-functioning of Tribunal and considering the importance, Company preferred to file an appeal with the SHC. SHC granted stay order against the order of the Collector of Customs and issued notices for the hearing. The SHC vide its order dated October 12, 2021 has disposed off the case with directions to the Appellate Tribunal to decide the pending appeal within sixty days. The SHC further directed that the respondents shall not take any coercive action against the Company in respect of the impugned demand till the conclusion of the appeal. The case was decided against IIL by the Custom Appelate Tribunal. Being aggrieved by the decision of the Appellate Tribunal, the Company preferred a reference to the SHC. The SHC, at the hearing on September 9, 2022 adjourned the matter for a later date. The next date of hearing is on August 19, 2026. As per the advise of legal advisor the Company has good arguable case on merit with a chance of favorable outcome.	Sindh High Court	Collector of Customs	October 10, 2020
International Steels Limited			
25.1.4 A petition was filed before the Sindh High Court seeking order for the issuance of quota for concessionary import under SRO 565; release of 85,000 tons of HRC arrived at the Port in November 2019 and for future shipments SHC granted release of 85,000 tons of HRC against submission of bank guarantee for the differential amount of duty & taxes amounting to Rs. 1,651 million. In a seperate order SHC instructed the authorities to allow provisional quota subject to submission of bank guarantee for the difference of duty & taxes. As ordered, the Input-Output Co-efficient Organisation (IOCO) is issuing quota equivalent to ordered/shipped quantity of raw material on case to case basis. Proceedings remain pending adjudication. Based on the legal advisor's opinion, Management is confident that outcome of the case would be in the Company's favour.	Sindh High Court	I.S.L. vs Federation of Pakistan / Director IOCO / The Chief Collector (South)	November 4, 2019

Description of factual basis of the proceeding and relief sought	Name of court	Principal parties	Date instituted
25.1.5 The Competition Commission of Pakistan (CCP) initiated an inquiry into alleged price coordination and market practices among domestic steel producers. Following its investigation, the CCP issued a show-cause notice to the Company under the provisions of the Competition Act, 2010, citing potential non-compliance with statutory requirements relating to anti-competitive conduct. Upon completion of the inquiry, the CCP passed an adverse order against the Company, concluding that certain practices were inconsistent with the Competition Act, 2010 and levied a penalty amounting to Rs. 914 million. The Company, being aggrieved by the order, has preferred an appeal under Section 42 of the Competition Act, 2010 before the Competition Appellate Tribunal (CAT). The Tribunal has admitted the appeal and granted interim relief by suspending the implementation of the penalty through a stay order. Based on the legal advisor's opinion, Management is confident that outcome of the case would be in the Company's favour. Accordingly, no provision has been recognised in these financial statements in respect of the said matter.	Competition Appellate Tribunal (CAT)	ISL vs CCP	

25.2 Commitments

Holding Company and ISL

25.2.1 Capital expenditure commitments outstanding as at June 30, 2026 amounted to 67.75 million (June 30, 2025: Rs. NIL).

25.2.2 Commitments under letters of credit for raw materials and stores and spares as at June 30, 2026 amounted to Rs. 21,819.80 million (June 30, 2025: Rs. 23,396.20 million).

25.2.3 Facilities for opening letters of credit and guarantees from banks as at June 30, 2026 amounted to Rs. 54,200 million (June 30, 2025: Rs. 55,449 million) and Rs. 15,874 million (June 30, 2025: Rs. 13,984 million) respectively, of which the unutilised balance at year-end amounted to Rs. 32,312 million (June 30, 2025: Rs. 32,052 million) and Rs. 1,570 million (June 30, 2025: Rs. 1,193 million) respectively.

25.2.4 The Holding Company and ISL provided corporate guarantee and performance guarantee in favor of Habib Bank Limited on behalf of Chinoy Engineering & Construction (Private) Limited ("CECL"), as disclosed in 7.2.1.2.

Holding Company

25.2.5 Commitments under purchase contracts as at June 30, 2026 amounted to Rs. 326.59 million (June 30, 2025: Rs. 681.90 million).

ISL

25.2.6 Post-dated cheques issued in favour of Collector of Customs for the concession availed on account of special rate of duties and taxes on import of Hot Rolled Coils under SRO 565 and manufacturing bond as at June 30, 2026 amounted to Rs. 5,655 million (2025: Rs. 5,655 million).

26. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2026	2025
	(Rupees in '000)	
Sale of goods less returns		
Local	121,147,186	89,306,474
Sales tax	(16,907,690)	(12,744,550)
Trade discounts	(7,743,471)	(4,059,105)
	96,496,025	72,502,819
Export	23,776,086	13,939,552
Export commission & discounts	(17,362)	(629,330)
	23,758,724	13,310,222
	120,254,749	85,813,041

26.1 The domestic sales revenue of ISL includes Rs. 14,129.10 million (June 30, 2025: Rs. 9,987.26 million) on account of sales from manufacturing facility located at National Industrial Parks, Bin Qasim Industrial Park, Karachi which is a Special Economic Zone.

26.2 Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets and major product lines:

	Note	2026	2025
		(Rupees in '000)	
Primary geographical markets:			
Local		**96,427,878**	71,971,460
Asia		**4,378,771**	4,989,689
Europe		**8,378,811**	1,345,806
Australia		**1,962,378**	1,448,355
Africas		**55,853**	5,367,824
Americas		**9,051,058**	689,907
		120,254,749	85,813,041
Major Product Lines:			
Steel products		**116,683,473**	80,196,952
Polymer products		**3,571,276**	5,616,089
		120,254,749	85,813,041

27. COST OF SALES

	Note	2026	2025
Raw material consumed			
Opening stock of raw material		**6,234,699**	8,352,320
Purchases		**101,743,023**	63,557,696
		107,977,722	71,910,016
Closing stock of raw material	9	**(12,555,600)**	(6,234,699)
		95,422,122	65,675,317
Manufacturing overheads			
Salaries, wages and benefits	27.1	**2,684,347**	2,204,769
Electricity, gas and water	27.2	**5,127,296**	3,503,584
Depreciation and amortisation		**2,484,793**	2,168,412
Operational supplies and consumables		**509,055**	406,630
Repairs and maintenance		**592,756**	421,380
Sundries		**68,014**	62,830
Vehicle, travel and conveyance		**181,725**	142,302
Security and janitorial		**152,337**	141,664
Computer stationary and software support fees		**121,418**	107,247
Internal material handling		**114,494**	72,539
Insurance		**65,177**	65,431
Postage, telephone and stationery		**52,606**	49,203
Provision for capital spares		**120,000**	120,000
Toll manufacturing		**77,634**	686
Rent, rates and taxes		**1,962**	6,801
Environment controlling expense		**10,676**	10,141
Provision for net realisable value written down		**44,553**	52,465
		12,408,843	9,536,084
		107,830,965	75,211,401
Work-in-process			
Opening stock		**3,965,548**	2,557,557
Closing stock	9	**(6,116,262)**	(3,965,548)
Cost of goods manufactured		**(2,150,714)**	(1,407,991)
		105,680,251	73,803,410
Finished goods, by-products and scrap			
Opening stock		**9,384,610**	12,476,974
Purchases		**514,835**	354,007
Closing stock	9	**(10,367,024)**	(9,384,610)
		(467,579)	3,446,371
		105,212,672	77,249,781

27.1 These include Rs. 46.51 million (June 30, 2025: Rs. 41.04 million) in respect of contribution to the Provident Funds, Rs. 45.71 million (June 30, 2025: Rs. 68.03 million) in respect of the Gratuity Funds and Rs. 25.33 million (June 30, 2025: Rs. 20.26 million) in respect of compensated absences.

27.2 This amount includes grid levy of Rs. 341.55 million (2025: Rs. 55.13 million) on account of the 'Off the Grid Levy' imposed via the Off the Grid (Captive Power Plants) Levy Act, 2025.

28. SELLING AND DISTRIBUTION EXPENSES

	Note	2026	2025
		(Rupees in '000)	
Freight and forwarding		3,682,301	2,104,594
Salaries, wages and benefits	28.1	783,311	598,531
Advertising and sales promotion		262,223	204,627
Vehicle, travel and conveyance		137,576	124,833
Depreciation and amortisation		79,581	65,246
Insurance		23,219	29,193
Postage, telephone and stationery		32,559	26,923
Rent, rates and taxes		19,723	13,545
Electricity, gas and water		15,002	13,706
Certification and registration charges		8,824	7,644
Repairs and maintenance		3,039	1,337
Office supplies		158	19
Others		18,093	14,588
		5,065,608	3,204,786

28.1 These include Rs. 14.31 million (June 30, 2025: Rs. 12.59 million) in respect of contribution to the Provident Funds, Rs. 8.18 million (June 30, 2025: Rs. 10.87 million) in respect of the Gratuity Funds and Rs. 1.37 million (June 30, 2025: Rs. 5.97 million) in respect of compensated absences.

29. ADMINISTRATIVE EXPENSES

	Note	2026	2025
		(Rupees in '000)	
Salaries, wages and benefits	29.1	650,957	559,306
Legal and professional charges		193,729	128,944
Depreciation and amortisation		96,240	65,123
Vehicle, travel and conveyance		77,772	70,503
Postage, telephone and stationery		25,334	19,230
Certification and registration charges		15,768	12,472
Electricity, gas and water		6,375	6,937
Insurance		5,450	4,708
Entertainment		2,207	4,318
Repairs and maintenance		5,825	7,356
Rent, rates and taxes		4,614	1,493
Office supplies		1,550	1,621
Others		76,938	62,031
		1,162,760	944,042

29.1 These include Rs. 17.52 million (June 30, 2025: Rs. 17.30 million) in respect of contribution to the Provident Funds, Rs. 11.93 million (June 30, 2025: Rs. 17.39 million) in respect of the Gratuity Funds and Rs. 5.47 million (June 30, 2025: Rs. 9.47 million) in respect of compensated absences.

30. FINANCE COST

	Note	2026	2025
		(Rupees in '000)	
Conventional:			
- Interest on long-term financing		53,256	73,061
- Interest on short-term borrowings		1,080,452	766,448
		1,133,708	839,509
Islamic:			
- Mark-up on long-term financing		30,900	385,291
- Mark-up on short-term borrowings		476,939	105,802
		507,839	491,093
Bank charges		128,516	80,264
Unwinding of Gas Infrastructure Development Cess		-	8,614
Interest on Workers' Profit Participation Fund	22.5	539	1,107
Interest on lease liabilities	5.2.1	23,755	12,098
Exchange gain on borrowings		9,954	(6,721)
		1,804,311	1,425,964

31. OTHER OPERATING CHARGES	Note	2026	2025
		(Rupees in '000)	
Workers' Profit Participation Fund	22.5	338,848	175,101
Workers' Welfare Fund		162,222	66,798
Net foreign exchange losses		553,301	126,828
Donations	31.1	73,168	33,600
Business development expenses		-	498
Auditors' remuneration	31.2	19,553	19,327
		1,147,092	422,152

31.1 Donations

31.1.1 Donations to the following organization exceed 10 % of total amount of donations made or Rs. 1 million which ever is higher.

	2026	2025
	(Rupees in '000)	
The Citizen Foundation	-	-
Amir Sultan Chinoy Foundation	13,500	22,000
SINA Health Education and Welfare Trust	-	3,750
Al Rehmat Benevolent Fund	1,000	-
	14,500	25,750

31.1.2 The director's of the Company are also on the Board of Trustees of Amir Sultan Chinoy Foundation.

31.2 Auditors' remuneration	Note	2026	2025
		(Rupees in '000)	
Audit fee			
		7,790	7,393
Half yearly review		3,320	3,000
Certifications for regulatory purposes		6,792	7,548
Out of pocket expenses		1,651	1,386
		19,553	19,327
32. OTHER INCOME - NET			
Income from financial assets			
Income on bank deposits - conventional		100,712	382,583
Income on bank deposits - islamic		15,151	-
Unwinding of government grant	20	33,502	37,289
Income from non-financial assets			
Gain on disposal of property, plant and equipment		65,042	123,158
Loss on remeasurement of Gas			
Infrastructure Development Cess		-	(134)
Rental income		30,291	3,252
Loss from power generation	32.1	(40,033)	(322,573)
Liability no longer payable - write back		53,419	-
Others		82,931	157,906
		341,014	381,481

32.1 Loss from power generation

	Note	2026	2025
Revenue - net of sales tax		1,494	86,622
Cost of electricity produced:			
Salaries, wages and benefits	32.1.1	(48,355)	(36,575)
Electricity, gas and water		(1,588,909)	(1,889,987)
Insurance		-	-
Depreciation	4.1.1	(309,642)	(299,768)
Operational supplies and consumables		(39,486)	(20,595)
Repairs and maintenance		(66,589)	(87,007)
Sundries		(8,514)	(2,844)
		(2,061,495)	(2,336,776)
Self consumption		2,019,968	1,927,581
Loss from power generation		(40,033)	(322,573)

32.1.1 These include Rs. 1.10 million (June 30, 2025: Rs. 1.00 million) in respect of contribution to the Provident Funds, Rs. 1.10million (June 30, 2025: Rs.1.13 million) in respect of the Gratuity Funds and NIL (June 30, 2025: Rs. NIL) in respect of compensated absences.

32.1.2 ISL has electricity power generation facility at its premises. ISL has generated electricity in excess of its requirements which is supplied to K-Electric Limited under an agreement. The agreement is valid for period up to 20 years w.e.f. August 31, 2007.

		Note	2026	2025
			(Rupees in '000)	
33.	**LEVIES**			
	Final tax u/s 154		-	(520)
	Minimum tax u/s 153		(10,104)	(5,983)
			(10,104)	(6,503)
34.	**INCOME TAX EXPENSE**			
	Current			
	- for the year	34.1	(3,564,553)	(2,066,847)
	- for prior years		-	76,687
			(3,564,553)	(1,990,160)
	Deferred		965,128	630,799
			(2,599,425)	(1,359,361)

34.1 This includes super tax of Rs. 973 million (June 30, 2025: Rs. 562.71 million) as imposed by the Finance Act, 2022.

34.2 The Company operates a facility at National Industrial Parks, Bin Qasim Industrial Park, Karachi, which qualifies as a zone enterprise under the Special Economic Zones Act, 2012. Pursuant to clause 126E of Part I of the Second Schedule to the Income Tax Ordinance, 2001, income derived by a qualifying zone enterprise is exempt from income tax for a period of ten years commencing from commencement of commercial operations, i.e. till the year 2029. Accordingly, income attributable to the the facility has been treated as exempt from income tax in determining the current tax charge for the year.

34.3 Relationship between income tax expense and accounting profit	2026	2025	2026	2025
	Effective tax rate (%)		(Rupees in '000)	
Profit before levies and income tax			7,105,852	2,944,481
Tax at the enacted rate	(29.00)	(29.00)	(2,060,697)	(853,900)
Tax effect of :				
Exempt income	3.09	5.20	219,402	153,068
Income taxed as separate block of income	0.26	(4.23)	18,145	(124,517)
Super tax	(13.69)	(19.12)	(972,999)	(563,003)
Tax credit	0.29	0.22	20,955	6,554
Prior year	-	2.60	-	76,687
Effect of dividend received from Associate	0.94	-	66,529	-
Effect of reduced rate of super tax by 2% on Deferred Tax	0.88	-	62,465	-
Others	1.31	(0.94)	93,201	(27,716)
Consolidation adjustments	(0.80)	(1.12)	(56,530)	(33,037)
Levies and income tax - note 33 & 34	(36.72)	(46.39)	(2,609,529)	(1,365,864)

35. EARNINGS PER SHARE - BASIC AND DILUTED

	Note	2026	2025
		(Rupees in '000)	
Profit for the year attributable to owners of the Holding Company		2,891,329	898,978
		2026	2025
		(Number)	
Weighted average number of ordinary shares outstanding during the year	16	131,881,880	131,881,880
		2026	2025
		----------- (Rupees) -----------	
Earnings per share - basic and diluted		21.92	6.82

35.1 There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2026 and 2025.

36. CASH GENERATED FROM OPERATIONS

	Note	2026	2025
		(Rupees in '000)	
Profit before levies and income tax		7,105,852	2,944,481
Adjustments for:			
Depreciation of property, plant and equipment	4.1.1	2,892,535	2,567,369
Depreciation of right-of-use assets	5.1	69,236	25,227
Amortisation of intangible assets	6	37,943	5,951
Charge of loss allowance on trade debts	10.3	(30,913)	40,616
Provision for net realisable value written down		(447)	52,465
Provision for stores and spares - net		120,000	120,000
Provision for staff retirement benefits	13.2.8	67,475	97,417
Provision for compensated absences		32,209	35,700
Income on bank deposits	32	(115,863)	(382,583)
Gain on disposal of property, plant and equipment	32	(65,042)	(123,158)
Government grant income	32	(33,502)	(37,289)
Gain on remeasurement of Gas Infrastructure Development Cess	32	-	134
Unwinding of Gas Infrastructure Development Cess	30	-	8,614
Share of profit from equity accounted investee	7.1.2	(871,619)	(37,301)
Dividend income		-	-
Finance cost		1,804,311	1,417,350
		11,012,175	6,734,994
Changes in working capital	36.1	(7,930,988)	2,742,486
		3,081,187	9,477,480

		Note	2026	2025
			(Rupees in '000)	
36.1	**CHANGES IN WORKING CAPITAL**			
	(Increase) / decrease in current assets:			
	Stores and spares		(106,303)	(28,841)
	Stock-in-trade		(5,278,224)	(1,711,610)
	Trade debts		(1,707,936)	1,133,446
	Advances, trade deposit and prepayments		(186,323)	(214,309)
	Other receivables		26,146	24,508
	Sales tax receivable		28,463	336,632
			(7,224,177)	(460,174)
	Increase / (decrease) in current liabilities:			
	Trade and other payables		(1,047,125)	3,322,490
	Contract liabilities		340,314	(119,830)
			(7,930,988)	2,742,486
37.	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances	15	3,966,949	4,712,388
	Less: Term Deposit Receipts (TDRs)		(1,588,584)	(1,034,000)
	Running finance under mark-up arrangement from banks		(1,261,815)	(770,453)
			1,116,550	2,907,935

37.1 Short term borrowings other than running finance have been reclassified as financing activities and term deposit receipts have been reclassified as investing activities in the statement of cash flows which were previously included as cash and cash equivalents.

38. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2026	2025	2026	2025	2026	2025
	-----(Rupees in '000)-----					
Managerial Remuneration	44,719	39,927	8,591	-	698,873	634,195
Bonus	14,906	9,982	2,864	-	150,427	216,473
Variable performance pay	10,370	-	-	-	177,373	173,155
Retirement benefits	3,611	2,494	716	-	67,760	61,238
Rent, utilities allowance etc.	22,359	14,973	4,295	-	349,436	327,607
Ex Gratia	-	-	-	-	-	3,954
Directors' fee	-	-	8,300	11,300	5,800	6,900
	95,965	67,376	24,766	11,300	1,449,669	1,423,522
Number of persons	1	2*	10**	9	234	214

* *During the previous year, Mr. Yousuf H. Mirza was appointed as the Chief Executive Officer of the Holding Company to fill the casual vacancy created due to resignation of Mr. Sohail R. Bhojani.*

** *During the year, Mr. Sheikh Asim Rafiq was appointed as an Non-Executive Director to fill the casual vacancy created due to resignation of Mr. Shoaib Mir.*

38.1 The Chief Executives, directors and certain executives are provided with free use of Company maintained vehicles & Chief Executive of Holding Company is provided with security guard in accordance with the Company's policy.

38.2 Fee paid to 9 (June 30, 2025: 9) non-executive directors were Rs. 8.30 million (June 30, 2025: Rs. 11.30 million) on account of meetings attended by them.

39. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

a) Financial risk management

The Board of Directors of respective group entities have overall responsibility for the establishment and oversight of the risk management framework for the respective group entity. Each group entity has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

b) Risk management framework

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

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

39.1 Credit risk

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

39.1.1 Exposure to credit risk

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

	Note	2026	2025
		(Rupees in '000)	
- Long-term deposit		**15,629**	9,689
- Trade debts - net of provision	10	**5,172,387**	3,436,163
- Trade deposits	11	**82,611**	28,001
- Other receivables	12	**21,799**	47,945
- Bank balances	15	**3,959,114**	4,984,091
		9,251,540	8,505,888

The group entities do not take into consideration the value of collateral while testing financial assets for impairment. The group entities consider the credit worthiness of counter parties as part of their risk management.

Long-term deposits

These represent long-term deposits with various parties for the purpose of securing supplies of raw materials and services. No credit exposure is foreseen there against as the amounts are paid to counter parties as per the agreement and are refundable on termination of agreement with respective counterparties.

Trade debts

The exposure to credit risk of each group entity arising from trade debtors is mainly influenced by the individual characteristics of each customer. The majority of the customers of the respective group entities have been transacting with them for several years. The Holding Company and ISL establish an allowance for impairment that represents its estimate of incurred losses.

Trade deposits

These represent deposits placed with various suppliers as per the terms of securing availability of services. The management of group entities does not expect to incur credit loss there against.

Other Receivables

These mainly include receivable from K-Electric Limited (KE) on account of electricity provided to it from the 4 MW and 18 MW plant located at factory sites of the Holding Company and Subsidiary Company respectively under an agreement. The Group does not expect to incur credit loss these receivables.

Analysis of gross amounts receivable from local and foreign trade debtors and from KE are as follows:

	2026	2025
	(Rupees in '000)	
Domestic	**1,881,642**	1,600,384
Export	**3,511,890**	2,100,010
	5,393,531	3,700,395

39.1.2 Impairment losses

The aging of trade debtors and amounts receivable from KE at the reporting date was as follows:

	2026		2025	
	Gross	Impairment	Gross	Impairment
	(Rupees in '000)			
0 - 60 days	**4,746,931**	**33,328**	2,985,061	1,527
61 - 180 days	**52,505**	**3,761**	162,240	9,125
181 - 365 days	**(12,658)**	**12,804**	152,895	25,122
More than 365 days	**606,753**	**170,163**	400,198	188,339
Total	**5,393,531**	**220,056**	3,700,394	224,113

Management of the Group entities believes that the unimpaired balances that are past dues are still collectible in full, based on historical payment behaviour and review of financial strength of respective customers. Further, certain trade debtors are secured by way of Export Letter of Credit and Inland Letter of Credit which can be called upon if the counter party is in default under the terms of the agreement.

Bank balances
Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks within which balances are held or credit lines available:

Bank	Rating Agency	Short term	Long term
Habib Bank Limited	VIS	A-1+	AAA
United Bank Limited	VIS	A-1+	AAA
Faysal Bank Limited	PACRA	A-1+	AA+
Bank Al Habib Limited	PACRA	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
Standard Chartered Bank (Pakistan) Limited	VIS	A-1+	AAA
Meezan Bank Limited	VIS	A-1+	AAA
Bank Al Falah Limited	PACRA	A-1+	AAA
Allied Bank Limited	PACRA	A-1+	AAA
Askari Bank Limited	PACRA	A-1+	AAA
Samba Bank Limited	PACRA	A-1+	AA
Soneri Bank Limited	PACRA	A-1+	AA
Industrial & Commercial Bank of China	FITCH	A-1	A-1
Bank Islami Pakistan Limited	PACRA	A-1	AA-
Habib Metropolitan Bank Limited	PACRA	A-1+	AAA
The Bank of Punjab (BOP)	PACRA	A-1+	AAA
JS Bank Limited	PACRA	A-1+	AA
Dubai Islamic Bank Limited	VIS	A-1+	AA
National Bank of Pakistan	PACRA	A-1+	AAA

39.1.3 Concentration of credit risk

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

39.2 Liquidity risk

Liquidity risk is the risk that a group entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that group entity could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The approach of group entities to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's or group's reputation. The group entities ensure that they have sufficient liquidity including credit lines to meet expected working capital requirements. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

Non-derivative financial liabilities	2026				
		Contractual cashflows			
	Carrying amount	Six months or less	Six to twelve months	Two to five years	More than five years
	(Rupees in '000)				
Long-term financing	**1,160,980**	**(163,571)**	**(161,914)**	**(943,396)**	**(87,111)**
Trade and other payables	**9,372,056**	**(9,372,056)**	**-**	**-**	**-**
Accrued mark-up	**253,895**	**(253,895)**	**-**	**-**	**-**
Short-term borrowings	**14,493,809**	**(14,493,809)**	**-**	**-**	**-**
Lease liabilities	**254,580**	**(51,956)**	**(51,956)**	**(4,415)**	**-**
Unclaimed dividend	**44,861**	**(44,861)**	**-**	**-**	**-**
	25,580,181	**(24,380,148)**	**(213,870)**	**(947,811)**	**87,111)**

Non-derivative financial liabilities	2025				
		Contractual cashflows			
	Carrying amount	Six months or less	Six to twelve months	Two to five years	More than five years
	(Rupees in '000)				
Long-term financing	1,461,933	(201,687)	(172,145)	(1,217,879)	(177,259)
Trade and other payables	12,347,164	(12,347,164)	-	-	-
Accrued mark-up	132,701	(132,701)	-	-	-
Short-term borrowings	9,705,275	(9,705,275)	-	-	-
Lease liabilities	81,941	(9,086)	(9,086)	(4,415)	-
Unclaimed dividend	42,994	(42,994)	-	-	-
	23,772,008	(22,438,907)	(181,231)	(1,222,294)	(177,259)

39.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rates of mark-up have been disclosed in respective notes to these consolidated financial statements.

39.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect a group entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Group entities are exposed to currency risk and interest rate risk only.

39.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to currency risk

The Group is exposed to currency risk on trade debts, trade and other payables and bank balances that are denominated in a currency other than the functional currency of the Group. The Group's exposure to foreign currency risk is as follows:

	2026						2025					
	Rupees	US Dollars	Australian Dollars	Euro	Canadian Dollars	Others	Rupees	US Dollars	Australian Dollars	Euro	Canadian Dollars	Yuan
Financial assets	(In '000)						(In '000)					
Bank balance	1,764,264	6,166	758	19	-	-	1,953,346	4,393	2,851	162	706	-
Trade debts	3,511,890	10,654	2,074	7	418	-	2,100,010	5,676	3,324	-	145	-
Financial liabilities												
Trade and other payable	(3,915,923)	(13,405)	-	(244)	-	(864)	(5,514,194)	(27,457)	(6,543)	(168)	(4,490)	-
Net exposure	1,360,231	3,415	2,832	(218)	418	(864)	(1,460,838)	(17,388)	(368)	(6)	(3,639)	-

The following significant exchange rates applicable during the year:

	Reporting date rate	
	2026 Buying/Selling	2025 Buying/Selling
US Dollars (USD) to Pakistan Rupee	277.88 / 278.31	283.53 / 283.96
Australian Dollars (AUD) to Pakistan Rupee	191.05 / 191.33	185.45 / 185.75
Euro to Pakistan Rupee	316.73 / 317.22	332.62 / 333.12
Canadian Dollars (CAD) to Pakistan Rupee	195.28 / 195.58	207.45 / 207.77
Yuan to Pakistan Rupee	40.93 / 40.98	39.58 / 39.63
AED to Pakistan Rupee	75.66 / 75.77	77.31 / 77.32

Sensitivity analysis

A 10 percent strengthening / (weakening) of the Pak Rupee against the USD, AUD, Euro and CAD at June 30, would have (decreased) / increased the equity / profit after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same for both the years. However, current year amount is net of corporate tax while there is no impact of corporate tax on the prior as income was subject to minimum tax.

	Effect on Consolidated Statement of Profit or Loss	
	2026	2025
	(Rupees in '000)	
As at June 30		
Effect in USD	53,508	(280,350)
Effect in AUD	41,120	(3,982)
Effect in Euro	(1,498)	(115)
Effect in CAD	33,722	(42,907)
Effect in Others	(2,861)	-

39.3.2 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate exposure arises from short and long-term borrowings from banks.

At the reporting date the interest rate profile of the Group's interest-bearing financial instrument is:

	Carrying amount	
	2026	2025
	(Rupees in '000)	
Fixed rate instruments		
Financial liabilities	7,093,710	2,559,410
Variable rate instruments		
Financial liabilities	8,545,759	8,706,157

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit by Rs. 52.13 million (June 30, 2025: Rs. 53.11 million) with corresponding effect on the carrying amount of the liability. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for both the years. However, current year amount is net of corporate tax while there is no impact of corporate tax on prior year as income was subject to minimum tax.

Fair value sensitivity analysis for fixed rate instruments

The Group do not account for any fixed rate financial assets and liabilities at fair value through the Consolidated Statement of Profit or Loss. Therefore a change in interest rates at the reporting date would not affect the Consolidated Statement of Profit or Loss.

39.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2026				
	Short-term borrowings	Long-term financing	Unclaimed Dividend	Lease Liablilities	Total
	(Rupees in '000)				
Balance as at July 1, 2025	**9,631,269**	**1,668,641**	**43,471**	**81,941**	**11,425,322**
Changes from financing cash flows					
Repayment of long-term loan	**-**	**(334,455)**	**-**	**-**	**(334,455)**
Proceeds from long-term loan	**-**	**-**	**-**	**-**	**-**
Addition in lease liabilities	**-**	**-**	**-**	**231,034**	**231,034**
Lease rental paid	**-**	**-**	**-**	**(82,151)**	**(82,151)**
Dividend paid	**-**	**-**	**(1,642,072)**	**-**	**(1,642,072)**
Total changes from financing activities	**-**	**(334,455)**	**(1,642,072)**	**148,883**	**(1,827,644)**
Other changes					
Interest expense	**1,557,391**	**88,030**	**-**	**23,755**	**1,669,176**
Interest paid	**(1,055,172)**	**(647,672)**	**-**	**-**	**(1,702,844)**
Changes in short-term borrowings	**4,985,605**	**-**	**-**	**-**	**4,985,605**
Total loan related other changes	**5,487,824**	**(559,642)**	**-**	**23,755**	**4,951,937**
Equity related other changes	**-**	**-**	**1,646,042**	**-**	**1,646,042**
Balance as at June 30,2026	**15,119,092**	**774,544**	**47,441**	**254,579**	**16,195,657**

	2025				
	Short-term borrowings	Long-term financing	Unclaimed Dividend	Lease Liablilities	Total
	(Rupees in '000)				
Balance as at July 1, 2024	8,682,466	5,449,126	48,784	15,714	14,196,090
Changes from financing cash flows					
Repayment of long-term loan	-	(3,657,078)	-	-	(3,657,078)
Proceeds from long-term loan	-	-	-	-	-
Addition in lease liabilities				84,800	84,800
Lease rental paid	-	-	-	(30,671)	(30,671)
Dividend paid	-	-	(1,036,733)	-	(1,036,733)
Total changes from financing activities	-	(3,657,078)	(1,036,733)	54,129	(4,639,682)
Other changes					
Interest expense	943,232	462,226	-	12,098	1,417,556
Interest paid	(1,053,368)	(585,633)	-	-	(1,639,001)
Changes in short-term borrowings	1,058,939	-	-	-	1,058,939
Total loan related other changes	948,803	(123,407)	-	12,098	837,494
Equity related other changes	-	-	1,031,420	-	1,031,420
Balance as at June 30,2025	9,631,269	1,668,641	43,471	81,941	11,425,322

39.5 Price risks

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The group entities have no exposure to price risk as its investments are measured at cost.

39.6 Fair value of financial assets and liabilities

The carrying values of financial assets and financial liabilities reported in the Consolidated Statement of Financial Position approximate their fair values.

39.7 Financial instruments by categories

	Note	2026	2025
		(Rupees in '000)	
Financial assets			
Held at amortised cost			
- Long-term deposit		15,629	9,689
- Trade debts - net of provision	10	5,172,387	3,436,163
- Trade deposits	11	82,611	28,001
- Other receivables	12	21,799	47,945
- Cash and bank balances	15	3,966,949	4,991,638
		9,259,375	8,513,435
Financial liabilities			
Held at amortised cost			
- Long-term financing	19	1,160,980	1,461,933
- Trade and other payables	22	9,372,056	12,347,164
- Accrued mark-up		253,895	132,701
- Short-term borrowings	24	14,493,809	9,705,275
- Unclaimed dividend		44,861	42,994
		25,325,601	23,690,067

39.8 None of the financial assets and liabilities are offset in the Consolidated Statement of Financial Position.

40. CAPITAL MANAGEMENT

The objective of group entities when managing capital is to safeguard its ability to operate as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The group entities intend to manage its capital structure by monitoring return on capital, as well as the level of dividends to ordinary shareholders.

41. MEASUREMENT OF FAIR VALUES

Management engages an independent external expert / valuer to carry out valuation of its non-financial assets (i.e. Land and Building) with sufficient regularity and obtains rate from financial institution to value derivative financial instruments. Involvement of external valuers is decided upon by managements of group entities. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

When measuring the fair value of an asset or a liability, Group entities uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2026, the fair value of all financial assets and financial liabilities carried at amortised cost is approximate to their carrying value. The Holding Company and ISL measures the Land and Buildings at fair value and all of the resulting fair value estimates in relation to Land and Buildings of the Company are included in Level 2.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

The following table provides the valuation approach, inputs used and inter-relationship between significant unobservable inputs and fair value measurement of the Holding Company and ISL's Land and Buildings measured at fair value:

Assets measured at fair value	Date of valuation	Valuation approach and inputs used	Inter-relationship between significant unobservable inputs and fair value measurement
Revalued property, plant and equipment			
- Land and buildings	June 30, 2026	The valuation model is based on price per square meter and current replacement cost method adjusted for depreciation factor for the existing assets in use. In determining the valuations for land and buildings, the valuer refers to current market conditions, structure, current replacement cost, sale prices of comparable land in similar location adjusted for differences in key attributes such as land size and inquires with numerous independent local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building is considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets.	The fair values are subject to change owing to changes in input. However, management does not expect material sensitivity to the fair values arising from the non-observable inputs.

Management of the Group entities assessed that the fair values of cash and cash equivalents, other receivable, trade deposits, trade receivables, short-term borrowings, trade and other payables, accrued mark-up and unclaimed dividends approximate their carrying amounts largely due to their short-term maturities. For long-term deposit and long-term financing, management consider that their carrying values approximates their fair value owing to credit standing of counterparties and interest payable on borrowings are market rates. Fair value of investment in equity accounted investee is disclosed in note 7 to these consolidated financial statements.

42. 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 at rate agreed under a contract/arrangement/agreement. The contribution to the defined contribution plan (Provident Fund) of the group entities, wherever applicable, are made as per the terms of employment and contribution to the defined benefit plan (Gratuity Fund) of the group entities, wherever applicable, are in accordance with latest actuarial advice. Remuneration of 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 respective group entity. 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 transactions with key management personnel other than their terms of employment / entitlement.

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

	2026	2025
	(Rupees in '000)	
Associated companies		
Sales	4,045,056	2,292,735
Purchases	38,861,280	36,269,909
Rent income	4,182	3,793
Dividend paid	181,450	120,651
Dividend income	315,555	10,852
Registration and training	4,587	2,782
Reimbursement of expenses	8,958	36,041
Subscription	-	2,500
Donation	13,754	27,636
Key management personnel		
Remuneration	875,023	829,421
Purchase of vehicles	-	4,690
Non-executive directors		
Directors' fee	8,300	11,300
Staff retirement funds		
Contributions paid	204,958	211,390

The following are the related parties with whom the Group had entered into transaction or have arrangement / agreement in place:

Name of the related party	Relationship and percentage of shareholding
Pakistan Cables Limited	Associated company - 17.12% (2025:17.12%) shareholding
Sumitomo Corporation	Associated company - 9.08% (2025: 9.08%) shareholding in ISL
Chinoy Engineering & Construction (Private) Limited	Associated company - 34% (2025: 34%) shareholding
Employers' Federation of Pakistan	Associated company by virtue of common directorship
Amir Sultan Chinoy Foundation	Associated company by virtue of common directorship
Intermark (Private) Limited	Associated company by virtue of common directorship
CFS Minerals (Private) Limited	Associated company - 33.33% (2025: nil) shareholding
Beaumont Plaza Owners/Occupants Welfare Association	Associated Entity due to common directorship
Haball Private Limited	Associated Entity due to common directorship

42.2 Outstanding balances with related parties have been separately disclosed in trade debts, advances, deposits and prepayments and trade and other payables respectively. These are settled in ordinary course of business.

43. SHARIAH COMPLIANCE STATUS DISCLOSURE

	Note	2026	2025
Consolidated statement of financial position - Liability Side		(Rupees in '000)	
i) Short-term financing as per Islamic mode	24	5,645,702	1,855,522
ii) Long-term financing as per Islamic mode	19	466,195	572,268
iii) Mark-up accrued on conventional loan		133,655	86,657
iv) Profit accrued on Islamic loan		121,868	46,048

Consolidated statement of financial position - Asset Side	Note	2026	2025
		(Rupees in '000)	
i) Long-term and short-term Shariah compliant Investments (including asset held for sale)		2,632,105	3,536,325
ii) Shariah-compliant bank balances and TDRs	15	354,121	301,185
Consolidated statement of profit and loss			
i) Revenue earned from Shariah-compliant business segment	26	120,254,748	89,753,680
ii) Break-up of late payments or liquidated damages		-	-
iii) Loss from foreign exchange	32	553,301	(72,846)
iv) Profit paid on Islamic mode of financing		(626,055)	(405,382)
v) Share of net income of associate accounted for using the equity method	7	871,619	37,301
vi) Profit on bank deposit - Islamic	32	15,533	15,211
vii) Exchange gains earned using conventional derivative financial instruments		-	-
viii) Total Interest earned on any conventional loan or advance		-	-
Break-up of Other income excluding profits on bank deposits			
Shariah compliant income			
Government grant - Islamic		33,503	9,477
Dividend income from associated company		315,556	10,853
Gain on disposal of property, plant and equipment		65,042	123,158
Rental income		30,291	3,252
Loss from power generation		(40,033)	(322,573)
Liability no longer payable - written off		53,419	188,743
Others		82,930	21,836
Shariah non-compliant income			
Government grant - Conventional		-	27,812
Income on bank deposits - conventional		100,330	40,236
Loss on remeasurement of Gas Infrastructure Development Cess		-	(134)

43.1 Relationship with Shariah-compliant financial institutions

Islamic Banks

The Group has following available facilities:

	Running Musharakah	Letter of guarantee	Letter of credit	Diminishing musharakah	Export refinance scheme
			(Rupees in '000)		
Faysal Bank Limited	5,010,000	990,000	3,000,000	-	-
Meezan Bank Limited	3,500,000	2,000,000	6,000,000	204,000	-
Bank Islami Pakistan Limited	4,500,000	1,000,000	1,000,000	-	-
Bank Alfalah Limited	500,000	-	500,000	-	-
United Bank Limited	1,500,000	-	1,500,000	-	-
Habib Bank Limited	2,000,000	-	-	-	-
Standard Chartered Bank	500,000	-	-	-	-
MCB Islamic Bank Limited	150,000	2,800,000	2,000,000	-	100,000

Takaful operators

The Company has no relationship with takaful operators.

44. ANNUAL PRODUCTION CAPACITY

The production capacity at the year end was as follows:

	2026	2025
	(Metric tonnes)	
Holding company		
* Steel pipe	585,000	585,000
* Galvanizing	90,000	90,000
* Cold rolled steel strip	50,000	50,000
* Polymer pipes and fittings	35,000	35,000
* Stainless steel - pipe	4,800	4,800

** Annual production capacity of steel pipe, galvanizing, cold rolled steel strip, polymer pipes and fittings and stainless steel pipe as per sales mix is 335,000, 60,000, 20,000, 35,000 and 4,800 metric tonnes respectively*

	2026	2025
	(Metric tonnes)	
Subsidiary company - International Steels Limited		
Galvanising	462,000	462,000
Cold rolled steel coil	1,000,000	1,000,000
Cold rolled annealed	454,000	454,000
Cold rolled full hard	46,000	46,000
Colour coated	84,000	84,000

The actual production for the year was as follows:

	2026	2025
Holding company		
Steel pipe	95,182	62,057
Galvanizing pipe	3,148	26,722
Polymer pipes & fittings	7,379	9,314
Stainless steel - pipe	897	1,085
Subsidiary company - International Steels Limited		
Galvanising	234,725	147,825
Cold rolled steel strip	200,192	108,045
Colour coated	12,262	8,168

The name-plate capacities of the plants are determined based on a certain product mix. The actual production mix is different. Actual production during the year was sufficient to meet the market demand

45. SEGMENT REPORTING

Performance is measured based on respective segment results. Information regarding the reportable segments specified in note 3.17 is presented below.

45.1 Segment revenue and results

	2026				
	Steel coils & sheets segment	Steel pipes segment	Polymer segment	Investment segment	Total
	(Rupees in '000)				
For the year ended June 30, 2026					
Revenue from contracts with customers					
Local	70,273,140	22,683,069	3,539,816	-	96,496,025
Exports	19,832,835	3,925,889	-	-	23,758,724
	90,105,975	26,608,958	3,539,816	-	120,254,748
Cost of sales	(79,378,142)	(22,877,970)	(2,956,560)	-	(105,212,672)
Gross profit	10,727,833	3,730,988	583,256	-	15,042,076
Selling and distribution expenses	(2,938,338)	(1,918,326)	(208,944)	-	(5,065,608)
Administrative expenses	(595,321)	(505,614)	(61,825)	-	(1,162,760)
Charge of loss allowance on trade debts	-	18,708	12,205	-	30,913
	(3,533,659)	(2,405,233)	(258,564)	-	(6,197,455)
Finance cost	(1,209,095)	(524,198)	(71,017)	-	(1,804,311)
Other operating charges	(1,012,895)	(116,441)	(17,757)	-	(1,147,092)
	(2,221,990)	(640,639)	(88,774)	-	(2,951,403)
Other income	154,108	186,905	-	-	341,014
Share of loss in equity accounted investee - net of tax	-	-	-	871,619	871,619
Profit before levies and income tax	5,126,292	872,023	235,918	871,619	7,105,852
Levies					(10,104)
Income tax expense					(2,599,425)
Profit for the year					4,496,323

	2025				
	Steel coils & sheets segment	Steel pipes segment	Polymer segment	Investment segment	Total
	(Rupees in '000)				
For the year ended June 30, 2024					
Revenue from contracts with customers					
Local	50,731,414	16,206,660	5,564,745	-	72,502,819
Exports	9,403,107	3,907,115	-	-	13,310,222
	60,134,521	20,113,775	5,564,745	-	85,813,041
Cost of sales	(54,790,278)	(18,492,305)	(3,967,198)	-	(77,249,781)
Gross profit	5,344,243	1,621,470	1,597,547	-	8,563,260
Selling and distribution expenses	(1,556,217)	(1,464,239)	(184,330)	-	(3,204,786)
Administrative expenses	(459,335)	(387,951)	(96,756)	-	(944,042)
Charge of loss allowance on trade debts	-	(68,240)	27,624	-	(40,616)
	(2,015,552)	(1,920,430)	(253,463)	-	(4,189,444)
Finance cost	(804,513)	(486,359)	(135,092)	-	(1,425,964)
Other operating charges	(219,541)	8,846	(84,629)	-	(422,152)
	(1,024,054)	(477,513)	(219,721)	-	(1,848,116)
Other income	97,645	157,008	-	-	381,481
Share of profit in equity accounted investee - net of tax	-	-	-	37,301	37,301
Profit before levies and income tax	2,402,282	(619,465)	1,124,364	37,301	2,944,481
Levies					(6,503)
Taxation					(1,359,361)
Profit for the year					1,578,618

45.2 Segment assets and liabilities

	Steel coils & sheets segment	Steel pipes segment	Polymer segment	Investment segment	Total
	(Rupees in '000)				
As at June 30, 2026					
Segment assets	55,620,676	20,433,137	3,320,416	1,932,105	81,306,334
Segment liabilities	28,812,312	5,457,113	538,134	-	34,807,558
As at June 30, 2025					
Segment assets	50,067,519	21,200,382	3,095,020	1,995,587	76,358,508
Segment liabilities	24,956,897	6,516,353	475,681	-	31,948,932

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

	2026	2025
	(Rupees in '000)	
Total for reportable segments assets	81,306,334	76,358,508
Unallocated assets	2,721,592	1,433,124
Total assets as per Consolidated Statement of Financial Position	84,027,926	77,791,632
Total for reportable segments liabilities	34,807,558	31,948,932
Unallocated liabilities	3,546,306	3,217,938
Total liabilities as per Consolidated Statement of Financial Position	38,353,864	35,166,870

45.3 Segment revenues reported above are revenues generated from external customers. There were no inter-segment sales during the year.

45.4 Segment assets reported above comprise of property, plant and equipment, stores and spares, stock-in-trade, trade debts and cash and bank balance. These assets are identified based on the operations of the segment and remaining assets and liabilities are presented as unallocated assets and liabilities.

45.5 Additions to non-current assets in relation to steel coils and sheets, steel pipes and polymer segments amounts to Rs. 1,034.5 million (June 30, 2025: Rs. 2,051.02 million), Rs. 252.82 million (June 30, 2025: Rs. 473.07 million), and Rs. 86.69 million (June 30, 2025: Rs. 16.95 million) respectively.

45.6 Information about major customers

Revenue from major customers individually accounting for more than 10% of the segment revenue for steel pipes segment and polymer segment was Rs. NIL (June 30, 2025: Nil) and Rs. NIL (June 30, 2025: Rs. 2,923 million) respectively.

45.7 Geographical information

The consolidated net revenue is from external customers by geographical location is disclosed in note 26.2.

45.8 Management considers that revenue from its ordinary activities are shariah compliant.

46. INTERESTS IN OTHER ENTITIES

46.1 Non-controlling interests

Set out below is summarised financial information of Subsidiary Company (ISL) which has non-controlling interests that are material to the Group. The amounts disclosed are before inter-company eliminations.

	2026	2025
	(Rupees in '000)	
NCI Percentage (%)	43.6654%	43.6654%
Non-current assets	20,355,625	21,606,021
Current assets	35,238,123	28,461,498
Non-current liabilities	1,824,262	2,642,713
Current liabilities	26,958,690	22,314,184
Intercompany eliminations	(1,749)	(2,789)
Net assets attributable to non-controlling interests	11,707,805	10,965,871
Revenue	93,349,190	62,310,883
Expenses	89,675,956	60,751,622
Profit for the year	3,673,234	1,559,261
Profit attributable to non-controlling interests	1,604,994	679,640
Other comprehensive income attributable to non-controlling interests	(6,794)	724,379
Total comprehensive income attributable to non-controlling interests	1,598,200	1,404,019

46.2 Associates

Details about the Holding Company's investment in associated company and summarised financial information are disclosed in note 7 to these consolidated financials statements

46.3 Summarised cashflows of a subsidiary with material non-controlling interest

	ISL	
	2026	2025
	(Rupees in '000)	
Cash flows generated from operating activities	(3,953,868)	2,301,158
Cash flows used in investing activities	(856,982)	(1,182,625)
Cash flows used in financing activities	3,911,953	(689,898)
Net increase in cash and cash equivalents	(898,897)	428,635

47. NUMBER OF EMPLOYEES

	2026	2025
	(Number)	
Holding company		
Average number of employees during the year	899	909
Total employees at the year end	899	909
Subsidiary companies		
Average number of employees during the year	703	677
Total employees at the year end	724	690

48. CORRESPONDING FIGURES

Comparative information has been reclassified and re-arranged in these financial statements, wherever necessary, to facilitate comparison and to confirm with presentation in the current period.

49. NON-ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Holding Company, in their meeting held on August 20, 2026 has proposed a final cash dividend of Rs. 5.00 (June 30, 2025: Rs. 4.00) per share amounting to Rs. 659.41 million (June 30, 2025: Rs. 527.53 million) for the year ended June 30, 2026. The approval of the members of the Holding Company for the dividend shall be obtained at the Annual General Meeting to be held on October 07, 2026.

The Board of Directors of ISL in their meeting held on August 19, 2026 has proposed a final cash dividend of Rs. 3.00 (June 30, 2025: Rs. 2.50) per share amounting to Rs. 1,305 million (June 30, 2025: Rs. 1,088 million) for the year ended June 30, 2026. The approval of the members of ISL for the dividend shall be obtained at the Annual General Meeting to be held on October 05, 2026.

These consolidated financial statements do not include the effect of the aforementioned proposed dividends which will be accounted for in the consolidated financial statements for the year ending June 30, 2027.

50. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were approved and authorised for issue on August 20, 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

SECTION 10
Shareholders' Information

Shareholders' Information

Ownership

On June 30, 2026 there were 4,803 members on the record of the Company's ordinary shares.

Dividend

The Board of Directors of the Company has recommended a final cash dividend of 50% for the year, in accordance with the Company's Profit Appropriation Policy. The proposed dividend will be placed before the shareholders for consideration and approval at the Annual General Meeting scheduled to be held on October 7, 2026.

Subject to approval by the shareholders, the dividend will be directly credited to the designated bank accounts of those shareholders whose names appear in the Register of Members of the Company at the close of business on September 28, 2026. The dividend shall be subject to deduction of Zakat and applicable taxes in accordance with prevailing laws.

Financial Caledar

Year ended June 30, 2026	Approved on	20-Aug-26
	Announced on	21-Aug-26
Third quarter ended March 31, 2026	Approved and Announced on	23-Apr-26
Half year ended December 31, 2025	Approved and Announced on	29-Jan-26
First quarter ended September 30, 2025	Approved on	28-Oct-25
	Announced on	29-Oct-25

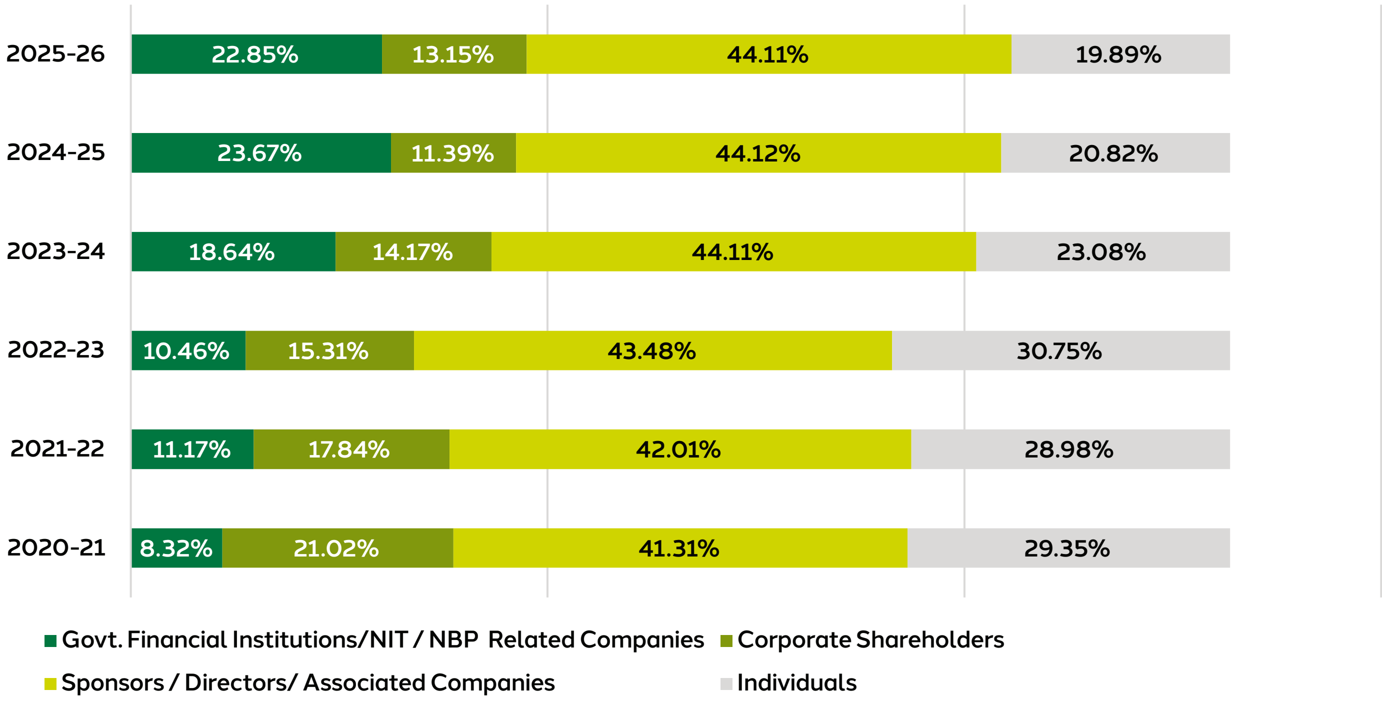
DIVIDENDS (PAID)

Interim – Cash (2026)	Approved on	29-Jan-26
	Entitlement date	10-Feb-26
	Statutory limit upto which payable	23-Feb-26
	Paid on	23-Feb-26
Final – Cash (2025)	Approved on	26-Sep-25
	Entitlement date	18-Sep-25
	Statutory limit upto which payable	9-Oct-25
	Paid on	8-Oct-25
LATEST ANNUAL REPORT ISSUED ON		15-Sep-26
78TH ANNUAL GENERAL MEETING		7-Oct-26

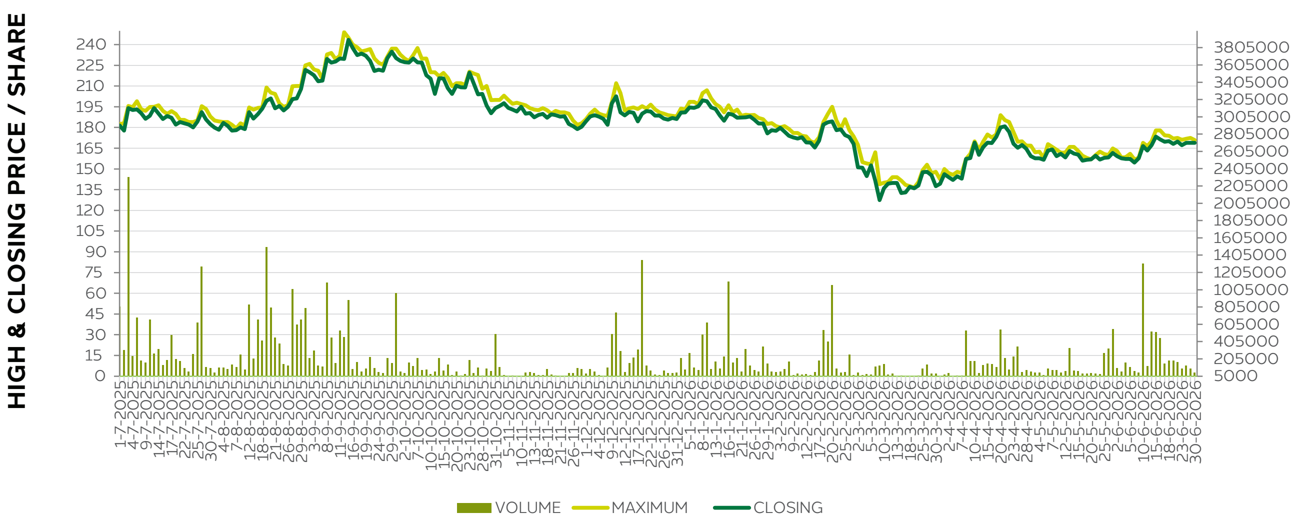
TENTATIVE DATES OF FINANCIAL RESULTS 2026-27

For the Period	To be Announced on
1st Quarter	27-Oct-26
2nd Quarter	26-Jan-27
3rd Quarter	27-Apr-27
Annual Accounts	26-Aug-27

Shareholders' Composition



IIL SHARE PRICES -TREND V/S VOLUME TRADED FY 2025-26



Pattern of Shareholding

As at June 30, 2026

No SHAREHOLDERS	HAVING SHARES		SHARES HELD	PERCENTAGE
	FROM	TO		
1,809	1	100	46,980	0.0356
965	101	500	280,945	0.2130
508	501	1,000	414,330	0.3142
839	1,001	5,000	1,979,585	1.5010
236	5,001	10,000	1,726,782	1.3093
103	10,001	15,000	1,265,766	0.9598
57	15,001	20,000	1,029,231	0.7804
42	20,001	25,000	948,827	0.7195
26	25,001	30,000	721,985	0.5474
21	30,001	35,000	689,034	0.5225
18	35,001	40,000	680,913	0.5163
11	40,001	45,000	469,636	0.3561
13	45,001	50,000	622,149	0.4717
11	50,001	55,000	575,595	0.4364
7	55,001	60,000	413,233	0.3133
5	60,001	65,000	318,580	0.2416
3	65,001	70,000	206,000	0.1562
6	70,001	75,000	441,734	0.3349
4	75,001	80,000	304,710	0.2310
14	80,001	90,000	1,190,469	0.9027
9	90,001	100,000	883,090	0.6696
12	100,001	120,000	1,288,435	0.9770
10	120,001	150,000	1,408,871	1.0683
17	150,001	200,000	2,997,145	2.2726
7	200,001	250,000	1,560,057	1.1829
6	250,001	300,000	1,623,568	1.2311
8	300,001	400,000	2,709,549	2.0545
2	400,001	500,000	928,119	0.7038
4	500,001	600,000	2,228,658	1.6899
2	600,001	700,000	1,258,600	0.9543
2	700,001	800,000	1,518,300	1.1513
3	800,001	1,000,000	2,754,416	2.0885
2	1,000,001	1,100,000	2,177,506	1.6511
5	1,100,001	1,300,000	6,175,899	4.6829
1	1,300,001	1,500,000	1,467,840	1.1130
1	1,500,001	1,600,000	1,507,088	1.1428
1	1,600,001	1,700,000	1,700,000	1.2890
3	1,700,001	2,500,000	7,500,000	5.6869
3	2,500,001	4,000,000	9,999,716	7.5823
2	4,000,001	5,000,000	9,451,015	7.1663
1	5,000,001	7,000,000	6,252,183	4.7407
2	7,000,001	12,500,000	24,245,200	18.3840
1	12,500,001	12,800,000	12,743,874	9.6631
1	12,800,001	13,200,000	13,176,267	9.9910
4,803	**Company Total**		**131,881,880**	**100.0000**

Categories of Shareholders

As at June 30, 2026

Particulars	No. of Shareholders	Share Held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children	20	56,681,809	42.9792
Associated Companies	3	1,488,657	1.1288
Govt. Financial Institutions/NIT / NBP Related Companies	12	30,137,695	22.8520
Banks, Development Financial Institutions, Non Banking Financial Institutions	3	2,763,397	2.0954
Insurance Companies	6	2,312,518	1.7535
Modarabas and Mutual Funds	21	6,156,368	4.6681
Foreign Companies	2	211,502	0.1604
Public, Private and Other Companies	149	5,899,378	4.4732
General Public - Local	4,446	25,970,582	19.6923
General Public - Foreign	141	259,974	0.1971
Total	**4,803**	**131,881,880**	**100.0000**

Key Shareholdings And Share Trading

Information on shareholding required under-reporting framework is as follows:

Particulars	No. of Shares	Percentage
Directors & Spouses	32,228,426	24.44
Sponsoring Family Members	24,453,383	18.54
Executives	6	0.00
Associated Companies	1,488,657	1.13
Govt. Financial Institutions/NIT /NBP & Related Companies	30,137,695	22.85

Members Having 5% or More of Voting Rights

Name of Shareholder	Shares Held	Percentage
STATE LIFE INSURANCE CORP. OF PAKISTAN	13,176,267	9.99
KAMAL A. CHINOY	12,743,974	9.66
MUSTAPHA A. CHINOY	12,376,275	9.38
NATIONAL BANK OF PAKISTAN	11,869,525	9.00

Shares Trading By Directors / Executives

During FY 2025-26

Following shares transactions were made by Directors, Executives and their family members or their private owned companies during the financial year July 1, 2025 to June 30, 2026

No. of Shares	
No. of Shares	Purchased
-	-

Free Float Of Shares

As at June 30, 2026

S - No.	Category of Shareholders	Shares Held
	Total Outstanding Shares	131,881,880
1	Government Holding	(16,733,192)
2	Directors / Sponsors/Senior Management Officer	(56,681,115)
3	Physical Shares	(1,346,986)
4	Associated / Group Companies	(1,488,657)
5	Shares issued under Employees Stock Option Schemes that cannot be sold in the open market in normal course	- -
6	Treasury Shares	-
7	Any other category that are barred from selling	-
	Free Float	**55,631,930**

Notice of Annual General Meeting

Notice is hereby given to the Members that the 78th Annual General Meeting of International Industries Limited will be held on Wednesday, October 7, 2026 at 10.30 a.m. at the Beach Luxury Hotel, Off: M.T. Khan Road, Karachi, as well as through video conferencing facility to transact the following business:

Ordinary Business

Financial Statements

1. To receive, consider, and adopt the Audited Annual Financial Statements (unconsolidated and consolidated) of the Company for the year ended June 30, 2026, together with the Reports of the Directors and Auditors thereon.

   As required under Section 223 of the Companies Act 2017 and in terms of S.R.O No. 389(I)/2023 dated March 21, 2023, the Annual Report including the Notice of Meeting and Financial Statements of the Company has been transmitted to the shareholders and uploaded on the website of the Company which can be viewed using the following link or QR enable code:

   https://iil.com.pk/en/page/investors/financial-information

Dividend

2. To consider and approve the payment of Rs. 5.0 per share (50%) as the final cash dividend, in addition to the 20% interim cash dividend announced and already paid, making a total dividend of Rs. 7.0 per share (70%) for the financial year ended June 30, 2026, as recommended by the Board of Directors.

Auditors

3. To appoint statutory auditors of the Company for the year ending June 30, 2027 and fix their remuneration. The retiring Auditors, M/s A. F. Ferguson & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment at a fee to be mutually agreed and reimbursements of out-of-pocket expenses at actuals.

SPECIAL BUSINESS

4. **Approval of the holding of Office of Profit by Mr. Zain K. Chinoy**
   To consider and if thought fit to approve the holding of "office of profit" by Mr. Zain K. Chinoy, an elected Director of the International Industries Limited as Executive Director of the Company and that for this purpose the following resolution be passed as and by way of ordinary resolution:

   ***"RESOLVED THAT** approval be and is hereby granted to Mr. Zain K. Chinoy, an elected Director of the International Industries Limited, who is in full time employment with the Company, for holding an office of profit as Executive Director of the Company and the payment of remuneration to him for his period of service in accordance with his contract of service and the applicable service rules of the Company (including without limitation salary, bonuses, incentives, perquisites, allowances and retirement benefits)".*

5. **Disposal of Investment in Associated Company, Chinoy Engineering & Construction (Private) Limited**

   To consider and if deemed fit, pass with or without modification(s), addition(s) or deletion(s), the following Special Resolution(s) under the applicable Section(s) of the Companies Act, 2017, as recommended by the Board of Directors of the Company:

***"RESOLVED THAT** subject to compliance with all applicable laws, regulations and requisite regulatory approvals, the Company be and is hereby authorized to accept the offer of Chinoy Engineering & Construction (Private) Limited ("CECL"), an associated company, for the buy-back of its 4,845,000 (Four Million Eight Hundred Forty-Five Thousand) ordinary shares of PKR 10 each held by International Industries Limited ("IIL"), representing IIL's entire 17% shareholding in the paid-up capital of CECL, at a price of PKR 72.24 per share, for an aggregate consideration of PKR 350,000,000 (Pakistani Rupees Three Hundred Fifty Million only).*

***FURTHER RESOLVED THAT** the Chief Executive Officer, Chief Financial Officer and Company Secretary of International Industries Limited, or any person(s) authorized by any of them, be and are hereby jointly and severally authorized and empowered, for and on behalf of the Company, to take all such actions, execute and deliver all such documents, and do all such acts, deeds and things as may be necessary, expedient or incidental to give effect to the foregoing resolution and complete the transaction, including, without limitation, making all requisite applications, filings, submissions and disclosures with the Securities and Exchange Commission of Pakistan ("SECP"), Pakistan Stock Exchange Limited ("PSX") and/or any other authority, and obtaining all regulatory, contractual or third-party approvals, consents or permissions as may be required under applicable laws, regulations or agreements.*

***FURTHER RESOLVED THAT** the aforesaid resolutions shall be subject to any amendments, modifications, additions, or deletions as may be suggested, directed, or required by the SECP or any other regulatory body, which changes shall be deemed to be part of these special resolutions without the need of the shareholders to pass fresh resolutions unless the same is substantial.*

Any other Business

6. To transact with the permission of the Chair any other business which may be transacted at an Annual General Meeting.

   The information as required under section 134(3) of the Companies Act, 2017 is being provided along with the Notice of the Annual General Meeting being sent to the Shareholders.

By Order of the Board
International Industries Ltd.

M. Irfan Bhatti
Company Secretary &
Head of Legal Affairs

Karachi: August 20, 2026

SPECIAL BUSINESS
Statement of Material Facts U/s 134(3) of the Companies Act, 2017

Agenda Item-4 - Approval of the holding of Office of Profit by Mr. Zain K. Chinoy

In accordance with Section 171(1)(c) (i) of the Companies Act, 2017, approval of the shareholders is requested for Mr. Zain K. Chinoy, an elected Director of the International Industries Limited and who is in full time employment with the Company, for holding an office of profit as Executive Director of the Company and the payment of remuneration to him for his period of service in accordance with his contract of service and the applicable service rules of the Company (including without limitation salary, bonuses, incentives, perquisites, allowances and retirement benefits).

Agenda Item 5 – Disposal of Investment in Associated Company
Chinoy Engineering & Construction (Private) Limited

The Company is desirous to accept the offer of Chinoy Engineering & Construction (Pvt) Limited (CECL), an associated company, to buy-back its 4,845,000 (Four Million Eight Hundred Forty-Five Thousand only) ordinary shares of PKR 10 (Pakistani Rupees Ten), which is the total 17% holding of the International Industries Limited in the paid-up capital of CECL, each at a price of Rs.72.24 per share making a total selling price of PKR 350,000,000/- (Pakistani Rupees Three Hundred Fifty Million only).

Background and Rationale

IIL acquired 4,845,000 shares (17%) in Chinoy Engineering & Construction (Private) Limited (CECL) in August 2024 at PKR 10 per share, representing an investment of PKR 48.45 million. CECL is principally engaged in works relating to construction business.

Management has negotiated the disposal of IIL's entire 17% shareholding for PKR 350 million, equivalent to PKR 72.24 per share. The proposed disposal would generate an estimated pre-tax gain of PKR 301.55 million.

The disposal is proposed subject to necessary statutory and corporate approvals.

Accordingly, Management recommends disposal of IIL's entire 17% holding of 4,845,000 CECL shares at PKR 72.24 per share for PKR 350 million, thereby crystallizing substantial returns while mitigating the increased logistics, business and financial risks associated with the construction business and CECL's projects in hand.

Details as per SRO 423(I)/2018, dated April 3, 2018

Special Business relating to members' approval for sell or disposal of sizeable part of undertaking thereof to be transacted under clause (a) of subsection (3) of Section 183 of the Companies Act, 2017.

The material facts required to be disclosed under S.R.O. 423 (I)/2018 dated April 3, 2018 where the Board of Directors proposes to sell or otherwise dispose of an "undertaking" or a "Sizeable part" thereof is provided below:

Sr. No.	SRO Description	Company Details
1	**Detail of assets to be sold, leased or disposed of:**	
a.	Description/Name of asset	4,845,000 Shares of Chinoy Engineering & Construction (Pvt) Ltd.
b.	Acquisition date of the asset	August 27, 2024
c.	Cost	PKR 48.45 million
d.	Revalued amount and date of revaluation (if applicable)	N/A
e.	Book value	PKR 48.45 million
f.	Approximate current market price/fair value	PKR 350 million - PKR : 72.24 per share
g.	In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof	The sale price is higher than book value
h.	In case of lease of assets, tenure, lease rentals, increment rate; mode/basis of determination of lease rentals; and other important terms and conditions of the lease	N/A
i.	Additional information in case of disposal of land: (i) Location; (ii) Nature of land (iii) Area proposed to be sold	N/A
2.	The proposed manner of disposal of the said assets	CECL has offered to buy back its shares. The Company would like to accept the buy-back offer, subject to all statutory and regulatory approvals.
3.	In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts	CECL is a Related Party and this has been disclosed in the statement of material facts.
4.	Purpose of the sale, lease or disposal of assets along with following details	To crystallize substantial returns while mitigating the increased logistics, business and financial risks associated with the construction business and CECL's projects in hand.
a.	Utilization of the proceeds received from the transaction	To further improve working capital
b.	Effect on operational capacity of the company, if any	Nil
c.	Quantitative and qualitative benefits expected to accrue to the members	To crystallize substantial returns while mitigating the increased logistics, business and financial risks associated with the construction business and CECL's projects in hand.

The documents pertaining to foregoing special business have been kept at the registered office of the Company and may be inspected during business hours on any working day from the date of publication of this notice till the conclusion of the general meeting.

The Directors are not interested, directly or indirectly, in the above special businesses, other than as Directors and shareholders of the Company.

In light of the above, the Board of Directors of the Company in their meeting held on August 20, 2026 have recommended the above proposal by the management.

Notes:

1. Participation in the AGM via Video Conferencing Facility:

Shareholders interested in attending the meeting through video conferencing are requested to email the following information with the subject "Registration for International Industries Limited AGM 2026" along with a valid copy of both sides of their Computerized National Identity Card (CNIC) to investors@iil.com.pk. Video link and login credentials will be shared with members whose emails, containing all the required particulars, are received at least 48 hours before the time of AGM.

Registration to attend the Annual General Meeting through Video Conferencing Facility

1. FolioNo./CDC investors A/cNo./Sub-A/c No.--------------------------
2. Name of Shareholder:--------------------------
3. Cell Phone Number:--------------------------
4. Email Address :--------------------------
5. No. of Shares held at the 1st day of the Book Closure to establish the right to attend AGM:---------

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address: investors@iil.com.pk

2. Closure of Share Transfer Books

The Register of Members and the Share Transfer Books will be closed from September 29, 2026 to October 7, 2026 (both days inclusive) to establish the right to attend the Annual General Meeting and to receive the dividend declared.

3. Attending AGM and Appointment of Proxy

A. A Member entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint another member as his/her proxy to attend, speak and vote on his/her behalf.

B. An instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarized, certified copy of the power or authority, must be deposited at the registered office of the Company at least 48 hours before the time of the meeting. Form of Proxy is enclosed.

C. CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.

i) For Attending AGM

a. In case of individuals, the account holder or sub-account holder whose securities and their registration details are uploaded as per the Regulations, shall produce proof of his / her identity by showing their Computerized National Identity Card (CNIC) at the time of attending the meeting.

b. In case of a corporate entity, a Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

ii) For Appointing Proxy

a. In the case of individuals, the account holder or sub-account holder whose registration details are uploaded as per CDC regulations shall submit the Proxy Form as per the above requirement.

b. Attested copies of the CNIC of the beneficial owners and the proxy shall be furnished with the Proxy Form. The proxy shall produce his original CNIC at the time of the meeting.

4. Mandatory Information (Email, CNIC, IBAN and Zakat Declaration)

A. In compliance with Section 119 of the Companies Act, 2017 and Regulation 19 Companies (General Provisions and Forms) Regulations, 2018 members are requested to immediately provide their mandatory information such as CNIC number, updated mailing address, email, contact mobile/telephone number and International Bank Account Number (IBAN) together with a copy of their CNIC to update our records and to avoid any non-compliance of the law. Otherwise, all dividends will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017;
- For physical shares to: M/s CDC Share Registrar Services Limited
- For shares in CDS to: CDC Investors A/c Services or respective participant

B. Members are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and advise a change in address if any.

5. Unclaimed Dividends and Bonus Shares

Shareholders, who for any reason, could not claim their dividend and/or bonus shares are advised to contact our Shares Registrar M/s CDC Share Registrar Services Limited to collect/enquire about their unclaimed dividends and/or bonus shares if any.

6. E-Dividend Mandate

As per Section 242 of the Companies Act, 2017, in the case of a Public listed company, any dividend payable in cash shall only be remitted through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account No. (IBAN) and details in the Central Depository System through respective participants. In case of physical shares, provide bank account details to our Share Registrar, M/s CDC Share Registrar Services Limited. Please ensure an early update of your particulars to avoid any inconvenience. The e-Dividend mandate form is enclosed.

7. Conversion of Physical Shares into Book Entry Form

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017.

The Securities & Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form to convert their shares into book-entry form.

We hereby request all such members of International Industries Limited who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any active member/stockbroker of the Pakistan Stock Exchange to open an account in the Central Depository System to facilitate conversion of physical shares into book-entry form.

Members are informed that holding shares in book-entry form has several benefits including but not limited to;

- Secure and convenient custody of shares
- Conveniently tradeable and transferable
- No risk of loss, damage or theft

- No stamp duty on transfer of shares in book-entry form
- Seamless credit of bonus or right shares

We once again strongly advise members of the Company, in their best interest, to convert their physical shares into book-entry form at the earliest.

8. Filer and Non-Filer Status

i) The Government of Pakistan through the Finance Act, 2026 in Section 150 of the Income Tax Ordinance, 2001 prescribed the following rates for withholding tax against dividend payments by the companies;

a) For filers of income tax returns – 15%
b) For non-filers of income tax returns – 30%

Members whose names are not entered into the Active Taxpayers List (ATL) provided on the FBR website, although they are filers, are advised to make sure that their names are entered into the ATL to avoid higher tax deductions against dividends.

ii) For any query/problem/information, the investors may contact the Share Registrar at the following phone numbers or email addresses:

M/s CDC Share Registrar Services Limited
CDC House, 99-B, Block B, S.M.C.H.S,
Shahrah-e-Faisal, Karachi Customer Support
Service Nos: +92-080023275
E-mail : info@cdcsrsl.com

iii) Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Share Registrar i.e., M/s CDC Share Registrar Services Limited. The shareholders, while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio number.

9. Polling On Special Business:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the “Regulations”), the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming AGM to be held on October 7, 2026 in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

A. Procedure for E-Voting:

I. Details of the e-voting facility will be shared through an e-mail on or after September 29, 2026 with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on September 28, 2026.

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

III.Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

IV. E-Voting lines will start from October 4, 2026 to October 6, 2026 by 5.00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

B. Procedure for Voting Through Postal Ballot:

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address 101 Beaumont Plaza, 10 Beaumont Road, , Karachi or email at chairman@iil.com.pk by or before 5:00 PM October 06, 2026. The signature on the ballot paper shall match the signature on CNIC.

10. INFORMATION ABOUT SCRUTINIZER

According to Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations 2018, the following information is being provided to the members about the scrutinizer for the upcoming Annual General Meeting to be held on October 07, 2026.

Name of Scrutinizer	UHY Hassan Naeem & Co., Chartered Accountants
Qualification and experience	Listed in QCR Rating issued by the Institute of Chartered Accountants of Pakistan. Experienced and seasoned members of ICAP with individual experience ranging from 33 years to 15 years. UHY is appointed as Scrutinizer under the Companies (Postal Ballot) Regulation 2018. They fulfill all the eligibility conditions laid down by the Regulations and have the necessary knowledge and experience to independently scrutinize the voting process.
Purpose of appointment	The company is required to appoint a scrutinizer for the purpose of voting in the general meeting to transact a business that pertains to approval of shareholders to accept the shares buyback offer by Chinoy Engineering & Construction (Pvt) Ltd., an associated company. Therefore scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11A.

POSTAL BALLOT PAPER

for voting through post for the Special Business at the Annual General Meeting to be held on Wednesday, October 7, 2026 at 10.30 a.m. at the Beach Luxury Hotel, Off: M.T. Khan Road, Karachi.

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution For Agenda Item No. 4

"**RESOLVED THAT** approval be and is hereby granted to Mr. Zain K. Chinoy, an elected Director of the International Industries Limited, who is in full time employment with the Company, for holding an office of profit as Executive Director of the Company and the payment of remuneration to him for his period of service in accordance with his contract of service and the applicable service rules of the Company (including without limitation salary, bonuses, incentives, perquisites, allowances and retirement benefits)".

Resolution For Agenda Item No. 5

"**RESOLVED THAT** subject to compliance with all applicable laws, regulations and requisite regulatory approvals, the Company be and is hereby authorized to accept the offer of Chinoy Engineering & Construction (Private) Limited ("CECL"), an associated company, for the buy-back of 4,845,000 (Four Million Eight Hundred Forty-Five Thousand) ordinary shares of PKR 10 each held by International Industries Limited ("IIL"), representing IIL's entire 17% shareholding in the paid-up capital of CECL, at a price of PKR 72.24 per share, for an aggregate consideration of PKR 350,000,000 (Pakistani Rupees Three Hundred Fifty Million only).

FURTHER RESOLVED THAT the Chief Executive Officer, Chief Financial Officer and Company Secretary of International Industries Limited, or any person(s) authorized by any of them, be and are hereby jointly and severally authorized and empowered, for and on behalf of the Company, to take all such actions, execute and deliver all such documents, and do all such acts, deeds and things as may be necessary, expedient or incidental to give effect to the foregoing resolution and complete the transaction, including, without limitation, making all requisite applications, filings, submissions and disclosures with the Securities and Exchange Commission of Pakistan ("SECP"), Pakistan Stock Exchange Limited ("PSX") and/or any other authority, and obtaining all regulatory, contractual or third-party approvals, consents or permissions as may be required under applicable laws, regulations or agreements.

FURTHER RESOLVED THAT the aforesaid resolutions shall be subject to any amendments, modifications, additions, or deletions as may be suggested, directed, or required by the SECP or any other regulatory body, which changes shall be deemed to be part of these special resolutions without the need of the shareholders to pass fresh resolutions unless the same is substantial.

INSTRUCTIONS FOR POLL

Instructions For Poll

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

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

Resolution	I/We approve to the Resolution (FOR)	I/We dissent to the Resolution(AGAINST)
Resolution For Agenda Item No. 4		
Resolution For Agenda Item No. 5		

NOTES:

1. Dully filled ballot paper should be sent to the Chairman at 101, Beaumont Plaza, 10 Beaumont Road, Karachi or email at investors@iil.com.pk
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within working hours by or before Tuesday, October 6, 2026. Any postal ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable.
7. Ballot Paper form has also been placed on the website of the Company at: www.iil.com.pk Members may download the ballot paper from the website.

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

Date____________

10۔ جانچ کار کے بارے میں معلومات

کمپنیز(پوسٹل بیلٹ) ریگولیشنز2018 کے ضوابط (4)4 اور 11 کے مطابق اگلے یعنی
7 اکتوبر 2026 کو منعقد ہونے والے سالانہ اجلاس عام کے جانچ کار بارے میں
درج ذیل معلومات فراہم کی جارہی ہیں

جانچ کار کا نام	میسرز یو ایچ وائی حسن نعیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس
قابلیت اور تجربہ	انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کی جاری کردہ کیو سی آر لسٹ میں شامل ہیں۔آئی سی اے پی کے تجربہ کار اور پختہ کار ممبرز میں ریٹنگھوتے ہیں اور انفرادی طور پر 15 سے 33 سال کا تجربہ رکھتے ہیں۔ یو ایچ وائی کو کمپنیز (پوسٹ بیلٹ) ریگولیشن 2018 کے تحت جانچ کار مقرر کیا گیا ہے۔ یہ ریگولیشنز میں دی گئی تمام شرائط پر پورا اترتے ہیں اور ووٹنگ کے طریقہ ء کار کی خود مختارانہ جانچ کے لئے ضروری علم اور تجربہ رکھتے ہیں۔
تقرر کرنے کا مقصد	کمپنی کو اجلاس عام میں ووٹنگ کے جانچ کار کا تقرر کرنا لازمی ہے جیسا کہ کمپنیز ایکٹ 2017 میں درج ہے، جس کا مقصد ایسوسی ایٹڈ کمپنی چناب انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ کو سے اس کے اپنے شیئرز کی واپس فروخت کے لئے شیئر ہولڈرز کی منظوری کی قرارداد پر ووٹنگ کی جانچ ہوسکے۔ اس لئے جانچ کار کے تقرر کا مقصد یہ جانچ کرنا ہے کہ ووٹنگ کا طریقہ ء کار اطمینان بخش ہے نیز مناسب احتیاطی اقدام کو یقینی بنایا گیا ہے اور ریگولیشن 11اے کے مطابق رپورٹ کردی گئی ہے۔

8۔ فائلر اور نان فائلر کا درجہ

i. حکومت پاکستان کے انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے فنانس ایکٹ 2026 کے مطابق کمپنیز کی جانب سے دیئے جانے والے ڈیویڈنڈ پر درج ذیل شرح سے ودہولڈنگ ٹیکس کا نفاذ کیا ہے:

اے) انکم ٹیکس ریٹرنز کے فائلرز کے لئے 15٪

بی) انکم ٹیکس ریٹنز کے نان فائلرز کے لئے 30٪

وہ ممبرز جن کے نام ایف بی آر کی ویب سائٹ کی ایکٹیو ٹیکس پیئر لسٹ (اے ٹی ایل) میں درج نہیں ہیں، باوجود اس کے کہ وہ فائلرز ہیں، ان کو ہدایت کی جاتی ہے کہ وہ مستقبل میں ڈیویڈنڈز پر زیادہ ٹیکس کی کٹوتی سے بچنے کے لئے اس بات کو یقینی بنائیں کہ ان کے نام اے ٹی ایل میں شامل ہیں۔

ii. کسی بھی استفسار / مسئلے / معلومات کے لئے شیئر رجسٹرار سے درج ذیل فون نمبر یا ای میل کے پتے پر رابطہ کریں میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہائوس، 99-بی، بلاک بی، ایس ایم سی ایچ ایس، شارع فیصل، کراچی۔
کسٹمرز سپورٹ سروس نمبرز 080023275-92+
ای میل info@cdcsrsl.com

iii. سی ڈی سی اکاؤنٹ رکھنے والے کارپوریٹ شیئر ہولڈرز کو اپنے متعلقہ شرکاء کے پاس اپنا قومی ٹیکس نمبر (این ٹی این) اپ ڈیٹ رکھنا چاہئیے، جبکہ کارپوریٹ فزیکل شیئر ہولڈرز کو اپنے این ٹی این سرٹیفکیٹ کی ایک کاپی شیئر رجسٹرار یعنی میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو بھیجنی ہوگی۔ این ٹی این یا این ٹی این سرٹیفکیٹس بھیجتے وقت، جو بھی صورت ہو، شیئر ہولڈرز کو کمپنی کا نام اور اپنا متعلقہ فولیو نمبر درج کرنا لازمی ہے۔

9۔ خصوصی کاروبار کے لئے پولنگ

ممبران کو مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 (دی "ریگولیشنز") کی پیروی میں ایس ای سی پی نے تمام لسٹڈ کمپنیز کو ہدایت کی ہے کہ تمام ممبران کو ایسے تمام کاروباروں پر، جو خصوصی کاروبار کے زمرے میں آتے ہیں، الیکٹرونک ووٹنگ اور بذریعہ ڈاک ووٹ دینے کا حق استعمال کرنے کی اجازت دیں۔ اس کے مطابق 7 اکتوبر 2026 کو منعقد ہونے والے آئندہ اجلاس عام میں کمپنی کے ممبرز کو خصوصی کاروبار کے لئے الیکٹرونک ووٹنگ کی سہولت یا بذریعہ ڈاک ووٹنگ کی سہولت سے اپنے ووٹ کا حق استعمال کرنے کی اجازت ہوگی جو ضروریات کے مطابق اور مذکورہ ضوابط میں دی گئی شرائط سے مشروط ہے۔

A. ای ووٹنگ کا طریقہ کار

i. ای ووٹنگ کی سہولت کی تفصیلات 29 ستمبر 2026 سے کمپنی کے ان ممبرز کو. بذریعہ ای میل ارسال کی جائیں گی جن کے اپنے کارآمد سی این آئی سی نمبر، سیل نمبر اور ای میل کا پتہ کمپنی کے ممبرز کے رجسٹر میں 28 ستمبر 2026 کو کاروباری اوقات کے اختتام پر دستیاب ہوگا۔

ii. ممبرز کو ویب کا پتہ، لاگ ان کی تفصیلات اور پاس ورڈ ای میل کے ذریعے ارسال کیا جائے گا۔ ممبرز کو سیکورٹی کوڈ سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (بطور ای سروس پرووائیڈر) کے پورٹل سے بذریعہ ایس ایم ایس فراہم کئے جائیں گے۔

iii. ای ووٹنگ کے ذریعے ووٹ کاسٹ کرنے والے ممبران کی شناخت الیکٹرونک دستخط یا لاگ ان کے تصدیق کے ذریعے کی جائے گی۔

iv. ای ووٹنگ کی لائنز 4 اکتوبر 2026 سے دستیاب ہوں گی اور 6 اکتوبر 2026 کو شام 5:00 بجے بند ہوجائیں گی۔ ممبران اس مدت کے دوران میں کسی بھی وقت اپنا ووٹ کاسٹ کرسکتے ہیں۔
ممبران کو قرارداد پر ایک مرتبہ کاسٹ کئے گئے ووٹ کے بعد دوبارہ تبدیل کرنے کی اجازت نہیں ہوگی۔

B۔ پوسٹل بیلٹ کے ذریعے ووٹنگ کا طریقہ ء کار

ممبران اطمینان کرلیں کہ مکمل پرشدہ اور دستخط شدہ بیلٹ پیپر مع کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) 6 اکتوبر 2026 کو شام 5 بجے سے پہلے کاروباری اوقات میں میٹنگ کے چیئرمین کو کمپنی کے رجسٹرڈ پتے 101، بیومونٹ پلازہ، 10 بیومونٹ روڈ، کراچی پر یا بذریعہ ای میل chairman@iil.com.pk پر مل جانی چاہیے۔ بیلٹ پیپر پر کئے گئے دستخط سی این آئی سی پر کئے گئے دستخط سے ملنا ضروری ہے۔

4۔لازمی معلومات ۔ (ای میل، سی این آئی سی، آئی بی اے ان اور زکوۃ ڈکلریشن)

اے) کمپنیز ایکٹ، 2017 کے سیکشن 119 اور کمپنیز (جنرل ریگولیشنز اینڈ فارمز) ریگولیشنز، 2018 کے ریگولیشن 19کی پیروی میں ممبرز سے درخواست ہے کہ اپنی لازمی معلومات جیسے سی این آئی سی نمبر، تازہ ترین میل کا پتہ، ای میل، رابطہ کا موبائل /ٹیلیفون نمبر اور انٹرنیشنل بینکنگ اکائونٹ نمبر (آئی بی اے این) مع اپنے سی این آئی سی کی کاپی جو ان کے ریکارڈ کو اپ ڈیٹ کرنے اور کسی قانون کی خلاف ورزی سے بچنے کے لئے درکار ہے، فوری طور پر فراہم کریں ورنہ کمپنیز (ڈسٹری بیوشن آف ڈویڈنڈز) ریگولیشن 2017 کے ریگولیشن 6 کی شرط کے مطابق ان کے تمام ڈویڈنڈز روک لئے جائیں گے۔

* فزیکل شیئرز کے لئے   میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو
* سی ڈی ایس شیئرز کے لئے   سی ڈی سی انویسٹرز اکائونٹ سروسز یا متعلقہ شریک کو

بی) ممبران سے درخواست ہے کہ زکوۃ اینڈ عشر آرڈیننس 1980 برائے زکوۃ سے استثنیٰ کے مطابق ایک
) ڈکلریشن CZ-50) اور پتہ میں تبدیلی، اگر ہے، کے لئے اطلاع جمع کرائیں۔

5۔غیر کلیم شدہ ڈویڈنڈز

ان شیئر ہولڈرز سے، جو کسی بھی وجہ سے اپنے ڈویڈنڈ اور / یا بونس شیئرز کلیم نہ کرسکے ہوں، درخواست ہے کہ وہ اپنے غیر کلیم شدہ ڈویڈنڈز اور / یا بونس شیئرز کے حصول / کے بارے میں معلومات کے لئے ہمارے شیئر رجسٹرار میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ سے رابطہ کریں۔

6۔ڈویڈنڈ مینڈیٹ

کمپنیز ایکٹ 2017 کے سیکشن 242 کی رو سے پبلک لسٹڈ کمپنی ہونے کی صورت میں، نقد کی صورت میں قابل ادائیگی ڈویڈنڈ صرف الیکٹرونک ذریعے سے براہ راست اہل شیئر ہوڈرز کی جانب سے مقرر کردہ بینک اکائوٹ میں بھیجا جائے گا۔ لہٰذا اس نوٹس کے ذریعے تمام شیئر ہولڈرز کو مطلع کیا جاتا ہے کہ اپنے بینک اکائونٹ نمبر اور دیگر تفصیلات متعلقہ شریک کے ذریعے سنٹرل ڈپازٹری سسٹم میں اپ ڈیٹ (IBAN) کرادیں۔

فزیکل شیئرز کی صورت میں، بینک اکائونٹ کی تفصیلات ہمارے شیئر رجسٹرار، میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو فراہم کریں۔ برائے مہربانی کسی بھی پریشانی سے بچنے کے لئے اس بات کو یقینی بنائیں کہ آپ کے کوائف جلد از جلد اپ ڈیٹ ہوجائیں۔ ای ڈویڈنڈ مینڈیٹ فارم منسلک ہے۔

7۔ فزیکل شیئرز کی بک انٹری فارم میں تبدیلی

کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق تمام موجودہ کمپنیز کے لئے لازمی ہے کہ اپنے فزیکل شیئرز کو جلد از جلد بک انٹری فارم میں تبدیل کروالیں۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستانCSD/ED/Misc./2016-639-640 نے اپنے سرکلر نمبر مورخہ 26 مارچ 2021 کے ذریعے لسٹڈ کمپنیز کو ہدایت کی ہے کہ اپنے ایسے ممبران کو، جن کے شیئرز ابھی تک فزیکل فارم میں ہیں، ترغیب دیں کہ وہ انہیں بک انٹری فارم میں تبدیل کروالیں۔

لہذا ہم انٹرنیشنل انڈسٹریز لمیٹڈ کے تمام ایسے ممبران سے، جن کے شیئرز فزیکل فارم میں ہیں، درخواست کرتے ہیں کہ وہ اپنے شیئرز جلد از جلد بک انٹری فارم میں تبدیل کروالیں۔ ان کو یہ بھی تجویز دی جاتی ہے کہ فزیکل شیئرز کے بک انٹری فارم میں تبدیلی کی سہولت کے لئے سینٹرل ڈپازٹری کمپنی آف پاکستان یا پاکستان اسٹاک ایکسچینج کے کسی فعال ممبر/ اسٹاک بروکر سے رابطہ کریں۔

ممبران کو مطلع کیا جاتا ہے کہ شیئرز کے بک انٹری فارم میں ہونے کے کئی فائدے ہیں، جن میں درج ذیل اور مزید بھی ہیں:

* شیئرز کی محفوظ اور باسہولت تحویل
* بآسانی تجارت اور آسان منتقلی
* گم ہوجانے، نقصان پہنچنے یا چوری کا کوئی خدشہ نہیں
* بک انٹری فارم میں ہونے کی صورت میں شیئر کے ٹرانسفر کرنے پر کوئی اسٹیمپ ڈیوٹی نہیں۔
* بونس یا رائٹ شیئرز کی بلا رکاوٹ کریڈٹ

ہم کمپنی کے ممبران کو ایک مرتبہ پھر پرزور ہدایت کرتے ہیں کہ وہ اپنے مفاد میں اپنے فزیکل شیئرز کو جلد از جلد بک انٹری فارم میں تبدیل کروالیں۔

نوٹس

1۔ اے جی ایم میں بذریعہ ویڈیو کانفرنس شرکت کی سہولت جو شیئر ہولڈرز ویڈیو کانفرنسنگ کے ذریعے اجلاس میں شامل ہونے میں دلچسپی رکھتے ہوں، ان سے درخواست ہے کہ وہ درج ذیل معلومات مع عنوان "رجسٹریشن برائے انٹرنیشنل انڈسٹریز لمیٹڈ اے جی ایم 2026" کے علاوہ کمپیوٹرائزڈ قومی شناختی کارڈ کی دونوں طرف کی کارآمد کاپی کے ہمراہ اس پتے پر ای میل کریں investors@iil.com.pk

ویڈیو لنک اور لاگ ان کی تفصیلات صرف ان ممبرز کے ساتھ شیئر کی جائیں گی جن کی ای میل تمام مطلوبہ تفصیلات کے ساتھ اے جی ایم کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل وصول ہوں۔

شیئر ہولڈرز اے جی ایم کے ایجنڈا آئٹمز کے لئے اپنا تبصرہ اور سوالات اس ای میل پر بھیج سکتے ہیں investors@iil.com.pk

سالانہ اجلاس عام میں بذریعہ ویڈیو کانفرنسنگ شرکت کے لئے رجسٹریشن

1 فولیو نمبر / سی ڈی سی اکاؤنٹ انویسٹرز اکاؤنٹ نمبر / سب اکاؤنٹ نمبر ____________________

2 شیئر ہولڈر کا نام ____________________

3 سیل فون نمبر ____________________

4 ای میل کا پتہ ____________________

5 اے جی ایم میں شرکت کے استحقاق کے ثبوت کے لئے کتب کی بندش کے پہلے روز اپنے پاس موجود شیئرز کی تعداد ____________________

2۔ شیئر ٹرانسفر بکس کی بندش

ممبرز کا رجسٹر اور شیئر ٹرانسفر بکس 29 ستمبر 2026 سے 7 اکتوبر 2026 تک (دونوں ایام شامل ہیں) سالانہ اجلاس عام میں شرکت اور اعلان کردہ ڈیویڈنڈ کے استحقاق کا تعین کرنے کے لئے بند رہیں گی۔

3۔ اے جی ایم میں شرکت اور پراکسی کا تقرر

اے۔ جو ممبر سالانہ اجلاس عام میں شرکت کرنے، بولنے اور رووٹ دینے کا اہل ہے، وہ کسی دوسرے ممبر کو شرکت کرنے، بولنے اور ووٹ دینے کے لئے اپنا پراکسی مقرر کرسکتا / کرسکتی ہے

بی۔ پراکسی مقرر کرنے کی دستاویز اور پاور آف اٹارنی یا کوئی دوسری اتھارٹی، جس کے تحت اس پر دستخط کئے گئے ہوں یا پاور یا اتھارٹی کی نوٹرائزڈ، سرٹیفائیڈ کاپی کمپنی کے رجسٹرڈ دفتر میں اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے جمع کرانا لازمی ہے۔ پراکسی فارم منسلک ہے۔

سی۔ سی ڈی سی اکاؤنٹ ہولڈرز کو مزید سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر 1 مجریہ 26 جنوری 2000 میں درج رہنما ہدایات کی پیروی کرنا ہوگی۔

i سالانہ اجلاس عام کے لئے

اے) فرد واحد کی صورت میں ، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو، جس کی سیکورٹیز اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اپ لوڈ کی گئی ہیں، اجلاس میں شرکت کے وقت اپنی شناخت کے ثبوت کے لئے کمپنیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) پیش کرنا ہوگا۔

بی) کارپوریٹ ادارے کی صورت میں اجلاس میں شرکت کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد کردہ فرد کے نمونے کے دستخط پیش کرنا ہوں گے۔ (اگر پہلے نہ فراہم کردیئے گئے ہوں۔)

ii) پراکسی کے تقرر کے لئے

اے) فرد واحد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو، جس کی رجسٹریشن کی تفصیلات سی ڈی سی کے ضوابط کے مطابق اپ لوڈ کی گئی ہیں، درج بالا شرائط کے مطابق پراکسی فارم جمع کرانا ہوگا۔

بی) پراکسی فارم کے ساتھ بینی فیشیل اونرز کے سی این آئی سی کی تصدیق شدہ کاپیاں اور پراکسی پیش کرنا ہوگی۔ پراکسی کو اجلاس میں شرکت کے وقت اصلی سی این آئی سی پیش کرنا ہوگا۔

کمپنی کی تفصیلات	ایس آر او کی تفصیل	نمبر شمار
	فروخت کئے جانے، لیز کئے جانے یا ختم کئے جانے والے اثاثہ کی تفصیلات	1
چنائے انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ کے 4،845،000 شیئرز	اثاثہ جات کا نام اور تفصیلات	اے
27 اگست، 2024	اثاثہ جات کے حصول کی تاریخ	بی
48.45 ملین پاکستانی روپے	قیمت	سی
لاگو نہیں	دوبارہ تعین کردہ قیمت اور تعین کرنے کی تاریخ (اگر قابل ذکر ہے)	ڈی
48.45 ملین پاکستانی روپے	دفتر میں درج مالیت	ای
350 ملین پاکستانی روپے یا 72.24 فی شیئر	موجودہ مارکیٹ کی قیمت / منصفانہ قدر	ایف
قیمت فروخت زیادہ ہے	فروخت کی صورت میں اگر متوقع قیمت فروخت دفتری قیمت یا مناسب قدر سے کم ہے، تو اس کی وجوہات	جی
لاگو نہیں	اثاثہ جات کی لیز کی صورت میں، مدت، لیز کا کرایہ، اضافے کی شرح، لیز کے کرائے کے تعین کا طریقہ / بنیاد؛ اور لیز کی دیگر اہم شرائط اور ضواب	ای
لاگو نہیں	زمین کو فروخت کی صورت میں اضافی معلومات i. جائے وقوعہ ii. زمین کی نوعیت iii. فروخت کئے جانے والا رقبہ	آئی
سی ای سی ایل نے اپنے 17٪ شیئرز کو واپس خریدنے کی پیشکش کی ہے۔ کمپنی واپس خریدنے کی پیشکش منظور کرنے کی خواہشمند ہے، جو تمام قانونی اور ضوابط کی منظوری سے مشروط ہے۔	**مذکورہ اثاثہ جات کے فروخت کا مجوزہ طریقہ**	2
سی ای سی ایل متعلقہ پارٹی ہے اور مادی حقائق کے بیان میں اس کو ظاہر کیا گیا ہے۔	**اگر کمپنی کسی خریدار کی شناخت کرتی ہے جو متعلقہ پارٹی ہے، تو کیا یہ مادی حقیقت کے بیان میں ظاہر کی جائے گی**	3
شیئرز کی فروخت سے خاطر خواہ آمدنی حاصل کرنا نیز بڑھتے ہوئے کاروباری اخراجات اور تعمیرات کے کاروبار سے جڑے مالیاتی خدشات سے تحفظ حاصل کرنا۔	**شیئرز کی فروخت، لیز یا ڈسپوزل کا مقصد مع درج ذیل تفصیلات**	4
کمپنی کی سرمایہ کاری کو مزید بہتر کرنا	اس لین دین سے حاصل ہونے والے فائدے کا استعمال	اے
کوئی نہیں	کمپنی کی آپریشنز کی گنجائش پر کوئی اثر، اگر ہو	بی
شیئرز کی فروخت سے خاطر خواہ آمدنی حاصل کرنا نیز بڑھتے ہوئے کاروباری اخراجات اور تعمیرات کے کاروبار سے جڑے مالیاتی خدشات سے تحفظ حاصل کرنا۔	ممبرز کو حاصل ہونے والے مقدار کے یا معیار کے کوئی فائدے	سی

مندرجہ بالا خصوصی کاروبار سے متعلق دستاویز کمپنی کے رجسٹرڈ دفتر میں موجود ہیں جو اس اطلاع کی اشاعت کی تاریخ سے اجلاس عام کے اختتام تک کسی بھی کام کے دن کاروبار کے اوقات کے دوران میں دیکھے جاسکتے ہیں۔

ڈائریکٹرز کمپنی کے ڈائریکٹر اور شیئر ہولڈر ہونے کے علاوہ درج بالا خصوصی کاروبار میں براہ راست یا بالواسطہ کوئی دلچسپی نہیں رکھتے۔

درج بالا کی روشنی میں کمپنی کے بورڈ آف ڈائریکٹرز نے 20 اگست 2026 کو منعقدہ اپنی میٹنگ میں انتظامیہ کی جانب سے پیش کی جانے والی درج بالا تجویز کی سفارش کی ہے۔

کی انجام دہی کرے گا جو مذکورہ بالا قرارداد کو موثر بنانے کے لئے ضروری، مناسب یا اتفاقیہ طور پر درکار ہوں اور لین دین بشمول لامحدود تمام مطلوبہ درخواستیں، فائلنگ، سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان ("ایس سی سی پی")، پاکستان اسٹاک ایکسچینج ("پی ایس ایکس") اور/ یا کسی اور اتھارٹی کے پاس جمع کرانی ہوں یا ظاہر کرنی ہوں اور ضوابط یا معاہدے کی رو سے درکار ہوں، سب کی انجام دہی کرے۔

مزید طے پایا کہ درج بالا قرارداد کسی ترمیمات، تجدید، اضافے یا حذف کرنے، جیسی بھی تجویز ہو یا ہدایت ہو یا ایس ای سی پی یا کسی دوسرے ضوابط کے ادارے کو مطلوب ہو سے مشروط ہے جو ان خصوصی قراردادوں کا حصہ سمجھی جائیں گی اور اس کے لئے شیئر ہولڈرز سے کسی منظوری کے لئے کسی نئی قرارداد پاس کرانے کی ضرورت نہیں ہے تا آنکہ کوئی بڑا معاملہ نہ ہو۔

کوئی اور امر

6۔ چیئرمین کی اجازت سے کسی اور امر کی انجام دہی جو سالانہ اجلاس عام میں کی جاسکتی ہو۔

کمپنیز کے ایکٹ 2017 کے سیکشن 134(3) کے تحت مطلوب معلومات شیئر ہولڈرز کو بھیجے جانے والے سالانہ اجلاس عام کے ساتھ فراہم کی گئی ہیں۔

بحکم بورڈ
انٹرنیشنل انڈسٹریز لمیٹڈ
ایم ۔ عرفان بھٹی
کمپنی سیکرٹری اور ہیڈ آف لیگل افیئرز
کراچی: 20 اگست 2026

خصوصی کاروبار
کمپنیز ایکٹ 2017 کے سیکشن (3)134 کے تحت مادی حقائق کا اسٹیٹمنٹ

ایجنڈا آئٹم 4 ۔ جناب زین کے چنائے کا آفس آف دی پرافٹ کا عہدہ سنبھالنے کی منظوری

کمپنیز ایکٹ 2017 کے سیکشن (i) (سی) (1) 171 کے مطابق شیئر ہولڈرز سے درخواست ہے کہ جناب زین کے چنائے کو، جو انٹرنیشنل انڈسٹریز لمیٹڈ کے منتخب ڈائریکٹر ہیں اور کمپنی میں کل وقتی ملازم ہیں، کمپنی کے ایگزیکٹیو ڈائریکٹر کے طور پر آفس آف پرافٹ کی خدمات انجام دینے کی منظوری دیں، جس میں خدمات کے معاہدے اور اور کمپنی کے لاگو ملازمت کے ضوابط کے مطابق ان کی مدت ملازمت میں مشاہرے کی ادائیگی (بشمول تنخواہ، بونس، فوائد، مراعات، الائونسز اور ریٹائرمنٹ کے فوائد) کی جاسکے۔

ایجنڈا آئٹم 5 ۔ ایسوسی ایٹڈ کمپنی چنائے انجنیرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ کے اپنے شئیرز کی واپس فروخت کی منظوری

کمپنی ایسوسی ایٹڈ کمپنی چنائے انجنیرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ (سی ای سی ایل) سے اپنے 10 روپے فی شیئر کی مالیت والے 4،845،000 (چار ملین آٹھ سو پینتالیس ہزار) شیئرز کی واپس خریداری کی پیشکش کی منظوری میں دلچسپی رکھتی ہے جو سی ای سی ایل کے ادا شدہ سرمایہ میں انٹرنیشنل انڈسٹریز لمیٹڈ کی کل 17٪ ہولڈنگ ہے اور 72.24 روپے فی شیئر کے حساب سے کل قیمت فروخت 350،000،000 پاکستانی روپے تین سو پچاس ملین پاکستانی روپے بنتی ہے۔

پس منظر اور دلائل

آئی آئی ایل نے اگست 2024 میں چنائے انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ سے 10 روپے فی شیئر کے حساب سے 4،845،000 شیئرز (17٪) خریدے جن کی کل مالیت 48.45 ملین پاکستانی روپے ہے ۔ سی ای سی ایل بنیادی طور پر تعمیرات کے شعبہ سے منسلک ہے۔

انتظامیہ نے سی ای سی ایل میں کمپنی کی 17٪ شئیرنگ کو 24۔72 روپے فی شیئر اور مجموعی طور پر 350 ملین روپے میں فروخت طے کی۔ فروخت ہذا سے کمپنی کو 301.55 ملین روپے قبل از ٹیکس کا فائدہ حاصل ہوگا۔ فروخت کی یہ تجویز تمام ضروری قانونی اور اجتماعی منظوریوں سے مشروط ہے۔

لہذا انتظامیہ نے آئی آئی ایل کی تمام 17٪ شئیر ہولڈنگ یعنی سی ای سی ایل کے تمام 4،845،000 شیئرز کو بحساب 72.24 روپے فی شیئر اور مجموعی طور پر 350 ملین روپے میں فروخت کرنے کی سفارش کی ہے جس سے سی ای سی ایل کی تعمیرات سے جڑے موجودہ پروجیکٹ کو ممکنہ طور پر درپیش نقل و حمل کے اضافی اخراجات اور مالی خدشات سے تحفظ حاصل ہوگا۔

SRO نمبر 2018/(1)423 مورخہ 3 اپریل 2018 کی تفصیلات

کمپنی کے ایک بڑے حصے کی فروخت یا خاتمے کے سلسلے میں ایکٹ 2017 کے سیکشن 183 کے ذیلی سیکشن (3) کی شق (اے) کے تحت ممبرز کی منظوری سے متعلق خصوصی کاروبار کی کارروائی انجام دی جائے گی مورخہ 3 اپریل 2018 کے ایس آر او 423 (1)/ 2018 کے تحت درکار معلومات درج ذیل ہیں

اطلاع برائے سالانہ اجلاس عام

بذریعہ ہذا ممبران کو مطلع کیا جاتا ہے کہ انٹرنیشنل انڈسٹریز لمیٹڈ کا 78واں سالانہ اجلاس عام بروز بدھ 7 اکتوبر، 2026 کو صبح 10:30 بجے بمقام بیچ لگژری ہوٹل، آف ایم ٹی خان روڈ، کراچی میں اور بذریعہ ویڈیو کانفرنسنگ، درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عمومی کاروبار ۔ مالیاتی اسٹیٹمنٹس

1۔ کمپنی کے آڈٹ شدہ سالانہ مالیاتی اسٹیٹمنٹس (غیر مجموعی اور مجموعی) برائے سال مختتمہ 30 جون 2026، مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس وصول کرنا، ان پر غور کرنا اور ان کو منظور کرنا۔

کمپنیز ایکٹ 2017 کے سیکشن 223 اور ایس آر (I)/2023 مورخہ 21مارچ 389 او نمبر2023 کے تحت سالانہ رپورٹ مع اجلاس کی اطلاع اور کمپنی کے مالیاتی اسٹیٹمنٹس شئیر ہولڈرز کو ارسال کردیئے گئے ہیں اور کمپنی کی ویب سائٹ پر اپ لوڈ کردیئے گئے ہیں، جو درج ذیل لنک یا کیو آر کوڈ کے ذریعے دیکھے جاسکتے ہیں۔

https://iil.com.pk/en/page/investors/financial-information

ڈیویڈنڈ

2۔ بورڈ آف ڈائریکٹرز کی سفارش کے مطابق 5.0 روپے فی شیئر 50% کی بطور حتمی نقد ڈیویڈنڈ کی ادائیگی پر غور کرنا اور اس کی منظوری دینا، جو 20% عبوری نقد ڈیویڈنڈ کے علاوہ ہے جس کا اعلان اور ادائیگی کی جاچکی ہے جس سے مالیاتی سال مختتمہ 30 جون 2026 کے لئے کل ڈیویڈنڈ 7.0 روپے فی شیئر (70%) بنتا ہے۔

آڈیٹرز

3۔ مالی سال مختتمہ 30 جون 2027 کے لئے کمپنی کے قانونی آڈیٹرز کی تقرری کرنا اور ان کے مشاہرے کا تعین کرنا۔ ریٹائر ہونے والے آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے، اہل ہونے کی بناء پر، خود کو دوبارہ تقرر کے لئے پیش کیا ہے جو باہمی متفقہ فیس اور روزمرہ خرچ کی بمطابق اصل ادائیگی پر کی جائے۔

4۔ خصوصی امور

جناب زین کے چنائے کے Office of Profit کے طور پر تقرر کی منظوری

انٹرنیشنل انڈسٹریز لمیٹڈ کے منتخب ڈائریکٹر اور بطور کمپنی کے ایگزیکٹیو ڈائریکٹر جناب زین کے چنائے، کے آفس آف پرافٹ پر تقرری کے لئے غور کرنا اور مناسب معلوم ہو تو اس کی منظوری دینا۔ اور اس مقصد کے لئے درج ذیل قرارداد کو بطور عمومی قرارداد پاس کرنا۔

طے پایا کہ جناب زین کے چنائے کو، انٹرنیشنل انڈسٹریز لمیٹڈ کے ایک منتخب ڈائریکٹر جو کمپنی کے کل وقتی ملازم ہیں، بطور ایگزیکٹیو ڈائریکٹر کی حیثیت سے آفس آف پرافٹ کا عہدہ سنبھالنے کی منظوری دی جاتی ہے اور ان کی مدت ملازمت کے دوران ان کو ملازمت کے معاہدے اور کمپنی کے ملازمت کے قواعد کے مطابق مشاہرے (بشمول تنخواہ، بونسز، فوائد، مراعات، الاؤنسز اور ریٹائر منٹ کے فوائد) کی ادائیگی کی جائے گی۔

5۔ ایسوسی ایٹڈ کمپنی، چنائے انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ میں اپنے شیئرز کی واپس فروخت کی منظوری

بورڈ آف کمپنی کی سفارشات پر درج ذیل خصوصی قرارداد (قراردادوں) پر کمپنیز ایکٹ 2017 کے لاگو سیکشن (ز) کے تحت غور کرنا اور اگر مناسب ہوا تو بلا ترمیم (ترمیمات)، اضافہ (اضافہ جات) یا حذف (احذاف) منظور کرنا۔

طے پایا کہ تمام لاگو قوانین، ضوابط اور مطلوبہ ضابطوں کی منظوریوں سے مشروط، کمپنی کو اختیار حاصل ہے اور ہوگا کہ وہ ایسوسی ایٹڈ کمپنی چنائے انجینئرنگ اینڈ کنسٹرکشن (پرائیویٹ) لمیٹڈ ("سی ای سی ایل") کی جانب سے انٹرنیشنل انڈسٹریز لمیٹڈ ("آئی آئی ایل") کے پاس موجود 10 روپے فی شیئر والے 4,845,000 (چار ملین آٹھ سو پینتالیس ہزار) شیئرز کی 72.24 روپے فی شیئر کے حساب سے واپس خریداری کی پیشکش کو منظور کرنے کی مجاز ہے۔ جس کی کل رقم 350,000,000 (پاکستانی تین سو پچاس ملین روپے صرف) بنتی ہے اور یہ سی ای سی ایل کے ادا "شدہ سرمائے میں آئی آئی ایل کے کل 17% شیئر ہولڈنگ کو ظاہر کرتا ہے

مزید طے پایا کہ انٹرنیشنل انڈسٹریز لمیٹڈ کے چیف ایگزیکٹیو آفیسر، چیف فنانشل آفیسر اور کمپنی سیکرٹری یا کوئی فرد (افراد) جو کمپنی کی طرف سے مجاز ہوں، مشترکہ طور پر یا انفرادی حیثیت میں بااختیار ہوں، ایسی تمام کارروائیاں انجام دے اور ایسی تمام دستاویزات کی تکمیل کرے گا اور فراہم کرے گا اور تمام ایسے کام، کاوش اور امور

E-DIVIDEND MANDATE FORM

To:

Date: ______________

Subject: Bank account details for payment of Dividend through electronic mode

Dear Sir,

I/We/Messrs. ____
being a/the shareholder(s) of International Industries Limited [the "Company"], hereby, authorize the Company, to directly credit cash dividends declared by it, into my/our bank account as detailed below:

Name of Shareholder	
CDC Participant ID & Sub-Account No. /CDC IAS	
CNIC/NICOP/Passport/NTN No. (please attach copy)	
Contact Number (Landline & Cell Nos.)	
Shareholder's Address	
(ii) Shareholder's Bank account details:	
Title of Bank Account	
IBAN (See Note 1 below)	
Bank's Name	
Branch Name & Code No.	
Branch Address	

It is stated that the above particulars given by me/us are correct and I/we shall keep the Company informed in case of any changes in the said particulars in the future.

Yours faithfully

____
Signature of Shareholder

(Please affix company stamp in case of corporate entity) Notes:

1. Please provide complete IBAN, after checking with your bank branch, to enable electronic credit directly into your bank account.

2. This letter must be sent to the shareholder 's participant/CDC Investor Account Services which maintains his/her CDC account for incorporation of bank account details for direct credit of cash dividend declared by the Company.

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AFFIX
STAMP
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CDC SHARE REGISTRAR SERVICES LIMITED

CDC House, 99- B, Block - B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.
Telephone Nos: +92-0800-23275
FAX: +92-21-34326053
E-mail : info@cdcsrsl.com
Website: www.cdcsrsl.com

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PROXY FORM

I / We ____

of ____

being a member of INTERNATIONAL INDUSTRIES LIMITED and holder of ______________________

ordinary shares as per Share Register Folio No. ________________ and / or CDC Participant I.D.

No. ________ and Sub Account No. ______________ hereby appoint ______________________

______________________________________ of ______________________________

or failing him ____

of ____

as my proxy to vote for me and on my behalf at the annual general meeting of the Company to be held on October 7, 2026 and at any adjournment thereof.

Signed this ____________ day of __________ 2026

WITNESS:

1 Signature ______________________

Name ______________________

Address ______________________

NIC or Passport No. ______________________

2 Signature ______________________

Name ______________________

Address ______________________

NIC or Passport No. ______________________

Signature

Revenue Stamp

(Signature should agree with the specimen signature registered with the Company)

Note:

Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. A proxy must a member of the Company.

CDC Shareholders and their proxies are each requested to attach an attested photocopy of their National Identity Card or Passport with this proxy form before submission to the Company.

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international™
industries
built on trust

فارم برائے پراکسی

میں/ہم ______________________________

سکنہ ______________________________ بحیثیت ممبر(ز) انٹرنیشنل انڈسٹریز لمیٹڈ،

حامل ______________________ عمومی شیئرز، بذریعہ ہذا ______________________

سکنہ ______________________ کو بذریعہ فولیو/سی ڈی سی اکاؤنٹ نمبر ______________________

یا اس کی عدم دستیابی کی صورت میں ______________________________

سکنہ ______________________________

جو انٹرنیشنل انڈسٹریز لمیٹڈ کا ممبر ہے بذریعہ فولیو/سی ڈی سی اکاؤنٹ نمبر ______________ کو اپنا/ ہمارا پراکسی مقرر کرتا ہوں/ کرتے ہیں، جو اپنی/ہماری غیر حاضری میں میری/ہماری جگہ 7 اکتوبر 2026 کو کراچی میں منعقد ہونے والے کمپنی کے 78 ویں سالانہ اجلاس عام میں یا کسی ملتوی شدہ اجلاس شرکت کرنے، بولنے اور ووٹ دینے کا حقدار ہوگا/ہوں گے۔

میں/ہم نے اپنے ہاتھ/مہر سے گواہی دی بتاریخ ______________ 2026

مذکورہ شخص کے دستخط ______________________

ان افراد کی موجودگی میں ا۔ دستخط: ______________________

نام: ______________________

پتہ: ______________________

CNIC/پاسپورٹ نمبر: ______________________

ریونیو اسٹمپ پر دستخط

۲۔ دستخط: ______________________

نام: ______________________

پتہ: ______________________

CNIC/پاسپورٹ نمبر: ______________________

فولیو/سی ڈی سی اکاؤنٹ نمبر

یہ دستخط کمپنی کے ریکارڈ پر موجود دستخط کے مطابق ہونا چاہیئے

اہم ہدایات:

ا۔ یہ پراکسی فارم مکمل شدہ اور دستخط شدہ، کمپنی کے رجسٹرڈ دفتر واقع 101 بیومونٹ پلازہ، 10، بیومونٹ روڈ، کراچی-75530 پر سالانہ اجلاس عام کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل لازمی طور پر وصول ہو جائے۔

۲۔ کسی ایسے شخص کو پراکسی مقرر نہیں کیا جا سکتا جو کمپنی کا/ کی ممبر نہ ہو، سوائے کارپوریشن کے، جو ممبر نہ ہونے والے فرد کو پراکسی مقرر کر سکتی ہے۔

۳۔ اگر کوئی ممبر ایک سے زیادہ پراکسی مقرر کرتا ہے اور کوئی ممبر کمپنی کے پاس ایک سے زیادہ پراکسی کی دستاویز جمع کراتا ہے تو ایسی تمام دستاویزات نا قابل قبول قرار دی جائیں گی۔

CDC اکاؤنٹ ہولڈرز/ کارپوریٹ اکائی کی صورت میں:

درج بالا کے علاوہ درج ذیل شرائط بھی پورا کرنا ہوں گی:

ا۔ پراکسی فارم پر دو گواہوں کے دستخط ہونا لازمی ہے جن کے نام، پتے اور CNIC نمبر فارم پر درج ہوں۔

ب۔ بینیفیشل اونر(ز) اور پراکسی کے CNICs یا پاسپورٹس کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ فراہم کی جائیں۔

ج۔ کارپوریٹ اکائی ہونے کی صورت مں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹرنی بشمول نامزد کردہ افراد کے نمونے کے دستخط مع پراکسی فارم (اگر پہلے جمع نہ کرایا گیا ہو) کے ہمراہ کمپنی کے پاس جمع کرائے جائیں۔

د۔ پراکسی کو سالانہ اجلاس عام میں شرکت کے وقت اپنا اصل CNIC یا اصل پاسپورٹ پیش کرنا ہوگا۔

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