Independent Auditors' Report
And
Financial Statements
of
BSRM STEELS LIMITED

As at and for the year ended
30 June 2026.

INDEPENDENT AUDITORS' REPORT
To the Shareholders of BSRM Steels Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BSRM Steels Limited (the Company), which comprise the Statement of Financial Position as at 30 June 2026, and the Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements including material accounting policy information.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 30 June 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matter	How the matter was addressed in our audit
First-time application of IFRS 18 *Presentation and Disclosure in Financial Statements*	
Referring to the Note 6.00 & notes to the Financial Statements The Company applied IFRS 18 for the first time for the year ended 30 June 2026, replacing IAS 1 Presentation of Financial Statements. The Company applied the standard retrospectively and restated the comparative information. IFRS 18 does not change the recognition or measurement of items, so profit for the year and equity are unaffected.	We obtained an understanding of the Company's IFRS 18 transition process and evaluated the related controls. These included the controls over the mapping of general ledger accounts to the new categories and over the preparation of the restated comparatives.
IFRS 18 requires income and expenses to be classified into the operating, investing, financing, income taxes and discontinued operations categories, with new subtotals for "operating profit" and "profit before financing and income taxes".	We tested, on a sample basis, the mapping of general ledger accounts to each category, and recalculated the new subtotals for the current and comparative periods.
Foreign exchange differences. IFRS 18 requires foreign exchange differences to be classified in the same category as the income and expenses arising from the items that gave rise to them. The Company has significant foreign currency balances, including foreign currency borrowings and export receivables. Management had to judge how to attribute the exchange differences on these balances between the operating and financing categories. The total net foreign exchange (loss)/gain for the year was BDT (35,737,875) (comparative: BDT 56,441,523).	For foreign exchange differences, we obtained management's analysis attributing exchange differences to the underlying monetary items. We then: • agreed the underlying balances to the ledger and to the foreign currency revaluation workings; • evaluated, by reference to the contractual terms, management's assessment of the nature of liabilities and the resulting operating or financing classification; • recalculated, on a sample basis, the exchange differences attributed to each category; and • assessed whether the classification policy was applied consistently to the current and comparative periods.

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Statement of cash flows. The consequential amendments to IAS 7 require the indirect method to start from operating profit. Because the Company has no specified main business activity, interest and dividends received are now classified as investing activities, and interest paid and dividends paid as financing activities. As a result, the comparative statement of cash flows has been restated, and net cash from operating activities differs from the amount previously reported.	For the statement of cash flows, we: • checked that the reconciliation starts from operating profit and agrees to the statement of profit or loss; • tested the reclassification of interest and dividend cash flows into the investing and financing categories for both periods; and • agreed the restated comparative cash flows to the previously reported amounts and the adjustments made.
We considered this a key audit matter for three reasons: the changes affect the primary financial statements pervasively; classifying foreign exchange differences involves significant management judgement; and the restatement significantly changes subtotals that users rely on, including operating profit and net cash from operating activities.	We tested the reconciliation in Note 6.04 between the amounts previously presented under IAS 1 and the restated IFRS 18 amounts for each line item of the comparative statement of profit or loss. We also assessed the adequacy of the transition disclosures, including the accounting policy for classifying foreign exchange differences. We involved our IFRS technical specialists in evaluating the classification judgements.

Key audit matter	**How the matter was addressed in our audit**
Revenue recognition	
Referring to the Note 32 and Note 7.14 to the financial statements During the year ended 30 June 2026 the Revenue of BDT 129,488 million has recognized in the statement of profit or loss and other comprehensive income of BSRM Steels Limited. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management in order to meet expectations of the shareholders and also to achieve specific targets or expectations. Revenue from the sale of goods is recognized, when the company has delivered products to the customers at the shipping point and control has passed. The sales of the Company are derived from factories and various depots located across the country with relatively transactions of small amounts. In determining the sales price, the company considers the effect of discounts. We focused on the proper cut-off on sales to the company's customers due to the fact that the documents of confirming the acceptance of the products were provided by numerous customers based in different locations. There is a risk of differences between the timing of acceptance of the products by the company's customers and when revenue was recorded. Accordingly, there could be potential misstatements that these revenue transactions are not recognized in the proper reporting periods.	Our audit procedures included the following: * We read the company's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customers' * We assessed the design and tested the operating effectiveness of internal controls related to revenue recognition and applicable discounts. * Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, we tested recognition of revenue based on underlying sales invoices, sales orders and other related documents. * We selected a sample of invoices on which discounts were given and obtained the discount schemes approved by the management. We noted the accounting of discounts by the company for the selected sample. * Selected samples of sales transactions recognized shortly before and after the reporting date, including the sales returns recorded after that date, to examine whether sales transactions were recorded in the correct reporting periods. * Assessed the relevant disclosures made within the financial statements

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Key audit matter	How the matter was addressed in our audit
Identification and completeness of disclosure of related party transactions	
Referring to the Note 16 and Note 46 to the financial statements We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter due to the high volume of business transactions with related parties during the year ended 30 June 2026.	Our procedures in relation to the accuracy and completeness of disclosure of related parties' transactions included: * Obtaining an understanding of the company's policies and procedures in respect of identifying related parties; approval and recording of related party transactions including how management determines all transactions/ balances with related parties are determined at arm's length and entered into in the normal course of business and further fully disclosed in the financial statement. * We tested, on a sample basis, related party transactions with the underlying contracts and other documents and for appropriate authorization and approval for such transactions. * We read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with transaction with related parties effected during the year. * Evaluating the completeness of the disclosures through review of statutory information, books and records and other documents obtained during the course of our audit.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. Of the components of the Annual Report, we obtained the Directors' Report and the Statement of Corporate Governance prior to the date of this auditors' report. The remaining components of the Annual Report is expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the remaining components of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

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

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

a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) 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.

c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules, 2020, we also report the following;

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;

c. The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns and;

d. The expenditure incurred was for the purposes of the Company's business.

A. Qasem & Co.
Chartered Accountants
Enlistment Registration No. of FRC: CAF-001-129

Md. Johirul Islam FCA
Partner
Enrolment Number: 1257
DVC: 2610141257AS160581

Place: Chattogram
Date: 14 OCT 2026

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

BSRM STEELS LIMITED
Statement of Financial Position
As at 30 June 2026

ASSETS:	Notes	30 June 2026 Taka	30 June 2025 Taka
Non-Current Assets:			
Property, plant and equipment's	08.00	39,940,470,769	40,453,032,079
Right of use assets	09.00	131,154,931	161,086,929
Intangible assets	10.00	40,223,156	41,672,853
Capital work-in-progress	11.00	267,758,309	929,879,781
Investment in Associate	12.00	1,994,238,835	-
Investment in financial assets	13.00	3,192,367,600	2,278,280,000
Total Non-Current Assets		**45,566,213,600**	**43,863,951,642**
Current Assets:			
Inventories	14.00	31,400,292,247	24,919,098,090
Trade and other receivables	15.00	5,921,416,311	7,131,089,714
Due from related companies	16.00	2,723,145,569	4,672,669,603
Advances, deposits and prepayments	17.00	6,272,555,901	4,702,534,604
Short term investments	18.00	782,169,994	618,273,100
Cash and cash equivalents	19.00	6,601,685,665	1,916,677,115
Total Current Assets		**53,701,265,687**	**43,960,342,226**
Total Assets		**99,267,479,287**	**87,824,293,868**
EQUITY:			
Share capital	20.02	3,759,525,000	3,759,525,000
Revaluation reserve		7,832,604,063	7,850,267,571
Fair value reserve		1,735,088,000	1,059,552,000
Retained earnings		26,660,161,916	21,363,678,067
Total Equity		**39,987,378,979**	**34,033,022,638**
LIABILITIES :			
Non-Current Liabilities:			
Long term loans - non-current portion	21.03	20,600,426,155	22,244,751,182
Defined benefit obligations - gratuity	22.00	312,152,656	321,938,389
Lease liabilities- non-current portion	09.03	77,947,808	97,347,515
Deferred tax liabilities	23.00	1,983,593,229	1,733,309,398
Total Non-Current Liabilities		**22,974,119,848**	**24,397,346,484**
Current Liabilities:			
Trade payables	24.00	3,855,808,721	860,278,160
Short term loans	25.00	22,766,228,410	21,502,128,448
Long term loans - current portion	21.02	2,778,004,296	1,560,776,913
Lease liabilities- current portion	09.03	68,957,876	83,219,206
Liabilities for expenses	26.00	1,915,942,259	1,879,156,341
Provision for income tax	27.00	2,170,711,490	1,506,833,523
Provision for WPPF and Welfare Fund	28.00	478,706,410	348,008,335
Unclaimed dividend	29.00	5,229,267	6,378,257
Other liabilities	30.00	889,019,712	934,938,282
Contract liabilities	31.00	1,377,372,019	712,207,281
Total Current Liabilities		**36,305,980,460**	**29,393,924,746**
Total Liabilities		**59,280,100,308**	**53,791,271,230**
Total Equity & Liabilities		**99,267,479,287**	**87,824,293,868**
Net asset value (NAV) per share	44.00	106.36	90.52

Footnotes:
The notes 1 to 53 form an integral part of these financial statements.

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Shekhar Ranjan Kar FCA
Company Secretary

Aameir Alihussain
Managing Director

Alihussain Akberali FCA
Chairman

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

BSRM STEELS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2026

	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
Revenue from contracts with customers	32.00	129,488,018,313	103,665,210,348
Cost of sales	33.00	(115,386,418,868)	(92,160,634,702)
Gross profit for the year		**14,101,599,445**	**11,504,575,646**
Selling and distribution expenses	34.00	(1,418,919,353)	(1,675,437,425)
Administrative expenses	35.00	(999,565,271)	(855,879,346)
		11,683,114,821	**8,973,258,875**
Foreign exchange gain/(loss)	36.00	8,886,117	33,073,332
Other operating income	37.00	53,088,168	46,434,903
Operating profit for the year		**11,745,089,106**	**9,052,767,110**
Share of profit/ (Loss) from associates	12.00	(5,761,165)	-
Interest income on Deposits	38.00	244,298,857	206,526,738
Foreign exchange gain/(loss) on cash and cash equivalents	39.00	3,883,764	(339,166)
Dividend income	40.00	144,000,001	100,800,000
Profit before financing and income tax		**12,131,510,563**	**9,359,754,682**
Finance costs	41.00	(2,514,635,779)	(2,423,295,329)
Foreign exchange gain/(loss) on interest-bearing borrowings	42.00	(48,507,756)	23,707,357
Net profit before tax and WPPF		**9,568,367,028**	**6,960,166,709**
Contribution to WPPF and Welfare Fund	28.00	**(478,706,410)**	**(348,008,335)**
Net profit before tax		**9,089,660,618**	**6,612,158,374**
Income tax (expenses)/benefits:			
Current tax	27.00	(1,869,257,946)	(1,264,902,650)
Deferred tax	23.00	(66,947,946)	(171,211,691)
		(1,936,205,892)	**(1,436,114,341)**
Net Profit After tax		**7,153,454,726**	**5,176,044,033**
Other comprehensive income not to be reclassified to profit or loss			
Fair value reserve on financial asset (Net of tax)		675,536,000	(373,248,000)
Total comprehensive income for the year, net of tax		**7,828,990,726**	**4,802,796,033**
Earnings per share (EPS)	**43.00**	**19.03**	**13.77**

Footnotes:
The notes 1 to 53 form an integral part of these financial statements.

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Company Secretary

Aameir Alihussain
Managing Director

Alihussain Akberali FCA
Chairman

Place: Chattogram
Date: 14 OCT 2026

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

BSRM STEELS LIMITED

Statement of Changes in Equity

For the year ended 30 June 2026

Particulars	Share Capital	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
Balance as at 01 July 2024	**3,759,525,000**	**7,869,893,691**	**1,432,800,000**	**17,365,358,008**	**30,427,576,699**
Net profit after tax for the year ended 30 June 2025	-	-	-	5,176,044,033	**5,176,044,033**
Fair value reserve on financial asset	-	-	(373,248,000)	-	**(373,248,000)**
Transfer against difference in depreciation between cost and revalued amount	-	(19,626,120)	-	25,324,026	**5,697,906**
Final cash dividend 2024	-	-	-	(1,203,048,000)	**(1,203,048,000)**
Balance as at 30 June 2025	**3,759,525,000**	**7,850,267,571**	**1,059,552,000**	**21,363,678,067**	**34,033,022,638**
Balance as at 01 July 2025	**3,759,525,000**	**7,850,267,571**	**1,059,552,000**	**21,363,678,067**	**34,033,022,638**
Net profit after tax for the year ended 30 June 2026	-	-	-	**7,153,454,726**	**7,153,454,726**
Fair value reserve on financial asset	-	-	**675,536,000**	-	**675,536,000**
Transfer against difference in depreciation between cost and revalued amount	-	(17,663,508)	-	22,791,623	**5,128,115**
Final cash dividend 2025	-	-	-	(1,879,762,500)	**(1,879,762,500)**
Balance as at 30 June 2026	**3,759,525,000**	**7,832,604,063**	**1,735,088,000**	**26,660,161,916**	**39,987,378,979**

Footnotes:
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BSRM STEELS LIMITED
Statement of Cash Flows
For the year ended 30 June 2026

	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
A. Operating activities			
Receipts from customers against sales		131,420,685,381	103,627,383,727
Cash Paid to suppliers, operating and other expenses		(121,018,028,048)	(85,479,433,289)
Income tax paid		(1,205,379,979)	(1,222,731,964)
Net cash generated by operating activities	47	**9,197,277,354**	**16,925,218,474**
B. Investing activities			
Acquisition of property, plant and equipments		(565,682,533)	(955,800,420)
Acquisition of Intangible assets		(5,418,939)	(10,179,680)
Addition to CWIP/Capitalized		(373,184,653)	(3,743,625,638)
Proceeds from sale of property, plant and equipments		4,150,000	36,955,895
Short term investments		(163,896,894)	616,027,011
Dividend Received		144,000,001	100,800,000
Interest Received		248,182,622	206,187,572
Investment in Associates		(2,000,000,000)	-
Investment in financial assets		(50,087,600)	(1,000,000)
Net cash provided by /(used in) investing activities		**(2,761,937,997)**	**(3,750,635,260)**
C. Financing activities			
Dividend paid		(1,880,911,489)	(1,201,481,485)
Interest paid on borrowings		(2,496,493,764)	(2,402,900,394)
Payment against Lease		(110,944,149)	(109,278,964)
Receipt/(Re-payment) of long term loan		(475,605,400)	14,005,762,491
Received from/paid against short term loan		1,264,099,962	(28,106,595,261)
Loan received from /(paid to) related companies		1,949,524,034	1,176,937,534
Net cash provided by /(used in) financing activities		**(1,750,330,806)**	**(16,637,556,079)**
D. Net increase / (Decrease) in cash and cash equivalents (A+B+C)		**4,685,008,550**	**(3,462,972,865)**
E. Opening cash and cash equivalents		1,916,677,115	5,379,649,980
Closing cash and cash equivalents (D+E)		**6,601,685,665**	**1,916,677,115**
Net operating cash flows (NOCF) per share	45	**24.46**	**45.02**

Footnotes:
The notes 1 to 53 form an integral part of these financial statements.

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1.00 REPORTING ENTITY

1.01 Company Profile

BSRM Steels Limited (hereinafter referred to as 'BSL', 'the company' was incorporated on 20 July, 2002, vide the certificate C-No. 4392 of 2002 as a Private Limited Company in Bangladesh under Companies Act 1994. The company was converted to a Public Limited Company on 20 December 2006. The Company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly traded company. Trading of the shares of the company started in two stock exchanges from 18 January 2009.

The registered office of the company is situated at Ali Mansion, 1207/1099, Sadarghat Road, Chattogram, Bangladesh.The company has set up its rolling mill at 4, Fouzderhat Industrial Estate, Latifpur, Sitakunda, Chattogram and commenced commercial production from 1 April 2008. Its backward units are located at Khilmurari, Zorargonj, Chattogram and 202-205, Nasirabad Industrial Area, Baizid Bostami Road, Chattogram.

1.02 Nature of the Business

The main objective of the company is to manufacture M.S. products by setting up melting and re-rolling mills and marketing the same.

M.S. billets are manufactured from scraps and sponge iron etc. These billets are re-rolled in the next step at Re-Rolling Mills to manufacture M.S. products. The company also deals in sale of M.S. products like Xtreame 500W, Xtreame DWR, Xtreame CWR, Ultima 420D, Maxima 500 and MS Wire Rod etc.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh as per requirements under the Financial Reporting Act 2015.

2.02 Basis of Reporting

The financial statements have been prepared and presented for external users in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), including IFRS 18 Presentation and Disclosure in Financial Statements, the Companies Act 1994, and other applicable laws and regulations of Bangladesh. The financial statements comprise of:

a) A statement of financial position as at 30 June 2026
b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2026
c) A statement of changes in equity for the year ended 30 June 2026
d) A statement of cash flows for the year ended 30 June 2026
e) The disclosure of management-defined performance measures in note 48.00

2.03 Early Application of IFRS 18 Presentation And Disclosure in Financial Statements

The Company has early-applied IFRS 18, which replaces IAS 1 Presentation of Financial Statements, together with the related amendments to IAS 7, IAS 8 (retitled Basis of Preparation of Financial Statements), IAS 33 and IAS 34. The standard has been applied retrospectively, and comparative information for the year ended 30 June 2025 has been re-presented accordingly.

IFRS 18 affects presentation and disclosure only. It had no effect on the recognition or measurement of assets, liabilities, income or expenses, and no effect on reported profit or total equity. The main changes are:

1 Income and expenses are classified into defined categories with new mandatory subtotals;
2 The statement of cash flows now starts from operating profit or loss under the indirect method, and interest and dividend cash flows have a fixed classification;
3 Management-defined performance measures (MPMs) are disclosed in a single note, with reconciliation to the most directly comparable IFRS subtotal and the tax and non-controlling-interest effects; and
4 The principles of aggregation and disaggregation are applied to the primary statements and the notes.

2.04 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

A. The Income Tax Act, 2023
B. The Income Tax Rules, 1984
C. The Value Added Tax and Supplementary Duty Act, 2012
D. The Value Added Tax and Supplementary Duty Rule, 2016
E. The Securities and Exchange Ordinance, 1969
F. The Securities and Exchange Rules, 2020
G. Securities and Exchange Commission Act, 1993
H. The Customs Act, 1969
I. Bangladesh Labour Law, 2006
J. Financial Reporting Act, 2015

2.05 Reporting Period

The financial statements of the company covers the year from 01 July 2025 to 30 June 2026 and followed consistently.

2.06 Authorization for Issue

These financial statements for the year ended 30 June 2026 have been authorized for issue by the Board of Directors on 14 October 2026.

2.07 Going Concern

The financial statements have been prepared on a going concern basis. Management has assessed the Company's ability to continue as a going concern and is satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the end of the reporting period.

2.08 Comparative and reclassification

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged / reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.

The Company has early-applied IFRS 18 retrospectively. Accordingly, the comparative information for the year ended 30 June 2025 has been re-presented to reflect the new classification of income and expenses and the revised statement of cash flows requirements. The re-presentation affected presentation only. There was no effect on previously reported profit, total comprehensive income, total assets, total liabilities, equity or net cash flows.

A reconcialiation of the Statement of Profit and Loss and Other Comprehensive Income for the comparative period has been provided in **note 6.04**.

2.09 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

a) expected to be realised or intended to sold or consumed in the normal operating cycle;
b) held primarily for the purpose of trading;
c) expected to be realised within twelve months after the reporting period; or
d) cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

a) it is expected to be settled in the normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

3.00 Functional and Presentation Currency

These financial statements are presented in Bangladeshi Taka (Taka/TK/BDT) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest Taka.

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4.00 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 revision and future periods if the revision affects both current and future periods.

In the process of applying entities accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Area	Note	Nature of estimate or judgement
Property, plant and equipment	8	Useful lives, residual values and fair value
Right-of-use assets	9	Lease term and incremental borrowing rate
Intangible assets	10	Useful lives and impairment
Inventories	14	Net realizable value
Trade and other receivables	15	Expected credit losses
Defined benefit obligations – gratuity	22	Actuarial assumptions
Deferred tax liabilities	23	Tax rates, recoverability of deferred tax assets
Liabilities for expenses	26	Estimation of accrued amounts
Provision for income tax	27	Interpretation of tax law and tax positions
Contingent liabilities	49	Likelihood of outflow of resources

5.00 Basis of Measurement

These financial statements have been prepared on going concern basis under the historical cost convention except for some classes of property, plant and equipments and investment in Bangladesh Steel Re-Rolling Mills Limited (financial asset) which are measured at fair value.

6.00 Early adoption of IFRS 18 Presentation and Disclosure in Financial Statements

6.01 Early Application

IFRS 18 Presentation and Disclosure in Financial Statements is mandatorily effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The Company has early-applied IFRS 18 in preparing its financial statements for the year ended 30 June 2026.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. Together with IFRS 18, the Company has applied the related consequential amendments to IAS 7, IAS 8 (retitled Basis of Preparation of Financial Statements), IAS 33 and other standards.

6.02 Transition and Effects of adoption

The Company applied IFRS 18 retrospectively, and comparative information for the year ended 30 June 2025 has been re-presented accordingly. IFRS 18 affects presentation and disclosure only. It had no effect on the recognition or measurement of assets, liabilities, income or expenses, and no effect on reported profit, total comprehensive income, total assets, total liabilities or total equity for any period presented.

6.03 Main changes introduced by IFRS 18

(a) Income and expenses are classified into defined categories, with new mandatory subtotals;

(b) The statement of cash flows starts from operating profit or loss where the indirect method is used, and interest and dividend cash flows have a fixed classification. The Company reports operating cash flows under the direct method.

(c) Management-defined performance measures (MPMs) are disclosed in a single note, with a reconciliation to the most directly comparable subtotal specified by IFRS Accounting Standards, together with the related tax effect; and

(d) The principles of aggregation and disaggregation are applied to the primary financial statements

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6.04 Reconciliation on statement of profit or loss for the year ended 30 June 2025

	IAS 1	Adjustments	IFRS 18
	Taka	Taka	Taka
Revenue from contracts with customers	103,665,210,348	-	103,665,210,348
Cost of sales	(92,160,634,702)	-	(92,160,634,702)
Gross profit for the year	**11,504,575,646**	-	**11,504,575,646**
Selling and distribution expenses	(1,675,437,425)	-	(1,675,437,425)
Administrative expenses	(855,879,346)	-	(855,879,346)
	8,973,258,875	-	**8,973,258,875**
Foreign exchange gain/(loss)	-	33,073,332	33,073,332
Other operating income	25,767,903	20,667,000	46,434,903
Operating profit for the year	**8,999,026,778**	**53,740,332**	**9,052,767,110**
Share of profit/ (Loss) from associates	-	-	-
Finance costs	(2,366,853,807)	2,366,853,807	-
Finance income	227,193,738	(227,193,738)	-
Non operating income	100,800,000	(100,800,000)	-
Interest income on Deposits	-	206,526,738	206,526,738
Foreign exchange gain/(loss) on cash and cash equivalents	-	(339,166)	(339,166)
Dividend Income	-	100,800,000	100,800,000
Profit before financing and income tax	**6,960,166,709**	**2,399,587,973**	**9,359,754,682**
Finance costs	-	(2,423,295,329)	(2,423,295,329)
Foreign exchange gain/(loss) on interest-bearing borrowings	-	23,707,357	23,707,357
Net profit before tax and WPPF	**6,960,166,709**	-	**6,960,166,709**
Contribution to WPPF and Welfare Fund	**(348,008,335)**	-	**(348,008,335)**
Net profit before tax	**6,612,158,374**	-	**6,612,158,374**
Income tax (expenses)/benefits:			
Current tax	(1,264,902,650)	-	(1,264,902,650)
Deferred tax	(171,211,691)	-	(171,211,691)
	(1,436,114,341)	-	**(1,436,114,341)**
		-	
Net profit after tax	**5,176,044,033**	-	**5,176,044,033**

Reconciliation on statement of Cash Flows for the year ended 30 June 2025

In the statement of cash flows, the starting point for cash flows from operating activities has changed from 'Profit before tax' to 'Operating profit', resulting in corresponding changes to the reconciliation adjustments presented under the indirect method. As removing the optionality previously available for the classification of cash flows from interest, interest received and interest paid are presented within investing activities and financing activities, respectively.

The comparative statement of cash flows has been restated accordingly. The effects of these changes are summarised below.

	Previous 2025	Adjustments	Restated 2025
Cash flow from operating activities	7,306,903,624	9,618,314,850	16,925,218,474
Cash flow from investing activities	(818,806,798)	(2,931,828,462)	(3,750,635,260)
Cash flow from financing activities	(9,951,408,857)	(6,686,147,222)	(16,637,556,079)

7.00 MATERIAL ACCOUNTING POLICIES

The Company has consistently (otherwise as stated) applied the following accounting policies to all periods presented in these financial statements.

The Company has early adopted IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1. Material accounting policy information is disclosed in accordance with IAS 8 Basis of Preparation of Financial Statements.

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Set out below is an index of the material accounting policies, the details of which are available on the current and following pages:

Note	Particulars
7.01	Property, Plant and Equipments
7.02	Revaluation of Property, Plant and Equipments
7.03	Capital Work-in-Progress
7.04	Leases
7.05	Intangible Assets
7.06	Borrowing Costs
7.07	Inventories
7.08	Financial Instruments
7.09	Cash and cash equivalents
7.10	Share Capital
7.11	Provisions, Contingent liability and Contingent assets
7.12	Income tax
7.13	Employee Benefits
7.14	Revenue
7.15	Foreign currency
7.16	Earnings Per Share
7.17	Statement of Cash Flows
7.18	Dividend to the Equity Holders
7.19	Finance Income and Finance Cost
7.20	Segment information
7.21	Event after the reporting period
7.22	Fair Value Measurement

7.01 Property, Plant and Equipments

Items of property, plant and equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipments and borrowing costs for long-term construction projects if the recognition criteria are met.

The cost of an item of property, plant and equipments comprises:

a) It's purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates).

b) Any cost directly attributable to the acquisition of the assets.

c) The cost of self-constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When significant parts of plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of replacing or upgrading part of an item of property, plant and equipments is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipments are recognized in profit or loss.

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipments, depreciation is recognized in statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipments. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

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Asset Category	Useful Lives
Plant and Machineries	7-25 years
Motor Vehicles	6-10 years
Furniture and Fixtures	5 years
Office Equipments	5 years
Factory Buildings	20 years
Roads and Pavements	20 years
IT Equipments	5 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

7.02 Revaluation of Property, Plant and Equipments

The last revaluation of the Company's immovable properties was carried out by ACNABIN, Chartered Accountants with assistance from Pacific Surveyors Ltd., BDBL Bhaban (Level-13), 12 Karwan Bazar Commercial Area, Dhaka as at 07 August 2019. Since then, no further revaluation has been undertaken. Based on management's periodic internal assessment, review of available market information, and observable indicators of land values in comparable locations and transactions, the Company is of the view that there has been no significant or material change in fair values of these assets. Accordingly, management considers that the carrying amounts of lands as reflected in the financial statements do not differ materially from their estimated fair values as at the reporting date. Therefore, in line with the requirements of IAS 16 regarding regularity of revaluation, a revaluation exercise has not been considered necessary during the current reporting period.

The Company continues to monitor market conditions and external valuation indicators on an ongoing basis. A formal revaluation will be undertaken when management determines that there is evidence of material deviation between carrying amounts and fair values, or when required for financial reporting purposes.

Property, plant and equipments (Revaluation model)

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

7.03 Capital Work-in-Progress

Capital work-in-progres consists of cost incurred for the acquisition and/or construction of items of property, plant and equipments that are yet to become available for use. In the case of import of components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the company.

7.04 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

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The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are amortized over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is amortized over the useful life of the underlying asset. The amortization starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

At the derecognition of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

7.05 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible assets with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss under the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

A summary of the intangible assets is as follows:

Particulars	Trade Mark	Oracle EBS and other Software
Useful lives	Finite (20 years)	Finite (10 years)
Amortisation method used	Amortised on a straight line basis	Amortised on a straight line basis
Internally generated or acquired	Acquired	Acquired

7.06 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.



7.07 Inventories

Inventories are measured at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a weighted average basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

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

7.08 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Accounting policies relating to different type of financial instruments are described below:

i) Recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVTOCI and FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objective for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated-e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets-Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

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Financial liabilities- Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v) Impairment

Financial assets

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Non-financial assets

The carrying value of the non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

7.09 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks, and short-term deposits with a maturity of three months or less, which are readily convertible and subject to an insignificant risk of changes in value.

7.10 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognized as a deduction from equity.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

7.11 Provisions, Contingent liability and Contingent assets

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

Contingent liabilities

Contingent liability is a possible obligation that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Company discloses contingent liability in the financial statements. A provision is recognised in the period in which the recognition criteria of provision is met.

Contingent Assets

Contingent asset is a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

7.12 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) 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 in respect of previous years. Provision for corporate income tax is made following the rate applicable for companies as per Finance Act, 2026 i.e 22.5%.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

7.13 Employee Benefits

The company maintain both defined contribution plan and defined benefit plan for its eligible permanent employees.

Defined Contribution plan

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognised Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution. This fund is recognised by the National Board of Revenue (NBR), under the First Schedule, Part B of Income Tax Ordinance 1984. The Company recognises contribution to defined contribution plan as an expense when an employee has rendered required services. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund. Obligations are created when they are due.



Defined benefit plan

The company maintains funded gratuity scheme and provision in respect of which is made annually for the employees. Gratuity benefit shall be payable on the basis of company service and the last drawn basic salary of the employee as per the following table at the end of retirement, death in service or leaving employment:

Service length	Benefit
Less than 5 years of service	Nil
Equal to or more than 5 years of service	Two months' last drawn basic salary for each year of service.

Workers profit participation and welfare funds

The company also recognised a provision for workers profit participation and welfare funds @ 5% of net profit before tax as per Bangladesh labour law 2006.

7.14 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a goods or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers.

The company is in the business of providing M.S. Billet and M.S. Rod. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of Value Added Tax (VAT). Gross turnover comprises local sales of M.S. Rod, M.S. Billet, export of M.S. Rod and includes VAT paid to the Government of Bangladesh.

The company's typical performance obligations include the following;

Revenue from contracts with customers:

Type of Sales	Nature and timing of satisfaction of performance obligations	Revenue recognition
- Local sales	Customers obtain control of products when goods are shipped out at factory gate. Invoices raised as per management approved price list are generated at that point in time.	Revenue is recognized when (or as) the entity satisfies a performance obligation by transferring the promised goods or service to a customer.
- Export sales		
- By Products		

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for local sales, the Company considers the effects of variable consideration payable to the customers.

The Company has variable considerations included in the contracts with customers which are netted off against the revenue to determine the transaction price. The variable considerations are pre-determined. The effect of variable considerations on revenue is only from contracts with local customers.

7.15 Foreign currency

Foreign currency transactions are recorded in BDT at applicable rates of exchange ruling at the dates of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rates." Exchange rate difference at the statement of financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of property, plant and equipment, to be credited/ charged to the cost/value of such assets.

The financial statements are presented in BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into BDT at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

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7.16 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of the Fund by the weighted average number of ordinary shares outstanding during the year.

7.17 Statement of Cash Flows

Cash flows from operating activities have been presented under direct method as per IAS 7: Statement of Cash Flows.

7.18 Dividend to the Equity Holders

Final dividend distribution to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting.

7.19 Finance Income and Finance Cost

i) Finance Income

Finance income comprises interest earned on funds invested and is recognized when the amount is actually realized, as confirmed by the bank and reflected in the bank statement, using the effective interest method.

ii) Finance Cost

Finance costs comprise interest expense on borrowings, and foreign exchange gain or loss.

7.20 Segment information

For management purposes, the company is organised into business units based on its products and has two reportable segments, as follows:

-The M.S Rod segment which produces different graded Rod and sell the same to several dealers, end users, other corporate users and some deemed export to EPZ based companies.

-The M.S Billets segment which produces different graded Billets and transfer the same to produce M.S Rod.

No operating segments have been aggregated to form the above reportable operating segments.

The Company Secretary and General Manager Finance and Accounts is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss. Also, the company's financing (including finance costs and finance income) and income taxes are managed on aggregately and are not allocated to operating segments.

Assets and Liabilities of the company are maintained aggregately due to that, those are not provided to the Chief Operating Decision Maker and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Non-current assets information has not presented in the financial statements and is not available according to the geographical area.

7.21 Event after the reporting period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.



7.22 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

When measuring the fair value of an asset or liability, the entity uses market observable 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 and 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.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed.



8.00 Property, plant and equipments : At Revaluation Model

Particulars	Land and Land Development	Plant & Machinery	Motor Vehicles	Factory Building	Furniture & Fixtures	Office Equipment	Roads and Pavements	Computer and IT equipment	TOTAL
At 01 July 2024	**11,574,650,802**	**15,838,581,267**	**176,950,829**	**6,357,910,491**	**111,243,551**	**189,819,980**	**673,611,208**	**110,875,560**	**35,033,643,688**
Additions during the year	14,577,162	10,181,902,956	41,098,818	5,967,174,598	12,633,309	25,645,800	96,230,669	13,468,313	**16,352,731,625**
Disposals	-	(28,615,000)	(19,206,354)	-	-	-	-	(1,399,178)	**(49,220,532)**
At 30 June 2025	**11,589,227,964**	**25,991,869,223**	**198,843,292**	**12,325,085,089**	**123,876,860**	**215,465,780**	**769,841,877**	**122,944,695**	**51,337,154,780**
At 01 July 2025	**11,589,227,964**	**25,991,869,223**	**198,843,292**	**12,325,085,089**	**123,876,860**	**215,465,780**	**769,841,877**	**122,944,695**	**51,337,154,780**
Additions during the year	53,309,194	641,071,344	22,511,393	197,537,157	5,648,886	9,624,348	691,131,625	19,444,076	**1,640,278,023**
Disposals			(6,294,610)	-	-		-	(2,198,780)	**(8,493,390)**
At 30 June 2026	**11,642,537,158**	**26,632,940,567**	**215,060,075**	**12,522,622,246**	**129,525,746**	**225,090,128**	**1,460,973,502**	**140,189,991**	**52,968,939,413**
DEPRECIATION									
At 01 July 2024	-	**6,484,152,061**	**135,843,256**	**2,092,899,716**	**97,934,803**	**157,628,811**	**176,719,729**	**72,934,524**	**9,218,112,900**
Charge during the year	-	1,216,555,721	16,119,788	397,268,241	5,031,308	16,068,391	35,385,150	9,050,785	**1,695,479,384**
Disposals	-	(8,902,444)	(19,206,354)	-	-	-	-	(1,360,785)	**(29,469,584)**
At 30 June 2025	-	**7,691,805,338**	**132,756,689**	**2,490,167,957**	**102,966,111**	**173,697,202**	**212,104,879**	**80,624,525**	**10,884,122,701**
At 01 July 2025		**7,691,805,338**	**132,756,689**	**2,490,167,957**	**102,966,111**	**173,697,202**	**212,104,879**	**80,624,525**	**10,884,122,701**
Charge during the year		1,546,838,767	16,266,897	502,438,364	6,170,438	11,471,148	59,394,419	10,254,657	**2,152,834,691**
Disposals		-	(6,294,610)	-	-	-	-	(2,194,138)	**(8,488,748)**
At 30 June 2026		**9,238,644,105**	**142,728,977**	**2,992,606,321**	**109,136,549**	**185,168,350**	**271,499,298**	**88,685,044**	**13,028,468,643**
CARRYING AMOUNT									
At 30 June 2025	**11,589,227,964**	**18,300,063,885**	**66,086,603**	**9,834,917,132**	**20,910,749**	**41,768,578**	**557,736,998**	**42,320,170**	**40,453,032,079**
At 30 June 2026	**11,642,537,158**	**17,394,296,462**	**72,331,098**	**9,530,015,925**	**20,389,197**	**39,921,778**	**1,189,474,204**	**51,504,947**	**39,940,470,769**

Allocation of Depreciation:	Note	For the year ended 30 June 2026	For the year ended 30 June 2025
			Taka
Cost of sales	33.03	2,098,453,521	1,646,338,822
Selling & distribution expenses	34.00	31,648,677	30,353,418
Administrative expenses	35.00	22,732,494	18,787,144
		2,152,834,691	**1,695,479,384**

8.01 Property, plant and equipments : At Cost Model

Particulars	Land and Land Development	Plant & Machinery	Motor Vehicles	Factory Building	Furniture & Fixtures	Office Equipment	Roads and Pavements	Computer and IT equipment	TOTAL
COST									
At 01 July 2024	**3,621,744,862**	**15,838,581,267**	**176,950,828**	**6,001,600,479**	**111,243,550**	**189,819,980**	**673,611,209**	**110,875,560**	**26,724,427,734**
Additions during the year	14,577,163	10,181,902,956	41,098,819	5,967,174,596	12,633,310	25,645,798	96,230,669	13,468,313	16,352,731,625
Disposals	-	(28,615,000)	(19,206,354)	-	-	-	-	(1,399,178)	(49,220,532)
At 30 June 2025	**3,636,322,025**	**25,991,869,223**	**198,843,292**	**11,968,775,075**	**123,876,860**	**215,465,778**	**769,841,878**	**122,944,695**	**43,027,938,826**
At 01 July 2025	**3,636,322,025**	**25,991,869,223**	**198,843,292**	**11,968,775,075**	**123,876,860**	**215,465,778**	**769,841,878**	**122,944,695**	**43,027,938,826**
Additions during the year	53,309,194	640,966,843	22,511,393	197,537,157	5,648,886	9,728,849	691,131,625	19,444,076	**1,640,278,023**
Disposals			(6,294,610)					(2,198,780)	**(8,493,390)**
At 30 June 2026	**3,689,631,219**	**26,632,836,066**	**215,060,075**	**12,166,312,232**	**129,525,746**	**225,194,627**	**1,460,973,503**	**140,189,991**	**44,659,723,459**
DEPRECIATION									
At 01 July 2024	**-**	**6,484,152,061**	**135,843,256**	**1,983,534,250**	**97,934,803**	**157,628,811**	**176,719,729**	**72,934,524**	**9,108,747,435**
Charge during the year	-	1,216,555,723	16,121,611	371,944,215	5,031,309	16,068,389	35,385,150	9,048,961	**1,670,155,359**
Disposals	-	(8,902,444)	(19,206,354)	-	-	-	-	(1,360,785)	**(29,469,584)**
At 30 June 2025	**-**	**7,691,805,339**	**132,758,513**	**2,355,478,465**	**102,966,112**	**173,697,201**	**212,104,879**	**80,622,700**	**10,749,433,210**
At 01 July 2025	**-**	**7,691,805,339**	**132,758,513**	**2,355,478,465**	**102,966,112**	**173,697,201**	**212,104,879**	**80,622,700**	**10,749,433,210**
Charge during the year		1,546,838,767	16,266,897	479,646,741	6,170,438	11,471,148	59,394,419	10,254,657	**2,130,043,068**
Disposals			(6,294,610)					(2,194,138)	**(8,488,748)**
At 30 June 2026	**-**	**9,238,644,107**	**142,730,801**	**2,835,125,206**	**109,136,550**	**185,168,349**	**271,499,298**	**88,683,220**	**12,870,987,529**
CARRYING AMOUNT									
At 30 June 2025	**3,636,322,025**	**18,300,063,883**	**66,084,779**	**9,613,296,610**	**20,910,749**	**41,768,578**	**557,736,999**	**42,321,995**	**32,278,505,617**
At 30 June 2026	**3,689,631,219**	**17,394,191,959**	**72,329,275**	**9,331,187,026**	**20,389,197**	**40,026,278**	**1,189,474,205**	**51,506,771**	**31,788,735,930**



09.00 Lease - Right of Use Assets

09.01 As a Lessee

Right of Use Assets

Particulars	Land	Warehouse	House	Amount in Taka Total
At 01 July 2024	**344,578,684**	**62,970,198**	**72,406,758**	**479,955,640**
Additions during the year	-	-	14,899,979	**14,899,979**
Lease back/adjustment during the year	(42,727,582)	(1,514,419)	(47,773,395)	**(92,015,397)**
At 30 June 2025	**301,851,102**	**61,455,779**	**39,533,342**	**402,840,222**
At 01 July 2025	**301,851,102**	**61,455,779**	**39,533,342**	**402,840,222**
Additions during the year	-	31,076,718	28,064,377	**59,141,095**
Lease back/adjustment during the year	(6,370,737)	(61,455,779)	(1,419,402)	**(69,245,918)**
At 30 June 2026	**295,480,365**	**31,076,718**	**66,178,316**	**392,735,399**
AMORTISATION				
At 01 July 2024	**155,035,078**	**43,091,620**	**47,784,100**	**245,910,797**
Charge during the year	62,443,488	14,119,912	11,294,494	**87,857,894**
Disposals/adjustment during the year	(42,727,582)	(1,514,419)	(47,773,397)	**(92,015,399)**
At 30 June 2025	**174,750,984**	**55,697,113**	**11,305,197**	**241,753,293**
At 01 July 2025	**174,750,984**	**55,697,113**	**11,305,197**	**241,753,293**
Charge during the year	61,837,167	14,535,156	12,700,771	**89,073,094**
Disposals/adjustment during the year	(6,370,737)	(61,455,779)	(1,419,402)	**(69,245,918)**
At 30 June 2026	**230,217,414**	**8,776,490**	**22,586,565**	**261,580,469**
CARRYING AMOUNT				
At 30 June 2025	**127,100,118**	**5,758,666**	**28,228,145**	**161,086,929**
At 30 June 2026	**65,262,951**	**22,300,229**	**43,591,751**	**131,154,931**

09.02 Lease liabilities

	30 June 2026	30 June 2025
Opening balance	180,566,721	254,550,771
Lease obligations	59,141,095	14,899,979
Less: Paid during the year	(92,802,133)	(88,884,029)
Closing balance	**146,905,683**	**180,566,721**

09.03 Lease liabilities- Maturity analysis

Lease liabilities - non-current portion	77,947,808	97,347,515
Lease liabilities - current portion	68,957,876	83,219,206
	146,905,684	**180,566,721**

09.04 Amounts recognized in Statement of profit or loss

	Notes		
Interest on lease liabilities	**41.00**	18,142,016	20,394,935
Amortization of ROU Asset		89,073,094	87,857,894
		107,215,110	**108,252,830**

09.05 Amount recognized in the statement of cash flows

Principal paid on lease liabilities	92,802,133	88,884,029
Interest paid on lease liabilities	18,142,016	20,394,935
	110,944,149	**109,278,964**

09.06 Allocation of amortization of ROU Assets:

Cost of sales	**33.03**	67,453,717	73,798,079
Selling & distribution expenses	**34.00**	5,539,802	4,716,918
Administrative expenses	**35.00**	16,079,575	9,342,897
		89,073,094	**87,857,894**

09.07 The Company has applied an incremental borrowing rate of 12% to determine the present value of the right-of-use assets for the year 2025-26. During the period a total of 29 tenancy agreements were recognized as leases, of which 4 leases reached maturity during the year. The lease terms of these agreements ranged from 3 to 6 years.

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		Notes	30 June 2026 Taka	30 June 2025 Taka
10.00	**Intangible assets**			
	Computer Software	**10.01**	40,180,272	41,623,704
	Trade Mark	**10.02**	42,884	49,149
			40,223,156	**41,672,853**
10.01	**Computer Software**			
	Cost			
	Opening balance		112,760,847	102,581,167
	Additions during the year		5,418,939	10,179,680
	Closing balance		**118,179,786**	**112,760,847**
	Amortisation			
	Opening balance		71,137,143	62,638,025
	Add: Charged during the year		6,862,371	8,499,118
	Closing balance		**77,999,514**	**71,137,143**
			40,180,272	**41,623,704**
10.02	**Trade Mark**			
	Cost			
	Opening balance		125,300	125,300
	Add: Addition during the year		-	-
	Closing balance		**125,300**	**125,300**
	Amortisation			
	Opening balance		76,151	69,886
	Add: Charged during the year		6,265	6,265
	Closing balance		**82,416**	**76,151**
			42,884	**49,149**
11.00	**Capital work-in-progress**			
	Opening balance		929,879,781	12,653,316,612
	Add: Additions during the year	**11.01**	373,184,653	3,743,625,638
			1,303,064,434	16,396,942,250
	Less: Capitalized during the year		(1,035,306,125)	(15,467,062,469)
	Closing balance		**267,758,309**	**929,879,781**

11.01 Details of Capital work-in -progress

Particulars	Opening Balance	Additions	Capitalized during the year	Closing Balance
Civil Construction	798,057,617	(34,373,202)	678,133,666	85,550,748
Plant and Machineries	126,886,687	405,875,184	352,236,983	180,524,889
Other CWIP Assets	4,935,477	1,682,672	4,935,477	1,682,672
	929,879,781	**373,184,653**	**1,035,306,125**	**267,758,309**

Capital work-in-progress represents the accumulated cost of long-term fixed assets, such as civil construction works,Feni river water intake Projcet and machinery installations, that are still under construction or not yet ready for their intended use. These costs are transferred to property, plant and equipment when the assets are ready for use, and no depreciation is charged until then.

During the period under audit, two major projects were completed and capitalized, comprising the Feni River Water Intake Project amounting to Tk. 664,072,902, classified under Civil Construction, and the Solar System amounting to Tk. 248,704,938, classified under Plant and Machinery remaining balance Tk. 122,528,285 related to other civil construction and addition of plant & machineries.The Closing balance of ongoing projects represent at the reporting date amounted to Tk. 267,758,309, comprising Tk. 87,233,420 under Civil Construction and Tk. 180,524,889 under Plant and Machinery.

		30 June 2026	30 June 2025
		Taka	Taka
12.00	**Investment in Associate**		
	Opening balance	-	-
	Add: Investment Made During the year (Cost at Acquisition)	2,000,000,000	-
	Add : Share of Post Acquisition profit /(Loss)	(5,761,165)	-
	Add : Share Other Comprehensive Income	-	-
	Closing balance	**1,994,238,835**	**-**

During the year, BSRM Wires Limited issued 80 million new equity shares to BSRM Steels Limited for a total consideration of BDT 2,000 million representing 26.34% ownership in BSRM Wires Limited. The shares were issued at a premium of Tk. 15 per share, over a face value of Tk. 10 per share. As a result of this investment, the Company obtained significant influence over BSRM Wires Limited. Accordingly, the investment has been classified as an Investment in Associate and accounted for using the equity method in accordance with IAS 28, Investments in Associates and Joint Ventures, from the date on which significant influence was obtained. The Company's share of the associate's post-acquisition loss for the period amounted to BDT 5,761,165, resulting in a closing carrying amount of BDT 1,994,238,835 as at the reporting date.

13.00	**Investment in Financial Assets**			
	Equity Shares in Bangladesh Steel Re-Rolling Mills Limited-at fair value	**13.01**	3,041,280,000	2,177,280,000
	Non-Convertible Subordinated Bond	**13.02**	100,000,000	100,000,000
	BSRM SteelEdge PLC	**13.03**	1,000,000	1,000,000
	SAJIDA Foundation Orange Zero-coupon Bond	**13.04**	50,087,600	-
			3,192,367,600	**2,278,280,000**

13.01 Under the amalgamation of BSRM Steel Mills Limited (BSML) with Bangladesh Steel Re-Rolling Mills Limited (BSRML), the Company has been allotted 28,800,000 equity shares of BSRML with the conversion ratio 1:0.288 of investment in BSML 100,000,000 equity shares. BSRML is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). The market price of BSRML share as on 30 June 2026 was Tk. 105.60 (2025: Tk 75.60) and accordingly market value of BSRML's 28,800,000 equity shares valued at Tk 3,041,280,000 (2025: Tk 2,177,280,000).

13.02 The Company has invested in Non-Convertible, Unsecured, fully redeemable Subordinate Bond on 26 December 2023 through trustee of DBH Finance PLC. The subscription amount of the subordinated Bond is BDT 10 crore bearing Semi-annual coupon rate (reference rate + coupon margin) 9.00%. Redemption will be started from at the end of 3rd year in 5 equal installments up to 7 years of maturity period.

13.03 The company has invested in 100,000 nos of equity share capital of BSRM SteelEdge PLC, a newly incorporated public limited company registed in Registrar of Joint Stock Companies & Firms (RJSC).

13.04 The Company invested BDT 50,087,600 through the purchase of 200 Sajida Foundation Non-Convertible, Fully Redeemable, Unsecured Orange Zero Coupon Bonds, each having a face value of BDT 250,438, with a maturity period of three (3) years.The investment is held through a jointly operated Zero Coupon Bond Account maintained with BRAC Bank PLC, CDA Avenue Branch, Chattogram, in the name of BSRM Steels Limited. The investment was approved by the Board of Directors at its meeting held on 18 May 2026.

		Notes	30 June 2026 Taka	30 June 2025 Taka
14.00	**Inventories**			
	Raw materials	**14.01**	12,550,642,503	9,002,888,418
	Finished goods	**14.02**	15,202,678,148	13,083,618,689
	Store and Spares	**14.03**	3,611,652,415	2,799,936,004
	Fuel and Lubricants		35,319,181	32,654,979
			31,400,292,247	**24,919,098,090**
14.01	**Raw Materials**			
	Raw Materials-MS Scrap		10,707,004,565	7,432,229,807
	Raw Materials-Billets		1,605,039,773	1,282,163,571
	Raw Materials-Packing Materials		29,268,625	43,743,220
	Raw Materials-Direct Consumables		209,329,539	244,751,820
			12,550,642,503	**9,002,888,418**
14.02	**Finished Goods**			
	Finished Goods- MS Rod		14,180,046,202	11,353,571,052
	Finished Goods-Billets		1,022,631,946	1,730,047,637
			15,202,678,148	**13,083,618,689**
14.03	**Stores and Spares**			
	Mechanical stores		1,733,410,571	1,506,316,827
	M.S. Roll		345,117,742	162,186,336
	Electrical stores		820,492,423	624,006,333
	General stores		52,178,349	32,107,835
	Civil stores		37,074,956	32,354,471
	Other Consumable stores		623,378,374	442,964,202
			3,611,652,415	**2,799,936,004**
15.00	**Trade and Other Receivables**			
	Trade Receivables	**15.01**	5,790,674,711	7,000,348,114
	Other Receivables	**15.02**	130,741,600	130,741,600
			5,921,416,311	**7,131,089,714**
15.01	**Trade Receivables**			
	Bangladesh Steel Re-Rolling Mills Limited		8,652,174	-
	Other customers		5,858,980,908	7,056,080,020
			5,867,633,082	**7,056,080,020**
	Less: Allowance for expected credit loss		(76,958,371)	(55,731,906)
			5,790,674,711	**7,000,348,114**
15.02	**Other Receivables**			
	Interest Receivables - Stimulus Fund		654,315	654,315
	DEDO and Other Receivables	**15.02.01**	130,087,285	130,087,285
			130,741,600	**130,741,600**

15.02.01 DEDO and Other Receivables include BDT 34,909,493 representing excess duty paid on imported billets, which is receivable from the Customs Authority. The balance of BDT 95,177,792 represents duty drawback receivable from DEDO in respect of duties paid to the Customs Authority at the time of import. The recovery of this amount is currently subject to litigation before various judicial authorities.

		30 June 2026 Taka	30 June 2025 Taka
15.03	**Ageing of Trade Receivables**		
	Due within 90 days	4,313,710,425	5,802,102,893
	Due within 91 to 180 days	447,660,009	324,900,966
	Due above 181 days	1,106,262,649	929,076,161
		5,867,633,083	**7,056,080,020**

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		Notes	30 June 2026 Taka	30 June 2025 Taka
16.00	**Due from related companies**			
	BSRM Ispat Limited		91,555,346	105,872,885
	BSRM Wires Limited		1,694,548,456	2,868,804,714
	Chittagong Power Company Limited		937,041,767	1,697,992,004
			2,723,145,569	**4,672,669,603**
17.00	**Advances, deposits and prepayments**			
	Advances	**17.01**	6,011,577,887	4,442,083,759
	Deposits	**17.02**	234,177,194	234,131,194
	Prepayments	**17.03**	26,800,821	26,319,651
			6,272,555,901	**4,702,534,604**
17.01	**Advances**			
	Advance against expenses		64,837,926	75,823,780
	Advance against L/C		1,534,022,803	45,805,960
	Advance against land		23,830,092	28,845,006
	Advance against non-current asset		102,902,145	87,568,271
	Advance for house rent		2,750,456	3,039,679
	Advance for purchase of spare parts and other materials		1,057,728,524	1,520,125,011
	Advance Income tax		1,972,419,765	1,656,885,799
	Bank guarantee margin		93,716,164	93,447,110
	LC Margin		1,158,960,012	926,075,624
	Staff loan		410,000	4,467,519
			6,011,577,887	**4,442,083,759**
17.02	**Deposits**			
	Bangladesh Ansar and VDP		2,482,174	2,482,174
	Bangladesh Railway		280,000	280,000
	Bangladesh Telecommunication Company Limited (BTCL)		28,000	28,000
	Bangladesh Power Development Board		45,111,620	45,111,620
	BOC Bangladesh Limited		16,000	16,000
	Brothers Proukosoli Workshop		880,000	880,000
	Central Depository Bangladesh Limited		500,000	500,000
	Chittagong WASA		490,000	490,000
	Chittagong Club Limited		80,000	80,000
	Chittagong Port Authority		15,000	15,000
	Cma Cgm Bangladesh Shipping Ltd		1,060,000	1,060,000
	Fuel Plus Filling & Servicing Center		150,000	150,000
	GBX Logistics Ltd		1,205,000	1,205,000
	Karnaphuli Gas Distribution Co. Limited		176,883,653	176,883,653
	Linde Bangladesh Ltd		3,256,000	3,240,000
	Maersk Bangladesh Limited		1,162,447	1,162,447
	Others		577,300	547,300
			234,177,194	**234,131,194**

The directors consider that all the above advances and deposits are either adjustable or recoverable in cash or cash equivalents and accordingly that no provision against them are required at this stage.

17.03	**Prepayments**			
	Insurance		26,800,821	26,319,651
			26,800,821	**26,319,651**
18.00	**Short Term Investment**			
	Investments in Fixed Deposit Receipts	**18.01**	782,169,994	618,273,100
			782,169,994	**618,273,100**

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18.01 Investments in Fixed Deposit Receipts

Name of banks	Purpose	Period	Rate of interest	30 June 2026 Taka	30 June 2025 Taka
Bank Asia PLC	L/C Margin	6 Months	9%-10%	36,994,335	-
BRAC Bank PLC	Investment	6 Months	9%-10%	100,000,000	100,000,000
Dhaka Bank PLC	L/C Margin & Investments	6 Months	8.50%-9%	-	157,452,595
Pubali Bank Ltd	L/C Margin	3 to 6 Months	8%-9%	43,605,000	-
State Bank of India	L/C Margin	6 Months	5.00%	4,000,000	-
Commercial Bank of Ceylor	BG Margin	3 Months	6.5 % - 9 %	80,592,848	-
Agrani Bank Ltd	L/C Margin	3 Months	8.50%-9%	16,780,500	-
NCC Bank Limited	L/C Margin	3 Months		120,909,823	-
Jamuna Bank Limited	L/C Margin	3 Months	7%-10%	46,932,726	-
IFIC Bank PLC	BG Margin	3 Months	9.75%-10%	5,277,939	4,862,185
IPDC Finance Limited	Investments	12 Months	11.25% - 11.65%	46,804,296	43,068,560
Meghna Bank PLC	BG Margin	3 to 6 Months	11.50% - 12.25%	97,631,164	88,937,461
Mercantile Bank PLC	L/C &BG Margin	3 Months	4%-9%	18,421,902	10,429,181
Mutual Trust Bank PLC	L/C Margin	6 Months	7.75%-10.50%	-	110,872,895
NRB Commercial Bank PLC	Investments	6 Months	10%	74,743,474	69,152,620
One Bank PLC	BG Margin	12 Months	7%-10%	8,469,242	7,817,729
Trust Bank PLC	L/C Margin	3 Months	8.25%-9%	28,457,025	-
United Commercial Bank PLC	L/C Margin	3 to 12 Months	3.75%-11.5%	52,549,720	25,679,874
				782,169,994	**618,273,100**

	Notes	30 June 2026 Taka	30 June 2025 Taka
19.00 Cash & Cash Equivalents			
Cash in Hand	19.01	4,356,197	4,779,300
Cash at Banks	19.02	3,053,516,045	1,802,622,099
Fixed Deposit Receipts	19.03	3,543,813,424	109,275,716
		6,601,685,665	**1,916,677,115**

19.01 Cash in Hand

Barishal Office	60,000	50,000
Baroaulia Office	200,000	200,000
Benapole Warehouse Office	100,001	100,001
Bhatiary Shipyard	20,000	20,000
Bogra Office	100,000	100,000
Bogra Warehouse	100,000	100,000
Steel Melting-1, Factory	700,000	1,100,000
Comilla Office	80,000	80,000
Cox's Bazar Office	50,000	50,000
Dhaka Office	178,131	26,748
Dinajpur Office	50,000	50,000
Fouzderhat Factory	1,200,000	1,200,000
Gazipur Office	50,000	50,000
Head Office	163,731	149,564
Jungal Office	200,000	200,000
Khulna Office	150,000	150,000
Khulna warehouse Office	100,000	100,000
Kustia Office	75,000	75,000
Mirasarai Factory	179,121	507,987
Mymensingh Office	50,000	50,000
Noakhali Office	50,000	50,000
Rajshahi Office	100,000	100,000
Rangpur Warehouse	100,000	100,000
Rangpur Office	70,000	70,000
Sylhet Office	120,000	100,000
Cash In Hand- Steel Factory (Rolling 2)	110,213	-
	4,356,197	**4,779,300**

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19.02 Cash at Banks

Name of the Banks	Branches	Account Types	Currency	30 June 2026 Taka	30 June 2025 Taka
AB Bank PLC	Agrabad	FCY	USD	6,660	70,680
AB Bank PLC	Agrabad	Overdraft	BDT	-	5,128,951
AB Bank PLC	Agrabad	Overdraft	BDT	20,479	58,347
Agrani Bank PLC	Laldighi East	Current Deposit	BDT	93,648,886	16,855,949
Al-Arafah Islami Bank PLC	Agrabad	Current Deposit	BDT	14,673,971	50,298,819
Bank Asia PLC	Agrabad	Current Deposit	BDT	60,656	349,982
BASIC Bank PLC	Dewanhat	Current Deposit	BDT	1,093,775	845,964
BRAC Bank PLC	Agrabad	Overdraft	BDT	1,597,703,525	664,115,081
BRAC Bank PLC	Agrabad	Current Deposit	USD	382,515,783	249,521,306
Commercial Bank of Ceylon P	Agrabad	Current Deposit	BDT	297,914	524,191
Dhaka Bank PLC	Jubilee Road	Current Deposit	BDT	49,655	1,523,082
Dutch Bangla Bank PLC	Jubilee Road	Current Deposit	BDT	50,000	78,004
Eastern Bank PLC	Agrabad	Current Deposit	BDT	54,158,436	150,013,413
Eastern Bank PLC	Agrabad	Escrow	BDT	3,903,693	1,089,256
Eastern Bank PLC	Agrabad	High Performance	BDT	546,523,658	221,656,784
EXIM Bank PLC	Jubilee Road	Current Deposit	BDT	82,980,871	1,766,656
First Security Islami Bank PLC	Sadarghat	Current Deposit	BDT	3,630	4,780
Habib Bank Limited	Chattogram	Current Deposit	BDT	72,238	481,715
HSBC	Agrabad	Current Deposit	USD	333,316	331,504
HSBC	Agrabad	FCY	USD	-	6,692,900
HSBC (Dividend)	Agrabad	Current Deposit	BDT	2,196,971	3,743,589
IFIC Bank PLC	Agrabad	Current Deposit	BDT	14,616,756	12,319,991
Islami Bank Bangladesh PL	Jubilee Road	Current Deposit	BDT	8,085,447	85,615,731
Jamuna Bank PLC	Khatunganj	Current Deposit	BDT	43,193,236	17,227,155
Janata Bank PLC	Laldighi East	Current Deposit	BDT	832,794	1,133
Meghna Bank PLC	Agrabad	Current Deposit	BDT	27,222	36,603
Mercantile Bank PLC	Jubilee Road	Current Deposit	BDT	4,254,751	8,123,025
Modhumoti Bank PLC	Agrabad	Current Deposit	BDT	3,355	46,080
Mutual Trust Bank PLC	CDA Avenue	Current Deposit	BDT	5,187,303	132,896,092
National Bank PLC	Jubilee Road	Current Deposit	BDT	2,111	3,031
NCC Bank PLC	Agrabad	Current Deposit	BDT	43,032	27,912,715
NCC Bank PLC	Agrabad	FCY	USD	91,293	5,623
NCC Bank PLC	Agrabad	ERQ	USD	46,219	7,533
NCC Bank PLC	Barayarhat	Current Deposit	BDT	155,418	634,659
NRB Bank PLC	Agrabad	Current Deposit	BDT	339,293	41,833
NRB Commercial Bank PLC	Agrabad	Current Deposit	BDT	289,955	1,304,777
One Bank PLC	Agrabad	Current Deposit	BDT	2,079,096	11,724,553
One Bank PLC	Agrabad	FCY	USD	-	391,337
Premier Bank PLC	Agrabad	Current Deposit	BDT	223,139	5,406,916
Prime Bank PLC	O.R Nizam Road	Current Deposit	BDT	1,480,220	6,271,223
Prime Bank PLC	Agrabad	Short Notice Deposit	BDT	2,522,623	2,258,207
Pubali Bank PLC	Agrabad	Current Deposit	BDT	63,847	35,818
Rupali Bank PLC	New Market	Current Deposit	BDT	-	268,334
SBACB PLC	Agrabad	Overdraft	BDT	-	3,460,496
SBAC Bank PLC	Agrabad	Current Deposit	BDT	79,123	86,986



Cash at Banks

Name of the Banks	Branches	Account Types	Currency	Taka	Taka
Shahjalal Islami Bank PLC	Jubilee Road	Current Deposit	BDT	1,068,233	15,545,131
Shahjalal Islami Bank PLC	Jubilee Road	FCY	USD	3,689	3,659
Social Islami Bank PLC	Jubilee Road	Current Deposit	BDT	16,403	37,668
Sonali Bank PLC	Laldighi	Current Deposit	BDT	78,863	78,863
Sonali Bank PLC	Kalibari	Current Deposit	BDT	11,946,912	2,002
South East Bank PLC	Pahartali	Current Deposit	BDT	-	6,443,566
Standard Bank PLC	Agrabad	Current Deposit	BDT	6,365,316	1,795,624
Standard Chartered Bank	Agrabad	Current Deposit	BDT	21,006,139	20,360,195
Standard Chartered Bank	Agrabad	Current Deposit	BDT	-	3,973
State Bank of India	Chattogram	Current Deposit	BDT	143,639	76,861
SCB-Steels	Agrabad	FCY	USD	100,316,666	-
SEBL-Steels	Jubilee Road	Current Deposit	BDT	2,582,962	-
City Bank PLC	Agrabad	FCY	USD	2,287,762	3,547,106
City Bank PLC	Agrabad	Current Deposit	BDT	5,040,225	354,251
City Bank PLC	Agrabad	Current Deposit	BDT	-	20,524
City Bank PLC	VIP Road	Current Deposit	BDT	433,691	321,220
City Bank PLC	Agrabad	FCY	USD	218	33,814,031
Trust Bank PLC	CDA Avenue	Current Deposit	BDT	182,232	16,634,382
United Commercial Bank PLC	Jubilee Road	Current Deposit	BDT	26,236,140	232,415
United Commercial Bank PLC	Jubilee Road	Current Deposit	BDT	-	5
Uttara Bank PLC	Agrabad	Cash Credit	BDT	11,894,535	1,680,795
Uttara Bank PLC	Agrabad	Current Deposit	BDT	2,071	10,439,024
				3,053,516,045	**1,802,622,099**

All bank balances are reconciled with bank statements.

19.03 Fixed Deposit Receipts

Name of banks	Purpose	Period	30 June 2026 Taka	30 June 2025 Taka
City Bank PLC	Investment	3 Months	-	100,000,000
Mercantile Bank PLC	Investment	3 Months	2,674,535	9,275,716
Eastern Bank Ltd	Investment	3 Months	500,000,000	-
BRAC Bank Ltd	Investment	3 Months	500,000,000	-
Bank Asia Ltd	Investment	3 Months	1,011,111,111	-
HSBC Bank Ltd	Investment	3 Months	508,177,778	-
IPDC Finance Limited	Investment	3 Months	510,600,000	-
NCC Bank Ltd	Investment	3 Months	511,250,000	-
			3,543,813,424	**109,275,716**

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	30 June 2026 Taka	30 June 2025 Taka

20.00 Share Capital

20.01 Authorized capital

475,000,000 Ordinary shares @ Tk. 10 each	4,750,000,000	4,750,000,000
25,000,000 Preference Shares @ Tk. 10 each	250,000,000	250,000,000
	5,000,000,000	**5,000,000,000**

20.02 Issued, subscribed and paid-up capital

145,000,000 Ordinary shares @ Tk 10 each	1,450,000,000	1,450,000,000
104,500,000 Ordinary shares @ Tk 10 each fully paid-up for consideration other than cash	1,045,000,000	1,045,000,000
21,750,000 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2009)	217,500,000	217,500,000
54,250,000 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2010)	542,500,000	542,500,000
16,275,000 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2012)	162,750,000	162,750,000
34,177,500 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2018)	341,775,000	341,775,000
	3,759,525,000	**3,759,525,000**

20.03 Classification of shares by holding:

Class by number of shares	No. of Holders	No. of Shares	Share Holding (%)
Less than 500	3,811	413,340	0.11%
From 501 to 5000	3,338	5,070,400	1.35%
From 5,001 to 10,000	308	2,261,009	0.60%
From 10,001 to 20,000	186	2,613,849	0.70%
From 20,001 to 30,000	64	1,601,703	0.43%
From 30,001 to 40,000	34	1,198,351	0.32%
From 40,001 to 50,000	29	1,327,857	0.35%
From 50,001 to 100,000	57	4,147,437	1.10%
From 100,001 to 1,000,000	105	30,624,047	8.15%
From 10,000,001 to above	29	326,694,507	86.90%
	7,961	**375,952,500**	**100%**

20.04 Shareholding Position

Name of shareholders	30 June 2026 Percentage of holdings	30 June 2026 No. of Shares	30 June 2025 Percentage of holdings	30 June 2025 No. of Shares
Sponsor Shareholders	16.85%	63,351,172	16.85%	63,351,172
Foreign Shareholders	0.60%	2,248,063	0.33%	1,245,863
Other Shareholders (Related Parties)	55.21%	207,554,671	55.21%	207,554,671
Other Shareholders (General)	27.34%	102,798,594	27.61%	103,800,794
	100%	**375,952,500**	**100%**	**375,952,500**



		Notes	30 June 2026 Taka	30 June 2025 Taka
21.00	**Long term loans**			
	Eastern Bank PLC- Syndicate term loan - For Melting-02 Project	**21.04**	1,355,533,237	1,876,405,647
	Term Loan (BDT)- Rolling Unit-02 and Melting Unit-02	**21.05**	7,243,893,575	8,044,382,234
	Term Loan (BDT)-For FC Loss Mitigation	**21.06**	1,213,639,157	266,508,925
	Standard Chartered Bank (USD Syndicate)-Rolling Unit -02 Project	**21.07**	13,565,364,483	13,618,231,289
			23,378,430,451	**23,805,528,095**
21.01	**Long term loans-Maturity analysis**			
	Due within one year-Current portion	**21.02**	2,778,004,296	1,560,776,913
	Due after more than one year-Non-current portion	**21.03**	20,600,426,155	22,244,751,182
			23,378,430,451	**23,805,528,095**
21.02	**Long term loans - Current portion**			
	Eastern Bank PLC- Syndicate term loan		520,845,537	520,845,537
	Standard Chartered Bank (USD Syndicate)-Rolling Unit -02 Project		1,233,333,210	360,564,622
	Term Loan - BDT- Rolling-02 and Melting-02		908,366,258	658,508,478
	Term Loan - BDT - For FC Loss Mitigation		115,459,291	20,858,276
			2,778,004,296	**1,560,776,913**
21.03	**Long term loans - Non-current portion**			
	Eastern Bank PLC- Syndicate term loan		834,687,700	1,355,560,111
	Standard Chartered Bank (USD Syndicate)-Rolling Unit -02 Project		12,332,031,273	13,257,666,665
	Term Loan - BDT- Rolling-02 and Melting-02		6,335,527,317	7,385,873,757
	Term Loan - BDT - For FC Loss mitigation		1,098,179,866	245,650,649
			20,600,426,155	**22,244,751,182**



21.04 Eastern Bank PLC- Syndicated term loan -For Melting-02 Project

Lenders:

The company entered into a separate syndicated term loan agreement for the BMRE on 03 April 2017 with Eastern Bank Limited, the lead arranger, 4 (four) other Banks and 2 (two) Financial Institutions.

Total loan facilities: Tk. 426.500 crore.
Total loan facilities: USD. 2.500 crore.

Disbursement:
The first disbursement was made on 19 June 2018.

Repayments:
This term loan was originally repayable in 20 (twenty) equal quarterly installments, commencing from the end of the 15th month from the date of the first drawdown. Subsequently, on 22 February 2023, due to the global economic downturn, the repayment schedule was restructured, extending the number of quarterly installments from 20 to 32. Accordingly, the amount of each quarterly installment was reduced.

Securities:
i. Registered Mortgage over the project land measuring 15.22 acres supported by registered General power of Attorney.
ii. Fixed and floating charge over machinery, plant and equipment.
iii. Lien on 29,70,950 shares of BSRM Steels Limited(owned by directors / shareholders)
iv. Corporate guarantee of the sister concerns of H. Akberali & Co. Limited.
v. Personal guarantee from the Sponsor Directors.
vi. Demand promissory note from the company.

Purpose:
To import required plant and machinery for installation of Billet Manufacturing Plant (Steels- Melting Unit 2) and to meet up cost of building and civil construction, fabrication works etc.

Outstanding Balance:	**30 June 2026**	**30 June 2025**
	Taka	**Taka**
Prime Bank PLC	39,896,963	55,855,748
One Bank PLC	77,906,733	109,658,342
Eastern Bank PLC	32,306,822	44,842,967
City Bank PLC	38,671,528	54,348,614
Mutual Trust Bank PLC	40,091,031	55,994,058
Infrastructure Development Company Limited (IDCOL)	937,500,003	1,312,500,003
Saudi Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO)	189,160,156	243,205,915
	1,355,533,237	**1,876,405,647**

21.05 Term Loan (BDT)- Rolling Unit-02 and Melting Unit-02

Prime Bank PLC	21.05.01	958,333,333	1,000,000,000
Eastern Bank PLC	21.05.02	931,522,547	1,098,066,203
Insfrastructure Development Company Limited (IDCOL)	21.05.03	4,389,583,333	4,891,250,000
City Bank PLC	21.05.04	964,454,361	1,055,066,031
		7,243,893,575	**8,044,382,234**

21.05.01 Prime Bank PLC

Lenders:
The company entered into a separate term loan agreement with Prime Bank PLC for enhancing the New Rolling capacity & expansion of melting capacity on 05 April 2022.

Total loan facilities: Tk. 100 Crore

Disbursement:
The first disbursement was made on 10 December 2023.

Repayments:
This term loan will repay in 24 (twenty four) equal quarterly installments after moratorium period of 24 months.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

Securities:

i. First ranking charge by way of registered mortgage with relevant RIGPA over 20.0879 acres land and building owned by the company.

ii. Creation of charges over the registered mortgage of landed properties with the RJSC & firms.

iii. First ranking pari-passu charge on over all current and future fixed assets of the project by way of hypothecation duly registered with RJSC & Firms.

iv. Lawyers satisfaction certificate on completion of all documentation.

v. Corporate guarantee of the sister concerns - H. Akberali & Co. Limited.

vi. Personal guarantee of all directors.

vii. Demand promissory note from the company.

Purpose:

To meet up expenses for civil construction, installation of machinery, equipment and fabrication work etc. and other expenses relating to the project LC payments.

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Prime Bank PLC	958,333,333	1,000,000,000
	958,333,333	**1,000,000,000**

21.05.02 Eastern Bank PLC

Lenders:

The company has entered into a separate term loan agreement with Eastern Bank PLC for enhancing the new rolling capacity & expansion of melting capacity on 14 August 2022.

Total loan facilities: Tk. 100 Crore

Disbursement:

The first disbursement was made on 20 September 2023.

Repayments

The term loan will repay in 24 (twenty four) equal quarterly installments after moratorium period of 24 months.

Securities:

i. First ranking charge by way of registered mortgage with relevant RIGPA over 20.0879 acres land and building owned by the company.

ii. First ranking pari-passu charge on over all current and future fixed assets of the project by way of hypothecation duly registered with RJSC & Firms

iii. Lawyers satisfaction certificate on completion of all documentation.

iv. Corporate guarantee by H. Akberali & Co. Limited.

v. Post dated cheques covering total facility amount.

Purpose:

To finance the building & civil construction, local machinery & other preliminary expenses for setting up new re-rolling plant.

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Eastern Bank PLC	931,522,547	1,098,066,203
	931,522,547	**1,098,066,203**

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

21.05.03 Infrastructure Development Company Limited (IDCOL)

Lenders:

The company has entered into a separate term loan agreement with IDCOL to setup new rolling mill & expansion of melting unit-02 on 19 December 2021.

Total loan facilities: Tk. 500 Crore

Disbursement:

The first disbursement was made on 3 May 2023.

Repayments:

The term loan will repay in 40 (forty) equal quarterly installments after moratorium period of 24 months.

Securities:

i. Bank guarantee with 50% coverage on outstanding principal loan amount of proposed facility.
ii. Personal guarantee of the directors.
iii. Corporate guarantee of H. Akberali & Co. Limited.
iv. First ranking pari passu charge registered with RJSC, over all fixed assets of the current expansion project with IGPA to sell the hypothecated assets.
v. Post-dated cheques for each installment.

Purpose:

Financing the expansion of melting unit-02 and setup a new rolling mill at Mirsarai, Chattogram.

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Infrastructure Development Company Limited (IDCOL)	4,389,583,333	4,891,250,000
	4,389,583,333	**4,891,250,000**

21.05.04 City Bank PLC

Lenders:

The company has entered into a term loan agreement with City Bank PLC for enhancing the new rolling capacity & expansion of melting capacity on 22 August 2022.

Total loan facilities: Tk. 100 Crore

Disbursement:

The first disbursement was made on 11 February 2025.

Repayments:

The term loan will repay in 24 (twenty four) equal quarterly installments after moratorium period of 24 months.

Securities:

i. Registered mortgage on pari-passu basis over 20.0879 acres project land of BSRM Steels Limited (Rolling-2 Unit).
ii. Registered 1st ranking pari-passu charge over all fixed assets, including but not limited to all plant, machinery, equipment , insurances, movable assets etc. of the project with RIGPA in favour of the lenders.
iii. Corporate guarantee from H. Akberali & Co. Limited.
iv.PG of all the directors of the company.
v. PDC for BDT 100.00 Crore.
vi. Standard charge documents.

Purpose:

To be utilized for retirement of import documents, reimbursement of advance payment against machinery procurement and interim payment under LC (Deferred/UAS), meeting civil construction costs and other expenses for imlementation of this project.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
City Bank PLC	964,454,361	1,055,066,031
	964,454,361	**1,055,066,031**

21.06 Term Loan (BDT)- For FC Loss Mitigation

		30 June 2026	30 June 2025
		Taka	Taka
NCC Bank PLC	**21.06.01**	106,743,357	113,616,616
Uttara Bank PLC	**21.06.02**	74,012,596	81,386,667
City Bank PLC	**21.06.03**	57,294,779	71,505,642
BRAC Bank PLC	**20.07.04**	250,000,000	-
Dhaka Bank PLC	**20.07.05**	254,857,628	-
Dutch Bangla Bank PLC	**20.07.06**	196,093,050	-
Shahjalal Islami Bank PLC	**20.07.07**	274,637,747	-
		1,213,639,157	**266,508,925**

21.06.01 NCC Bank PLC

Lenders:

The company has entered into a term loan agreement with NCC Bank PLC for meeting the working capital requirement against exchange loss incurred in 2022 due to fluctuation of foreign currency rate under BRPD circular letter no. 50; dated: 27 November 2024.

Total loan facilities: Tk. 11 Crore

Disbursement:

The disbursement was made on 13 March 2025.

Repayments:

The term loan will repay in 28 (twenty eight) equal quarterly installments started from the 15th month of the disbursement.

Securities:

i. A fresh set of usual charge documents as per bank's credit norms.
ii. Personal guarantee of all the directors of the company.
iii. Post dated cheque covering the limit amount.

Purpose:

To meet working capital requirement against loss incurred in 2022 due to fluctuation of foreign currency rate under BRPD circular letter No. 50 dated 27.11.2024

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
NCC Bank PLC	106,743,357	113,616,616
	106,743,357	**113,616,616**

21.06.02 Uttara Bank PLC

Lenders:

The company has entered into a term loan agreement with Uttara Bank PLC to ensure the sustainability of operation and to mitigate financial loss incurred due to unexpected exchange rate loss in the setting the payments of Deferred/UPAS LCs opened in 2022 under BRPD circular letter no. 50; dated: 27 November 2024.

Total loan facilities: Tk. 08 Crore

Disbursement:

The disbursement was made on 14 May, 2025.

Repayments:

The term loan will repay in 66 (sixty six) equal monthly installments started after the 6th month of disbursement.

Securities:

Primary: Hypothecation of stocks of the raw materials & finished products such as MS Rod, MS angle, etc stored / to be stored at the mill/Godown/Factory premises with IGPA to sell out the goods without reference the court.

Colateral Security:

i. Floating Charge created on all floating assets of the BSRM Steels Limited.
ii. Charge on Asstes of the company.
iii. Personal Guarantee of all the Shareholder Directors of BSRM Steels Limited.
iv. Coporate Guarantee of H. Akber Ali & Co. Limited.

Purpose:

To ensure the sustainability of operation and to mitigate financial loss incurred due to unexpected exchange rate loss in the setting the payments of Deferred/UPAS LCs opened in 2022

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Uttara Bank PLC	74,012,596	81,386,667
	74,012,596	**81,386,667**

21.06.03 City Bank PLC

Lenders:

The company has entered into a term loan agreement with City Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.

Total loan facilities: Tk. 7.40 Crore

Disbursement:

The disbursement was made on 24 March 2025.

Repayments:

The term loan will repay in 20 (twenty) equal quarterly installments started after the 3rd month of disbursement.

Securities:

i. Available charge with RJSC on fixed assets covering one-off facility.
ii. PG of all the directors of the company.
iii. Security cheque covering CBL Term Loans
iv. Standard charge documents.

Purpose:

To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
City Bank PLC	57,294,779	71,505,642
	57,294,779	**71,505,642**

21.06.04 BRAC Bank PLC

Lenders:

The company has entered into a term loan agreement with BRAC Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.Ref:CAD-Dhaka/QHH/00887829/2025/537, November 26, 2025

Total loan facilities: Tk. 25.00 Crore

Disbursement:

The disbursement was made on 08 October 2025.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

Repayments:
The term loan will repay in 24th equal quarterly installments started after the 1st year of disbursement.

Securities:
i. Basic Charge Documents
ii. MICR Cheque (from any account maintained with BRAC Bank PLC) issued in favor of "BRAC Bank PLC"
iii. Personal Guarantee executed for BDT 250.00 Million, by the Directors of the Company

Purpose:
To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Brac Bank PLC	250,000,000	-
	250,000,000	**-**

21.06.05 Dhaka Bank PLC
Lenders:

The company has entered into a term loan agreement with Dhaka Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.Sanction Ref:DBPLC/JBR/CR/2025/681 Date: August 25, 2025

Total loan facilities: Tk. 24.721 Crore

Disbursement:
The disbursement was made on 24 March 2025.

Repayments:
The term loan will repay in 16 (Sixteen) equal quarterly installments started after the 1st year of disbursement.

Securities:
i. 1st Ranking Pari-passu Security Sharing Agreement by way of hypothecation on floating assets of the company against the working capital facility
ii. Corporate Guarantee of Karnafully Engineering Works Limited (KEWL)
iii. Personal Guarantee of all the Directors of the company
iv. Post-dated cheques covering OD, LTR & TMLN faclity.
v. Usual charge documents including letter of trust receipt.

Purpose:
To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Dhaka Bank PLC	254,857,628	-
	254,857,628	**-**

21.06.06 Dutch Bangla Bank PLC
Lenders:
The company has entered into a term loan agreement with Dutch Bangla Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024. Ref: DBL/HO/CBD/Chatto_Cluster/2025/1782, August 24, 2025

Total loan facilities: Tk. 19 Crore

Disbursement:
The disbursement was made on 21 August 2025.

Repayments:
The term loan will repay in 20 (twenty) equal quarterly installments started after the 1st year of disbursement.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

Securities:

i. D.P. Note, Letter of installment along with other basic charge documents duly signed and sealed by the authorized Directors) of the company.

ii. 20 (twenty) post-dated cheque each covering quarterly installments both principal & interest for each concern.
iii. 01 post-dated chaque covering the facility amount of both concern.
iv. Standard Term Loan agreement (as per draft of Legal Advisor) covering usual covenants.
v. Personal guarantee of all the Directors of the company.

vi. Existing security against regular limit/facilities shall continue to remain effective and bindings for the proposed Term Loan.

Purpose:

To mitigate exchange loss and to utilize for meeting various working capital requirements purpose

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Dutch Bangla Bank PLC	196,093,050	-
	196,093,050	**-**

21.06.07 Shahjalal Islami Bank PLC

Lenders:

The company has entered into a term loan agreement with Shahjalal Islami Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.
Ref:SJIBPLC/JUB/INV/2025/701, March 16, 2025

Total loan facilities: Tk. 24.52 Crore

Disbursement:

The disbursement was made on 25 May 2025.

Repayments:

The term loan will repay in 60 (Sixty) equal monthly installments started after the 1st year of disbursement.

Securities:

i. Trust Receipt.
ii. Hypothecation of stocks
iii. One post dated MICR master cheque covering the entire funded facility (with profit)
iv. 60 nos. MICR master cheque for each installment.
v. Personal Guarantee of Chairman and Managing Director of the company.
vi. Personal Guarantee of all the directors of the companies.
vii. Corporate guarantee of H. Akberali & Co. Limited & BSRM Wires Limited duly supported by the MAOA & Board resolution of the company.
viii. All necessary charges documents to be signed properly.

Purpose:

To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

Outstanding Balance:

	30 June 2026	30 June 2025
	Taka	Taka
Shahjalal Islami Bank PLC	274,637,747	-
	274,637,747	**-**

21.07 Standard Chartered Bank (USD Syndicate)

Total loan facilities: USD 108 million

		30 June 2026	30 June 2025
Lenders:	**Notes**	**Taka**	**Taka**
Standard Chartered Bank	21.07.01	1,512,140,458	1,638,394,888
Japan International Cooperation Agency (JICA)	21.07.02	6,403,058,400	6,369,515,301
BRAC Bank PLC	21.07.03	3,125,000,000	3,100,000,000
Export-Import Bank Of India	21.07.04	2,525,165,625	2,510,321,100
		13,565,364,483	**13,618,231,289**

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

21.07.01 Standard Chartered Bank

Sanctioned loan facility: USD 13 million

Disbursement:
The first disbursement date of sanctioned loan amount of USD 13 Million on 15 October 2024.

Repayments:

The principal amounts of the term loan will repay quarterly in 24 (twenty four) equal installments after moratorium period of 12 months.

Securities:
i. First pari-passu charge on project land and building in name of all project lenders.
ii. First pari-passu charge on all present and future fixed assets of the project in favor of the project lenders.
iii. Corporate guarantee fo H. Akberali & Co. Limited.
iv. Personal guarantee of directors.
v. Any other security provided to the FCY co-lenders of the project, shall be applicable for standard chartered facility.

Purpose:
To finance the project (purchase of capital machineries,civil construction, and capital expansion in re-rolling capacity and melting capacity of BSRM Steels Limited) and /or related fees, costs and expenses and funding of any accounts.

Outstanding Balance:	30 June 2026	30 June 2025
	Taka	Taka
Standard Chartered Bank	1,512,140,458	1,638,394,888
	1,512,140,458	**1,638,394,888**

21.07.02 Japan International Cooperation Agency (JICA)

Sanctioned loan facility: USD 50 million

Disbursement:
The disbursement date of sanctioned loan amount of USD 50 Million on 15 July 2024.

Repayments:
The principal amounts of the term loan will repay semi annually in 20 (twenty) equal installments after moratorium period of 24

Securities:
i. First pari-passu charge on project land and buildings in the name of all project lenders.
ii. First pari-passu charge on all present and future assets of the project in the name of all project lenders.
iii. Corporate guarantee(s) from H. Akberali & Co. Limited.
iv. Personal guarantee from all sponsor directors of borrower.

Purpose:

The facilities will be used for procuring capital machineries, civil constructions (import components) or payment against sight/deferred LC issued for procuring capital machineries for expansion 600,000 MTPA re-rolling and 250,000 MTPA billet production capacity (subject to and as per BB/BIDA/regulatory approval for USD facility).

Outstanding Balance:	30 June 2026	30 June 2025
	Taka	Taka
Japan International Cooperation Agency (JICA)	6,403,058,400	6,369,515,301
	6,403,058,400	**6,369,515,301**

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

21.07.03 BRAC Bank PLC

Sanctioned loan facility: USD 25 million

Disbursement:
The disbursement date of sanctioned loan amount of USD 25 Million on 10 July 2024.

Repayments:
The principal amounts of the term loan will repay quarterly in 32 (thirty two) equal installments after moratorium period of 24

Securities:
i. Registered mortgage of project land along with first pari-passu charge on project land and buildings in the name of all project lenders
ii. First pari-passu charge on all present and future assets of the project in the name of all project lenders.
iii. Corporate guarantee(s) from H. Akberali & Co. Limited.
iv. Personal guarantee from all sponsor directors of borrower.
v. Any other security required by the lenders and mutually agreed upon.

Purpose:
To purchase/import of capital machinery/construction material for the new expansion in re-rolling capacity by 600,000 MTPA and in melting capacity by 250,000 MTPA for the new project.

Outstanding Balance:	30 June 2026	30 June 2025
	Taka	Taka
BRAC Bank PLC	3,125,000,000	3,100,000,000
	3,125,000,000	**3,100,000,000**

21.07.04 Export-Import Bank of India

Sanctioned loan facility: USD 20 million

Disbursement:
The disbursement date of sanctioned loan amount of USD 20 million on 4th November 2024.

Repayments:
The principal amounts of the term loan will repay quarterly in 32 (thirty two) equal installments after

Securities:
i. First pari-passu charge on the project land and building in favor of the project lenders.
ii. First pari-passu charge on both movable and immovable fixed assets of the project in favor of the project lenders.
iii. Unconditional and irrevocable corporate guaranty fo H. Akberali & Co. Limited.
iv. Personal guarantee of the promoters.
v. Any other security required by the lenders and mutually agreed upon.

Purpose:
To part-finance import of capital machinery, equipment and related service from india for expansion of existing steel melting capacity by 250,000 MTPA and setting up steel re-rolling mill of 600,000 MTPA capacity at Zorargonj, Chattogram Bangladesh.

Outstanding Balance:	30 June 2026	30 June 2025
	Taka	Taka
Export-Import Bank of India	2,525,165,625	2,510,321,100
	2,525,165,625	**2,510,321,100**

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

		30 June 2026	30 June 2025
		Taka	Taka
22.00	**Defined benefit obligations - Gratuity**		
	Opening balance	321,938,389	283,019,839
	Add: Current service cost	130,041,479	139,827,212
	Less: Payment made during the year	(139,827,212)	(100,908,662)
	Closing balance	**312,152,656**	**321,938,389**

Defined benefit obligations - Gratuity has been approved by National Board of Revenue (NBR). After the reporting period an amount of Tk.139,827,212 has been paid to employee gratuity fund on 08 September 2026.

23.00	**Deferred Tax Liabilities**		
	Opening balance	1,733,309,398	1,609,267,613
	Provided during the year		
	Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land)	68,683,077	184,694,040
	Deferred tax on ROU Asset	839,034	230,881
	Provision for doubtful debts	(4,775,955)	(4,956,556)
	Provision for Gratuity	2,201,790	(8,756,674)
		66,947,946	**171,211,691**
	Adjusted during the year		
	Against impact on depreciation on revaluation reserve	(5,128,115)	(5,697,906)
	Deferred tax on fair value reserve	188,464,000	(41,472,000)
		183,335,885	**(47,169,906)**
	Closing Balance	**1,983,593,229**	**1,733,309,398**

23.01 Reconciliation of deferred tax liabilities/ (assets)

As on 30 June 2026	Carrying amount	Tax base	Tax rate	Taxable/ (Deductible) temporary difference	Deferred tax liabilities/ (assets)
	Taka	Taka	%	Taka	Taka
Property, plant and equipment (except land)	28,338,156,767	21,661,942,961	22.50%	6,676,213,807	1,502,148,106
Revaluation surplus (Land)	11,642,537,158	3,689,631,219	3-4%	7,952,905,940	266,347,024
ROU Asset (Net)	(15,750,752)	-	22.50%	(15,750,752)	(3,543,919)
Provision for Gratuity	(312,152,656)	-	22.50%	(312,152,656)	(70,234,348)
Provision for doubtful debts	(76,958,371)	-	22.50%	(76,958,371)	(17,315,634)
Financial Asset at fair value	3,041,280,000	1,000,000,000	15.00%	2,041,280,000	306,192,000
Total deferred tax liabilities					**1,983,593,229**

As on 30 June 2025	Carrying amount	Tax base	Tax rate	Taxable/ (Deductible) temporary difference	Deferred tax liabilities/ (assets)
	Taka	Taka	%	Taka	Taka
Property, plant and equipment (except land)	28,905,476,968	22,511,729,663	22.50%	6,393,747,305	1,438,593,144
Revaluation surplus (Land)	11,589,227,964	3,636,322,025	3-4%	7,952,905,940	266,347,024
ROU Asset (Net)	(19,479,792)	-	22.50%	(19,479,792)	(4,382,953)
Provision for Gratuity	(321,938,389)	-	22.50%	(321,938,389)	(72,436,138)
Provision for doubtful debts	(55,731,906)	-	22.50%	(55,731,906)	(12,539,679)
Financial Asset at fair value	2,177,280,000	1,000,000,000	10.00%	1,177,280,000	117,728,000
Total deferred tax liabilities					**1,733,309,398**

		Notes	30 June 2026 Taka	30 June 2025 Taka
24.00	**Trade Payables**			
	Bangladesh Steel Re-Rolling Mills Limited		2,984,208,574	404,372,904
	BSRM Logistics Limited		13,824,254	5,376,566
	Stores & consumables		857,775,893	450,528,690
			3,855,808,721	**860,278,160**
25.00	**Short Term Loans**			
	Loan against trust receipts (LATR)	25.01	-	797,581,513
	Time loans	25.02	-	2,815,655,578
	Demand loans	25.03	200,061,111	6,254,862,307
	Bank overdraft and cash credit	25.04	2,672,431,714	1,615,436,905
	Liability for accepted bills for payment (ABP)	25.05	19,893,735,585	10,018,592,145
			22,766,228,410	**21,502,128,448**
25.01	**Loan against Trust Receipts (LATR)**			
	Bank Asia PLC		-	82,430,597
	Eastern Bank PLC		-	309,592,091
	Shahjalal Islami Bank LC		-	188,313,240
	The Trust Bank PLC		-	217,245,585
			-	**797,581,513**
25.02	**Time Loans**			
	Commercial Bank of Ceylon PLC		-	502,333,333
	NCC Bank PLC		-	525,647,095
	City Bank PLC		-	1,034,153,342
	United Finance Ltd.		-	236,128,644
	Uttara Bank PLC		-	517,393,164
			-	**2,815,655,578**
25.03	**Demand Loans**			
	Bank Asia PLC		-	407,524,097
	BRAC Bank PLC		-	1,350,097,519
	Commercial Bank of Ceylon PLC		-	509,500,000
	Eastern Bank PLC		200,061,111	2,669,416,056
	HSBC		-	218,538,176
	Prime Bank PLC		-	851,310,315
	Shahjalal Islami Bank PLC		-	248,476,144
			200,061,111	**6,254,862,307**
25.04	**Bank overdraft and Cash Credit**			
	Agrani Bank PLC		245,093,581	169,276,218
	AB Bank PLC		3,363,331	-
	Agrani Bank PLC -CC Revolving		10,758	4,639
	Bank Al Falah Limited		200,056,153	9,436,509
	Basic Bank PLC		58,710,419	13,307,297
	BRAC Bank PLC		193,780	7,504,591
	Dhaka Bank PLC		1,975,161	489,182
	Dutch Bangla Bank PLC		69,533,401	33,681,829
	HSBC		90,755,621	58,003,917
	Janata Bank PLC		613,456	1,703,824
	Meghna Bank PLC		58,493,073	100,371,655
	Mutual Trust Bank PLC		199,741,618	150,365,621
	Modhumoti Bank PLC		21,648,099	-
	National Credit and Commerce Bank PLC		237,690,792	503,083,044
	NRB Bank PLC		64,198,194	10,845,163
	Premier Bank PLC		7,828,723	196,057
	Pubali Bank PLC		97,112	44,998,404
	Rupali Bank PLC		1,148,208,621	494,613,168
	South Bangla Agriculture & Commerce Bank PLC		243,369,552	-
	State Bank of India		20,850,272	17,555,787
			2,672,431,714	**1,615,436,905**

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

		30 June 2026	30 June 2025
		Taka	Taka
25.05	**Liability for accepted bills for payment (ABP)**		
	Al-Arafah Islami Bank PLC	114,730,278	-
	Agrani Bank PLC	305,002,548	-
	Bank Asia PLC	775,261,500	1,335,219,600
	BRAC Bank PLC	2,408,230,699	1,740,185,971
	Commercial Bank of Ceylon PLC	1,078,522,250	106,745,717
	Dhaka Bank PLC	-	740,267,365
	Dutch Bangla Bank PLC	2,168,515,092	395,085,159
	Eastern Bank PLC	2,030,675,497	1,264,649,815
	HSBC	896,389,390	45,285,217
	Mercantile Bank PLC	-	1,047,364,889
	Mutual Trust Bank PLC	41,490,800	-
	NCC Bank PLC	1,285,061,481	41,473,536
	NRB Commericial Bank PLC	83,057,728	-
	Prime Bank PLC	1,172,898,820	1,185,684,871
	Pubali Bank PLC	921,868,363	-
	Standard Chartered Bank	2,323,770,613	370,840,629
	Shahjalal Islami Bank PLC	664,319,065	720,825,789
	City Bank PLC	1,875,138,469	1,000,716,402
	Trust Bank PLC	542,837,412	-
	Jamuna Bank PLC	1,009,832,335	-
	United Commercial Bank PLC	196,133,245	24,247,185
		19,893,735,585	**10,018,592,145**
26.00	**Liabilities for expenses**		
	Audit Fees	1,177,750	965,000
	Carrying expenses	88,063,690	386,913,636
	Domiciliary expenses	4,871,119	4,038,575
	Fuel & Line expense payable	53,834,391	204,719,380
	Liability against supply of goods/services	342,118,139	193,180,818
	Liability against non-current asset	65,039,730	15,431,405
	Regulatory Authority Payable (customs exercise & VAT)	223,462,723	225,622,016
	Salary and Allowances	15,116,643	23,032,626
	Sales promotion expenses	19,686,581	5,519,967
	Travelling expenses	1,639,726	3,728,186
	Utility Expenses	1,100,931,767	816,004,732
		1,915,942,259	**1,879,156,341**
27.00	**Provision for income tax**		
	Opening balance	**1,506,833,523**	**1,464,662,837**
	Add: Provision during the year	1,869,257,946	1,237,279,455
	Add: Adjustment for earlier year's final assessments	31,899,476	27,623,195
		1,901,157,422	**1,264,902,650**
	Less: Adjusted with advance income tax paid at source	(1,237,279,455)	(1,222,731,964)
	Closing Balance	**2,170,711,490**	**1,506,833,523**



		30 June 2026		30 June 2025	
		Rate	Taka	Rate	Taka
27.01	**Reconciliation of effective tax rate**				
	Profit before tax		9,089,660,618		6,612,158,374
	Total income tax expense	**21.30%**	**1,936,205,892**	**21.72%**	**1,436,114,341**
		Rate	**Taka**	**Rate**	**Taka**
	Factors affecting the tax charge:				
	Tax using the applicable rate	22.50%	2,045,173,639	22.50%	1,487,735,634
	Difference between accounting and fiscal depreciation	-0.63%	(57,085,952)	-2.72%	(180,063,371)
	Difference between ROU and actual payment	-0.01%	(839,034)	0.00%	(230,880)
	Difference between gratuity provision and payment	-0.02%	(2,201,790)	0.13%	8,756,674
	Adjustment for inadmissible expenses	0.69%	62,780,756	-0.42%	(27,905,696)
	Difference between accounting and fiscal gain on sale of non-current asset	0.00%	(385,083)	-0.01%	(430,038)
	Adjustment for reduced rated taxable income	-1.70%	(154,624,245)	-0.27%	(17,828,534)
	Adjustment for tax incentives	-0.26%	(23,560,346)	-0.08%	(5,131,138)
	Impact of temporary differences	0.74%	66,947,946	2.59%	171,211,691
		21.30%	**1,936,205,892**	**21.72%**	**1,436,114,341**

			30 June 2026	30 June 2025
			Taka	Taka
28.00	**Provision for WPPF and Welfare Fund**			
	Opening balance		348,008,335	267,232,068
	Add: Provided during the year	**28.01**	478,706,410	348,008,335
	Less: Paid during the year		(348,008,335)	(267,232,068)
	Closing Balance		**478,706,410**	**348,008,335**
28.01	**Provision during the year**			
	Unadjusted net profit before tax and WPPF		9,568,367,028	6,960,166,709
	Adjustment for Share of Loss from Associate		5,761,165	-
	Adjusted net profit before tax and WPPF		**9,574,128,193**	**6,960,166,709**
	Pecentage applicable for WPPF		5%	5%
	WPPF Provision for the year		**478,706,410**	**348,008,335**

To provide users of the financial statements with more transparent and understandable information, the Company has been presented the profit before income tax after the adjustment of unrealized Profit / (Loss) from the associate and accordingly calculated the WPPF. This is a statutory allocation determined by reference to the Company's profit, and its separate presentation allows users to see the profit available before the allocation and before income tax beyond the IFRS 18 Presentation

		30 June 2026	30 June 2025
		Taka	Taka
29.00	**Unclaimed dividend**		
	Opening Balance	6,378,256	4,811,742
	Add: Dividend declared during the year	3,772,904,529	1,203,048,000
	Less: Paid during the year	(3,774,053,518)	(1,201,481,485)
	Closing Balance	**5,229,267**	**6,378,257**
29.01	**Dividend unclaimed for the years**		
	30 June 2025 (Final)	2,228,506	-
	30 June 2024 (Final)	1,778,665	3,795,771
	30 June 2023 (Final)	1,221,897	1,241,522
	30 June 2022 (Final)	-	1,340,963
		5,229,067	**6,378,257**

After the reporting period an amount of Tk. 156,699 has been paid to ordinary shareholders from 01 July 2026 to 30 September 2026.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

			30 June 2026	30 June 2025
			Taka	Taka
30.00	**Other liabilities**			
	Brokerage and commission		297,276,162	198,731,261
	C & F Bill		2,647,312	3,450,505
	Deferred late payment charges		-	116,128,978
	Liability for duty drawback	30.01	425,456,343	425,456,343
	Provident fund		10,077,176	8,909,543
	Rent payables		6,000	35,102
	Retention money		100,151,905	138,143,945
	Security deposit		40,844,313	38,194,316
	Others		12,560,500	5,888,289
			889,019,712	**934,938,282**

30.01 The liability for duty drawback represents claims relating to the deemed export of MS products to international tender-based projects in Bangladesh under rule 31KA of the VAT Act, 1991. The liability has been recognized in the books but remains unsettled. The Company has challenged the relevant NBR notification before the Honorable High Court, and Review Petition No. 186 of 2022 is currently pending before the Appellate Division of the Supreme Court of Bangladesh for hearing.

31.00	**Contract liabilities**			
	Advance against sales		1,377,372,019	712,207,281
			1,377,372,019	**712,207,281**



	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
32.00 Revenue from contracts with customers			
Local sales	**32.01**	124,772,861,879	100,671,198,051
Export sales		4,715,156,434	2,994,012,297
		129,488,018,313	**103,665,210,348**

Total export sales during FY 2025-2026 amounted to USD 38,286,352 against the export of 43,909 Metric Tons of goods, compared to USD 24,256,057 against 23,478 Metric Tons of goods in FY 2024-2025.

32.01 Revenue from local sales		
Gross sales	128,399,947,766	103,116,885,105
Less: Value Added Tax (VAT)	(3,627,085,887)	(2,445,687,054)
	124,772,861,879	**100,671,198,051**

32.02 Set out below is the disaggregation of BSRM Steels Limited's revenue from contracts with customers:

Segments		
Type of goods		
Xtreme DWR	114,454,513,418	90,636,986,686
Xtreme CWR	3,152,047,796	4,080,910,329
Ultima 420D	5,057,385,894	4,415,017,491
Maxima 500	1,315,286,312	297,509,639
Wire Rod	2,802,456,733	1,961,505,339
Others	2,706,328,160	2,273,280,865
Total revenue from contracts with customers	**129,488,018,313**	**103,665,210,348**
Geographical Markets		
Bangladesh	128,202,862,321	102,563,497,722
China	1,031,414,285	781,108,140
USA	34,440,000	
India	11,136,200	190,851,768
Turkey	-	4,853,794
Vietnam	208,165,507	124,898,924
Total revenue from contracts with customers	**129,488,018,313**	**103,665,210,348**
Timing of revenue recognition		
Goods transferred at a point in time	129,488,018,313	103,665,210,348
Total revenue from contracts with customers	**129,488,018,313**	**103,665,210,348**

32.03 Contract balances			
Trade receivables	**15.01**	5,790,674,711	7,000,348,114
Contract liabilities	**31.00**	1,377,372,019	712,207,281

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

Contract assets are initially recognized for revenue earned services as receipt of consideration is conditional on successful completion of service. Upon completion of service and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade receivables.

Contract liabilities includes short-term advances received to deliver M.S. Product to the customers.

32.04 Performance Obligations

Information about the BSRM Steels Limited's performance obligation is summarized below:

The performance obligation is satisfied upon delivery of the M.S.Product to the customers and payment is generally due within 30 to 60 days of delivery.

The performance obligation to deliver M.S. product has two alternative payment options. The customer can pay the transaction price equal to the cash selling price in advance or allowed a credit period of 30 to 60 days.

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
33.00 Cost of sales			
Cost of sales-Scrap	**33.01**	511,570,575	1,152,767,907
Cost of sales-Billet	**33.02**	70,595,476	18,155,762
Cost of sales-MS Rod	**33.02**	114,804,252,818	90,989,711,033
		115,386,418,868	**92,160,634,702**
33.01 Cost of sales- Billet			
Opening stock of scrap		7,432,229,807	8,090,839,720
Add: Purchase during the year		60,281,085,830	50,646,646,395
Less: Sales during the year		(511,570,575)	(1,152,767,907)
Less: Closing stock of scrap		(10,707,004,565)	(7,432,229,807)
Raw materials consumption-Scrap		**56,494,740,497**	**50,152,488,401**
Opening stock of Direct Consumables		124,302,548	182,635,348
Add: Purchase during the year		2,131,188,556	2,522,959,922
Less: Closing stock of Direct Consumables		(182,184,452)	(124,302,548)
Direct Consumables Consumption		**2,073,306,652**	**2,581,292,722**
Add: Factory overhead	**33.03**	13,717,397,268	11,773,497,295
Cost of Billet Manufactured		**72,285,444,417**	**64,507,278,418**
Add: Opening stock of Billet FG		1,730,047,637	3,755,164,728
Less: Closing stock of Billet FG		(1,022,631,946)	(1,730,047,637)
Transfer to Rolling units		(72,992,860,108)	(66,532,395,509)
Cost of sales -Billet		-	-
33.02 Cost of sales- MS Rod			
Opening stock of raw materials-Billet		1,282,163,571	910,902,345
Add: Purchase during the year		39,381,046,909	22,884,061,420
Transfer from Melting units		72,992,860,108	66,532,395,509
Less: Sales During the year		(70,595,476)	(18,155,762)
Less: Closing stock of raw materials-Billet		(1,605,039,773)	(1,282,163,571)
Raw materials consumed-Billet		**111,980,435,339**	**89,027,039,941**
Add: Opening stock of Roll Consumables		120,449,272	80,144,231
Less: Addition/Purchase during the year		19,162,330	50,222,348
Less: Closing stock of Roll Consumables		(27,145,088)	(120,449,272)
Roll Consumables Consumption		**112,466,514**	**9,917,307**
Opening stock of Packing Materials Consumables		43,743,220	12,288,630
Add: Addition/Purchase during the year		263,264,471	386,622,317
Less: Closing stock of Packing Materials Consumables		(29,268,625)	(43,743,220)
Packing Materials Consumption		**277,739,066**	**355,167,727**
Add: Factory overhead	**33.03**	5,276,065,495	4,141,847,703
Cost of Goods Manufactured		**117,646,706,414**	**93,533,972,677**
Add: Opening stock of finished goods		11,353,571,052	8,842,714,163
Less: Issuance for Project/Repair		(15,978,446)	(33,404,755)
Less: Closing stock of finished goods		(14,180,046,202)	(11,353,571,052)
Cost of sales		**114,804,252,818**	**90,989,711,033**



	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
33.03 Factory Overheads			
Amortization of ROU Assets	**9.06**	67,453,717	73,798,079
Car allowance		14,241,159	10,051,715
Carrying charges		44,569,311	37,521,111
Casual wages		249,395,395	225,107,514
CCM Consumption		348,341,495	264,404,350
Consulting fees		3,023,220	6,906,216
Conveyance expenses		48,155,080	40,963,967
Depreciation	**8.00**	2,098,453,521	1,646,338,822
Electrical store consumption		143,442,491	112,460,054
Entertainment		22,825,493	15,917,048
Fees and renewals		3,110,550	1,463,392
Fuel and lubricants		497,556,749	474,887,573
Gas		1,400,179,452	1,206,427,269
General store consumed		97,994,628	70,754,476
Gratuity expenses		83,617,852	94,523,099
Guest house expenses		5,364,289	4,387,388
Guest house rent		5,021,907	3,375,014
IF/RF Consumption		470,493,156	382,394,765
Insurance expenses		30,213,841	21,056,177
LDO consumed		18,977,397	12,773,297
LRF Consumption		1,229,095,156	1,024,205,610
Materials handling charges		494,945,491	472,284,078
Mechanical store consumption		628,015,720	459,318,199
Medical expenses		13,175,664	8,463,468
Other store consumption		91,119,871	43,388,994
Overtime		47,198,012	39,328,197
Paper, Postage and stationery		244,178	345,438
Power consumption		9,520,131,509	8,089,543,778
Printing Expenses		1,491,024	690,131
Rental expenses		7,951,949	7,670,848
Repairs and maintenance		113,040,093	99,603,711
Salaries and allowances		1,147,112,934	927,793,482
Testing charges		978,096	825,444
Travelling expenses		5,555,684	3,779,956
Utility expenses		40,976,680	32,592,338
		18,993,462,763	**15,915,344,998**



	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
34.00 Selling and distribution expenses			
Advertisement		147,324,950	221,878,419
Amortization of ROU Assets	**9.06**	5,539,802	4,716,918
Bad debt expense		25,606,209	22,256,762
Brokerage and commission		56,426,195	464,917,448
C&F Charge - Export		9,558,119	7,488,493
Car allowance		10,460,231	9,506,162
Carriage on sales		156,891,729	169,922,424
Casual wages		14,186,120	3,014,896
Conveyance expenses		1,865,249	2,863,221
Depreciation	**8.00**	31,648,677	30,353,418
Electricity expenses-Depot		11,394,244	10,854,425
Entertainment		35,098,322	81,829,252
Fees and renewals		271,170	288,632
Finished Goods Handling Charges		45,612,160	46,245,413
Generator rent & fuel		51,000	47,000
Gratuity expenses		22,471,293	12,692,443
Insurance expenses		1,598,250	1,497,600
Internet expenses		1,222,970	1,113,482
Legal & Professional fees		3,665,046	4,460,090
Marketing expenses		125,794,655	110,791,626
Medical expenses		2,176,665	1,849,156
Motor cycle allowance		7,549,165	5,768,382
Paper and periodicals		136,148	60,749
Printing expenses		11,503,061	9,599,931
Rental expenses		1,408,820	1,015,853
Repair and maintenance		1,486,407	1,668,476
Royalty expenses	**34.01**	343,055,894	167,192,828
Salaries and allowances		235,946,589	199,247,537
Sales promotion expenses		92,238,685	69,164,363
Stationery expenses		446,500	775,120
Testing charges		4,779,827	1,767,586
Travelling expenses		11,505,201	10,589,320
		1,418,919,353	**1,675,437,425**

34.01 The trademark Xtreme 500w and MAXIMA 500 has been registered in the name of 'H. Akberali & Co. Limited' (HACL) from the department of Patents, Designs and Trademark of Government of Bangladesh under section 20(2) of the Trademark Act 2009. The Company pays royalty to HACL at a rate of Tk. 230 per MT on the quantity sold (previous year: Tk. 150 per MT) in accordance with the Trademark License Agreement entered into between the Company and HACL.



	Notes	For the year ended 30 June 2026 Taka	For the year ended 30 June 2025 Taka
35.00 Administrative expenses			
Advertisement expenses		556,913	481,739
Amortization of Intangible assets	**10.00**	6,868,636	8,505,383
Amortization of ROU Assets	**9.06**	16,079,575	9,342,897
Audit fees		1,408,750	1,423,125
Board Meeting expenses		373,750	342,000
Car allowance		17,621,016	13,330,780
Casual wages		3,990,726	3,336,888
Cleaning Expenses		1,774,421	2,198,482
Conveyance expenses		11,097,069	10,660,492
CSR expenses		136,970,891	51,311,384
Depreciation	**8.00**	22,732,494	18,787,144
Directors' remuneration	**35.01**	111,000,000	111,000,000
Donation & Subscriptions		387,000	437,800
Entertainment		17,784,526	24,166,241
Fees and renewals		36,514,827	27,117,839
Gratuity expenses		23,952,334	23,702,982
Guest house expenses		788,019	794,384
Guest house rent		3,325,048	3,103,639
Insurance expenses		66,527	76,219
Internet expenses		1,703,050	1,505,197
IT Enable Service		13,088,765	-
Land revenue		1,946,731	1,256,665
Legal expenses		312,227	254,985
Medical expenses		9,085,310	8,020,286
Motor car expenses		5,989,684	4,105,581
Motor cycle allowance		900,573	517,698
Office rent		3,604,422	2,938,376
Paper and periodicals		1,382,907	1,501,573
Postage expenses		1,271,324	1,019,256
Printing expenses		1,349,827	1,203,811
Professional and consulting fee		9,571,039	15,326,036
Rent for Feni River project		11,802,823	
Repair and maintenance		5,395,486	9,700,424
Salaries and allowances		484,231,622	465,877,516
Stationery expenses		3,950,610	4,038,229
Telephone expenses		12,041,590	9,666,250
Training expenses		4,312,014	2,837,616
Travelling expenses		9,465,545	11,061,704
Utility expenses		4,867,204	4,928,725
		999,565,271	**855,879,346**

35.01 Details of Directors' remuneration paid during the year are as follows:

Directors' Name	Gross Remuneration Taka	Income Tax Deducted Taka	Net Remuneration Paid Taka
Mr. Alihussain Akberali FCA-Chairman	48,000,000	14,400,000	33,600,000
Mr. Aameir Alihussain-Managing Director	42,000,000	12,600,000	29,400,000
Mr. Zohair Taherali-Director	13,200,000	3,960,000	9,240,000
Mrs. Tehseen Zohair Taherali- Director	7,800,000	2,340,000	5,460,000
	111,000,000	**33,300,000**	**77,700,000**



	Notes	For the year ended 30 June 2026	For the year ended 30 June 2025
		Taka	Taka
36.00 Foreign exchange gain/(loss)			
Foreign exchange gain/(loss) from trade receivables		8,886,117	33,073,332
		8,886,117	**33,073,332**
37.00 Other Operating Income			
Gain on sale of property, plant and equipments		4,145,358	17,204,946
Interest on trade receivables		40,590,967	20,667,000
Miscellaneous income		7,366,760	7,384,109
Other Income PF Forfeiture		169,083	428,848
Rental Income		816,000	750,000
		53,088,168	**46,434,903**
38.00 Interest income on Deposits			
Interest income from STD - High Performance Account		120,098,483	105,003,169
Interest income from FDR		115,200,375	92,498,911
Income from Non Convertible Bond		9,000,000	9,024,658
		244,298,857	**206,526,738**
39.00 Foreign exchange gain/(loss) on cash and cash equivalents			
Translational gain/(loss) on FCY balance		3,883,764	(339,166)
		3,883,764	**(339,166)**
40.00 Dividend Income			
Dividend received		144,000,001	100,800,000
		144,000,001	**100,800,000**
41.00 Finance Costs			
Agency fees		5,367,625	2,057,926
Bank charges & others		36,446,393	37,558,951
Bank Guarantee Commission		28,071,533	27,331,953
Interest on OD, cash credit		75,227,547	189,918,147
Interest on Syndicate loan		1,148,141,667	693,953,973
Interest on LATR		15,265,275	136,630,049
Interest on Demand and Time loan		778,704,644	1,663,758,416
Interest on Term loan		858,647,669	412,556,024
Interest expense on lease liabilities	9.04	18,142,016	20,394,935
Interest on related companies		(449,378,590)	(760,865,045)
		2,514,635,779	**2,423,295,329**
42.00 Foreign exchange gain/(loss) on interest-bearing borrowings			
Transactional foreign exchange gain/(loss) from borrowings		219,165,044	254,532,361
Translational foreign exchange gain/(loss) from borrowings		(267,672,801)	(230,825,004)
		(48,507,756)	**23,707,357**
43.00 Earnings per share			
Basic earnings per share (EPS)			
Profit attributable to the ordinary shareholders		7,153,454,726	5,176,044,033
Number of ordinary shares at the year end		375,952,500	375,952,500
Weighted Average number of shares outstanding during the year		375,952,500	375,952,500
Basic earnings per share (EPS)		**19.03**	**13.77**

Earnings per share (EPS) has been computed by dividing the net profit after tax (NPAT) by the weighted average number of ordinary shares outstanding on the reporting date as per IAS-33: Earnings Per Share. No diluted EPS was required to be calculated for the year since there was no scope for dilution.



	30 June 2026	30 June 2025
	Taka	Taka
44.00 Net Asset Value Per Share (NAV)		
Total Assets	99,267,479,287	87,824,293,868
Less: Total Liabilities	(59,280,100,308)	(53,791,271,230)
Net Asset Value (NAV)	**39,987,378,979**	**34,033,022,638**
Number of ordinary shares outstanding during the year	375,952,500	375,952,500
Net Assets Value (NAV) per share	**106.36**	**90.52**
45.00 Net operating cash flows per share		
Net operating cash flows (From statement of Cash Flows)	9,197,277,354	16,925,218,474
Number of ordinary shares outstanding during the year	375,952,500	375,952,500
Net operating cash flow per share	**24.46**	**45.02**

The Company has applied IFRS 18 Presentation and Disclosure in Financial Statements and the related amendments to IAS 7 Statement of Cash Flows for the year ended 30 June 2026. Under the revised requirements, interest paid is now classified as a financing activity rather than an operating activity, and the reconciliation of cash generated from operations now starts from operating profit instead of profit before tax.

The change has been applied retrospectively and the 2025 comparatives have been restated. Net cash from operating activities was restated from Tk. 7,306,903,624 to Tk. 16,925,218,474 for 2025. As a result, Net Operating Cash Flow per Share has been restated to Tk. 45.02 for 2025 (previously Tk. 19.44). The change has no effect on profit or loss, equity, financial position, or the net change in cash and cash equivalents.

46.00 Related party transactions

During the year the company carried out a number of transactions with related parties in the normal course of business on arm's length basis. The name of the related parties, nature of relationship, nature of transactions, transactions value at the reporting date and balance as at reporting date have been set out in accordance with the provisions of IAS 24: Related Party Disclosures.

Name of parties	Relationship	Nature of Transactions	Transactions during the year		Outstanding as on 30 June	
			Addition	Adjustment	2026	2025
Bangladesh Steel Re-Rolling Mills Limited	Shareholder	Sales revenue	1,135,569,719	1,126,917,545	8,652,174	-
		Purchase	36,831,793,290	39,411,628,960	(2,984,208,574)	(404,372,904)
BSRM Ispat Limited	Sister Company	Short term loan	96,072,461	110,390,000	91,555,346	105,872,885
BSRM Logistics Limited	Sister Company	Short term loan	733,871,103	733,871,103	-	-
		Purchase	268,187,807	276,635,495	(13,824,254)	(5,376,566)
H. Akberali & Co. Limited	Sister Company	Short term loan	2,466,411,874	2,466,411,874	-	-
Chittagong Power Company Limited	Sister Company	Short term loan	210,468,763	971,419,000	937,041,767	1,697,992,004
BSRM Wires Limited	Sister Company	Short term loan	5,306,970,118	6,481,226,377	1,694,548,456	2,868,804,714

These amounts are classified as Due to and Due from related companies, respectively (see notes 15, 16 & 24)

46.01 Key management personnel compensation

In accordance with para 17 of IAS 24 related party disclosure: during the year the amount of compensation paid to key management personnel including Board of Directors is as follows;

	30 June 2026	30 June 2025
	Taka	Taka
Short term benefits	238,584,120	241,813,872
Post Employment Benefits	77,162,805	62,157,273
	315,746,925	**303,971,145**
47.00 Reconciliation of cash generated by operations		
Operating profit or loss / Net profit before tax	**11,745,089,106**	**9,052,767,110**
Adjustment for:		
Depreciation	2,152,834,691	1,695,479,384
Amortization of ROU and Intangible assets	95,941,730	96,363,277
Gain on sale of property, plant and equipments	(4,145,358)	(17,204,946)
	2,244,631,064	**1,774,637,715**

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	30 June 2026	30 June 2025
	Taka	Taka
Changes in:		
Cash paid for WPPF & Welfare Fund	(348,008,335)	(267,232,068)
Defined Benefit Obligations - Gratuity	(9,785,733)	38,918,550
Inventories (net of inventory for non-current asset)	(6,481,194,157)	(11,813,767)
Trade Receivables	1,209,673,404	50,011,111
Trade Payables	2,995,530,561	429,278,492
Contract Liabilities	665,164,738	(150,141,021)
Advances, deposits and pre-payments	(1,559,702,338)	6,529,775,760
Liabilities for Expenses	(12,822,407)	487,600,737
Other Liabilities	(45,918,570)	214,147,819
	(3,587,062,836)	**7,320,545,613**
Cash Generated from Operation	**10,402,657,333**	**18,147,950,438**
Income tax paid	(1,205,379,979)	(1,222,731,964)
Net cash flows from operating activities	**9,197,277,354**	**16,925,218,474**

48.00 Management-defined performance measures

The Company discloses EBITDA in its public communications as a management-defined performance measure (MPM), being a subtotal of income and expenses that is not specified by IFRS Accounting Standards. Management uses this measure to communicate its view of an aspect of the Company's financial performance. Because EBITDA is not defined by IFRS Accounting Standards, it may not be comparable with similarly titled measures reported by other entities.

The methodology used to calculate EBITDA has been applied consistently in the current and comparative reporting periods. The table below reconciles EBITDA to the most directly comparable subtotal specified by IFRS Accounting Standards (unadjusted EBITDA), together with the income tax effect of each reconciling item. The tax effect of each reconciling item has been determined using the statutory tax rate of 22.5%.

Year ended 30 June 2026	**Reconciliation**	**Income tax effect**	**Net of tax**
Profit before income tax	9,089,660,618	-	9,089,660,618
Finance cost	2,514,635,779	-	2,514,635,779
Depreciation	2,152,834,691	-	2,152,834,691
Amortization	95,941,730	-	95,941,730
EBITDA	**13,853,072,819**	-	**13,853,072,819**
Gain on sale of property, plant and equipment	(4,145,358)	932,706	(3,212,652)
Adjusted EBITDA	**13,848,927,461**	**932,706**	**13,849,860,166**
Year ended 30 June 2025			
Profit before income tax	6,612,158,374	-	6,612,158,374
Finance cost	2,423,295,329	-	2,423,295,329
Depreciation	1,695,479,384	-	1,695,479,384
Amortization	96,363,277	-	96,363,277
EBITDA (restated)	**10,827,296,364**	**-**	**10,827,296,364**
Gain on sale of property, plant and equipment	(17,204,946)	3,871,113	(13,333,833)
Adjusted EBITDA (restated)	**10,810,091,418**	**3,871,113**	**10,813,962,531**

49.00 Contingent liabilities

49.01 Bank guarantees

Dhaka Bank PLC	2,577,725	2,577,725
Eastern Bank PLC	2,404,000	2,404,000
HSBC	1,230,684	1,222,000
IFIC Bank PLC	47,794,047	47,794,130
Meghna Bank PLC	1,250,000,000	1,338,900,250
Mercantile Bank PLC	194,425,104	193,068,475
NRBC Bank PLC	1,250,000,000	1,250,000,000
One Bank PLC	230,690,915	230,690,915
United Commercial Bank PLC	289,000	289,000
	2,979,411,475	**3,066,946,495**

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49.02 Corporate guarantees

As part of the Group's financial arrangements, the Company has provided corporate guarantees in support of financial facilities obtained by its sister companies within the Group, without any fee, premium or interest rate benefit to the respective borrowers. The Company has decided to withdraw the corporate guarantees and initiated the necessary process with the respective lenders. As at the reporting date, the guarantees remained outstanding as follows:

	30 June 2026	30 June 2025
	Taka	Taka
Corporate guarantee	4,500,000,000	3,062,500,000
	4,500,000,000	**3,062,500,000**

The company has not recognized a liability in respect of the corporate guarantees as no liability is expected to arise, hence disclosed as a contingent liability where there is a present obligation but payment is not probable. The sister companies are in a strong position to settle their financial obligations with the banks and financial institutions with no history of defaulting on their respective obligations. This is further supported by their respective credit ratings which is as follows:

	Credit Rating	
Name of sister companies	**30 June 2026**	**30 June 2025**
Bangladesh Steel Re-Rolling Mills Limited	AAA	AA+
BSRM Wires Limited	A-	A-
H. Akberali & Co. Limited	A+	A+
BSRM Logistics Limited	A+	A+

	30 June 2026	30 June 2025
	Taka	Taka
50.00 Production Capacity		
Installed Capacity- Rolling (In M. Ton)- yearly	1,400,000	1,400,000
Production - Rolling(In M. Ton)	1,598,516	1,230,578
Capacity utilized	114%	112%
Installed Capacity- Melting (In M. Ton)- yearly	1,000,000	1,000,000
Production - Melting(In M. Ton)	1,076,261	928,769
Capacity utilized- (%)	108%	93%

During the period 2024–2025, the Company established a new steel re-rolling plant at Mirsarai to enhance its existing production capacity. The new plant has an annual production capacity of 500,000 MT of rebar and 100,000 MT of wire rod, and commenced commercial production on 1 January 2025. With the existing rolling capacity of 800,000 MT, the Company's total rolling capacity has increased to 1,300,000 MT of rebar and 100,000 MT of wire rod per annum, in addition to its existing 1,000,000 MT annual MS billet production capacity.

51.00 Employees		
Number of employees whose monthly salary was above minimum wages threshold	2,037	1,934
	2,037	**1,934**

52.00 Financial instruments- Financial risk management

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. 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, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

52.01 Credit risk
52.02 Liquidity risk
52.03 Market risk

Risk management framework

Management has overall responsibility for establishing and overseeing the Company's risk management framework. The framework is designed to identify, assess and manage the risks arising from the Company's operations, establish appropriate risk limits and controls, and monitor compliance with those limits. Risk management policies and procedures are reviewed regularly to ensure they remain appropriate in light of changes in market conditions and the Company's activities..

52.01 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations under a financial instrument. The Company's exposure to credit risk arises principally from trade receivables, cash and cash equivalents, deposits with banks and financial institutions, and other financial assets.The Company manages its credit risk by dealing with creditworthy counterparties, monitoring outstanding receivable balances on an ongoing basis, and maintaining deposits with reputable financial institutions. The carrying amounts of financial assets represent the Company's maximum exposure to credit risk at the reporting date.

52.01.01 Exposure to credit risk

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



	30 June 2026	30 June 2025
	Taka	Taka
Financial Assets	3,192,367,600	2,278,280,000
Short term investments	782,169,994	618,273,100
Advances, deposits and prepayments	6,272,555,901	4,702,534,604
Trade and other receivables	5,921,416,311	7,131,089,714
Due from related companies	2,723,145,569	4,672,669,603
Cash at banks	3,053,516,045	1,802,622,099
	21,945,171,420	**21,205,469,120**

52.01.02 Ageing of trade receivables

The ageing of gross value at the reporting date that was not impaired was as follows:

	30 June 2026	30 June 2025
	Taka	Taka
Due within 90 days	4,313,710,425	5,802,102,893
Due within 91 to 180 days	447,660,009	324,900,966
Above 181 days	1,106,262,649	929,076,161
	5,867,633,083	**7,056,080,020**

52.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Such obligations are settled through the delivery of cash or another financial asset.The Company's objective in managing liquidity risk is to ensure that sufficient funds are available at all times to meet its financial liabilities when they become due, under both normal and stressed operating conditions, without incurring unacceptable losses or exposing the Company to reputational risk.
The Company manages its liquidity position by maintaining an appropriate level of cash and cash equivalents, monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities. Management regularly reviews liquidity requirements to ensure that adequate funding is available to support the Company's operations and to meet its contractual obligations as they fall due.

Exposure to Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments.

Non-derivative financial liabilities	Carrying amount	Contractual cash flows		
		Within 12 months	1 to 5 years	More than 5 years
As at 30 June 2026	Taka	Taka	Taka	Taka
Long term loans	23,378,430,451	2,778,004,296	20,600,426,155	-
Trade payables	3,855,808,721	3,855,808,721	-	-
Short term loans	22,766,228,410	22,766,228,410	-	-
Liabilities for expenses	1,915,942,259	1,915,942,259	-	-
Defined benefit obligations- Gratuity	312,152,656	-	-	312,152,656
Provision for WPPF and Welfare fund	478,706,410	478,706,410	-	-
Other liabilities	889,019,712	889,019,712	-	-
	53,596,288,619	**32,683,709,808**	**20,600,426,155**	**312,152,656**

Non-derivative financial liabilities	Carrying amount	Contractual cash flows		
		Within 12 months	1 to 5 years	More than 5 years
As at 30 June 2025	Taka	Taka	Taka	Taka
Long term loans	23,805,528,095	1,560,776,913	22,244,751,182	-
Trade payables	860,278,160	860,278,160	-	-
Short term loans	21,502,128,448	21,502,128,448	-	-
Liabilities for expenses	1,879,156,341	1,879,156,341	-	-
Defined benefit obligations- Gratuity	321,938,389	321,938,389	-	-
Provision for WPPF and Welfare fund	348,008,335	348,008,335	-	-
Other liabilities	934,938,282	934,938,282	-	-
	49,651,976,050	**27,407,224,868**	**22,244,751,182**	**-**

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52.03 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(a) Currency risk exposure and its management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

The Company is exposed to foreign currency risk relating to purchases, sales and other transactions which are denominated in foreign currencies. As at 30 June 2026, the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

(i) Exposure to currency risk

As at 30 June 2026

	EURO	USD	Taka
Foreign currency denominated assets			
Cash and cash equivalents		3,884,813	485,601,606
	-	**3,884,813**	**485,601,606**
Foreign currency denominated liabilities			
Liability for accepted bills for payment		159,149,884	19,893,735,585
Syndicated term loan		108,000,000	1,355,533,237
	-	**267,149,884**	**21,249,268,822**
Net exposure	-	**(263,265,071)**	**(20,763,667,216)**

As at 30 June 2025

	EURO	USD	Taka
Foreign currency denominated assets			
Cash and cash equivalents	-	2,374,078	294,385,679
	-	**2,374,078**	**294,385,679**
Foreign currency denominated liabilities			
Liability for accepted bills for payment	425,365	80,314,847	10,018,592,145
Syndicated term loan		108,000,000	13,618,231,289
	425,365	**188,314,847**	**23,636,823,434**
Net exposure	**(425,365)**	**(185,940,769)**	**(23,342,437,755)**

The following significant exchange rate is applied during the Year:

	30 June 2026	30 June 2025
Exchange rate of US Dollar	125	124
Exchange rate of EURO	-	140

(ii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currencies against BD Taka at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.



		30 June 2026		30 June 2025	
		Profit or loss		Profit or loss	
		Strengthening	Weakening	Strengthening	Weakening
		Taka	Taka	Taka	Taka
USD	(2% movement)	(464,851,922)	464,851,922	(461,133,107)	461,133,107
EURO	(2% movement)	-	-	(1,191,022)	1,191,022

(b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the functional currency.

(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to re-pay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest- bearing financial instruments as reported to the management of the company is as follows.

	30 June 2026	30 June 2025
Fixed- rate instruments	Taka	Taka
Financial assets	3,605,315,563	5,390,942,703
Financial liabilities	(46,144,658,861)	(45,307,656,543)
	(42,539,343,298)	**(39,916,713,840)**

(e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity and debt securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.

53.00 Events after reporting date:

53.01 Proposed Dividend:

The Board of Directors of BSRM Steels Limited at its 296th meeting held on 14 October 2026 recommended a final cash dividend amounting to BDT 2,255,715,000 being 60% of the paid-up capital (i.e. BDT 6.00 per share) for the year 30 June 2026. These dividends are subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

53.02 Minimum amount to be distributed as dividend

As per Section 22 of ITA 2023, BSRM Steels Limited, as a listed company, is required to declare and distribute dividend at least 30% of its net profit after tax to its shareholders, otherwise a 10% tax shall be imposed on the shortfall between the required dividend and the actual dividend distributed during the year.

	For the year ended 30 June 2026	For the year ended 30 June 2025
	Taka	Taka
Distributable Profit		
Net Profit Before Tax	9,089,660,618	6,612,158,374
Less: Income Tax	(1,936,205,892)	(1,436,114,341)
Distributable profit for the year	**7,153,454,726**	**5,176,044,033**
Rate of Minimum dividend on current year's profit	**30%**	**30%**
Minimum Dividend payable during the year u/s 22 of the ITA 2023	2,146,036,418	1,552,813,210
Net Minimum dividend payable	**2,146,036,418**	**1,552,813,210**
Paid up share capital	3,759,525,000	3,759,525,000
Applicable Minimum Rate of Final Dividend	**57.08%**	**41.30%**

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