

GPH Ispat Limited.
Auditor's Report & Financial Statements.
For the year ended June 30, 2026.



INDEPENDENT AUDITORS' REPORT

To
The Shareholders of

GPH ISPAT LIMITED

OPINION

We have audited the accompanying financial statements of **GPH ISPAT LIMITED** (the Company), which comprise the Statement of Financial Position as at 30 June 2026, 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, together with the notes numbering 01 to 46 annexed thereto.

In our opinion and to the best of our information and according to explanations given to us, the accompanying Financial Statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the company as at 30 June 2026 and of its financial performance and cash flows for the period from 01 July 2025 to 30 June 2026 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

BASIS FOR OPINION

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

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to the following matters:

Third-Party Balance Confirmations

We draw attention to the financial statements regarding certain balances with third parties. As part of our audit procedures, confirmations were requested from the respective organizations/parties. Confirmations were received from a limited number of parties up to the date of our auditor's report. The remaining balances have been considered based on the books of account and the supporting documents made available to us. Our opinion is not modified in respect of this matter.



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 for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

SL. No.	Key Audit Matters	How our audit addressed the key audit matter
1	Revenue Recognition (Refer to note 25) Net Revenue of TK. 39,401,171,357 is recognized in the Statement of Profit or Loss and Other Comprehensive Income of GPH ISPAT LIMITED for the year ended 30 June 2026. 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 to meet specific targets or expectations. As described in the accounting policy 3.15 to the financial statements, the company recognizes revenue upon rendering services to the customers/clients as per IFRS 15 - Revenue from Contract with Customers.	In light of the fact that the high degree of complexity we assessed the Company's processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this area, our audit approach included testing of the controls and the substantive audit procedure, including: ➤ We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of IFRS 15 - Revenue from Contracts with Customers. ➤ We identified and tested controls related to revenue recognition and our audit procedure focused on assessing the invoicing and measurement systems up to entries in the general ledger. Examining customers' invoices and receipts of payment on a sample basis. ➤ We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customers' receivable balances at the reporting date, selected on a sample basis by considering the amounts outstanding with those customers. Furthermore, we tested the sales transactions recognized shortly before and after the





Ali Zahir Ashraf & Co.

Chartered Accountants

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SL. No.	Key Audit Matters	How our audit addressed the key audit matter
		reporting date, including the sales returns recorded after that date, to examine whether sales transactions were recorded in the correct recording periods.
2	Inventories (Refer to note 11) Inventories represent about 43.30% of the total revenue of the Company; inventories are thus a material item to the financial statements. Please refer to note 11 to the financial statements. As described in the accounting policy note 3.07 to the financial statements, inventories are valued at the lower of the cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued, and also need to make provision for aged inventories, if required. Due to the value and volume of inventories being held by the Company at the reporting date and complexities involved in the accounting and presentation thereof, inventories have been considered as a key audit matter.	We verified the appropriateness of management control applied in calculating the value of the inventory provision by: ➤ Tested the operating effectiveness of key controls over inventories; including observing the process of management's year-end inventory count. ➤ Verified a sample of inventory items to ensure that costs have been appropriately recorded. ➤ Tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. ➤ Assessed whether appropriate provision have been recognized for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories. ➤ Performed cut-off tests to determine that the purchase and sales of the inventories have been considered in the correct accounting period. ➤ Reviewed the historical accuracy of inventory provision and the level of write downs.
3	Property Plant and Equipment (Refer to note 04) The company has a large number of Property, Plant and Equipment items. In view of availability of latest machinery due to improved technology, the obsolescence & impairment may be noticed in existing machineries. Management has concluded that there	Our audit procedure in this area included, among others; ➤ Assessing the consistency of methodologies use for depreciating the assets; ➤ Checking on a sample basis, the accuracy and relevance of the accounting of PPE by management; and ➤ For selected samples, performing physical



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SL. No.	Key Audit Matters	How our audit addressed the key audit matter
	is no impairment in respect of all assets. This conclusion required significant management judgment. Hence, we considered this to be key audit matter.	observation to assess management's determination on whether the equipment is obsolete, and testing the assumptions used in estimating recoverable amount, such as estimated useful life and replacement cost. ➤ Examining management's periodic review of Property, Plant and Equipment for determination of impairment and obsolescence.
4	Measurement of Deferred Tax <u>(Refer to note 20)</u> The Company recognizes deferred taxes relating to Property, Plant and equipment, Right of use asset, Intangible asset, Investment in quoted shares and employee benefits (Gratuity), which are very complex in nature. As such accounting for deferred taxes involves management in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision. Hence, we considered this to be a key audit matter.	Our audit procedure in this area included, among others. ➤ Assessing the design, implementation and operating effectiveness of key controls in respect of the company and the process of recognition of deferred taxes. ➤ Using our own tax specialist to evaluate the tax bases and Company tax strategy. ➤ Assessing the accuracy and completeness of deferred tax, and ➤ Evaluating the adequacy of the financial statements disclosure, including disclosures of assumption, judgements and sensitivities. We involved tax specialist to assess key assumptions, control recognition and measurement of deferred tax liabilities (Assets).
5	Trade Receivables <u>(Refer to note 12)</u> Trade receivable is a key audit matter in the audit due to quantum of the trade receivable balance, realization nature of long outstanding invoices and management judgement at the time of impairment test.	Our audit procedures in this area included among others: ➤ Obtained trade receivable balance confirmation; ➤ Analyzed the ageing of trade receivable; ➤ Obtained a list of long outstanding receivable and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusion. Reviewed subsequent status of receivables.



Reporting on other Information

Other information consists of the information included in the Company's 30 June 2026 year ended Annual Report other than the financial statements and our auditor's report thereon. We obtained the Director's Report, Management Discussion and Analysis, Financial information, and Corporate Governance report prior to the date of our auditor's report, and we expect to obtain the remaining reports of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

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

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

Based on the work we have performed; we conclude that we have nothing to report in this respect.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

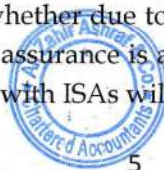
Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such 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.

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 with ISAs will always detect a material misstatement when it





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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.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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 communicate with those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



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relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We determine those matters, from the matters communicated with those charged with governance 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.

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:

- i) 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;
- ii) 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 and;
- iii) 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.
- iv) The expenditure incurred was for the purposes of the company's business.

Place: Dhaka

Date: September 24, 2026



Mohammad Ali, FCA

Managing Partner

Enrollment No: 906

Ali Zahir Ashraf & Co.

Chartered Accountants

DVC: 2609240906AS995905

GPH ISPAT LIMITED
Statement of Financial Position
As at 30 June 2026

Particulars	Notes	Amount in TK	
		30 June 2026	30 June 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4.00	53,718,942,944	51,789,837,974
Right of Use Assets	5.00	-	14,301,984
Capital work-in-progress	6.00	9,478,258,716	5,784,477,883
Intangible assets	7.00	2,767,550	3,425,030
Investments	8.00	168,991,316	149,055,872
Total non-current assets		63,368,960,526	57,741,098,743
Current assets			
Short term investment	9.00	3,369,908,267	2,694,987,230
Advances, deposits and prepayments	10.00	13,650,363,561	13,461,026,767
Inventories	11.00	17,619,015,318	18,337,857,258
Trade and Other receivables	12.00	9,828,733,869	9,176,846,813
Cash and cash equivalents	13.00	424,659,343	94,197,817
Total current assets		44,892,680,358	43,764,915,885
Total Assets		108,261,640,884	101,506,014,628
EQUITY AND LIABILITIES			
Equity			
Share capital	14.00	4,838,834,560	4,838,834,560
Share premium	15.00	1,136,440,000	1,136,440,000
Revaluation Reserve	16.00	13,988,395,771	14,507,343,586
Retained earnings	17.00	5,106,983,492	4,543,208,081
		25,070,653,823	25,025,826,227
Liabilities			
Non-current liabilities			
Long term loan	18.00	40,883,752,002	29,112,391,529
Finance lease obligations	5.00	1,851,742	11,262,348
Defined Benefit Obligation - Gratuity	19.00	169,579,060	139,466,301
Deferred tax liability	20.00	4,549,699,128	4,455,257,919
Total non-current liabilities		45,604,881,932	33,718,378,097
Current liabilities			
Current portion of long term loan	18.00	6,298,570,022	5,816,276,644
Current portion of finance lease obligations	5.00	9,488,885	38,478,936
Short term borrowings	21.00	28,025,770,850	33,703,185,026
Creditors and accruals	22.00	2,815,782,094	2,374,692,981
Unclaimed Dividend	23.00	3,978,066	4,122,995
Current tax liability	24.00	432,515,212	825,053,722
Total current liabilities		37,586,105,129	42,761,810,304
Total liabilities		83,190,987,061	76,480,188,401
TOTAL EQUITY AND LIABILITIES		108,261,640,884	101,506,014,628
NET ASSET VALUE PER SHARE	32.00	51.81	51.72

The annexed notes and annexure are an integral part of the Financial Statements.


Company Secretary


Director


Managing Director

Signed as per our annexed report of even date

Place: Dhaka
Dated: September 24, 2026




Mohammad Ali, FCA
Managing Partner
Enrollment No: 906
Ali Zahir Ashraf & Co.
Chartered Accountants.
DVC: 2609240906AS995905

GPH ISPAT LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 30 June 2026

Particulars	Notes	Amount in TK	
		30 June 2026	30 June 2025
Gross Revenue	25.00	40,693,399,946	57,528,437,769
Value Added Tax	25.00	(1,292,228,589)	(1,464,494,993)
Net Revenue		39,401,171,357	56,063,942,776
Cost of goods sold	26.00	(32,349,521,393)	(48,224,810,893)
Gross Profit		7,051,649,964	7,839,131,883
Administrative expenses	27.00	(415,682,331)	(511,615,363)
Selling and distribution expenses	28.00	(752,627,735)	(1,030,594,986)
Profit from operating activities		5,883,339,898	6,296,921,534
Finance Cost	29.00	(5,508,224,218)	(5,770,754,457)
Finance income	30.00	244,101,882	262,986,678
Profit before other income		619,217,562	789,153,755
Other income	31.00	8,849,583	10,001,866
Net change in fair value of investment in quoted shares	8.00	19,935,444	(2,268,762)
Profit before income tax and distribution of WPPF and WF		648,002,589	796,886,859
Contribution to WPPF and Welfare Fund		(32,400,129)	(39,844,343)
Profit before Income Tax		615,602,460	757,042,516
Income tax expenses			
-Current	24.00	(335,015,602)	(763,167,355)
-Deferred	20.00	(245,103,478)	(239,576,823)
		(580,119,080)	(1,002,744,178)
Profit after tax		35,483,380	(245,701,662)
Other comprehensive income			
Deferred tax on revaluation reserve of property, plant and equipment	20.00	150,662,269	158,591,862
Total comprehensive income		150,662,269	158,591,862
Total other comprehensive income		186,145,649	(87,109,800)
Earning Per Share (Basic)	33.00	0.07	(0.51)

The annexed notes and annexure are an integral part of the Financial Statements.


Company Secretary


Director


Managing Director

Signed as per our annexed report of even date

Place: Dhaka

Dated: September 24, 2026




Mohammad Ali, FCA
Managing Partner
Enrollment No: 906
Ali Zahir Ashraf & Co.
Chartered Accountants.
DVC: 2609240906AS995905

GPH ISPAT LIMITED
Statement of Changes in Equity
For the year ended 30 June 2026

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2025	4,838,834,560	1,136,440,000	14,507,343,586	4,543,208,081	25,025,826,227
Transfer of difference in depreciation between cost and revalued amount	-	-	(669,610,084)	669,610,084	-
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserved	-	-	150,662,269	-	150,662,269
Dividend (Cash)	-	-	-	(141,318,053)	(141,318,053)
Net profit after tax	-	-	-	35,483,380	35,483,380
Balance as at 30 June 2026	4,838,834,560	1,136,440,000	13,988,395,771	5,106,983,492	25,070,653,823
Balance as on 01 July 2024	4,838,834,560	1,136,440,000	15,053,604,444	4,341,693,128	25,370,572,132
Transfer of difference in depreciation between cost and revalued amount	-	-	(704,852,720)	704,852,720	-
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserved	-	-	158,591,862	-	158,591,862
Dividend (Cash)	-	-	-	(257,636,105)	(257,636,105)
Net profit after tax	-	-	-	(245,701,662)	(245,701,662)
Balance as at 30 June 2025	4,838,834,560	1,136,440,000	14,507,343,586	4,543,208,081	25,025,826,227

The annexed notes and annexure are an integral part of the Financial Statements.


Company Secretary


Director




Managing Director

GPH ISPAT LIMITED
Statement of Cash Flows
For the year ended 30 June 2026

Particulars	Notes	Amount in TK	
		30 June 2026	30 June 2025
a. Operating activities			
Receipts from customers against sales	36.02.01	40,102,853,364	56,259,037,061
Paid to suppliers, operating and other expenses	36.02.02	(31,874,648,603)	(52,698,514,881)
Income from forfeited account	36.02.03	1,212,454	1,045,938
Income tax paid	36.02.04	(618,041,506)	(763,167,355)
Net cash flows generated by operating activities	36	7,611,375,709	2,798,400,763
b. Investing activities			
Acquisition of property, plant and equipment	36.02.05	(7,741,441,251)	(8,328,037,521)
Intangible assets	36.02.06	-	(2,565,250)
Dividend received (net of tax)	36.02.08	3,194,405	3,496,747
Interest received from bank deposits and others	36.02.09	179,078,134	204,182,265
Other investments	36.02.10	(609,897,289)	27,831,220
Net cash flows used in investing activities		(8,169,066,001)	(8,095,092,539)
c. Financing activities			
Receipts from long term loans	36.02.11	12,253,653,851	7,850,932,043
Repayments of finance lease obligation	36.02.12	(38,400,657)	(36,472,870)
(Repayment) / Receipt of short term borrowings	36.02.13	(5,677,414,176)	3,458,637,882
Dividend paid	36.02.14	(141,462,982)	(257,240,402)
Interest and bank charges paid	36.02.15	(5,530,200,075)	(5,271,783,070)
Net cash flows used in financing activities		866,175,961	5,744,073,583
d. Net increase in cash and cash equivalents (a+b+c)		308,485,669	447,381,807
e. Opening cash and cash equivalents		94,197,817	145,787,397
f. Effect of foreign exchange rate changes	36.02.16	21,975,857	(498,971,387)
g. Cash and cash equivalents at the end of the period (d+e+f)		424,659,343	94,197,817
Net operating cash flows per share	34	15.73	5.78

The accompanying policies and explanatory notes form an integral part of these financial statements.


Company Secretary


Director


Managing Director



GPH ISPAT LIMITED
Notes to the Financial Statements
For the year ended 30 June 2026

1.00 REPORTING ENTITY

1.01 Formation and Legal Status

GPH Ispat Limited (hereinafter referred to as "GPH" or "the company") was incorporated in Bangladesh as a Private Limited company on 17 May 2006 at the Office of the Registrar of Joint Stock Companies & Firms, Chittagong vide registration no. CH-5853 of 2006 under the Companies Act 1994. The company, subsequently, was converted into a Public Limited company on 18 December 2009 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each and enhancement of Authorized Capital from Tk. 10,000,000,000 to Tk. 15,000,000,000.

GPH became listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited during April 2012. The registered office and principal place of business of the company is located at Crown Chamber, 325 Asadgonj, Chattogram, Bangladesh.

1.02 Nature of Business

The principal activities of the company are manufacturing and trading of iron products and steel materials of all kinds (except ferro alloy products) or other metallic or allied materials and marketing thereof. The commercial production of the factory commenced on 21 August 2008.

2.00 BASIS OF PREPARATION AND PRESENTATION

2.01 Statement of Compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for statement of cash flows in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 - "Presentation of Financial Statements". 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; and
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Other Regulatory Compliances

As required, GPH Ispat Limited complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Act 2023
- b) The Income Tax Ordinance, 1984
- c) Tax Deduction Rules 2024
- d) The Value Added Tax and Supplementary Duty Act 2012
- e) The Value Added Tax and Supplementary Duty Rules 2016
- f) The Securities and Exchange Ordinance 1969
- g) The Securities and Exchange Rules 2020
- h) Securities and Exchange Commission Act 1993
- i) The Customs Act 1969
- j) Bangladesh Labour Law 2006 (as amended in 2022)
- k) Financial Reporting ACT, 2015

2.04 Authorization for Issue

The financial statements cover one financial year from 1st July 2025 to 30th June 2026 of following year consistently. These financial statements have been accepted by The Board of Director in its meeting held on 24-09-2026.



2.05 Basis of Measurement

The Financial Statements have been prepared on going concern basis under the historical cost convention except investment in quoted shares which are measured at fair value.

2.06 Functional and Presentation Currency

The financial statements are expressed in Bangladeshi Taka (Taka/Tk.) which is both functional currency and presentation currency of the Company. The figures of financial statements have been rounded off to the nearest Taka except when otherwise indicated.

2.07 Cash Flows Statement

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 1987.

2.08 Going Concern

The company has adequate resources to continue its operation in foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current revenue generations and resources of the company provide sufficient fund to meet the present requirements of its existing business and operation.

2.09 Reporting Period

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

2.10 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statement for the year under report :

Accounting Standards

IAS-1-Preparation of Financial Statements

IAS-2-Inventories

IAS-7-Statement of Cash Flows

IAS-8-Accounting Policies, Changes in Accounting Estimates and Errors

IAS-9- Financial Instruments

IAS-10-Events after the Reporting Period

IAS-12-Income Taxes

IAS-16-Property, Plant and Equipment

IAS-19-Employee Benefits

IAS-21-The Effects of Changes in Foreign Exchange Rate

IAS-23-Borrowing Cost

IAS-24-Related Party Disclosures

IAS-33-Earning Per Share

IAS-36-Impairment of Assets

IAS-37-Provisions, Contingent Liabilities and Contingent Assets

IAS-38-Intangible Assets

IFRS-7-Financial Instruments: Disclosures

IFRS-9-Financial Instruments

IFRS-13-Fair Value Measurement

IFRS-15-Revenue from Contract with Customers

IFRS-16-Leases



2.11 Initial application of new standards

The entity has initially applied IFRS 16 (see 3.05) from 01 July 2019. This standard do not have a material effect on the financial statements.

2.12 Use of Estimates and Judgements

The preparation of these financial statements is in conformity with IAS and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Note: 4 Property, plant and equipment
- Note: 5 Right of Use Assets
- Note: 6 Capital work-in-progress
- Note: 7 Intangible assets
- Note: 11 Inventories
- Note: 12 Trade and other receivables
- Note: 19 Defined benefit obligation - gratuity
- Note: 20 Deferred tax liabilities
- Note: 24 Current tax liability

2.13 Classification of current and non-current

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:

Expected to be realised or intended to sold or consumed in the normal operating cycle

Held primarily for the purpose of trading

Expected to be realised within twelve months after the reporting period

Or,

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in the normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period

Or,

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.

2.14 Comparative Information and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified wherever considered necessary to conform to current periods presentation.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Consistency
- 3.02 Property, Plant and Equipment
- 3.03 Intangible Assets
- 3.04 Capital Work-in-Progress
- 3.05 Leases
- 3.06 Investment
- 3.07 Inventories
- 3.08 Financial Instruments
- 3.09 Impairment
- 3.10 Share Capital
- 3.11 Employee Benefits
- 3.12 Taxation
- 3.13 Loans and Borrowings
- 3.14 Provisions, Contingent Liabilities and Contingent Assets
- 3.15 Revenue Recognition
- 3.16 Other Income
- 3.17 Finance Income and Cost
- 3.18 Earnings Per Share
- 3.19 Measurement of Fair Values
- 3.20 Events after the Reporting Period

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2026 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2025.

3.02 Property, Plant and Equipment

i) Recognition and Measurement

Property, plant and equipment are stated at cost less accumulated depreciation except land and land development.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

ii) Pre-Operating Expenses and Borrowing Costs

Interest and other incurred by the company in respect of borrowing of fund are recognized as expenses in the year in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS-23 "Borrowing Costs".

iii) Subsequent Costs and Maintenance Activities

The company recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the year in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of property, plant and equipment, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses if incurred. All upgradation / enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

iv) Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in the statement of profit or loss and other comprehensive income on diminishing balance method.

The depreciation rate(s) are as follows:

Rate of Depreciation for the year		
Class of assets	30 June 2026	30 June 2025
Land & Land development	-	-
Plant and Machinery	5%	5%
Factory Building	5%	5%
Furniture, Fixture and Decoration	10%	10%
Computer and Accessories	20%	20%
Motor Vehicles	10%	10%
Logistic Vehicles	7.50%	7.50%
Electric and Gas Line Installation	5%	5%
Lab Equipment	10%	10%
Office Equipment	20%	20%

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. After considering the useful life of assets as per IAS-16 "Property, plant and equipment", the annual depreciation have been applied equal allocation of total cost over useful life of assets which is considered reasonable by the management.

Depreciation methods and useful lives are reassessed at the reporting date and adjusted if appropriate.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

Total depreciation is distributed as under:

Category	Rate
Direct expenses	90%
Administrative expenses	5%
Selling and distribution expenses	5%

v) Impairment of Assets

The company reviews the recoverable amount of its assets at each reporting date. If there exists any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with IAS-36 "Impairment of Assets".

vi) Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. On disposal of property, plant and equipment, the cost and accumulated depreciation are eliminated. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

vii) Revaluation of Property, Plant and Equipment

As per decision of the Board of Directors (BoD), the Company has revalued its freehold land and land development, Plant & Machineries and Electric and Gas Line Installation of QEAF project to the determination of current fair market value to be used to show the actual picture of the company in the Financial Statements by an independent valuer G. Kibria & Co.; Chartered Accountants dated 22 June 2023. As per BoD meeting dated 28 June 2023, the Board of Directors has accepted the revaluation report and agreed to effect revaluation surplus amount in the accounts of GPH Ispat Limited by following necessary accounting policies.

Any revaluation increase arising on the revaluation of such land and land development, plant and machinery, Electric and Gas Line Installation is recognized in other comprehensive income and accumulated in equity as revaluation reserve, except to the extent that it reverses a revaluation decreases for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent if the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such Land, building, plant and machinery, furniture, fixtures and equipments is recognized in profit or loss to the extent that it exceeds the credit balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

3.03 Intangible Assets

i) Recognition and Measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per IAS 38 Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on straight line method at the rate of 10% per annum. Amortization is charged on an asset when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised.

iii) Subsequent Costs

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss and other comprehensive income as incurred.

3.04 Capital Work-in-Progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of 30 June 2026 and these are stated at cost.

3.05 Leases

At inception of an arrangement, the company determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the entity separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

3.05.01 Finance Lease

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant rate of interest on the remaining balance of the liability.



3.05.02 Operating Lease

Leases that are not finance lease are considered as operating leases and the leased assets are not recognised in the Company's Statement of Financial Position. Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

3.05.03 Leasehold Assets

Assets held under finance leases are recognized as assets of the company at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs are recognized in the statement of profit or loss and other comprehensive income.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

3.06 Investment

- i. Investment in unquoted shares are initially recognized at cost. After initial recognition these are carried at cost less impairment losses, if any.
- ii. Investment in quoted shares are recognized at fair value through other comprehensive income. Changes in fair value are recognized under other comprehensive income in the financial statements. Fair values of investment in quoted shares are determined by reference to their quoted price less cost to sale in active market at the reporting date. Dividend and gain / (loss) from sale are recognised in the profit or loss.

3.07 Inventories

i) Nature of Inventories

Inventories comprise of Finished goods, Raw materials and Spares and other materials.

ii) Valuation of Inventories

Inventories are measured at lower of cost or net realizable value in accordance with the Para of 21 and 25 of IAS 2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

<u>Category</u>	<u>Valuation method</u>
i) Raw materials	Valued at Cost or Net Realisable Value whichever is lower.
ii) Finished goods	Valued at Cost or Net Realisable Value whichever is lower.
iii) Spares and other materials	Based on weighted average method.

3.08 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.

3.08.01 Financial Assets

The Company initially recognizes loans, receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

Financial assets include Trade Receivables, Advances, Deposits and Prepayments, Short Term Investments, and Cash and cash equivalents.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost.

Loans and receivables comprise cash and cash equivalents, loans, trade receivables, and deposits.

a) Trade Receivables

Trade receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to uncollectability of any amount so recognized.



b) Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit and loss.

c) Cash and Cash Equivalents

According to IAS-7 "Statement of Cash Flows" cash comprises cash in hand and bank deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognized in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognized in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

3.08.02 Financial Liabilities

The company initially recognizes all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

Other financial liabilities comprise loans and borrowings, bank overdrafts and trade and other payables.

a) Trade and Other Payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.

3.09 Impairment

3.09.01 Financial Assets

Financial assets not carried at fair value through profit or loss, loans and receivables are assessed at each reporting date to determine whether there is objective evidence that it 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.

3.09.02 Non-Financial Assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3.10 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. 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 will be rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.11 Employee Benefits

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

3.11.01 Defined Contribution Plan (Staff Provident Fund)

The company maintains a recognized provident fund @ 5% of basic pay (Equally contributed by employee and employer) for all eligible permanent employees.

Notification of Financial Reporting Council (FRC) on distribution of forfeited amount among members of provident fund dated 07 July 2020 has been complied with.

3.11.02 Defined Benefit Plan

The company maintains an unfunded gratuity scheme, provision in respect of which is made annually for the employees. Gratuity payable at the end of each year is determined on the basis of following rules and regulations of the company;

Service Length	Payment Basis
Less than 5 (Five) years	Nil amounts
After completion of 5 (Five) years but upto 10 (Ten) years	Half times of last month basic salary X years of services
Above 10 (Ten) years but upto 15 (Fifteen) years	One times of last month basic salary X years of services
Above 15 (Fifteen) years	One and half times of last month basic salary X years of services

Six months continued service in the year of leaving or retirement will be trailed as one year for the purpose of calculation of gratuity.

3.11.03 Workers' Profit Participation and Welfare Funds

The company contributed 5% of net profit to the aforementioned fund in accordance with the requirement of Section 234 (Kha), Chapter 15 of Labour Law 2006 (as amended in 2022) and payable to these to employee and Bangladesh Sramik Kallyan Foundation.

3.12 Taxation

3.12.01 Current Tax

Provision for taxation is calculated on the basis of applicable corporate tax rate for publicly traded company as per ITA 2023.

3.12.02 Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the statement of financial position date. The impact of changes on the account in deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income taxes".

The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority.



3.13 Loans and Borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the financial position date are classified as current liabilities whereas borrowings repayable after twelve months from the financial position date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

Interest and other costs incurred by the company in connection with the borrowing of funds are recognised as expense in the year in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs". Borrowing cost incurred against loan for BMRE project has been capitalised under effective interest rate method.

3.14 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized in the statement of financial position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognized but disclosed, unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized but disclosed where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

3.15 Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good 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.

Type of products	Nature and timing of satisfaction of performance obligations	Revenue recognition under IFRS 15
- Local sales - Export 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 good or service to a customer.

The company is in the business of providing 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, By-products, export of M.S. Rod and includes VAT paid to the Government of Bangladesh.

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 customer.

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.

3.16 Other Income

Other income includes gain / (loss) on sale of property, plant and equipment, Gain on sale of investment in quoted shares, dividend and other miscellaneous.

3.17 Finance Income and Cost

3.17.01 Finance Income

Interest income on bank deposits and loan to related companies is recognised in the profit or loss in accrual basis following specific rate of interest in agreement with banks, financial institution and related companies.



3.17.02 Finance Cost

Interest expenses comprises interest expense on operational overdraft, SOFR, term loan and short term borrowings incurred during the period are charged to Statement of Profit or Loss and Other Comprehensive Income.

3.17.03 Transactions in Foreign Currencies

Foreign currency transactions are recorded at the applicable rates of exchange ruling on the date of transactions. Monetary assets and liabilities, if any, denominated in foreign currencies at the reporting date are translated at the applicable rates of exchange ruling at that date and the related exchange differences are recognized as gain or loss in the profit or loss under finance cost.

3.18 Earnings Per Share

The company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

3.18.01 Basis of Earnings

This represents profit for the year attributable to ordinary shareholders. As there were no preference shares requiring returns or dividends, non-controlling interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.18.02 Basic Earnings Per Share

This has been calculated by dividing total attributable profit by the total number of ordinary shares outstanding during the year.

3.18.03 Diluted Earnings Per Share

Diluted earnings per share is required to be calculated for the year when there is scope for dilution exists.

3.19 Measurement of Fair Values

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 assets or liabilities 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.

Property, Plant and Equipment

The fair value of items of property, plant and equipment has been determined based on the depreciated replacement cost method and net realizable value method as applicable.

Equity and Debt Securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorized under 'Level 1' of the fair value hierarchy.

3.20 Events 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.



Ali Zahir Ashraf & Co.
Chartered Accountants

4.00 Property, plant and equipment - Revalued Model

	Land & Land development	Plant and Machinery	Factory Building	Furniture, Fixture and Decoration	Computer and Accessories	Motor Vehicles	Logistic Vehicles	Electric and Gas Line Installation	Lab Equipment	Office Equipment	Amount in Taka
At cost											
As at 01 July 2025	10,215,724,042	38,177,924,485	5,692,141,174	43,442,751	50,388,063	129,552,888	622,302,696	5,096,635,233	33,714,801	111,186,224	60,173,012,357
Addition during the period	-	3,609,059,109	77,742,137	472,460	2,395,156	9,822,507	-	344,070,361	-	4,148,688	4,047,660,418
Disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2026	10,215,724,042	41,786,983,594	5,769,883,311	43,865,211	52,783,219	139,375,395	622,302,696	5,440,705,594	33,714,801	115,334,912	64,220,672,775
As at 01 July 2024	8,691,145,922	32,840,271,175	5,382,155,864	43,204,648	47,518,888	129,552,888	622,302,696	4,597,539,618	33,628,801	102,911,932	52,490,232,432
Addition during the period	1,524,578,120	5,337,653,310	309,985,310	238,103	2,869,175	-	-	499,095,615	86,000	8,274,292	7,682,779,925
Disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2025	10,215,724,042	38,177,924,485	5,692,141,174	43,442,751	50,388,063	129,552,888	622,302,696	5,096,635,233	33,714,801	111,186,224	60,173,012,357
Accumulated depreciation											
As at 01 July 2025	-	5,842,009,893	1,283,585,112	24,070,311	31,708,996	84,777,241	264,445,212	778,829,226	23,100,141	50,648,251	8,383,174,383
Charged for the period	-	1,628,968,585	221,399,580	1,956,713	4,077,073	5,377,961	26,839,311	216,116,483	1,061,466	12,758,276	2,118,555,448
Adjustment for disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2026	-	7,470,978,478	1,504,984,692	26,027,024	35,786,069	90,155,202	291,284,523	994,945,709	24,161,607	63,406,527	10,501,729,831
As at 01 July 2024	-	4,355,638,038	1,062,432,523	21,925,832	27,355,834	79,802,169	235,429,740	570,407,309	21,921,531	36,406,227	6,411,319,203
Charged for the period	-	1,486,371,855	221,152,589	2,144,479	4,353,162	4,975,072	29,015,472	208,421,917	1,178,610	14,242,024	1,971,855,180
Adjustment for disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2025	-	5,842,009,893	1,283,585,112	24,070,311	31,708,996	84,777,241	264,445,212	778,829,226	23,100,141	50,648,251	8,383,174,383
Carrying amount											
As at 30 June 2026	10,215,724,042	34,316,005,116	4,264,898,619	17,838,187	16,997,150	49,220,193	331,018,173	4,445,759,885	9,553,194	51,928,385	53,718,942,944
As at 30 June 2025	10,215,724,042	32,335,914,592	4,408,556,062	19,372,440	18,679,067	44,775,647	357,857,484	4,317,806,007	10,614,660	60,537,973	51,789,837,974

Depreciation allocated to:

	Note(s)	Allocation Basis	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Factory overhead	26.02	90.00%	1,906,699,904	1,774,669,662
Administrative expenses	27.00	5.00%	105,927,772	98,592,759
Selling and distribution expenses	28.00	5.00%	105,927,772	98,592,759
			2,118,555,448	1,971,855,180



4.01 Property, plant and equipment - Cost Model

	Amount in Taka										
	Land & Land development	Plant and Machinery	Factory Building	Furniture, Fixture and Decoration	Computer and Accessories	Motor Vehicles	Logistic Vehicles	Electric and Gas Line Installation	Lab Equipment	Office Equipment	Total
At cost											
As at 01 July 2025	6,087,336,749	25,405,257,909	5,061,741,463	43,442,751	50,388,063	129,552,888	622,302,696	3,459,897,382	33,714,801	111,186,224	41,004,820,926
Addition during the period	-	3,609,059,109	77,742,137	422,460	2,395,156	9,822,507	-	344,070,361	-	4,148,688	4,047,660,418
Disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2026	6,087,336,749	29,014,317,018	5,139,483,600	43,865,211	52,783,219	139,375,395	622,302,696	3,803,967,743	33,714,801	115,334,912	45,052,481,344
As at 01 July 2024	4,562,758,629	20,067,604,599	4,751,756,153	43,204,648	47,518,888	129,552,888	622,302,696	2,960,801,767	33,628,801	102,911,932	33,322,041,001
Addition during the period	1,524,578,120	5,337,653,310	309,985,310	238,103	2,869,175	-	-	499,095,615	86,000	8,274,292	7,682,779,925
Disposal during the period	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2025	6,087,336,749	25,405,257,909	5,061,741,463	43,442,751	50,388,063	129,552,888	622,302,696	3,459,897,382	33,714,801	111,186,224	41,004,820,926
Accumulated depreciation											
As at 01 July 2025	-	4,477,680,680	1,159,893,794	24,070,311	31,708,996	84,777,241	264,445,212	619,247,285	23,100,141	50,648,251	6,735,571,911
Charged for the period	-	1,058,551,717	196,064,160	1,956,713	4,077,073	5,377,961	26,839,311	142,258,687	1,061,466	12,758,276	1,448,945,364
Adjustment for disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2026	-	5,536,232,397	1,355,957,954	26,027,024	35,786,069	90,155,202	291,284,523	761,505,972	24,161,607	63,406,527	8,184,517,275
As at 01 July 2024	-	3,591,747,634	965,410,068	21,925,832	27,355,834	79,802,169	235,429,740	488,570,416	21,921,531	36,406,227	5,468,569,451
Charged for the period	-	885,933,046	194,483,726	2,144,479	4,353,162	4,975,072	29,015,472	130,676,869	1,178,610	14,242,024	1,267,002,460
Adjustment for disposal during the period	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2025	-	4,477,680,680	1,159,893,794	24,070,311	31,708,996	84,777,241	264,445,212	619,247,285	23,100,141	50,648,251	6,735,571,911
Carrying amount											
As at 30 June 2026	6,087,336,749	23,478,084,621	3,783,525,646	17,838,187	16,997,150	49,220,193	331,018,173	3,042,461,771	9,553,194	51,928,385	36,867,964,069
As at 30 June 2025	6,087,336,749	20,927,577,229	3,901,847,669	19,372,440	18,679,067	44,775,647	357,857,484	2,840,650,097	10,614,660	60,537,973	34,269,249,015



5.00 Lease
5.01 As a Lessee
5.01.01 Right of Use Assets

	Note(s)	Motor Vehicles	Logistics Vehicles	Total
At 01 July 2025		88,795,457	188,272,001	277,067,458
Additions during the period		-	-	-
Disposals/adjustment during the period		-	-	-
At 30 June 2026		88,795,457	188,272,001	277,067,458
At 01 July 2024		88,795,457	188,272,001	277,067,458
Additions during the period		-	-	-
Disposals/adjustment during the period		-	-	-
At 30 June 2025		88,795,457	188,272,001	277,067,458
AMORTISATION				
At 01 July 2025		88,231,404	174,534,070	262,765,474
Charge during the period		564,053	13,737,931	14,301,984
Disposals/adjustment during the period		-	-	-
At 30 June 2026		88,795,457	188,272,001	277,067,458
At 01 July 2024		71,039,231	135,877,486	206,916,717
Charge during the period		17,192,173	38,656,584	55,848,757
Disposals/adjustment during the period		-	-	-
At 30 June 2025		88,231,404	174,534,070	262,765,474
CARRYING AMOUNT				
At 30 June 2026		-	-	-
At 30 June 2025		564,053	13,737,931	14,301,984
			30 June 2026	30 June 2025
	Note(s)		Taka	Taka
5.01.02 Lease liabilities				
Opening balance			49,741,284	86,214,154
Lease obligations			-	-
Less: Paid during the period			38,400,657	36,472,870
			11,340,627	49,741,284
5.01.03 Finance Lease Obligation - Maturity analysis				
Due within one year			9,488,885	38,478,936
Due after one year			1,851,742	11,262,348
			11,340,627	49,741,284
5.01.04 Amounts recognised in profit or loss				
Interest on lease liabilities			3,159,003	9,476,693
			3,159,003	9,476,693
5.01.05 Amount recognised in the statements of cash flows				
Principal paid on lease liabilities			38,400,657	36,472,870
Interest paid on lease liabilities			3,159,003	9,476,693
			41,559,660	45,949,563

5.01.06 Allocation of Amortisation of ROU Asset

Factory overhead	26.02	12,871,786	50,263,881
Administrative expenses	27.00	715,099	2,792,438
Selling and distribution expenses	28.00	715,099	2,792,438
		14,301,984	55,848,757

Note(s)	Taka	Taka
	30 June 2026	30 June 2025

6.00 Capital work-in-progress

Opening balance		5,784,477,883	5,139,220,287
Add: Expenses incurred during the period		4,021,272,393	3,309,905,082
		9,805,750,276	8,449,125,369
Less: Capitalized during the period		327,491,560	2,664,647,486
Closing balance		9,478,258,716	5,784,477,883

7.00 Intangible assets

Software	7.01	2,767,550	3,425,030
		2,767,550	3,425,030

7.01 Intangible assets schedule

<u>Cost</u>			
Opening balance		6,574,800	4,009,550
Add: Addition during the period		-	2,565,250
Closing balance		6,574,800	6,574,800

Accumulated amortization

Opening balance		3,149,770	2,643,561
Add: Charged during the period	27.00	657,480	506,209
Closing balance		3,807,250	3,149,770
Carrying amount		2,767,550	3,425,030

8.00 Investments

Investment in Un-quoted equity-at cost	8.01	64,500,000	64,500,000
Investment in quoted shares - at fair value	8.02	104,491,316	84,555,872
		168,991,316	149,055,872

8.01 Investment in Un-quoted equity-at cost

GPH Steels Limited		1,000,000	1,000,000
Star Allied Venture Limited		63,500,000	63,500,000
		64,500,000	64,500,000

8.01.01

GPH Ispat Limited has acquired 10% equity of GPH Steels Limited i.e. 100,000 ordinary shares of Tk. 10 each. GPH Steels Limited has yet to start its commercial operation till the date of Statement of Financial Position.

The Company has an equity investment of BDT 63,500,000 in Star Allied Venture Ltd., comprising an initial investment of Taka 2,500,000 and an additional investment of Taka 61,000,000 made in 2021. The investment was made for the proposed development of a TBR Tyre Factory at Mirsarai Economic Zone, Chattogram, through a proposed joint venture arrangement. As at 30 June 2026, the proposed project remains suspended, and the project activities have not yet commenced.

8.02 Investment in quoted shares - at fair value

Opening balance		84,555,872	86,824,634
Add: Purchases during the period		-	-
		84,555,872	86,824,634
Sales during the period		-	-
Net change in fair value of investment in quoted shares	8.02.01	19,935,444	(2,268,762)
		104,491,316	84,555,872

8.02.01 Details of investment in quoted (tradeable securities) shares

Particulars	Cost	Number of shares (Present Qty)	Sales during the period	30 June 2026		30 June 2025
				Fair value	Gain/ (Loss)	
Argon Denim Limited	11,549,176	472,500	-	9,332,111	1,932,407	7,399,704
Beximco Pharmaceuticals Ltd.	2,200,028	10,000	-	1,402,485	543,638	858,847
British American Tobacco BD.	8,500,795	17,000	-	3,723,867	(1,032,712)	4,756,579
City Bank PLC	9,385,360	569,250	-	18,170,460	8,443,339	9,727,121
Dutch Bangla Bank PLC	10,271,266	203,568	-	9,015,823	1,357,567	7,658,256
Eastern Bank PLC	524,001	52,649	-	1,307,683	140,053	1,167,630
Esquire Knit Composite Ltd.	8,523,342	200,000	-	4,987,500	738,150	4,249,350
Grameen Phone	6,322,253	25,000	-	6,473,775	(1,084,781)	7,558,556
IFIC Bank PLC	932,325	56,502	-	287,440	(39,453)	326,893
Jamuna Bank PLC	4,880,030	250,748	-	6,002,907	1,650,800	4,352,107
Lanka Bangla Finance Limited	18,499,817	402,344	-	6,662,213	923,078	5,739,135
Southeast Bank PLC	16,463,857	1,203,604	-	12,606,247	4,639,679	7,966,568
Square Pharmaceuticals Ltd	14,032,643	95,894	-	21,426,555	1,444,379	19,982,176
Sumit Power Ltd.	9,437,720	200,000	-	3,092,250	279,300	2,812,950
	121,522,613	3,759,059	-	104,491,316	19,935,444	84,555,872

8.02.02 Investments in quoted shares are carried at fair value net of cost to sale as on 30 June 2026. Changes in fair value are recognized under the statement of profit or loss and other comprehensive income.



9.00 Short term investment

Investments in Fixed Deposit Receipts (FDR)
Investment in Bond

	30 June 2026	30 June 2025
Note(s)	Taka	Taka
9.01	2,869,908,267	2,194,987,230
9.02	500,000,000	500,000,000
	3,369,908,267	2,694,987,230

9.01 Investments in Fixed Deposit Receipts (FDR)

Name of the banks	Purpose	Tenure	Rate of Interest		
AB Bank PLC	Lien against Credit Facility	12 Months	12.00%	21,924,955	34,857,844
Al Arafah Islami Bank PLC	L/C Margin	1 Month	4.50%	75,126,667	71,048,895
Bank Asia PLC	Lien against Credit Facility	6-12 Months	9.50%-10.00%	157,750,159	10,403,020
BRAC Bank PLC	L/C Margin	12 Months	9.00%-9.50%	100,073,119	92,607,795
City Bank PLC	L/C Margin	12 Months	9.50%	95,583,403	37,973,056
Community Bank Bangladesh PLC	L/C Margin	6 Months	10.50%	297,243,895	-
Dutch Bangla Bank PLC	L/C Margin and Term Loan	6 Months	7.10%	165,465,445	266,489,564
First Security Islami Bank PLC	Investment	3 Months	8.50%	3,751,239	3,521,014
IPDC Finance PLC	Lien against Term Loan	12-60 Months	6.75%-11.85%	43,445,345	40,864,532
Islami Bank Bangladesh PLC	L/C Margin	6 Months	3.00%	67,290,375	233,688,801
Mercantile Bank PLC	L/C and BG Margin	3 Months	8.00%-9.00%	72,953,806	21,318,797
Midland Bank PLC	L/C and BG Margin	3-12 Months	9.50%-11.00%	48,370,171	1,431,549
Modhumoti Bank PLC	Lien against Credit Facility	3-12 Months	9.00%	80,990,925	75,637,148
Meghna Bank PLC	L/C Margin	3 Months	10.75%	22,091,102	20,287,222
Mutual Trust Bank PLC	L/C Margin	6-12 Months	7.50%-10.75%	45,986,347	218,164,597
National Bank PLC	Investment	3 Months	8.25%	19,895,119	18,534,174
NCC Bank PLC	L/C Margin	6 Months	9.00%	131,093,008	201,654,718
NRB Bank PLC	Lien against Credit Facility	10-12 Months	7.00%-10.00%	101,335,271	95,277,217
One Bank PLC	L/C Margin	3-12 Months	8.50%-10.50%	22,012,030	34,713,822
Pubali Bank PLC	L/C Margin	6 Months	8.25%	616,727,606	289,899,068
SBAC Bank PLC	L/C Margin	1 Month	6.50%	11,830,230	772,823
Southeast Bank PLC	L/C and BG Margin	3 - 12 Months	5.25%-7.50%	42,365,669	30,282,633
State Bank of India	BG Margin	12 Months	4.50%-5.00%	-	3,013,572
Trust Bank PLC	L/C Margin	3 Months	8.25%	357,272,258	347,518,049
United Commercial Bank PLC	L/C and BG Margin	3-12 Months	3.75%-10.75%	207,547,446	18,542,313
Uttara Bank PLC	L/C Margin	3 Months	9.25%	61,782,677	26,485,007
				2,869,908,267	2,194,987,230

9.02 Investment in Bond

Trust Bank PLC

500,000,000	500,000,000
500,000,000	500,000,000

The Company has invested BDT 500,000,000 in a 7-year Floating Rate Non-Convertible Bond issued by Trust Bank Limited. The bond carries a floating return based on the applicable benchmark rate plus a 2.00% margin, subject to a floor of 6.00% and a cap of 9.00% per annum. Coupon is payable semi-annually. 20% of the total bond value is redeemable in each of the last five years commencing from the end of the 3rd year. An additional charge of 2.00% per annum applies in case of late redemption.

10.00 Advances, deposits and prepayments

Advances	10.01	13,402,318,757	13,220,609,292
Deposits	10.02	227,314,629	227,314,629
Prepayments	10.03	20,730,175	13,102,846
		13,650,363,561	13,461,026,767

10.01 Advances

Against income tax	10.01.01	1,282,819,030	1,392,331,636
Against VAT	10.01.02	7,971,241	7,971,241
Against VAT current account		476,448	476,448
Against Tribunal		1,000,000	1,000,000
Against land		1,457,400,000	1,457,400,000
Against LC		2,933,971,815	2,453,280,237
Against LC Margin		4,110,237,246	3,159,119,822
Against other supply		3,602,136,659	4,739,921,550
Against employees		6,306,318	9,108,358
		13,402,318,757	13,220,609,292

10.01.01 Advance income tax

Opening balance	1,392,331,636	1,343,012,034
Addition during the period	618,041,506	763,167,355
Paid/adjusted during the period	(727,554,112)	(713,847,753)
	1,282,819,030	1,392,331,636

10.01.02 Advance VAT

Opening balance	7,971,241	7,971,241
Addition during the period	59,604,415	108,363,696
Paid/adjusted during the period	(59,604,415)	(108,363,696)
	7,971,241	7,971,241



10.02 Deposits

Bangladesh Power Development Board	100,000,000	100,000,000
Karnaphuli Gas Distribution Company Limited	124,877,629	124,877,629
Security to Shipping Lines	337,000	337,000
Port Authority	2,000,000	2,000,000
Bangladesh Railway	100,000	100,000
	<u>227,314,629</u>	<u>227,314,629</u>

10.03 Prepayments

Insurance premium	12,680,175	13,102,846
Bangladesh Standards and Testing Institution	8,050,000	-
	<u>20,730,175</u>	<u>13,102,846</u>

10.04 The directors consider that all the above advances, deposits and prepayments are either adjustable or recoverable in kind or in cash and that no provision against those are required at this stage.

11.00 Inventories

	Note(s)	30 June 2026 Taka	30 June 2025 Taka
Finished goods	11.01	5,165,925,865	5,545,383,087
Raw materials	11.02	5,336,982,082	5,504,845,259
Spares and other materials	11.03	7,116,107,371	7,287,628,912
		<u>17,619,015,318</u>	<u>18,337,857,258</u>

11.01 Finished Goods

M. S. Rod	26.00	3,808,677,229	4,136,230,159
M. S. Billet	26.00	1,357,248,636	1,409,152,928
		<u>5,165,925,865</u>	<u>5,545,383,087</u>

11.02 Raw Materials

Melting Scrap		3,831,827,061	3,817,012,727
Sponge Iron		47,705,372	41,952,939
Lime		79,322,059	71,596,728
Dolomite		152,328,668	221,630,223
Chemicals		1,203,583,221	1,287,461,923
Quartz Powder		381,683	860,205
Pet Coke		21,834,018	64,330,514
	26.01	<u>5,336,982,082</u>	<u>5,504,845,259</u>

11.03 Spares and other materials

Refractory Bricks		1,476,331,039	1,507,819,938
Spares and Consumables		4,797,874,666	4,963,832,570
Rolls		88,583,266	98,423,536
Graphite Electrode		708,761,460	674,587,406
Mould Powder		44,556,940	42,965,461
	26.01	<u>7,116,107,371</u>	<u>7,287,628,912</u>

12.00 Trade and other receivables

Trade receivables	12.01	9,146,090,094	8,559,461,231
Other receivable	12.02	682,643,775	617,385,582
		<u>9,828,733,869</u>	<u>9,176,846,813</u>

12.01 Ageing of trade receivables

Dues within 6 Months		9,055,355,862	8,465,871,001
Dues over 6 months		90,734,232	93,590,230
		<u>9,146,090,094</u>	<u>8,559,461,231</u>

12.02 Other receivable

Arbee Textiles Limited		682,643,775	617,385,582
		<u>682,643,775</u>	<u>617,385,582</u>

12.03 Trade Receivables represent receivable from 1760 parties as on 30 June 2026 (1472 Parties as on 30 June 2025). Receivables are unsecured but considered good and recoverable. Interest at 10% per annum has been charged on outstanding balance of other receivable from Arbee Textiles Ltd.



13.00 Cash and cash equivalents

Cash in hand	13.01	2,336,641	2,445,815
Cash at bank	13.02	422,322,702	91,752,002
		<u>424,659,343</u>	<u>94,197,817</u>

13.01 Cash in hand

Dhaka office petty cash		555,485	846,409
Factory petty cash-IF		204,133	349,993
Factory petty cash-QEAF		<u>1,577,023</u>	<u>1,249,413</u>
		<u>2,336,641</u>	<u>2,445,815</u>

13.02 Cash at Bank

Name of the Banks	Branch	Account Type		
AB Bank PLC	Gulshan	Current	12,340,426	43,035
AB Bank PLC	Sitakunda	Current	37,776	38,962
AB Bank PLC	Khatungonj	Current	15,000	3,131,571
AB Bank PLC	Khatungonj	Over Draft	-	2,569
Agrani Bank PLC	Asadgonj	Current	2,312,081	1,000,904
Agrani Bank PLC	Principal	Current	65,207	2,211,652
Al-Arafah Islami Bank PLC	Gulshan	Current	4,345,287	-
Al-Arafah Islami Bank PLC	Jubilee Road	Current	7,760	11,424
Al-Arafah Islami Bank PLC	Khatungonj	Current	292,924	1,587
Bank Asia PLC	Anderkilla	Current	368,573	817,444
Bank Asia PLC	Banani	Current	354,485	67,114
Bank Asia PLC	Gulshan	Current	6,749	-
BASIC Bank PLC	Asadgonj	Current	4,935	157,814
Bengal Commercial Bank PLC	Agrabad	Current	6,045	7,080
BRAC Bank PLC	Gulshan	Current	8,359,116	-
Citizens Bank PLC	Principal	Current	630,035	811,926
Citizens Bank PLC	Agrabad	Current	10,000	-
City Bank PLC	Gulshan	Current	4,509,033	-
City Bank PLC	Khatungonj	Current	5,005,809	898,059
City Bank PLC	Agrabad	Over Draft	1,274,916	-
Community Bank Bangladesh PLC	Agrabad	Current	2,150	3,645
Dhaka Bank PLC	Khatungonj	Current	29,196,310	2,428,928
Dutch Bangla Bank PLC	Khatungonj	Current	239,000	1,903,485
Dutch Bangla Bank PLC	Gulshan	Current	9,636,194	-
Dutch Bangla Bank PLC	Agrabad	Current	1,000	5,286
Eastern Bank PLC	Agrabad	Current	10,022,540	2,318,439
EXIM Bank PLC	Khatungonj	Current	8,750,264	3,414,713
First Security Islami Bank PLC	Khatungonj	Current	1,109,563	15,253
HSBC	Gulshan	Current	478,805	-
IFIC Bank PLC	Khatungonj	Current	9,175,997	143,909
Islami Bank Bangladesh PLC	Khatungonj	Current	27,153	1,483,901
Islami Bank Bangladesh PLC	Gulshan	Current	518,184	9,069
Jamuna Bank PLC	Gulshan	Current	4,008,720	-
Jamuna Bank PLC	Khatungonj	Current	42,224	4,940,754
Janata Bank PLC	Gulshan	Current	7,683,459	-
Janata Bank PLC	Khatungonj	Current	1,527,917	4,730,561
Meghna Bank PLC	Agrabad	Current	39,395	15,763
Mercantile Bank PLC	Gulshan	Current	4,250,255	-
Midland Bank PLC	Agrabad	Current	714,462	3,744
Modhumoti Bank PLC	O.R Nizam Road	Current	81,407	82,097
Modhumoti Bank PLC	Agrabad	Current	4,568,004	86,774
Mutual Trust Bank PLC	Gulshan	Current	5,936,701	-
Mutual Trust Bank PLC	Khatungonj	Current	89,614	4,623,690
National Bank PLC	Anderkilla	Current	64,713	25,633
National Bank PLC	Jubilee Road	Current	620	1,540
NCC Bank PLC	Gulshan	Current	3,910,805	-
NCC Bank PLC	Khatungonj	Current	10,042,143	2,255,918
NRB Bank PLC	Agrabad	Current	6,850,121	977,917
NRB Commercial Bank PLC	Agrabad	Current	3,191,573	2,344,701
One Bank PLC	Khatungonj	Current	39,030,661	144,987
One Bank PLC	Gulshan	Current	5,685,738	-
Pubali Bank PLC	Principal	Current	2,551	4,922
Premier Bank PLC	O.R Nizam Road	Current	10,484	12,381
Premier Bank PLC	Gulshan	Current	6,838	7,873
Premier Bank PLC	Khatungonj	Current	1,321,109	542,921
Prime Bank PLC	Khatungonj	Current	2,186,326	1,190,994
Rupali Bank PLC	Laldighi	Current	3,281,512	3,562,380
Shahajalal Islami Bank PLC	Gulshan	Current	11,512,817	2,778,899
Shahajalal Islami Bank PLC	Khatungonj	Current	15,022,498	585,363
Shimanto Bank PLC	Agrabad	Current	21,898	159,566
Social Islami Bank PLC	Khatungonj	Current	63,791	64,481
Social Islami Bank PLC	Kawran Bazar	Current	2,067	3,332
Sonali Bank PLC	Khatungonj	Current	5,700,982	790,013
Sonali Bank PLC	Motijheel F. Ex.	Current	13,721,455	2,000
South Bangla Agricultural Bank PLC	Agrabad	Current	219	219
South Bangla Agricultural Bank PLC	Khatungonj	Current	326,869	1,375,186
Southeast Bank PLC	Gulshan	Current	885,756	-
Southeast Bank PLC	Khatungonj	Current	17,300,357	2,756,530
Standard Bank PLC	Khatungonj	Current	310,407	254,474
Standard Bank PLC	Agrabad	Current	71,015	4,327
State Bank of India	Jubilee Road	Current	9,788	38,482



Trust Bank PLC	Ashulia	Current	200	93
Trust Bank PLC	CDA Avenue	Current	1,000	258,384
United Commercial Bank PLC	Gulshan	Current	6,553,118	8,510,975
United Commercial Bank PLC	Khatungonj	USD	20,515	6,741,067
United Commercial Bank PLC	Khatungonj	Current	118,709,877	2,286,042
Union Bank PLC	Khatungonj	Current	4,652,914	656,604
Uttara Bank PLC	Gulshan	Current	36,665	-
Uttara Bank PLC	Khatungonj	Current	3,380,315	602,156
Uttara Bank PLC	Laldighi	Current	2,240,959	11,781,950
Sub-total			414,176,151	86,133,462
AB Bank PLC	Khatungonj	USD	67,816	67,816
AB Bank PLC	Khatungonj	GBP	18,457	19,087
AB Bank PLC	Khatungonj	SND	3,435	4,895
Meghna Bank PLC	Gulshan	SND	10,564	-
Pubali Bank PLC	Gulshan	SND	10,001	-
United Commercial Bank PLC	Sitakunda	SND	6,610	2,345
United Commercial Bank PLC	Khatungonj	SND	928,483	-
Southeast Bank PLC	Khatungonj	SND	8,364	-
Standard Chartered Bank	Agrabad	SND	3,385,896	3,623,886
Standard Chartered Bank	Agrabad	SND	347,883	849,302
Standard Chartered Bank	Agrabad	SND	9,750	1,051,209
Trust Bank PLC	Gulshan	SND	3,349,292	-
Sub-total			8,146,551	5,618,540
Total			422,322,702	91,752,002

14.00 Share capital

Authorized Capital

1,500,000,000 Ordinary Shares of Tk 10 each
Issued, subscribed and paid-up Capital
Ordinary Shares of Tk. 10 each as at 17 May 2006
Ordinary Shares of Tk. 10 each as at 28 September 2008
Ordinary Shares of Tk. 10 each as at 24 January 2010
Ordinary Shares of Tk. 10 each as at 28 April 2010
Ordinary Shares of Tk. 10 each as at 28 April 2010
Ordinary Shares of Tk. 10 each as at 20 August 2011
Ordinary Shares of Tk. 10 each issued through IPO 07 March 2012
Ordinary Shares of Tk. 10 each as at 13 November 2012
Ordinary Shares of Tk. 10 each as at 09 November 2013
Ordinary Shares of Tk. 10 each as at 10 November 2014
Rights Shares of Tk. 10 each as at 01 June 2016
Ordinary Shares of Tk. 10 each as at 10 December 2017
Ordinary Shares of Tk. 10 each as at 19 January 2019
Ordinary Shares of Tk. 10 each as at 26 December 2019
Ordinary Shares of Tk. 10 each as at 21 December 2020
Ordinary Shares of Tk. 10 each as at 20 December 2021
Ordinary Shares of Tk. 10 each as at 28 December 2022
Ordinary Shares of Tk. 10 each as at 28 December 2023

No. of Shares	15,000,000,000	15,000,000,000
	Amount	Amount
100,000	1,000,000	1,000,000
1,100,000	11,000,000	11,000,000
17,000	170,000	170,000
36,428,600	364,286,000	364,286,000
12,354,400	123,544,000	123,544,000
20,000,000	200,000,000	200,000,000
20,000,000	200,000,000	200,000,000
18,000,000	180,000,000	180,000,000
10,800,000	108,000,000	108,000,000
5,940,000	59,400,000	59,400,000
187,110,000	1,871,100,000	1,871,100,000
15,592,500	155,925,000	155,925,000
32,744,250	327,442,500	327,442,500
18,009,337	180,093,370	180,093,370
18,909,804	189,098,040	189,098,040
39,710,589	397,105,890	397,105,890
24,024,907	240,249,070	240,249,070
23,042,069	230,420,690	230,420,690
483,883,456	4,838,834,560	4,838,834,560

14.01 Position of share holding

Shareholders

Mr. Mohammed Jahangir Alam
Mr. Md. Abdur Rouf
Mr. Md. Alamgir Kabir
Mr. Mohammed Almas Shimul
Mr. Mohammad Ashrafuzzaman
Mr. Md. Abdul Ahad
Mr. Md. Azizul Hoque
General Shareholders

TOTAL

30 June 2026		30 June 2025	
Percentage of holding	Amount in Taka	Percentage of holding	Amount in Taka
11.18%	540,853,940	18.41%	890,853,940
0.14%	6,912,620	0.14%	6,912,620
4.81%	232,810,230	4.81%	232,810,230
6.69%	323,823,020	10.83%	523,823,020
3.00%	145,165,020	3.00%	145,165,020
2.40%	116,132,010	2.40%	116,132,010
2.00%	96,776,670	2.00%	96,776,670
69.77%	3,376,361,050	58.40%	2,826,361,050
100%	4,838,834,560	100%	4,838,834,560

14.02 Classification of shares by holding

Slab by number of shares

Less than 500
500-5,000
5,001-10,000
10,001-20,000
20,001-30,000
30,001-40,000
40,001-50,000
50,001-100,000
100,001-1,000,000
Above 1,000,000

30 June 2026		30 June 2025	
No. of Holders	No. of Shares	Holding(%)	Holding(%)
5,795	1,043,244	0.22%	0.24%
10,735	20,476,436	4.23%	4.43%
2,029	14,948,920	3.09%	3.09%
1,257	18,039,232	3.73%	3.75%
507	12,626,815	2.61%	2.46%
233	8,236,868	1.70%	1.41%
162	7,404,225	1.53%	1.17%
252	17,395,176	3.59%	3.30%
225	58,937,731	12.18%	12.16%
39	324,774,809	67.12%	67.99%
21,234	483,883,456	100%	100%

15.00 Share premium

Share premium

30 June 2026	30 June 2025
1,136,440,000	1,136,440,000
1,136,440,000	1,136,440,000

16.00 Revaluation Reserve

Opening Balance
Excess Depreciation charged on revaluation transfer to Retained Earnings
Deferred Tax on Excess Depreciation Charged
Closing Balance

14,507,343,586	15,053,604,444
(669,610,084)	(704,852,720)
150,662,269	158,591,862
13,988,395,771	14,507,343,586

17.00 Retained earnings

Opening Balance
Net Profit for the period
Transfer from revaluation surplus due to extra depreciation charged on Revaluation

4,543,208,081	4,341,693,128
35,483,380	(245,701,662)
669,610,084	704,852,720

Cash Dividend
Closing Balance

5,248,301,545	4,800,844,186
(141,318,053)	(257,636,105)
5,106,983,492	4,543,208,081

18.00 Long Term Loan

Term Loan
Long Term Financing Facility
Syndication Term Loan
ECA Backed Finance
Non-Banking Financial Institutions
Loan From Directors

18.02	30,491,221,509	16,280,007,538
18.03	2,603,610,370	3,346,489,908
18.04	7,050,681,351	7,179,422,703
18.05	6,013,909,831	6,941,932,511
18.06	222,898,963	380,815,513
18.07	800,000,000	800,000,000
	47,182,322,024	34,928,668,173

18.01 Long Term Loan - Maturity analysis

Due within one year
Due after one year

6,298,570,022	5,816,276,644
40,883,752,002	29,112,391,529
47,182,322,024	34,928,668,173

18.02 Term Loan

AB Bank PLC
Agrani Bank PLC
Al-Arafah Islami Bank PLC
Bank Asia PLC
BRAC Bank PLC
City Bank PLC
Dutch Bangla Bank PLC
Eastern Bank PLC
Jamuna Bank PLC
Mercantile Bank PLC
Meghna Bank PLC
Mutual Trust Bank PLC
NCC Bank PLC
One Bank PLC
Pubali Bank PLC
Southeast Bank PLC
Sonali Bank PLC
Standard Bank PLC
Trust Bank PLC
United Commercial Bank PLC
Uttara Bank PLC

648,632,561	658,288,073
685,652,155	975,068,445
399,853,239	-
893,259,902	-
1,345,819,423	-
949,138,436	-
4,263,103,105	792,553,932
171,386,667	-
34,154,330	-
366,372,673	352,760,673
572,957,630	646,824,962
330,741,985	-
2,838,779,692	391,773,659
799,745,520	599,466,078
5,590,882,941	3,177,271,512
202,757,876	197,660,955
463,481,494	-
439,598,794	405,404,667
5,063,103,608	4,058,186,110
4,357,490,934	4,024,748,472
74,308,544	-
30,491,221,509	16,280,007,538



18.02.01 Terms of Long Term Loan Facility

Security:

- i) Post dated Cheques covering full credit facility.
- ii) Corporate Guarantee of Jahangir & Others Limited and GPH Power Generation Limited.
- iii) Personal Guarantee of all sponsor director of GPH Ispat Limited.
- iv) Charge over insurance benefit (Assignment) in favor of the term loan lenders as per their respective participation and demand promissory note along with the letter of continuity.
- v) First Priority Fixed and Floating Hypothecation Charge on the assets acquired out of bank finance to be created with RJSC and the vehicle will also be registered in the name of GPH Ispat Limited.

Rate of Interest:

Interest rate is 11.25%-15.00% per annum and will be calculated on quarterly basis and variable depending on the situation of money market.

18.03 Long Term Financing Facility

Eastern Bank PLC	383,959,004	449,282,201
Mutual Trust Bank PLC	258,722,540	311,647,346
NCC Bank PLC	683,005,329	958,792,043
One Bank PLC	96,346,936	125,078,195
Pubali Bank PLC	517,746,416	644,412,416
Southeast Bank PLC	142,844,007	155,823,672
United Commercial Bank PLC	520,986,138	701,454,035
	2,603,610,370	3,346,489,908

18.03.01 Terms of Long Term Financing Facility

Lenders:

The company entered into a long term financing facility to support the setting up a 840,000 M.Ton per annum M.S. Billet plant and 640,000 M. Ton per annum M.S. Rod plant at Masjidah, Kumira, Sitakunda, Chattogram and managed its finance through this facility with United Commercial Bank Limited as "lead arranger" and 6 (Six) other local Banks.

Total loan facilities:

The long term financing facility comprises USD 44.20 million.

Interest rate:

Interest rate is 5.25% per annum

Interest payable:

Interest is payable quarterly (30th September, 31st December, 31st March and 30th June) from the date of 1st drawdown.

Disbursement:

First Disbursement of USD on 13 February 2019.

Repayments:

Principal amount under the USD term loan facility shall be repaid in 32 (thirty two) equal quarterly installments. Repayment from the end of 27th month of the date of 1st drawdown the facilities agreement and will end on the 120th month and the balance amount, if any shall be paid in last installment.

Securities:

- i) Mortgage of 28 acre Land duly registered with RJSC.
- ii) First ranking, pari-passu charge registered with RJSC over all fixed and floating assets of the Company.
- iii) Charge over Insurance Benefit (assignment) in favor of the term loan lender as per their respective participation.
- iv) Personal Guarantee of all the Directors of the Company.
- v) Demand Promissory note along with the letter of continuity from the Company with supporting Board Resolution.
- vi) One Post dated cheque covering full Credit facility is to be taken in advance.
- vii) Corporate Guarantee of Jahangir & Others Ltd and GPH Power Generation Ltd.

Purpose:

To procure plants, machineries, equipment and prefabricated building and steel structures relating to the project and to meet civil construction and other expenses required for implementation of steel melting plant.

18.04 Syndication Term Loan

AB Bank PLC	59,373,940	65,248,697
Agrani Bank PLC	1,205,101,270	1,066,885,573
BASIC Bank PLC	178,119,575	200,276,265
Bengal Commercial Bank PLC	138,214,997	187,649,000
Bangladesh Infrastructure Finance Fund Limited	770,208,281	732,277,793
City Bank PLC	43,615,699	47,746,310
Community Bank Bangladesh PLC	136,229,367	192,565,501
Dutch Bangla Bank PLC	87,853,189	175,793,300
Jamuna Bank PLC	55,445,222	63,453,176
Janata Bank PLC	1,033,257,351	1,035,345,674
Mercantile Bank PLC	436,824,839	423,311,701
Midland Bank PLC	314,332,719	306,786,563
NRB Bank PLC	83,467,555	96,204,669
NRB Commercial Bank PLC	335,751,639	317,728,385
One Bank PLC	58,033,492	57,837,933
Pubali Bank PLC	371,835,050	416,217,485
Sonali Bank PLC	932,655,336	850,347,551
Southeast Bank PLC	48,701,671	49,285,997
United Commercial Bank PLC	470,866,638	524,012,426
Uttara Bank PLC	290,793,521	370,448,704
	7,050,681,351	7,179,422,703



18.04.01 Terms of Syndicate term borrowings

Lenders:

The company entered into a syndicated loan agreement to set up a Billet plant (840,000 M.Ton per annum) and MS Rod plant (640,000 M. Ton per annum) at Masjidah, Kumira, Sitakunda, Chattogram and managed its finance through a syndicate debt facility with United Commercial Bank Limited as "lead arranger" and 19 (Nineteen) financial institution and other local banks.

Total loan facilities:

The syndication financing comprises BDT. 9,968 million only for implementation of the steel melting plant.

Interest rate:

BDT	30 June 2026
Government Banking Institutions	11.25%-13.00%
Non-government Banking Institutions	11.25%-15.00%

Interest payable:

Interest is payable quarterly (30th September, 31st December, 31st March and 30th June) from the date of 1st drawdown.

Disbursement:

First Disbursement of BDT made on 31 March 2018.

Repayments:

Principal amount under the BDT from government banking institutions shall be repaid in 32 (thirty two) equal quarterly installments and BDT from non-government banking institutions shall be repaid in 96 (Ninety six) monthly installments. For government banking institutions, repayment will be started from the end of 27th month of the date of 1st drawdown, for non-government banking institutions, repayment from the end of 25th month of the date of 1st drawdown and the balance amount, if any shall be paid in last installment.

Securities:

Registered Mortgage on 37 acres land along with personal guarantee and corporate guarantee, with first ranking pari passu basis and hypothecation of machineries.

- Mortgage of 37 acre Land duly registered with RJSC.
- First ranking pari-passu charge registered with RJSC over all fixed and floating assets of the Company.
- Charge over Insurance Benefit (assignment) in favor of the term loan lender as per their respective participation.
- Personal Guarantee of all the Directors of the Company.
- Demand Promissory note along with the letter of continuity from the Company with supporting Board Resolution
- One Post dated cheque covering full Credit facility is to be taken in advance.
- Corporate Guarantee of Jahangir & Others Ltd and GPH Power Generation Ltd.

Purpose:

To procure plants, machineries, equipment and prefabricated building and steel structures relating to the project and to meet civil construction and other expenses required for implementation of steel melting plant.

18.05 ECA Backed Finance

ODDO BHF Aktiengesellschaft, Germany

6,013,909,831	6,941,932,511
6,013,909,831	6,941,932,511

18.05.01 Terms of ECA Backed Finance borrowings

Lenders:

The company entered into a ECA backed loan agreement to set up a Billet plant (840,000 M.Ton per annum) and MS Rod plant (640,000 M. Ton per annum) at Masjidah, Kumira, Sitakunda, Chattogram and managed an ECA backed finance from ODDO BHF Aktiengesellschaft, Germany.

Total loan facilities:

The syndication financing comprises of USD 94.84 million only.

Interest rate:

ODDO BHF Aktiengesellschaft, Germany Margin 3.08% + 6 months LIBOR/SOFR

Interest payable:

Interest is payable half periodically (30th April and 31 October) from the date of 1st drawdown.

Disbursement:

First Disbursement made on 09 August 2017

Repayments:

Principal amount shall be repaid in 16 (sixteen) equal half periodically installments from the end of 42nd month of 1st drawdown and the balance amount (if any) shall be paid in last installment.

Securities:

Registered Mortgage on 28 acres land, personal guarantee and corporate guarantee along with first ranking pari passu basis and hypothecation of machineries.

- Mortgage of 28 acre Land duly registered with RJSC.
- First ranking pari-passu charge registered with RJSC over all fixed and floating assets of the Company.
- Charge over Insurance Benefit (assignment) in favor of the term loan lender as per their respective participation.
- Personal Guarantee of all the Directors of the Company.
- Demand Promissory note along with the letter of continuity from the Company with supporting Board Resolution
- One Post dated cheque covering full Credit facility is to be taken in advance.
- Corporate Guarantee of Jahangir & Others Ltd and GPH Power Generation Ltd.

Purpose:

To procure plants, machineries, equipment and prefabricated building and steel structures relating to the project and to meet civil construction and other expenses required for implementation of steel melting plant.



18.06 Non-Banking Financial Institutions

IPDC Finance PLC	149,938,484	260,982,720
United Finance PLC	72,960,479	119,832,793
	<u>222,898,963</u>	<u>380,815,513</u>

- i) Post dated Cheques
- ii) FDR lien Tk 30 million against loan from IPDC Finance PLC
- iii) Personal Guarantee of Directors

Rate of Interest:

Interest rate is 16.00% to 16.50% per annum and will be calculated on quarterly basis and variable depending on the situation of money market.

18.07 Loan From Directors

Mr. Mohammed Jahangir Alam	500,000,000	500,000,000
Mr. Mohammed Almas Shimul	300,000,000	300,000,000
	<u>800,000,000</u>	<u>800,000,000</u>

19.00 Defined Benefit Obligation (Gratuity)

Opening Balance	139,466,301	122,085,496
Add: Provision made during the period	40,910,727	20,748,146
	<u>180,377,028</u>	<u>142,833,642</u>
Less: Paid during the period	(10,797,968)	(3,367,341)
Closing balance	<u>169,579,060</u>	<u>139,466,301</u>

20.00 Deferred tax liability

Deferred tax liability has been calculated below at the applicable tax rate on the temporary difference between the carrying value and tax base.

Opening Balance	4,455,257,919	4,374,272,958
Add: Provided/(adjusted) during the period		
Taxable/(deductible) temporary difference of PPE (excluding land)	249,036,441	243,787,164
Intangible asset	(147,933)	463,284
Provision for Gratuity	(6,775,371)	(3,910,681)
Investment in quoted shares	2,990,341	(762,944)
	<u>245,103,478</u>	<u>239,576,823</u>
Adjustment for impact of depreciation on revaluation reserve	(150,662,269)	(158,591,862)
Closing Balance	<u>4,549,699,128</u>	<u>4,455,257,919</u>

20.01 Reconciliation of deferred tax liabilities/(assets) are as follows :

As on 30 June 2026	Carrying amount	Tax base	Rate Applied	Temporary difference	Deferred tax liability/(asset)
	Taka	Taka	(%)	Taka	Taka
Property, plant and equipment (Exempt Land & Land Development)	43,503,218,902	23,104,168,288	22.50%	20,399,050,614	4,589,786,388
Right of use asset	-	-	22.50%	-	-
Intangible asset	2,767,550	-	22.50%	2,767,550	622,699
Provision for gratuity	(169,579,060)	-	22.50%	(169,579,060)	(38,155,289)
Investment in quoted shares	104,491,316	121,522,450	15.00%	(17,031,134)	(2,554,670)
					<u>4,549,699,128</u>

As on 30 June 2025	Carrying amount	Tax base	Rate Applied	Temporary difference	Deferred tax liability/(asset)
	Taka	Taka	(%)	Taka	Taka
Property, plant and equipment (Exempt Land & Land Development)	41,574,113,932	21,626,583,845	22.50%	19,947,530,087	4,488,194,270
Right of use asset	14,301,984	-	22.50%	14,301,984	3,217,946
Intangible asset	3,425,030	-	22.50%	3,425,030	770,632
Provision for gratuity	(139,466,301)	-	22.50%	(139,466,301)	(31,379,918)
Investment in quoted shares	84,555,872	121,522,613	15.00%	(36,966,741)	(5,545,011)
					<u>4,455,257,919</u>

21.00 Short term borrowings

Loan against Trust Receipt (LATR)	1,091,129,987	1,914,405,127
Time loan	12,056,023,064	14,891,290,942
Bank overdraft	4,861,710,372	6,648,046,443
Other Liabilities from Bank	10,016,907,427	10,249,442,514
	<u>28,025,770,850</u>	<u>33,703,185,026</u>

21.01 Terms of Short term borrowings

Purpose of Loan:

To pay customs duty, VAT and taxes, Utilities, salaries, C&F charges, local procurement and for other working capital requirement

Tenure:

The tenure ranges from 3 to 6 months on a revolving basis.

Security

- i) Post dated cheques
- ii) Personal guarantee of all the sponsor directors
- iii) Registered mortgage of land
- iv) Pari-passu 1st charge on floating assets

Rate of Interest:

Interest rate is 12% to 15% per annum with quarterly basis.



22.00 Creditors and accruals			
For Revenue Expenses	22.01	1,223,785,197	809,222,474
For Other Finance	22.02	269,835,149	117,289,014
For Supplies		1,159,472,352	1,270,486,041
Advance Against Sales		130,289,267	137,851,109
Workers' Profit Participation Fund	22.03	32,400,129	39,844,343
		2,815,782,094	2,371,692,981
22.01 Revenue Expenses			
Salary Payable		77,640,593	98,224,062
Audit Fee Payable		805,000	805,000
Utility Bill Payable		1,133,286,365	707,453,166
Provident Fund	22.01.01	10,703,239	1,715,246
Directors' Remuneration Payable		1,350,000	1,025,000
		1,223,785,197	809,222,474
22.01.01 Provident Fund			
Opening Balance		1,715,246	3,969,845
Add: Addition during the period		27,103,306	27,938,439
		28,818,552	31,908,284
Less: Paid during the period		(18,115,313)	(30,193,038)
Closing balance		10,703,239	1,715,246
22.02 Other Finance			
Advance Income Tax Payable		22,142,776	16,917,143
VAT Deducted at Source		23,245,948	21,357,653
Sales VAT Payable		224,397,755	78,935,548
Unpaid Refund Warrant		48,670	48,670
		269,835,149	117,289,014
22.03 Workers' Profit Participation Fund			
Opening Balance		39,844,343	92,762,934
Add: Addition during the period		32,400,129	39,844,343
		72,244,472	132,607,277
Less: Paid during the period		(39,844,343)	(92,762,934)
Closing balance		32,400,129	39,844,343
23.00 Unclaimed Dividend			
Opening Balance		4,122,995	3,727,292
Add: Dividend Declared during the period		141,318,053	257,636,105
Less: Paid during the period		(141,462,982)	(257,240,402)
Closing Balance		3,978,066	4,122,995
23.01 period wise details of unclaimed dividend			
For period ended on			
30 June 2022 (Final)		-	842,923
30 June 2023 (Final)		1,041,372	1,078,786
30 June 2024 (Final)		1,969,238	2,201,286
30 June 2025 (Final)		967,456	-
		3,978,066	4,122,995
We have deposited amounting Tk. 842,923.00 (eight lac forty two thousand nine hundred twenty three) only, dated 29.06.2026 through RTGS from the company's bank Account No. 2022340820026, Brac Bank PLC against unclaimed Cash Dividend for the year 2021-2022.			
24.00 Current tax liability			
Opening Balance		825,053,722	775,734,120
Add: Provision made during the period		335,015,602	763,167,355
		1,160,069,324	1,538,901,475
Less: Paid/adjusted during the period		(727,554,112)	(713,847,753)
Closing balance		432,515,212	825,053,722



24.01 period wise income tax assessment status is as follows:

Accounting period	Assessment period	Opening balance	Provided during the period	Adjusted during the period	Balance	Remarks
Prior to 2015-2016			-	-	-	Assessment completed
2016-2017	2017-2018	111,031,009	179,191,873	(106,839,951)	183,382,931	Assessment in Appeal (Second)
2017-2018	2018-2019	183,382,931	169,979,806	(177,186,575)	176,176,162	Assessment in Appeal (Second)
2018-2019	2019-2020	176,176,162	248,877,693	(170,552,518)	254,501,337	Assessment in Appeal (Second)
2019-2020	2020-2021	254,501,337	84,721,754	(248,733,025)	90,490,066	Assessment in Appeal (Second)
2020-2021	2021-2022	90,490,066	343,634,665	(85,913,992)	348,210,739	Assessment in Appeal (Second)
2021-2022	2022-2023	348,210,739	716,277,882	(343,634,665)	720,853,956	Assessment in Appeal (Second)
2022-2023	2023-2024	720,853,956	806,371,385	(707,563,144)	819,662,197	Assessment in Appeal (First)
2023-2024	2024-2025	819,662,197	739,719,859	(783,647,936)	775,734,120	Assessment under process
2024-2025	2025-2026	775,734,120	763,167,355	(713,847,753)	825,053,722	Assessment under process
2025-2026	2026-2027	825,053,722	335,015,602	(727,554,112)	432,515,212	Return due by 15th March 2027

24.02 Reconciliation of effective tax rate

Profit before tax

Total income tax expense

Factors affecting the tax charge:

Tax using the applicable rate

Difference between accounting and fiscal depreciation

Difference between gratuity provision and payment

Difference between regular tax and minimum Tax on Gross Turnover U/s 82C(2)(3)(4)(a) - @1.00%

Difference between WPPF and Welfare Fund provision and payment

Rebate on export sales

Adjustment of unrealized Gain / (Loss) on sale of Shares in Listed Companies

Adjustment for reduced rated taxable income

30 June 2026		30 June 2025	
Rate	Taka	Rate	Taka
	615,602,460		757,042,516
6.64%	40,857,769	100.80%	763,167,355
22.50%	138,550,919	22.50%	170,334,566
-15.95%	(98,226,239)	-11.24%	(85,081,405)
1.10%	6,775,371	0.52%	3,910,681
0.00%	-	90.55%	685,534,793
-0.27%	(1,672,823)	-1.57%	(11,906,683)
0.00%	15,841	0.00%	(25,795)
-0.73%	(4,485,475)	0.07%	510,471
-0.02%	(99,825)	-0.01%	(109,273)
6.64%	40,857,769	100.80%	763,167,355

A Minimum Tax on Gross Receipt U/s 163(5)(KA)(E5) - (1.00%/27.50 X 22.50)

Turnover

40,693,399,946

Interest Income

252,951,465

40,946,351,411

0.82% 335,015,602

335,015,602

B Regular/Calculated Tax

24.02 40,857,769

Current Tax provision

Tax on Gross Receipt (Higher A&B)

335,015,602

	Note(s)	30 June 2026 Taka	30 June 2025 Taka
25.00 Revenue			
Local Sales	25.01	40,612,682,326	57,346,862,373
Export Sales	25.02	80,717,620	181,575,396
		<u>40,693,399,946</u>	<u>57,528,437,769</u>
Value Added Tax		(1,292,228,589)	(1,464,494,993)
		<u>39,401,171,357</u>	<u>56,063,942,776</u>
25.01 Local Sales			
M.S. Rod		40,385,391,609	56,912,414,277
M.S. Billet		-	76,000,000
Oxygen, Nitrogen and Argon		227,290,717	358,448,096
		<u>40,612,682,326</u>	<u>57,346,862,373</u>
25.02 Export Sales			
M.S. Rod		80,717,620	181,575,396
		<u>80,717,620</u>	<u>181,575,396</u>
26.00 Cost of goods sold			
Opening Finished goods			
M.S. Rod		4,136,230,159	4,256,895,199
M.S. Billet		1,409,152,928	3,916,329,478
		<u>5,545,383,087</u>	<u>8,173,224,677</u>
Add: Cost of Production	26.01	31,970,064,171	45,596,969,303
		<u>37,515,447,258</u>	<u>53,770,193,980</u>
Less: Closing Finished goods			
M.S. Rod		3,808,677,229	4,136,230,159
M.S. Billet		1,357,248,636	1,409,152,928
		<u>5,165,925,865</u>	<u>5,545,383,087</u>
		<u>32,349,521,393</u>	<u>48,224,810,893</u>
26.01 Cost of Production			
Opening Stock of:			
Raw Material		5,504,845,259	3,883,268,706
Spare and Other materials		7,287,628,912	5,905,423,659
		<u>12,792,474,171</u>	<u>9,788,692,365</u>
Add: Purchase			
Raw Material		23,831,451,263	36,050,396,917
Spare and Other materials		274,508,461	3,952,697,398
		<u>24,105,959,724</u>	<u>40,003,094,315</u>
Less: Closing Stock of			
Raw Material		5,336,982,082	5,504,845,259
Spare and Other materials		7,116,107,371	7,287,628,912
		<u>12,453,089,453</u>	<u>12,792,474,171</u>
Raw and Other Materials Consumed		<u>24,445,344,442</u>	<u>36,999,312,509</u>
Add: Factory overhead	26.02	7,524,719,729	8,597,656,794
Cost of Production		<u>31,970,064,171</u>	<u>45,596,969,303</u>

26.02 Factory overhead

Salaries, Wages and Allowances		771,029,924	820,888,569
Overtime		11,179,835	28,899,744
Bonus		-	1,823,760
Depreciation	4	1,906,699,904	1,774,669,662
Amortization on right of use assets	5	12,871,786	50,263,881
Carriage Inward		8,903,849	18,764,761
Daily Labour Bill		20,152,321	55,969,699
Electricity Bill		4,166,489,681	5,029,199,575
Factory Canteen		12,487,181	32,361,566
Fuel, Oil and Lubricant		3,312,000	22,060,758
Gas Bill		566,968,353	681,792,909
Insurance		17,211,641	18,938,341
Mobile, Telephone and Internet Charges		1,624,723	1,302,581
Loading and Unloading Expenses		9,216,760	28,760,450
Medical Expenses		242,623	130,779
Oxygen and LP Gas Charges		-	41,000
Repair and Maintenance		6,643,658	15,480,769
Staff Uniform		615,332	581,628
Testing Expenses		524,830	1,123,981
Vehicle Expenses		8,545,328	14,602,381
		7,524,719,729	8,597,656,794

27.00 Administrative expenses

Directors' Remuneration		24,840,000	18,492,000
Salary and Allowances		169,612,496	239,029,876
Depreciation	4	105,927,772	98,592,759
Amortization on right of use assets	5	715,099	2,792,438
Amortization of Software	7	657,480	506,209
Audit fee		805,000	874,000
BIS Certificate Expenses		84,900	207,556
BO Account Expenses		400	1,000
Board Meeting Expenses		408,510	744,444
Bonus		10,884,472	12,381,520
Electricity and Other Utility Expenses		42,667,705	62,272,015
Entertainment		9,611,111	13,395,887
Fees and Renewal		5,951,091	12,357,013
General Meeting Expenses		103,270	129,025
Group Insurance Premium		2,441,669	2,031,236
Legal and Professional Fee		132,250	678,500
Medical Expenses		292,697	39,883
Miscellaneous Expenses		1,226,166	1,360,790
Mobile, Telephone and Internet Charges		2,457,457	2,817,767
Newspaper and Periodicals		51,200	39,024
Office Maintenance		2,054,733	1,584,841
Office Rent		14,598,000	15,445,200
Postage and Stamps		522,838	936,769
Recruitment Expenses		294,164	458,420
Rent, Rate & Taxes		1,382,449	875,925
Share Management Expenses		1,462,000	1,353,500
Software & Data Connectivity Expenses		234,163	166,711



Ali Zahir Ashraf & Co.
Chartered Accountants

Stationery and Printing Charges		1,027,843	1,067,190
Training Fee		144,555	276,370
Right Issue Expenses		-	1,834,982
Travelling and Conveyance		6,581,739	7,453,764
Vehicle Expenses		8,509,102	11,418,749
		415,682,331	511,615,363
28.00 Selling and distribution expenses			
Advertisement Expenses		24,157,738	46,020,679
Carriage Outward		403,702,355	583,082,917
Salary and Allowances		143,532,612	162,823,036
Loading & Delivery Expenses		17,378,660	28,916,306
Bonus		11,180,189	12,420,670
Travelling and Conveyance		11,019,268	14,210,499
Commission on Sales		2,645,496	35,747,490
Promotional Expenses		16,954,262	31,353,705
Depreciation	4	105,927,772	98,592,759
Amortization on right of use assets	5	715,099	2,792,438
Marketing Collection Expenses		42,000	56,900
Export Expenses		-	4,500
Vehicle Expenses		9,678,466	9,595,175
Mobile, Telephone and Internet Charges		4,209,933	4,145,698
Trade Receivables Write-off		868,556	-
Postage and Stamps		615,329	832,214
		752,627,735	1,030,594,986
29.00 Finance Cost			
Interest on Bank Loan		5,490,450,069	5,223,260,839
Bank Charge		24,993,576	33,613,868
Loan Processing Fee		14,756,430	14,908,363
Foreign Currency Exchange (Gain)/Loss		(21,975,857)	498,971,387
		5,508,224,218	5,770,754,457
30.00 Finance income			
Interest Earned from FDR		134,023,455	158,905,711
Interest Income from Bond		44,876,712	45,123,288
Interest Income from SND Account		177,967	153,266
Interest Income from Arbee Textiles Limited		65,023,748	58,804,413
		244,101,882	262,986,678
31.00 Other income			
Dividend Income		3,993,006	4,370,934
PF Forfeited		1,212,454	1,045,938
Rebate on Export Sales		3,644,123	4,584,994
		8,849,583	10,001,866



32.00	Net Asset Value Per Share (NAV)		
	Total Assets	108,261,640,884	101,506,014,628
	Less: Liabilities	83,190,987,061	76,480,188,401
	Net Asset Value (NAV)	25,070,653,823	25,025,826,227
	Number of ordinary shares outstanding during the year	483,883,456	483,883,456
	Net Assets Value (NAV) per share	51.81	51.72
33.00	Earnings per share (EPS)		
33.01	Basic Earnings per share		
	The composition of Earnings per share (EPS) is given below :		
	Total earnings attributable to the ordinary shareholders	35,483,380	(245,701,662)
	Number of ordinary shares outstanding during the year	483,883,456	483,883,456
	Weighted average number of ordinary shares outstanding during the year	483,883,456	483,883,456
	Basic Earnings Per Share	0.07	(0.51)
33.02	Diluted EPS		
	No diluted EPS was required to be calculated for the period since there was no scope for dilution of share during the period under review.		
33.03	Reason of Significant Deviation of EPS		
	EPS: The Company's Earnings Per Share (EPS) increased to Tk. 0.07 for the year ended 30 June 2026, compared to Tk. (0.51) in the previous year, mainly due to lower cost of goods sold, along with the positive impact of changes in the Tax Rules.		
34.00	Net operating cash flow per share		
	Net operating cash flows (from statement of cash flows)	7,611,375,709	2,798,400,763
	Number of ordinary shares outstanding during the period	483,883,456	483,883,456
	Net operating cash flow per share	15.73	5.78
	NOCFPS increased for the year ended 30 June 2026, compared to Tk. 5.78 in the previous year, mainly due to higher receipts from customers, despite payments made to suppliers and others, resulting in a significant increase in net operating cash flow.		
35.00	Number of employees		
	Employees drawing salary Tk 3,000 or below per month	-	-
	Employees drawing salary above Tk 3,000 per month	2,238	2,286
		2,238	2,286



36.00	Related Notes for Statement of Cash Flows			
36.01	Reconciliation of cash flows from operating activities			
	Profit before income tax	615,602,460	757,042,516	
	<u>Adjustment for</u>			
	Depreciation charged	2,118,555,448	1,971,855,180	
	Amortization charged	657,480	506,209	
	Amortization on right of use asset	14,301,984	55,848,757	
	Finance Cost	5,508,224,218	5,770,754,457	
	Finance income	(244,101,882)	(262,986,678)	
	Changes in fair value	(19,935,444)	2,268,762	
	Dividend Income (net of tax)	(3,194,405)	(3,496,747)	
		<u>7,990,109,859</u>	<u>8,291,792,456</u>	
	<u>(Increase)/decrease in Current Assets</u>			
	Advances, deposits and prepayments	(298,849,400)	(3,252,966,129)	
	Inventories	718,841,940	(375,940,216)	
	Trade and other receivables	(651,887,056)	(1,272,128,334)	
	<u>Increase/(decrease) in Current Liabilities</u>			
	Defined benefit obligation - gratuity	30,112,759	17,380,805	
	Creditors and accruals	441,089,113	153,429,536	
		<u>8,229,417,215</u>	<u>3,561,568,118</u>	
	Income tax paid	(618,041,506)	(763,167,355)	
	Net cash flows generated by operating activities	<u>7,611,375,709</u>	<u>2,798,400,763</u>	
36.02	Notes for Statement of Cash Flows			
36.02.01	Receipts from customers against sales			
	Revenue	25	40,693,399,946	57,528,437,769
	Increase in Trade Receivables	12 & 22	(594,190,705)	(1,273,985,702)
	Rebat on Export Sales	31	3,644,123	4,584,994
			<u>40,102,853,364</u>	<u>56,259,037,061</u>
36.02.02	Paid to suppliers, operating and other expenses			
	Cost of Sales	26	(32,349,521,393)	(48,224,810,893)
	General & Administrative Costs	27	(415,682,331)	(511,615,363)
	Selling & Distribution expenses	28	(752,627,735)	(1,030,594,986)
	Value Added Tax	25	(1,292,228,589)	(1,464,494,993)
	Paid to workers participation and welfare fund	22	(39,844,343)	(92,762,934)
	Depreciation	4	2,118,555,448	1,971,855,180
	Amortization of Software	7	657,480	506,209
	Increase in Inventories	11	718,841,940	(375,940,216)
	Other receivable	12	(65,258,193)	(57,896,099)
	(Increase)/Decrease in Advances, Deposits and Pre-payments	10	(298,849,400)	(3,252,966,129)
	Tax on dividend income	31	798,601	874,187
	Provision for gratuity	19	30,112,759	17,380,805
	Amortization on right of use asset	5	14,301,984	55,848,757
	Increase in Creditors and accruals	22	456,095,169	266,101,594
			<u>(31,874,648,603)</u>	<u>(52,698,514,881)</u>

36.02.03	Income from forfeited account			
	PF Forfeited	31	1,212,454	1,045,938
			<u>1,212,454</u>	<u>1,045,938</u>
36.02.04	Income tax paid			
	Provided during the period	24	(335,015,602)	(763,167,355)
	Increase/(decrease) in Advance income tax	10	109,512,606	(49,319,602)
	(Increase)/decrease in current tax liability	24	<u>(392,538,510)</u>	<u>49,319,602</u>
			<u>(618,041,506)</u>	<u>(763,167,355)</u>
36.02.05	Acquisition of property, plant and equipment			
	Addition of property, plant and equipment during the period	4	(4,047,660,418)	(7,682,779,925)
	Capitalized during the year	6	327,491,560	2,664,647,486
	Addition in capital work-in-progress	6	<u>(4,021,272,393)</u>	<u>(3,309,905,082)</u>
			<u>(7,741,441,251)</u>	<u>(8,328,037,521)</u>
36.02.06	Acquisition of Intangible assets			
	Addition of Intangible assets during the period	7	-	(2,565,250)
			-	<u>(2,565,250)</u>
36.02.07	Investment in quoted shares			
	Investment in quoted shares	8	(19,935,444)	2,268,762
	Net change in fair value of investment in quoted shares	8	19,935,444	(2,268,762)
			-	-
36.02.08	Dividend received (net of tax)			
	Dividend Received	31	3,993,006	4,370,934
	Less: Advance Tax adjustment	31	<u>(798,601)</u>	<u>(874,187)</u>
			<u>3,194,405</u>	<u>3,496,747</u>
36.02.09	Received from other sources			
	Interest Earned from FDR	30	134,023,455	158,905,711
	Interest Earned from Bond	30	44,876,712	45,123,288
	Interest Income from SND Account	30	<u>177,967</u>	<u>153,266</u>
			<u>179,078,134</u>	<u>204,182,265</u>
36.02.10	Other investments			
	Short term investment	9	(674,921,037)	(30,973,193)
	Accrued Interest	30	65,023,748	58,804,413
			<u>(609,897,289)</u>	<u>27,831,220</u>
36.02.11	Receipt/(repayment) of long term borrowings	18	12,253,653,851	7,850,932,043
36.02.12	Receipt/(repayment) of finance lease obligation	5	(38,400,657)	(36,472,870)
36.02.13	Receipt/(repayment) of short term borrowings	21	(5,677,414,176)	3,458,637,882
36.02.14	Dividend paid			
	Cash dividend declared & disbursed	23	(141,318,053)	(257,636,105)
	Increase/(decrease) in unclaimed dividend	23	<u>(144,929)</u>	<u>395,703</u>
			<u>(141,462,982)</u>	<u>(257,240,402)</u>

36.02.15	Interest paid (net)			
	Interest on Bank Loan	29	5,490,450,069	5,223,260,839
	Bank Charge	29	24,993,576	33,613,868
	Loan Processing Fee	29	14,756,430	14,908,363
			<u>5,530,200,075</u>	<u>5,271,783,070</u>

36.02.16	Effect of foreign exchange rate changes in cash and cash equivalent	29	21,975,857	(498,971,387)
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			01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
	Note(s)		M. Ton	M. Ton
37.00	Capacity and production			
	Production Capacity (In M. Ton)	37.01	1,840,000	1,840,000
	Actual Production (In M. Ton)	37.02	983,277	1,253,409
	Capacity Utilization (%)		53.44	68.12
37.01	Production Capacity (In M. Ton)			
	M.S. Billet		1,050,000	1,050,000
	M.S. Rod		790,000	790,000
			<u>1,840,000</u>	<u>1,840,000</u>
37.02	Actual Production (In M. Ton)			
	M.S. Billet		498,520	614,886
	M.S. Rod		484,757	638,523
			<u>983,277</u>	<u>1,253,409</u>

38.00 Related Party Transactions

During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

Sl. No	Name of the Party	Relation	Nature of Transactions	Outstanding as on 30 June 2026	Outstanding as on 30 June 2025
1	GPH Power Generation Ltd.	Common Directorship	Supply of power at a flat rate	Cr. 723,427,158	Cr. 722,997,490
2	Jahangir and Other Ltd.	Common Directorship	Head office rent	Cr. 1,128,576	Cr. 357,000
3	GPH Steels Ltd.	Investee	Investment in equity shares	Dr. 1,000,000	Dr. 1,000,000
4	Asia Insurance Ltd.	Common Directorship	Insurance Policy against Letter of Credit	Cr. 4,597,800	Cr. 1,725,252
5	Arbee Textiles Ltd.	Common Directorship	Payment against interest bearing loan	Dr. 682,643,775	Dr. 617,385,582
6	LIPD Industries Ltd.	Common Directorship	Advance	Dr. 185,500	Dr. 185,500
7	GPH Ship Builders Ltd.	Common Directorship	Advance	Dr. 4,082,835	Dr. 3,986,835
8	ECO Ceramics Industries Ltd.	Common Directorship	Advance	Dr. 165,459,832	Dr. 145,959,832
9	ECO Process Industry Ltd.	Common Directorship	Advance	Dr. 502,528	Dr. 406,305
10	GPH Renewable Energy Ltd.	Common Directorship	Supply of power at a flat rate	Cr. 3,511,822	Cr. 8,961,700

39.00 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;

Short term employee benefits	156,223,632	175,594,344
Post Employment Benefits	7,111,052	9,512,959
Other long Term benefit	-	-
Termination Benefit	-	-
Share-based Payment	-	-
	163,334,684	185,107,303
	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
	Taka	Taka

40.00 Directors' Remuneration

Details of directors' remuneration paid during the period are as follows:

Name	Designation		
Mr. Mohammed Jahangir Alam	Managing Director	11,040,000	4,830,000
Mr. Mohammed Almas Shimul	Director	9,660,000	8,625,000
Mr. Md. Abdul Ahad	Director	4,140,000	5,037,000
		24,840,000	18,492,000

Mr. Mohammed Jahangir Alam, Managing Director and Mr. Mohammed Almas Shimul, Director are provided with transport facilities along with their remuneration.

41.00 Attendance status of Directors in Board Meetings

During the year ended 30 June 2026, 6 (Six) board meetings were held. The attendance status of all the meetings are as follows:

Name of the Director	Designation	Meetings Held	Attendance
Mr. Md. Alamgir Kabir	Chairman	6	6
Mr. Mohammed Jahangir Alam	Managing Director	6	6
Mr. Mohammed Almas Shimul	Director	6	6
Mr. Mohammad Ashrafuzzaman	Director	6	5
Mr. Md. Abdul Ahad	Director	6	6
Mr. Md. Azizul Haque	Director	6	4
Ms. Rezina Parveen	Independent Director	6	1
Mr. Safiul Alam Khan Chowdhury	Independent Director	6	5

	Note(s)	30 June 2026 Taka	30 June 2025 Taka
42.00 Contingent liabilities			
Bank guarantee	42.01	1,038,234,383	1,054,299,426
L/C liabilities	42.02	16,288,335,848	15,980,558,871
		<u>17,326,570,231</u>	<u>17,034,858,297</u>
42.01 Bank guarantee			
AB Bank PLC		40,415,980	40,415,980
Community Bank Bangladesh PLC		9,130,000	-
Eastern Bank PLC		-	968,575
Mercantile Bank PLC		182,293,302	182,293,302
Midland Bank PLC		6,528,580	6,528,580
NRB Bank PLC		67,029,114	50,000,000
State Bank of India		-	2,448,000
Southeast Bank PLC		34,795,325	34,795,325
United Commercial Bank PLC		698,042,082	736,849,664
		<u>1,038,234,383</u>	<u>1,054,299,426</u>
42.02 L/C liabilities			
AB Bank PLC		180,580,392	-
Agrani Bank PLC		735,856,900	735,079,832
Al-Arafah Islami Bank PLC		854,459,828	-
Bank Asia PLC		204,113,991	336,609,000
BRAC Bank PLC		523,836,338	65,756,254
The City Bank PLC		278,089,613	282,526,282
Community Bank Bangladesh PLC		1,051,553,814	-
Dutch Bangla Bank PLC		-	377,751,189
Eastern Bank PLC		431,551,721	81,368,175
Islami Bank Bangladesh PLC		656,316,017	57,220,232
Mercantile Bank PLC		352,442,393	1,559,541,354
Midland Bank PLC		247,734,490	-
Mutual Trust Bank PLC		919,254,618	1,020,542,724
NCC Bank PLC		635,763,880	794,708,785
NRB Bank PLC		88,220,000	280,468,238
One Bank PLC		854,599,251	-
Premier Bank PLC		21,494,066	-
Pubali Bank PLC		3,507,351,617	2,237,024,459
SBAC Bank PLC		14,462,001	-
Sonali Bank PLC		360,478,643	-
Southeast Bank PLC		729,885,269	1,214,512,125
Standard Chartered Bank		-	29,682,088
Trust Bank Limited		905,166,480	1,960,619,362
United Commercial Bank PLC		2,584,447,036	4,666,445,367
Uttara Bank PLC		150,677,490	280,703,405
		<u>16,288,335,848</u>	<u>15,980,558,871</u>
42.03 Capital expenditure commitment			
There is no capital expenditure commitment as at 30 June 2026.			
43.00 Events after reporting date			
43.01 Proposed Dividend:			
The Board of Directors at the meeting held on 12.09.2026 has recommended 2% cash dividend only for General Shareholders except Sponsors and Directors for the year ended 30 June 2026 (2025: 5.00% cash dividend only for General Shareholders except Sponsors and Directors) which is subject to approval by the shareholders in the Annual General Meeting.			



44.00 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2026 other than trade credit available in the ordinary course of business.

45.00 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 its management of capital. The company has exposure to the following risks from its use of financial instruments.

	Note(s)
a) Credit risk	45.01
b) Liquidity risk	45.02
c) Market risk	45.03

45.01 Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from distributors, institutional and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of steels (M.S. Rod and allied products).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) 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:

		Amount in Taka 30 June 2026	Amount in Taka 30 June 2025
	Note(s)		
Trade and other receivables	12.00	9,828,733,869	9,176,846,813
Advance and deposits	10.01 & 10.02	13,629,633,386	13,447,923,921
Investment in FDRs	9.00	3,369,908,267	2,694,987,230
Investment in Un-quoted equity	8.00	64,500,000	64,500,000
Investment in quoted shares	8.00	104,491,316	84,555,872
Cash at bank	13.02	422,322,702	91,752,002
		27,419,589,540	25,560,565,838
b) Ageing of receivables			
Dues within 6 months	12.01	9,055,355,862	8,465,871,001
Dues over 6 months	12.01	90,734,232	93,590,230
		9,146,090,094	8,559,461,231



45.02 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

The following are the contractual maturities of financial liabilities:

Category of Liabilities	Carrying amount Taka	Nominal interest rate	Contractual cash flows		
			Within 12 months or less Taka	Over 12 months Taka	Total Taka
Defined Benefit Obligation - Gratuity	169,579,060	N/A	-	169,579,060	169,579,060
Long term loan	47,182,322,024	5.25% - 16.00%	6,298,570,022	40,883,752,002	47,182,322,024
Short term loans	28,025,770,850	12.75% - 14.55%	28,025,770,850	-	28,025,770,850
Finance lease obligations	11,340,627	13.00% - 16.00%	9,488,885	1,851,742	11,340,627
Creditors and accruals	2,815,782,094	N/A	2,815,782,094	-	2,815,782,094
	78,204,794,655		37,149,611,851	41,055,182,804	78,204,794,655

45.03 Market Risk

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

a) Currency risk

The company is exposed to currency risk on certain revenues and purchases such as melting scrap, chemical and acquisition of equipment. Majority of the company's foreign currency transactions are denominated in USD.

(i) Exposure to currency risk

As at 30 June 2026

Foreign currency denominated assets

Cash and cash equivalents

GBP	USD	Taka
113.34	719.01	106,788
113.34	719.01	106,788

Foreign currency denominated liabilities

ECA Backed Finance

Long Term Financing Facility

Liability for Accepted Bills for Payment (ABP)

-	48,953,275	6,013,909,831
-	21,193,410	2,603,610,370
-	81,537,708	10,016,907,427
-	151,684,393	18,634,427,628
113.34	(151,683,674)	(18,634,320,840)

Net exposure

As at 30 June 2025

Foreign currency denominated assets

Cash and cash equivalents

GBP	USD	Taka
113.34	55,424.36	6,827,970
113.34	55,424.36	6,827,970

Foreign currency denominated liabilities

ECA Backed Finance

Long Term Financing Facility

Liability for Accepted Bills for Payment (ABP)

-	56,507,387	6,941,932,511
-	27,240,455	3,346,489,908
-	83,430,545	10,249,442,514
-	167,178,388	20,537,864,933
113.34	(167,122,963)	(20,531,036,963)

Net exposure



The company has translated all of its monetary items in foreign currency at the end of its accounting period by using two different rates since the bank offering two different rates for settling its assets and liabilities in foreign currency.

The following significant exchange rate is applied during the year:

	30 June 2026	30 June 2025
	Taka	Taka
Exchange rate of US Dollar	122.85	122.85
Exchange rate of GBP	162.85	168.41

(ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A reasonably possible strengthening (weakening) of the US Dollar 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 forecasted 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)	(372,686,786)	372,686,786	(410,621,121)	410,621,121
GBP (2% movement)	369	(369)	382	(382)

(b) Transaction risk

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

(c) Economic risk

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

(d) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

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
	Taka	Taka
Fixed-rate instruments		
Fixed rate instrument		
Financial assets	27,419,589,540	25,560,565,838
Financial liabilities	75,219,433,501	68,681,594,483
	102,639,023,041	94,242,160,321
Variable-rate instruments		
Financial assets	Nil	Nil
Financial liabilities	Nil	Nil
	-	-

Cash flow sensitivity analysis for variable rate instruments

There being no variable rate instruments, sensitivity analysis has not presented.



46.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Note ref.	Fair value through profit or loss	Financial assets at amortised cost	Other financial liabilities	Total
	Taka	Taka	Taka	Taka
30 June 2026				
Financial Assets measured at fair value				
Investment in quoted shares	8.02	104,491,316	-	104,491,316
Financial Assets not measured at fair value				
Trade and other receivables	12	-	9,828,733,869	9,828,733,869
Deposits	10.02	-	227,314,629	227,314,629
Investments in FDR	9	-	3,369,908,267	3,369,908,267
Cash at banks	13.02	-	422,322,702	422,322,702
		-	13,848,279,467	13,848,279,467
Financial Liabilities not measured at fair value				
Long term borrowings	18	-	47,182,322,024	47,182,322,024
Finance lease obligations	5	-	11,340,627	11,340,627
Short term borrowings	21	-	28,025,770,850	28,025,770,850
Creditors and accruals	22	-	2,815,782,094	2,815,782,094
		-	78,035,215,595	78,035,215,595
30 June 2025				
Financial Assets measured at fair value				
Investment in quoted shares	8.02	84,555,872	-	84,555,872
Financial Assets not measured at fair value				
Trade and other receivables	12	-	9,176,846,813	9,176,846,813
Deposits	10.02	-	227,314,629	227,314,629
Investments in FDR	9	-	2,694,987,230	2,694,987,230
Cash at banks	13.02	-	91,752,002	91,752,002
		-	12,190,900,674	12,190,900,674
Financial Liabilities not measured at fair value				
Long term borrowings	18	-	34,928,668,173	34,928,668,173
Finance lease obligations	5	-	49,741,284	49,741,284
Short term borrowings	21	-	33,703,185,026	33,703,185,026
Creditors and accruals	22	-	2,374,692,981	2,374,692,981
		-	71,056,287,464	71,056,287,464