



Refining With Vision

Growth | Profitability | Supply Security



NINE MONTHS REPORT
MARCH 31, 2025

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VISION

The refinery of the first choice for all stakeholders

MISSION

Producing top quality and environmentally sustainable products through safe operations, state-of-the-art technology and premium human resources

COMPANY PROFILE

PRL is a hydro-skimming refinery incorporated in Pakistan as a public limited company in May 1960. PRL is engaged in the production and sale of petroleum products. PRL operates as a subsidiary of Pakistan State Oil Company Limited (PSO), which is the largest oil marketing company in Pakistan. PRL's shares are publicly traded on the Pakistan Stock Exchange Limited.

The refinery is strategically located in Karachi, with a designed throughput capacity of 50,000 barrels per day. The major units in refinery complex are Crude Distillation Unit, Hydrotreating Unit, Platformer Unit, and Isomerization Unit.

COMPANY INFORMATION

Deputy Managing Director Finance / CFO
Imran Ahmad Mirza

Company Secretary
Shehrzad Aminullah

Auditors & Tax Advisors
KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisor
Orr Dignam & Co.

Registrar & Share Registration Office
FAMCO Share Registration Services
(Pvt.) Limited.

8-F, near Hotel Faran, Nursery, Block-6, P.E.C.H.S.,
Shahra-e-Faisal, Karachi.

Bankers

Askari Bank Limited
Bank Alfalah Limited
Bank AL-Habib Limited
Bank of China Limited-Pakistan Operations
Dubai Islamic Bank
Faysal Bank Limited
Habib Metropolitan Bank Limited
Habib Bank Limited
Industrial and Commercial Bank of China-Pakistan
Operations
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab Limited
United Bank Limited

Registered Office

P.O. Box 4612, Korangi Creek Road, Karachi-75190
Tel: (92-21) 35122131-40
Fax: (92-21) 35060145, 35091780
info@prl.com.pk
www.prl.com.pk

BOARD OF DIRECTORS

TARIQ KIRMANI

Chairman

ZAHID MIR

Managing Director & CEO

AFTAB HUSAIN

Director

FALAK SHER VIRK

Director

MOHAMMAD ABDUL ALEEM

Director

MOHAMMAD ZUBAIR

Director

MOHSIN ALI MANGI

Director

SYED JEHANGIR ALI SHAH

Director

SYED MUHAMMAD TAHA

Director

TARA UZRA DAWOOD

Director

ZAFAR UL ISLAM USMANI

Director



DIRECTORS' REVIEW

The Board of Directors is pleased to present their review report along with the unaudited condensed interim financial information for the nine months ended March 31, 2025.

Depressed prices of petroleum products and global refining margins coupled with low local demand for petroleum products resulted in significant inventory losses for the Company in the current period. Further, the shift in the Country's electricity generation from High Sulphur Furnace Oil (HSFO) to other sources significantly reduced local demand of HSFO forcing the Company to export HSFO at a loss. All these factors had a substantial impact on the bottom line and the Company suffered a loss after taxation of Rs. 4.6 billion in the current period as compared to a profit after taxation of Rs. 5.3 billion in the comparative period.

Despite these head winds the Company maintained its focus on thorough planning and close monitoring of operational parameters and continues to achieve new production milestones. During the nine month period ended March 31, 2025, the Company surpassed 600,000 Metric Ton production of High Speed Diesel (HSD) - the highest ever for such a period. The Company believes that through its operational efficiency combined with recovery in international refining margins, it will be able to overcome the current loss situation in future.

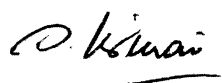
The oil industry has continued its rigorous engagement with various stakeholders of the Government including Federal Board of Revenue (FBR) and Ministry of Energy (MoE) to resolve the matter relating to HSD, Motor Spirit, Kerosene and Light Diesel Oil (LDO) exempted from applicability of Sales Tax by the Government through Finance Act 2024. This amendment has had negative effects on the Company's current profitability as well as viability of Refinery Expansion and Upgrade Project (REUP). Multiple options are being discussed, including reclassification of these products as taxable as well as recovery of disallowed input tax in previous periods through product the pricing mechanism. The Company is hopeful that considering the strategic nature of refineries' operations and the importance of upgrade projects by the refineries for the Country's economy, the Government will take necessary steps to address these grave concerns of the refining industry.

Your Company remains committed to the REUP, which will double the Refinery's crude processing capacity from 50,000 barrels per day to 100,000 barrels per day, practically eliminate HSFO and produce Euro V spec products. With the Front-End Engineering Design (FEED) work having been completed in September 2024 as per schedule, the Refinery hopes to receive Engineering, Procurement, Construction and Finance (EPCF) bids in the quarter ending June 30, 2025, which will be followed by Financial Close. Meanwhile, PRL continues to be engaged with different potential strategic investors through various forums.

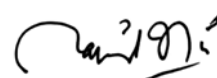
Health, Safety, Environment and Quality (HSEQ) continued to remain a key area of focus for the Refinery, which translated into completion of 7.52 million man-hours of operations without any Lost Time Injury (LTI) as at 31st March 2025. During the period under review, all the applicable HSEQ standards were within the allowable limits.

The Board of Directors would like to acknowledge and appreciate the contributions/co-operation of all stakeholders of the Company for their continued support, including the Government of Pakistan.

On behalf of the Board of Directors



Tariq Kirmani
Chairman



Zahid Mir
Managing Director and CEO

Karachi: April 23, 2025

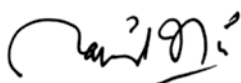


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

	Note	March 31, 2025 Unaudited	June 30, 2024 Audited
ASSETS			
(Rupees in thousand)			
Non-current assets			
Property, plant and equipment	7	30,977,756	30,548,548
Right-of-use asset		80,630	99,435
Intangibles		36,288	18,325
Investment accounted for using the equity method		61,016	61,141
Long-term deposits and loans		31,261	31,222
Deferred tax asset		566,686	-
Employee benefit prepayments		18,014	18,272
		31,771,651	30,776,943
Current assets			
Inventories	8	23,714,860	30,520,187
Trade receivables	9	17,801,540	11,229,089
Trade deposits, loans, advances and short-term prepayments		606,400	830,002
Other receivables	10	19,309,067	23,241,191
Taxation - payments less provision		501,122	199,985
Investments	11	6,989,610	4,200,895
Cash and bank balances	12	3,074,170	6,927,227
		71,996,769	77,148,576
		103,768,420	107,925,519
EQUITY AND LIABILITIES			
EQUITY			
Share capital		6,300,000	6,300,000
(Accumulated loss) / unappropriated profit		(2,909,495)	2,942,789
Revaluation surplus on property, plant and equipment		20,325,928	20,325,928
Other reserves		1,947	1,947
		23,718,380	29,570,664
LIABILITIES			
Non-current liabilities			
Long-term borrowings	13	9,000,000	3,000,000
Long-term lease liability		111,484	139,969
Deferred tax liability		-	618,242
Employee benefit obligations		367,104	384,269
		9,478,588	4,142,480
Current liabilities			
Trade and other payables	14	37,528,837	48,737,208
Short-term borrowings	15	33,000,364	25,443,989
Current portion of long-term lease liability		17,950	11,326
Unpaid dividend		4,449	-
Unclaimed dividend		19,852	19,852
		70,571,452	74,212,375
		80,050,040	78,354,855
CONTINGENCIES AND COMMITMENTS	16	103,768,420	107,925,519

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.



Zahid Mir
Managing Director & CEO



Mohammad Abdul Aleem
Director



Imran Ahmad Mirza
Chief Financial Officer




CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Period ended		Quarter ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
			(Restated)		(Restated)
(Rupees in thousand)					
Revenue from contracts with customers	17	235,961,057	231,643,980	67,081,081	49,455,730
Cost of sales		(235,668,153)	(218,701,797)	(68,911,797)	(50,014,825)
Gross profit / (loss)		292,904	12,942,183	(1,830,716)	(559,095)
Selling expenses		(591,946)	(447,297)	(198,841)	(116,884)
Administrative expenses		(1,045,222)	(917,594)	(328,352)	(329,071)
Other operating expenses	18	(2,564,179)	(3,777,687)	(327,212)	(1,245,765)
Other income		2,421,911	3,450,742	770,599	1,122,295
Operating (loss) / profit		(1,486,532)	11,250,347	(1,914,522)	(1,128,520)
Finance cost		(2,817,584)	(2,963,020)	(928,382)	(987,868)
Share of income of associate - accounted for using the equity method		4,128	19,687	2,198	6,075
(Loss) / profit before Taxation		(4,299,988)	8,307,014	(2,840,706)	(2,110,313)
Final Tax and Minimum Tax		(1,388,712)	(185,268)	(428,942)	(6,989)
Taxation		1,096,416	(2,852,235)	690,278	878,090
(Loss) / profit for the period		(4,592,284)	5,269,511	(2,579,370)	(1,239,212)
Other comprehensive income / (loss)		-	-	-	-
Total comprehensive (loss) / profit		(4,592,284)	5,269,511	(2,579,370)	(1,239,212)
(Loss) / earnings per share - basic and diluted	19	(Rs. 7.29)	Rs. 8.36	Rs. (4.09)	Rs. (1.97)

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.


Zahid Mir
Managing Director & CEO


Mohammad Abdul Aleem
Director


Imran Ahmad Mirza
Chief Financial Officer






CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2025

	SHARE CAPITAL	CAPITAL RESERVE		REVENUE RESERVE		TOTAL
	Special reserve	Revaluation surplus on property, plant and equipment	Exchange equalisation reserve	Unappropriated profit / (Accumulated loss)	General reserve	
(Rupees in thousand)						
Balance as at July 1, 2023 - (audited)	6,300,000	16,979,049	20,325,928	897	(18,249,656)	1,050
Profit for the period ended March 31, 2024	-	-	-	-	5,269,511	-
Other comprehensive income for the period ended March 31, 2024	-	-	-	-	-	-
Amount transferred from special reserve	-	(16,979,049)	-	-	5,269,511	-
Balance as at March 31, 2024 - (unaudited)	6,300,000	-	20,325,928	897	3,998,904	1,050
Balance as at July 1, 2024 - (audited)	6,300,000	-	20,325,928	897	2,942,789	1,050
Loss for the period ended March 31, 2025	-	-	-	-	(4,592,284)	-
Other comprehensive income for the period ended March 31, 2025	-	-	-	-	-	-
Final dividend for the year ended June 30, 2024 @ Rs. 2 per share	-	-	-	-	(1,260,000)	-
Balance as at March 31, 2025 - (unaudited)	6,300,000	-	20,325,928	897	(5,852,284)	1,050
	6,300,000	-	20,325,928	897	(2,909,495)	1,050

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.


Zahid Mir
Managing Director & CEO


Mohammad Abdul Aleem
Director


Imran Ahmad Mirza
Chief Financial Officer


CONDENSED INTERIM STATEMENT OF CASH FLOWS - (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2025

	Note	March 31, 2025	March 31, 2024
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	21	(8,479,731)	26,377,734
Interest paid		(2,800,249)	(2,927,084)
Taxes paid		(1,778,360)	(3,014,493)
Contribution made to retirement benefit plans		(123,672)	(154,482)
(Increase) / decrease in long-term deposits and loans		(39)	3,817
Net cash (used in) / generated from operating activities		(13,182,051)	20,285,492
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(1,527,804)	(3,037,157)
Proceeds from disposal of property, plant and equipment		7,184	4,125
Purchase of treasury bills net off disposals		(1,844,419)	(10,442,520)
Dividend received		4,252	4,252
Interest received		695,964	2,351,537
Net cash (used in) investing activities		(2,664,823)	(11,119,763)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term borrowings		6,000,000	1,000,000
Repayment of FE loans		(21,331,498)	-
Proceeds from FE loans		29,099,460	-
(Repayments) / proceeds from short term borrowings		(500,000)	1,500,000
Lease rentals paid		(33,565)	(28,159)
Dividend paid		(1,255,551)	-
Net cash generated from financing activities		11,978,846	2,471,841
Net (decrease) / increase in cash and cash equivalents		(3,868,028)	11,637,570
Cash and cash equivalents at the beginning of the period		6,927,227	6,469,174
Exchange gain on cash and cash equivalents		14,971	498
Cash and cash equivalents at the end of the period	22	3,074,170	18,107,242

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.


Zahid Mir
Managing Director & CEO


Mohammad Abdul Aleem
Director


Imran Ahmad Mirza
Chief Financial Officer



NOTES TO AND FORMING PART OF THE FINANCIAL INFORMATION - (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2025

1. THE COMPANY AND ITS OPERATIONS

Pakistan Refinery Limited was incorporated in Pakistan as a public limited company in May 1960 and is listed on Pakistan Stock Exchange. The Company is engaged in the production and sale of petroleum products.

The Company is a subsidiary of Pakistan State Oil Company Limited (PSO).

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

- Refinery complex and registered office at Korangi Creek Road, Karachi; and
- Storage tanks at Keamari, Karachi.

2. BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprises of:

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

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

This condensed interim financial information of the Company does not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements for the year ended June 30, 2024.

4. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

4.1 Standards, interpretations and amendments to accounting standards that are effective in the current period

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for accounting periods beginning on or after July 1, 2024, however, these do not have any significant impact on the this condensed interim financial information and therefore, have not been detailed here.

4.2 Standards, interpretations and amendments to accounting standards that are not yet effective

There are certain standards, amendments and interpretations to the accounting and reporting standards as applicable in Pakistan which are not yet effective in the current accounting period beginning on or after July 1, 2025. These are not likely to have any significant impact on the Company's financial reporting and are therefore, have not been detailed in these condensed interim financial information.

5. USE OF ESTIMATES AND JUDGEMENTS

In preparing this condensed interim financial information, management has made judgements and estimates that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.



Significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual financial statements as at and for the year ended June 30, 2024.

6. FINANCIAL RISK MANAGEMENT

The Company's financial risk management policies and objectives are consistent with those disclosed in the annual financial statements as at and for the year ended June 30, 2024.

7. PROPERTY, PLANT AND EQUIPMENT

7.1 Following are additions to Property, Plant and Equipment during the period:

	March 31, 2025 Unaudited	March 31, 2024 Unaudited
	(Rupees in thousand)	
Building	19,842	16,911
Processing plant	617,762	534,719
Korangi tank farm	65,373	5,317
Keamari Terminal	1,405	-
Pipelines	14,191	-
Steam Generation Plant	87,946	12,827
Power Generation, Transmission and Distribution	63,273	6,226
Equipment and furniture	166,361	49,460
Intangibles	23,893	-
Fire fighting and telecommunication systems	29,769	18,820
Vehicles and other automotive equipment	60,426	68,200
Major spare parts and stand by equipments - net of transfers	1,578	(2,908)
Capital work-in-progress - net of transfers	375,985	2,327,585
	1,527,804	3,037,157

7.2 Fixed assets having Net Book Value of Rs. 5.57 million were disposed-off during the period against the disposal proceeds of Rs. 7.18 million.

8. INVENTORIES

As at March 31, 2025, stock of crude oil has been written down by Rs. 720.9 million (June 30, 2024: Nil) and finished products has been written down by Rs. 1,094.3 million (June 30, 2024: Rs 380.6 million) to arrive at its net realisable value.

9. TRADE RECEIVABLES

This includes amounts of Rs. 9.65 billion (June 30, 2024: Rs. 6.5 billion), Rs. 0.35 billion (June 30, 2024: Rs. 0.6 billion), Rs. 0.58 billion (June 30, 2024: Nil) and Rs. 1.36 billion (June 30, 2024: Nil) due from Pakistan State Oil Company Limited, Flow Petroleum Private Limited, Gas & Oil Pakistan Limited and Taj Gasoline Private Limited - (related parties) respectively.

10. OTHER RECEIVABLES

10.1 This includes Nil balance (June 30, 2024: Rs. 4.49 billion) due from Pak-Arab Refinery Limited (PARCO) - (related party).

10.2 Other receivables also include a net amount of Rs. 9.2 billion (exchange losses of Rs. 9.82 billion net of exchange gains of Rs. 0.62 billion) (June 30, 2024: Rs. 8.78 billion) in respect of foreign currency loans (FE loans) obtained by the Company for settlement of LCs of crude oil based on the directions of Ministry of Finance (MoF) dated November 27, 2013 and October 21, 2021. On July 18, 2024, MoF interalia informed the Directorate General of Oil office that exchange losses incurred by the Company on the two FE loans taken by it, may be included in the summary for the Economic Coordination committee (ECC) for recovery through pricing mechanism.

10.3 Other receivables also include Rs. 1.75 billion on account of unadjustable input tax related to exempt supplies. The Company along with oil industry is in negotiations with the Government to allow reimbursement of said unadjustable input tax from IFEM mechanism.

10.4 Other receivables also include Rs. 7.66 billion (June 30, 2024: Rs. 9.64 billion) on account of custom duty paid on import of crude oil which is reimbursable through Inland Freight Equalization Margin (IFEM) under Pakistan Oil Refining Policy for Existing / Brownfield Refineries, 2023. During the period, Oil and Gas Regulatory Authority (OGRA) allowed provisional adjustment of Rs. 12 billion due on this account against incremental incentives and Surplus Price Differential payable.



11. INVESTMENTS

This represents short term investment in treasury bills measured at fair value through profit or loss. Fair values of these investments are determined using repurchase price and carry interest yields ranging from 11.90% to 11.99%. These treasury bills will be matured latest by November 29, 2025.

12. CASH AND BANK BALANCES

March 31, 2025 Unaudited	June 30, 2024 Audited
--------------------------------	-----------------------------

(Rupees in thousand)

With banks in

Conventional

Current accounts

Savings accounts - note 12.1

Islamic

Current accounts

Savings accounts

Cash in hand

1,823,102	3,496,191
1,247,192	2,967,029
3,070,294	6,463,220
2,683	139,679
218	324,176
2,901	463,855
975	152
3,074,170	6,927,227

- 12.1** The rates of mark-up on savings accounts as at March 31, 2025 were in the range of 5% to 10.50% per annum (June 30, 2024: 19% per annum).

13. LONG-TERM BORROWINGS

- 13.1** The Company has obtained a long term project finance loan of Rs. 3 billion from Askari Bank Limited (ABL) at a mark-up of 1 month KIBOR + 1% per annum for a tenor of 3 years (including 2.5 year grace period). The loan is repayable in six equal monthly installments commencing from 31st month from drawdown date, whereas markup is to be paid on a quarterly basis. The loan is secured by way of hypothecation of property, plant and equipment (excluding land and buildings).
- 13.2** During the period, the Company obtained a Syndicated Term Finance loan of Rs. 6 billion at a mark-up of 3 month KIBOR + 0.75% per annum from The Bank of Punjab for a tenor of 3.5 years (including 3 years grace period). The loan is repayable in six equal monthly installments commencing from 37th month from drawdown date, whereas markup is to be paid on a quarterly basis. The loan is secured by way of First Pari Passu hypothecation charge over present and future fixed assets (excluding land and buildings).
- 13.3** During the period, the Board of Directors of the Company approved a loan facility of PKR 3.15 billion from Pakistan State Oil Company Limited (PSO) to finance the Front-End Engineering Design (FEED) study for the Refinery Expansion & Upgrade Project ("REUP"). The loan includes an option for PSO to convert it into equity, subject to the necessary corporate and regulatory approvals. The loan carries mark-up at a rate equal to the higher of PSO's borrowing cost or KIBOR plus premium of 0.35% per annum payable on quarterly basis. The loan has been received subsequent to period end.

14. TRADE AND OTHER PAYABLES

March 31, 2025 Unaudited	June 30, 2024 Audited
--------------------------------	-----------------------------

(Rupees in thousand)

Creditors
Payable to the Government
Surplus price differential payable
Accrued liabilities
Payable to escrow account - notes 14.1 and 14.2
Accrued mark-up on bank borrowings
Workers' Welfare Fund
Advances from customers
Tax deducted at source
Retention money

22,645,182	28,342,846
6,576,113	9,666,903
1,488,425	4,744,412
2,942,642	3,501,665
3,194,575	1,276,630
464,484	466,142
-	156,565
88,070	456,047
8,032	10,114
121,314	115,884
37,528,837	48,737,208



**March 31,
2025
Unaudited**

**June 30,
2024
Audited**

(Rupees in thousand)

14.1 Movement of incremental incentives during the period is as follows:

Opening balance	1,276,630	-
Incremental incentives earned during the period	7,110,121	9,369,485
Incremental incentives to be deposited in IFEM pool	-	(3,490,577)
Incremental incentives transferred to joint Escrow Account	(5,192,176)	(4,602,278)
Closing balance payable to joint Escrow Account - not due	3,194,575	1,276,630

14.2 During the year ended June 30, 2024, the GoP announced and notified the Pakistan Oil Refining Policy for Existing / Brownfield Refineries, 2023 (the Policy) on August 9 and 17, 2023 respectively. As per the Policy, the refineries were allowed incremental incentives at the rate of 2.5% on HSD and 10% on MS for a period of six years from the date of notification of the Policy to upgrade and produce environmental friendly fuels as per EURO V specifications.

The incentives collected during a month are required to be deposited within 10 days of subsequent month in an interest bearing Escrow Account maintained with National Bank of Pakistan to be jointly operated with OGRA. To be eligible for the incentives provided in the Policy, the refineries were required to enter into an Upgrade Agreement with OGRA within 3 months of the date of notification of the policy (subsequently extended by 60 days). The Company successfully executed the Upgrade Agreement with OGRA on November 15, 2023 and opened joint Escrow Account in accordance with the Policy on November 30, 2023.

Later, the Government revised the Policy that was notified on February 23, 2024 and amended following provisions of the original Policy:

- incentive period increased from six years to seven years from the date of signing of Upgrade Agreement and opening of Joint Escrow Account;
- maximum capping of incremental incentives increased from 25% to 27.5% of project cost;
- refineries were allowed 7.5% deemed duty on HSD for 20 years from the date of commissioning of upgrade project; and
- introduction of force majeure clause and amendments in arbitration clauses.

The revised policy gives the rights to a refinery who have already executed Upgrade Agreement under original Policy to opt for the amended provisions / incentives of the revised Policy by executing a supplemental to the Upgrade Agreement. The Company is in the process of finalisation of Supplemental Upgrade and Escrow Account Agreements with OGRA.

The incremental incentives under the Policy will be recognised after the Final Investment Decision (FID) on the project. Balance in joint Escrow Account as at March 31, 2025 was as follows:

**March 31,
2025
Unaudited**

**June 30,
2024
Audited**

(Rupees in thousand)

Opening balance	4,767,605	-
Incremental incentives transferred to Escrow Account during the period	5,192,176	4,602,278
Interest earned on incremental incentives (net of withholding tax)	716,599	165,327
Closing balance	10,676,380	4,767,605

15. SHORT TERM BORROWINGS

Foreign currency loans - note 15.1	32,000,364	23,943,989
Current portion of long-term borrowings	1,000,000	1,500,000
	33,000,364	25,443,989

15.1 The current amount represents short term FE loans obtained from:

Bank Name	USD in million	Markup rate	Due on
United Bank Limited	37.56	6.5% p.a.	April 16, 2025
Bank Alfalah Limited	30.88	5.00% p.a.	May 6, 2025
National Bank of Pakistan	45.69	7.5% p.a.	August 18, 2025

During the period ended March 31, 2025, the Company has repaid two FE loans of USD 40.26 million and USD 35.87 million obtained from Habib Bank Limited.



16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

- 16.1.1** Claims against the Company not acknowledged as debt amount to Rs. 8.34 billion (June 30, 2024: Rs. 8.24 billion). These include Rs. 8.15 billion (June 30, 2024: Rs. 7.99 billion) on account of late payment surcharge on purchase of crude oil. The Company has raised similar claims aggregating to Rs. 7.88 billion (June 30, 2024: Rs. 7.87 billion) relating to interest on late payments against trade receivables from certain Oil Marketing Companies. The Company is of the view that ultimately these claims will be waived off.
- 16.1.2** Proportionate share of contingencies related to tax matters of Pak Grease Manufacturing Company (Private) Limited - an associate company are Rs. 5.66 million (June 30, 2024: 5.66 million).
- 16.1.3** There has been no significant changes during the period in the status of contingencies reported in annual financial statements for the year ended June 30, 2024.
- 16.1.4** Bank guarantees of Rs. 1,152.5 million (June 30, 2024: Rs. 1,123.6 million), including a guarantee of Rs. 1,000 million issued in favor of Oil and Gas Regulatory Authority (OGRA) as per the requirements of Pakistan Oil Refining Policy for Existing / Brownfield Refineries, 2023.

16.2 Commitments

As at March 31, 2025, commitments outstanding for capital expenditure amounted to Rs. 2.53 billion (June 30, 2024: Rs. 1.52 billion).

17. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Period ended		Quarter ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Unaudited)			
	(Rupees in thousand)			
Local sales	278,285,164	291,071,785	77,472,942	66,155,146
Exports	37,776,437	13,431,265	12,562,045	500,158
Gross sales	316,061,601	304,503,050	90,034,987	66,655,304
Less:				
- Sales tax	(3,987,468)	(8,202,767)	(814,646)	(2,150,645)
- Excise duty and petroleum levy	(63,396,581)	(49,138,292)	(18,565,346)	(12,163,029)
- Incremental incentives - note 14.1	(7,110,121)	(6,720,786)	(2,088,638)	(1,676,728)
- Custom duty	-	(1,231,741)	-	-
- Surplus price differential	(5,253,436)	(7,565,484)	(1,360,993)	(1,209,172)
- Sales discount	(352,938)	-	(124,283)	-
	235,961,057	231,643,980	67,081,081	49,455,730

18. OTHER OPERATING EXPENSES

This includes expense related to research cost on refinery expansion and upgrade project amounting to Rs. 2.52 billion (March 31, 2024: Rs. 1.36 billion).

19. (LOSS) / EARNINGS PER SHARE

	Period ended		Quarter ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Unaudited)			
	(Rupees in thousand)			
(Loss) / earnings attributable to ordinary shareholders (Rs. in thousand)	(4,592,284)	5,269,511	(2,579,370)	(1,239,212)
Weighted average number of ordinary shares outstanding during the period (in thousand)	630,000	630,000	630,000	630,000
Basic and diluted (loss) / earnings per share	(Rs. 7.29)	Rs. 8.36	Rs. (4.09)	Rs. (1.97)

- 19.1** There were no dilutive potential ordinary shares in issue as at March 31, 2025 and March 31, 2024.



20. TRANSACTIONS WITH RELATED PARTIES

The Company has related party relationship with parent company, associated undertakings, directors, key management personnel and retirement benefit funds.

Sale of certain products is transacted at prices regulated by the Oil & Gas Regulatory Authority. Transactions with employee benefit funds are carried out based on the terms of employment of the employees and according to the actuarial advice. All other related party transactions are carried out on arms length basis.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their Refinery Leadership Team including the Chief Executive Officer and Directors to be its key management personnel.

There are no transactions with key management personnel other than under their terms of employments / entitlements.

		March 31, 2025 Unaudited	March 31, 2024 Unaudited
		(Rupees in thousand)	
Relationship	Nature of transaction		
(a) Parent company	Sale of goods - net	106,973,013	101,133,162
	Purchase of goods	54,674	59,047
	Discount allowed	174,102	-
	Services rendered	280	267
	Services received	27,000	23,088
(b) Associated companies	Sale of goods - net	27,370,434	29,804,008
	Purchase of goods - net	14,724,733	20,404,132
	Discount allowed	1,369	-
	Services rendered	-	21,866
	Dividend received	4,252	4,252
(c) Key management personnel compensation (excluding non-executive directors)	Services received	12,524	10,783
	Salaries and other short-term employee benefits	247,768	179,147
	Post-employment benefits	11,293	11,773
	Sale of motor vehicle as per company's Policy	774	583
(d) Staff retirement benefit funds	Payments to staff retirement benefit funds	214,446	238,449
(e) Non-executive Directors	Remuneration and fees	43,206	24,345

21. CASH GENERATED FROM OPERATIONS

(Loss) / profit before income tax
Adjustments for non-cash charges and other items:

Mark-up expense
Depreciation and amortisation
Exchange (gain) on cash and cash equivalents
Provision for employee benefit obligations
Profit on deposits
Income from investments
Share of profit of associate
Gain on disposal of operating assets - net
Provision for slow moving stores and spares - net

Working capital changes - note 21.1
Cash (used in) / generated from operations

(4,299,988)	8,307,014
2,817,584	2,963,019
1,085,955	915,113
(14,971)	(498)
106,765	155,056
(993,655)	(2,016,791)
(944,296)	(1,303,624)
(4,128)	(19,687)
(1,617)	(3,307)
11,877	(3,477)
2,063,514	685,804
(6,243,257)	17,384,916
(8,479,731)	26,377,734



21.1 Working capital changes

(Increase) / decrease in current assets

Inventories

Trade receivables

Trade deposits, loans, advances and short-term prepayments

Other receivables

Increase / (decrease) in current liabilities

Trade and other payables

March 31,
2025
Unaudited

March 31,
2024
Unaudited

(Rupees in thousand)

6,794,077	1,891,888
(6,572,451)	10,553,427
223,602	(822,990)
4,518,228	(15,368,752)
4,963,456	(3,746,427)
(11,206,713)	21,131,343
(6,243,257)	17,384,916

22. CASH AND CASH EQUIVALENTS

Cash and bank balances

3,074,170

18,107,242

23. OPERATING SEGMENTS

This condensed interim financial information has been prepared on the basis of a single reportable segment.

Sale to 2 customers (March 31, 2024: 2 customers) represents 58.75% (March 31, 2024: 54.55%) of the revenue and exceeds 10% of the revenue during the period.

24. FAIR VALUE FINANCIAL INSTRUMENTS

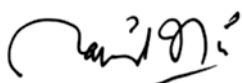
The carrying values of all financial assets (loans and receivables) and other financial liabilities reflected in this condensed interim financial information are estimated to approximate their fair values, as these are either short term in nature or repriced periodically.

25. CORRESPONDING FIGURES

Comparative figures have been re-arranged and reclassified, where necessary, for the purpose of comparison and better presentation and the effect of which is immaterial to the financial statements.

26. DATE OF AUTHORISATION

This condensed interim financial information were authorised for issue by the Board of Directors of the Company on April 23, 2025.s



Zahid Mir
Managing Director & CEO



Mohammad Abdul Aleem
Director



Imran Ahmad Mirza
Chief Financial Officer





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