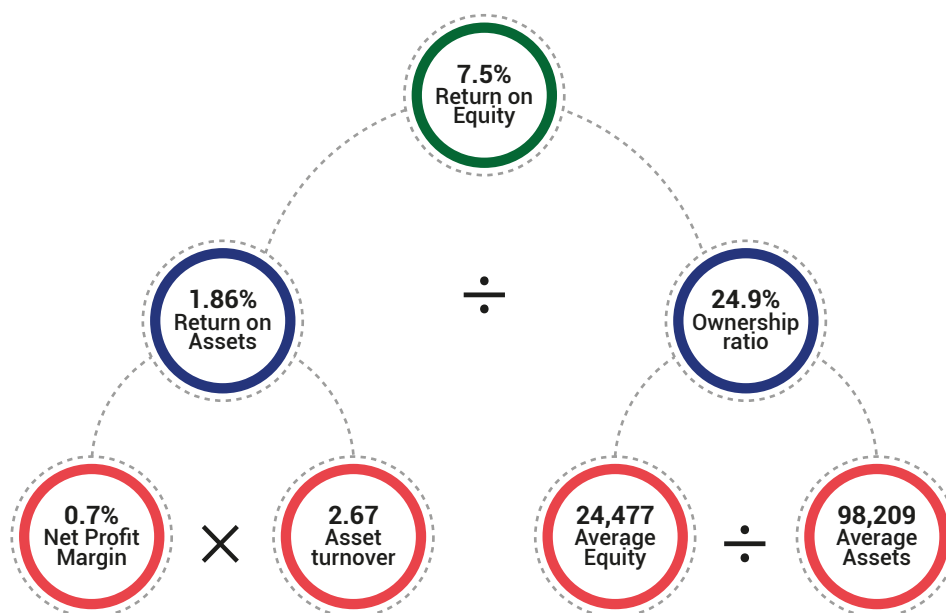




FINANCIAL ANALYSIS
**LINES OF
GLORY**

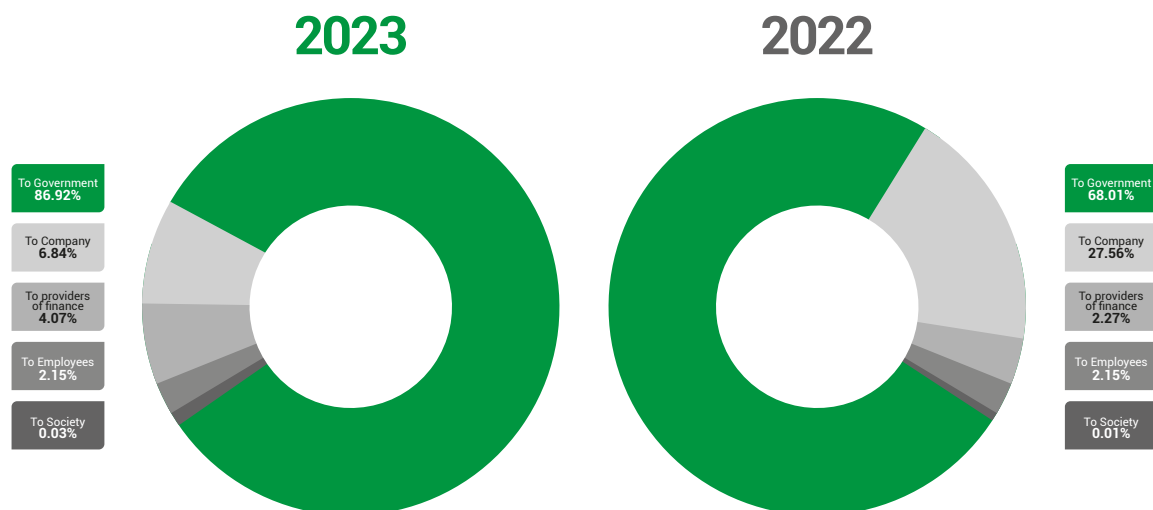
DUPONT ANALYSIS



Description	2023	2022	Comments
a Tax burden (net income / profit before tax)	54.1%	79.0%	The Company generated profit for the year amounting to Rs. 1.82 billion and was able to utilise deferred tax charge on unabsorbed depreciation. Tax charge for the current year has been worked out @ 0.5% of turnover as the charge exceeds normal tax on taxable income. Moreover, the charge includes Super Tax @ 10%. Last year, the Company generated exorbitant profit and was subject to Alternate Corporate Taxation Regime @ 17% calculated on accounting profit before tax. Net tax charge for the year was 45.9% as compared to 21.0% in the comparative period.
b Interest burden (profit before tax / earnings before interest and tax)	45.3%	91.0%	Interest burden deteriorated due to increase in average borrowing and weighted average cost of borrowing during the year as compared to last year.
c Operating profit margin (earnings before interest and tax / revenue)	2.8%	9.1%	Operating profit margins decreased as compared to last year because the Company had exceptional margins in the previous year as depicted by EBIT of Rs. 17.50 billion against Rs. 7.45 billion in the current year.
d Asset turnover (sales / assets)	2.67%	2.90%	Asset turnover ratio is impacted by the change in total assets against the increase in revenue. The average total assets increased by 16% as compared to 72.6% in prior year while the revenue increased by 37% as against 107% in the comparative year.
e Financial Leverage ratio (assets / net equity)	4.01%	5.15%	Financial leverage decreased due to increase in average equity by 7% due to increased profitability while average total assets increased by 16%. This increase in asset base is mainly attributable to increase in inventory levels and trade debt.
Return on equity (a x b x c x d x e)	7.5%	98.1%	Return on equity decreased substantially as the net profit decreased by 6.89 times while the average equity increased by 7%.

STATEMENT OF VALUE ADDITION AND IT'S DISTRIBUTION

	2023		2022	
	Rs. in thousand	%	Rs. in thousand	%
Wealth Generated				
Total gross revenue and other income	329,587,212		224,385,280	
Brought in materials and services	(254,200,396)		(169,939,005)	
	75,386,816	100.00%	54,446,275	100.00%
Wealth distribution to stakeholders				
To employees				
Salaries, wages and other costs including retirement benefits	1,621,860	2.15%	1,169,490	2.15%
To Government				
Income tax, sales tax, excise duty, development surcharge, WPPF, WWF etc	65,524,590	86.92%	37,025,934	68.01%
To society				
Donation to an educational institute	19,763	0.03%	7,500	0.01%
To shareholders				
Dividends and bonus	-	0.00%	-	0.00%
To providers of finance				
Financial charges for borrowed funds	3,065,888	4.07%	1,236,625	2.27%
To Company				
Depreciation, amortisation and retained profit	5,154,715	6.83%	15,006,726	27.56%
	75,386,816	100.00%	54,446,275	100.00%



ANALYSIS OF STATEMENT OF FINANCIAL POSITION

		2023	2022	2021	2020	2019	2018
Share Capital	Rs /bn	6.3	6.3	6.3	3.2	2.9	2.9
Reserves	Rs./bn	19.1	17.3	(4.3)	(5.3)	0.6	1.1
Share deposit money	Rs./bn	-	-	-	1.9	-	-
Net equity	Rs./bn	25.4	23.6	2.0	(0.2)	3.5	4.1
Fixed assets and Intangible assets	Rs./bn	28.6	29.1	20.6	21.4	19.0	13.4
Net current assets / (liabilities)	Rs./ bn	(0.7)	(4.6)	(17.8)	(16.8)	(10.9)	(4.5)
Long term / deferred liabilities	Rs./bn	2.8	1.0	0.8	4.8	4.7	5.1

NET EQUITY

During past six years, the Company's share capital primarily remained unchanged except for rights share issuance in 2020 which doubled the share capital of the Company to Rs. 6.3 billion. The reserves of the company have gradually increased over the years primarily due to profit retention. In addition to it, revaluation surplus increased the net equity by Rs. 16.3 billion. Resultantly, the total shareholders' equity stood at Rs. 25.36 billion with an increase of 6.4 times since 2017.

NON-CURRENT ASSETS

Property, plant and equipment is the core component of non-current assets of the Company which elevated primarily due to revaluation of land by Rs. 16.3 billion over the period of six years.

CURRENT ASSETS

Inventory, trade receivables and cash and bank balances majorly comprises of current assets. Inventory and trade receivables increased over the course of six years following the increase in prices of crude oil and petroleum products coupled with devaluation of exchange rate. Simultaneously, the liquidity of the company improved, resultantly the cash and bank balance strengthened. Therefore, the current assets increased by 4.52 times since 2018.

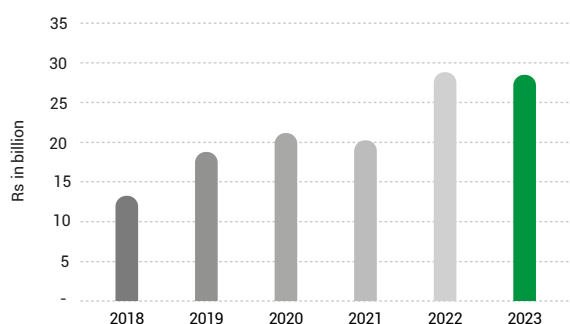
NON-CURRENT LIABILITIES

Long term borrowing is the major component of non-current liabilities which reduced to half as the liabilities pertaining to ISOM project obtained back in 2014-15 were settled over the course of six years.

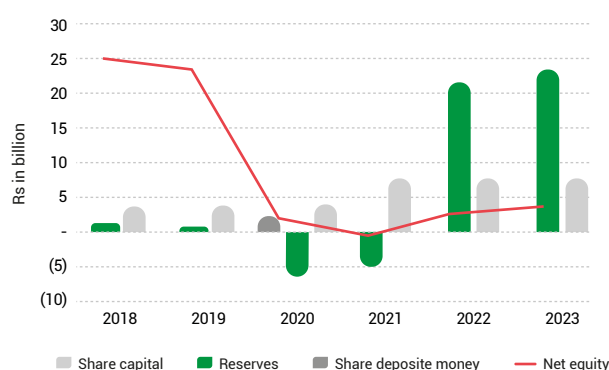
CURRENT LIABILITIES

Trade and other payables and short term borrowings are major component of current liabilities. The increase in current liabilities is primarily evidenced by increase in trade and other payables on the pretext of increase in cost of purchases due to increase in international crude oil prices coupled with substantial devaluation of exchange rate. Short term borrowings also increased manifolds because of FE loan revaluation.

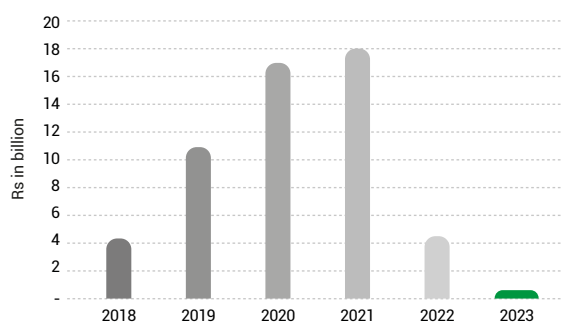
Fixed and Intangible assets



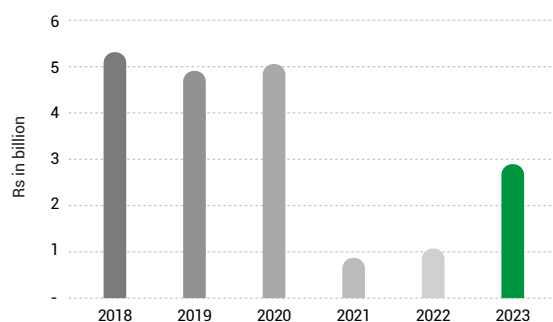
Equity Components



Net Current Liabilities



Long term / deferred Liabilities



HORIZONTAL ANALYSIS OF FINANCIAL POSITION

	2023 Rs. in million	23 vs 22 %	2022 Rs. in million	22 vs 21 %	2021 Rs. in million	21 vs 20 %	2020 Rs. in million	20 vs 19 %	2019 Rs. in million	19 vs 18 %	2018 Rs. in million	18 vs 17 %
ASSETS												
Non-current assets												
Property, plant and equipment and intangibles	28,456	(2)	28,981	42	20,414	(4)	21,208	12	18,975	41	13,447	10
Right-of-use asset	115	(12)	131	(11)	147	(10)	163	-	-	-	-	-
Investment accounted for using the equity method	46	(17)	56	(6)	59	(10)	65	5	62	(13)	71	(15)
Long-term deposits and loans	28	(9)	31	13	27	5	26	(12)	29	0	29	12
Deferred taxation	161	100	-	-	-	-	-	-	-	-	-	-
Employee benefit prepayments	19	(41)	33	27	26	(15)	30	72	18	(27)	24	(11)
Total non-current assets	28,826	(1)	29,232	41	20,673	(4)	21,493	13	19,084	41	13,571	10
Current assets												
Inventories	35,461	47	24,057	131	10,415	31	7,964	(16)	9,447	21	7,830	21
Trade receivables	19,912	76	11,306	72	6,589	80	3,667	(72)	13,195	82	7,265	63
Trade deposits, loans, advances and short-term prepayments	174	(24)	229	204	75	53	49	(73)	181	219	57	18
Other receivables	9,428	265	2,585	(16)	3,073	46,769	7	(99)	554	(11)	622	(38)
Taxation - payments less provision	-	-	-	(100)	96	16	83	(50)	165	(72)	597	(25)
Cash and bank balances	11,671	(50)	23,539	32,287	73	(97)	2,190	762	254	(56)	575	(19)
Total current assets	76,646	24	61,715	204	20,321	46	13,960	(41)	23,796	40	16,947	25
Total assets	105,472	16	90,947	122	40,994	16	35,452	(17)	42,881	41	30,518	18
EQUITY AND LIABILITIES												
EQUITY												
Share capital	6,300	-	6,300	-	6,300	100	3,150	7	2,940	-	2,940	-
Subscription money against rights issue	-	-	-	-	-	(100)	1,943	100	-	-	-	-
Accumulated losses	(18,250)	(0)	(18,286)	1	(18,185)	(1)	(18,363)	72	(10,667)	121	(4,817)	2
Special reserve	16,979	11	15,254	449	2,781	43	1,943	-	1,943	-	1,943	38
Revaluation surplus on property, plant and equipment	20,326	-	20,326	82	11,149	-	11,149	20	9,291	132	3,998	14
Other reserve	2	-	2	-	2	-	2	25	2	(177)	(2)	(190)
Total equity	25,357	7	23,596	1,053	2,047	(1,271)	(175)	(105)	3,509	(14)	4,063	31
LIABILITIES												
Non-current liabilities												
Long-term borrowing	2,000	100	-	(100)	294	(93)	4,215	(2)	4,300	(9)	4,700	194
Lease liability	133	(6)	142	(4)	148	(3)	152	100	-	-	-	-
Deferred tax liabilities	-	(100)	284	5,700	5	(51)	10	(25)	13	(3)	14	(26)
Employee benefit obligations	637	8	587	55	378	(16)	450	23	367	7	343	14
Unearned Income	-	-	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	2,770	173	1,013	23	825	(83)	4,828	3	4,680	(7)	5,057	163
Current liabilities												
Trade and other payables	46,433	0	46,298	126	20,509	14	18,036	(10)	19,967	19	16,757	12
Short-term borrowings	29,834	58	18,901	8	17,574	39	12,599	(14)	14,702	218	4,619	(22)
Unearned revenue	-	(100)	6	(57)	15	(89)	141	100	-	-	-	-
Current portion of lease liability	9	35	6	41	5	36	3	100	-	-	-	-
Taxation - provision less payments	1,050	(5)	1,106	100	-	-	-	-	-	-	-	-
Unclaimed Dividend	20	-	20	-	20	(0)	20	(9)	22	(0)	22	(0)
Total current liabilities	77,345	17	66,338	74	38,122	24	30,799	(11)	34,691	62	21,399	2
Total liabilities	80,115	19	67,351	73	38,947	9	35,627	(10)	39,371	49	26,455	16
Total equity and liabilities	105,472	16	90,947	122	40,994	16	35,452	(17)	42,881	41	30,518	18

VERTICAL ANALYSIS OF FINANCIAL POSITION

(AS A PERCENTAGE OF REVENUE)

	2023	2022	2021	2020	2019	2018
ASSETS						
Non-current assets						
Property, plant and equipment and intangibles	27.0	31.9	49.8	59.8	44.3	44.1
Right-of-use asset	0.1	0.1	0.4	0.5	-	-
Investment accounted for using the equity method	-	0.1	0.1	0.2	0.1	0.2
Long-term deposits and loans	-	-	0.1	0.1	0.1	0.1
Deferred taxation	0.2	-	-	-	-	-
Employee benefit prepayments	-	-	0.1	0.1	-	0.1
Total non-current assets	27.3	32.1	50.4	60.7	44.5	44.5
Current assets						
Inventories	33.6	26.5	25.4	22.5	22.0	25.7
Trade receivables	18.9	12.4	16.1	10.3	30.8	23.8
Trade deposits, loans, advances and short-term prepayments	0.2	0.3	0.2	0.1	0.4	0.2
Other receivables	8.9	2.8	7.5	-	1.3	2.0
Taxation - payments less provisions	-	-	0.2	0.2	0.4	2.0
Cash and bank balances	11.1	25.9	0.2	6.2	0.6	1.9
Total current assets	72.7	67.9	49.6	39.3	55.5	55.5
Total assets	100.0	100.0	100.0	100.0	100.0	100.0
EQUITY AND LIABILITIES						
Share capital	6.0	6.9	15.4	8.9	6.9	9.6
Subscription money against rights issue	-	-	-	5.5	-	-
Accumulated losses	(17.3)	(20.1)	(44.4)	(51.8)	(24.9)	(15.8)
Special reserve	16.1	16.8	6.8	5.5	4.5	6.4
Revaluation surplus on property, plant and equipment	19.3	22.3	27.2	31.4	21.7	13.1
Other reserves	-	-	-	-	-	-
Total equity	24.0	25.9	5.0	(0.5)	8.2	13.3
LIABILITIES						
Non-current liabilities						
Long-term borrowings	1.9	-	0.7	11.9	10.0	15.4
Lease liability	0.1	0.2	0.4	0.4	-	-
Deferred tax liabilities	-	0.3	-	-	-	-
Employee benefit obligations	0.6	0.6	0.9	1.3	0.9	1.1
Total non-current liabilities	2.6	1.1	2.0	13.6	11.0	16.6
Current liabilities						
Trade and other payables	44.0	50.9	50.0	50.9	46.6	54.9
Short-term borrowings	28.3	20.8	42.9	35.5	34.3	15.1
Unearned revenue	-	0.0	0.0	0.4	-	-
Current portion of lease liability	0.01	0.01	0.0	0.0	-	-
Unclaimed Dividend	0.0	0.0	0.1	0.1	0.1	0.1
Total current liabilities	73.3	72.9	93.0	86.9	80.9	70.1
Total liabilities	76.0	74.1	95.0	100.5	91.8	86.7
Total equity and liabilities	100.0	100.0	100.0	100.0	100.0	100.0

ANALYSIS OF STATEMENT OF PROFIT OR LOSS

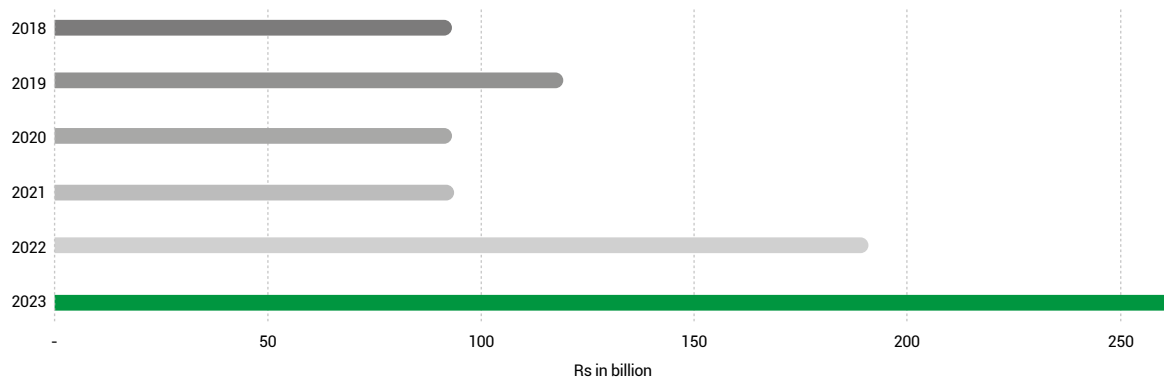
		2023	2022	2021	2020	2019	2018
Revenue	Rs./bn	261.9	191.3	92.1	90.5	115.7	92.2
Gross profit / (loss)	Rs./bn	7.3	20.3	3.2	(4.4)	(3.2)	1.0
Operating profit / (loss)	Rs./bn	7.4	17.5	3.0	(4.9)	(3.8)	1.4
Profit / (loss) before tax	Rs./bn	3.4	15.9	1.6	(6.9)	(5.2)	0.8
Profit / (loss) after tax	Rs./bn	1.8	12.6	0.9	(7.6)	(5.8)	0.5
EBITDA	Rs./bn	9.6	19.0	4.0	(3.9)	(2.9)	2.2

Revenue and cost of crude were significantly high throughout the year due to increased international oil prices coupled with devaluation of Pak Rupee against USD. In addition to the forex devaluation and non-upliftment of furnace oil, the Company persistently faced the LC opening issues along with high cost of LC confirmation charges and steep surge in the interest rates, which dented the profitability.

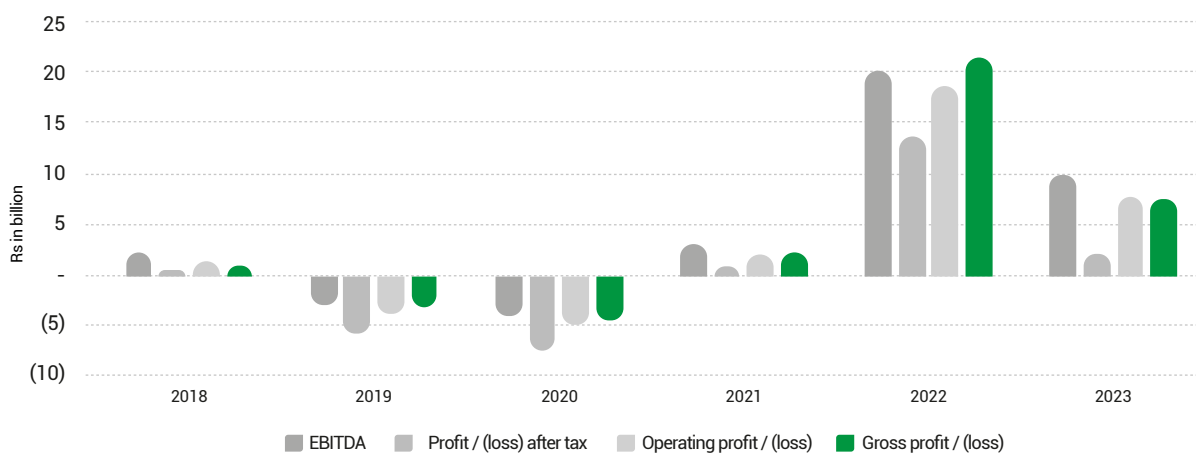
Through combination of factors including procurement of economically fit crudes, production of high margin products, inventory planning, application of cost saving measures etc, the Company posted a profit after tax of Rs. 1.82 billion for the year ended June 30, 2023 as compared to profit after tax of Rs. 12.47 billion last year. For details please refer Chairman's Review and Directors' Report.

The Company had exceptional margins in the previous year as depicted by EBIT of Rs. 17.50 billion against Rs. 7.45 billion in the current year.

Revenue



Financial Performance Analysis



VERTICAL ANALYSIS OF STATEMENT OF PROFIT AND LOSS

(AS A PERCENTAGE OF REVENUE)

	2023	2022	2021	2020	2019	2018
Revenue	100.0	100.0	100.0	100.0	100.0	100.0
Cost of sales	(97.2)	(89.4)	(96.5)	(104.8)	(102.7)	(98.9)
Gross profit / (loss)	2.8	10.6	3.5	(4.8)	(2.7)	1.1
Selling expenses	(0.2)	(0.2)	(0.3)	(0.2)	(0.2)	(0.2)
Administrative expenses	(0.4)	(0.3)	(0.5)	(0.5)	(0.4)	(0.4)
Loss allowance on trade receivables	-	-	-	-	(0.1)	-
Other operating expenses	(0.9)	(1.3)	(0.2)	(0.1)	-	(0.1)
Other income	1.6	0.3	0.7	0.2	0.2	1.2
Operating profit / (loss)	2.8	9.1	3.2	(5.4)	(3.3)	1.6
Finance costs	(1.6)	(0.8)	(1.4)	(2.2)	(1.2)	(0.6)
Share of loss of associate	(0.0)	(0.0)	(0.0)	-	-	(0.1)
Profit / (Loss) before taxation	1.3	8.3	1.8	(7.6)	(4.5)	0.9
Taxation	(0.6)	(1.7)	(0.8)	(0.8)	(0.5)	(0.4)
Profit / (loss) after taxation	0.7	6.6	1.0	(8.4)	(5.0)	0.5

HORIZONTAL ANALYSIS OF STATEMENT OF PROFIT AND LOSS

	2023 Rs. in million	23 vs 22 %	2022 Rs. in million	22 vs 21 %	2021 Rs. in million	21 vs 20 %	2020 Rs. in million	20 vs 19 %	2019 Rs. in million	19 vs 18 %	2018 Rs. in million	18 vs 17 %
Revenue	261,860	37	191,316	108	92,084	2	90,524	(22)	115,741	25	92,229	32
Cost of sales	(254,560)	49	(171,044)	93	(88,843)	(6)	(94,893)	(20)	(118,915)	30	(91,184)	35
Gross profit / (loss)	7,301	(64)	20,272	525	3,241	(174)	(4,368)	38	(3,174)	(404)	1,045	(59)
Selling expenses	(501)	56	(321)	21	(266)	29	(206)	(18)	(250)	24	(201)	5
Administrative expenses	(975)	77	(552)	15	(479)	4	(460)	(5)	(485)	25	(389)	11
Loss allowance on trade receivables	-	-	-	-	-	-	-	(100)	(122)	-	-	-
Other operating expenses	(2,443)	-	(2,433)	1,282	(176)	309	(43)	81	(24)	(81)	(124)	(75)
Other income	4,066	660	535	(16)	637	289	164	(39)	267	(75)	1,091	123
Operating profit / (loss)	7,448	(57)	17,501	492	2,957	(160)	(4,913)	30	(3,789)	(366)	1,422	(30)
Finance costs	(4,066)	157	(1,579)	20	(1,311)	(34)	(1,995)	38	(1,443)	144	(591)	(2)
Share of (loss) / income of associate	(10)	183	(3)	(46)	(6)	(295)	3	(123)	(14)	774	(2)	(115)
Profit / (loss) before taxation	3,373	(79)	15,918	871	1,639	(124)	(6,905)	32	(5,245)	(733)	829	(42)
Taxation	(1,548)	(54)	(3,345)	377	(702)	2	(686)	19	(576)	77	(325)	(15)
Profit / (loss) after taxation	1,825	(85)	12,573	1,242	937		(7,591)	30	(5,821)	(1,255)	504	(52)

ANALYSIS OF PERFORMANCE AGAINST TARGET

- a Gross profit fell short by 2.3 times as per the plan on the pretext of volatile margins. For details please refer Chairman's Review and Directors' Report.
- b Other income exceeded the target by 139% mainly due to increase in profit on deposits and gains on investment in T-bills due to surplus cash available to the Company during the year.
- c Operating cost (including finance cost) increased during the year by 110% mainly due to significant devaluation of Pak Rupee against USD, increased inflation rate, increased weighted average borrowing rate and various other uncontrollable factors.
- d Company's tax regime was in accordance with the target as it was forecasted that the Company would fall under the minimum tax regime @ 0.5% on turnover and 1% on export proceeds along with Super Tax @ 10%. The taxation was in line with the revenue of the Company. Actual effective tax rate exceeded the targetted effective tax rate by 12%. However, there's a decrease in tax expense as compared to plan by 69% due to chargeability of deferred tax as detailed in note 8 to the financial statements.
- e Profit for the year decreased by 81% as compared to the plan due to volatile refining margins and other factors as detailed in Chairman's Review and Directors' Report.

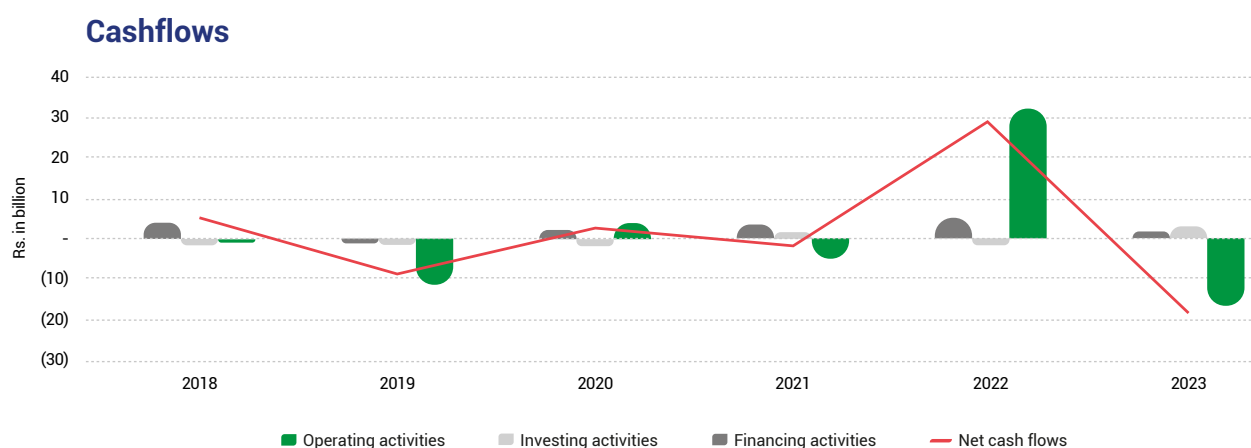
ANALYSIS OF STATEMENT OF CASHFLOWS

		2023	2022	2021	2020	2019	2018
Cash flows from operating activities	Rs./bn	(20.3)	25.1	(4.1)	3.3	(8.9)	(0.5)
Cash flows from investing activities	Rs./bn	2.5	(0.2)	(0.2)	(1.3)	(1.1)	(1.5)
Cash flows from financing activities	Rs./bn	0.7	4.1	2.6	1.8	(0.6)	3.1
Net cash flows	Rs./bn	(17.1)	29.0	(1.8)	3.9	(10.7)	1.2

The Company used cash in operating activities due to increase in working capital requirements.

The Company earned profit on deposits and gained on investments in Treasury Bills on surplus cash it had invested during the year.

Availing of new debts net of repayments resulted in net positive cashflows from financing activities.



STATEMENT OF CASH FLOWS UNDER DIRECT METHOD

FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	253,253,918	186,599,119
Cash paid to suppliers / service providers and employees	(267,618,005)	(157,894,622)
Interest paid	(3,676,501)	(1,619,052)
Taxes paid	(2,049,731)	(1,863,635)
Contribution made to retirement benefit plans	(174,158)	(120,560)
Net cash (used in) / generated from operating activities	(20,264,477)	25,101,250
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(617,058)	(509,208)
Proceeds from disposal of property, plant and equipment	4,714	3,354
Income from investments	1,103,006	-
Interest received	1,969,666	291,859
Net cash generated from / (used in) investing activities	2,460,328	(213,995)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from / (repayment of) long term loans - net	800,000	(2,900,000)
Repayment of salary refinancing	(107,792)	(144,160)
Lease rentals paid	(26,756)	(25,574)
Repayment of short term borrowings	-	(8,000,000)
Proceeds from foreign currency loan	-	15,168,798
Net cash generated from financing activities	665,452	4,099,064
Net (decrease) / increase in cash and cash equivalents	(17,138,697)	28,986,319
Cash and cash equivalents at the beginning of the period	23,522,896	(5,463,423)
Exchange gain on cash and cash equivalents	84,975	-
Cash and cash equivalents at the end of the period	6,469,174	23,522,896

ANALYSIS OF QUARTERLY RESULTS

	Q1 Jul - Sep 22	Q2 Oct - Dec 22	Q3 Jan - Mar 23	Q4 Apr - Jun 23	2022- 2023
----- Rs. in million -----					
Revenue	73,111	57,238	59,555	71,956	261,860
Cost of sales	(71,506)	(57,134)	(55,090)	(70,830)	(254,560)
Gross profit	1,605	104	4,465	1,126	7,301
Selling expenses	(77)	(90)	(126)	(209)	(501)
Administrative expenses	(215)	(176)	(176)	(409)	(975)
Other operating expenses	(108)	(14)	(197)	(2,123)	(2,443)
Other income	710	1,008	574	1,774	4,066
Operating profit	1,916	832	4,541	159	7,448
Finance cost	(632)	(664)	(1,881)	(889)	(4,066)
Share of (loss) of associate	(0)	(4)	(7)	1	(10)
Profit / (loss) before income tax	1,283	165	2,654	(729)	3,373
Taxation	(256)	(433)	(881)	23	(1,548)
Profit / (loss) after tax	1,027	(268)	1,772	(706)	1,825
Earnings / (loss) per share	Rs 1.63	(Rs 0.43)	Rs 2.81	(Rs 1.12)	Rs 2.90

The refining margins were extraordinarily high in the last quarter of the preceeding financial year which had slightly trickled down to the first quarter of the current financial year. However, the country faced the worst flood in decades during August 2022 that significantly disrupted the oil demand country-wide. The Company ensured the continuity of operations by preventing inventory build-up by deploying strategies such as reducing the throughput and by engaging oil marketing companies for supply of products.

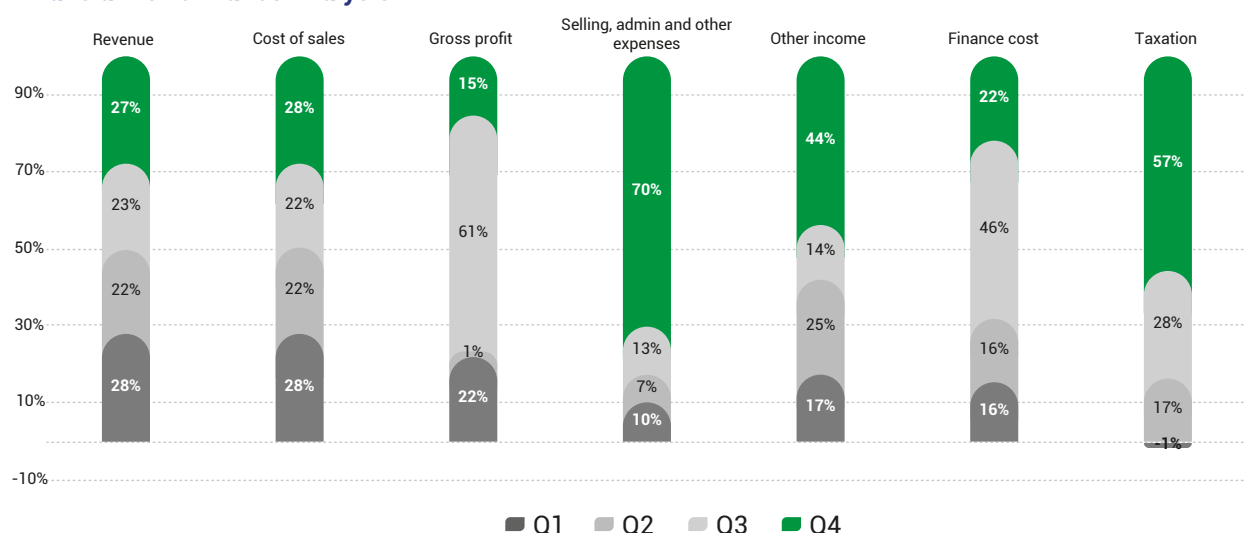
There was a lack of furnace oil demand in the country during second quarter, therefore, the throughput was managed accordingly. Further, the Refinery was shutdown for a period of 20 days on the pretext of catalyst regeneration. This led to the decline in the profitability of the Company

The business took momentum in the third and fourth quarter of the financial year as the Company deployed various operational strategies for instance; export of Furnace Oil to combat the inventory build-up due to lack of local demand, procurement of economically fit crudes, production of high margin products, dynamic inventory planning, application of cost saving measures etc. Third quarter evidenced better profit margins which translated into profitable bottom line.

Revenue and cost of crude were significantly high throughout the year due to increased international oil prices and devaluation of Pak Rupee against USD. In addition to the problems narrated above, the Company persistently faced the LC opening issues along with high cost of LC confirmation charges and steep surge in the interest rate, which dented the profitability.

The Company invested the surplus funds and earned profit on deposit and gained on investment in Treasury Bills, thereby increasing the other income which was equally offset by the increase in the finance charges.

Financial Performance Analysis



PROFITABILITY RATIOS

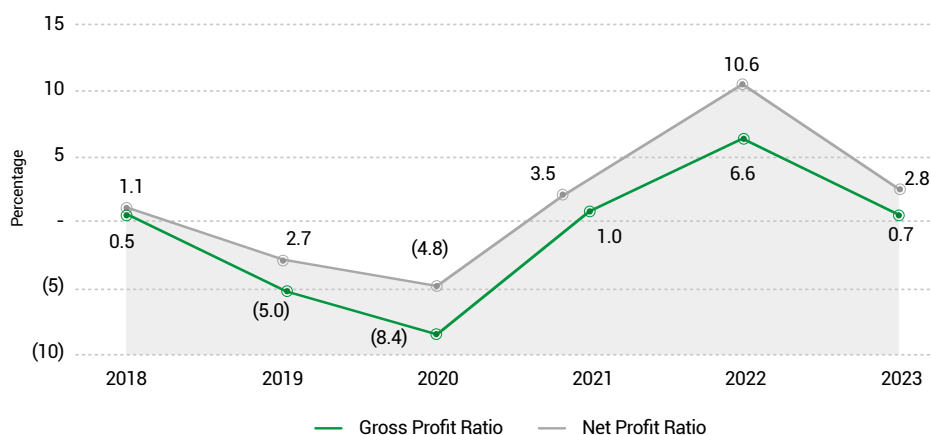
		2023	2022	2021	2020	2019	2018
Gross profit ratio	%	2.8	10.6	3.5	(4.8)	(2.7)	1.1
Net profit ratio	%	0.7	6.6	1.0	(8.4)	(5.0)	0.5
EBITDA margin	%	3.7	9.9	4.4	(4.4)	(2.5)	2.4
Operating leverage ratio	Times	(1.3)	3.4	(117.6)	(1.6)	(9.0)	(0.7)
Return on Equity	%	7.2	53.3	45.8	*	(1.7)	0.1
Return on Capital employed	%	11.0	120.9	15.4	(116.3)	(97.3)	12.6

* Not applicable due to negative equity.

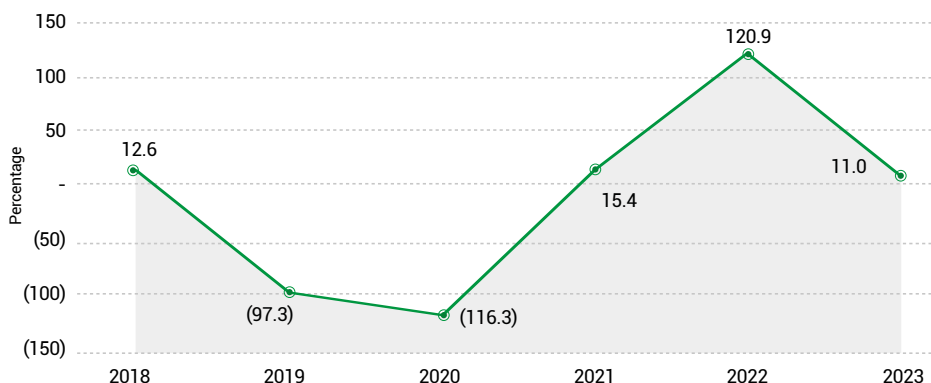
Revenue and cost of crude were significantly high throughout the year due to increased international oil prices coupled with devaluation of Pak Rupee against USD. In addition to the forex devaluation and non-upliftment of furnace oil, the Company persistently faced the LC opening issues along with high cost of LC confirmation charges and steep surge in the interest rates, which dented the profitability as illustrated by a decline in GP and NP ratio and EBITDA margins when compared with last year's exceptional profit.

Return on equity decreased substantially as the net profit decreased by 6.89 times while the average equity by increased by 7%.

Profitability Ratios



Return on Capital employed

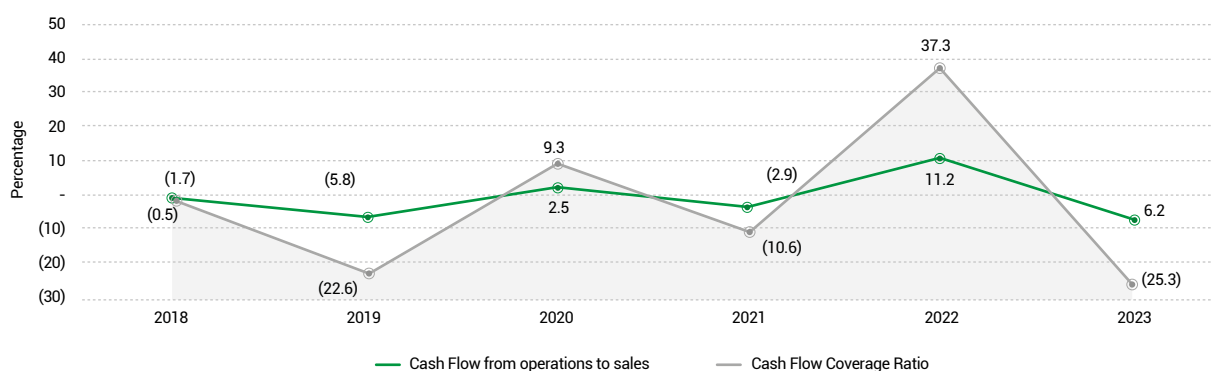


LIQUIDITY RATIOS

		2023	2022	2021	2020	2019	2018
Current ratio	Ratios	0.99:1	0.93:1	0.53:1	0.45:1	0.69:1	0.79:1
Quick / Acid test ratio	Ratios	0.53:1	0.57:1	0.26:1	0.19:1	0.41:1	0.43:1
Cash flow to capital expenditures	Times	(32.8)	49.3	(13.7)	2.5	(7.5)	(0.3)
Cash flow from operations to Sales	%	(6.2)	11.2	(2.9)	2.5	(5.8)	(0.5)
Cash flow coverage ratio	%	(25.3)	37.3	(10.6)	9.3	(22.6)	(1.7)

Current ratio has improved marginally due to greater percentage increase in current assets than current liabilities which is in line with the working capital requirements of the company. Current assets have swelled up as result of increase in stock in trade and trade debts on the pretext of escalation in prices of crude oil and petroleum products. Simultaneously, it's impact is also evidenced by surge in trade and other payables classified under current liabilities. Improved profitability translated in positive cash and cash equivalents, thereby improving the liquidity ratios. This depicts that the Company is liquid enough to pay-off its short-term debts on timely basis. The Company closed the year at cash and cash equivalents of Rs. 6.5 billion.

Cash Flow Ratios



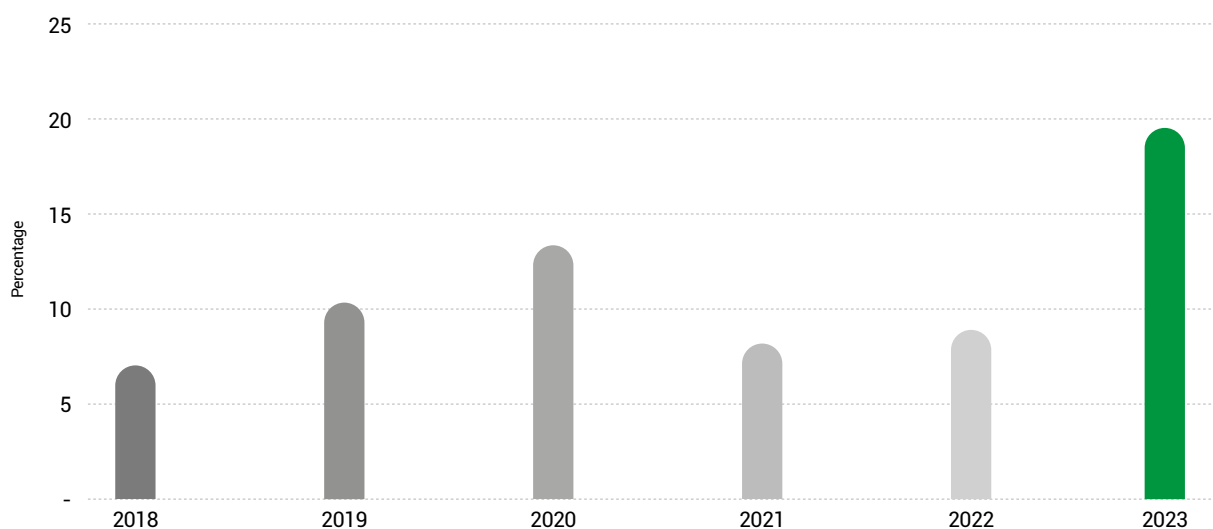
CAPITAL STRUCTURE

		2023	2022	2021	2020	2019	2018
Financial leverage ratio	Times	1.3	0.8	8.7	*	5.4	2.3
Weighted average cost of debt	%	19.5	8.8	8.1	13.2	10.2	6.9
Debt to Equity ratio:							
- as per book value	%	7.9	-	14.4	*	122.5	115.7
- as per market value	%	23.4	-	1.9	117.3	90.5	46.1
Net assets per share	Times	4.02	3.7	0.3	(0.1)	1.2	1.4
Interest cover	Times	2.83	15.3	2.4	(2.5)	(2.6)	2.5

* Not applicable due to negative equity.

Weighted average cost of debt have escalated potentially due to enhancement in the policy rate by SBP. Financial leverage have swelled up during the year mainly on account of greater percentage increase in short term borrowings (which is in line with the working capital requirements of the company) as against percentage increase in shareholders' equity. Short term borrowings proliferated by Rs. 10.9 billion which can be attributed to revaluation of FE loan and availment of running finance facilities. The profitability of the company positively contributed to the shareholders' equity by Rs. 1.76 billion.

Weighted Average Cost of Debt



INVESTMENT / MARKET RATIOS

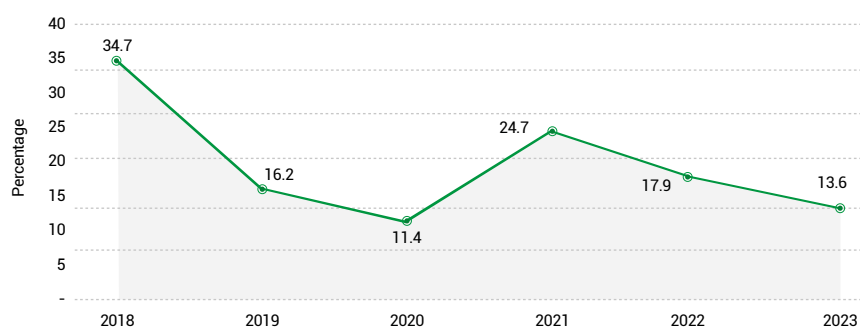
		2023	2022	2021	2020	2019	2018
Earnings per Share - Basic and diluted	Rs	2.9	20.0	1.5	(17.5)	(13.7)	1.6
Price Earnings ratio	Times	4.7	0.9	16.2	*	*	21.2
Price to Book ratio	%	30.0	38.9	76.2	16.9	25.0	75.9
Market value per share:							
- at the end of the year	Rs	13.6	17.9	24.7	11.4	16.2	34.7
- high during the year	Rs	19.9	24.8	29.0	28.1	44.5	59.0
- low during the year	Rs	12.1	10.7	11.6	9.5	14.3	32.3
Breakup value per share:							
- Without Revaluation Surplus	Rs	8.0	5.2	**	**	**	0.2
- With Revaluation Surplus	Rs	40.2	37.5	3.2	**	11.9	13.8
DuPont Analysis	%	7.5	98.1	100.1	(455.3)	(153.8)	14.1
Free Cash Flow	Rs. /mn	(14,984)	28,199	(2,183)	4,580	(8,756)	(1,205)
Economic Value Added (EVA)	Rs. /mn	(3,655)	10,405	706	(8,207)	(6,660)	(129)

* Not applicable due to loss for the year.

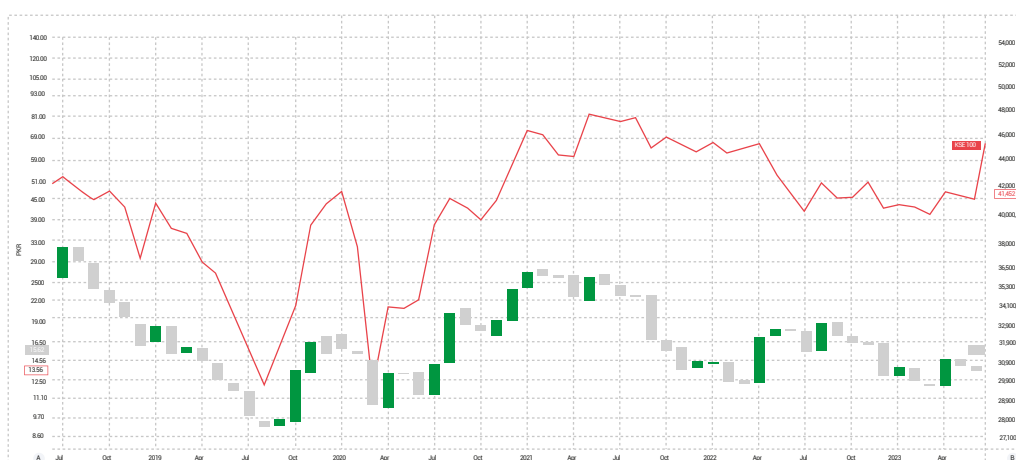
** Not applicable due to negative equity.

Earnings per share and breakup value per share are in line with the profitability of the Company. However, political / economic uncertainty in the country led to volatility in PSX and therefore, the market price of shares of the Company decreased over the period of six years. Highest market price per share was Rs. 19.9 which was the lowest peak price over the span of six years. No dividend has been given out in last 6 years so ratios related to dividend ie dividend yield ratio, dividend payout/cover ratio and cash/stock dividend per share are not applicable.

Share Price



PRL's Share Price vs PSX100 index

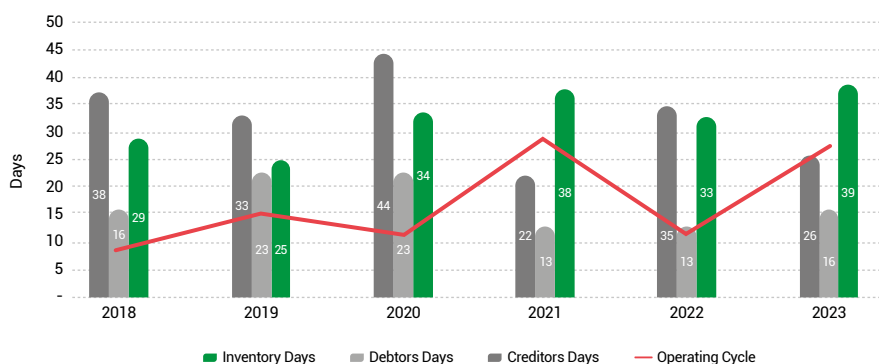


ACTIVITY / TURNOVER RATIO

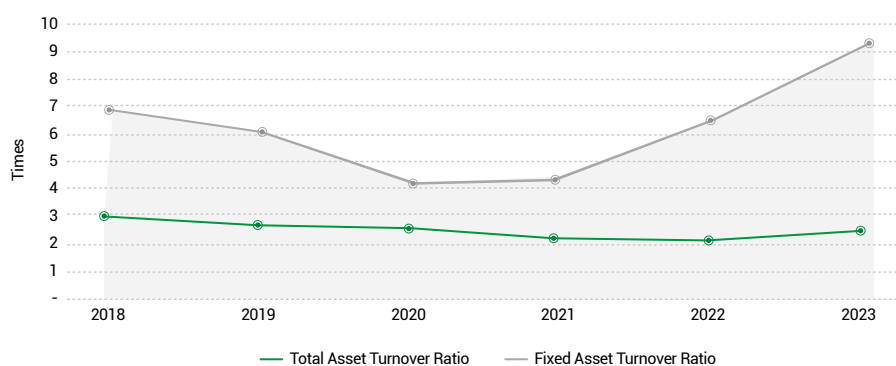
		2023	2022	2021	2020	2019	2018
Total Assets turnover ratio	Times	2.5	2.1	2.2	2.6	2.7	3.0
Fixed Assets turnover ratio	Times	9.2	6.6	4.5	4.2	6.1	6.9
Inventory Days	Days	39	33	38	34	25	29
Debtors Days	Days	16	13	13	23	23	16
Creditors Days	Days	26	35	22	44	33	38
Operating cycle	Days	29	11	29	13	15	7

Total asset turnover and fixed asset turnover ratio have improved due to proportionate growth in sales than average total assets. Overall operating cash cycle has increased owing to enhancement in the international crude oil prices and petroleum product prices coupled with the devaluation of Pakistani Rupees, which translated in escalated revenue and cost of sales.

Working Capital Ratios



Asset Turnover Ratios



NON FINANCIAL RATIOS

		2023	2022	2021	2020	2019	2018
Employee Productivity Ratios:							
- Production per Employee	(M.Ton)	4,772	4,862	4,713	4,533	5,581	5,983
- Revenue per Employee	Rs. / mn	932	696	334	324	413	326
Staff turnover ratio	%	8.2	3.3	3.3	3.2	3.9	4.9
Operational Performance							
- Plant availability	%	100	99.9	96.1	100	98.7	97.7
- Capacity Utilisation	%	62.9	62.7	61.0	59.3	76.3	79.4
Spares as % of Total Assets	%	1.7	0.6	1.3	1.2	0.9	1.2
Maintenance Cost as % of Operating Expenses	%	7.6	11.0	11.6	8.1	9.1	9.5

Production per employee reduced owing to increase in the average number of employees from 275 to 281. Revenue per employee has increased due to increase in the revenue on account of escalation in international petroleum product prices and devaluation of Pakistani Rupees.

The Company was shutdown for twenty days during the year for planned regeneration which affected the capacity utilisation ratio.

