



ATTOCK REFINERY LIMITED



Condensed Interim Financial Statements

For the Six Months Period Ended December 31, 2020



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Laith G. Pharaon

(Alternate Director Mr. Shuaib A. Malik)

Non Executive Director

Mr. Wael G. Pharaon

(Alternate Director Mr. Babar Bashir Nawaz)

Non Executive Director

Mr. Shuaib A. Malik

Chairman / Non Executive Director

Mr. Abdus Sattar

Non Executive Director

Mr. Jamil A. Khan

Non Executive Director

Mr. Shamim Ahmad Khan

Independent Non Executive Director

Mr. G. A. Sabri

Independent Non Executive Director

CHIEF EXECUTIVE OFFICER

Mr. M. Adil Khattak

CHIEF FINANCIAL OFFICER

Syed Asad Abbas

FCA

COMPANY SECRETARY

Mr. Saif ur Rehman Mirza

FCA

AUDIT COMMITTEE

Mr. Shamim Ahmad Khan

Chairman

Mr. Shuaib A. Malik

Member

Mr. Abdus Sattar

Member

Mr. G. A. Sabri

Member

Mr. Babar Bashir Nawaz

Member

AUDITORS

A.F. Ferguson & Co.

Chartered Accountants

LEGAL ADVISOR

Ali Sibtain Fazli & Associates

Legal Advisors, Advocates & Solicitors

SHARE REGISTRAR

CDC Share Registrar Services Limited

*CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi-74400.*

REGISTERED OFFICE

The Refinery, Morgah, Rawalpindi.

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DIRECTORS' REVIEW REPORT

IN THE NAME OF ALLAH, THE MOST GRACIOUS, THE MOST MERCIFUL

On behalf of the Board of Directors of Attock Refinery Limited, we are pleased to present a brief review of the financial results and operations of the Company for the second quarter and half year ended December 31, 2020.

FINANCIAL RESULTS

During the half year ended December 31, 2020, the Company suffered loss after tax of Rs 863 million from refinery operations (December 31, 2019: loss Rs 1,274 million). Non-refinery income during this period was Rs 74 million (December 31, 2019: Rs 393 million). Accordingly, overall loss after taxation was Rs 789 million with loss per share of Rs 7.40 (December 31, 2019: loss Rs 881 million with loss per share of Rs 8.27). Negative impact of COVID-19 pandemic on global and domestic economy resulted in erosion of margins in petroleum sector in general and refining sector in particular which caused this loss situation.

Although refining margins were slightly better in the month of December 2020, but overall margins during the period remained suppressed.

REFINERY OPERATIONS

The refinery had to be operated at lower capacity in order to minimize losses. During the period under review, the Company supplied 898 thousand Metric Tons of various petroleum products while operating at about 76% of the capacity (December 31, 2019: 878 thousand Metric Tons, 73% capacity). Despite multiple challenges triggered by COVID-19 the Company maintained smooth supply of petroleum products.

FUTURE OUTLOOK

Restoration of global economic activity mainly depends on how soon we see the end of the pandemic. Hopefully, vaccination of large segment of population against COVID-19 may help in gradual restoration, resulting in improvement in demand and stability of prices of petroleum products. The steps already taken by the Government with respect to application of actual exchange rate and fortnightly pricing mechanism for petroleum products is also expected to have positive impact on refineries' margins.

Earlier, the Government had constituted a Working Group comprising of Government officials and representative of refineries to address issues faced by the refining sector. In their submission to the Group, the refineries urged upon the Government to consider providing support to the refineries in the shape of fiscal and other incentives. Several meetings of the working group have been held and discussions are in progress.

ACKNOWLEDGEMENT

The Board appreciates continued support received from its employees, valued customers, suppliers as well as Ministry of Energy-Petroleum Division and other organizations.

On behalf of the Board



M. Adil Khattak
Chief Executive Officer

January 26, 2021
Rawalpindi



Abdus Sattar
Director

کی امید نظر آرہی ہے۔ پیٹرولیم مصنوعات کے لئے پاکستانی روپے کا امریکی ڈالر کی اصل شرح تبادلہ اور پندرہ دنوں کی قیمتوں کی بنیاد پر پیٹرولیم مصنوعات کی قیمتوں کا تعین کرنے کے طریقہ کار کے حکومتی اقدامات سے ریفائنریز کے منافع پر مثبت اثرات مرتب ہونے کی قوی امید ہے۔

قبل ازیں حکومت نے حکومتی عہدیداران اور ریفائنریز کے نمائندوں پر مشتمل ایک ورکنگ گروپ تشکیل دیا تھا جو حکومت کو ریفائننگ سیکٹر میں درپیش مشکلات سے آگاہ کرے گا۔ گروپ کو دی گئی اپنی تجاویز میں ریفائنریز نے حکومت پر زور دیا ہے کہ وہ ریفائنریز کو مالی اور دیگر مراعات کی شکل میں معاونت فراہم کرے۔ اس ورکنگ گروپ کے متعدد اجلاس منعقد ہو چکے ہیں اور تبادلہ خیال جاری ہے۔

اظہارِ تشکر

بورڈ آف ڈائریکٹرز اپنے ملازمین، قابلِ قدر صارفین، خام تیل مہیا کرنے والے اداروں، وزارتِ توانائی۔ پیٹرولیم ڈویژن اور دیگر اداروں کی جانب سے ملنے والی معاونت پر ان تمام کے شکر گزار ہیں۔

بورڈ کی جانب سے

عبدالستار

عبدالستار

ڈائریکٹر

ایم عادل خٹک

ایم عادل خٹک

چیف ایگزیکٹو آفیسر

۲۶ جنوری ۲۰۲۱ء

راولپنڈی

ڈائریکٹرز کی جائزہ رپورٹ

اللہ کے نام سے جو بڑا مہربان نہایت رحم کرنے والا ہے۔

انک ریفا نری لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم ۳۱ دسمبر ۲۰۲۰ء کو ختم ہونے والی دوسری سہ ماہی اور ششماہی کی اختتامی مدت کے کمپنی کے مالیاتی نتائج اور آپریشنز کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی نتائج

۳۱ دسمبر ۲۰۲۰ء کو ختم ہونے والی ششماہی کی اختتامی مدت کے دوران کمپنی کو ریفا نری آپریشنز سے ٹیکس ادا کرنے کے بعد ۸۶۳ ملین روپے کا خسارہ ہوا (۳۱ دسمبر ۲۰۱۹ء: ۲۷۴ ملین روپے کا خسارہ)۔ اس مدت کے دوران غیر ریفا نری ذرائع سے ۷۴ ملین روپے کی آمدن ہوئی (۳۱ دسمبر ۲۰۱۹ء: ۳۹۳ ملین روپے)۔ اس طرح مجموعی طور پر ٹیکس ادا کرنے کے بعد ۷۸۹ ملین روپے کا خسارہ ہوا نتیجتاً فی حصص نقصان ۷.۴۰ روپے رہا (۳۱ دسمبر ۲۰۱۹ء: ۸۸۱ ملین روپے کے خسارے کے ساتھ فی حصص نقصان ۸.۲ روپے)۔ عالمی اور ملکی معیشت پر کوئیڈ-۱۹ وبائی امراض کے منفی اثرات کے نتیجے میں عمومی طور پر پیٹرولیم سیکٹر اور خصوصاً ریفا ننگ سیکٹر میں منافع میں کمی اس نقصان کا باعث بنی۔

اگرچہ دسمبر ۲۰۲۰ء کے مہینے میں ریفا ننگ مارجن میں بہتری آئی، لیکن مجموعی طور پر پوری ششماہی کے دوران یہ مارجنز مایوس کن رہے۔

ریفا نری آپریشنز

نقصانات کو کم کرنے کیلئے ریفا نری کو کم استعداد پر چلانا پڑا۔ زیر جائزہ مدت کے دوران کمپنی نے ۷۶٪ پیداواری استعداد کے ساتھ ۸۹۸ ہزار میٹرک ٹن کی مختلف پیٹرولیم مصنوعات کی ترسیلات کیں (۳۱ دسمبر ۲۰۱۹ء: ۸۷۸ ہزار میٹرک ٹن، ۷۳٪ استعداد)۔ کوئیڈ-۱۹ کی وجہ سے پیدا ہونے والے متعدد چیلنجز کے باوجود کمپنی نے پیٹرولیم مصنوعات کی فراہمی احسن طریقے سے جاری رکھی۔

مستقبل کا منظر نامہ

عالمی معاشی سرگرمیوں کی بحالی کا انحصار کوئیڈ-۱۹ مرض سے جلد چھٹکارا پانے پر ہے۔ کوئیڈ-۱۹ کے خلاف آبادی کے بڑے حصے کی ویکسینیشن سے عالمی کاروبار کی تدریج بحالی اور نتیجتاً مصنوعات کی قیمتوں میں طلب اور قیمتوں کے استحکام میں بہتری

*A. F. FERGUSON & CO.*

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Attock Refinery Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Attock Refinery Limited as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of profit or loss and other comprehensive income for the three months ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is JehanZeb Amin.

Chartered Accountants
Islamabad
Dated: February 1, 2021

Condensed Interim Statement of Financial Position (Unaudited)

As At December 31, 2020

| | Note | December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---|------|---------------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Share capital | | | |
| Authorised | | | |
| 150,000,000 (June 30, 2020: 150,000,000) ordinary shares of Rs 10 each | | <u>1,500,000</u> | <u>1,500,000</u> |
| Issued, subscribed and paid-up capital | | | |
| 106,616,250 (June 30, 2020: 106,616,250) ordinary shares of Rs 10 each | 5 | <u>1,066,163</u> | <u>1,066,163</u> |
| Reserves and surplus | 6 | <u>16,954,736</u> | <u>17,743,509</u> |
| Surplus on revaluation of freehold land | | <u>25,093,419</u> | <u>25,093,419</u> |
| | | <u>43,114,318</u> | <u>43,903,091</u> |
| NON CURRENT LIABILITIES | | | |
| Long term financing | 7 | <u>6,548,304</u> | <u>7,614,194</u> |
| Long term lease liability | | <u>54,496</u> | <u>106,741</u> |
| CURRENT LIABILITIES | | | |
| Accrued mark-up on long term financing | 7 | <u>150,978</u> | <u>204,519</u> |
| Current portion of long term financing | 7 | <u>1,100,000</u> | <u>-</u> |
| Trade and other payables | 8 | <u>42,796,422</u> | <u>43,181,953</u> |
| Short term financing | 9 | <u>1,500,000</u> | <u>-</u> |
| Accrued mark-up on short term financing | | <u>1,210</u> | <u>-</u> |
| Current portion of lease liability | | <u>213,905</u> | <u>214,899</u> |
| Unclaimed dividends | | <u>9,350</u> | <u>9,355</u> |
| Provision for taxation | | <u>2,971,195</u> | <u>2,752,442</u> |
| | | <u>48,743,060</u> | <u>46,363,168</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>98,460,178</u> | <u>97,987,194</u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 10 | | |

| | Note | December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---|------|---------------------------------|-----------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating assets | 11 | 40,200,547 | 41,424,612 |
| Capital work-in-progress | 12 | 853,661 | 979,206 |
| Major spare parts and stand-by equipment | | 153,254 | 138,935 |
| | | 41,207,462 | 42,542,753 |
| LONG TERM INVESTMENTS | 13 | 13,264,915 | 13,264,915 |
| LONG TERM LOANS AND DEPOSITS | | 39,309 | 40,103 |
| DEFERRED TAXATION | | 7,456,229 | 6,704,608 |
| CURRENT ASSETS | | | |
| Stores, spares and loose tools | | 3,989,882 | 4,431,073 |
| Stock-in-trade | 14 | 8,292,144 | 7,163,855 |
| Trade debts | 15 | 12,291,343 | 12,728,442 |
| Loans, advances, deposits, prepayments and other receivables | 16 | 3,418,065 | 2,988,463 |
| Cash and bank balances | 17 | 8,500,829 | 8,122,982 |
| | | 36,492,263 | 35,434,815 |
| TOTAL ASSETS | | 98,460,178 | 97,987,194 |

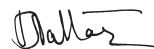
The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Condensed Interim Statement of Profit or Loss (Unaudited)

For The Six Months Period Ended December 31, 2020

| | Note | Three months ended | | Six months ended | |
|--|------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| Gross sales | 18 | 43,729,285 | 54,295,452 | 90,825,851 | 103,141,018 |
| Taxes, duties, levies, discounts and price differential | 19 | (18,042,975) | (16,303,919) | (36,711,166) | (28,976,945) |
| Net sales | | 25,686,310 | 37,991,533 | 54,114,685 | 74,164,073 |
| Cost of sales | 20 | (26,158,107) | (39,918,791) | (55,380,933) | (76,348,579) |
| Gross loss | | (471,797) | (1,927,258) | (1,266,248) | (2,184,506) |
| Administration expenses | | (198,803) | (247,877) | (388,290) | (426,549) |
| Distribution cost | | (10,685) | (10,056) | (21,245) | (23,105) |
| Other charges | | - | 7,942 | - | - |
| | | (209,488) | (249,991) | (409,535) | (449,654) |
| Other income | 21 | 507,256 | 848,894 | 957,620 | 1,712,880 |
| Impairment loss on financial assets | | (49,181) | (121,288) | (91,180) | (121,288) |
| Operating loss | | (223,210) | (1,449,643) | (809,343) | (1,042,568) |
| Finance cost | 22 | (201,048) | (339,696) | (397,774) | (693,237) |
| Loss before taxation from refinery operations | | (424,258) | (1,789,339) | (1,207,117) | (1,735,805) |
| Taxation | 23 | 123,535 | 508,207 | 344,316 | 461,937 |
| Loss after taxation from refinery operations | | (300,723) | (1,281,132) | (862,801) | (1,273,868) |
| Income from non-refinery operations less applicable charges and taxation | 24 | 74,028 | 30,513 | 74,028 | 392,722 |
| Loss after taxation | | (226,695) | (1,250,619) | (788,773) | (881,146) |
| (Loss)/earnings per share - basic and diluted (Rs) | | | | | |
| Refinery operations | | (2.82) | (12.02) | (8.09) | (11.95) |
| Non-refinery operations | | 0.69 | 0.28 | 0.69 | 3.68 |
| Loss per share | | (2.13) | (11.74) | (7.40) | (8.27) |

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

**Condensed Interim Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For The Six Months Period Ended December 31, 2020**

| | Three months ended | | Six months ended | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| Loss after taxation | (226,695) | (1,250,619) | (788,773) | (881,146) |
| Other comprehensive income (net of tax) | - | - | - | - |
| Total comprehensive loss | <u>(226,695)</u> | <u>(1,250,619)</u> | <u>(788,773)</u> | <u>(881,146)</u> |

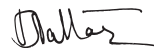
The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Condensed Interim Statement of Changes in Equity (Unaudited) For The Six Months Period Ended December 31, 2020

| | Share capital | Capital reserve | | | Revenue reserve | | | Surplus on revaluation of freehold land | Total |
|---|---------------|---|--|--------|--------------------|-----------------|------------------------|---|-------------|
| | | Special reserve for expansion/modernisation | Utilised special reserve for expansion/modernisation | Others | Investment reserve | General reserve | Un-appropriated profit | | |
| | | | | | Rs' 000 | | | | |
| Balance as at July 01, 2019 | 1,066,163 | - | 10,962,934 | 5,948 | 3,762,775 | 55 | 5,807,643 | 12,052,576 | 33,658,094 |
| Total comprehensive loss | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (881,146) | - | (881,146) |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | (881,146) | - | (881,146) |
| Balance as at December 31, 2019 | 1,066,163 | - | 10,962,934 | 5,948 | 3,762,775 | 55 | 4,926,497 | 12,052,576 | 32,776,948 |
| Total comprehensive loss | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (1,943,780) | - | (1,943,780) |
| Other comprehensive income for the period | - | - | - | - | - | - | 29,080 | 13,040,843 | 13,069,923 |
| | - | - | - | - | - | - | (1,914,700) | 13,040,843 | 11,126,143 |
| Balance as at June 30, 2020 | 1,066,163 | - | 10,962,934 | 5,948 | 3,762,775 | 55 | 3,011,797 | 25,093,419 | 43,903,091 |
| Total comprehensive loss | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (788,773) | - | (788,773) |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | (788,773) | - | (788,773) |
| Balance as at December 31, 2020 | 1,066,163 | - | 10,962,934 | 5,948 | 3,762,775 | 55 | 2,223,024 | 25,093,419 | 43,114,318 |

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Condensed Interim Statement of Cash Flows (Unaudited)

For The Six Months Period Ended December 31, 2020

| | Six months ended | |
|---|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from - customers | 90,961,459 | 108,926,684 |
| - others | 336,652 | 383,901 |
| | 91,298,111 | 109,310,585 |
| Cash paid for operating costs | (55,206,871) | (80,758,381) |
| Cash paid to Government for duties, taxes and other levies | (36,784,381) | (28,325,837) |
| Income tax paid | (201,616) | (441,352) |
| Net cash outflows from operating activities | (894,757) | (214,985) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (58,740) | (404,419) |
| Proceeds against disposal of operating assets | 124 | 4,678 |
| Long term loans and deposits | 794 | 4,054 |
| Income on bank deposits received | 216,463 | 832,036 |
| Dividend received | 87,092 | 442,218 |
| Net cash generated from investing activities | 245,733 | 878,567 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of long term financing | - | (1,100,000) |
| Repayment of lease liability | (60,352) | - |
| Short term financing received | 1,500,000 | - |
| Transaction cost on long term financing | (500) | (500) |
| Dividend paid to Company's shareholders | (6) | (28) |
| Finance cost | (408,382) | (673,272) |
| Net cash inflows/(outflows) from financing activities | 1,030,760 | (1,773,800) |
| INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD | 381,736 | (1,110,218) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 8,122,982 | 16,583,594 |
| Effect of exchange rate changes | (3,889) | (3,617) |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 8,500,829 | 15,469,759 |

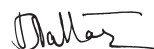
The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Selected Notes To and Forming Part of the Condensed Interim Financial Statements (Unaudited) For The Six Months Period Ended December 31, 2020

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public limited company on June 26, 1979. The registered office of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on Pakistan Stock Exchange Limited. It is principally engaged in the refining of crude oil.

The Company is a subsidiary of The Attock Oil Company Limited, England and its ultimate parent is Coral Holding Limited (a private limited company incorporated in Malta).

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual audited financial statements for the year ended June 30, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

The Accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the audited financial statements for the year ended June 30, 2020.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements for the year ended June 30, 2020.

5. SHARE CAPITAL

The parent company, The Attock Oil Company Limited held 65,095,630 (June 30, 2020: 65,063,530) ordinary shares and the associated company Attock Petroleum Limited held 1,790,000 (June 30, 2020: 1,790,000) ordinary shares as at December 31, 2020.

December 31,
2020
Rs' 000

June 30,
2020
Rs' 000

6. RESERVES AND SURPLUS

Capital reserve

Special reserve for expansion/modernisation - note 6.1

-

-

Utilised special reserve for expansion/modernisation - note 6.2

10,962,934

10,962,934

Others

Liabilities taken over from The Attock Oil Company Limited
no longer required

4,800

4,800

Capital gain on sale of building

654

654

Insurance and other claims realised relating to
pre-incorporation period

494

494

5,948

5,948

Revenue reserve

Investment reserve - note 6.3

3,762,775

3,762,775

General reserve

55

55

Unappropriated profit

2,223,024

3,011,797

5,985,854

6,774,627

16,954,736

17,743,509

- 6.1** Under the Policy Framework for Up-gradation and Expansion of Refineries, 2013 issued by the Ministry of Energy - Petroleum Division (the Ministry) as amended from time to time, the refineries are required to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into a Special Reserve Account which shall be available for utilisation for Up-gradation of refineries or may also be utilized in off setting losses of the refinery from refinery operations.
- 6.2** Represent amounts utilized out of the Special Reserve for expansion/modernization of the refinery. The total amount of capital expenditure incurred on Refinery expansion/modernisation till December 31, 2020 is Rs 29,095.90 million including Rs 18,132.97 million spent over and above the available balance in the Special Reserve which has been incurred by the Company from its own resources.
- 6.3** The Company has set aside gain on sale of investment as investment reserve to meet any future losses/impairment on investments.

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

7. LONG TERM FINANCING - secured
From banking companies

Syndicated Term Finance - note 7.1

5,917,606

5,941,485

Musharaka Finance - note 7.2

1,936,833

1,944,648

7,854,439

7,886,133

Less: Unamortised transaction cost on financing:

Balance at the beginning of the period/year

67,420

94,920

Addition during the period/year

500

500

Amortization for the period/year

(12,763)

(28,000)

Balance at the end of the period/year

55,157

67,420

7,799,282

7,818,713

Current portion of long term financing

(1,100,000)

-

6,699,282

7,818,713

Mark-up payable shown as current liability

(150,978)

(204,519)

6,548,304

7,614,194

7.1 The Company entered into a syndicated finance agreement with a consortium of banks which includes Bank AL-Habib Limited as the Agent Bank for a term finance facility of Rs 16,575 million for ARL Up-gradation Projects. The facility carries a mark-up of 3 months KIBOR plus 1.70% which is payable on quarterly basis.

7.2 The Company obtained Musharaka finance facility of Rs 5,425 million from Bank AL-Habib Limited (the Bank) as the Investment Agent for ARL Up-gradation Projects. The total Musharaka investment amounts to Rs 8,029 million and Investment Agent's (the Bank) share in Musharaka Assets A is nil % (June 30, 2020: nil %) while its share in Musharaka Assets B is 35.37% (June 30, 2020: 35.37%) respectively. While the Managing Co-owner's (the Company) share in Musharaka Assets A is 100% (June 30, 2020: 100%) while its share in Musharaka Assets B is 64.63% (June 30, 2020: 64.63%) respectively. The rental payments under this facility are calculated on the basis of 3 months KIBOR plus 1.70% on value of unit purchased on each Musharaka Assets purchase date under Musharaka agreement.

7.3 The facilities referred to in notes 7.1 and 7.2 are secured by first pari passu charge by way of hypothecation over all present and future current assets to the extent of Rs 15,000 million. Further, the facility is also secured by first pari passu charge by way of hypothecation over all present and future movable fixed assets of the Company and mortgage over identified immovable property. Until the payment of all the outstanding amounts due by the Company have been paid in full, the Company cannot, except with the prior written consent of the Agent Bank/Investment Agent, permit the collective shareholding of The Attock Oil Company Limited in the Company to fall below 51%.

7.4 The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators/governments across the globe had introduced a host of measures on both the fiscal and economic fronts. The State Bank of Pakistan (SBP) has also responded to the crisis by cutting the Policy Rates and other regulatory measures to provide an impetus to economic activity including allowing borrowers to defer principal loan payments by one year.

Taking the benefit of above mentioned steps, the Company availed the scheme for deferment in repayment of principal amount of its long term financing for a period of one year and the next installment of Rs 550 million will be due in July 2021.

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

8. TRADE AND OTHER PAYABLES

| | | |
|---|-------------------|-------------------|
| Creditors - note 8.1 | 21,351,280 | 21,236,688 |
| Unearned revenue | - | 331,943 |
| Due to Attock Oil Company Limited - Holding Company | 144,771 | 148,127 |
| Due to Attock Hospital (Private) Limited - Subsidiary Company | 240 | - |
| Due to associated companies | | |
| Pakistan Oilfields Limited | 2,111,095 | 1,793,167 |
| Attock Energy (Private) Limited | - | 1 |
| Accrued liabilities and provisions - note 8.1 | 4,585,336 | 4,602,951 |
| Due to Government under the pricing formula | 2,611,351 | 1,715,915 |
| Custom duty payable to Government | 6,226,457 | 8,908,757 |
| Advance payments from customers | 200,285 | 501,777 |
| Sales tax payable | 2,110,959 | 1,081,535 |
| ARL Gratuity Fund | 47,535 | 47,535 |
| Crude oil freight adjustable through inland freight equalisation margin | 36,210 | 126,879 |
| Payable to statutory authorities in respect of petroleum development levy and excise duty | 3,367,460 | 2,683,235 |
| Deposits from customers adjustable against freight and Government levies payable on their behalf | 376 | 376 |
| Security deposits | 3,067 | 3,067 |
| | 42,796,422 | 43,181,953 |

8.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Energy - Petroleum Division (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld along with accumulated profits amounted to Rs 3,785.72 million (June 30, 2020: Rs 3,722.85 million).

9. SHORT TERM FINANCING

The Company has availed short term financing from a bank to the extent of Rs 1.5 billion to finance its working capital requirement, this facility was fully utilized at the period end. This facility is secured by ranking hypothecation charge over all present and future current and fixed assets (excluding land and building) of the Company. The rate of mark-up on short term financing facility is 3 months KIBOR plus 0.08% p.a. which is payable on quarterly basis.

| | |
|--------------|----------|
| December 31, | June 30, |
| 2020 | 2020 |
| Rs' 000 | Rs' 000 |

10. CONTINGENCIES AND COMMITMENTS
Contingencies:

- | | | | |
|------|--|------------------|-----------|
| i) | Consequent to amendment through the Finance Act, 2014, SRO 575(I)/2006 was withdrawn. As a result all imports relating to the ARL Up-gradation Project were subjected to higher rate of customs duties, sales tax and income tax. Aggrieved by the withdrawal of the said SRO, the Company filed a writ petition on August 20, 2014 in the Lahore High Court, Rawalpindi Bench (the Court). The Court granted interim relief by allowing release of the imports against submission of bank guarantees and restrained customs authorities from charging increased amount of customs duty/sales tax. Bank guarantees were issued in favour of Collector of Customs, as per the directives of the Court. These guarantees include amounts aggregating to Rs 731 million on account of adjustable/claimable government levies. | 1,326,706 | 1,326,706 |
| | During the period, the Court in a hearing ordered to refer the Company's writ petition to the Collector of Customs, with the condition that in case the decision is against the petitioner the bank guarantees shall not be called unless the Company avails an appropriate remedy under the law. Aggrieved with this decision the Company has filed an Intra Court Appeal (ICA) which is pending adjudication. | | |
| | Based on advice from legal advisor, the Company is confident that there are reasonable grounds for a favourable decision and accordingly this liability has not been recognized in the financial statements. Several hearings of the case have been held but the matter is still under adjudication. | | |
| ii) | Due to circular debt in the oil industry, certain amounts due from the oil marketing companies (OMCs) and due to crude oil suppliers have not been paid/received on their due dates of payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in the financial statements as these have not been acknowledged as debt by either parties. | | |
| iii) | Guarantees issued by banks on behalf of the Company [other than (i) above]. | - | 344 |
| iv) | Claims for land compensation contested by the Company. | 5,300 | 1,300 |
| v) | Price adjustment related to crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreement (COSA) and may require adjustment in subsequent periods as referred to in note 20.1, the amount of which can not be presently quantified. | | |
| vi) | In March 2018, Crude Oil Sale and Purchase Agreement (COSA) with effective date of March 27, 2007 was executed between the President of Pakistan and the working interest owners of a Petroleum Concession | 2,484,098 | 2,484,098 |

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

Agreement (PCA) whereby various matters including the pricing mechanism for crude oil were prescribed. The Company has been purchasing crude oil from the related oil fields since 2007 and 2009 respectively. In this respect, an amount of Rs 2,484 million has been demanded from the Company as alleged arrears of crude oil price for certain period prior to signing of aforementioned COSA.

In view of the foregoing, the Company filed a writ petition on December 17, 2018 before the Honourable Islamabad High Court (the Court), whereby interim relief was granted to the Company by restraining respondents from charging the premium or discount regarding the supplies of crude oil made to the Company between 2007 to 2012. Based on the Company's assessment of related matter along consideration of the legal advices obtained from its legal consultants the Company has not acknowledged the related demand and accordingly, not provided for the same in its books of accounts. The matter is pending for adjudication.

| | | |
|---|------------------|-----------|
| vii) Claim by the Company from Government on account of additional deemed duty on High Speed Diesel (HSD). In the Policy Framework of 2013 for upgradation of Refineries, the Government committed to enhance deemed duty on HSD from 7.5% to 9% subject to setting up of Diesel Hydrodesulphurisation (DHDS) unit. However, this incentive was withdrawn on April 25, 2016. | 2,751,472 | 2,500,895 |
|---|------------------|-----------|

The Company has strongly taken up with the Government the matter of withdrawal of additional deemed duty as this incentive was primarily given to recover the cost of investment on DHDS unit which the Company has successfully installed and commissioned.

| | | |
|---|----------------|---------|
| viii) The Finance Act, 2017 introduced tax on every public company at the rate of 7.5% of its accounting profit before tax for the year. However, this tax does not apply in case of a public company which distributes at least 40% of its after tax profits within six months of the end of the tax year through cash or bonus shares. | 418,470 | 418,470 |
|---|----------------|---------|

Aggrieved by this amendment, the Company filed a writ petition on August 3, 2017 in Sindh High Court (the Court), Karachi. The Court has granted stay to the Company. Subsequently, a notification was issued on February 13, 2018 by the Federal Board of Revenue whereby exemption was granted in the incidental matter to the companies that are subject to restrictions imposed by Government of Pakistan on distribution of dividend. Accordingly, no charge has been recorded for the related tax.

Commitments:

| | | |
|--|---------------|---------|
| i) Capital expenditure | 72,444 | 111,761 |
| ii) Letters of credit for purchase of store items | 36,588 | 159,418 |

| Six months ended December 31, 2020 Rs' 000 | Year ended June 30, 2020 Rs' 000 |
|---|---|
|---|---|

11. OPERATING ASSETS
11.1 Owned assets

| | | |
|-------------------------------------|-------------------|-------------------|
| Opening written down value | 41,076,387 | 30,376,904 |
| Additions during the period/year | 169,966 | 257,142 |
| Revaluation surplus | - | 13,040,843 |
| Written down value of disposals | (29) | (2,397) |
| Depreciation during the period/year | (1,303,144) | (2,596,105) |
| | <u>39,943,180</u> | <u>41,076,387</u> |

11.2 Right of use assets (ROU)

| | | |
|--|-------------------|-------------------|
| Balance at the beginning of the period/year | 348,225 | - |
| Effect of change in accounting policy due to adoption of IFRS-16 | - | 539,141 |
| Depreciation for the period/year | (90,858) | (227,048) |
| Remeasurement in lease liability | - | 36,132 |
| | <u>257,367</u> | <u>348,225</u> |
| Closing written down value | <u>40,200,547</u> | <u>41,424,612</u> |

12. CAPITAL WORK-IN-PROGRESS

| | | |
|------------------------------|------------------|------------------|
| Balance at the beginning | 979,206 | 622,573 |
| Addition during period/year | 43,504 | 594,538 |
| Transfer to operating assets | | |
| - Building on freehold land | 3,596 | 20,539 |
| - Plant and machinery | 165,453 | 217,366 |
| | <u>(169,049)</u> | <u>(237,905)</u> |
| Balance at the end | <u>853,661</u> | <u>979,206</u> |

Breakup of the closing balance of capital work-in-progress

The details are as under:

| | | |
|---------------------|----------------|----------------|
| Civil works | 466 | 3,838 |
| Plant and machinery | 852,195 | 974,368 |
| Pipeline project | 1,000 | 1,000 |
| | <u>853,661</u> | <u>979,206</u> |

| | December 31, 2020 | | June 30, 2020 | |
|--|-------------------|-------------------|---------------|-------------------|
| | % age Holding | Rs' 000 | % age Holding | Rs' 000 |
| 13. LONG TERM INVESTMENTS - AT COST | | | | |
| Associated Companies | | | | |
| <u>Quoted</u> | | | | |
| National Refinery Limited - note 13.1 | 25 | 8,046,635 | 25 | 8,046,635 |
| Attock Petroleum Limited | 21.88 | 4,463,485 | 21.88 | 4,463,485 |
| <u>Unquoted</u> | | | | |
| Attock Gen Limited - note 13.2 | 30 | 748,295 | 30 | 748,295 |
| Attock Information Technology Services (Private) Limited | 10 | 4,500 | 10 | 4,500 |
| | | 13,262,915 | | 13,262,915 |
| Subsidiary Company | | | | |
| <u>Unquoted</u> | | | | |
| Attock Hospital (Private) Limited | 100 | 2,000 | 100 | 2,000 |
| | | 13,264,915 | | 13,264,915 |

13.1 Based on valuation analysis, the recoverable amount of investment in NRL exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation. These calculations are made on discounted cash flow based valuation methodology carried out by an external investment advisor engaged by the company on annual basis. The latest valuation analysis was carried out for the year ended June 30, 2020.

13.2 In October 2017, the Board of Directors of the Company approved to offer 3.95% out of the Company's 30% shareholding in paid up capital of Attock Gen Limited (AGL) to the general public including employees/officers of the Company upon listing of the shares of AGL on the Pakistan Stock Exchange Limited. However, the proposed offer has not yet been made.

14. STOCK-IN-TRADE

As at December 31, 2020, stock-in-trade includes stocks carried at net realisable value of Rs 3,505.04 million (June 30, 2020: Rs 3,326.41 million). Adjustments amounting to Rs 344.20 million (June 30, 2020: Rs 509.50 million) have been made to closing inventory to write down stock to net realizable value.

15. TRADE DEBTS - unsecured and considered good

Trade debts includes amounts receivable from associated companies Attock Petroleum Limited Rs 6,991.70 million (June 30, 2020: Rs 10,329.65 million) and Pakistan Oilfields Limited Rs nil (June 30, 2020: Rs 49.24 million).

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

16. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | | |
|--|------------------|------------------|
| Due from Subsidiary Company | | |
| Attock Hospital (Private) Limited | - | 3,494 |
| Due from associated companies | | |
| Attock Petroleum Limited | 3,802,528 | 3,347,758 |
| Attock Information Technology Services (Private) Limited | 449 | 441 |
| Attock Leisure and Management Associates (Private) Limited | 76 | 436 |
| Attock Gen Limited | 5,584 | 980 |
| National Refinery Limited | 10,912 | 10,912 |
| National Cleaner Production Centre Foundation | 1,049 | 762 |
| Attock Sahara Foundation | - | 18 |
| Attock Energy (Private) Limited | 317 | - |
| Capgas (Private) limited | 12 | - |
| Income accrued on bank deposits | 15,862 | 28,066 |
| Staff Pension Fund | 14,354 | 14,354 |
| Loans, deposit, prepayments and other receivables | 395,448 | 318,589 |
| Loss allowance | (828,526) | (737,347) |
| | 3,418,065 | 2,988,463 |

17. CASH AND BANK BALANCES

| | | |
|---|------------------|------------------|
| Cash in hand (US \$ 7,393; June 30, 2020: US \$ 7,393) | 2,615 | 2,281 |
| With banks: | | |
| Local currency | | |
| Current accounts | 7,944 | 7,932 |
| Deposit accounts - notes 17.1 and 17.2 | 3,729,574 | 3,663,055 |
| Saving accounts | 4,686,678 | 4,371,869 |
| Foreign Currency | | |
| Saving accounts (US \$ 463,192; June 30, 2020: US \$ 463,090) | 74,018 | 77,845 |
| | 8,500,829 | 8,122,982 |

17.1 Deposit accounts include Rs 3,729.57 million (June 30, 2020: Rs 3,663.06 million) placed in a 90-days interest-bearing account consequent to directives of the Ministry of Energy - Petroleum Division on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 8.1.

17.2 Bank deposits include Rs 1,326.71 million (June 30, 2020: Rs 1,327.05 million) were under lien with bank against a bank guarantee issued on behalf of the Company.

| | Three months ended | | Six months ended | |
|--|--------------------|--------------|-------------------|--------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2020 | 2019 | 2020 | 2019 |
| | Rs' 000 | Rs' 000 | Rs' 000 | Rs' 000 |
| 18. GROSS SALES | | | | |
| Local sales | 43,729,285 | 53,922,525 | 90,345,150 | 100,052,384 |
| Naphtha export sales | - | 372,927 | 480,701 | 3,088,634 |
| | 43,729,285 | 54,295,452 | 90,825,851 | 103,141,018 |
| 19. TAXES, DUTIES, LEVIES, DISCOUNTS AND PRICE DIFFERENTIAL | | | | |
| Sales tax | 6,353,780 | 7,684,162 | 13,078,448 | 14,241,483 |
| Petroleum development levy | 10,566,124 | 6,519,885 | 21,225,912 | 11,304,692 |
| Custom duties and other levies - note 19.1 | 955,393 | 1,398,361 | 1,944,511 | 2,478,323 |
| Discounts | - | 5,985 | - | 5,985 |
| PMG RON differential - note 19.2 | 167,678 | 695,526 | 462,295 | 946,462 |
| | 18,042,975 | 16,303,919 | 36,711,166 | 28,976,945 |

19.1 This includes Rs 1,944.38 million (December 31, 2019: Rs 2,478.18 million) recovered from customers and payable as per Oil and Gas Regulatory Authority directives on account of custom duty on PMG and HSD.

19.2 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of differential between price of PSO's imported 92 RON PMG and 90 RON PMG sold by the Company during the period.

| | Three months ended | | Six months ended | |
|-------------------------------------|--------------------|--------------|-------------------|--------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2020 | 2019 | 2020 | 2019 |
| | Rs' 000 | Rs' 000 | Rs' 000 | Rs' 000 |
| 20. COST OF SALES | | | | |
| Crude oil consumed - note 20.1 | 23,576,746 | 37,759,341 | 49,533,386 | 69,053,121 |
| Transportation and handling charges | 25,207 | 26,205 | 46,486 | 296,190 |
| Salaries, wages and other benefits | 261,327 | 274,109 | 524,935 | 548,153 |
| Chemicals consumed | 745,780 | 784,239 | 1,697,169 | 1,561,776 |
| Fuel and power | 939,709 | 1,010,997 | 1,847,612 | 1,953,007 |
| Repairs and maintenance | 91,912 | 131,215 | 151,934 | 454,535 |
| Staff transport and travelling | 3,832 | 4,529 | 8,197 | 10,982 |
| Insurance | 82,467 | 62,782 | 157,627 | 159,682 |
| Cost of receptacles | 3,448 | 7,422 | 10,374 | 17,551 |
| Other operating costs | 7,404 | 3,524 | 29,229 | 29,566 |
| Security Charges | 6,568 | 7,026 | 13,137 | 13,669 |
| Contract Services | 58,681 | 48,337 | 106,276 | 106,701 |
| Depreciation | 676,404 | 688,498 | 1,351,983 | 1,329,155 |
| Cost of goods manufactured | 26,479,485 | 40,808,224 | 55,478,345 | 75,534,088 |
| Changes in stock | (321,378) | (889,433) | (97,412) | 814,491 |
| | 26,158,107 | 39,918,791 | 55,380,933 | 76,348,579 |

20.1 Certain crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreements (COSA) and may require adjustment in subsequent periods.

| | Three months ended | | Six months ended | |
|---|--|--|--|--|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| 21. OTHER INCOME | | | | |
| Income on bank deposits | 119,989 | 475,669 | 204,259 | 832,050 |
| Interest on delayed payments | 192,591 | 286,855 | 453,940 | 529,828 |
| Handling and service charges | 8,515 | 12,787 | 27,021 | 25,392 |
| Rental income | 30,434 | 24,479 | 57,164 | 53,313 |
| Exchange gain - (net) | 143,195 | 44,199 | 196,695 | 255,268 |
| Miscellaneous | 12,532 | 4,905 | 18,541 | 17,029 |
| | 507,256 | 848,894 | 957,620 | 1,712,880 |
| 22. FINANCE COST | | | | |
| Interest on long term financing | 194,984 | 322,919 | 388,385 | 676,317 |
| Interest on short term financing | 1,210 | - | 1,210 | - |
| Bank and other charges | 931 | 187 | 1,065 | 330 |
| Interest on lease liability | 3,923 | 16,590 | 7,114 | 16,590 |
| | 201,048 | 339,696 | 397,774 | 693,237 |
| 23. TAXATION | | | | |
| Current | 192,722 | 286,034 | 407,305 | 564,263 |
| Deferred | (316,257) | (794,241) | (751,621) | (1,026,200) |
| | (123,535) | (508,207) | (344,316) | (461,937) |
| 24. INCOME FROM NON-REFINERY OPERATIONS LESS APPLICABLE CHARGES AND TAXATION | | | | |
| Dividend income from associated companies | 87,092 | - | 87,092 | 442,218 |
| Related charges | | | | |
| Workers' Profit Participation Fund | - | (22,111) | - | - |
| Workers' Welfare Fund | - | (8,402) | - | - |
| Taxation | 13,064 | - | 13,064 | 49,496 |
| | (13,064) | 30,513 | (13,064) | (49,496) |
| | 74,028 | 30,513 | 74,028 | 392,722 |

25. OPERATING SEGMENTS

These financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company are as follows:

| | Three months ended | | Six months ended | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| High Speed Diesel | 16,390,543 | 20,411,880 | 32,774,958 | 37,763,732 |
| Premier Motor Gasoline | 17,964,126 | 20,493,931 | 37,476,625 | 34,365,973 |
| Jet Petroleum | 2,379,958 | 4,427,812 | 4,568,206 | 8,430,466 |
| Furnace Fuel Oil | 5,112,266 | 5,075,052 | 10,939,053 | 12,927,284 |
| Naphtha | - | 692,166 | 480,701 | 3,655,757 |
| Others | 1,882,392 | 3,194,611 | 4,586,308 | 5,997,806 |
| | 43,729,285 | 54,295,452 | 90,825,851 | 103,141,018 |
| Duties, taxes, levies, discounts and price differential | (18,042,975) | (16,303,919) | (36,711,166) | (28,976,945) |
| | 25,686,310 | 37,991,533 | 54,114,685 | 74,164,073 |

Revenue from four major customers of the Company constitute 92% of total revenue during the six months period ended December 31, 2020 (December 31, 2019: 89%).

26. FAIR VALUE MEASUREMENT

The carrying values of financial assets and liabilities approximate their fair values. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

Fair value of land has been determined using level 2 by using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

Valuation of the freehold land owned by the Company was valued by independent valuer to determine the fair value of the land as at June 30, 2020. The revaluation surplus was credited to statement of profit or loss and other comprehensive income and is shown as 'surplus on revaluation of freehold land'.

27. RELATED PARTY TRANSACTIONS

Aggregate transactions with holding company, associated companies and subsidiary company during the period were as follows:

| | Three months ended | | Six months ended | |
|---|---------------------------|---------------------|-------------------------|---------------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2020 | 2019 | 2020 | 2019 |
| | Rs' 000 | Rs' 000 | Rs' 000 | Rs' 000 |
| Sale of goods and services to: | | | | |
| Associated companies | 8,089,007 | 14,705,094 | 20,010,097 | 28,114,196 |
| Subsidiary company | 4,705 | 5,730 | 9,243 | 12,182 |
| Holding company | 5,389 | 5,754 | 12,998 | 17,550 |
| Interest income on delayed payments from an associated company | 192,591 | 286,855 | 453,940 | 529,828 |
| Purchase of goods and services from: | | | | |
| Associated companies | 2,759,885 | 4,333,021 | 5,846,977 | 7,936,068 |
| Subsidiary company | 22,812 | 23,729 | 41,074 | 47,468 |
| Holding company | 81,256 | 108,098 | 155,645 | 211,971 |
| Dividend received from: | | | | |
| Associated companies | 87,092 | - | 87,092 | 442,218 |
| Other related parties: | | | | |
| Remuneration including benefits and perquisites of Chief Executive Officer and key management personnel | 26,482 | 19,628 | 58,518 | 50,826 |
| Honorarium/remuneration to Non-Executive directors | 1,373 | 1,126 | 4,922 | 4,503 |
| Contribution to Workers' Profit Participation Fund | - | (25,185) | - | - |
| Contribution to Employees' Pension, Gratuity and Provident Funds | 20,253 | 20,403 | 42,713 | 40,985 |

28. GENERAL
28.1 Impact of COVID-19 on the Condensed Interim Financial Statements

The spread of COVID-19 as a pandemic and consequent imposition of smart lock down by the Federal and Provincial Governments of Pakistan caused an overall economic slowdown and disruption to various businesses. This resulted in decrease in prices of petroleum products and lower product margins, which are now steadily recovering. As at period end, there is no other material adverse impact to the business, financial conditions and results of the operations. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all steps possible to mitigate any effects.

28.2 Reclassification

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan.

28.3 Date of Authorisation


These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on January 26, 2021.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

***Condensed Interim Consolidated
Financial Statements for the
Six Months Period
Ended December 31, 2020***

Condensed Interim Consolidated Statement of Financial Position (Unaudited)

As At December 31, 2020

| | Note | December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---|------|---------------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Share capital | | | |
| Authorised | | | |
| 150,000,000 (June 30, 2020: 150,000,000) ordinary shares of Rs 10 each | | <u>1,500,000</u> | <u>1,500,000</u> |
| Issued, subscribed and paid-up | | | |
| 106,616,250 (June 30, 2020: 106,616,250) ordinary shares of Rs 10 each | 5 | 1,066,163 | 1,066,163 |
| Reserves and surplus | 6 | 22,511,374 | 22,735,949 |
| Surplus on revaluation of freehold land | | <u>25,093,419</u> | <u>25,093,419</u> |
| | | 48,670,956 | 48,895,531 |
| NON-CURRENT LIABILITIES | | | |
| Long term financing | 7 | 6,548,304 | 7,614,194 |
| Long term lease liability | | 54,496 | 106,741 |
| Deferred grant | | 5,539 | 5,873 |
| CURRENT LIABILITIES | | | |
| Accrued mark-up on long term financing | 7 | 150,978 | 204,519 |
| Current portion of long term financing | 7 | 1,100,000 | - |
| Trade and other payables | 8 | 42,819,006 | 43,207,620 |
| Short term financing | 9 | 1,500,000 | - |
| Accrued mark-up on short term financing | | 1,210 | - |
| Current portion of lease liability | | 213,905 | 214,899 |
| Unclaimed dividends | | 9,350 | 9,355 |
| Provision for taxation | | <u>2,971,195</u> | <u>2,752,443</u> |
| | | 48,765,644 | 46,388,836 |
| TOTAL EQUITY AND LIABILITIES | | <u>104,044,939</u> | <u>103,011,175</u> |
| CONTINGENCIES AND COMMITMENTS | 10 | | |

| | Note | December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---|------|---------------------------------|-----------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating assets | 11 | 40,224,456 | 41,446,237 |
| Capital work-in-progress | 12 | 853,661 | 979,206 |
| Major spare parts and stand-by equipments | | 153,254 | 138,935 |
| | | <u>41,231,371</u> | <u>42,564,378</u> |
| LONG TERM INVESTMENTS | 13 | 19,145,568 | 18,520,569 |
| LONG TERM LOANS AND DEPOSITS | | 40,395 | 40,626 |
| DEFERRED TAXATION | | 7,073,164 | 6,398,137 |
| CURRENT ASSETS | | | |
| Stores, spares and loose tools | | 3,989,882 | 4,431,073 |
| Stock-in-trade | 14 | 8,294,052 | 7,166,651 |
| Trade debts | 15 | 12,291,367 | 12,728,517 |
| Loans, advances, deposits, prepayments and other receivables | 16 | 3,434,179 | 3,002,534 |
| Cash and bank balances | 17 | 8,544,961 | 8,158,690 |
| | | <u>36,554,441</u> | <u>35,487,465</u> |
| TOTAL ASSETS | | <u>104,044,939</u> | <u>103,011,175</u> |

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

For The Six Months Period Ended December 31, 2020

| | Note | Three months ended | | Six months ended | |
|--|------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| Gross sales | 18 | 43,755,465 | 54,319,272 | 90,875,453 | 103,187,916 |
| Taxes, duties, levies, discounts and price differential | 19 | (18,042,975) | (16,303,919) | (36,711,166) | (28,976,945) |
| Net sales | | 25,712,490 | 38,015,353 | 54,164,287 | 74,210,971 |
| Cost of sales | 20 | (26,158,107) | (39,918,791) | (55,380,933) | (76,348,579) |
| Gross loss | | (445,617) | (1,903,438) | (1,216,646) | (2,137,608) |
| Administration expenses | | (213,180) | (261,513) | (416,306) | (450,243) |
| Distribution cost | | (10,685) | (10,056) | (21,245) | (23,105) |
| Other charges | | (209) | 7,704 | (448) | (538) |
| | | (224,074) | (263,865) | (437,999) | (473,886) |
| Other income | 21 | 507,748 | 850,791 | 958,641 | 1,715,441 |
| Impairment loss on financial assets | | (49,181) | (121,288) | (91,180) | (121,288) |
| Operating loss | | (211,124) | (1,437,800) | (787,184) | (1,017,341) |
| Finance cost | 22 | (201,048) | (339,696) | (397,774) | (693,237) |
| Loss before taxation from refinery operations | | (412,172) | (1,777,496) | (1,184,958) | (1,710,578) |
| Taxation | 23 | 120,543 | 504,784 | 337,987 | 454,296 |
| Loss after taxation from refinery operations | | (291,629) | (1,272,712) | (846,971) | (1,256,282) |
| Non-refinery income: | | | | | |
| Share in profit of associated companies | 24 | 201,915 | 117,064 | 622,189 | 436,515 |
| Loss after taxation | | (89,714) | (1,155,648) | (224,782) | (819,767) |
| (Loss)/earnings per share - basic and diluted (Rupees) | | | | | |
| Refinery operations | | (2.73) | (11.93) | (7.94) | (11.78) |
| Non-refinery operations | | 1.90 | 1.09 | 5.84 | 4.09 |
| Loss per share | | (0.83) | (10.84) | (2.10) | (7.69) |

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer




Abdus Sattar
Director


**Condensed Interim Consolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For The Six Months Period Ended December 31, 2020**

| | Three months ended | | Six months ended | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| Loss after taxation | (89,714) | (1,155,648) | (224,782) | (819,767) |
| Other comprehensive income/(loss) (net of tax): | | | | |
| Share of other comprehensive income/(loss) of associated companies - net of tax | 2 | (5) | 207 | 235 |
| Total comprehensive loss | <u>(89,712)</u> | <u>(1,155,653)</u> | <u>(224,575)</u> | <u>(819,532)</u> |

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.


Syed Asad Abbas
Chief Financial Officer


M. Adil Khattak
Chief Executive Officer


Abdus Sattar
Director

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For The Six Months Period Ended December 31, 2020

| | Capital reserve | | | | | Revenue reserve | | | | |
|--|-----------------|---|--|---------------------|---------|-----------------|------------------------|--|---|-------------|
| | Share capital | Special reserve for expansion/modernisation | Utilised special reserve for expansion/modernisation | Maintenance reserve | Others | General reserve | Un-appropriated profit | Gain/(loss) on revaluation of investment at fair value through OCI | Surplus on revaluation of freehold land | Total |
| | | | | | | | | | | |
| | Rs '000 | | | | | | | | | |
| Balance as at July 01, 2019 | 1,066,163 | - | 12,908,966 | 205,640 | 155,996 | 7,077,380 | 7,029,489 | 3,337 | 12,052,576 | 40,499,547 |
| Total comprehensive income/(loss) | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (819,767) | - | - | (819,767) |
| Other comprehensive income for the period | - | - | - | - | - | - | 235 | - | - | 235 |
| | - | - | - | - | - | - | (819,532) | - | - | (819,532) |
| Transferred to maintenance reserve by an associated company - note 6.3 | - | - | - | 1,865 | - | - | (1,865) | - | - | - |
| Balance as at December 31, 2019 | 1,066,163 | - | 12,908,966 | 207,505 | 155,996 | 7,077,380 | 6,208,092 | 3,337 | 12,052,576 | 39,680,015 |
| Total comprehensive income/(loss) | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (3,865,560) | - | - | (3,865,560) |
| Other comprehensive income/(loss) for the period | - | - | - | - | - | - | 40,334 | (101) | 13,040,843 | 13,081,076 |
| | - | - | - | - | - | - | (3,825,226) | (101) | 13,040,843 | 9,215,516 |
| Transferred to maintenance reserve by an associated company - note 6.3 | - | - | - | 6,071 | - | - | (6,071) | - | - | - |
| Balance as at June 30, 2020 | 1,066,163 | - | 12,908,966 | 213,576 | 155,996 | 7,077,380 | 2,376,795 | 3,236 | 25,093,419 | 48,895,531 |
| Total comprehensive income/(loss) | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (224,782) | - | - | (224,782) |
| Other comprehensive income for the period | - | - | - | - | - | - | 207 | - | - | 207 |
| | - | - | - | - | - | - | (224,575) | - | - | (224,575) |
| Transferred to maintenance reserve by an associated company - note 6.3 | - | - | - | 841 | - | - | (841) | - | - | - |
| Balance as at December 31, 2020 | 1,066,163 | - | 12,908,966 | 214,417 | 155,996 | 7,077,380 | 2,151,379 | 3,236 | 25,093,419 | 48,670,956 |

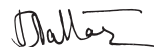
The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

For The Six Months Period Ended December 31, 2020

| | Six months ended | |
|---|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from - Customers | 91,050,104 | 109,020,410 |
| - Others | 336,652 | 383,901 |
| | 91,386,756 | 109,404,311 |
| Cash paid for operating cost | (55,279,764) | (80,848,325) |
| Cash paid to Government for duties, taxes and other levies | (36,784,381) | (28,325,837) |
| Income tax paid | (206,083) | (446,457) |
| Net cash outflows from operating activities | (883,472) | (216,308) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (62,708) | (406,268) |
| Proceeds against disposal of operating assets | 124 | 4,678 |
| Long term loans and deposits | 231 | 3,817 |
| Income on bank deposits received | 218,133 | 834,196 |
| Dividend received | 87,092 | 442,218 |
| Net cash generated from investing activities | 242,872 | 878,641 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of long term financing | - | (1,100,000) |
| Repayment of lease liability | (60,352) | - |
| Short term financing received | 1,500,000 | - |
| Transaction cost on long term financing | (500) | (500) |
| Dividend paid to Company's shareholders | (6) | (28) |
| Grant received for purchase of operating assets | - | 1,520 |
| Finance cost | (408,382) | (673,272) |
| Net cash inflow/(outflows) from financing activities | 1,030,760 | (1,772,280) |
| INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD | 390,160 | (1,109,947) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 8,158,690 | 16,622,691 |
| Effect of exchange rate changes | (3,889) | (3,617) |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 8,544,961 | 15,509,127 |

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Selected Notes To and Forming Part of the Condensed Interim Consolidated Financial Statements (Unaudited) For The Six Months Period Ended December 31, 2020

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public limited company on June 26, 1979. The registered office of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on Pakistan Stock Exchange Limited. It is principally engaged in the refining of crude oil.

The Company is a subsidiary of The Attock Oil Company Limited, England and its ultimate parent is M/s Coral Holding Limited (a private limited company incorporated in Malta).

Attock Hospital (Private) Limited (AHL) was incorporated in Pakistan on August 24, 1998 as a private limited company and commenced its operations from September 1, 1998. AHL is engaged in providing medical services. AHL is a wholly owned subsidiary of Attock Refinery Limited.

For the purpose of these condensed interim consolidated financial statements, ARL and its above referred wholly owned subsidiary AHL is referred to as the Company.

2. STATEMENT OF COMPLIANCE

2.1 These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

These condensed interim consolidated financial statements do not include all the information required for full consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements for the year ended June 30, 2020.

2.2 These condensed interim consolidated financial statements include the accounts of Attock Refinery Limited and its wholly owned subsidiary Attock Hospital (Private) Limited.

3. SIGNIFICANT ACCOUNTING POLICIES

The Accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended June 30, 2020.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended June 30, 2020.

5. SHARE CAPITAL

The parent company, The Attock Oil Company Limited held 65,095,630 (June 30, 2020: 65,063,530) ordinary shares and the associated company Attock Petroleum Limited held 1,790,000 (June 30, 2020: 1,790,000) ordinary shares as at December 31, 2020.

6. RESERVES AND SURPLUS

Capital reserve

Special reserve for expansion/modernisation - note 6.1

Utilised special reserve for expansion/modernisation - note 6.2

Utilised special reserve for expansion/modernisation of an associated company

Maintenance reserve - note 6.3

Others

Liabilities taken over from The Attock Oil Company Limited no longer required

Capital gain on sale of building

Insurance and other claims realised relating to pre-incorporation period

Donation received for purchase of hospital equipment

Bonus shares issued by associated companies

Revenue reserve

General reserve

Transfer of investment

Unappropriated profit

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

| | |
|-------------------|------------|
| - | - |
| 10,962,934 | 10,962,934 |
| 1,946,032 | 1,946,032 |
| 12,908,966 | 12,908,966 |
| 214,417 | 213,576 |
| 4,800 | 4,800 |
| 654 | 654 |
| 494 | 494 |
| 4,000 | 4,000 |
| 146,048 | 146,048 |
| 155,996 | 155,996 |
| 7,077,380 | 7,077,380 |
| 3,236 | 3,236 |
| 2,151,379 | 2,376,795 |
| 9,231,995 | 9,457,411 |
| 22,511,374 | 22,735,949 |

- 6.1** Under the Policy Framework for Up-gradation and Expansion of Refineries, 2013 issued by the Ministry of Energy-Petroleum Division (the Ministry) as amended from time to time, the refineries are required to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into a Special Reserve Account which shall be available for utilisation for Up-gradation of refineries or may also be utilized in off setting losses of the refinery from refinery operations.
- 6.2** Represent amounts utilized out of the Special Reserve for expansion/modernization of the refinery. The total amount of capital expenditure incurred on Refinery expansion/modernisation till December 31, 2020 is Rs 29,095.90 million including Rs 18,132.97 million spent over and above the available balance in the Special Reserve which has been incurred by the Company from its own resources.
- 6.3** Represents amount retained by Attock Gen Limited to pay for major maintenance expenses in terms of the Power Purchase Agreement.

| | |
|---------------------|-----------------|
| December 31, | June 30, |
| 2020 | 2020 |
| Rs' 000 | Rs' 000 |

7. LONG TERM FINANCING - secured
From banking companies

| | | |
|--|--------------------|-----------|
| Syndicated Term Finance - note 7.1 | 5,917,606 | 5,941,485 |
| Musharaka Finance - note 7.2 | 1,936,833 | 1,944,648 |
| | 7,854,439 | 7,886,133 |
| Less: Unamortized transaction cost on financing: | | |
| Balance at the beginning of the period/year | 67,420 | 94,920 |
| Addition during the period/year | 500 | 500 |
| Amortization for the period/year | (12,763) | (28,000) |
| Balance at the end of the period/year | 55,157 | 67,420 |
| | 7,799,282 | 7,818,713 |
| Current portion of long term financing | (1,100,000) | - |
| | 6,699,282 | 7,818,713 |
| Mark-up payable shown as current liability | (150,978) | (204,519) |
| | 6,548,304 | 7,614,194 |

- 7.1** The Company has entered into a syndicated finance agreement with a consortium of banks which includes Bank AL-Habib Limited as the Agent Bank for a term finance facility of Rs 16,575 million for ARL Up-gradation Projects. The facility carries a mark-up of 3 months KIBOR plus 1.70% which is payable on quarterly basis.
- 7.2** The Company obtained Musharaka finance facility of Rs 5,425 million from Bank AL-Habib Limited (the Bank) as the Investment Agent for ARL Up-gradation Projects. The total Musharaka investment amounts to Rs 8,029 million and Investment Agent's (the Bank) share in Musharaka Assets A is nil % (June 30, 2020: nil %) while its share in Musharaka Assets B is 35.37% (June 30, 2020: 35.37%) respectively. While the Managing Co-owner's (the Company) share in Musharaka Assets A is 100% (June 30, 2020: 100%) while its share in Musharaka Assets B is 64.63% (June 30, 2020: 64.63%) respectively. The rental payments under this facility are calculated on the basis of 3 months KIBOR plus 1.70% on value of unit purchased on each Musharaka Assets purchase date under Musharaka agreement.
- 7.3** The facilities referred to in notes 7.1 and 7.2 are secured by first pari passu charge by way of hypothecation over all present and future current assets to the extent of Rs 15,000 million. Further, the facility is also secured by first pari passu charge by way of hypothecation over all present and future movable fixed assets of the Company and mortgage over identified immovable property. Until the payment of all the outstanding amounts due by the Company have been paid in full, the Company cannot, except with the prior written consent of the Agent Bank/Investment Agent, permit the collective shareholding of The Attock Oil Company Limited in the Company to fall below 51%.
- 7.4** The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators/governments across the globe had introduced a host of measures on both the fiscal and economic fronts. The State Bank of Pakistan (SBP) has also responded to the crisis by cutting the Policy Rates and other regulatory measures to provide an impetus to economic activity including allowing borrowers to defer principal loan payments by one year.

Taking the benefit of above mentioned steps, the Company availed the scheme for deferment in repayment of principal amount of its long term financing for a period of one year and the next installment of Rs 550 million will be due in July 2021.

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

8. TRADE AND OTHER PAYABLES

| | | |
|--|-------------------|-------------------|
| Creditors - note 8.1 | 21,356,907 | 21,240,821 |
| Unearned revenue | - | 331,943 |
| Due to The Attock Oil Company Limited - Holding Company | 144,680 | 148,115 |
| Due to associated companies | | |
| Pakistan Oilfields Limited | 2,107,713 | 1,790,324 |
| Attock Energy (Private) Limited | - | 1 |
| Accrued liabilities and provisions - note 8.1 | 4,608,375 | 4,629,589 |
| Due to the Government under the pricing formula | 2,611,351 | 1,715,915 |
| Custom duty payable to the Government | 6,226,457 | 8,908,757 |
| Advance payments from customers | 200,285 | 501,777 |
| Sales tax payable | 2,110,959 | 1,081,535 |
| ARL Gratuity Fund | 44,946 | 45,066 |
| Crude oil freight adjustable through inland freight equalisation margin | 36,210 | 126,879 |
| Payable to statutory authorities in respect of petroleum development levy and excise duty | 3,367,460 | 2,683,235 |
| Deposits from customers adjustable against freight and Government levies payable on their behalf | 376 | 376 |
| Security deposits | 3,287 | 3,287 |
| | 42,819,006 | 43,207,620 |

8.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Energy - Petroleum Division (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld along with accumulated profits amounted to Rs 3,785.72 million (June 30, 2020: Rs 3,722.85 million).

9. SHORT TERM FINANCING

The Company has availed short term financing from a bank to the extent of Rs 1.5 billion to finance its working capital requirement, this facility was fully utilized at the period end. This facility is secured by ranking hypothecation charge over all present and future current and fixed assets (excluding land and building) of the Company. The rate of mark-up on short term financing facility is 3 months KIBOR plus 0.08% p.a. which is payable on quarterly basis.

| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|
|---------------------------------|-----------------------------|

10. CONTINGENCIES AND COMMITMENTS
Contingencies:

| | | |
|---|-----------|-----------|
| i) Consequent to amendment through the Finance Act, 2014, SRO 575(I)/2006 was withdrawn. As a result all imports relating to the ARL Up-gradation Project were subjected to higher rate of customs duties, sales tax and income tax. Aggrieved by the withdrawal of the said SRO, the Company filed a writ petition on August 20, 2014 in the Lahore High Court, Rawalpindi Bench (the Court). The Court granted interim relief by allowing release of the imports against submission of bank guarantees and restrained customs authorities from charging increased amount of | 1,326,706 | 1,326,706 |
|---|-----------|-----------|

**December 31,
2020
Rs' 000**

**June 30,
2020
Rs' 000**

customs duty/sales tax. Bank guarantees were issued in favour of Collector of Customs, as per the directives of the Court. These guarantees include amounts aggregating to Rs 731 million on account of adjustable/claimable government levies.

During the period, the Court in a hearing ordered to refer the Company's writ petition to the Collector of Customs, with the condition that in case the decision is against the petitioner the bank guarantees shall not be called unless the Company avails an appropriate remedy under the law. Aggrieved with this decision the Company has filed an Intra Court Appeal (ICA) which is pending adjudication.

Based on advice from legal advisor, the Company is confident that there are reasonable grounds for a favourable decision and accordingly this liability has not been recognized in the financial statements. Several hearings of the case have been held but the matter is still under adjudication.

| | | |
|---|------------------|-----------|
| ii) Due to circular debt in the oil industry, certain amounts due from the oil marketing companies (OMCs) and due to crude oil suppliers have not been paid/received on their due dates of payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in the financial statements as these have not been acknowledged as debt by either party. | - | 344 |
| iii) Guarantees issued by banks on behalf of the Company [other than (i) above]. | - | 344 |
| iv) Claims for land compensation contested by ARL. | 5,300 | 1,300 |
| v) Price adjustment related to crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreement (COSA) and may require adjustment in subsequent periods as referred to in note 20.1, the amount of which can not be presently quantified. | | |
| vi) In March 2018, Crude Oil Sale and Purchase Agreement (COSA) with effective date of March 27, 2007 was executed between the President of Pakistan and the working interest owners of a Petroleum Concession Agreement (PCA) whereby various matters including the pricing mechanism for crude oil were prescribed. The Company has been purchasing crude oil from the related oil fields since 2007 and 2009 respectively. In this respect, an amount of Rs 2,484 million has been demanded from the Company as alleged arrears of crude oil price for certain period prior to signing of aforementioned COSA. | 2,484,098 | 2,484,098 |

In view of the foregoing, the Company filed a writ petition on December 17, 2018 before the Honourable Islamabad High Court (the Court), whereby interim relief was granted to the Company by restraining respondents from charging the premium or discount regarding the supplies of crude oil made to the Company between 2007

| | December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|--|---------------------------------|-----------------------------|
| to 2012. Based on the Company's assessment of related matter and based on the legal advices obtained from its legal consultants the Company did not acknowledge the related demand and accordingly, not provided for the same in its books of accounts. The matter is pending for adjudication. | | |
| vii) Claim by the Company from Government on account of additional deemed duty on High Speed Diesel (HSD). In the Policy Framework of 2013 for Up-gradation of Refineries, the Government had committed to enhance deemed duty on HSD from 7.5% to 9% subject to setting up of Diesel Hydrodesulphurisation (DHDS) unit. However, this incentive has been withdrawn on April 25, 2016. | 2,751,472 | 2,500,895 |
| The Company has strongly taken up with the Government the matter of withdrawal of additional deemed duty as this incentive was primarily given to recover the cost of investment on DHDS unit which the Company has successfully installed and commissioned. | | |
| viii) The Finance Act, 2017 has introduced tax on every public company at the rate of 7.5% of its accounting profit before tax for the year. However, this tax shall not apply in case of a public company which distributes at least 40% of its after tax profits within six months of the end of the tax year through cash or bonus shares. | 418,470 | 418,470 |
| Aggrieved by this amendment, the Company filed a writ petition on August 3, 2017 in Sindh High Court (the Court), Karachi. The Court has granted stay to the Company. Subsequently, a notification was issued on February 13, 2018 by the Federal Board of Revenue whereby exemption was granted in the incidental matter to the companies that are subject to restrictions imposed by Government of Pakistan on distribution of dividend. Accordingly, no charge has been recorded for the related tax. | | |
| ix) The Company's share in contingency of associated companies. | 2,176,113 | 2,122,458 |
| Commitments: | | |
| i) Capital expenditure | 72,444 | 111,761 |
| ii) Letters of credit for purchase of store items | 36,588 | 159,418 |
| iii) The Company's share of commitments of associated companies: | | |
| Capital expenditure commitments | 411,216 | 555,162 |
| Outstanding letters of credit | 618,750 | 508,836 |

| Six months ended December 31, 2020 Rs' 000 | Year ended June 30, 2020 Rs' 000 |
|---|---|
|---|---|

11. OPERATING ASSETS
11.1 Owned assets

| | | |
|-------------------------------------|-------------------|-------------------|
| Opening written down value | 41,098,012 | 30,398,193 |
| Additions during the period/year | 173,933 | 260,379 |
| Revaluation surplus | - | 13,040,843 |
| Written down value of disposals | (30) | (2,397) |
| Depreciation during the period/year | (1,304,826) | (2,599,006) |
| | <u>39,967,089</u> | <u>41,098,012</u> |

11.2 Right of use assets (ROU)

| | | |
|--|-------------------|-------------------|
| Balance at the beginning of the period/year | 348,225 | - |
| Effect of change in accounting policy due to adoption of IFRS-16 | - | 539,141 |
| Depreciation for the period/year | (90,858) | (227,048) |
| Remeasurement in lease liability | - | 36,132 |
| | <u>257,367</u> | <u>348,225</u> |
| Closing written down value | <u>40,224,456</u> | <u>41,446,237</u> |

12. CAPITAL WORK-IN-PROGRESS

| | | |
|----------------------------------|------------------|------------------|
| Balance at the beginning | 979,206 | 622,573 |
| Additions during the period/year | 43,504 | 594,538 |
| Transfer to operating assets | | |
| - Buildings on freehold land | 3,596 | 20,539 |
| - Plant and machinery | 165,453 | 217,366 |
| | <u>(169,049)</u> | <u>(237,905)</u> |
| Balance at the end | <u>853,661</u> | <u>979,206</u> |

Breakup of the closing balance of capital work-in-progress

The details are as under:

| | | |
|---------------------|----------------|----------------|
| Civil works | 466 | 3,838 |
| Plant and machinery | 852,195 | 974,368 |
| Pipeline project | 1,000 | 1,000 |
| | <u>853,661</u> | <u>979,206</u> |

13. LONG TERM INVESTMENTS

Investment in associated companies

| | | |
|--|-------------------|-------------------|
| Balance as at July 1 | 18,520,569 | 20,709,543 |
| Share of profit/(loss) after tax of associated companies | 506,242 | (440,818) |
| Share in other comprehensive income | 207 | 7,918 |
| Dividend received from associated companies | (87,092) | (625,913) |
| Impairment reversal/(loss) on investment | 205,642 | (1,130,060) |
| Effect of change in accounting policies due to IFRS 9 | - | (101) |
| | <u>19,145,568</u> | <u>18,520,569</u> |

13.1 The Company's interest in associates are as follows:

| | December 31, 2020 | | June 30, 2020 | |
|--|--------------------------|-------------------|----------------------|-------------------|
| | % age Holding | Rs' 000 | % age Holding | Rs' 000 |
| <u>Quoted</u> | | | | |
| National Refinery Limited - note 13.2 | 25 | 8,396,490 | 25 | 8,396,490 |
| Attock Petroleum Limited | 21.88 | 7,794,428 | 21.88 | 7,399,825 |
| <u>Unquoted</u> | | | | |
| Attock Gen Limited - note 13.3 | 30 | 2,916,578 | 30 | 2,689,167 |
| Attock Information Technology Services (Private) Limited | 10 | 38,072 | 10 | 35,087 |
| | | 19,145,568 | | 18,520,569 |

13.2 Based on valuation analysis, the recoverable amount of investment in NRL exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation. These calculations are made on discounted cash flow based valuation methodology carried out by an external investment advisor engaged by the company on annual basis. The latest valuation analysis was carried out for the year ended June 30, 2020.

13.3 In October 2017, the Board of Directors of the Company approved to offer 3.95% out of the Company's 30% shareholding in paid up capital of Attock Gen Limited (AGL) to the general public including employees/officers of the Company upon listing of the shares of AGL on the Pakistan Stock Exchange Limited. However, the proposed offer has not yet been made.

14. STOCK-IN-TRADE

As at December 31, 2020, stock-in-trade includes stocks carried at net realisable value of Rs 3,505.04 million (June 30, 2020: Rs 3,326.41 million). Adjustments amounting to Rs 344.20 million (June 30, 2020: Rs 509.50 million) have been made to closing inventory to write down stock to net realizable value.

15. TRADE DEBTS - unsecured and considered good

Trade debts includes amounts receivable from associated companies Attock Petroleum Limited Rs 6,991.70 million (June 30, 2020: Rs 10,329.65 million) and Pakistan Oilfields Limited Rs nil (June 30, 2020: Rs 49.24 million).

16. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|--|--------------------------------------|----------------------------------|
| Due from associated companies | | |
| Attock Petroleum Limited | 3,804,872 | 3,348,960 |
| Attock Information Technology Services (Private) Limited | 449 | 441 |
| Attock Leisure and Management Associates (Private) Limited | 76 | 436 |
| Attock Gen Limited | 5,998 | 1,048 |
| National Refinery Limited | 10,912 | 10,912 |
| National Cleaner Production Centre Foundation | 1,050 | 764 |
| Attock Sahara Foundation | - | 313 |
| Attock Energy (Private) Limited | 317 | - |
| Capgas (Private) Limited | 68 | 48 |
| Attock Cement Pakistan Limited | 24 | - |
| Income accrued on bank deposits | 15,862 | 28,536 |
| Staff Pension Fund | 13,867 | 13,978 |
| Loans, deposits, prepayments and other receivables | 409,210 | 334,445 |
| Loss allowance | (828,526) | (737,347) |
| | 3,434,179 | 3,002,534 |

| | |
|---------------------------------|-----------------------------|
| December 31, 2020 Rs' 000 | June 30, 2020 Rs' 000 |
|---------------------------------|-----------------------------|

17. CASH AND BANK BALANCES

| | | |
|---|------------------|------------------|
| Cash in hand (US \$ 7,393; June 30, 2020: US \$ 7,393) | 2,900 | 2,397 |
| With banks: | | |
| Local currency | | |
| Current accounts | 8,020 | 11,831 |
| Deposit accounts - note 17.1 and 17.2 | 3,729,574 | 3,663,055 |
| Saving accounts | 4,730,449 | 4,403,562 |
| Foreign Currency | | |
| Saving accounts (US \$ 463,192; June 30, 2020: US \$ 463,090) | 74,018 | 77,845 |
| | 8,544,961 | 8,158,690 |

17.1 Deposit accounts include Rs 3,729.57 million (June 30, 2020: Rs 3,663.06 million) placed in a 90-days interest-bearing account consequent to directives of the Ministry of Energy - Petroleum Division on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 8.1.

17.2 Bank deposits include Rs 1,326.71 million (June 30, 2020: Rs 1,327.05 million) were under lien with bank against a bank guarantee issued on behalf of the Company.

| | Three months ended | | Six months ended | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| 18. GROSS SALES | | | | |
| Company | | | | |
| Local sales | 43,729,285 | 53,922,525 | 90,345,150 | 100,052,384 |
| Naphtha export sales | - | 372,927 | 480,701 | 3,088,634 |
| Subsidiary | | | | |
| Local sales | 26,180 | 23,820 | 49,602 | 46,898 |
| | 43,755,465 | 54,319,272 | 90,875,453 | 103,187,916 |
| 19. TAXES, DUTIES, LEVIES, DISCOUNTS AND PRICE DIFFERENTIAL | | | | |
| Sales tax | 6,353,780 | 7,684,162 | 13,078,448 | 14,241,483 |
| Petroleum development levy | 10,566,124 | 6,519,885 | 21,225,912 | 11,304,692 |
| Custom duties and other levies - note 19.1 | 955,393 | 1,398,361 | 1,944,511 | 2,478,323 |
| Discounts | - | 5,985 | - | 5,985 |
| PMG RON differential - note 19.2 | 167,678 | 695,526 | 462,295 | 946,462 |
| | 18,042,975 | 16,303,919 | 36,711,166 | 28,976,945 |

19.1 This includes Rs 1,944.38 million (December 31, 2019: Rs 2,478.18 million) recovered from customers and payable as per Oil and Gas Regulatory Authority directives on account of custom duty on PMG and HSD.

19.2 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of differential between price of PSO's imported 92 RON PMG and 90 RON PMG sold by the Company during the period.

| | Three months ended | | Six months ended | |
|-------------------------------------|--------------------|-----------------|-------------------|-----------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2020 Rs' 000 | 2019 Rs' 000 | 2020 Rs' 000 | 2019 Rs' 000 |
| 20. COST OF SALES | | | | |
| Crude oil consumed - note 20.1 | 23,576,746 | 37,759,341 | 49,533,386 | 69,053,121 |
| Transportation and handling charges | 25,207 | 26,205 | 46,486 | 296,190 |
| Salaries, wages and other benefits | 261,327 | 267,466 | 524,935 | 548,153 |
| Chemicals consumed | 745,780 | 784,239 | 1,697,169 | 1,561,776 |
| Fuel and power | 939,709 | 1,010,997 | 1,847,612 | 1,953,007 |
| Repairs and maintenance | 91,912 | 72,851 | 151,934 | 454,535 |
| Staff transport and travelling | 3,832 | 4,529 | 8,197 | 10,982 |
| Insurance | 82,467 | 62,782 | 157,627 | 159,682 |
| Cost of receptacles | 3,448 | 7,422 | 10,374 | 17,551 |
| Other operating costs | 7,404 | 3,524 | 29,229 | 29,566 |
| Security Charges | 6,568 | 13,669 | 13,137 | 13,669 |
| Contract Services | 58,681 | 106,701 | 106,276 | 106,701 |
| Depreciation | 676,404 | 688,498 | 1,351,983 | 1,329,155 |
| Cost of goods manufactured | 26,479,485 | 40,808,224 | 55,478,345 | 75,534,088 |
| Changes in stock | (321,378) | (889,433) | (97,412) | 814,491 |
| | 26,158,107 | 39,918,791 | 55,380,933 | 76,348,579 |

20.1 Certain crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreements (COSA) and may require adjustment in subsequent periods.

| | Three months ended | | Six months ended | |
|----------------------------------|--------------------|-----------------|------------------|-----------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2020 Rs' 000 | 2019 Rs' 000 | 2020 Rs' 000 | 2019 Rs' 000 |
| 21. OTHER INCOME | | | | |
| Income on bank deposits | 120,569 | 477,294 | 205,459 | 834,210 |
| Interest on delayed payments | 192,591 | 286,855 | 453,940 | 529,828 |
| Handling and service charges | 8,515 | 12,787 | 27,021 | 25,392 |
| Rental income | 30,178 | 24,479 | 56,650 | 53,313 |
| Exchange gain - (net) | 143,195 | 44,199 | 196,695 | 255,268 |
| Miscellaneous | 12,700 | 5,177 | 18,876 | 17,430 |
| | 507,748 | 850,791 | 958,641 | 1,715,441 |
| 22. FINANCE COST | | | | |
| Interest on long term financing | 194,984 | 322,919 | 388,385 | 676,317 |
| Interest on short term financing | 1,210 | - | 1,210 | - |
| Bank and other charges | 931 | 187 | 1,065 | 330 |
| Interest on lease liability | 3,923 | 16,590 | 7,114 | 16,590 |
| | 201,048 | 339,696 | 397,774 | 693,237 |
| 23. TAXATION | | | | |
| Current | 195,696 | 289,412 | 413,671 | 571,904 |
| Deferred | (316,239) | (794,196) | (751,658) | (1,026,200) |
| | (120,543) | (504,784) | (337,987) | (454,296) |

24. NON-REFINERY INCOME

| | Three months ended | | Six months ended | |
|--|--|--|--|--|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| Share in profit of associated companies [net of impairment reversal/(loss)] | 229,877 | 81,988 | 711,884 | 500,024 |
| Related charges: | | | | |
| Workers' Profit Participation Fund | - | (22,111) | - | - |
| Workers' Welfare Fund | - | (8,402) | - | - |
| Taxation - current and deferred | 27,962 | (4,563) | 89,695 | 63,509 |
| | (27,962) | 35,076 | (89,695) | (63,509) |
| | 201,915 | 117,064 | 622,189 | 436,515 |

25. OPERATING SEGMENT

These condensed interim consolidated financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company are as follows:

| | Three months ended | | Six months ended | |
|--|--|--|--|--|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| High Speed Diesel | 16,390,543 | 20,411,880 | 32,774,958 | 37,763,732 |
| Premier Motor Gasoline | 17,964,126 | 20,493,931 | 37,476,625 | 34,365,973 |
| Jet Petroleum | 2,379,958 | 4,427,812 | 4,568,206 | 8,430,466 |
| Furnace Fuel Oil | 5,112,266 | 5,075,052 | 10,939,053 | 12,927,284 |
| Naphtha | - | 692,166 | 480,701 | 3,655,757 |
| Others | 1,908,572 | 3,218,431 | 4,635,910 | 6,044,704 |
| | 43,755,465 | 54,319,272 | 90,875,453 | 103,187,916 |
| Taxes, duties, levies, discounts and price differential | (18,042,975) | (16,303,919) | (36,711,166) | (28,976,945) |
| | 25,712,490 | 38,015,353 | 54,164,287 | 74,210,971 |

Revenue from four major customers of the Company constitute 92% of total revenue during the six months period ended December 31, 2020 (December 31, 2019: 89%).

26. FAIR VALUE MEASUREMENTS

The carrying values of financial assets and liabilities approximate their fair values. The different levels have been defined as follows:

- Level 1: Quoted prices in active markets for identical assets and liabilities;
- Level 2: Observable inputs; and
- Level 3: Unobservable inputs

Fair value of land has been determined using level 2 by using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

Valuation of the freehold land owned by the Company was valued by independent valuer to determine the fair value of the land as at June 30, 2020. The revaluation surplus was credited to consolidated statement of profit or loss and other comprehensive income and is shown as 'surplus on revaluation of freehold land'.

27. RELATED PARTY TRANSACTIONS

Aggregate transactions with holding company and associated companies during the period were as follows:

| | Three months ended | | Six months ended | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 | December 31, 2020 Rs' 000 | December 31, 2019 Rs' 000 |
| Sale of goods and services to: | | | | |
| Associated companies | 8,081,544 | 14,713,703 | 20,025,750 | 28,129,053 |
| Holding company | 5,389 | 5,754 | 12,998 | 17,550 |
| Interest income on delayed payments from an associated company | 192,591 | 286,855 | 453,940 | 529,828 |
| Purchase of goods and services from: | | | | |
| Associated companies | 2,775,865 | 4,333,204 | 5,847,439 | 7,936,324 |
| Holding company | 81,256 | 108,098 | 155,645 | 211,971 |
| Dividend income from: | | | | |
| Associated companies | 87,092 | - | 87,092 | 442,218 |
| Other related parties: | | | | |
| Remuneration including benefits and perquisites of Chief Executive Officer and key management personnel | 26,482 | 19,628 | 58,518 | 50,826 |
| Honorarium/remuneration to Non-Executive Directors | 1,373 | 1,126 | 4,922 | 4,503 |
| Contribution to Workers' Profit Participation Fund | - | (25,185) | - | - |
| Contribution to Employees' Pension, Gratuity and Provident Funds | 21,175 | 21,422 | 44,849 | 43,028 |

28. GENERAL**28.1 Impact of COVID-19 on the Condensed Interim Consolidated Financial Statements**

The spread of COVID-19 as a pandemic and consequent imposition of smart lock down by the Federal and Provincial Governments of Pakistan caused an overall economic slowdown and disruption to various businesses. This resulted in decrease in prices of petroleum products and lower product margins, which are now steadily recovering. As at period end, there is no other material adverse impact to the business, financial conditions and results of the operations. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all steps possible to mitigate any effects.

28.2 Reclassification

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan.

28.3 Date of Authorisation


These condensed interim consolidated financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on January 26, 2021.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director



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