CNERGYICO PK LIMITED Second Quarter Report 31 December 2023

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# LEADING THE CHARGE

PAKISTAN'S ONLY SINGLE POINT MOORING FACILITY

# **Cnergyico Pk Limited**

**Company Information** 

2<sup>nd</sup> Quarter ended 31<sup>st</sup> December 2023

# **Board of Directors**

Uzma Abbasi Chairperson

Amir Abbassciy Director & Chief Executive Officer

Usama Qureshi Vice Chairman

Mr. Mushtaq Malik, Independent Director

Lt. (R) Raja Muhammad Abbas, Independent Director

Mr. Sami ul Haq Khilji, Independent Director

Mr. Aumar Abbassciy, Director

# **Audit Committee**

Mushtaq Malik, Chairman Usama Qureshi, Member Lt. (R) Raja Muhammad Abbas, Member Aumar Abbassciy, Member

# Human Resource and Remuneration Committee

Lt. (R) Raja Muhammad Abbas, Chairman Sami ul Haq Khilji, Member Usama Qureshi, Member Mushtaq Malik, Member Aumar Abbassciy, Member

# Risk Management Committee

Amir Abbassciy, Chairman Usama Qureshi, Member Sami ul Haq Khilji, Member Aumar Abbassciy, Member

# **Chief Financial Officer**

Zafar Shahab

# **Company Secretary**

Majid Muqtadir

# Auditors

Yousuf Adil Chartered Accountants

# Bankers

Allied Bank Limited Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited Bank Islami Pakistan Limited Bank of China Limited -**Pakistan Operations Faysal Bank Limited** First Women Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Industrial and Commercial Bank of China Limited JS Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan

Pak Oman Investment Company Limited Soneri Bank Limited Summit Bank Limited Silkbank Limited The Bank of Khyber The Bank of Punjab United Bank Limited

# **Shares Registrar**

FAMCO Share Registration Services (Private) Limited 8-F, Next to Hotel Faran Nursery, Block - 6, P.E.C.H.S Shahrah-e-Faisal, Karachi

Tel: (92 21) 3438 0101-5 3438 4621-3 Fax: (92 21) 3438 0106

# **Registered Office**

The Harbour Front, 9<sup>th</sup> Floor, Dolmen City, HC-3, Block-4, Marine Drive, Clifton, Karachi75600, Pakistan

Tel: (92 21) 111 222 081 Fax: (92 21) 111 888 081

# Website

www.cnergyico.com

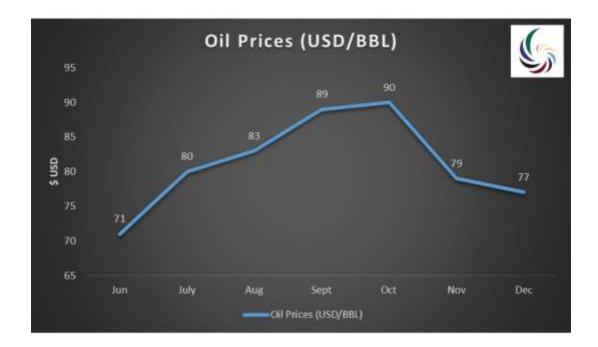
# CNERGYICO PK LIMITED DIRECTORS REPORT FOR THE PERIOD ENDED DECEMBER 31, 2023

In the name of Allah the Most Merciful and the Most Benevolent.

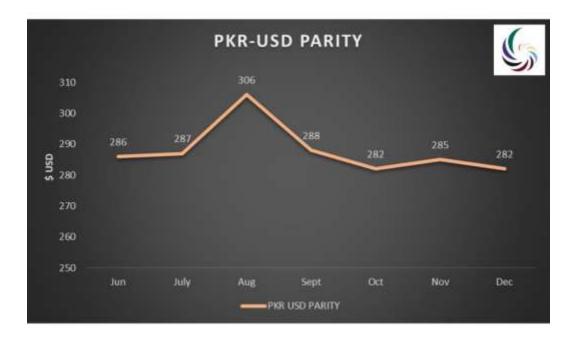
The Directors of your Company are pleased to present a brief review of the financial results and operations of the Company for the period ended 31<sup>st</sup> December, 2023.

# **FINANCIAL RESULTS**

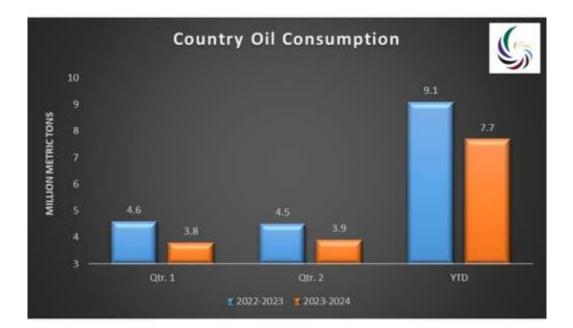
The second quarter of the current period witnessed significant decline in international oil prices as crude oil rates decreased from US\$ 90 / BBL at start of the quarter to about US\$ 77/BBL at end of the period registering a drop of about 14%. Product spreads remained better resulting in healthy margins.



The country also witnessed a reduced oil consumption primarily driven by adverse weather conditions in most parts of the country, as well as the overall economic slowdown. The consumption of High Speed Diesel (HSD) and Motor Spirit (MS) dropped by 5% and 7% respectively, while the consumption of High Sulphur Furnace Oil (HSFO) dropped by 65% as the HSFO based power generation remained negligible.



The decline in international oil prices, reduced consumption of oil in the country and continuation of International Monetary Fund's (IMF) programme provided support to the PKR and it correspondingly recovered from US \$1.00 : PKR 306 in August 2023 to US\$1.00 : PKR 282 in December 2023. We look forward to a continuation of stability at current rates to assist us in our performance as the Country laws do not permit oil companies to hedge forex risk and the unhedged risk results in significant losses.



# **REFINERY OPERATIONS**

During the period under review, the Company has focused on enhancing its performance and initiated various measures to increase refining throughput, while keeping in view the negligible demand of HSFO in local market, the Company was able to export HSFO in the international market, which brought in significant amount of foreign exchange into the country.

We are pleased to inform our shareholders that the above measures have brought a net positive impact on the throughput, viz-a-viz refining margins and operating profits for the second quarter. Our gross sales increased to PKR 120.547 billion as compared to PKR 112.135 billion in the same period last year. Our gross profit and operating profit in the current period was PKR 4.330 billion and PKR 3.164 billion compared to gross loss and operating loss of PKR 7.505 billion and PKR 2.470 billion in the same period last year respectively.

On the financing side, the increase in policy rate by SBP from 16% (in December 2022) to 22% (in December 2023) has resultantly increased the Company's borrowing cost by 67%. Such a high financing rate is not sustainable for any business in the long run and we look towards the Government and the State Bank of Pakistan to consider a downward revision so that the businesses are able to operate and invest.

After netting off the high interest expense during the period as mentioned above, the profit after tax in second quarter was PKR 940 million and the overall loss after taxation for the six months period from July to Dec 23 was PKR 1.602 billion as compared to profit after tax of PKR 1.235 billion (second quarter) and loss after tax of PKR 5.326 billion (Jul to Dec 2022) respectively in the same period last year. This was reduced because of reduction in other income in the current period as compared to the same period last year. Basic I diluted loss per share of Rs. 0.29 as compared to basic (Restated) | diluted loss per share of Rs. 0.99 and Rs. 0.97 respectively in the same period last year.



# **REFINERY EXPANSION AND UPGRADATION – FUTURE OUTLOOK**

We like to inform our shareholders that the brownfield refining policy for upgradation of existing refineries which is called "Pakistan Oil Refining Policy for Upgradation of Existing/Brownfield Refineries 2023 was approved in August 2023 and the refineries were required to sign an Upgrade Agreement with Oil & Gas Regularity Authority (OGRA) within 3 months. However, all the refineries had requested for clarifications | amendments in the proposed Upgrade Policy. Subsequent to the period end, amendments in the Policy have been approved by the Government and now, the refineries are required to sign the Upgrade Agreement within sixty (60) days of notification of amendments in the Policy. We highly appreciate the support of the Government for approving the Policy amendments as this will not only improve the overall product quality but will also attract a huge investment in the refining sector. The Company is actively working on the Upgrade Agreement to be signed with the OGRA and the planning of the project.

# PETROLEUM MARKETING BUSINESS

During the period under review, our petroleum marketing business has also done well and added segment profit of Rs. 1.052 billion as compared to Rs. 600 million in the SPLY. This has resulted due to increase in notified margins of HSD and PMG products during the period and better sales outreach and inventory management.

The Board wishes to place on record its gratitude for the co-operation extended by the Government of Pakistan and our strategic partners including: customers, financial institutions, suppliers | vendors and shareholders.

For and on behalf of the Board of Directors

Chief Executive Officer

Director

Karachi February 28, 2024

# YOUSUF ADIL

Yousuf Adil Chartered Accountants

Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal Karachi-75350 Pakistan

Tel: +92 (0) 21 3454 6494-7 Fax: +92 (0) 21- 3454 1314 www.yousufadil.com

# INDEPENDENT AUDITORS' REVIEW REPORT

# To the members of Cnergyico Pk Limited

# Report on review of Unconsolidated Condensed Interim Financial Statements

# Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Cnergyico Pk Limited** (the Company) as at December 31, 2023, and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, unconsolidated condensed interim statement of changes in equity and notes to the unconsolidated condensed interim financial statements for the six-months period then ended (here-in-after referred to as 'condensed interim financial statements'). Management is responsible for the preparation and presentation of this condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for the interim financial reporting. Our responsibility is to express a conclusion on the unconsolidated condensed interim financial statements.

# 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 the condensed 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 condensed interim financial information is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

# Other matter

The figures of the unconsolidated condensed interim statement of profit or loss, the unconsolidated condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2023 have not been reviewed by us, as we are only required to review the cumulative figures for the half year six months' period ended December 31, 2023.

The engagement partner on the review resulting in this independent auditors' review report is Hena Sadiq.

Chartered Accountants

Place: Karachi Date: February 28, 2024 UDIN: RR2023100576zJB7XhHo

# Cnergyico Pk Limited Unconsolidated Condensed Interim Statement of Financial Position As at December 31, 2023

As at December 31, 2023			
		(Un-audited)	(Audited)
		December 31,	June 30,
		2023	2023
ASSETS No	ote -	(Rupees	in '000)
Non-current assets			
Property, plant and equipment	5	290,929,406	291,938,370
Intangible assets		9,145	12,372
Investment in subsidiaries - at cost	6	17,414,238	17,414,138
Long-term deposits		328,652	328,652
		308,681,441	309,693,532
Current assets			
Stores and spares		2,374,740	2,308,618
	7	32,932,784	25,691,081
Trade debts	8	8,509,216	3,205,613
Loans and advances	-	1,883,169	1,636,594
Trade deposits and short-term prepayments		29,507	28,591
Accrued interest		552,958	511,631
Other receivables	9	1,490,235	1,423,806
Taxation - net	-	118,894	573,273
Cash and bank balances		2,352,764	1,194,718
		50,244,267	36,573,925
Total assets		358,925,708	346,267,457
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		54,934,476	54,934,476
Reserves		(34,990,461)	(34,741,156)
Surplus on revaluation of operating fixed assets - net of tax		156,795,651	158,149,183
		176,739,666	178,342,503
Non-current liabilities			
Long term financing		21,388,717	16,319,206
Accrued and deferred markup		10,175,074	8,598,704
Long term lease liabilities		2,216,926	2,014,883
Long-term deposits		240,373	246,115
Deferred liabilities		861,592	855,011
Deferred taxation		61,160,348	61,713,199
		96,043,030	89,747,118
Current liabilities			
Trade and other payables		53,478,208	54,227,820
Advance from customers		2,431,995	1,345,505
Accrued mark-up		3,147,978	1,923,136
0	0	25,954,397	18,954,023
Current portion of non-current liabilities		1,129,407	1,726,325
Unclaimed dividend		1,027	1,027
		86,143,012	78,177,836
Total equity and liabilities	_	358,925,708	346,267,457
Contingencies and commitments 1	1		

The annexed notes 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

# Cnergyico Pk Limited Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited) For the six months period ended December 31, 2023

	Six months p	eriod ended	Three months	Three months period ended		
	December 31,	December 31,	December 31,	December 31,		
	2023	2022	2023	2022		
		(Rupees	in '000)			
Revenue from contract with customers	120,547,032	112,135,031	80,184,872	55,537,730		
Sales tax, discounts and other duties	(20,697,641)	(11,573,400)	(13,867,801)	(7,729,225)		
Revenue from contract with customers - net	99,849,391	100,561,631	66,317,071	47,808,505		
Cost of sales	(95,518,884)	(108,066,887)	(62,376,681)	(50,671,701)		
Gross Profit / (loss)	4,330,507	(7,505,256)	3,940,390	(2,863,196)		
Administrative expenses	(743,232)	(587,136)	(377,471)	(295,024)		
Selling and distribution expenses	(281,683)	(264,408)	(152,121)	(120,089)		
Other expenses	(1,512,495)	(1,048,665)	(771,611)	(531,470)		
Other income	1,371,314	6,934,677	726,057	6,497,823		
	(1,166,096)	5,034,468	(575,146)	5,551,240		
Operating profit / (loss)	3,164,411	(2,470,788)	3,365,244	2,688,044		
Finance costs - net	(4,765,611)	(2,852,201)	(2,314,609)	(1,567,856)		
(Loss) / profit before taxation	(1,601,200)	(5,322,989)	1,050,635	1,120,188		
Taxation	(1,637)	(3,504)	(110,401)	115,191		
(Loss) / profit after taxation	(1,602,837)	(5,326,493)	940,234	1,235,379		
(Loss) / earnings per share						
	(Rupees)		(Rup	,		
- Basic	(0.29)	(Restated) (0.99)	0.17	(Restated) 0.23		
- Diluted	(0.29)	(0.97)	0.17	0.22		

The annexed notes form an integral part of these unconsolidated condensed interim financial information.

Director

**Chief Executive Officer** 

# Cnergyico Pk Limited Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the six months period ended December 31, 2023

	Six months period ended		Three months	period ended	
	December 31,	December 31,	December 31,	December 31,	
	2023	2022	2023	2022	
	(Rupees in '000)				
(Loss) / profit after taxation	(1,602,837)	(5,326,493)	940,234	1,235,379	
Other comprehensive income	-	-	-	-	
Total comprehensive (loss) / income					
for the period	(1,602,837)	(5,326,493)	940,234	1,235,379	

The annexed notes 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

# Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) For the six months period ended December 31, 2023

		c	Capital Reserve		Revenue Reserve		Contribution	
	Issued, subscribed and paid up capital	Merger Reserves	Other Capital Reserve	Surplus on revaluation of operating fixed assets	Accumulated loss in '000)	Sub- total	against future issue of shares	Total
				(Rupood I				
Balance as at July 1, 2022	53,298,847	(21,303,418)	3,214,209	2,590,087	(4,130,209)	33,669,516	979,418	34,648,934
					(5.000,400)	(5.000,400)		(5.000,400)
Loss after taxation	-	-	-	-	(5,326,493)	(5,326,493)	-	(5,326,493)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(5,326,493)	(5,326,493)	-	(5,326,493)
Incremental depreciation relating to surplus								
on revaluation of operating fixed assets - net of tax	-	-	-	(262,596)	262,596	-	-	-
Balance as at December 31, 2022	53,298,847	(21,303,418)	3,214,209	2,327,491	(9,194,106)	28,343,023	979,418	29,322,441
Balance as at July 1, 2023	54,934,476	(21,959,629)	3,214,209	158,149,183	(15,995,736)	178,342,503	-	178,342,503
Loss after taxation					(1,602,837)	(1,602,837)		(1,602,837)
Other comprehensive income for the period	-	-	-	-	-	- (1,002,007)	-	-
Total comprehensive loss for the period	-	-	-	-	(1,602,837)	(1,602,837)	-	(1,602,837)
Incremental depreciation relating to surplus on revaluation of operating fixed								
assets - net of tax	-	-	-	(1,353,532)	1,353,532	-	-	-
Balance as at December 31, 2023	54,934,476	(21,959,629)	3,214,209	156,795,651	(16,245,041)	176,739,666	-	176,739,666

The annexed notes 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

#### Cnergyico Pk Limited Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited) For the period ended December 31, 2023

	December 31, 2023	December 31, 2022 <b>'000)</b>
CASH FLOWS FROM OPERATING ACTIVITIES	(Kupees in	000)
Loss before taxation	(1,601,200)	(5,322,989)
Adjustments for :		
Depreciation / Amortisation	3,454,122	1,963,552
Finance costs	4,765,611	2,852,201
Allowance for expected credited losses	1,512,495	1,048,665
Gain on sale of operating fixed assets Liabilities written back	-	(29)
Interest income	- (1,341,945)	(5,990,173) (897,572)
Provision for defined benefit obligation	(1,341,943)	49,950
Net cash inflow / (outflow) before working capital changes	6,861,612	(6,296,395)
		(-,,,
Movement in working capital		
(Increase) / decrease in current assets	(66.400)	105 700
Stores and spares Stock in trade	(66,122) (7,241,703)	125,736 13,109,486
Trade debts	(5,560,890)	(216,167)
Loans and advances	(3,300,830) (246,575)	(89,201)
Trade deposits and short term prepayments	(240,575)	(220,084)
Other receivables	(66,429)	1,737,366
Increase / (decrease) in current liabilities	(,,	.,,
Advance from customers	1,086,490	(415,535)
Trade and other payables	(942,396)	(14,979,439)
	(13,038,541)	(947,838)
Cash used in operations	(6,176,929)	(7,244,233)
Finance costs paid	(2,888,593)	(2,028,150)
Income taxes paid	(100,109)	(30,765)
Defined benefit obligation paid	-	(15,000)
Interest income received	45,410	64,881
Net cash used in operations	(9,120,221)	(9,253,267)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,232,616)	(1,110,286)
Proceeds from disposal of operating fixed assets	-	415
Investment in subsidiaries	(100)	(500)
Long term deposits - net	(5,741)	(4,466)
Net cash used in investing activities	(1,238,457)	(1,114,837)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing - net	4,750,342	(1,063,771)
Payment of lease liabilities	(233,992)	(205,631)
Short term borrowing - net	7,000,374	10,466,603
Net cash generated from financing activities	11,516,724	9,197,201
Net increase / (decrease) in cash and cash equivalents	1,158,046	(1,170,903)
Cash and cash equivalents - at the beginning of the period	(405,282)	1,279,745
	(405,282)	1,279,745
Cash and cash equivalents - at the end of the period	752,764	108,842
Cash and cash equivalents comprise of:		
Cash and bank balances	2,352,764	1,708,842
Running finance facility	(1,600,000)	(1,600,000)
	752,764	108,842

The annexed notes 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

# 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Cnergyico Pk Limited (the Company) was incorporated in Pakistan as a public limited company on January 9, 1995 under the Companies Act, 2017 and was granted a certificate of commencement of business on March 13, 1995. The shares of the Company are listed on Pakistan Stock Exchange. The registered office of the company is situated at The Harbour Front, 9th Floor, Dolmen city, HC-3, Block 4, Marine Drive, Clifton, Karachi 75600, Pakistan. The Company is a subsidiary of Bosicorco International Limited , Mauritius (the Parent Company). The Parent Company in turn is a subsidiary of Busientco Incorporated, Cayman Islands (the Ultimate Parent Company).
- **1.2** The Company currently operates two business segments namely oil refinery business and petroleum marketing business. The Company has two refineries with an aggregate rated capacity of 156,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 473 (June 30, 2023: 468) retail outlets across the country as at December 31, 2023.

#### **1.3** Potential restructuring of the Company

The Company made an announcement on Pakistan Stock Exchange ("PSX") dated December 21, 2023 regarding potential restructuring of the Company. Through the said announcement the board of directors of the Company in their meeting approved a draft scheme of arrangement under section 279 to 283 and 285 of the Companies Act, 2017, to be entered into between the Company and its following wholly owned subsidiaries namely:

i) Bosicorco ORB 1 (Private) Limited (ORB 1) ii) Bosicorco ORB 2 (Private) Limited (ORB 2) iii) Bosicorco OMB 1 (Private) Limited (OMB) iv) Bosicorco OSB 2 (Private) Limited (OSB) v) Bosicorco CPB 1 (Private) Limited (CPB) and vi) Cnergyico Isomerate PK (Private) Limited (ISOM) laid before the Board of Directors of the Company (the "Scheme"), pertaining to the proposed corporate reorganization / restructuring of the Company and its wholly owned subsidiaries, subject to completion and finalisation of the Scheme, obtaining all necessary members', creditors' and regulatory approvals, and the sanction of the Scheme by the High Court of Sindh at Karachi, along with fulfilment of related legal formalities in accordance with applicable laws.

In terms of the Scheme, it is intended, inter alia, that certain business units / undertakings of the Company shall be segregated and demerged / carved out from the Company, which undertakings (including the respective assets, liabilities and obligations comprising thereof) shall be merged with and into, and stand vested in, ORB 1, ORB 2, OMB, OSB and CPB respectively. Furthermore, ISOM, being a wholly owned subsidiary of the Company shall be merged with and into ORB 2. To execute the scheme, the Company has filed a petition before High Court of Sindh on January 23, 2024.

Furthermore, subsequent to period ended December 31, 2023 the High Court of Sindh passed order dated February 06, 2024 inter alia for conducting the meeting of the members / secured creditors of the Company with due notice.

# 2. BASIS OF PREPARATION

# 2.1 Statement of compliance

These unconsolidated 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 Standards (IAS 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified by 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.

- 2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual unconsolidated financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2023. These unconsolidated condensed interim financial statements are unaudited, however, the same have been subject to limited scope review by the statutory auditors of the Company, and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.
- **2.3** The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended December 31, 2023 and December 31, 2022.
- 2.4 These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses (if any).
- **2.5** These unconsolidated condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand.

# 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

- **3.1** The accounting policies and the methods of computation applied in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the Company's annual audited unconsolidated financial statements as at and for the year ended June 30, 2023. Certain new IFRS and amendments to existing IFRS are effective for periods beginning on or after July 1, 2023, which do not have any impact on the Company's financial reporting and therefore have not been detailed in these unconsolidated condensed interim financial statements.
- **3.2** The Company follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in this unconsolidated condensed interim financial statements.

# 4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates and judgements made by the management in the preparation of this unconsolidated condensed interim financial statements are the same as those that were applied to the annual unconsolidated financial statements of the Company for the year ended June 30, 2023, except as disclosed otherwise.

5.	PROPERTY, PLANT AND EQUIPMENT	Note	(Un-audited) December 31, 2023 (Rupees in	(Audited) June 30, 2023 n <b>'000)</b>
	Operating fixed assets	5.1 and 5.4	251,928,946	255,157,042
	Capital work-in-progress (CWIP)	5.2	37,547,545	35,410,950
	Right-of-use assets	5.3	1,452,915	1,370,378
			290,929,406	291,938,370

5.1	Additions in operating fixed assets including transfer from CWIP	(Un-audited) December 31, 2023 (Rupees i	(Un-audited) December 31, 2022 n '000)
	Building on free hold land, roads and civil works	-	82,389
	Plant and machinery	-	40,618
	Furniture and fixtures	-	1,085
	Filling stations	63,566	24,600
	Vehicles	-	20,000
	Computer and allied equipments	618	8,360
	Safety and lab equipments	-	13,852
		64,184	190,904

- **5.2** During the period, the additions in capital work-in-progress amounted to Rs. 2,172.932 million (December 31, 2022: Rs. 1,063.746 million). Transfer from CWIP to operating fixed assets amounted to Rs. 36.339 million (December 31, 2022: Rs. 144.364 million).
- **5.3** During the period, the additions in right-of-use assets amounted to Rs. 247.326 million (December 31, 2022: Rs. 821.538 million). The additions have resulted increase corresponding lease liability of Rs. 247.326 million.
- **5.4** During the period, disposals in operating fixed assets amounting to Nil (December 31, 2022: Rs. 0.39 million).

		<b>N</b> 4	(Un-audited) December 31, 2023	(Audited) June 30, 2023
6.	INVESTMENT IN SUBSIDIARIES - AT COST	Note	(Rupees i	n '000)
	Cnergyico Isomerate PK (Private) Limited	6.1	16,931,504	16,931,504
	Bosicorco OSB 1 (Private) Limited	6.2	482,134	482,134
	Other wholly owned subsidiaries	6.4	600	500
			17,414,238	17,414,138

- **6.1** This represents investment in Cnergyico Isomerate Pk (Private) Limited (CIPL), a wholly owned subsidiary, of 1,693,150,430 shares (June 30, 2023: 1,693,150,430 shares) of Rs. 10 each. CIPL is principally engaged in blending, refining and processing of petroleum naphtha to produce petroleum products such as premium motor gasoline.
- **6.2** This represents investment in Bosicorco OSB 1 (Private) Limited (BOSB1L), comprising of 91.05% shareholding of 46,391,621 shares (June 30, 2023: 46,391,621 shares) of Rs. 10 each. BOSB1L is principally engaged in serving as a mooring point for offloading liquid products through the Single Buoy Mooring (SBM) to the company.
- **6.3** The Company carried out a review of the recoverable amount of the investment in CIPL and BOSB1L on June 30, 2023. The Company estimated the recoverable amount by using value-in-use method and concluded that recoverable amount being higher than the carrying amount no impairment needs to be charged. The key assumptions in the value-in-use calculations are the terminal growth rate and the risk-adjusted pre-tax discount rate.
- 6.4 This includes wholly owned subsidiaries incorporated by the company with paid up capital of Rs. 100,000. The company holds 100% paid up capital of these subsidiaries. Subsidiaries include Bosicorco CPB 1 (Private) Limited, Bosicorco OMB 1 (Private) Limited, Bosicorco ORB 1 (Private) Limited, Bosicorco ORB 1 (Private) Limited, Bosicorco ORB 2 (Private) Limited.

During the period Bosicorco Essential service (Private) Limited has been incorporated with paid-up capital of 10,000 shares each having face value of Rs. 10. The company holds 100% paid up capital of this subsidiary.

			(Un-audited)	(Audited)
			December 31,	June 30,
			2023	2023
		Note	(Rupees	in '000)
7.	STOCK-IN-TRADE			
	Raw material	7.1 and 7.2	14,004,113	18,389,344
	Finished products	7.3 and 7.4	18,928,671	7,301,737
			32,932,784	25,691,081

- 7.1 This includes raw material in transit amounting to Rs. 10,664.908 million (June 30, 2023: Rs. 14,366.305 million) as at the reporting date.
- 7.2 Raw material has been written down by Rs. 114.734 million (June 30, 2023: Rs. 318.784 million) to net realiseable value.
- 7.3 Finished Product has been written down by Rs. 2.793 million (June 30, 2023: Rs. 8.139 million) to net realisable value.
- **7.4** This includes finished products held by third parties amounting to Rs. 8,573.221 million (June 30, 2023: Rs. 1,867.896 million).

8.	TRADE DEBTS	Note	(Un-audited) December 31, 2023 (Rupees in	(Audited) June 30, 2023 1 <b>'000)</b>
	Considered good Considered doubtful		8,509,216 12,682,726	3,205,613 11,170,231
			21,191,942	14,375,844
	Allowance for expected credit losses	8.1	(12,682,726)	(11,170,231)
			8,509,216	3,205,613
8.1	Allowance for expected credit losses			
	Opening balance		11,170,231	9,028,059
	For the period / year		1,512,495	2,142,172
	Closing balance		12,682,726	11,170,231
9.	OTHER RECEIVABLES			
	Considered good	9.1	1,490,235	1,423,806

**9.1** This includes Rs. 730.292 million and Rs. 737.430 million (June 30, 2023: Rs. 683.848 million and Rs. 717.383 million) receivable from Cnergyico Isomerate Pk (Private) Limited and Bosicorco OSB 1 (Private) Limited.

			(Un-audited) December 31, 2023	(Audited) June 30, 2023
10.	SHORT TERM BORROWINGS - SECURED	Note	(Rupees in '000)	
		10.1	25,954,397	18,954,023

10.1 This includes facilities extended by commercial banks for import and procurement of crude oil and petroleum products. These carry mark-up ranging from 1-3 month's KIBOR plus 1% to 3% (June 30, 2023: 1 month's KIBOR plus 1.5% to 2%). These are secured under joint pari passu (JPP) arrangement having charge on the Company's current and operating fixed assets.

#### 11. CONTINGENCIES AND COMMITMENTS

#### 11.1 Contingencies

There were no material changes in the status of contingencies from what is disclosed in note 30 to the annual audited unconsolidated financial statements for the year ended June 30, 2023.

#### 11.2 Commitments

The status for commitments is same as disclosed in annual audited unconsolidated financial statements for the year ended June 30, 2023 except for the following:

Commitments for capital expenditure	3,729,766	3,949,879
	(Rupees i	
	2023	2023
	December 31,	June 30,
	(Un-audited)	(Audited)

#### 12. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of ultimate parent company, parent company, subsidiary companies and associated companies, directors, key management personnel, staff provident fund and staff gratuity fund. Transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

	statements, are as follows.		
12.1	Transactions with related parties during the period:	(Un-audited) December 31, 2023	(Un-audited) December 31, 2022
		(Rupees	in '000)
	Parent company:		
	Markup charged	173,970	110,688
	Subsidiary Companies:		
	Other income	183	183
	Product processing charges	-	49,188
	Buoy charges - Net right of way	286,294	-
	Associated companies:		
	Sales	4,855,224	
	Purchase of operating fixed assets and services	82,983	86,339
	Rent expense	-	44,550
	Waiver of principal amount	-	4,591,531
	Markup charged		
	Secured	523,172	-
	Unsecured	2,128,024	1,189,794
	Others		
	Retirement benefit funds	-	37,143
	Key management personnel	211,510	178,818

12.2	Balances with related parties	(Un-audited) December 31, 2023 (Rupees in	December 31, June 30,		
	Parent Company				
	Accrued mark-up payable	1,169,858	1,011,009		
	Loan payable	3,935,650	3,935,650		
	Subsidiary Companies				
	Receivable against expenses incurred	1,467,660	1,401,230		
	Loans and advances	1,518,780	1,518,780		
	Accrued Interest - Receivable	545,655	504,329		
	Associated Companies				
	Advance against shared services	12,060	12,452		
	Accrued mark-up payable				
	- secured	58,397	44,017		
	- unsecured	9,498,948	6,912,904		
	Loan payable				
	- secured	2,020,522	63,742		
	- unsecured	9,990,098	10,240,098		
	Short-term borrowings	1,992,000	3,947,018		
	Trade debts - Net	925,144	-		
	Payable against purchases	217,326	153,595		
	Payable against services	3,052,837	22,379		
	Others				
	Payable to key management person	68,508	68,508		
	Payable to post employment benefit funds	859,070	499,833		

# 13. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. There have been no changes in any risk management policies since the year end.

#### 14. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

#### Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2023, the Company has no financial instruments that are measured at fair value in the unconsolidated statement of financial position.

# 15. OPERATING SEGMENTS

For management purposes, the Company has determined following reportable operating segments on the basis of business activities i.e. oil refining and petroleum marketing. Oil refining business is engaged in crude oil refining and selling of refined petroleum products to oil marketing companies. Petroleum marketing business is engaged in trading of petroleum products, procuring products from oil refining business as well as from other sources.

Transfer prices between operating segments are at agreed terms duly approved by board of directors

The quantitative data for segments is given below:

	Oil Refining		Petroleum Marketing		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
			(Rupe	es in '000)		
Sales to external customers	54,810,651	58,993,205	45,038,740	41,568,426	99,849,391	100,561,631
Inter-segment sales	43,808,261	41,231,494	-	-	43,808,261	41,231,494
Eliminations	(43,808,261)	(41,231,494)	-	-	(43,808,261)	(41,231,494)
Total revenue	54,810,651	58,993,205	45,038,740	41,568,426	99,849,391	100,561,631
Result						
Segment Profit / (Loss)	2,282,550	(5,772,734)	1,052,411	600,838	3,334,961	(2,319,695)
Unallocated expenses:						
Finance costs					(4,765,611)	(2,852,201)
Other expenses					(1,512,495)	(1,048,665)
Interest income					1,341,945	897,572
Loss before taxation					(1,601,200)	(5,322,989)
Taxation					(1,637)	(3,504)
Loss after taxation					(1,602,837)	(5,326,493)

	Oil Re	efining	Petroleum	Marketing	Тс	otal
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
			(Rupe	ees in '000)		
Segment assets	356,989,041	139,639,096	1,936,667	3,235,123	358,925,708	142,874,219
Unallocated assets	-	-	-	-	-	-
	356,989,041	139,639,096	1,936,667	3,235,123	358,925,708	142,874,219
Segment liabilities Unallocated liabilities	180,542,377 -	111,765,125 -	1,643,665 -	1,786,653 -	182,186,042 -	113,551,778 -
	180,542,377	111,765,125	1,643,665	1,786,653	182,186,042	113,551,778
Capital expenditure	1,169,050	1,062,974	63,566	47,312	1,232,616	1,110,286
Other information						
Depreciation	3,382,418	1,859,903	71,704	103,649	3,454,122	1,963,552

All non-current assets of the Company as at December 31, 2023 and December 31, 2022 are located in Pakistan.

# 16. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on <u>February 28, 2024</u> by the Board of Directors of the Company.

Director

**Chief Executive Officer** 

#### Cnergyico Pk Limited Consolidated Condensed Interim Statement of Financial Position As at December 31, 2023

	Notes	(Unaudited) December 31, 2023	(Audited) June 30, 2023
		(Rupees in	'000)
NON CURRENT ASSETS	_		
Property, plant and equipment	5	330,261,693	331,806,662
Intangible assets		9,145	12,372
Long-term deposits		328,727	328,727
		330,599,564	332,147,761
CURRENT ASSETS			
Stores and spares		2,374,740	2,308,618
Stock-in-trade	6	32,932,784	25,691,081
Trade debts	7	8,509,216	3,205,613
Loans and advances		364,389	117,814
Trade deposits and short-term prepayments		29,506	28,591
Accrued interest		7,302	7,302
Other receivables		23,157	23,157
Taxation - net		44,156	518,289
Cash and bank balances		2,354,456	1,196,310
		46,639,707	33,096,775
TOTAL ASSETS		377,239,271	365,244,536
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		54,934,476	54,934,476
Reserves		(50,109,077)	(50,072,929)
		4,825,399	4,861,547
Surplus on revaluation of operating fixed assets		178,847,288	180,718,586
Equity attributable to shareholders of the Parent company		183,672,687	185,580,133
Non controlling Interest		1,019,536	1,033,255
		184,692,223	186,613,388
NON CURRENT LIABILITIES			
Long term financing		21,388,717	16,319,206
Accrued and deferred markup		10,175,074	8,598,704
Long term lease liabilities		2,217,508	2,014,883
Long-term deposits		240,373	246,115
Deferred liabilities		861,592	855,011
Deferred taxation - net		71,435,987	72,200,890
		106,319,251	100,234,809
CURRENT LIABILITIES			
Trade and other payables		53,562,950	54,446,323
Advance from customers		2,431,995	1,345,505
Accrued mark-up		3,147,978	1,923,136
Short Term Borrowings - secured	8	25,954,397	18,954,023
Current portion of non-current liabilities		1,129,450	1,726,325
Unclaimed dividend		1,027	1,027
		86,227,797	78,396,339
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		377,239,271	365,244,536

The annexed notes form an integral part of these consolidated condensed interim financial information.

# **Cnergyico Pk Limited**

#### Consolidated Condensed Interim Statement of Profit or Loss Account For the period ended December 31, 2023

for the period ended betember 51, 2025	Three months Period ended		Three months period ended		
Note	December 31,	December 31,	December 31,	December 31,	
	2023	2022	2023	2022	
	(Rupees i	n '000)	(Rupees i	n '000)	
Revenue from contract with customers - Gross	120,547,032	112,135,031	80,184,872	55,537,730	
Sales tax, discount & other duties	(20,697,641)	(11,573,400)	(13,867,801)	(7,729,224)	
Revenue from contract with customers - net	99,849,391	100,561,631	66,317,071	47,808,506	
Cost of sales	(95,986,461)	(108,486,762)	(62,585,642)	(50,871,806)	
Gross profit / (loss)	3,862,930	(7,925,131)	3,731,429	(3,063,300)	
Administrative expenses	(744,035)	(587,137)	(377,479)	(295,025)	
Selling and distribution expenses	(281,683)	(264,407)	(152,121)	(120,089)	
Other expenses	(1,512,495)	(1,048,665)	(771,611)	(531,470)	
Other income - net	1,329,804	6,934,494	705,302	6,497,731	
	(1,208,409)	5,034,285	(595,909)	5,551,147	
Operating profit / (loss)	2,654,521	(2,890,846)	3,135,520	2,487,847	
Finance costs	(4,765,777)	(2,852,201)	(2,314,692)	(1,567,855)	
(Loss) / profit before taxation	(2,111,256)	(5,743,047)	820,828	919,992	
Taxation	190,091	89,539	37,400	160,823	
(Loss) / profit after taxation	(1,921,165)	(5,653,508)	858,228	1,080,815	
Attributtable to:					
- Equity Holders of the Parent Company	(1,907,446)	(5,653,508)	859,749	1,080,815	
- Non- controlling interest	(1,507,440)	(3,033,308)	(1,521)	-	
- Non- controlling interest	(1,921,165)	(5,653,508)	858,228	1,080,815	
(Loss) / earning per share	(1,521,203)	(3,033,300)	000,220	1,000,013	
(1033) / Curring per sinare	(Rupees) (F		(Rupe	ees)	
		(Restated)		(Restated)	
- Basic	(0.35)	(1.05)	0.16	0.20	
- Diluted	(0.35)	(1.03)	0.16	0.20	

The annexed notes form an integral part of these consolidated condensed interim financial information.

-----Sd-----Chief Executive Officer -----Sd-----Director

-----Sd------Chief Financial Officer

#### **Cnergyico Pk Limited**

Consolidated Condensed Interim Statement of Other Comprehensive Income

For the period ended December 31, 2023

	Six months period ended		Six months p	riod ended	
	December 31,	December 31,	December 31,	December 31,	
	2023	2022	2023	2022	
		(Rupees	in '000)		
(Loss) / profit after taxation	(1,921,165)	(5,653,508)	858,228	1,080,815	
Other comprehensive income	-	-	-	-	
Total comprehensive (loss) / profit for the period	(1,921,165)	(5,653,508)	858,228	1,080,815	
Attributtable to:					
<ul> <li>Equity Holders of the Parent Company</li> </ul>	(1,907,446)	(5,653,508)	859,749	1,080,815	
- Non- controlling interest	(13,719)	-	(1,521)	-	
	(1,921,165)	(5,653,508)	858,228	1,080,815	

The annexed notes form an integral part of these consolidated condensed interim financial information.

-----Sd------**Chief Executive Officer** 

-----Sd------Director -----Sd------

#### Cnergyico Pk Limited Consolidated Condensed Interim Statement of Changes In Equity For the period ended December 31, 2023

		Capital Reserve R		Revenue Reserve			Contribution		
	Issued, subscribed and paid up capital	Merger Reserves	Other Capital Reserve	Surplus on revaluation of operating assets	Accumulated Loss	Sub- total	Non- Controlling Interest - NCI	against future issue of shares	Total
					(Rupees in '000)				
Balance as at 1 July 2022	53,298,847	(21,303,418)	3,214,209	8,733,023	(19,102,829)	24,839,832		979,418	25,819,250
Loss for the period					(5,653,508)	(5,653,508)			(5,653,508)
Business acquisiton during the period							47,382		47,382
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax				(505,080)	505,080				
Balance as at Dec 31, 2022	53,298,847	(21,303,418)	3,214,209	8,227,943	(24,251,257)	19,186,324	47,382	979,418	20,213,125
Balance as at 1 July 2023	54,934,476	(21,959,629)	3,214,209	180,718,586	(31,327,509)	185,580,133	1,033,255		186,613,388
Loss for the period					(1,907,446)	(1,907,446)	(13,719)		(1,921,165)
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax				(1,871,298)	1,871,298				
Balance as at Dec 31, 2023	54,934,476	(21,959,629)	3,214,209	178,847,288	(31,363,657)	183,672,687	1,019,536		184,692,223
		-	-			-			

The annexed notes form an integral part of these consolidated condensed interim financial information.

-----Sd------Chief Executive Officer -----Sd------Director -----Sd-----Chief Financial Officer

#### Cnergyico PK Limited Consolidated Condensed Interim Statement of Cash Flows For the period ended December 31, 2023

Cash used in operations(6,176,927)(7,235,493)Finance costs paid(2,888,593)(2,028,145)Income Taxes paid(100,109)(39,417)Gratuity paid-(15,000)Interest income received(45,410)64,882Net cash used in operating activities(9,120,219)(9,253,172)CASH FLOWS FROM INVESTING ACTIVITIES(1,110,286)-Fixed capital expenditure(1,238,358)(1,114,338)Proceeds from disposal of PPE-(4,467)Long term deposits - net(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIES(1,238,358)(1,143,38)CASH FLOW FROM FINANCING ACTIVITIES(1,063,771)(205,632)Repayment of long term loan - net4,750,341(1,063,771)Payment of lease liabilities(2,33,992)(2,05,62)Short Term Borrowing11,516,7239,197,199Net icrease / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of:Cash and bank balances2,354,4561,710,435	For the period ended December 31, 2023	December 31,	December 31,
CASH FLOWS FROM OPERATING ACTIVITIES         Loss before taxation       (2,111,256)       (5,743,047)         Adjustments for:       3,990,127       2,406,899         Finance costs       4,765,777       2,852,201         Allowance for expected credited losses       1,512,494       1,048,665         Gain on disposal of assets       1,202,903       (5,990,173)         Liabilities written back       1,202,903       (6,273,106)         Net cash flow before working capital changes       6,529,053       (6,273,106)         Morement in working capital       (1,202,612)       1,25,736         Interests / decrease in current assets       (5,560,889)       (2,15,188)         Stock in trade       (2,241,703)       (1,25,736)         Trade deposits and short term prepayments       (1,26,188)       (246,575)         Other receivables       9       (415,355)       (1,076,266)         Decrease in current liabilities       0       (415,355)       (1,056,980)         Advance from customers       1,086,490       (415,355)       (1,056,266)       (1,005,266)       (1,005,266)       (1,003,00)       (962,386)         Cash used in operations       (6,176,927)       (7,235,493)       (1,052,362)       (1,010,286)       (1,110,286)       (1,110,286)			
Loss before traction         (2,111,256)         (5,743,047)           Adjustments for:         3,990,127         2,066,899           Finance costs         4,765,777         2,852,201           Allowance for expected credited losses         1,512,494         1,948,665           Gain on disposal of assets         -         (29)           Liabilities written back         -         (29)           Interest income         (1,300,618)         (897,72)           Provision for defined beneft plan         72,529         49,950           Net cash flow before working capital         (fincrease) / decrease in current assets         (6,1221)         125,736           Stock in trade         (7,241,703)         13,109,466         (215,168)         (215,168)           Loans and advances         (266,787)         (220,84)         (1,44,770)           Decrease in current labilities         -         (1,25,746)         (1,5,168)           Cash used in operations         (1,06,490)         (1,44,770)         (220,84)           Other receivables         -         -         (1,25,493)           Decrease in current labilities         -         0,106,490         (415,535)           Trade edposits and short term prepayments         (1,06,266)         (1,223,643) <t< th=""><th></th><th>(Rupees</th><th>s in '000)</th></t<>		(Rupees	s in '000)
Loss before traction         (2,111,256)         (5,743,047)           Adjustments for:         3,990,127         2,066,899           Finance costs         4,765,777         2,852,201           Allowance for expected credited losses         1,512,494         1,948,665           Gain on disposal of assets         -         (29)           Liabilities written back         -         (29)           Interest income         (1,300,618)         (897,72)           Provision for defined beneft plan         72,529         49,950           Net cash flow before working capital         (fincrease) / decrease in current assets         (6,1221)         125,736           Stock in trade         (7,241,703)         13,109,466         (215,168)         (215,168)           Loans and advances         (266,787)         (220,84)         (1,44,770)           Decrease in current labilities         -         (1,25,746)         (1,5,168)           Cash used in operations         (1,06,490)         (1,44,770)         (220,84)           Other receivables         -         -         (1,25,493)           Decrease in current labilities         -         0,106,490         (415,535)           Trade edposits and short term prepayments         (1,06,266)         (1,223,643) <t< td=""><td>CASH FLOWS FROM OPERATING ACTIVITIES</td><td></td><td></td></t<>	CASH FLOWS FROM OPERATING ACTIVITIES		
Adjustments for:       3,990,127       2,406,899         Depreciation / Amortisation       3,990,127       2,406,899         Finance cots       4,755,777       2,805,899         Journace for expected credited losses       1,512,494       1,048,665         Gain on disposal of assets       1,512,494       (1,300,618)         Interest income       (1,300,618)       (897,572)         Provision for defined benefit plan       72,229       49,550         Movement in working capital       (1,200,618)       (897,572)         Movement in working capital       (1,21,21)       (1,25,736)         Stores and spares       (6,61,22)       (1,25,736)         Stores and spares       (6,61,22)       (1,25,736)         Stores and spares       (246,575)       (125,60,889)         Loars and advances       1,068,4901       (1,24,770)         Decrease in current labilities       -       -         Advance from customers       1,068,4901       (1,15,01,390)         Trade depositions       (6,176,927)       (7,225,493)         Finance costs paid       (1,00,190)       (3,94,27)         Loars in current labilities       (1,20,219)       (1,232,564)         Income Taxes paid       (1,00,190)       (3,94,27)		(2,111,256)	(5,743,047)
Finance costs       4,756,777       2,852,201         Allowance for expected credited losses       1,512,494       1,048,665         Gain on disposal of assets       1,512,494       1,048,665         Diabilities written back       1,502,494       1,048,665         Diabilities written back       1,300,618       (837,572)         Provision for defined benefit plan       7,252       49,590         Net cash flow before working capital       (Increase) / decrease in current assets       550res and spares       (6,6,122)       1,157,786         Stores and spares       (6,6,122)       1,25,736       (13,109,486       (216,168)         Loans and advances       (7,64,173)       1,3109,486       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,168)       (216,069)       (216,168)       (216,168)       (216,068)       (216,168)       (216,068)       (216,168)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (216,068)       (217,			(-, -, -, -, -, -, -, -, -, -, -, -, -, -
Allowance for expected credited losses       1,512,494       1,048,665         Gain on disposal of assets       .       (29)         Liabilities written back       .       (5,990,173)         Interest income       (1,300,618)       (897,572)         Provision for defined benefit plan       .       (5,299,053)         Net cash flow before working capital       .       (6,122)       13,109,486         (Increase) / decrease in current assets       .       .       (27,11,703)         Stores and spares       . <t< td=""><td>Depreciation / Amortisation</td><td>3,990,127</td><td>2,406,899</td></t<>	Depreciation / Amortisation	3,990,127	2,406,899
Gain on disposal of assets         (29)           Liabilities written back         (590).173)           Interest income         (1,300,618)           Provision for defined benefit plan         72,529           Net cash flow before working capital         (1,300,618)           (Increase) / decrease in current assets         5502,3053           Stores and syares         (66,122)           Trade debts         (7,241,703)           Loans and advances         (7,241,703)           Trade debts         (5,500,809)           Loans and advances         (15,001,800)           Trade debts         (15,001,800)           Long and advances         (15,001,300)           Trade and other payables         (16,176,927)           Trade and other payables         (15,001,300)           Income Taxes paid         (2,888,893)           Income Taxes paid         (1,232,616)           Income Taxes paid         (1,232,616)           Income Taxes paid         (2,288,893)           Long term deposits - net         (9,120,219)           Proceeds from disposal of PPE         (1,232,616)           Long term deposits - net         (1,233,358)           Sch FLOW FROM INVESTING ACTIVITES         (1,233,358)           Fixed capital e	Finance costs	4,765,777	2,852,201
Liabilities written back       -       (5,990,173)         Interest income       (1,300,618)       (37,572)         Provision for defined benefit plan       72,529       (49,950)         Net cash flow before working capital       6,929,053       (6,273,106)         Movement in working capital       (66,122)       125,736         More and spares       (7,241,773)       13,109,486         Stock in trade       (7,241,773)       13,109,486         Trade deposits and short term prepayments       (246,575)       (89,201)         Other receivables       -       1,744,770       13,109,486         Decrease in current liabilities       -       1,086,490       (415,535)         Cash used in operations       (6,176,927)       (7,235,493)       (15,001,390)         Finance costs paid       (100,019)       (19,24,143)       (10,00,19)       (19,24,143)         Income Taxes paid       (100,109)       (19,34,17)       -       (15,000)         Interest income received       45,410       44,853       (2,288,593)       (2,20,84)         Net cash used in operating activities       (9,120,219)       (9,233,172)       (1,230,616)       (1,110,286)         Proceeds from disposal of PPE       -       15,500       -       15,	•	1,512,494	
Interest income         (1,300,618)         (897/572)           Provision for defined benefit plan         72,529         49,950           Net cash flow before working capital changes         6,527,31061           Movement in working capital         (1,200,618)         (6,122)           Stores and spares         (6,122)         (1,215,736           Stores and advances         (6,512)         (1,215,736           Trade debts         (5,560,889)         (24,675)           Loans and advances         (9,201)         (24,675)           Trade deposits and short term prepayments         (1,076,266)         (1,074,770           Decrease in current liabilities         1,086,490         (1415,535)           Advance from customers         1,086,490         (145,535)           Trade and other payables         (6,176,927)         (7,235,493)           Finance costs paid         (2,888,593)         (2,028,445)           Income Taxes paid         (1,075,260)         (15,000)           Income Taxes paid         (1,232,616)         (1,102,86)           Proceeds from disposal of PPE         (1,232,616)         (1,102,86)           Long term deposits - net         (1,232,616)         (1,102,86)           Proceeds from disposal of PPE         (1,233,588)         (1,		-	. ,
Provision for defined benefit plan         72,529         49,950           Net cash flow before working capital changes         6,929,053         (6,273,106)           Movement in working capital         (125,736)         125,736           Kincrease// decrease in current assets         (66,122)         125,736           Stores and spares         (7,241,7703)         13,109,486           Cash and advances         (7,241,7703)         13,109,486           Cash and advances         (7,241,7703)         13,109,486           Other receivables         (246,575)         (89,201)           Decrease in current liabilities         -         -           Advance from customers         1,086,490         (1415,535)           Trade and other payables         (6,176,927)         (7,235,493)           Finance costs paid         (100,109)         (39,417)           Income Taxes paid         (100,109)         (39,417)           Cash used in operating activities         (9,120,219)         (5,253,172)           CASH FLOW FROM INVESTING ACTIVITIES         (1,232,616)         (1,110,286)           Proceeds from disposal of PPE         -         (1,238,358)         (1,14,338)           CASH FLOW FROM INVESTING ACTIVITIES         (1,238,358)         (1,14,338)         (1,238,358)		-	
Net cash flow before working capital changes         6,229,053         (6,273,106)           Movement in working capital (Increase) / decrease in current assets         (66,122) (7,241,703)         125,736           Stores and spares         (66,122) (7,241,703)         125,736           Trade debts         (5,50,889) (246,575)         (220,084)           Other receivables         -         1,744,770           Decrease in current liabilities         -         1,744,770           Advance from customers         1,086,490         (1,076,266)           Trade and other payables         (1,076,266)         (15,001,390)           Finance costs paid         (2,888,593)         (2,02,886)           Income Taxes paid         (2,888,593)         (2,02,8145)           Income Taxes paid         (1,00,109)         (39,417)           Gast used in operating activities         (9,120,219)         (9,253,172)           CASH FLOWS FROM INVESTING ACTIVITES         (1,222,616)         (1,110,286)           Proceeds from disposal of PPE         -         (1,233,368)         (1,114,338)           CASH FLOW FROM INVESTING ACTIVITES         -         (1,233,930)         (20,56,327)           Repayment of long term loan - net         4,750,341         (1,063,771)           Proceeds from disposal of PPE <td></td> <td></td> <td></td>			
Movement in working capital (Increase) / decrease in current assets Stock in trade Trade debts         (66,122) (7,24,703)         125,736           Stock in trade Trade debts         (7,24,703)         13,109,486           Loans and advances         (7,24,703)         (220,084)           Trade debts         (7,24,703)         (220,084)           Loans and advances         (7,24,703)         (220,084)           Trade deposits and short term prepayments         (915)         (220,084)           Other receivables         -         (15,001,300)           Decrease in current liabilities         -         (15,001,300)           Advance from customers         (10,0109)         (13,105,980)         (962,386)           Cash used in operations         (6,176,927)         (7,235,493)         (2,028,145)           Income Taxes paid         (100,109)         (13,94,17)         (13,100,980)         (13,200,109)           Interest income received         45,410         (1,110,286)         (1,122,616)         (1,110,286)           Net cash used in operating activities         (1,222,616)         (1,110,286)         (1,123,2616)         (1,110,286)           Proceeds from disposal of PPE         -         (1,232,616)         (1,110,286)         (1,14,338)           CASH FLOW FINOM FINANCING ACTIVITIES			
(Increase) / decrease in current assets         Stores and spares         Stores and spares         Storek in trade         Trade debts         Loans and advances         Trade deposits and short term prepayments         Other receivables         Decrease in current liabilities         Advance from customers         Trade and other payables         Cash used in operations         (10,762,261)         Finance costs paid         Incorne Taxes paid         (10,762,261)         Intrade         Proceeds from disposal of PPE         Long term deposits - net         Net cash used in investing activities         Proceeds from disposal of PPE         Long term deposits - net         Proceeds from disposal of PPE         Long term deposits - net         Repayment of long term loan - net         Payment of lease liabilities         Short exities         Payment of lease liabilities         Net cash used in operates coing         Net cash used in investing activities         Cash used in investing activities         Cash used in investing activities         Proceeds from disposal of PPE         Long term deposits - net <t< td=""><td></td><td>-,,</td><td>(0)_/0)_000</td></t<>		-,,	(0)_/0)_000
Stores and spares         (66,122)         125,736           Stock in trade         (7,241,703)         13,109,486           Trade debts         (5,560,889)         (246,575)         (89,201)           Trade debts         (915)         (240,575)         (89,201)           Other receivables         (1,076,266)         (15,001,390)         (15,001,390)           Advance from customers         1,086,490         (415,535)         (15,001,390)           Trade and other payables         (6,176,927)         (7,235,493)         (15,001,390)           Cash used in operations         (6,176,927)         (7,235,493)         (15,001,390)           Income Taxes paid         (2,888,593)         (2,028,145)         (15,000)           Income Taxes paid         (1,9,02,219)         (9,23,814)         (15,000)           Income Taxes paid         (1,232,616)         (1,110,286)         (1,110,280)           Oracting activities         (1,232,616)         (1,110,286)         (1,233,959)         (1,063,771)           CASH FLOW FROM INVESTING ACTIVITIES         (1,233,959)         (1,063,771)         (2,339,92)         (1,063,771)         (2,35,325)         (1,114,338)           CASH FLOW FROM FINANCING ACTIVITIES         (1,233,959)         (1,114,338)         (2,65,62)         (1			
Stock in trade       (7,241,703)       13.109,486         Trade debts       (246,577)       (216,168)         Loans and advances       (246,577)       (915)         Trade deposits and short term prepayments       (1,076,266)       (145,535)         Other receivables       1,086,490       (415,535)         Trade and other payables       (1,076,266)       (15,076,390)         Cash used in operations       (6,176,927)       (7,235,493)         Finance costs paid       (100,109)       (39,417)         Gratuity paid       -       (15,000,00)         Income Taxes paid       (100,109)       (39,417)         Gratuity paid       -       (15,000,00)       (39,417)         Interest income received       45,410       64,882         Net cash used in operating activities       (9,120,219)       (9,253,172)         CASH FLOW FROM INVESTING ACTIVITIES       (1,110,286)       (1,110,286)         Proceeds from disposal of PPE       (1,232,616)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,238,358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,238,9358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,239,931)       (205,632)         Repayment			125 726
Trade debts       (5,560,889)       (216,168)         Loans and advances       (226,575)       (89,201)         Trade debts       (226,575)       (89,201)         Other receivables       -       (1,74,770)         Decrease in current liabilities       1,086,490       (415,535)         Advance from customers       1,086,490       (415,535)         Trade and other payables       (6,176,927)       (7,235,493)         Cash used in operations       (6,176,927)       (7,235,493)         Finance costs paid       (2,888,593)       (2,028,145)         Income Taxes paid       (2,888,593)       (2,028,145)         Income Taxes paid       (1,00,109)       (39,417)         Gratuity paid       -       (15,000)         Income Taxes paid       (1,210,219)       (9,233,172)         CASH FLOWS FROM INVESTING ACTIVITES       (1,110,286)       (1,110,286)         Proceeds from disposal of PPE       -       (1,432,518)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITES       (1,238,358)       (1,114,338)       (2,05,632)       (2,05,632)         Net cash used in investing activities       (1,238,358)       (1,114,338)       (2,05,632)       (2,05,632)       (2,05,632)       (2,05,632)       (2,05,632)	•		
Loans and advances         (246,575)         (89,201)           Trade deposits and short term prepayments         (915)         (220,084)           Other receivables         -         1,744,770           Decrease in current liabilities         1,086,490         (415,535)           Advance from customers         1,086,490         (415,535)           Trade and other payables         (6,176,927)         (7,235,493)           Cash used in operations         (6,176,927)         (7,235,493)           Finance costs paid         (2,888,593)         (2,028,145)           Income Taxes paid         (100,109)         (39,417)           Gratuity paid         -         (15,000)           Interest income received         45,410         64,882           Net cash used in operating activities         (1,232,616)         (1,110,286)           Proceeds from disposal of PPE         -         415           Long term deposits - net         (1,238,358)         (1,114,338)           CASH FLOW FROM FINANCING ACTIVITIES         (238,992)         (205,632)           Payment of lease liabilities         (2,33,992)         (1,063,771)           Payment of lease liabilities         (1,133,892)         (1,063,771)           Short Term Borrowing         1,158,146 <t< td=""><td></td><td></td><td></td></t<>			
Trade deposits and short term prepayments       (915)       (220,084)         Other receivables       -       -         Decrease in current liabilities       -       1,086,490       (415,535)         Trade and other payables       (1,076,266)       (15,001,390)       (92,386)         Cash used in operations       (6,176,927)       (7,235,493)       (100,109)       (39,417)         Finance costs paid       (2,888,593)       (2,028,145)       -       (15,000)         Income Taxes paid       (100,109)       (39,417)       -       (15,000)         Income Taxes paid       (100,109)       (39,417)       -       (15,000)         Income Taxes paid       (1,063,071)       (9,253,172)       (9,253,172)         CASH FLOWS FROM INVESTING ACTIVITES       -       (1,232,616)       (1,110,286)         Proceeds from disposal of PPE       -       -       (4,467)         Long term deposits - net       (5,7622)       (4,467)       (4,467)         Net cash used in investing activities       (1,238,358)       (1,110,286)       -       (1,238,358)       (1,111,438)         CASH FLOW FROM FINANCING ACTIVITES       -       -       (4,467)       (4,467)       (2,467)       (2,632,17,19)       (2,56,32)       (2,05,632)			
Other receivables         -         1,744,770           Decrease in current liabilities         Advance from customers         1,086,490         (415,535)           Trade and other payables         (1,076,266)         (15,001,390)         (962,386)           Cash used in operations         (6,176,927)         (7,235,493)         (962,386)           Finance costs paid         (2,888,593)         (2,028,145)         (100,109)         (39,417)           Gratuity paid         -         (15,000)         (15,000,199)         (39,417)           Gratuity paid         -         (100,109)         (39,417)         (15,000)           Interest income received         45,410         64,882         (9,120,219)         (9,223,172)           CASH FLOW FROM INVESTING ACTIVITIES         -         -         (1,110,286)         -           Proceeds from disposal of PPE         -         -         (4,467)         -           Net cash used in investing activities         (1,114,338)         (1,114,338)         (1,114,338)           CASH FLOW FROM FINANCING ACTIVITIES         -         -         -         (1,063,771)           Repayment of long term loan - net         -         -         -         (1,063,771)         (205,623)         -         (233,992)         (2			
Decrease in current liabilities         1,086,490         (415,535)           Trade and other payables         (1,076,266)         (15,001,390)         (962,386)           Cash used in operations         (6,176,927)         (7,235,493)         (962,386)           Finance costs paid         (2,888,593)         (2,028,145)         (10,0109)         (39,417)           Income Taxes paid         (10,0109)         (39,417)         (15,000)         (15,000)           Interest income received         45,410         64,882         (9,120,219)         (9,223,172)           CASH FLOW FROM INVESTING ACTIVITIES         (1,232,616)         (1,110,286)         (1,110,286)         (1,110,286)           Proceeds from disposal of PPE         -         (1,232,616)         (1,110,286)         (1,123,398)         (1,110,286)           Proceeds from disposal of PPE         -         (1,232,616)         (1,110,286)         (1,110,286)           Proceeds from disposal of PPE         -         (1,233,358)         (1,111,338)         (1,14,338)           CASH FLOW FROM FINANCING ACTIVITIES         -         (1,233,952)         (205,632)         (205,632)           Short Term Borrowing         7,000,374         (1,063,771)         (205,632)         (205,632)         (205,632)         (205,632)         (205,632)		-	
Trade and other payables       (1.076,266)       (15,001,390)         Cash used in operations       (6,176,927)       (7,235,493)         Finance costs paid       (2,888,593)       (2,028,145)         Income Taxes paid       (100,109)       (39,417)         Gratuity paid       -       (15,001,390)         Interest income received       45,410       64,882         Net cash used in operating activities       (9,120,219)       (9,253,172)         CASH FLOWS FROM INVESTING ACTIVITIES       (1,232,616)       (1,110,286)         Fixed capital expenditure       (1,238,358)       (1,114,338)         Proceeds from disposal of PPE       -       (4,467)         Long term deposits - net       (1,238,358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITES       -       (1,063,771)         Repayment of long term loan - net       4,750,341       (2,05,632)         Most Term Borrowing       7,000,374       10,466,603         Net cash generated from financing activities       11,516,723       9,197,199         Net increase / (decrease) in cash and cash equivalents       1,158,146       (1,170,311)         Cash and cash equivalents - opening       (403,690)       1,280,745         Cash and cash equivalents - closing       754,456       1	Decrease in current liabilities		_,,
(13,105,980)         (962,386)           (13,105,980)         (962,386)           (13,105,980)         (7,235,493)           Finance costs paid         (2,288,593)           Income Taxes paid         (100,109)           Gratuity paid         -           (15,000)         (15,000)           Interest income received         45,410           Net cash used in operating activities         (9,120,219)           CASH FLOWS FROM INVESTING ACTIVITIES         (1,232,616)           Fixed capital expenditure         (1,232,616)           Proceeds from disposal of PPE         -           Long term deposits - net         (1,238,358)           Net cash used in investing activities         (1,238,358)           CASH FLOW FROM FINANCING ACTIVITIES         (1,238,358)           Repayment of long term loan - net         4,750,341           Payment of lease liabilities         (1,06,3,771)           Short Term Borrowing         11,516,723           Net cash generated from financing activities         11,516,723           Net increase / (decrease) in cash and cash equivalents         1,158,146           Cash and cash equivalents - opening         (403,690)         1,280,745           Cash and cash equivalents - closing         754,456         110,434 <td>Advance from customers</td> <td>1,086,490</td> <td>(415,535)</td>	Advance from customers	1,086,490	(415,535)
(13,105,980)         (962,386)           (13,105,980)         (962,386)           (13,105,980)         (7,235,493)           Finance costs paid         (2,288,593)           Income Taxes paid         (100,109)           (13,105,980)         (962,386)           Income Taxes paid         (100,109)           Gratuity paid         -           Interest income received         45,410           Net cash used in operating activities         (9,120,219)           CASH FLOWS FROM INVESTING ACTIVITIES         (1,232,616)           Fixed capital expenditure         (1,232,616)           Proceeds from disposal of PPE         -           Long term deposits - net         (1,238,358)           Net cash used in investing activities         (1,238,358)           CASH FLOW FROM FINANCING ACTIVITIES         (1,238,358)           Repayment of long term loan - net         4,750,341           Payment of lease liabilities         (1,06,63,771)           Short Term Borrowing         11,516,723           Net cash generated from financing activities         11,516,723           Net increase / (decrease) in cash and cash equivalents         1,158,146           Cash and cash equivalents - opening         (403,690)         1,280,745           Cash and ca	Trade and other payables	(1,076,266)	
Finance costs paid       (2,888,593)       (2,028,145)         Income Taxes paid       (100,109)       (39,417)         Gratuity paid       -       (15,000)         Interest income received       45,410       64,882         Net cash used in operating activities       (9,120,219)       (9,253,172)         CASH FLOWS FROM INVESTING ACTIVITIES       (1,232,616)       (1,110,286)         Proceeds from disposal of PPE       415       (4,467)         Long term deposits - net       (1,233,588)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,233,588)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,233,921)       (1,063,771)         Payment of long term loan - net       4,750,341       (1,063,771)         Payment of lease liabilities       7,000,374       10,466,603         Net cash generated from financing activities       11,516,723       9,197,199         Net increase / (decrease) in cash and cash equivalents       1,158,146       (1,170,311)         Cash and cash equivalents - opening       (403,690)       1,280,745         Cash and cash equivalents - closing       754,456       110,434         Cash and cash equivalents comprise of:       2,354,456       1,710,435         Cash and cash equivalents comprise			(962,386)
Income Taxes paid       (100,109)       (39,417)         Gratuity paid       -       (15,000)         Interest income received       45,410       64,882         Net cash used in operating activities       (9,120,219)       (9,253,172)         CASH FLOWS FROM INVESTING ACTIVITIES       (1,232,616)       (1,110,286)         Proceeds from disposal of PPE       -       (4,467)         Long term deposits - net       (1,238,358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,233,992)       (205,632)         Repayment of long term loan - net       4,750,341       (1,063,771)         Payment of lease liabilities       11,516,723       9,197,199         Net cash generated from financing activities       11,516,723       9,197,199         Net increase / (decrease) in cash and cash equivalents       1,158,146       (1,170,311)         Cash and cash equivalents - opening       (403,690)       1,280,745         Cash and cash equivalents - closing       754,456       110,434         Cash and cash equivalents comprise of:       2,354,456       1,710,435         Cash and bank balances       2,354,456       1,710,435	Cash used in operations	(6,176,927)	(7,235,493)
Income Taxes paid       (100,109)       (39,417)         Gratuity paid       -       (15,000)         Interest income received       45,410       64,882         Net cash used in operating activities       (9,120,219)       (9,253,172)         CASH FLOWS FROM INVESTING ACTIVITIES       (1,232,616)       (1,110,286)         Proceeds from disposal of PPE       -       (4,467)         Long term deposits - net       (1,238,358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,233,992)       (205,632)         Repayment of long term loan - net       4,750,341       (1,063,771)         Payment of lease liabilities       11,516,723       9,197,199         Net cash generated from financing activities       11,516,723       9,197,199         Net increase / (decrease) in cash and cash equivalents       1,158,146       (1,170,311)         Cash and cash equivalents - opening       (403,690)       1,280,745         Cash and cash equivalents - closing       754,456       110,434         Cash and cash equivalents comprise of:       2,354,456       1,710,435         Cash and bank balances       2,354,456       1,710,435	Finance costs paid	(2.888.593)	(2.028.145)
Gratuity paid       -       (15,000)         Interest income received       45,410       64,882         Net cash used in operating activities       (9,120,219)       (9,253,172)         CASH FLOWS FROM INVESTING ACTIVITIES       (1,232,616)       (1,110,286)         Proceeds from disposal of PPE       -       (1,232,616)       (1,110,286)         Long term deposits - net       (1,238,358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,238,358)       (1,114,338)         CASH FLOW FROM FINANCING ACTIVITIES       (1,233,932)       (1,063,771)         Payment of long term loan - net       4,750,341       (1,063,771)         Payment of lease liabilities       (233,992)       (205,632)         Short Term Borrowing       7,000,374       10,466,603         Net cash generated from financing activities       11,516,723       9,197,199         Net increase / (decrease) in cash and cash equivalents       1,158,146       (1,170,311)         Cash and cash equivalents - opening       (403,690)       1,280,745         Cash and cash equivalents - closing       754,456       10,434         Cash and cash equivalents comprise of:       2,354,456       1,710,435         Running finance facility       (1,600,000)       (1,600,000)       (1,600,000)	•	• • • •	
Net cash used in operating activities(9,120,219)(9,253,172)CASH FLOWS FROM INVESTING ACTIVITIES Fixed capital expenditure Proceeds from disposal of PPE Long term deposits - net Net cash used in investing activities(1,232,616) (1,110,286) (4,467)(1,110,286) (4,467)CASH FLOW FROM FINANCING ACTIVITIES Repayment of long term loan - net Payment of lease liabilities Short Term Borrowing(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIES Repayment of lease liabilities Short Term Borrowing(1,063,771) (205,632) (205,632)(1,063,771) (205,632)Net cash generated from financing activities11,516,723 (4,060)9,197,199Net increase / (decrease) in cash and cash equivalents Cash and cash equivalents - opening(1,170,311) (403,690)(1,280,745Cash and cash equivalents - closing754,456 (10,434110,434Cash and cash equivalents comprise of: Cash and bank balances Running finance facility2,354,456 (1,600,000) (1,600,000)1,280,701 (1,600,000)		-	(15,000)
CASH FLOWS FROM INVESTING ACTIVITIESFixed capital expenditure(1,232,616)(1,110,286)Proceeds from disposal of PPE-(4,467)Long term deposits - net(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIESRepayment of long term loan - net(1,233,992)(1,063,771)Payment of lease liabilities(1,063,771)(205,632)Short Term Borrowing(1,063,771)(205,632)Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of:2,354,4561,710,435Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)	Interest income received	45,410	64,882
Fixed capital expenditure(1,232,616)(1,110,286)Proceeds from disposal of PPE-415Long term deposits - net(5,742)(4,467)Net cash used in investing activities(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIES(1,063,771)(205,632)Repayment of long term loan - net(233,992)(205,632)Payment of lease liabilities7,000,374(1,063,771)Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of:Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)(1,600,000)	Net cash used in operating activities	(9,120,219)	(9,253,172)
Proceeds from disposal of PPE Long term deposits - net- 415 (5,742)415 (4,467)Net cash used in investing activities(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIES Repayment of long term loan - net Payment of lease liabilities Short Term Borrowing Net cash generated from financing activities(1,063,771) (205,632) (1,10,434) Cash and cash equivalents - opening (403,690) (1,280,745) Cash and cash equivalents comprise of: Cash and cash equivalents comprise of: Cash and bank balances Running finance facility2,354,456 (1,710,435 (1,600,000) (1,600,000)	CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of PPE Long term deposits - net- 415 (5,742)415 (4,467)Net cash used in investing activities(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIES Repayment of long term loan - net Payment of lease liabilities Short Term Borrowing Net cash generated from financing activities(1,063,771) (205,632) (1,10,434) Cash and cash equivalents - opening (403,690) (1,280,745) Cash and cash equivalents comprise of: Cash and cash equivalents comprise of: Cash and bank balances Running finance facility2,354,456 (1,710,435 (1,600,000) (1,600,000)	Fixed capital expenditure	(1,232,616)	(1,110,286)
Net cash used in investing activities(1,238,358)(1,114,338)CASH FLOW FROM FINANCING ACTIVITIES Repayment of long term loan - net Payment of lease liabilities Short Term Borrowing(1,063,771) (205,632) 7,000,374(1,063,771) (205,632) 10,466,603Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311) (403,690)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances Running finance facility2,354,4561,710,435 (1,600,000)		-	
CASH FLOW FROM FINANCING ACTIVITIESRepayment of long term loan - net4,750,341(1,063,771)Payment of lease liabilities(233,992)(205,632)Short Term Borrowing7,000,37410,466,603Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)(1,600,000)	Long term deposits - net	(5,742)	(4,467)
Repayment of long term loan - net4,750,341(1,063,771)Payment of lease liabilities(233,992)(205,632)Short Term Borrowing7,000,37410,466,603Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)(1,600,000)	Net cash used in investing activities	(1,238,358)	(1,114,338)
Repayment of long term loan - net4,750,341(1,063,771)Payment of lease liabilities(233,992)(205,632)Short Term Borrowing7,000,37410,466,603Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)(1,600,000)	CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities(233,992)(205,632)Short Term Borrowing7,000,37410,466,603Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)(1,600,000)		4.750.341	(1.063.771)
Short Term Borrowing7,000,37410,466,603Net cash generated from financing activities11,516,7239,197,199Net increase / (decrease) in cash and cash equivalents1,158,146(1,170,311)Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)(1,600,000)			
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Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)	Net cash generated from financing activities	11,516,723	9,197,199
Cash and cash equivalents - opening(403,690)1,280,745Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)	Net increase / (decrease) in cash and cash equivalents	1 158 146	(1 170 311)
Cash and cash equivalents - closing754,456110,434Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)			
Cash and cash equivalents comprise of: Cash and bank balances2,354,4561,710,435Running finance facility(1,600,000)(1,600,000)			
Cash and bank balances         2,354,456         1,710,435           Running finance facility         (1,600,000)         (1,600,000)	Cash and cash equivalents - closing	754,456	110,434
Running finance facility (1,600,000) (1,600,000)	Cash and cash equivalents comprise of:		
		2,354,456	
<b>754,456</b> 110,435	Running finance facility		(1,600,000)
		754,456	110,435

The annexed notes form an integral part of these consolidated condensed interim financial information.

#### Cnergyico PK Limited Notes to the Consolidated Condensed Interim Financial Statements For the period ended December 31, 2023

#### 1 LEGAL STATUS AND NATURE OF BUSINESS

**1.1** The "Group" consist of:

**Holding Company** 

#### i) Cnergyico Pk Limited - the Holding Company

The Holding Company was incorporated in Pakistan as a public limited company on 09 January 1995 under the repealed Companies Ordinance, 1984 and was granted a certificate of commencement of business on 13 March 1995. The shares of the Holding Company are listed on Pakistan Stock Exchange. The Holding Company is a subsidiary of Bosicorco International Limited, Mauritius (the Parent Company). The Parent Company in turn is a subsidiary of Busientco Incorporated, Cayman Islands (the Ultimate Parent Company).

The Holding Company currently operates two business segments namely Oil Refinery Business and Petroleum Marketing Business. The Holding Company has two refineries with an aggregate rated capacity of 156,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 473 (June 30, 2023: 468) retail outlets across the country as at 31 December 2023.

#### **Subsidiary Companies**

#### ii) Cnergyico Isomerate PK (Private) Limited (CIPL)

CIPL was incorporated in Pakistan as a private limited company under the repealed Companies Ordinance, 1984 on May 14, 2014. CIPL is principally engaged in blending, refining and processing of petroleum naphtha to produce petroleum products such as premium motor gasoline.

#### iii) Bosicorco OSB 1 (Private) Limited

Bosicorco OSB 1 (Private) Limited (formerly Cnergyico SLB SPM 1 (Private) Limited) (the Company) was incorporated as a public unlisted company in Pakistan on August 19, 2005 and was subsequently converted into a private limited company on April 27, 2011, under the Companies Act 2017. The principal activity of the Company is serving as a mooring point for offloading liquid products through the Single Buoy Mooring (SBM).

#### iv) Bosicorco CPB 1 (Private) Limited

Bosicorco CPB 1 (Private) Limited (formerly Cnergyico CPB CPC 1 (Private) Limited) (the Company) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on October 27, 2022. The company is principally engaged in refining, buying and selling basic drugs, phyto chemicals, laboratory and other chemicals used in different industries.

#### v) Bosicorco OMB 1 (Private Limited

Bosicorco OMB 1 (Private) Limited (formerly Cnergyico OMB (Private) Limited) (the Company ) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on October 27, 2022. The company is principally engaged in acquisition, distribution, marketing and selling, import ad export all kinds of petroleum and petroleum products.

#### vi) Bosicorco ORB 1 (Private) Limited

Bosicorco ORB 1 (Private) Limited (formerly Cnergyico ORB ORC 1 (Private) Limited) (the Company) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on October 25, 2022. The company is principally engaged in refining of crude oil to produce petroleum products like PMG, HSD, Kerosene Oil, furnace oil and other petroleum products.

#### vii) Bosicorco ORB 2 (Private) Limited

Bosicorco ORB 2 (Private) Limited (formerly Cnergyico ORB ORC 2 (Private) Limited) (the Company) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on October 27, 2022. The company is principally engaged in refining of crude oil to produce petroleum products like PMG, HSD, Kerosene Oil, furnace oil and other petroleum products.

#### viii) Bosicorco OSB 2 (Private) Limited

Bosicorco OSB 2 (Private) Limited (formerly Cnergyico SLB SPM 2 (Private) Limited) (the Company) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on October 27, 2022. The company is principally engaged in refining of crude oil to produce petroleum products like PMG, HSD, Kerosene Oil, furnace oil and other petroleum products.

#### ix) Bosicorco Essential Services (Private) Limited

Bosicorco Essential Services (Private) Limited (the Company) was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on July 6, 2023. The company is principally engaged in material management, event management, disaster response services, canteen and cafeteria service, janitorial services, fumigation, import, export, and to set up, establish, run and manage family entertainment centers that are par with family amusement standards worldwide.

#### 1.2 Potential restructuring of the Company

The Company made an announcement on Pakistan Stock Exchange ("PSX") dated December 21, 2023 regarding potential restructuring of the Company. Through the said announcement the board of directors of the Company in their meeting approved a draft scheme of arrangement under section 279 to 283 and 285 of the Companies Act, 2017, to be entered into between the Company and its following wholly owned subsidiaries namely:

i) Bosicorco ORB 1 (Private) Limited (ORB 1) ii) Bosicorco ORB 2 (Private) Limited (ORB 2) iii) Bosicorco OMB 1 (Private) Limited (OMB) iv) Bosicorco OSB 2 (Private) Limited (OSB) v) Bosicorco CPB 1 (Private) Limited (CPB) and vi) Cnergyico Isomerate PK (Private) Limited (ISOM) laid before the Board of Directors of the Company (the "Scheme"), pertaining to the proposed corporate reorganization / restructuring of the Company and its wholly owned subsidiaries, subject to completion and finalisation of the Scheme, obtaining all necessary members', creditors' and regulatory approvals, and the sanction of the Scheme by the High Court of Sindh at Karachi, along with fulfilment of related legal formalities in accordance with applicable laws.

In terms of the Scheme, it is intended, inter alia, that certain business units / undertakings of the Company shall be segregated and demerged / carved out from the Company, which undertakings (including the respective assets, liabilities and obligations comprising thereof) shall be merged with and into, and stand vested in, ORB 1, ORB 2, OMB, OSB and CPB respectively. Furthermore, ISOM, being a wholly owned subsidiary of the Company shall be merged with and into ORB 2. To execute the scheme, the Company has filed a petition before High Court of Sindh on January 23, 2024.

Furthermore, subsequent to period ended December 31, 2023 the High Court of Sindh passed order dated February 06, 2024 inter alia for conducting the meeting of the members / secured creditors of the Company with due notice.

#### 2 Statement of compliance

These consolidated 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 Standards (IAS 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified by 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.

#### 2.1 Basis of Consolidation

These Condensed consolidated financial statements include the financial statements of the Holding Company and its subsidiaries.

A company is a subsidiary, if the Holding Company directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the subsidiaries have been changed to conform with accounting policies of the Group, where required.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than hundred percent and therefore, a non-controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income of the period, even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in other comprehensive income, and recognises fair value of consideration received, any investment retained, surplus or deficit in profit or loss, and reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

#### 2.2 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses, if any.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

- 2.3 Bosicorco Essential Services (Private) Limited has been incorporated during the period with paid up capital of 10,000 shares having face value of Rs. 10. Cnergyico PK Limited holds 100% paid up capital of the subsidiary.
- 2.4 These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended June 30, 2023.
- 2.5 This consolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017.
- 2.6 These consolidated condensed interim financial statements is presented in Pakistan Rupees which is also the Group's functional currency and all financial information presented has been rounded off to the nearest thousand.
- 2.7 The comparative balance sheet presented in these consolidated condensed interim financial information has been extracted from the consolidated audited financial statements of the Group for the year ended 30 June 2023.

#### 3 SIGNIFICANT ACCOUNTING POLICIES

- **3.1** The accounting policies and the methods of computation applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the Group's annual audited financial statements as at and for the year ended June 30, 2023. Certain new IFRS and amendments to existing IFRS are effective for periods beginning on or after July 1, 2023, which do not have any impact on the Group's financial reporting and therefore have not been detailed in these consolidated condensed interim financial statements.
- **3.2** The Group follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these consolidated condensed interim financial statements.

#### 4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates and judgements made by management in the preparation of these consolidated condensed interim financial statements are the same as those that were applied to the annual consolidated financial statements of the Group for the year ended 30 June 2023, except as disclosed otherwise.

			(Unaudited) December 31, 2023	(Audited) June 30, 2023
		Notes	(Rupees in '000)	
5	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets	5.1	291,261,233	295,025,334
	Capital work in progress	5.2	37,547,545	35,410,950
	Right-of-use assets	5.3	1,452,915	1,370,378
		-	330,261,693	331,806,662

		(Unaudited)	(Unaudited)
		December 31,	December 31,
		2023	2023
		(Rupees in	'000)
5.1	Additions in operating fixed assets		
	Building on free hold land, roads and civil works	-	82,389
	Plant and machinery		40,618
	Furniture and fixtures	-	1,085
	Filling stations	63,566	24,600
	Vehicles	-	20,000
	Computer and allied equipments	618	8,360
	Safety & lab equipments	-	13,852
		64,184	190,905

5.2 During the period, the additions in capital work-in-progress amounted to Rs. 2,172.932 million (December 31, 2022: Rs. 1,063.746 million). Transfer from CWIP to operating fixed assets amounted to Rs. 36.339 million (December 31, 2022: Rs. 144.364 million).

5.3 During the period, the additions in right-of-use assets amounted to Rs. 247.326 million (December 31, 2022: Rs. 821.538 million). The additions have resulted in corresponding lease liability of Rs. 247.326 million.

5.4 During the period, disposals in operating fixed assets amounting to Nil (December 31, 2022: Rs. 0.39 million).

			(Unaudited)	(Audited)
			December 31,	June 30,
			2023	2023
		Notes	(Rupees in '000)	
6	STOCK IN TRADE			
	Raw material	6.1 & 6.2	14,004,114	18,389,344
	Finished products	6.3 & 6.4	18,928,671	7,301,737
			32,932,784	25,691,081

6.1 This includes raw material in transit amounting to Rs. 10,664.908 million (June 30, 2023: Rs. 14,366.305 million) as at balance sheet date.

6.2 Raw material has been written down by Rs. 114.734 million (June 2023: Rs. 318.784) to net realiseable value.

6.3 Finished Product has been written down by Rs. 2.793 million (June 2023: Rs. 8.139) to net realiseable value.

6.4 This includes finished products held by third parties amounting to Rs. 8,573.221 million (June 2023: Rs. 1,867.896 million).

7 TRADE DEBTS

7.1

8

	8,509,216	3,205,614
	12,682,726	11,170,231
7.1	(12,682,726)	(11,170,231)
	8,509,216	3,205,614
	11,170,231	9,028,059
	1,512,495	2,142,172
	12,682,726	11,170,231
8.1	25,954,397	18,954,023
		12,682,726 7.1 (12,682,726) 8,509,216 11,170,231 1,512,495 12,682,726

8.1 This includes facilities extended by commercial banks for import and procurement of crude oil and petroleum products. These carry mark-up ranging from 1-3 month's KIBOR plus 1% to 3% (June 30, 2023: 1 month's KIBOR plus 1.5% to 2%). These are secured under joint pari passu (JPP) arrangement having charge on the Company's current and operating fixed assets.

#### 9 CONTINGENCIES AND COMMITMENTS

#### 9.1 Contingencies

There are no material change in the status of contingencies from what is disclosed in note 28 to the annual audited consolidated financial statements for the year ended 30 June 2023.

#### 9.2 Commitments

The status for commitments is same as disclosed in annual audited consolidated financial statements for the year ended 30 June 2023 except for:

	(Unaudited) December 31,	(Audited) June 30,	
	2023	2023	
	(Rupees in	(Rupees in '000)	
Commitments for capital expenditure	3,729,766	3,949,879	

# 10 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of ultimate parent company, parent company, associated companies, directors, key management personnel, staff provident fund and staff gratuity fund. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Details of transactions and balances with related parties during the period are as follows:

Parent Company: Markup charged       173,970       110.688         Markup charged       173,970       10.688         Sales       4,855,224       -         Purchase of operating fixed assets and services       82,983       86,339         Rent Expense       -       4,4500         Waiver of principal amount       -       4,590,331         Waiver of principal amount       -       4,593,331         - secured       523,172       -         - unsecured       523,172       -         - unsecured       21,150       1,189,794         Post employment benefit Funds Key management personnel remuneration       -       37,143         10.2       Balances with related parties       -       37,143         2023       2023       2023       2023         2024       -       -       -         2023       2023       2023       2024         2024       -       -       -         Vance agains thared services       1,169,858       1,011,009         Accrued markup       1,260       12,452         - secured       58,397       4,017         - secured markup       1,200       1,24,202         - secured markup<	10.1	Transactions with related parties	(Unaudited) December 31, 2023 (Rupees in '0	(Unaudited) December 31, 2023 es in '000)	
Associated companies:       3ales       4,855,224          Purchase of operating fixed assets and services       82,983       86,339         Rent Expense       -       4,455         Waiver of principal amount       -       4,593,531         Markup charged - net       -       4,593,531         - secured       523,172       -         - unsecured       2,128,024       1,189,794         Others       -       37,143         Parent company       -       -         Accrued markup       -       -         Loan payable       3,935,650       3,935,650         Associated Companies       -       -         Advance against shared services       12,060       12,452         Accrued markup       -       -       -         - secured       58,397       4,017         - unsecured - gross       9,998,988       8,311,54         - unsecured - gross       9,998,9		Parent Company:			
Sales       4,855,224          Purchase of operating fixed assets and services       82,983       86,339         Rent Expense       -       44,550         Waiver of principal amount       -       4,593,531         Markup charged - net       523,172          - unsecured       523,172          - unsecured       2,128,024       1,189,794         Post employment benefit Funds       -       37,143         Key management personnel remuneration       211,510       178,818         10.0       Balances with related parties       (Unaudited)       June 30, 2023         2023       2023       2023           3,95,650       3,935,650         Accrued markup       3,35,650       3,395,650       3,935,650         Loan payable       3,35,650       3,395,650       3,395,650         Accrued markup       1,169,858       8,311,546         Loan payable        2,22,000       3,947,018           9,990,098       10,240,098         Scuered       1,22,200       3,947,018           1,22,200       3,947,018          1,22,200		Markup charged	173,970	110,688	
Purchase of operating fixed assets and services       82,983       86,339         Rent Expense       -       44,550         Waiver of principal amount       -       4,593,531         Markup charged - net       -       21,28,024       1,189,794         - usscured       2,128,024       1,189,794       -         - unsecured       2,128,024       1,189,794       -         Post employment benefit Funds       -       37,143       -         Key management personnel remuneration       211,510       178,818       -         Post employment benefit Funds       -       -       37,143         Key management personnel remuneration       2023       2023       2023		Associated companies:			
Reft Expense       -       44,550         Waiver of principal amount       -       4,593,531         Waiver of principal amount       -       4,593,531		Sales	4,855,224		
Waiver of principal amount Markup charged - net - unsecured-4,593,531 Markup charged - net unsecured523,172 2,128,024 unsecured2,128,0241,189,794Chers Post employment benefit Funds Key management personnel remuneration-37,143 211,51010.2Balances with related parties-37,143 211,5102023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 		Purchase of operating fixed assets and services	82,983	86,339	
$\begin{tabular}{ l l l l l l l l l l l l l l l l l l l$		Rent Expense		44,550	
- secured523,172 unsecured2,128,0241,189,794Others-37,143Nost employment benefit Funds-37,143Key management personnel remuneration211,510178,81810.2Balances with related parties(Unaudited)(Audited)December 31,June 30,20232023		Waiver of principal amount		4,593,531	
- unsecured2,128,0241,189,794Others Fost employment benefit Funds Key management personnel remuneration-37,143 211,51037,84310.2Balances with related parties(Unaudited) December 31, June 30, 2023(Audited) December 31, June 30, 2023Parent Company Accrued markupAccrued markup1,169,8581,011,009 3,935,650Associated Companies Advance against shared services12,06012,452 4,017- secured - secured2,020,52263,742 4,017- secured gross Loan payable9,990,0988,311,546 6,311,546- secured for Sos Loan payable9,990,09810,240,018 4,311,546- secured - secured2,020,52263,742 4,017 9,990,098- secured - secured2,020,52263,742 4,017 9,990,098- secured - secured2,020,52263,742 4,017 9,990,098- secured - secured2,020,52263,742 4,017 9,990,098- secured - secured9,990,09810,240,003- secured - secured9,990,09810,240,018 4,012 4,012- secured - secured9,990,09810,240,018 4,012 4,012- secured - secured9,990,09810,240,018 4,012 4,012- secured - secured9,990,09810,240,018 4,012- secured - secured9,990,09810,240,018 4,012- secured - secured9,990,09810,240,018 4,012- secured - secured9,990,012,01210,341,018 4,		Markup charged - net			
Others       - 37,143         Post employment benefit Funds       211,510       178,818         10.2       Balances with related parties       (Unaudited)       (Audited)         December 31,       June 30,       2023       2023         —		- secured	523,172		
Post employment benefit Funds Key management personnel remuneration-37,143 211,51037,83810.2Balances with related parties(Mudited) December 31, 2023 <br< td=""><td></td><td>- unsecured</td><td>2,128,024</td><td>1,189,794</td></br<>		- unsecured	2,128,024	1,189,794	
Key management personnel remuneration211,510178,81310.2Balances with related parties(Unaudited) December 31, 2023<		Others			
Key management personnel remuneration211,510178,81310.2Balances with related parties(Unaudited) December 31, 2023<		Post employment benefit Funds		37,143	
10.2       Balances with related parties       December 31, June 30, 2023 2023			211,510	178,818	
2023         2023           Parent Company			(Unaudited)	(Audited)	
Parent Company	10.2	Balances with related parties	December 31,	June 30,	
Parent CompanyAccrued markup1,169,858Accrued markup3,935,650Loan payable3,935,650Associated Companies12,060Advance against shared services12,060Accrued markup58,397- secured58,397- secured - gross9,498,948Loan payable2,020,522- secured - gross9,990,098- unsecured - gross9,990,098Loan payable0- unsecured - gross9,990,098- unsecured - gross9,990,098Short term borrowings1,922,000Trade debts - net925,144Payable against purchases217,326Payable against services3,052,837Payable to key management person68,50868,50868,508	10.2		2023	2023	
Accrued markup       1,169,858       1,011,009         Loan payable       3,935,650       3,935,650         Associated Companies       2,060       12,452         Advance against shared services       12,060       12,452         Accrued markup       -       -         - secured       58,397       44,017         - unsecured - gross       9,498,948       8,311,546         Loan payable       -       -         - secured - gross       9,498,948       8,311,546         Loan payable       -       -         - unsecured - gross       9,990,098       10,240,098         Short term borrowings       1,922,000       3,947,018         Trade debts - net       925,144          Payable against purchases       217,326       153,595         Payable against services       3,052,837       22,379         Others       -       -         Payable to key management person       68,508       68,508			(Rupees in '0	00)	
Accrued markup       1,169,858       1,011,009         Loan payable       3,935,650       3,935,650         Associated Companies       2,060       12,452         Advance against shared services       12,060       12,452         Accrued markup       -       -         - secured       58,397       44,017         - unsecured - gross       9,498,948       8,311,546         Loan payable       -       -         - secured - gross       9,498,948       8,311,546         Loan payable       -       -         - unsecured - gross       9,990,098       10,240,098         Short term borrowings       1,922,000       3,947,018         Trade debts - net       925,144          Payable against purchases       217,326       153,595         Payable against services       3,052,837       22,379         Others       -       -         Payable to key management person       68,508       68,508		Parent Company		-	
Loan payable3,935,6503,935,650Associated Companies12,06012,452Advance against shared services12,06012,452Accrued markup58,39744,017- secured58,39744,017- unsecured - gross9,498,9488,311,546Loan payable11- secured2,020,52263,742- secured - gross9,990,09810,240,098Short term borrowings1,922,0003,947,018Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508			1,169,858	1,011,009	
Advance against shared services       12,060       12,452         Accrued markup       -       -         - secured       58,397       44,017         - unsecured - gross       9,498,948       8,311,546         Loan payable       -       -         - secured       2,020,522       63,742         - unsecured - gross       9,990,098       10,240,098         - unsecured - gross       9,990,098       10,240,098         Short term borrowings       1,922,000       3,947,018         Trade debts - net       925,144          Payable against purchases       217,326       153,595         Payable against services       3,052,837       22,379         Others         Payable to key management person       68,508       68,508		Markup charged 173,9 sociated companies: Sales 4,855,2 Purchase of operating fixed assets and services 82,9 Rent Expense - Purchase of operating fixed assets and services 82,9 Rent Expense - Purchase of operating fixed assets and services 82,9 Rent Expense - Purchase of operating fixed assets and services 82,9 Rent Expense - Purchase of operating fixed assets and services 82,9 Rent Expense - Purchase of operating fixed assets and services 82,9 Rent Expense - Purchase of operating fixed assets and services 72,21,28,0 Rent Expense - Purchase 72,128,0 Rent Expense - Purchase 72,129,0 Rent Expense - Purchase 72,120,0 Rent Expense - Purchase 72,020,5 Rent Expense 72,020,5 Rent Expense 72,0			
Advance against shared services       12,060       12,452         Accrued markup       -       -         - secured       58,397       44,017         - unsecured - gross       9,498,948       8,311,546         Loan payable       -       -         - secured       2,020,522       63,742         - unsecured - gross       9,990,098       10,240,098         - unsecured - gross       9,990,098       10,240,098         Short term borrowings       1,922,000       3,947,018         Trade debts - net       925,144          Payable against purchases       217,326       153,595         Payable against services       3,052,837       22,379         Others         Payable to key management person       68,508       68,508		Associated Companies			
Accrued markup- secured58,39744,017- unsecured - gross9,498,9488,311,546Loan payable2,020,52263,742- secured2,020,52263,742- unsecured - gross9,990,09810,240,098Short term borrowings1,922,0003,947,018Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508		-	12,060	12,452	
- secured       58,397       44,017         - unsecured - gross       9,498,948       8,311,546         Loan payable       2,020,522       63,742         - secured       2,020,522       63,742         - unsecured - gross       9,990,098       10,240,098         Short term borrowings       1,922,000       3,947,018         Trade debts - net       925,144          Payable against purchases       217,326       153,595         Payable against services       3,052,837       22,379         Others         Payable to key management person       68,508       68,508		-	,	, -	
- unsecured - gross9,498,9488,311,546Loan payable2,020,52263,742- secured2,020,52263,742- unsecured - gross9,990,09810,240,098Short term borrowings1,922,0003,947,018Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508			58.397	44.017	
Loan payable- secured2,020,52263,742- unsecured - gross9,990,09810,240,098Short term borrowings1,922,0003,947,018Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508			-		
- secured 2,020,522 63,742 - unsecured - gross 9,990,098 10,240,098 Short term borrowings 1,922,000 3,947,018 Trade debts - net 925,144 Payable against purchases 217,326 153,595 Payable against services 3,052,837 22,379 Payable to key management person 68,508 68,508					
- unsecured - gross9,990,09810,240,098Short term borrowings1,922,0003,947,018Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508			2,020,522	63,742	
Short term borrowings1,922,0003,947,018Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508					
Trade debts - net925,144Payable against purchases217,326153,595Payable against services3,052,83722,379OthersPayable to key management person68,50868,508					
Payable against purchases217,326153,595Payable against services3,052,83722,379Others68,50868,508		-			
Payable against services3,052,83722,379Others68,50868,508					
Payable to key management person68,50868,508			-		
Payable to key management person68,50868,508		Others			
			68.508	68,508	
			-		

#### 11 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks. There have been no changes in any risk management policies since the year end.

#### 12 FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

#### Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2023, the Company has no financial instruments that are measured at fair value in the consolidated statement of financial position.

#### 13 OPERATING SEGMENTS

For management purposes, the Group has determined following reportable operating segments on the basis of business activities i.e. oil refining and petroleum marketing. Oil refining business is engaged in crude oil refining and selling of refined petroleum products to oil marketing companies. Petroleum marketing business is engaged in trading of petroleum products, procuring products from oil refining business as well as from other sources.

ſ	Oil Refining		Petroleum Marketing		Total	
E E	2023	2022	2023	2022	2023	2022
-			(Rupee	s in '000)		
Sales to ext. customers	54,810,651	58,993,205	45,038,740	41,568,426	99,849,391	100,561,631
Inter-segment sales	43,808,261	41,231,494			43,808,261	41,231,494
Eliminations	(43,808,261)	(41,231,494)			(43,808,261)	(41,231,494)
Total revenue	54,810,651	58,993,205	45,038,740	41,568,426	99,849,391	100,561,631
Result						
Segment results - profit / (Loss)	1,784,801	(9,377,513)	1,052,411	600,838	2,837,212	(8,776,675)
Unallocated expenses: Finance costs					(4,765,777)	(2,852,201)
Other expenses					(1,512,495)	(1,048,665)
Interest income					1,329,804	6,934,494
Loss before taxation				-	(2,111,256)	(5,743,047)
Taxation					190,091	89,539
Loss after taxation				_	(1,921,165)	(5,653,508)
				-		
Segment assets	375,302,604	133,133,225	1,936,667	3,235,123	377,239,271	136,368,348
Unallocated assets	-	-	-	-	-	-
=	375,302,604	133,133,225	1,936,667	3,235,123	377,239,271	136,368,348
Segment liabilities Unallocated liabilities	190,903,383	114,368,469	1,643,665	1,786,653	192,547,048	116,155,122
	- 190,903,383	- 114,368,469	- 1,643,665	- 1,786,653	- 192,547,048	- 116,155,122
Capital expenditure	1,169,050	1,072,738	63,566	37,548	1,232,616	1,110,286
Other Information						
Depreciation/Amortisation	3,918,423	2,303,250	71,704	103,649	3,990,127	2,406,899

All non-current assets of the Group as at December 31, 2023 and 2022 are located in Pakistan.

#### 14 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements was authorised for issue on February 28, 2024 by the Board of Directors of the Group.

