

Driving



Together



As Wafi Energy Pakistan embarks on a journey of shared expertise and ambition, we are committed to shaping a future defined by excellence.

Company Information

Board of Directors

Ghassan Al Amoudi (Chairperson)
Javaid Akhtar
Parvez Ghias
Imran R. Ibrahim
Ayesha Khan
Zubair Shaikh
Zaffar A. Khan
Christoph Bausch
Amir R. Paracha
Badaruddin F. Vellani
Kai-Uwe Witterstein

Chief Executive

Zubair Shaikh

Audit Committee

Imran R. Ibrahim (Chairperson)
Javaid Akhtar
Badaruddin F. Vellani
Christoph Bausch

Human Resource and Nomination Committee

Zaffar A. Khan (Chairperson)
Parvez Ghias
Zubair Shaikh
Kai-Uwe Witterstein
Ayesha Khan

Company Secretary

Lalarukh Hussain – Shaikh

Registered Office

6, Ch. Khaliqzaman Road
Karachi-75530 Pakistan

Auditors

EY Ford Rhodes

Legal Advisors

Vellani & Vellani Advocates

Registrar & Share Registration Office

FAMCO Share Registration Services (Pvt.) Limited
8-F, next to Hotel Faran, Nursery, Block-6,
P.E.C.H.S. Shahrah-e-Faisal, Karachi-75400

Report of the Directors

For the half year ended June 30, 2025

Dear Shareholders,

The Directors of the Company present the unaudited condensed interim financial statements for the half year and quarter ended June 30, 2025

The profit for the half year ended June 30, 2025, after providing for administrative, marketing and distribution expenses, financial and other charges amount to:

| | Rupees in Million |
|--|--------------------------|
| Profit before Income tax | 3,381 |
| Taxation | (2,103) |
| Net Profit for the period ended June 30, 2025 | 1,278 |
| | Rupees |
| Profit per share – basic and diluted | 5.97 |

Appropriations and movement in reserves have been disclosed in the Statement of Changes in Equity on page 10 of these financial statements.

Business Performance

Pakistan's economy showed signs of stabilization in H1 2025. CPI inflation averaged 1.9%, reflecting tight monetary policy, a stable exchange rate, and lower global commodity prices. GDP grew modestly at around 1.5%, led by services and construction.

The current account posted a 0.6% GDP surplus, while foreign exchange reserves rose to USD 14.5 billion. The rupee depreciated slightly, ending in June at PKR 284/USD. In line with easing inflation, the policy rate was reduced from 12% in January to 11% in June.

The oil and gas sector remained steady during the period, supported by stable international oil prices and firm domestic demand, which contributed to containing the import bill. While structural challenges persist, signs of macroeconomic stability have emerged, creating cautious optimism for the remainder of the year. In this environment, the Company continues to strengthen its market presence by capitalizing on rising fuel demand, expanding its retail network, and optimizing supply chain operations. These initiatives position the Company for sustainable growth and reinforce its long-term contribution to the OMC sector.

Against this backdrop, the Company reported a after tax of PKR 1,278 million for the half year ended 2025, driven by steady market share in motor fuels and growth in premium fuels and lubes segments.

Lubricants

Wafi Energy's Lubricant business, as the exclusive licensee of the Shell brand, continued its growth

trajectory in Q2 2025, driven by innovation, strategic partnerships, and customer-focused initiatives across both consumer and industrial segments.

In the consumer segment, strong demand during the agricultural season boosted sales in the Heavy-duty diesel engine oil category. Market share gains were supported by expanding distribution into under-served areas. These efforts were further reinforced by high-impact marketing campaigns: **Rimula Khareedo aur Bano Badshah** and **Helix Har Seal Par Meal**, alongside nationwide consumer engagement sessions, which reached over 12,000 participants.

The Industrial lubricants segment delivered volume growth and robust margins. Strengthened partnerships with key OEMs including Atlas Honda, Hyundai, and Suzuki further reinforced Wafi Energy lubricants leadership in Pakistan's automotive lubricants market, building on the Shell brand's global reputation. The business advanced its mining leadership through initial supplies to Reko Diq and Sindh Engro Coal Mining Company.

Customer engagement remained a priority with the Shell Lubricants Solutions event attracting over 450 industry participants and showcasing our technology leadership and integrated solutions for evolving industrial needs.

The Lubricants Supply Chain (LSC) played a crucial role in driving Q2 performance by securing competitive sourcing for local and imported base oils. This not only positions the business for strong results in 2025 but also resets the base oil slate for the future.

Mobility

The Mobility business delivered a strong performance in Q2 2025, with continued growth across fuels, expansion of our Shell retail network, and enhanced customer experience initiatives.

Fuels sales remained resilient amid a competitive market environment. Our premium fuel, Shell V-Power, achieved its highest-ever monthly sales in June a milestone that underscores Wafi Energy's ability to cater to diverse customer segments and grow in the high-performance fuel category.

Meanwhile, our mainstream fuels also showed solid momentum. Both Motor Gasoline and Diesel sales witnessed double-digit growth compared to Q1 2025.

Non-fuel retail showed an upward trend, with Shell Select convenience stores recording their highest monthly revenue in June, reflecting Wafi Energy's integrated retail offering and focus on customer convenience.

We continued to expand our network and upgrade existing stations to enhance customer reach and experience, helping us bring the Shell brand experience to more customers across Pakistan. During the quarter, we added 12 new sites, launched 6 new Shell Select stores, completed 5 site rebuilds, and converted 5 sites to the company-owned model.

Customer experience and staff engagement were strengthened through digital initiatives, such as the launch of an integrated WhatsApp community for frontline teams, which improved communication and responsiveness. Meanwhile, the Voice of Customer program was scaled up to cover over 500 sites across Pakistan, enabling real-time feedback and continuous improvement in service quality.

Environmental, Social and Governance

Wafi Energy Pakistan published its 2025 Sustainability Report, reaffirming its commitment to align business practices with Pakistan's development priorities and the United Nations Sustainable Development Goals (SDG). The report highlights key initiatives and progress made over the past two years. The company recognizes that sustainability is a shared responsibility, that requires close collaboration among businesses, governments, and communities to drive lasting impact. The report provides a comprehensive overview of corporate governance, regulatory compliance, and SDG-aligned programs. The report details progress across areas such as quality education, gender equality, clean energy, economic growth, innovation, climate action, and ocean conservation.

As Wafi Energy Pakistan's flagship social impact initiative, Tameer Trust continued to support youth entrepreneurship by organizing the Big Idea Bootcamp, conducted across Karachi, Hyderabad, and Jamshoro. In partnership with 13 local incubation centers, the bootcamp engaged 400 young participants, resulting in the development of 95 innovative business ideas. These ventures will now be shortlisted for tailored coaching, with top candidates competing in the **12th Wafi Energy Tameer Awards**. Tameer also represented Wafi Energy at **LaunchPad Pakistan 2025**, hosted by the Federation of Pakistan Chambers of Commerce and Industry (FPCCI). The event brought together over 500 business leaders and investors, with distinguished guests including Sindh Chief Minister Murad Ali Shah, representatives from the Qatari Embassy, academia, and industry stakeholders.

In line with its commitment to supporting communities near its operational sites, Wafi Energy Pakistan organized a road safety awareness session for students of Sacred Heart School, Kemari — an institution managed by the clergy of a historic 150-year-old church located nearby. The session covered traffic rules, road hazards, and the importance of safe commuting, and included an interactive quiz and a student competition. The school administration appreciated the initiative for its educational impact and meaningful community engagement.

Wafi Energy's Access to Clean Energy (A2E) program has transformed lives in underserved rural communities by delivering sustainable, affordable energy solutions. Since 2018, the initiative has directly improved lives of over 5,000 people — with wider benefits reaching more than 8,000 — by enabling access to renewable energy for agriculture and small businesses. Communities now benefit from six solar-powered tube wells that have cut diesel consumption and reduced irrigation costs, along with solar-powered flour milling and milk chilling facilities that improve livelihoods and reduce environmental impact. By replacing unreliable energy access with locally-driven, sustainable solutions, the A2E program has strengthened self-reliance, economic empowerment, and resilience — demonstrating Wafi Energy's ongoing commitment to supporting Pakistan's national development priorities.

HSSE

The Company continued to uphold its strong commitment to Health, Safety, Security, and Environment (HSSE) by focusing on system strengthening, competency development, and proactive risk mitigation across all business lines. In Q2 2025, Safety Day was observed across Pakistan on June 17th under the theme "How I Respond Matters", engaging teams nationwide, emphasizing leadership and psychological safety in the workplace.

The "No Leak Fundamentals campaign" was rolled out across all Lines of Business to strengthen critical controls, while the Road Transport team led a targeted Heat Safety campaign to address seasonal risks. In line with emergency preparedness objectives, a Mutual Aid Emergency Response Plan (MAERP) drill was conducted at Machike Terminal in collaboration with other OMCs, to strengthen preparedness, coordination and testing on-ground response capabilities. Additionally, team competencies were further developed through structured training programs.

Composition of Board

| Total number of Directors | Male: 10 | Female: 01 |
|---------------------------|----------|------------|
| Independent Directors | 05 | |
| Non-Executive Directors | 05 | |
| Executive Directors | 01 | |

We appreciate the unwavering dedication, ongoing support, and trust of the Company's shareholders, customers, staff, and all other stakeholders as we continue our journey towards becoming the leading energy company in Pakistan.

On behalf of the Board of Directors



Ghassan Al Amoudi
Chairperson



Zubair Sheikh
Chief Executive

Karachi : August 21, 2025



EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF WAFI ENERGY PAKISTAN LIMITED REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Wafi Energy Pakistan Limited (the Company) as at 30 June 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the interim financial statements are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim profit or loss and other comprehensive income for the quarters ended 30 June 2025 and 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's report is Omer Chughtai.

Chartered Accountants

Place: Karachi

Date: 29 August 2025

UDIN Number: RR202510120st2FMNyKc

Condensed Interim Statement of Financial Position

As at June 30, 2025

Unaudited
June 30,
2025

Audited
December 31,
2024

| | Note | ------(Rupees in '000)----- | |
|---|------|-----------------------------|--------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 5 | 23,357,100 | 23,066,532 |
| Right-of-use assets | 6 | 7,907,048 | 6,739,378 |
| Intangible assets | | 3,241,066 | 3,615,035 |
| Long-term investments | 7 | 5,912,342 | 5,975,703 |
| Long-term loans | | 23,811 | 25,920 |
| Long-term deposits and prepayments | | 138,593 | 154,979 |
| | | <u>40,579,960</u> | <u>39,577,547</u> |
| Current Assets | | | |
| Stock-in-trade | 8 | 35,507,724 | 45,624,393 |
| Trade debts | | 8,797,886 | 7,734,206 |
| Loans and advances | | 78,745 | 76,517 |
| Short-term deposits and prepayment | 9 | 527,555 | 177,183 |
| Other receivables | 10 | 5,441,976 | 5,293,443 |
| Short-term investments | | 9,174,919 | 10,695,284 |
| Bank balances | 11 | 17,978,310 | 4,695,380 |
| | | <u>77,507,115</u> | <u>74,296,406</u> |
| | | <u>118,087,075</u> | <u>113,873,953</u> |
| TOTAL ASSETS | | | |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| - Authorized share capital 300,000,000 (December 31, 2024: 300,000,000) Ordinary shares of Rs. 10/- each | | <u>3,000,000</u> | <u>3,000,000</u> |
| - Issued, subscribed and paid-up share capital 214,024,662 (December 31, 2024: 214,024,662) Ordinary shares of Rs. 10/- each | | 2,140,246 | 2,140,246 |
| Share premium | | 11,991,012 | 11,991,012 |
| General reserves | | 207,002 | 207,002 |
| Unappropriated profit | | 9,555,315 | 9,365,478 |
| Remeasurement of post-employment benefits – actuarial loss | | (641,179) | (641,179) |
| Unrealized loss on remeasurement of equity investment classified as fair value through other comprehensive income | | (5,000) | (5,000) |
| | | <u>23,247,396</u> | <u>23,057,559</u> |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Asset retirement obligation | | 261,735 | 249,244 |
| Long-term provisions | | 2,411,540 | 3,739,504 |
| Long-term lease liabilities | 12 | 8,465,176 | 6,837,201 |
| Long-term payable | | 2,021,406 | 2,055,806 |
| Deferred taxation - net | | 242,357 | 160,844 |
| Provision for post-retirement medical benefits | | 239,422 | 225,350 |
| | | <u>13,641,636</u> | <u>13,267,949</u> |
| Current Liabilities | | | |
| Trade and other payables | 13 | 74,939,310 | 73,904,289 |
| Advance received from customers (contract liabilities) | | 1,691,143 | 1,663,633 |
| Unpaid dividend | | 29,326 | 19,053 |
| Unclaimed dividend | | 236,219 | 269,746 |
| Taxation - net | | 2,250,774 | 571,535 |
| Current portion of asset retirement obligation | | - | 6,035 |
| Current portion of long-term provisions | | 1,186,858 | 204,496 |
| Current portion of long-term lease liabilities | 12 | 374,919 | 573,231 |
| Current portion of long-term payable | | 489,494 | 336,427 |
| | | <u>81,198,043</u> | <u>77,548,445</u> |
| Contingencies and commitments | | | |
| | 14 | | |
| | | <u>118,087,075</u> | <u>113,873,953</u> |
| TOTAL EQUITY AND LIABILITIES | | | |

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the half year and quarter ended June 30, 2025

| | Half year ended | | Quarter ended | |
|---|---------------------------|-------------------|------------------|------------------|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Note | ----- (Rupees '000) ----- | | | |
| Sales | 225,604,401 | 223,540,732 | 124,306,109 | 114,506,567 |
| Other revenue | 714,881 | 464,869 | 421,115 | 224,426 |
| | 226,319,282 | 224,005,601 | 124,727,224 | 114,730,993 |
| Sales tax | (4,619,254) | (4,165,586) | (2,452,531) | (2,281,529) |
| Net revenue | 221,700,028 | 219,840,015 | 122,274,693 | 112,449,464 |
| Cost of products sold | (207,760,761) | (207,408,984) | (114,621,679) | (106,500,522) |
| Gross profit | 13,939,267 | 12,431,031 | 7,653,014 | 5,948,942 |
| Distribution and marketing expenses | (5,312,226) | (6,323,143) | (2,967,397) | (3,353,164) |
| Administrative expenses | (4,587,874) | (5,772,871) | (1,879,193) | (2,605,221) |
| Other expenses | (1,228,367) | (559,253) | (746,882) | (465,808) |
| Other income | 999,647 | 3,484,632 | 139,581 | 2,791,153 |
| Operating profit | 3,810,447 | 3,260,396 | 2,199,123 | 2,315,902 |
| Finance costs | (1,169,705) | (1,046,820) | (568,378) | (515,782) |
| | 2,640,742 | 2,213,576 | 1,630,745 | 1,800,120 |
| Share of profit of associate - net of tax | 1,120,767 | 1,260,491 | 554,317 | 733,119 |
| Profit before final taxes, minimum tax differential and income tax | 3,761,509 | 3,474,067 | 2,185,062 | 2,533,239 |
| Final taxes | (202,556) | - | (176,101) | |
| Minimum tax differential | (178,378) | (660,695) | (81,047) | (373,879) |
| Profit before income tax | 3,380,575 | 2,813,372 | 1,927,914 | 2,159,360 |
| Income tax: | | | | |
| Current | (2,024,972) | (324,832) | (1,622,230) | (127,717) |
| Deferred | (77,981) | (1,170,335) | 99,228 | (1,027,376) |
| | (2,102,953) | (1,495,167) | (1,523,002) | (1,155,093) |
| Profit after income tax | 1,277,622 | 1,318,205 | 404,912 | 1,004,267 |
| Other comprehensive income | | | | |
| Items that will not be subsequently reclassified to profit or loss | | | | |
| Share of other comprehensive (loss) / income of associate - net of tax | (17,662) | 138,412 | 17,892 | 138,412 |
| Items that may be subsequently reclassified to profit or loss | | | | |
| Share of other comprehensive loss of associate - net of tax | - | (5,685) | - | (5,685) |
| Total comprehensive income for the period | 1,259,960 | 1,450,932 | 422,804 | 1,136,994 |
| | ----- (Rupees) ----- | | | |
| Earning per share - basic and diluted | 5.97 | 6.16 | 1.89 | 4.69 |

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

Zarrar Mahmud
Chief Financial Officer

Zubair Shaikh
Chief Executive

Imran R. Ibrahim
Director

Condensed Interim Statement of Changes in Equity (Unaudited)

For the half year ended June 30, 2025

| | Capital reserve | | Revenue reserve | | | Total | |
|--|-----------------|---------------|-----------------|-----------------------|--|---------|---|
| | Share capital | Share premium | General reserve | Unappropriated profit | Remeasurement of post-employment benefits - actuarial loss | | Unrealised loss on remeasurement of equity investment |
| ----- (Rupees in '000) ----- | | | | | | | |
| Balance as at December 31, 2023 (Audited) | 2,140,246 | 11,991,012 | 207,002 | 5,773,614 | (369,884) | (5,000) | 19,736,990 |
| Profit after income tax | - | - | - | 1,318,205 | - | - | 1,318,205 |
| Other comprehensive income for the period - net of tax | - | - | - | 132,727 | - | - | 132,727 |
| Total comprehensive income for the period | - | - | - | 1,450,932 | - | - | 1,450,932 |
| Balance as at June 30, 2024 (Unaudited) | 2,140,246 | 11,991,012 | 207,002 | 7,224,546 | (369,884) | (5,000) | 21,187,922 |
| Balance as at December 31, 2024 (Audited) | 2,140,246 | 11,991,012 | 207,002 | 9,365,478 | (641,179) | (5,000) | 23,057,559 |
| Profit after income tax | - | - | - | 1,277,622 | - | - | 1,277,622 |
| Other comprehensive income for the period - net of tax | - | - | - | (17,662) | - | - | (17,662) |
| Total comprehensive income for the period | - | - | - | 1,259,960 | - | - | 1,259,960 |
| Final cash dividend for the year ended December 31, 2024 @ Rs. 5/- per share | - | - | - | (1,070,123) | - | - | (1,070,123) |
| Balance as at June 30, 2025 (Unaudited) | 2,140,246 | 11,991,012 | 207,002 | 9,555,315 | (641,179) | (5,000) | 23,247,396 |

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Condensed Interim Statement of Cash Flows (Unaudited)

For the half year ended June 30, 2025

| | Note | Half year ended | |
|--|------|---------------------------|--------------------|
| | | June 30, 2025 | June 30, 2024 |
| | | ----- (Rupees '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from operations | 16 | 14,033,242 | 11,869,316 |
| Finance costs paid | | - | (1,552) |
| Interest portion of lease liabilities paid | | (557,941) | (390,828) |
| Payment of staff redundancy plan | | (12,056) | - |
| Final taxes paid | | (202,556) | - |
| Minimum tax differential paid | | (178,378) | - |
| Income tax paid | | (345,740) | (470,008) |
| Long-term loans | | 2,109 | 2,075 |
| Long-term deposits and prepayment | | 16,386 | 90,867 |
| Payments against long-term provisions | | (345,602) | (115,385) |
| Net cash generated from operating activities | | 12,409,464 | 10,984,485 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Fixed capital expenditure | | (1,420,620) | (991,905) |
| Proceeds from disposal of operating fixed assets | | 58,598 | 13,213 |
| Proceeds from disposal of capital work-in-progress | | 11,000 | - |
| Proceeds from sale of open ended mutual funds | | 5,418,804 | - |
| Dividend received from associate | | 1,170,000 | - |
| Dividend received from open ended shariah compliant mutual funds | | 108,225 | - |
| Interest on term deposit receipts | | 36,973 | 22,951 |
| Interest on treasury bills | | 71,993 | - |
| Interest on saving accounts | | 667,810 | 846,816 |
| Net cash generated from / (used in) investing activities | | 6,122,783 | (108,925) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Principal portion of lease liabilities paid | | (257,501) | (1,133,443) |
| Dividends paid | | (1,093,377) | (1,066,084) |
| Net cash used in financing activities | | (1,350,878) | (2,199,527) |
| Net increase in cash and cash equivalents | | 17,181,369 | 8,676,033 |
| Cash and cash equivalents at the beginning of the period | | 9,870,423 | 6,552,223 |
| Cash and cash equivalents at the end of the period | 16.2 | 27,051,792 | 15,228,256 |

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Notes to the Condensed Interim Financial Statements (Unaudited)

For the half year ended June 30, 2025

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Wafi Energy Pakistan Limited (the Company) is a limited liability Company incorporated in Pakistan on June 28, 1969 under the repealed Companies Act, VII of 1913 (now Companies Act, 2017 (the Act)) and is listed on Pakistan Stock Exchange Limited. The company is a subsidiary of Wafi Energy Holding Limited (the Parent Company)
- 1.2 The Company markets petroleum products. It also blends and markets various kinds of lubricating oils. The registered office of the Company is located at Wafi House, 6, Ch. Khaliqzaman Road, Karachi.

2 BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting, which comprises of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Act; and
 - Provisions of and directives issued under the Act.

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

These condensed interim financial statements of the Company for the half year ended June 30, 2025 are unaudited but subject to limited scope review by the statutory auditors as required by section 237 of the Act. These condensed interim financial statements are being submitted to the shareholders and Pakistan Stock Exchange Regulations.

- 2.2 The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended June 30, 2025 and June 30, 2024 have not been reviewed by the external auditors of the Company as they have reviewed the cumulative figures for the half year ended June 30, 2025. These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the year ended December 31, 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1 The accounting policies and the methods of computation used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended December 31, 2024, except for certain amendments to existing accounting and reporting standards that have become applicable to the Company for accounting periods beginning on or after January 01, 2025. These are either considered to not be relevant or do not have any significant impact and accordingly, have not been detailed in these condensed interim financial statements.
- 3.2 The Company has not early adopted any standard, interpretation or amendment that are not yet effective.
- 3.3 The Company 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 condensed interim financial statements.

4 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

- 4.1 The preparation of these condensed interim financial statements is in conformity with the approved accounting standards which requires the use of certain significant accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from the estimates.
- 4.2 During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual audited financial statements for the year ended December 31, 2024.

| 5 | PROPERTY, PLANT AND EQUIPMENT | Note | Unaudited | Audited |
|---|---|------|---------------------------|----------------------|
| | | | June 30, 2025 | December 31, 2024 |
| | | | ----- (Rupees '000) ----- | |
| | Operating assets | | 20,636,747 | 20,119,133 |
| | Provision for impairment against operating assets | | (156,267) | (176,474) |
| | | 5.1 | <u>20,480,480</u> | <u>19,942,659</u> |
| | Capital work-in-progress | | 2,876,620 | 3,163,790 |
| | Provision for impairment against capital work-in-progress | | - | (39,917) |
| | | 5.2 | <u>2,876,620</u> | <u>3,123,873</u> |
| | | | <u>23,357,100</u> | <u>23,066,532</u> |

5.1 Movement in operating assets during the period / year is as follows:

| | | |
|---|-------------------|-------------------|
| Opening net book value | 19,942,659 | 18,303,296 |
| Additions / estimate revision of asset retirement obligation during the period / year | 1,668,688 | 3,910,230 |
| Disposals / write-offs during the period / year - net book value | (48,027) | (60,861) |
| Depreciation charge for the period / year | (1,103,047) | (2,283,677) |
| Impairment reversal during the period / year | 20,207 | 73,671 |
| Closing net book value | <u>20,480,480</u> | <u>19,942,659</u> |

5.1.1 Additions to operating assets including transfers from capital work-in-progress, during the period were as follows:

| | Unaudited Half year ended | |
|--|------------------------------|------------------|
| | June 30, 2025 | June 30, 2024 |
| ----- (Rupees '000) ----- | | |
| Buildings on leasehold land | 229,581 | 741,698 |
| Building on freehold land | 3,725 | - |
| Tanks and pipelines | 343,353 | 630,294 |
| Plant and machinery | 248,297 | 142,227 |
| Air conditioning plant | 23,868 | 104,733 |
| Lifts | 4,942 | 12,291 |
| Dispensing pumps | 131,998 | 195,193 |
| Rolling stock and vehicles | 96,131 | 92,730 |
| Electrical, mechanical and firefighting equipments | 275,312 | 459,703 |
| Furniture, office equipment and other assets | 258,297 | 542,535 |
| Computer auxiliaries | 53,184 | 261,546 |
| | <u>1,668,688</u> | <u>3,182,950</u> |

5.1.2 The following operating assets were disposed / written-off during the period ended:

| | Cost | Accumulated depreciation | Net book value |
|---|----------------|-----------------------------|-------------------|
| ----- (Rupees '000) ----- | | | |
| June 30, 2025 (Unaudited) | 13,621 | 9,821 | 3,800 |
| Buildings on leasehold land | 209 | 34 | 175 |
| Building on freehold land | 6,693 | 2,866 | 3,827 |
| Tanks and pipelines | 12,215 | 8,296 | 3,919 |
| Plant and machinery | 16,676 | 14,696 | 1,980 |
| Dispensing pumps | 78,954 | 47,753 | 31,201 |
| Rolling stock and vehicles | 19,067 | 16,646 | 2,421 |
| Electrical, mechanical and fire fighting equipments | 1,405 | 701 | 704 |
| Furniture, office equipment and other assets | 2,016 | 2,016 | - |
| Computer auxiliaries | <u>150,856</u> | <u>102,829</u> | <u>48,027</u> |

| June 30, 2024 (Unaudited) | 30,810 | 26,562 | 4,248 |
|--|----------------|---------------------------|---------------------|
| Buildings on leasehold land | 8,740 | 5,779 | 2,961 |
| Tanks and pipelines | 3,300 | 1,582 | 1,718 |
| Plant and machinery | 18,277 | 7,330 | 10,947 |
| Dispensing pumps | 12,744 | 11,516 | 1,228 |
| Rolling stock and vehicles | 34,625 | 29,026 | 5,599 |
| Electrical, mechanical and fire fighting equipments | 5,748 | 5,013 | 735 |
| Furniture, office equipment and other assets | 1,660 | 1,207 | 453 |
| Computer auxiliaries | 115,904 | 88,015 | 27,889 |
| | | Unaudited | Audited |
| | | June 30, | December 31, |
| | | 2025 | 2024 |
| | | ----- (Rupees '000) ----- | |
| 5.2 Capital work-in-progress | Note | | |
| Buildings on leasehold land | | 2,089,061 | 1,664,635 |
| Tanks and pipelines | | 616,820 | 947,123 |
| Plant and machinery | | 129,844 | 351,626 |
| Electrical, mechanical and fire fighting equipments | | 23,453 | 144,602 |
| Furniture, office equipment and other assets | | 17,442 | 15,887 |
| | 5.2.1 | 2,876,620 | 3,123,873 |
| 5.2.1 Movement in capital work-in-progress during the period / year is as follows: | | | |
| Balance at the beginning of the period / year | | 3,123,873 | 4,840,150 |
| Additions during the period / year | | 1,420,620 | 2,271,339 |
| Transfers to operating assets during the period / year | | (1,667,873) | (3,947,699) |
| Provision of impairment during the period / year | | - | (39,917) |
| Balance at the end of the period / year | | 2,876,620 | 3,123,873 |
| 6 RIGHT-OF-USE ASSETS | | | |
| Cost | | 9,680,818 | 8,338,964 |
| Accumulated depreciation | | (1,773,770) | (1,599,586) |
| Net book value | 6.1 | 7,907,048 | 6,739,378 |
| 6.1 Movement in right-of-use assets during the period / year is as follows: | | | |
| Opening net book value | | 6,739,378 | 6,696,781 |
| Additions during the period / year | | 2,017,754 | 1,026,485 |
| Terminations during the period / year - net book value | | (357,347) | (124,969) |
| Depreciation charge for the period / year | | (492,737) | (858,919) |
| Closing net book value | | 7,907,048 | 6,739,378 |
| 7 LONG-TERM INVESTMENTS | | | |
| Includes investment of 26% in an unquoted associate "Pak-Arab Pipeline Company Limited (PAPCO)", which is carried under equity method of accounting as summarized below: | | | |
| | | Unaudited | Audited |
| | | June 30, | December 31, |
| | | 2025 | 2024 |
| | | ----- (Rupees '000) ----- | |
| Balance at the beginning of the period / year | | 5,975,703 | 5,680,940 |
| Share of profit before taxation | | 1,838,387 | 3,369,909 |
| Share of taxation | | (717,620) | (1,289,661) |
| | | 1,120,767 | 2,080,248 |
| Share of other comprehensive income before taxation | | (23,160) | 482,811 |
| Share of taxation | | 9,032 | (188,296) |
| | | (14,128) | 294,515 |
| Dividend received | | (1,170,000) | (2,080,000) |
| Balance at the end of the period / year | | 5,912,342 | 5,975,703 |

| | | Unaudited June 30, 2025 | Audited December 31, 2024 |
|---|--|-------------------------------|---------------------------------|
| | Note | ----- (Rupees '000) ----- | |
| 8 STOCK-IN-TRADE | | | |
| Raw and packing materials | | | |
| -in hand | | 4,869,987 | 5,722,023 |
| -in transit | | 987,745 | 730,505 |
| | | <u>5,857,732</u> | <u>6,452,528</u> |
| Provision for obsolete and slow moving stock | | (39,526) | (13,483) |
| | | <u>5,818,206</u> | <u>6,439,045</u> |
| Finished products | | | |
| -in hand and in pipeline system | | 26,042,283 | 35,292,031 |
| -in White Oil Pipeline | 8.1 | 3,779,587 | 4,186,631 |
| | | <u>29,821,870</u> | <u>39,478,662</u> |
| Provision for obsolete and slow moving stock | | (132,352) | (293,314) |
| | | <u>29,689,518</u> | <u>39,185,348</u> |
| | | <u>35,507,724</u> | <u>45,624,393</u> |
| 8.1 | Represents stock held with PAPCO (an associate). | | |
| 9 SHORT-TERM DEPOSITS AND PREPAYMENT | | | |
| Deposits | | 362,415 | 108,632 |
| Prepayment - insurance | | 165,140 | 68,551 |
| | | <u>527,555</u> | <u>177,183</u> |
| 10 OTHER RECEIVABLES | | | |
| Petroleum development levy and other duties | | 1,380,029 | 1,380,029 |
| Price differential claims | | | |
| - on imported purchases | | 295,733 | 295,733 |
| - on high speed diesel | | 343,584 | 343,584 |
| - on imported motor gasoline | | 195,925 | 195,925 |
| Customs duty receivable | | 44,413 | 44,413 |
| Sales tax refundable | | - | 725,099 |
| Receivable from Shell Group Companies | | 1,126,181 | 1,118,053 |
| Workers' Profit Participation Fund | | 5,857 | - |
| Service cost receivable from PAPCO - an associate | | 4,887 | 8,948 |
| Receivable from Oil Marketing Companies | | 13,910 | 13,910 |
| Taxes recoverable | | 2,289,345 | 2,289,345 |
| Margin held against letter of credit | | 946,557 | 578 |
| Receivable from dealers | | 840,998 | 922,732 |
| Others | | 317,560 | 318,097 |
| | | <u>7,804,979</u> | <u>7,656,446</u> |
| Provision for impairment | | (2,363,003) | (2,363,003) |
| | | <u>5,441,976</u> | <u>5,293,443</u> |
| 11 BANK BALANCES | | | |
| Current accounts | | 1,270,992 | 1,009,000 |
| Saving accounts | | 16,707,318 | 3,686,380 |
| | | <u>17,978,310</u> | <u>4,695,380</u> |

| | | Unaudited June 30, 2025 | Audited December 31, 2024 |
|---|---|--|--|
| | Note | ----- (Rupees '000) ----- | |
| 12 LEASE LIABILITIES | | | |
| Balance at the beginning of the period / year | | 7,410,432 | 7,131,049 |
| Additions during the period / year | | 2,017,754 | 698,813 |
| Accretion of interest for the period / year | | 557,941 | 941,862 |
| Lease rentals paid during the period / year | | (815,442) | (1,200,929) |
| Terminations during the period / year | | (330,590) | (160,363) |
| Balance at the end of the period / year | | <u>8,840,095</u> | <u>7,410,432</u> |
| Current portion of long-term lease liabilities | | <u>374,919</u> | <u>573,231</u> |
| Long-term lease liabilities | | <u>8,465,176</u> | <u>6,837,201</u> |
| 13 TRADE AND OTHER PAYABLES | | | |
| Creditors | | 63,129,106 | 62,362,807 |
| Accrued liabilities | | 6,840,878 | 6,332,420 |
| Security deposits | | 574,940 | 570,869 |
| Inland freight equalization margin | | 3,277,615 | 3,729,831 |
| Staff retirement benefit schemes | | 99,031 | 78,671 |
| Workers' Welfare Fund | | 642,387 | 587,540 |
| Workers' Profit Participation Fund | | - | 126,466 |
| Provision for staff redundancy plan | | - | 109,993 |
| Sales tax payable | | 372,287 | - |
| Others | | 3,066 | 5,692 |
| | | <u>74,939,310</u> | <u>73,904,289</u> |
| 14 CONTINGENCIES AND COMMITMENTS | | | |
| 14.1 Contingencies | | | |
| There is no material change in the status of contingencies from what is disclosed in note 25.1 to the annual audited financial statements for the year ended December 31, 2024, except for the following: | | | |
| 14.1.2 | In 2019, the Company received a show cause notice from the Punjab Revenue Authority requiring explanation of non-payment of sales tax amounting to Rs. 1,857,097 thousand in respect of Inland Freight Equalization Margin, Oil Marketing Company's margin and dealer's margin for the period from July 2017 to June 2018. The Company challenged the notice before the Lahore High Court, which granted a stay order. On April 5, 2025, the Lahore High Court decided the case in favour of the Company. | | |
| 14.2 Commitments | | Unaudited June 30, 2025 | Audited December 31, 2024 |
| | | ----- (Rupees '000) ----- | |
| Capital expenditure | | <u>1,519,683</u> | <u>2,389,684</u> |
| Outstanding letters of credit | | <u>32,102,143</u> | <u>21,545,519</u> |
| Outstanding bank guarantees | | <u>1,175,424</u> | <u>3,176,304</u> |
| Outstanding bank contracts | | <u>38,162</u> | <u>334,585</u> |
| Post-dated cheques | 14.2.1 | <u>46,484,625</u> | <u>44,960,267</u> |
| 14.2.1 | These have been deposited with the Collector of Customs Port Qasim and Karachi Port Trust in accordance with the Customs' Act, 1969 as an indemnity to adequately discharge the liability for the duties and taxes leviable on imports, as required under the Finance Act, 2005. The maturity dates of these cheques extend to July 17, 2025. | | |
| 15 OTHER EXPENSES | | | |
| Includes exchange loss amounting to Rs. 1,010,697 thousand (June 30, 2024: nil) and allowance for expected credit loss amounting to Rs. 41,432 thousand (June 30, 2024: nil). | | | |

| | | Unaudited Half year ended | |
|-------------|--|------------------------------|-------------------|
| | | June 30, 2025 | June 30, 2024 |
| | | ----- (Rupees '000) ----- | |
| 16 | CASH GENERATED FROM OPERATIONS | Note | |
| | Profit before income tax | 3,380,575 | 2,813,372 |
| | Adjustment for non-cash charges and other items: | | |
| | Depreciation charge for the period on operating assets | 1,103,047 | 1,263,694 |
| | Write-off of operating assets | - | 25,819 |
| | Reversal of provision for impairment on operating assets - net | (20,207) | (24,159) |
| | Gain on disposal of operating assets | (10,571) | (11,143) |
| | Loss / (gain) on termination of leases | 26,758 | (12,850) |
| | Depreciation charge for the period on right-of-use assets | 492,737 | 453,249 |
| | Gain on disposal of capital work-in-progress | (11,000) | - |
| | Amortization charge for the period | 373,969 | - |
| | Accretion expense on asset retirement obligation | 14,272 | 14,806 |
| | Final taxes | 202,556 | - |
| | Minimum tax differential | 178,378 | 660,695 |
| | (Reversal) / provision for obsolete and slow moving stock-in-trade - net | (134,919) | 191,575 |
| | Allowance / (reversal) for expected credit losses on trade debts - net | 41,432 | (1,121) |
| | Provision for soil and ground water remediation | - | 351,158 |
| | Reversal of impairment on other receivables | - | (1,765,286) |
| | Reversal of provision for staff redundancy plan | (97,937) | - |
| | Share of profit of associate - net of tax | (1,120,767) | (1,260,491) |
| | Liabilities no longer payable written back | - | (465,685) |
| | Accretion expense on long-term payables | 78,795 | - |
| | Impact of change in exchange rate - long term payables | 39,872 | - |
| | Provision for post-retirement medical benefits | 14,072 | - |
| | Reversal of asset retirement obligation | (5,699) | - |
| | Estimate adjustment for asset retirement obligation | (2,928) | - |
| | Interest on term deposit receipts | (36,973) | - |
| | Interest on treasury bills | (71,993) | - |
| | Interest on saving accounts | (667,810) | (869,767) |
| | Dividend income on open ended shariah compliant mutual funds | (108,225) | - |
| | Accretion of interest on lease liabilities | 557,941 | 390,828 |
| | Working capital changes | 16.1 9,817,867 | 10,114,622 |
| | | <u>14,033,242</u> | <u>11,869,316</u> |
| 16.1 | Working capital changes | | |
| | Decrease / (increase) in current assets | | |
| | Stock-in-trade | 10,251,588 | 13,180,291 |
| | Trade debts | (1,105,112) | (1,859,611) |
| | Loans and advances | (2,228) | (4,047) |
| | Short-term deposits and prepayments | (350,372) | (187,690) |
| | Other receivables | (148,533) | 802,173 |
| | | <u>8,645,343</u> | <u>11,931,116</u> |
| | Increase / (decrease) in current liabilities | | |
| | Trade and other payables | 1,145,014 | (935,561) |
| | Advances received from customers (contract liabilities) | 27,510 | (880,933) |
| | | <u>9,817,867</u> | <u>10,114,622</u> |
| 16.2 | Cash and cash equivalents | | |
| | Bank balances | 17,978,310 | 11,465,737 |
| | Treasury bills | 3,010,963 | - |
| | Term deposit receipts | 6,062,519 | 3,762,519 |
| | | <u>27,051,792</u> | <u>15,228,256</u> |
| 17 | RELATED PARTY TRANSACTIONS | | |

The related parties of the Company comprise of the Parent Company, companies with common directorship, associate, employees' retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company. Transactions with related parties are as follows:

| | | Unaudited Half year ended | |
|------------------------------------|---|------------------------------|------------------|
| | | June 30, 2025 | June 30, 2024 |
| | | ----- (Rupees '000) ----- | |
| Nature of relationship | Nature of transactions | | |
| Parent Company | Dividend paid | 845,398 | - |
| Associate | Pipeline charges | 410,370 | 305,477 |
| | Dividend received net of tax | 994,500 | - |
| | Others | 14,919 | 15,335 |
| Employees' retirement funds | | | |
| Defined benefit pension funds | Contribution | 6,027 | 6,445 |
| Defined contribution pension fund | Contribution | 80,626 | 77,325 |
| Defined benefit gratuity funds | Contribution | 1,798 | 2,044 |
| Provident funds | Contribution | 35,829 | 37,415 |
| Key management Personnel | | | |
| | Salaries and other short term employee benefits | 49,895 | 114,287 |
| | Post-employment benefits | 5,714 | 7,403 |
| | Medical | 1,208 | 2,468 |
| Non-executive Directors | | | |
| | Fee for attending meetings | 7,369 | 6,961 |
| Others | | | |
| | Purchases | 205,060 | 76,666,916 |
| | Sales | 81,815 | 651,831 |
| | Bank charges | 149,858 | 326,738 |
| | Interest on term deposit receipts and saving accounts | 22,515 | 703,471 |
| | Donations | 19,655 | 10,700 |
| | Legal charges | 1,564 | 872 |
| | Subscription paid | 1,696 | 3,397 |

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company as at December 31, 2024. There has been no change in any risk management policies since the year end.

19 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

All the sales of the Company relate to petroleum products including lubricating oils.

Total sales of the Company relating to customers in Pakistan were 100% during the half year ended June 30, 2025 (June 30, 2024: 100%).

All non-current assets of the Company as at June 30, 2025 and December 31, 2024 are located in Pakistan.

Sales to twenty major customers of the Company are around 12.45% during the half year ended June 30, 2025 (June 30, 2024: 16%).

20. GENERAL

20.1 Figures have been rounded off to the nearest thousand, unless otherwise stated.

20.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. However there has been no material reclassification to report.

21 DATE OF AUTHORIZATION

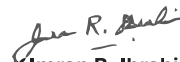
These condensed interim financial statements were authorized for issue on August 21, 2025 by the Board of Directors of the Company.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Trade in Shares by Executive through CDC

During January 01 to June 30, 2025

| Name | Category | Transaction's date | No. of Shares | Nature | Rate (Rs.) |
|----------------------------|-----------|--------------------|---------------|--------|------------|
| Khurram Baghpatee (Spouse) | Executive | January 10, 2025 | 3000 | Bought | 201.00 |



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