



# NAVIGATING HEADWINDS WITH FOCUSED VISION

HALF YEARLY REPORT  
DECEMBER 31, 2025

# TABLE OF CONTENTS

Vision & Mission	01
Company Profile and Information	02
Board of Directors	03
Directors' Review	04
Independent Auditor's Review Report on Condensed Interim Financial Statements	05
Condensed Interim Statement of Financial Position	07
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited)	08
Condensed Interim Statement of Changes in Equity (Unaudited)	09
Condensed Interim Statement of Cash Flows (Unaudited)	10
Notes to and forming part of the Financial Information (Unaudited)	11

# VISION

The Refinery of the first choice for all stakeholders

# MISSION

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



# COMPANY PROFILE

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

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

## COMPANY INFORMATION

### **Deputy Managing Director (Finance)/CFO**

Imran Ahmad Mirza

### **Company Secretary**

Shehrzad Aminullah

### **Auditors & Tax Advisors**

KPMG Taseer Hadi & Co.  
Chartered Accountants

### **Legal Advisor**

Orr Dignam & Co.

### **Registrar & Share Registration Office**

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

### **Bankers**

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

### **Registered Office**

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

# BOARD OF DIRECTORS

## **TARIQ KIRMANI**

Chairman

## **ZAFAR UL ISLAM USMANI**

Managing Director & CEO

## **MOHSIN ALI MANGI**

Director

## **AFTAB HUSAIN**

Director

## **SYED JEHANGIR ALI SHAH**

Director

## **MOHAMMAD ABDUL ALEEM**

Director

## **SYED MUHAMMAD TAHA**

Director

## **MOHAMMAD ZUBAIR**

Director

## **TARA UZRA DAWOOD**

Director

# DIRECTORS' REVIEW

The Board of Directors is pleased to present its review report together with the unaudited condensed interim financial information of the Company for the half year ended December 31, 2025.

During the period under review, the Company recorded a profit after tax of Rs. 2.14 billion, compared to a loss after tax of Rs. 2.01 billion in the corresponding period last year - a positive swing of Rs. 4.15 billion. This turnaround in profitability is driven by improved operational efficiency and favorable international refining margins. The positive performance is achieved despite negligible local demand for High Sulphur Fuel Oil (HSFO), which continued to be exported at discounted prices.

The Company continues to be actively engaged with the Ministry of Energy and the Ministry of Finance for the recovery of receivables relating to customs duty on crude oil and exchange losses on foreign currency loans, in accordance with the directives of the respective ministries. However, delays in the reimbursement of the Company's valid claims by the Government are exerting undue pressure on the Company's liquidity position.

The Government has initiated reimbursement of input sales tax disallowed due to the exemption of Company's petroleum products, however, a permanent resolution of this matter remains critical for the Company's sustainable operations as well as successful execution of the Refinery Expansion and Upgrade Project (REUP).

The Company remains committed to the REUP, which will inter alia double the Refinery's crude processing capacity from 50,000 barrels per day to 100,000 barrels per day. In this regard, the EPCF contractor has been selected and a conditional Letter of Intent (LoI) has been issued which has been accepted. Parallel efforts are continuing for securing financial close by December 2026 through the most cost-effective financing options available and the Company continues to be in dialogue with various organizations for the induction of a strategic investor for the REUP.

Health, Safety, Environment and Quality (HSEQ) continues to remain a key area of focus of your Refinery and all parameters were in compliance with the relevant HSEQ Standards. The Company while maintaining efficient and safe operations, clocked in 9.9 million man hours without any Lost Time Injury (LTI) as at 31st December 2025. Meanwhile, Alhamdulillah, in January 2026, the Refinery has surpassed 10 million man hours without any LTI.

The Board of Directors would like to acknowledge the contributions of all stakeholders for their continued support, especially the Government of Pakistan.



**Tariq Kirmani**  
Chairman

Karachi: February 2, 2026



**Zafar Ul Islam Usmani**  
Managing Director &  
Chief Executive Officer



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No. 2, Beaumont Road  
Karachi 75530 Pakistan  
+92 (21) 37131900, Fax +92 (21) 35685095

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pakistan Refinery Limited

Report on review of Condensed Interim Financial Statements

### *Introduction*

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan Refinery Limited** ("the Company") as at 31 December 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-months period then ended (herein-after referred to as the "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 interim financial reporting. Our responsibility is to express a conclusion on these condensed 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 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.



KPMG Taseer Hadi & Co.

***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 second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim profit or loss account and other comprehensive income for the three months period ended 31 December 2025 have not been reviewed by us.

The engagement partner on the engagement resulting in this independent auditors' review report is Aryn Pirani.

**Date: 17 February 2026**

**Karachi**

**UDIN: RR202510201KHm8JSuz2**

  
**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

ASSETS	Note	Unaudited December 31, 2025	Audited June 30, 2025
(Rupees in thousand)			
<b>Non-current assets</b>			
Property, plant and equipment	7	35,715,644	34,552,918
Right-of-use asset		69,635	76,965
Intangibles		38,844	34,307
Investment accounted for using the equity method		51,666	57,676
Long-term deposits and loans		31,742	33,240
Deferred tax asset	8	54,752	599,890
Employee benefit prepayments		6,669	8,728
		<b>35,968,952</b>	<b>35,363,724</b>
<b>Current assets</b>			
Inventories	9	25,477,783	22,028,162
Trade receivables	10	19,326,975	19,390,402
Trade deposits, loans, advances and short-term prepayments		398,714	417,253
Other receivables	11	28,298,011	25,777,593
Taxation - payments less provision		871,756	738,950
Investments	12	1,413,959	1,385,124
Cash and bank balances	13	15,139,083	2,839,718
		<b>90,926,281</b>	<b>72,577,202</b>
		<b>126,895,233</b>	<b>107,940,926</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		6,300,000	6,300,000
Accumulated loss		(790,300)	(2,927,651)
Revaluation surplus on property, plant and equipment		23,229,928	23,229,928
Other reserves		1,947	1,947
		<b>28,741,575</b>	<b>26,604,224</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	14	11,850,000	12,350,000
Long-term lease liability		84,978	123,578
Employee benefit obligations		362,483	362,483
		<b>12,297,461</b>	<b>12,836,061</b>
<b>Current liabilities</b>			
Trade and other payables	15	59,174,904	52,990,985
Short-term borrowings	16	26,630,515	15,473,492
Current portion of long-term lease liability		27,075	12,188
Unpaid dividend		3,851	4,124
Unclaimed dividend		19,852	19,852
		<b>85,856,197</b>	<b>68,500,641</b>
		<b>98,153,658</b>	<b>81,336,702</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	17	<b>126,895,233</b>	<b>107,940,926</b>

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.



**Zafar Ul Islam Usmani**  
Managing Director & CEO



**Mohammad Abdul Aleem**  
Director



**Imran Ahmad Mirza**  
Chief Financial Officer

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

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Note	Half year ended		Quarter ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Rupees in thousand)					
Revenue from contracts with customers	18	137,004,838	168,879,976	75,340,198	86,780,490
Cost of sales		(130,395,840)	(166,756,356)	(71,674,902)	(84,713,215)
Gross profit		6,608,998	2,123,620	3,665,296	2,067,275
Selling expenses		(364,822)	(393,105)	(204,152)	(198,442)
Administrative expenses		(699,245)	(716,870)	(431,420)	(317,924)
Other operating expenses	19	(275,457)	(2,236,967)	(153,999)	(453,667)
Other income	20	772,443	1,651,312	371,565	1,043,067
Operating profit		6,041,917	427,990	3,247,290	2,140,309
Finance cost	21	(2,233,411)	(1,889,202)	(1,126,971)	(1,062,310)
Share of (loss) / income of associate - accounted for using the equity method		(4,308)	1,930	(1,976)	1,003
Profit / (loss) before taxation		3,804,198	(1,459,282)	2,118,343	1,079,002
Final and minimum tax		(685,528)	(959,770)	(685,528)	(398,471)
Taxation		(981,319)	406,138	(311,757)	(343,037)
Profit / (loss) for the period		2,137,351	(2,012,914)	1,121,058	337,494
Other comprehensive income / (loss)		-	-	-	-
Total comprehensive income / (loss)		2,137,351	(2,012,914)	1,121,058	337,494
Earnings / (loss) per share					
- basic and diluted	22	Rs. 3.39	(Rs. 3.20)	Rs. 1.78	Rs. 0.54

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.



**Zafar Ul Islam Usmani**  
Managing Director & CEO



**Mohammad Abdul Aleem**  
Director



**Imran Ahmad Mirza**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	SHARE CAPITAL	CAPITAL RESERVE		REVENUE RESERVE		TOTAL
		Revaluation surplus on property, plant and equipment	Exchange equalisation reserve	Unappropriated profit / (Accumulated loss)	General reserve	
<b>Balance as at July 1, 2024 - (audited)</b>	6,300,000	20,325,928	897	2,942,789	1,050	29,570,664
Loss for the period ended December 31, 2024	-	-	-	(2,012,914)	-	(2,012,914)
Other comprehensive income for the period ended December 31, 2024	-	-	-	-	-	-
Final dividend for the year ended June 30, 2024 @ Rs. 2 per share	-	-	-	(1,260,000)	-	(1,260,000)
<b>Balance as at December 31, 2024 (unaudited)</b>	6,300,000	20,325,928	897	(3,272,914)	-	(3,272,914)
<b>Balance as at July 1, 2025 - (audited)</b>	6,300,000	23,229,928	897	(330,125)	1,050	26,297,750
Profit for the period ended December 31, 2025	-	-	-	(2,927,651)	-	26,604,224
Other comprehensive income for the period ended December 31, 2025	-	-	-	2,137,351	-	2,137,351
<b>Balance as at December 31, 2025 - (unaudited)</b>	6,300,000	23,229,928	897	(790,300)	1,050	28,741,575

(Rupees in thousand)

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.



**Zafar Uj Islam Usmani**  
Managing Director & CEO



**Mohammad Abdul Aleem**  
Director



**Imran Ahmad Mirza**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CASH FLOWS - (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Note	December 31, 2025	December 31, 2024
<b>(Rupees in thousand)</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	24	6,162,332	2,681,451
Interest paid		(2,130,535)	(1,421,423)
Taxes paid		(1,254,515)	(1,388,017)
Contribution made to retirement benefit plans		(64,368)	(82,663)
Decrease in long-term deposits and loans		1,498	1,121
Net cash generated from / (used in) operating activities		2,714,412	(209,531)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment		(1,858,196)	(955,425)
Acquisition of intangibles		(14,057)	(2,334)
Proceeds from disposal of property, plant and equipment		11,178	6,784
Purchase of treasury bills net off disposals		50,510	(15,344,419)
Dividend received		1,702	4,252
Interest received		520,970	444,622
Net cash used in investing activities		(1,287,893)	(15,846,520)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term borrowings		-	6,000,000
Repayment of long term borrowings		(333,333)	-
Proceeds from FE-25 loans		21,061,431	29,192,737
Repayment of FE-25 loans		(9,804,907)	(11,323,451)
Lease rentals paid		(35,239)	(40,854)
Dividend paid		(273)	(1,254,531)
Net cash generated from financing activities		10,887,679	22,573,901
Net increase in cash and cash equivalents		12,314,198	6,517,850
Cash and cash equivalents at the beginning of the period		2,839,718	6,927,227
(Exchange loss) / gain on cash and cash equivalents		(14,833)	4,348
Cash and cash equivalents at the end of the period	25	15,139,083	13,449,425

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.



**Zafar Ul Islam Usmani**  
Managing Director & CEO



**Mohammad Abdul Aleem**  
Director



**Imran Ahmad Mirza**  
Chief Financial Officer

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

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

## 1. THE COMPANY AND ITS OPERATIONS

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

The Company is a subsidiary of Pakistan State Oil Company Limited (PSO) which holds 63.56% shares of the Company (June 30, 2025: 63.56%).

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

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

## 2. BASIS OF PREPARATION

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

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

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

This condensed interim financial information of the Company does not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

## 3. MATERIAL ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements for the year ended June 30, 2025.

## 4. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

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

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for accounting periods beginning on or after July 1, 2025, however, these do not have any significant impact on the this condensed interim financial information and therefore, have not been detailed here.

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

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

## 5. USE OF ESTIMATES AND JUDGEMENTS

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

Significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual financial statements as at and for the year ended June 30, 2025.

## 6. FINANCIAL RISK MANAGEMENT

The Company's financial risk management policies and objectives are consistent with those disclosed in the annual financial statements as at and for the year ended June 30, 2025.

## 7. PROPERTY, PLANT AND EQUIPMENT

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

	(Unaudited)	
	December 31, 2025	December 31, 2024
	(Rupees in thousand)	
Building	21,988	-
Processing plant	82,020	245,956
Power Generation, Transmission And Distribution	54,467	59,150
Equipment and furniture	79,218	114,128
Korangi tank farm	8,361	19,245
Vehicles and other automotive equipment	18,872	37,147
Pipelines	29,297	-
Steam Generation Plant	344	82,678
Fire fighting and telecommunication systems	-	15,410
Major spare parts and stand by equipments - net of transfers	7,878	182,125
Capital work-in-progress - net of transfers	1,555,751	199,586
	<b>1,858,196</b>	<b>955,425</b>

7.2 Fixed assets having Net Book Value of Rs. 10.64 million were disposed-off during the period against the disposal proceeds of Rs. 11.18 million.

7.3 During the period, the Company has capitalised borrowing costs amounting to Rs. 50.2 million (December 31, 2024: Nil) on its qualifying assets at the current period's weighted average rate of its general borrowings of 11.29% per annum.

## 8. DEFERRED TAX ASSET / (LIABILITIES)

	Deferred tax liability arising in respect of taxable temporary difference			Deferred tax asset arising in respect of deductible temporary difference						Net deferred tax asset
	Property, plant and equipment	Investment in associate accounted for under equity method	Total	Right of use asset net of lease liability	Provision for slow moving stores and spares	Excess of Alternate Corporate Tax / Minimum Tax over Normal Tax Liability	Unabsorbed depreciation	Brought forward losses	Total	
	(Rupees in thousand)									
July 01, 2024	(1,308,156)	(15,070)	(1,323,226)	19,921	15,975	669,088	-	-	704,984	(618,242)
Credit / (charge) to profit or loss for the year	52,834	865	53,699	(2,708)	2,807	-	370,371	793,963	1,164,433	1,218,132
June 30, 2025	(1,255,322)	(14,205)	(1,269,527)	17,213	18,782	669,088	370,371	793,963	1,869,417	599,890
Credit / (charge) to profit or loss for the period	35,044	1,505	36,549	(670)	1,150	-	-	(582,167)	(581,687)	(545,138)
December 31, 2025	<b>(1,220,278)</b>	<b>(12,700)</b>	<b>(1,232,978)</b>	<b>16,543</b>	<b>19,932</b>	<b>669,088</b>	<b>370,371</b>	<b>211,796</b>	<b>1,287,730</b>	<b>54,752</b>

## 9. INVENTORIES

As at December 31, 2025, stock of finished products has been written down by Rs.65.3 million (June 30, 2025: Rs. 27.4 million) to arrive at its net realisable value.

## 10. TRADE RECEIVABLES

This includes the following amounts due from related parties:

	Unaudited December 31, 2025	Audited June 30, 2025
	(Rupees in thousand)	
Pakistan State Oil Company Limited - Parent	10,706,948	12,729,817
Taj Gasoline Private Limited - Associate	440,476	798,186
Gas & Oil Pakistan Limited - Associate	688,402	403,530
Flow Petroleum Private Limited - Associate	29	649,833
	<b>11,835,855</b>	<b>14,581,366</b>

## 11. OTHER RECEIVABLES

**11.1** Other receivables include a net amount of Rs. 9.03 billion (exchange losses of Rs. 9.65 billion net of exchange gains of Rs. 0.62 billion) (June 30, 2025: Rs. 9.30 billion) in respect of foreign currency loans (FE-25 loans) obtained by the Company for settlement of LCs of crude oil based on the directions of Ministry of Finance (MoF) dated November 27, 2013 and October 21, 2021. On July 18, 2024, MoF interalia informed the Directorate General of Oil office that exchange losses incurred by the Company on the two FE-25 loans taken by it, may be included in the summary for the Economic Coordination Committee (ECC) for recovery through pricing mechanism.

**11.2** Other receivables also include Rs. 2.17 billion (June 30, 2025: Rs. 2.2 billion) on account of unadjustable input tax related to exempt supplies. The Government allowed recovery of disallowed input tax during 2024-25 due to exemption of Petroleum products through pricing mechanism of MS and HSD. The Company believes that the mechanism will also be extended for recovery of disallowed input tax for the year 2025-26.

**11.3** Other receivables also include Rs. 16.69 billion (June 30, 2025: Rs. 10.82 billion) on account of custom duty paid on import of crude oil which is reimbursable through Inland Freight Equalization Margin (IFEM) under Pakistan Oil Refining Policy for Existing / Brownfield Refineries, 2023.

## 12. INVESTMENTS

This represents short term investment in treasury bills measured at fair value through profit or loss. Fair values of these investments are determined using repurchase price and carry interest yields ranging from 10.48% to 10.76%. These treasury bills will be matured latest by May 14, 2026.

## 13. CASH AND BANK BALANCES

With banks in

### Conventional

Term deposits - note 13.1  
Savings accounts - note 13.2  
Current accounts

### Islamic

Savings accounts - note 13.2  
Current accounts

Cash in hand

	Unaudited December 31, 2025	Audited June 30, 2025
	(Rupees in thousand)	
	1,000,000	-
	10,945,770	1,723,406
	2,295,666	1,098,563
	14,241,436	2,821,969
	703,888	220
	193,328	17,233
	897,216	17,453
	431	296
	<b>15,139,083</b>	<b>2,839,718</b>

- 13.1** This represents a term deposit placed with Askari Bank Limited at a mark-up rate of 10.25% per annum maturing on January 06, 2026.
- 13.2** The rates of mark-up on savings accounts as at December 31, 2025 were in the range of 8% to 9.50% per annum (June 30, 2025: 8.50 % to 9.50 % per annum).
- 13.3** The Company has banking relationship with Shariah compliant banks namely, Meezan Bank Limited, MCB Islamic Bank Limited, Dubai Islamic Bank Limited and Faysal Bank Limited.

Unaudited December 31, 2025	Audited June 30, 2025
-----------------------------------	-----------------------------

(Rupees in thousand)

#### 14. LONG-TERM BORROWINGS

Long term borrowings - note 14.1	14,516,667	14,850,000
Less: Current portion of long term borrowings	(2,666,667)	(2,500,000)
	<b>11,850,000</b>	<b>12,350,000</b>

- 14.1** This includes Rs. 2.7 billion diminishing musharika obtained from Faysal Bank Limited.

#### 15. TRADE AND OTHER PAYABLES

Creditors	30,058,012	31,453,168
Payable to the Government	8,713,524	9,774,253
Payable to escrow account - notes 15.1,15.2 and 15.3	10,328,058	5,557,178
Surplus price differential payable	5,635,528	2,978,696
Accrued liabilities	3,112,467	2,359,469
Accrued markup on bank borrowings - note 15.4	747,695	656,345
Advances from customers	312,999	198,102
Workers' Profit Participation Fund	194,269	-
Tax deducted at source	1,269	5,415
Workers' Welfare Fund	55,466	-
Retention money	15,617	8,359
	<b>59,174,904</b>	<b>52,990,985</b>

- 15.1** Movement of incremental incentives during the period is as follows:

Opening balance	5,557,178	1,276,630
Incremental incentives earned during the period	4,770,880	9,472,724
Incremental incentives transferred to joint Escrow Account	-	(5,192,176)
Closing balance payable to joint Escrow Account	<b>10,328,058</b>	<b>5,557,178</b>

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

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

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

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

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

The incremental incentives under the Policy will be recognised after the Final Investment Decision (FID) on the project.

	Unaudited December 31, 2025	Audited June 30, 2025
<b>(Rupees in thousand)</b>		
15.3 Movement in Escrow account under the Policy is as follows:		
Opening balance	<b>10,869,053</b>	4,767,605
Incremental incentives transferred to Escrow Account during the period	-	5,192,176
Interest earned on incremental incentives (net of withholding tax)	<b>357,431</b>	909,272
Expenses paid	<b>(1,840)</b>	-
Closing balance	<b>11,224,644</b>	10,869,053

15.4 This includes Rs. 79.2 million (June 30, 2025: Nil) markup accrued on diminishing musharika term loan of Rs. 2.7 billion obtained from Faysal Bank Limited.

## 16. SHORT TERM BORROWINGS

	Unaudited December 31, 2025	Audited June 30, 2025
<b>(Rupees in thousand)</b>		
Foreign currency loans - note 16.1	<b>23,963,848</b>	12,973,492
Current portion of long-term borrowings	<b>2,666,667</b>	2,500,000
	<b>26,630,515</b>	15,473,492

16.1 The current amount represents short term FE-25 loans obtained from:

Bank Name	USD in million	Markup rate	Due on
National Bank of Pakistan	45.69	6.5% p.a.	February 18, 2026
Bank Alfalah Limited	39.81	6.5% p.a.	January 5, 2026

During the period, the Company obtained two FE-25 loans of USD 34.50 million (repaid in September 2025) and USD 39.81 million (repaid on January 05, 2026) from Bank Alfalah Limited at a mark up of 6.25% p.a. and 6.5% respectively.

## 17. CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

17.1.1 Claims against the Company not acknowledged as debt amount to Rs. 7.51 billion (June 30, 2025: Rs. 7.38 billion). These include Rs. 7.25 billion (June 30, 2025: Rs. 7.2 billion) on account of late payment surcharge on purchase of crude oil. The Company has raised similar claims aggregating to

Rs. 7.88 billion (June 30, 2025: Rs. 7.88 billion) relating to interest on late payments against trade receivables from certain Oil Marketing Companies. The Company is of the view that ultimately these claims will be waived off.

17.1.2 Proportionate share of contingencies related to tax matters of Pak Grease Manufacturing Company (Private) Limited - an associate company are Rs. 3.94 million (June 30, 2025: Rs. 5.66 million).

17.1.3 There has been no significant changes during the period in the status of contingencies reported in annual financial statements for the year ended June 30, 2025.

17.1.4 Bank guarantees of Rs. 1.15 billion (June 30, 2025: Rs. 1.15 billion), including a guarantee of Rs. 1 billion issued in favor of OGRA as per the requirements of Pakistan Oil Refining Policy for Existing / Brownfield Refineries, 2023, were issued to third parties.

## 17.2 Commitments

As at December 31, 2025, commitments outstanding for capital expenditure amounted to Rs. 3.70 billion (June 30, 2025: Rs. 3.55 billion).

## 18. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in thousand)			
Local sales	176,876,473	200,812,222	98,318,543	98,238,568
Exports	22,600,032	25,214,392	12,202,409	17,302,274
Gross sales	199,476,505	226,026,614	110,520,952	115,540,842
Less:				
- Excise duty and petroleum levy	(51,456,382)	(44,831,235)	(28,775,912)	(23,594,183)
- Incremental incentives - note 15.1	(4,770,880)	(5,021,483)	(2,688,344)	(2,420,158)
- Surplus price differential	(2,914,433)	(3,892,443)	(1,747,061)	(1,836,580)
- Climate support levy	(1,675,011)	-	(932,533)	-
- Sales tax	(1,392,835)	(3,172,822)	(774,778)	(909,431)
- Sales discount	(262,126)	(228,655)	(262,126)	-
	137,004,838	168,879,976	75,340,198	86,780,490

18.1 The Company considers that revenue from contracts with customers is shariah compliant.

## 19. OTHER OPERATING EXPENSES

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in thousand)			
Worker's Profit Participation Fund	194,270	-	108,207	-
Worker's Welfare Fund	81,188	-	45,793	(7,442)
Research cost on Refinery Expansion and upgrade project	-	2,235,792	-	461,109
Donations	-	991	-	-
Others	-	184	-	-
	275,458	2,236,967	154,000	453,667

## 20. OTHER INCOME

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in thousand)			
<b>Income from financial assets</b>				
Profit on deposits - note 20.1	523,916	647,204	201,185	369,766
Income on treasury bills	79,345	680,703	41,207	536,930
Interest on late payments	2,957	1,304	2,957	-
<b>Others</b>				
Rental income	6,749	67,757	3,375	67,757
Pipeline charges	9,889	8,859	1,704	5,222
Insurance claim	112,347	109,107	112,347	16,628
Crude oil testing services	-	1,369	-	1,369
Gain (net) on disposal of operating assets	539	1,321	539	496
Sale of scrap	25,770	97,661	5,886	46,849
Exchange gain / (loss)	-	27,009	-	(8,202)
Others	10,931	9,018	2,365	6,252
	<b>772,443</b>	<b>1,651,312</b>	<b>371,565</b>	<b>1,043,067</b>

20.1 This includes profit amounting to Rs. 2.35 million (December 31, 2024: Rs. 20.35 million) earned from Shariah Compliant bank deposits.

## 21. FINANCE COST

Finance cost includes Rs. 152.3 million (December 31, 2024: Nil) in relation to diminishing musharika obtained from Faysal Bank Limited.

## 22. EARNINGS / (LOSS) PER SHARE

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in thousand)			
Earnings / (loss) attributable to ordinary shareholders (Rs. in thousand)	2,137,351	(2,012,914)	1,121,058	337,494
Weighted average number of ordinary shares outstanding during the period (in thousand)	630,000	630,000	630,000	630,000
Basic and diluted earnings / (loss) per share	<b>Rs. 3.39</b>	<b>(Rs. 3.20)</b>	<b>Rs. 1.78</b>	<b>Rs. 0.54</b>

22.1 There were no dilutive potential ordinary shares in issue as at December 31, 2025 and December 31, 2024.

## 23. TRANSACTIONS WITH RELATED PARTIES

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

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

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

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

		(Unaudited)	
		December 31, 2025	December 31, 2024
Relationship	Nature of transaction	(Rupees in thousand)	
(a) Parent company	Sale of goods - net	65,964,565	75,796,873
	Purchase of goods	39,418	36,682
	Services received	17,000	19,000
	Services rendered	207	201
	Discount allowed	237,541	93,376
	Markup on long term loan	182,720	-
	(b) Associated companies	Sale of goods - net	16,011,302
Purchase of goods - net		11,432,713	12,427,868
Services received		14,125	11,347
Discount allowed		-	1,369
Dividend received		1,701	4,252
Late payment charges received		2,485	5,984
(c) Key management personnel compensation (excluding non- executive directors)		Salaries and other short-term employee benefits	151,895
	Post-employment benefits	15,881	8,786
	Sale of motor vehicle as per company's Policy	5,154	478
(d) Staff retirement benefit funds	Payments to staff retirement benefit funds	122,931	141,617
(e) Non-executive Directors	Remuneration and fees	35,197	29,399
	Sale of motor vehicle as per company's Policy	409	-

## 24. CASH GENERATED FROM OPERATIONS

	(Unaudited)	
	December 31, 2025	December 31, 2024
	(Rupees in thousand)	
Profit / (loss) before taxation	3,804,198	(1,459,282)
Adjustments for non-cash charges and other items:		
Mark-up expense	2,233,411	1,889,202
Depreciation and amortisation	701,612	675,937
Provision for employee benefit obligations	66,427	65,434
Exchange loss / (gain) on cash and cash equivalents	14,833	(4,348)
Share of loss / (profit) of associate	4,308	(1,930)
Provision for slow moving stores and spares - net	3,019	8,744
Income from investments	(79,345)	(680,703)
Profit on deposits	(523,916)	(647,202)
Gain on disposal of operating assets - net	(539)	(1,321)
	<b>2,419,810</b>	<b>1,303,813</b>
Working capital changes - note 24.1	<b>(61,676)</b>	<b>2,836,920</b>
Cash generated from operations	<b>6,162,332</b>	<b>2,681,451</b>

### 24.1 Working capital changes

(Increase) / decrease in current assets		
Inventories	(3,452,571)	6,565,325
Trade receivables	63,427	(5,471,241)
Trade deposits, loans, advances and short-term prepayments	18,539	203,318
Other receivables	(2,783,640)	(10,475,913)
	<b>(6,154,245)</b>	<b>(9,178,511)</b>
Increase in current liabilities		
Trade and other payables	6,092,569	12,015,431
	<b>(61,676)</b>	<b>2,836,920</b>

## 25. CASH AND CASH EQUIVALENTS

Cash and bank balances	<b>15,139,083</b>	<b>13,449,425</b>
------------------------	-------------------	-------------------

## 26. OPERATING SEGMENTS

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

Sale to 2 customers (December 31, 2024: 2 customer) represents 60.58% (December 31, 2024: 57.96%) of the revenue and exceeds 10% of the revenue during the period.

## 27. FAIR VALUE FINANCIAL INSTRUMENTS

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

## 28. DATE OF AUTHORISATION

This condensed interim financial information were authorised for issue by the Board of Directors of the Company on February 02, 2026.



**Zafar Ul Islam Usmani**  
Managing Director & CEO



**Mohammad Abdul Aleem**  
Director



**Imran Ahmad Mirza**  
Chief Financial Officer



P.O. Box 4612, Korangi Creek Road, Karachi-75190, Pakistan.  
Tel: (+92-21) 35122131-40, Fax: (+92-21) 35091780, 35060145  
Email: [info@prl.com.pk](mailto:info@prl.com.pk) Web: [www.prl.com.pk](http://www.prl.com.pk)

**BOLT.**