

Quarterly Report September 2026

Wafi Energy Pakistan Limited



Investing in the future





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)
Zubair Shaikh
Javaid Akhtar
Hans-Christoph Bausch
Habib Haider
Waheed A. Shaikh
Dr. Ayesha Khan
Zaffar A. Khan
Amir R. Paracha
Badaruddin F. Vellani
Kai-Uwe Witterstein

Chief Executive

Zubair Shaikh

Audit Committee

Dr. Ayesha Khan (Chairperson)
Javaid Akhtar
Badaruddin F. Vellani
Hans-Christoph Bausch

Human Resource and Remuneration Committee

Zaffar A. Khan (Chairperson)
Zubair Shaikh
Kai-Uwe Witterstein
Javaid Akhtar

Company Secretary

Lalarukh Hussain – Shaikh

Registered Office

6, Ch. Khaliquzzaman Road
Karachi-75530
Pakistan

Auditors

EY Ford Rhodes

Legal Advisors

Vellani and Vellani
Advocates and Solicitors

Registrar and 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

Director's Report

For the nine months ended September 30, 2026

Dear Shareholders,

The Directors of Wafi Energy Pakistan Limited (Company) present the unaudited financial statements for the nine months ended September 30, 2026.

The profit for the nine months ended September 30, 2026, after providing for administrative, marketing and distribution expenses, financial and other charges amount to:

Profit before taxation

Taxation

Net Profit for the period ended September 30, 2026

Rupees in Million

11,441

(4,882)

6,559

Rupees

30.64

Profit per share – basic and diluted

Appropriations and movement in reserves have been disclosed in the Statement of Changes in Equity on page 08 of these financial statements.

Business Performance

Pakistan's macroeconomic environment remained challenging in Q3 2026, with inflation rising from 9.2% in July to 11.1% in August before easing to 10.3% in September. Inflation averaged 10.2% during the quarter, compared to 4.2% in the corresponding period last year and 10.03% in the last quarter, primarily driven by higher fuel prices.

The State Bank of Pakistan maintained the policy rate at 11.5% during Q3, adopting a cautious approach amid renewed inflationary pressures and heightened geopolitical uncertainty. The rupee remained stable within the PKR 277–278/USD range.

Amid evolving market dynamics and continued cost pressures, the Company remains focused on operational efficiency, prudent financial management, and effective resource utilization. Management of the Company continues to adopt a disciplined approach to pricing, procurement, and working capital management to support business performance and strengthen the Company's resilience. The Company remains committed to sustainable growth and long-term value creation.

In response to these circumstances, the Government of Pakistan introduced the Price Differential Claim ("PDC") mechanism to provide relief to consumers, resulting in outstanding receivables of PKR 4.5 billion as of September 2026. Subsequent to the reporting period, the Company received a partial payment of PKR 1.3 billion. The Company is one of the first Oil Marketing Companies (OMC) to have received the latest tranche of funds. The Company continues to engage with the relevant authorities to facilitate the timely settlement of its outstanding PDC claims.

The Company delivered a positive financial performance for the nine months ended September 30, 2026, achieving a profit after tax of PKR 6,559 million despite prevailing market challenges. Performance was supported by growth across business segments, disciplined cost management, and improvements in operational efficiency. Continued progress in the motor fuel and lubricants

segments, including gains in market share, further supported the Company's overall results.

In recognition of the Company's performance, the Board of Directors has approved an interim cash dividend of PKR 4 per share for the nine months ended September 30, 2026.

Mobility

Wafi Energy Pakistan Limited secured the #1 ranking among more than 60 markets at the Licensee of the Year 2025 – Smiling Stars 2026 recognition in its first year as a Shell licensee, marking a significant milestone and reflecting the business's strong performance.

Reward and recognition initiatives continued to drive improvements in retail standards. Under CX101, winning sites were recognised for enhancements in greenery, wiper services and toilet cleanliness. Nationwide Service Champion engagement further reinforced forecourt and dispenser cleanliness, service quality and customer experience.

The retail business accelerated its nationwide expansion, adding 54 new sites till Q3, taking the network to 731 sites nationally. The addition of the Tarujabba tank further strengthens the Company's presence in Khyber Pakhtunkhwa (KPK), extending the brand experience to more consumers and supporting greater nationwide network accessibility.

Non-Fuel Retail (NFR) sustained its growth momentum, with nine new Shell Select stores opened during the quarter and daily sales increasing year-on-year despite challenging fuel market conditions. The launch of official Ferrari merchandise at Shell Select Askari and Defence, a first for Pakistan and an Independence Day promotion further strengthened the retail proposition and customer engagement.

The Alliances portfolio has expanded further with the onboarding of various vendors at Shell Select locations, broadening the range of products and services available to customers. Digital commerce also contributed to growth, with online ordering activity and revenue increasing year-on-year.

Lubricants

The Lubricants business maintained its momentum in the quarter through brand initiatives, consumer promotions, and wider mechanic engagement across Pakistan, and continued growth in the B2B segment.

Shell Rimula launched new communication aimed at pickup owners and ran a consumer promotion on promotional packs. Shell Helix engaged mechanics through dedicated engagement events and introduced new packaging across its range. Shell Advance ran a pack promotion to support trade and mechanic engagement.

The lubricants mechanic engagement platform reached a significant milestone in registered mechanics during the quarter and is now being extended to sub dealers, marking the next step in building the Shell brand's relationship with the trade and the mechanic community. The B2B business continued to focus on key customer relationships and on delivering tailored lubricant solutions across industrial and commercial segments.

Environmental, Social and Governance

The Company remains committed to creating value for people and the environment alongside its business objectives. During the quarter, it was awarded first position at the Pakistan Business Council and International Finance Corporation Employer of Choice Awards in the Climate2Equal category, for

its work under its climate pledge (July 2025 to July 2026). Under the pledge, the Company implemented Phase IV of its Access to Energy programme with the National Rural Support Programme, combining solar technology with training, capacity building, monitoring and community ownership to help women and vulnerable rural communities adopt climate resilient livelihoods and access clean, affordable energy.

The Company also partnered with The Dawood Foundation to sponsor visits by children from underserved communities to its Magnificence Centre, providing hands on STEM learning.

Through its registered Tameer Trust, the Company continued to support young people and entrepreneurs, including sponsoring the SEE Pakistan 2026 regional round at NED University of Engineering and Technology, where more than 300 student startups presented their ideas.

HSSE

Our Year-To-Date HSSE performance remained robust with no fatalities or serious injuries as we continue our focus on building competence, sustained assurance and strong safety culture. In partnership with the Oil and Gas Regulatory Authority (OGRA), the Company hosted a safety seminar, bringing together stakeholders from the industry, focusing on strengthening operational safety across Pakistan's oil sector. The seminar provided a platform to exchange global best practices, discuss the role of technology and innovation in enhancing safety. Drawing on the company's global experience, our teams shared insights into operational excellence, safety systems and digital solutions that help improve transparency and build safer operations across Pakistan.

A key strategic milestone was the completion and inauguration of motor gasoline storage tank at Tarujabba terminal, delivered with 300,000 safe man-hours. This investment strengthens our ability to serve customers while supporting the continued growth of our retail network in the region while demonstrating safe project execution.

The company also launched an HSSE training and learning module to assign and track workforce competency and conducted multiple emergency response drills and trainings across terminals, the lubricants blending plant, and retail sites to strengthen emergency readiness and response capability.

Composition of Board

Total number of Directors	Male: 10	Female: 01
Independent Directors	04	
Non-Executive Directors	05	
Executive Directors	02	

We deeply value the unwavering dedication, continued support, and trust of our shareholders, customers, employees, and all stakeholders. As our journey continues, we remain steadfast in our commitment to building Pakistan's energy future.

On behalf of the Board of Directors


Ghassan Al Amoudi
Chairperson

Karachi: October 28, 2026


Zubair Shaikh
Chief Executive Officer

Condensed Interim Statement of Financial Position

As at September 30, 2026

		Unaudited September 30, 2026	Audited December 31, 2025
	Note	------(Rupees in '000)-----	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	27,417,809	25,824,299
Right-of-use assets		10,649,136	9,768,470
Intangible assets		2,491,106	3,067,332
Long-term investments	6	7,282,847	5,976,066
Long-term loans		19,586	24,981
Long-term deposits and prepayments		149,509	142,240
Deferred taxation - net		571,055	-
		<u>48,581,048</u>	<u>44,803,388</u>
Current Assets			
Stock-in-trade	7	67,440,733	45,090,268
Trade debts		13,541,804	9,847,773
Loans and advances		340,629	271,854
Short-term deposits and prepayment		494,585	370,823
Other receivables	8	6,699,258	4,134,786
Short-term investments		-	2,675,828
Bank balances	9	11,984,877	9,336,963
		<u>100,501,886</u>	<u>71,728,295</u>
TOTAL ASSETS		<u><u>149,082,934</u></u>	<u><u>116,531,683</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		2,140,246	2,140,246
Share premium		11,991,012	11,991,012
General reserves		207,002	207,002
Unappropriated profit		16,889,828	11,187,284
Remeasurement of post-employment benefits – actuarial loss		(707,155)	(707,155)
Unrealized loss on remeasurement of equity investment classified as fair value through other comprehensive income		(5,000)	(5,000)
		<u>30,515,933</u>	<u>24,813,389</u>
Liabilities			
Non-Current Liabilities			
Asset retirement obligation		409,909	419,896
Long-term provisions		2,480,325	2,390,052
Long-term lease liabilities		11,836,875	10,605,608
Long-term payable		2,150,067	2,064,690
Deferred taxation - net		-	382,885
Provision for post-retirement medical benefits		225,226	207,417
		<u>17,102,402</u>	<u>16,070,548</u>
Current Liabilities			
Trade and other payables	10	93,803,883	69,890,438
Advance received from customers (contract liabilities)		2,070,634	2,209,862
Unpaid dividend		12,146	25,500
Unclaimed dividend		229,815	233,628
Taxation - net		3,956,336	1,848,295
Current portion of asset retirement obligation		37,375	37,375
Current portion of long-term provisions		927,916	927,916
Current portion of long-term lease liabilities		426,494	474,732
		<u>101,464,599</u>	<u>75,647,746</u>
Contingencies and commitments	11		
TOTAL EQUITY AND LIABILITIES		<u><u>149,082,934</u></u>	<u><u>116,531,683</u></u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Zarrar Mahmud
Chief Financial Officer

Zubair Shaikh
Chief Executive Officer

Dr. Ayesha Khan
Director

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

For the nine months and quarter ended September 30, 2026

		Nine months ended		Quarter ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Note		----- (Rupees '000) -----			
Sales		473,955,941	348,697,336	166,323,597	123,092,935
Other revenue		1,409,624	1,025,831	454,213	310,950
		475,365,565	349,723,167	166,777,810	123,403,885
Sales tax		(8,011,994)	(6,757,349)	(2,465,295)	(2,138,095)
Net revenue		467,353,571	342,965,818	164,312,515	121,265,790
Cost of products sold		(434,350,487)	(321,137,095)	(149,091,542)	(113,376,334)
Gross profit		33,003,084	21,828,723	15,220,973	7,889,456
Distribution and marketing expenses		(9,251,131)	(10,733,518)	(3,141,479)	(3,887,410)
Administrative expenses		(8,179,834)	(4,830,084)	(2,814,828)	(1,749,335)
Other expenses		(5,256,080)	(1,430,875)	(1,540,114)	(229,266)
Other income		1,516,465	1,625,795	481,172	626,148
Operating profit		11,832,504	6,460,041	8,205,724	2,649,593
Finance costs		(1,698,646)	(1,737,549)	(566,988)	(567,844)
		10,133,858	4,722,492	7,638,736	2,081,749
Share of profit of associate - net of tax	6	1,306,779	1,522,976	340,959	402,209
Profit before final taxes, minimum tax differential and income tax		11,440,637	6,245,468	7,979,695	2,483,958
Final taxes		-	(319,262)	-	(116,706)
Minimum tax differential		-	(66,412)	-	111,966
Profit before income tax		11,440,637	5,859,794	7,979,695	2,479,218
Income tax:					
Current		(5,843,317)	(2,839,161)	(3,035,031)	(814,189)
Deferred		961,323	9,830	90,979	87,811
		(4,881,994)	(2,829,331)	(2,944,052)	(726,378)
Profit after income tax		6,558,643	3,030,463	5,035,643	1,752,840
Other comprehensive income					
Items that will not be subsequently reclassified to profit or loss					
Share of other comprehensive (loss) of associate - net of tax		-	(17,662)	-	-
Total comprehensive income for the period		6,558,643	3,012,801	5,035,643	1,752,840
		----- (Rupees) -----			
Earning per share - basic and diluted		30.64	14.16	23.53	8.19

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Zarrar Mahmud
Chief Financial Officer

Zubair Shaikh
Chief Executive Officer

Dr. Ayesha Khan
Director

Condensed Interim Statement of Changes in Equity (Unaudited)

For the nine months ended September 30, 2026

	Capital reserve		Revenue reserve				
	Share capital	Share premium	General reserve	Unappropriated profit	Remeasurement of post-employment benefits - actuarial loss	Unrealised loss on remeasurement of equity investment	Total
----- (Rupees in '000) -----							
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	-	-	-	3,030,463	-	-	3,030,463
Other comprehensive (loss) for the period - net of tax	-	-	-	(17,662)	-	-	(17,662)
Total comprehensive income for the period	-	-	-	3,012,801	-	-	3,012,801
Final cash dividend for the year ended December 31, 2024 @ Rs. 5/- per share	-	-	-	(1,070,123)	-	-	(1,070,123)
Balance as at September 30, 2025 (Unaudited)	<u>2,140,246</u>	<u>11,991,012</u>	<u>207,002</u>	<u>11,308,156</u>	<u>(641,179)</u>	<u>(5,000)</u>	<u>25,000,237</u>
Balance as at December 31, 2025 (Audited)	2,140,246	11,991,012	207,002	11,187,284	(707,155)	(5,000)	24,813,389
Profit after income tax	-	-	-	6,558,643	-	-	6,558,643
Other comprehensive income/(loss) for the period - net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	6,558,643	-	-	6,558,643
Final cash dividend for the year ended December 31, 2025 @ Rs. 4/- per share	-	-	-	(856,099)	-	-	(856,099)
Balance as at September 30, 2026 (Unaudited)	<u>2,140,246</u>	<u>11,991,012</u>	<u>207,002</u>	<u>16,889,828</u>	<u>(707,155)</u>	<u>(5,000)</u>	<u>30,515,933</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive Officer



Dr. Ayesha Khan
Director

Condensed Interim Statement of Cash Flows (Unaudited)

For the nine months ended September 30, 2026

		Nine months ended	
		September 30, 2026	September 30, 2025
		(Rupees '000)	
Note			
CASH FLOWS FROM OPERATING ACTIVITIES			
	12	8,758,619	9,174,561
Cash generated from operations		(1,123,553)	(898,257)
Interest portion of lease liabilities paid		-	(12,057)
Payment of staff redundancy plan		-	(319,262)
Final taxes paid		-	(66,412)
Minimum tax differential paid		(3,727,893)	(2,387,126)
Income tax paid		5,395	(1,829)
Long-term loans		(7,269)	12,486
Long-term deposits and prepayment		(185,728)	(497,782)
Payments against long-term provisions		-	(485,542)
Long-term payable		3,719,571	4,518,780
Net cash generated from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
		(3,723,623)	(3,029,730)
Fixed capital expenditure		59,562	73,571
Proceeds from disposal of operating fixed assets		-	11,000
Proceeds from disposal of capital work-in-progress		-	5,520,241
Proceeds from sale of open ended mutual funds		-	1,945,407
Dividend received from associate		-	110,049
Dividend received from open ended shariah compliant mutual funds		393,523	131,749
Interest on term deposit receipts		-	125,480
Interest on treasury bills		931,582	993,648
Interest on saving accounts		(2,338,956)	5,881,415
Net cash (used in) / generated from investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
		(535,263)	(360,374)
Principal portion of lease liabilities paid		(873,266)	(1,098,235)
Dividends paid		(1,408,529)	(1,458,609)
Net cash used in financing activities			
Net increase in cash and cash equivalents		(27,914)	8,941,586
Cash and cash equivalents at the beginning of the period		12,012,791	9,870,423
Cash and cash equivalents at the end of the period	12.2	11,984,877	18,812,009

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive Officer



Dr. Ayesha Khan
Director

Notes to the Condensed Interim Financial Statements (Unaudited)

For the nine months ended September 30, 2026

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.
- 1.3** The Board of Directors, in their meeting held on February 10, 2026, approved the establishment of a wholly owned subsidiary with an investment of up to USD 500,000 in the Dubai Multi Commodities Centre Free Zone, Dubai, United Arab Emirates. The purpose of establishing the subsidiary is to expand the Company's business and commercial activities outside Pakistan. Completion of this transaction is subject to fulfilling applicable statutory and regulatory requirements.

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. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

These condensed interim financial statements of the Company for the nine months ended September 30, 2026 are unaudited.

- 2.2** 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 financial statements for the year ended December 31, 2025.
- 2.3** These condensed interim financial statements are being submitted to the shareholders as required by section 237 of the Act and Pakistan Stock Exchange Regulations.

3 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

- 3.1** 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.
- 3.2** 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, 2025.

4 MATERIAL ACCOUNTING POLICY INFORMATION

- 4.1** 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, 2025, 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, 2026. 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.
- 4.2** The Company has not early adopted any standard, interpretation or amendment that are not yet effective.

- 4.3 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.

		Unaudited September 30, 2026	Audited December 31, 2025
	Note	----- (Rupees '000) -----	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating assets		24,454,786	21,679,622
Provision for impairment against operating assets	5.1	(363,750)	(176,474)
		<u>24,091,036</u>	<u>21,503,148</u>
Capital work-in-progress		3,326,773	4,321,151
Provision for impairment against capital work-in-progress	5.2	-	-
		<u>3,326,773</u>	<u>4,321,151</u>
		<u>27,417,809</u>	<u>25,824,299</u>

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

Opening net book value	21,503,148	19,942,659
Additions / estimate revision of asset retirement obligation during the period / year	4,594,908	3,786,359
Disposals / write-offs during the period / year - net book value	(83,466)	(49,728)
Depreciation charge for the period / year	(1,821,747)	(2,176,142)
Impairment charge during the period / year	(101,807)	-
Closing net book value	<u>24,091,036</u>	<u>21,503,148</u>

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

	Unaudited September 30, 2026	September 30, 2025
	----- (Rupees '000) -----	
Buildings on leasehold land	1,260,935	391,676
Buildings on freehold land	187,910	3,725
Tanks and pipelines	794,369	509,650
Plant and machinery	451,679	361,585
Air conditioning plant	36,897	26,140
Lifts	41,271	7,878
Dispensing pumps	200,209	187,603
Rolling stock and vehicles	75,082	96,131
Electrical, mechanical and firefighting equipments	591,197	291,346
Furniture, office equipment and other assets	887,788	530,300
Computer auxiliaries	67,571	58,089
	<u>4,594,908</u>	<u>2,464,123</u>

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

	Cost	Accumulated depreciation	Net book value
	----- (Rupees '000) -----		
September 30, 2026 (Unaudited)			
Buildings on leasehold land	99,007	55,912	43,095
Tanks and pipelines	20,924	10,654	10,270
Plant and machinery	2,390	2,233	157
Dispensing pumps	19,777	10,539	9,238
Rolling stock and vehicles	2,880	2,880	-
Electrical, mechanical and fire fighting equipments	76,736	71,976	4,760
Furniture, office equipment and other assets	26,019	10,326	15,693
Air conditioning plant	179	31	148
Computer auxiliaries	4,666	4,666	-
Lifts	221	116	105
	<u>252,799</u>	<u>169,333</u>	<u>83,466</u>

September 30, 2025 (Unaudited)

Buildings on leasehold land	13,622	9,821	3,801
Buildings on freehold land	209	34	175
Tanks and pipelines	6,693	2,866	3,827
Plant and machinery	12,214	8,296	3,918
Dispensing pumps	16,676	14,696	1,980
Rolling stock and vehicles	89,652	58,451	31,201
Electrical, mechanical and fire fighting equipments	19,067	16,646	2,421
Furniture, office equipment and other assets	1,405	701	704
Computer auxiliaries	2,016	2,016	-
	<u>161,554</u>	<u>113,527</u>	<u>48,027</u>

Unaudited
September 30,
2026

Audited
December 31,
2025

5.2 Capital work-in-progress

Note

----- (Rupees '000) -----

Buildings on leasehold land	2,499,378	2,612,351
Tanks and pipelines	338,937	1,187,712
Plant and machinery	272,252	354,427
Electrical, mechanical and fire fighting equipments	197,033	-
Furniture, office equipment and other assets	15,897	72,833
Computer auxiliaries	3,276	93,828
	<u>3,326,773</u>	<u>4,321,151</u>

5.2.1

5.2.1 Movement in capital work-in-progress during the period / year is as follows:

Balance at the beginning of the period / year	4,321,151	3,123,873
Additions during the period / year	3,723,623	4,809,068
Transfers to operating assets during the period / year	(4,632,532)	(3,611,790)
Impairment charge during the period / year	(85,469)	-
Balance at the end of the period / year	<u>3,326,773</u>	<u>4,321,151</u>

5.2.2 Represents provision made in respect of discontinued capital work-in-progress projects.**6 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
September 30,
2026

Audited
December 31,
2025

----- (Rupees '000) -----

Balance at the beginning of the period / year	5,976,066	5,975,703
Share of profit before taxation	2,060,177	3,210,334
Share of taxation	(753,398)	(1,250,390)
	1,306,779	1,959,944
Share of other comprehensive income before taxation	-	(23,236)
Share of taxation	-	9,062
	-	(14,174)
Dividend received	-	(1,945,407)
Balance at the end of the period / year	<u>7,282,845</u>	<u>5,976,066</u>

7 STOCK-IN-TRADE

Raw and packing materials	7,631,370	8,123,036
Provision for obsolete and slow moving stock	(46,750)	(54,751)
	7,584,620	8,068,285
Finished products	59,878,667	37,060,175
Provision for obsolete and slow moving stock	(22,554)	(38,192)
	59,856,113	37,021,983
	<u>67,440,733</u>	<u>45,090,268</u>

		Unaudited September 30, 2026	Audited December 31, 2025
	Note	----- (Rupees '000) -----	
8 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
- on fuel supplies	8.1	4,548,390	-
Customs duty receivable		44,413	44,413
Sales tax refundable		1,265,985	-
Workers' Profit Participation Fund		-	29,770
Service cost receivable from PAPCO - an associate		6,209	92,596
Receivable from Oil Marketing Companies		13,910	13,910
Taxes recoverable		2,759,554	2,344,404
Margin held against letter of credit		-	469,163
Receivable from dealers		1,175,291	945,303
Accrued markup		167,252	97,497
Others		93,790	245,462
		<u>12,290,065</u>	<u>6,497,789</u>
Provision for impairment		(5,590,808)	(2,363,003)
		<u>6,699,257</u>	<u>4,134,786</u>

8.1 Represents receivable against price differential claims from Oil and Gas Regulatory Authority (OGRA) on sales of motor gasoline and high speed diesel which was based on rates notified by OGRA to subsidize petroleum prices restricting the burden on the end consumers.

		Unaudited September 30, 2026	Audited December 31, 2025
	Note	----- (Rupees '000) -----	
9 BANK BALANCES			
Current accounts		220,781	998,544
Saving accounts	9.1	<u>11,764,096</u>	<u>8,338,419</u>
		<u>11,984,877</u>	<u>9,336,963</u>

9.1 These carry interest at the rates ranging from of 8.01% to 11.20% (December 31, 2025: 8.00% to 10.90%) per annum.

		Unaudited September 30, 2026	Audited December 31, 2025
	Note	----- (Rupees '000) -----	
10 TRADE AND OTHER PAYABLES			
Creditors		78,888,791	57,001,927
Accrued liabilities		9,370,976	8,218,302
Security deposits		603,650	549,918
Inland freight equalization margin		3,534,796	2,282,242
Sales tax payable		-	875,708
Staff retirement benefit schemes		352,891	216,498
Workers' Welfare Fund		879,267	745,032
Workers' profits participation fund		164,443	-
Others		9,069	811
		<u>93,803,883</u>	<u>69,890,438</u>

11 CONTINGENCIES AND COMMITMENTS

11.1 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, 2025, except for the following:

11.1.1 During the period, the Deputy Commissioner Inland Revenue (DCIR), through orders dated April 15, 2026 and April 30, 2026, raised tax demands of Rs. 143,163 thousand and Rs. 237,337 thousand for tax years 2023 and 2022, respectively. Pursuant to these orders, the

Company was treated as in default for the non-payment of default surcharge under Section 205 of the Income Tax Ordinance, 2001 in relation to delayed payment of Super Tax, following the Federal Constitutional Court's decision dated January 27, 2026. The Company has filed appeals against these orders before the Commissioner Inland Revenue (Appeals) [CIR(A)], which are currently pending adjudication. In addition, the Company has obtained stay orders from the Sindh High Court against the related recovery proceedings.

- 11.1.2** In 2025, DCIR through an order dated November 27, 2025, concluded monitoring proceedings for Tax Year 2021 and held the Company in default for failure to deduct and deposit withholding tax on invoice discounts and reimbursements of salaries, wages and benefits incurred on behalf of third parties. The aggregate tax demand, including default surcharge, amounted to Rs. 1,001,008 thousand. The Company filed an appeal before the CIR(A) against the DCIR's order and deposited 10% of the assessed demand to obtain a stay of recovery proceedings under Section 140 of the Income Tax Ordinance, 2001. During the period, on March 16, 2026, the CIR(A) annulled the DCIR's order and decided the matter in favour of the company.

11.2 Commitments

	Unaudited September 30, 2026	Audited December 31, 2025
Note	----- (Rupees '000) -----	

Capital expenditure	1,216,798	3,075,441
Outstanding letters of credit	47,642,736	29,960,888
Outstanding bank guarantees	2,795,616	3,136,902
Outstanding bank contracts	1,003,450	588,186
Post-dated cheques	59,231,896	62,894,899

- 11.2.1** 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 February 28, 2027.

12 CASH GENERATED FROM OPERATIONS	Note	Nine months ended	
		September 30, 2026	September 30, 2025
		----- (Rupees '000) -----	
Profit before income tax		11,440,637	6,245,468
Adjustment for non-cash charges and other items:			
Depreciation charge for the period on operating assets		1,821,747	1,674,141
Provision / (reversal) for impairment on operating assets		187,276	(41,941)
Loss / (gain) on disposal of operating assets		23,904	(25,544)
(Gain) / loss on termination of leases		(33,734)	26,758
Depreciation charge for the period on right-of-use assets		871,359	787,128
Gain on disposal of capital work-in-progress		-	(11,000)
Amortization charge for the period		576,226	560,953
Accretion expense on asset retirement obligation		34,761	21,409
Final taxes		-	319,262
Minimum tax differential		-	66,412
(Reversal) for obsolete and slow moving stock-in-trade - net		(23,639)	(215,049)
Allowance for expected credit losses on trade debts - net		151,743	19,549
Provision for soil and ground water remediation		-	-
Provision for impairment on other receivables		3,227,805	-
Charge / (return on) / for staff retirement benefits - Gratuity & Pension		23,752	(97,937)
Share of profit of associate - net of tax		(1,306,779)	(1,522,976)
Accretion expense on long-term payables		108,186	113,419
Accretion expense on long-term provisions		276,000	-
Impact of change in exchange rate - long term payables		(22,809)	18,240
Provision for post-retirement medical benefits		17,809	21,108
Reversal of asset retirement obligation		-	(5,699)
Estimate adjustment for asset retirement obligation		(7,124)	(2,928)
Interest on term deposit receipts		(393,523)	(131,749)
Interest on treasury bills		-	(125,480)
Interest on saving accounts		(931,582)	(993,648)
Dividend income on open ended shariah compliant mutual funds		-	(110,049)
Accretion of interest on lease liabilities		1,123,553	898,257
Working capital changes	12.1	(8,406,949)	1,686,457
		8,758,619	9,174,561

		Nine months ended	
		September 30, 2026	September 30, 2025
		----- (Rupees '000) -----	
12.1	Working capital changes	Note	
	(Increase) / decrease in current assets		
	Stock-in-trade	(22,326,826)	5,865,768
	Trade debts	(3,845,774)	(2,046,137)
	Loans and advances	(68,775)	(9,370)
	Short-term deposits and prepayments	(123,762)	(639,210)
	Other receivables	(5,792,277)	(339,617)
		(32,157,414)	2,831,434
	Increase / (decrease) in current liabilities		
	Trade and other payables	23,889,693	(447,441)
	Advances received from customers (contract liabilities)	(139,228)	(697,536)
		(8,406,949)	1,686,457
12.2	Cash and cash equivalents		
	Bank balances	11,984,877	14,812,009
	Term deposit receipts	-	4,000,000
		11,984,877	18,812,009

13 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 Nine Months ended	
		September 30, 2026	September 30, 2025
		----- (Rupees '000) -----	
Nature of relationship	Nature of transactions		
Parent Company	Dividend paid	676,318	845,398
Associate	Pipeline charges	906,222	603,872
	Dividend received net of tax	-	1,653,500
	Others	28,498	19,844
Employees' retirement funds			
Defined benefit pension funds	Contribution	11,502	9,068
Defined contribution pension fund	Contribution	152,987	122,609
Defined benefit gratuity funds	Contribution	3,451	2,690
Provident funds	Contribution	66,960	55,050
Key management Personnel			
	Salaries and other short term employee benefits	139,554	42,371
	Post-employment benefits	8,377	5,002
	Medical	2,334	1,817
Non-executive Directors	Fee for attending meetings	13,935	9,971
Others	Purchases of goods and services	446,683	294,111
	Sales	2,223,647	125,859
	Bank charges	29,474	185,154
	Interest on saving accounts	31,691	58,532
	Fee for guarantee	51,127	11,487
	Donations	21,544	19,656
	Legal charges	100	1,624
	Subscription paid	8,850	9,096

14 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, 2025. There has been no change in any risk management policies since the year end.

15 OPERATING SEGMENTS

For management purposes, the activities of the Company are organized into one reportable operating segment i.e. marketing of petroleum products including lubricating oils since Chief Operating Decision Maker monitors the operating results of the entity. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in the financial statements are related to the Company's only 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 nine months ended September 30, 2026 (September 30, 2025: 100%).

All non-current assets of the Company as at reporting dates are located in Pakistan.

Sales to twenty major customers of the Company are around 13% during the nine months ended September 30, 2026 (September 30, 2025: 13%).

16 NON-ADJUSTING EVENT AFTER REPORTING DATE

- 16.1 The Board of Directors, in its meeting held on October 28, 2026 has proposed and approved an interim cash dividend of Rs. 4 per share for the nine months ended September 30, 2026.

17 GENERAL

- 17.1 Figures have been rounded off to the nearest thousand, unless otherwise stated.
- 17.2 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.

18 DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue on October 28, 2026 by the Board of Directors of the Company.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive Officer



Dr. Ayesha Khan
Director

Pattern of Shareholding

During January 01 to September 30, 2026

Trade in Shares by Executives through CDC

Name	Category	Transaction's date	No. of Shares	Nature	Rate (Rs.)
Saif Salman	Executive	January 26, 2026	200	bought	247.63
Shaharyar Khalid	Executive	March 03, 2026	270	bought	190.60
Shaharyar Khalid	Executive	March 12, 2026	135	bought	183.00
Shaharyar Khalid	Executive	April 08, 2026	200	sold	192.00
Shaharyar Khalid	Executive	April 14, 2026	200	sold	201.00
Saddam Hussain	Executive	September 07, 2026	245	bought	165.90
Saad Vohra	Executive	September 14, 2026	160	bought	157.29
Mamoon Kazmi	Executive	September 18, 2026	2000	bought	162.49

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