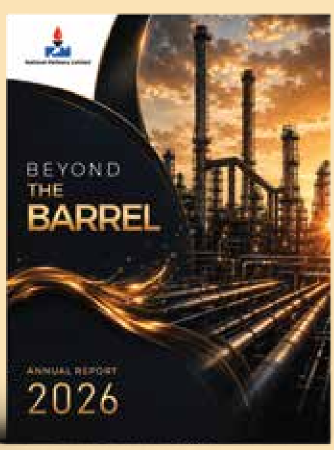
National Refinery Limited

BEYOND THE BARREL

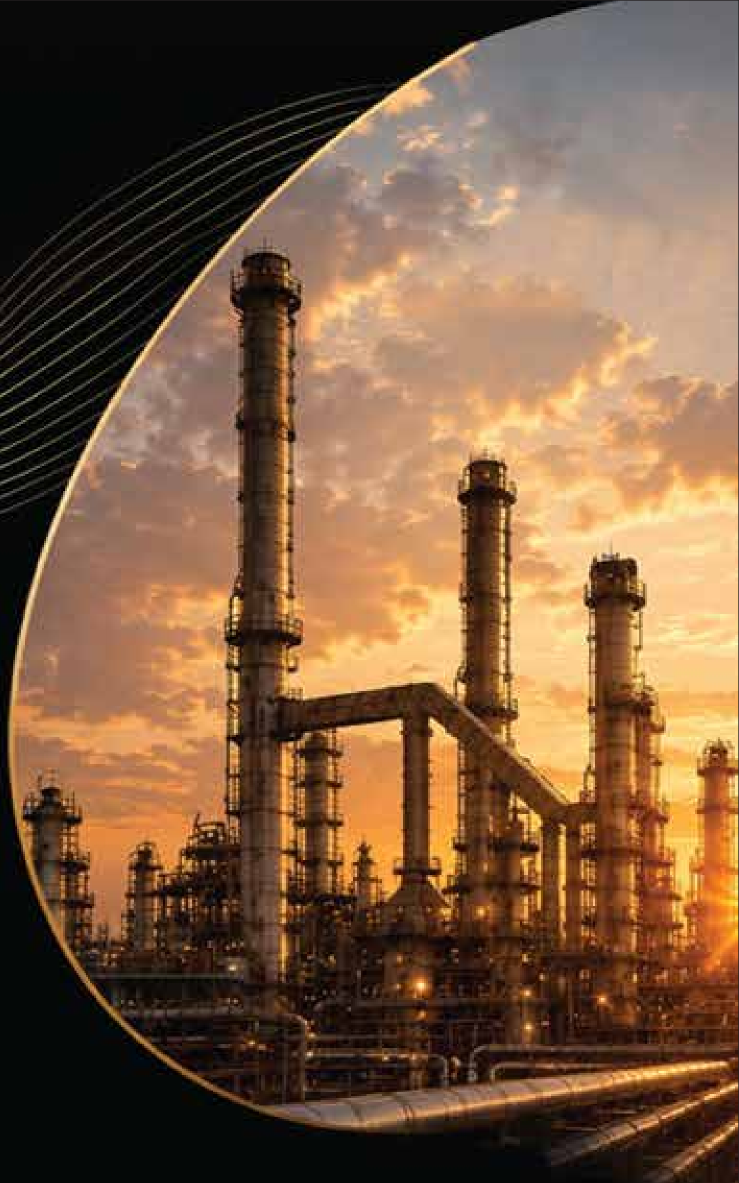
ANNUAL REPORT 2026



Beyond the Barrel is about creating more value from every drop. At National Refinery Limited, refining is more than transforming crude oil into essential petroleum products. It is about optimizing resources, enhancing value, improving efficiency and delivering quality products that contribute to Pakistan's energy needs. Through our diverse portfolio and continuous focus on operational excellence, NRL strives to turn every barrel into greater value for customers, shareholders and the nation.

Beyond the Barrel is about progress that goes further. NRL continues to invest in modernization, technology, human capability and infrastructure to strengthen its refining operations and enhance the yield of value-added products. Energy conservation, process improvement and the adoption of newer technologies remain central to our journey towards greater efficiency, reliability and sustainable productivity and performance.

CONTENTS



COMPANY OVERVIEW

CORPORATE GOVERNANCE

STAKEHOLDERS' INFORMATION

ANNUAL AUDITED FINANCIAL STATEMENTS

PATTERN OF SHAREHOLDING, NOTICE & FORMS

COMPANY OVERVIEW

NRL AT A GLANCE

FIRST LUBE REFINERY

BEFORE RE-VAMP

Design Capacity	Design Capacity
3,976,500	533,400
barrels per year of Crude Oil processing	barrels per year of Lube Base Oils

Date Commissioned - June 1966

Project Cost Rs. 103.9 million

AFTER RE-VAMP

Design Capacity	Design Capacity
5,610,000	568,860
barrels per year of Crude Oil processing	barrels per year of Lube Base Oils

Date Commissioned - September 2020

Project Cost of Revamping Rs. 1,562 million

FUEL REFINERY

BEFORE RE-VAMP

Design Capacity

11,385,000

barrels per year of Crude Oil processing

Date Commissioned
April 1977

Project Cost
Rs. 607.5 million

AFTER FIRST RE-VAMP

Design Capacity

16,500,000

barrels per year of Crude Oil processing

Date Commissioned
February 1990

Project Cost Revamping
Rs. 125.0 million

AFTER SECOND RE-VAMP

Design Capacity

17,490,000

barrels per year of Crude Oil processing

Date Commissioned
March 2017

Project Cost Revamping
Rs. 548.0 million

HSD DESULPHURIZATION AND ASSOCIATED UNITS

Date Commissioned	Project Cost
June 2017	Rs. 26.82 billion

NAPHTHA BLOCK (ISOMERIZATION UNIT)

Date Commissioned	Project Cost
October 2017	Rs. 6.54 billion

BTX UNIT

Design Capacity

180,000

barrels per year of BTX

Date Commissioned - April 1979

Project Cost Rs. 66.7 million

SECOND LUBE REFINERY

BEFORE RE-VAMP

Design Capacity

700,000

barrels per year of Lube Base Oils

Date Commissioned - January 1985

Project Cost Rs. 2,082.4 million

AFTER RE-VAMP

Design Capacity

805,000

barrels per year of Lube Base Oils

Date Commissioned - June 2007

Project Cost of Revamping Rs. 585.0 million

SHAREHOLDERS' EQUITY

June 1966	June 30, 2026
Rs. 20.0 million	Rs. 56,448.26 million

VISION

Our passion is to attain distinctive leadership amongst the corporate success stories of tomorrow.

We at NRL recognize that realization of this passion needs superior professional competencies, continuous value addition and improvising, development of human capital and complete commitment to safety, occupational health and environment.

MISSION

- To remain the premium and preferred supply source for various petroleum products and petrochemicals.

- Offer products that are not only viable in terms of desirability and price but most importantly give true and lasting value to our customers.

- Deliver strong returns on existing and projected investments of our stakeholders by use of specialised and high quality corporate capabilities.

- Business development by adoption of emerging technologies, growth in professional competence, support to innovation, enrichment of human resource and performance recognition.

- Be a responsible corporate citizen by serving the community through a variety of socio-economic acts and maintaining a high level of safety, occupational health and environmental care.

CORE VALUES

Following concepts and ideas guide the Management and Staff of National Refinery Limited in conducting its business practices in most ethical ways:

Ethical Conduct and Integrity

We value lifestyle in our organization where ethics like truth, honesty, integrity and fair play are basic ingredients while interacting within the organization or dealing with the outside world.

Teamwork and Responsibility

We share information and resources and step in to help out other team members. Conflicts are worked out in spite of obstacles and difficulties. We accept responsibility with "can do" attitude.

Customer Satisfaction

We endeavor to provide quality products to our customers at competitive prices. We value their satisfaction essential for continued growth of our business.

Continuous Improvement

We generate new ideas and creative approaches to upgrade and update our refinery to best available technology and processes so that our products are at the level of internationally accepted standards.

Profitability

We believe in enhancing our profitability to the maximum so that Employees, Shareholders and Government all benefit from it.

Corporate Citizenship

As a good Corporate Citizen, we are more than willing and happy to meet our social responsibilities towards the community around us. We are also committed to meet requirements of health, safety and environment.

CORPORATE INFORMATION

Board of Directors

Laith G. Pharaon
Alternate Director: Sajid Nawaz

Wael G. Pharaon
Alternate Director: Babar Bashir Nawaz

Shuaib A. Malik - Chairman
Abdus Sattar
Shamim Ahmad Khan
Tariq Iqbal Khan
Khondamir Nusratkhujaev

Chief Executive Officer
Asad Hasan

Chief Financial Officer
Nouman Ahmed Usmani

Company Secretary
Badruddin Khan

Audit Committee

Shamim Ahmad Khan	Chairman
Abdus Sattar	Member
Babar Bashir Nawaz	Member
Alternate Director for Mr. Wael G. Pharaon	
Muhammad Atta ur Rehman Malik	Secretary

Human Resource and Remuneration (HR&R) Committee

Shamim Ahmad Khan	Chairman
Shuaib A. Malik	Member
Babar Bashir Nawaz	Member
Alternate Director for Mr. Wael G. Pharaon	
Asad Hasan	Member
Mona Faisal	Secretary

Auditors
A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor
Ali Sibtain Fazli & Associates
Legal Advisors, Advocates & Solicitors

Bankers
The Bank of Punjab
MCB Bank Limited
Habib Bank Limited
Meezan Bank Limited
Faysal Bank Limited
Allied Bank Limited
National Bank of Pakistan
United Bank Limited
Habib Metropolitan Bank Limited
MCB Islamic Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan
Dubai Islamic Bank
Bank AL-Habib Limited
Askari Bank Limited
Samba Bank Limited
Industrial & Commercial Bank of China Limited

Registered Office
7-B, Korangi Industrial Area,
P.O. Box: 8228, Karachi-74900
UAN: +92-21-111-675-675
PABX: +92-21-35064981-86
+92-21-35064977-79
Website: www.nrlpak.com
E-mail: info@nrlpak.com

Share Registrar
CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi – 74400.
Tel: (Toll Free) 0800-23275
Fax: +92-21-34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

CORPORATE OBJECTIVES & DEVELOPMENT STRATEGY

National Refinery Limited is a petroleum refining and petrochemical complex engaged in manufacturing and supplying a wide range of fuel products, lubes, BTX, asphalts and specialty products for domestic consumption and export.

NRL objectives and development strategy are aimed at achieving sustainable productivity and profitability and high standards of safety, occupational health and environmental care. This entails human resource re-engineering & development, enhancing value addition, implementing conservation measures and continuing growth through up-gradation of existing as well as addition of new facilities. In the changing global environment, corporate objective and development strategy have been defined to meet the challenges of 21st Century.

CORPORATE OBJECTIVES

- Ensure that business policies and targets are in conformity with the national goals.
- Contribute in meeting the country's demand of petroleum and petrochemical products.
- Customer's satisfaction by providing best value and quality products.
- Optimization of the value of barrel of crude oil and cost reduction through conservation measures.
- Achieving and maintaining a high standard of Occupational Health, Safety and Environmental care.
- Ensure reasonable return on the shareholders' existing and projected investments.
- Maintain modern management systems conforming to international standards needed for an efficient organization.

DEVELOPMENT STRATEGY

- Contribute in national efforts towards attaining sustainable self-efficiency in petroleum products.
- Human resource development by upgrading training facilities and exposure to modern technologies / management techniques.
- Balancing and Modernization for energy conservation and enhanced yield of value added products as well as revamping for environment friendly products.
- Expansion of refining capacity by de-bottlenecking and adding new facilities.
- Acquire newer generation technologies for the efficient refinery operations as well as for attaining highest standards of Occupational Health, Safety and Environmental care.
- Acquiring self-sufficiency in re-engineering, design and fabrication of equipments.

BOARD OF DIRECTORS

Mr. Laith G. Pharaon

Mr. Wael G. Pharaon

Mr. Shuaib A. Malik

Mr. Shamim Ahmad Khan

Mr. Abdus Sattar

Mr. Babar Bashir Nawaz

Mr. Khondamir Nusratkhujaev

Mr. Sajid Nawaz

Mr. Tariq Iqbal Khan

Mr. Asad Hasan

DIRECTORS' PROFILE

Mr. Laith G. Pharaon
(Non-Executive Director)

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Laith holds a graduate degree from the University of Southern California. He is a Director on the Board of various companies of The Attock Group.

Other Engagements

Chairman & Director
- Attock Petroleum Limited
- The Attock Oil Company Limited

Director
- Pakistan Oilfields Limited
- Attock Refinery Limited
- Attock Gen Limited
- Attock Energy (Pvt.) Limited

Mr. Wael G. Pharaon
(Non-Executive Director)

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Wael holds a graduate degree. He is a Director on the Board of various companies of The Attock Group.

Other Engagements

Director
- The Attock Oil Company Limited
- Attock Refinery Limited
- Pakistan Oilfields Limited
- Attock Petroleum Limited
- Attock Gen Limited
- Angoori Heights Development (Pvt.) Limited
- Margalla Farm Houses Development (Pvt.) Limited
- Rawal Lodges Development (Pvt.) Limited

DIRECTORS' PROFILE

Mr. Shuaib A. Malik
Chairman
(Non-Executive Director)

Mr. Shuaib A. Malik has been associated with Attock Group of Companies, one of the largest conglomerates in the Country having diversified interests in Oil & Gas, Power Generation, Cement, Information Technology, Renewable Energy, Medical Services and Real Estate Development etc., for more than four decades. He served in different Companies in the Group at various times with the responsibility to supervise and oversee the operations and affairs of these Companies.

He became the youngest Chief Executive of the Group Holding Company, "The Attock Oil Company Limited" on September 01, 1995. With his hard work, dedication, business acumen and professional abilities, he eventually rose to the heighest management position in the Group and was appointed as Group Chief Executive of "Attock Group of Companies" in July 2006.

He has exhaustive experience and in depth knowledge related to various aspects of upstream, midstream and downstream petroleum business and it was due to his visionary leadership that the Attock Group was able to grow leaps and bounds and diversify into various trades and industries.

In recognition of his outstanding and visionary leadership, Mr. Shuaib A. Malik has been conferred upon the Sitara e Imtiaz by the Government of Pakistan.

Other Engagements

Chairman, Chief Executive & Director
• Pakistan Oilfields Limited

Chairman & Director
• Attock Refinery Limited
• Attock Hospital (Pvt.) Limited

Chief Executive & Director
• Attock Petroleum Limited
• The Attock Oil Company Limited
• Attock Information Technology Services (Pvt.) Limited
• Angoori Heights Development (Pvt.) Limited
• Attock Leisure & Management Associates (Pvt.) Limited
• Falcon Pakistan (Pvt.) Limited
• Attock Energy (Pvt.) Limited

Director
• Attock Gen Limited
• Rawal Lodges Development (Pvt.) Limited
• Margalla Farm Houses Development (Pvt.) Limited
• CAPGAS (Pvt.) Limited

Resident Representative
• Pharaon Investment Group Limited Holding SAL

Group Chief Executive

DIRECTORS' PROFILE

Mr. Shamim Ahmad Khan
(Independent Director)

After joining Civil Service of Pakistan, Mr. Shamim Ahmad Khan served in senior positions in the Government, particularly in the Ministry of Finance and retired as Secretary, Ministry of Commerce. For ten years, he worked in Corporate Law Authority, regulatory body for the corporate sector as Member and later as Chairman. He restructured it as Securities and Exchange Commission of Pakistan (SECP) and became its first Chairman. Mr. Khan has also undertaken a number of consultancy assignments for Asian Development Bank, World Bank and DFID. He is also member of Board of Governors of SDPI.

Other Engagements

Director
- Attock Refinery Limited
- Pakistan Oilfields Limited
- Packages Foundation
- Sustainable Development Policy Institute (SDPI)

Mr. Abdus Sattar
(Non-Executive Director)

Mr. Abdus Sattar has over 35 years of Financial Management experience at key positions of responsibility in various Government organizations / ministries, commercial organizations with the main objective of controlling costs of various commodities, to watch consumer interest, minimize government subsidies, improve government revenues, eliminate wasteful expenses / leakages and fixation of gas and POL prices. After serving as Financial Advisor to Ministry of Petroleum & Natural Resources, Government of Pakistan, he also remained Financial Advisor for Mari Gas Company Limited for around 8 years including 6 years as its Director on the Board. While working as Financial Advisor in Ministry of Petroleum he also served as Director on a number of boards like OGDCL, PPL, SNGPL, SSGCL, PSO, PARCO, ARL, POL, NRL, PMDC etc. as a nominee of Government of Pakistan for about seven years. He is a fellow member of Institute of Cost and Management Accountant of Pakistan (ICMAP) and was also nominated as council member of ICMAP for the three years (Jan 2000 to Dec 2002) by the Government of Pakistan. He has attended many advance financial management courses, programs and trainings in institutions of international repute in Pakistan and abroad. Presently, he is on the Board of all the Listed Companies of The Attock Group.

Other Engagements

Director
- Attock Refinery Limited
- Pakistan Oilfields Limited
- Attock Petroleum Limited

DIRECTORS' PROFILE

Mr. Sajid Nawaz
Alternate Director for Mr. Laith G. Pharaon
(Non-Executive Director)

Mr. Sajid Nawaz has over 30 years of work experience in service with Government of Pakistan at various management posts both within country and abroad. Due to the nature of posts and assignments he carries considerable experience of working in different environments. He has attended various management courses abroad and in Pakistan, including one month course on International Petroleum Management at Canadian Petroleum Institute, Canada. He is presently holding position of Managing Director of Pakistan Oilfields Limited (POL) and has almost 20 years of work experience with the Company in Senior Management positions. He has also served as Director on Boards of Attock Petroleum Limited, Attock Refinery Limited and Attock Cement Pakistan Limited.

Other Engagements

Director & Managing Director
- Pakistan Oilfields Limited

Mr. Khondamir Nusratkhujaev
(Independent Director)

Mr. Khondamir Nusratkhujaev has more than 20 years of diversified working experience in the areas of Auditing, Internal Controls and Financial Controls (COSO), Budgeting and Islamic Banking. He is a Chartered Certified Accountant, UK and also holds Master's degree in Business Administration. Besides he is also a Certified Islamic Public Accountant. Mr. Nusratkhujaev has been associated with top international accounting firms including Deloitte Russia, Ernst & Young Kazakhstan & PWC Uzbekistan in the areas of Auditing and Accounting Advisory. Currently he is associated with Islamic Development Bank, Jeddah as Manager accounting and reporting division and manages full financial and management reporting cycle. He is also author of many international publications on Islamic Finance and Banking.

Other Engagements

Manager
- Accounting and Reporting at Islamic Development Bank

Board Member
- Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)

DIRECTORS' PROFILE

Mr. Babar Bashir Nawaz
Alternate for Mr. Wael G. Pharaon
(Non-Executive Director)

He has an illustrious career spanning over four decades with the Attock Group of Companies. During this period, he has held various positions in Finance, Marketing, Personnel & General Management. He was appointed as Chief Executive Officer of Attock Cement Pakistan Limited in 2002 and continued to serve in this capacity until recently when group disinvested it's shareholding in April, 2026. Mr. Bashir holds a postgraduate degree in Business Administration from the Quaid-e-Azam University, Islamabad. At present, he is serving as a Director on the Boards of all listed companies of the Attock Group in Pakistan. Being a seasoned professional, he has attended various courses, workshops and seminars in Pakistan and abroad and carries enormous knowledge of the Cement and Oil industries in Pakistan. He has previously held the positions of Vice Chairman, All Pakistan Cement Manufacturers Association (APCMA) and member of the Managing Committee of OICCI.

Other Engagements

Chief Executive
- Rawal Lodges Development (Pvt.) Limited

Alternate Director
- Attock Refinery Limited
- Pakistan Oilfields Limited

Director
- Attock Petroleum Limited
- Angoori Heights Development (Pvt.) Limited
- Margalla Farm Houses Development (Pvt.) Limited
- Attock Leisure & Management Associates (Pvt.) Limited

Mr. Tariq Iqbal Khan
(Independent Director)

Mr. Tariq Iqbal Khan is a fellow member of Institute of Chartered Accountants of Pakistan, with diversified experience of more than 40 years. He was pivotal in founding Islamabad Stock Exchange where he subsequently served as President as well. He has also served as the Member Tax Policy & Co-ordination in the Central Board of Revenue, followed by being appointed as Commissioner SECP, where he was instrumental in restructuring the SECP. He also held the position of Chairman of Audit Oversight Board and also held charge of SECP (acting) Chairman for a brief period. He served on prominent national level committees like Committee for formulation of Takeover law. CLA Committee for review of Securities & Exchange Ordinance 1969, Committee for formulation of CDC law & regulations and Prime Minister's Committee for Revival of Stock Market. He served as the Chairman and MD of NIT for more than 8 years, which played the role of a catalyst in establishing, strengthening and stabilizing the capital markets. Additionally, during this period, he held the charge of Chairman & MD of ICP, for almost 5 years. He has served on Boards of the top companies like CDC, Faysal Bank Limited, Bank Al-Habib Limited, GSK, ICI, Siemens and Packages etc. He has remained Chairman of Attock Refinery Limited, Sui Northern Gas Pipelines Limited, K.P. Energy Board and KPOGCL.

Other Engagements

Director
- Attock Refinery Limited
- Interloop Limited
- Sui Nothern Gas Pipelines Limited
- Packages Converters Limited
- Islamic International Medical Trust

DIRECTORS' PROFILE

Mr. Asad Hasan
Chief Executive Officer
(Executive Director)

Mr. Asad Hasan is an experienced leader and accomplished engineer, recognized for his strategic vision and strong managerial expertise in the Oil and Gas industry. He holds a Master of Science in Engineering from The University of Texas, Austin, USA, and a Bachelor of Mechanical Engineering from N.E.D. University, Pakistan.

With over two decades of experience, Mr. Asad has consistently delivered results by navigating complex organizational challenges and leading large-scale projects to successful completion. His strength lies in turning strategic goals into actionable outcomes, ensuring alignment and execution across all levels. He commands an innate ability to balance technical expertise with big picture thinking, ensuring both immediate and long-term strategic goals are addressed.

Before his role at National Refinery Limited, Mr. Asad was Deputy Managing Director responsible for Operations & Engineering and Major Capital Projects at Pakistan Refinery Limited. During his tenure, he drove organizational improvements and operational excellence while overseeing critical functions. His earlier experience includes serving at Chevron, North America Upstream, California, USA, and Pakistan Petroleum Limited.

Mr. Asad also contributed to governance and strategic oversight as a Non-Executive Director on the Board of Pak-Grease Manufacturing Company (Pvt.) Limited, an associated company of PRL and PSO.

CHAIRMAN'S REVIEW

I am pleased to present the annual review of your Company for the year ended June 30, 2026.

Fiscal year 2026 was a remarkable turnaround year for the company. The company's financial performance in FY 2026 was phenomenal with a profit of Rs. 6.16 billion as compared to the loss of Rs. 14.87 billion last year. The refinery's profitability would have been significantly higher had it not been adversely impacted by the reduction in deemed duty on HSD effective from October 2024, together with the HSD differential premium paid to PSO during the year.

The Company also achieved **record monthly HSD production and sales crossing 100k M.Tons** during November 2025 in addition to **highest ever annual Motor Gasoline** production during the year. Efforts of all the stakeholders, augmented by significantly high international margins, brought the company to profitability after significant losses for consecutive last three years. I highly appreciate the continued guidance of the Board of Directors and management team for their relentless efforts, commitment and leadership in steering the Company towards operational excellence and profitability.

The fiscal year can be divided in two distinct periods, viz. pre-ME and post-ME war. The first eight months exhibited a routine and predictive market behaviour, while the Company's concerted efforts led to a notable operational and financial recovery enabling it to achieve a marginal profitability during the first half of FY2025-26.

In the latter part of the year, the outbreak of the US-Iran conflict (March'2026) led to unprecedented developments in global oil markets. Strait of Hormuz, a strategic chokepoint to transit around 20% of global oil supply, closed for the first time in history; this has never happened in any of the previous ME wars, Company's crude oil cargo also got stranded in the Hormuz for almost a month. Oil prices shot to an all-time high of US $ 167 per Barrel in a single day posting, there were severe supply chain disruptions and freight and war risk premiums increased as much as ~10 folds, compared to pre-war levels.

Your Company's response equally matched the challenges posed by these unprecedented events. The management proactively secured alternate crude supplies through local crude and condensate procurement, regional spot purchases and rerouting of imports through alternative Red Sea route to avoid disruptions; these steps ensured sustained refinery operations. The surge in refined product prices, together with significantly elevated premiums, led to exceptionally high refining margins. This significantly augmented management's timely strategic measures, delivering substantially improved profitability.

However, in mid-June'26, post-ceasefire, correction in international oil prices created inventory holding pressure on high-priced crude procured during the volatility period. This overturned the inventory gains situation and the Company recorded an NRV loss of ~Rs.7 billion at year-end inventory.

Overall performance was further supported by reasonably high throughput levels, improved plant reliability following major turnaround activities and continued focus on customer engagement, operational excellence and cost optimization. The refinery operated at ~70% throughput as against 56% during last year. The company achieved highest ever Motor Gasoline production of ~283k M. Tons during the year. Overall sales volume increased by ~19% with growth of ~26% in HSD volumes and ~34% in gasoline volume (including MS 95 RON) as compared to last year.

During the year, the company successfully completed the turnaround of its Lube-I refinery along with the re-habilitation of its BTX unit (which is in progress). The Company also streamlined its supply chain through continued market engagement, which helped in sustainable product upliftment. The Company also invested in workforce development through targeted training initiatives.

During the year, management continued with their strategic shift of increasing the lighter crudes in feedstock mix, which improved the yield of premium products. This shift, coupled with higher production and sales of High-Speed Diesel (HSD) and Motor Gasoline (including the premium-grade MS 95 RON gasoline), substantially strengthened revenue streams. Supported by exceptionally high international margins, the gross refining margins improved; enabling the company to deliver significant improvements in profitability.

It is highly commendable that the Ministry and OGRA, with the support of entire oil industry including your Company and other stakeholders, took prompt measures to ensure that national supply chain of petroleum products remains intact. The country's leadership took all possible steps to ensure safety of crude oil vessels at sea, including efforts at the highest level to ensure safe passage of Pakistan flag stranded cargoes at the Strait of Hormuz.

Corporate Governance and Oversight

The Board of Directors has been at the forefront of providing continuous guidance to the management. The Company consistently complied with the Listed Companies (Code of Corporate Governance) Regulations 2019, ensuring transparency and accountability in all its operations. The Board has maintained a strategic focus on risk management and addressing critical challenges through a robust internal control system. The Audit Committee and the Human Resource & Remuneration Committee have played pivotal roles in overseeing the company's financial health and human resource development.

Industry Challenges

Pakistan's oil refining sector continues to operate under immense pressure, shaped by volatile global market conditions and an increasingly uncertain geopolitical environment, including heightened tensions and the risk of armed conflicts. Availability of smuggled products, weak domestic demand, particularly the near elimination of local furnace oil consumption following the imposition of petroleum levy, poses a significant challenge to the traditional product flow dynamics of the refining sector. In the post war scenario, Government several times made changes in the pricing formula especially for HSD as well as imposed a one-time revenue differential payment of Rs. 1.82 billion on the company; both of which negatively impacted the company's margins. The industry also continues to face significant structural and fiscal challenges, including high tax rates, delays in the implementation of key policies, and exposure to foreign currency devaluation.

While the Pakistan Oil Refining Policy for Upgrade of Brownfield Refineries, 2023 presents a potential catalyst for the revival and modernization of the refining sector, its success will largely depend on timely and consistent implementation, along with restoration of investor confidence. Effective policy execution, coupled with a stable and supportive fiscal and regulatory framework, is essential to enable refineries to undertake significant investments in modernization and capacity enhancement. The Government through the Refining Policy intends to reduce deemed duty on HSD by 2.5% for refineries which did not sign the upgrade agreements within the stipulated timeframe. Its gross financial impact in case of your Company amounts to ~Rs. 8.2 billion for the period from October'24 till June 30, 2026, which is subject to related tax impact under the Policy. However, the Company had completed all the signing formalities in March'24 (while conveying its readiness through submission of two sets of duly initialed upgrade agreements), well before the earlier deadline, which was also acknowledged by OGRA. Furthermore, the Company is the only refinery that had already made a significant pre-investment in 2017 to upgrade its facilities for the production of Euro-V (Pak-V) specification HSD. In view of these circumstances, the Company believes that it has a reasonably strong basis to argue the policy proposition; however, currently, the Company has charged off this reduction in the books of accounts under the Policy. The Company, however, remains engaged in pursuing the matter through the appropriate forums to protect its legitimate entitlements and safeguard shareholder value, while continuing to support the Government's broader objectives for modernization and upgradation of the domestic refining sector. The Company has also charged off crude oil custom duty attributable to de-regulated products amounting to ~Rs. 6.7 billion upto June 30, 2025, while discontinuing further recognition with a cumulative financial impact of ~Rs.13.5 billion during the year.

Without all these adverse financial impacts, the Company's profitability would have been significantly higher.

The Company is of the firm view that policy consistency and resolution of these structural, fiscal, and regulatory challenges is therefore critical to safeguarding the long-term viability, competitiveness, and sustainability of Pakistan's domestic refining industry and ensuring that the sector can play its intended role in strengthening the country's energy security and reducing reliance on imported petroleum products.

Plan Forward

As we look ahead, the focus will remain on maintaining a stable and adaptive operation in the face of ongoing economic and geopolitical volatility. The Company continues to closely monitor global crude oil price trends, supply disruptions, evolving regulatory frameworks, and the unregulated cross-border movement of petroleum products, all of which have implications for long-term planning.

The Company remains committed to its strategic roadmap for sustained profitability, which includes diversifying product offerings, optimizing refinery performance, and expanding its market footprint. A strong emphasis has been placed on operational excellence, Health, Safety, and Environment (HSE), with enhanced protocols, training, and monitoring to promote a safe, compliant and sustainable operational environment. In line with this strategy, the Company's focus will remain on enhancing plant reliability and increasing production and sales of HSD, Mogas and LBOs while maintaining higher throughput.

The company has engaged an international consultant, evaluating different options to upgrade its refinery facilities in accordance with the Upgrade Policy. Keeping in view the incentives envisaged under the refinery upgrade policy, the company intends to sign the upgrade agreement as soon as it is notified and requisite formalities are completed.

With the continued engagement of our shareholders, employees, and partners, we are confident in our capacity to drive progress and deliver enduring value.

On behalf of the Board, I extend my sincere appreciation to the management team, employees, shareholders, customers, government and all other stakeholders for their continued support and trust in the company.

Shuaib A. Malik
Chairman

Rawalpindi

August 25, 2026

DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the 63rd Annual Report of National Refinery Limited, encompassing the audited financial statements and the auditors' report for the financial year ended June 30, 2026.

VOLATILITY DRIVEN BY MIDDLE EAST WAR

The fiscal year can be divided into two distinct parts. From July to February 2026; the local & international markets exhibited a fairly routine & predictive behavior. International price fluctuations followed market norms, whilst margins largely remained depressed. At the local level, challenges driven by lower margins, were further exacerbated by influx of undocumented products from across the western border. Despite routine market behavior, management's concerted efforts have brought the Company to modest profitability during the half year ended December 31, 2025.

The onset of Iran-US war at the end of February 2026, led to extraordinary and unprecedented events; the resulting market response was equally unprecedented. Strait of Hormuz (a critical choke point through which around 20% of global oil consumption transits) closed for the first time in history. This has never happened in any of the previous ME wars. One of NRL's cargo got stranded in the strait for almost a month. Crude oil shot to an all-time high of US $ 167 per Barrel in a single day posting, freight and insurance cost increased by almost ten folds to pre-war levels.

The Company's response was equally extraordinary and matched the challenge posed by these unprecedented events. With the disruption in its supply chain, Company responded by securing local crude supply contracts, which were slated for exports and secured numerous spot cargo deals, which enabled the Company to maintain largely uninterrupted operations, even with an undesirable crude mix.

Market uncertainty and supply constraints significantly increased cracks (primarily for HSD) and resulting GRMs.

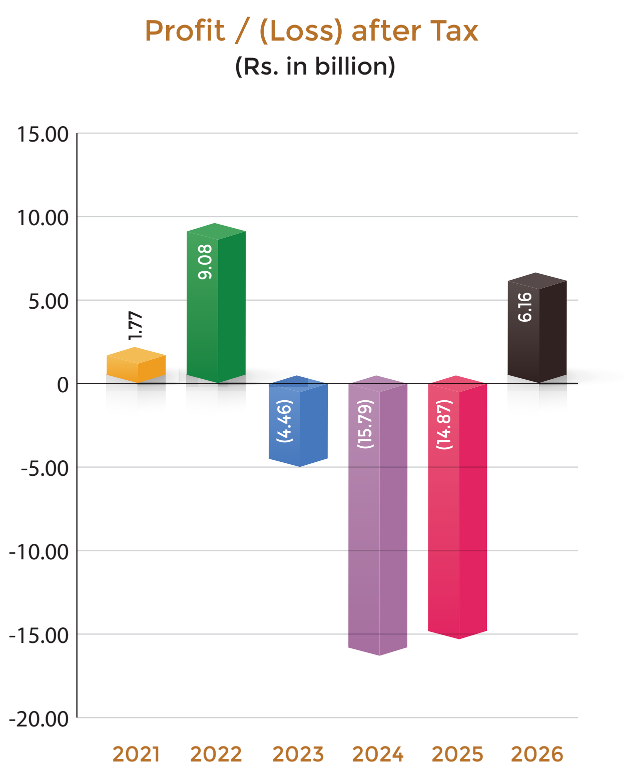
The overarching fact is that the Government, together with the support of your Company and the broader industry, played a crucial role in keeping the national supply chain of petroleum products intact, thus preventing the kind of disruption and chaos witnessed in other regional countries.

FINANCIAL RESULTS

The company witnessed significant turnaround in financial year 2026, returning to profitability after incurring losses for three consecutive years. The improvement was primarily driven by concerted management's efforts, together with significant support provided by internationally enhanced margins.

During the year, the company successfully increased refinery throughput and optimized its crude mix, resulting in improved refining yields and increased production of higher-margin products. Combined with continuous market engagement, increased sales and improved refinery economics, these operational improvements contributed significantly to the Company's return to profitability, with a net profit after tax posted by the Company, amounting to Rs. 6.16 billion, whereas previous year's loss was Rs. 14.87 billion.

Company's last six years profit / (loss) position is as follows:



The company achieved notable growth in sales of premium products during the year. High-Speed Diesel (HSD) sales increased by 26%, while Mogas sales grew by 34% compared to the previous year. Team efforts also led to highest ever HSD production in a single month (Nov'25: 102,875 MT), with highest ever HSD sales of 104,126 M. Tons and highest ever MS annual production of 282,840 M. Tons.

In contrast, local sales for Furnace Oil (FO) experienced a significant decline ~ 95%, sales dropping from 93,792 MT last year to 5,065 MT after the imposition of petroleum levy through the Finance Act, 2025. In response, the Company strategically pivoted towards exports, increasing Furnace Oil export volumes to 280,726 MT, compared to 180,726 MT in the previous year. While this measure helped mitigate the decline in local sales, the export realizations remained significantly lower than crude oil cost and local sales price.

Overall, Company's local sales volume increased by 155,493 MT (12%) and export sales volume by 156,798 MT (51%) compared to last year sales volume.

In March 2026, the international oil prices rose significantly following the escalation in Middle east conflict, resulting in significant increase in margins on refined petroleum products. However, the sharp increase in oil prices and disruption to regional shipping routes also created significant challenges for the company in securing timely crude oil supplies to continue uninterrupted refinery operations. Initially one of the company's crude oil tankers remained stranded in the strait of Hormuz for almost a month, creating significant risk of disruption to refinery operations. In response, the management adopted a proactive and agile approach to crude procurement and successfully arranged local crude oil / condensate, which was originally earmarked for export. Further, spot cargoes of crude oil were arranged from ADNOC, and additional crude oil supplies were secured from ARAMCO through Red Sea (Yanbu port), thereby diversifying supply routes and mitigating risk of further disruption caused by the prevailing regional situation. Though, these crude oil arrangements involved significantly higher freight and insurance costs including exorbitantly high additional war risk premium, placing additional pressure on the overall cost of crude procurement. The approach enabled the Company to continue operating largely uninterrupted, thereby supporting the objective of keeping the national supply chain of petroleum products intact.

Amidst high HSD cracks, the Government revised the prevailing pricing mechanism several times, which eventually resulted in refineries being deprived a portion of their entitled pricing. In April 2026, the Government directed all refineries to carve out a substantial portion of the profitability earned, primarily attributed to HSD, with NRL share amounting to Rs. 1.82 billion, which was paid by the Company to Pakistan State Oil Company Limited, while derecognizing the corresponding revenue from its accounts.

During the year, Company continued with its agile operational strategy, while focusing on increasing the yield of positive margin products and at the same time reducing percentage yield of negative margin products. This involved procurement of an optimal crude mix, including an appropriate proportion of lighter crude slate to maximize diesel production, while simultaneously reducing furnace oil yields. However, due to closure of strait of Hormuz, lighter crude from ARAMCO was not available and only the heavier crude grades were made available, via the only accessible route of Yanbu port, which affected the HSD yields post outbreak of Middle East conflict. Aiming to diversify its high-margin product portfolio, the Company successfully commenced production of Mogas 95 RON last year, in line with growing market demand for premium quality products. However, during the latter part of the year, the Government imposed exorbitantly high petroleum levy on 95 RON Mogas effectively eliminating its sales.

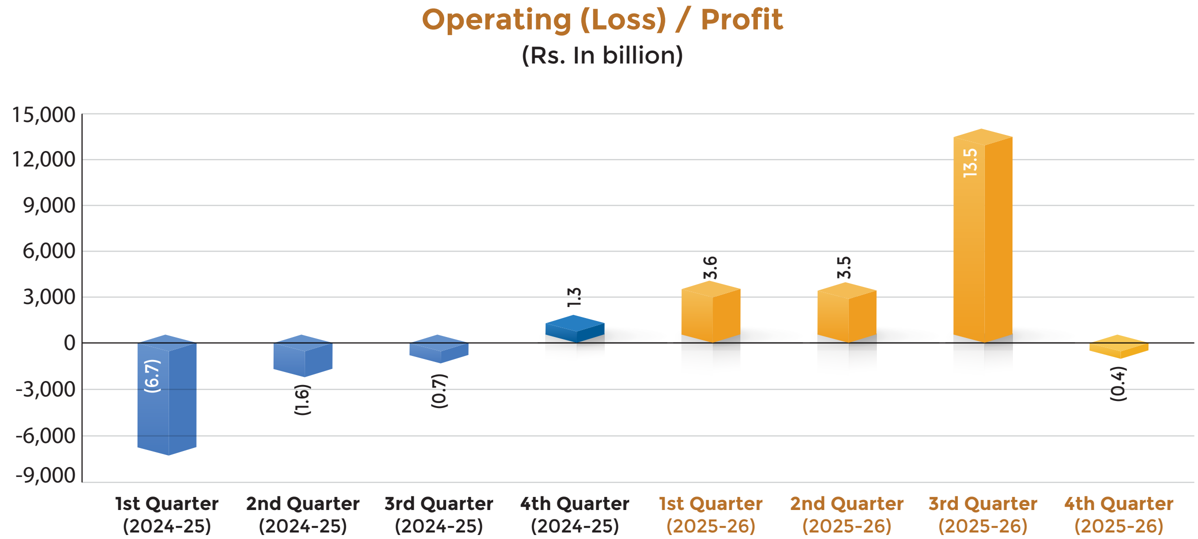
Overall, the refinery operated at approximately 70% throughput during the year, compared to 56% last year, reflecting improved operational stability, despite a challenging market environment.

The company has also diversified its crude procurement sources to capitalize on price differentials between different grades of crude amid geographical disturbance, while also implementing measures to reduce internal refinery fuel consumption. These strategies helped increase margins for the current year and will potentially lead to sustained profitability in the long term.

Despite these efforts, the Company continued to face the adverse impact of smuggling and excessive imports, which dampened overall product demand and necessitated reducing throughput. Nevertheless, the Company remained focused on enhancing operational efficiency through key initiatives aimed at improving plant reliability and ensuring strict compliance with Health, Safety, and Environmental (HSE) standards to support safe and sustainable operations.

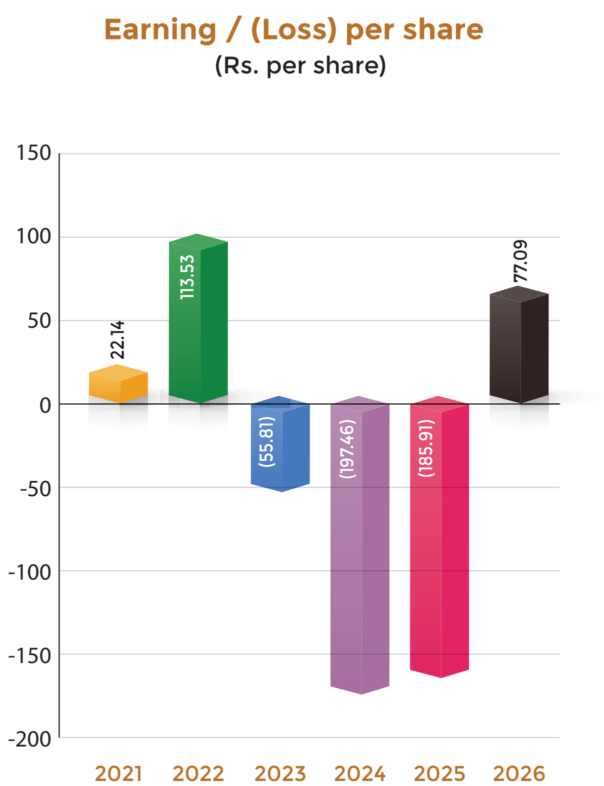
Concurrently, the Company has taken steps to deepen customer engagement and diversify its product portfolio. Marketing of Wax has been new measure by the company in both local and export markets and ultimately indicated great demand; endeavors resulted in both local and multiple export orders in the shorter span of time.

Management's strategic and operational efforts are reflected in the quarter-wise improvement in the Company's operating financial performance, as shown in the graph below:



EARNING / LOSS PER SHARE

Earning per share is Rs. 77.09 as compared to loss per share of Rs. 185.91 last year.



DIVIDEND

Considering the ensuing upgrade project investment, the Board of Directors decided not to consider any dividend for the current year.

COMPANY BUSINESS

The Company is engaged in the business of Crude Oil Refining with three refineries commissioned in the year 1966, 1977 and 1985. Last upgradation includes Diesel Hydro Desulphurization and Isomerization units commissioned during the year 2017 and 2018 to produce environment friendly low Sulphur HSD ranging from Euro II to Euro V standard and to convert Naphtha into Motor Gasoline respectively. Further, through revamp of fuel and lube – I refinery, the Company has increased its crude oil processing capacity from 62,050 barrels per day to 70,000 barrels per day.

The Company was privatized in the year 2005, whereby 51% shares of the Company are held by Attock Group.

The Company's product range includes High-Speed Diesel, Naphtha, Motor Gasoline, Liquefied Petroleum Gas, Jet Fuels, multiple grades of Lube Base Oils, Extract Oils, Bitumen, Furnace oil, Waxes and Rubber Process Oil. These products are marketed locally except for Naphtha, which has no local market and thus is exported. Following the imposition of petroleum levy on Furnace Oil, its local demand has virtually disappeared, leaving the Company with no option but to export the product. In addition, certain quantities of Lube Base Oils and Bitumen are also exported, depending on market demand and commercial requirement.

PRICING FORMULA

In the financial year 2012-13, price of HSD was de-regulated and linked with PSO import price. However, effective September 1st, 2020, the Government introduced fortnightly pricing mechanism whereby prices of HSD, MS and Jet Fuels were linked with Arab Gulf daily FOB average for the number of days in the pricing period to be taken as base commodity price, instead of PSO's actual price for the month. However, incidentals including duties are included in the price based on PSO's actual cost for the fortnight. However, during the recent Middle East war scenario, the Government made several changes in the pricing formula including introduction of weekly pricing and also linking HSD margins with international crude oil price for a specific period of time. Post year end, now the Government has introduced daily price change mechanism.

Effective January 1st, 2021, NRL is entitled for HSD Euro-V price due to its capability of producing the same.

In line with the revised Brownfield Refining Policy 2023, there is no restriction on the distribution of company's profit, as the updated policy supersedes all previous refinery policy frameworks.

SUSTAINABILITY

Following are the key sustainability risks & uncertainties together with measures to manage or mitigate the same:

I. RISK & UNCERTAINITIES

- Following the recent Middle East conflict, the foremost risk to the Company is the potential disruption or closure of key crude oil supply routes, particularly the Strait of Hormuz and Red sea route (Bab-el-Mandeb). In continuation of its agile operational strategy relating to optimal crude mix slate, the Company is focusing on sourcing lighter crude grades from alternate source and supply routes. In parallel, the Company is strengthening collaboration with local crude suppliers and other international suppliers to diversify its sourcing base and mitigate potential supply disruptions.

- The volatility of crude oil and refined product prices in the international market often results in compressed margins and highlights risk of inventory losses. In response, the Company regularly reviews and adjusts its production and sales schedules to mitigate potential losses and optimize overall performance. As part of this strategy, the Company continues to explore a variety of crude oil sourcing options, enabling greater operational flexibility and improved yield of high-value products under changing market conditions.

- The company frequently incurs exchange losses due to the devaluation of the Pakistani Rupee, particularly when making payments for crude oil procurement in foreign currencies. To mitigate the impact of these exchange losses, the government has implemented measures, including incorporating the exchange rate fluctuations into pricing, which helps cover the risk to some extent.

- The global shift towards Electric Vehicles and the reduced reliance on fossil fuels are expected to impact the margins of finished petroleum products in the long term. Additionally, the significant decline in Furnace Oil demand for power generation coupled with imposition of petroleum and climate support levies in the Finance Act 2025 has posed a major challenge for the company. Therefore, the company is left with no option but to export loss making Furnace Oil at a further reduced price.

- Changes in the regulatory environment by imposing duties / levies and/or taxes could affect the demand of locally produced products.

- High taxation on the company's profits, continuation of super tax, Turnover tax, Alternate Corporate tax and shift of exports related income from final tax regime to normal tax regime also affect the company's performance. Any further increase in tax rates, withdrawal of existing concessions, or other adverse changes in the taxation framework could place additional pressure on the Company's profitability and further deteriorate its overall financial performance.

II. FUTURE OUTLOOK

A. EXTERNAL ENVIRONMENT

The overall business sentiment in the country is improving, supported by relatively stable inflation and State Bank's Policy rate. This, in turn, is gradually translating into lower mark-up rates, while the improvement in financial performance is helping reduce the Company's reliance on borrowings. However, challenges in macroeconomic environment persist, including heightened external vulnerabilities, particularly due to geopolitical unrest in the Middle East, influx of smuggled products, a significant increase in foreign exchange losses, and uncertainty regarding the continuity of the prevailing pricing formula mechanism.

The Company's management believes that several structural bottlenecks continue to constrain the profitability of refinery operations. Key challenges include availability of smuggled products, necessitated reducing throughput, thin product margins, rising utility costs, volatility in freight rates and LC confirmation charges and custom duty reimbursement. Collectively, these factors place pressure on the Company's cash flows, increase working capital financing requirements, and ultimately affect overall performance and profitability.

Post year-end, the Government approved further amendments to the long-pending Pakistan Oil Refinery Policy for Upgradation of Brownfield Refineries 2023 (the Policy). Under the policy, the Government has reduced the deemed duty on HSD by 2.5% for the period from October 24, 2024 until execution of the upgrade agreement under the Policy within 45 days of its notification. However, the Company had completed all the signing formalities in March'24 (while conveying its readiness through submission of two sets of duly initialed upgrade agreements), well before the earlier deadline, which was also acknowledged by OGRA. Furthermore, the Company is the only refinery that had already made a significant pre investment in 2017 to upgrade its facilities for the production of Euro-V (Pak-V) specification HSD. In view of these circumstances, the Company believes that it has a reasonably strong legal basis to argue the policy proposition; however, the Company has charged off this reduction in the books of accounts with a gross financial impact of around Rs. 8.2 billion upto June 30, 2026, which is subject to related tax impact in accordance with the Policy.

The Policy, however, provides 2.5% custom duty on High-Speed Diesel and 10% duty on Motor Gasoline (which is already part of product pricing) as incremental incentives for upgrades. The incremental amount is required to be deposited in a Refinery Upgradation Account (initially it was an OGRA controlled joint Escrow Account under the original policy), to be utilized by refineries for upgradation upto 27.5% of project cost. The incremental incentives are subject to legally binding agreement with the Ministry, wherein the upgrade is to be completed within five years (initially it was six years period) with one year cure period that may be allowed by the Petroleum Division subject to reduction of 1% in the said capped limit. The Policy further incentivizes with additional 0.5% incentive for each year if the upgrade is operationalized within three years. Additionally, the Policy addresses the partial recovery matter of custom duty paid on crude oil import under the current mechanism and allows reimbursement of custom duty paid on crude oil import through Inland Freight Equalization Margin (IFEM). However, an amount receivable on account of crude oil custom duty attributable to de-regulated products of Rs. 6.72 billion upto June 30, 2025 has been charged off during the current year based on the recent deliberations with and understanding received from the MEPD during Policy finalisation process.

The Policy also addresses the long-standing issue relating to adjustment of sales tax being disallowed due to change in the status of some petroleum products (i.e., Motor Gasoline, HSD, Kerosene and LDO) from taxable supplies (with zero rating) to 'exempt' under the Sales Tax Act, 1990 through the Finance Act 2024. The change had resulted in loss of around 70% of company's input sales tax claims thereby increasing Company's operating cost as well as overall cost of Company's future upgrade projects. The Policy now allows reimbursement of this claim relating to refinery operations through IFEM for the year 2025-26 and till the validity of upgrade agreement. Additionally, the Policy exempts the equipment to be installed and material to be used in the refinery upgradation project.

Company's management firmly believes that resolution of the brownfield refineries' concerns and challenges will enable this policy to play a pivotal role in promoting the development, sustainability and stability of the sector.

Company's management is addressing the challenging conditions being faced with utmost care and vigilance. Despite the complexities, the management is putting all efforts to ensure efficient operations of the refinery. This careful approach is aimed at mitigating risks and optimizing performance.

B. COMPANY'S PLANS AND INITIATIVES

Aiming to drive financial improvement and long-term sustainability, the Company's leadership is focusing on targeted initiatives that include:

- Focusing on HSE and enhancing plant reliability and availability to sustainably maintain higher throughput, ensuring continuous supplies, improved customer satisfaction, retention, and achievement of economies of scale.
- Optimizing crude mix by increasing the proportion of lighter crudes, thereby improving the yield of value-added High-Speed Diesel (HSD) and reducing production of loss-making Furnace Oil.
- Increasing sales of Petroleum Products to increase overall profitability of the Company
- Increasing production of Premium Motor Gasoline to capitalize on its domestic demand and minimize exports of lower-value Naphtha.

- Introducing 95-RON Motor Gasoline to cater to niche market demand and enhance product portfolio value.
- Scaling up production and ensuring supply of Lube Base Oil to increase the market share in this segment.
- Expanding into Wax Markets, to increase Gross Refining Margins (GRM) contribution.

III. FUTURE PROJECTS

Following are the company's future projects aiming to improve Company's products quality, enhance value added products and maintain Company's operational capabilities for smooth refinery operations:

A. Upgrade Projects

Refinery's upgrade projects involve huge capital investment, however under the brownfield refining policy whereby the Government has offered certain incentives, your company is evaluating multiple options aiming to achieve the objectives aligned with the Brownfield Refineries Policy with minimal investment.

The company is in the process of evaluating various options to ensure continuous production of Motor Gasoline – Euro V standard fuel to meet the Country's product specification.

To ensure alignment with evolving market demands, NRL has initiated a detailed feasibility study being conducted by M/s Wood, a globally recognized engineering consultancy. The scope allows for the potential integration of supplementary units, if deemed necessary for improved operational or economic outcomes. It is expected that their studies will be completed by third quarter of FY27. Based on the report the company would finalize the configuration of upgradation projects.

B. Other Improvement Projects

- **Euro-V Motor Spirit Production Project**

  The technical study for the production of Euro-V MS has already been completed by its licensor, M/s UOP. The project has now entered the detailed engineering phase. Subsequently, the recommended modifications will be implemented to start the production of Euro-V MS.

- **Fixed Bed Reformer Catalyst Replacement Project**

  This project is replacement of the existing Fixed Bed Reformer catalyst with a new-generation reforming catalyst. The new catalyst is expected to improve efficiency, reformate quality, reformate yield, and hydrogen production.

- **65 NHVI Moisture Reduction Project**

  The project aims to reduce the moisture content in 65 NHVI base oil to meet the specifications required for transformer oil production. Technical evaluation and laboratory validation have confirmed the suitability of a moisture coalescer system, with guaranteed outlet moisture content below 30 ppm. Procurement of the system is currently in progress.

- **BTX (Benzene, Toluene & Xylene) – Plant**

  NRL plans to continuously operate its existing BTX plant to restore the sales and production of benzene, toluene, and xylene after a major plant overhaul.

- **MEK-1 Optimization Study**

  The study is currently ongoing to identify process and equipment modifications for optimization and debottlenecking of the MEK-1 Unit. The study will focus on reducing oil content in slack wax to enhance product recovery and quality.

- **MEK-2 Optimization Study**

  Similar to the MEK-1 study, this study will also evaluate, optimize, and identify debottlenecking opportunities for the MEK-2 Unit. It will focus on increasing lube base oil recovery, reducing oil losses in slack wax, and improving product quality.

IV. RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS

We are committed to fostering and maintaining strong relationships with our suppliers, customers, and all business partners involved in the supply chain.

PEOPLE AND CULTURE: FROM INTENT TO IMPACT

Having repositioned Human Resources as People & Culture last year, this year we translated that intent into action. Across the organization, this meant a fuller, more connected employee experience – one built on leadership visibility, recognition, engagement and a stronger sense of shared purpose.

Deepening Leadership Connect

We continued to invest in open, two-way dialogue between leadership and employees through Town Hall sessions with the CEO and dedicated meetings with Senior Leadership, giving our early-career talent direct access to organizational leadership and cultivating an environment of knowledge sharing and open conversations. Our Leadership Series continued, featuring talks by industry professionals that further enriched our internal learning ecosystem with perspectives from experienced leaders.

Recognizing and Celebrating Our People

Recognition remained central to our culture agenda. The Long Service Award ceremony honored the loyalty and contribution of our long-standing employees, while the Star Performance Award ceremony celebrated outstanding individual achievement – reinforcing a culture where excellence is seen and valued.

Building Community and Wellbeing

Our calendar of community-building activities continued to bring employees together in meaningful ways, with celebrations marking Independence Day and engagement-driven activities around Earth Day and Mango Day. A dedicated awareness session on Men's Health reflected our growing focus on holistic employee wellbeing, going beyond the professional to support our people as individuals.

Listening and Engaging

Through structured Focus Group Sessions and informal Meet & Greet Sessions, we created dedicated spaces for employees to share feedback, voice concerns, and connect with colleagues and leadership alike – reinforcing a culture of openness and continuous listening.

Strengthening Academic and Institutional Linkages

We deepened our engagement with the academic and professional community, hosting NED University students for their Final Year Project and welcoming a visit from ICMA – reflecting our commitment to nurturing future talent and strengthening our standing within the professional ecosystem.

Firming Up Our Training & Compensation Strategy

Building on last year's foundational initiatives, we refined our training strategy to be more targeted and outcome-driven, ensuring learning interventions are closely aligned to capability gaps and business priorities rather than a one-size-fits-all approach.

We also strengthened our compensation and benefits strategy, reinforcing our commitment to a competitive and equitable Employee Value Proposition that enables us to attract, motivate, and retain the talent critical to our long-term success.

Together, these initiatives reflect a year in which People & Culture moved from vision to visible impact – with employees at the center of every step.

CSR: CREATING IMPACT THROUGH SERVICE

Building on the launch of Khidmat Ka Safar last year, 2026 saw our CSR platform mature from a structured intent into a broader program that continued to root our employees in empathy, community, and shared purpose.

The financial well-being of our employees became a core pillar of this journey. Recognizing that social responsibility begins with equipping people to secure their own futures, we extended our reach through a series of financial literacy sessions, helping employees and, by extension, their families build stronger financial resilience.

Health and wellbeing awareness also took center stage, with a dedicated Men's Health awareness session encouraging employees to prioritize their physical wellbeing and break the silence around men's health issues – reflecting our belief that a caring workplace extends care to the whole person.

Our commitment to environmental stewardship continued through Earth Day activities, reinforcing awareness around sustainability and our collective responsibility toward the environment we share.

In a significant step forward for our mentorship efforts, we partnered with The Citizens Foundation (TCF) on the Rahbar program, connecting our engineers and professionals with underprivileged students as mentors. This partnership gave shape to an ambition we had set out with last year – offering structured career guidance and professional insight to young people who would otherwise have limited access to it, while giving our own employees a meaningful platform to give back.

Together, these initiatives reflect how Khidmat Ka Safar has grown from a platform of intent into a lived practice – one that continues to cultivate empathy, humility, and a sense of shared responsibility across our workforce.

DIVERSITY, EQUITY & INCLUSION (DEI): BUILDING AN INCLUSIVE CULTURE

NRL recognizes that diversity, equity and inclusion (DEI) are integral to fostering an inclusive, respectful and high-performing workplace. NRL values diversity of thought, background and experience and believes that these contribute to innovation and sustainable growth.

During the year, we continued to strengthen its DEI practices, with particular focus on promoting equal opportunity and improving workplace accessibility for persons with special needs. Initiatives included enhancements to office infrastructure, mobility access and workspaces to support diverse workplace requirements.

We remain committed to fostering a workplace where all employees are treated with dignity and respect and are provided equal opportunities to contribute and grow.

LEARNING, CAPABILITY & FUTURE READINESS: DEVELOPING HUMAN CAPITAL FOR SUSTAINABLE VALUE CREATION

At NRL, we view our people as a strategic asset – central to operational excellence, innovation, and long-term resilience. As the energy industry continues to evolve, we remain focused on building a future-ready workforce equipped with the capabilities, mindset, and leadership needed to navigate emerging challenges and seize new opportunities.

This year, we revisited our Learning & Development strategy to make it more targeted and business-aligned – anchoring workforce development to operational excellence, digital transformation, and succession planning, so that capability building translates directly into organizational performance.

Strengthening the Employee Journey from Day One

We further strengthened our onboarding and integration framework, giving new employees a structured, engaging introduction to our values, safety culture, governance standards, and operational practices – helping them contribute meaningfully from the very start of their journey with us.

A Broader, More Targeted Learning Portfolio

Employees also engaged in a diverse mix of instructor-led programs, leadership forums, technical workshops, industry seminars, and knowledge-sharing sessions, delivered by both internal subject matter experts and external specialists. These initiatives strengthened cross-functional collaboration and accelerated the exchange of industry best practices across the organization.

This year also saw a deliberate push to expose our employees to external conferences, including opportunities within the wider Attock Group, capitalizing on group-level benefits to give our people access to industry conferences and forums, learn from leading voices in the field, and build meaningful professional connections through networking.

In 2026, we delivered over 14,000 training man-hours – more than triple last year's total – reflecting a more deliberate, targeted approach to our training strategy. Our learning interventions were designed around the competencies that matter most to our business: Health, Safety and Environment (HSE), refinery operations, engineering and maintenance excellence, leadership and managerial effectiveness, digital competencies, and contractor safety compliance – together strengthening operational reliability, safety performance, productivity, and organizational resilience.

Building Our Future Talent Pipeline

Developing future talent remains central to our people strategy. Our Apprenticeship, Graduate Trainee Engineer, Management Trainee, and Internship programs continue to provide structured learning pathways, hands-on exposure, mentoring, and competency-based development – ensuring a sustainable pipeline of skilled professionals ready to meet NRL's evolving business and leadership needs.

Looking ahead, we remain committed to strengthening our learning ecosystem further, through competency-based development, digital learning, leadership succession, talent acceleration, and data-driven workforce planning. At NRL, developing our people is more than an investment in learning – it is an investment in our future, creating enduring value for our employees, our business, and the communities we serve.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

NRL remains committed to conducting its operations in a safe, responsible, and environmentally sustainable manner. Health, Safety, Environment, and Quality (HSEQ) are integral to the Company's business strategy, ensuring the protection of employees, contractors, communities, assets, and the environment while supporting operational excellence.

The Company maintains an Integrated Management System (IMS) certified in accordance with:

- ISO 9001:2015 - Quality Management System
- ISO 14001:2015 - Environmental Management System
- ISO 45001:2018 - Occupational Health and Safety Management System

During the year, the Company successfully completed the First Surveillance Audit, conducted from 18 to 22 May 2026, reaffirming the continued effectiveness and conformity of its IMS with the applicable international standards. The IMS provides a structured framework for risk management, regulatory compliance, operational control, performance monitoring, and continual improvement.

Further, NRL continued to strengthen its HSEQ culture through management reviews, internal and external audits, workplace inspections, hazard identification and risk assessments, emergency preparedness programs, safety awareness initiatives, and competency-based training for employees and contractors.

The Company remains committed to environmental stewardship through pollution prevention, efficient utilization of energy and natural resources, waste minimization, recycling initiatives, and compliance with environmental regulations. The continued operation of the Diesel Hydro Desulphurization (DHDS) and Isomerization Units reflects NRL's commitment to producing cleaner Euro-compliant fuels and reducing the environmental impact of its operations.

NRL also continued to enhance its fire protection and emergency response capabilities while promoting a safe and healthy workplace through employee participation, contractor safety management, and continual competency development. The Company remains committed to complying with all applicable legal and regulatory requirements and continuously improving its HSEQ performance to support sustainable business growth.

QUALITY CONTROL FUNCTION

Quality Control (QC) function at NRL manages the testing of crude oil, gases & fuels, petrochemicals, and a variety of other petroleum industry products/materials using modern sophisticated analytical equipment's. The role is, however, not limited to quality control alone but quality assurance & research and development work is also carried out to give a basis for innovation in processes & products. QC also deals in project-based work under defined testing services.

NRL's QC function has been awarded ISO/IEC 17025:2017 accreditation by the Pakistan National Accreditation Council (PNAC), Ministry of Science and Technology, Government of Pakistan which has been fully adopted in 2022 and successfully maintaining and extending their accreditation scope every year. This accreditation is basically the criteria for laboratories to demonstrate the technical competence to carry out specific test methods, generate valid internationally traceable calibration data, test results, and operate an effective quality system. With this valuable achievement, NRL has reached a new level of Management System which brings the company at par with renowned companies that are equipped with world class testing facilities and laboratories.

KEY OPERATING AND FINANCIAL DATA

Key operating and financial data for the last six years (2021- 2026) is shown on page 47.

REFINERIES PRODUCTION

According to capacity analysis, NRL is currently the third largest refinery of Pakistan with production capacity of 23.10 million barrels per annum. NRL is the only refining complex in Pakistan which includes Lube Refinery, producing multiple grades of Lube Base Oils to meet domestic demand of the Country, and a BTX Plant.

CREDIT RATINGS

The long-term and short-term entity ratings of the Company is AA (maintained from last two years) and A1 (maintained from last two year) respectively by Pakistan Credit Rating Agency (PACRA). These ratings signify a very low expectation of credit risk and a strong capacity for timely payment of financial commitments. Given the current situation and challenges outlined earlier, the Company's outlook has been marked as developing while the rating watch status is continuing.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the financial year, the Company contributed Rs. 144.44 billion to the National exchequer in the shape of taxes, duties and levies and earned valuable foreign exchange of US$ 238.11 million through the export of Naphtha, Bitumen, Furnace Oil and Lube Base Oils.

SYSTEM OF INTERNAL FINANCIAL CONTROL

The company ensures that adequate internal controls are in place for all its activities including financial transactions. There is an internal audit department in place which conducts regular audits to assess if internal financial controls are adequate in design and have been appropriately implemented and monitored. The directors of the company have constituted an "Audit Committee" that reviews the internal audit department's reports on quarterly basis.

CORPORATE GOVERNANCE

The Company is committed to good corporate governance and has complied with the applicable Listed Companies (Code of Corporate Governance) Regulations 2019 and states that:

a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, change in equity and cash flows.

b) Proper books of account have been maintained in the manner required under the Companies Act 2017.

c) Appropriate accounting policies have been consistently applied in the preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment. During the year, the Company has elected to change its accounting estimates to measure plant and machinery (classified in property, plant and equipment) by reviewing its useful life. The details of the changes are discussed in Note 2.4(iii) of the financial statements.

d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

f) There are no significant doubts upon the Company's ability to continue as a going concern.

g) The value of investment of various funds, based on their respective accounts as at June 30, 2026 are as under:

Description	(Rs. in million) Un-audited
Management staff	
Pension Fund	7,275
Provident Fund	1,552
Post-Retirement Medical Fund	1,720
Gratuity Fund	132
Non-Management staff	
Gratuity Fund	173
Provident Fund	1,023

h) Eight directors have either already attended the directors' training program, as required, in previous years or meet the exemption criteria as contained in the regulations.

i) No trade in the shares of the Company was carried out by the Board of Directors, CEO, CFO, Head of Internal Audit, Company Secretary, Executives and their spouses and minor children except that mentioned in "Pattern of Shareholding.

Composition and Meetings of the Board of Directors

The Board comprises seven directors and Chief Executive Officer. Currently there is no female Director on Company's Board.

The composition of the board during the financial year 2025-26 is as follows:

	Category	Names
I	Independent Directors	Mr. Shamim Ahmad Khan Mr. Khondamir Nusratkhujaev Mr. Tariq Iqbal Khan
II	Non-executive Directors	Mr. Laith G. Pharaon Alternate Director: Mr. Sajid Nawaz Mr. Wael G. Pharaon Alternate Director: Mr. Babar Bashir Nawaz Mr. Shuaib A. Malik Mr. Abdus Sattar Mr. Sajid Nawaz
III	Executive Director	Mr. Asad Hasan

During the financial year 2025-26 five meetings of the Board of Directors were held. The attendance of the Directors is as under:

Name of Directors	Total Number of Meetings	Meetings Attended*
Mr. Laith G. Pharaon **Alternate Director:** Mr. Sajid Nawaz	5	5
Mr. Wael G. Pharaon **Alternate Director:** Mr. Babar Bashir Nawaz	5	5
Mr. Shuaib A. Malik – Chairman	5	5
Mr. Abdus Sattar	5	5
Mr. Khondamir Nusratkhujaev –IDB Nominee	5	4
Mr. Shamim Ahmad Khan	5	5
Mr. Tariq Iqbal Khan	5	5
Mr. Asad Hasan- Chief Executive	5	5

* attended by the directors or their alternates on the Board of the Company.

Human Resource & Remuneration Committee

HR&R Committee consists of four members. Following is the attendance of the members during the financial year 2025-26:

Name of Members	Total Number of Meetings	Meetings Attended
Mr. Shamim Ahmad Khan - Chairman	1	1
Mr. Shuaib A. Malik	1	1
Mr. Babar Bashir Nawaz (Alternate for Mr. Wael G. Pharaon)	1	1
Mr. Asad Hasan - Chief Executive	1	1

Audit Committee

Audit committee consists of three members. The attendance of the Directors' for Audit Committee meetings for the year ended June 30, 2026 is as follows:

Name of Members	Total Number of Meetings	Meetings Attended
Mr. Shamim Ahmad Khan - Chairman	4	4
Mr. Abdus Sattar	4	4
Mr. Babar Bashir Nawaz (Alternate for Mr. Wael G. Pharaon)	4	4

DIRECTORS' REMUNERATION POLICY

The Board is authorized to determine the remuneration / fee of its directors for attending meetings of the Board. No remuneration shall be paid for attending meetings of the Committee(s) of the Board and for attending General Meeting(s) or any other business meeting(s) of the company. Besides, travelling, hotel and other expenses incurred for attending the meetings are also paid.

The details of fee paid during the year and remuneration package of Chief Executive Officer are disclosed in note 42 to the financial statements.

CORPORATE BRIEFING SESSIONS (CBS)

During the financial year 2025-26, the company conducted one CBS on October 30th, 2025, based on the Annual Financial Statements for the year 2024-25. The CBS for the financial year 2025-26 shall be held within the stipulated time.

PATTERN OF SHAREHOLDING

Pattern of shareholdings is shown on page 122.

AUDITORS

Present auditors Messrs. A. F. Ferguson & Co., Chartered Accountants retire and, being eligible, offer themselves for reappointment. Accordingly, the Board, on the recommendation of the Board Audit Committee, recommends the reappointment of Messrs. A.F. Ferguson & Co. Chartered Accountants as the auditors of the Company for the financial year 2026-27 at a fee to be mutually agreed.

ACKNOWLEDGEMENT

The Board appreciates the continued commitment, professionalism, and fortitude demonstrated by the management and employees in navigating a challenging year marked by economic and operational headwinds. It also acknowledges the valuable support and collaboration of customers, suppliers, contractors, financial institutions, and other stakeholders, whose contributions remain integral to the Company's operations.

The Board extends its sincere gratitude to the Ministry of Energy for their ongoing cooperation, policy guidance, and continued support, which have been instrumental in ensuring operational continuity and advancing the Company's long-term strategic objectives.

On behalf of the Board

Director **Chief Executive Officer**

Rawalpindi

August 25, 2026

CORPORATE GOVERNANCE

CODE OF CONDUCT

National Refinery Limited (the Company) is engaged in the manufacturing of wide range of petroleum products with the objective to achieve sustainable productivity, profitability and high standards of safety, occupational health and environmental care. This entails human resource development, enhancing value addition, implementing conservation measures and growth by up-gradation and addition of newer generation technologies.

The Company requires all its Board Members and Employees to act within the authority conferred upon them and in the best interests of the Company and observe all the Company's policies and procedures as well as relevant laws and regulations, as are applicable in individual capacity or otherwise, including but not limited to the corporate values, business principles and the acceptable and unacceptable behaviour (hereinafter called the Company's Code of Conduct) embodied in this document.

The Company believes that the credibility, goodwill and repute earned over the years can be maintained through continued conviction in our corporate values of honesty, justice, integrity and respect for people. The Company strongly promotes trust, openness, teamwork and professionalism in its entire business activities.

- The business principles are derived from the above stated corporate values and are applied to all facets of business through well-established procedures. These procedures define behavior expected from each employee in the discharge of his / her responsibility.

- NRL recognizes following obligations, which need to be discharged with best efforts, commitment and efficiency:

  - Safeguarding of shareholders' interest and a suitable return on equity.

  - Service customers by providing products, which offer value in terms of price, quality, safety and environmental impact.

  - Respect human rights, provide congenial working environment, offer competitive terms of employment, develop human resource and be an equal opportunity employer.

  - Seek mutually beneficial business relationship with contractors, suppliers and investment partners.

- The Company believes that profit is essential for business survival. It I is a measure of efficiency and the value that the customer places on products and services produced by the Company.

- The Company requires honesty and fairness in all aspect of its business and in its relationships with all those with whom it does business. The direct or indirect offer, payment, soliciting and accepting of bribe in any form is undesirable.

- The Company is fully committed to reliability and accuracy of financial statements and transparency of transactions in accordance with established procedures and practices.

- The Company does not support any political party or contributes funds to groups having political interests. The Company will however, promote its legitimate business interests through trade associations.

- The Company, consistent with its commitments to sustainable developments, has a systematic approach to the management of health, safety and environment.

- The Company is committed to observe laws of Pakistan and is fully aware of its social responsibility. It would assist the community in activities such as education, sports, environment preservation, training programs, skills development and employment within the parameters of its commercial objectives.

- The Company supports free market system. It seeks to compete fairly and ethically within the framework of applicable competition laws in the country. The Company will not stop others from competing freely with it.

- In view of the critical importance of its business and impact on national economy, the Company provides all relevant information about its activities to legitimate interested parties, subject to any overriding constraints of confidentiality and cost.

- The Company requires all its board members and employees to essentially avoid conflict of interest between private financial and/or other activities and their professional role in the conduct of Company business.

- No board member or employee shall in any manner disclose to any person or cause disclosure of any information or documents, official or otherwise, relating to the Company, except those published, and unless he/she is authorised by the management.

- All papers, books, drawings, sketches, photographs, documents and similar papers containing analysis, formulas, notes or information relating to the Company's business affairs or operations shall always be treated as the Company property, whether prepared by the employee or otherwise and no employee shall be permitted to carry any of these outside business premises unless specifically authorised to do so by the management.

- The Company's property, funds, facilities and services must be used only for authorised purposes.

- The board members or employees of the Company specifically those coming in direct contact with the vendors doing or seeking to do business with the Company shall not receive favours or incur obligations. In case any contractor/supplier to have business relations with the Company happen to be a relative of an official who is entrusted the responsibility of opening /evaluation/award of supply/contract job or with execution or certification of material/ services, he/she shall immediately bring the fact to the notice of Managing Director who may entrust the responsibility to another.

- Each employee shall devote his/her full time and energy exclusively to the business and interests of the Company. In particular, no employee (including those on leave) unless otherwise permitted by the Company, shall directly or indirectly engage in any other profession or business or enter the services of or be employed in any capacity for any purpose whatsoever and for any part of his/her time by any other person, government department, firm or company and/or shall not have any private financial dealings with any other persons of firms having business relations with the Company for sale or purchase of any materials or equipments or supply of labour or for any other purpose. Every employee shall hold himself in readiness to perform any duties required of him by his/her superiors to the best of his/her ability.

- No board member or employee of the Company shall, directly or indirectly, deal in the shares of the Company in any manner during the closed period, as determined and informed by the Company.

- No board member or employee of the Company shall practice insider trading.

- Without prejudice to any penal action defined in any statute, as applicable, against any kind of non-compliances/violations, non-compliance with the Company's Code of Conduct may expose the person involved to disciplinary action as per Company's rules and/or as determined by the management or the Board of Directors of the Company, as the case may be, on case to case basis.

- The Company is fully committed to providing a safe and respectful working environment for all the employees. We strictly prohibit any form of harassment at the workplace. Any instance of harassment will be promptly and thoroughly inquired, and if accused is found guilty, penalties will be imposed in accordance with the Company's Code of Conduct for Protection against Harassment at Workplace and applicable laws.

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

FOR THE YEAR ENDED JUNE 30, 2026

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are eight (8) as per the following:

a.	Male	Eight
b.	Female*	None

* The Company has filed a constitutional petition before the Honorable High Court of Sindh challenging, inter alia, the compliance of clause No. 7 of the Regulations relating to appointment of female director, which is pending adjudication. The law officer of Securities and Exchange Commission of Pakistan has undertaken that no action contrary to the law would be taken against the Company.

2. The composition of Board is as follows:

	Category	Names
a)	Independent Directors*	Mr. Shamim Ahmad Khan Mr. Khondamir Nusratkhujaev Mr. Tariq Iqbal Khan
b)	Non-executive Directors	Mr. Laith G. Pharaon Alternate Director: Mr. Sajid Nawaz Mr. Wael G. Pharaon Alternate Director: Mr. Babar Bashir Nawaz Mr. Shuaib A. Malik Mr. Abdus Sattar
c)	Executive Director	Mr. Asad Hasan Chief Executive Officer
d)	Female directors	None

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The Directors were apprised of their duties and responsibilities from time to time. Seven out of eight directors have either already attended the directors' training program as required in previous years or meet the exemption criteria as contained in the Regulations;

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

    a) **Audit Committee**

Mr. Shamim Ahmad Khan - Chairman
Mr. Abdus Sattar
Mr. Babar Bashir Nawaz (Alternate Director for Mr. Wael G. Pharaon)

    b) **HR and Remuneration Committee**

Mr. Shamim Ahmad Khan - Chairman
Mr. Shuaib A. Malik
Mr. Babar Bashir Nawaz (Alternate Director for Mr. Wael G. Pharaon
Mr. Asad Hasan

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings of the committee were as per following:

    a) Audit Committee: Quarterly
    b) HR and Remuneration Committee: Yearly;

15. The Board has set up an effective internal audit function experienced for the purpose and is conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are below:

S. No.	Requirement	Explanation	Reg. No.
1	The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the nomination committee are being taken care of at Board level as and when needed so a separate committee is not considered to be necessary.	29
2	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has not constituted a risk management committee as risk management framework is managed at Company's level by the leadership team which is headed by the CEO and the CEO apprises the Board accordingly.	30
3	The Company may post on its website key elements of its significant policies including but not limited to the following: i. Communication and disclosure policy; ii. Code of conduct for members of Board of directors, senior management and other employees; iii. Risk management policy; iv. Internal control policy; v. Whistle blowing policy; vi. Corporate social responsibility / sustainability / environmental, social and governance related policy; and vii. Policies for promoting DE&I and protection against harassment at the workplace.	As the regulation provides concession with respect to disclosure of key elements of significant policies on the website, only those policies which were considered necessary, have been posted.	35(1)

On behalf of the Board

Asad Hasan
Chief Executive Officer

Shuaib A. Malik
Chairman

Dated: August 25, 2026

pwc A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF NATIONAL REFINERY LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of National Refinery Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

Further, we highlight content of paragraph 1 of the statement where the matter of representation of female director on the Board of Directors of the Company has been explained.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 8, 2026

UDIN: CR202610059CSw7HFKoR

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

www.pwc.com/pk

KARACHI LAHORE ISLAMABAD

TERMS OF REFERENCE OF AUDIT COMMITTEE

The Board has constituted a fully functional Audit Committee. The features of the terms of reference of the committee in accordance with the Code of Corporate Governance are as follows:

(a) Determination of appropriate measures to safeguard the company's assets;
(b) Review of preliminary announcements of results prior to external communication and publication;
(c) Review of quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:

- Major judgmental areas;
- Significant adjustments resulting from the audit;
- The going concern assumption;
- Any changes in accounting policies and practices;
- Compliance with applicable accounting standards;
- Compliance with the code of corporate governance regulations and other statutory and regulatory requirements; and
- All related party transactions

(d) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

(e) Review of management letter issued by external auditors and management's response thereto;

(f) Ensuring coordination between the internal and external auditors;

(g) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed;

h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

(i) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and reporting structure are adequate and effective;

(j) Review of company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;

(k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;

(l) Determination of compliance with relevant statutory requirements;

(m) Monitoring compliance with the code of corporate governance regulations and identification of significant violations thereof;

(n) Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;

(o) Recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations;

(p) Review and assist the Board, on governance and oversight of sustainability risks and opportunities, which includes the environmental, social and governance considerations, within the company, in setting the company's sustainability strategies, priorities and targets to create long term corporate value;

(q) Review and recommend to the Board policies to promote diversity, equity and inclusion (DE&I) are in place to encourage gender mainstreaming, gender equality and the participation of women on the board, management and workforce of the company;

(r) Support the Board in proactively identifying, understanding, and overseeing the principal as well as the emerging sustainability risks and opportunities relevant to the company and its business, including climate-related risks and opportunities, assess their potential financial and operational impacts, and recommend strategies for management and mitigation thereof;

(s) Ensures that the company's sustainability and DE&I related strategies, priorities and targets as well as performance against these targets are periodically reviewed and monitored;

(t) Monitor and review sustainability related risks and opportunities of the company, oversee compliance of relevant laws pertaining to relevant sustainability related considerations and its appropriate disclosures;

(u) Submit to the board a report, at least once a year, on embedding sustainability principles into the company's strategy and operations to increase corporate value;

(v) Review and recommend directors report that provide adequate disclosures regarding the assessment of sustainability related risks, how these are managed or mitigated, and measures taken to promote DE&I in the Company; and

(w) Consideration of any other issue or matter as may be assigned by the Board.

TERMS OF REFERENCE OF HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

The Board adopted the responsibilities contained in clause (xxv) of the Code 2012 from (i) to (iv) as the Terms of Reference (TOR) of the HR&R Committee.

The committee shall be responsible for:

i) Recommending human resource management policies to the board;

ii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;

iii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) of COO, CFO, Company Secretary and Head of Internal Audit; and

iv) Consideration and approval on recommendations of CEO on such matters for key management positions who report directly to CEO or COO.

GENDER PAY GAP STATEMENT UNDER SECP'S CIRCULAR 10 OF 2024

Following is gender pay gap analysis calculated for the year ended June 30, 2026:

Mean Gender Pay Gap	Median Gender Pay Gap
(3.6)%	(6.8)%

The above percentages reflect the gender pay gap of relevant male versus female employees in different employment grades across the organization.

We are an equal opportunity employer and do not discriminate in pay based on gender. We remain fully committed to promoting gender diversity and equality in our compensation practices.

Chief Executive Officer

Date: August 25, 2026

STAKEHOLDERS' INFORMATION

SIX YEARS AT A GLANCE

Description		2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
		Rupees in million					
Statement of profit or Loss							
Net sales		440,845	307,663	308,842	298,805	251,876	139,625
Cost of sales		417,300	313,897	316,610	285,608	228,081	135,700
Purchases		410,251	274,929	300,809	274,064	240,750	134,357
Gross Profit / (loss)		23,545	(6,234)	(7,768)	13,197	23,795	3,925
Operating profit / (loss)		20,157	(7,696)	(9,346)	11,122	20,878	2,341
Profit / (loss) before tax		10,876	(18,028)	(18,656)	(5,123)	11,810	1,400
Profit / (loss) after tax		6,164	(14,867)	(15,790)	(4,463)	9,079	1,770
Statement of Financial Position							
Share Capital		800	800	800	800	800	800
Reserves		9,514	3,382	18,417	33,799	39,019	30,788
Revaluation surplus on leasehold land		46,134	46,134	-	-	-	-
Shareholder equity		56,448	50,316	19,217	34,599	39,819	31,588
Fixed Assets		68,249	67,882	23,560	25,599	28,349	31,228
Current Assets		84,236	64,954	67,859	78,788	69,591	36,192
Current Liabilities		104,975	87,060	83,264	76,445	61,869	42,920
Net current assets / liabilities		(20,739)	(22,106)	(15,405)	2,343	7,722	(6,728)
Financial Ratios		**2025-26**	**2024-25**	**2023-24**	**2022-23**	**2021-22**	**2020-21**
Gross profit / (loss)	%	5.34	(2.03)	(2.52)	4.42	9.45	2.81
Net profit / (loss) to sales	%	1.40	(4.83)	(5.11)	(1.49)	3.60	1.27
EBITDA Margin to sales	%	4.34	(2.01)	(1.95)	1.56	7.21	4.61
Return on Equity	%	10.92	(29.55)	(82.17)	(12.90)	22.80	5.60
Return on Capital Employed	%	11.55	(42.76)	(58.68)	(11.99)	25.43	5.76
Liquidity Ratios							
Current Ratio	Times	0.80	0.75	0.81	1.03	1.12	0.84
Quick / Acid test ratio	Times	0.36	0.41	0.22	0.40	0.39	0.34
Cash to Current Liabilities	Times	0.01	0.01	0.01	0.01	0.01	0.01
Activity / Turnover Ratios							
Inventory turnover	Days	32.85	45.39	55.63	59.13	52.95	44.07
Debtors turnover	Days	16.35	16.16	19.10	23.74	18.25	16.83
Creditors turnover	Days	26.53	26.92	29.69	41.95	38.37	32.91
Total Assets turnover ratio	Times	2.65	2.06	2.99	2.67	2.45	1.84
Fixed assets turnover ratio	Times	6.46	4.53	13.11	11.67	8.88	4.47
Investment / Market Ratios							
Earnings / (loss) per share and diluted EPS / (LPS)	Rs.	77.09	(185.91)	(197.46)	(55.81)	113.53	22.14
Price earning ratio	Times	4.70	*	*	*	2.22	23.63
Dividend yield ratio	%	-	-	-	-	5.94	1.91
Cash Dividend payout ratio	%	-	-	-	-	13.21	45.17
Dividend cover ratio	Times	-	-	-	-	7.57	2.21
Cash Dividend per share	Rs./share	-	-	-	-	15.00	10.00
Market value per share at year end	Rs./share	362	243	265	150	253	523
Breakup value per share (without surplus on revaluation of leasehold land)	Rs./share	129	52	240	432	498	395
Breakup value per share (with surplus on revaluation of leasehold land)	Rs./share	706	629	-	-	-	-

* Not applicable due to loss for the year.

HORIZONTAL STATEMENT OF FINANCIAL POSITION

AS AT JUNE, 30

	2026		2025		2024		2023		2022		2021	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
ASSETS												
NON-CURRENT ASSETS												
Fixed assets	68,249.43	218.6%	67,882.48	217.4%	23,559.58	75.4%	25,599.05	82.0%	28,348.95	90.8%	31,228.09	100.0%
Long term investment	15.46	157.9%	14.12	144.3%	14.82	151.4%	14.55	148.6%	17.47	178.5%	9.79	100.0%
Long term loans	6.50	17.6%	12.59	34.0%	20.28	54.8%	25.89	70.0%	37.99	102.7%	36.98	100.0%
Long term deposits	30.27	100.0%	30.26	100.0%	30.27	100.0%	30.27	100.0%	30.26	100.0%	30.26	100.0%
Deferred taxation	12,932.05	158.5%	15,884.17	194.6%	10,931.38	133.9%	6,911.88	84.6%	4,655.29	57.0%	8,161.77	100.0%
Retirement benefit prepayments	771.73	3443.7%	717.66	3202.4%	757.33	3379.4%	409.79	1828.6%	25.45	113.6%	22.41	100.0%
	82,005.44	207.7%	84,541.28	214.1%	35,313.66	89.4%	32,991.43	83.6%	33,115.41	83.9%	39,489.30	100.0%
CURRENT ASSETS												
Stores, spares and chemicals	3,503.40	205.4%	2,037.19	119.4%	1,802.41	105.7%	2,586.18	151.6%	1,914.83	112.3%	1,705.85	100.0%
Stock-in-trade	46,711.33	218.2%	29,441.64	137.6%	49,719.86	232.3%	48,136.90	224.9%	45,684.81	213.4%	21,403.62	100.0%
Trade receivables	22,289.98	246.8%	17,759.50	196.6%	9,855.37	109.1%	22,914.67	253.7%	16,502.29	182.7%	9,031.92	100.0%
Loans and advances	183.84	501.3%	116.13	316.7%	104.57	285.2%	94.53	257.8%	52.11	142.1%	36.67	100.0%
Trade deposits and short-term prepayments	68.05	218.5%	34.49	110.8%	55.64	178.7%	98.53	316.4%	55.96	179.7%	31.14	100.0%
Interest accrued	41.53	576.8%	35.86	498.1%	68.18	946.9%	33.64	467.2%	11.90	165.3%	7.20	100.0%
Other receivables	8,045.04	670.5%	12,526.31	1043.9%	2,943.51	245.3%	1,477.20	123.1%	1,395.15	116.3%	1,199.91	100.0%
Taxation - payments less provision	1,999.90	92.2%	2,149.67	99.1%	2,744.78	126.6%	2,841.54	131.0%	3,355.43	154.7%	2,168.58	100.0%
Short term investments	175.27	100.0%	173.61	100.0%	-	-	-	-	-	-	-	-
Cash and bank balances	1,217.78	200.5%	679.94	112.0%	564.36	92.9%	605.30	99.7%	618.42	101.8%	607.33	100.0%
	84,236.12	232.8%	64,954.34	179.5%	67,858.68	187.5%	78,788.49	217.7%	69,590.90	192.3%	36,192.22	100.0%
TOTAL ASSETS	166,241.56	219.7%	149,495.62	197.5%	103,172.34	136.3%	111,779.92	147.7%	102,706.31	135.7%	75,681.52	100.0%
EQUITY AND LIABILITIES												
SHARE CAPITAL AND RESERVES												
Share capital	799.67	100.0%	799.67	100.0%	799.67	100.0%	799.67	100.0%	799.67	100.0%	799.67	100.0%
Reserves	9,514.18	30.9%	3,382.29	11.0%	18,416.89	59.8%	33,799.01	109.8%	39,019.69	126.7%	30,787.72	100.0%
Revaluation surplus on leasehold land	46,134.42	100.0%	46,134.42	100.0%	-	-	-	-	-	-	-	-
	56,448.27	178.7%	50,316.38	159.3%	19,216.56	60.8%	34,598.68	109.5%	39,819.36	126.1%	31,587.39	100.0%
LIABILITIES												
NON - CURRENT LIABILITIES												
Long-term borrowing	3,750.00	100%	11,250.00	100%	-	-	-	-	-	-	-	-
Lease liability	141.78	79.8%	125.65	70.7%	143.92	81.0%	158.34	89.1%	169.46	95.3%	177.76	100.0%
Provision for Gas Infrastructure Development Cess	-	-	-	-	-	-	53.62	8.6%	353.76	56.46%	626.52	100.0%
Retirement benefit obligations	926.02	250.2%	743.23	200.9%	547.71	148.0%	524.13	141.6%	494.31	133.6%	370.04	100.0%
CURRENT LIABILITIES												
Trade and other payables	59,702.53	264.0%	36,150.97	159.8%	29,004.80	128.3%	36,650.28	162.1%	41,378.32	183.0%	22,616.44	100.0%
Advances from customers	-	-	-	-	-	-	915.32	100%	1,224.46	100.0%	-	-
Dividend payable	101.09	109.0%	101.73	109.7%	102.78	110.8%	104.24	112.4%	97.17	104.8%	92.73	100.0%
Accrued mark-up	1,127.85	1188.9%	1,187.57	1251.8%	1,251.89	1319.6%	1,147.30	1209.4%	531.42	560.2%	94.87	100.0%
Provisions	112.36	100.0%	112.36	100.0%	112.36	100.0%	112.36	100.0%	112.36	100.0%	112.36	100.0%
Borrowings	36,401.19	182.0%	45,739.46	228.7%	52,777.90	263.9%	37,504.53	187.5%	18,517.39	92.6%	19,997.51	100.0%
Current portion of long-term borrowing	7,500.00	100.0%	3,750.00	100.0%	-	-	-	-	-	-	-	-
Current portion of lease liability	30.47	516.4%	18.27	309.7%	14.42	244.4%	11.12	188.5%	8.30	140.7%	5.90	100.0%
	104,975.49	244.6%	87,060.36	202.8%	83,264.15	194.0%	76,445.15	178.1%	61,869.42	144.2%	42,919.81	100.0%
TOTAL EQUITY AND LIABILITIES	166,241.56	219.7%	149,495.62	197.5%	103,172.34	136.3%	111,779.92	147.7%	102,706.31	135.7%	75,681.52	100.0%

VERTICAL STATEMENT OF FINANCIAL POSITION

AS AT JUNE, 30

	2026		2025		2024		2023		2022		2021	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
ASSETS												
NON-CURRENT ASSETS												
Fixed assets	68,249.43	41.1%	67,882.48	45.4%	23,559.58	22.8%	25,599.05	22.9%	28,348.95	27.6%	31,228.09	41.3%
Long term investment	15.46	0.0%	14.12	0.0%	14.82	0.0%	14.55	0.0%	17.47	0.0%	9.79	0.0%
Long term loans	6.50	0.0%	12.59	0.0%	20.28	0.0%	25.89	0.0%	37.99	0.0%	36.98	0.1%
Long term deposits	30.27	0.0%	30.26	0.0%	30.27	0.0%	30.27	0.0%	30.26	0.0%	30.26	0.0%
Deferred taxation	12,932.05	7.8%	15,884.17	10.6%	10,931.38	10.6%	6,911.88	6.2%	4,655.29	4.5%	8,161.77	10.8%
Retirement benefit prepayments	771.73	0.4%	717.66	0.5%	757.33	0.7%	409.79	0.4%	25.45	0.0%	22.41	0.0%
	82,005.44	49.3%	84,541.28	56.6%	35,313.66	34.1%	32,991.43	29.5%	33,115.41	32.2%	39,489.30	52.2%
CURRENT ASSETS												
Stores, spares and chemicals	3,503.40	2.1%	2,037.19	1.4%	1,802.41	1.7%	2,586.18	2.3%	1,914.83	1.9%	1,705.85	2.3%
Stock-in-trade	46,711.33	28.1%	29,441.64	19.7%	49,719.86	48.2%	48,136.90	43.1%	45,684.81	44.5%	21,403.62	28.3%
Trade receivables	22,289.98	13.4%	17,759.50	11.9%	9,855.37	9.6%	22,914.67	20.5%	16,502.29	16.1%	9,031.92	11.9%
Loans and advances	183.84	0.1%	116.13	0.1%	104.57	0.1%	94.53	0.1%	52.11	0.0%	36.67	0.0%
Trade deposits and short-term prepayments	68.05	0.0%	34.49	0.0%	55.64	0.1%	98.53	0.1%	55.96	0.1%	31.14	0.0%
Interest accrued	41.53	0.0%	35.86	0.0%	68.18	0.1%	33.64	0.0%	11.90	0.0%	7.20	0.0%
Other receivables	8,045.04	5.0%	12,526.31	8.4%	2,943.51	2.9%	1,477.20	1.3%	1,395.15	1.3%	1,199.91	1.6%
Taxation - payments less provision	1,999.90	1.2%	2,149.67	1.4%	2,744.78	2.7%	2,841.54	2.6%	3,355.43	3.3%	2,168.58	2.9%
Short term investments	175.27	0.1%	173.61	0.1%	-	-	-	-	-	-	-	-
Cash and bank balances	1,217.78	0.7%	679.94	0.5%	564.36	0.5%	605.30	0.5%	618.42	0.6%	607.33	0.8%
	84,236.12	50.7%	64,954.34	43.4%	67,858.68	65.9%	78,788.49	70.5%	69,590.90	67.8%	36,192.22	47.8%
TOTAL ASSETS	166,241.56	100.0%	149,495.62	100.0%	103,172.34	100.0%	111,779.92	100.0%	102,706.31	100.0%	75,681.52	100.0%
EQUITY AND LIABILITIES												
SHARE CAPITAL AND RESERVES												
Share capital	799.67	0.5%	799.67	0.5%	799.67	0.8%	799.67	0.7%	799.67	0.8%	799.67	1.1%
Reserves	9,514.18	5.7%	3,382.29	2.3%	18,416.89	17.9%	33,799.01	30.3%	39,019.69	38.0%	30,787.72	40.7%
Revaluation surplus on leasehold land	46,134.42	27.8%	46,134.42	30.9%	-	-	-	-	-	-	-	-
	56,448.27	34.0%	50,316.38	33.7%	19,216.56	18.7%	34,598.68	31.0%	39,819.36	38.8%	31,587.39	41.8%
LIABILITIES												
NON - CURRENT LIABILITIES												
Long-term borrowing	3,750.00	2.3%	11,250.00	7.5%	-	-	-	-	-	-	-	-
Lease liability	141.78	0.1%	125.65	0.1%	143.92	0.1%	158.34	0.1%	169.46	0.2%	177.76	0.2%
Provision for Gas Infrastructure Development Cess	-	-	-	-	-	-	53.62	0.0%	353.77	0.3%	626.52	0.8%
Retirement benefit obligations	926.02	0.6%	743.23	0.5%	547.71	0.5%	524.13	0.5%	494.31	0.5%	370.04	0.5%
CURRENT LIABILITIES												
Trade and other payable	59,702.53	35.7%	36,150.97	24.2%	29,004.80	28.1%	36,650.28	32.8%	41,378.32	40.3%	22,616.44	29.9%
Advances from customers	-	-	-	-	-	-	915.32	0.8%	1,224.46	1.2%	-	-
Dividend payable	101.09	0.1%	101.73	0.1%	102.78	0.1%	104.24	0.1%	97.17	0.1%	92.73	0.1%
Accrued mark-up	1,127.85	0.7%	1,187.57	0.8%	1,251.89	1.2%	1,147.30	1.0%	531.42	0.5%	94.87	0.1%
Provisions	112.36	0.1%	112.36	0.1%	112.36	0.1%	112.36	0.1%	112.36	0.1%	112.36	0.2%
Borrowings	36,401.19	21.9%	45,739.46	30.6%	52,777.90	51.2%	37,504.53	33.6%	18,517.39	18.0%	19,997.51	26.4%
Current portion of long-term borrowing	7,500.00	4.5%	3,750.00	2.5%	-	-	-	-	-	-	-	-
Current portion of lease liability	30.47	0.0%	18.27	0.0%	14.42	0.0%	11.12	0.0%	8.30	0.0%	5.90	0.0%
	104,975.49	63.0%	87,060.36	58.2%	83,264.15	80.7%	76,445.15	68.4%	61,869.42	60.2%	42,919.81	56.7%
TOTAL EQUITY AND LIABILITIES	166,241.56	100.0%	149,495.62	100.0%	103,172.34	100.0%	111,779.92	100.0%	102,706.31	100.0%	75,681.52	100.0%

HORIZONTAL STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED

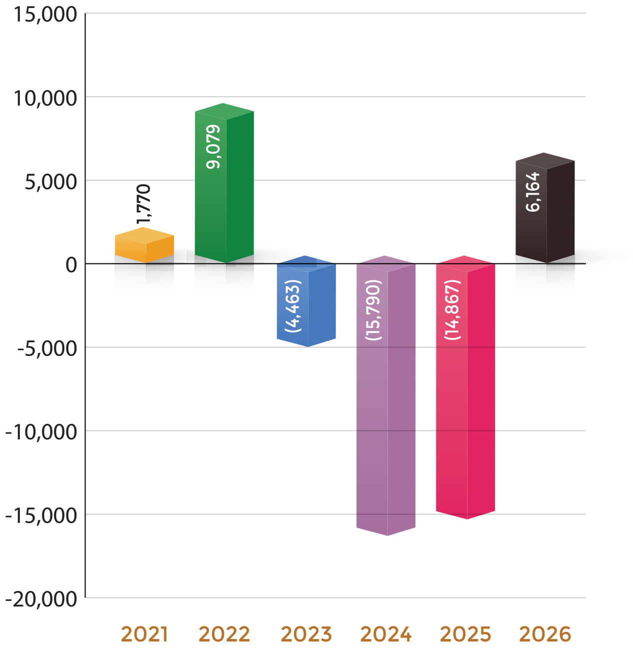
	2026		2025		2024		2023		2022		2021	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
Revenue from contracts with customers	440,844.81	315.7%	307,662.85	220.4%	308,841.83	221.2%	298,805.45	214.0%	251,875.73	180.4%	139,625.20	100.0%
Cost of sales	(417,299.95)	307.5%	(313,897.08)	231.3%	(316,609.83)	233.3%	(285,608.76)	210.5%	(228,080.83)	168.1%	(135,700.35)	100.0%
Gross profit / (loss)	23,544.86	599.9%	(6,234.23)	-158.8%	(7,768.00)	-197.9%	13,196.69	336.2%	23,794.90	606.3%	3,924.85	100.0%
Distribution cost	(1,577.90)	170.5%	(891.01)	96.3%	(649.26)	70.1%	(1,416.96)	153.1%	(1,459.17)	157.6%	(925.63)	100.0%
Administrative expenses	(1,358.47)	151.3%	(1,117.60)	124.5%	(1,180.57)	131.5%	(1,066.27)	118.8%	(948.70)	105.7%	(897.75)	100.0%
Other income	373.53	100.9%	562.15	151.8%	347.40	93.8%	450.65	121.7%	313.53	84.7%	370.39	100.0%
Other operating expenses	(824.86)	628.4%	(15.80)	12.0%	(95.47)	72.7%	(42.51)	32.4%	(822.32)	626.5%	(131.26)	100.0%
Operating profit / (loss)	20,157.16	861.2%	(7,696.49)	-328.8%	(9,345.90)	-399.3%	11,121.60	475.2%	20,878.24	892.0%	2,340.60	100.0%
Finance cost - net	(9,281.20)	987.0%	(10,331.17)	1098.6%	(9,310.05)	990.0%	(16,244.34)	1727.4%	(9,067.97)	964.3%	(940.39)	100.0%
Profit / (loss) before taxation	10,875.96	776.7%	(18,027.66)	-1287.5%	(18,655.95)	-1332.4%	(5,122.74)	-365.9%	11,810.27	843.5%	1,400.21	100.0%
Taxation & levies	(4,711.55)	-1273.8%	3,160.74	854.5%	2,865.73	774.8%	659.65	178.3%	(2,731.26)	-738.4%	369.89	100.0%
Profit / (loss) after taxation	6,164.41	348.3%	(14,866.92)	-839.9%	(15,790.22)	-892.1%	(4,463.09)	-252.1%	9,079.01	512.9%	1,770.10	100.0%

VERTICAL STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED

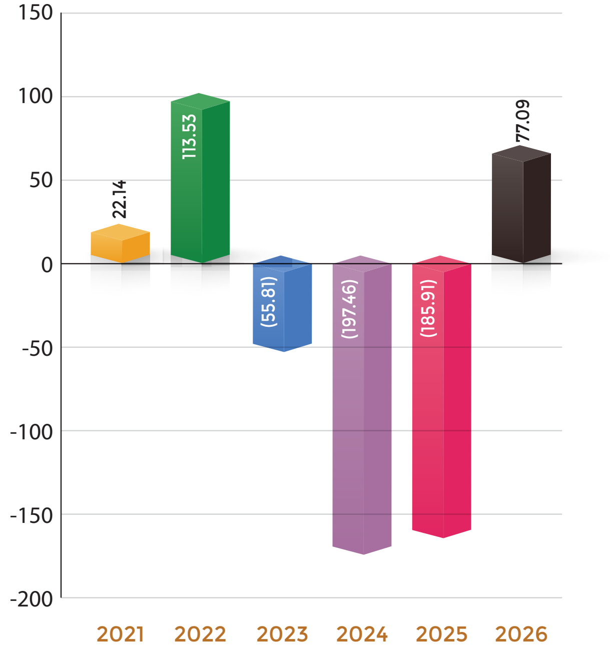
	2026		2025		2024		2023		2022		2021	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
Revenue from contracts with customers	440,844.81	100.0%	307,662.85	100%	308,841.83	100.0%	298,805.45	100.0%	251,875.73	100.0%	139,625.20	100.0%
Cost of sales	(417,299.95)	-94.7%	(313,897.08)	-102%	(316,609.83)	-102.5%	(285,608.76)	-95.6%	(228,080.83)	-90.5%	(135,700.35)	-97.2%
Gross profit / (loss)	23,544.86	5.3%	(6,234.23)	-2.0%	(7,768.00)	-2.5%	13,196.69	4.4%	23,794.90	9.5%	3,924.85	2.8%
Distribution cost	(1,577.90)	-0.3%	(891.01)	-0.3%	(649.26)	-0.2%	(1,416.96)	-0.5%	(1,459.17)	-0.6%	(925.63)	-0.7%
Administrative expenses	(1,358.47)	-0.3%	(1,117.60)	-0.4%	(1,180.57)	-0.4%	(1,066.27)	-0.4%	(948.70)	-0.4%	(897.75)	-0.6%
Other operating income	373.53	0.1%	562.15	0.2%	347.40	0.1%	450.65	0.2%	313.53	0.1%	370.39	0.3%
Other operating expenses	(824.86)	-0.2%	(15.80)	0.0%	(95.47)	0.0%	(42.51)	0.0%	(822.32)	-0.3%	(131.26)	-0.1%
Operating profit / (loss)	20,157.16	4.6%	(7,696.49)	-2.5%	(9,345.90)	-3.0%	11,121.60	3.7%	20,878.24	8.3%	2,340.60	1.7%
Finance cost	(9,281.20)	-2.1%	(10,331.17)	-3.4%	(9,310.05)	-3.0%	(16,244.34)	-5.4%	(9,067.97)	-3.6%	(940.39)	-0.7%
Profit / (loss) before taxation	10,875.96	2.5%	(18,027.66)	-5.9%	(18,655.95)	-6.0%	(5,122.74)	-1.7%	11,810.27	4.7%	1,400.21	1.0%
Taxation & Levies	(4,711.55)	-1.1%	3,160.74	1.0%	2,865.73	0.9%	659.65	0.2%	(2,731.26)	-1.1%	369.89	0.3%
Profit / (loss) after taxation	6,164.41	1.4%	(14,866.92)	-4.8%	(15,790.22)	-5.1%	(4,463.09)	-1.5%	9,079.01	3.6%	1,770.10	1.3%

GRAPHICAL REPRESENTATION

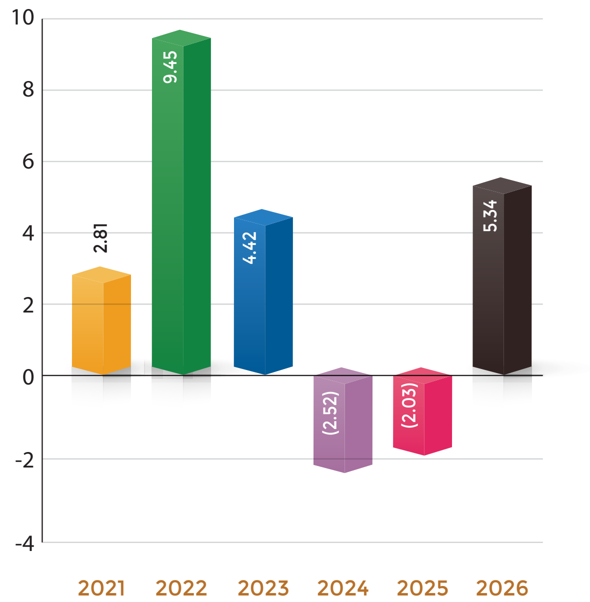
Profit / (loss) after Tax
(Rs. in million)



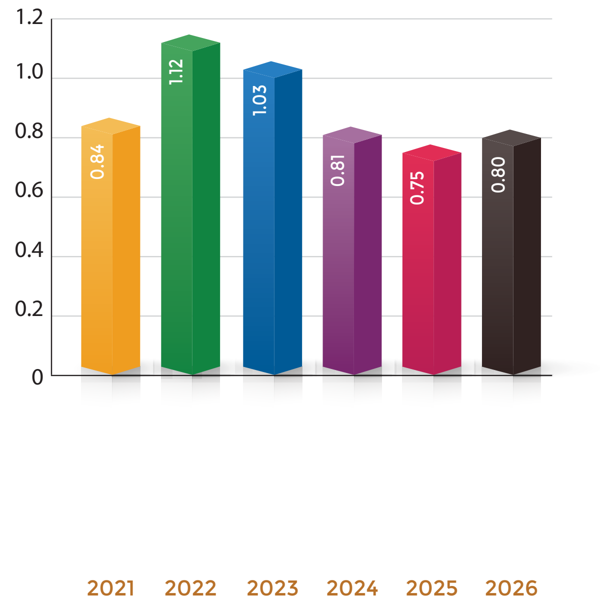
Earning / (loss) per share
(Rs. per share)



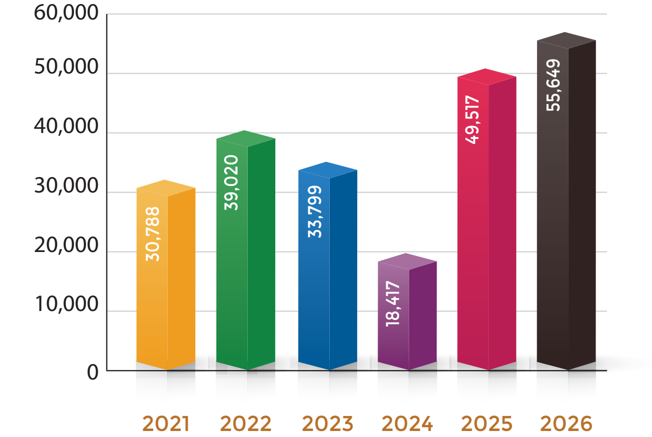
Gross profit / (loss) percentage
%



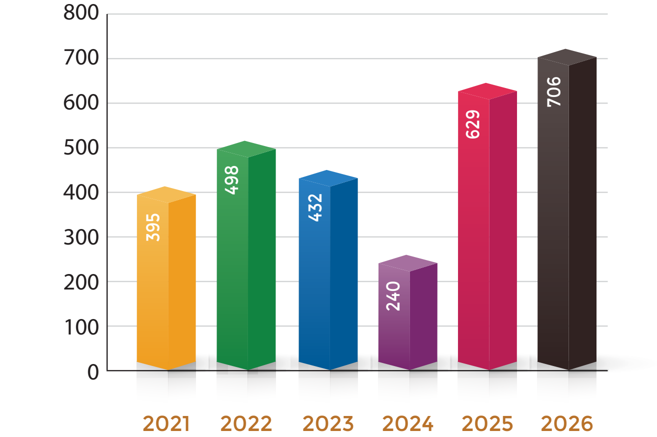
Current ratio



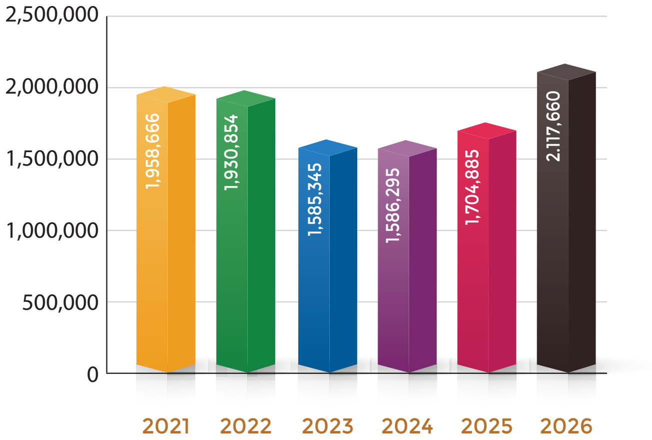
Reserves
(Rs. in million)



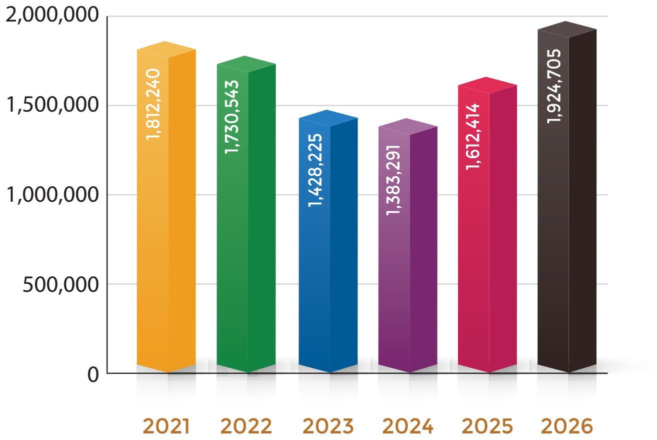
Break-up Value per share
(Rs. per share)



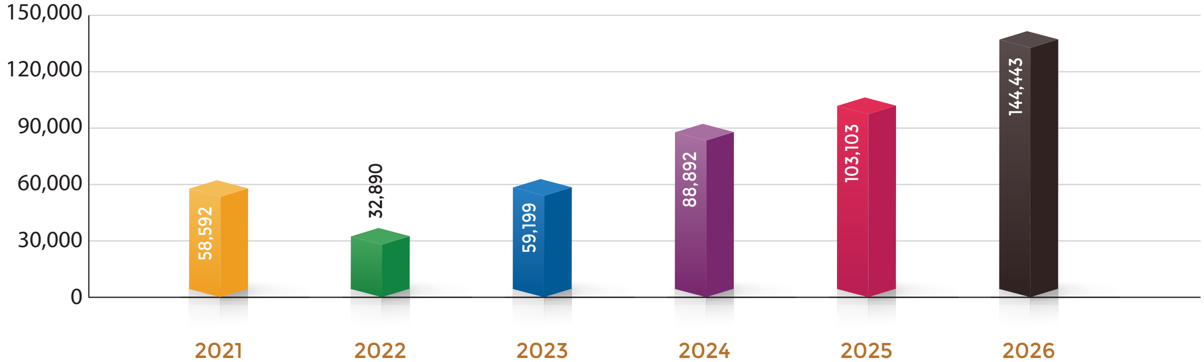
Throughput
M.Tons



Total Sales
M.Tons



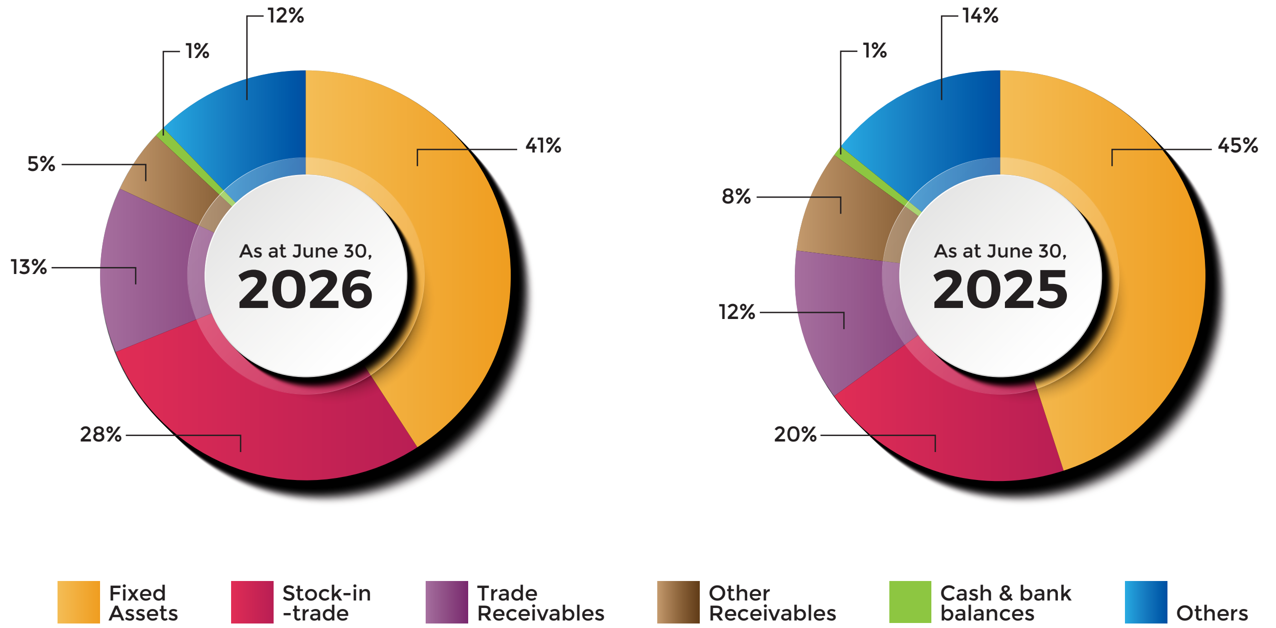
Contribution to National Exchequer



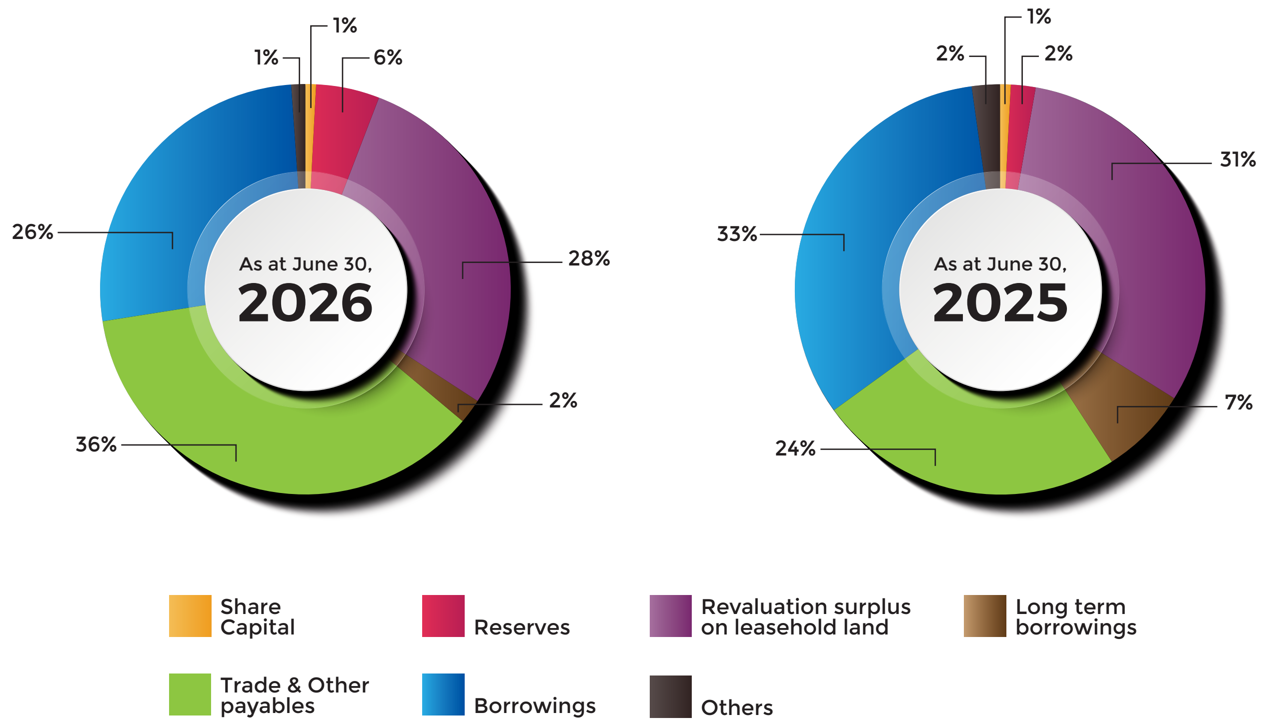
GRAPHICAL REPRESENTATION

Statement of Financial Position

Assets



Share capital, reserves and liabilities



ANNUAL AUDITED FINANCIAL STATEMENTS

pwc A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of National Refinery Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of National Refinery Limited (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of
the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road,
P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

Following are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	**Refinery upgradation policy — surrender of differential deemed duty** *(Refer notes 1.2 and 23 to the financial statements)* The Pakistan Oil Refining Policy for Upgradation of Existing / Brownfield Refineries, 2023, as amended, required refineries to execute an Upgrade Agreement by the prescribed deadline. The Company submitted initialed draft agreements to OGRA before the original deadline, however, the Upgrade Agreement remained unsigned. Further amendments to the Policy have been approved by the Federal Government, under which refineries that had not signed the Upgrade Agreement have been required to surrender differential deemed duty on HSD into the Refinery Upgradation Account. Management recognised a liability of Rs. 6.18 billion in respect of 2.5% differential deemed duty, net of tax paid, while the Company intends to contest the matter on the basis that the delay in signing the Upgrade Agreement was not attributable to the Company. We considered this to be a key audit matter as the liability arose from significant developments during the year and involved significant management judgment in assessing its recognition, measurement and disclosure.	Our audit procedures included the following: • Obtained an understanding of the relevant provisions of the amendments to the Policy; • Reviewed correspondence with relevant regulatory authorities; • Inspected approval of the Board of Directors authorising management to execute the Upgrade Agreement under the amendments to the Policy; • Tested management's computation of the liability, including the application of the 2.5% differential deemed duty and related tax impact; and • Assessed whether the related disclosure in the financial statements is adequate and consistent with the requirements of the applicable financial reporting framework.

S. No.	Key audit matters	How the matter was addressed in our audit
(ii)	**Deferred Taxation** *(Refer notes 3.13.2 and 9 to the financial statements)* The Company has recorded net deferred tax asset of Rs. 12,932 million as at June 30, 2026 which is mainly recognised on carried forward minimum tax credit and unused business tax losses. Deferred tax asset valuation involves complexities in the calculation of future taxable profits. This forecast is also inherently uncertain, as it requires management to make significant estimates and assumptions about future periods. The most sensitive key assumption to this forecast includes refinery margins, production yields and capacity utilisation. Due to this involvement of significant estimates and management judgements we considered this as a key audit matter.	Our audit procedures included the following: • Considered the expected timing of utilisation of the deferred tax assets keeping in view the relevant provision of Income Tax Ordinance 2001 that apply to the utilisation of minimum tax credit and unused business tax losses; • Evaluated the extent to which sufficient future taxable profits would be available in the period within which the related minimum tax credit and unused business tax losses can be utilised, considering limits on the length of time that can be carried forward; • Considered whether the tax balances were calculated using appropriate and substantively enacted tax laws and rates; • Obtained financial projections from the Company's management; • Obtained understanding of the Company's process of preparing financial projections along with its key assumptions; • Evaluated the financial projections and assessed the likelihood of the Company generating sufficient future taxable profits; and • Checked that the presentation and disclosures related to deferred tax are in accordance with the applicable accounting and reporting standards.

S. No.	Key audit matters	How the matter was addressed in our audit
(iii)	**Stock-in-trade** *(Refer notes 3.5 and 11 to the financial statements)* Stock-in-trade as at June 30, 2026 comprises of crude oil and condensate, semi-finished and finished products amounting to Rs. 21,421 million, Rs. 8,298 million and Rs. 16,992 million respectively. Crude oil, condensate, semi-finished and finished products are valued at lower of cost and net realisable value. The inventory quantities are determined through complex process involving various estimates. Due to the significance of the stock balances, related complexities involved and significant management judgements in determining net realisable value and resultant carrying value of stock in trade, this is considered a key audit matter.	Our audit procedures included the following: • Attended the physical count of the stock-in-trade and observed the said parameters along with the employees of the Company and an external surveyor; • Our audit work included obtaining samples of stock-in-trade from the storage tanks to determine the nature / characteristics of the product. Such samples were sent to the Company's laboratory to further confirm the nature of the product after our internal coding of the samples; • Obtained the stock-in-trade count report of the surveyor for 100% of the stock and re-performed the working for determination of volume; • Assessed the background and experience of the surveyor to ensure their competence and capability; • Assessed appropriateness of the Company's accounting policies for valuation of stock in trade and compliance of those policies with applicable accounting standards; • Obtained an understanding and assessed reasonableness of the management's determination of net realisable value (NRV) and key estimates adopted, including future selling prices, future cost to complete work-in-progress and cost necessary to make the sales and their basis; • Compared the NRV to the cost of stock-in-trade to assess whether any adjustments are required to value stock-in-trade in accordance with the accounting policy; and • Checked that the presentation and disclosures related to stock-in-trade are in accordance with the applicable accounting and reporting standards.

pwc A·F·FERGUSON&Co.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

(a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

(b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 8, 2026

UDIN: AR202610059uhnrNQEOg

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	2026	2025
		------- (Rupees in thousand) -------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	68,247,820	67,879,272
Intangible assets	5	1,613	3,203
Long-term investment	6	15,463	14,123
Long-term loans	7	6,495	12,591
Long-term deposits	8	30,265	30,265
Deferred taxation	9	12,932,054	15,884,169
Retirement benefit prepayments	22	771,728	717,659
		82,005,438	84,541,282
CURRENT ASSETS			
Stores, spares and chemicals	10	3,503,404	2,037,193
Stock-in-trade	11	46,711,332	29,441,642
Trade receivables	12	22,289,979	17,759,495
Loans and advances	13	183,837	116,133
Trade deposits and short-term prepayments	14	68,047	34,491
Interest accrued		41,530	35,858
Other receivables	15	8,045,032	12,526,307
Taxation - payments less provision		1,999,904	2,149,673
Short-term investments	16	175,273	173,607
Cash and bank balances	17	1,217,782	679,940
		84,236,120	64,954,339
TOTAL ASSETS		166,241,558	149,495,621
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	18	799,666	799,666
Reserves	19	9,514,178	3,382,296
Revaluation surplus on leasehold land	4.1.3	46,134,419	46,134,419
		56,448,263	50,316,381
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term borrowing	20	3,750,000	11,250,000
Lease liability	21	141,782	125,646
Retirement benefit obligations	22	926,022	743,225
		4,817,804	12,118,871
CURRENT LIABILITIES			
Trade and other payables	23	59,702,530	36,150,971
Unclaimed dividend		58,647	58,877
Unpaid dividend	24	42,445	42,852
Accrued mark-up	25	1,127,849	1,187,569
Provisions	26	112,361	112,361
Borrowings	27	36,401,186	45,739,469
Current portion of long-term borrowing	20	7,500,000	3,750,000
Current portion of lease liability	21	30,473	18,270
		104,975,491	87,060,369
TOTAL LIABILITIES		109,793,295	99,179,240
CONTINGENCIES AND COMMITMENTS	28		
TOTAL EQUITY AND LIABILITIES		166,241,558	149,495,621

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer — Director — Chief Executive

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Revenue from contracts with customers	29	588,552,491	408,074,583
Trade discounts, taxes, duties, levies and price differentials	30	(147,707,685)	(100,411,730)
Net revenue from contracts with customers		440,844,806	307,662,853
Cost of sales	31	(417,299,949)	(313,897,084)
Gross profit / (loss)		23,544,857	(6,234,231)
Distribution cost	32	(1,577,901)	(891,012)
Administrative expenses	33	(1,358,462)	(1,117,601)
Other income	34	373,531	562,152
Other operating expenses	35	(824,861)	(15,797)
Operating profit / (loss)		20,157,164	(7,696,489)
Finance cost - net	36	(9,281,202)	(10,331,167)
Profit / (loss) before taxation and levies		10,875,962	(18,027,656)
Levies	37	(665,661)	(414,235)
Profit / (loss) before taxation		10,210,301	(18,441,891)
Taxation	38	(4,045,887)	3,574,969
Profit / (loss) after taxation		6,164,414	(14,866,922)
		(Rupees)	
Profit / (loss) per share - basic and diluted	39	77.09	(185.91)

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer

Director

Chief Executive

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Profit / (loss) after taxation		6,164,414	(14,866,922)
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
Revaluation surplus on leasehold land	4.1.3	-	46,134,419
Change in fair value of long term investment	6	1,340	(699)
Remeasurements of post employment benefit obligations	22.4.5	(33,376)	(167,245)
Deferred tax thereon		(496)	273
Other comprehensive (loss) / income - net of tax		(32,532)	45,966,748
Total comprehensive income		6,131,882	31,099,826

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer

Director

Chief Executive

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	SHARE CAPITAL	CAPITAL RESERVES				REVENUE RESERVES			Total
	Issued, subscribed and paid-up	Capital compensation reserve (note 19.1)	Exchange equalisation reserve	Utilised special reserve (note 19.2)	Revaluation surplus on leasehold land (note 4.1.3)	General reserve	Gain / (loss) on revaluation of investment at fair value through OCI	Accumulated loss	
	(Rupees in thousand)								
Balance as at July 1, 2024	799,666	10,142	4,117	9,631,914	-	31,961,000	14,822	(23,205,106)	19,216,555
Total comprehensive income for the year ended June 30, 2025									
- Loss for the year ended June 30, 2025	-	-	-	-	-	-	-	(14,866,922)	(14,866,922)
- Other comprehensive income for the year ended June 30, 2025	-	-	-	-	46,134,419	-	(699)	(166,972)	45,966,748
	-	-	-	-	46,134,419	-	(699)	(15,033,894)	31,099,826
Balance as at June 30, 2025	799,666	10,142	4,117	9,631,914	46,134,419	31,961,000	14,123	(38,239,000)	50,316,381
Total comprehensive income for the year ended June 30, 2026									
- Profit for the year ended June 30, 2026	-	-	-	-	-	-	-	6,164,414	6,164,414
- Other comprehensive loss for the year ended June 30, 2026	-	-	-	-	-	-	1,340	(33,872)	(32,532)
	-	-	-	-	-	-	1,340	6,130,542	6,131,882
Balance as at June 30, 2026	799,666	10,142	4,117	9,631,914	46,134,419	31,961,000	15,463	(32,108,458)	56,448,263

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer

Director

Chief Executive

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	40	25,728,329	3,359,206
Income tax and levies paid		(3,586,738)	(1,196,670)
Mark-up paid on Conventional financing		(4,368,798)	(5,866,648)
Mark-up paid on Islamic financing		(2,361,114)	(2,510,698)
Decrease in long-term loans		6,096	7,689
Net cash generated from / (used in) operating activities		15,417,775	(6,207,121)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,873,558)	(1,700,543)
Purchase of intangible assets	5.1	-	(769)
Proceeds from disposal of property, plant and equipment		11,637	2,479
Purchase of short-term investments		(175,273)	(173,607)
Disposal of short-term investments		173,607	-
Return on investments and bank accounts		113,395	268,588
Net cash used in investing activities		(1,750,192)	(1,603,852)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowing		-	15,000,000
Proceeds from short-term borrowings		210,318,965	318,449,473
Repayment of short-term borrowings		(203,528,628)	(339,689,810)
Repayment of long-term borrowing		(3,750,000)	-
Dividend paid		(637)	(1,057)
Lease rentals paid	21.2	(40,821)	(33,961)
Net cash generated from / (used in) financing activities		2,998,879	(6,275,355)
Net increase / (decrease) in cash and cash equivalents		16,666,462	(14,086,328)
Cash and cash equivalents at beginning of the year		(23,099,866)	(9,013,538)
Cash and cash equivalents at end of the year	41	(6,433,404)	(23,099,866)

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer

Director

Chief Executive

1. LEGAL STATUS AND OPERATIONS

National Refinery Limited (the Company) was incorporated in Pakistan on August 19, 1963 as a public limited company and its shares are listed on the Pakistan Stock Exchange.

The Company is engaged in the manufacturing, production and sale of a large range of petroleum products. The refinery complex of the Company comprises of three refineries, consisting of two lube refineries, commissioned in 1966 and 1985 respectively, and a fuel refinery added to the complex in 1977. The Company has also commissioned Diesel Hydro De-sulphurisation (DHDS) and Isomerisation (ISOM) units in 2017 and 2018 respectively.

1.2 Refinery upgradation policy — surrender of differential deemed duty

The Pakistan Oil Refining Policy for Upgradation of Existing / Brownfield Refineries, 2023, as amended (the “Policy”), required refineries to execute an upgrade agreement by March 24, 2024, which was subsequently extended to October 22, 2024. The Company submitted initialled draft agreements to the Oil and Gas Regulatory Authority (OGRA) before the original deadline. OGRA acknowledged the submission through its communication to the Directorate General of Oil (DG Oil) and recommended further coordination for execution of the upgrade agreement. However, the agreement remained unsigned due to reasons not attributable to NRL. Later on, certain matters affecting the refining sector, including changes in the sales tax regime and other related policy matters, which remained under discussion between the refineries and the relevant government authorities, further delayed the signing.

In 2026, the Federal Government approved further amendments to the Policy. Under these amendments, deemed duty on High Speed Diesel (HSD) shall be reduced from 7.5% to 5% for refineries that had not signed the upgrade agreement by the extended deadline of October 22, 2024. The differential deemed duty in excess of 5% on HSD is required to be surrendered into the Refinery Upgradation Account, after adjustment of tax paid, in four equal quarterly instalments commencing from the date of signing of the upgrade agreement. The deemed duty on HSD shall remain at 5% until the refineries sign the upgrade agreement under the amended Policy. Further, the deemed duty on HSD shall be reduced to 2.5% for refineries that do not sign the upgrade agreement by October 1, 2026, and shall stand fully withdrawn by November 15, 2026 for such refineries. The Board of Directors has authorised management to execute the upgrade agreement under the amended Policy.

Accordingly, management has recognised a liability amounting to Rs. 6.18 billion in respect of the differential deemed duty of 2.5% on HSD, net of tax paid. However, the Company intends to contest the requirement to surrender the differential deemed duty of 2.5%, as management believes that, among other matters, the delay in execution of the agreement arose due to sector-wide matters under discussion with the relevant government authorities and was not attributable to the Company. Further, the Company has already pre-invested in 2017 to produce Euro-V specifications compliant HSD. Thus, rendering the reduction in deemed duty inequitable.

1.3 In March 2026, escalating geopolitical tensions in the Middle East increased international crude oil prices, resulting in improved product margins. However, disruptions and uncertainties related to crude transportation through the Strait of Hormuz led to higher freight and insurance costs and challenges in securing regular crude supplies. Through proactive sourcing from alternative suppliers, the Company ensured uninterrupted operations and continuity of the country's energy supply chain. Management continues to monitor the evolving situation and its potential impact on future operations and costs.

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

- Refinery complex and registered office of the Company is situated at 7-B Korangi Industrial Area, Karachi; and

- Oil terminal at Keamari, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards 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 provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies notes.

2.3 Functional and presentation currency

The financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency and figures are rounded off to the nearest thousand of Rupees.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

i. Taxation

In making the estimates for income taxes payable by the Company, the management looks at the applicable law and the decisions of appellate authorities on certain issues in the past. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final outcome is determined.

Deferred tax asset is recognised for all unused tax losses and available tax credits to the extent that it is probable that sufficient taxable temporary differences and taxable profits will be available against which such losses and credits can be utilised. Significant judgement and estimation is required to determine the amount of deferred tax asset to be recognised.

ii. Post employment benefits

Estimates relating to post employment benefits are disclosed in note 22.

iii. Property, plant and equipment

Estimates with respect to depreciation method and useful life of property, plant and equipment is disclosed in note 4.1 to these financial statements. Further, the Company reviews the carrying value of assets for impairment, if any, on each reporting period. Estimate relating to fair valuation of leasehold land are disclosed in note 44.1.1.

Change in accounting estimate

During the year, the Company after review of useful lives of plant and machinery (Desulphurization and Associated Units, Isomerization Unit and related Utility and Offsites which were commissioned in the year 2017 and 2018) increased the remaining useful life from 1.7 - 14 to 12 - 30 years. The revisions are accounted for prospectively as a change in accounting estimate in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. As a result, the depreciation charges of the Company for the year decreased by Rs. 1,966.12 million and carrying amount of plant and machinery increased by the same amount. The deferred tax charge has increased by Rs. 727.46 million. The resultant after-tax effect is an increase in profit for the year of Rs. 1,238.66 million.

iv. Stock-in-trade

Estimates relating to net realisable value of stock-in-trade are disclosed in note 3.5. Further the inventory quantities are determined through complex process involving various estimates.

v. Provisions and Contingencies

The Company is subject to various legal proceedings, claims, assessments, and other contingencies arising in the ordinary course of business. The recognition and measurement of provisions and contingent liabilities are significant areas of estimation uncertainty that require management's subjective judgment.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

Management believes that the change in outcome of estimates would not have a material impact on the amounts disclosed in the financial statements unless specified otherwise.

2.5 Changes in accounting standards, interpretations and pronouncements

(a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company’s financial reporting and, therefore, have not been disclosed in these financial statements.

(b) Standards and amendments to approved accounting standards that are not yet effective

There are standards, and certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. The following amendments and standard have not been early adopted by the Company.

i) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

ii) IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The management is in process of assessing the impact of above changes.

Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 01, 2026. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Property, plant and equipment

3.1.1 Operating assets

Initial recognition

The cost of an item of operating assets is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of operating assets ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent measurement

Operating assets (except leasehold land) are stated at cost less accumulated depreciation and impairment losses, if any. Leasehold land are stated at revalued amount less accumulated impairment, if any. The costs of operating assets include:

(a) its purchase price including import duties, non-refundable purchase taxes after deducting trade discounts and rebates;

(b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and

(c) Borrowing costs, if any.

Revaluation

Revaluation of leasehold land is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of leasehold land is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on leasehold land" except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognised in the statement of profit or loss, in which case the increase is first recognised in the statement of profit or loss to the extent of the decrease previously charged.

Any decrease that reverse previous increase of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to the statement of profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders.

The fair value of the Company's leasehold land is determined after a period of three years by an independent professionally qualified valuer. However, fair value is re-assessed on a periodic basis to check for any material impact.

Depreciation

Depreciation is charged to income using the straight-line method whereby the cost of an asset is written off over its estimated useful life at the rates stated in note 4.1 to the financial statements. Depreciation on additions is charged from the month in which the asset is put to use and on disposals up to the month immediately preceding the disposal. Assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Impairment

The carrying amounts of the Company's non-financial assets, other than stores and spares, stock in trade and deferred tax are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

Repairs and maintenance

Expenditure incurred to replace a significant component of an item of property, plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. All other expenditure (including repairs and normal maintenance) is recognised in the statement of profit or loss as an expense when it is incurred.

Gains and losses on disposal

Gains and losses on disposal of assets are taken to the statement of profit or loss, and the related surplus on revaluation of leasehold land, if any, is transferred directly to retained earnings.

3.1.2 Capital work-in-progress

Capital work-in-progress consists of expenditure incurred and advances made in respect of tangible and intangible assets in the course of their construction and installation. Transfers are made to relevant operating assets category as and when assets are available for use.

3.1.3 Major spare parts and stand-by equipment

Major spare parts and stand-by equipment qualify as property, plant and equipment when the Company expects to use them for more than one year. Transfers are made to relevant operating assets category as and when such items are available for use.

3.2 Intangible assets

An intangible asset is recognised if it is probable that future economic benefits attributable to the asset will flow to the Company and that the cost of such asset can be measured reliably. These are stated at cost less accumulated amortisation and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding the cost beyond one year, are recognised as intangible assets. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Intangible assets are amortised using the straight-line method over a period of three years or license period, whichever is less.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

3.3 Financial Instruments - Initial recognition and subsequent measurement

Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss (“FVTPL”),
- at fair value through other comprehensive income (“FVTOCI”), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognised at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income / (loss).

ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognised in profit or loss. Currently, there are no financial liabilities designated at FVTPL.

Impairment of financial asset

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortised cost at an amount equal to life time ECLs except for the following, which are measured at 12 months ECLs:

- bank balances for whom credit risk (the risk of default occurring over the expected life of the financial instrument has not increased since the inception).

- employee receivables.

- other short term receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

The Company considers a financial asset in default when it is more than 90 days past due.

Life time ECLs are the ECLs that results from all possible defaults events over the expected life of a financial instrument. 12 months ECLs are that portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

Derecognition

i) Financial assets

The Company derecognises the financial assets only when the contractual rights to cash flows from the financial assets expire or it transfers the rights to receive contractual cashflows in a transaction in which substantially all the associated risks and rewards of ownership to another entity or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to with in equity.

ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.4 Stores, spares and chemicals

Stores, spares and chemicals, except items in transit, are stated at moving average cost. Cost comprises invoice value and other direct costs. Provision is made for slow moving and obsolete items wherever necessary.

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

3.5 Stock-in-trade

Stock of crude oil and condensate is valued at lower of cost, determined on a First-In-First-Out (FIFO) basis and net realisable value. Crude oil in transit is valued at cost comprising invoice value plus other charges incurred thereon.

Stocks of semi-finished and finished products are valued at lower of cost, determined on a FIFO basis and net realisable value. Cost in relation to semi-finished and finished products represents cost of crude oil and an appropriate portion of manufacturing overheads.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred to make the sale.

3.6 Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value.They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Refer note 3.3 for a description of the Company's impairment policies.

3.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts, short-term investments with original maturities of three months or less and short term borrowings repayable on demand, which form an integral part of the Company's cash management.

3.8 Staff retirement benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans.

3.8.1 Defined contribution plan

The Company operates an approved contributory provident fund for all employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% per annum of the basic salary. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

3.8.2 Defined benefit plans

Defined benefit plans define an amount of pension or gratuity or medical benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the Projected Unit Credit Method. The most recent valuations of the schemes were carried out as at June 30, 2026.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bonds. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related benefit obligation.

The Company operates the following schemes:

i) The Company operates an approved funded defined benefit pension scheme for permanent, regular and full-time management employees and supervisory staff who joined the Company prior to January 01, 2012 and eligible promotees transferred to management cadre. Contributions to the scheme are made in accordance with actuarial recommendations and the governing trust rules.

ii) The Company operates an approved funded defined benefit gratuity scheme for management employees joining on or after January 01, 2012. Contributions are made periodically on the basis of actuarial recommendations and applicable regulatory requirements.

iii) The Company operates an approved funded defined benefit gratuity scheme for non-management permanent employees. Contributions to the scheme are made in accordance with actuarial recommendations.

iv) The Company operates a funded post-retirement medical benefit scheme for eligible management employees who joined the Company on or before September 01, 2006. The scheme provides post-retirement medical benefits to eligible retired employees and their spouse and qualifying beneficiaries in accordance with the rules of the scheme. Contributions are made based on actuarial valuations.

When the calculation results in a surplus for the Company, the recognised asset is limited to the present value of the economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. In determining the present value of available economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability or asset, comprising actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and the return on plan assets, excluding amounts included in net interest, are recognised immediately in other comprehensive income. Amounts recognised in other comprehensive income are not subsequently reclassified to profit or loss.

Current service cost, past service cost, gains or losses on settlements and net interest on the net defined benefit liability or asset are recognised immediately in profit or loss. Net interest is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual reporting period to the net defined benefit liability or asset, taking into account any changes resulting from contributions and benefit payments during the period.

When the benefits of a plan are changed or a plan is curtailed, the resulting change in benefit relating to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on settlement of defined benefit plans when the settlement occurs.

3.9 Compensated absences

The Company accounts for compensated absences on the basis of unavailed leave balance of each entitled employee at the end of the year.

Provisions are made to cover the obligations under the scheme on the basis of actuarial valuation and are charged to income. The most recent valuation was carried out as at June 30, 2026 using the 'Projected Unit Credit Method'.

3.10 Trade and other payables

Liabilities for trade and other payables including amounts payable to related parties are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received.

3.11 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimates.

3.12 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.13 Taxation

3.13.1 Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability.

3.13.2 Deferred

Deferred tax is accounted for using the liability method on all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent of availability of future taxable profits and involve preparation of future cash flow projections that take into account significant estimates and judgements about future margin and capacity utilisation against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited in the statement of profit or loss. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

3.13.3 Levy

Minimum Taxes (i.e. the amount in excess of Company corporate income tax) which is not adjustable against the future income tax liability, final tax and any tax charged under Income Tax Ordinance, 2001 which is not based on taxable income are classified as Levies in the statement of profit or loss under the scope of IFRIC 21/IAS 37.

3.14 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control over the products is transferred to the customer, that is when the customer has the ability to control the use of the transferred products provided and generally derive their remaining benefits and there is no unfulfilled obligation that could affect the customer's acceptance of the product. It is measured at the transaction price which the Company expects to be entitled to and represents the amount of products supplied, after netting of discounts and value added taxes.

The performance obligation is satisfied and revenue is recognised as follows:

a) Revenue from local sales of products delivered through pipelines is recognised when control of the products is transferred to the customer. This occurs when the products pass through the pipeline flange and delivered to the customer's storage facilities and joint dip statements have been finalised. However, where specific contractual arrangements provide that control arises only upon the customer’s upliftment from the pipeline facility, revenue is recognised at the time of such upliftment. Sale of products loaded through gantry is recognised when products are loaded into tank lorries.

b) Export sales are recorded on the basis of products delivery at agreed delivery points.

The company operates under the import parity pricing formula, as modified from time to time, whereby the company is allowed to charge product prices based to the 'import parity' price calculated under the prescribed parameters. Accordingly, the transaction price of the regulated products are determined in accordance with the directives issued by the Government of Pakistan. Post war from April 17, 2026 onwards, Government introduced weekly pricing mechanism and made multiple changes in the pricing formula based on multiple new factors including cost plus mechanism for High Speed Diesel. Whereas, the sale prices of deregulated products are agreed under the contract with customer.

No element of financing is deemed present as the sales are made with a credit term of 21 days, which is consistent with the market practice. However, credit terms can be extended subject to CEO's approval, considering the market dynamics.

Net revenue from products, which are sold at volume discount, is recognised net of such discounts.

3.15 Other income

Sale of fixed assets is recognised as income when risk and rewards of ownership are transferred.

Profit from savings accounts is accounted for as income on accrual basis.

Rent income is accounted on straight line basis or in accordance with the terms of the agreement.

Handling and storage income, pipeline charges, scrap sales, insurance rebate and rental income are recognised when services are rendered.

3.16 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction cost incurred.

Borrowings are classified as current liabilities unless the Company has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the reporting date.

Covenants that the Company is required to comply with, on or before the reporting date, are considered in classifying relevant borrowing arrangements as current or non-current liabilities.

Borrowing costs are recognised as an expense in the period in which these are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset.

3.18 Functional currency and foreign currency transactions

Transactions in foreign currencies are converted into Pak Rupees using the exchange rates prevailing on the dates of the transactions. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees using the exchange rates prevailing on the statement of financial position date. Exchange differences are taken to the statement of profit or loss.

3.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Company. Previously, the fuel and lube segments of the Company were organised and reviewed separately by the CODM, in consideration of the requirements of the previous refining policies as given in note 19.2. Subsequent to the supersession by the Brownfield policy of all the previous policies, the CODM view the Company's operations as one operating segment considering that the sale of Company's petroleum products are subject to similar economic characteristics. Accordingly, the management has determined that the Company has a single reportable segment.

3.20 Dividends and appropriation to general reserve

Dividends and appropriation to general reserves are recognised in the financial statements in the period in which these are approved.

3.21 Lease liability and right-of-use asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments or variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

4. PROPERTY, PLANT AND EQUIPMENT

	2026	2025
	------- (Rupees in thousand) -------	
- Operating assets - note 4.1	63,484,731	64,156,931
- Major spare parts and stand-by equipment - note 4.2	1,749,579	1,617,793
- Capital work-in-progress - note 4.3	3,013,510	2,104,548
	68,247,820	67,879,272

4.1 Operating assets

	Leasehold land (notes 4.1.1 to 4.1.3)	Buildings on leasehold land	Right-of-use asset (note 4.1.5)	Plant and machinery (note 4.1.7)	Vehicles	Furniture and fixtures	Computers and other related accessories	Office and other equipment	Total
					(Rupees in thousand)				
Year ended June 30, 2026									
Opening net book value	46,173,889	429,371	86,194	17,007,103	35,911	12,212	13,491	398,760	64,156,931
Additions	-	-	-	-	47,661	618	12,614	22,468	83,361
Transfers from capital work in progress - note 4.3	-	36,881	-	682,763	1,267	1,769	1,529	76,174	800,383
Disposals - note 4.1.9									
Cost	-	-	-	(3,924)	(41,711)	-	(6,318)	(417)	(52,370)
Accumulated depreciation	-	-	-	3,924	37,864	-	6,318	417	48,523
	-	-	-	-	(3,847)	-	-	-	(3,847)
Depreciation charge - note 4.1.8	-	(36,332)	(17,239)	(1,382,237)	(9,838)	(2,003)	(9,060)	(95,388)	(1,552,097)
Closing net book value	46,173,889	429,920	68,955	16,307,629	71,154	12,596	18,574	402,014	63,484,731
As at June 30, 2026									
Cost / revalued amount	46,173,889	1,117,071	189,627	50,761,000	205,166	40,792	114,787	1,839,010	100,441,342
Accumulated depreciation	-	(687,151)	(120,672)	(34,453,371)	(134,012)	(28,196)	(96,213)	(1,436,996)	(36,956,611)
Net book value	46,173,889	429,920	68,955	16,307,629	71,154	12,596	18,574	402,014	63,484,731
Year ended June 30, 2025									
Opening net book value	40,065	453,820	103,433	19,851,656	46,792	13,781	10,172	417,055	20,936,774
Additions	-	-	-	-	1,249	195	4,535	3,775	9,754
Revaluation surplus	46,134,419	-	-	-	-	-	-	-	46,134,419
Transfers from capital work in progress - note 4.3	-	18,249	-	487,670	-	185	4,954	76,075	587,133
Disposals - note 4.1.9									
Cost	-	-	-	-	(2,507)	-	-	(690)	(3,197)
Accumulated depreciation	-	-	-	-	2,360	-	-	690	3,050
	-	-	-	-	(147)	-	-	-	(147)
Written off									
Cost	-	-	-	-	(705)	-	-	(442)	(1,147)
Accumulated depreciation	-	-	-	-	705	-	-	232	937
	-	-	-	-	-	-	-	(210)	(210)
Depreciation charge - note 4.1.8	(595)	(42,698)	(17,239)	(3,332,223)	(11,983)	(1,949)	(6,170)	(97,935)	(3,510,792)
Closing net book value	46,173,889	429,371	86,194	17,007,103	35,911	12,212	13,491	398,760	64,156,931
As at June 30, 2025									
Cost	46,173,889	1,080,190	189,627	50,082,161	197,949	38,405	106,962	1,740,785	99,609,968
Accumulated depreciation	-	(650,819)	(103,433)	(33,075,058)	(162,038)	(26,193)	(93,471)	(1,342,025)	(35,453,037)
Net book value	46,173,889	429,371	86,194	17,007,103	35,911	12,212	13,491	398,760	64,156,931
Annual Rate of Depreciation %	-	5 to 10	9.09 to 20	2.63 to 33.33	20	6.67 to 12.5	15.38 to 33.33	5 to 50	
Useful life (in years)	-	10 to 20	5 to 11	3 to 38	5	8 to 15	3 to 6.5	2 to 20	

4.1.1 Leasehold land includes land sub-leased to Anoud Power Generation Limited (APGL)** and licensed to the following licensees:

- Pak-Hy Oils (Private) Limited *
- Pakistan State Oil Company Limited *
- PERAC Research & Development Foundation *
- Petroleum Packages (Private) Limited *
- Pakistan Oilfields Limited
- Attock Petroleum Limited

* *License period of these licensees has expired and the Company has initiated the necessary course to recover the possession of land.*

** *The sublease expired on May 25, 2026 and the Company had allowed APGL to continue occupying the land on a temporary basis for three months. This temporary arrangement does not constitute an extension or renewal of the original sublease.*

4.1.2 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location	Usage of immovable property	Total Area (In acres)
Plot No. 7B, 7D, 7E and other adjacent plots, Korangi Industrial Area, Karachi	Refining complex and related facility	275

4.1.3 Leasehold land measuring 275 acres located at Plot No. 7B, 7D, 7E and other adjacent plots, Korangi Industrial Area, Karachi, where the Refinery is situated, was revalued at Rs. 46.17 billion, resulting in a surplus of Rs. 46.13 billion over the carrying amount before revaluation which has been credited to other comprehensive income and is shown as "Revaluation surplus on leasehold land". The value was determined by an independent valuer M/s. AXA Surveyors Pakistan (Pvt.) Ltd. ("the valuer") on June 30, 2025 on the basis of present market value keeping in view that the land is leasehold and to be used for the petroleum industry / oil refinery purpose. The forced sales value has been determined by the independent valuer at Rs. 32.32 billion as at June 30, 2025.

The surplus on revaluation is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

The carrying amount of the aforementioned asset as at June 30, 2026, if the said asset had been carried at historical cost, would have been Rs. 60.04 million.

4.1.4 The cost of operating assets includes assets amounting to Rs. 9.77 billion (2025: Rs. 9.58 billion) with nil book value.

4.1.5 The right-of-use asset comprise a leasehold land at oil installation area, Keamari of Karachi Port Trust (KPT), used by the Company for its operations.

4.1.6 In the current year variable lease for right-of-use assets amounted to Rs. 2.8 million (2025: Rs. 4 million).

4.1.7 Plant and machinery includes oil terminal, processing plant and storage tanks, power generation plants, pipelines, water, power and other utilities.

4.1.8 The break up of depreciation charge for the year is as follows:

	Note	2026	2025
		(Rupees in thousand)	
Cost of sales	31	1,508,301	3,459,352
Distribution cost	32	1,457	1,302
Administrative expenses	33	42,339	50,138
		1,552,097	3,510,792

4.1.9 Details of property, plant and equipment disposed during the year are as follows:

Description	Cost	Accumulated depreciation	Net book Value	Sale Proceeds	Gain on disposal	Mode of disposal	Particular of buyers	Relationship with buyer
	(Rupees in thousand)							
Items having net book value in excess of five hundred thousand rupees or more are as follows:								
Vehicle	4,624	1,614	3,010	4,500	1,490	Insurance Claim	EFU General Insurance Ltd.	Third Party
Vehicle	2,525	1,688	837	837	-	As per policy	Muhammad Fahad	Employee
Other Items having net book value less than or equal to five hundred thousand rupees are as follows:	45,221	45,221	-	6,300	6,300			
Year ended June 30, 2026	52,370	48,523	3,847	11,637	7,790			
Year ended June 30, 2025	4,344	3,987	357	2,479	2,122			

4.2 Major spare parts and stand-by equipment

	2026	2025
	(Rupees in thousand)	
Net carrying value		
Balance at beginning of the year	1,700,275	878,473
Additions during the year	881,335	1,220,110
Transfers made during the year	(749,549)	(398,308)
	1,832,061	1,700,275
Provision for impairment	(82,482)	(82,482)
Balance at end of the year	1,749,579	1,617,793

4.3 Capital work-in-progress

	Balance as at July 1, 2025	Additions during the year	Transfers	Balance as at June 30, 2026	Balance as at July 1, 2024	Additions during the year	Transfers	Balance as at June 30, 2025
	(Rupees in thousand)							
Buildings on leasehold land	25,639	19,177	(2,908)	41,908	26,139	17,749	(18,249)	25,639
Refineries upgradation projects	971,735	-	-	971,735	971,735	-	-	971,735
Plant and machinery	837,382	1,160,945	(718,009)	1,280,318	608,759	716,293	(487,670)	837,382
Office and other equipments	111,924	278,231	(79,466)	310,689	104,462	88,676	(81,214)	111,924
	1,946,680	1,458,353	(800,383)	2,604,650	1,711,095	822,718	(587,133)	1,946,680
Advances to contractors / suppliers	157,868	352,719	(101,727)	408,860	113,979	58,231	(14,342)	157,868
	2,104,548	1,811,072	(902,110)	3,013,510	1,825,074	880,949	(601,475)	2,104,548

	2026	2025
	------- (Rupees in thousand) -------	

5. INTANGIBLE ASSETS

	2026	2025
Operating intangible assets - note 5.1	563	2,153
Capital work in progress (CWIP)	1,050	1,050
	1,613	3,203

5.1 Operating intangible assets - computer softwares

	2026	2025
Net carrying value		
Balance at beginning of the year	2,153	2,865
Additions during the year	-	769
Amortisation for the year - note 5.3	(1,590)	(1,481)
Balance at end of the year	563	2,153
Gross carrying value		
Cost	368,127	368,127
Accumulated amortisation	(367,564)	(365,974)
Net book value	563	2,153
Amortisation rate (per annum)	33.33%	33.33%

5.2 The cost of intangible assets include assets amounting to Rs. 363.47 million (2025: Rs. 363.23 million) with nil book value.

5.3 The break up of amortisation charge for the year is as follows:

	2026	2025
	------- (Rupees in thousand) -------	
Cost of sales - note 31	1,344	1,394
Administrative expenses - note 33	246	87
	1,590	1,481

6. LONG-TERM INVESTMENT

Fair value through OCI

	2026	2025
Anoud Power Generation Limited [1,080,000 (2025: 1,080,000) Ordinary shares of Rs.10 each, Equity held 9.09 percent (2025: 9.09 percent)]	15,463	14,123

The above investment was revalued by an independent valuer - M/s JS Global Capital Limited on June 30, 2026 based on the discounted cash flow analysis.

The following table presents the movement in level 3 item for the year ended June 30, 2026.

	Unlisted equity security	
	2026	2025
	(Rupees in thousand)	
Balance at the beginning of the year	**14,123**	14,822
Gain / (loss) recognised during the year	**1,340**	(699)
Balance at the end of the year	**15,463**	14,123

7. LONG-TERM LOANS

Loans - considered good

	2026	2025
Secured - note 7.1		
Loans to employees	**10,670**	15,564
Less: Recoverable within one year - note 13	**(4,708)**	(3,727)
	5,962	11,837
Unsecured - note 7.2		
Loans to employees	**754**	1,013
Less: Recoverable within one year - note 13	**(221)**	(259)
	533	754
	6,495	12,591

7.1 The secured loans to employees are for the purchase of motor cars and house building. These are granted in accordance with the terms of their employment and are recoverable in monthly installments over a period ranging between 5 to 10 years (2025: 5 to 10 years). Out of these, car loans amounting to Rs. 0.5 million (2025: Rs. 1.2 million) carry interest ranging from 3% to 7% (2025: 3% to 7%) per annum. These loans are secured against original title documents of respective assets. The Company has not discounted the said loans since the amount is immaterial to the financial statements.

7.2 The unsecured loans to employees are either personal loans or given for the purchase of furniture or motor cycles. These are granted in accordance with the terms of their employment and are recoverable in monthly installments over a period of 4 to 12 (2025: 4 to 12) years and are interest free.

7.3 Long term loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these financial statements.

8. LONG-TERM DEPOSITS

	2026	2025
	(Rupees in thousand)	
Utilities	**14,216**	14,216
Others	**16,049**	16,049
	30,265	30,265

8.1 These deposits do not carry any mark up arrangement.

	2026	2025
	(Rupees in thousand)	

9. DEFERRED TAXATION

	2026	2025
Deferred tax asset	16,061,903	19,098,385
Deferred tax liability	(3,129,849)	(3,214,216)
	12,932,054	15,884,169

	Accelerated tax depreciation and amortisation	Right-of-use asset net of lease liability - IFRS 16	Provision for duties and taxes	Provision for slow moving and obsolete stores, spares and chemicals	Provision for old outstanding liabilities offered for tax	Provision for doubtful debt, doubtful receivables, staff retirement benefits, pending litigation and others	Minimum tax	Alternate corporate tax	Tax loss	Total
	(Rupees in thousand)									
July 01, 2025	(3,214,216)	22,512	19,112	137,911	134,083	238,262	2,757,280	-	15,789,225	15,884,169
Credit / (charge) to statement of profit or loss and statement of comprehensive income for the year	84,367	6,256	(980)	(10,095)	(6,876)	17,830	-	-	(3,042,617)	(2,952,115)
June 30, 2026	(3,129,849)	28,768	18,132	127,816	127,207	256,092	2,757,280	-	12,746,608	12,932,054
July 01, 2024	(3,869,820)	21,413	19,112	141,855	134,083	209,993	1,425,048	-	12,849,699	10,931,383
Credit / (charge) to statement of profit or loss and statement of comprehensive income for the year	655,604	1,099	-	(3,944)	-	28,269	1,332,232	-	2,939,526	4,952,786
June 30, 2025	(3,214,216)	22,512	19,112	137,911	134,083	238,262	2,757,280	-	15,789,225	15,884,169

9.1 The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position.

9.2 The projected deferred tax position is based on management's current forecasts of future taxable profits, business performance, timing of temporary difference reversals, and the utilization of available tax attributes. These projections involve significant judgment and are subject to uncertainties arising from changes in market conditions, business results, tax legislation, regulatory interpretations, and other economic factors.

Accordingly, actual outcomes may differ from the assumptions used in the forecast. Any changes in estimated future profitability, tax rates, or the recoverability of deferred tax assets could result in material adjustments to deferred tax balances and related tax expense in future reporting periods. Management will continue to monitor developments and revise estimates as necessary based on the latest available information.

9.3 The Company has not recognised deferred tax asset of Rs. 181.45 million (2025: Rs. 2,046.29 million) in respect of the below deductible temporary differences as their recoverability is dependent on the improved profitability of the Company.

	2026	2025
	(Rupees in thousand)	
Debit balance arising in respect of:		
Minimum tax	-	1,864,843
Alternative corporate tax	181,447	181,447
Unrecognised deferred tax asset	181,447	2,046,290

9.4 Under the Finance Act, 2019, the standard corporate rate of tax remains fixed at 29% for the tax year 2020 and onwards. The progressive and sector-based super tax regimes previously introduced under Section 4C of the Income Tax Ordinance, 2001, have been systematically rationalised by the Finance Act, 2026. Under the revised framework, for companies with taxable income exceeding Rs. 500 million, the maximum applicable super tax rate has been reduced from 10% to 8%. Deferred tax assets and liabilities have been measured and recognised using the updated expected applicable rates i.e. 37% based on the company's projected future earnings threshold.

10. STORES, SPARES AND CHEMICALS

	2026	2025
	------- (Rupees in thousand) -------	
In hand		
- Stores	87,357	92,037
- Spares	1,668,378	1,649,051
- Chemicals	605,188	389,126
	2,360,923	2,130,214
In transit	1,405,450	178,116
	3,766,373	2,308,330
Provision for slow moving and obsolete stores, spares and chemicals - note 10.1	(262,969)	(271,137)
	3,503,404	2,037,193

10.1 The Company made a reversal of provision for slow moving and obsolete stores, spares and chemicals of Rs. 8.17 million (2025: Rs. 7.94 million).

10.2 These are subject to ranking charge against Company's short term running finance and financing under Islamic arrangement.

11. STOCK-IN-TRADE

	2026	2025
	------- (Rupees in thousand) -------	
Crude oil and condensate [including in transit Rs. 13.89 billion (2025: Rs. 3.68 billion)]	21,420,970	13,301,872
Semi-finished products - note 11.1	8,298,493	8,413,551
Finished products - note 11.2	16,991,869	7,726,219
	46,711,332	29,441,642

11.1 As at June 30, 2026, stock of semi-finished products has been written down by Rs. 3.41 billion (2025: Nil) to arrive at its net realisable value of Rs. 8.30 billion (2025: Nil).

11.2 As at June 30, 2026, stock of finished products has been written down by Rs. 3.58 billion (2025: Rs. 0.16 billion) to arrive at its net realisable value of Rs. 16.66 billion (2025: Rs. 2.17 billion).

11.3 These are subject to ranking charge against Company's short term running finance and financing under Islamic arrangement.

12. TRADE RECEIVABLES - unsecured

	2026	2025
	(Rupees in thousand)	
Considered good		
- Related party - Attock Petroleum Limited - notes 12.1 and 12.2	7,798,595	6,262,342
- Others - note 12.3	14,491,384	11,497,153
Considered doubtful	7,832	7,832
	22,297,811	17,767,327
Less: Allowance for expected credit loss	(7,832)	(7,832)
	22,289,979	17,759,495

12.1 There are no trade receivable from related party that are past due or impaired.

12.2 The maximum aggregate amount due from the related party at the end of any month during the year was Rs. 10.82 billion (2025: Rs. 8.99 billion).

12.3 The trade receivables that are past due but not impaired is Rs. 0.03 million (2025: Rs. 0.03 million).

12.4 These are subject to ranking charge against Company's short term running finance and financing under Islamic arrangement.

13. LOANS AND ADVANCES

	2026	2025
	(Rupees in thousand)	
Loans - considered good		
Current portion of long term loans - note 7		
Secured		
- Employees	4,708	3,727
Unsecured		
- Employees	221	259
Short term loans to employees - unsecured and interest free	1,038	357
Advances - note 13.1		
- Employees	12,071	16,540
- Suppliers - note 13.1.1	165,799	95,250
	177,870	111,790
	183,837	116,133

13.1 These advances do not carry any mark up arrangement.

13.1.1 These include advances to foreign suppliers against purchases of stores and various other items amounting to Rs. 104.29 million (2025: Rs. 89.65 million).

	Note	2026	2025
		(Rupees in thousand)	
14. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Deposits - note 14.1		40,279	12,299
Prepayments			
- Insurance		28	213
- Others		27,740	21,979
		27,768	22,192
		68,047	34,491

14.1 These deposits do not carry any mark up arrangement.

15. OTHER RECEIVABLES – considered good

	Note	2026	2025
Receivable from related parties			
- Attock Petroleum Limited	15.1	65,355	17,430
- The Attock Oil Company Limited		16	10
- Pakistan Oilfields Limited		80	92
- Attock Refinery Limited		91	20
Others:			
- Government of Pakistan	15.2	232,809	232,809
- Sales tax receivable	15.3	748,787	567,691
- Additional tax claimed by Federal Board of Revenue	15.4	251,625	251,625
- Custom duty receivable	23.6	-	6,602,789
- Sales tax reimbursement from IFEM	15.5	6,060,616	3,723,124
- Others		669,754	1,130,717
- Workers' profits participation fund		15,899	-
		8,045,032	12,526,307

15.1 The maximum amount due from related parties at the end of any month during the year are as follows:

	2026	2025
	(Rupees in thousand)	
- Attock Petroleum Limited	65,355	22,958
- The Attock Oil Company Limited	16	10
- Pakistan Oilfields Limited	5,559	171
- Attock Refinery Limited	108	72
	71,038	23,211

15.2 This represents the Company's share of Price Differential Claims recoverable from the Government of Pakistan relating to the years 2004-2008 pricing support mechanism for petroleum products. The claims are being pursued through Oil Companies Advisory Committee (OCAC) with the Ministry of Energy (Petroleum Division). Management believes that the receivable is realizable based on the status of the claim and ongoing follow-up with the relevant authorities; accordingly, no provision for expected credit loss has been recognized.

15.3 This includes receivable on account of sales tax paid to the Federal Board of Revenue amounting to Rs. 567.69 million (2025: Rs. 567.69 million) in respect of sales tax demand received for the periods July 2013 to June 2014, July 2015 to June 2016 and June to September 2016. These cases were remanded back by Commissioner Inland Revenue (Appeals) (CIRA). However, the Company has filed appeals with the Appellate Tribunal Inland Revenue (ATIR) against orders of CIRA on certain points which were not decided in favour of the Company. The CIRA in remand back proceedings has decided the cases in favour of the Company for the total amount of Rs. 552.99 million for which Appeal Effect Orders have been issued by the department during the year.

15.4 This represents amount paid against the order of demand for monitoring of withholding taxes for tax years 2014 and 2016. For tax year 2014, the case has been remanded back by Commissioner Inland Revenue (Appeals) (CIRA), and remand back proceedings have decided the case in favour of the Company. Whereas, for tax year 2016, the Company had filed an appeal before the CIRA against the order passed in remand back proceedings, the said appeal has been decided in the Company's favour vide order dated June 19, 2023.

15.5 This represents input tax on sales related to exempt supplies amounting to Rs. 2.37 billion and output tax on own consumption attributable to exempt sales amounting to Rs. 3.69 billion which is to be reimbursed through Inland Freight Equalization Margin (IFEM) as per the approved mechanism notified by OGRA.

In the Finance Act, 2024, the status of certain petroleum products (i.e., Motor Gasoline, High Speed Diesel, Kerosene and Light Diesel Oil) has been changed from 'taxable supplies' (with zero rating) to ‘exempt supplies’ under the Sales Tax Act, 1990, resulting in increase in company’s operating cost due to the disallowance of input tax and output tax applicable on own consumption attributable to exempt supplies. In this connection, OGRA has notified a mechanism of recovery of the disallowed input tax pertaining to the fiscal year 2024-25 through IFEM. Accordingly, the Company has submitted the aforementioned claims to the relevant authority for their settlement. The Company had made recovery of 75% of the unadjusted sales tax for the year 2024-25. Based on discussion and understanding with MEPD on the re-imbursement of disallowed sales tax, the Company has continued the approach of recording receivable of disallowed sales tax from IFEM for the current year as well.

16. SHORT-TERM INVESTMENTS

This represents investment in Treasury Bills carrying an effective yield of 11.29% per annum (2025: 12.93 %) maturing on October 29, 2026.

17. CASH AND BANK BALANCES

	2026	2025
	(Rupees in thousand)	
Cash at bank		
Conventional		
Current accounts	185,648	294,649
Savings accounts - note 17.1	271,449	17,683
Deposit accounts - notes 17.1 and 17.2	758,453	351,829
	1,215,550	664,161
Islamic		
Current accounts	1,150	15,256
Savings accounts - note 17.1	82	23
	1,232	15,279
Cash in hand	1,000	500
	1,217,782	679,940

17.1 These carry interest rates ranging from 5% to 9.75% (2025: 7% to 19%) per annum.

17.2 These represent Term Deposit Receipts as bank guarantees under lien issued on behalf of the Company.

18. SHARE CAPITAL

2026	2025		2026	2025
Number of shares			(Rupees in thousand)	
Authorised share capital				
100,000,000	100,000,000	Ordinary shares of Rs. 10 each	1,000,000	1,000,000
Issued, subscribed and paid-up capital				
59,450,417	59,450,417	Ordinary shares of Rs. 10 each fully paid in cash	594,504	594,504
6,469,963	6,469,963	Ordinary shares of Rs. 10 each issued for consideration other than cash	64,700	64,700
14,046,180	14,046,180	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	140,462	140,462
79,966,560	79,966,560		799,666	799,666

18.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

18.2 As at June 30, 2026 and 2025, Attock Group holds 51% equity stake in the Company through the following Companies.

	2026	2025
	(Number of shares)	
- Attock Refinery Limited	19,991,640	19,991,640
- Pakistan Oilfields Limited	19,991,640	19,991,640
- Attock Petroleum Limited	799,665	799,665

19. RESERVES

	Note	2026	2025
		(Rupees in thousand)	
Capital reserves			
Capital compensation reserve	19.1	10,142	10,142
Exchange equalisation reserve		4,117	4,117
Utilised special reserve	19.2	9,631,914	9,631,914
		9,646,173	9,646,173
Revenue reserves			
General reserve		31,961,000	31,961,000
Revaluation of investment at fair value through OCI		15,463	14,123
Accumulated loss		(32,108,458)	(38,239,000)
		(131,995)	(6,263,877)
		9,514,178	3,382,296

19.1 Capital compensation reserve includes net amounts for (a) premature termination of crude oil sales, bareboat charter-party and technical assistance agreements, (b) design defects and terminated service agreements and (c) termination of bareboat charter-party and affreightment agreements.

19.2 This represents amounts utilised out of the Special Reserve for upgradation and expansion of the refinery.

As per the Import Parity Pricing (IPP) formula, effective July 1, 2002, certain refineries including the Company have been directed to transfer from their net profit after tax for the year from fuel refinery operations, an amount in excess of 50% of the paid-up share capital, as on July 1, 2002 attributable to fuel segment, to Special Reserve to offset against any future losses or to make investment for expansion or upgradation.

During 2013, Government of Pakistan issued a policy framework for upgradation and expansion of refinery projects which interalia states that "till the completion of the projects, refineries will not be allowed to offset losses, if any, for the year ended June 30, 2013 or subsequent years against the amount of profit above 50% accumulated or to be accumulated in the special reserves account as per pricing formula".

In August 2023, the Government of Pakistan notified the Brownfield policy. This Policy supersedes all previous Refining Policies. Thus, the requirement to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into Special Reserve Account is no more required.

20. LONG-TERM BORROWING

This represents medium-term loan facility obtained for three years (including one year grace period) from a conventional bank amounting to Rs. 15 billion (2025: Rs.15 billion). The rate of mark-up applicable on this loan is based on three months KIBOR plus 0.15% (2025: 0.15%) per annum. This facility is secured against fixed charge on Company's selected plant & machinery.

In respect of the above long-term borrowing, the Company is required to comply with certain covenants on its long-term borrowing, after the end of each reporting period. These covenants require the Company to have a specified amount of local and export proceeds routed through the Bank counters. These covenants do not affect the classification of borrowing at reporting date.

21. LEASE LIABILITY

	2026	2025
	(Rupees in thousand)	
Lease liabilities under IFRS 16 - notes 21.1 and 21.2	**172,255**	143,916
Non Current portion	**141,782**	125,646
Current portion	**30,473**	18,270

21.1 Maturity analysis of lease liabilities

	2026			2025		
	Minimum lease payments	Interest	Present value of minimum lease payments	Minimum lease payments	Interest	Present value of minimum lease payments
	(Rupees in thousand)					
Less than one year	53,132	(22,659)	30,473	38,418	(20,148)	18,270
Between one and five years	182,169	(40,387)	141,782	173,869	(48,223)	125,646
	235,301	(63,046)	172,255	212,287	(68,371)	143,916

21.2 Following is the carrying amount of lease liabilities and the movement during the year:

	2026	2025
	------- (Rupees in thousand) -------	
Balance at the beginning of the year	143,916	158,338
Additions during the year	50,934	-
Interest expense	18,226	19,539
Payments	(40,821)	(33,961)
Balance at the end of the year	172,255	143,916

21.3 The lease liability was measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rates ranging from 11.04 % to 14% (2025: 14%).

22. RETIREMENT BENEFIT OBLIGATIONS / (PREPAYMENTS)

22.1 The Company operates approved funded pension scheme for permanent management staff who joined prior to January 01, 2012, approved funded gratuity scheme for permanent management employees who joined the Company on or after January 1, 2012, approved funded gratuity scheme for permanent non-management employees and approved funded medical scheme for management employees of the Company who joined prior to September 01, 2006. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2026 using the 'Projected Unit Credit Method'.

22.2 Plan assets held in trust are governed by local regulations which mainly include the Sindh Trust Act, 2020; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the trust deeds. Responsibility for governance of the Plans, including investment decisions, lies with the Boards of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

22.3 Risks on account of defined benefit plan

The Company faces the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investment.

22.4 The latest actuarial valuation of the Plans as at June 30, 2026 was carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuation are as follows:

	2026				2025			
	Pension fund	Medical fund	Non - management gratuity fund	Management gratuity fund	Pension fund	Medical fund	Non - management gratuity fund	Management gratuity fund
	(Rupees in thousand)							

22.4.1 Balance sheet reconciliation

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
Present value of defined benefit obligation at June 30 - note 22.4.2	6,483,604	2,510,453	286,820	150,920	6,288,528	2,344,031	263,836	126,488
Fair value of plan assets at June 30 - note 22.4.3	(7,255,332)	(1,719,596)	(171,048)	(131,527)	(7,006,187)	(1,692,287)	(172,746)	(126,097)
(Surplus) / deficit	(771,728)	790,857	115,772	19,393	(717,659)	651,744	91,090	391

22.4.2 Movement in the present value of defined benefit obligation

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
Balance at July 1	6,288,528	2,344,031	263,836	126,488	5,698,349	2,054,088	255,589	131,562
Benefits paid by the plan	(563,966)	(155,625)	(673)	(8,836)	(529,653)	(162,460)	(7,879)	(11,527)
Current service cost	52,047	11,637	2,162	18,016	55,446	12,055	4,151	20,964
Interest cost	702,811	286,219	30,256	16,428	799,635	296,467	36,721	20,374
Transfers	23,422	-	(23,422)	-	20,544	-	(20,544)	-
Remeasurement on obligation	(19,238)	24,191	14,661	(1,176)	244,207	143,881	(4,202)	(34,885)
Balance at June 30	6,483,604	2,510,453	286,820	150,920	6,288,528	2,344,031	263,836	126,488

22.4.3 Movement in the fair value of plan assets

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
Balance at July 1	7,006,187	1,692,287	172,746	126,097	6,455,675	1,603,466	171,234	118,828
Contributions paid into the plan	-	-	-	-	-	-	-	-
Transfers	23,422	-	(23,422)	-	20,544	-	(20,544)	-
Benefits paid by the plan	(563,966)	(155,625)	(673)	(8,836)	(529,653)	(162,460)	(7,879)	(11,527)
Interest income	782,579	205,201	20,062	16,382	903,915	230,532	24,821	18,609
Remeasurement on plan assets	7,110	(22,267)	2,335	(2,116)	155,706	20,749	5,114	187
Balance at June 30	7,255,332	1,719,596	171,048	131,527	7,006,187	1,692,287	172,746	126,097

22.4.4 (Income) / expense recognised in the statement of profit or loss

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
Current service cost	52,047	11,637	2,162	18,016	55,446	12,055	4,151	20,964
Net interest (income) / cost	(79,768)	81,018	10,194	46	(104,280)	65,935	11,900	1,765
(Income) / expense recognised in statement of profit or loss	(27,721)	92,655	12,356	18,062	(48,834)	77,990	16,051	22,729

22.4.5 Remeasurement recognised in Other Comprehensive Income or loss

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
(Gain) / loss from changes in financial assumptions	41,797	63,455	(4,121)	405	427,975	(14,100)	12,834	(16,151)
(Gain) / loss due to changes in experience adjustments	(61,035)	(39,264)	18,782	(1,581)	(183,768)	157,981	(17,036)	(18,734)
Gain on remeasurement of fair value of plan assets	(7,110)	22,267	(2,335)	2,116	(155,706)	(20,749)	(5,114)	(187)
Remeasurements	(26,348)	46,458	12,326	940	88,501	123,132	(9,316)	(35,072)

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
	(Rupees in thousand)							

22.4.6 Net recognised liability / (asset)

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
Net liability / (asset) at the beginning of the year	(717,659)	651,744	91,090	391	(757,326)	450,622	84,355	12,734
(Income) / expense recognised in profit and loss account	(27,721)	92,655	12,356	18,062	(48,834)	77,990	16,051	22,729
Contribution made to the fund during the year	-	-	-	-	-	-	-	-
Remeasurements recognised in other comprehensive income or loss	(26,348)	46,458	12,326	940	88,501	123,132	(9,316)	(35,072)
Recognised liability / (asset) as at end of the year	(771,728)	790,857	115,772	19,393	(717,659)	651,744	91,090	391

22.4.7 Analysis of present value of defined benefit obligation

	2026 Pension fund	2026 Medical fund	2026 Non - management gratuity fund	2026 Management gratuity fund	2025 Pension fund	2025 Medical fund	2025 Non - management gratuity fund	2025 Management gratuity fund
Vested/Non-Vested								
Vested benefits	6,483,604	2,499,469	286,820	125,656	6,288,528	2,326,788	263,836	109,976
Non-Vested benefits	-	10,984	-	25,264	-	17,243	-	16,512
Total	6,483,604	2,510,453	286,820	150,920	6,288,528	2,344,031	263,836	126,488
Present value of defined benefit obligation by type of employee:								
Active	2,306,714	348,568	-	-	2,379,624	374,288	-	-
Retiree	4,176,890	2,161,885	-	-	3,908,904	1,969,743	-	-
	6,483,604	2,510,453	-	-	6,288,528	2,344,031	-	-
Type of benefits earned to date								
Accumulated benefit obligation	5,673,097	2,402,469	171,024	63,994	5,580,893	2,223,729	150,467	52,128
Amounts attributed to future salary increases	810,507	107,984	115,796	86,926	707,635	120,302	113,369	74,360
	6,483,604	2,510,453	286,820	150,920	6,288,528	2,344,031	263,836	126,488

22.4.8 Major categories / composition of plan assets are as follows:

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2026	2025	2026	2025	2026	2025	2026	2025
Debt instruments	82.45%	84.18%	89.24%	99.88%	92.24%	93.22%	92.81%	94.82%
Equity - listed	2.44%	2.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mutual funds	14.51%	12.95%	10.63%	0.00%	6.05%	3.95%	0.00%	0.00%
Others	0.60%	0.84%	0.00%	0.12%	1.71%	2.83%	7.19%	5.18%

22.4.9 Composition of fair value of plan assets are as follows:

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2026	2025	2026	2025	2026	2025	2026	2025
	(Rupees in thousand)							
Debt instruments	5,981,957	5,897,882	1,534,650	1,690,290	157,772	161,036	122,075	119,561
Equity - Listed	177,028	142,205	-	-	-	-	-	-
Others	1,096,347	966,102	184,946	1,997	13,276	11,710	9,452	6,536
	7,255,332	7,006,189	1,719,596	1,692,287	171,048	172,746	131,527	126,097

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

22.4.10 Actuarial Assumptions

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2026	2025	2026	2025	2026	2025	2026	2025
Discount rate at June 30	11.75%	11.75%	12.25%	12.50%	11.75%	11.75%	12.25%	12.50%
Future salary increases / increase in cost								
- First year following the valuation	9.75%	9.75%	10.25%	10.50%	9.75%	9.75%	9.75%	9.75%
- Second year following the valuation	9.75%	9.75%	10.25%	10.50%	9.75%	9.75%	9.75%	9.75%
- Third year following the valuation	9.75%	9.75%	10.25%	10.50%	9.75%	9.75%	9.75%	9.75%
- Long term increase	9.75%	9.75%	10.50%	10.50%	11.50%	11.50%	9.75%	10.00%
Expected rate of increase in pension	6.75%	7.40%	-	-	-	-	-	-
Expected retirement age	60 years	60 years	60 years	60 years	60 years	60 years	60 years	60 years

22.4.11 Maturity profile of the defined benefit obligation

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2026	2025	2026	2025	2026	2025	2026	2025
Distribution of timing of benefit payments								
One year	657,478	683,916	133,892	123,477	6,081	15,187	12,088	7,835
Two years	705,250	662,137	150,351	139,225	26,895	19,960	8,869	12,681
Three years	708,989	709,039	167,791	155,503	24,338	24,844	13,739	9,503
Four years	728,437	713,005	185,490	172,276	51,964	22,877	14,074	14,091
Five years	737,013	743,751	203,439	189,839	141,642	48,521	27,100	14,024
Six years and onwards	4,931,251	4,666,059	1,338,265	1,259,808	261,549	356,321	224,264	146,999

22.5 In case of the funded plans, the Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the retirement benefit plan. Within this framework, the Company's ALM objective is to match assets to the retirement benefit obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement benefit plan obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2026 consists of government securities. The Company believes that government securities offer the best returns over the long term with an acceptable level of risk.

22.6 The expected return on plan assets has been determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the statement of financial position date.

The Company's contributions to gratuity, pension and medical benefit funds in 2027 is expected to amount to Rs. 117.69 million.

The actuary conducts separate valuations for calculating contribution rates. The Company contributes to the pension, gratuity and medical benefit funds appropriately.

22.7 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
		(Rupees in thousand)	
Discount rate at June 30	0.5%	**(416,681)**	451,987
Future salary increases	0.5%	**51,953**	(50,103)
Future pension increases	0.5%	**240,249**	(224,490)
Future medical increases (Pre-retirement)	0.5%	**6,728**	(6,566)
Future medical increases (Post-retirement)	0.5%	**137,964**	(127,577)

If longevity increases by 1 year, the resultant increase in obligation is insignificant.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity, pension and medical benefit liability recognised within the statement of financial position of the Company.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

22.8 Historical information

	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Pension fund					
Present value of defined benefit obligation	6,483,604	6,288,528	5,698,349	5,173,423	5,017,745
Fair value of plan assets	(7,255,332)	(7,006,187)	(6,455,675)	(5,575,474)	(5,037,583)
Surplus in the plan	(771,728)	(717,659)	(757,326)	(402,051)	(19,838)

	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	(19,238)	244,207	87,951	(138,423)	(21,107)
Gain on plan assets	7,110	155,706	430,450	247,995	23,252
Medical Benefit					
Present value of defined benefit obligation	2,510,453	2,344,031	2,054,088	1,860,986	1,658,374
Fair value of plan assets	(1,719,596)	(1,692,287)	(1,603,466)	(1,395,546)	(1,255,541)
Deficit in the plan	790,857	651,744	450,622	465,440	402,833
Remeasurement recognised in other comprehensive income or loss					
Loss on obligation	24,191	143,881	593	69,122	99,724
(Loss) / gain on plan assets	(22,267)	20,749	94,574	63,174	8,396
Gratuity fund - Non-management					
Present value of defined benefit obligation	286,820	263,836	255,589	216,976	251,855
Fair value of plan assets	(171,048)	(172,746)	(171,234)	(158,288)	(160,380)
Deficit in the plan	115,772	91,090	84,355	58,688	91,475
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	14,661	(4,202)	32,722	(39,552)	6,067
Gain on plan assets	2,335	5,114	7,817	3,892	2,070
Gratuity fund - management					
Present value of defined benefit obligation	150,920	126,488	131,562	101,071	98,251
Fair value of plan assets	(131,527)	(126,097)	(118,828)	(108,807)	(103,865)
Deficit / (surplus) in the plan	19,393	391	12,734	(7,736)	(5,614)
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	(1,176)	(34,885)	9,201	(16,687)	1,793
(Loss) / gain on plan assets	(2,116)	187	5,554	3,342	(7)

22.9 The weighted average duration of the plans are as follows:

	No. of years
Pension fund	8.41
Gratuity fund - Non-management	4.37
Medical fund	10.39
Gratuity fund - Management	10.04

22.10 The Company's contributions toward the provident fund for the year ended June 30, 2026 amounted to Rs. 54.82 million (2025: Rs. 54.11 million).

22.11 The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

23. TRADE AND OTHER PAYABLES

	Note	2026	2025
		(Rupees in thousand)	
Trade creditors		39,165,919	19,911,748
Due to Government of Pakistan	23.1	205,434	1,172,976
Due to related parties:			
- Attock Petroleum Limited		4,014	9,387
- Pakistan Oilfields Limited		-	45,844
Accrued liabilities		2,680,881	1,095,039
Payable to Refinery Upgradation Account	1.2	6,182,997	-
Gas Infrastructure and Development Cess	23.2	967,384	967,384
HSD Euro-V Differential	23.3	468,378	427,487
PMG-RON differential	23.4	526,117	253,460
Deposits from contractors	23.5	159,520	71,400
PMG-Euro-V differential		25,716	25,716
Custom duty payable	23.6	870,704	-
Sales tax payable		-	2,358,472
Retention money		30,192	30,486
Workers' Welfare Fund		287,289	65,331
Income tax deducted at source		40,390	33,752
Excise duty and petroleum levy payable	23.7	7,671,297	9,659,339
Climate support levy payable		256,772	-
Others		159,526	23,150
		59,702,530	36,150,971

23.1 This includes Rs. 169.46 million (2025: Rs. 1,137 million) in respect of discount and windfall payable on purchase of local crude oil and condensate. This has been computed in accordance with Crude Oil Sale / Purchase Agreement (COSA).

23.2 Following is the carrying amount of provision for Gas Infrastructure Development Cess (GIDC) and the movement during the year:

	2026	2025
	(Rupees in thousand)	
Balance at the beginning of the year	967,384	966,401
Recognised during the year - unwinding	-	983
Balance at the end of the year	967,384	967,384

The Supreme Court of Pakistan through its judgement dated August 13, 2020 had decided the Appeal against consumers upholding the vires of GIDC Act, 2015. The Review Petition was also dismissed on merits; however, the Honorable Court had provided some relief by increasing the time period for recovery of GIDC from 24 to 48 installments.

The Company also filed a civil suit before the Honorable Sindh High Court (SHC) on the ground that the Company falls under the category of consumers and it has not passed on the burden of Cess. Accordingly, stay order was granted. However, while pendency of aforesaid suit, the Company kept on paying GIDC installments under protest and without prejudice to the Company's legal rights till August 2021 (upto 13th installment). In September 2021, Sui Southern Gas Company Limited (SSGC) revised the payment terms from 48 to 24 months. The Company, after giving notice to SSGC stopped payment of further installments of GIDC as the stay order has been operative, whereby SHC has restrained SSGC from taking any coercive action against the Company in relation to non-payment of installments of GIDC arrears. The suit is still pending adjudication before the SHC and interim order, granting a stay, continues and is in effect till further orders.

23.3 This represents differential of Euro V vs Euro I / II / III HSD on account of sale of Euro I / II / III HSD by the Company. The differential has been worked out using criteria provided by Ministry of Energy through letter dated February 26, 2013, and November 17, 2020.

23.4 This represents a differential payable as per the defined formula in the notification PL-9 (544)/2015 dated September 5, 2016 issued by the Ministry of Petroleum & Natural Resources which requires the Oil Marketing Companies to import Premium Motor Gasoline (PMG) of 92 Research Octane Number (RON). However, under such notification, refineries are allowed to produce PMG of less than 92 RON and account for the differential. The amount is paid as per the directives of the Regulator.

23.5 These represent amount received from contractors of the Company as a security deposit with reference to the contracts. Such amounts are kept in a separate bank account and are non-interest bearing.

23.6 This represents differential of custom duty paid on import of crude oil and custom duty recovered through sale of High Speed Diesel and Motor Gasoline (as built in the prices notified by OGRA). In the year 2015, the Government of Pakistan (GOP) imposed custom duty on crude oil which placed an additional cost burden on crude oil importing refineries. To alleviate some of the effects of the customs duty imposition, since crude oil processing yields both regulated and de-regulated petroleum products, MEPD, in November 2017, allowed refineries to adjust the custom duty on crude oil relating to regulated products with the duty recovered through sale of products (2.5% on High Speed Diesel and 10% on Motor Gasoline) and the net amount was recorded as receivable / payable as per the OGRA approved mechanism.

Up to February 22, 2024, the differential was worked out in accordance with the aforementioned mechanism. However, post notification of Brownfield Policy, the total custom duty on crude oil was considered recoverable in accordance with clause 6.1.2.1 of the Brownfield Policy, net off with the amount recovered through sale of products (2.5% on High Speed Diesel and 10% on Motor Gasoline), which was payable to IFEM pool till the time an OGRA controlled joint escrow account was maintained under the Brownfield Policy.

In June 2025, the Company submitted details of customs duty receivable to OGRA. During the year, the Company, together with other refineries, formally approached the MEPD regarding the non-reimbursement of customs duty on crude oil. Based on the discussions held with MEPD and in the absence of any further notification confirming reimbursement, the Company has discontinued recognition of custom duty receivable on de-regulated petroleum products. Accordingly, the custom duty receivable previously recognised for the period from April 2024 to June 2025 amounting to Rs. 6.72 billion has also been written off in these financial statements.

23.7 This represents amount payable in respect of excise duty and petroleum levy collected by the Company from the Oil Marketing Companies as per the directives issued under The Petroleum Products Petroleum Levy and Climate Support Levy Ordinance, 1961.

24. UNPAID DIVIDEND

This represents dividend withheld due to non-compliance of certain legal / regulatory requirements by the shareholders.

25. ACCRUED MARK-UP

Accrued mark-up comprises of mark-up on borrowings.

26. PROVISIONS

	Note	2026	2025
		(Rupees in thousand)	
Duties and taxes	26.1	**29,006**	29,006
Others	26.2	**83,355**	83,355
		112,361	112,361

26.1 These represent provision made by the Company in respect of sales tax and central excise duty aggregating to Rs. 29.01 million (2025: Rs. 29.01 million), determined by the Collectorate of Customs, Sales Tax and Central Excise (Adjudication) in 2004 in respect of goods sold by the Company to one of its customers without deduction of sales tax and central excise duties.

26.2 This includes Rs. 55.62 million (2025: Rs. 55.62 million) in respect of sales tax and excise duty on account of purchases of crude oil and drums.

27. BORROWINGS

	2026	2025
	(Rupees in thousand)	
Conventional		
Running finance under mark-up arrangements - note 27.1	**7,651,186**	23,779,806
Short term loans - note 27.2	**15,000,000**	1,209,700
Islamic		
Financing under Islamic arrangement - note 27.3	**13,750,000**	20,749,963
	36,401,186	45,739,469

27.1 The facilities for running finance under mark-up arrangements with various banks amounting to Rs. 43.00 billion (2025: Rs. 30.29 billion) of which the amount remaining unutilised at the year end was Rs. 23.36 billion (2025: Rs. 12.46 billion). The rates of mark-up applicable on running finance ranges from one / three months KIBOR + 0.04% to 1% (2025: one / three months KIBOR + 0.04% to 1%) per annum.

27.2 These represent short term loans obtained on rollover basis from commercial banks amounting to Rs. 15 billion (2025: Rs. 1.21 billion). These loans are interchangeable facilities with running finance arrangement as disclosed in note 27.1. The rate of mark-up applicable on these loans is based on relevant tenor KIBOR + 0% to 0.5% (2025: relevant tenor KIBOR -4.9% to +0.8%) per annum. These facilities have maturities ranging from three to seven months and are renewable upon expiry.

27.3 The facilities from Istisna, Musharakah and Tijarah arrangement from various Islamic banks amounting to Rs. 25.90 billion (2025: Rs. 23.90 billion) of which Rs. 12.14 billion (2025: Rs. 3.1 billion) remained unutilised as at the year end. The rate of mark-up applicable is based on relevant tenor KIBOR -0.15% to +0.25% (2025: one / three months KIBOR -0.5% to +0.5%) per annum. These facilities have maturities ranging from three to six months and are renewable upon expiry.

27.4 The facility for local bill discounting amounting to Rs. 4 billion (2025: Rs. 4 billion) of which the amount remaining unutilised at the year end was Rs. 4 billion (2025: Rs. 4 billion). The rate of mark-up applicable on this facility is based on relevant tenor KIBOR + 0.15% (2025: relevant tenor KIBOR + 0.15% per annum).

27.5 The facilities for opening the letters of credit and guarantees as at June 30, 2026 amounting to Rs. 192.87 billion (2025: Rs. 116.01 billion) of which the amount remaining unutilised at year end was Rs. 91.37 billion (2025: Rs. 26.22 billion). The above financing arrangements to the tune of Rs. 65.90 billion (2025: Rs. 47.90 billion) are interchangeable of these non-funded limits.

27.6 These facilities are secured against ranking charge on the Company's stocks, receivables and stores, spares and chemicals.

28. CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

28.1.1 Claims not acknowledged by the Company as debt at the end of the year amounted to Rs. 5.58 billion (2025: Rs. 5.58 billion). These include claims accumulating to Rs. 5.54 billion (2025: Rs. 5.54 billion) in respect of late payment surcharge claimed by crude oil suppliers.

28.1.2 The Company has raised claims on certain Oil Marketing Companies (OMCs) in respect of interest on late payments against receivables aggregating to Rs. 5.07 billion (2025: Rs. 5.07 billion). However, these have not been recognised in the financial statements as these claims have not been acknowledged by the OMCs.

28.2 Commitments

28.2.1 Commitments outstanding for capital expenditures as at June 30, 2026 amounted to Rs. 1,970.92 million (2025: Rs. 871.18 million).

29. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2026	2025
	(Rupees in thousand)	
Local	521,986,401	366,651,125
Exports	66,566,090	41,423,458
	588,552,491	408,074,583

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	------- (Rupees in thousand) -------	
30. TRADE DISCOUNTS, TAXES, DUTIES, LEVIES AND PRICE DIFFERENTIALS		
Sales tax	**14,098,705**	14,212,360
Further tax	**24,624**	24,098
Excise duty	**348**	259
Petroleum levy	**104,548,229**	75,345,867
Climate support levy	**3,705,286**	-
Trade discounts	**2,693,940**	1,151,017
HSD premium differential - note 30.1	**1,820,000**	-
HSD Euro V differential - notes 23.3	**316,013**	1,891,135
PMG - RON differential - note 23.4	**672,658**	253,480
Custom duty - note 23.6	**19,827,882**	7,533,514
	147,707,685	100,411,730

30.1 This represents payment made to Pakistan State Oil Company Limited with respect to premium difference in the month of April 2026 on High Speed Diesel.

	2026	2025
	------- (Rupees in thousand) -------	
31. COST OF SALES		
Opening stock of semi-finished products	**8,413,551**	9,435,346
Crude oil, condensate and drums consumed - note 31.1	**402,665,538**	280,326,916
Stores, spares and chemicals consumed	**7,108,532**	4,570,043
Salaries, wages and staff benefits - note 31.2	**2,005,512**	1,419,432
Staff transport and canteen	**149,003**	138,815
Fuel, power and water	**10,511,668**	7,268,921
Rent, rates and taxes	**35,081**	29,245
Insurance	**777,926**	970,594
Contract services	**41,155**	90,878
Repairs and maintenance	**1,349,657**	276,498
Reversal of provision for slow moving and obsolete stores, spares and chemicals - note 10.1	**(8,168)**	(7,943)
Reversal of provision for Major spare parts and stand-by equipment	**-**	(2,170)
Depreciation - note 4.1.8	**1,508,301**	3,459,352
Amortisation of intangible assets - note 5.3	**1,344**	1,394
Professional charges	**141,631**	20,960
Consultancy charges	**31,564**	29,952
Security charges	**21,675**	22,633
Others	**110,122**	95,101
	426,450,541	298,710,621
Closing stock of semi-finished products - note 11	**(8,298,493)**	(8,413,551)
Cost of products manufactured	**426,565,599**	299,732,416
Opening stock of finished products	**7,726,219**	21,890,887
Closing stock of finished products - note 11	**(16,991,869)**	(7,726,219)
	(9,265,650)	14,164,668
	417,299,949	313,897,084

	2026	2025
	(Rupees in thousand)	
31.1 Crude oil, condensate and drums consumed		
Crude oil and condensate		
- Opening stock	**13,301,872**	18,393,630
- Purchases	**410,250,995**	274,928,576
- Closing stock - note 11	**(21,420,970)**	(13,301,872)
	402,131,897	280,020,334
Drums	**533,641**	306,582
	402,665,538	280,326,916

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

During the year, the Company has recorded a reversal amounting to Nil (2025: Rs. 326.78 million) based on the price differential claims.

31.2 This includes Rs. 61.04 million (2025: Rs. 45.71 million) and Rs. 33.41 million (2025: Rs. 32.61 million) in respect of defined benefit and defined contribution plans respectively.

	2026	2025
	(Rupees in thousand)	
32. DISTRIBUTION COST		
Export expenses	**1,072,930**	720,478
Salaries and staff benefits - note 32.1	**108,677**	83,247
Depreciation - note 4.1.8	**1,457**	1,302
Security charges	**32,512**	33,950
Storage charges - note 32.2	**330,477**	24,041
Repairs and maintenance	**12,044**	6,815
Pipeline charges	**7,153**	4,966
Postage and periodicals	**1,340**	6,286
Staff transport and canteen	**8,052**	7,468
Others	**3,259**	2,459
	1,577,901	891,012

32.1 This includes Rs. 5.1 million (2025: Rs. 3.28 million) and Rs. 2.28 million (2025: Rs. 2.73 million) in respect of defined benefit and defined contribution plans respectively.

32.2 This mainly includes storage charges for utilising third party storage and logistics infrastructure for petroleum products.

33. ADMINISTRATIVE EXPENSES

	2026	2025
	(Rupees in thousand)	
Salaries and staff benefits - note 33.1	897,043	638,300
Staff transport and canteen	57,762	52,668
Directors' fee	18,149	22,973
Rent, rates and taxes	33,805	10,961
Depreciation - note 4.1.8	42,339	50,138
Amortisation of intangible assets - note 5.3	246	87
Legal and professional charges	31,673	27,366
Printing and stationery	11,736	9,414
Contract services	-	37,977
Repairs and maintenance	138,579	131,758
Telecommunication	5,161	4,123
Electricity and power	-	8,108
Insurance	3,148	2,721
Travelling expenses	7,754	5,751
Postage and periodicals	17,293	15,956
Security charges	54,326	56,806
Others	39,448	42,494
	1,358,462	1,117,601

33.1 These include Rs. 29.21 million (2025: Rs. 18.95 million) and Rs. 19.14 million (2025: Rs. 18.77 million) in respect of defined benefit and defined contribution plans respectively.

34. OTHER INCOME

	2026	2025
	(Rupees in thousand)	
Income from financial assets		
Return / interest / mark-up on:		
- PLS savings and deposit accounts - note 34.1	98,395	193,239
- Return on Pakistan Investment Bonds	39,284	116,133
- Return on Treasury Bills	20,672	43,028
- Secured loans to employees - note 7.1	39	79
	158,390	352,479
Others		
Handling and storage income	14,466	36,138
Hospitality income	98,931	90,709
Sale of scrap and empties	69,223	58,911
Pipeline charges recovered	7,998	6,507
Gain on disposal of property, plant and equipment	7,790	2,122
Rental income	14,975	13,411
Insurance rebate	-	497
Others	1,758	1,378
	373,531	562,152

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

34.1 This profit is earned from bank accounts under mark up arrangements maintained with conventional banks.

	2026	2025
	(Rupees in thousand)	
35, OTHER OPERATING EXPENSES		
Workers Profit Participation Fund	584,101	-
Workers' Welfare Fund	221,958	268
Property, plant and equipment written off	-	210
Auditors' remuneration - note 35.1	18,368	15,219
Corporate Social Responsibility	434	100
	824,861	15,797

35.1 Auditors' remuneration

	2026	2025
Audit fee	4,250	3,800
Taxation services	6,960	6,708
Fee for review of half yearly financial information, special reports and certifications	4,782	2,616
Out-of-pocket expenses	2,376	2,095
	18,368	15,219

36. FINANCE COST - NET

	2026	2025
Exchange loss - note 36.1	2,576,036	1,990,545
Mark-up on Conventional Financing	4,185,170	5,743,893
Mark-up on Islamic Financing	2,485,022	2,569,137
Guarantee commission and service charges	1,908	879
Interest on lease liability - note 21.2	18,226	19,539
Bank charges	14,840	7,174
	9,281,202	10,331,167

36,1 This is net of exchange gain on export sales amounting to Rs. 10.13 million (2025: Rs. 44.16 million).

	2026	2025
	(Rupees in thousand)	
37, LEVIES		
Minimum tax u/s 154	665,661	414,235

37,1 This represents minimum tax under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37. As per Finance Act 2024, export sales has ceased to fall under Final Tax Regime, instead are now subject to Minimum tax regime.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	------- (Rupees in thousand) -------	
38. TAXATION		
Current		
for the year	**1,088,412**	1,365,910
for prior years	**5,856**	11,634
Deferred	**2,951,619**	(4,952,513)
	4,045,887	(3,574,969)
38.1 Reconciliation of income tax expense for the year		
Accounting profit / (loss) before income tax and levies	**10,875,962**	(18,027,656)
Applicable normal tax rate	**29%**	29%
Tax calculated at the applicable tax rate	**3,154,029**	(5,228,020)
Tax effect of :		
- prior year tax charge	**5,856**	11,634
- effect of change of rate	**(136,546)**	-
- reversal of prior years deferred tax	**1,807,646**	1,872,326
- effect of super tax	**1,073,904**	-
- brought forward minimum tax credit	**(1,864,843)**	
- others	**5,841**	(230,909)
Taxation - note 38	**4,045,887**	(3,574,969)

39. EARNINGS PER SHARE - basic and diluted

	2026	2025
Profit / (loss) after taxation (Rupees in thousand)	**6,164,414**	(14,866,922)
Weighted average number of ordinary shares in issue (in thousand)	**79,967**	79,967
Basic and diluted earnings / (loss) per share (Rupees)	**77.09**	(185.91)

There were no dilutive potential ordinary shares in issue as at June 30, 2026 and 2025.

	Note	2026	2025
		------- (Rupees in thousand) -------	
40. CASH GENERATED FROM OPERATIONS			
Profit / (loss) before taxation and levies		10,875,962	(18,027,656)
Adjustment for non cash charges and other items:			
Depreciation	31 & 32 & 33	1,552,097	3,510,792
Amortisation	31 & 33	1,590	1,481
Mark-up on Conventional Financing	36	4,185,170	5,743,893
Mark-up on Islamic Financing	36	2,485,022	2,569,137
Interest on Lease liability	36	18,226	19,539
Provision for staff retirement benefit funds	22.4.4	95,352	67,936
Gain on disposal of property, plant and equipment	34	(7,790)	(2,122)
Property, plant and equipment written off	35	-	210
Reversal of provision for slow moving and obsolete stores, spares and chemicals	31	(8,168)	(7,943)
Return on PLS savings and deposit accounts	34	(98,395)	(193,239)
Return on Treasury Bills	34	(20,672)	(43,028)
Change in working capital	40.1	6,649,935	9,720,206
		25,728,329	3,359,206

40.1 Change in working capital

	Note	2026	2025
(Increase) / decrease in current assets			
Stores, spares and chemicals		(1,458,043)	(226,845)
Stock-in-trade		(17,269,690)	20,278,221
Trade receivables		(4,530,484)	(7,904,126)
Loans and advances		(67,704)	(11,559)
Trade deposits and short-term prepayments		(33,556)	21,147
Other receivables		4,481,275	(9,582,799)
		(18,878,202)	2,574,039
Increase in current liabilities			
Trade and other payables	40.2	25,528,137	7,146,167
		6,649,935	9,720,206

40.2 This includes a non cash tax impact on custom duty amounting to Rs. 1.98 billion.

	2026	2025
	(Rupees in thousand)	

41. CASH AND CASH EQUIVALENTS

	2026	2025
Cash and bank balances - note 17	1,217,782	679,940
Running finance under mark-up arrangement - note 27.1	(7,651,186)	(23,779,806)
	(6,433,404)	(23,099,866)

42. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2026			2025		
	Chief Executive	Executive Director	Executives	Chief Executive	Executive Director	Executives
	(Rupees in thousand)					
Managerial remuneration	44,833	-	404,160	42,210	-	243,319
Bonus	7,679	-	52,929	-	-	39,984
Retirement benefits	3,959	-	52,124	-	-	25,411
House rent	17,678	-	101,277	2,110	-	77,993
Conveyance	-	-	28,521	271	-	25,414
Leave benefits	3,689	-	25,864	1,261	-	18,570
	77,838	-	664,875	45,852	-	430,691
Number of person(s)	1	-	113	1	-	88

Fee paid to one executive and seven non-executive / independent directors during the year amounted to Rs. 2.21 million (2025: Rs. 2.5 million) and Rs. 15.94 million (2025: Rs. 20.44 million) respectively.

42.1 The Chairman, Chief Executive and some of the executives of the Company are provided with free use of the Company's cars and additionally, the Chief Executive and executives are also entitled to medical benefits, travelling allowance, club membership and subscriptions in accordance with their terms of service.

43. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company’s activities expose it to a variety of financial risks: capital risk, credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Company’s overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company’s financial performance.

Risk Management framework

The Company’s overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company’s financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Board is also responsible for developing and monitoring the Company’s risk management policies.

43.1 Financial assets and liabilities

	2026						
	Interest/mark-up bearing			Non-interest/mark-up bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	Total
	(Rupees in thousand)						
Financial assets							
Fair value through OCI							
Long-term investment	-	-	-	-	15,463	15,463	15,463
Amortised cost							
Loans and advances	454	503	957	17,584	5,992	23,576	24,533
Deposits	-	-	-	40,279	30,265	70,544	70,544
Trade receivables	-	-	-	22,289,979	-	22,289,979	22,289,979
Interest accrued	-	-	-	41,530	-	41,530	41,530
Other receivables	-	-	-	6,795,912	-	6,795,912	6,795,912
Short-term investments	175,273	-	175,273	-	-	-	175,273
Cash and bank balances	1,029,984	-	1,029,984	187,798	-	187,798	1,217,782
2026	1,205,711	503	1,206,214	29,373,082	51,720	29,424,802	30,631,016
Financial liabilities							
Long-term borrowing	7,500,000	3,750,000	11,250,000	-	-	-	11,250,000
Trade and other payables	-	-	-	43,167,436	-	43,167,436	43,167,436
Unclaimed dividend	-	-	-	58,647	-	58,647	58,647
Unpaid dividend	-	-	-	42,445	-	42,445	42,445
Accrued mark-up	-	-	-	1,127,849	-	1,127,849	1,127,849
Borrowings	36,401,186	-	36,401,186	-	-	-	36,401,186
Lease liability	30,473	141,782	172,255	-	-	-	172,255
2026	43,931,659	3,891,782	47,823,441	44,396,377	-	44,396,377	92,219,818
On balance sheet gap							
2026	(42,725,948)	(3,891,279)	(46,617,227)	(15,023,295)	51,720	(14,971,575)	(61,588,802)

	2025						
	Interest/mark-up bearing			Non-interest/mark-up bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	Total
	(Rupees in thousand)						
Financial assets							
Fair value through OCI							
Long-term investment	-	-	-	-	14,123	14,123	14,123
Amortised cost							
Loans and advances	607	1,197	1,804	20,276	11,394	31,670	33,474
Deposits	-	-	-	12,299	30,265	42,564	42,564
Trade receivables	-	-	-	17,759,495	-	17,759,495	17,759,495
Interest Accrued	-	-	-	35,858	-	35,858	35,858
Other receivables	-	-	-	4,871,393	-	4,871,393	4,871,393
Short-term investments	173,607	-	173,607	-	-	-	173,607
Cash and bank balances	369,535	-	369,535	310,405	-	310,405	679,940
2025	543,749	1,197	544,946	23,009,726	55,782	23,065,508	23,610,454
Financial liabilities							
Long-term borrowing	3,750,000	11,250,000	15,000,000	-	-	-	15,000,000
Trade and other payables	-	-	-	21,947,287	-	21,947,287	21,947,287
Unclaimed dividend	-	-	-	58,877	-	58,877	58,877
Unpaid dividend	-	-	-	42,852	-	42,852	42,852
Accrued mark-up	-	-	-	1,187,569	-	1,187,569	1,187,569
Borrowings	45,739,469	-	45,739,469	-	-	-	45,739,469
Lease liability	18,270	125,646	143,916	-	-	-	143,916
2025	49,507,739	11,375,646	60,883,385	23,236,585	-	23,236,585	84,119,970
On balance sheet gap							
2025	(48,963,990)	(11,374,449)	(60,338,439)	(226,859)	55,782	(171,077)	(60,509,516)

	2026
	(Rupees in thousand)
OFF BALANCE SHEET ITEMS	
Commitments for capital expenditure	1,970,916
Letters of credit	72,128,130
Letters of guarantees	930,288
2026	75,029,334
2025	42,848,482

43.2 Financial risk management objectives and policies

(i) Capital Risk Management

The objective of the Company is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and the level of dividend to ordinary shareholders. There was no change to the Company's approach to the capital management during the year.

The Company was subject to pricing formula whereby profits after tax from refinery operations in excess of 50% of the paid up capital as of July 1, 2002 were transferred to special reserve and could only be utilized to offset against any future losses or to make investment for expansion or upgradation and were therefore not available for distribution. Under the new notified policy named "Pakistan Oil Refining Policy for up-gradation of Existing / Brownfield Refineries, 2023", this requirement is no longer required from August 17, 2023 onwards.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

(ii) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties fail to perform as contracted. The financial assets that are subject to credit risk amounted to Rs. 30.46 billion (2025: Rs. 23.42 billion).

The Company monitors its exposure to credit risk on an ongoing basis at various levels. The Company believes that it is not exposed to any major concentration of credit risk as it operates in an essential products industry and has as customers only sound organisations. Further, the cash and bank balances represent low credit risk as all balances are placed with banks having credit ratings of AA or above as assigned by PACRA or JCR-VIS.

The carrying values of financial assets which are neither past due nor impaired are as under:

	2026	2025
	(Rupees in thousand)	
Long-term investment	15,463	14,123
Loans and advances	24,533	33,474
Deposits	70,544	42,564
Trade receivables	22,289,979	17,759,495
Interest accrued	41,530	35,858
Other receivables	6,795,912	4,871,393
Short-term investments	175,273	173,607
Cash and bank balances	1,217,782	679,940
	30,631,016	23,610,454

(iii) Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. The following are contractual maturities of financial liabilities including mark-up payments:

	2026					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	(Rupees in thousand)					
Financial liabilities						
Long-term borrowing	11,250,000	(12,212,856)	(4,225,458)	(4,095,441)	(3,891,957)	-
Trade and other payables	39,169,933	(39,169,933)	(39,169,933)	-	-	-
Unclaimed dividend	58,647	(58,647)	(58,647)	-	-	-
Unpaid dividend	42,445	(42,445)	(42,445)	-	-	-
Accrued mark-up	1,127,849	(1,127,849)	(1,127,849)	-	-	-
Borrowings	36,401,186	(36,401,186)	(36,401,186)	-	-	-
Lease liability	172,255	(235,301)	(46,736)	(6,396)	(182,169)	-
	88,222,315	(89,248,217)	(81,072,254)	(4,101,837)	(4,074,126)	-

	2025					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	(Rupees in thousand)					
Financial liabilities						
Long-term borrowing	15,000,000	(17,353,371)	-	(5,262,912)	(12,090,459)	-
Trade and other payables	19,966,979	(19,966,979)	(19,966,979)	-	-	-
Unclaimed dividend	58,877	(58,877)	(58,877)	-	-	-
Unpaid dividend	42,852	(42,852)	(42,852)	-	-	-
Accrued mark-up	1,187,569	(1,187,569)	(1,187,569)	-	-	-
Borrowings	45,739,469	(45,739,469)	(45,739,469)	-	-	-
Lease liability	143,916	(212,287)	-	(38,418)	(134,049)	(39,820)
	82,139,662	(84,561,404)	(66,995,746)	(5,301,330)	(12,224,508)	(39,820)

(iv) Market risk

(a) Currency risk

Foreign currency risk arises mainly when receivables and payables exist due to transactions in foreign currencies primarily with respect to US Dollar. Foreign currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. Financial assets include Rs. 2.17 billion (2025: Rs. 1.44 billion) and financial liabilities include Rs. 25.67 billion (2025: Rs. 15.08 billion) which are subject to foreign currency risk.

As at June 30, 2026, if the Pak Rupee had weakened / strengthened by 10% against the US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 2.35 billion (2025: Rs. 1.36 billion), mainly as a result of foreign exchange losses / gains on translation of US Dollar-denominated trade payables and trade debts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. The Company is exposed to cash flow interest rate risk on its conventional and Islamic financing facility which is priced ranging from -0.15% to 1% above respective / agreed tenor KIBOR.

As at June 30, 2026, the Company has variable interest bearing financial liabilities of Rs. 46.45 billion (2025: Rs. 60.19 billion), and had the interest rate varied by 1% with all the other variables held constant, profit before income tax for the year would have been approximately Rs. 465 million (2025: Rs. 601.90 million) higher / lower, mainly as a result of higher / lower mark-up expense on floating rate borrowings.

(c) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is not exposed to any material price risk.

(d) Reconciliation of movements of liabilities to cash flows arising from financing activities

	2026					
	Borrowing including accrued mark-up thereon	Long term borrowing	Lease liability	Unclaimed dividend	Unpaid dividend	Total
	(Rupees in thousand)					
Balance as at July 1	23,147,232	15,000,000	143,916	58,877	42,852	38,392,877
Changes from financing cash flows:						
Changes in borrowings	6,790,337	(3,750,000)	-	-	-	3,040,337
Dividend paid	-	-	-	(230)	(407)	(637)
Lease rentals paid	-	-	(40,821)	-	-	(40,821)
Total changes in financing activities	6,790,337	(3,750,000)	(40,821)	(230)	(407)	2,998,879
Other changes:						
Finance cost	6,670,192	-	18,226	-	-	6,688,418
Additions	-	-	50,934	-	-	50,934
Finance cost paid	(6,729,912)	-	-	-	-	(6,729,912)
Total other changes	(59,720)		69,160	-	-	9,440
Balance as at June 30	29,877,849	11,250,000	172,255	58,647	42,445	41,401,196

	2025					
	Borrowing including accrued mark-up thereon	Long term borrowing	Lease liability	Unclaimed dividend	Unpaid dividend	Total
	(Rupees in thousand)					
Balance as at July 1	44,451,885	-	158,338	59,128	43,658	44,713,009
Changes from financing cash flows:						
Changes in borrowings	(21,240,337)	15,000,000	-	-	-	(6,240,337)
Dividend paid	-		-	(251)	(806)	(1,057)
Lease rentals paid	-		(33,961)	-	-	(33,961)
Total changes in financing activities	(21,240,337)	15,000,000	(33,961)	(251)	(806)	(6,275,355)
Other changes:						
Finance cost	8,313,030	-	19,539	-	-	8,332,569
Finance cost paid	(8,377,346)		-	-	-	(8,377,346)
Total other changes	(64,316)	-	19,539	-	-	(44,777)
Balance as at June 30	23,147,232	15,000,000	143,916	58,877	42,852	38,392,877

44. FAIR VALUE MEASUREMENTS

A number of the Company's accounting policies and disclosure require the measurement of fair values, for both financial and non-financial assets.

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

The management engage independent external experts / valuers to carry out valuation of its non-financial assets (i.e. Leasehold land) and financial assets where prices are not quoted or readily available in the market. Involvement of external valuers is decided upon by management. Selection criteria include market knowledge, relevant experience, reputation, independence and whether professional standards are maintained.

When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1**

  Quoted prices (unadjusted) in active market for identical assets/liabilities.

- **Level 2**

  Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

- **Level 3**

  Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Company determines fair values using valuation techniques.

Valuation techniques used by the Company include discounted cash flow model for valuation of unquoted equity securities. Assumptions and inputs used in valuation techniques include risk-free rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices. The objective of valuation techniques is to arrive at a fair value that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of loans and advances, trade receivables, other receivables, trade deposits, short-term investments, interest accrued, cash and bank balances, trade and other payables, borrowings, mark-up accrued on borrowings, lease liability, unpaid and unclaimed dividend and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. For long term deposits and long term loan and other non-current liabilities, management consider that their carrying values approximates fair value.

44.1 Measurement of Fair Values

44.1.1 Fair value of leasehold land

Fair value of land has been determined using sales comparison approach which falls under level 2 fair value hierarchy as it relies on inputs other than quoted prices for identical assets.

The valuation approach involves the use of selling prices of comparable land in close proximity which are then adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot and a slight change in the estimated price per square foot of the land would result in a significant change in the fair value of the leasehold land.

44.1.2 Fair value of long term investment

Fair value of long term investment has been determined using discounted cashflow technique which falls under level 3 fair value hierarchy as at June 30, 2026.

The valuation model considers the present value of future cash flow of Anoud Power Generation Limited (the investee Company) discounted using a risk-adjusted discount rate which is taken at 16.1%. The cash flow projection includes specific estimates for the entire life of the investee Company which is estimated to be 5 years from the balance sheet date.

44.2 Valuation inputs and relationships to fair value

44.2.1 Fair value of long term investment

The unobservable input in valuation approach is risk adjusted discount rate which has been calculated taking into account risk premium, market premium and beta. The range of input has been taken as 15.1% to 17.1%. An increase of 1% in risk adjusted discount rate would result in decrease in fair value by Rs. 8.59 million and decrease of 1% in the risk adjusted discount rate would result in increase in fair value by Rs. 11.36 million as at June 30, 2026.

45. OPERATING SEGMENTS

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

	2026	2025
	(Rupees in thousand)	
High Speed Diesel (HSD)	319,271,763	204,955,179
Motor Gasoline (MOGAS) / PMG (Premium Motor Gasoline)	109,801,623	64,312,920
Lube Base Oils	55,111,062	45,604,739
Furnace Oil	37,872,010	37,836,154
Bitumen	16,961,800	15,710,184
Others	49,534,233	39,655,407
Less: Taxes, duties, levies, discount and price differential	(147,707,685)	(100,411,730)
Net revenue from contracts with customers	440,844,806	307,662,853

45.1 During the year, revenue from transactions with two customers individually accounted for more than 10% of the Company's total revenue. Revenue recognized from these customers amounted to Rs. 144.88 billion and Rs. 121.54 billion, respectively.

46. TRANSACTIONS WITH RELATED PARTIES

46.1 The following transactions were carried out with related parties during the year:

Nature of relationship	Nature of transactions	2026	2025
		(Rupees in thousand)	
Associated companies			
- Pakistan Oilfields Limited (POL)			
	Rental income	5,192	4,686
	Products - sale of petroleum products	261,561	424,705
	Reimbursement of expenses incurred by POL on behalf of NRL	59,001	45,844
	Reimbursement of expenses incurred by NRL on behalf of POL	295	519
- Attock Refinery Limited (ARL)			
	Reimbursement of expenses incurred by NRL on behalf of ARL	100	313
	Reimbursement of expenses incurred by ARL on behalf of NRL	3,582	539
	Naphtha handling income	-	19,406

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Nature of relationship	Nature of transactions	2026	2025
		(Rupees in thousand)	
Associated companies			
- Attock Petroleum Limited (APL)			
	Sale of petroleum products	144,878,392	145,206,122
	Trade discounts	1,209,358	537,178
	Purchase of petroleum products	42,162	45,874
	Hospitality charges on sales	74,060	59,063
	Price differential claims - (HSD)	-	163,162
	Handling charge on local sales	37,130	14,217
	Rental income	7,299	6,761
	Reimbursement of expenses incurred by NRL on behalf of APL	11,211	10,900
- Attock Cement Pakistan Limited (ACPL)			
	Sale of products	5,543	8,869
	Reimbursement of expenses incurred by ACPL on behalf of NRL	259	411
	Reimbursement of expenses incurred by NRL on behalf of ACPL	64	612
	Purchase of stores	-	261
- Attock Oil Company Limited (AOCL) *			
	Reimbursement of expenses incurred by AOCL on behalf of NRL	1,736	3,848
	Reimbursement of expenses incurred by NRL on behalf of AOCL	49	38
Other related parties			
- Contribution to staff retirement benefits plans			
	Employees provident fund	54,824	54,106
- Key management compensation **			
	Salaries and other employee benefits	141,592	85,646
	Post employment benefits	7,695	2,534
	Directors' fee	18,149	22,973

* The Company is incorporated in United Kingdom with registered address 24, Chapman Road, Croydon, CRO 3NU.

** Key management personnel include Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and General Manager Commercial, Strategy and Innovation.

46.1.1 Sales of petroleum products to associated companies are based on prices fixed by the OGRA, import prices of Pakistan State Oil and Company announced prices.

46.2 The related party status of outstanding balances as at June 30, 2026 is included in trade receivables, other receivables and trade and other payables. These are settled in the ordinary course of business.

46.3 Following are the related parties with whom the Company had entered into transactions or has arrangement / agreement in place:

S.No.	Company name	Basis of association	Aggregate % of Shareholding
1.	Attock Refinery Limited	Group Company	25%
2.	Pakistan Oilfields Limited	Group Company	25%
3.	Attock Petroleum Limited	Group Company	1%
4.	Attock Cement Pakistan Limited *	Group Company	N/A
5.	Attock Oil Company Limited	Group Company	N/A

* Due to change in ownership and reconstitution of the board, this company ceased to be a related party of the Company with effect from April 28, 2026. The transactions with this related party as disclosed above only represent transactions covering the period from July 01, 2025 to April 28, 2026.

	Note	2026	2025
		(Rupees in thousand)	
47. SHARIAH COMPLIANCE STATUS DISCLOSURE			
Statement of financial position - Liability side			
1. Financing (long-term, short-term or lease financing) obtained as per Islamic mode	27	13,750,000	20,749,963
2. Interest or mark-up accrued on any conventional loan or advance		780,412	964,040
Statement of financial position - Asset side			
3. Long term and short term investments that are Shariah compliant		-	-
4. Shariah compliant bank deposits / bank balances / TDRs	17	1,232	15,279
Statement of profit or loss			
1. Revenue earned from Shariah-compliant business segment	29 & 30	440,844,806	307,662,853
2 Break-up of late payments or liquidated damages		Not applicable	Not applicable

	Note	2026	2025
		(Rupees in thousand)	
Statement of profit or loss			
3. Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah compliant associate		Not applicable	Not applicable
4. Profit earned from Shariah compliant bank deposits / balances / TDRs	34	6,817	4,748
5. Exchange loss on actual currency	36	2,576,036	1,990,545
6. Exchange gains earned using conventional derivative financial instruments		Not applicable	Not applicable
7. Profit paid on Islamic mode of financing	27	2,361,114	2,510,698
8. Total Interest earned on any conventional loan or advance	34	39	79
9. Sources and detailed breakup of other income	34		
Shariah compliant Income			
- Profit on saving accounts		Not applicable	Not applicable
- Profit on term deposit receipts		Not applicable	Not applicable
- Profit on long-term debt instrument		Not applicable	Not applicable
- Profit on short-term debt instrument		Not applicable	Not applicable
- Handling and storage income		14,466	36,138
- Hospitality income		98,931	90,709
- Sale of scrap and empties		69,223	58,911
- Pipeline charges recovered		7,998	6,507
- Gain on disposal of property, plant and equipment		7,790	2,122
- Rental income		14,975	13,411
- Foreign exchange gain - net		Not applicable	Not applicable
- Balances written back - net		Not applicable	Not applicable
- Gain / loss on sale of store items		Not applicable	Not applicable
- Others		1,758	1,378
Non-Shariah compliant Income			
- Profit on saving accounts		91,578	188,491
- Finance income on long-term loan to subsidiary company		Not applicable	Not applicable
- Finance income on short-term loan to subsidiary company		Not applicable	Not applicable
- Return on Pakistan Investment Bonds		39,284	116,133
- Return on Treasury Bills		20,672	43,028
- Other		-	497

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

46.1.1 Relationship with Shariah-compliant financial institutions

Islamic banks

The Company has obtained facilities of Istisna and Tijarah amounting to Rs. 17 billion and Rs. 8.90 billion.

Takaful operators

The Company has no relationship with takaful operators.

	Crude oil - throughput	
	Annual designed capacity	Actual throughput
	(In Barrels)	
48. CAPACITY		
2026 - note 48.1	**23,100,000**	15,988,599
2025	**23,100,000**	12,820,500

48.1 Actual throughput is less than the designed capacity due to crude price and product margins, volatility in international market and product demand pattern.

	2026	2025
Number of employees including contractual employees at June 30	**1,006**	912
Average number of employees including contractual employees during the year	**959**	968

49. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 25, 2026 by the Board of Directors of the Company.

Chief Financial Officer Director Chief Executive

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2026

FORM 20

Number of Shareholders	Shareholdings From	Shareholdings To	Total Shares Held	% on Issued
4,696	1	100	168,654	0.21%
3,415	101	500	983,093	1.23%
1,497	501	1000	1,193,505	1.49%
1,718	1001	5000	3,936,029	4.92%
290	5001	10000	2,104,061	2.63%
88	10001	15000	1,099,540	1.38%
43	15001	20000	775,760	0.97%
27	20001	25000	622,499	0.78%
22	25001	30000	625,144	0.78%
15	30001	35000	495,488	0.62%
11	35001	40000	423,609	0.53%
9	40001	45000	385,840	0.48%
4	45001	50000	195,900	0.25%
4	50001	55000	214,925	0.27%
1	55001	60000	59,606	0.07%
1	60001	65000	65,000	0.08%
6	65001	70000	411,029	0.51%
3	70001	75000	218,785	0.27%
2	75001	80000	152,016	0.19%
2	80001	85000	169,204	0.21%
3	85001	90000	260,547	0.33%
3	90001	95000	275,586	0.34%
4	95001	100000	400,000	0.50%
3	100001	105000	310,015	0.39%
4	105001	110000	434,028	0.54%
1	110001	115000	113,520	0.14%
1	125001	130000	130,000	0.16%
1	145001	150000	150,000	0.19%
2	150001	155000	301,683	0.38%
1	170001	175000	175,000	0.22%
1	175001	180000	178,670	0.22%
2	185001	190000	380,000	0.48%
1	190001	195000	192,450	0.24%
1	195001	200000	200,000	0.25%
1	220001	225000	222,513	0.28%
1	240001	245000	241,501	0.30%
2	245001	250000	497,500	0.62%
1	255001	260000	257,563	0.32%
1	265001	270000	267,358	0.33%
1	295001	300000	295,140	0.37%
1	300001	305000	300,055	0.38%
1	390001	395000	394,005	0.49%
1	450001	455000	454,800	0.57%
1	595001	600000	600,000	0.75%
1	650001	655000	654,500	0.82%
1	795001	800000	799,665	1.00%
1	885001	890000	885,689	1.11%
1	2000001	2005000	2,002,468	2.50%
1	2305001	2310000	2,309,337	2.90%
1	11995001	12000000	12,000,000	15.01%
2	19990001	19995000	39,983,280	50.00%
11,901			79,966,560	100.00%

CATEGORIES OF SHAREHOLDERS

AS AT JUNE 30, 2026

Categories	Percentage %	Number of Shareholders	Number of Shares held
Directors, Chief Executive Officer, and their spouse and minor children	0.01 %	7	10,007
Associated Companies, undertakings and related parties	51.00 %	3	40,782,945
NIT and ICP	0.70 %	7	557,536
Banks, Development Financial Institutions and Non Banking Financial Institutions	4.20 %	24	3,355,513
Insurance Companies	1.16 %	5	924,670
Modarabas and Mutual Funds	1.19 %	18	952,298
Shareholders holding 10%			
- Islamic Development Bank, Jeddah	15.01 %	1	12,000,000
General Public:			
a. Local	21.17 %	11,695	16,929,561
b. Foreign	0.06 %	9	45,300
Joint Stock Companies	1.14 %	34	915,310
Others	4.36 %	98	3,493,420
	100.00 %	11,901	79,966,560

Categories	Percentage %	Number of Shares held
Directors, Chief Executive Officer, their spouse(s) and minor children		
Mr. Laith G. Pharaon		1
Mr. Wael G. Pharaon		1
Mr. Shuaib A. Malik		2
Mr. Shamim Ahmad Khan		1
Mr. Abdus Sattar		1
Mr. Babar Bashir Nawaz		1
Mr. Tariq Iqbal Khan		10,000
Associated Companies		
Attock Refinery Limited		19,991,640
Pakistan Oilfields Limited		19,991,640
Attock Petroleum Limited		799,665
Shareholders holding 10% or more voting interest		
Attock Refinery Limited	25 %	19,991,640
Pakistan Oilfields Limited	25 %	19,991,640
Islamic Development Bank, Jeddah	15 %	12,000,000

Trade in the shares of the Company carried out by directors, executives, their spouse(s) and minor children during the year 2025-26:

During the year, spouse of Syed Aman Ali, Executive, purchased and sold 1,100 shares of the company.

The expression “executive” means the CEO, CFO, Head of Internal Audit, Company Secretary and other employees of the Company drawing annual basic salary of Rs. 1,200,000 including all employees of Finance Divison,Internal Audit Function and Company Secretary office.

NOTICE OF
ANNUAL GENERAL MEETING

Notice is hereby given that the Sixty Third (63rd) Annual General Meeting of National Refinery Limited will be held on Wednesday, September 30, 2026 at 10:00 am at the registered office of the Company situated at 7-B, Korangi Industrial Area, Karachi, and also through electronic means, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and approve the Audited Financial Statements of the Company for the year ended June 30, 2026 together with the Reports of the Board and the Auditors thereon.

2. To appoint Company's auditors for the year ending June 30, 2027 and to fix their remuneration.

OTHER BUSINESS

3. To transact such other business as may be placed before the meeting with the permission of the Chairman.

By Order of the Board

Badruddin Khan
Company Secretary

Karachi:
Dated: September 8, 2026

The financial statements of the Company can be accessed through the weblink and QR enabled code:
https://www.nrlpak.com/FinancialReports.aspx

NOTES:

1. CLOSURE OF SHARE TRANSFER BOOK

The Register of Members will remain closed from September 23, 2026 to September 30, 2026 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar:

M/s CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi-74400.
Telephone (Toll Free) 0800-23275
Email: info@cdcsrsl.com

at the close of business on September 22, 2026 will be treated in time for the purpose of determination of entitlement to the transferees.

2. CIRCULATION OF NOTICE THROUGH EMAIL

Pursuant to SECP's S.R.O 452(I)/2025, notice of the Annual General Meeting shall also be circulated to members at their registered email addresses provided to the Company.

3. PARTICIPATION IN ANNUAL GENERAL MEETING

a) Through Electronic Means:

Shareholders interested to attend the meeting via video link i.e. through ZOOM application instead of physical presence are requested to get themselves registered with the company on or before September 29, 2026 at **agm2026@nrlpak.com** by providing the following details:

Full Name of Shareholder / Proxy Holder	Company	* CNIC / Passport Number	Folio / CDC A/c No.	** Email ID	** Mobile Phone No.
	National Refinery Limited				

**Shareholders shall also share copy of original CNIC or passport.*
***Shareholders are requested to provide active email address and mobile phone number.*

b) Through In Person:

- An Individual shall authenticate his identity by showing original Computerized National Identity Card (CNIC) or original passport.
- In case of Corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

c) **For Appointing Proxies:**

- A member may appoint another person as his proxy to attend, speak and vote instead of him. A proxy need not be a member.
- Proxy, in order to be effective, must be in writing duly signed, witnessed, stamped and deposited at the Registered office of the Company not less than 48 hours before the meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.
- Form of proxy is annexed at the end of annual report as well as available at Company's website i.e., **www.nrlpak.com**

4. VIDEO-LINK FACILITY

At least seven days prior to the date of meeting, on the demand of members residing in a city who hold at least ten percent of the total paid up capital of the Company, the facility of video-link will be provided to such members in that city enabling them to participate in the Annual General Meeting through video-link facility.

5. PROHIBITION OF DISTRIBUTION OF GIFTS

As directed by SECP through S.R.O. No. 452(I)/2025 of March 17th, 2025 and pursuant to the prohibition under section 185 of the Companies Act, 2017, it is to affirm that no gifts, lunch, hi-tea, coupons, giveaways, etc. will be distributed/served at the Annual General Meeting.

6. MANDATORY REGISTRATION DETAILS

Members whose mandatory registration details under law including usual residential address, mobile/landline number, email address, Computerized National Identity Card Number (CNIC) / passport number, National Tax Number (NTN), bank account details (IBAN) etc. are not available in Company's records have been intimated from time to time to provide the same.

Such members are hereby once again advised to provide the same to the Company's Share Registrar in case of physical shareholding or their relevant Participant / CDC Investor Account Services (IAS), in case of shareholding in the book entry form, immediately to avoid any inconvenience in future.

7. UNCLAIMED SHARES / DIVIDEND

Pursuant to Section 244 of the Companies Act, 2017, the Company has dispatched notices from time to time, followed by newspaper advertisements, in respect of shares / dividend that remained unclaimed or unpaid to the shareholders at their last known addresses, with the request to lodge their claims. Lists of shareholders regarding unclaimed dividends and shares are also available on Company's website. Accordingly, if such claims are not lodged within prescribed time period, the Company shall proceed according to the requirements of the Law.

8. ELECTRONIC TRANSMISSION OF ANNUAL AUDITED FINANCIAL STATEMENTS

In compliance with section 223(6) of the Companies Act, 2017, pursuant to the SECP's S.R.O. 389(I)/2023 dated March 21, 2023 and the shareholders' approval in the 60th Annual General Meeting held on October 23, 2023 to circulate the annual audited financial statements to its members through QR enabled code and weblink. Thus, the audited financial statements of the Company for the year ended June 30, 2026 can be accessed through the following QR enabled code and weblink:

Weblink: https://www.nrlpak.com/FinancialReports.aspx

The Company will, however, provide hard copy of the Annual Audited Financial Statements to the shareholders at their registered addresses, within seven days, on request, free of cost. The request form is available on Company's website.

9. DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNT

In light of Section 72 of the Companies Act, 2017, SECP has advised all the listed companies to pursue their shareholders who still hold shares in physical form, requiring them to convert their shares in book-entry-form. Holding shares in book-entry form has numerous benefits including secure custody of shares, instantaneous transfer of ownership and no risk of damaged, lost, forged or duplicate certificates.

Accordingly, Shareholders having physical shareholding are requested to convert their shares in book-entry form by opening CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-less form.

10. STATUTORY CODE OF CONDUCT AT ANNUAL GENERAL MEETING

Shareholders are requested to observe the conduct referred in sub-regulation 2 of Regulation 55 of the Companies Regulations, 2024 while attending the Annual General Meeting.

آڈیٹرز

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اپنے کام سے سبکدوش ہو رہے ہیں اور خود کو دوبارہ تقرری کیلئے پیش کرتے ہیں۔ اس کے مطابق، بورڈ آف ڈائریکٹرز، بورڈ آڈٹ کمیٹی کی تجویز پر میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو مالی سال ۳۰ جون ۲۰۲۷ء کے اختتام کے لیے کمپنی کے آڈیٹرز مقرر کرنے کی تجویز کرتے ہیں، جنکی آڈٹ فیس باہمی مشاورت سے طے کر لی جائیگی۔

اظہارِ تشکر

بورڈ انتظامیہ اور ملازمین کی مسلسل وابستگی، پیشہ ورانہ مہارت اور استقامت کو سراہتا ہے، جنہوں نے معاشی اور آپریشنل چیلنجز سے بھرپور سال میں کمپنی کی رہنمائی کی۔ بورڈ اُن گراں قدر تعاون اور اشتراکِ عمل کا بھی اعتراف کرتا ہے جو صارفین، سپلائرز، کنٹریکٹرز، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز نے فراہم کیا، جن کی کاوشیں کمپنی کی سرگرمیوں کے لیے بنیادی حیثیت رکھتی ہیں۔

بورڈ وزارتِ توانائی کا بھی تہہ دل سے مشکور ہے، جن کے مسلسل تعاون، پالیسی رہنمائی اور حمایت نے آپریشنل تسلسل یقینی بنانے اور کمپنی کے طویل مدتی اسٹریٹیجک مقاصد کے حصول میں کلیدی کردار ادا کیا ہے۔

بورڈ کی جانب سے۔

ڈائریکٹر	چیف ایگزیکٹو آفیسر

راولپنڈی

۲۵ اگست ۲۰۲۶ء

ملازمین کے معاملات کی کمیٹی

ایچ آر کمیٹی چار ارکان پر مشتمل ہے-مالی سال26–2025 کے دوران اراکین کی حاضری درجِ ذیل ہے:

ارکان کے نام	کُل اجلاس	اجلاسوں میں شرکت
جناب شمیم احمد خان - چیئرمین	ا	ا
جناب شعیب اے ملک	ا	ا
جناب بابر بشیر نواز (متبادل ڈائریکٹر برائے جناب وائل جی فرعون)	ا	ا
جناب اسد حسن - چیف ایگزیکیٹو	ا	ا

آڈٹ کمیٹی

آڈٹ کمیٹی تین ارکان پر مشتمل ہے۔ 30 جون 2026 کو ختم ہونے والے سال کے لئے آڈٹ کمیٹی کے اجلاسوں کے لئے ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

ارکان کے نام	کُل اجلاس	اجلاسوں میں شرکت
جناب شمیم احمد خان - چیئرمین	۴	۴
جناب عبدالستار	۴	۴
جناب بابر بشیر نواز (متبادل ڈائریکٹر برائے جناب وائل جی فرعون)	۴	۴

ڈائریکٹرز کی ریمونریشن پالیسی

بورڈ کے اجلاسوں میں شرکت کے لئے ڈائریکٹرز کے معاوضہ / فیس کے تعین کا اختیار بورڈ کے پاس ہے۔ بورڈ کی کمیٹیوں کے اجلاسوں میں شرکت کیلئے اور جنرل اجلاس میں یا کسی دوسرے کاروباری اجلاس میں شرکت کے لئے کوئی معاوضہ ادا نہیں کیا جاتا ہے۔ اسکے علاوہ، اجلاسوں میں شرکت کیلئے سفر، ہوٹل اور دیگر اخراجات ادا کئے جاتے ہیں۔

اس سال ادا کیے جانے والی فیس اور چیف ایگزیکٹو آفیسر کو ادا کیے گئے معاوضے کے پیکج کی تفصیلات مالیاتی گوشوارے کے نوٹ نمبر 42 میں بیان کی گئی ہیں۔

کارپوریٹ بریفنگ سیشنز (CBS)

مالی سال 26-2025 کے دوران کمپنی نے 30 اکتوبر 2025 کو ایک کارپوریٹ بریفنگ سیشن منعقد کیا، جس میں مالی سال 25-2024 کے سالانہ مالیاتی گوشواروں کی بنیاد پر کمپنی کی مالیاتی کارکردگی پیش کی گئی۔ مالی سال 26-2025 کے لیے کارپوریٹ بریفنگ سیشن مقررہ مدت کے اندر منعقد کیا جائے گا۔

شیئر ہولڈنگ کا خلاصہ

شیئر ہولڈنگ کا خلاصہ صفحہ نمبر 122 پر دکھایا گیا ہے۔

بورڈ آف ڈائریکٹرز کی تشکیل اور ان کے اجلاس

بورڈ سات ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر مشتمل ہے۔ فی الحال کمپنی کے بورڈ پر کوئی خاتون ڈائریکٹر نہیں ہے۔

بورڈ کی تشکیل سال بھر مندرجہ ذیل رہی:

	قسم	نام
i	انڈیپنڈنٹ ڈائریکٹرز	جناب شمیم احمد خان جناب خوندامیر نصرت خوجائیو جناب طارق اقبال خان
ii	نان ایگزیکٹیو ڈائریکٹرز	جناب لیث جی فرعون متبادل ڈائریکٹر: جناب ساجد نواز جناب وائل جی فرعون متبادل ڈائریکٹر: جناب بابر بشیر نواز جناب شعیب اے ملک جناب عبدالستّار جناب ساجد نواز
iii	ایگزیکٹیو ڈائریکٹر	جناب اسد حسن

مالی سال 26–2025 کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے۔ ڈائریکٹرز کی حاضری درجِ ذیل ہے:

ڈائریکٹر کا نام	کُل اجلاس	اجلاسوں میں شرکت*
جناب لیث جی فرعون متبادل ڈائریکٹر: جناب ساجد نواز	۵	۵
جناب وائل جی فرعون متبادل ڈائریکٹر: جناب بابر بشیر نواز	۵	۵
جناب شعیب اے ملک - چیئرمین	۵	۵
جناب عبدالستّار	۵	۵
جناب خوندامیر نصرت خوجائیو۔IDB کے نمائندے	۵	۴
جناب شمیم احمد خان	۵	۵
جناب طارق اقبال خان	۵	۵
جناب اسد حسن - چیف ایگزیکٹو	۵	۵

* وہ اجلاس جن میں ڈائریکٹرز یا اُن کے متبادل نمائندوں نے شرکت کی۔

- کمپنی کے کھاتے کمپنیز ایکٹ ۲۰۱۷ء کے تحت مناسب طریقے سے رکھے جارہے ہیں۔

- مالیاتی بیانات کی تیاری میں مناسب محاسبہ جاتی پالیسیوں کا مستقل طور پر اطلاق کیا گیا ہے۔محاسبہ جاتی تخمینے معقول اور محتاط فیصلے کی بنیاد پر کیے گئے ہیں۔دورانِ سال کمپنی نے اپنے محاسبہ جاتی تخمینوں میں تبدیلی کرتے ہوئے پلانٹ اور مشینری، جو املاک، پلانٹ اور آلات میں شامل ہیں، کی پیمائش ان کی مفید عمر کا از سرِنو جائزہ لے کر کرنے کا فیصلہ کیا ہے۔اس تبدیلی کی تفصیلات مالیاتی بیانات کے نوٹ 2.4(iii) میں بیان کی گئی ہیں۔

- مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) ، جو کہ پاکستان میں نافذ العمل ہیں، ان کی پیروی کی گئی ہے۔

- انٹرنل کنٹرول کا نظام مضبوط ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

- آنے والے سالوں میں کمپنی کی کاروباری تسلسل پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں۔

- 30 جون 2026 کو مختلف فنڈز کی سرمایہ کاری کی مالیت مندرجہ ذیل ہے:

تفصیل	ملین روپے (غیر آڈٹ شدہ)
انتظامی عملے سے متعلق فنڈز	
پینشن فنڈ	7,275
پراویڈنٹ فنڈ	1,552
بعد ریٹائرمنٹ میڈیکل فنڈ	1,720
گریجویٹی فنڈ	132
غیر انتظامی عملے سے متعلق فنڈز	
گریجویٹی فنڈ	173
پراویڈنٹ فنڈ	1,023

- آٹھ ڈائریکٹرز گزشتہ سالوں میں ضابطہ برائے کاروباری نظم ونسق کے تحت پہلے سے ہی ڈائریکٹرز کے تربیتی پروگراموں میں شرکت کر چکے ہیں یا ریگولیشنز میں شامل استثنٰی یا زمی کے معیار پر پورا اترتے ہیں۔

- کمپنی کے حصص میں بورڈ آف ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری، ایگزیکٹوز اوران کی بیگمات اور چھوٹے بچوں کی طرف سے کوئی سودا نہیں کیا گیا سوائے اس کے کہ جن کا ذکر "شیئر ہولڈنگ کے پیٹرن" میں کیا گیا ہے۔

NRL کے QC فنکشن کو پاکستان نیشنل ایکریڈیٹیشن کونسل (PNAC) ، وزارت سائنس اور ٹیکنالوجی، حکومتِ پاکستان کی طرف سے ISO/IEC17025:2017 ایکریڈیٹیشن سے نوازا گیا ہے جو کہ مکمل طور پر نافذ العمل ہے اور 2022 سے ہر سال اپنی منظوری کے دائرکار کو کامیابی سے برقرار رکھنے اور اس میں توسیع کرنے میں کامیاب رہا ہے۔ یہ ایکریڈیٹیشن بنیادی طور پر لیبارٹریوں کے لیے مخصوص ٹیسٹ کے طریقوں کو انجام دینے، درست بین الاقوامی سطح پر ٹریس ایبل کیلیبریشن ڈیٹا، ٹیسٹ کے نتائج، اور ایک موثر معیار کے نظام کو چلانے کے لیے تکنیکی قابلیت کا مظاہرہ کرنے کا معیار ہے۔ اس قابل قدر کامیابی کے ساتھ، این آر ایل مینجمنٹ سسٹم کی ایک نئی سطح پر پہنچ گیا ہے جو کمپنی کو ان مشہور کمپنیوں کے مساوی کر دیتا ہے جو عالمی معیار کی جانچ کی سہولیات اور لیبارٹریز سے لیس ہیں۔

کلیدی آپریٹنگ اور مالیاتی اعداد و شمار

گزشتہ چھ برس 2021-2026 کے کلیدی آپریٹنگ اور مالیاتی اعداد و شمار صفحہ 47 پر پیش کیے گئے ہیں۔

ریفائنریز کی پیداواری صلاحیت

پیداواری صلاحیتوں کے تجزیہ کے مطابق، این آر ایل 23.10 ملین بیرل سالانہ پیداواری صلاحیت کے ساتھ پاکستان کی تیسری بڑی ریفائنری ہے۔ این آر ایل پاکستان میں واحد ریفائنری کمپلیکس ہے جس میں لیوب ریفائنری شامل ہے اور ملک کی مانگ کو پورا کرنے کے لیے لیوب بیس آئل کے متعدد درجات کی پیداوار کرتا ہے، اور ایک BTX پلانٹ بھی موجود ہے۔

کریڈٹ

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی طویل مدتی ریٹنگ "AA" (گزشتہ دو سالوں سے برقرار) اور قلیل مدتی ریٹنگ "A1" (گزشتہ دو سالوں سے برقرار) رکھی ہے۔ یہ درجہ بندیاں کریڈٹ رسک کی بہت کم توقع اور بروقت مالی وعدوں کے لیے مضبوط صلاحیت کی نشاندہی کرتی ہیں۔ موجودہ صورتحال اور پہلے بیان کردہ چیلنجز کے پیش نظر، کمپنی کا developing آؤٹ لک اور ریٹنگ واچ کی حیثیت جاری ہے۔

قومی خزانے کو کی جانے والی ادائیگی

موجودہ مالی سال کے دوران، کمپنی نے ٹیکسز، ڈیوٹیز اور لیویز کی مد میں 144.44 ارب روپے قومی خزانے میں جمع کرائے اور نیفتھا، تارکول، فرنس آئل اور لیوب بیس آئل کی برآمد کے ذریعے 238.11 ملین امریکی ڈالر کا قیمتی زرمبادلہ کمایا۔

انٹرنل فنانشل کنٹرول سسٹم

کمپنی اس بات کو یقینی بناتی ہے کہ مالی معاملات سمیت تمام سرگرمیوں کیلئے مناسب داخلی کنٹرولز موجود ہیں۔ کمپنی میں انٹرنل آڈٹ ڈیپارٹمنٹ موجود ہے جو داخلی مالیاتی کنٹرولز کے ڈیزائن کی درستگی اور ان کنٹرولز کے مناسب طریقے سے لاگو ہونے اور انکی نگرانی کی تشخیص کیلئے ریگولر آڈٹ کرتا ہے۔ کمپنی کے ڈائریکٹرز نے "آڈٹ کمیٹی" تشکیل دی ہے جو انٹرنل آڈٹ ڈیپارٹمنٹ کی رپورٹوں کا سہ ماہی بنیادوں پر جائزہ لیتی ہے۔

کاروباری نظم و نسق

کمپنی اچھے کاروباری نظم و نسق پر کاربند رہنے کا تہیہ کئے ہوئے ہے اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ۲۰۱۹ پر عمل پیرا ہے اور یہ بیان کیا جاتا ہے کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے آپریشنز کے نتائج، ایکویٹی میں تبدیلی اور کیش فلو کی شفاف عکاسی کرتے ہیں۔

مستقبل میں بھی ہم اپنی تعلیمی اور تربیتی نظام کو مزید مضبوط بنانے کے لیے پُرعزم ہیں، جس میں صلاحیتوں پر مبنی ترقی، ڈیجیٹل تعلیم، قیادتی جانشینی، باصلاحیت افراد کی تیز رفتار ترقی اور اعداد و شمار پر مبنی افرادی قوت کی منصوبہ بندی شامل ہیں۔ این آر ایل میں اپنے لوگوں کی ترقی محض تعلیم و تربیت میں سرمایہ کاری نہیں بلکہ اپنے مستقبل میں سرمایہ کاری ہے، جو ہمارے ملازمین، کاروبار اور ان معاشروں کے لیے دیرپا قدر پیدا کرتی ہے جن کی ہم خدمت کرتے ہیں۔

صحت، حفاظت، ماحولیات اور معیار

این آر ایل (NRL) اپنی سرگرمیوں کو محفوظ، ذمہ دارانہ اور ماحولیاتی طور پر پائیدار انداز میں انجام دینے کے لیے پُرعزم ہے۔ صحت، حفاظت، ماحولیات اور معیار کمپنی کی کاروباری حکمتِ عملی کا بنیادی حصہ ہیں، جن کا مقصد ملازمین، ٹھیکیداروں، معاشرے، اثاثوں اور ماحول کا تحفظ یقینی بنانا ہے جبکہ عملی کارکردگی میں بہتری کو بھی فروغ دینا ہے۔

کمپنی ایک مربوط انتظامی نظام برقرار رکھتی ہے جو درج ذیل بین الاقوامی معیارات کے مطابق تصدیق شدہ ہے:

- ISO 9001:2015 – کوالٹی مینجمنٹ سسٹم
- ISO 14001:2015 – ماحولیاتی مینجمنٹ سسٹم
- ISO 45001:2018 – پیشہ ورانہ صحت و حفاظت مینجمنٹ سسٹم

رواں سال کمپنی نے 18 سے 22 مئی 2026 تک منعقد ہونے والا پہلا نگرانی جائزہ کامیابی سے مکمل کیا، جس سے بین الاقوامی قابلِ اطلاق معیارات کے مطابق کمپنی کے مربوط انتظامی نظام کی مسلسل مؤثریت اور مطابقت کی دوبارہ تصدیق ہوئی۔ مربوط انتظامی نظام خطرات کے انتظام، قانونی و ضابطہ جاتی تقاضوں کی تکمیل، عملی سرگرمیوں کے مؤثر کنٹرول، کارکردگی کی نگرانی اور مسلسل بہتری کے لیے ایک منظّم ڈھانچہ فراہم کرتا ہے۔

مزید برآں، این آر ایل (NRL) نے انتظامی جائزوں، اندرونی اور بیرونی معائنوں، ورک پلیس کے معائنے، خطرات کی نشاندہی اور خطرات کے جائزے، ہنگامی صورتحال سے نمٹنے کی تیاری کے پروگراموں، حفاظتی آگاہی کی سرگرمیوں اور ملازمین و ٹھیکیداروں کے لیے صلاحیت پر مبنی تربیت کے ذریعے صحت، حفاظت، ماحولیات اور معیار کی ثقافت کو مزید مضبوط کیا۔

کمپنی آلودگی کی روک تھام، توانائی اور قدرتی وسائل کے مؤثر استعمال، فضلے میں کمی، دوبارہ قابلِ استعمال مواد کے استعمال اور ماحولیاتی قوانین و ضوابط کی پابندی کے ذریعے ماحول کے تحفظ کے لیے اپنی ذمہ داری کو مسلسل پورا کر رہی ہے۔ ڈیزل ہائیڈروڈیسلفرائزیشن (DHDS) اور آئسومرائزیشن یونٹس کا مسلسل آپریشن صاف ستھرے اور یورو معیار سے ہم آہنگ ایندھن کی پیداوار اور اپنی سرگرمیوں کے ماحولیاتی اثرات کو کم کرنے کے لیے این آر ایل کے عزم کی عکاسی کرتا ہے۔

این آر ایل نے آگ سے تحفظ اور ہنگامی صورتحال سے نمٹنے کی صلاحیتوں کو بھی مزید بہتر بنایا، جبکہ ملازمین کی شمولیت، ٹھیکیداروں کے حفاظتی انتظام اور مسلسل صلاحیت سازی کے ذریعے محفوظ اور صحت مند کام کے ماحول کو فروغ دیا۔ کمپنی تمام قابلِ اطلاق قانونی اور ضابطہ جاتی تقاضوں کی پابندی اور صحت، حفاظت، ماحولیات اور معیار کی کارکردگی میں مسلسل بہتری کے لیے پُرعزم ہے، تاکہ کاروبار کی پائیدار ترقی کو مؤثر انداز میں معاونت فراہم کی جا سکے۔

کوالٹی کنٹرول فنکشن

این آر ایل میں کوالٹی کنٹرول (QC) فنکشن جدید ترین تجزیاتی آلات کا استعمال کرتے ہوئے خام تیل، گیسوں اور ایندھن، پیٹروکیمیکلز، اور پیٹرولیم انڈسٹری کی دیگر مصنوعات/ میٹیریل کی جانچ کا انتظام کرتا ہے۔ تاہم، یہ کردار صرف کوالٹی کنٹرول تک محدود نہیں ہے بلکہ کوالٹی اشورنس اور تحقیق اور ترقی کا کام بھی پروسیس اور مصنوعات میں جدت کی بنیاد فراہم کرنے کے لیے کیا جاتا ہے۔ QC طے شدہ جانچ کی خدمات کے تحت پروجیکٹ پر مبنی کام بھی کرتا ہے۔

سیکھنے (learning) صلاحیت (capability) اور مستقبل کی تیاری: پائیدار قدر پیدا کرنے کے لیے انسانی سرمائے کی ترقی

این آر ایل میں ہم اپنے لوگوں کو ایک حکمتِ عملی کے لحاظ سے اہم اثاثہ سمجھتے ہیں، جو عملی کارکردگی، جدت اور طویل مدتی مضبوطی کے لیے بنیاد رکھتے ہیں۔ توانائی کے شعبے میں مسلسل تبدیلی کے پیشِ نظر ہماری توجہ ایسے مستقبل کے لیے تیار افرادی قوت تشکیل دینے پر مرکوز ہے جو ابھرتے ہوئے چیلنجز سے نمٹنے اور نئے مواقع سے فائدہ اٹھانے کے لیے مطلوبہ صلاحیت، سوچ اور قیادتی قابلیت رکھتی ہو۔

رواں سال ہم نے اپنی سیکھنے اور ترقی کی حکمتِ عملی کا دوبارہ جائزہ لیا اور اسے مزید مخصوص اور کاروباری ضروریات سے ہم آہنگ بنایا۔ افرادی قوت کی ترقی کو عملی کارکردگی، ڈیجیٹل تبدیلی اور جانشینی کی منصوبہ بندی (succession planning) سے منسلک کیا گیا تاکہ صلاحیتوں کی تعمیر براہِ راست ادارے کی کارکردگی میں بہتری کا باعث بنے۔

ملازم کے پہلے دن سے پیشہ ورانہ سفر کو مضبوط بنانا

ہم نے نئے ملازمین کے لیے ابتدائی شمولیت اور ادارے سے ہم آہنگی کے نظام کو مزید مضبوط کیا۔ نئے ملازمین کو ادارے کی اقدار، حفاظتی ثقافت، انتظامی معیارات اور عملی طریقہ کار سے منظّم اور مؤثر انداز میں متعارف کرایا جاتا ہے، تاکہ وہ ادارے کے ساتھ اپنے سفر کے آغاز ہی سے بامعنی کردار ادا کر سکیں۔

وسیع تر اور زیادہ مخصوص تربیتی پروگرام

ملازمین نے مختلف نوعیت کے تربیتی پروگراموں، قیادتی نشستوں، تکنیکی ورکشاپس، صنعتی سیمینارز اور معلومات کے تبادلے کی نشستوں میں شرکت کی۔ یہ پروگرام داخلی ماہرین اور بیرونی ماہرین دونوں کے ذریعے منعقد کیے گئے۔ ان اقدامات نے مختلف شعبوں کے درمیان تعاون کو مضبوط کیا اور ادارے میں صنعتی بہترین طریقہ کار کے تبادلے کو تیز کیا۔

رواں سال ملازمین کو بیرونی کانفرنسوں میں شرکت کے مزید مواقع فراہم کرنے پر بھی خصوصی توجہ دی گئی، جن میں اٹک گروپ کے وسیع تر پلیٹ فارم کے تحت دستیاب مواقع بھی شامل تھے۔ اس کے ذریعے ہمارے ملازمین کو صنعتی کانفرنسوں اور پیشہ ورانہ فورمز میں شرکت، شعبے کے معروف ماہرین سے سیکھنے اور پیشہ ورانہ روابط قائم کرنے کے مواقع حاصل ہوئے۔

2026 میں ہم نے 14,000 سے زائد تربیتی افرادی گھنٹے مکمل کیے، جو گزشتہ سال کے مقابلے میں تین گنا سے بھی زیادہ ہیں۔ یہ ہماری تربیتی حکمتِ عملی کے زیادہ منظّم اور مخصوص انداز کی عکاسی کرتا ہے۔ تربیتی اقدامات ان صلاحیتوں کے گرد ترتیب دیے گئے جو ہمارے کاروبار کے لیے سب سے زیادہ اہم ہیں، جن میں صحت، حفاظت اور ماحولیات، ریفائنری کے عملی امور، انجینئرنگ اور دیکھ بھال میں اعلیٰ کارکردگی، قیادتی اور انتظامی مؤثریت، ڈیجیٹل صلاحیتیں اور ٹھیکیداروں کی حفاظتی پابندیاں شامل ہیں۔ ان اقدامات نے مجموعی طور پر عملی اعتبار، حفاظتی کارکردگی، پیداواری صلاحیت اور ادارے کی مضبوطی کو بہتر بنانے میں کردار ادا کیا۔

مستقبل کی افرادی قوت کی بنیاد مضبوط بنانا

مستقبل کے باصلاحیت افراد کی تیاری ہماری افرادی قوت کی حکمتِ عملی کا ایک بنیادی حصہ ہے۔ ہمارے تربیتی اپرنٹس شپ پروگرام، گریجویٹ ٹرینی انجینئر پروگرام، انتظامی تربیتی پروگرام اور انٹرن شپ پروگرام بدستور منظّم تعلیمی راستے، عملی تجربہ، رہنمائی اور صلاحیتوں پر مبنی ترقی کے مواقع فراہم کر رہے ہیں۔ ان پروگراموں کے ذریعے ماہر پیشہ ور افراد کی ایک پائیدار افرادی قوت تیار کی جا رہی ہے جو این آر ایل کی بدلتی ہوئی کاروباری اور قیادتی ضروریات پوری کرنے کے لیے تیار ہو۔

سماجی ذمہ داری: خدمت کے ذریعے مثبت اثر پیدا کرنا

گزشتہ سال ''خدمت کا سفر'' کے آغاز کی بنیاد پر، 2026 میں ہماری کارپوریٹ سماجی ذمہ داری (CSR) کی سرگرمیوں نے ایک منظّم عزم سے آگے بڑھ کر ایک وسیع تر پروگرام کی شکل اختیار کی، جس نے ہمارے ملازمین میں ہمدردی، معاشرے سے وابستگی اور مشترکہ مقصد کے احساس کو مزید مضبوط کیا۔

ملازمین کی مالی بہبود اس سفر کا ایک بنیادی ستون بن کر سامنے آئی۔ اس احساس کے پیشِ نظر کہ سماجی ذمہ داری کا آغاز افراد کو اپنے مستقبل کو محفوظ بنانے کے قابل بنانے سے ہوتا ہے، ہم نے مالیاتی آگاہی کی متعدد نشستوں کے ذریعے اپنی رسائی کو بڑھایا۔ ان نشستوں سے ملازمین اور بالواسطہ طور پر ان کے خاندانوں کو بہتر مالی منصوبہ بندی اور مضبوط مالی استحکام پیدا کرنے میں مدد ملی۔

صحت اور فلاح و بہبود سے متعلق آگاہی کو بھی خصوصی اہمیت دی گئی۔ مردوں کی صحت کے حوالے سے ایک خصوصی آگاہی نشست کا انعقاد کیا گیا، جس میں ملازمین کو اپنی جسمانی صحت کو ترجیح دینے اور مردوں کی صحت سے متعلق مسائل پر کھل کر بات کرنے کی ترغیب دی گئی۔ یہ اس سوچ کی عکاسی کرتا ہے کہ ایک خیال رکھنے والا ادارہ ملازم کی مکمل شخصیت اور بہبود کا خیال رکھتا ہے۔

ماحولیاتی ذمہ داری کے حوالے سے بھی ہماری کاوشیں جاری رہیں۔ یومِ ارض کے موقع پر منعقدہ سرگرمیوں کے ذریعے پائیداری اور مشترکہ ماحول کے تحفظ کے بارے میں آگاہی کو مزید فروغ دیا گیا۔

رہنمائی اور سرپرستی کے پروگرام میں بھی ایک اہم پیش رفت ہوئی، جب ہم نے دی سٹیزنز فاؤنڈیشن (ٹی سی ایف) کے ساتھ رہبر پروگرام کے لیے شراکت داری کی۔ اس پروگرام کے تحت ہمارے انجینئرز اور پیشہ ور افراد کو کم مراعات یافتہ طلبہ کے ساتھ بطور رہنما منسلک کیا گیا۔ اس شراکت داری کے ذریعے گزشتہ سال طے کیے گئے اس مقصد کو عملی شکل دی گئی کہ ایسے نوجوانوں کو باقاعدہ پیشہ ورانہ رہنمائی اور عملی معلومات فراہم کی جائیں جنہیں بصورتِ دیگر ان مواقع تک محدود رسائی حاصل ہوتی، جبکہ ہمارے ملازمین کو بھی معاشرے کی خدمت کے لیے ایک بامعنی پلیٹ فارم فراہم کیا گیا۔

مجموعی طور پر، یہ اقدامات ظاہر کرتے ہیں کہ خدمت کا سفر محض ایک ارادے پر مبنی پلیٹ فارم سے آگے بڑھ کر ایک عملی روایت بن چکا ہے، جو ہمارے ملازمین میں ہمدردی، عاجزی اور مشترکہ ذمہ داری کے احساس کو مسلسل فروغ دے رہا ہے۔

تنوع (Diversity)، مساوات اور شمولیت: ایک جامع ثقافت کی تشکیل

این آر ایل (NRL) اس بات کو بخوبی سمجھتا ہے کہ تنوع، مساوات اور شمولیت ایک جامع، باعزت اور اعلیٰ کارکردگی کے حامل کام کے ماحول کے قیام کے لیے بنیادی اہمیت رکھتے ہیں۔ این آر ایل مختلف خیالات، پس منظر اور تجربات کو قدر کی نگاہ سے دیکھتا ہے اور سمجھتا ہے کہ یہ عناصر جدت اور پائیدار ترقی میں اہم کردار ادا کرتے ہیں۔

رواں سال ادارے نے تنوع، مساوات اور شمولیت سے متعلق اپنی عملی کوششوں کو مزید مضبوط کیا، بالخصوص مساوی مواقع کے فروغ اور خصوصی ضروریات رکھنے والے افراد کے لیے کام کی جگہ تک رسائی بہتر بنانے پر توجہ مرکوز کی گئی۔ اس سلسلے میں دفتری بنیادی ڈھانچے، آمد و رفت کی سہولیات اور کام کی وقت میں ایسی بہتریاں کی گئیں جو مختلف ضروریات رکھنے والے ملازمین کے لیے زیادہ موزوں ہوں۔

ہم ایسے کام کے ماحول کے قیام کے لیے پُرعزم ہیں جہاں تمام ملازمین کے ساتھ وقار اور احترام سے پیش آیا جائے اور انہیں اپنی صلاحیتوں کے مطابق کردار ادا کرنے اور ترقی کرنے کے مساوی مواقع فراہم کیے جائیں۔

قیادت سے رابطے کو مزید مضبوط بنانا

ہم نے قیادت اور ملازمین کے درمیان کھلے اور دوطرفہ رابطے کو فروغ دینے کے لیے ٹاؤن ہال اجلاسوں اور اعلیٰ قیادت کے ساتھ خصوصی نشستوں کا سلسلہ جاری رکھا۔ ان اقدامات کے ذریعے بالخصوص اپنے پیشہ ورانہ سفر کے ابتدائی مرحلے میں موجود ملازمین کو ادارے کی قیادت تک براہِ راست رسائی حاصل ہوئی، جس سے معلومات کے تبادلے اور کھلے مکالمے کے ماحول کو فروغ ملا۔ ہمارا قیادتی سلسلہ بھی جاری رہا، جس میں صنعت سے وابستہ ماہرین نے گفتگو کی اور تجربہ کار رہنماؤں کے نقطہ نظر سے ہمارے داخلی معلوماتی ماحول کو مزید تقویت ملی۔

اپنے لوگوں کی خدمات کا اعتراف اور حوصلہ افزائی

ملازمین کی خدمات کا اعتراف ہماری ثقافتی ایجنڈا کا ایک اہم حصہ رہا۔ طویل مدتی خدمات کے اعزازات کی تقریب میں طویل عرصے سے ادارے سے وابستہ ملازمین کی وفاداری اور خدمات کو سراہا گیا، بہترین کارکردگی کے اعزازات کی تقریب میں نمایاں انفرادی کارکردگی کا اعتراف کیا گیا۔ اس طرح ایسی ثقافت کو مضبوط کیا گیا جہاں بہترین کارکردگی کو دیکھا بھی جاتا ہے اور اس کی قدر بھی کی جاتی ہے۔

کمیونٹی اور فلاح و بہبود کا فروغ

ملازمین کے درمیان باہمی تعلق اور اجتماعی احساس کو فروغ دینے والی سرگرمیوں کا سلسلہ جاری رہا۔ یومِ آزادی کی تقریبات کے ساتھ ساتھ یومِ ارض اور یومِ آم کے حوالے سے ملازمین کی شرکت پر مبنی سرگرمیوں کا انعقاد کیا گیا۔ مردوں کی صحت کے بارے میں خصوصی آگاہی نشست نے ملازمین کی مجموعی فلاح و بہبود پر ہماری بڑھتی ہوئی توجہ کو اجاگر کیا، جس کا دائرہ صرف پیشہ ورانہ امور تک محدود نہیں بلکہ ملازمین کی ذاتی بہبود تک بھی پھیلا ہوا ہے۔

سننا اور باہمی شمولیت

منظّم توجہ مرکوز گروپ نشستوں اور غیر رسمی ملاقات وتعارف کی نشستوں کے ذریعے ملازمین کو اپنی رائے دینے، تحفظات بیان کرنے اور ساتھی ملازمین اور قیادت سے رابطہ قائم کرنے کے لیے خصوصی مواقع فراہم کیے گئے۔ اس سے آزادانہ روابط اور مسلسل طور پر ملازمین کی بات سننے کی ثقافت کو مزید تقویت ملی۔

تعلیمی اور ادارہ جاتی روابط کو مضبوط بنانا

ہم نے تعلیمی اور پیشہ ورانہ حلقوں کے ساتھ اپنے روابط کو مزید مضبوط کیا۔ این ای ڈی (NED) یونیورسٹی کے طلبہ کو ان کے آخری سال کے منصوبے کے سلسلے میں ادارے کا دورہ کروایا گیا جبکہ آئی سی ایم اے پی (ICMAP) کے وفد کا بھی خیر مقدم کیا گیا۔ یہ اقدامات مستقبل کے باصلاحیت افراد کی تربیت اور پیشہ ورانہ ماحول میں ادارے کی مضبوط موجودگی کے عزم کی عکاسی کرتے ہیں۔

تربیت اور معاوضے کی حکمتِ عملی کو مضبوط بنانا

گزشتہ سال کی بنیادی کاوشوں کو آگے بڑھاتے ہوئے، ہم نے اپنی تربیتی حکمتِ عملی کو مزید مخصوص اور نتائج پر مبنی بنایا، تاکہ تربیتی اقدامات عمومی نوعیت کے بجائے ملازمین کی صلاحیتوں میں موجود کمی اور کاروباری ترجیحات سے براہِ راست ہم آہنگ ہوں۔

اسی طرح معاوضوں اور مراعات کی حکمتِ عملی کو بھی مزید مضبوط کیا گیا۔ اس کا مقصد ایک مسابقتی اور منصفانہ ملازم قدر کی پیشکش کو یقینی بنانا ہے، جو ادارے کو طویل مدتی کامیابی کے لیے ضروری باصلاحیت افراد کو متوجہ کرنے، ان کی حوصلہ افزائی کرنے اور انہیں ادارے کے ساتھ برقرار رکھنے میں مدد دے۔

مجموعی طور پر یہ تمام اقدامات اس سال کی اس پیش رفت کی عکاسی کرتے ہیں جس میں افراد و ثقافت کا شعبہ محض ایک تصور سے نکل کر عملی اور نمایاں اثر پیدا کرنے والے شعبے میں تبدیل ہوا، جہاں ہر اقدام کے مرکز میں ملازمین رہیں۔

B - دیگر بہتری کے منصوبے

یورو-V موٹر اسپرٹ کی پیداوار کا منصوبہ

یورو فائیو معیار کے موٹر اسپرٹ کی پیداوار کے لیے تکنیکی مطالعہ اس منصوبے کے لائسنس فراہم کنندہ میسرز یو او پی کی جانب سے پہلے ہی مکمل کیا جا چکا ہے۔ منصوبہ اب تفصیلی انجینئرنگ کے مرحلے میں داخل ہو چکا ہے۔ اس کے بعد تجویز کردہ تبدیلیاں نافذ کی جائیں گی تاکہ یورو-V معیار کے موٹر اسپرٹ کی پیداوار شروع کی جا سکے۔

فکسڈ بیڈ ریفارمر کے محرک (Catalyst) کی تبدیلی کا منصوبہ

اس منصوبے کے تحت موجودہ فکسڈ بیڈ ریفارمر کے محرک (Catalyst) کو نئی جنریشن کے ریفارمنگ محرک (Catalyst) سے تبدیل کیا جائے گا۔ توقع ہے کہ نیا محرک کارکردگی، ریفارمیٹ کے معیار، ریفارمیٹ کی پیداوار اور ہائیڈروجن کی پیداوار میں بہتری لائے گا۔

65 این ایچ وی آئی میں نمی کم کرنے کا منصوبہ

اس منصوبے کا مقصد 65 این ایچ وی آئی بیس آئل میں نمی کی مقدار کو کم کرنا ہے تاکہ اسے ٹرانسفارمر آئل کی تیاری کے لیے درکار معیار کے مطابق بنایا جا سکے۔ تکنیکی جائزے اور تجربہ گاہ میں کیے گئے جائزوں سے یہ تصدیق ہو چکی ہے کہ نمی کو الگ کرنے والا نظام اس مقصد کے لیے موزوں ہے، اور اس نظام سے خارج ہونے والی مصنوعات میں نمی کی مقدار 30 پی پی ایم سے کم رہنے کی ضمانت دی گئی ہے۔ اس نظام کی خریداری کا عمل اس وقت جاری ہے۔

بی ٹی ایکس پلانٹ (بینزین، ٹولوین اور زائلین)

این آر ایل کا منصوبہ ہے کہ موجودہ بی ٹی ایکس پلانٹ کو مسلسل بنیادوں پر چلایا جائے تاکہ پلانٹ کی بڑی مرمت اور بحالی کے بعد بینزین، ٹولوین اور زائلین کی پیداوار اور فروخت بحال کی جا سکے۔

ایم ای کے-1 کی بہتری کا مطالعہ

ایم ای کے-1 یونٹ کی کارکردگی بہتر بنانے اور پیداواری رکاوٹیں دور کرنے کے لیے اس وقت مطالعہ جاری ہے۔ اس مطالعے میں عمل اور آلات میں ضروری تبدیلیوں کی نشاندہی کی جائے گی۔ اس کا بنیادی مقصد سلیک ویکس میں تیل کی مقدار کم کرنا ہے تاکہ مصنوعات کی بازیابی اور معیار کو بہتر بنایا جا سکے۔

ایم ای کے-2 کی بہتری کا مطالعہ

ایم ای کے-1 کی طرح، اس مطالعے میں بھی ایم ای کے-2 یونٹ کی کارکردگی کا جائزہ لے کر اسے بہتر بنانے اور پیداواری رکاوٹوں کو دور کرنے کے مواقع کی نشاندہی کی جائے گی۔ اس کا مقصد لبریکنٹ بیس آئل کی بازیابی میں اضافہ، سلیک ویکس میں تیل کے ضیاع میں کمی اور مصنوعات کے معیار میں بہتری لانا ہے۔

IV) سپلائرز اور صارفین کے ساتھ کاروباری تعلقات

ہم اپنے سپلائرز، صارفین اور سپلائی چین میں شامل تمام کاروباری شراکت داروں کے ساتھ مضبوط اور دیرپا تعلقات قائم رکھنے کے لیے پُرعزم ہیں۔

افراد اور ثقافت: ارادے سے عملی اثر تک

گزشتہ سال انسانی وسائل کے شعبے کو افراد و ثقافت کے شعبے کے طور پر از سرِ نو ترتیب دینے کے بعد، رواں سال اس سوچ کو عملی اقدامات میں تبدیل کیا گیا۔ پوری تنظیم میں اس کا مقصد ملازمین کے تجربے کو مزید جامع اور مربوط بنانا تھا، جس کی بنیاد قیادت کی مؤثر موجودگی، اعترافِ خدمات، ملازمین کی شمولیت اور مشترکہ مقصد کے مضبوط احساس پر رکھی گئی۔

کمپنی کی انتظامیہ کو پختہ یقین ہے کہ براؤن فیلڈ ریفائنریز کے خدشات اور چیلنجز کا حل اس پالیسی کو شعبے کی ترقی، پائیداری اور استحکام کے فروغ میں کلیدی کردار ادا کرنے کے قابل بنائے گا۔

کمپنی کی انتظامیہ موجودہ مشکل حالات سے نمٹنے کے لیے انتہائی احتیاط اور بھرپور نگرانی کے ساتھ اقدامات کر رہی ہے۔ درپیش پیچیدہ حالات کے باوجود، انتظامیہ ریفائنری کے عملیاتی امور کو مؤثر انداز میں جاری رکھنے کے لیے تمام ممکنہ کوششیں کر رہی ہے۔ یہ محتاط حکمتِ عملی خطرات کو کم کرنے اور کارکردگی کو بہتر بنانے کے مقصد سے اختیار کی گئی ہے۔

B - کمپنی کی منصوبہ بندی اور اقدامات

مالیاتی بہتری اور طویل مدتی پائیداری (sustainability) کو فروغ دینے کے لیے کمپنی کی مینجمنٹ نے درجِ ذیل ہدفی اقدامات پر توجہ مرکوز کی ہے:

- HSE پر بھرپور توجہ دیتے ہوئے پلانٹ کی قابلِ اعتمادیت اور دستیابی میں اضافہ کرنا، تاکہ بلند پیداواری صلاحیت کو برقرار رکھا جا سکے، معیاری سپلائی کی بلاتعطل فراہمی یقینی ہو، صارفین کا اطمینان اور وابستگی بہتر ہو اور معیشتِ حجم (economies of scale) کے فوائد حاصل کیے جا سکیں۔
- خام تیل کے امتزاج کو موزوں بنانے کے لیے ہلکے گریڈز کا تناسب بڑھانا، تاکہ زیادہ مارجز والے ہائی اسپیڈ ڈیزل (HSD) کی پیداوار میں اضافہ ہو اور خسارہ رساں فرنس آئل کی پیداوار کم کی جا سکے۔
- پیٹرولیم مصنوعات کی فروخت میں اضافہ کرنا تاکہ کمپنی کے مجموعی منافع میں اضافہ کیا جا سکے۔
- پریمیم موٹر گیسولین کی پیداوار بڑھانا تاکہ مقامی طلب سے فائدہ اٹھایا جائے اور کم قدر والے نیفتھا کی برآمد کم کی جا سکے۔
- RON-95 موٹر گیسولین متعارف کرانا تاکہ مخصوص مارکیٹ کی طلب پوری ہو اور پروڈکٹ پورٹ فولیو کی قدر بڑھے۔
- لیوب بیس آئل کی پیداوار میں اضافہ اور اس کی مستحکم فراہمی یقینی بنانا، تاکہ اس شعبے میں کمپنی کا مارکیٹ شیئر بڑھایا جا سکے۔
- ویکس کی منڈیوں تک رسائی، تاکہ مجموعی ریفائننگ مارجنز (GRM) میں اس کا حصّہ بڑھایا جا سکے۔

III) مستقبل کے منصوبے

کمپنی کے مستقبل کے منصوبے مندرجہ ذیل ہیں جن کا مقصد کمپنی کی مصنوعات کے معیار کو بہتر بنانے کے ساتھ ساتھ ویلیو ایڈڈ مصنوعات کو بڑھانا اور سازگار ریفائنری سرگرمیوں کے لئے کمپنی کی آپریشنل صلاحیتوں کو برقرار رکھنا ہے۔

A - اپ گریڈ منصوبے

ریفائنری کے اپ گریڈ منصوبوں میں خطیر سرمایا کاری درکار ہوتی ہے، تاہم براؤن فیلڈ ریفائننگ پالیسی کی منظوری کے تحت حکومت نے کچھ مراعات کی پیشکش کی ہے، جس کے بعد آپ کی کمپنی براؤن فیلڈ ریفائنری پالیسی کے تحت مقررہ مقاصد کے حصول کے لیے مختلف متبادل طریقوں کا جائزہ لے رہی ہے، جس کا بنیادی مقصد کم سے کم سرمایہ کاری کے ذریعے مطلوبہ اہداف حاصل کرنا ہے۔

کمپنی اس وقت مختلف متبادل طریقوں کا جائزہ لے رہی ہے تاکہ ملک میں مقررہ مصنوعات کے معیار کو پورا کرنے کے لیے مسلسل یورو فائیو معیار کے موٹر گیسولین کی پیداوار کو یقینی بنایا جا سکے۔

مارکیٹ کی بدلتی ہوئی ضروریات سے ہم آہنگ رہنے کے لیے این آر ایل نے میسرز وُڈ کے ذریعے ایک تفصیلی قابلِ عملیت کا مطالعہ شروع کروایا ہے۔ میسرز وُڈ ایک عالمی سطح پر معروف انجینئرنگ مشاورتی ادارہ ہے۔ اس مطالعے کے دائرہ کار میں ضرورت محسوس ہونے کی صورت میں اضافی پیداواری اکائیوں کو شامل کرنے کا امکان بھی رکھا گیا ہے، تاکہ عملی کارکردگی یا معاشی نتائج کو مزید بہتر بنایا جا سکے۔ توقع ہے کہ یہ مطالعات (studies) مالی سال 2027 کی تیسری سہ ماہی تک مکمل ہو جائیں گے۔ اس رپورٹ کی بنیاد پر کمپنی اپنی ریفائنری کی بہتری اور جدید کاری کے منصوبوں کے لیے حتمی ترتیب اور تشکیلات طے کرے گی۔

کمپنی کی انتظامیہ کا مؤقف ہے کہ متعدد بنیادی اور ساختی رکاوٹیں اب بھی ریفائنری کے کاروبار کے منافع کو محدود کر رہی ہیں۔ اہم مسائل میں مصنوعات کے کم منافع، توانائی اور دیگر سہولیات کے اخراجات میں اضافہ، مال برداری کی شرحوں اور بینکوں کی جانب سے دستاویزی قرض ناموں کی تصدیقی فیس میں اتار چڑھاؤ، اور کسٹم ڈیوٹی کی واپسی شامل ہیں۔ یہ تمام عوامل مجموعی طور پر کمپنی کے کیش فلوز (Cash Flow) پر دباؤ ڈالتے ہیں، کاروباری سرمائے کی مالی ضروریات میں اضافہ کرتے ہیں اور بالآخر کمپنی کی مجموعی کارکردگی اور منافع کو متاثر کرتے ہیں۔

سال کے اختتام کے بعد، حکومت نے طویل عرصے سے زیرِ التوا پاکستان آئل ریفائنریز پالیسی برائے اپ گریڈیشن آف براؤن فیلڈ ریفائنریز 2023 (پالیسی) میں مزید ترامیم کی منظوری دے دی۔ اس پالیسی کے تحت حکومت نے ہائی اسپیڈ ڈیزل (HSD) پر مقررہ ڈیوٹی (Deemed Duty) کو 2.5 فیصد سے کم کر دیا ہے۔ یہ کمی 24 اکتوبر 2024 سے اس وقت تک مؤثر رہے گی جب تک پالیسی کے تحت معاہدہ توسیع و استعداد میں اضافے پر (Upgrade Agreement) دستخط نہیں ہو جاتے، بشرطیکہ یہ معاہدہ پالیسی کے اجراء کے 45 دن کے اندر طے پائے۔ تاہم، کمپنی نے تمام دستخطی کارروائی مارچ 2024 میں ہی مکمل کر لی تھی، جبکہ اس نے باقاعدہ ابتدائی دستخط شدہ معاہدوں (duly initialed) کی دو نقول جمع کروا کے اپنی آمادگی بھی ظاہر کر دی تھی۔ یہ کارروائی مقررہ سابقہ آخری تاریخ سے بھی کافی پہلے مکمل کی گئی تھی، جس کی اوگرا (OGRA) نے بھی تصدیق کی تھی۔ مزید برآں، کمپنی واحد ریفائنری ہے جس نے 2017 میں ہی اپنی تنصیبات کو (Euro-V) (Pak-V) معیار کے ہائی اسپیڈ ڈیزل (HSD) کی پیداوار کے لیے بہتر بنانے کی خاطر خواہ پیشگی سرمایہ کاری کر دی تھی۔ ان حالات کے پیشِ نظر، کمپنی کا مؤقف ہے کہ اس کے پاس پالیسی میں بیان کردہ شرائط کے حق میں قانونی طور پر ایک مضبوط اور معقول بنیاد موجود ہے۔ تاہم، کمپنی نے اس کمی کو اپنے حسابات کی کتابوں میں ختم کر دیا ہے، جس کا 30 جون 2026 تک مجموعی مالی اثر تقریباً 8.2 ارب روپے ہے، جو پالیسی کے مطابق متعلقہ ٹیکس اثر سے مشروط ہے۔

تاہم، پالیسی ریفائنریوں کی اپ گریڈیشن کے لیے ہائی اسپیڈ ڈیزل پر 2.5 فیصد کسٹم ڈیوٹی اور موٹر گیسولین پر 10 فیصد ڈیوٹی بطور اضافی مراعات فراہم کرتی ہے، جو پہلے ہی مصنوعات کی قیمت کے تعین کے طریقہ کار میں شامل ہے۔ ان اضافی مراعات کی رقم ریفائنری اپ گریڈیشن اکاؤنٹ میں جمع کرانا ضروری ہے۔ ابتدائی پالیسی کے تحت یہ رقم اوگرا کے زیرِ انتظام مشترکہ ضمانتی کھاتے میں جمع کروائی جانی تھی۔ اس رقم کو ریفائنریوں کی اپ گریڈیشن کے لیے منصوبے کی مجموعی لاگت کے 27.5 فیصد تک استعمال کیا جا سکتا ہے۔ ان اضافی مراعات کا حصول وزارت توانائی پیٹرولیم ڈویژن کے ساتھ قانونی طور پر قابلِ عمل معاہدے سے مشروط ہے، جس کے تحت اپ گریڈیشن منصوبہ پانچ سال کے اندر مکمل کرنا ہوگا۔ اس کے علاوہ ایک سال کی اضافی مہلت بھی دی جا سکتی ہے، جو پٹرولیم ڈویژن کی منظوری سے مشروط ہوگی، تاہم ایسی صورت میں مذکورہ مقررہ حد میں ایک فیصد کمی کی جائے گی۔ مزید برآں، اگر اپ گریڈیشن منصوبہ تین سال کے اندر فعال کر دیا جائے تو پالیسی ہر سال کے لیے اضافی 0.5 فیصد مراعات بھی فراہم کرتی ہے۔

پالیسی موجودہ طریق کار کے تحت درآمد شدہ خام تیل پر ادا کی جانے والی کسٹم ڈیوٹی کی جزوی واپسی کے دیرینہ مسئلے کو بھی حل کرتی ہے اور اندرونِ ملک مال برداری کے مساواتی مارجن (IFEM) کے ذریعے درآمد شدہ خام تیل پر ادا کی گئی کسٹم ڈیوٹی کی واپسی کی اجازت دیتی ہے۔ تاہم، 30 جون 2025 تک غیر ضابطہ شدہ مصنوعات (de-regulated products) سے متعلق خام تیل کی کسٹم ڈیوٹی کی مد میں قابلِ وصول 6.72 ارب روپے کی رقم کو موجودہ سال کے دوران ناقابلِ وصول قرار دے کر خارج کر دیا گیا ہے، جو پالیسی کو حتمی شکل دینے کے عمل کے دوران MEPD کے ساتھ حالیہ مشاورت اور ان سے حاصل شدہ مفاہمت کی بنیاد پر کیا گیا ہے۔

پالیسی میں سیلز ٹیکس سے متعلق ایک دیرینہ مسئلے کو بھی حل کیا گیا ہے۔ مالیاتی ایکٹ 2024 کے ذریعے بعض پٹرولیم مصنوعات، یعنی موٹر گیسولین، ہائی اسپیڈ ڈیزل، مٹی کا تیل اور لائٹ ڈیزل آئل کی حیثیت قابل سیلز ٹیکس جو پہلے صفر شرح کے تحت تھی، سے تبدیل کر کے مستثنیٰ کر دی گئی تھی۔ اس تبدیلی کے نتیجے میں کمپنی کے قابلِ ایڈجسٹمنٹ داخلی سیلز ٹیکس کے دعووں (input sales tax claims) میں تقریباً 70 فیصد کمی واقع ہوئی، جس سے کمپنی کے عملیاتی اخراجات کے ساتھ ساتھ مستقبل کے اپ گریڈیشن منصوبوں کی مجموعی لاگت میں بھی اضافہ ہوا۔ اب پالیسی کے تحت مالی سال 26-2025 اور اپ گریڈیشن معاہدے کی مدتِ معیاد تک ریفائنری کے عملیاتی امور سے متعلق اس دعوے (claim) کی IFEM کے ذریعے واپسی کی اجازت دی گئی ہے۔ مزید برآں، ریفائنری کی اپ گریڈیشن کے منصوبے میں نصب کیے جانے والے آلات اور استعمال ہونے والے میٹریل کو بھی اس سے مستثنیٰ قرار دیا گیا ہے۔

I) پیشِ نظر خدشات

- حالیہ مشرقِ وسطیٰ تنازعے کے بعد کمپنی کے لیے سب سے بڑا خطرہ خام تیل کی اہم سپلائی روٹس، خصوصاً آبنائے ہرمز اور بحیرہ احمر کے راستے (باب المندب)، میں ممکنہ رکاوٹ یا بندش ہے۔ بہترین خام تیل مکس سلیٹ سے متعلق اپنی لچکدار آپریشنل حکمتِ عملی کے تسلسل میں، کمپنی متبادل ذرائع اور سپلائی روٹس سے ہلکے خام تیل (Lighter Crude) گریڈز حاصل کرنے پر توجہ دے رہی ہے۔ اس کے ساتھ ساتھ کمپنی مقامی خام تیل سپلائرز اور دیگر بین الاقوامی سپلائرز کے ساتھ تعاون کو مضبوط بنا رہی ہے تاکہ اپنی سورسنگ بیس کو متنوع بنایا جاسکے اور ممکنہ سپلائی رکاوٹوں کے اثرات کو کم کیا جاسکے۔

- بین الاقوامی مارکیٹ میں خام تیل اور ریفائنڈ مصنوعات کی قیمتوں میں اتار چڑھاؤ اکثر مارجنز کو کم کر دیتا ہے اور انوینٹری نقصانات کے خطرے کو نمایاں کرتا ہے۔ اس کے جواب میں کمپنی ممکنہ نقصانات کو کم کرنے اور مجموعی کارکردگی کو بہتر بنانے کے لیے اپنے پیداواری اور فروخت کے شیڈولز کا باقاعدگی سے جائزہ لیتی اور انہیں ایڈجسٹ کرتی ہے۔ اس حکمتِ عملی کے تحت کمپنی خام تیل کے مختلف سورسنگ آپشنز مسلسل تلاش کر رہی ہے، جس سے بدلتے ہوئے مارکیٹ حالات میں زیادہ آپریشنل استعداد اور زیادہ قدر والی مصنوعات کی بہتر پیداوار ممکن ہوتی ہے۔

- کمپنی کو خاص طور پر کروڈ آئل کی خریداری کے لیے سپلائرز کو ادائیگی غیر ملکی کرنسی میں کرنی ہوتی ہے جس میں پاکستانی روپے کی قدر میں کمی کی وجہ سے عام طور پر زرمبادلہ کے نقصان کا سامنا رہتا ہے۔ حکومت کی جانب سے کچھ اقدامات کیے گئے ہیں تاکہ زرمبادلہ کے نقصانات کو مصنوعات کی قیمتوں میں شامل کر کے اس کے اثرات کو کم کیا جاسکے جو کہ کسی حد تک خطرے کا احاطہ کرتا ہے۔

- الیکٹرک گاڑیاں متعارف ہونے اور فوسل فیول پر انحصار کم کرنے کے حوالے سے عالمی پیشرفت درمیانی سے طویل مدت میں تیار شدہ پٹرولیم مصنوعات کے مارجنز کو کم کرنے کا سبب بنے گا۔ مزید برآں، بجلی کی پیداوار کے لیے فرنس آئل کی طلب میں بڑی کمی اور فنانس ایکٹ 2025 کے تحت پٹرولیم اور کلائمیٹ سپورٹ لیویز کے اطلاق سے کمپنی کے لیے ایک بڑا چیلنج ہے۔ جس کے نتیجے میں کمپنی کے پاس کم قیمت فرنس آئل کو مزید خسارے پر برآمد کرنے کے علاوہ کوئی راستہ نہیں۔

- ریگولیٹری ڈیوٹیوں، لیویز اور/یا ٹیکسوں کے نفاذ میں تبدیلیاں مقامی طور پر تیار کردہ مصنوعات کی طلب کو متاثر کرسکتی ہیں۔

- کمپنی کے منافع پر زیادہ ٹیکس، سپر ٹیکس کا تسلسل، ٹرن اوور ٹیکس، متبادل کارپوریٹ ٹیکس، اور برآمدات سے متعلق آمدنی کو فائنل ٹیکس نظام سے نارمل ٹیکس نظام میں منتقل کرنا بھی کمپنی کی کارکردگی کو متاثر کرتا ہے۔ ٹیکس ریٹس میں مزید اضافہ، موجودہ رعایتوں کا خاتمہ، یا ٹیکسیشن فریم ورک میں کوئی دیگر منفی تبدیلی کمپنی کے منافع پر اضافی دباؤ ڈال سکتی ہے اور اس کی مجموعی مالی کارکردگی کو مزید خراب کرسکتی ہے۔

II) مستقبل کا منظر نامہ

A - بیرونی ماحول

ملک میں مجموعی کاروباری ماحول میں بہتری آرہی ہے، جس کی بنیادی وجہ افراطِ زر اور اسٹیٹ بینک کی شرحِ پالیسی میں نسبتاً استحکام ہے۔ اس کے نتیجے میں قرضوں پر منافع کی شرح میں بھی بتدریج کمی واقع ہورہی ہے، جبکہ کمپنی کی مالی کارکردگی میں بہتری کے باعث قرضوں پر انحصار بھی کم ہورہا ہے۔ تاہم ملکی معیشت کو درپیش بعض اہم مسائل بدستور موجود ہیں، جن میں بیرونی شعبے سے متعلق بڑھتے ہوئے خطرات، بالخصوص مشرقِ وسطیٰ میں جغرافیائی سیاسی کشیدگی، زرمبادلہ کے نقصانات میں نمایاں اضافہ اور موجودہ قیمتوں کے تعین کے طریق کار کے تسلسل سے متعلق غیر یقینی صورتحال شامل ہیں۔

ڈیویڈنڈ

آئندہ اپ گریڈ منصوبے میں سرمایہ کاری کو مدِنظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے موجودہ سال کے لیے کسی بھی منافع منقسمہ پر غور نہ کرنے کا فیصلہ کیا۔

کمپنی کا کاروبار

کمپنی تین ریفائنریوں کی مدد سے خام تیل صاف کرنے کے کاروبار میں مصروفِ عمل ہے. جن کو 1966,1977,1985 میں کمیشن کیا گیا۔ حالیہ اپ گریڈیشن میں ڈیزل ہائیڈروڈیسلفورائزیشن اور آئسومرائزیشن یونٹس شامل ہیں جو کہ سال 2017 اور 2018 کے دوران بالترتیب ماحول دوست یورو II سے لیکر یورو V سٹینڈرڈ تک سلفر کی کم مقدار والے ایچ ایس ڈی اور نیفتھا کو پٹرول میں تبدیل کرنے کے لیے لگائے گئے ہیں۔ مزید برآں، فیول اور لیوب ریفائنری کے ریویمپ کے ذریعے، کمپنی نے اپنی خام تیل کی پروسیسنگ کی گنجائش 62,050 بیرل یومیہ سے بڑھا کر 70,000 بیرل یومیہ کردی ہے ۔

2005 میں کمپنی کی نجکاری کی گئی جس کے نتیجہ میں51% حصص اٹک گروپ کی ملکیت میں ہیں۔

کمپنی کی پیداوار میں ہائی سپیڈ ڈیزل، نیفتھا، موٹر گیسولین، مائع پیٹرولیم گیس، جیٹ ایندھن، متعدد گریڈز کے لیوب بیس آئل، ایکسٹریکٹ آئل، تارکول، فرنس آئل، ویکس اور ربر پروسیس آئل شامل ہیں۔ یہ تمام مصنوعات مقامی طور پر فروخت کی جاتی ہیں، سوائے نیفتھا کے جسے مقامی منڈی نہ ہونے کے باعث برآمد کیا جاتا ہے۔
فرنس آئل پر پیٹرولیم لیوی کے نفاذ کے بعد اس کی مقامی طلب تقریباً ختم ہوگئی ہے، جس کے باعث کمپنی کے پاس اس فرنس آئل کو برآمد کرنے کے علاوہ کوئی دوسرا راستہ نہیں رہا۔
اس کے علاوہ، مارکیٹ کی طلب اور تجارتی ضرورت کے مطابق لیوب بیس آئل اور تارکول کی کچھ مقدار بھی برآمد کی جاتی ہے۔

پرائسنگ فارمولا

مالی سال 13-2012 میں ہائی اسپیڈ ڈیزل کی قیمت کو ڈی ریگولیٹ کر کے PSO کی درآمدی قیمت سے منسلک کر دیا گیا۔ البتہ یکم ستمبر 2020 سے حکومت نے پندرہ روزہ قیمتوں کا نظام نافذ کیا جس کے تحت ہائی اسپیڈ ڈیزل، موٹر گیسولین اور جیٹ فیولز کی قیمتوں کیلئے اب PSO کی ماہانہ درآمدی قیمت کے بجائے عرب گلف ایف او بی کی یومیہ اوسط کو بنیادی قیمت بنا دیا گیا ہے۔ تاہم ڈیوٹیوں سمیت دیگر اخراجات PSO کی اصل لاگت کی بنیاد پر ہی شامل کیے جاتے ہیں۔ تاہم، مشرقِ وسطیٰ میں حالیہ جنگی صورتحال کے دوران، حکومت نے قیمتوں کے فارمولے میں کئی تبدیلیاں کیں، جن میں ہفتہ وار قیمتوں کا تعین متعارف کرانا اور ایک مخصوص مدت کے لیے ایچ ایس ڈی مارجنز کو بین الاقوامی خام تیل کی قیمت سے منسلک کرنا بھی شامل تھا۔ سال کے اختتام کے بعد، اب حکومت نے روزانہ قیمت میں تبدیلی کا طریقہ کار متعارف کرایا ہے۔

یکم جنوری 2021 سے، این آر ایل (NRL) اپنی اسی پیداوار کی صلاحیت کے باعث ایچ ایس ڈی یورو V (HSD Euro V) قیمت کا حقدار ہے۔

نظرثانی شدہ براؤن فیلڈ ریفائننگ پالیسی 2023 کے مطابق، کمپنی کے منافع کی تقسیم پر کوئی پابندی نہیں ہے، کیونکہ اپ ڈیٹ شدہ پالیسی سابقہ تمام ریفائنری پالیسی فریم ورکس کی جگہ لے چکی ہے۔

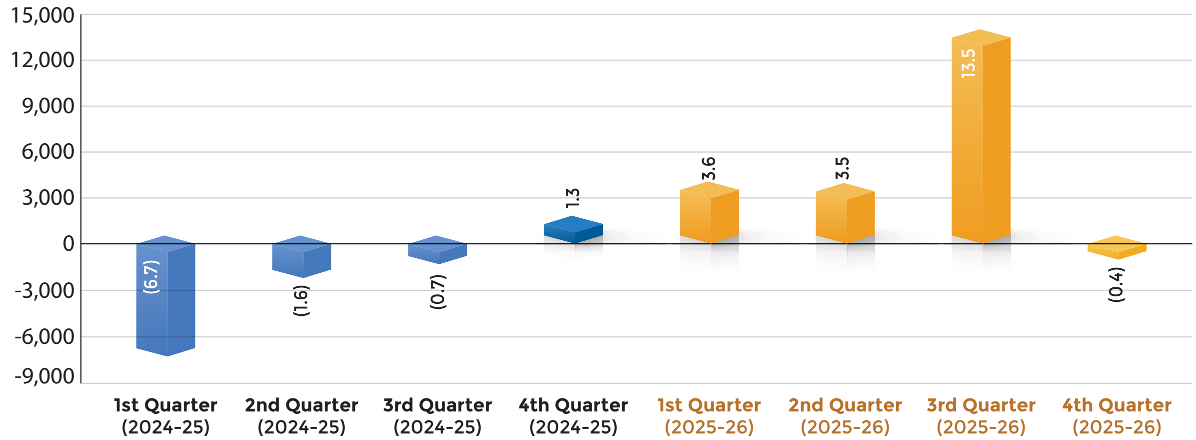
پائیداری (SUSTAINABILITY)

پائیداری (SUSTAINABILITY) کے اہم خطرات اور غیر یقینی صورتحال بشمول وہ اقدامات جو ایسے خطرات اور صورتحال میں معاون ثابت ہوں، درج ذیل ہیں:

اسی دوران کمپنی نے صارفین کے ساتھ اپنے روابط مزید مضبوط بنانے اور اپنی مصنوعات کے دائرہ کار کو وسیع کرنے کے لیے بھی اقدامات کیے۔ ویکس کی مقامی اور برآمدی منڈیوں میں فروخت کمپنی کے لیے ایک نئی کوشش تھی، جس نے بالآخر نمایاں طلب کا اظہار کیا۔ ان کوششوں کے نتیجے میں مختصر مدت کے اندر مقامی منڈی کے ساتھ ساتھ متعدد برآمدی آرڈرز بھی حاصل ہوئے۔

انتظامیہ کی حکمتِ عملی اور عملی اقدامات کے مثبت نتائج کمپنی کی سہ ماہی بنیادوں پر آپریٹنگ مالی کارکردگی میں مسلسل بہتری سے بھی واضح ہوتے ہیں، جیسا کہ ذیل میں دیے گئے گراف میں دکھایا گیا ہے۔

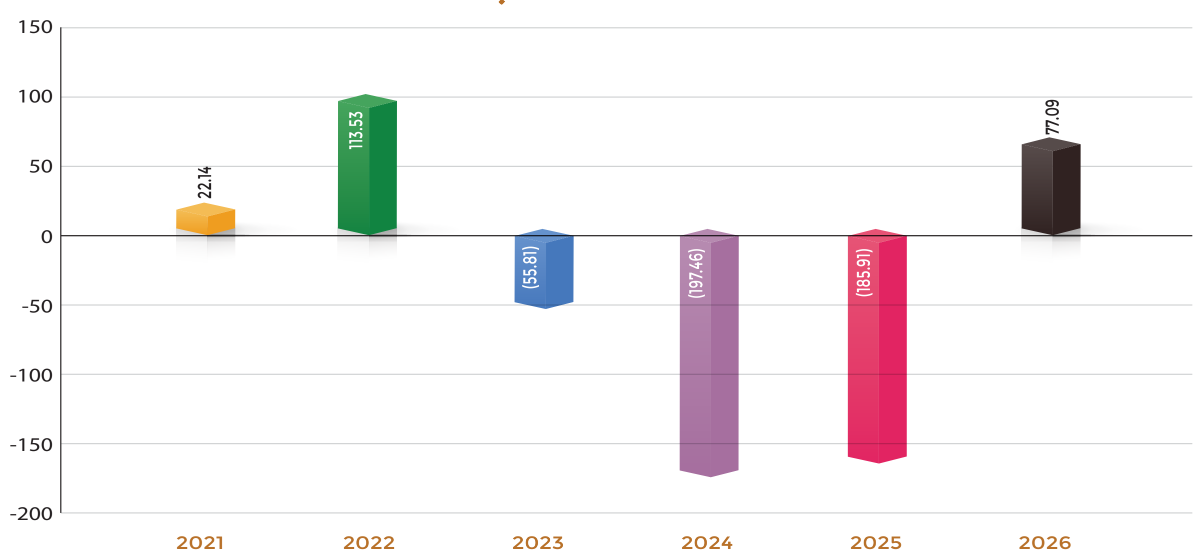
آپریٹنگ منافع/(خسارہ)۔ ارب روپے



فی حصص آمدنی/(خسارہ)

گزشتہ سال فی حصص 185.91 روپے خسارے کے مقابلے میں، اس سال فی حصص آمدنی 77.09 روپے رہی۔

آمدنی/(خسارہ) فی حصص (روپے فی حصص)



مارچ 2026 میں مشرقِ وسطیٰ کے تنازع میں شدت آنے کے بعد بین الاقوامی سطح پر تیل کی قیمتوں میں نمایاں اضافہ ہوا، جس کے نتیجے میں ریفائن شدہ پٹرولیم مصنوعات کے مارجنز میں بھی نمایاں بہتری آئی۔ تاہم، تیل کی قیمتوں میں اچانک اضافے اور علاقائی بحری راستوں میں خلل نے کمپنی کے لیے ریفائنری کی سرگرمیوں کو بلاتعطل جاری رکھنے کے لیے بروقت خام تیل کی فراہمی یقینی بنانے میں خاطر خواہ مشکلات پیدا کیں۔ ابتدا میں کمپنی کا ایک خام تیل کا بحری جہاز تقریباً ایک ماہ تک آبنائے ہرمز میں پھنسا رہا، جس سے ریفائنری کی سرگرمیوں میں ممکنہ تعطل کا نمایاں خطرہ پیدا ہوگیا۔ اس صورتحال کے جواب میں انتظامیہ نے خام تیل کی خریداری کے لیے فعال اور فوری حکمتِ عملی اختیار کی اور ایسے مقامی خام تیل اور کنڈینسیٹ کا کامیابی سے انتظام کیا، جو پہلے برآمد کے لیے مختص تھا۔ مزید برآں، ADNOC سے فوری بنیادوں پر خام تیل کے بحری کارگوز کا انتظام کیا گیا، جبکہ آرامکو (ARAMCO) سے بحیرہ احمر کے راستے ینبو بندرگاہ (Yanbu port) کے ذریعے اضافی خام تیل کی فراہمی بھی یقینی بنائی گئی۔ اس طرح خام تیل کی فراہمی کے راستوں میں تنوع پیدا کیا گیا اور علاقائی صورتحال کے باعث مزید خلل کے خطرے کو کم کیا گیا۔ اگرچہ خام تیل کی ان فراہمیوں کے انتظام میں مال برداری اور انشورنس کے اخراجات نمایاں طور پر زیادہ تھے، جن میں جنگی خطرے کی اضافی انشورنس پریمیم (Additional War Risk Premium) میں غیر معمولی اضافہ بھی شامل تھا، جس سے خام تیل کی مجموعی خریداری کی لاگت پر مزید دباؤ پڑا۔ تاہم، اس حکمتِ عملی کی بدولت کمپنی اپنی سرگرمیاں بڑی حد تک بلاتعطل جاری رکھنے میں کامیاب رہی اور ملک میں پٹرولیم مصنوعات کی قومی رسد کے نظام کو برقرار رکھنے کے مقصد میں اپنا کردار ادا کیا۔

ہائی اسپیڈ ڈیزل کی قیمتوں اور خام تیل کی قیمتوں کے درمیان فرق میں نمایاں اضافے کے دوران حکومت نے رائج قیمتوں کے تعین کے طریقہ کار میں متعدد مرتبہ تبدیلیاں کیں، جس کے نتیجے میں بالآخر ریفائنریوں کو عمومی طور پر ملنے والی قیمتوں کے ایک حصے سے محروم ہونا پڑا۔ اپریل 2026 میں حکومت نے تمام ریفائنریوں کو ہدایت کی کہ وہ حاصل ہونے والے منافع کا ایک نمایاں حصہ، جو بنیادی طور پر ہائی اسپیڈ ڈیزل سے متعلق تھا، واپس مختص کریں۔ اس میں این آر ایل کا حصہ 1.82 ارب روپے تھا، جو کمپنی نے پاکستان اسٹیٹ آئل کمپنی لمیٹڈ کو ادا کیا، جبکہ اس کے مساوی آمدنی کو کمپنی کے حسابات سے خارج کر دیا گیا۔

سال کے دوران کمپنی نے اپنی فعال حکمتِ عملی جاری رکھی، جس میں مثبت مارجن رکھنے والی مصنوعات کی پیداوار میں اضافہ اور منفی مارجن رکھنے والی مصنوعات کی پیداوار کے تناسب میں کمی پر توجہ مرکوز کی گئی۔ اس مقصد کے لیے خام تیل کے ایسے موزوں امتزاج کی خریداری کی گئی جس میں ہلکے خام تیل (Lighter Crude) کا مناسب تناسب شامل ہے تاکہ ڈیزل کی پیداوار زیادہ سے زیادہ کی جا سکے، جبکہ فرنس آئل کی پیداوار کم کی جا سکے۔ تاہم، آبنائے ہرمز کی بندش کے باعث آرامکو سے ہلکا خام تیل دستیاب نہ ہوسکا اور ینبو بندرگاہ (Yanbu port) کے ذریعے نسبتاً بھاری خام تیل ہی دستیاب رہا، جس سے مشرقِ وسطیٰ کے تنازع کے آغاز کے بعد ہائی اسپیڈ ڈیزل کی پیداوار متاثر ہوئی۔ اعلیٰ مارجن رکھنے والی مصنوعات کے دائرہ کار کو وسیع کرنے کے مقصد سے کمپنی نے گزشتہ سال بڑھتی ہوئی مارکیٹ طلب کے مطابق RON 95 موٹر گیسولین کی پیداوار کامیابی سے شروع کی تھی۔ تاہم سال کے آخری حصے میں حکومت نے RON 95 موٹر گیسولین پر انتہائی بلند پٹرولیم لیوی عائد کر دی، جس کے نتیجے میں اس کی مقامی فروخت عملاً ختم ہوگئی۔

مجموعی طور پر، کمپنی نے سال کے دوران تقریباً 70 فیصد ریفائنری تھروپٹ پر کام کیا، جبکہ گزشتہ سال یہ شرح 56 فیصد تھی۔ یہ بہتری مشکل مارکیٹ کے ماحول کے باوجود آپریشنل استحکام میں اضافے کی عکاسی کرتی ہے۔

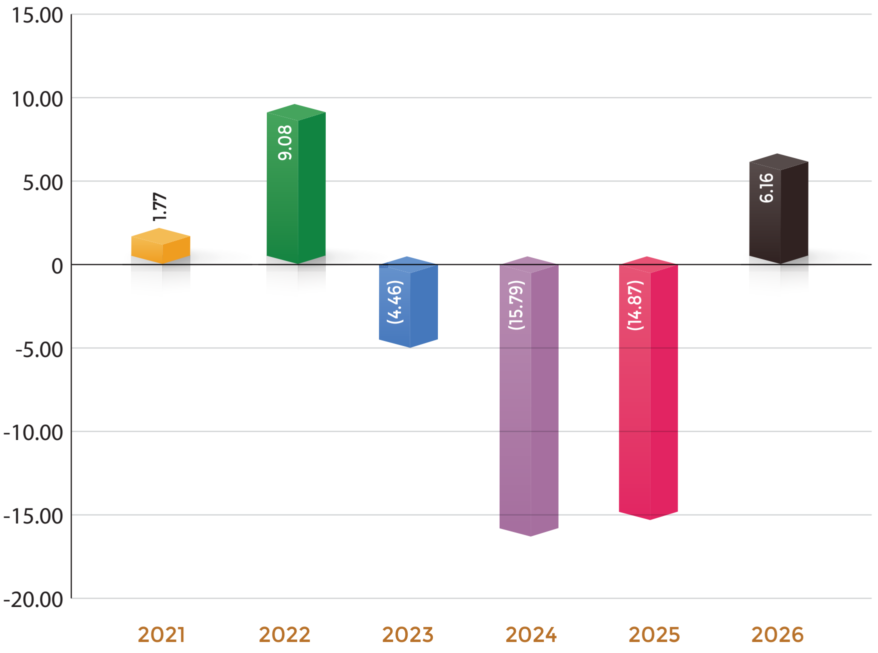
کمپنی نے مختلف اقسام کے خام تیل کی قیمتوں میں فرق سے فائدہ اٹھانے کے لیے اپنے خام تیل کی خریداری کے ذرائع میں بھی تنوع پیدا کیا، جبکہ کمپنی میں ریفائنری کے اندر استعمال ہونے والے اندرونی ایندھن کی کھپت کم کرنے کے لیے بھی اقدامات کیے گئے۔ ان حکمتِ عملیوں نے رواں سال مارجنز میں اضافے میں مدد دی اور مستقبل میں طویل مدت تک منافع برقرار رکھنے میں بھی معاون ثابت ہونے کی توقع ہے۔

ان کوششوں کے باوجود کمپنی کو اسمگلنگ اور ضرورت سے زیادہ درآمدات کے منفی اثرات کا سامنا رہا، جس نے مجموعی طور پر مصنوعات کی طلب کو متاثر کیا اور ریفائنری کی پیداوار کم کرنے کی ضرورت پیش آئی۔ اس کے باوجود کمپنی نے آپریشنل کارکردگی بہتر بنانے پر توجہ برقرار رکھی۔ اس مقصد کے لیے پلانٹ کی قابلِ اعتماد کارکردگی بہتر بنانے اور صحت، تحفظ اور ماحولیات کے معیارات پر سختی سے عمل درآمد کو یقینی بنانے کے لیے اہم اقدامات کیے گئے تاکہ محفوظ اور پائیدار انداز میں آپریشنز جاری رکھے جاسکیں۔

سال کے دوران کمپنی نے ریفائنری میں خام تیل کی پراسیسنگ کی مقدار کامیابی سے بڑھائی اور خام تیل کے امتزاج کو بہتر بنایا، جس کے نتیجے میں ریفائننگ پیداوار (throughput) میں بہتری آئی اور زیادہ مارجن رکھنے والی مصنوعات کی پیداوار میں اضافہ ہوا۔ مارکیٹ کے ساتھ مسلسل رابطے، فروخت میں اضافے اور ریفائنری کی بہتر معاشی کارکردگی کے ساتھ ان عملی اقدامات نے کمپنی کو دوبارہ منافع میں لانے میں اہم کردار ادا کیا۔ کمپنی نے ٹیکس کے بعد خالص منافع 6.16 ارب روپے حاصل کیا، جبکہ گزشتہ سال 14.87 ارب روپے کا خسارہ ہوا تھا۔

کمپنی کے گزشتہ چھ سال کے منافع/ (خسارہ) کی صورتحال درج ذیل ہے:

ٹیکس کے بعد منافع / (خسارہ)۔ ارب روپے



کمپنی نے سال کے دوران اعلیٰ معیار کی مصنوعات کی فروخت میں نمایاں اضافہ حاصل کیا۔ ہائی اسپیڈ ڈیزل کی فروخت میں گزشتہ سال کے مقابلے میں 26 فیصد اضافہ ہوا، جبکہ موٹر گیسولین کی فروخت میں 34 فیصد اضافہ ریکارڈ کیا گیا۔ ٹیم کی مشترکہ کوششوں کے نتیجے میں ایک ماہ میں ہائی اسپیڈ ڈیزل کی اب تک کی سب سے زیادہ پیداوار بھی حاصل ہوئی، جو نومبر 2025 میں 102,875 میٹرک ٹن رہی۔ اسی طرح ہائی اسپیڈ ڈیزل کی اب تک کی سب سے زیادہ فروخت 104,126 میٹرک ٹن اور موٹر اسپرٹ کی اب تک کی سب سے زیادہ سالانہ پیداوار 282,840 میٹرک ٹن ریکارڈ کی گئی۔

اس کے برعکس، فرنس آئل کی مقامی فروخت میں تقریباً 95 فیصد کی نمایاں کمی ہوئی۔ گزشتہ سال 93,792 میٹرک ٹن کے مقابلے میں اس سال فروخت کم ہو کر صرف 5,065 میٹرک ٹن رہ گئی، جس کی بنیادی وجہ مالیاتی قانون 2025 کے ذریعے پٹرولیم لیوی کا نفاذ تھا۔ اس صورتحال کے جواب میں کمپنی نے حکمتِ عملی کے تحت اپنی توجہ برآمدات کی جانب منتقل کی اور فرنس آئل کی برآمدی مقدار گزشتہ سال کے 180,726 میٹرک ٹن کے مقابلے میں بڑھا کر 280,726 میٹرک ٹن کر دی۔ اگرچہ اس اقدام سے مقامی فروخت میں کمی کے اثرات کو کم کرنے میں مدد ملی، تاہم برآمدات سے حاصل ہونے والی قیمت خام تیل کی لاگت اور مقامی فروخت کی قیمت کے مقابلے میں نمایاں طور پر کم رہی۔

مجموعی طور پر، گزشتہ سال کے مقابلے میں کمپنی کی مقامی فروخت کے حجم میں 155,493 میٹرک ٹن (12 فیصد) جبکہ برآمدی فروخت کے حجم میں 156,798 میٹرک ٹن (51 فیصد) اضافہ ہوا۔

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز مسرت کے ساتھ 30 جون 2026 کو مکمل ہونے والے سال کے لیے نیشنل ریفائنری لمیٹڈ کی 63 ویں سالانہ رپورٹ بمع آڈٹ شدہ مالیاتی گوشوارے اور ان پر آڈیٹر کی رپورٹ پیش کرتے ہیں۔

مشرقِ وسطیٰ کی جنگ کے باعث پیدا ہونے والا اتار چڑھاؤ

مالی سال کو دو نمایاں حصوں میں تقسیم کیا جا سکتا ہے۔ جولائی 2025 سے فروری 2026 تک مقامی اور بین الاقوامی منڈیوں میں عمومی طور پر معمول کے مطابق اور متوقع صورتحال رہی۔ بین الاقوامی قیمتوں میں اتار چڑھاؤ مارکیٹ کے معمول کے مطابق رہا، جبکہ منافع کے مارجن زیادہ تر دباؤ کا شکار رہے۔ مقامی سطح پر کم مارجن کے باعث پیدا ہونے والے چیلنجز میں مغربی سرحد کے پار سے غیر دستاویزی مصنوعات کی ترسیل نے مزید اضافہ کیا۔ معمول کے مطابق مارکیٹ کے حالات کے باوجود، انتظامیہ کی مسلسل اور مربوط کوششوں کے نتیجے میں کمپنی 31 دسمبر 2025 کو ختم ہونے والی ششماہی کے دوران محدود منافع حاصل کرنے میں کامیاب رہی۔

فروری 2026 کے اختتام پر ایران اور امریکہ کے درمیان جنگ کے آغاز نے غیر معمولی اور غیر مسبوق حالات کو جنم دیا، جس کے نتیجے میں مارکیٹ کا ردِعمل بھی غیر معمولی اور بے مثال رہا۔ آبنائے ہرمز، جو ایک انتہائی اہم بحری گزرگاہ ہے اور جہاں سے دنیا کی تیل کی کھپت کا تقریباً 20 فیصد حصہ گزرتا ہے، تاریخ میں پہلی مرتبہ بند ہوئی۔ مشرقِ وسطیٰ کی سابقہ جنگوں میں ایسا کبھی نہیں ہوا۔ نیشنل ریفائنری لمیٹڈ کا ایک خام تیل کا بحری جہاز تقریباً ایک ماہ تک آبنائے ہرمز میں پھنس کر رہ گیا۔ خام تیل کی قیمت کسی ایک بھی دن میں تاریخ کی بلند ترین سطح، یعنی 167 امریکی ڈالر فی بیرل تک پہنچ گئی، جبکہ جنگ سے پہلے کی سطح کے مقابلے میں مال برداری اور انشورنس کے اخراجات میں تقریباً دس گنا اضافہ ہوا۔

کمپنی کی جانب سے بھی ان غیر معمولی حالات کا مقابلہ کرنے کے لیے غیر معمولی اقدامات کیے گئے۔ رسد کے نظام میں رکاوٹ کے باعث کمپنی نے مقامی اسپے خام تیل کی فراہمی کی، جو برآمد کے لیے مختص تھا، اور متعدد فوری خریداری (Spot Purchases) کے سودے بھی کیے۔ ان اقدامات کی بدولت کمپنی ناموزوں خام تیل کے امتزاج کے باوجود اپنی سرگرمیوں کو بڑی حد تک بلا تعطل جاری رکھنے میں کامیاب رہی۔

مارکیٹ میں غیر یقینی صورتحال اور رسد کی پابندیوں کے باعث، مصنوعات کی قیمتوں بالخصوص ہائی اسپیڈ ڈیزل (HSD) قیمت اور خام تیل کی قیمتوں کے درمیان فرق میں نمایاں اضافہ ہوا، جس کے نتیجے میں مجموعی ریفائننگ مارجنز بھی بہتر ہوئے۔

مجموعی طور پر یہ امر قابلِ ذکر ہے کہ حکومت نے، آپ کی کمپنی اور پوری انڈسٹری کے تعاون سے، ملک میں پٹرولیم مصنوعات کی رسد کے نظام کو برقرار رکھنے میں اہم کردار ادا کیا۔ اس کے نتیجے میں ملک میں اس قسم کی شدید قلت، خلل اور افراتفری پیدا نہیں ہوئی، جیسی خطے کے دیگر ممالک میں دیکھنے میں آئی۔

مالیاتی نتائج

مالی سال 2026 کے دوران کمپنی کی مالی کارکردگی میں نمایاں بہتری دیکھنے میں آئی اور گزشتہ تین سال مسلسل خسارے کے بعد کمپنی دوبارہ منافع میں آ گئی۔ اس بہتری کی بنیادی وجہ انتظامیہ کی مربوط اور مسلسل کوششیں تھیں، جنہیں بین الاقوامی سطح پر بہتر ہونے والے ریفائننگ مارجنز سے بھی نمایاں معاونت حاصل ہوئی۔

FORM OF PROXY

63RD ANNUAL GENERAL MEETING
NATIONAL REFINERY LIMITED

I ______________________________ of _______________________________ in the district of _____________________________________ being a Member of NATIONAL REFINERY LIMITED hereby appoint _________________________________ ________________ of __________________________ as my proxy, and failing him, ______________________ of ____________________ another Member of the Company to vote for me and on my behalf at the 63rd Annual General Meeting of the Company to be held on the 30th day of September 2026 and at any adjournment thereof.

Signed this ________ day of ________ 2026.

Signed by the said Member

Signed in the presence of:

1. Signature: ______________________
   Name: ______________________
   Address: ______________________
   CNIC/Passport No. ______________

2. Signature: ______________________
   Name: ______________________
   Address: ______________________
   CNIC/Passport No. ______________

Information required:		For Member (Shareholder)	For Proxy	For alternate Proxy (*)
			(if member)	
Number of shares held				
Folio No.				
CDC Account No.	Participant I.D.			
	Account No.			

(*) Upon failing of appointed Proxy.

Revenue stamp of appropriate value (To the extent applicable)

Notes:

1. A member entitled to attend and vote at Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member.

2. This Proxy Form, duly completed and signed, together with Board Resolution / Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited, at the registered office of the Company not later than 48 hours before the time of holding the meeting.

3. The instrument appointing a proxy should be signed by the member or his/her attorney duly authorized in writing. If the member is a corporate entity its common seal should be affixed on the instrument.

4. Any alteration made in this instrument of proxy should be initialed by the person who signs it.

5. Attested copies of CNIC or the passport of the beneficial owners and of the proxy shall be provided with the proxy form.

6. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

7. In the case of joint holders the vote of the senior who tenders a vote whether in person or by Proxy will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the Register of Members.

8. The proxy shall produce his/her original CNIC or passport at the time of the meeting.

AFFIX
POSTAGE
STAMP

Company Secretary
National Refinery Limited
7-B, Korangi Industrial Area, Karachi-74900.
UAN: +92-21-111-675-675
PABX: +92-21-35064981-86
+92-21-35064977-79

پراکسی فارم
۶۳ واں سالانہ اجلاس عام
نیشنل ریفائنری لمیٹڈ

میں ________ کا / کی ________ ضلع ________ بحیثیت رکن نیشنل ریفائنری لمیٹڈ، محترم / محترمہ __________

ضلع ____________ کو اپنا پراکسی یا ان کی غیر موجودگی کی صورت میں کمپنی کے دوسرے / کی دوسری رکن محترم / محترمہ ____________ ضلع

____________ کو اپنے ایماء پر ۳۰ ستمبر ۲۰۲۶ یا اسکے التواء کی صورت میں متبادل تاریخ کو منعقد ہونے والے کمپنی کے ۶۳ واں سالانہ اجلاس عام میں

حق رائے دہی استعمال کرنے کے لئے اپنا پراکسی مقرر کرتا / کرتی ہوں۔

آج بروز ____________ بتاریخ ____________ ۲۰۲۶ کو دستخط کیئے گئے۔

رکن کے دستخط

گواہان:

1:۔

دستخط: ____________

نام: ____________

پتہ: ____________

کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر:

____

2:۔

دستخط: ____________

نام: ____________

پتہ: ____________

کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر:

____

درکار معلومات		رکن کے لیئے	پراکسی کیلیئے	* متبادل پراکسی کیلیئے
		(شیئر ہولڈر)	(بصورت رکن)	
حصص کی تعداد				
فولیو نمبر				
سی ڈی سی	متعلقہ شریک آئی ڈی			
اکاونٹ نمبر	اکاونٹ نمبر			

مناسب قیمت کے
محصول ٹکٹ
(قابل قبول حد تک)

* پراکسی کی غیر موجودگی کی صورت میں

نوٹ:۔

۱۔ایک ممبر جو سالانہ اجلاس عام میں شرکت کرنے اورحق رائے دہی استعمال کرنے کا اہل ہے اپنے بجائے شرکت کرنے اورحق رائے دہی استعمال کرنے کے لئے ایک پراکسی مقرر کرسکتا ہے۔ پراکسی کا ممبر ہونا ضروری نہیں۔

۲۔ پراکسی فارم کا ہر لحاظ سے مکمل، دستخط شدہ بمع ڈائرکٹرز کی قرارداد یا پاورآف اٹارنی اگر کوئی ہو یا ان کی نوٹرائزڈ کاپی جس کے تحت یہ دستخط کیا گیا ہو اجلاس شروع ہونے سے ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں موصول ہونا لازمی ہے۔

۳۔ پراکسی منتخب کرتے ہوئے رکن یا اس کے تحریری طور پر مجاز اٹارنی کا پراکسی فارم پر دستخط کرنا ضروری ہے۔ کارپوریٹ ادارے کی صورت میں پراکسی فارم پر کمپنی کی سیل (Seal) کالگا ہوا ہونا لازمی ہے۔

۴۔ پراکسی فارم میں کسی قسم کی تبدیلی کیلئے پراکسی منتخب کرنے والے کے دستخط ہونا ضروری ہے۔

۵۔ بینیفیشل اونرز (رکن) اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی پراکسی فارم کے ساتھ منسلک کرنی ہونگی۔

۶۔ اگر کوئی ممبر ایک سے زیادہ پراکسی منتخب کرے یا ایک سے زیادہ پراکسی فارمز کمپنی میں جمع کرائے ایسی صورت میں تمام پراکسی فارمز غیر موثر قرار پائیں گے۔

۷۔ مشترکہ حصہ دار ہونے کی صورت میں جسکا نام ممبر رجسٹر میں پہلے درج ہوگا (سینئر) اسکا اپنا یا اسکے منتخب پراکسی کا ووٹ قابل قبول ہوگا بنسبت دیگر مشترکہ حصہ داروں کے ووٹ کے۔

۸۔ پراکسی کو اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

AFFIX
POSTAGE
STAMP

Company Secretary
National Refinery Limited
7-B, Korangi Industrial Area, Karachi-74900.
UAN: +92-21-111-675-675
PABX: +92-21-35064981-86
+92-21-35064977-79

E-DIVIDEND

Members of National Refinery Limited

Pursuant to the provisions of Section 242 of the Companies Act, 2017, every listed company is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders.

In compliance with the said requirements, in order to receive your all future dividends, as and when declared, directly into your Bank Account, you are required to provide the information as contained in the below mentioned form and send the same to the Company's Share Registrar, if the shares are held in physical form or to your brokers / CDC Investor Account Service (IAS) Department, if the shares are held in the electronic form.

To
CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi – 74400.

To
____
____
____
____
For Shares held in book entry form

E-DIVIDEND FORM

(i) Shareholder's Detail	
Name of the shareholder	
Folio / CDS A/c No.	
CNIC No.	
Passport No. (in case of Foreign Shareholder)	
Land Line Phone No.	
Mobile Phone No.	
E-mail Address	

(ii) Shareholder's Bank Detail	
Bank's Name	
Branch Name and Address	
Title of Bank Account	
IBAN Number	
Full Bank Account Number	

It is stated that the above-mentioned information is correct, and that I will intimate the changes in the above-mentioned information to the broker / CDC (IAS) / Company's Share Registrar, as the case may be, as soon as any change occurs.

____
Signature of the Member/Shareholder
of National Refinery Limited

Date: __________________

Note:

- The shareholders who hold shares in physical form are requested to submit duly filled-in, duly signed and stamped, where applicable, E-Dividend Form to the Share Registrar concerned.
- Shareholders maintaining their shareholdings under Central Depository System (CDS) are advised to submit this form directly to relevant Participant / CDC (IAS) Department.
- Please attach attested photocopy of the CNIC or Passport (in case of Foreign Shareholder).

AFFIX
POSTAGE
STAMP

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi – 74400.
Tel: (Toll Free) 0800-23275
Fax: +92-21-34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

National Refinery Limited

7-B, Korangi Industrial Area, Karachi-74900.
UAN: 111-675-675 | Email: info@nrlpak.com | Website: www.nrlpak.com

ANNUAL REPORT 2026