

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

Transforming Today and Beyond



National Refinery Limited



Contents

- 02 Corporate Information
- 03 Directors' Review – English
- 05 Directors' Review – Urdu
- 07 Auditor's Report
- 08 Condensed Interim Statement of Financial Position
- 09 Condensed Interim Statement of Profit or Loss
- 10 Condensed Interim Statement of Comprehensive Income
- 11 Condensed Interim Statement of Changes in Equity
- 12 Condensed Interim Statement of Cash Flows
- 13 Notes to the Condensed Interim Financial Statements

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 Nusratkhuaev

Chief Executive Officer

Asad Hasan

Chief Financial Officer

Nouman Ahmed Usmani

Company Secretary

Badrudin 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

Nouman Ahmed Usmani

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

Faysal Bank Limited

Meezan Bank Limited

National Bank of Pakistan

Allied Bank Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

MCB Islamic Bank Limited

United Bank Limited

Bank Alfalah Limited

BankIslami Pakistan

Dubai Islamic Bank

Askari Bank Limited

Bank AL-Habib Limited

Samba Bank Limited

Industrial & Commercial Bank
of China Limited

Registered Office

7-B, Korangi Industrial Area,

P.O. Box: 8228, Karachi-74900

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PABX: +92-21-35064981-86

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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

Directors' Review

On behalf of the Board of Directors of National Refinery Limited, I am pleased to present a brief overview of the Company's financial results and operations for the half year ended December 31, 2025.

Financial Performance

During the second quarter, refined product prices, specially prices of HSD saw a sharp increase, which improved the GRM upto November 2025. The company responded by maximizing its throughput upto 86% in November 2025 to capitalize on the higher margins and was able to produce and sell more than 100,000 MT of HSD which is the highest ever production and sales by NRL in a month. However, in December 2025, there was sharp decline in HSD prices, which impacted quarter's profitability and resulted in significant inventory losses, driven by non-upliftment by OMCs in a declining price trend. Furthermore, during the second quarter, a steep decline in international Furnace oil prices was also observed, which further lowered the gross refining margins.

Accordingly, the Company earned profit after tax of Rs. 1,765 million during the half-year ended December 31, 2025, compared to a loss of Rs. 11,733 million in the same period last year. During the period, the Company also reassessed the remaining useful lives of its last upgraded plants, resulting in revisions ranging from 12 to 30 years, which have also been duly adjusted in the books of account.

Operational Highlights

Continuing with its strategic realignments, the Company focused on maintaining a balanced mix of lighter crude oil while increasing yields and sale of positive-margin products including High-Speed Diesel, MS 95 RON gasoline and Lube Base Oils.

During the second quarter, the Company processed more than 580,000 MT of crude oil as compared to ~490,000 metric tons in the first quarter and cumulatively more than 1,075,000 MT of crude oil was processed for the half year, reflecting a higher throughput of 70% as compared to around 825,000 MT (54% throughput) in the corresponding six months period. The increase in throughput also contributed to stronger operational performance, with HSD sales rising to around 458,000 metric tons an increase of 42% compared to about 322,000 MT in the corresponding six months. The initiation of wax exports, exports of LBO's and the focus on high-margin segments further acknowledged the Company's commitment to innovation and value creation.

During the second quarter, the company initiated the maintenance turnaround of Lube-I refinery, its Crude Distillation and other associated units in two phases; each one spanning 30 days, which has been completed in Jan'26. The comprehensive turnaround will further enhance plant reliability, and post turnaround will increase LBO yields as well.

Finance Costs and Treasury

The finance cost of the company also declined by Rs.1.6 billion due to lower interest rates and relative stability in exchange rate. However, at period end the borrowings were high due to lower upliftment in the month of Dec'25 leading to higher inventories.

Operational Excellence, HSE and Market Development

The company's strategy emphasizes operational excellence through key priorities such as HSE (Health, Safety, and Environment), plant reliability, process optimization, energy efficiency and reducing operational costs. The company plans to pursue a well-structured asset management system and maintenance strategies, adopt Asset Integrity programs like Risk-Based Inspection (RBI) and Reliability-Centered Maintenance (RCM) techniques, a well-established and accepted norm in refineries internationally. These techniques and methodologies maximize equipment dependability, reliability, process safety and reduce maintenance costs. To consolidate safety and compliance culture by establishing a "goal zero" incident culture and implementing HSE standards. These efforts aim to boost production throughput while reducing operating cost. Company continued to focus on customer engagement; resulting in increased sales volume (~24% higher as compared to corresponding six months) and introduced different product variants to tap domestic and export opportunities.

Regulatory and Policy Matters

While regulatory challenges remained, the Ministry and OGRA maintained a constructive and collaborative engagement with the industry.

The change in sales tax status of major petroleum products from taxable to exempt supplies is continuing even in FY2026, which has a significant impact on the company's upgrade projects and has delayed implementation of Pakistan Oil Refining Policy for Upgradation of Existing / Brownfield Refineries, 2023 (the Policy). The company however has started recovery of the unclaimed sales tax for the year 2024-25 on month-on-month staggered basis through IFEM. In the meantime, the company has discontinued further recognition of crude oil custom duty reimbursable under the Policy. The Company, together with other refineries, is actively engaged with the Ministry and OGRA seeking a permanent resolution of all outstanding matters along with completion of Government-side formalities for the upgrade agreement leading towards implementation of the Policy.

We thank our shareholders, employees, and customers for their continued trust and support.

Rawalpindi
February 23, 2026

On behalf of the Board



Shuaib A. Malik
Chairman

ڈائریکٹرز کا جائزہ

نیشنل ریفاائنری لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے میں آپ کی کمپنی کے ۳۱ دسمبر ۲۰۲۵ کو مکمل ہونے والی ششماہی کے مالی نتائج اور آپریٹنگ کا ایک مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کرتا ہوں۔

مالی کارکردگی

دوسری سہ ماہی کے دوران ریفاائن شدہ مصنوعات کی قیمتوں، خصوصاً ہائی اسپڈ ڈیزل (HSD) کی قیمتوں میں نمایاں اضافہ دیکھنے میں آیا، جس کے باعث نومبر ۲۰۲۵ تک مجموعی ریفاائننگ مارجن (GRM) بہتر رہا۔ کمپنی نے زیادہ مارجن سے فائدہ اٹھانے کے لیے نومبر ۲۰۲۵ میں اپنی پیداواری صلاحیت کو 86% تک بڑھایا اور ایک ماہ میں 100,000 میٹرک ٹن سے زائد HSD کی پیداوار اور فروخت ممکن بنائی، جو NRL کی تاریخ میں ایک ماہ کی سب سے زیادہ پیداوار اور فروخت ہے۔ تاہم، دسمبر ۲۰۲۵ میں HSD کی قیمتوں میں تیزی سے کمی واقع ہوئی، جس سے سہ ماہی کے منافع پر منفی اثر پڑا اور قیمتوں میں کمی کے رجحان کے دوران OMCs کی جانب سے مصنوعات کی خرید نہ ہونے کے باعث انویسٹری پر نمایاں نقصان ہوا۔ مزید برآں، دوسری سہ ماہی میں بین الاقوامی فرنس آئل کی قیمتوں میں بھی نمایاں کمی دیکھنے میں آئی، جس سے مجموعی ریفاائننگ مارجن مزید کم ہوا۔

مذکورہ بالا عوامل کے تحت کمپنی نے ۳۱ دسمبر ۲۰۲۵ کو ختم ہونے والی ششماہی مدت کے دوران بعد از ٹیکس منافع 1,765 ملین روپے حاصل کیا، جبکہ گزشتہ سال اسی مدت میں 11,733 ملین روپے کا نقصان ہوا تھا۔ اس عرصے میں کمپنی نے اپنے آخری اپ گریڈ شدہ پلانٹس کی باقی ماندہ کارآمد مدت (Remaining Useful Life) کا بھی از سر نو جائزہ لیا، جس کے نتیجے میں 12 سے 30 سال کی مدت تک اضافہ ہوا، جس کے سبب ہونے والی ایڈجسٹمنٹ کو مالیاتی گوشواروں میں تو امد کے مطابق شامل کر لیا گیا ہے۔

آپریٹنگ نمایاں نکات

اپنی اسٹریٹجک حکمت عملی کے تسلسل کو برقرار رکھتے ہوئے کمپنی نے ہلکے خام تیل کے متوازن استعمال سے زیادہ مارجن والی مصنوعات جیسے ہائی اسپڈ ڈیزل MS RON 95 پٹرول اور لیوب ٹیس آئلز کی پیداوار اور فروخت بڑھانے پر توجہ مرکوز رکھی۔

دوسری سہ ماہی کی مدت کے دوران کمپنی نے 580,000 میٹرک ٹن سے زائد خام تیل پراسیس کیا، جبکہ پہلی سہ ماہی میں یہ مقدار تقریباً 490,000 میٹرک ٹن تھی۔ ششماہی مدت میں مجموعی طور پر 1,075,000 میٹرک ٹن سے زائد خام تیل پراسیس کیا گیا، جو کہ متعلقہ گزشتہ چھ ماہ کی مدت کے تقریباً 825,000 میٹرک ٹن (54% تھرو پٹ) کے مقابلے میں 70% تھرو پٹ کو ظاہر کرتا ہے۔ تھرو پٹ میں اضافے سے آپریٹنگ کارکردگی بھی بہتر رہی، اور HSD کی فروخت بڑھ کر تقریباً 458,000 میٹرک ٹن ہو گئی، جو متعلقہ گزشتہ چھ ماہ کی تقریباً 322,000 میٹرک ٹن کے مقابلے میں 42% زیادہ ہے۔ ویکس کی برآمدات کا آغاز، LBOs کی برآمدات، اور زیادہ مارجن والے شعبوں پر توجہ کمپنی کے جدت اور ویلیو کری ایشن (Value Creation) کے عزم کی عکاسی کرتے ہیں۔

دوسری سہ ماہی کے دوران کمپنی نے Lube-I ریفاائنری، اس کے کروڈ ڈسٹیلیشن اور متعلقہ یونٹس کی میٹینینس ٹرن اراؤنڈ دو مراحل میں شروع کی، جن میں سے ہر ایک 30 دن پر محیط تھا، جو جنوری ۲۰۲۶ میں مکمل ہو چکا ہے۔ اس جامع ٹرن اراؤنڈ سے پلانٹ کی قابل اعتماد کارکردگی میں مزید بہتری آئے گی اور بعد از ٹرن اراؤنڈ، LBO کی پیداوار بھی بڑھے گی۔

فنانس لاگت اور ریٹری

کمپنی کی فنانس لاگت میں بھی 1.6 ارب روپے کی کمی واقع ہوئی، جس کی وجہ شرح سود میں کمی اور شرح مبادلہ میں نسبتی استحکام ہے۔ تاہم مدت کے اختتام پر دسمبر ۲۰۲۵ میں مصنوعات کی کم فروخت کے باعث انویٹری بڑھنے سے قرضوں کا حجم زیادہ رہا۔

عملی عہدگی، HSE اور مارکیٹ ڈویلپمنٹ

کمپنی نے عملی عہدگی پر توجہ مرکوز رکھی، جس میں اہم ترجیحات HSE (صحت، تحفظ اور ماحولیات)، پلانٹ کی قابل اعتماد کارکردگی، پراسیس کی بہتری، توانائی کی موثریت، اور آپریشنل اخراجات میں کمی شامل ہیں۔ کمپنی ایک منظم اثاثہ جاتی انتظامی نظام اور مؤثر مینجمنٹس کی حکمت عملی اختیار کرنے کا ارادہ رکھتی ہے، اور اثاثہ جاتی سالمیت (Asset Integrity) کے پروگرامز جیسے رسک میڈیٹیشن (RBI) اور ریلوئی ایبیلیٹی سینٹر ڈیٹیلز (RCM) کارکردگی کا طریقہ (Techniques) اپنائے گی، جو عالمی سطح پر ریفرنسز میں تسلیم شدہ معیارات ہیں۔ مذکورہ طریقہ کار (Techniques) آلات کی بھروسہ مندی، کارکردگی اور پراسیس سیفٹی کو زیادہ سے زیادہ موثر بناتے ہیں اور دیکھ بھال کے اخراجات کم کرتے ہیں۔ حفاظت اور ضابطہ جاتی تعین کے کلچر کو مضبوط بنانے کے لیے (Goal Zero) حادثات کے ہدف پر مبنی کلچر قائم کیا جا رہا ہے اور HSE معیارات نافذ کیے جا رہے ہیں۔ ان اقدامات کا مقصد آپریٹنگ لاگت کم کرتے ہوئے پیداواری استعداد میں اضافہ کرنا ہے۔

کمپنی نے صارفین سے مؤثر روابط پر توجہ جاری رکھی، جس کے نتیجے میں فروخت میں اضافہ ہوا (جو متعلقہ چھ ماہ کے مقابلے میں تقریباً 24% زیادہ رہی) اور ملکی و برآمدی مواقع سے فائدہ اٹھانے کے لیے مختلف مصنوعات کی اقسام متعارف کرائی گئیں۔

ضابطہ جاتی اور پالیسی معاملات

اگرچہ ضابطہ جاتی چیلنجز برقرار رہے، تاہم وزارت توانائی (پیٹرولیم ڈویژن) اور اوگرا (OGRA) نے انڈسٹری کے ساتھ تعمیری اور باہمی تعاون پر مبنی روابط قائم رکھے۔ اہم پیٹرولیم مصنوعات کی سیلز ٹیکس کے قانون میں قابل ٹیکس سے مستثنیٰ میں تبدیلی کی حیثیت مالی سال ۲۰۲۶ میں بھی برقرار رہی ہے، جس کا کمپنی کے اپ گریڈ منصوبوں پر نمایاں اثر پڑا ہے اور پاکستان ریفرنٹنگ پالیسی برائے ایگریڈیشن آف براؤن فیلڈ ریفرنسز (پالیسی) کے نفاذ میں تاخیر ہوئی ہے۔ تاہم کمپنی نے سال 2024-25 کے غیر وصول شدہ سیلز ٹیکس کی وصولی IFEM کے ذریعے ماہانہ مرحلہ وار بنیاد پر شروع کر دی ہے۔ اس دوران کمپنی نے پالیسی کے تحت خام تیل پر قابل واپسی کسٹم ڈیوٹی کی مزید ریکارڈنگ (Recognition) بھی روک دی ہے۔ کمپنی، دیگر ریفرنسز کے ساتھ مل کر، وزارت توانائی (پیٹرولیم ڈویژن) اور اوگرا کے ساتھ مستقل بنیادوں پر رابطے میں ہے تاکہ تمام زیر التواء معاملات کا مستقل حل نکالا جاسکے اور اپ گریڈ معاہدے سے متعلق حکومتی کارروائیاں مکمل ہو سکیں، جس سے براؤن فیلڈ ریفرنسز پالیسی کے نفاذ کی راہ ہموار ہوگی۔

ہم اپنے شیئر ہولڈرز، ملازمین اور صارفین کے شکر گزار ہیں جنہوں نے مسلسل اعتماد اور تعاون کا اظہار کیا۔

بورڈ چیئرمین سے
شعیب اے ملک
چیئرمین

راولپنڈی
۲۳ فروری، ۲۰۲۶ء



A.F.FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of National Refinery Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of National Refinery Limited as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other matter

Pursuant to requirement of Section 237(1) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and notes thereto for the quarters ended December 31, 2024 and December 31, 2025 have not been reviewed by us.

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: February 27, 2026

UDIN: RR2025100597HBYo1rfU

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
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CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	(Unaudited) December 31, 2025	(Audited) June 30, 2025
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	67,612,157	67,879,272
Intangible assets		2,408	3,203
Long-term investment		14,123	14,123
Long-term loans		9,363	12,591
Long-term deposits		30,265	30,265
Deferred taxation - net	6	15,705,568	15,884,169
Retirement benefit prepayments		731,518	717,659
		<u>84,105,402</u>	<u>84,541,282</u>
CURRENT ASSETS			
Stores, spares and chemicals		2,938,932	2,037,193
Stock-in-trade	7	37,661,775	29,441,642
Trade receivables		22,539,625	17,759,495
Loans and advances		270,466	116,133
Trade deposits and short-term prepayments		479,484	34,491
Interest accrued		41,702	35,858
Other receivables	8	13,736,155	12,526,307
Taxation - payments less provisions		1,516,391	2,149,673
Short-term investments	9	175,273	173,607
Cash and bank balances	10	5,471,474	679,940
		<u>84,831,277</u>	<u>64,954,339</u>
TOTAL ASSETS		<u>168,936,679</u>	<u>149,495,621</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		799,666	799,666
Reserves		5,147,558	3,382,296
Revaluation surplus on leasehold land		46,134,419	46,134,419
		<u>52,081,643</u>	<u>50,316,381</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term borrowing	11	7,500,000	11,250,000
Lease liability		95,582	125,646
Retirement benefit obligations		804,759	743,225
		<u>8,400,341</u>	<u>12,118,871</u>
CURRENT LIABILITIES			
Trade and other payables	12	43,485,970	36,150,971
Advances from customers - foreign		1,305,584	-
Unclaimed dividend		58,663	58,877
Unpaid dividend		42,518	42,852
Accrued mark-up		1,215,219	1,187,569
Provisions		112,361	112,361
Borrowings	13	54,711,631	45,739,469
Current portion of long-term borrowing		7,500,000	3,750,000
Current portion of lease liability		22,749	18,270
		<u>108,454,695</u>	<u>87,060,369</u>
TOTAL LIABILITIES		<u>116,855,036</u>	<u>99,179,240</u>
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	14	<u>168,936,679</u>	<u>149,495,621</u>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	Note	Quarter ended		Half year ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
← (Rupees in thousand) →					
Revenue from contracts with customers	15	132,152,305	98,930,869	244,884,709	185,611,822
Taxes, duties, levies and price differentials	16	(37,137,163)	(24,074,835)	(70,294,897)	(43,779,976)
Net revenue from contracts with customers		95,015,142	74,856,034	174,589,812	141,831,846
Cost of sales		(90,783,355)	(76,307,187)	(166,246,220)	(149,580,240)
Gross profit / (loss)		4,231,787	(1,451,153)	8,343,592	(7,748,394)
Distribution costs		(368,993)	(120,889)	(505,189)	(330,567)
Administrative expenses		(276,521)	(277,711)	(607,913)	(557,210)
Other income	17	57,510	231,927	148,194	337,722
Other operating expenses		(170,330)	4,115	(265,233)	(6,892)
Operating profit / (loss)		3,473,453	(1,613,711)	7,113,451	(8,305,341)
Finance cost - net	18	(2,090,334)	(2,592,896)	(3,861,810)	(5,479,452)
Profit / (loss) before taxation and levies		1,383,119	(4,206,607)	3,251,641	(13,784,793)
Levies	19	(153,248)	(81,297)	(207,576)	(176,167)
Profit / (loss) before income tax		1,229,871	(4,287,904)	3,044,065	(13,960,960)
Taxation	20	(489,695)	(208,416)	(1,278,803)	2,228,055
Profit / (loss) after taxation		740,176	(4,496,320)	1,765,262	(11,732,905)
Profit / (loss) per share - basic and diluted		Rs. 9.26	Rs. (56.23)	Rs. 22.08	Rs. (146.72)

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	Quarter ended		Half year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	← (Rupees in thousand) →			
Profit / (loss) after taxation	740,176	(4,496,320)	1,765,262	(11,732,905)
Other comprehensive income				
Items that will not be reclassified to profit or loss account				
Remeasurement of retirement benefit obligations	-	-	-	-
Other comprehensive income - net of tax	-	-	-	-
Total comprehensive income / (loss)	<u>740,176</u>	<u>(4,496,320)</u>	<u>1,765,262</u>	<u>(11,732,905)</u>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	SHARE CAPITAL		CAPITAL RESERVES			REVENUE RESERVES			Total
	Issued, subscribed and paid-up	Capital compensation reserve	Exchange equalisation reserve	Utilised special reserve	Revaluation surplus on leasehold land	General reserve	Gain on revaluation of investment at fair value through OCI	Accumulated loss	
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
Loss for the half year ended December 31, 2024	-	-	-	-	-	-	-	(11,732,905)	(11,732,905)
Other comprehensive income for the half year ended December 31, 2024	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2024	799,666	10,142	4,117	9,631,914	-	31,961,000	14,822	(34,938,011)	7,483,650
Balance as at July 1, 2025	799,666	10,142	4,117	9,631,914	46,134,419	31,961,000	14,123	(38,239,000)	50,316,381
Profit for the half year ended December 31, 2025	-	-	-	-	-	-	-	1,765,262	1,765,262
Other comprehensive income for the half year ended December 31, 2025	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2025	799,666	10,142	4,117	9,631,914	46,134,419	31,961,000	14,123	(36,473,738)	52,081,643

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	Note	December 31, 2025	December 31, 2024
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	21	292,598	2,567,793
Income tax and levies paid		(674,496)	(612,773)
Mark-up paid on conventional financing		(1,971,861)	(3,292,848)
Mark-up paid on islamic financing		(1,368,364)	(1,417,725)
Restricted cash on account of lien		(351,829)	-
Decrease in long-term loans		3,228	6,565
Net cash used in operating activities		(4,070,724)	(2,748,988)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(496,953)	(562,670)
Purchase of intangible assets		-	(60)
Proceeds from disposal of property, plant and equipment		5,750	1,981
Purchase of short-term investments	9	(175,273)	(173,607)
Proceeds from realisation of short-term investments	9	173,607	-
Return on investments and bank accounts		67,343	152,875
Net cash used in investing activities		(425,526)	(581,481)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings		-	15,000,000
Proceeds from short-term borrowings		122,300,366	135,044,000
Repayment of short-term borrowings		(96,510,012)	(141,699,999)
Dividend paid		(548)	(52)
Lease rentals paid		(35,659)	(33,961)
Net cash generated from financing activities		25,754,147	8,309,988
Net increase in cash and cash equivalents		21,257,897	4,979,519
Cash and cash equivalents at beginning of the period		(23,099,866)	(9,013,538)
Cash and cash equivalents at end of the period	22	(1,841,969)	(4,034,019)

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

1. LEGAL STATUS AND OPERATIONS

- 1.1 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 registered office of the Company is situated at 7-B, Korangi Industrial Area, Karachi, Pakistan.

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, and a fuel refinery added to the complex in 1977. The Company has also commissioned Diesel Hydro De-sulphurisation (DHDS) and Isomerisation (ISOM) units during the financial years 2017 and 2018 respectively.

2. BASIS OF PREPARATION

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

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

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

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2025.

2.1 Changes in accounting standards, interpretations and pronouncements

- (a) Standards and amendments to approved accounting and reporting 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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

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

There is new standard and amendments that will be applicable to the Company for its annual periods beginning on or after January 1, 2026. The new standard refers to IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of January 1, 2027. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of the new standard and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2025.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements.

- 4.2 Judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those that were applied to the financial statements as at and for the year ended June 30, 2025 except as disclosed in note 4.3.
- 4.3 During the period, 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 period decreased by Rs. 983.06 million and carrying amount of of plant and machinery increased by the same amount. The deferred tax charge has increased by Rs. 382.35 million. The resultant after-tax effect is an increase in profit for the period of Rs. 600.71 million.
- 4.4 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2025.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

December 31,
2025
(Rupees in thousand)

June 30,
2025

5. PROPERTY, PLANT AND EQUIPMENT

- Operating assets - notes 5.1 and 5.2	63,736,445	64,156,931
- Major spare parts and stand-by equipment	1,613,620	1,617,793
- Capital work-in-progress - note 5.3	2,262,092	2,104,548
	<u>67,612,157</u>	<u>67,879,272</u>

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

5.2 Additions and disposals to the operating assets during the period are as follows:

	Additions (at cost)		Disposals / write-offs (at net book value)	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in thousand)			
Plant and machinery *	92,187	44,229	-	-
Office and other equipments *	26,779	29,833	-	210
Buildings	2,908	2,527	-	-
Utilities *	109,539	21,509	-	-
Vehicles	950	349	-	147
Furniture and fixtures	848	380	-	-
Power plant	2,948	-	-	-
Computer equipments	6,574	2,546	-	-
Pipelines	7,104	-	-	-
Storage tanks	93,742	-	-	-
	<u>343,579</u>	<u>101,373</u>	<u>-</u>	<u>357</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

5.3 Capital work-in-progress

	Balance as at July 1, 2025	Additions during the period	Transfers	Balance as at December 31, 2025	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	1,347	(2,908)	24,078	26,139	17,749	(18,249)	25,639
Refineries upgradation projects	971,735	-	-	971,735	971,735	-	-	971,735
Plant and machinery	837,382	265,336	(302,532)	800,186	608,759	716,293	(487,670)	837,382
Office and other equipments	111,924	38,801	(27,453)	123,272	104,462	88,676	(81,214)	111,924
	1,946,680	305,484	(332,893)	1,919,271	1,711,095	822,718	(587,133)	1,946,680
Advances to contractors / suppliers - note 5.4	157,868	214,971	(30,018)	342,821	113,979	58,231	(14,342)	157,868
	2,104,548	520,455	(362,911)	2,262,092	1,825,074	880,949	(601,475)	2,104,548

5.4 These advances do not carry any interest or mark-up.

6. DEFERRED TAXATION

Deferred tax asset has been recognised on unused tax losses, unabsorbed tax depreciation and minimum tax amounting to Rs. 10.74 billion (June 30, 2025: Rs. 11.68 billion), Rs. 4.11 billion (June 30, 2025: Rs. 4.11 billion) and Rs. 3.53 billion (June 30, 2025: Rs. 2.76 billion) respectively, in view of future estimated taxable profits required to recover the benefit. Deferred tax assets relating to minimum tax will lapse after two and three years, while those relating to unused tax losses will lapse after six years from the year of occurrence. Deferred tax assets arising from unabsorbed tax depreciation are available for utilisation for an indefinite period. The amount of these benefits has been determined based on the financial projections of the Company for future years. The determination of future taxable profits is most sensitive to certain key assumptions such as capacity utilisation, gross margin percentage and inflation rates. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset.

7. STOCK-IN-TRADE

As at December 31, 2025 stock of finished products has been written down by Rs. 620.72 million (June 30, 2025: Rs. 157.31 million) to arrive at its net realisable value.

8. OTHER RECEIVABLES

8.1 This includes 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) amounting to Rs. 6.95 billion (June 30, 2025: Rs. 6.60 billion).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

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, the Ministry of Energy (Petroleum Division) (MEPD), in November 2017, allowed refineries to adjust the custom duty on crude oil (regulated products' portion) with the duty recovered from 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. Whereas the portion of customs duty on crude oil attributable to deregulated products was to be borne by refineries. Upto February 22, 2024, the differential has been worked out in accordance with the aforementioned mechanism.

However, post notification of Brownfield policy, the total custom duty on crude oil is recorded as receivable through IFEM in accordance with clause 6.1.2.1 of the Brownfield policy, net off with the amount recovered from sale of products (2.5% on High Speed Diesel and 10% on Motor Gasoline) which is payable to IFEM pool till the time an OGRA controlled joint escrow account is maintained under the Brownfield policy.

During the current period, the Company, together with other refineries, has formally approached the Ministry of Energy (Petroleum Division) - (MEPD) regarding the non-reimbursement of customs duty on crude oil. Earlier the Company has also submitted information relating to custom duty receivable with the last claim submitted to OGRA in June 2025. Until further notification from MEPD is received / settlement of claims submitted, the Company has discontinued further recognition of receivable of custom duty paid on de-regulated petroleum products.

- 8.2 This also includes input tax related to exempt supplies and output tax on own consumption attributable to exempt sales amounting to Rs. 4.92 billion which is to be reimbursed through 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' 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.

Based on this payment pattern and the continued processing of industry-wide claims through IFEM, the Company has recognized a receivable amounting Rs. 2.59 billion in respect of the current period's sales tax, the Company believes that the mechanism will also be extended for recovery of disallowed input tax for the year 2025-26.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

8.3 This further includes Rs. 453.08 million (June 30, 2025: Rs. 928.85 million) due from Pak-Arab Refinery Limited (PARCO) in respect of sharing of crude oil, freight and other charges.

December 31, 2025	June 30, 2025
(Rupees in thousand)	

9. SHORT-TERM INVESTMENTS

Treasury bills

Maturity after three months - note 9.1	175,273	173,607
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9.1 This represents investment in Government Treasury Bills bearing markup of 11.29% per annum (June, 30 2025: 12.93 %) maturing on October 29, 2026 (June, 30 2025: October 31, 2025)

December 31, 2025	June 30, 2025
(Rupees in thousand)	

10. CASH AND BANK BALANCES

Cash at bank

Conventional

Current accounts	111,161	294,649
Savings accounts - note 10.1	55,336	17,683
Deposit accounts - note 10.1 and 10.2	5,288,829	351,829
	5,455,326	664,161

Islamic

Current accounts	114	15,271
Savings accounts - note 10.1	15,034	8

Cash in hand	15,148	15,279
	1,000	500
	5,471,474	679,940

10.1 These carry interest rates ranging from 6.32% to 9.5% (June 30, 2025: 7% to 19%) per annum.

10.2 These include Term Deposit Receipts amounting Rs. 351.83 million placed as bank guarantees under lien issued on behalf of the Company.

11. 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 (June 30, 2025: Rs. 15 billion). The rate of mark-up applicable on this loan is based on three months KIBOR plus 0.75% (June 30, 2025: 0.15%) per annum. This facility is secured against fixed charge on Company's selected plant & machinery.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

December 31,
2025
June 30,
2025
(Rupees in thousand)

12. TRADE AND OTHER PAYABLES

Trade creditors	29,452,279	19,911,748
Due to the Government of Pakistan	838,597	1,172,976
Due to related parties:		
- Attock Petroleum Limited	2,912	9,387
- Pakistan Oilfields Limited	19,650	45,844
Accrued liabilities	1,371,349	1,095,039
Provision for Gas		
Infrastructure Development Cess - note 12.1	967,384	967,384
HSD Euro-V differential - note 12.2	565,196	427,487
PMG-RON differential payable - note 12.3	525,176	253,460
PMG-Euro-V differential payable	25,716	25,716
Sales tax payable	35,306	2,358,472
Retention money	30,727	30,486
Deposits from contractors	109,884	71,400
Workers' Profits Participation Fund	175,528	-
Workers' welfare fund	148,715	65,331
Income tax deducted at source	26,674	33,752
Climate Support Levy	289,538	-
Excise duty and petroleum levy	8,870,004	9,659,339
Others	31,335	23,150
	<u>43,485,970</u>	<u>36,150,971</u>

12.1 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 Honorable Sindh High Court at Karachi and interim order, granting a stay, is continuing and in effect till further orders.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

- 12.2 This represent 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.
- 12.3 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.

December 31,
2025 June 30,
2025
(Rupees in thousand)

13. BORROWINGS

Conventional

Running finance under mark-up

arrangements - note 13.1	6,961,614	23,779,806
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Short term loans - note 13.2	22,000,000	1,209,700
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Islamic

Financing under Islamic arrangement - note 13.3	25,750,017	20,749,963
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	54,711,631	45,739,469
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- 13.1 The facilities for running finance under mark-up arrangements with various banks amounted to Rs. 36.50 billion (June 30, 2025: Rs. 30.29 billion) of which the amount remaining unutilized at the period end was Rs. 9.63 billion (June 30, 2025: 12.46 billion). The rates of mark-up applicable on running finance ranges from relevant tenor KIBOR +0.05% to +1% (June 30, 2025: relevant tenor KIBOR +0.04% to +1%) per annum.
- 13.2 The facility of short term loans obtained on rollover basis from commercial banks amounted to Rs. 22 billion (June 30, 2025: Rs. 1.21 billion). These loans are interchangeable facilities with running finance arrangement as disclosed in note 13.1. The rate of mark-up applicable on these loans is based on relevant tenor KIBOR +0.5% (June 30, 2025: relevant tenor KIBOR -4.9% to +0.8%) per annum.
- 13.3 The facilities for Istisna, Tijarah and Running Musharakah arrangements from various Islamic banks amounted to Rs. 25.90 billion (June 30, 2025: Rs. 23.90 billion) of which Rs. 0.15 billion (June 30, 2025: Rs. 3.10 billion) remain unutilized as at period end. The rate of mark-up applicable on these facilities is based on relevant tenor KIBOR -0.15% to +0.5% (June 30, 2025: relevant tenor KIBOR -0.5% to +0.5%) per annum.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

13.4 The facility for local bill discounting amounted to Rs. 4 billion (June 30, 2025: Rs. 4 billion) of which the amount remaining unutilized was Rs. 4 billion (June 30, 2025: Rs. 4 billion). The rate of mark-up applicable on this facility is based on relevant tenor KIBOR +0.15% (June 30, 2025: relevant tenor KIBOR +0.15%) per annum.

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

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

14.1.1 There has been no significant change during the period in the contingencies reported in the annual financial statements for the year ended June 30, 2025.

14.2 Commitments

14.2.1 Commitments outstanding for capital expenditure as at December 31, 2025 amounted to Rs. 1.26 billion (June 30, 2025: Rs. 0.87 billion).

14.2.2 The facilities for opening the letters of credit and guarantees as at December 31, 2025 amounted to Rs. 132.51 billion (June 30, 2025: Rs. 116.01 billion) of which the amount remaining unutilized at the period end was Rs. 52.83 billion (June 30, 2025: Rs. 26.22 billion). The above financing arrangement to the tune of Rs. 52.40 billion (June 30, 2025: Rs. 47.90 billion) are interchangeable of these non-funded limits.

15. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Quarter ended		Half year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	← (Rupees in thousand) →			
Local	116,876,792	90,087,361	224,127,135	168,004,278
Export	15,275,513	8,843,508	20,757,574	17,607,544
	<u>132,152,305</u>	<u>98,930,869</u>	<u>244,884,709</u>	<u>185,611,822</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

16. TAXES, DUTIES, LEVIES AND PRICE DIFFERENTIALS

	Quarter ended		Half year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	← (Rupees in thousand) →			
Trade discounts	632,537	37,544	932,764	394,348
Sales tax	2,814,911	3,339,899	5,977,326	6,630,525
Further tax	10,167	3,312	18,660	9,610
Excise duty	82	24	170	36
Petroleum levy	30,087,810	17,615,044	56,491,774	31,503,381
Custom duty	2,227,080	1,750,084	4,447,866	3,612,004
PMG - RON differential	118,342	-	271,717	-
HSD Euro V differential	266,860	1,328,928	312,709	1,630,072
Climate Support Levy - note 16.1	979,374	-	1,841,911	-
	<u>37,137,163</u>	<u>24,074,835</u>	<u>70,294,897</u>	<u>43,779,976</u>

16.1 This represents Climate Support Levy introduced through the Finance Act 2025, applicable on the sale of certain petroleum products. The levy is chargeable and paid at the rates notified as per the directives of the MEPD.

17. OTHER INCOME

This includes return on bank deposits, return on Treasury Bills and return on Pakistan Investment Bond amounting to Rs. 43.66 million (2024: Rs. 153.59 million), Rs. 10.86 million (2024: Rs. 29.79 million) and Rs. 18.661 million (2024: Rs. 87.21 million) respectively.

18. FINANCE COST - NET

18.1 This includes mark-up on conventional financing and islamic financing amounting to Rs. 2.12 billion (2024: Rs. 3.27 billion) and Rs. 1.24 billion (2024: Rs. 1.45 billion) respectively. The rates of mark-up applicable are provided in note 13.

18.2 This also includes net exchange loss of Rs. 0.48 billion (2024: net exchange loss of Rs. 0.75 billion) on foreign currency transactions relating to purchase of crude oil and sale of products. This relates to actual fluctuations and not due to derivative financial instruments.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

December 31, December 31,
2025 2024
(Rupees in thousand)

19. LEVIES

Minimum / final tax note - 19.1 207,576 176,167

19.1 These represent minimum / final tax under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

20. TAXATION

	Quarter ended		Half year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	← (Rupees in thousand) →			
Current				
- for the period - note 20.1	861,236	355,507	1,094,346	646,735
- for prior period	5,856	11,634	5,856	11,634
Deferred	(377,397)	(158,725)	178,601	(2,886,424)
	<u>489,695</u>	<u>208,416</u>	<u>1,278,803</u>	<u>(2,228,055)</u>

20.1 This includes charge for super tax amounting to Rs. 324.84 million (2024: Nil) under section 4C of the Income Tax Ordinance, 2001.

December 31, December 31,
2025 2024
(Rupees in thousand)

21. CASH GENERATED FROM OPERATIONS

Profit / (loss) before income tax	3,044,065	(13,960,960)
Adjustment for non cash charges and other items:		
Depreciation and amortisation	764,862	1,739,946
Provision for staff retirement benefit funds	47,676	34,102
Mark-up on conventional financing	2,124,886	3,272,506
Mark-up on islamic financing	1,242,989	1,447,305
Return on investments and bank accounts	(73,187)	(153,591)
Gain on disposal of property, plant & equipment	(5,750)	(1,624)
Interest on lease liability	10,074	8,455
Levies	207,576	176,167
Changes in working capital - note 21.1	<u>(7,070,593)</u>	<u>10,005,487</u>
	<u>292,598</u>	<u>2,567,793</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	December 31, 2025	December 31, 2024
	(Rupees in thousand)	
21.1 Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and chemicals	(901,739)	(180,573)
Stock-in-trade	(8,220,133)	5,493,530
Trade receivables	(4,780,130)	(1,150,719)
Loans and advances	(154,333)	15,904
Trade deposits and short-term prepayments	(444,993)	(445,916)
Other receivables	(1,209,848)	(4,290,369)
	<u>(15,711,176)</u>	<u>(558,143)</u>
Increase in current liabilities		
Trade and other payables	7,334,999	10,563,630
Advances from customers - foreign	1,305,584	-
	<u>(7,070,593)</u>	<u>10,005,487</u>
22. CASH AND CASH EQUIVALENTS		
Cash and bank balances - note 10	5,119,645	374,243
Running finance under mark-up arrangements - note 13	(6,961,614)	(9,108,258)
Short-term investments	-	4,699,996
	<u>(1,841,969)</u>	<u>(4,034,019)</u>

22.1 Short term borrowings other than running finance have been reclassified as financing activities in the statement of cash flows which was previously included as cash and cash equivalents therein.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

23. OPERATING SEGMENTS

These condensed interim 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:

	Quarter ended		Half year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	← (Rupees in thousand) →			
High Speed Diesel (HSD)	78,638,921	55,845,632	142,836,193	94,481,835
Motor Gasoline (MOGAS) / PMG (Premium Motor Gasoline)	14,273,140	12,344,211	36,479,154	30,047,158
Lube Base Oils	10,826,076	11,316,652	22,331,828	22,528,234
Furnace Oil	6,204,893	6,169,658	9,421,542	16,185,272
Bitumen	4,178,144	3,246,305	7,554,198	7,462,517
Others	18,031,131	10,008,411	26,261,794	14,906,806
Less: Taxes, duties, levies, discount and price differential	(37,137,163)	(24,074,835)	(70,294,897)	(43,779,976)
Net revenue from contracts with customers	<u>95,015,142</u>	<u>74,856,034</u>	<u>174,589,812</u>	<u>141,831,846</u>

24. TRANSACTIONS WITH RELATED PARTIES

24.1 The following transactions were carried out with related parties during the period:

Nature of relationship	Nature of transactions	Quarter ended		Half year ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		← (Rupees in thousand) →			
Associated companies					
- Pakistan Oilfields Limited (POL)					
	Rental income	1,260	1,142	2,519	2,284
	Products - sale of petroleum products	58,492	59,772	125,591	88,097
	Reimbursement of expenses incurred by NRL on behalf of POL	76	193	161	336
	Reimbursement of expenses incurred by POL on behalf of NRL	19,696	-	39,351	-
- Attock Refinery Limited (ARL)					
	Reimbursement of expenses incurred by NRL on behalf of ARL	69	42	83	81
	Reimbursement of expenses incurred by ARL on behalf of NRL	18	-	3,582	519
	Handling charges on export sales	-	6,468	-	19,406
- Attock Cement Pakistan Limited (ACPL)					
	Reimbursement of expenses incurred by ACPL on behalf of NRL	-	38	79	209
	Reimbursement of expenses incurred by NRL on behalf of ACPL	64	612	64	612
	Purchase of stores	-	-	-	261

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)**

Nature of relationship	Nature of transactions	Quarter ended		Half year ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
← (Rupees in thousand) →					
Associated companies					
- Attock Petroleum Limited (APL)					
	Sale of petroleum products	35,471,881	37,458,440	68,244,301	69,440,635
	Trade discounts	152,865	-	252,666	219,449
	Price differential claims - HSD	-	98,819	-	98,819
	Purchase of petroleum products	7,420	12,665	18,353	22,647
	Hospitality charges on sales	8,038	17,877	17,374	32,005
	Handling charge on local sales	13,683	552	15,490	552
	Rental income	1,837	1,701	3,626	3,359
	Reimbursement of expenses incurred by NRL on behalf of APL	2,776	4,031	4,979	5,524
- Attock Oil Company Limited (AOCL) *					
	Reimbursement of expenses incurred by AOCL on behalf of NRL	444	437	1,667	437
	Reimbursement of expenses incurred by NRL on behalf of AOCL	10	9	20	18
Other related parties					
- Contribution to staff retirement benefits plans					
	Employees provident fund	12,707	13,379	25,610	27,427
- Key management compensation					
	Salaries and other employee benefits	34,420	10,456	63,663	21,510
	Post employment benefits	519	322	1,614	1,107
	Directors' fee	4,061	4,686	11,080	11,225

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

Note December 31,
2025 June 30,
2025
(Rupees in thousand)

25. SHARIAH COMPLIANCE STATUS DISCLOSURE

Condensed interim statement of financial position

1. Short term financing as per Islamic mode	13	25,750,017	20,749,963
2. Accrued mark-up on a conventional loan		1,117,065	964,040
3. Bank balances that are Shariah compliant	10	15,148	15,279

Condensed interim statement of profit or loss

1. Revenue earned from Shariah-compliant business segment - net		174,589,812	141,831,846
2. Profit earned from Shariah complaint bank balances		2,822	1,715
3. Exchange loss on actual currency		478,417	747,619

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	Note	December 31, 2025 (Rupees in thousand)	June 30, 2025
4. Markup on Islamic mode of financing		1,242,989	1,447,305
5. Total Interest earned on any conventional loan or advance		22	46
6. Break-up of other income			
<i>Shariah compliant Income</i>			
- Handling and storage income		89	17,115
- Hospitality income		27,990	37,706
- Sale of scrap and empties		33,766	747
- Pipeline charges recovered		-	2,054
- Gain on disposal of property, plant and equipment		5,750	1,624
- Rental income		7,099	6,568
- Others		291	773
<i>Non-compliant Income</i>			
- PLS savings and deposit accounts		40,841	151,876
- Return of Pakistan Investment Bonds		18,661	87,207
- Return of Treasury Bills		10,863	29,794
- Interest income on secured loans to employees		22	46
- Insurance rebate		-	497

7. Relationship with Shariah-compliant financial institutions

Islamic banks

The Company has obtained facilities of Istisna, Tijarah and Running Musharakah amounting to Rs. 14 billion and Rs.11.90 billion.

Takaful operators

The Company has no relationship with takaful operators.

26. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on February 23, 2026.



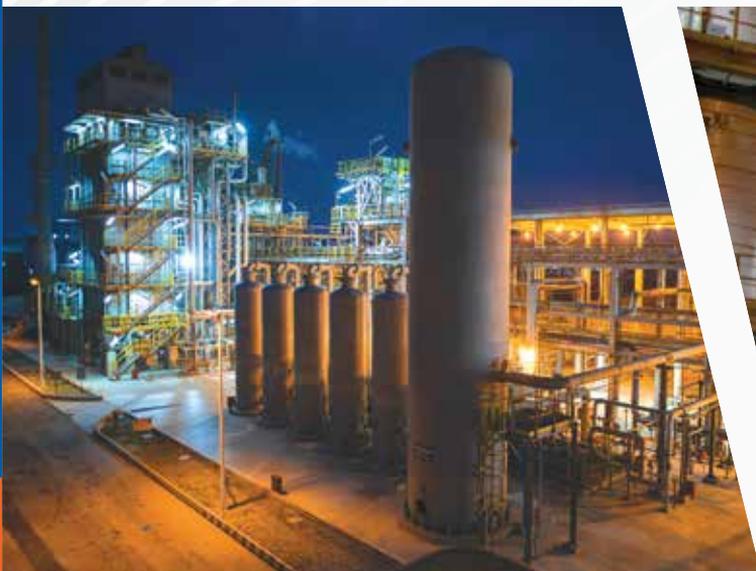
Chief Financial Officer



Chief Executive



Director



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