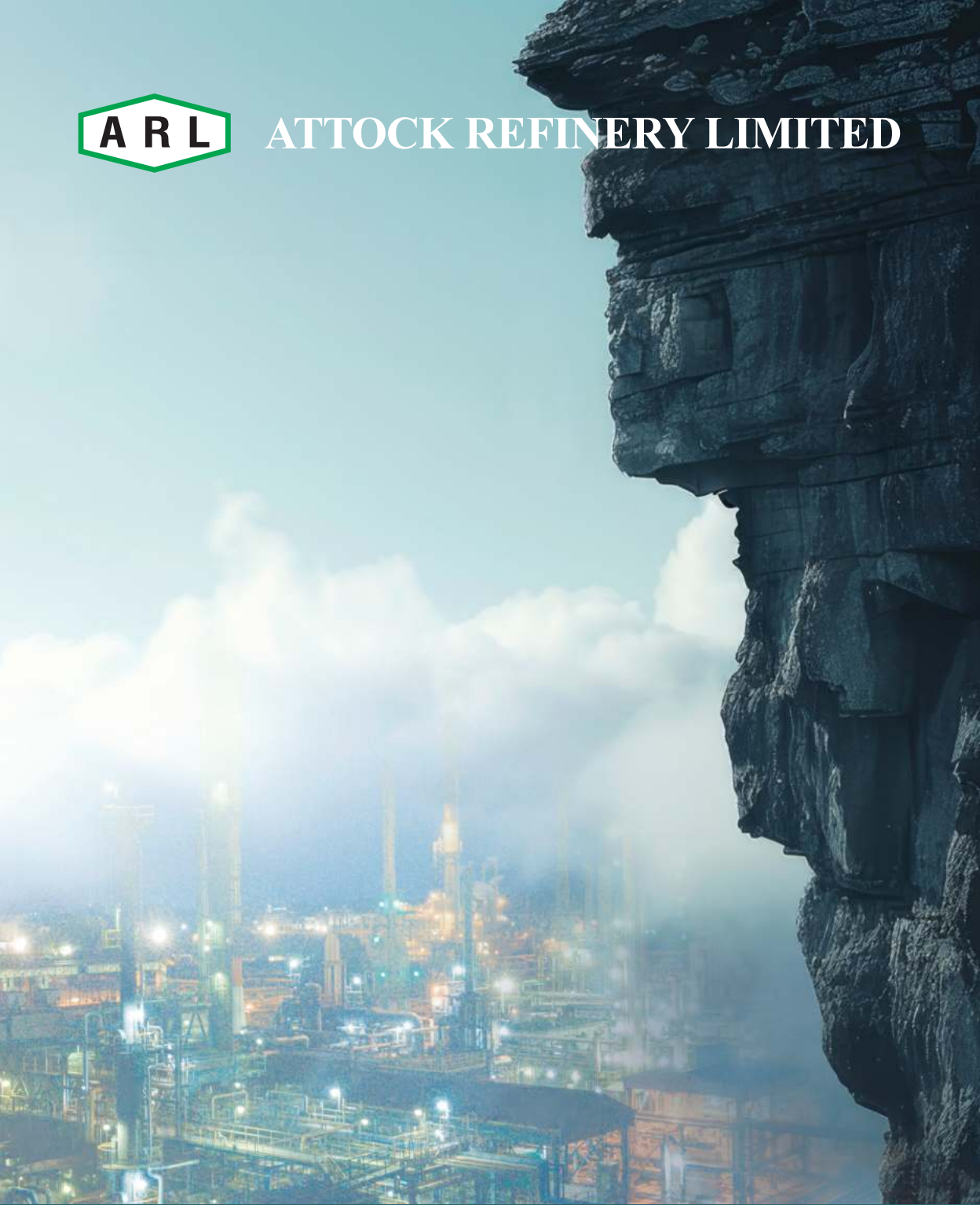




ATTOCK REFINERY LIMITED



Condensed Interim Financial Statements

For the First Quarter Ended September 30, 2024

CONTENTS

| | |
|--|----|
| COMPANY INFORMATION | 02 |
| DIRECTORS' REVIEW REPORT | 03 |
| ڈائریکٹرز کی جائزہ رپورٹ | 05 |
| CONDENSED INTERIM FINANCIAL STATEMENTS | |
| ➔ Statement of Financial Position | 06 |
| ➔ Statement of Profit or Loss | 08 |
| ➔ Statement of Profit or Loss and Other Comprehensive Income | 09 |
| ➔ Statement of Changes in Equity | 10 |
| ➔ Statement of Cash Flows | 11 |
| ➔ Notes to the Financial Statements | 12 |
| CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS | |
| ➔ Statement of Financial Position | 26 |
| ➔ Statement of Profit or Loss | 28 |
| ➔ Statement of Profit or Loss and Other Comprehensive Income | 29 |
| ➔ Statement of Changes in Equity | 30 |
| ➔ Statement of Cash Flows | 31 |
| ➔ Notes to the Financial Statements | 32 |

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Laith G. Pharaon

(Alternate Director Mr. Shuaib A. Malik)

Non Executive Director

Mr. Wael G. Pharaon

(Alternate Director Mr. Babar Bashir Nawaz)

Non Executive Director

Mr. Shuaib A. Malik

Chairman / Non Executive Director

Mr. Abdus Sattar

Non Executive Director

Mr. Shamim Ahmad Khan

Non Executive Director

Mr. Tariq Iqbal Khan

Independent Non Executive Director

Mohammad Haroon

Independent Non Executive Director

CHIEF EXECUTIVE OFFICER

Mr. M. Adil Khattak

CHIEF FINANCIAL OFFICER

Syed Asad Abbas

COMPANY SECRETARY

Mr. Saif ur Rehman Mirza

AUDIT COMMITTEE

Mr. Tariq Iqbal Khan

Chairman

Mr. Shuaib A. Malik

Member

Mr. Abdus Sattar

Member

Mr. Shamim Ahmad Khan

Member

Mr. Babar Bashir Nawaz

Member

AUDITORS

A.F. Ferguson & Co.

Chartered Accountants

LEGAL ADVISOR

Ali Sibtain Fazli & Associates

Legal Advisors, Advocates & Solicitors

SHARE REGISTRAR

CDC Share Registrar Services Limited

*CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi-74400.*

REGISTERED OFFICE

The Refinery, P.O. Morgah, Rawalpindi.

Tel : (051) 5487041-5 Fax : (051) 5487093 & 5406229

E-mail : info@arl.com.pk Website : www.arl.com.pk

DIRECTORS' REVIEW REPORT

IN THE NAME OF ALLAH, THE MOST GRACIOUS, THE MOST MERCIFUL

On behalf of the Board of Directors of Attock Refinery Limited, we are pleased to present review of the financial results and operations of the Company for the first quarter ended September 30, 2024.

FINANCIAL RESULTS

During the quarter under review the Company earned profit after tax of Rs 3,029 million from refinery operations (September 30, 2023: Rs 11,223 million). Non-refinery income during this quarter was Rs 301 million (September 30, 2023: Rs 241 million). Accordingly, overall profit after taxation was Rs 3,330 million with earning per share of Rs 31.22 (September 30, 2023: Rs 11,464 million with earning per share of Rs 107.53).

During the period under review, there was a downward trend in the refinery margins, reflecting global dynamics of refining industry coupled with product uplifting issues in the local market. The decline in refinery's margins has negatively affected the Company's profitability. Your Company has remained committed to leveraging every opportunity to improve business processes and enhance profitability.

The Consolidated Financial Statements of the Company are annexed. During the period the Company made a Consolidated profit after tax of Rs 3,713 million (September 30, 2023: Rs 12,301 million) which translates into consolidated earnings per share of Rs 34.83 (September 30, 2023: Rs 115.38).

REFINERY OPERATIONS

During this quarter, the Company supplied 400 thousand Metric Tons of various petroleum products while operating at 71% of the capacity (September 30, 2023: 457 thousand Metric Tons, 81% capacity). During the quarter, the refinery's main distillation unit had to be temporarily shut down for few days due to low uplifting of Diesel, mainly caused by smuggling and unwarranted imports in the country. This has resulted in low capacity utilization.

FUTURE OUTLOOK

There is positive development in some of the macro-economic indicators like reduction in interest rates and inflation. However, the management still anticipates that the economic landscape will continue to be challenging in the near future. Therefore, the management's focus will be on implementing proactive measures to enhance operational efficiencies, aiming to boost revenue while reducing costs.

Last year, Government approved the Pakistan Oil Refining Policy for Existing Refineries. Recently, changes to the Sales Tax Act, 1990, made through the Finance Act 2024, have effectively nullified the incentives envisaged under the Policy. Refineries have collectively raised this issue along with problem of smuggling/unwarranted imports with the Government. There is hope for a resolution that satisfies all stakeholders. The Company plans to sign various agreements with OGRA under the Policy once the relevant issues are resolved.

ACKNOWLEDGEMENT

The Board would like to acknowledge support received from the Ministry of Energy and all other stakeholders. We highly appreciate our employees for their dedication. We also thank our valued customers and suppliers for their continued trust and support.

On behalf of the Board



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

October 18, 2024
Rawalpindi

مستقبل کا منظر نامہ

کچھ معاشی اشاریوں میں مثبت پیشرفت ہوئی ہے، جیسے کہ شرح سود اور افراط زر میں کمی ہے۔ تاہم، انتظامیہ اب بھی توقع کرتی ہے کہ آنے والے دنوں میں معاشی منظر نامہ مشکل رہے گا۔ اس لیے، انتظامیہ کی توجہ ریفاہی کی کارکردگی کو بہتر بنانے کے لیے فعال اقدامات کے نفاذ پر ہوگا، تاکہ آمدنی میں اضافہ اور اخراجات میں کمی کی جاسکے۔

گزشتہ سال، حکومت نے موجودہ ریفاہیوں کے لیے پاکستان آئل ریفاہنگ پالیسی کی منظوری دی تھی۔ حال ہی میں سیزنیکس ایکٹ ۱۹۹۰ میں فنانس ایکٹ ۲۰۲۳ کے ذریعے کی جانے والی ترامیم نے پالیسی کے تحت دی گئی مراعات کو غیر موثر کر دیا ہے۔ ریفاہیوں نے حکومت کے ساتھ اسمگلنگ اور غیر ضروری درآمدات کے مسئلہ سمیت اس معاملے کو اٹھایا ہے۔ امید کی جارہی ہے کہ تمام فریقین کے لیے اطمینان بخش حل نکل آئے گا۔ کمپنی کا منصوبہ ہے کہ وہ ان مسائل کے حل کے بعد پالیسی کے تحت اوگرا کے ساتھ مختلف معاہدوں پر دستخط کرے۔

اظہارِ تشکر

بورڈ آف ڈائریکٹرز، وزارت توانائی اور دیگر اداروں کی جانب سے ملنے والی معاونت پر شکر گزار ہیں۔ ہم اپنے ملازمین کے پُر عزم جذبے کے لئے بھی تہہ دل سے شکر گزار ہیں۔ اس کے علاوہ ہم اپنے قابلِ قدر صارفین، خام تیل مہیا کرنے والے اداروں کے بھی ممنون ہیں۔

بورڈ کی جانب سے

عبدالستار
ڈائریکٹر

ایم عادل حنیف
چیف ایگزیکٹو آفیسر

۱۱ اکتوبر ۲۰۲۳

راولپنڈی

ڈائریکٹرز کی جائزہ رپورٹ

اللہ کے نام سے جو بڑا مہربان نہایت رحم کرنے والا ہے۔

انک ریفاٹری لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم ۳۰ ستمبر ۲۰۲۳ کو ختم ہونے والی پہلی سہ ماہی کی اختتامی مدت کے کمپنی کے مالیاتی نتائج اور آپریشنز کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی نتائج

زیر جائزہ سہ ماہی کے دوران کمپنی کو ریفاٹری آپریشنز سے ٹیکس ادا کرنے کے بعد ۳,۰۲۹ ملین روپے کا منافع ہوا (۳۰ ستمبر ۲۰۲۳: ۱۱,۲۳۳ ملین روپے کا منافع)۔ اس سہ ماہی کے دوران غیر ریفاٹری ذرائع سے ۳۰۱ ملین روپے کی آمدن ہوئی (۳۰ ستمبر ۲۰۲۳: ۲۴۱ ملین روپے)۔ اس طرح مجموعی طور پر ٹیکس ادا کرنے کے بعد ۳,۳۳۰ ملین روپے کے منافع کے ساتھ فی حصص منافع ۳۱.۲۲ روپے رہا (۳۰ ستمبر ۲۰۲۳: ۱۱,۴۶۴ ملین روپے کے منافع کے ساتھ فی حصص منافع ۱۰۷.۵۳ روپے)۔

زیر جائزہ مدت کے دوران ریفاٹری مارجن میں کمی کا رجحان تھا، جو کہ عالمی ریفاٹنگ صنعت کی صورتحال اور مقامی مارکیٹ میں مصنوعات کی ترسیل کے مسائل کا نتیجہ تھا۔ ریفاٹری کے مارجن میں کمی نے کمپنی کے منافع کو منفی طور پر متاثر کیا ہے۔ آپ کی کمپنی کاروباری عمل اور منافع میں بہتری کے لیے ہر موقع کو استعمال کرنے کے اپنے عزم پر ثابت قدم رہی۔

کمپنی کے یکجا مالیاتی گوشوارے (Consolidated Financial Statements) منسلک ہیں۔ زیر جائزہ مدت کے دوران کمپنی نے ٹیکس ادا کرنے کے بعد ۳,۶۱۳ ملین روپے کا مجموعی منافع کمایا (۳۰ ستمبر ۲۰۲۳: ۱۲,۳۰۱ ملین روپے) جو کہ مجموعی فی حصص ۳۴.۸۳ روپے بنتا ہے (۳۰ ستمبر ۲۰۲۳: منافع ۱۱۵.۳۸ روپے)۔

ریفاٹری آپریشنز


زیر جائزہ سہ ماہی کے دوران ریفاٹری نے ۱۷% پیداواری استعداد کے ساتھ ۴۰۰ ہزار میٹرک ٹن کی مختلف پیٹرو لیوم مصنوعات فراہم کیں (۳۰ ستمبر ۲۰۲۳: ۸۱% پیداواری استعداد کے ساتھ ۴۵۷ ہزار میٹرک ٹن)۔ زیر جائزہ سہ ماہی میں ریفاٹری کے مین ڈسٹیلیشن یونٹ کو کم ترسیل کی وجہ سے عارضی طور پر کچھ دنوں کے لیے بند کرنا پڑا، جس کی بنیادی وجہ ڈیزل کی سٹاک اور غیر ضروری درآمدات تھیں۔ اس کے نتیجے میں پیداواری صلاحیت میں کمی واقع ہوئی ہے۔

**Condensed Interim Statement of Financial Position (Unaudited)
As At September 30, 2024**

| | Note | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|---|------|----------------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Share capital | | | |
| Authorised capital | | | |
| 150,000,000 (June 30, 2024: 150,000,000) ordinary shares of Rs 10 each | | <u>1,500,000</u> | <u>1,500,000</u> |
| Issued, subscribed and paid-up capital | | | |
| 106,616,250 (June 30, 2024: 106,616,250) ordinary shares of Rs 10 each | 5 | 1,066,163 | 1,066,163 |
| Reserves and surplus | 6 | 80,602,844 | 77,273,236 |
| Surplus on revaluation of freehold land | | 55,160,588 | 55,160,588 |
| | | <u>136,829,595</u> | <u>133,499,987</u> |
| NON-CURRENT LIABILITIES | | | |
| Lease liability | | 216,584 | 203,847 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 64,234,467 | 69,403,334 |
| Current portion of lease liabilities | | 184,199 | 178,502 |
| Unclaimed dividends | | 15,205 | 15,609 |
| Provision for taxation | | 10,291,603 | 10,786,854 |
| | | <u>74,725,474</u> | <u>80,384,299</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>211,771,653</u> | <u>214,088,133</u> |
| CONTINGENCIES AND COMMITMENTS | 8 | | |

| | Note | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|---|------|----------------------------------|-----------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating assets | 9 | 61,976,027 | 62,652,205 |
| Capital work-in-progress | 10 | 1,643,721 | 1,479,322 |
| Major spare parts and stand-by equipments | | 140,173 | 143,842 |
| | | 63,759,921 | 64,275,369 |
| LONG TERM INVESTMENTS | 11 | 13,264,915 | 13,264,915 |
| LONG TERM LOANS AND DEPOSITS | | 49,523 | 47,682 |
| DEFERRED TAXATION | | 444,153 | 270,585 |
| | | 77,518,512 | 77,858,551 |
| CURRENT ASSETS | | | |
| Stores, spares and loose tools | | 8,373,793 | 7,119,300 |
| Stock-in-trade | 12 | 20,885,640 | 21,304,144 |
| Trade debts | 13 | 22,357,519 | 37,036,173 |
| Loans, advances, deposits, prepayments and other receivables | 14 | 1,913,653 | 2,023,559 |
| Dividend receivable from associated company | | 374,148 | - |
| Short term investment | 15 | 36,598,432 | 34,999,317 |
| Cash and bank balances | 16 | 43,749,956 | 33,747,089 |
| | | 134,253,141 | 136,229,582 |
| TOTAL ASSETS | | 211,771,653 | 214,088,133 |

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.


Syed Asad Abbas
 Chief Financial Officer


M. Adil Khattak
 Chief Executive Officer


Abdus Sattar
 Director

**Condensed Interim Statement of Profit or Loss (Unaudited)
For The First Quarter Ended September 30, 2024**

| | Note | Three months ended | |
|--|------|----------------------------------|----------------------------------|
| | | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| Gross sales | 17 | 109,448,355 | 140,798,231 |
| Taxes, duties, levies, discount and price differential | 18 | (28,828,481) | (32,948,954) |
| Net sales | | 80,619,874 | 107,849,277 |
| Cost of sales | 19 | (78,837,638) | (91,071,558) |
| Gross profit | | 1,782,236 | 16,777,719 |
| Administration expenses | | 428,980 | 316,058 |
| Distribution cost | | 23,937 | 20,358 |
| Other charges | | 370,610 | 1,372,172 |
| | | (823,527) | (1,708,588) |
| Other income | 20 | 4,052,757 | 3,240,558 |
| Impairment reversal/(loss) on financial assets | | 7,968 | (732) |
| Operating profit | | 5,019,434 | 18,308,957 |
| Finance (cost)/income - net | 21 | (94,677) | 90,010 |
| Profit before income tax and final taxation from refinery operations | | 4,924,757 | 18,398,967 |
| Final taxes - levy | | (35,148) | - |
| Profit before income tax from refinery operations | | 4,889,609 | 18,398,967 |
| Taxation | 22 | (1,861,190) | (7,175,597) |
| Profit after taxation from refinery operations | | 3,028,419 | 11,223,370 |
| Income from non-refinery operations less applicable charges and taxation | 23 | 301,189 | 240,951 |
| Profit for the period | | 3,329,608 | 11,464,321 |
| Earnings per share - basic and diluted (Rupees) | | | |
| Refinery operations | | 28.40 | 105.27 |
| Non-refinery operations | | 2.82 | 2.26 |
| | | 31.22 | 107.53 |

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

**Condensed Interim Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For The First Quarter Ended September 30, 2024**

| | Three months ended | |
|---|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| Profit after taxation | 3,329,608 | 11,464,321 |
| Other comprehensive income - net of tax: | - | - |
| Total comprehensive income for the period | <u>3,329,608</u> | <u>11,464,321</u> |

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.


Syed Asad Abbas
Chief Financial Officer


M. Adil Khattak
Chief Executive Officer


Abdus Sattar
Director

Condensed Interim Statement of Changes in Equity (Unaudited) For The First Quarter Ended September 30, 2024

| | Share capital | Capital reserve | | | Revenue reserve | | | | Total |
|--|------------------|---|--|--------------|--------------------|-----------------|------------------------|---|--------------------|
| | | Special reserve for expansion/modernisation | Utilised special reserve for expansion/modernisation | Others | Investment reserve | General reserve | Un-appropriated profit | Surplus on revaluation of freehold land | |
| | | | | | | | | | |
| Balance as at July 01, 2023 | 1,066,163 | 25,662,589 | 10,962,934 | 5,948 | 3,762,775 | 55 | 13,151,727 | 55,160,588 | 109,772,779 |
| Total comprehensive income - net of tax | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 11,464,321 | - | 11,464,321 |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | 11,464,321 | - | 11,464,321 |
| Profit from refinery operations transferred from unappropriated profit to special reserve - note 6.1 | - | 4,534,298 | - | - | - | - | (4,534,298) | - | - |
| Balance as at September 30, 2023 | 1,066,163 | 30,196,887 | 10,962,934 | 5,948 | 3,762,775 | 55 | 20,081,750 | 55,160,588 | 121,237,100 |
| Total comprehensive income - net of tax | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 13,779,540 | - | 13,779,540 |
| Other comprehensive income for the period | - | - | - | - | - | - | 82,591 | - | 82,591 |
| | - | - | - | - | - | - | 13,862,131 | - | 13,862,131 |
| Distribution to owners: | | | | | | | | | |
| Final cash dividend @ 125% related to the year ended June 30, 2023 | - | - | - | - | - | - | (1,332,703) | - | (1,332,703) |
| Interim cash dividend @ 25% related to the year ended June 30, 2024 | - | - | - | - | - | - | (266,541) | - | (266,541) |
| Balance as at June 30, 2024 | 1,066,163 | 30,196,887 | 10,962,934 | 5,948 | 3,762,775 | 55 | 32,344,637 | 55,160,588 | 133,499,987 |
| Total comprehensive income - net of tax | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 3,329,608 | - | 3,329,608 |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | 3,329,608 | - | 3,329,608 |
| Balance as at September 30, 2024 | 1,066,163 | 30,196,887 | 10,962,934 | 5,948 | 3,762,775 | 55 | 35,674,245 | 55,160,588 | 136,829,595 |

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Condensed Interim Statement of Cash Flows (Unaudited)

For The First Quarter Ended September 30, 2024

| | Three months ended | |
|--|----------------------------------|----------------------------------|
| Note | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from - Customers | 124,097,818 | 132,974,395 |
| - Others | 169,256 | 167,174 |
| | 124,267,074 | 133,141,569 |
| Cash paid for operating cost | (83,909,481) | (84,110,517) |
| Cash paid to Government for duties, taxes and other levies | (29,987,910) | (29,137,788) |
| Income tax and final taxes paid | (2,630,634) | (2,460,072) |
| Net cash inflow from operating activities | 7,739,049 | 17,433,192 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (217,904) | (97,846) |
| Proceeds against disposal of operating assets | 12,752 | 2,071 |
| Long term loans and deposits | (1,840) | 3,144 |
| Income received on bank deposits | 4,066,695 | 2,489,880 |
| Net cash generated from investing activities | 3,859,703 | 2,397,249 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid to Company's shareholders | (404) | (1) |
| Bank balances under lien | 856 | - |
| Finance costs paid | (129) | (147) |
| Net cash inflow/(outflows) from financing activities | 323 | (148) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD | 11,599,075 | 19,830,293 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 67,190,300 | 27,914,948 |
| Effect of exchange rate changes on cash and cash equivalents | 3,763 | (1,632) |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 78,793,138 | 47,743,609 |


The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

Selected Notes To and Forming Part of the Condensed Interim Financial Statements (Unaudited) For The First Quarter Ended September 30, 2024

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public company on June 26, 1979. The Company is principally engaged in the refining of crude oil. The registered office and refinery complex of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on Pakistan Stock Exchange Limited.

The Company is a subsidiary of The Attock Oil Company Limited, England and its ultimate parent is Coral Holding Limited.

2. STATEMENT OF COMPLIANCE

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 and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives 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 audited financial statements for the year ended June 30, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the audited financial statements for the year ended June 30, 2024.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements for the year ended June 30, 2024.

5. SHARE CAPITAL

The parent company, The Attock Oil Company Limited held 65,095,630 (June 30, 2024: 65,095,630) ordinary shares and the associated company Attock Petroleum Limited held 1,790,000 (June 30, 2024: 1,790,000) ordinary shares as at September 30, 2024.

**September 30,
2024
Rs '000**
**June 30,
2024
Rs '000**
6. RESERVES AND SURPLUS
Capital reserve

| | | |
|--|-------------------|------------|
| Special reserve for expansion/modernisation - note 6.1 | 30,196,887 | 30,196,887 |
| Utilised special reserve for expansion/modernisation - note 6.2 | 10,962,934 | 10,962,934 |
| Others | | |
| Liabilities taken over from The Attock Oil Company Limited no longer required | 4,800 | 4,800 |
| Capital gain on sale of building | 654 | 654 |
| Insurance and other claims realised relating to pre-incorporation period | 494 | 494 |
| | 5,948 | 5,948 |

Revenue reserve

| | | |
|-------------------------------|-------------------|------------|
| Investment reserve - note 6.3 | 3,762,775 | 3,762,775 |
| General reserve | 55 | 55 |
| Un-appropriated profit - net | 35,674,245 | 32,344,637 |
| | 39,437,075 | 36,107,467 |
| | 80,602,844 | 77,273,236 |

6.1 Under the Policy Framework for up-gradation and Expansion of Refineries, 2013 issued by the Ministry of Energy - Petroleum Division (the Ministry) as amended from time to time, the refineries were required to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into a Special Reserve Account which shall be available for utilisation for up-gradation of refineries or may also be utilised in off setting losses of the refinery from refinery operations. During the period, the Government of Pakistan has notified the "Pakistan Oil Refining Policy for up-gradation of Existing / Brownfield Refineries, 2023" (the 2023 Policy) on August 17, 2023. Under the new policy, the requirement to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into Special Reserve Account is not required.

6.2 Represent amounts utilized out of the Special Reserve for expansion/modernisation of the refinery. The total amount of capital expenditure incurred on Refinery expansion/modernisation till September 30, 2024 is Rs 29,634.06 million (June 30, 2024: Rs 29,607.05 million) including Rs 18,671.13 million (June 30, 2024: Rs 18,644.12 million) spent over and above the available balance in the Special Reserve which has been incurred by the Company from its own resources.

6.3 The Company has set aside gain on sale of investment as investment reserve to meet any future losses/impairment on investments.

September 30,
2024
Rs '000

June 30,
2024
Rs '000

7. TRADE AND OTHER PAYABLES

| | | |
|--|-------------------|-------------------|
| Creditors - note 7.1 | 29,071,840 | 31,103,558 |
| Due to The Attock Oil Company Limited - Holding Company | 159,683 | 62,124 |
| Due to associated companies | | |
| Pakistan Oilfields Limited | 3,451,414 | 3,369,928 |
| Attock Petroleum Limited | - | 11,804 |
| Attock Energy (Private) Limited | 1,310 | 1,332 |
| Accrued liabilities and provisions - note 7.1 | 8,171,210 | 8,300,578 |
| Due to the Government under the pricing formula | 9,702,174 | 8,801,174 |
| Custom duty payable to the Government | 5,934,149 | 6,157,134 |
| Contract liabilities - Advance payments from customers | 214,353 | 243,545 |
| Sales tax payable | 712,941 | 14,152 |
| Workers' Profit Participation Fund | 264,768 | 2,117,362 |
| Crude oil freight adjustable through inland freight equalisation margin | 149,635 | 137,546 |
| Payable to statutory authorities in respect of petroleum development levy and excise duty | 6,397,547 | 9,079,654 |
| Deposits from customers adjustable against freight and Government levies payable on their behalf | 376 | 376 |
| Security deposits | 3,067 | 3,067 |
| | <u>64,234,467</u> | <u>69,403,334</u> |

7.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Energy - Petroleum Division (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld along with accumulated profits amounted to Rs 6,243.80 million (June 30, 2024: Rs 5,989.23 million).

September 30,
2024
Rs '000

June 30,
2024
Rs '000

8. CONTINGENCIES AND COMMITMENTS

Contingencies:

- | | | |
|---|-----------------------|----------------|
| <p>i) Consequent to amendment through the Finance Act, 2014, SRO 575(I)/2006 was withdrawn. As a result, all imports relating to the ARL Up-gradation Project were subjected to the higher rate of customs duties, sales tax and income tax. Aggrieved by the withdrawal of the said SRO, the Company filed a writ petition on August 20, 2014, in the Lahore High Court, Rawalpindi Bench (the Court). The Court granted interim relief by allowing the imports against submission of bank guarantees and restraining customs authorities from charging an increased amount of customs duty/sales tax. Bank guarantees were issued in favour of the Collector of Customs, as per the directives of the Court. These guarantees include amounts aggregating to Rs 325 million on account of adjustable/claimable government levies.</p> | <p>555,250</p> | <p>555,250</p> |
|---|-----------------------|----------------|

On November 10, 2020, the Court referred the case to Customs authorities with the instruction not to encash the bank guarantees without giving the Company appropriate remedy under the law. In June 2021, the Customs authorities have issued orders granting partial relief for Company's contention. The Company preferred an appeal before Collector of Appeals (CA), which was decided against the company on February 16, 2022. The Company has filed appeal in the Custom Appellate Tribunal (CAT) challenging said decision of CA. On June 14, 2023, the CAT has passed order against the Company. The Company filed reference on September 25, 2023 against the order of CAT before Honourable High Court of Sindh. Management and its legal advisors are confident that the Company has reasonable grounds to defend the case. Accordingly, no provision has been made in these condense interim financial statements.

In addition to above, owing to the protracted nature of the litigation, the company maintained ongoing engagement with Engineering Development Board (EDB) and Customs authorities for release of bank guarantees. The company successfully obtained release of bank guarantees from the Customs authorities, aggregating to Rs 771 million.

- ii) Due to circular debt in the oil industry, certain amounts due from the oil marketing companies (OMCs) and due to crude oil suppliers have not been received/paid on their due dates for payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in these condense interim financial statements as these have not been acknowledged as debt by either parties.

| | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|--|----------------------------------|-----------------------------|
| iii) Claims for land compensation contested by the Company. | 5,300 | 5,300 |
| iv) Guarantees issued by banks on behalf of the Company [other than (i) above]. | 1,000,000 | 1,000,856 |
| v) Price adjustment related to crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreement (COSA) and may require adjustment in subsequent periods as referred to in note 19.1, the amount of which can not be presently quantified. | | |
| vi) In March 2018, Mela and Nashpa Crude Oil Sale Purchase Agreement (COSA) with effective date of March 27, 2007 was executed between the President of Pakistan and the working interest owners of Petroleum Concession Agreement (PCA) whereby various matters including the pricing mechanism for crude oil were prescribed. The Company has been purchasing crude oil from the respective oil fields since 2007 and 2009. In this respect, an amount of Rs 2,484 million was demanded from the Company as alleged arrears of crude oil price for certain periods prior to signing of aforementioned COSA. | 2,484,098 | 2,484,098 |
| <p>In view of the foregoing, the Company filed a writ petition on December 17, 2018 before the Honourable Islamabad High Court (the Court), whereby interim relief was granted to the Company by restraining respondents from charging the premium or discount regarding the supplies of crude oil made to the Company between 2012 to 2018. Based on the Company's assessment of related matter and based on the legal advices obtained from its legal consultants the Company did not acknowledge the related demand and accordingly, not provided for the same in its books of account. The matter is pending for adjudication.</p> | | |
| vii) In October 2021, the Honorable Supreme Court of Pakistan rejected Company's appeal relating to levy of sales tax on supply of Mineral Turpentine Oil during the period July 1994 to June 1996. In this respect, the Company has filed a review petition with the Honorable Supreme Court of Pakistan which is currently pending for adjudication. | 656,580 | 656,580 |

Further to the orders of the Honorable Supreme Court, the DCIR raised the sales tax demand for principal along with default surcharge and penalty and issued a refund order adjusting the cumulative prior income tax refunds of the Company against the aforesaid demand. Being aggrieved, in relation to the default surcharge and penalty, the Company has preferred an appeal before CIR(A) wherein the CIR(A) has remanded the case back to DCIR.

September 30,
2024
Rs '000

June 30,
2024
Rs '000

Whilst the Company had deposited the principal amount of sales tax involved but is contesting before the Honorable Islamabad High Court, the alleged levy of default surcharge and penalty for an amount of Rs 155.05 million (2024: Rs 155.05 million) in this matter along the coercive adjustment thereof against Company's income tax refunds.

In addition, the Company is also contesting before the Commissioner Inland Revenue (Appeals), the matter relating to short determination of refund due to the Company by an amount of Rs 501.53 million (2024: Rs 501.53 million).

| | | |
|---|-------------------------|------------------|
| <p>viii) In November 30, 2021, the Commissioner Inland Revenue (CIR) issued order in respect of sales tax for the periods July 2018 to June 2019, alleging the Company on various issues including suppression of sales and raised a demand of Rs 8,147 million and Rs 407 million in respect of sales tax and penalty respectively. Being aggrieved the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide the appellate order dated May 31, 2022 upheld the demand of Rs 740 million and remanded the case back on other issues.</p> | <p>1,076,579</p> | <p>1,076,579</p> |
|---|-------------------------|------------------|

Pursuant to the aforementioned demand, on June 15, 2022, the Department recovered an amount of Rs 1,077 million (including the related penalty and default surcharge). The Company filed writ petition against the aforesaid recovery from the company's bank account before the Islamabad High Court which vide order dated September 15, 2022 (received on October 6, 2022) ordered tax authorities to reimburse the recovered amount to the Company within thirty days.

The Company has approached the tax authorities for reimbursement of said amount but the payment is still pending. Accordingly, being entitled to a refund in respect of the recovered amount, a receivable in this respect has been recognised as disclosed in note 14 to financial statements.

Commitments:

| | | |
|---|-------------------------|------------------|
| <p>i) Capital expenditure</p> | <p>906,319</p> | <p>751,237</p> |
| <p>ii) Letters of credit and other contracts for purchase of store items</p> | <p>1,543,056</p> | <p>2,119,286</p> |

**September 30,
2024
Rs '000**
**June 30,
2024
Rs '000**
9. OPERATING ASSETS
9.1 Owned assets

| | | |
|-------------------------------------|-------------------|-------------|
| Opening written down value | 62,120,645 | 63,953,329 |
| Additions during the period/year | 57,174 | 828,052 |
| Written down value of disposals | (1,582) | (481) |
| Depreciation during the period/year | (683,446) | (2,660,255) |
| | 61,492,791 | 62,120,645 |

9.2 Right of use assets (ROU)

| | | |
|----------------------------------|-------------------|------------|
| Balance at the beginning | 531,560 | 71,975 |
| Additions during the period/year | - | 579,883 |
| Depreciation for the period/year | (48,324) | (120,298) |
| | 483,236 | 531,560 |
| Balance at the end | 61,976,027 | 62,652,205 |

10. CAPITAL WORK-IN-PROGRESS

| | | |
|-------------------------------------|------------------|-----------|
| Balance at the beginning | 1,479,322 | 1,415,437 |
| Additions during the period/year | 177,880 | 407,777 |
| Transfer to operating assets | - | (27,866) |
| - Building on freehold land | (13,481) | (304,757) |
| - Plant and machinery | - | (11,269) |
| - Furniture, fixtures and equipment | (13,481) | (343,892) |
| Balance at the end | 1,643,721 | 1,479,322 |

Break-up of the closing balance of capital work-in-progress

The details are as under:

| | | |
|---------------------|------------------|-----------|
| Civil works | 8,823 | 8,815 |
| Plant and machinery | 1,633,898 | 1,469,507 |
| Pipeline project | 1,000 | 1,000 |
| | 1,643,721 | 1,479,322 |

| | September 30, 2024 | | June 30, 2024 | |
|--|--------------------|-------------------|---------------|-------------------|
| | % age Holding | Rs '000 | % age Holding | Rs '000 |
| 11. LONG TERM INVESTMENTS - AT COST | | | | |
| Associated Companies | | | | |
| Quoted | | | | |
| National Refinery Limited - note 11.1 | 25 | 8,046,635 | 25 | 8,046,635 |
| Attock Petroleum Limited | 21.88 | 4,463,485 | 21.88 | 4,463,485 |
| Unquoted | | | | |
| Attock Gen Limited | 30 | 748,295 | 30 | 748,295 |
| Attock Information Technology Services (Private) Limited | 10 | 4,500 | 10 | 4,500 |
| | | <u>13,262,915</u> | | <u>13,262,915</u> |
| Subsidiary Company | | | | |
| Unquoted | | | | |
| Attock Hospital (Private) Limited | 100 | 2,000 | 100 | 2,000 |
| | | <u>13,264,915</u> | | <u>13,264,915</u> |

11.1 Based on valuation analysis, the recoverable amount of investment in NRL exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology carried out by an external investment advisor engaged by the company for the year ended June 30, 2024.

12. STOCK-IN-TRADE

As at September 30, 2024, stock-in-trade includes stocks carried at net realisable value of Rs 11,679.34 million (June 30, 2024: Rs 7,713.50 million). Adjustments amounting to Rs 1,616.43 million (June 30, 2024: Rs 927.71 million) have been made to closing inventory to write down stock to Net Realizable Value. The NRV write down is mainly due to decline in the selling prices of certain petroleum products.

13. TRADE DEBTS - unsecured and considered good

Trade debts include amount receivable from associated company Attock Petroleum Limited Rs 12,042.15 million (June 30, 2024: Rs 11,055.88 million).

| | September 30, | June 30, |
|--|----------------------|-----------------|
| | 2024 | 2024 |
| | Rs '000 | Rs '000 |

14. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | | |
|--|------------------|------------------|
| Due from Subsidiary Company | | |
| Attock Hospital (Private) Limited | 864 | 1,788 |
| Due from associated companies | | |
| Attock Petroleum Limited | 173,847 | - |
| Attock Information Technology Services (Private) Limited | 970 | 930 |
| Attock Leisure and Management Associates (Private) Limited | 288 | 91 |
| Attock Gen Limited | 9,595 | 820 |
| National Refinery Limited | 2,437 | 2,956 |
| National Cleaner Production Centre Foundation | 6,152 | 3,843 |
| Attock Sahara Foundation | 334 | 112 |
| Caggas (Private) Limited | 457 | 158 |
| Income accrued on bank deposits | 238,292 | 405,366 |
| Staff Pension Fund | 104,397 | 104,397 |
| ARL Gratuity Fund | 5,261 | 5,261 |
| Sales tax forcibly recovered - note 8 (viii) | 1,076,579 | 1,076,579 |
| Loans, deposits, prepayments and other receivables | 571,695 | 706,741 |
| Loss allowance | (277,515) | (285,483) |
| | 1,913,653 | 2,023,559 |

15. SHORT TERM INVESTMENT

Represents investment in 3 months and 6 months Government Securities (T-Bills / PIB) bearing markup @ 17.25% per annum for 3 months (June 30, 2024: 20%) and markup @ 19.84% to 19.95% per annum for 6 months (June 30, 2024: @ 19.84% to 19.95%).

| | September 30, | June 30, |
|--|----------------------|-----------------|
| | 2024 | 2024 |
| | Rs '000 | Rs '000 |

16. CASH AND BANK BALANCES

| | | |
|---|-------------------|-------------------|
| Cash in hand (US \$ 3,243; 2024: US \$ 3,843) | 5,123 | 2,999 |
| With banks: | | |
| Local currency | | |
| Current accounts | 93,969 | 24,347 |
| Short term deposit - notes 16.1 and 16.2 | 6,171,473 | 5,914,726 |
| Saving accounts | 35,855,377 | 26,890,147 |
| Foreign Currency | | |
| Current accounts (US \$ 5,381,388; 2024: US \$ 2,819,280) | 1,493,873 | 784,465 |
| Saving accounts (US \$ 468,806; 2024: US \$ 468,664) | 130,141 | 130,405 |
| | 43,749,956 | 33,747,089 |

16.1 Deposit accounts include Rs 6,171.47 million (June 30, 2024: Rs 5,914.73 million) placed in a 90-days interest-bearing account consequent to directives of the Ministry of Energy - Petroleum Division on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 7.1.

16.2 Bank deposits of Rs 1,555.25 million (June 30, 2024: Rs 1,556.10 million) were under lien with bank against a bank guarantee issued on behalf of the Company.

| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
|--|---|---|
|--|---|---|

16.3 Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following:

| | | |
|--------------------------|--------------------|-------------|
| Cash and bank balances | 43,749,956 | 21,365,053 |
| Short term financing | 36,598,432 | 27,728,754 |
| | 80,348,388 | 49,093,807 |
| Bank balances under lien | (1,555,250) | (1,350,198) |
| | 78,793,138 | 47,743,609 |

| Three months ended | | |
|---------------------------|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |

17. GROSS SALES

| | | |
|--------------|--------------------|-------------|
| Local sales | 105,933,550 | 140,798,231 |
| Export sales | 3,514,805 | - |
| | 109,448,355 | 140,798,231 |

18. TAXES, DUTIES, LEVIES, DISCOUNTS AND PRICE DIFFERENTIAL

| | | |
|--|-------------------|------------|
| Sales tax | 2,635,653 | 4,524,779 |
| Petroleum development levy | 21,371,022 | 21,637,249 |
| Custom duties and other levies - note 18.1 | 3,774,932 | 4,852,562 |
| Discounts | 49,595 | - |
| PMG RON differential - note 18.2 | 509,312 | 737,555 |
| HSD price differential - note 18.3 | 487,967 | 1,196,809 |
| | 28,828,481 | 32,948,954 |

18.1 This represents amount recovered from customers and payable as per Oil and Gas Regulatory Authority directives on account of custom duty on PMG and HSD.

18.2 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of differential between price of PSO's imported 92 RON PMG and 91 RON PMG sold by the Company during the period.

18.3 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of HSD Euro-III and V price differential claim.

19. COST OF SALES

| | | |
|-------------------------------------|-------------------|-------------------|
| Crude oil consumed - note 19.1 | 71,181,175 | 89,582,265 |
| Transportation and handling charges | 540,636 | (3,605) |
| Salaries, wages and other benefits | 506,613 | 425,798 |
| Chemicals consumed | 2,316,830 | 2,388,938 |
| Fuel and power | 2,405,696 | 2,829,479 |
| Repairs and maintenance | 384,993 | 115,496 |
| Staff transport and travelling | 12,235 | 8,199 |
| Insurance | 183,887 | 151,203 |
| Cost of receptacles | 10,252 | 11,664 |
| Other operating costs | 33,177 | 10,478 |
| Security charges | 12,005 | 9,847 |
| Contract services | 108,740 | 76,136 |
| Depreciation | 672,934 | 648,733 |
| Cost of goods manufactured | 78,369,173 | 96,254,631 |
| Changes in stocks | 468,465 | (5,183,073) |
| | 78,837,638 | 91,071,558 |

| | Three months ended | |
|--|----------------------------------|----------------------------------|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| | 71,181,175 | 89,582,265 |
| | 540,636 | (3,605) |
| | 506,613 | 425,798 |
| | 2,316,830 | 2,388,938 |
| | 2,405,696 | 2,829,479 |
| | 384,993 | 115,496 |
| | 12,235 | 8,199 |
| | 183,887 | 151,203 |
| | 10,252 | 11,664 |
| | 33,177 | 10,478 |
| | 12,005 | 9,847 |
| | 108,740 | 76,136 |
| | 672,934 | 648,733 |
| | 78,369,173 | 96,254,631 |
| | 468,465 | (5,183,073) |
| | 78,837,638 | 91,071,558 |

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

20. OTHER INCOME

| | | |
|------------------------------|------------------|------------------|
| Income on bank deposits | 3,899,622 | 3,116,420 |
| Interest on delayed payments | 55,472 | 41,250 |
| Handling and service charges | 9,297 | 21,495 |
| Rental income | 48,406 | 42,333 |
| Miscellaneous | 39,960 | 19,060 |
| | 4,052,757 | 3,240,558 |

| | Three months ended | |
|--|----------------------------------|----------------------------------|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| | 3,899,622 | 3,116,420 |
| | 55,472 | 41,250 |
| | 9,297 | 21,495 |
| | 48,406 | 42,333 |
| | 39,960 | 19,060 |
| | 4,052,757 | 3,240,558 |

21. FINANCE COST/(INCOME) - NET

| | | |
|--|---------------|-----------------|
| Exchange loss/(gain) - (net) | 75,102 | (90,157) |
| Interest on lease liability measured at amortized cost | 19,446 | - |
| Bank and other charges | 129 | 147 |
| | 94,677 | (90,010) |

| | | |
|--|---------------|-----------------|
| | 75,102 | (90,157) |
| | 19,446 | - |
| | 129 | 147 |
| | 94,677 | (90,010) |

22. TAXATION

| | | |
|----------|------------------|------------------|
| Current | 2,034,758 | 7,330,874 |
| Deferred | (173,568) | (155,277) |
| | 1,861,190 | 7,175,597 |

| | | |
|--|------------------|------------------|
| | 2,034,758 | 7,330,874 |
| | (173,568) | (155,277) |
| | 1,861,190 | 7,175,597 |

| | Three months ended | |
|---|----------------------------------|----------------------------------|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| 23. INCOME FROM NON-REFINERY OPERATIONS LESS APPLICABLE CHARGES AND TAXATION | | |
| Dividend income from an associated company | 374,148 | 299,318 |
| Related charges: | | |
| Workers' Welfare Fund | 7,483 | 5,986 |
| Taxation | 65,476 | 52,381 |
| | (72,959) | (58,367) |
| | 301,189 | 240,951 |

24. OPERATING SEGMENT

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:

| | Three months ended | |
|---|----------------------------------|----------------------------------|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| High Speed Diesel | 38,934,074 | 51,168,409 |
| Premier Motor Gasoline | 47,812,678 | 57,998,591 |
| Jet Petroleum | 9,757,729 | 12,030,403 |
| Furnace Fuel Oil | 5,639,006 | 14,905,950 |
| Export sales FFO | 3,514,805 | - |
| Others | 3,790,063 | 4,694,878 |
| | 109,448,355 | 140,798,231 |
| Taxes, duties, levies, discounts and price differential | (28,828,481) | (32,948,954) |
| | 80,619,874 | 107,849,277 |

Revenue from four major customers of the Company constitute 86% of total revenue during the three months period ended September 30, 2024 (September 30, 2023: 93%).

25. FAIR VALUE MEASUREMENTS

The carrying values of financial assets and liabilities approximate their fair values. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

Fair value of land has been determined using level 2 by using the sales comparison approach. Sales prices of comparable land in close proximity are 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 freehold land.

Valuation of the freehold land owned by the Company was valued by independent valuer to determine the fair value of the land as at June 30, 2023. The revaluation surplus was credited to statement of profit or loss and other comprehensive income and is shown as 'surplus on revaluation of freehold land'.

26. RELATED PARTY TRANSACTIONS

Aggregate transactions with holding company, associated companies and subsidiary company during the period were as follows:

| | Three months ended | |
|---|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| Sale of goods and services to: | | |
| Associated companies | 24,543,648 | 42,571,599 |
| Subsidiary company | 9,045 | 7,954 |
| Holding company | 1,359 | 1,551 |
| Interest income on delayed payments from an associated company | 55,472 | 39,769 |
| Purchase of goods and services from: | | |
| Associated companies | 8,540,805 | 9,633,409 |
| Subsidiary company | 32,501 | 26,757 |
| Holding company | 194,166 | 136,884 |
| Other related parties: | | |
| Remuneration including benefits and perquisites of Chief Executive Officer and key management personnel | 80,835 | 80,188 |
| Honorarium/remuneration to Non-Executive Directors | 5,903 | 6,783 |
| Contribution to Workers' Profit Participation Fund | 264,768 | 988,557 |
| Contribution to Employees' Pension, Gratuity and Provident Funds | 32,340 | 27,438 |

27. GENERAL
27.1 Short term finance facility

The Company has obtained short term financing from a bank for an amount of Rs 3,000 million (June 30, 2024: Rs 3,000 million) to finance its working capital requirements. This facility is secured by ranking hypothecation charge over all present and future current and fixed assets (excluding land and building) of the Company. The rate of mark-up on short term financing facility is 3 months KIBOR plus 0.08% p.a. which is payable on quarterly basis. No drawdowns have been made by the Company against the said facility as of reporting date (June 30, 2024: Rs nil).

27.2 Date of Authorisation

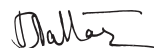
These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on October 18, 2024.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director

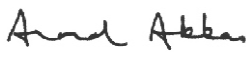
***Condensed Interim Consolidated
Financial Statements For The
First Quarter
Ended September 30, 2024***

**Condensed Interim Consolidated Statement of Financial Position (Unaudited)
As At September 30, 2024**

| | Note | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|---|------|----------------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Share capital | | | |
| Authorised capital | | | |
| 150,000,000 (June 30, 2024: 150,000,000) ordinary shares of Rs 10 each | | <u>1,500,000</u> | <u>1,500,000</u> |
| Issued, subscribed and paid-up capital | | | |
| 106,616,250 (June 30, 2024: 106,616,250) ordinary shares of Rs 10 each | 5 | 1,066,163 | 1,066,163 |
| Reserves and surplus | 6 | 93,666,451 | 89,952,711 |
| Surplus on revaluation of freehold land | | 55,160,588 | 55,160,588 |
| | | <u>149,893,202</u> | <u>146,179,462</u> |
| NON-CURRENT LIABILITIES | | | |
| Deferred taxation | | 2,979,402 | 3,031,063 |
| Lease liability | | 216,584 | 203,847 |
| Deferred grant | | 3,027 | 3,194 |
| | | 3,199,013 | 3,238,104 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 64,261,596 | 69,442,334 |
| Current portion of lease liabilities | | 184,199 | 178,502 |
| Unclaimed dividends | | 15,205 | 15,609 |
| Provision for taxation | | 10,299,791 | 10,786,975 |
| | | 74,760,791 | 80,423,420 |
| TOTAL EQUITY AND LIABILITIES | | <u>227,853,006</u> | <u>229,840,986</u> |
| CONTINGENCIES AND COMMITMENTS | 8 | | |

| | Note | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|---|------|----------------------------------|-----------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating assets | 9 | 62,030,402 | 62,705,201 |
| Capital work-in-progress | 10 | 1,643,721 | 1,479,322 |
| Major spare parts and stand-by equipments | | 140,173 | 143,842 |
| | | 63,814,296 | 64,328,365 |
| LONG TERM INVESTMENTS | 11 | 29,498,950 | 29,017,393 |
| LONG TERM LOANS AND DEPOSITS | | 49,740 | 47,773 |
| | | 93,362,986 | 93,393,531 |
| CURRENT ASSETS | | | |
| Stores, spares and loose tools | | 8,373,793 | 7,119,300 |
| Stock-in-trade | 12 | 20,897,652 | 21,316,755 |
| Trade debts | 13 | 22,357,519 | 37,036,362 |
| Loans, advances, deposits, prepayments and other receivables | 14 | 1,954,007 | 2,049,130 |
| Dividend receivable from associated company | | 374,148 | - |
| Short term investment | 15 | 36,598,432 | 34,999,317 |
| Cash and bank balances | 16 | 43,934,469 | 33,926,591 |
| | | 134,490,020 | 136,447,455 |
| TOTAL ASSETS | | 227,853,006 | 229,840,986 |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.


Syed Asad Abbas
 Chief Financial Officer


M. Adil Khattak
 Chief Executive Officer


Abdus Sattar
 Director

**Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)
For The First Quarter Ended September 30, 2024**

| | Note | Three months ended | |
|--|------|----------------------------------|----------------------------------|
| | | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| Gross sales | 17 | 109,498,727 | 140,839,670 |
| Taxes, duties, levies, discount and price differential | 18 | (28,828,481) | (32,948,954) |
| Net sales | | 80,670,246 | 107,890,716 |
| Cost of sales | 19 | (78,837,638) | (91,071,558) |
| Gross profit | | 1,832,608 | 16,819,158 |
| Administration expenses | | 449,506 | 338,084 |
| Distribution cost | | 23,938 | 20,358 |
| Other charges | | 371,468 | 1,372,750 |
| | | (844,912) | (1,731,192) |
| Other income | 20 | 4,060,047 | 3,246,883 |
| Impairment reversal/(loss) on financial assets | | 7,968 | (732) |
| Operating profit | | 5,055,711 | 18,334,117 |
| Finance (cost)/income - net | 21 | (94,677) | 90,010 |
| Profit before income tax and final taxation from refinery operations | | 4,961,034 | 18,424,127 |
| Final taxes - levy | | (35,148) | - |
| Profit before income tax from refinery operations | | 4,925,886 | 18,424,127 |
| Taxation | 22 | (1,872,890) | (7,183,706) |
| Profit after taxation from refinery operations | | 3,052,996 | 11,240,421 |
| Non-refinery income: | | | |
| Share in profit of associated companies | 23 | 659,850 | 1,060,637 |
| Profit for the period | | 3,712,846 | 12,301,058 |
| Earnings per share - basic and diluted (Rupees) | | | |
| Refinery operations | | 28.64 | 105.43 |
| Non-refinery operations | | 6.19 | 9.95 |
| | | 34.83 | 115.38 |


The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer




Abdus Sattar
Director

**Condensed Interim Consolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For The First Quarter Ended September 30, 2024**

| | Three months ended | |
|--|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| Profit after taxation | 3,712,846 | 12,301,058 |
| Other comprehensive income - net of tax: | | |
| Share of other comprehensive income of associated companies - net of tax | 893 | 1,470 |
| Total comprehensive income for the period | <u>3,713,739</u> | <u>12,302,528</u> |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.


Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer


Abdus Sattar
Director

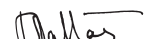
Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For The First Quarter Ended September 30, 2024

| | Capital reserve | | | | Revenue reserve | | | | Total | |
|--|------------------|---|--|---------------------|-----------------|------------------|------------------------|---|-------------------|---|
| | Share capital | Special reserve for expansion/modernisation | Utilised special reserve for expansion/modernisation | Maintenance reserve | Others | General reserve | Un-appropriated profit | Gain on revaluation of investment at fair value through OCI | | Surplus on revaluation of freehold land |
| | Rs '000 | | | | | | | | | |
| Balance as at July 01, 2023 | 1,066,163 | 25,662,589 | 12,908,966 | 251,951 | 210,428 | 7,077,380 | 20,184,490 | 3,639 | 55,160,588 | 122,526,194 |
| Total comprehensive income - net of tax | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 12,301,058 | - | - | 12,301,058 |
| Other comprehensive income for the period | - | - | - | - | - | - | 1,470 | - | - | 1,470 |
| | - | - | - | - | - | - | 12,302,528 | - | - | 12,302,528 |
| Profit from refinery operations transferred from unappropriated profit to special reserve - note 6.1 | - | 4,534,298 | - | - | - | - | (4,534,298) | - | - | - |
| Balance as at September 30, 2023 | 1,066,163 | 30,196,887 | 12,908,966 | 251,951 | 210,428 | 7,077,380 | 27,952,720 | 3,639 | 55,160,588 | 134,828,722 |
| Total comprehensive income - net of tax | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 12,748,680 | - | - | 12,748,680 |
| Other comprehensive income for the period | - | - | - | - | - | - | 201,237 | 67 | - | 201,304 |
| | - | - | - | - | - | - | 12,949,917 | 67 | - | 12,949,984 |
| Distribution to owners: | | | | | | | | | | |
| Final cash dividend @ 100% related to the year ended June 30, 2023 | - | - | - | - | - | - | (1,332,703) | - | - | (1,332,703) |
| Interim cash dividend @ 25% related to the year ended June 30, 2024 | - | - | - | - | - | - | (266,541) | - | - | (266,541) |
| Transferred to maintenance reserve by an associated company AGL - note 6.3 | - | - | - | 5,417 | - | - | (5,417) | - | - | - |
| Balance as at June 30, 2024 | 1,066,163 | 30,196,887 | 12,908,966 | 257,368 | 210,428 | 7,077,380 | 39,297,976 | 3,706 | 55,160,588 | 146,179,462 |
| Total comprehensive income - net of tax | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 3,712,846 | - | - | 3,712,846 |
| Other comprehensive income for the period | - | - | - | - | - | - | 894 | - | - | 894 |
| | - | - | - | - | - | - | 3,713,740 | - | - | 3,713,740 |
| Balance as at September 30, 2024 | 1,066,163 | 30,196,887 | 12,908,966 | 257,368 | 210,428 | 7,077,380 | 43,011,716 | 3,706 | 55,160,588 | 149,893,202 |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.


Syed Asad Abbas
 Chief Financial Officer



M. Adil Khattak
 Chief Executive Officer


Abdus Sattar
 Director

Condensed Interim Consolidated Statement of Cash Flows (Unaudited) For The First Quarter Ended September 30, 2024

| | Three months ended | |
|--|----------------------------------|----------------------------------|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from - Customers | 124,148,379 | 133,015,834 |
| - Others | 168,879 | 166,832 |
| | 124,317,258 | 133,182,666 |
| Cash paid for operating cost | (83,947,301) | (84,134,335) |
| Cash paid to Government for duties, taxes and other levies | (29,987,910) | (29,137,788) |
| Income tax and final taxes paid | (2,634,364) | (2,463,287) |
| Net cash inflow from operating activities | 7,747,683 | 17,447,256 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment | (221,399) | (98,035) |
| Proceeds against disposal of operating assets | 12,752 | 2,071 |
| Long term loans and deposits | (1,968) | 3,265 |
| Income received on bank deposits | 4,066,695 | 2,489,880 |
| Net cash generated from investing activities | 3,856,080 | 2,397,181 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid to Company's shareholders | (404) | (1) |
| Bank balances under lien | 856 | - |
| Finance cost | (129) | (147) |
| Net cash inflow/(outflows) from financing activities | 323 | (148) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD | 11,604,086 | 19,844,289 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 67,369,802 | 28,037,622 |
| Effect of exchange rate changes on cash and cash equivalents | 3,763 | (1,632) |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 78,977,651 | 47,880,279 |

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.


Syed Asad Abbas
Chief Financial Officer


M. Adil Khattak
Chief Executive Officer


Abdus Sattar
Director

Selected Notes To and Forming Part of the Condensed Interim Consolidated Financial Statements (Unaudited) For The First Quarter Ended September 30, 2024

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public company on June 26, 1979. The Company is principally engaged in the refining of crude oil. The registered office and refinery complex of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on Pakistan Stock Exchange Limited.

The Company is a subsidiary of The Attock Oil Company Limited, England and its ultimate parent is Coral Holding Limited.

Attock Hospital (Private) Limited (AHL) was incorporated in Pakistan on August 24, 1998 as a private limited company and commenced its operations from September 1, 1998. AHL is engaged in providing medical services. AHL is a wholly owned subsidiary of Attock Refinery Limited.

For the purpose of these condensed interim consolidated financial statements, ARL and its above referred wholly owned subsidiary AHL is referred to as the Group.

2. STATEMENT OF COMPLIANCE

2.1 These condensed interim consolidated 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 and directives issued under the Companies Act, 2017.

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

These condensed interim consolidated financial statements do not include all the information required for full consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements for the year ended June 30, 2024.

2.2 These condensed interim consolidated financial statements include the accounts of Attock Refinery Limited and its wholly owned subsidiary Attock Hospital (Private) Limited.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the audited consolidated financial statements for the year ended June 30, 2024.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended June 30, 2024.

5. SHARE CAPITAL

The parent company, The Attock Oil Company Limited held 65,095,630 (June 30, 2024: 65,095,630) ordinary shares and the associated company Attock Petroleum Limited held 1,790,000 (June 30, 2024: 1,790,000) ordinary shares as at September 30, 2024.

| | September 30, | June 30, |
|--|----------------------|-----------------|
| | 2024 | 2024 |
| | Rs '000 | Rs '000 |

6. RESERVES AND SURPLUS
Capital reserve

| | | |
|---|-------------------|------------|
| Special reserve for expansion/modernisation - note 6.1 | 30,196,887 | 30,196,887 |
| Utilised special reserve for expansion/modernisation - note 6.2 | 10,962,934 | 10,962,934 |
| Utilised special reserve for expansion/modernisation of an associated company | 1,946,032 | 1,946,032 |
| | 12,908,966 | 12,908,966 |
| Maintenance reserve - note 6.3 | 257,368 | 257,368 |
| Others | | |
| Liabilities taken over from The Attock Oil Company Limited no longer required | 4,800 | 4,800 |
| Capital gain on sale of building | 654 | 654 |
| Insurance and other claims realised relating to pre-incorporation period | 494 | 494 |
| Donation received for purchase of hospital equipment | 4,000 | 4,000 |
| Bonus shares issued by associated companies | 200,480 | 200,480 |
| | 210,428 | 210,428 |
| Revenue reserve | | |
| General reserve - note 6.4 | 7,077,380 | 7,077,380 |
| Gain on revaluation of investment at fair value through OCI | 3,706 | 3,706 |
| Un-appropriated profit - net | 43,011,716 | 39,297,976 |
| | 50,092,802 | 46,379,062 |
| | 93,666,451 | 89,952,711 |

6.1 Under the Policy Framework for up-gradation and Expansion of Refineries, 2013 issued by the Ministry of Energy - Petroleum Division (the Ministry) as amended from time to time, the refineries were required to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into a Special Reserve Account which shall be available for utilisation for up-gradation of refineries or may also be utilised in off setting losses of the refinery from refinery operations. During the period, the Government of Pakistan has notified the "Pakistan Oil Refining Policy for up-gradation of Existing / Brownfield Refineries, 2023" (the 2023 Policy) on August 17, 2023. Under the new policy, the requirement to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into Special Reserve Account is not required.

6.2 Represent amounts utilized out of the Special Reserve for expansion/modernisation of the refinery. The total amount of capital expenditure incurred on Refinery expansion/modernisation till September 30, 2024 is Rs 29,634.06 million (June 30, 2024: Rs 29,607.05 million) including Rs 18,671.13 million (June 30, 2024: Rs 18,644.12 million) spent over and above the available balance in the Special Reserve which has been incurred by the Company from its own resources.

6.3 Represents amount retained by Attock Gen Limited for the purposes of major maintenance expenses as per the terms of the Power Purchase Agreement.

6.4 This mainly represents the Company's share of the general reserve created by NRL.

| September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|---|--------------------------------------|
|---|--------------------------------------|

7. TRADE AND OTHER PAYABLES

| | | |
|--|-------------------|------------|
| Creditors - note 7.1 | 29,080,049 | 31,114,734 |
| Due to The Attock Oil Company Limited - Holding Company | 159,647 | 62,072 |
| Due to associated companies | | |
| Pakistan Oilfields Limited | 3,447,476 | 3,365,962 |
| Attock Petroleum Limited | - | 7,917 |
| Attock Energy (Private) Limited | 1,310 | 1,332 |
| Accrued liabilities and provisions - note 7.1 | 8,193,884 | 8,336,087 |
| Due to the Government under the pricing formula | 9,702,174 | 8,801,174 |
| Custom duty payable to the Government | 5,934,149 | 6,157,134 |
| Contract liabilities - Advance payments from customers | 214,353 | 243,545 |
| Sales tax payable | 712,941 | 14,152 |
| Workers' Profit Participation Fund | 264,768 | 2,117,362 |
| Crude oil freight adjustable through inland freight equalisation margin | 149,635 | 137,546 |
| Payable to statutory authorities in respect of petroleum development levy and excise duty | 6,397,547 | 9,079,654 |
| Deposits from customers adjustable against freight and Government levies payable on their behalf | 376 | 376 |
| Security deposits | 3,287 | 3,287 |
| | 64,261,596 | 69,442,334 |

7.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Energy - Petroleum Division (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld along with accumulated profits amounted to Rs 6,243.80 million (June 30, 2024: Rs 5,989.23 million).

September 30,
2024
Rs '000

June 30,
2024
Rs '000

8. CONTINGENCIES AND COMMITMENTS

Contingencies:

- | | | |
|---|-----------------------|----------------|
| <p>i) Consequent to amendment through the Finance Act, 2014, SRO 575(I)/2006 was withdrawn. As a result, all imports relating to the ARL Up-gradation Project were subjected to the higher rate of customs duties, sales tax and income tax. Aggrieved by the withdrawal of the said SRO, the Company filed a writ petition on August 20, 2014, in the Lahore High Court, Rawalpindi Bench (the Court). The Court granted interim relief by allowing the imports against submission of bank guarantees and restraining customs authorities from charging an increased amount of customs duty/sales tax. Bank guarantees were issued in favour of the Collector of Customs, as per the directives of the Court. These guarantees include amounts aggregating to Rs 325 million on account of adjustable/claimable government levies.</p> | <p>555,250</p> | <p>555,250</p> |
|---|-----------------------|----------------|

On November 10, 2020, the Court referred the case to Customs authorities with the instruction not to encash the bank guarantees without giving the Company appropriate remedy under the law. In June 2021, the Customs authorities have issued orders granting partial relief for Company's contention. The Company preferred an appeal before Collector of Appeals (CA), which was decided against the company on February 16, 2022. The Company has filed appeal in the Custom Appellate Tribunal (CAT) challenging said decision of CA. On June 14, 2023, the CAT has passed order against the Company. The Company filed reference on September 25, 2023 against the order of CAT before Honourable High Court of Sindh. Management and its legal advisors are confident that the Company has reasonable grounds to defend the case. Accordingly, no provision has been made in these condense interim consolidated financial statements.

In addition to above, owing to the protracted nature of the litigation, the company maintained ongoing engagement with Engineering Development Board (EDB) and Customs authorities for release of bank guarantees. The company successfully obtained release of bank guarantees from the Customs authorities, aggregating to Rs 771 million.

- | | | |
|--|---------------------|--------------|
| <p>ii) Due to circular debt in the oil industry, certain amounts due from the oil marketing companies (OMCs) and due to crude oil suppliers have not been received/paid on their due dates for payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in these condense interim consolidated financial statements as these have not been acknowledged as debt by either parties.</p> | | |
| <p>iii) Claims for land compensation contested by ARL.</p> | <p>5,300</p> | <p>5,300</p> |

| | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|--|---|--------------------------------------|
| iv) Guarantees issued by banks on behalf of the Company [other than (i) above]. | 1,000,000 | 1,000,856 |
| v) Price adjustment related to crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreement (COSA) and may require adjustment in subsequent periods as referred to in note 19.1, the amount of which can not be presently quantified. | | |
| vi) In March 2018, Mela and Nashpa Crude Oil Sale Purchase Agreement (COSA) with effective date of March 27, 2007 was executed between the President of Pakistan and the working interest owners of Petroleum Concession Agreement (PCA) whereby various matters including the pricing mechanism for crude oil were prescribed. The Company has been purchasing crude oil from the respective oil fields since 2007 and 2009. In this respect, an amount of Rs 2,484 million was demanded from the Company as alleged arrears of crude oil price for certain periods prior to signing of aforementioned COSA. | 2,484,098 | 2,484,098 |
| <p>In view of the foregoing, the Company filed a writ petition on December 17, 2018 before the Honourable Islamabad High Court (the Court), whereby interim relief was granted to the Company by restraining respondents from charging the premium or discount regarding the supplies of crude oil made to the Company between 2012 to 2018. Based on the Company's assessment of related matter and based on the legal advices obtained from its legal consultants the Company did not acknowledge the related demand and accordingly, not provided for the same in its books of account. The matter is pending for adjudication.</p> | | |
| vii) In October 2021, the Honorable Supreme Court of Pakistan rejected Company's appeal relating to levy of sales tax on supply of Mineral Turpentine Oil during the period July 1994 to June 1996. In this respect, the Company has filed a review petition with the Honorable Supreme Court of Pakistan which is currently pending for adjudication. | 656,580 | 656,580 |

Further to the orders of the Honorable Supreme Court, the DCIR raised the sales tax demand for principal along with default surcharge and penalty and issued a refund order adjusting the cumulative prior income tax refunds of the Company against the aforesaid demand. Being aggrieved, in relation to the default surcharge and penalty, the Company has preferred an appeal before CIR(A) wherein the CIR(A) has remanded the case back to DCIR.

Whilst the Company had deposited the principal amount of sales tax involved but is contesting before the Honorable Islamabad High Court, the alleged levy of default surcharge and penalty for an amount of Rs 155.05 million (2024: Rs 155.05 million) in this matter

**September 30,
2024
Rs '000**

**June 30,
2024
Rs '000**

along the coercive adjustment thereof against Company's income tax refunds.

In addition, the Company is also contesting before the Commissioner Inland Revenue (Appeals), the matter relating to short determination of refund due to the Company by an amount of Rs 501.53 million.

- | | | |
|---|------------------|-----------|
| <p>viii) In November 30, 2021, the Commissioner Inland Revenue (CIR) issued order in respect of sales tax for the periods July 2018 to June 2019, alleging the Company on various issues including suppression of sales and raised a demand of Rs 8,147 million and Rs 407 million in respect of sales tax and penalty respectively. Being aggrieved the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide the appellate order dated May 31, 2022 upheld the demand of Rs 740 million and remanded the case back on other issues.</p> | 1,076,579 | 1,076,579 |
|---|------------------|-----------|

Pursuant to the aforementioned demand, on June 15, 2022, the Department recovered an amount of Rs 1,077 million (including the related penalty and default surcharge). The Company filed writ petition against the aforesaid recovery from the company's bank account before the Islamabad High Court which vide order dated September 15, 2022 (received on October 6, 2022) ordered tax authorities to reimburse the recovered amount to the Company within thirty days.

The Company has approached the tax authorities for reimbursement of said amount but the payment is still pending. Accordingly, being entitled to a refund in respect of the recovered amount, a receivable in this respect has been recognised as disclosed in note 14 to consolidated financial statements.

- | | | |
|---|------------------|-----------|
| <p>ix) The Company's share in contingency of associated companies.</p> | 5,957,574 | 4,861,293 |
|---|------------------|-----------|

Commitments:

- | | | |
|---|------------------|-----------|
| <p>i) Capital expenditure</p> | 906,319 | 751,237 |
| <p>ii) Letters of credit and other contracts for purchase of store items</p> | 1,543,056 | 2,119,286 |
| <p>iii) The Company's share of commitments of associated companies:</p> | | |
| Capital expenditure commitments | 778,729 | 905,102 |
| Outstanding letters of credit | 1,598,137 | 2,444,413 |

| | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|--|----------------------------------|-----------------------------|
|--|----------------------------------|-----------------------------|

9. OPERATING ASSETS
9.1 Owned assets

| | | |
|-------------------------------------|-------------------|-------------------|
| Opening written down value | 62,173,641 | 63,999,096 |
| Additions during the period/year | 60,669 | 842,861 |
| Written down value of disposals | (1,582) | (481) |
| Depreciation during the period/year | (685,562) | (2,667,835) |
| | 61,547,166 | 62,173,641 |

9.2 Right of use assets (ROU)

| | | |
|----------------------------------|-------------------|-------------------|
| Balance at the beginning | 531,560 | 71,975 |
| Additions during the period/year | - | 579,883 |
| Depreciation for the period/year | (48,324) | (120,298) |
| | 483,236 | 531,560 |
| Balance at the end | 62,030,402 | 62,705,201 |

10. CAPITAL WORK-IN-PROGRESS

| | | |
|-------------------------------------|------------------|------------------|
| Balance at the beginning | 1,479,322 | 1,415,437 |
| Additions during the period/year | 177,880 | 407,777 |
| Transfer to operating assets | | |
| - Building on freehold land | - | (27,866) |
| - Plant and machinery | (13,481) | (304,757) |
| - Furniture, fixtures and equipment | - | (11,269) |
| | (13,481) | (343,892) |
| Balance at the end | 1,643,721 | 1,479,322 |

Break-up of the closing balance of capital work-in-progress

The details are as under:

| | | |
|---------------------|------------------|------------------|
| Civil works | 8,823 | 8,815 |
| Plant and machinery | 1,633,898 | 1,469,507 |
| Pipeline project | 1,000 | 1,000 |
| | 1,643,721 | 1,479,322 |

11. LONG TERM INVESTMENTS
Investment in associated companies:

| | | |
|--|-------------------|-------------------|
| Balance at the beginning | 29,017,393 | 28,905,269 |
| Share of loss after tax of associated companies | (954,334) | (316,060) |
| Share in other comprehensive income | 893 | 108,397 |
| Dividend received from associated companies | (374,148) | (1,166,797) |
| Impairment reversal on investment | 1,809,146 | 1,486,517 |
| Effect of changes in accounting policies due to IFRS 9 | - | 67 |
| Balance at the end of the period/year | 29,498,950 | 29,017,393 |

11.1 The Company's interest in associates are as follows:

| | September 30, 2024 | | June 30, 2024 | |
|--|--------------------|-------------------|---------------|-------------------|
| | % age Holding | Rs '000 | % age Holding | Rs '000 |
| Quoted | | | | |
| National Refinery Limited - note 11.2 | 25 | 9,036,222 | 25 | 9,036,222 |
| Attock Petroleum Limited | 21.88 | 15,638,622 | 21.88 | 15,139,892 |
| Unquoted | | | | |
| Attock Gen Limited | 30 | 4,749,189 | 30 | 4,770,705 |
| Attock Information Technology Services (Private) Limited | 10 | 74,917 | 10 | 70,574 |
| | | <u>29,498,950</u> | | <u>29,017,393</u> |

11.2 Based on valuation analysis, the recoverable amount of investment in NRL exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology carried out by an external investment advisor engaged by the company for the year ended June 30, 2024.

12. STOCK-IN-TRADE

As at September 30, 2024, stock-in-trade includes stocks carried at net realisable value of Rs 11,679.34 million (June 30, 2024: Rs 7,713.50 million). Adjustments amounting to Rs 1,616.43 million (June 30, 2024: Rs 927.71 million) have been made to closing inventory to write down stock to Net Realizable Value. The NRV write down is mainly due to decline in the selling prices of certain petroleum products.

13. TRADE DEBTS - unsecured and considered good

Trade debts include amount receivable from associated company Attock Petroleum Limited Rs 12,042.15 million (June 30, 2024: Rs 11,055.88 million).

14. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | September 30, 2024 Rs '000 | June 30, 2024 Rs '000 |
|--|----------------------------------|-----------------------------|
| Due from associated companies | | |
| Attock Petroleum Limited | 180,084 | - |
| Attock Information Technology Services (Private) Limited | 970 | 930 |
| Attock Leisure and Management Associates (Private) Limited | 288 | 91 |
| Attock Gen Limited | 9,626 | 1,123 |
| Attock Cement Pakistan Limited | 39 | 14 |
| National Cleaner Production Centre Foundation | 6,352 | 3,909 |
| Capgas (Private) Limited | 623 | 269 |
| National Refinery Limited | 2,437 | 2,956 |
| Attock Sahara Foundation | 748 | 213 |
| Staff Pension Fund | 118,907 | 119,012 |
| Staff Gratuity Fund | 16,943 | 16,943 |
| Income accrued on bank deposits | 245,792 | 405,366 |
| Sales tax forcibly recovered - note 8 (viii) | 1,076,579 | 1,076,579 |
| Loans, deposits, prepayments and other receivables | 572,134 | 707,208 |
| Loss allowance | (277,515) | (285,483) |
| | <u>1,954,007</u> | <u>2,049,130</u> |

15. SHORT TERM INVESTMENT

Represents investment in 3 months and 6 months Government Securities (T-Bills/ PIB) bearing markup @ 17.25% per annum for 3 months (June 30, 2024: 20%) and markup @ 19.84% to 19.95% per annum for 6 months (June 30, 2024: @ 19.84% to 19.95%).

| | September 30, 2024 | June 30, 2024 |
|--|-------------------------------|--------------------------|
| | Rs '000 | Rs '000 |

16. CASH AND BANK BALANCES

| | | |
|---|-------------------|-------------------|
| Cash in hand (US \$ 3,243; 2024: US \$ 3,843) | 5,855 | 4,129 |
| With banks: | | |
| Local currency | | |
| Current accounts | 94,345 | 24,829 |
| Short term deposit - notes 16.1 and 16.2 | 6,171,473 | 5,914,726 |
| Saving accounts | 36,038,782 | 27,068,037 |
| Foreign Currency | | |
| Current accounts (US \$ 5,381,388; 2024: US \$ 2,819,280) | 1,493,873 | 784,465 |
| Saving accounts (US \$ 468,806; 2024: US \$ 468,664) | 130,141 | 130,405 |
| | 43,934,469 | 33,926,591 |

16.1 Deposit accounts include Rs 6,171.47 million (June 30, 2024: Rs 5,914.73 million) placed in a 90-days interest-bearing account consequent to directives of the Ministry of Energy - Petroleum Division on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 7.1.

16.2 Bank deposits of Rs 1,555.25 million (June 30, 2024: Rs 1,556.10 million) were under lien with bank against a bank guarantee issued on behalf of the Company.

| | September 30, 2024 | September 30, 2023 |
|--|-------------------------------|-------------------------------|
| | Rs '000 | Rs '000 |

16.3 Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

| | | |
|--------------------------|-------------------|-------------------|
| Cash and bank balances | 43,934,469 | 21,501,723 |
| Short term financing | 36,598,432 | 27,728,754 |
| | 80,532,901 | 49,230,477 |
| Bank balances under lien | (1,555,250) | (1,350,198) |
| | 78,977,651 | 47,880,279 |

Three months ended

| | September 30, 2024 | September 30, 2023 |
|--|-------------------------------|-------------------------------|
| | Rs '000 | Rs '000 |

17. GROSS SALES
Company

| | | |
|--------------|-------------|-------------|
| Local sales | 105,933,550 | 140,798,231 |
| Export sales | 3,514,805 | - |

Subsidiary

| | | |
|-------------|--------|--------|
| Local sales | 50,372 | 41,439 |
|-------------|--------|--------|

| | | |
|--|--------------------|--------------------|
| | 109,498,727 | 140,839,670 |
|--|--------------------|--------------------|

Three months ended

| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
|--|---|---|
| 18. TAXES, DUTIES, LEVIES, DISCOUNTS AND PRICE DIFFERENTIAL | | |
| Sales tax | 2,635,653 | 4,524,779 |
| Petroleum development levy | 21,371,022 | 21,637,249 |
| Custom duties and other levies - note 18.1 | 3,774,932 | 4,852,562 |
| Discounts | 49,595 | - |
| PMG RON differential - note 18.2 | 509,312 | 737,555 |
| HSD price differential - note 18.3 | 487,967 | 1,196,809 |
| | <u>28,828,481</u> | <u>32,948,954</u> |

18.1 This represents amount recovered from customers and payable as per Oil and Gas Regulatory Authority directives on account of custom duty on PMG and HSD.

18.2 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of differential between price of PSO's imported 92 RON PMG and 91 RON PMG sold by the Company during the period.

18.3 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of HSD Euro-III and V price differential claim.

Three months ended

| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
|-------------------------------------|---|---|
| 19. COST OF SALES | | |
| Crude oil consumed - note 19.1 | 71,181,175 | 89,582,265 |
| Transportation and handling charges | 540,636 | (3,605) |
| Salaries, wages and other benefits | 506,613 | 425,798 |
| Chemicals consumed | 2,316,830 | 2,388,938 |
| Fuel and power | 2,405,696 | 2,829,479 |
| Repairs and maintenance | 384,993 | 115,496 |
| Staff transport and travelling | 12,235 | 8,199 |
| Insurance | 183,887 | 151,203 |
| Cost of receptacles | 10,252 | 11,664 |
| Other operating costs | 33,177 | 10,478 |
| Security charges | 12,005 | 9,847 |
| Contract services | 108,740 | 76,136 |
| Depreciation | 672,934 | 648,733 |
| Cost of goods manufactured | 78,369,173 | 96,254,631 |
| Changes in stocks | 468,465 | (5,183,073) |
| | <u>78,837,638</u> | <u>91,071,558</u> |

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

| | Three months ended | |
|--|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| 20. OTHER INCOME | | |
| Income on bank deposits | 3,907,122 | 3,122,921 |
| Interest on delayed payments | 55,472 | 41,250 |
| Handling and service charges | 9,297 | 21,495 |
| Rental income | 48,029 | 41,990 |
| Miscellaneous | 40,127 | 19,227 |
| | 4,060,047 | 3,246,883 |
| 21. FINANCE COST/(INCOME) - NET | | |
| Exchange loss/(gain) - (net) | 75,102 | (90,157) |
| Interest on lease liability measured at amortized cost | 19,446 | - |
| Bank and other charges | 129 | 147 |
| | 94,677 | (90,010) |
| 22. TAXATION | | |
| Current | 2,046,555 | 7,339,107 |
| Deferred | (173,665) | (155,401) |
| | 1,872,890 | 7,183,706 |
| 23. NON-REFINERY INCOME | | |
| Share in profit of associated companies [net of impairment reversal/(loss)] | 854,812 | 1,389,347 |
| Related charges: | | |
| Workers' Welfare Fund | 7,483 | 5,986 |
| Taxation - current and deferred | 187,479 | 322,724 |
| | (194,962) | (328,710) |
| | 659,850 | 1,060,637 |
| 24. OPERATING SEGMENT | | |

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

| | Three months ended | |
|---|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| High Speed Diesel | 38,934,074 | 51,168,409 |
| Premier Motor Gasoline | 47,812,678 | 57,998,591 |
| Jet Petroleum | 9,757,729 | 12,030,403 |
| Furnace Fuel Oil | 5,639,006 | 14,905,950 |
| Export sales FFO | 3,514,805 | - |
| Others | 3,840,435 | 4,736,317 |
| | 109,498,727 | 140,839,670 |
| Taxes, duties, levies, discounts and price differential | (28,828,481) | (32,948,954) |
| | 80,670,246 | 107,890,716 |

Revenue from four major customers of the Company constitute 86% of total revenue during the three months period ended September 30, 2024 (September 30, 2023: 93%).

25. FAIR VALUE MEASUREMENTS

The carrying values of financial assets and liabilities approximate their fair values. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

Fair value of land has been determined using level 2 by using the sales comparison approach. Sales prices of comparable land in close proximity are 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 freehold land.

Valuation of the freehold land owned by the Company was valued by independent valuer to determine the fair value of the land as at June 30, 2023. The revaluation surplus was credited to statement of profit or loss and other comprehensive income and is shown as 'surplus on revaluation of freehold land'.

26. RELATED PARTY TRANSACTIONS

Aggregate transactions with holding company and associated companies during the period were as follows:

| | Three months ended | |
|--|---|---|
| | September 30, 2024 Rs '000 | September 30, 2023 Rs '000 |
| Sale of goods and services to: | | |
| Associated companies | <u>24,556,111</u> | <u>42,581,236</u> |
| Holding company | <u>1,359</u> | <u>1,551</u> |
| Interest income on delayed payments from an associated company | <u>55,472</u> | <u>39,769</u> |
| Purchase of goods and services from: | | |
| Associated companies | <u>8,540,935</u> | <u>9,633,594</u> |
| Holding company | <u>194,166</u> | <u>136,884</u> |
| Other related parties: | | |
| Remuneration including benefits and perquisites of Chief Executive Officer and key management personnel | <u>84,349</u> | <u>82,692</u> |
| Honorarium/remuneration to Non-Executive Directors | <u>5,903</u> | <u>6,783</u> |
| Contribution to Workers' Profit Participation Fund | <u>264,768</u> | <u>988,557</u> |
| Contribution to Employees' Pension, Gratuity and Provident Funds | <u>33,551</u> | <u>28,454</u> |

27. GENERAL

27.1 Short term finance facility

The Company has obtained short term financing from a bank for an amount of Rs 3,000 million (June 30, 2024: Rs 3,000 million) to finance its working capital requirements. This facility is secured by ranking hypothecation charge over all present and future current and fixed assets (excluding land and building) of the Company. The rate of mark-up on short term financing facility is 3 months KIBOR plus 0.08% p.a. which is payable on quarterly basis. No drawdowns have been made by the Company against the said facility as of reporting date (June 30, 2024: Rs nil).

27.2 Date of Authorisation

These condensed interim consolidated financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on October 18, 2024.



Syed Asad Abbas
Chief Financial Officer



M. Adil Khattak
Chief Executive Officer



Abdus Sattar
Director



ATTOCK REFINERY LIMITED

Refinery P.O. Morgah, Rawalpindi, Pakistan.
Tel: +92 (51) 5487041-5 Fax: +92 (51) 5487093 & 5406229
Website: www.arl.com.pk