

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of Hi-Tech Lubricants Limited ("HTL" or the "Company") are pleased to present the Annual Report along with standalone and consolidated audited financial statements for the year ended June 30, 2025.

PAKISTAN'S ECONOMIC REVIEW

Pakistan's economy showed early signs of stabilization in FY 2024-25, with modest growth in Large-Scale Manufacturing, easing inflation, and stronger foreign exchange reserves. To balance price stability with growth, the Monetary Policy Committee maintained the policy rate at 11.00%. While the overall outlook has improved with gradual industrial recovery and stronger external buffers, risks from global commodity prices, agriculture, and external financing persist. The Company remains mindful of these macroeconomic dynamics and incorporates them into its strategic planning and operational decisions.

FINANCIAL PERFORMANCE ON A CONSOLIDATED BASIS

The Group, comprising Hi-Tech Lubricants Limited and its wholly owned subsidiary, Hi-Tech Blending (Private) Limited, delivered improved results during the year ended 30 June 2025. Gross Revenue increased to PKR 38,859 million (FY2024: PKR 27,114 million), reflecting a growth of 43.32%, while Net Revenue rose to PKR 33,508 million (FY2024: PKR 24,317 million), an increase of 37.80%. This improvement was driven by higher sales across all three business segments, supported by underlying volumetric growth. Segment-wise, results improved compared to the previous year: the OMC business contributed the most with a 45% increase in sales, while the Lubricants segment grew by 23% and the Polymer segment contributed a 20% increase. The combined effect of these gains resulted in a Gross Profit of PKR 3,078 million (up 30.17%), maintaining a margin close to the prior year at 9.19% of Net Revenue.

The Group's Operating Profit improved to PKR 917 million, a growth of 47.25%. Finance costs decreased by 25.71% to PKR 595 million (FY2024: PKR 801 million), mainly due to the combined impact of the easing monetary policy of the State Bank of Pakistan-with the policy rate declining from 20.50% at the start of FY2025 to 11% by the end of the year along with prudent inventory management.

Consequently, the Group recorded a Profit before Levy and Taxation of PKR 322 million, compared to a Loss of PKR 178 million in FY2024, and a Net Profit after Taxation of PKR 102 million, against a Net Loss of PKR 137 million in FY2024. This translates into a positive turnaround in shareholder returns, with Earnings per Share of PKR 0.73 compared to a Loss per Share of PKR 0.99 in the prior year.

Detailed consolidated financial performance of your Group is presented below:Operational Performance

Particulars	Consolidated Year ended 30 June		Variance (+/-)
	2025	2024	
	PKR IN MILLION		% age
Gross Revenue	38,859	27,114	43.32%
Net Revenue	33,508	24,317	37.80%
Gross Profit	3,078	2,364	30.17%
% of Net Revenue	9.19%	9.72%	
Operating Profit	917	623	47.25
Finance Cost	595	801	-25.71
Profit / (Loss) before levy and taxation	322	(178)	280.90%
Profit / (Loss) after taxation	102	(137)	174.45%
Earnings / (Loss) Per Share	0.73	(0.99)	173.74%

HI-TECH BLENDING (PRIVATE) LIMITED ("HTBL")

HTBL, a wholly owned subsidiary of the Company, continued to strengthen its portfolio by introducing new products and expanding its blending facilities. A significant milestone was achieved during the year through collaboration with SK Enmove Co., Ltd. (SKEN) which enabled the Company to increase local blending to 95% of its lubricant portfolio, compared to previously when only mid-tier products were locally blended. This development not only reduces reliance on imports but also optimizes costs for end customers and enhances competitiveness in the domestic market.

The state-of-the-art blending plant, located near Sundar Industrial Estate, Lahore, incorporates advanced technology for blending and filling operations, with significant production capacity. The facility also manufactures HDPE bottles and caps for lubricants, ensuring integrated quality control and supply chain efficiency.

POLYMER SEGMENT THROUGH HTBL

The Polymer Segment, operational since 2023, continued its growth trajectory with sales increasing by 20% during FY 2025. While the gross profit margin declined to 12% from 22% last year, the segment recorded a notable improvement in overall performance as the loss before levy and taxation margin narrowed to -1% from -15% in FY 2024. This improvement was primarily driven by effective cost management and a significant reduction in finance costs.

The results reflect the segment's strengthening market position and demonstrate clear progress towards long-term profitability and sustainability.

PETROLEUM SEGMENT (HTL FUEL STATIONS)

The Petroleum segment's retail network reached sixty-one fuel stations, comprising thirty-seven in Punjab, twenty in Khyber Pakhtunkhwa, two in Azad Jammu & Kashmir, and two in Islamabad. Revenue increased by 45%, primarily driven by higher sales volumes and network expansion, resulting in a turnaround with a profit before levy and taxation of PKR 131 million, compared to a loss of PKR 86 million last year.

Looking ahead, the Company remains committed to steady growth in this segment with prudent expansion of the fuel station network, subject to regulatory approvals.

MANAGEMENT OF LIQUID RESOURCES

CASH MANAGEMENT & STRATEGIC DECISION MAKING

Effective cash management and prudent liquidity control remain central to the Company's strategic framework. With the support of experienced professionals across finance, technical, marketing, and internal audit, the Company has established robust budgeting, forecasting, and internal control systems. Working capital requirements are carefully managed to maintain operational efficiency and financial stability, in a relatively high financing cost environment, despite recent reductions following the easing of monetary policy.

CAPITAL EXPENDITURE

The Board confirms that there are no financial constraints that may impede the Company's ability to pursue long-term strategic projects.

Capital expenditures are strategically evaluated to ensure alignment with profitability and risk management objectives, with oversight from the Internal Audit Department and the Audit Committee to ensure timely completion within approved budgets. For the year ended 30 June 2025, the Group incurred PKR 538 million, compared to PKR 371 million in the previous year. These investments support the Group's strategic objectives and long-term value creation.

CONTRIBUTION TO NATIONAL EXCHEQUER

The Group contributed PKR 12.75 billion to the national exchequer in FY 2024-25, comprising payments towards Workers' Welfare Fund (WPPF), customs duties, petroleum levy, as well as sales and income taxes. This reflects the Group's continued commitment to supporting the country's economic development and regulatory compliance.

APPROPRIATION OF PROFITS

In view of the Company's financial results, the Board of Directors has not proposed any entitlement for the year ended June 30, 2025.

UTILIZATION OF IPO PROCEEDS

Detailed information regarding the utilization of IPO proceeds is presented in Note 51 to the Company's unconsolidated financial statements for the year ended June 30, 2025.

Particulars	Rupees
Un-utilized IPO proceeds as at 01 July 2024	218,115,906
Add: Proceeds from Sale of Land	30,000,000
Add: Profit on bank deposits	475864
Add: Dividend on investment in mutual funds	30,589,514
Add: Gain on disposal of investment in mutual fund	9,669
Less: Unrealised loss on investment in mutual funds	(495,199)
Less: Payments made relating to OMC Project	(84,271,679)
Less: Withholding tax on profit	(71,380)
Less: Withholding tax on dividend from mutual funds	(7,647,378)
Less: Withholding tax on disposal of mutual funds	(16,339)
Less: Bank charges	(2,376)
Un-utilized IPO proceeds as at 30 June 2025	186,686,602

FUTURE OUTLOOK

The Company remains committed to pursuing sustainable and diversified growth across all business segments. With 95% of lubricants now blended locally through HTBL in collaboration with SKEN, cost efficiencies and stronger market competitiveness are expected.

The Polymer Segment, operational since 2023, continues to show encouraging momentum with rising sales, improved margins, and a steady reduction in net losses, positioning it closer to profitability.

The HTL Express Centres, integrated with the growing fuel station network, are set to expand further, enhancing customer convenience in preventive vehicle maintenance.

In the Petroleum Segment, steady growth is planned with additional fuel stations subject to regulatory approvals, following a year in which the network reached 61 outlets and delivered a profitable turnaround. Collectively, these initiatives provide a strong foundation for sustained performance, value creation, and long-term shareholder returns.

MATERIAL CHANGES AND COMMITMENTS

- There have been no material changes or commitments affecting the financial position of the Company or its Group company between the end of the financial year ended June 30, 2025, and the date of this report, except as disclosed in the unconsolidated and consolidated financial statements.
- There has been no modification in the Auditor's Report in relation to any group company at any stage.
- There has been no default in payment of any debt by any of the group companies during the year.

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

- i. International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- ii. Provisions of and directives issued under the Companies Act, 2017.
- iii. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- iv. There has been no material departure from the Best Practices of Corporate Governance, as detailed in the Listing Regulations and Listed

- Companies (Code of Corporate Governance) Regulations, 2019.
- v. The key operating and financial data from the formation of company (i.e. for the last 6 years) is given elsewhere in this annual report.
 - vi. The Auditors have expressed unqualified opinions on the financials statements of each of the group companies.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The mandatory requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 have been duly complied with and a Statement of Compliance to this effect along with external auditor's review report thereon is annexed in the Annual Report.

AUDITORS

The present auditors M/s Riaz Ahmad & Co., Chartered Accountants, retire and offer themselves for re-appointment. They have confirmed achieving satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) and compliance with the Guidelines on the Code of Ethics of the International Federation of Accountants (IFAC) as adopted by ICAP. As suggested by the Audit Committee, the Board of Directors has recommended their reappointment as Auditors of the Company for the year ending June 30, 2026, at a fee to be mutually agreed.

PATTERN OF SHAREHOLDING

A statement of the pattern of shareholding of certain class of shareholders as of June 30, 2025, whose disclosure is required under the reporting framework, is included in the annexed Annual Report 2025 in the format of Form 20 as specified in Companies Regulations, 2024.

BOARD COMMITTEES

The Board oversees the risk management process primarily through its committees. The Audit Committee ensures transparency and accountability by focusing on financial, regulatory, and compliance risks, meeting quarterly or more frequently as required. The Human Resource and Remuneration Committee addresses risks in its domain, including succession planning and the evaluation of compensation structures to ensure they do not escalate corporate risk. The Risk and Sustainability Committee monitors and reviews material controls—financial, operational, and compliance—while recommending appropriate mitigation measures. The Investment Committee is responsible for formulating investment policies and strategies, including risk management in relation to investments.

ADEQUACY OF INTERNAL CONTROLS

The Board is committed to maintaining sound governance and a robust system of internal controls, integrated across all functions, effectively implemented, and regularly monitored. The Audit Committee reviews these controls to safeguard assets, ensure compliance with laws and regulations, and maintain the reliability of financial reporting. The Internal Audit Department provides independent evaluations of corporate governance, risk management, and internal controls, reporting directly to the Audit Committee. The Company continues to strengthen its governance framework through a Code of Conduct, policies, and procedures aligned with industry best practices.

RISK MANAGEMENT FRAMEWORK

The Company has a comprehensive Risk Management Policy that clearly defines the roles and responsibilities of the Board of Directors, the Audit Committee, and the Risk and Sustainability Committee. These bodies regularly review the risk matrix in terms of impact and likelihood, while senior management develops mitigation strategies for consideration by the Board. The Company's activities expose it to a variety of financial risks: market risks (including currency risk, price fluctuations risk and interest rate risk), credit risk and liquidity risk. The management of these risks is carried out under

policies approved by the Board of Directors, with oversight by the relevant Committees. Detailed disclosures regarding the nature of these risks and their mitigation measures are provided in Note 47 to the unconsolidated financial statements.

The Company has a well-defined Risk Management Policy and governance framework that outlines roles and responsibilities at all levels. The Board and its Committees conduct regular assessments of principal risks, including those that could affect solvency, liquidity, or long-term business performance.

GOVERNANCE POLICIES AND PROCEDURES

Comprehensive policies and procedures, approved by the Board, guide the management of financial, operational, and compliance risks. These reflect best practices, reinforce a culture of ethics and values, and delegate appropriate authority to senior management for effective implementation.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

At Hi-Tech Lubricants, sustainability is embedded in our business strategy, guided by the principles of Economic, Environmental, Social, and Governance (EESG). We continue to align our practices with global frameworks, including the United Nations Sustainable Development Goals (SDGs) 2030, while progressively moving towards adoption of IFRS S1 and S2 standards to strengthen transparency in managing sustainability and climate-related risks. During FY 2025, we advanced our sustainability agenda across identified material areas, including business resilience, supply chain management, innovation, climate change, digitalization, safety, and human capital development.

On the CSR front, HTL sustained its long-standing commitment to education, healthcare, and community well-being. Through the Sabra Hamida Trust, recognized by the Pakistan Centre for Philanthropy (PCP) and accredited under the Income Tax Ordinance, the Company continued to invest in improving access to quality education. In FY 2025, HTL Group contributed PKR 18 million towards charitable initiatives, reflecting our pledge to create lasting value for society.

Looking ahead, HTL remains committed to enhancing sustainability disclosures, strengthening alignment with global standards, and driving meaningful impact for stakeholders while supporting Pakistan's journey towards a more inclusive and sustainable future.

Further details on our sustainability agenda, initiatives, and performance metrics are presented in the dedicated Sustainability Section of this Annual Report.

ENVIRONMENT, HEALTH & SAFETY

HTL places the highest priority on environmental sustainability, health, and safety across its operations. The Company is committed to promoting eco-friendly practices through products with low emissions and reduced environmental impact. We also maintain robust health and safety protocols, supported by regular training, to ensure the well-being of our workforce and stakeholders. These initiatives reflect our values and commitment to a sustainable future. Further details of our activities are presented in the Sustainability section of this Annual Report.

CONTRACTS WITH RELATED PARTIES

During the year, HTL revised related party contract for Contractual Employment with Mr. Moeen-Ud-Din (sibling of Non-executive director namely Mr. Shaukat Hassan). In pursuance of the Contractual Employment Agreement with this related party, the resource continue to provide professional services as Advisor Special Projects of the Company. While securing commercial and business interests of the Company coupled with due consideration to the requirements of Companies Act, 2017 and guidelines of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board approved aforesaid contract revision.

THRESHOLD FOR CONSIDERATION AS EXECUTIVES

The Board has fixed the threshold of employees for consideration as Executives of the Company which includes CEO, CFO, Company Secretary, Head of Internal Audit, all the Heads of Departments and such other employees as may be specified by Human Resource and Remuneration Committee keeping in view their scope of performance affecting the organization's key objectives and drawing monthly salary package of PKR 750,000/- or above.

NAMES OF ALL DIRECTORS OF THE COMPANY DURING THE FINANCIAL YEAR AND TILL DATE OF THIS REPORT

- Mr. Shaukat Hassan (Chairman BOD & Non-Executive Director);
- Mr. Hassan Tahir (CEO & Executive Director);
- Mr. Muhammad Ali Hassan (Executive Director)
- Ms. Mavira Tahir (Non-Executive Director);
- Mr. Faraz Akhtar Zaidi (Non-Executive Director);
- Ms. Mehvish Khan (Non-Executive Director)
- Mr. Shafiq ur Rehman (Non-Executive Independent Director)
- Mr. Muntizer Abbas Hussain (Non-Executive Independent Director since election of directors on October 26, 2024)
- Mr. Mahmood Akhtar (Non-Executive Independent Director since election of directors on October 26, 2024)
- Mr. Donghyun Kim (Nominee of SKEN) (Non-Executive Director since February 25, 2025 in place of Mr. Wonjin Yoon (Nominee of SKEN) (Non-Executive Director who remained on the Board till February 25, 2025)
- Syed Asad Abbas Hussain (Non-Executive Independent Director till retirement on October 26, 2024);
- Dr. Safdar Ali Butt (Non-Executive Independent Director till retirement on October 26, 2024);

COMPOSITION OF THE BOARD AT THE TIME OF DIRECTORS' REPORT

The Composition of the Board at the time of Directors' Report is as following; The total number of directors are 10 as per the following:

- Male: 08
- Female: 02

The composition of board on basis of type of directorship held, is as follows:

- a) Independent Directors: 03
- b) Other Non-executive Director: 05 (including 02 female directors)
- c) Executive Directors: 02

COMMITTEES OF THE BOARD DURING THE FINANCIAL YEAR ENDED JUNE 30, 2025

The Board has formed the following committees to assist it in various functions.

Names of members of Board's Audit Committee (BAC)

Mr. Shafiq ur Rehman (Chairman & Member BAC) (Chairman BAC since October 26, 2024 in place of Dr. Safdar Ali Butt)
Mr. Shaukat Hassan (Member BAC)
Mr. Faraz Akhtar Zaidi (Member BAC)
Ms. Mavira Tahir (Member BAC since October 26, 2024)

Names of members of Board's Human Resources and Remuneration Committee (HR&RC)

Mr. Mahmood Akhtar (Chairman & Member HR&RC) (Chairman HR&RC since October 26, 2024 in place of Dr. Safdar Ali Butt)
Mr. Shaukat Hassan (Member HR&RC)
Ms. Mavira Tahir (Member HR&RC)

Ms. Mehvish Khan (Member HR&RC)
Mr. Faraz Akhtar Zaidi (Member HR&RC since October 26, 2024)

Names of members of Board's Nomination Committee (BNC)

Mr. Shaukat Hassan (Chairman & Member BNC) (Chairman BNC since October 26, 2024 in place of Dr. Safdar Ali Butt)
Ms. Mavira Tahir (Member BNC)
Ms. Mehvish Khan (Member BNC)
Mr. Muntizer Abbas Hussain (Member BNC since October 26, 2024)

Names of members of Board's Risk and Sustainability Committee (RSC)

Mr. Faraz Akhtar Zaidi (Chairman & Member RSC)
Ms. Mavira Tahir (Member RSC)
Mr. Shafiq ur Rehman (Member RSC)

Names of members of Board's Corporate Social Responsibility Committee (Board's CSR Committee)

Mr. Shaukat Hassan (Chairman & Member of Board's CSR Committee)
Ms. Mavira Tahir (Member of Board's CSR Committee)
Mr. Hassan Tahir (Member of Board's CSR Committee)
Mr. Muhammad Ali Hassan (Member of Board's CSR Committee)
Mrs. Sana Sabir (Director of HTBL and Member of Board's CSR Committee)

Names of members of Board's Investment Committee (BIC)

Mr. Shaukat Hassan (Chairman & Member BIC)
Mr. Faraz Akhtar Zaidi (Member BIC)
Mr. Hassan Tahir (Member BIC)
Mr. Muhammad Ali Hassan (Member BIC)
Mr. Muhammad Imran (CFO) (Member BIC till resignation on April 22, 2025)
Mr. Shahzad Sohail (GM Supply Chain) (Member BIC till re-constitution of BIC on October 26, 2024)

DIRECTORS TRAININGS

Seven out of ten directors of the Company have already acquired Directors' Training Program certification (DTP Certification). The Company has also made arrangements for DTP Certifications for 01 Female Director and 01 Independent Director.

EVALUATION OF PERFORMANCES

In compliance with Rule 28(1)(vi) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the evaluation of the performance of the Board, its Members, Committees, the Chairman, and the Chief Executive Officer for the year ended June 30, 2025, was conducted through an independent external consultant, M/s Nazeer Shaheen & Associates. The assessment confirmed that the performance of the Board and its leadership was satisfactory and provided insights to further strengthen governance and enhance effectiveness.

DIRECTORS' REMUNERATION POLICY

An extract of Directors Remuneration Policy is appended below as required under Listed Companies (Code of Corporate Governance) Regulations, 2019. Human Resources and Remuneration Committee of the Board (HRRC) has been authorized by the Board to design and oversee the implementation of the Company's Directors' Remuneration Policy. Its salient features are enumerated below:

The objectives of the policy are two-fold:

- to attract, motivate and retain directors of the highest caliber with broad commercial experience, and
- to comply with all the provisions of all relevant laws, rules and regulations applicable to directors' remunerations.

The Policy has been drawn considering the following:

- Company's strategic aims and goals.
- Company's corporate social responsibility.
- Company's core principle of business integrity.
- The market conditions for desired talent;
- A need for maintaining a work atmosphere that is conducive to efficiency, maturity of thought, motivation to progress and attainment of corporate goals; and
- Remuneration structure for directors in similar businesses in Pakistan as

well as other companies of comparable size.

The upper limit of base pay and benefits to be allowed to directors is approved by Board of Directors. However, while setting the remuneration package of any individual director, the following factors are considered:

- The particular qualifications, relevant experience and stature of the director.
- The prevailing market value of his/her particular talent.
- The nature of association of the director with the company, i.e. type of directorship held.
- Remuneration of Independent Directors is restricted to Directors / Meetings Fees only.

SUMMARY OF REMUNERATION FOR DIFFERENT CLASSES OF DIRECTORS

Particulars	Executive Directors	Non-Executive Directors	Independent Directors
Upper Limit of Base Pay*	Rs 36 million p.a.	Rs 18 million p.a.	None
Benefits*	Company maintained car, reimbursement of medical, telecommunication, travelling, and leave travel expenses.		None
Performance & Bonus Related Payments	As per clause 3.4 (a) and (b)	None	None
Upper Limit of Meeting / Directors Fees	None	None	Rs 400,000 per completed meeting of the Board or any of its Committees
Re-imbursement of expenses	Actual expenses incurred on company business, or a flat allowance set for the particular expense, e.g. board and accommodation when travelling on company business.		
Professional Indemnity Insurance	Yes	Yes	Yes
Terminal Benefits	None	None	None
Entitlement to Share Options	None	None	None

*Base pay, benefits and performance bonus are set by HRRC/ Board of Directors for each individual director within the parameters approved by board.

REVIEW BY THE BOARD – IT, DISASTER RECOVERY AND BUSINESS CONTINUITY PLANNING

The Board recognizes the pivotal role of Information Technology (IT) and Management Information Systems (MIS) in ensuring operational resilience across HTL. The IT function maintains the availability and efficiency of the Company's computing systems while enforcing strict information security policies, access controls, and compliance with recognized standards and best practices.

To safeguard business continuity across all core domains—including financials, supply chain, procurement, sales, HR, marketing, OMC, and HTL Express—as well as for employees, distributors, vendors, and business partners, the Company has deployed a comprehensive Business Continuity and Disaster Recovery (BCP/ DR) framework.

Key servers are hosted in a state-of-the-art data center with clustered architecture, providing redundancy in power, connectivity, temperature control, and physical security. A dedicated disaster recovery site has also been established, designed to achieve zero data loss and real-time protection of critical systems, including customer portals and HR platforms. Robust cybersecurity measures, coupled with continuous oversight by trained professionals, ensure resilience against external threats and enable uninterrupted operations and rapid recovery in the event of disruptions.

BOARDS' EFFORTS TOWARDS UNDERSTANDING THE VIEWS OF SHAREHOLDERS

The Board recognizes its responsibility to all shareholders, including minority stakeholders. Both Board members and the management team actively engage with large institutional investors and brokerage houses to understand shareholders' priorities and address any concerns. The Board aims to attract and retain a high-caliber shareholder base that is well-informed about the Company's prospects and strategic direction.

During the Annual General Meeting held on October 26, 2024, members of the Board interacted with shareholders both physically and virtually to gather their views. The Board intends to continue this practice at the upcoming AGM, which is planned to be conducted in a hybrid format, allowing both physical and online participation. Additionally, the Company plans to hold at least one Closed Business Session (CBS) based on the Annual Audited Financial Statements for the year ended June 30, 2025, within one month of the AGM, as permitted under the PSX regulations.

COMPANY'S WEBSITE

In accordance with statutory and regulatory requirements, all relevant information pertaining to the Company has been duly placed on its official website at www.hitechlubricants.com for easy access by stakeholders.

COMPANY'S STAFF AND CUSTOMERS

The Board extends its sincere appreciation to all employees of the Company for their dedication, hard work, and commitment towards achieving the Company's objectives. Their efforts have been instrumental in delivering commendable results despite the challenging economic environment. We also wish to acknowledge with gratitude the continued trust and support of our stakeholders, particularly our valued customers, whose confidence in our products and services remains a cornerstone of our success.



MR. HASSAN TAHIR
(Chief Executive Officer)
Lahore, September 22, 2025



MR. SHAUKAT HASSAN
(Chairman)

INDEPENDENT AUDITOR'S REPORT

To the members of Hi-Tech Lubricants Limited

Opinion

We have audited the annexed consolidated financial statements of Hi-Tech Lubricants Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

Sr. No.	Key audit matters	How the matter was addressed in our audit
1	Revenue recognition The Group recognized net revenue of Rupees 33,508.497 million for the year ended 30 June 2025. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Group and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information on revenue, refer to the following: - Material accounting policy information, Revenue recognition note 2.21 to the consolidated financial statements. - Net revenue from contracts with customers as shown on the face of consolidated statement of profit or loss.	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We tested the effectiveness of the Group's internal controls over the calculation and recognition of discounts. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the consolidated financial statements.

Sr. No.	Key audit matters	How the matter was addressed in our audit
2	Stock-in-trade existence and valuation Stock-in-trade as at 30 June 2025 amounted to Rupees 2,791.956 million and represented a material position in the consolidated statement of financial position. Stock-in-trade is stated at lower of cost and net realizable value. We identified existence and valuation of stock-in-trade as a key audit matter due to its size, representing 21.02% of the total assets of the Company as at 30 June 2025, and the judgment involved in valuation. For further information on stock-in-trade, refer to the following: - Material accounting policy information, Stock-in-trade note 2.8.2 to the consolidated financial statements. - Stock-in-trade note 22 to the consolidated financial statements.	Our procedures over existence and valuation of stock-in-trade included, but were not limited to: • To test the quantity of stock-in-trade at all locations, we assessed the corresponding stock-in-trade observation instructions and participated in stock-in-trade counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. • For a sample of stock-in-trade items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets. • We tested that the ageing report used by management correctly aged stock-in-trade items by agreeing a sample of aged stock-in-trade items to the last recorded invoice. • On a sample basis, we tested the net realizable value of stock-in-trade items to recent selling prices and re-performed the calculation of the stock-in-trade write down, if any. • We assessed the percentage write down applied to older stock-in-trade with reference to historic stock-in-trade write downs and recoveries on slow moving stock-in-trade. • In the context of our testing of the calculation, we analysed individual cost components and traced them back to the corresponding underlying documents. We furthermore challenged changes in unit costs. • We also made inquiries of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.

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

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

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

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

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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



RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: 23 September 2025

UDIN: AR202510132GIMqP6Jxg

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	2025 Rupees	2024 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
150,000,000 (2024: 150,000,000) ordinary shares of Rupees 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	4	1,392,048,000	1,392,048,000
Capital reserve - share premium	5	1,441,697,946	1,441,697,946
Capital reserve - surplus on revaluation of freehold land	6	2,214,713,998	2,112,974,748
Revenue reserve - un-appropriated profit		1,076,599,030	974,791,235
Total equity		6,125,058,974	5,921,511,929
LIABILITIES			
Non-current liabilities			
Long term financing	7	422,694,812	506,839,256
Lease liabilities	8	365,994,276	479,848,129
Long term deposits	9	26,000,000	15,000,000
Deferred liabilities	10	158,333,267	130,031,085
		973,022,355	1,131,718,470
Current liabilities			
Trade and other payables	11	3,523,361,168	3,922,081,945
Accrued mark-up	12	63,829,553	98,461,634
Short term borrowings	13	2,352,877,670	2,064,242,674
Current portion of non-current liabilities	14	235,898,930	263,618,482
Unclaimed dividend		5,372,861	5,689,417
		6,181,340,182	6,354,094,152
Total liabilities		7,154,362,537	7,485,812,622
Contingencies and commitments	15		
TOTAL EQUITY AND LIABILITIES		13,279,421,511	13,407,324,551
ASSETS			
Non-current assets			
Fixed assets	16	6,662,504,508	6,572,529,763
Right-of-use assets	17	438,073,505	596,393,130
Intangible assets	18	5,229,515	9,653,391
Long term security deposits	19	19,931,951	43,313,369
Long term loans to employees	20	1,116,772	2,050,936
		7,126,856,251	7,223,940,589
Current assets			
Stores	21	100,551,505	71,548,897
Stock-in-trade	22	2,791,955,568	3,239,996,513
Trade debts	23	1,315,356,996	1,101,435,544
Loans and advances	24	447,576,236	387,407,108
Short term deposits and prepayments	25	42,925,735	41,369,100
Other receivables	26	350,572,008	311,042,045
Advance income tax and prepaid levy - net	27	298,762,187	261,369,147
Accrued interest	28	10,052	186,102
Short term investments	29	240,351,519	222,717,061
Cash and bank balances	30	154,503,454	411,312,445
		5,742,565,260	6,048,383,962
Non-current asset classified as held for sale	31	410,000,000	135,000,000
		6,152,565,260	6,183,383,962
TOTAL ASSETS		13,279,421,511	13,407,324,551

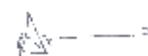
The annexed notes form an integral part of these consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 June 2025



	Note	2025 Rupees	2024 Rupees
GROSS REVENUE FROM CONTRACTS WITH CUSTOMERS	32	38,858,811,104	27,114,204,101
Discounts		(500,531,587)	(628,306,843)
Sales tax		(4,501,027,861)	(2,168,673,908)
Federal excise duty		(348,754,546)	-
NET REVENUE FROM CONTRACTS WITH CUSTOMERS		33,508,497,110	24,317,223,350
COST OF SALES	33	(30,430,628,415)	(21,952,726,092)
GROSS PROFIT		3,077,868,695	2,364,497,258
DISTRIBUTION COST	34	(1,259,846,403)	(1,075,662,872)
ADMINISTRATIVE EXPENSES	35	(1,033,475,870)	(924,260,349)
OTHER EXPENSES	36	(142,262,071)	(99,132,656)
		(2,435,584,344)	(2,099,055,877)
OTHER INCOME	37	275,139,568	357,580,703
PROFIT FROM OPERATIONS		917,423,919	623,022,084
FINANCE COST	38	(594,995,113)	(800,962,232)
PROFIT / (LOSS) BEFORE LEVY AND TAXATION		322,428,806	(177,940,148)
LEVY	39	(171,654,910)	(128,674,168)
PROFIT / (LOSS) BEFORE TAXATION		150,773,896	(306,614,316)
TAXATION	40	(48,966,101)	169,237,721
PROFIT / (LOSS) AFTER TAXATION		101,807,795	(137,376,595)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED	41	0.73	(0.99)

The annexed notes form an integral part of these consolidated financial statements.

Chief Executive

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
PROFIT / (LOSS) AFTER TAXATION	101,807,795	(137,376,595)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Surplus on revaluation of freehold land	101,739,250	15,180,500
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	101,739,250	15,180,500
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	203,547,045	(122,196,095)

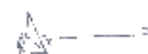
The annexed notes form an integral part of these consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024



	Share capital	Reserves				Total reserves	Total equity
		Capital reserve			Revenue reserve		
		Share premium	Surplus on revaluation of freehold land	Sub Total	Un-appropriated Profit		
Rupees							
Balance as at 30 June 2023	1,392,048,000	1,441,697,946	2,097,794,248	3,539,492,194	1,112,167,830	4,651,660,024	6,043,708,024
Loss for the year ended 30 June 2024	-	-	-	-	(137,376,595)	(137,376,595)	(137,376,595)
Other comprehensive income for the year ended 30 June 2024	-	-	15,180,500	15,180,500	-	15,180,500	15,180,500
Total comprehensive loss for the year ended 30 June 2024	-	-	15,180,500	15,180,500	(137,376,595)	(122,196,095)	(122,196,095)
Balance as at 30 June 2024	1,392,048,000	1,441,697,946	2,112,974,748	3,554,672,694	974,791,235	4,529,463,929	5,921,511,929
Profit for the year ended 30 June 2025	-	-	-	-	101,807,795	101,807,795	101,807,795
Other comprehensive income for the year ended 30 June 2025	-	-	101,739,250	101,739,250	-	101,739,250	101,739,250
Total comprehensive income for the year ended 30 June 2025	-	-	101,739,250	101,739,250	101,807,795	203,547,045	203,547,045
Balance as at 30 June 2025	1,392,048,000	1,441,697,946	2,214,713,998	3,656,411,944	1,076,599,030	4,733,010,974	6,125,058,974

The annexed notes form an integral part of these consolidated financial statements.

Chief Executive

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Note	2025 Rupees	2024 Rupees
			Restated
Cash flows from operating activities			
Cash generated from operations	42	979,449,194	1,988,858,341
Finance cost paid		(607,855,888)	(803,486,680)
Income tax paid		(210,412,314)	(179,658,306)
Net decrease in long term loans to employees		934,164	934,164
Net decrease in long term security deposits		20,444,925	22,759,420
Increase / (decrease) in long term deposits		11,000,000	(1,500,000)
Net cash generated from operating activities		193,560,081	1,027,906,939
Cash flows from investing activities			
Capital expenditure on operating fixed assets		(535,622,383)	(371,234,321)
Capital expenditure on intangible assets		(2,777,527)	-
Proceeds from disposal of operating fixed assets		15,705,735	22,050,013
Short term investments - net		(16,963,811)	5,416,933
Dividends received		31,398,163	42,511,752
Profit on bank deposits and term deposit receipts received		9,518,151	35,120,772
Net cash used in investing activities		(498,741,672)	(266,134,851)
Cash flows from financing activities			
Short term borrowings - net		288,634,996	(342,624,311)
Dividend paid		(316,556)	(141,327)
Repayment of long term financing		(78,036,139)	(70,665,676)
Repayment of lease liabilities		(161,909,701)	(192,105,893)
Net cash from / (used in) financing activities		48,372,600	(605,537,207)
Net (decrease) / increase in cash and cash equivalents		(256,808,991)	156,234,881
Cash and cash equivalents at beginning of the year		411,312,445	255,077,564
Cash and cash equivalents at end of the year	30	154,503,454	411,312,445

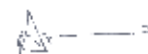
The annexed notes form an integral part of these consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025



1. THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

Hi-Tech Lubricants Limited

Subsidiary Company

Hi-Tech Blending (Private) Limited

1.1 Hi-Tech Lubricants Limited ("the Holding Company") was incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The registered office of the Holding Company is situated at 1-A, Danepur Road, GOR-1, Lahore. The principal activity of the Holding Company is to procure and distribute lubricants and petroleum products. During the year ended 30 June 2017, Oil and Gas Regulatory Authority (OGRA) granted license to the Holding Company to establish an Oil Marketing Company (OMC), subject to some conditions. On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) has granted permission to the Holding Company to operate new storage facility at Sahiwal and marketing of petroleum products in the Province of Punjab. On 20 January 2020, the Holding Company has started marketing and sale of petroleum products. On 21 February 2020, OGRA has granted permission to the Holding Company to apply for No Objection Certificates (NOCs) from concerned departments to setup petrol pumps in Khyber Pakhtunkhwa Province. On 09 August 2021, OGRA has acknowledged the satisfactory completion of oil storage facility at Nowshera, Khyber Pakhtunkhwa. On 13 January 2022, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2023. On 16 March 2023, OGRA has granted permission to the Holding Company to operate new storage facility at Nowshera and marketing of petroleum products in the province of Khyber Pakhtunkhwa. On 21 December 2023, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2025.

1.2 Hi-Tech Blending (Private) Limited

Hi-Tech Blending (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan as a private company limited by shares on 13 March 2014 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Subsidiary Company is to construct, own and operate lubricating oil blending plant and manufacturing and sale of plastic products. The registered office of the Subsidiary Company is situated at 1-A, Danepur Road, GOR-1, Lahore. The Subsidiary Company is a wholly owned subsidiary of Hi-Tech Lubricants Limited.

1.3 Geographical location and addresses of all business units are as follows:

Business units	Address
Registered and head office	1-A, Danepur Road, GOR-1, Lahore
Regional office – Karachi	C-6 /1, Street No. 3, Bath Island, Clifton, Karachi
Regional office – Islamabad	Suite No. 1402, 14th Floor, Green Trust Tower, Jinnah Avenue, Blue Area, Islamabad.
Regional office – Multan	House No. 95, Block C, Phase III, Model Town, Multan
Regional office – Peshawar	Office No. 280, 3rd Floor, Deans Trade Centre, Islamia Road, Peshawar
Warehouse	Property No. 35 A/M, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore
Blending plant and warehouse	7-KM, Sundar Raiwind Road, Bhai Kot, Lahore.
Oil Depot – OMC Project	Mouza No. 107/9L, Sahiwal
OMC Project office	House No. 57 C-1, Gulberg III, Lahore
Oil Depot – OMC Project	Mouza Aza Khel Bala, Nowshera
Oil Depot – Extension	Mouza Aza Khel Payan, Nowshera
HTL Express Centre	Dharampura, Lahore
HTL Express Centre	Garden Town, Lahore
HTL Express Centre	Johar Town, Lahore
HTL Express Centre	Gulistan-e-Johar, Karachi
HTL Express Centre	Askari XIV, Sector – A, Rawalpindi
HTL Express Centre	Khudadaad Colony, Karachi
HTL Express Centre	Sadi Town, Karachi
HTL Express Centre	Bahria Town, Lahore

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

Business units	Address
Oil Boy Filling Station	Mouza Neel Kot, Head Muhammad Wala Road, Multan
Punjab Filling Station	Main Satiana Road, Faisalabad
Green Fuel CNG	1-KM, G.T. Road, Lalamusa
A.B. Petroleum Filling Station	Tehsil Liaquatpur, Rahim Yar Khan
Jillani CNG	Lehtrar Road, Islamabad
Dasti Filling Station	Jampur Road, Dera Ghazi Khan
Rehman Filling Station	Chistian Road, Hasilpur
Al-Fazal Filling Station	Sargodha Road, Jhang
Ibrahim Petroleum	Sialkot Road, Gujranwala
Karma Wala-1 Filling Station	Shahkot Road, Jaranwala
Raja Adeel Filling Station	Arifwala Road, Arifwala
Gondal Filling Station	Daska Road, Wazirabad
City Filling Station	Hujra Shah Muqeem, Okara
Al Karam Filling Station	Shamkay Bhattian, Lahore
Green City Fuel Station	Hasilpur Road, Bahawalpur
Khokhar Fuel Station	Small Industrial Estate, Jinnah Road, Gujranwala
Minhas CNG	Multan Road, Lahore
S&S	Toba Road, Jhang
Rana Petroleum	Faisalabad Road, Okara
Mudassir Zulfiqar Filling Station	Vehari Road, Multan
Shahid & Company	Daska Road, Gujranwala
Benzina II Filling Station	Benazir Road, Okara
Nambardar Filling Station	Rawalpindi Road, Chakwal
Iftikhar Nadeem & Company	Mouza Jhawary, Dhamyal Road, Rawalpindi Cantt.
Suntrust CNG	Millat Road, Faisalabad
Meezan Filling Station	Jhang Road, Toba Tek Singh
Bahadur Filling Station	Mouza Ismail Khani, Bannu
M Nawaz Filling Station	Main Darban Road, Kotla Syedan, Dera Ismail khan
Imdad Mir Filling Station	Mouza Ghanda, Nawab Road, Mansehra
Rahat Filling Station	Saidu Shareef Road, Tehsil Babuzai, Swat
Arab Emirate Filling Station	Mouza Bandi, Tehsil Khawaja Khela, Swat
Rashid Filling Station	Mouza Qambar-192, Tehsil Babuzai, Swat
Al Rehman Filling Station	Mouza Ismail Khani, Bannu
Naik Muhammad Filling Station	Near Bybass Thana, District Malakand
Big Khan Filling Station	Hajiabad Malakand University Road, Chakdara
Ghuman Brothers Filling Station	Plot 105, Block K, Gulberg 3, Lahore
Khalifa Filling Station	Jhang Road, Gojra
Al Sheikh Filling Station	Main G.T Road, Gujrat
Moon CNG Filling Station	Mouza Humak, Islamabad
Aabroo Petroleum & CNG	Jaranwala-Khurianwala Road, Jaranwala
Abbasi & Khan Traders	Gujjar Kohala, Dhirkot
AL Mustafa Filling Station	Qaziwala Road, Chishtian
Shah Sardar Petroleum	Mouza Dham Thor, Murree Road, Abbottabad
Shams Petroleum Service	E-35, Hazara Expressway
Roshan Filling Station	Sheikhupura-Sargodha Road
Chawinda Filling Station	Khawaja Sardar Road, Sialkot

Jan Muhammad Filling Station	Ekka Ghund, Mohammad
Phandu Filling Station/CNG	Phandu Chowk, Umar Road, Peshawar
Four Star CNG Filling Station	Mardan Swabi Road, Bughdada
Hussain Filling Station	Near Shah Alam Pull, Charsada Road, Peshawar
Attock CNG & Filling Station	Iqbal Chowk, Choi East Attock City, Attock
Masha Allah CNG	M.C.C Kamra Road, Attock City, Attock
Al-Yousaf CNG Filling Station	Faisalabad Jhand Road, Jhang
Ekhwan Petroleum	Peshawar Road, Charsadda
Nawaz Filling Station	Tehsil Thanna Baizai, Malakand
Power Gas CNG & Filling Station	GT Road Mouza Dheri Katti Khel, Nowshera
Hill Top Filling Station	Tehsil Tara Khal, Sadhonti
Galaxy Filling Station	Main Ferozepur Road, Lahore
HTL - ONE Fuel Station	Plot No. 2, Block K, Main Boulevard, Gulberg-II, Lahore

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

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

c) Critical accounting estimates and judgments

The preparation of consolidated financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the consolidated financial statements or where judgments were exercised in application of accounting policies are as follows:

Income Tax and Levy

In making the estimates for income tax and levy currently payable by the Group, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Group's view differs from the view taken by the income tax department at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Useful lives, pattern of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Group. Further, the Group reviews the value of the assets for possible impairments on an annual basis. If such indication exist assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. Any change in the estimates in the future might affect the carrying amount of respective item of operating fixed assets, with a corresponding effect on the depreciation charge and impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the consolidated statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Lease term for lease liability and right-of-use asset

The Company applies judgment to determine the lease term for lease contracts in which it is a lessee. The judgement significantly affects the amount of lease liabilities and right-of-use assets recognized.

Recovery of deferred income tax assets

Deferred income tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Classification of investments

The management of the Group determines the appropriate classification of its investments at the time of purchase or increase in holding and classifies its investments in accordance with IFRS 9 "Financial Instruments".

Contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the consolidated statement of financial position date.

Revaluation of freehold land and investment property as held for sale

Fair values of freehold land and investment property classified as held for sale are determined by independent valuer engaged by the Group. The key assumptions used to determine the fair values of freehold land and investment property classified as held for sale are complex in nature. Further, determining adjustments for any differences in nature, location and condition of freehold land and investment property classified as held for sale involves significant judgment. The effect of any changes in fair values are considered as estimate and are accounted for on a prospective basis.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Group

Following amendments to published approved accounting standards are mandatory for the Group's accounting periods beginning on or after 01 July 2024:

- Amendments to IAS 1 'Presentation of Financial Statements' – Classification of liabilities as current or non-current;
- Amendments to IAS 1 'Presentation of Financial Statements' – Non-current liabilities with covenants;
- Amendments to IFRS 16 'Leases' – Lease liability in a sale and leaseback transaction; and.
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' – Supplier finance arrangements.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Group

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these financial statements.

f) Amendments to published approved accounting standards that are not yet effective but relevant to the Group

Following amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 01 July 2025 or later periods:

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The implementation of IFRS S1 and IFRS S2 will be phased as per the SECP's order dated 31 December 2024, with different effective dates based on annual turnover, number of employees, and total assets (Criteria). Phase I will apply to listed companies having specific Criteria for annual reporting periods beginning on or after 01 July 2025. Phase II will apply to other listed companies having specific Criteria for annual reporting periods beginning on or after 01 July 2026. Phase III will cover non-listed public interest companies and remaining listed companies for annual reporting periods beginning on or after 01 July 2027.

Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' regarding the classification and measurement of financial instruments (effective for annual periods beginning on or after 01 January 2026). The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following five standards as result of the IASB's annual improvements project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

The above amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Group

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the consolidated financial statements and are therefore not detailed in these consolidated financial statements.

2.2 Consolidation

Subsidiary

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Company have been consolidated on a line by line basis and carrying value of investment held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Company.

Intragroup balances, transactions and unrealized gains on transactions between Group companies have been eliminated.

2.3 Fixed assets

Operating fixed assets except freehold land and capital work-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition. Freehold land is stated at revalued amount less any identified impairment loss. Capital work-in-progress are stated at cost less any recognized impairment loss. All expenditure connected with specific assets incurred during installation and construction periods are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the period in which they are incurred.

Increases in the carrying amounts arising on revaluation of freehold land are recognized, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in the statement of profit or loss, the increase is first recognized in the statement of profit or loss. Decreases that reverse previous increase of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss.

Depreciation

Depreciation is charged to consolidated statement of profit or loss by applying the reducing balance method whereby cost of an asset is written off over its estimated useful life at the rates given in Note 15.1. Depreciation on additions is charged for the full month in which the asset is available for use and on deletion up to the month immediately preceding the deletion.

Useful life of assets is reviewed at each financial year end and if expectations differ from previous estimates the change is accounted for as change in accounting estimate in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

De-recognition

An item of operating fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

2.4 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition, an intangible asset is carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized from the month when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Group. The useful life and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

2.5 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

2.6 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to consolidated statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.7 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to consolidated statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.8 Inventories**2.8.1 Stores**

Useable stores are valued principally at moving average cost, while items considered obsolete are carried at Nil value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

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2.8.2 Stock-in-trade

Stock-in-trade, except for stock-in-transit, is stated at lower of weighted average cost and estimated net realizable value. Cost comprises of invoice value, charges like custom duties and similar levies and other direct costs.

Cost of raw material, work-in-process and finished goods are determined as follows:

- (i) For raw material: Weighted average basis
- (ii) For work-in-process and finished goods: Average manufacturing cost including a portion of production overheads.

Finished goods purchased for resale are stated at the lower of cost, determined using weighted average cost method, and net realizable value. Cost of finished goods purchased for resale comprises of invoice value, charges like custom duties and similar levies and other direct costs.

Stock in transit is valued at cost comprising invoice value plus other charges incurred thereon.

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

2.9 Investments and other financial assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the consolidated statement of profit or loss.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2). Fair value is determined using valuation techniques that incorporate significant inputs not based on observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the consolidated statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

2.10 Financial Liabilities - classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

2.11 Impairment of financial assets

The Group recognizes loss allowances for Expected Credit Losses (ECLs) on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

2.12 De-recognition of financial assets and financial liabilities

a) Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

b) Financial liabilities

The Group derecognizes a financial liability (or a part of financial liability) from its consolidated statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.13 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each consolidated statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the consolidated statement of profit or loss.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.15 Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.16 Taxation and Levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in consolidated statement of profit or loss.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the consolidated statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Group taxation adjustments

Current and deferred taxes based on the consolidated results of the Group (under Section 59AA of the Income Tax Ordinance, 2001) are allocated within the Group on the basis of separate return method, modified for determining realizability of tax credits and tax losses which are assessed at Group level. Any adjustments in the current and deferred taxes of the Company on account of group taxation are credited or charged to consolidated statement of profit or loss in the year in which they arise.

2.17 Borrowings

Financing and borrowings are initially recognized at fair value of the consideration received, net of transaction costs. They are subsequently measured at amortized cost using the effective interest method.

2.18 Borrowing costs

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of cost of that asset.

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2.19 Trade and other receivables

Trade debts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.20 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.21 Revenue recognition

(a) Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

(b) Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(c) Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

(d) Rental income

The Group earns rental income on some of its property leased out. Rental income is recognized on accrual basis over the period of lease agreement as per the requirements of IFRS 16.

2.22 Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

2.23 Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

2.24 Customer fulfilment costs

Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Group that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

2.25 Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

2.26 Contract liabilities

Contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

2.27 Refund liabilities

Refund liabilities are recognised where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

2.28 Contingent liabilities

Contingent liability is disclosed when the Group has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the consolidated financial statements.

2.29 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of fixed assets are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

2.30 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief executive officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief executive officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Group has following reportable business segments:

- Lubricants (Purchase, blend, package and sale of lubricants, parts and rendering of services).
- Petroleum products (Marketing and sale of petroleum products).
- Polymer (Manufacturing and sale of plastic bottles).

2.31 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as investment property that are carried at fair value, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain

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is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

2.32 Investment property

Land held for capital appreciation or to earn rental income is classified as investment property. Investment property is carried at fair value. Changes in fair value are presented in consolidated statement of profit or loss as part of other income.

Independent valuations are performed periodically, the carrying amounts are reviewed against there valuations and adjustments are made where there are material changes. Increases in the carrying amounts arising on revaluation of investment property are recognised, in the consolidated statement of profit or loss.

3 SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. Figures are rounded off to the nearest Pak Rupees.

3.2 Employee benefits

The Group operates contributory provident fund schemes covering all regular employees. Equal monthly contributions are made both by the employees and the employers to the funds at the rate of 10% of basic salary of employees. The Group's contributions to the funds are charged to consolidated statement of profit or loss.

3.3 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the consolidated financial statements when there is a legal enforceable right to set off and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.4 Ijarah contracts

Under the Ijarah contracts the Group obtains usufruct of an asset for an agreed period for an agreed consideration. The Group accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Group as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit or loss on straight line basis over the Ijarah term.

3.5 Contingent assets

Contingent assets are disclosed when the Group has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognized until their realization becomes certain.

3.6 Dividend and other appropriations

Dividend distribution to the shareholders is recognized as a liability in the consolidated financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

3.7 Earnings per share

The Group presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

3.8 Share capital

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

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2025	2024		2025	2024
(Number of shares)			Rupees	Rupees
41,002,000	41,002,000	Ordinary shares of Rupees 10 each		
		fully paid-up in cash	410,020,000	410,020,000
25,000,000	25,000,000	Ordinary shares of Rupees 10 each		
		issued as fully paid for consideration		
		other than cash (Note 4.2)	250,000,000	250,000,000
73,202,800	73,202,800	Ordinary shares of Rupees 10 each		
		issued as fully paid bonus shares	732,028,000	732,028,000
139,204,800	139,204,800		1,392,048,000	1,392,048,000

- 4.1** 993,330 (2024: 993,330) ordinary shares of the Holding Company are held by SK Enmove Co., Ltd. - principal supplier and long term partner.
- 4.2** On 01 July 2011, the Holding Company entered into 'Agreement for Takeover of Partnership Firm by Private Limited Company / Dissolution of Partnership' ("the Agreement") with partners of Hi-Tec Lubricants, a registered partnership firm ("the Firm") and took over all the business, assets and liabilities of the Firm, as per audited financial statements of Hi-Tec Lubricants for the year ended 30 June 2011, against consideration of issuance of shares of the Holding Company amounting to Rupees 250,000,000 divided into 2,500,000 ordinary shares of Rupees 100 each.
- 4.3** The principal shareholders of the Holding Company and SK Enmove Co., Ltd. have a shareholders agreement in place. The parties to the agreement have agreed on certain board of directors' unanimous resolution items such as direct or indirect engagement in lubricant products under the brand name of the Holding Company or any other party other than SK Enmove Co., Ltd. , engagement with other companies engaged in lubricants business, lubricants business reorganizations, etc. The principal shareholders have undertaken to hold, in aggregate, at all times 51% shares or more of the Holding Company.

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For the year ended 30 June 2025

5. CAPITAL RESERVE - SHARE PREMIUM

5.1 This reserve can be utilized for the purposes specified in section 81 of the Companies Act, 2017.

	2025 Rupees	2024 Rupees
6. CAPITAL RESERVE - SURPLUS ON REVALUATION OF FREEHOLD LAND		
As at 01 July	2,112,974,748	2,097,794,248
Add: Surplus on revaluation of freehold land	101,739,250	15,180,500
As at 30 June	2,214,713,998	2,112,974,748
7. LONG TERM FINANCING		
From banking company - secured		
Subsidiary Company		
Bank AL-Habib Limited (Note 7.1)	506,982,031	585,018,170
Less: Current portion shown under current liabilities (Note 14)	84,287,219	78,178,914
	422,694,812	506,839,256

LENDER	2025	2024	RATE OF INTEREST	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
7.1 Long term loans							
Subsidiary Company							
Bank AL-Habib Limited (Note 7.1.1)	255,065,925	289,972,569	SBP rate for TERF + 3.00%	Two hundred and thirty five unequal quarterly installments commenced from 08 May 2023 and ending on 01 November 2031.	-	Quarterly	These loans and short term borrowings are secured against first parri passu hypothe- cation charge for Rupees 1,334 million over current assets and Rupees 610 million over plant and machinery of the Subsidiary Com- pany, first parri passu mortgage charge of Rupees 650 million over land and building of the Subsidiary Company, trust receipt, exclu- sive charge for Rupees 80 million over plant and machinery of solar power plant, exclusive charge for Rupees 163 million over imported plant and machinery of the Subsidiary Compa- ny, personal guarantees of all directors of the Subsidiary Company and corporate guarantee of Holding Company amounting to Rupees 2,000 million.
Bank AL-Habib Limited (Note 7.1.1)	138,426,081	157,217,920	SBP rate for TERF + 4.00%	One hundred and twenty six unequal quarterly installments commenced from 13 October 2023 and ending on 16 December 2031.	-	Quarterly	
Bank AL-Habib Limited (Note 7.1.2)	393,492,006 32,156,558	447,190,489 36,161,013	SBP rate for renewable energy financing scheme + 2.50%	One hundred and seventeen unequal quarterly installments commenced from 20 July 2022 and ending on 03 June 2032.	-	Quarterly	
Bank AL-Habib Limited (Note 7.1.3)	81,333,467	101,666,668	3 months KIBOR + 1.25% per annum	Twenty four equal quarterly installments commenced from 18 August 2023 and ending on 18 May 2029.	Quarterly	Quarterly	
	506,982,031	585,018,170					

- 7.1.1** This loan has been obtained by the Subsidiary Company under SBP Temporary Economic Refinance Facility (TERF). It is recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 8.85% to 13.39% per annum.
- 7.1.2** This loan has been obtained by the Subsidiary Company under SBP Renewable Energy Refinance Scheme. It is recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 11.93% to 16.52% per annum.
- 7.1.3** Effective rate of mark-up charged during the year ranged from 13.34% to 21.47% (2024: 22.71% to 24.15%) per annum.

	2025 Rupees	2024 Rupees
8. LEASE LIABILITIES		
Total lease liabilities	498,182,554	643,392,513
Less: Current portion shown under current liabilities (Note 14)	(132,188,278)	(163,544,384)
	365,994,276	479,848,129
8.1 Reconciliation of lease liabilities is as follows:		
Opening balance	643,392,513	662,217,503
Add: Additions during the year	53,229,486	162,958,870
Add: Interest accrued during the year (Note 38)	77,876,059	87,216,860
Add: Impact of lease modifications during the year	-	10,367,143
Less: Impact of lease reassessment during the year	-	(45,110)
Less: Impact of lease terminations during the year	(36,529,744)	-
Less: Payments made during the year	(239,785,760)	(279,322,753)
	498,182,554	643,392,513
Less: Current portion shown under current liabilities (Note 14)	(132,188,278)	(163,544,384)
	365,994,276	479,848,129
8.2 Maturity analysis of lease liabilities is as follows:		
Upto 6 months	102,990,568	132,409,361
6-12 months	78,502,109	94,935,663
1-2 years	114,685,693	164,213,004
More than 2 years	608,976,070	691,428,965
	905,154,440	1,082,986,993
Less: Future finance cost	406,971,886	439,594,480
Present value of lease liabilities	498,182,554	643,392,513
8.3 Amounts recognised in the consolidated statement of profit or loss:		
Interest accrued during the year (Note 38)	77,876,059	87,216,860
Expense relating to short term and low value leases (included in administrative expenses)	1,836,676	1,478,759
Expense relating to leases of low-value assets (included in distribution cost)	7,108,252	3,628,183
Total amount recognised in consolidated statement of profit or loss	86,820,987	92,323,802

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8.4 Implicit rates against lease liabilities range from 7.40% to 24.48% (2024: 7.40% to 25.93%) per annum.

8.5 Leases from banking companies are secured against the leased assets, personal guarantees of directors of the Holding Company and Subsidiary Company, corporate guarantee of the Holding Company and security deposits of Rupees 22.973 million (2024: Rupees 44.016 million).

9. LONG TERM DEPOSITS

These are unsecured, interest free and repayable on termination of agreements. These security deposits have been utilized for the purpose of business in accordance with under process amendments to the terms of written agreements.

	2025 Rupees	2024 Rupees
10. DEFERRED LIABILITIES		
Deferred income tax liability - net (Note 10.1)	105,981,283	58,379,546
Deferred income - Government grant (Note 10.2)	52,351,984	71,651,539
	158,333,267	130,031,085
10.1 Deferred income tax liability		
The net deferred income tax liability comprise of temporary differences relating to:		
Deductible temporary differences		
Available unused tax losses	14,714,778	14,714,778
Unabsorbed tax depreciation	213,572,459	189,041,680
Allowance for expected credit losses	3,879,977	5,295,357
Provision for doubtful advances to suppliers	913,305	913,305
Turnover tax carried forward	338,955,475	200,081,733
Provision for slow moving and obsolete store items	1,522,929	1,963,691
Provision for slow moving and obsolete stock-in-trade	7,276,413	12,273,992
Lease liabilities	145,728,759	191,938,266
	726,564,095	616,222,802
Taxable temporary differences		
Accelerated tax depreciation and amortization	(416,979,031)	(419,340,621)
Right-of-use assets	(127,041,316)	(177,210,642)
	(544,020,347)	(596,551,263)
Net deferred income tax asset	182,543,748	19,671,539
Deferred income tax asset not recognized in these financial statements	(288,525,031)	(78,051,085)
Deferred income tax liability recognized in these financial statements	(105,981,283)	(58,379,546)

10.1.1 Movement in deferred income tax balances during the year is as follows:

2025			
	Opening balance	Recognised in statement of profit or loss	Closing balance
	Rupees		
Accelerated tax depreciation and amortization	(419,340,621)	2,361,590	(416,979,031)
Right-of-use assets	(177,210,642)	50,169,326	(127,041,316)
Unabsorbed tax depreciation	189,041,680	24,530,779	213,572,459
Available unused tax losses	14,714,778	-	14,714,778
Allowance for expected credit losses	5,295,357	(1,415,380)	3,879,977
Provision for doubtful advances to suppliers	913,305	-	913,305
Provision for slow moving and obsolete store items	1,963,691	(440,762)	1,522,929
Provision for slow moving and obsolete stock-in-trade	12,273,992	(4,997,579)	7,276,413
Lease liabilities	191,938,266	(46,209,507)	145,728,759
Turnover tax carry forward			
Available	200,081,733	138,873,742	338,955,475
Movement in deferred income tax not recognized	(78,051,085)	(210,473,946)	(288,525,031)
Deferred income tax recognized	122,030,648	(71,600,204)	50,430,444
	(58,379,546)	(47,601,737)	(105,981,283)

2024			
	Opening Balance	Recognised in Statement of Profit or Loss	Closing Balance
	Rupees		
Accelerated tax depreciation and amortization	(399,782,874)	(19,557,747)	(419,340,621)
Right-of-use assets	(188,988,142)	11,777,500	(177,210,642)
Unabsorbed tax depreciation	41,202,898	147,838,782	189,041,680
Available unused tax losses	102,279,334	(87,564,556)	14,714,778
Allowance for expected credit losses	10,319,125	(5,023,768)	5,295,357
Provision for doubtful advances to suppliers	793,171	120,134	913,305
Provision for slow moving and obsolete store items	873,614	1,090,077	1,963,691
Provision for slow moving and obsolete stock-in-trade	8,115,499	4,158,493	12,273,992
Lease liabilities	197,570,108	(5,631,842)	191,938,266
Turnover tax carry forward			
Available	-	200,081,733	200,081,733
Movement in deferred income tax not recognized	-	(78,051,085)	(78,051,085)
Deferred income tax recognized	-	122,030,648	122,030,648
	(227,617,267)	169,237,721	(58,379,546)

10.1.2 Deferred income tax asset has been recognised to the extent that the realization of related tax benefits is probable from future taxable profits. It is probable that sufficient taxable profits will be available for utilization of recognised deferred income tax asset. Detail of recognised deferred income tax asset on available unused tax losses, unabsorbed tax depreciation and turnover tax carried forward and unrecognised deferred income tax asset on turnover tax carried forward is given as follows:

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	Accounting year to which the tax credit relates	Amount Rupees	Accounting year in which tax credit will expire
Turnover tax carried forward	2023	78,051,085	2026
	2024	122,030,648	2027
	2025	138,873,742	2028
		338,955,475	

	Accounting year to which the tax loss relates	Amount Rupees	Accounting year in which tax loss will expire
Unabsorbed tax depreciation	2023	421,688,371	Unlimited
	2024	314,768,384	Unlimited
		736,456,755	

	Accounting year to which the tax loss relates	Amount Rupees	Accounting year in which tax loss will expire
Available unused tax losses	2023	50,740,613	2028

	2025 Rupees	2024 Rupees
10.2 Deferred income - Government grant		
Opening balance	93,546,723	117,080,513
Add: Recognized during the year	-	-
Less: Amortized during the year (Note 37)	21,771,306	23,533,790
Closing balance	71,775,417	93,546,723
Less: Current portion shown under current liabilities (Note 14)	19,423,433	21,895,184
	52,351,984	71,651,539

10.2.1 The State Bank of Pakistan (SBP), through its Circular No. 01 of 2020 dated 17 March 2020 introduced a Temporary Economic Refinance Facility (TERF) for setting of new industrial units. The refinance was available through Banks / DFIs. One of the key feature of the refinance facility was that borrowers could obtain loan at mark-up rates that are below normal lending rates. As per International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance', the benefit of a Government loan at a below-market rate of interest is treated as a Government Grant. The Subsidiary Company has obtained this loan as disclosed in note 7 to the consolidated financial statements. In accordance with IFRS 9 'Financial Instruments' loan obtained under the refinance facility was initially recognized at fair value which is the present value of loan proceeds received, discounted using prevailing market rates of interest for a similar instrument. Hence, the benefit of the below-market rate of interest has been measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. This benefit is accounted for and presented as deferred grant in accordance with IAS 20. The grant is being amortized in the consolidated statement of profit or loss, in line with the recognition of interest expense the grant is compensating.

	2025 Rupees	2024 Rupees
11. TRADE AND OTHER PAYABLES		
Creditors (Note 11.1)	2,488,227,781	2,811,515,418
Accrued liabilities (Note 11.2)	196,762,985	122,730,637
Infrastructure development cess payable	175,002,601	175,002,601
Contract liabilities - unsecured	98,699,643	57,048,672
Retention money payable	-	18,251,825
Customs duty and other charges payable	134,261,445	453,221,994
Income tax deducted at source	35,039,428	31,744,298
Payable to employees' provident fund trust	7,033,444	1,310,177
Workers' profit participation fund payable (Note 11.3)	273,997,991	204,019,336
Workers' welfare fund payable (Note 11.4)	59,655,772	47,236,987
Advance against sale of 'non-current asset classified as held for sale'	30,000,000	-
Federal excise duty payable	24,680,078	-
	3,523,361,168	3,922,081,945

11.1 These include Rupees 1,286.659 million (2024: Rupees 1,168.518 million) payable to SK Enmove Co., Ltd. - principal supplier and long term partner.

11.2 This includes Rupees 65.215 million (2024: Rupees 56.143 million) payable against royalty to SK Enmove Co., Ltd. - principal supplier and long term partner.

	2025 Rupees	2024 Rupees
11.3 Workers' profit participation fund		
Balance as on 01 July	204,019,336	170,106,672
Add: Provision for the year (Note 36)	33,989,644	18,604,049
Add: Interest for the year (Note 38)	35,989,011	43,243,950
	273,997,991	231,954,671
Less: Payments made during the year	-	(27,935,335)
Balance as on 30 June	273,997,991	204,019,336

11.3.1 The Group retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profit (Workers' Participation) Act, 1968 on funds utilized by the Group till the date of allocation to workers.

	2025 Rupees	2024 Rupees
11.4 Workers' welfare fund		
Opening balance	47,236,987	40,882,272
Add: Provision for the year (Note 36)	12,418,785	6,354,715
Closing balance	59,655,772	47,236,987

12. ACCRUED MARK-UP		
Long term financing	8,368,595	9,088,735
Short term borrowings	55,460,958	89,372,899
	63,829,553	98,461,634

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	2025 Rupees	2024 Rupees
13. SHORT TERM BORROWINGS		
From banking companies - secured		
- Holding Company		
Short term finances (Note 13.1 and Note 13.2)	1,618,958,452	1,777,187,767
- Subsidiary Company		
Short term finances (Note 13.3 and Note 13.4)	733,919,218	287,054,907
	2,352,877,670	2,064,242,674

13.1 These finances are obtained from banking companies under mark-up arrangements and are secured against trust receipts, first joint pari passu hypothecation charge over present and future current assets of the Holding Company, personal guarantees of sponsor directors of the Holding Company and hypothecation charge over land, building and plant and machinery of Subsidiary Company.

13.2 The effective rates of mark-up ranged from 12.23% to 22.99% (2024: 21.19% to 28%) per annum.

13.3 These finances are obtained from banking companies under mark-up arrangements. These short term borrowings and long term financing are secured against trust receipts, first pari passu hypothecation charge and ranking charge over current assets and plant and machinery of the Subsidiary Company, first pari passu mortgage charge over land and building of the Subsidiary Company, personal guarantees of directors of the Subsidiary Company and corporate guarantees of the Holding Company.

13.4 The effective rates of mark-up ranged from 12.13% to 21.83% (2024: 21.75% to 24.40%) per annum.

	2025 Rupees	2024 Rupees
14. CURRENT PORTION OF NON-CURRENT LIABILITIES		
Long term financing (Note 7)	84,287,219	78,178,914
Lease liabilities (Note 8)	132,188,278	163,544,384
Deferred income - Government grant (Note 10.2)	19,423,433	21,895,184
	235,898,930	263,618,482

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 Deputy Commissioner Inland Revenue (DCIR) passed an order under section 122(1) and 122(5A) of the Income Tax Ordinance, 2001 for tax year 2013 whereby a demand of Rupees 83.595 million has been raised against the Holding Company. On 26 October 2018, the Holding Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. CIR(A) vide order dated 18 December 2018 upheld some of the additions made by DCIR and also directed the DCIR to give opportunity of hearing to the Holding Company in one of the said matters. Being aggrieved by the order of CIR(A), the Holding Company filed appeal before the Appellate Tribunal Inland Revenue (ATIR) on 19 May 2021. ATIR decided the case in favour of the Holding Company. The tax authorities have filed an income tax reference before Honourable Lahore High Court, Lahore against the order of the ATIR which is pending for adjudication. No provision against the case has been made in these consolidated financial statements, as the management, based on the advice of the legal counsel, is confident of favorable outcome of litigation.

15.1.2 During the year ended 30 June 2018, assessment under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2014 was finalized by the Deputy Commissioner Inland Revenue (DCIR) creating a demand of Rupees 18.207 million against the Holding Company. Being aggrieved, the Holding Company filed an appeal before the CIR(A) on 14 November 2017 who decided the case in favor of the Holding Company and reduced the total demand to Rupees 0.191 million. However, the department filed an appeal against the order

of CIR(A) before the ATIR on 31 March 2018. On 09 April 2024, ATIR granted partial relief to the Holding Company and confirmed demand of Rupees 0.563 million. Further, ATIR remanded back the issue relating to default surcharge to assessing officer for fresh calculation. No remand back proceedings have been initiated by the department yet. No provision has been recognized in these consolidated financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

- 15.1.3** Deputy Commissioner Inland Revenue (DCIR) passed an assessment order on 28 November 2018 under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2015 whereby a demand of Rupees 22.358 million has been raised against the Holding Company. On 21 December 2018, the Holding Company filed an appeal before the CIR(A) against the order of DCIR. CIR(A) accepted the Holding Company's stance on certain issues assailed in the appeal and reduced the aggregate demand to Rupees 10.735 million. Being aggrieved by the order of CIR(A), the Holding Company and tax department filed appeals before ATIR. On 25 August 2025, subsequent to the reporting period, ATIR dismissed the department's appeal and upheld the relief provided by CIR(A). However, ATIR also dismissed the Holding Company's appeal on 25 August 2025, subsequent to the reporting period, based on the grounds that judgement of Honourable Sindh High Court as well as various earlier judgements of ATIR on similar issue exists. However, the management is in the process of filing income tax reference before Honourable Lahore High Court, Lahore against the order passed by ATIR. No provision against the case has been made in these consolidated financial statements, as the management, based on the advice of the legal counsel, is confident of favorable outcome of the matter.
- 15.1.4** On 27 June 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2016 whereby a demand of Rupees 5.467 million including default surcharge has been raised against the Holding Company on account of non / short deduction of withholding tax in respect of certain payments. The Holding Company filed an appeal before CIR(A) against the order of DCIR. On 17 November 2022, CIR(A) decided the appeal in favor of the Holding Company. On 12 January 2023, the tax department has filed appeal before the ATIR against the order passed by CIR(A) which is pending adjudication. No provision has been recognized in these consolidated financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.
- 15.1.5** On 24 March 2022, the Deputy Commissioner Inland Revenue (DCIR) has issued an amended assessment order under section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2018 creating a demand of Rupees 1,115.673 million on account of various issues against the Holding Company. Against the aforesaid order, the Holding Company preferred an appeal before CIR(A) on 19 April 2022. On 29 August 2022, CIR(A) provided the partial relief to the Holding Company. However, in respect of various issues, the matter has been remanded back to the department for fresh consideration. Against the order of CIR(A), the Holding Company has filed an appeal before ATIR, which is pending adjudication. The management, based on the advice of tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.
- 15.1.6** On 26 February 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 177 and section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2019 whereby a demand of Rupees 843.451 million has been raised against the Holding Company on various issues. Against the order of DCIR, the Holding Company preferred an appeal before CIR(A) on 22 March 2022. On 16 May 2022, CIR(A) vacated the tax demand. However, in respect of certain issues, the case has been remanded back to assessing officer for fresh consideration. On 13 July 2022, the tax authorities have filed an appeal before ATIR against the order of CIR(A) which is pending adjudication. The management, based on the advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.
- 15.1.7** During the year ended 30 June 2020, Deputy Commissioner Inland Revenue (DCIR) issued a notice to recover an amount of Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001 against the Holding Company. The Holding Company through its tax advisor submitted its reply that liability on account of super tax did not arise for subject year. However, on 29 September 2021, DCIR confirmed the matter and re-issued an order to recover Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001. Against the aforesaid order, the Holding Company preferred an appeal before CIR(A). On 25 February 2022, CIR(A) remanded back the case to department for fresh consideration. However, these remand back proceedings have not been initiated yet. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.
- 15.1.8** On 28 February 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2016 to June 2017 creating a demand of Rupees 1,353.135 million along with penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990 against the Holding Company. Against the aforesaid order, the Holding Company preferred an appeal before CIR(A) on 22 March 2022. On 27 May 2022, CIR(A) provided partial relief to the Holding Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Holding Company and tax department filed appeals before ATIR. On 07 December 2022, ATIR accepted the Holding Company's stance in respect of all matters except for imposition of penalty and default

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surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. On 12 December 2024, ATIR disposed of the appeal filed by tax department and remanded back the case to assessing officer for fresh consideration. Being aggrieved with the order of ATIR, the Holding Company has filed a sales tax reference before the Honourable Lahore High Court, Lahore on 17 January 2025 which is pending adjudication. On 02 February 2025, the tax department has initiated remand back proceedings in accordance with the directives of ATIR. The management, based on advise of the legal advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

15.1.9 On 15 March 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2018 to June 2019 creating a demand of Rupees 901.257 million alongwith penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990 against the Holding Company. Against the aforesaid order, the Holding Company preferred an appeal before CIR(A) on 11 April 2022. On 31 May 2022, CIR(A) provided partial relief to the Holding Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Holding Company and tax department filed appeals before ATIR. On 07 December 2022, ATIR accepted the Holding Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. On 10 September 2024, ATIR disposed of the appeal filed by the department in favour of the Holding Company. No legal proceedings against the order passed by ATIR have been initiated by the department yet.

15.1.10 On 30 May 2023, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2017 whereby a demand of Rupees 22.545 million including default surcharge has been raised against the Holding Company on account of non / short deduction of withholding tax in respect of certain payments. On 25 June 2023, the Holding Company filed an appeal before CIR(A). On 01 January 2024, CIR(A) granted partial relief to the Holding Company and accepted the Holding Company's stance in respect of certain matters. Further, CIR(A) remanded back certain matters to assessing officer for verification of Holding Company's position. However, the department has not yet initiated the remand back proceedings. The management, based on advise of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

15.1.11 On 06 February 2019, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 4B of the Income Tax Ordinance, 2001 for the tax year 2018 whereby a demand of Rupees 29.323 million was raised against the Holding Company. Being aggrieved with the order, the Holding Company preferred an appeal before CIR(A) on 04 March 2019. On 16 May 2019, CIR(A) upheld the order of DCIR. Being aggrieved with the order of CIR(A), the Holding Company filed an appeal before ATIR on 29 May 2019. On 17 April 2024, ATIR passed an order and upheld the decision of CIR(A). Being aggrieved with the order, the Holding Company filed income tax reference before Honourable Lahore High Court, Lahore on 02 September 2024, which is pending for hearing. The management, based on advise of legal advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

15.1.12 On 01 March 2024, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2020 to recover an amount of Rupees 43.575 million in respect of withholding tax default along with default surcharge of Rupees 19.168 million. The Holding Company filed an application before Commissioner Inland Revenue (CIR) on the grounds that the order was passed without considering the documents / records submitted by the Holding Company. On 07 March 2024, CIR set aside the order of DCIR and remanded back the case to assessing officer. The remand back proceedings have not been initiated yet. The management, based on advise of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

15.1.13 On 18 March 2024, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for tax periods from July 2018 to June 2019 creating a demand of Rupees 405.983 million along with default surcharge and penalty on the issue of difference between value of closing stocks as per the Holding Company's financial statements and the amount adopted in sales tax declaration. Against the aforesaid order, the Holding Company preferred an appeal before CIR(A) which is pending for hearing. The management, based on advice of the tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

15.1.14 During the year ended 30 June 2022, Additional Commissioner Inland Revenue (ACIR) issued amended assessment orders under section 122(5A) of the Income Tax Ordinance, 2001 for the tax years 2017, 2018, 2019, 2020 and 2021 raising demands aggregating to Rupees 533.277 million on various issues against the Subsidiary Company. Against the aforesaid orders, the Subsidiary Company preferred appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] on 15 October 2021, 06 January 2022, 21 February 2022, 15 March 2022 and on 16 June 2022 respectively. On 04 November 2021, CIR(A) passed an order whereby the order of ACIR was annulled in respect of all matters relating to tax year 2017 except in the matter of Workers' Profit Participation Fund (WPPF) which was remanded back to ACIR for

consideration in view of judgement passed by Honorable Lahore Court, Lahore. Remand back proceedings by ACIR have not been initiated against the Subsidiary Company. During the year ended 30 June 2023, CIR(A) decided most of the matters in favour of the Subsidiary Company, while remanded back the case on certain matters to ACIR for tax years 2018, 2019, 2020 and 2021 to the tune of Rupees 290.311 million. Further, demand in respect of donation amounting to Rupees 1 million for tax year 2021 was confirmed which was duly provided for in financial statements for the year ended 30 June 2023. However, remand back proceedings have not been initiated against the Subsidiary Company. Against the orders of CIR(A), the department has filed appeals before Appellate Tribunal Inland Revenue (ATIR) on 20 October 2022 for the tax year 2018 and on 12 October 2022 for the tax year 2019 and 2020 which are pending adjudication. Based on the opinion of tax advisor, the management has strong grounds to believe that these cases will be decided in favor of the Subsidiary Company. Therefore, no provision has been made in these consolidated financial statements.

15.1.15 On 04 February 2022, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for tax periods November 2019 and March 2020 creating a demand of Rupees 2.040 million on account of disallowance of input sales tax on building materials alongwith default surcharge and penalty against the Subsidiary Company. The Subsidiary Company filed an appeal before the CIR(A) on 02 March 2022 against the order of DCIR. CIR(A) through its order dated 31 May 2022 upheld the decision of DCIR. Being aggrieved with the order of CIR(A), the Subsidiary Company filed an appeal before the ATIR on 08 June 2022 who vide its order dated 17 November 2022 decided the case against the Subsidiary Company. However, the Subsidiary Company filed a rectification application against the aforesaid decision of ATIR on account of Subsidiary Company's name wrongly mentioned in the decision alongwith challenging the grounds of decision addressed by ATIR. On 15 June 2023, ATIR accepted the Subsidiary Company's stance in rectification application and also directed to re-start the proceedings afresh. On 13 June 2025, ATIR has remanded back the matter to the department for adjudication afresh. However, the remand back proceedings have not been started yet. The management, based on the advice of its tax advisor, has strong grounds to believe that the case will be decided in favor of the Subsidiary Company. Therefore, no provision has been made in these consolidated financial statements.

15.1.16 The Subsidiary Company has filed application to Federal Board of Revenue ("the Board") to condone the time limits for issuance of adjustment orders on account of advance payment amounting to Rupees 4.092 million in excess of sales tax liability for tax period August 2016 and excess payment amounting to Rupees 2.422 million due to rectification of sales tax liability for tax periods June 2017 and September 2017. The Subsidiary Company's stance is verifiable from the record of tax department. However, the management has written off the entire amount of Rupees 6.514 million in respect of this matter on prudence basis during the year ended 30 June 2025.

15.1.17 The Subsidiary Company identified certain sales tax invoices relating to tax period July 2021 wherein the Subsidiary Company has duly discharged the liabilities in respect of input sales tax at the time of imports amounting to Rupees 10.086 million. However, the same input sales tax has not been adjusted against the output sales tax of the respective tax period due to the tax department's system mal-functioning. The Subsidiary Company filed application before the Board to condone the time limits regarding the above explained matter as the Subsidiary Company's stance is verifiable from the department's record. On 12 July 2024, the Board has condoned the time limit to adjust the aforementioned input sales tax amounting to Rupees 10.086 million.

15.1.18 On 18 September 2023, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for the tax periods July 2017 to June 2018 creating a demand of Rupees 80.602 million on account of various issues under relevant provisions of the Act against the Subsidiary Company. Being aggrieved with the order, the Subsidiary Company preferred an appeal before CIR(A) on 12 October 2023. CIR(A) through its order dated 25 April 2024 granted partial relief to the Subsidiary Company whereas default surcharge on various issues was upheld. Being aggrieved with the order of CIR(A), the Subsidiary Company filed an appeal before the ATIR on 15 May 2024 except for default surcharge in respect of short declaration of taxable supplies amounting to Rupees 0.110 million which was duly provided for in the financial statements for the year ended 30 June 2024. Subsidiary Company's appeal before ATIR has not been taken up for hearing yet. The management, based on the advice of tax advisor, has strong grounds to believe that the case will be decided in favor of the Subsidiary Company. Therefore, no provision has been made in these consolidated financial statements.

15.1.19 Corporate guarantees of Rupees 2,967.5 million (2024: Rupees 2,967.5 million) have been given by the Holding Company to the banks in respect of financing to Subsidiary Company.

15.1.20 Guarantees of Rupees 123 million (2024: Rupees 123 million) are given by the bank of the Group to Director Excise and Taxation, Karachi against disputed amount of infrastructure cess.

15.1.21 Guarantees of Rupees 66.314 million (2024: Rupees 66 million) are given by the bank of the Group to Chairman, Punjab Revenue Authority, Lahore against disputed amount of infrastructure cess.

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15.1.22 Guarantees of Rupees 17.700 million (2024: Rupees 17.700 million) and Rupees 2.25 million (2024: Rupees 2.25 million) are given by the banks of the Group to Total Parco Pakistan Limited and Pakistan State Oil Company Limited respectively against fuel cards obtained by the Group for its employees.

	2025 Rupees	2024 Rupees
15.2 Commitments		
For capital expenditures	42,499,189	34,265,983
Letters of credit other than capital expenditures	641,635,481	366,300,016
16. FIXED ASSETS		
Operating fixed assets (Note 16.1)	6,520,662,345	6,408,880,218
Capital work-in-progress (Note 16.2)	141,842,163	163,649,545
	6,662,504,508	6,572,529,763

16.1 Reconciliations of carrying amounts of operating fixed assets at the beginning and at the end of the year is as follows:

Description	Categories													Total
	Freehold land	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Tanks and pipelines	Dispensing pumps	Electric installation	Furniture and fittings	Moulds	Vehicles	Leasehold improvements	Office equipment	Computers	
At 30 June 2023														
Cost / revalued amount	2,795,341,250	1,274,609,351	260,300,344	2,136,093,938	254,045,372	56,268,371	211,518,774	40,487,461	12,667,000	289,450,604	4,483,125	192,341,162	66,387,239	7,595,973,991
Accumulated depreciation	-	(285,114,315)	(139,368,123)	(396,374,482)	(54,687,697)	(8,817,265)	(50,531,082)	(20,949,088)	(2,271,775)	(216,747,196)	(1,819,923)	(69,583,456)	(38,502,592)	(1,286,746,994)
Net book value	2,795,341,250	989,495,036	120,932,221	1,741,719,456	199,357,675	47,451,106	160,987,692	19,538,373	10,395,225	70,703,408	2,643,202	122,777,706	27,884,647	6,309,226,997
Year ended 30 June 2024														
Opening net book value	2,795,341,250	989,495,036	120,932,221	1,741,719,456	199,357,675	47,451,106	160,987,692	19,538,373	10,395,225	70,703,408	2,643,202	122,777,706	27,884,647	6,309,226,997
Additions	-	-	143,874,264	30,535,853	47,146,502	39,978,545	-	1,980,722	42,190,440	8,000,973	-	2,529,407	18,548,380	334,765,086
Revaluation surplus	15,180,500	-	-	-	-	-	-	-	-	-	-	-	-	15,180,500
Transferred from right-of-use assets:														
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	126,739,838
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	(60,923,491)
Disposals:	-	-	-	-	-	-	-	-	-	-	-	-	-	65,816,347
Cost	-	(2,503,363)	(8,834,385)	-	(1,926,050)	-	-	-	-	(17,786,026)	-	-	(7,781,194)	(31,327,655)
Accumulated depreciation	-	685,270	1,373,735	-	572,638	-	-	-	-	7,637,327	-	-	4,895,799	14,479,499
Written-off:	-	(1,808,093)	(4,267,503)	-	(1,353,412)	-	-	-	-	(10,148,699)	-	-	(2,885,395)	(16,848,156)
Cost	-	(7,085,938)	-	-	-	-	-	-	-	-	-	-	-	(9,589,301)
Accumulated depreciation	-	2,819,435	-	-	-	-	-	-	-	-	-	-	-	3,513,705
Depreciation	-	(57,816,601)	(37,724,783)	(104,827,427)	(17,451,912)	(6,742,444)	(16,098,769)	(2,092,593)	(9,932,023)	(17,104,095)	(528,640)	(12,394,524)	(10,471,149)	(293,184,960)
Closing net book value	2,810,521,750	929,870,342	220,353,549	1,667,427,882	227,698,853	80,687,207	144,888,923	19,406,502	42,653,642	117,267,934	2,114,562	112,912,589	33,076,483	6,408,880,218
At 30 June 2024														
Cost / revalued amount	2,810,521,750	1,272,105,988	393,254,285	2,168,629,791	299,265,824	96,246,916	211,518,774	42,448,183	54,857,440	406,405,389	4,483,125	194,870,589	77,154,425	8,031,742,459
Accumulated depreciation	-	(342,235,646)	(172,900,736)	(501,201,909)	(71,566,971)	(15,559,709)	(66,629,851)	(23,041,681)	(12,203,798)	(289,137,455)	(2,348,563)	(81,957,980)	(44,077,942)	(1,622,862,241)
Net book value	2,810,521,750	929,870,342	220,353,549	1,667,427,882	227,698,853	80,687,207	144,888,923	19,406,502	42,653,642	117,267,934	2,114,562	112,912,589	33,076,483	6,408,880,218
Year ended 30 June 2025														
Opening net book value	2,810,521,750	929,870,342	220,353,549	1,667,427,882	227,698,853	80,687,207	144,888,923	19,406,502	42,653,642	117,267,934	2,114,562	112,912,589	33,076,483	6,408,880,218
Additions	-	175,849,268	14,858,411	137,406,319	38,111,572	23,322,027	13,510,503	4,134,581	131,479,751	1,370,517	-	2,933,378	14,447,683	557,424,010
Revaluation surplus	101,739,250	-	-	-	-	-	-	-	-	-	-	-	-	101,739,250
Transferred from right-of-use assets:														
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals:	-	-	-	-	-	-	-	-	-	-	-	-	-	59,263,535
Cost	-	-	-	-	-	-	-	-	-	111,721,580	-	-	-	111,721,580
Accumulated depreciation	-	-	-	-	-	-	-	-	-	(62,458,045)	-	-	-	(62,458,045)
Written-off:	-	-	-	-	-	-	-	-	-	8,174,726	-	-	-	8,174,726
Cost	-	(17,871,926)	-	-	-	-	-	(345,988)	-	-	-	-	(82,040)	(18,299,954)
Accumulated depreciation	-	9,044,056	-	-	-	-	-	180,056	-	-	-	-	77,765	9,301,877
Transferred to 'non-current assets classified as held for sale'														
Depreciation	(250,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	(250,000,000)
Closing net book value	2,662,261,000	1,037,095,948	184,626,969	1,702,472,258	246,283,001	92,948,353	143,104,922	21,128,580	151,763,147	140,750,684	1,691,650	104,432,861	32,102,972	6,520,662,345
At 30 June 2025														
Cost / revalued amount	2,662,261,000	1,447,955,256	390,240,770	2,306,036,110	336,798,106	117,657,289	225,029,277	46,236,716	186,337,191	499,482,119	4,483,125	197,803,947	85,476,866	8,755,778,432
Accumulated depreciation	-	(410,859,309)	(205,613,801)	(603,563,852)	(90,515,705)	(24,708,956)	(81,924,355)	(25,108,196)	(34,574,044)	(558,731,455)	(2,771,475)	(93,371,086)	(53,373,894)	(2,235,116,087)
Net book value	2,662,261,000	1,037,095,948	184,626,969	1,702,472,258	246,283,001	92,948,353	143,104,922	21,128,580	151,763,147	140,750,684	1,691,650	104,432,861	32,102,972	6,520,662,345
Annual rate of depreciation (%)	-	5 - 10	10	5 - 10	8	10	10	10	33	20	20	10	30	-

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16.1.1 Detail of operating fixed assets exceeding the book value of Rupees 500,000 disposed of during the year is as follows:

Description	Quantity Nos.	Cost	Accumulated depreciation	Net book value	Consideration	Gain / (loss)	Mode of disposal	Particulars of purchasers
Rupees								
Vehicles								
Honda Civic - LEB - 18A - 6311	1	2,987,635	2,210,971	776,664	3,000,000	2,223,336	Group's policy	Mr. Shahzad Sohail, Holding Company's employee, Lahore
Hyundai Tucson - BL - 0107	1	7,074,150	2,905,118	4,169,032	5,512,000	1,342,968	Group's policy	Mr. Syed Javed Mohsin, Holding Company's employee, Lahore
Honda City - AGG - 825	1	3,452,730	1,826,111	1,626,619	3,200,000	1,573,381	Group's policy	Mr. Rana Junaid Ullah Minhas, Holding Company's employee, Lahore
Honda City - BWT - 214	1	2,997,500	1,297,584	1,699,916	-	(1,699,916)	Group's policy	Mr. Qaiser Khan, Holding Company's ex- employee, Lahore
Dispensing Pump	1	842,829	335,888	506,941	1,370,835	863,894	Negotiation	Karmawala Filling Station, Faisalabad
		17,354,844	8,575,672	8,779,172	13,082,835	4,303,663		
Aggregate of other items of operating fixed assets with individual book values not exceeding Rupees 500,000		11,194,069	6,095,084	5,098,985	2,622,900	(2,476,085)		
		28,548,913	14,670,756	13,878,157	15,705,735	1,827,578		
		28,548,913	14,670,756	13,878,157	15,705,735	1,827,578		

16.1.2 The depreciation charge on operating fixed assets for the year has been allocated as follows:

	2025 Rupees	2024 Rupees
Cost of sales (Note 33.1)	139,533,517	131,567,785
Distribution cost (Note 34)	107,107,024	107,868,799
Administrative expenses (Note 35)	87,127,893	53,748,376
	333,768,434	293,184,960

16.1.3 Land and building of the Subsidiary Company amounting to Rupees 650 million (2024: Rupees 650 million) and plant and machinery of the Subsidiary Company amounting to Rupees 610 million (2024: Rupees 610 million) have been mortgaged in favour of the lender of Holding Company.

16.1.4 Particulars of immovable properties including capital work-in-progress (i.e. land and buildings) are as follows:

Location	Usage of Immovable Property	Total area of land	Covered area of buildings
		Acres	Square feet
Holding Company			
Property No. 35 A/M, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	Warehouse	0.69	21,965
Mouza No. 107/9L, Sahiwal	Oil depot	6.70	199,513
Mouza Aza Khel Bala, Nowshera	Oil depot	8.89	9,257
Mouza Ali Murad Kalhoro, Indus Highway, Shikarpur (under construction)	Oil depot	8.50	56,307
HTL - ONE Fuel Station - Plot No. 2, Block K, Main Boulevard, Gulberg-II, Lahore	Retail outlet	0.39	1,847
7-KM, Sundar Raiwind Road, Bhai Kot, Lahore	Warehouse - 1	-	49,658
7-KM, Sundar Raiwind Road, Bhai Kot, Lahore	Warehouse - 2	-	53,348
Oil Boy Filling Station - Mouza Neel Kot, Head Muhammad Wala Road, Multan	Dealer of retail outlet	-	2,818
S&S - Toba Road, Jhang	Dealer of retail outlet	-	3,310
Punjab Filling Station - Main Satiana Road, Faisalabad	Dealer of retail outlet	-	2,821
Ittehad Filling Station - Circular Road, Daska	Dealer of retail outlet	-	3,276
Green Fuel CNG - 1-KM, G.T. Road, Lalamusa	Dealer of retail outlet	-	4,981
A.B. Petroleum Filling Station - Tehsil Liaqatpur, Rahim Yar Khan	Dealer of retail outlet	-	3,054
Jillani CNG - Lehrar Road, Islamabad	Dealer of retail outlet	-	2,650
Dasti Filling Station - Jampur Road, Dera Ghazi Khan	Dealer of retail outlet	-	1,815
Rehman Filling Station - Chistian Road, Hasilpur	Dealer of retail outlet	-	2,525
Al-Fazal Filling Station - Sargodha Road, Jhang	Dealer of retail outlet	-	2,121
Ibrahim Petroleum - Sialkot Road, Gujranwala	Dealer of retail outlet	-	3,185
Karma Wala-1 Filling Station - Shahkot Road, Jaranwala	Dealer of retail outlet	-	2,059
Raja Adeel Filling Station - Arifwala Road, Arifwala	Dealer of retail outlet	-	2,892
Gondal Filling Station - Daska Road, Wazirabad	Dealer of retail outlet	-	1,493
City Filling Station - Hujra Shah Muqeem, Okara	Dealer of retail outlet	-	962
Al-Karam Filling Station - Shamkay Bhattian, Lahore	Dealer of retail outlet	-	6,633
Green City Fuel Station - Hasilpur Road, Bahawalpur	Dealer of retail outlet	-	1,289
Khokhar Fuel Station - Small Industrial Estate, Jinnah Road, Gujranwala	Dealer of retail outlet	-	1,175
Minhas CNG - Multan Road, Lahore	Dealer of retail outlet	-	841
Rana Petroleum - Faisalabad Road, Okara	Dealer of retail outlet	-	2,633
Mudassir Zulfiqar Filling Station - Vehari Road, Multan	Dealer of retail outlet	-	8,084
Shahid & Company - Daska Road, Gujranwala	Dealer of retail outlet	-	6,396
Benzina II Filling Station - Benazir Road, Okara	Dealer of retail outlet	-	4,709
Nambardar Filling Station - Rawalpindi Road, Chakwal	Dealer of retail outlet	-	5,875
Iftikhar Nadeem & Company - Mouza Jhawary, Dhanyal Road, Rawalpindi Cantt.	Dealer of retail outlet	-	5,162
Suntrust CNG - Millat Road, Faisalabad	Dealer of retail outlet	-	4,086
Meezan Filling Station - Jhang Road, Toba Tek Singh	Dealer of retail outlet	-	6,227
M Nawaz Filling Station - Main Darban Road, Kotla Syedan, Dera Ismail Khan	Dealer of retail outlet	-	8,966
Big Khan Filling Station - Hajiabad Malakand University Road, Chakdara	Dealer of retail outlet	-	4,872

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Location	Usage of Immovable Property	Total area of land	Covered area of buildings
		Acres	Square feet
Imdad Mir Filling Station - Mouza Ghanda, Nawab Road, Mansehra	Dealer of retail outlet	-	3,368
Bahadur Filling Station - Mouza Ismail Khani, Bannu	Dealer of retail outlet	-	1,527
Arab Emirate Filling Station - Mouza Bandi, Tehsil Khawaja Khela, Swat	Dealer of retail outlet	-	4,580
Rashid Filling Station - Mouza Qambar-192, Tehsil Babuzai, Swat	Dealer of retail outlet	-	1,369
Al - Rehman Filling Station - Mouza Ismail Khani, Bannu	Dealer of retail outlet	-	2,022
Naik Muhammad Filling Station - Near Bybass Thana, District Malakand	Dealer of retail outlet	-	1,620
Ghuman Brothers - Plot 105, Block K, Gulberg 3, Lahore	Dealer of retail outlet	-	1,667
Khalifa Filling Station - Jhang Road, Gojra	Dealer of retail outlet	-	2,120
Al-Sheikh Filling Station - Main G.T Road, Gujrat	Dealer of retail outlet	-	4,030
Moon CNG Filling Station - Mouza Humak, Islamabad	Dealer of retail outlet	-	1,893
Aabroo Petroleum & CNG - Jaranwala - Khurianwala Road, Jaranwala	Dealer of retail outlet	-	4,692
Abbasi & Khan Traders - Gujjar Kohala, Dhirkot	Dealer of retail outlet	-	1,284
Al-Mustafa Filling Station - Qaziwala Road, Chishtian	Dealer of retail outlet	-	1,981
Shah Sardar Petroleum - Mouza Dham Thor, Murree Road, Abbottabad	Dealer of retail outlet	-	3,301
Shams Petroleum Service - E-35, Hazara Expressway	Dealer of retail outlet	-	1,320
Roshan Filling Station - Sheikhpura - Sargodha Road	Dealer of retail outlet	-	2,645
Chawinda Filling Station - Khawaja Sardar Road, Sialkot	Dealer of retail outlet	-	6,876
Jan Muhammad Filling Station - Ekka Ghund, Mohammand	Dealer of retail outlet	-	1,038
Phandu Filling Station/CNG - Phandu Chowk, Umar Road, Peshawar	Dealer of retail outlet	-	3,941
Four Star CNG Filling Station - Mardan Swabi Road, Bughdada	Dealer of retail outlet	-	1,503
Hussain Filling Station - Near Shah Alam Pull, Charsada Road, Peshawar	Dealer of retail outlet	-	3,565
Attock CNG & Filling Station - Iqbal Chowk, Choi East Attock City, Attock	Dealer of retail outlet	-	1,318
Rahat Fuel Station - Saidu Shareef Road, Tehsil Babuzai, Swat	Dealer of retail outlet	-	252
Masha Allah CNG - M.C.C Kamra Road, Attock City, Attock	Dealer of retail outlet	-	2,125
Al-Yousaf CNG Filling Station - Faisalabad Jhand Road, Jhang	Dealer of retail outlet	-	1,389
Ekhwan Petroleum, Peshawar Road, Charsadda	Dealer of retail outlet	-	3,350
Nawaz Filling Station - Tehsil Thanna Baizai, Malakand	Dealer of retail outlet	-	8,970
Power Gas CNG & Filling Station - GT Road Mouza Dheri Katti Khel, Nowshera	Dealer of retail outlet	-	3,164
Hill Top Filling Station - Tehsil Tara Khal, Sadhonti	Dealer of retail outlet	-	1,167
Galaxy Filling Station - Main Ferozepur Road, Lahore	Dealer of retail outlet	-	1,970
Dharampura, Lahore	HTL Express Centre	-	1,436
Garden Town, Lahore	HTL Express Centre	-	1,789
Johar Town, Lahore	HTL Express Centre	-	4,500
Gulistan-e-Johar, Karachi	HTL Express Centre	-	3,149
Khudadaad Colony, Karachi	HTL Express Centre	-	3,120
Askari XIV, Sector-A, Rawalpindi	HTL Express Centre	-	881
Subsidiary Company			
7-KM, Sundar Raiwind Road, Bhai Kot, Lahore.	Blending Plant and Plastic Products Manufacturing	22.30	180,839

16.1.5 Cost of fixed assets (including capital work-in-progress) held by dealers of retail outlets and operators of HTL Express Centres of the Group are as follows:

Name of retail outlets	Buildings on leasehold land	Tanks and pipelines	Dispens- ing pumps	Categories				Computers	Total
				Machinery	Furniture and fittings	Office equipment			
							Rupees		
Oil Boy Filling Station - Mouza Neel Kot, Head Muhammad Wala Road, Multan	3,180,469	1,608,000	1,911,655	-	-	-	-	6,700,124	
Punjab Filling Station - Main Satiana Road, Faisalabad	2,898,584	877,100	2,490,793	-	-	-	-	6,266,477	
Ittehad Filling Station - Circular Road, Daska	1,911,755	877,100	1,528,010	-	-	-	-	4,316,865	
Green Fuel CNG - 1 - KM G.T. Road, Lalamusa	2,725,893	1,132,550	-	-	-	-	-	3,858,443	
A.B. Petroleum Filling Station - Tehsil Liaquatpur, Rahim Yar Khan	4,623,288	1,480,589	1,958,750	-	-	-	-	8,062,627	
Jillani CNG - Lehrtr Road, Islamabad	7,147,011	1,386,830	842,830	-	-	-	-	9,376,671	
Dasti Filling Station - Jampur Road, Dera Ghazi Khan	1,919,332	808,290	2,754,484	-	-	-	-	5,482,106	
Rehman Filling Station - Chistian Road, Hasilpur	2,013,421	-	-	-	-	-	-	2,013,421	
Al-Fazal Filling Station - Sargodha Road, Jhang	3,163,859	-	2,227,102	-	-	-	-	5,390,961	
Ibrahim Petroleum - Sialkot Road, Gujranwala	1,962,962	-	-	-	-	-	-	1,962,962	
Karma Wala-1 Filling Station - Shahkot Road, Jaranwala	2,532,005	-	-	-	-	-	-	2,532,005	
Raja Adeel Filling Station - Arifwala Road, Arifwala	1,853,000	-	-	-	-	-	-	1,853,000	
Gondal Filling Station - Daska Road, Wazirabad	2,204,744	-	1,421,968	-	-	-	-	3,626,712	
City Filling Station - Hujra Shah Muqeem, Okara	1,504,906	-	-	-	-	-	-	1,504,906	
Al-Karam Filling Station - Shamkay Bhattian, Lahore	3,556,882	-	3,244,171	-	-	-	-	6,801,053	
Green City Fuel Station - Hasilpur Road, Bahawalpur	9,954,398	1,377,706	1,911,655	-	-	-	-	13,243,759	
Khokhar Fuel Station - Small Industrial Estate, Jinnah Road, Gujranwala	2,101,400	1,377,706	3,212,099	-	-	-	-	6,691,205	
Minhas CNG - Multan Road, Lahore	4,749,486	-	1,421,968	-	-	-	-	6,171,454	
Galaxy Filling Station - Main Ferozepur Road, Lahore	17,757,318	2,102,230	2,482,580	-	-	-	-	22,342,128	
S&S - Toba Road, Jhang	2,549,650	-	-	-	-	-	-	2,549,650	
Rana Petroleum - Faisalabad Road, Okara	2,439,500	-	-	-	-	-	-	2,439,500	
Mudassir Zulfiqar Filling Station - Vehari Road, Multan	2,176,375	-	-	-	-	-	-	2,176,375	
Shahid & Company - Daska Road, Gujranwala	1,828,249	-	4,722,091	-	-	-	-	6,550,340	
Benzina II Filling Station - Benazir Road, Okara	2,318,142	3,037,269	8,036,682	-	-	-	-	13,392,093	
Nambardar Filling Station - Rawalpindi Road, Chakwal	926,830	-	-	-	-	-	-	926,830	
Ittikhar Nadeem & Company - Mouza Jhawary, Dharmyal Road, Rawalpindi Cantt.	1,571,303	2,763,529	4,477,015	-	-	-	-	8,811,847	
Suntrust CNG - Millat Road, Faisalabad	40,743,349	3,409,167	4,937,988	-	-	-	-	49,090,504	
Meezan Filling Station - Jhang Road, Toba Tek Singh	1,313,475	-	-	-	-	-	-	1,313,475	
"M Nawaz Filling Station - Main Darban Road, Mouza Kotla Sayedan, Dera Ismail Khan"	3,274,200	1,269,700	2,452,163	-	-	-	-	6,996,063	
Big Khan Filling Station - Hajjiabad University Road, Chakdara	7,169,410	2,481,646	1,862,255	-	-	-	-	11,513,311	
Imdad Mir Filling Station - Mouza Ghanda, Nawab Road, Mansehra	13,361,573	1,469,223	1,334,850	-	-	-	-	16,165,646	
Toru Fuel Station - Mardan Road, Nowshera (under construction)	-	2,859,022	-	-	-	-	-	2,859,022	
Abroo Petroleum & CNG - Jaranwala-Kurdiawala Road, Jaranwala	2,989,711	3,551,259	1,172,755	-	-	-	-	7,713,725	
Khalifa Filling Station - Jhang Road, Gojra	3,164,915	4,406,779	1,435,500	-	-	-	-	9,007,194	
Al-Sheikh Filling Station - Main G.T Road, Gujrat	11,563,910	4,429,207	1,708,511	-	-	-	-	17,701,628	
Moon CNG Filling Station - Mouza Humak, Islamabad	3,014,908	3,551,259	2,272,869	-	-	-	-	8,839,036	
Abbasi & Khan Traders - Gujjar Kohala, Dhirkot	2,621,313	3,445,266	1,435,500	-	-	-	-	7,502,079	
Ghuman Brothers - Plot 105, Block K, Gulberg 3, Lahore	2,733,451	3,203,581	2,762,556	-	-	-	-	8,699,588	
Attock CNG & Filling Station - Iqbal Chowk, Choi East Attock City, Attock	1,843,506	3,342,818	1,283,255	-	-	-	-	6,469,579	
Shah Sardar Petroleum - Mouza Dham Thor, Murree Road, Abbottabad	10,388,121	6,812,887	4,212,608	-	-	-	-	21,413,616	
Bahadur Filling Station - Mouza Ismail Khani, Bannu	2,887,200	-	1,222,256	-	-	-	-	4,109,456	
Rahat Fuel Station - Saidu Shareef Road, Tehsil Babuzai, Swat	2,465,200	-	1,649,362	-	-	-	-	4,114,562	
Arab Emirate Filling Station - Mouza Bandi, Tehsil Khawaja Khela, Swat	2,910,500	-	-	-	-	-	-	2,910,500	
Rashid Filling Station - Mouza Qambar-192, Tehsil Babuzai, Swat	2,839,100	-	1,779,800	-	-	-	-	4,618,900	
Al - Rehman Filling Station - Mouza Ismail Khani, Bannu	2,825,950	-	-	-	-	-	-	2,825,950	
Naik Muhammad Filling Station - Near Bybass Thana, District Malakand	2,683,374	-	-	-	-	-	-	2,683,374	
Al - Mustafa Filling Station - Qaziwala Road Chishtian	2,236,124	-	-	-	-	-	-	2,236,124	
Shams Petroleum Service - E - 35, Hazara Expressway	2,609,871	-	1,514,000	-	-	-	-	4,123,871	
Roshan Filling Station - Sheikhpura - Sargodha Road	7,617,792	-	1,330,012	-	-	-	-	8,947,804	
Chawinda Filling Station - Khawaja Sardar Road, Sialkot	15,121,957	5,729,531	8,917,238	-	-	-	-	29,768,726	
Jan Muhammad Filling Station - Ekka Ghund, Mohammad	2,205,230	-	-	-	-	-	-	2,205,230	
Phandu Filling Station / CNG - Phandu Chowk, Umar Road, Peshawar	2,244,646	-	-	-	-	-	-	2,244,646	
Four Star CNG Filling Station - Mardan Swabi Road, Bughdada	1,857,799	-	-	-	-	-	-	1,857,799	
Hussain Filling Station - Near Shah Alam Pull, Charsada Road, Peshawar	3,196,519	-	-	-	-	-	-	3,196,519	

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Name of retail outlets	Buildings on leasehold land	Tanks and pipelines	Dispensing pumps	Categories				Computers	Total
				Machinery	Furniture and fittings	Office equipment			
									Rupees
Masha Allah CNG - M.C.C Kamra Road, Attock City, Attock	2,071,234	3,453,346	2,032,898	-	-	-	-	-	7,557,478
Al-Yousaf CNG Filling Station - Faisalabad Jhand Road, Jhang	2,195,811	-	1,349,255	-	-	-	-	-	3,545,066
Ekhwan Petroleum - Peshawar Road, Charsadda	2,811,265	-	2,197,510	-	-	-	-	-	5,008,775
Nawaz Filling Station - Tehsil Thanna Baizai, Malakand	2,466,265	-	3,205,016	-	-	-	-	-	5,671,281
Power Gas CNG & Filling Station - GT Road Mouza Dheri Katti Khel, Nowshera	2,110,515	-	2,538,765	-	-	-	-	-	4,649,280
Hill Top Filling Station - Tehsil Tara Khal, Sadhonti	1,553,514	-	-	-	-	-	-	-	1,553,514
Friends CNG Filling Station Rawalpindi (Under construction)	1,817,693	-	-	-	-	-	-	-	1,817,693
Salman Filling Station Mardan (Under construction)	2,846,623	-	-	-	-	-	-	-	2,846,623
KB Petroleum Faisalabad (Under construction)	-	1,136,389	-	-	-	-	-	-	1,136,389
HTL Express Centre - Dharampura, Lahore	27,571,142	-	-	3,197,442	145,431	478,583	-	-	31,392,598
HTL Express Centre - Garden Town, Lahore	7,442,541	-	-	2,471,843	56,796	1,741,346	-	-	11,712,526
HTL Express Centre - Johar Town, Lahore	16,713,760	-	-	7,727,402	153,621	-	24,000	-	24,618,783
HTL Express Centre - Sadi Town, Karachi	-	-	-	1,966,568	332,996	270,456	25,635	-	2,595,655
HTL Express Centre - Bahira Town, Lahore	-	-	-	5,122,603	233,862	1,968,556	14,040	-	7,339,061
HTL Express Centre - Gulistan-E-Johar, Karachi	11,978,196	-	-	6,117,945	1,115,829	811,290	-	-	20,023,260
HTL Express Centre - Khudadaad Colony, Karachi	20,357,427	-	-	1,524,751	126,500	841,438	-	-	22,850,116
HTL Express Centre - Askari XIV, Sector-A, Rawalpindi	9,133,147	-	-	4,419,000	854,206	2,808,753	-	-	17,215,106
	360,522,999	73,379,979	99,250,775	32,547,554	3,019,241	8,920,422	63,675	-	577,704,645

The above assets are not in possession of the Group as these have been provided to dealers of retail outlets and operators of HTL Express Centres to facilitate them to promote and sell Group's products.

	2025 Rupees	2024 Rupees
16.2 Capital work-in-progress		
Civil works	40,658,296	116,438,207
Tanks and pipelines	24,432,777	31,224,679
Dispensing pumps	26,049,314	15,986,659
Advances for capital expenditure	50,701,776	-
	141,842,163	163,649,545

16.2.1 Movement in capital work in progress is as follows:

	Categories				Total
	Civil works	Tanks and pipelines	Dispensing pumps	Advance against purchase of apartment	
At 30 June 2023	44,199,846	50,594,702	8,681,790	-	103,476,338
Add: Additions during the year	190,135,875	27,776,479	23,810,247	-	241,722,601
Add: Transferred from inventory during the year	-	-	23,473,167	-	23,473,167
Less: Transferred to operating fixed assets during the year	117,897,514	47,146,502	39,978,545	-	205,022,561
At 30 June 2024	116,438,207	31,224,679	15,986,659	-	163,649,545
Add: Additions during the year	93,584,085	30,618,490	26,760,142	50,701,776	201,664,493
Less: Transferred to operating fixed assets during the year	169,363,996	37,410,392	16,697,487	-	223,471,875
At 30 June 2025	40,658,296	24,432,777	26,049,314	50,701,776	141,842,163

17. RIGHT-OF-USE ASSETS

	Land	Buildings	Vehicles	Total
	Rupees			
At 30 June 2023	286,170,791	126,308,100	223,303,140	635,782,031
Add: Additions during the year	146,309,901	16,648,969	-	162,958,870
Add: Impact of lease modifications	2,486,841	7,880,302	-	10,367,143
Less: Impact of lease reassessment	10,991,411	(11,036,521)	-	(45,110)
Less: Book value of assets transferred to operating fixed assets - during the year	-	-	65,816,347	65,816,347
Less: Depreciation expense for the year (Note 17.2)	57,250,181	49,091,992	40,511,283	146,853,456
At 30 June 2024	388,708,763	90,708,858	116,975,510	596,393,131
Add: Additions during the year	18,944,972	29,429,516	4,854,998	53,229,486
Less: Impact of lease termination	25,546,973	-	-	25,546,973
Less: Book value of assets transferred to operating fixed assets - during the year	-	-	59,263,535	59,263,535
Less: Depreciation expense for the year (Note 17.2)	57,914,442	50,445,400	18,378,762	126,738,604
At 30 June 2025	324,192,320	69,692,974	44,188,211	438,073,505

Lease of land

The Holding Company obtained land on lease for its service centers, filling stations and storage warehouses. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from five to twenty five years.

Lease of buildings

The Holding Company obtained buildings on lease for its offices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to five years.

Lease of vehicles

The Group obtained vehicles on lease for employees and directors of the Holding Company. The average contract duration is three years.

17.1 There is no impairment against right-of-use assets.

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	2025 Rupees	2024 Rupees
17.2 Depreciation charge for the year has been allocated as follows:		
Distribution cost (Note 34)	123,681,651	138,361,618
Administrative expenses (Note 35)	3,056,953	8,491,838
	126,738,604	146,853,456

18. INTANGIBLE ASSETS - Computer software

Opening net book value	9,653,391	20,260,771
Add: Cost of additions during the year	2,777,527	-
Less: Written off during the year:		
Cost	-	(262,830)
Accumulated amortization	-	236,547
	-	(26,283)
Less: Amortization charged during the year (Note 35)	7,201,403	10,581,097
Closing net book value	5,229,515	9,653,391
18.1 Cost as at 30 June	77,500,437	74,722,910
Accumulated amortization	(72,270,922)	(65,069,519)
Net book value as at 30 June	5,229,515	9,653,391

18.2 Intangible assets - computer softwares have been amortized at the rate of 30% (2024: 30%) per annum.

18.3 Intangible assets costing Rupees 63.864 million (2024: Rupees 41.26 million) are fully amortized and are still in use of the Group.

	2025 Rupees	2024 Rupees
19. LONG TERM SECURITY DEPOSITS		
Security deposits against leased assets	22,972,619	44,615,139
Security deposits - others	18,960,950	18,960,950
	41,933,569	63,576,089
Less: Current portion shown under current assets (Note 25)	22,001,618	20,262,720
	19,931,951	43,313,369

20. LONG TERM LOANS TO EMPLOYEES

Considered good:		
Loans to employees - other than executives (Note 20.1)	2,050,938	2,985,102
Less: Current portion shown under current assets (Note 24)	934,166	934,166
	1,116,772	2,050,936

20.1 These represent interest free and unsecured loans given to employees of Holding Company, receivable in maximum 60 monthly instalments in accordance with the Holding Company's policy. Fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.

	2025 Rupees	2024 Rupees
21. STORES		
Stores	105,802,987	78,320,245
Less: Provision for slow moving and obsolete store items (Note 21.1)	5,251,482	6,771,348
	100,551,505	71,548,897
21.1 Provision for slow moving and obsolete store items:		
Opening balance	6,771,348	3,012,462
Add: Provision made during the year (Note 36)	-	5,161,751
Less: Reversal of provision during the year (Note 37)	1,519,866	1,402,865
Closing balance	5,251,482	6,771,348
22 STOCK-IN-TRADE		
Raw materials (Note 22.1)	1,673,716,263	1,012,548,704
Work-in-process	58,999,534	77,857,504
	1,732,715,797	1,090,406,208
Lubricants and parts (Note 22.2 and Note 22.3)	442,361,964	795,841,776
Less: Provision for slow moving and damaged stock items (Note 22.4)	25,091,076	42,324,111
	417,270,888	753,517,665
Petroleum products		
- Stock in hand (Note 22.5)	327,795,251	316,614,901
- Stock in pipeline system (Note 22.6)	288,294,086	1,045,532,295
	616,089,337	1,362,147,196
Dispensing pumps and other installations (Note 22.7)	25,879,546	33,925,444
	2,791,955,568	3,239,996,513

22.1 These includes raw materials in transit amounting to Rupees 1,043.405 million (2024: Rupees 452.011 million) and raw materials amounting to Rupees Nil (2024: Rupees 17.259 million) lying at customs bonded warehouse.

22.2 This includes stock amounting to Rupees 7.585 million (2024: Rupees 118.898 million) lying at customs bonded warehouse.

22.3 Finished goods amounting to Rupees Nil (2024: Rupees 65.177 million) are being carried at net realizable value and the aggregate amount of write-down of inventories to net realizable value recognised as an expense during the year is Rupees Nil (2024: Rupees 4.303 million).

	2025 Rupees	2024 Rupees
22.4 Provision for slow moving and damaged stock items		
Opening balance	42,324,111	27,984,479
Add: Provision recognized during the year (Note 36)	-	17,557,550
Less: Reversal of provision during the Year (Note 37)	17,233,035	-
Less: Written off against provision during the year	-	3,217,918
	-	14,339,632
Closing balance	25,091,076	42,324,111

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22.5 This includes stock of petroleum products in possession of third parties as follows:

	2025 Rupees	2024 Rupees
Askar Oil Services (Private) Limited	360,036	2,395,911
Be Energy Limited	79,409,370	23,153,653
Gas and Oil Pakistan Limited	47,963,776	4,888,641
Karachi Hydrocorban Terminal Limited	8,793,367	257,496,950
Pakistan Molasses Company (Private) Limited	8,361,990	-
PARCO Gunvor Limited	31,735,440	-
Z.Y. & Co. Bulk Terminals (Private) Limited	8,576,958	2,955,252
	185,200,937	290,890,407

22.6 This represents the Holding Company's share of pipeline stock of High Speed Diesel and Petroleum Motor Gasoline amounting to Rupees 93.978 million (2024: Rupees 355.458 million) and Rupees 189.831 million (2024: Rupees 687.248 million) respectively held by Pak-Arab Pipeline Company Limited.

22.7 These dispensing pumps and other installations have been purchased by the Holding Company for resale to service and filling station dealers as part of OMC operations.

	2025 Rupees	2024 Rupees
23. TRADE DEBTS		
Unsecured - Considered good:		
Local	1,328,736,227	1,119,695,397
Less: Allowance for expected credit losses (Note 23.2)	(13,379,231)	(18,259,853)
	1,315,356,996	1,101,435,544

23.1 As at the reporting date, trade debts of Rupees 171.831 million (2024: Rupees 199.378 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of trade debts is as follows:

	2025 Rupees	2024 Rupees
Neither past due nor impaired	1,143,525,923	644,492,551
Past due but not impaired		
1 to 6 months	168,355,722	448,070,364
6 months to 1 year	3,163,985	8,872,629
More than 1 year	311,366	-
	171,831,073	456,942,993
	1,315,356,996	1,101,435,544

	2025 Rupees	2024 Rupees
23.2 Allowance for expected credit losses		
Opening balance	18,259,853	35,583,191
Add: Recognized during the year (Note 36)	5,475,140	7,524,293
Less: Reversal of allowance for expected credit losses (Note 37)	10,355,762	-
Less: Written off during the year	-	24,847,631
Closing balance	13,379,231	18,259,853
24. LOANS AND ADVANCES		
Considered good, unsecured		
Loans to employees - interest free against salaries		
- Executives	4,139,877	13,614,340
- Other employees	5,670,225	7,767,276
	9,810,102	21,381,616
Current portion of long term loans to employees (Note 20)	934,166	934,166
Advances to employees against expenses	3,362,342	2,691,708
Advances to suppliers (Note 24.1)	242,736,520	284,920,830
Advances against letters of credits	2,508,006	499,788
Margin against letter of credits	149,475,100	38,229,000
Margin against bank guarantees	38,750,000	38,750,000
	447,576,236	387,407,108
24.1 Advances to suppliers		
Unsecured:		
Considered good	242,736,520	284,920,830
Considered doubtful	3,149,327	3,149,327
	245,885,847	288,070,157
Less : Provision for doubtful advances to suppliers (Note 24.1.1)	3,149,327	3,149,327
	242,736,520	284,920,830
24.1.1 Provision for doubtful advances to suppliers		
Opening balance	3,149,327	2,735,072
Add: Provision recognized during the year (Note 36)	-	414,255
Closing balance	3,149,327	3,149,327
25. SHORT TERM DEPOSITS AND PREPAYMENTS		
Current portion of long term security deposits (Note 19)	22,001,618	20,262,720
Short term security deposits	7,570,285	7,637,880
Prepaid expenses	179,213	827,406
Prepaid insurance	12,327,199	9,199,956
Prepaid rent	847,420	3,441,138
	42,925,735	41,369,100
26. OTHER RECEIVABLES		
Receivable from MAS Associates (Private) Limited - associated company (Note 26.1)	295,522	347,497
Receivable from SK Enmove Co., Ltd. - related party (Note 26.2)	49,717,500	69,585,301
Sales tax receivable	130,767,748	210,367,052
Inland freight equalization margin	163,122,234	27,171,584
Others	6,669,004	3,570,611
	350,572,008	311,042,045

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

26.1 It is neither past due nor impaired. The maximum aggregate amount receivable from associated company at the end of any month during the year was Rupees 0.479 million (2024: Rupees 0.672 million).

26.2 This represents promotional incentive receivable from SK Enmove Co., Ltd. - principal supplier and long term partner. The maximum aggregate amount receivable from SK Enmove Co., Ltd. - principal supplier and long term partner at the end of any month during the year was Rupees 139.275 million (2024: Rupees 177.597 million).

	2025 Rupees	2024 Rupees
27. ADVANCE INCOME TAX AND PREPAID LEVY - NET		
Advance income tax	465,839,807	383,666,552
Provision for taxation	(16,339)	-
	465,823,468	383,666,552
Prepaid levy - net		
Prepaid levy	4,709,724	6,376,763
Less: Levy	(171,771,005)	(128,674,168)
	(167,061,281)	(122,297,405)
	298,762,187	261,369,147

27.1 The Group has opted for group taxation as one fiscal unit under section 59AA of the Income Tax Ordinance, 2001.

	2025 Rupees	2024 Rupees
28. ACCRUED INTEREST		
On bank deposits	10,052	186,102

	2025 Rupees	2024 Rupees
29. SHORT TERM INVESTMENTS		
29.1 Equity instruments		
Fair value through profit or loss		
Quoted - other than related party:		
Engro Fertilizer Limited		
49,500 (2024: 49,500) fully paid ordinary shares of Rupees 10 each	8,227,890	4,085,235
First Habib Cash Fund		
2,232,569.9563 (2024: 2,068,832.1513) units	227,130,825	209,515,390
NBP Islamic Daily Dividend Fund		
61,758.8753 (2024: 55,802.3031) units	617,589	558,023
UBL Liquidity Plus Fund - Class 'C'		
26,496.9405 (2024: 23,901.8786) units	2,685,819	2,418,565
MCB Cash Management Optimizer		
5,744.2403 (2024: 5,176.0518) units	585,248	525,355
Meezan Rozana Amdani Fund		
8863.4045 (2024: 8,045.0943) units	443,170	402,255
	239,690,541	217,504,823
Unrealized gain on remeasurement of investments at fair value through profit or loss - net	660,978	5,212,238
	240,351,519	222,717,061

29.1.1 The fair value of listed securities is based on quoted market prices on Pakistan Stock Exchange (PSX) at reporting date. The fair values of funds are based on the Net Asset Value (NAV) being the current bid price at reporting date as quoted by the respective Asset Management Company.

	2024 Rupees	2023 Rupees
30. CASH AND BANK BALANCES		
Cash in hand	10,339,232	1,247,985
Cash at banks:		
- Saving accounts (Note 30.1)	6,537,577	48,549,022
- Current accounts	137,626,645	361,515,438
	144,164,222	410,064,460
	154,503,454	411,312,445

30.1 Saving accounts carry profit at the rates ranging from 8% to 19% (2024: 20.5%) per annum.

30.2 Bank balances of Rupees 0.242 million (2024: Rupees 3.627 million) and short term investments of Rupees 186.444 million (2024: Rupees 214.489 million) represents un-utilized proceeds of the initial public offer of Holding Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

31. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Transferred from fixed assets (Note 31.2)	2025 Transferred from investment prop- erty (Note 31.1) Rupees	Total
As at 30 June 2023	-	-	-
Add: Transferred from investment property during the year	-	135,000,000	135,000,000
As at 30 June 2024	-	135,000,000	135,000,000
Add: Transferred from operating fixed assets during the year	250,000,000	-	250,000,000
Add: Fair value adjustment (Note 37)	-	25,000,000	25,000,000
As at 30 June 2025	250,000,000	160,000,000	410,000,000

31.1 On 02 December 2024, the Holding Company has entered into an agreement to sell, relating to sale of land measuring 01 kanal and 05 marlas situated at 22-A, Zafar Ali Road, Lahore at Rupees 160 million. The management of the Holding Company anticipates that process of disposal of land will be completed subsequent to the reporting period.

31.2 Board of directors of the Holding Company in their meeting held on 29 April 2025 decided to sell land measuring 04 kanal 17 marlas and 175 square feet situated at Quaid-e-Azam Industrial Estate, Lahore. On 29 July 2025, subsequent to the reporting period, the Holding Company has entered into an arrangement to sell, relating to sale of land at Rupees 250 million. The management of the Holding Company anticipates that process of disposal of land will be completed in due course.

	2025 Rupees	2024 Rupees
32. GROSS REVENUE FROM CONTRACTS WITH CUSTOMERS		
Lubricants	14,448,128,839	10,345,759,999
Petroleum products	23,774,266,197	16,259,445,090
Polymer	553,056,734	462,117,790
Others (Note 32.1)	83,359,334	46,881,222
	38,858,811,104	27,114,204,101
32.1 Others		
Dispensing pumps	12,716,689	8,112,354
Franchise and joining fee	70,642,645	38,768,868
	83,359,334	46,881,222

32.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

32.3 The amount of Rupees 49.137 million included in contract liabilities (Note 11) at 30 June 2024 has been recognised as revenue during the year ended 30 June 2025.

	2025 Rupees	2024 Rupees
33. COST OF SALES		
Cost of sales - lubricants and other items (Note 33.1)	6,950,081,990	6,093,085,712
Cost of sales - petroleum products (Note 33.2)	23,480,546,425	15,859,640,380
	30,430,628,415	21,952,726,092
33.1 Cost of sales - lubricants and other items		
Raw materials consumed (Note 33.1.1)	5,580,062,274	4,824,916,404
Packing materials consumed	220,593,031	155,639,323
Stores and spares consumed	41,379,190	17,881,954
Salaries and other benefits (Note 33.1.2)	206,371,560	156,105,879
Fuel and power	92,978,141	76,094,953
Repair and maintenance	9,221,041	8,746,286
Insurance	12,217,327	11,129,786
Security charges	9,911,040	8,254,560
Utilities	535,003	216,199
Vehicles' running and maintenance	6,439,788	3,588,960
Depreciation on operating fixed assets (Note 16.1.2)	139,533,517	131,567,785
Miscellaneous	31,224,049	37,953,974
	6,350,465,961	5,432,096,063

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For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
Work-in-process		
Opening stock	77,857,504	94,122,182
Closing stock	(58,999,534)	(77,857,504)
	18,857,970	16,264,678
Cost of goods manufactured	6,369,323,931	5,448,360,741
Finished goods		
Opening stock	829,767,220	716,139,358
Add: Lubricants and other items purchased for resale	219,232,349	758,352,833
Closing stock	(468,241,510)	(829,767,220)
	580,758,059	644,724,971
	6,950,081,990	6,093,085,712
33.1.1 Raw materials consumed		
Opening stock	1,012,548,704	1,650,353,383
Add: Purchased during the year	6,241,229,833	4,187,111,725
	7,253,778,537	5,837,465,108
Less: Closing stock	1,673,716,263	1,012,548,704
	5,580,062,274	4,824,916,404

33.1.2 Salaries, wages and other benefits include provident fund contribution of Rupees 6.222 million (2024: Rupees 5.001 million) by the Group.

	2025 Rupees	2024 Rupees
33.2 Cost of sales - petroleum products		
Opening stock of petroleum products	1,362,147,196	778,103,637
Petroleum products purchased during the year	16,145,447,927	12,482,859,347
Petroleum development levy	6,032,072,718	3,672,736,684
Inland freight equalization margin	556,967,921	288,087,908
	22,734,488,566	16,443,683,939
Less: Closing stock of petroleum products	616,089,337	1,362,147,196
	23,480,546,425	15,859,640,380

	2025 Rupees	2024 Rupees
34. DISTRIBUTION COST		
Salaries and other benefits (Note 34.1)	485,735,554	422,598,281
Sales promotion and advertisements - net (Note 34.2)	34,179,424	35,695,242
Freight outward	77,043,526	51,954,235
Rent, rates and taxes	8,394,548	6,646,869
Travelling and conveyance	59,206,168	53,454,963
Insurance	42,213,777	29,251,839
Utilities	32,712,442	25,903,867
Repair and maintenance	37,534,032	30,855,357
Vehicles' running and maintenance	94,087,605	69,568,541
Communication	12,835,554	12,324,137
Entertainment	29,793,370	12,831,481
Depreciation on fixed assets (Note 16.1.2)	107,107,024	107,868,799
Depreciation on right-of-use assets (Note 17.2)	123,681,651	138,361,618
Hospitality charges	20,435,475	12,307,730
Printing and stationery	1,352,764	1,080,301
Security charges	29,079,729	-
Miscellaneous	15,698,052	24,634,870
Royalty (Note 34.3 and 34.4)	48,755,708	40,324,742
	1,259,846,403	1,075,662,872

34.1 Salaries other benefits include provident fund contribution of Rupees 18.089 million (2024: Rupees 16.141 million) by the Group.

34.2 These are net off incentives in the shape of reimbursement against sales promotion expenses and advertisements amounting to Rupees 165.011 million (2024: Rupees 62.416 million) from SK Enmove Co., Ltd. - principal supplier and long term partner.

34.3 Particulars of royalty are as follows:

Name	Address	Relationship with the Group or directors	2025 Rupees	2024 Rupees
SK Enmove Co., Ltd.	26, Jong-ro, Jongno-gu, Seoul 03188, Republic of Korea	Principal supplier and long term partner	48,755,708	40,324,742

34.4 Royalty expense relates to sale of certain products of Rupees 1,871.748 million (2024: Rupees 1,317.993 million) manufactured during the year by the Subsidiary Company under the "Brand License Agreement" with SK Enmove Co., Ltd. - principal supplier and long term partner.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
35. ADMINISTRATIVE EXPENSES		
Salaries, wages and other benefits (Note 35.1)	621,483,934	570,567,724
Consultancy charges	9,858,073	10,197,886
Rent, rates and taxes (Note 35.2)	4,376,625	4,053,040
Travelling and conveyance	51,541,141	52,256,339
Insurance	32,816,499	28,810,921
Vehicles' running and maintenance	40,038,566	43,823,917
Utilities	10,362,032	13,548,780
Repair and maintenance	8,886,387	7,526,372
Fee and subscription	32,453,115	27,116,053
Printing and stationery	1,651,030	1,444,209
Communication	13,032,948	9,526,548
Entertainment	47,286,833	33,945,321
Legal and professional	44,711,824	31,322,119
Auditor's remuneration (Note 35.2)	8,980,541	7,815,862
Depreciation on operating fixed assets (Note 16.1.2)	87,127,893	53,748,376
Depreciation on right-of-use assets (Note 17.2)	3,056,953	8,491,838
Amortization on intangible assets (Note 18)	7,201,403	10,581,097
Security charges	2,364,000	-
Miscellaneous	6,246,073	9,483,947
	1,033,475,870	924,260,349

35.1 Salaries and other benefits include provident fund contribution of Rupees 17.054 million (2024: Rupees 15.900 million) by the Group.

	2025 Rupees	2024 Rupees
35.2 Auditor's remuneration		
Annual audit fee	5,083,842	4,270,732
Certifications	1,690,835	1,507,930
Half year review	1,517,264	1,453,200
Reimbursable expenses	688,600	584,000
	8,980,541	7,815,862

	2025 Rupees	2024 Rupees
36. OTHER EXPENSES		
Allowance for expected credit losses (Note 23.2)	-	7,524,293
Exchange loss - net	42,406,572	-
Sales tax receivable written off	7,478,890	6,453,593
Charities and donations (Note 36.1)	19,313,880	19,038,480
Intangible assets written off (Note 18)	-	26,283
Advances to suppliers written off (Note 24.1)	-	8,814,444
Fixed assets written off (Note 16.1)	8,998,077	6,075,596
Stock-in-trade written off	4,532,520	-
Mobilization advances written off	-	1,094,101
Advances to employees written off	110,422	84,068
Security deposits written off	1,197,595	-
Workers' profit participation fund (Note 11.3)	33,989,644	18,604,049
Workers' welfare fund (Note 11.4)	12,418,785	6,354,715
Provision for doubtful advances to suppliers (Note 24.1.1)	-	414,255
Provision for slow moving and obsolete store items (Note 21.1)	-	5,161,751
Provision for slow moving and damaged stock items (Note 22.4)	-	17,557,550
Penalty	11,815,686	1,881,892
Miscellaneous	-	47,586
	142,262,071	99,132,656

- 36.1** These include amount of Rupees 18 million (2024: Rupees 18 million) paid to Sabra Hamida Trust, 1-A, Danepur Road, GOR-1, Lahore, in which Mr. Hassan Tahir - Chief Executive, Mr. Shaukat Hassan - Director, Mrs. Mehwish Khan - Director, Mrs. Mavira Tahir - Director and Mr. Ali Hassan - Director of the Holding Company are trustees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
37. OTHER INCOME		
Income from financial assets:		
Dividend income	31,398,163	42,511,752
Profit on bank deposits and term deposit receipt (Note 37.1)	9,342,101	28,273,889
Gain on disposal of short term investment	9,669	338,810
Unrealized gain on remeasurement of investment at fair value through profit or loss - net	660,978	5,212,238
Credit Balances Written Back	1,652,734	201,554
Income from non-financial assets:		
Fair value gain on investment property classified as held for sale (Note 31)	25,000,000	-
Gain on disposal of operating fixed assets (Note 16.1.1)	1,827,578	2,929,079
Testing Fee	53,326	-
Gain on termination of leases	10,982,771	-
Reversal of provision for slow moving and obsolete store items (Note 21.1)	1,519,866	1,402,865
Reversal of provision for slow moving and obsolete stock-in-trade (Note 22.4)	17,233,035	-
Amortization of deferred income - Government grant (Note 10.2)	21,771,306	23,533,790
Income from handling and storage services	107,323,063	29,050,833
Common facility charges	1,379,930	1,881,780
Reversal of allowance for expected credit losses (Note 23.2)	4,880,622	-
Scrap sales	4,880,622	-
Promotional incentive	-	93,967
Miscellaneous	-	184,705,857
	6,400	494,665
Others:		
Exchange gain - net	-	5,875,648
Rental income from HTL Express Centres	40,098,026	31,073,976
	275,139,568	357,580,703

37.1 It includes profit on cash margin against letters of credits, ranging from 9.67% to 16.87% given to the banks of the Subsidiary Company.

	2025 Rupees	2024 Rupees
38. FINANCE COST		
Mark-up on long term financing	61,330,385	76,613,349
Mark-up on short term borrowings	370,020,277	563,005,289
Interest expense on lease liabilities (Note 8.1)	77,876,059	87,216,860
Interest on workers' profit participation fund (Note 11.3)	35,989,011	43,243,950
Bank charges and commission	49,779,381	30,882,784
	594,995,113	800,962,232
39. LEVY		
Minimum Tax (Note 39.1)	167,542,486	128,535,117
Final taxes	4,709,724	-
Prior year adjustment	(597,300)	139,051
	171,654,910	128,674,168

39.1 Levy represents final tax levied under the income tax ordinance, 2001 and minimum tax on local sales under section 113 of the Income Tax Ordinance, 2001.

	2025 Rupees	2024 Rupees
40. TAXATION		
Current tax	1,364,364	-
Deferred tax	47,601,737	169,237,721
	48,966,101	169,237,721

- 40.1** The Group has opted for group taxation as one fiscal unit under section 59AA of the Income Tax Ordinance, 2001 and the provision for current taxation has been made accordingly. The numerical reconciliation between the average tax rate and the applicable tax rate has been given as follows:

	2025 Rupees	2024 Rupees
Relationship between tax expense and accounting profit		
Profit before taxation and levy	322,428,806	(177,940,148)
Tax at the applicable rate of 29% (2024: 29%)	93,504,354	-
Effect of minimum tax on turnover taxed at lower rate	167,542,486	128,535,117
Effect of dividend income taxed at a lower rate	4,709,724	-
Tax effect of capital gain taxed at a lower rate	1,364,364	-
Tax effect of inadmissible income	(93,504,354)	-
Effect of change in prior year's tax	(597,300)	139,051
Effect arising as a consequence of recognition of deferred income tax	47,601,737	169,237,721
	220,621,011	297,911,889
Current income tax liability and levy as per applicable tax laws:		
Levy (Note 39)	(171,654,910)	(128,674,168)
Taxation (Note 40)	(48,966,101)	(169,237,721)
	-	-

41. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings / (loss) per share which based on:		
Profit / (loss) after taxation attributable to ordinary shareholders (Rupees)	101,807,795	(137,376,595)
Weighted average number of shares (Number)	139,204,800	139,204,800
Earnings / (loss) per share - basic and diluted (Rupees)	0.73	(0.99)

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	2025 Rupees	2024 Rupees
42. CASH GENERATED FROM OPERATIONS		
Profit / (loss) before levy and taxation	322,428,806	(177,940,148)
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets (Note 16.1.2)	333,768,434	293,184,960
Depreciation on right-of-use assets (Note 17)	126,738,604	146,853,456
Amortization of intangible assets (Note 18)	7,201,403	10,581,097
Amortization of deferred income - Government grant (Note 10.2)	(21,771,306)	(23,533,790)
Reversal for expected credit losses (Note 36)	-	7,524,293
Allowance for expected credit losses (Note 37)	(4,880,622)	-
Provision for slow moving and damaged stock items (Note 22.4)	-	17,557,550
Provision for slow moving and obsolete store items (Note 21.1)	(1,519,866)	(1,402,865)
Credit balances written back (Note 37)	(1,652,734)	(201,554)
Gain on disposal of operating fixed assets (Note 37)	(1,827,578)	(2,929,079)
Dividend income (Note 37)	(31,398,163)	(42,511,752)
Profit on bank deposits and term deposit receipt (Note 37)	(9,342,101)	(28,273,889)
Unrealized gain on remeasurement of investments carried at fair value through profit or loss - net (Note 37)	(660,978)	(5,212,238)
Gain on disposal of short term investments (Note 37)	(9,669)	(338,810)
Fair value gain on investment property classified as held for sale (Note 31)	(25,000,000)	-
Gain on termination of leases	(10,982,771)	-
Finance cost (Note 38)	594,995,113	800,962,232
Exchange (gain) / loss - net	42,406,572	(5,875,648)
Provision for workers' profit participation fund (Note 11.3)	33,989,644	18,604,049
Provision for workers' welfare fund (Note 11.4)	12,418,785	6,354,715
Fixed assets written off (Note 36)	8,998,077	6,075,596
Intangible asset written off (Note 36)	-	26,283
Mobilization advances written off (Note 36)	-	1,094,101
Sales tax written off (Note 36)	7,478,890	6,453,593
Advances to suppliers written off (Note 36)	-	8,814,444
Advances to employees written off (Note 36)	110,422	84,068
Provision for doubtful advances to suppliers (Note 36)	-	414,255
Provision for slow moving and obsolete store items (Note 36)	-	5,161,751
Reversal of provision for slow moving and obsolete stock-in-trade (Note 37)	(17,233,035)	-
Security deposits written off (Note 36)	1,197,595	-
Working capital changes (Note 42.1)	(386,004,328)	947,331,671
	979,449,194	1,988,858,341
42.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores	(27,482,742)	53,861,591
Stock-in-trade	443,508,428	(46,819,979)
Trade debts	(209,040,830)	(874,990,643)
Loans and advances	(60,279,550)	(54,625,326)
Short term deposits and prepayments	182,263	(3,361,494)
Other receivables	(47,008,853)	(103,706,665)
	99,878,716	(1,029,642,516)
(Decrease) / increase in trade and other payables	(485,883,044)	1,976,974,187
	(386,004,328)	947,331,671

42.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

2025					
	Liabilities from financing activities				
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend	Total
	Rupees				
Balance as at 01 July 2024	585,018,170	643,392,513	2,064,242,674	5,689,417	3,298,342,774
Financing obtained	-	-	27,573,764,412	-	27,573,764,412
Repayment of financing	(78,036,139)	-	(27,285,129,416)	-	(27,363,165,555)
Acquisitions - finance leases	-	53,229,486	-	-	53,229,486
Other change - non-cash movement	-	(36,529,744)	-	-	(36,529,744)
Repayment of lease liabilities	-	(161,909,701)	-	-	(161,909,701)
Dividend paid	-	-	-	(316,556)	(316,556)
Balance as at 30 June 2025	506,982,031	498,182,554	2,352,877,670	5,372,861	3,363,415,116

2024					
	Liabilities from financing activities				
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend	Total
	Rupees				
Balance as at 01 July 2023	632,150,056	662,217,503	2,406,866,985	5,830,744	3,707,065,288
Financing obtained	-	-	27,101,328,014	-	27,101,328,014
Repayment of financing	(70,665,676)	-	(27,443,952,325)	-	(27,514,618,001)
Acquisitions - finance leases	-	162,958,870	-	-	162,958,870
Other change - non-cash movement	23,533,790	10,322,033	-	-	33,855,823
Repayment of lease liabilities	-	(192,105,893)	-	-	(192,105,893)
Dividend paid	-	-	-	(141,327)	(141,327)
Balance as at 30 June 2024	585,018,170	643,392,513	2,064,242,674	5,689,417	3,298,342,774

	2025 Rupees	2024 Rupees
42.3 Non-cash financing activities		
Acquisition of right-of-use assets	53,229,486	162,958,870

43. PROVIDENT FUND

Investments, out of provident fund, have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

44. PLANT CAPACITY AND ACTUAL PRODUCTION

Considering the nature of the Holding Company's business, the information regarding production has no relevance whereas product storage capacities at Holding Company's facility during the current year is detailed below:

Description	Storage Capacity		
	Metric Tons		
	SKO	PMG	HSD
Sahiwal depot	198	2,040	1,858
Nowshera depot	-	1,401	1,551

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The plant capacity and actual production of Subsidiary Company is as follows:

		2025		2024	
	Unit of measurement	Capacity	Production	Capacity	Production
Blending division:					
Bottles	Numbers	14,446,080	4,290,561	14,446,080	3,351,571
Caps	Numbers	21,244,236	4,050,231	21,244,236	3,286,419
Filling	Litres	94,274,800	9,442,107	94,274,800	7,406,258
Blending	Litres	52,800,000	9,443,536	30,000,000	7,626,258
Polymer division:					
Bottles	Numbers	8,190,411	3,157,174	8,195,691	3,947,378
Caps	Numbers	5,311,059	4,639,034	5,002,105	4,777,051
Injection moulding parts	Numbers	430,920	247,579	393,300	208,234

Under utilization of available capacity is mainly due to limited sales orders.

45. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated undertakings, other related parties, key management personnel and provident fund trusts. The Group in the normal course of business carries out transactions with various related parties. Detail of significant transactions with related parties, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

Relationship	Nature of transaction	2025 Rupees	2024 Rupees
Associated companies			
MAS Associates (Private) Limited	Share of common expenses	1,379,930	1,881,780
Other related parties			
SK Enmove Co., Ltd.	Purchase of lubricants	3,891,067,876	2,757,566,899
	Incentives	122,329,750	247,122,001
Hi-Tech Lubricants Limited Employees Provident Fund Trust	Contribution	33,678,835	30,574,917
Hi-Tech Blending (Private) Limited Employees Provident Fund Trust	Contribution	7,687,266	6,467,014
Sabra Hamida Trust	Donations	18,000,000	18,000,000

45.1 Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place:

Name of related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year	% age of shareholding held by the Group
MAS Associates (Private) Limited	Common directorship	Yes	None
SK Enmove Co., Ltd.	Principal supplier and long term partner	Yes	None
Hi-Tech Energy (Private) Limited	Common directorship	No	None
MAS Infosoft (Private) Limited	Common directorship	No	None
MAS Services	Common partnership of directors	No	None
Haut Buys (Private) Limited	Common directorship	No	None
Sabra Hamida Trust	Common trusteeship of directors	Yes	None
WASL Investment Finance Limited	Common directorship	No	None
WASL Mobility Modaraba	Common directorship	No	None
Alliance Francaise De Lahore Foundation	Common trusteeship of directors	No	None
Food Check (Private) Limited	Common directorship	No	None
MAS Associates Employees Provident Fund Trust	Common trusteeship of directors	No	None
Hi-Tech Lubricants Limited Employees Provident Fund Trust	Common trusteeship of directors	Yes	None
Hi-Tech Blending (Private) Limited Provident Fund Trust	Subsidiary company's employee provident fund trust	No	None
MAS Services Employees Provident Fund Trust	Common trusteeship of directors	No	None
Haut Notch (Private) Limited	Common directorship	No	None
Gulf Rubber Works (Private) Limited	Common directorship	No	None
ANALI	Common partnership of director	No	None
Chenab Energy (Private) Limited	Common directorship	No	None
JSSR Consulting, Pakistan	Common partnership of director	No	None
14th Gate Restructuring Company Limited	Common directorship	No	None
Mr. Shaukat Hassan	Director of the Holding Company	No	None
Mr. Muhammad Ali Hassan	Director of the Holding Company	No	None
Mr. Hassan Tahir	Director of the Holding Company	No	None
Ms. Mavira Tahir	Director of the Holding Company	No	None
Mr. Faraz Akhtar Zaidi	Director of the Holding Company	No	None
Mr. Shafiq Ur Rehman	Director of the Holding Company	No	None
Mr. Mehmood Akhtar	Director of the Holding Company	No	None
Mr. Donghyun Kim	Director of the Holding Company	No	None
Mr. Muntizer Abbas Hussain	Director of the Holding Company	No	None
Ms. Mehvish Khan	Director of the Holding Company	No	None

45.2 Detail of compensation to key management personnel comprising of chief executive officer and executives is disclosed in note 46.

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46. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these consolidated financial statements in respect of remuneration, including all benefits to the chief executive, directors and executives of the Holding Company are as follows:

	2025				2024			
	Chief Executive	Directors Executives	Non-Executives	Executives	Chief Executive	Directors Executives	Non-Executives	Executives
	Rupees							
Managerial remuneration	15,483,871	13,935,484	39,096,774	173,786,748	15,483,871	13,935,484	45,483,870	160,464,282
Bonus	2,000,000	1,800,000	-	22,271,346	2,000,000	1,800,000	-	19,592,012
Allowances								
House rent	6,967,742	6,270,968	17,593,548	78,204,037	6,967,742	6,270,968	20,467,741	72,208,917
Medical	1,548,387	1,393,548	3,909,677	17,378,671	1,548,384	1,393,548	4,548,378	16,046,483
Travelling	3,000,000	3,000,000	7,500,000	873,175	3,000,000	3,000,000	10,000,000	868,850
Other incentives	-	-	-	41,822,607	-	-	-	22,106,652
Contribution to provident fund trust	-	-	-	16,258,610	-	-	-	14,367,723
Leave fare assistance	-	-	-	2,173,609	-	-	-	14,122,404
	29,000,000	26,400,000	68,100,000	352,768,803	28,999,997	26,400,000	80,499,989	319,777,323
	1	1	4	77	1	1	4	68

46.1 Chief executive, five directors (other than independent directors) and certain executives of the Holding Company are provided with fully maintained vehicles.

46.2 Aggregate amount charged in these consolidated financial statements for meeting fee to five directors (2024: three directors) is Rupees 4.4 million (2024: Rupees 5.2 million).

	2025		2024	
	Permanent	Contractual	Permanent	Contractual
47. NUMBER OF EMPLOYEES				
Total number of employees as on 30 June	371	158	613	107
Average number of employees during the year	381	146	602	108

48. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 June 2025	Level 1	Level 2	Level 3	Total
			Rupees	
Financial assets				
Financial assets at fair value through profit or loss	240,351,519	-	-	240,351,519

Recurring fair value measurements at 30 June 2024	Level 1	Level 2	Level 3	Total
			Rupees	
Financial assets				
Financial assets at fair value through profit or loss	222,717,061	-	-	222,717,061

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments is the use of quoted market prices on Pakistan Stock Exchange and for funds, Net Asset Value (NAV) of respective Asset Management Company.

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49. SEGMENT INFORMATION

The Group has two reportable segments. The following summary describes the operation in each of the Group's reportable segments:

Lubricants	Purchase, blend, package and sale of lubricants, parts and rendering of services.
Petroleum products	Marketing and sale of petroleum products.
Polymer	Manufacturing and sale of plastic bottles

	LUBRICANTS		PETROLEUM PRODUCTS		POLYMER		UNALLOCATED		TOTAL - GROUP	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees									
Revenue from contracts with customers - net	9,808,003,530	7,964,688,205	23,232,318,076	15,960,960,352	468,175,504	391,574,793	-	-	33,508,497,110	24,317,223,350
Cost of sales	(7,411,640,732)	(6,078,113,375)	(22,607,022,776)	(15,569,807,897)	(411,964,907)	(304,804,819)	-	-	(30,430,628,415)	(21,952,726,092)
Gross profit	2,396,362,798	1,886,574,830	625,295,300	391,152,455	56,210,597	86,769,974	-	-	3,077,868,695	2,364,497,258
Distribution cost	(796,572,271)	(666,137,123)	(452,917,811)	(400,050,792)	(10,356,321)	(9,474,957)	-	-	(1,259,846,403)	(1,075,662,872)
Administrative expenses	(1,014,861,973)	(902,361,015)	(15,737,256)	(19,336,043)	(2,876,641)	(2,563,291)	-	-	(1,033,475,870)	(924,260,349)
Other expenses	(34,815,499)	(58,714,139)	(106,170,034)	(36,267,439)	(1,276,538)	(4,151,078)	-	-	(142,262,071)	(99,132,656)
	(1,846,249,743)	(1,627,212,277)	(574,825,101)	(455,654,274)	(14,509,500)	(16,189,326)	-	-	(2,435,584,344)	(2,099,055,877)
Other income	137,108,900	266,875,356	138,030,668	90,705,347	-	-	-	-	275,139,568	357,580,703
Profit from operations	687,221,954	526,237,909	188,500,868	26,203,528	41,701,097	70,580,648	-	-	917,423,919	623,022,084
Finance cost	(489,031,336)	(559,518,247)	(57,391,947)	(111,943,694)	(48,571,830)	(129,500,291)	-	-	(594,995,113)	(800,962,232)
Profit / (loss) before taxation and levy	198,190,618	(33,280,338)	131,108,921	(85,740,166)	(6,870,733)	(58,919,643)	-	-	322,428,806	(177,940,148)
Levy	-	-	-	-	-	-	(171,654,910)	(128,674,168)	(171,654,910)	(128,674,168)
Profit / (loss) before taxation	198,190,618	(33,280,338)	131,108,921	(85,740,166)	(6,870,733)	(58,919,643)	(171,654,910)	(128,674,168)	150,773,896	(306,614,316)
Taxation	-	-	-	-	-	-	(48,966,101)	169,237,721	(48,966,101)	169,237,721
Profit / (loss) after taxation	198,190,618	(33,280,338)	131,108,921	(85,740,166)	(6,870,733)	(58,919,643)	(220,621,011)	40,563,553	101,807,795	(137,376,595)

49.1 Reconciliation of reportable segment assets and liabilities:

	LUBRICANTS		PETROLEUM PRODUCTS		POLYMER		TOTAL - GROUP	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees							
Total assets for reportable segments	9,881,885,088	7,352,869,179	2,282,248,716	4,925,271,282	792,518,365	806,414,749	12,956,652,169	13,084,555,210
Unallocated assets							322,769,342	322,769,341
Total assets as per consolidated statement of financial position							13,279,421,511	13,407,324,551
Total liabilities for reportable segments	4,133,312,532	3,602,415,185	1,178,651,004	1,905,651,627	297,564,134	433,749,283	5,609,527,670	5,941,816,095
Unallocated liabilities							1,544,834,867	1,543,996,527
Total liabilities as per consolidated statement of financial position							7,154,362,537	7,485,812,622

49.2 All of the sales of the Group relates to customers in Pakistan.

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

50. FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgments and estimates are made in determining the fair value of non-financial assets that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets into the following three levels.

At 30 June 2025	Level 1	Level 2	Level 3	Total
		Rupees		
Freehold land	-	2,662,261,000	-	2,662,261,000
Non-current asset classified as held for sale - Transferred from fixed assets	-	250,000,000	-	250,000,000
Non-current asset classified as held for sale - Transferred from investment property	-	160,000,000	-	160,000,000
	-	3,072,261,000	-	3,072,261,000

At 30 June 2024	Level 1	Level 2	Level 3	Total
Freehold land	-	2,810,521,750	-	2,825,702,250

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Group obtains independent valuations for its freehold land (classified as fixed assets and investment property transferred to non-current asset classified as held for sale) at least annually. At the end of reporting period, the management of the Group updates the assessment of the fair value of property, taking into account the most recent independent valuations. The management determines a property's value within a range of reasonable fair value estimate. The best evidence of fair value is current prices in an active market for similar lands.

Valuation processes

The Group engages external, independent and qualified valuer to determine the fair value of the Group's freehold land and investment property transfer to non-current asset classified as held for sale at the end of every financial year. As at 30 June 2025, the fair value of the freehold land and investment property transfer to non-current asset classified as held for sale has been determined by Anderson Consulting (Private) Limited, an independent valuer.

Changes in fair values are analyzed at each reporting date during the annual valuation process between the Chief Financial Officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

51. FINANCIAL RISK MANAGEMENT

51.1 Financial risk factors

The Group's activities exposes it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out by the Group's finance department. The Group's finance department has provided 'Risk Management Policy' covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of this policy.

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(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Group is exposed to currency risk arising from the United States Dollar (USD). As on reporting date, the Group's foreign exchange risk exposure is restricted to the amounts payable to a foreign entity. The Group's exposure to currency risk is as follows:

	2025 USD	2024 USD
Trade and other payables	(4,616,895)	(4,280,741)
Other receivable	100,000	250,000
Net exposure	(4,516,895)	(4,030,741)

The following significant exchange rates were applied during the year:

	Rupees per US Dollar	
Average rate	279.98	283.70
Reporting date rate	284.10	278.80

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on Group's profit before levy and taxation for the year would have been Rupees 64.162 million lower / higher (2024: loss before levy and taxation Rupees 56.189 million higher / lower) mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Group is exposed to equity securities price risk because of short term investments held by the Group and classified at fair value through profit or loss. The Group is not exposed to commodity price risk since it does not hold any financial instruments based on commodity prices.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange (PSX) Index on the Group's profit before levy and taxation for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on Group's loss after taxation	
	2025 Rupees	2024 Rupees
PSX 100 (5% increase)	459,335	(411,395)
PSX 100 (5% decrease)	(459,335)	411,395

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has no long term interest bearing asset. The Group's interest rate risk arises from bank balances on saving accounts, long term financing, lease liabilities and short term borrowings. Financial instruments at variable rates expose the Group to cash flow interest rate risk. Financial instruments, if any, at fixed rate expose the Group to fair value interest rate risk.

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments was as follows:

	2025 Rupees	2024 Rupees
Fixed rate instruments		
Financial liabilities		
Long term financing	425,648,564	483,351,502
Lease liabilities	459,888,304	548,397,202
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	6,537,577	48,549,022
Financial liabilities		
Long term financing	81,333,467	101,666,668
Lease liabilities	38,294,250	94,995,311
Short term borrowings	2,352,877,670	2,064,242,674
	2,472,505,387	2,260,904,653

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the reporting date, fluctuates by 1% higher / lower with all other variables held constant, Group's profit before levy and taxation for the year would have been Rupees 24.660 million lower / higher (2024: loss before levy and taxation Rupees 22.124 million higher / lower) mainly as a result of higher / lower interest expense on lease liabilities, short term borrowings and bank balances. This analysis is prepared assuming the amounts of assets and liabilities outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025 Rupees	2024 Rupees
Long term security deposits	18,960,950	18,960,950
Long term loans to employees	2,050,938	2,985,102
Short term deposits	7,570,285	7,637,880
Trade debts	1,315,356,996	1,101,435,544
Loans and advances	198,035,202	98,360,616
Other receivables	219,804,260	100,674,993
Accrued interest	10,052	186,102
Short term investments	240,351,519	222,717,061
Bank balances	144,164,222	410,064,460
	2,146,304,424	1,963,022,708

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The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Short term	Rating Long term	Agency	2025 Rupees	2024 Rupees
Short term investments					
Engro Fertilizer Limited	A1+	AA	PACRA	9,186,705	8,227,890
First Habib Cash Fund	AA+(f)		VIS	226,827,322	210,578,977
NBP Islamic Daily Dividend Fund	AA+(f)		PACRA	617,589	558,023
UBL Liquidity Plus Fund - Class 'C'	AA+(f)		VIS	2,689,058	2,422,647
MCB Cash Management Optimizer	AA+(f)		PACRA	587,676	527,269
Meezan Rozana Amdani Fund	AA+(f)		VIS	443,170	402,255
				240,351,520	222,717,061
Banks					
Bank Alfalah Limited	A1+	AAA	PACRA	41,928,865	215,539,881
Bank AL-Habib Limited	A1+	AAA	PACRA	5,319,732	58,291,214
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	531,029	2,501,704
MCB Bank Limited	A1+	AAA	PACRA	6,003,738	5,101,165
National Bank of Pakistan	A1+	AAA	PACRA	330,268	1,281,553
Habib Bank Limited	A1+	AAA	VIS	35,008,806	46,880,754
Askari Bank Limited	A1+	AA+	PACRA	3,350,507	110,548
United Bank Limited	A1+	AAA	VIS	997,000	18,318,856
JS Bank Limited	A1+	AA	PACRA	295,438	287,137
Al-Baraka Bank (Pakistan) Limited	A1	AA-	VIS	238,399	238,399
Meezan Bank Limited	A1+	AAA	VIS	24,756,551	50,851,960
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	108,519	108,520
Faysal Bank Limited	A1+	AA	PACRA	774,056	6,061,666
Bank Makramah Limited	-	-	VIS	7,246	7,246
Samba Bank Limited	A1	AA	PACRA	600,166	647,432
Mobilink Microfinance Bank Limited	A1	A	PACRA	23,913,902	3,836,425
				144,164,222	410,064,460
				384,515,742	632,781,521

Due to the Group's business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Group. Accordingly the credit risk is minimal.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained from these customers to calculate the net exposure towards these customers.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Gross Domestic Product, unemployment, interest, and the inflation Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows:

	Sales		
	Expected loss rate	Trade debts	Loss allowance
	%	Rupees	
At 30 June 2025			
Up to 30 days	0.00%	118,045,783	-
30 to 180 days	7.11%	52,588,093	3,740,476
181 to 360 days	35.51%	4,906,112	1,742,127
Above 360 days	100.00%	7,896,628	7,896,628
		183,436,616	13,379,231
Trade debts which are not subject to risk of default		1,145,299,611	-
		1,328,736,227	13,379,231

	Sales		
	Expected loss rate	Trade debts	Loss allowance
	%	Rupees	
At 30 June 2024			
Up to 30 days	0.00%	386,686,494	-
30 to 180 days	14.71%	71,969,290	10,585,420
181 to 360 days	37.81%	14,267,422	5,394,793
Above 360 days	100.00%	2,279,640	2,279,640
		475,202,846	18,259,853
Trade debts which are not subject to risk of default		644,492,551	-
		1,119,695,397	18,259,853

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. As 30 June 2025, the Group had Rupees 916.068 million (2024: Rupees 549.070 million) available borrowing limits from financial institutions and Rupees 154.503 million (2024: Rupees 411.312 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2025:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
	Rupees					
Non-derivative financial liabilities:						
Long term financing	506,982,031	617,903,598	66,322,702	65,445,390	125,963,357	360,172,149
Lease liabilities	498,182,554	905,154,440	102,990,568	78,502,109	114,685,693	608,976,070
Long term deposits	26,000,000	26,000,000	-	-	-	26,000,000
Trade and other payables	2,684,990,766	2,682,242,739	2,682,242,739	-	-	-
Accrued mark-up	63,829,553	63,829,553	63,829,553	-	-	-
Short term borrowings	2,352,877,670	2,408,349,946	2,094,203,965	314,145,981	-	-
Unclaimed dividend	5,372,861	5,372,861	5,372,861	-	-	-
	6,138,235,435	6,708,853,137	5,014,962,388	458,093,480	240,649,050	995,148,219

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

Contractual maturities of financial liabilities as at 30 June 2024:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
			Rupees			
Non-derivative financial liabilities:						
Long term financing	585,018,170	733,571,783	64,727,369	60,561,086	120,343,606	487,939,723
Lease liabilities	643,392,513	1,082,986,993	132,409,361	94,935,663	164,213,004	691,428,965
Long term deposits	15,000,000	15,000,000	-	-	-	15,000,000
Trade and other payables	2,952,497,880	2,952,497,880	2,952,497,880	-	-	-
Accrued mark-up	98,461,634	98,461,634	98,461,634	-	-	-
Short term borrowings	2,064,242,674	2,448,658,716	794,195,096	1,654,463,620	-	-
Unclaimed dividend	5,689,417	5,689,417	5,689,417	-	-	-
	6,364,302,288	7,336,866,423	4,047,980,757	1,809,960,369	284,556,610	1,194,368,688

51.2 Financial instruments by categories

	2025		
	At amortized cost	At fair value through profit or loss	Total
	Rupees		
Financial assets			
Long term security deposits	18,960,950	-	18,960,950
Long term loans to employees	2,050,938	-	2,050,938
Short term deposits	7,570,285	-	7,570,285
Trade debts	1,315,356,996	-	1,315,356,996
Loans and advances	198,035,202	-	198,035,202
Other receivables	219,804,260	-	219,804,260
Accrued interest	10,052	-	10,052
Short term investments	-	240,351,519	240,351,519
Cash and bank balances	154,503,454	-	154,503,454
	1,916,292,137	240,351,519	2,156,643,656

	2024		
	At amortized cost	At fair value through profit or loss	Total
	Rupees		
Financial assets			
Long term security deposits	18,960,950	-	18,960,950
Long term loans to employees	2,985,102	-	2,985,102
Short term deposits	7,637,880	-	7,637,880
Trade debts	1,101,435,544	-	1,101,435,544
Loans and advances	98,360,616	-	98,360,616
Other receivables	100,674,993	-	100,674,993
Accrued interest	186,102	-	186,102
Short term investments	-	222,717,061	222,717,061
Cash and bank balances	411,312,445	-	411,312,445
	1,741,553,632	222,717,061	1,964,270,693

	At Amortized Cost	
	2025 Rupees	2024 Rupees
Financial liabilities		
Long term financing	506,982,031	585,018,170
Lease liabilities	498,182,554	643,392,513
Long term deposits	26,000,000	15,000,000
Trade and other payables	2,684,990,766	2,952,497,880
Short term borrowings	2,352,877,670	2,064,242,674
Accrued mark-up	63,829,553	98,461,634
Unclaimed dividend	5,372,861	5,689,417
	6,138,235,435	6,364,302,288

51.2.1 Reconciliation to the line items presented in the consolidated statement of financial position is as follows:

	2025		Assets as per consolidated statement of financial position
	Financial assets	Non-financial assets	
	Rupees		
Assets			
Long term security deposits	18,960,950	971,001	19,931,951
Long term loans to employees	2,050,938	-	2,050,938
Short term deposits and prepayments	7,570,285	35,355,450	42,925,735
Trade debts	1,315,356,996	-	1,315,356,996
Loans and advances	198,035,202	249,541,034	447,576,236
Other receivables	219,804,260	130,767,748	350,572,008
Accrued interest	10,052	-	10,052
Short term investments	240,351,519	-	240,351,519
Cash and bank balances	154,503,454	-	154,503,454
	2,156,643,656	416,635,233	2,573,278,889

	2025		Liabilities as per consolidated statement of financial position
	Financial liabilities	Non-financial liabilities	
	Rupees		
Liabilities			
Long term financing	506,982,031	-	506,982,031
Lease liabilities	498,182,554	-	498,182,554
Long term deposits	26,000,000	-	26,000,000
Trade and other payables	2,684,990,766	838,370,402	3,523,361,168
Short term borrowings	2,352,877,670	-	2,352,877,670
Accrued mark-up	63,829,553	-	63,829,553
Unclaimed dividend	5,372,861	-	5,372,861
	6,138,235,435	838,370,402	6,976,605,837

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

2024			
	Financial assets	Non-financial assets	Assets as per consolidated statement of financial position
	Rupees		
Assets			
Long term security deposits	18,960,950	24,352,419	43,313,369
Long term loans to employees	2,985,102	-	2,985,102
Short term deposits and prepayments	7,637,880	33,731,220	41,369,100
Trade debts	1,101,435,544	-	1,101,435,544
Loans and advances	98,360,616	289,046,492	387,407,108
Other receivables	100,674,993	210,367,052	311,042,045
Accrued interest	186,102	-	186,102
Short term investments	222,717,061	-	222,717,061
Cash and bank balances	411,312,445	-	411,312,445
	1,964,270,693	557,497,183	2,521,767,876

2024			
	Financial liabilities	Non-financial liabilities	Liabilities as per consolidated statement of financial position
	Rupees		
Liabilities			
Long term financing	585,018,170	-	585,018,170
Lease liabilities	643,392,513	-	643,392,513
Long term deposits	15,000,000	-	15,000,000
Trade and other payables	2,952,497,880	969,584,065	3,922,081,945
Short term borrowings	2,064,242,674	-	2,064,242,674
Accrued mark-up	98,461,634	-	98,461,634
Unclaimed dividend	5,689,417	-	5,689,417
	6,364,302,288	969,584,065	7,333,886,353

51.3 Offsetting financial assets and financial liabilities

As on reporting date, recongnized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

52. DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	2025 Rupees	2024 Rupees
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	-	-
Interest or mark-up accrued on any conventional loan or advance	63,829,553	98,461,634
Long-term and short-term Shariah compliant Investments	1,060,759	960,278
Shariah-compliant bank deposits, bank balances, and TDRs	25,884,771	56,352,560
Revenue earned from a Shariah-compliant business segment (Note 32)	38,858,811,104	38,858,811,104
Break-up of late payments or liquidated damages	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates	913,724	165,202
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	-	-
Exchange gain earned from actual currency	-	8,463,255
Exchange gains earned using conventional derivative financial instruments	-	-
Profit paid on Islamic mode of financing	-	-
Total Interest earned on any conventional loan or advance	33,414,160	73,175,044
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and noncompliant income		
Shariah-compliant		
Fair value gain on investment property classified as held for sale	25,000,000	-
Dividend income	913,724	1,343,359
Gain on disposal of operating fixed assets	1,827,578	2,929,079
Gain on termination of leases	10,982,771	-
Income from handling and storage services	107,323,063	29,050,833
Reversal of provision for slow moving and damaged inventory items	17,233,035	-
Reversal of provision for slow moving and obsolete store items	1,519,866	1,402,865
Amortization of deferred income - Government grant	21,771,306	23,533,790
Common facility charges	1,379,930	1,881,780
Scrap sales	-	93,967
Testing fee	53,326	-
Reversal of allowance for expected credit losses	4,880,622	-
Exchange gain - net	-	5,875,648
Rental income from HTL Express Centres	40,098,026	31,073,976
Promotional incentive	-	184,705,857
Credit balances written back	1,652,734	201,554
Miscellaneous	6,400	494,665
Non compliant		
Profit on bank deposits and term deposit receipt	9,342,101	28,273,889
Gain on disposal of short term investments	9,669	338,810
Unrealized gain on remeasurement of investments at fair value through profit or loss - net	660,978	5,212,238
Dividend income	30,484,439	41,168,393

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Relationship with shariah compliant banks:

Name	Relationship as at reporting date
Al-Baraka Bank (Pakistan) Limited	Bank balance
Meezan Bank Limited	Bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
Faysal Bank Limited	Bank balance

53. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares. Consistent with others in the industry, and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing, lease liabilities and short term borrowings as referred to in note 7, 8 and 13 to the consolidated financial statements. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

		2025	2024
Borrowings	Rupees	2,969,929,368	2,837,802,878
Total equity	Rupees	6,125,058,974	5,921,511,929
Total capital employed	Rupees	9,094,988,342	8,759,314,807
Gearing ratio	Percentage	32.65%	32.40%

The increase in gearing ratio is mainly due to increase in short term borrowings.

54. UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
Total facilities	3,894,417,000	2,953,510,000	3,814,222,298	3,462,677,000
Utilized at the end of the year	2,574,582,012	1,940,473,446	2,898,153,951	2,913,606,635
Unutilized at the end of the year	1,319,834,988	1,013,036,554	916,068,347	549,070,365

55. UTILIZATION OF THE PROCEEDS OF THE INITIAL PUBLIC OFFER (IPO)

During the year ended 30 June 2016, the Holding Company made an Initial Public Offer (IPO) through issue of 29,001,000 ordinary shares of Rupees 10 each at a price of Rupees 62.50 per share determined through book building process. Out of the total issue of 29,001,000 ordinary shares, 21,750,500 shares were subscribed through book building by High Net Worth Individuals and Institutional Investors, while the remaining 7,250,500 ordinary shares were subscribed by the General Public and the shares were duly allotted on 18 February 2016. On 01 March 2016, Pakistan Stock Exchange Limited approved the Holding Company's application for formal listing of ordinary shares and trading of shares started on 03 March 2016.

Till 30 June 2017, the Holding Company utilized the proceeds of the initial public offer of 29,001,000 ordinary shares for the purposes mentioned under heading 5.5 'Expansion Plan' in prospectus dated 28 December 2015, as per the following detail:

Purposes Mentioned Under Heading 5.5 'Expansion Plan' In Prospectus Dated 28 December 2015	Total amount	Total amount utilized till 30 June 2017
	Rupees	Rupees
Investment in HTLL		
Land	470,000,000	60,618,100
Building	128,000,000	12,486,445
Plant, machinery and equipment	139,000,000	2,719,201
Pre-operating costs	33,000,000	249,630
Working capital	842,562,500	739,126,208
	1,612,562,500	815,199,584
Investment in 100% owned subsidiary		
Additional filling lines for blending plant, Hi-Tech Blending (Private) Limited - Subsidiary Company	200,000,000	-
Total	1,812,562,500	815,199,584
IPO proceeds (A)	1,812,562,500	
Amount un-utilized (A – B)	997,362,916	

As stated in the prospectus dated 28 December 2015, the Holding Company planned to offer state of the art retail outlets across Pakistan with multitude of unique services and also planned to install additional filling lines at the blending plant of its Subsidiary Company. The plan of the year 2015-16 covered 37 grand outlets openings in 11 major cities of Pakistan including Lahore, Gujranwala, Sialkot, Faisalabad, Multan, Islamabad, Rawalpindi, Karachi and Hyderabad. Over a period of 5 years, the Holding Company planned to open 75 retail outlets (including 67 rented) across 16 major cities of Pakistan. As per quarterly progress report number 06 dated 14 July 2017, the Holding Company informed all stakeholders the progress on implementation of project: Expansion through retail outlet: 1 owned service center under regulatory approval and out of the 10 rented service centers, 1 is operational, 3 are approved and under construction, 3 are under regulatory approvals and 3 are under negotiations. Accurate, effective and timely implementation of the above plans of the Holding Company became a big challenge for the Holding Company due to expensive lands and properties at key locations in almost all the cities for express service centers. Hence, the Holding Company planned for incorporation of express centers into its fuel stations to be established under the umbrella of Oil Marketing Company (OMC) Project of the Holding Company. In this regard, the Holding Company obtained a financial feasibility report from KPMG Taseer Hadi & Co., Chartered Accountants regarding investment in OMC Project. In view of successful fulfillment of initial mandatory requirements of Oil and Gas Regulatory Authority (OGRA) for setting up of an OMC and future prospects of OMC in current international scenario as prospected under financial feasibility report, the shareholders of the Holding Company in their 9th Annual General Meeting held on 29 September 2017 approved diversion and utilization of un-utilized IPO funds from HTL express centers and wholly owned Subsidiary Company to OMC Project of the Holding Company keeping in view overall growth of the Holding Company and ultimate benefit to all shareholders and stakeholders of the Holding Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

The Project envisages setting up 360 retail outlets across Punjab, Sindh and Khyber Pakhtunkhwa Provinces of Pakistan. The fuel stations will offer full range of services such as general store, tyre shop and a car shop amongst others. To support sales, the Holding Company plans to invest in building storage capacities of 25,735 metric tons (Mogas and HSD) across the country over a period of 7 years.

During the year ended 30 June 2017, OGRA granted license to the Holding Company to establish an Oil Marketing Company (OMC), subject to some conditions. During the year ended 30 June 2018, with reference to OMC Project of the Holding Company, Oil and Gas Regulatory Authority (OGRA) has granted permission to proceed to apply/acquire No Objection Certificates (NOCs) from concerned departments including District Coordination Officer (DCO) for setting up of upto 26 retail outlets in Punjab Province with instructions that retail sales through petrol pumps can only be started after completion of necessary Storage Infrastructure, 3rd Party Inspector Report confirming that storage/depot meets OGRA's notified Technical Standards and OGRA's approval.

During the year ended 30 June 2018, the Holding Company completed its oil storage site at Sahiwal. The Holding Company also purchased land in Nowshera for oil storage site under OMC project.

On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) has granted permission to the Holding Company to operate new oil storage facility at Sahiwal and marketing of petroleum products in the Province of Punjab. The Holding Company has signed agreements with various dealers for setting up petrol pumps under the OMC project and also started construction of another storage site at Nowshera, Khyber Pakhtunkhwa.

During the year ended on 30 June 2020, the Holding Company started its OMC operations and expediently worked on completion of its Nowshera oil storage. During the year ended 30 June 2021, Holding Company has completed its oil storage at Nowshera. On 09 August 2021, OGRA acknowledged the satisfactory completion of Nowshera oil storage based on third party inspection report. During the year ended 30 June 2022, the Holding Company has started work on new oil storage facility at Shikarpur. On 16 March 2023, OGRA has granted permission to the Holding Company to operate new storage facility at Nowshera and marketing of petroleum products in the province of Khyber Pakhtunkhwa. Currently, the Holding Company has eight operational HTL Express Centers, four in Lahore, three in Karachi and one in Rawalpindi. Further, the Holding Company has sixty one retail outlets operational for sale of petroleum products as on 30 June 2025. Detail of payments out of IPO proceeds during the year ended 30 June 2025 is as follows:

	Rupees
Un-utilized IPO proceeds as at 01 July 2024	218,115,906
Add: Proceeds from Sale of Land	30,000,000
Add: Profit on bank deposits	475,864
Add: Dividend on investment in mutual funds	30,589,514
Add: Gain on disposal of investment in mutual fund	9,669
Less: Unrealised loss on investment in mutual funds	(495,199)
Less: Payments made relating to OMC Project	(84,271,679)
Less: Withholding tax on profit	(71,380)
Less: Withholding tax on dividend from mutual funds	(7,647,378)
Less: Withholding tax on disposal of mutual funds	(16,339)
Less: Bank charges	(2,376)
	186,686,602

The un-utilized proceeds of the public offer have been kept by the Holding Company in the shape of bank balances and mutual funds.

56. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on 22 September 2025 by the Board of Directors of the Holding Company.

57. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, except for reclassification as disclosed in note 2.16 to these consolidated financial statements, no significant rearrangements / reclassification have been made.

58. GENERAL

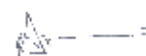
Figures have been rounded off to the nearest Rupee, unless otherwise stated.



Chief Executive



Director



Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the members of Hi-Tech Lubricants Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Hi-Tech Lubricants Limited (the Company), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the loss, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

Sr. No.	Key audit matters	How the matter was addressed in our audit
1	Revenue recognition The Company recognized net revenue from contracts with customers of Rupees 33,042.904 million for the year ended 30 June 2025. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicator of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Material accounting policy information, Revenue recognition note 2.21 to the financial statements. - Net revenue from contracts with customers as shown on the face of statement of profit or loss.	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We tested the effectiveness of the Company's internal controls over the calculation and recognition of discounts. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the financial statements.

Sr. No.	Key audit matters	How the matter was addressed in our audit
2	Stock-in-trade existence and valuation Stock-in-trade as at 30 June 2025 amounted to Rupees 731.023 million and represented a material position in the statement of financial position. Stock-in-trade is stated at lower of cost and net realizable value. We identified existence and valuation of stock-in-trade as a key audit matter due to its size, representing 9.07% of the total assets of the Company as at 30 June 2025, and the judgment involved in valuation. For further information on stock-in-trade, refer to the following: - Material accounting policy information, Stock-in-trade note 2.8 to the financial statements. - Stock-in-trade note 20 to the financial statements.	Our procedures over existence and valuation of stock-in-trade included, but were not limited to: • To test the quantity of stock-in-trade at all locations, we assessed the corresponding stock-in-trade observation instructions and participated in stock-in-trade counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. • For a sample of stock-in-trade items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets. • We tested that the ageing report used by management correctly aged stock-in-trade items by agreeing a sample of aged stock-in-trade items to the last recorded invoice. • On a sample basis, we tested the net realizable value of stock-in-trade items to recent selling prices and re-performed the calculation of the stock-in-trade write down, if any. • We assessed the percentage write down applied to older stock-in-trade with reference to historic stock-in-trade write downs and recoveries on slow moving stock-in-trade. • In the context of our testing of the calculation, we analyzed individual cost components and traced them back to the corresponding underlying documents. We furthermore challenged changes in unit costs. • We also made inquiries of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of Hi-Tech Lubricants Limited Report on the Audit of the Unconsolidated Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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



RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: 23 September 2025

UDIN: AR202510132GFUnwCVsf

STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	2025 Rupees	2024 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150,000,000 (2024: 150,000,000) ordinary shares of Rupees 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	4	1,392,048,000	1,392,048,000
Capital reserve - share premium	5	1,441,697,946	1,441,697,946
Capital reserve - surplus on revaluation of freehold land	6	829,069,706	760,858,456
Revenue reserve - un-appropriated profit		24,975,378	343,756,279
Total equity		3,687,791,030	3,938,360,681
LIABILITIES			
Non-current liabilities			
Lease liabilities	7	381,667,221	497,633,412
Long term deposits	8	26,000,000	15,000,000
		407,667,221	512,633,412
Current liabilities			
Trade and other payables	9	2,169,592,405	2,559,181,892
Accrued mark-up on short term borrowings		37,294,089	67,682,083
Short term borrowings	10	1,618,958,452	1,777,187,767
Current portion of non-current liabilities	7	131,960,736	149,684,305
Unclaimed dividend		5,372,861	5,689,417
Provision for taxation and levy - net	11	-	-
		3,963,178,543	4,559,425,464
Total liabilities		4,370,845,764	5,072,058,876
Contingencies and commitments	12		
TOTAL EQUITY AND LIABILITIES		8,058,636,794	9,010,419,557
ASSETS			
Non-current assets			
Fixed assets	13	2,656,769,927	2,771,812,271
Right-of-use assets	14	449,029,213	591,486,919
Intangible assets	15	2,709,516	1,197,692
Investment in subsidiary company	16	1,300,000,600	1,300,000,600
Long term security deposits	17	14,337,351	37,718,769
Long term loans to employees	18	1,116,772	2,050,936
Deferred income tax asset	19	121,450,261	144,162,496
		4,545,413,640	4,848,429,683
Current assets			
Stock-in-trade	20	731,022,738	1,789,235,831
Trade debts	21	1,232,490,332	1,019,801,916
Loans and advances	22	307,359,948	245,698,687
Short term deposits and prepayments	23	33,574,424	27,756,981
Other receivables	24	412,524,240	365,876,118
Accrued interest	25	10,052	3,486,137
Short term investments	26	240,351,519	222,717,061
Cash and bank balances	27	145,889,901	352,417,143
		3,103,223,154	4,026,989,874
Non-current asset classified as held for sale	28	410,000,000	135,000,000
		3,513,223,154	4,161,989,874
TOTAL ASSETS		8,058,636,794	9,010,419,557

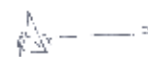
The annexed notes form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

For the year ended 30 June 2025



	Note	2025 Rupees	2024 Rupees
GROSS REVENUE FROM CONTRACTS WITH CUSTOMERS	29	35,827,893,721	26,759,270,163
Discounts		(500,531,587)	(628,306,843)
Sales tax		(2,284,458,166)	(2,114,480,990)
NET REVENUE FROM CONTRACTS WITH CUSTOMERS		33,042,903,968	24,016,482,330
COST OF SALES	30	(31,003,865,061)	(22,571,816,010)
GROSS PROFIT		2,039,038,907	1,444,666,320
DISTRIBUTION COST	31	(1,204,599,426)	(1,018,633,572)
ADMINISTRATIVE EXPENSES	32	(798,265,801)	(723,546,889)
OTHER EXPENSES	33	(53,368,412)	(54,558,901)
		(2,056,233,639)	(1,769,739,362)
OTHER INCOME	34	279,688,391	1,058,520,303
PROFIT FROM OPERATIONS		262,493,659	706,447,261
FINANCE COST	35	(405,199,105)	(544,046,620)
(LOSS) / PROFIT BEFORE LEVY AND TAXATION		(142,705,446)	162,400,641
LEVY	36	(151,998,856)	(111,560,224)
(LOSS) / PROFIT BEFORE TAXATION		(294,704,302)	50,840,417
TAXATION	37	(24,076,599)	60,563,380
(LOSS) / PROFIT AFTER TAXATION		(318,780,901)	111,403,797
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED	38	(2.29)	0.80

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

Chief Executive

Director

Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
(LOSS) / PROFIT AFTER TAXATION	(318,780,901)	111,403,797
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Surplus on revaluation of freehold land	68,211,250	4,011,500
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	68,211,250	4,011,500
Total Comprehensive (Loss) / Income For The Year	(250,569,651)	115,415,297

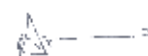
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Chief Executive



Director



Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025



	Share capital	Reserves				Total reserves	Total equity
		Capital reserve			Revenue reserve		
		Share premium	Surplus on revaluation of freehold land	Sub Total	Un-appropriated Profit		
Rupees							
Balance as at 30 June 2023	1,392,048,000	1,441,697,946	756,846,956	2,198,544,902	232,352,482	2,430,897,384	3,822,945,384
Profit for the year ended 30 June 2024	-	-	-	-	111,403,797	111,403,797	111,403,797
Other comprehensive income for the year ended 30 June 2024	-	-	4,011,500	4,011,500	-	4,011,500	4,011,500
Total comprehensive income for the year ended 30 June 2024	-	-	4,011,500	4,011,500	111,403,797	115,415,297	115,415,297
Balance as at 30 June 2024	1,392,048,000	1,441,697,946	760,858,456	2,202,556,402	343,756,279	2,546,312,681	3,938,360,681
Loss for the year ended 30 June 2025	-	-	-	-	(318,780,901)	(318,780,901)	(318,780,901)
Other comprehensive income for the year ended 30 June 2025	-	-	68,211,250	68,211,250	-	68,211,250	68,211,250
Total comprehensive loss for the year ended 30 June 2025	-	-	68,211,250	68,211,250	(318,780,901)	(250,569,651)	(250,569,651)
Balance as at 30 June 2025	1,392,048,000	1,441,697,946	829,069,706	2,270,767,652	24,975,378	2,295,743,030	3,687,791,030

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

Chief Executive

Director

Chief Financial Officer

STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Note	2025 Rupees	2024 Rupees
Cash flows from operating activities			
Cash generated from / (used in) operations	39	914,951,854	(25,217,193)
Finance cost paid		(435,587,099)	(557,384,460)
Income tax paid		(255,463,325)	(137,305,411)
Decrease in long term security deposits		14,880,000	17,589,620
Increase / (decrease) in long term deposits		11,000,000	(1,500,000)
Net cash generated from / (used in) operating activities		249,781,430	(703,817,444)
Cash flows from investing activities			
Capital expenditure on operating fixed assets		(215,606,316)	(296,131,583)
Capital expenditure on intangible assets		(2,777,527)	-
Short term loan given to subsidiary company		(512,800,000)	(391,900,000)
Short term loan repaid by subsidiary company		512,800,000	877,400,000
Proceeds from disposal of operating fixed assets		15,705,735	21,928,948
Short term investments - net		(16,963,811)	5,416,933
Dividends received		31,398,163	692,512,052
Interest received on short term loan to subsidiary company		36,714,195	115,829,997
Profit on bank deposits and term deposit receipt received		1,129,385	35,120,772
Net cash (used in) / from investing activities		(150,400,176)	1,060,177,119
Cash flows from financing activities			
Repayment of lease liabilities		(147,362,625)	(168,844,507)
Dividend paid		(316,556)	(141,327)
Short term borrowings - net		(158,229,315)	(74,368,418)
Net cash used in financing activities		(305,908,496)	(243,354,252)
Net (decrease) / increase in cash and cash equivalents		(206,527,242)	113,005,423
Cash and cash equivalents at the beginning of the year		352,417,143	239,411,720
Cash and cash equivalents at the end of the year	27	145,889,901	352,417,143

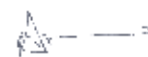
The annexed notes form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025



1. THE COMPANY AND ITS OPERATIONS

Hi-Tech Lubricants Limited ("the Company") was incorporated under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 1-A, Danepur Road, GOR-1, Lahore. The principal activity of the Company is to procure and distribute lubricants and petroleum products. During the year ended 30 June 2017, Oil and Gas Regulatory Authority (OGRA) granted license to the Company to establish an Oil Marketing Company (OMC), subject to some conditions. On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) has granted permission to the Company to operate new storage facility at Sahiwal and marketing of petroleum products in province of Punjab. On 20 January 2020, the Company has started marketing and sale of petroleum products. On 21 February 2020, OGRA has granted permission to the Company to apply for No Objection Certificates (NOCs) from concerned departments to setup petrol pumps in Khyber Pakhtunkhwa. On 09 August 2021, OGRA has acknowledged the satisfactory completion of oil storage facility at Nowshera, Khyber Pakhtunkhwa. On 13 January 2022, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2023. On 16 March 2023, OGRA has granted permission to the Company to operate new storage facility at Nowshera and marketing of petroleum products in the province of Khyber Pakhtunkhwa. On 21 December 2023, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2025.

1.1 Geographical location and addresses of all business units are as follows:

Business units	Address
Registered and head office	1-A, Danepur Road, GOR-1, Lahore
Regional office – Karachi	C-6 /1, Street No. 3, Bath Island, Clifton, Karachi
Regional office – Islamabad	Suite No. 1402, 14th Floor, Green Trust Tower, Jinnah Avenue, Blue Area, Islamabad.
Regional office – Multan	House No. 95, Block C, Phase III, Model Town, Multan
Regional office – Peshawar	Office No. 280, 3rd Floor, Deans Trade Centre, Islamia Road, Peshawar
Warehouse	Property No. 35 A/M, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore
Customs bonded warehouse	7-KM, Sundar Raiwind Road, Bhai Kot, Lahore
Warehouse	7-KM, Sundar Raiwind Road, Bhai Kot, Lahore
Oil Depot – OMC Project	Mouza No. 107/9L, Sahiwal
OMC Project office	House No. 57 C-1, Gulberg III, Lahore
Oil Depot – OMC Project	Mouza Aza Khel Bala, Nowshera
Oil Depot – Extension	Mouza Aza Khel Payan, Nowshera
HTL Express Centre	Dharampura, Lahore
HTL Express Centre	Garden Town, Lahore
HTL Express Centre	Johar Town, Lahore
HTL Express Centre	Gulistan-e-Johar, Karachi
HTL Express Centre	Askari XIV, Sector – A, Rawalpindi
HTL Express Centre	Khudadaad Colony, Karachi
HTL Express Centre	Sadi Town, Karachi
HTL Express Centre	Bahria Town, Lahore
Oil Boy Filling Station	Mouza Neel Kot, Head Muhammad Wala Road, Multan
Punjab Filling Station	Main Satiana Road, Faisalabad
Green Fuel CNG	1-KM, G.T. Road, Lalamusa
Ittehad Filling Station	Circular Road, Daska
A.B. Petroleum Filling Station	Tehsil Liaquatpur, Rahim Yar Khan
Jillani CNG	Lehtrar Road, Islamabad
Dasti Filling Station	Jampur Road, Dera Ghazi Khan
Rehman Filling Station	Chistian Road, Hasilpur
Al-Fazal Filling Station	Sargodha Road, Jhang
Ibrahim Petroleum	Sialkot Road, Gujranwala
Karma Wala-1 Filling Station	Shahkot Road, Jaranwala
Raja Adeel Filling Station	Arifwala Road, Arifwala

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

Gondal Filling Station	Daska Road, Wazirabad
City Filling Station	Hujra Shah Muqeem, Okara
Al Karam Filling Station	Shamkay Bhattian, Lahore
Green City Fuel Station	Hasilpur Road, Bahawalpur
Khokhar Fuel Station	Small Industrial Estate, Jinnah Road, Gujranwala
Minhas CNG	Multan Road, Lahore
S&S	Toba Road, Jhang
Rana Petroleum	Faisalabad Road, Okara
Mudassir Zulfiqar Filling Station	Vehari Road, Multan
Shahid & Company	Daska Road, Gujranwala
Benzina II Filling Station	Benazir Road, Okara
Nambardar Filling Station	Rawalpindi Road, Chakwal
Iftikhar Nadeem & Company	Mouza Jhawary, Dharmyal Road, Rawalpindi Cantt.
Suntrust CNG	Millat Road, Faisalabad
Meezan Filling Station	Jhang Road, Toba Tek Singh
Bahadur Filling Station	Mouza Ismail Khani, Bannu
M Nawaz Filling Station	Main Darban Road, Kotla Syedan, Dera Ismail Khan
Imdad Mir Filling Station	Mouza Ghanda, Nawab Road, Mansehra
Rahat Filling Station	Saidu Shareef Road, Tehsil Babuzai, Swat
Arab Emirate Filling Station	Mouza Bandi, Tehsil Khawaja Khela, Swat
Rashid Filling Station	Mouza Qambar-192, Tehsil Babuzai, Swat
Al Rehman Filling Station	Mouza Ismail Khani, Bannu
Naik Muhammad Filling Station	Near Bybass Thana, District Malakand
Big Khan Filling Station	Hajjiabad Malakand University Road, Chakdara
Ghuman Brothers Filling Station	Plot 105, Block K, Gulberg 3, Lahore
Khalifa Filling Station	Jhang Road, Gojra
Al Sheikh Filling Station	Main G.T Road, Gujrat
Moon CNG Filling Station	Mouza Humak, Islamabad
Aabroo Petroleum & CNG	Jaranwala-Khurianwala Road, Jaranwala
Abbasi & Khan Traders	Gujjar Kohala, Dhirkot
AL Mustafa Filling Station	Qaziwala Road, Chishtian
Shah Sardar Petroleum	Mouza Dham Thor, Murree Road, Abbottabad
Shams Petroleum Service	E-35, Hazara Expressway
Roshan Filling Station	Sheikhupura-Sargodha Road
Chawinda Filling Station	Khawaja Sardar Road, Sialkot
Jan Muhammad Filling Station	Ekka Ghund, Mohammand
Phandu Filling Station/CNG	Phandu Chowk, Umar Road, Peshawar
Four Star CNG Filling Station	Mardan Swabi Road, Bughdada
Hussain Filling Station	Near Shah Alam Pull, Charsada Road, Peshawar
Attock CNG & Filling Station	Iqbal Chowk, Choi East Attock City, Attock
Masha Allah CNG	M.C.C Kamra Road, Attock City, Attock
Al-Yousaf CNG Filling Station	Faisalabad Jhand Road, Jhang
Ekhwan Petroleum	Peshawar Road, Charsadda
Nawaz Filling Station	Tehsil Thanna Baizai, Malakand
Power Gas CNG & Filling Station	GT Road Mouza Dheri Katti Khel, Nowshera
Hill Top Filling Station	Tehsil Tara Khal, Sadhonti
Galaxy Filling Station	Main Ferozepur Road, Lahore
HTL - ONE Fuel Station	Plot No. 2, Block K, Main Boulevard, Gulberg-II, Lahore

- 1.2** These financial statements are the separate financial statements of the Company. Consolidated financial statements of the Company are prepared separately.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

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

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Useful lives, pattern of economic benefits and impairments

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of the assets for possible impairments on an annual basis. If such indication exist assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. Any change in the estimates in the future might affect the carrying amount of respective item of operating fixed assets, with a corresponding effect on the depreciation charge and impairment.

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

Impairment of investment in subsidiary company

In making an estimate of recoverable amount of the Company's investments in subsidiary company, the management considers future cash flows.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Classification of investments

The management of the Company determines the appropriate classification of its investments at the time of purchase or increase in holding and classifies its investments in accordance with IFRS 9 "Financial Instruments".

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Revaluation of freehold land and investment property classified as held for sale

Fair values of freehold land and investment property classified as held for sale are determined by independent valuer engaged by the Company. The key assumptions used to determine the fair values of freehold land and investment property classified as held for sale are complex in nature. Further, determining adjustments for any differences in nature, location and condition of freehold land and investment property classified as held for sale involves significant judgment. The effect of any changes in fair values are considered as estimate and are accounted for on a prospective basis.

Lease term for lease liability and right-of-use asset

The Company applies judgment to determine the lease term for lease contracts in which it is a lessee. The judgement significantly affects the amount of lease liabilities and right-of-use assets recognized.

Recovery of deferred income tax assets

Deferred income tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2024:

- Amendments to IAS 1 'Presentation of Financial Statements' – Classification of liabilities as current or non-current;
- Amendments to IAS 1 'Presentation of Financial Statements' – Non-current liabilities with covenants;
- Amendments to IFRS 16 'Leases' – Lease liability in a sale and leaseback transaction; and
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' – Supplier finance arrangements.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) Standards and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2025 or later periods:

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The implementation of IFRS S1 and IFRS S2 will be phased as per the SECP's order dated 31 December 2024, with different effective dates based on annual turnover, number of employees, and total assets (Criteria). Phase I will apply to listed companies having specific Criteria for annual reporting periods beginning on or after 01 July 2025. Phase II will apply to other listed companies having specific Criteria for annual reporting periods beginning on or after 01 July 2026. Phase III will cover non-listed public interest companies and remaining listed companies for annual reporting periods beginning on or after 01 July 2027.

Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' regarding the classification and measurement of financial instruments (effective for annual periods beginning on or after 01 January 2026). The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following five standards as result of the IASB's annual improvements project.

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

The above standards, amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Fixed assets

Operating fixed assets except freehold land and capital work-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition. Freehold land is stated at revalued amount less any identified impairment loss. Capital work-in-progress are stated at cost less any recognized impairment loss. All expenditure connected with specific assets incurred during installation and construction periods are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the period in which they are incurred.

Increases in the carrying amounts arising on revaluation of freehold land are recognized, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in the statement of profit or loss, the increase is first recognized in the statement of profit or loss. Decreases that reverse previous increase of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss.

Depreciation

Depreciation is charged to statement of profit or loss by applying the reducing balance method whereby cost of an asset is written off over its estimated useful life at the rates given in Note 13.1. Depreciation on additions is charged for the full month in which the asset is available for use and on deletion up to the month immediately preceding the deletion.

Useful life of assets is reviewed at each financial year end and if expectations differ from previous estimates the change is accounted for as change in accounting estimate in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

De-recognition

An item of operating fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

2.3 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition, an intangible asset is carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized from the month when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

2.4 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its

estimated useful life. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

2.5 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.6 Investment in subsidiary company

Investment in subsidiary company is stated at cost less impairment loss, if any, in accordance with the provisions of IAS 27 'Separate Financial Statements'.

2.7 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.8 Stock-in-trade

Stock-in-trade, except for stock-in-transit, is stated at lower of weighted average cost and estimated net realizable value. Cost comprises of invoice value, charges like custom duties and similar levies and other direct costs.

Cost in relation to items in transit comprises of invoice value and other charges thereon.

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

2.9 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account

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For the year ended 30 June 2025

for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2). Fair value is determined using valuation techniques that incorporate significant inputs not based on observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

2.10 Financial Liabilities - classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

2.11 Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

2.12 De-recognition of financial assets and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.13 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.15 Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.16 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in the statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in the statement of profit or loss.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Group taxation adjustments

Current and deferred taxes based on the consolidated results of the Group (under Section 59AA of the Income Tax Ordinance, 2001) are allocated within the Group on the basis of separate return method, modified for determining realizability of tax credits and tax losses which are assessed at Group level. Any adjustments in the current and deferred taxes of the Company on account of group taxation are credited or charged to statement of profit or loss in the year in which they arise.

2.17 Borrowings

Financing and borrowings are initially recognized at fair value of the consideration received, net of transaction costs. They are subsequently measured at amortized cost using the effective interest method.

2.18 Borrowing costs

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of cost of that asset.

2.19 Trade debts and other receivables

Trade debts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.20 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.21 Revenue recognition

(a) Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

(b) Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(c) Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

(d) Rental income

The Company earns rental income on some of its property leased out. Rental income is recognized on accrual basis over the period of lease agreement as per the requirements of IFRS 16.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

2.22 Contract assets

Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

2.23 Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

2.24 Customer fulfilment costs

Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

2.25 Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

2.26 Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

2.27 Refund liabilities

Refund liabilities are recognised where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology

2.28 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief executive officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief executive officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has following reportable business segments:

- Lubricants (purchase and sale of lubricants, parts and rendering of services).
- Petroleum products (Marketing and sale of petroleum products).

2.29 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the

outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.30 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as investment property that are carried at fair value, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

2.31 Investment property

Land held for capital appreciation or to earn rental income is classified as investment property. Investment property is carried at fair value.

Independent valuation is performed periodically, the carrying amount is reviewed against the valuation and adjustment is made where there is material change. Increase in the carrying amount arising on revaluation of investment property is recognised in the statement of profit or loss.

3 SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures are rounded off to the nearest of Pak Rupees.

3.2 Employee benefits

The Company operates a contributory provident fund scheme covering all regular employees. Equal monthly contributions are made by the Company and employees to the fund at the rate of 10% of basic salary of employees. The Company's contributions to the fund are charged to statement of profit or loss.

3.3 Ijarah contracts

Under the Ijarah contracts the Company obtains usufruct of an asset for an agreed period for an agreed consideration. The Company accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Company as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit and loss on straight line basis over the Ijarah term.

3.4 Share capital

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

3.5 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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3.6 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of fixed assets are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

3.7 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

3.8 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.9 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2025 (Number of shares)			2025 Rupees	2024 Rupees
2025	2024			
41,002,000	41,002,000	Ordinary shares of Rupees 10 each fully paid-up in cash	410,020,000	410,020,000
25,000,000	25,000,000	Ordinary shares of Rupees 10 each issued as fully paid for consideration other than cash (Note 4.2)	250,000,000	250,000,000
73,202,800	73,202,800	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	732,028,000	732,028,000
139,204,800	139,204,800		1,392,048,000	1,392,048,000

4.1 993,330 (2024: 993,330) ordinary shares of the Company are held by SK Enmove Co., Ltd. - principal supplier and long term partner.

4.2 On 01 July 2011, the Company entered into 'Agreement for Takeover of Partnership Firm by Private Limited Company / Dissolution of Partnership' ("the Agreement") with partners of Hi-Tec Lubricants, a registered partnership firm ("the Firm") and took over all the business, assets and liabilities of the Firm, as per audited financial statements of Hi-Tec Lubricants for the year ended 30 June 2011, against consideration of issuance of shares of the Company amounting to Rupees 250,000,000 divided into 2,500,000 ordinary shares of Rupees 100 each.

4.3 The principal shareholders of the Company and SK Enmove Co., Ltd. - principal supplier and long term partner have a shareholders agreement in place. The parties to the agreement have agreed on certain board of directors' unanimous resolution items such as direct or indirect engagement in lubricant products under the brand name of the Company or any other party other than SK Enmove Co., Ltd., engagement with other companies engaged in lubricants business, lubricants business reorganizations, etc. The principal shareholders have undertaken to hold, in aggregate, at all times 51% shares or more of the Company.

5. CAPITAL RESERVE - SHARE PREMIUM

This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

	2025 Rupees	2024 Rupees
6. CAPITAL RESERVE - SURPLUS ON REVALUATION OF FREEHOLD LAND		
As at 01 July	760,858,456	756,846,956
Add: Surplus on revaluation of freehold land	68,211,250	4,011,500
As at 30 June	829,069,706	760,858,456
7. LEASE LIABILITIES		
Total lease liabilities	513,627,957	647,317,717
Less: Current portion shown under current liabilities	(131,960,736)	(149,684,305)
	381,667,221	497,633,412

	2025 Rupees	2024 Rupees
7.1 Reconciliation of lease liabilities is as follows:		
Opening balance	647,317,717	642,881,321
Add: Additions during the year	50,230,486	162,958,870
Add: Interest accrued during the year (Note 35)	79,207,002	86,094,950
Add: Impact of lease modifications during the year	-	10,367,143
Less: Impact of lease reassessment during the year	-	(45,110)
Less: Impact of lease terminations during the year	(36,529,744)	-
Less: Payments made during the year	(226,597,504)	(254,939,457)
	513,627,957	647,317,717
Less: Current portion shown under current liabilities	(131,960,736)	(149,684,305)
	381,667,221	497,633,412
7.2 Maturity analysis of lease liabilities is as follows:		
Upto 6 months	103,996,048	126,409,995
6-12 months	79,507,589	88,707,146
1-2 year	116,096,854	167,213,004
More than 2 years	635,976,070	721,428,965
	935,576,561	1,103,759,110
Less: Future finance cost	(421,948,604)	(456,441,393)
Present value of lease liabilities	513,627,957	647,317,717
7.3 Amounts recognised in the statement of profit or loss:		
Interest accrued during the year (Note 35)	79,207,002	86,094,950
Expense relating to leases of low-value assets (included in distribution cost)	7,108,252	3,628,183
Total amount recognised in statement of profit or loss	86,315,254	89,723,133

7.4 Implicit rates against lease liabilities range from 7.40% to 24.48% (2024: 7.40% to 25.93%) per annum.

7.5 Leases from banking companies are secured against the leased assets, personal guarantees of directors and security deposits of Rupees 22.373 million (2024: Rupees 37.253 million).

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For the year ended 30 June 2025

8. LONG TERM DEPOSITS

- 8.1** These are unsecured, interest free and repayable on termination of agreements. These security deposits have been utilized for the purpose of business in accordance with under process amendments to the terms of written agreements.

	2025 Rupees	2024 Rupees
9. TRADE AND OTHER PAYABLES		
Creditors (Note 9.1)	1,635,649,710	1,939,866,846
Accrued liabilities	101,739,890	54,512,126
Advance against sale of 'non-current asset classified as held for sale'	30,000,000	-
Infrastructure development cess payable	67,555,065	67,555,065
Contract liabilities - unsecured	97,876,737	56,960,090
Retention money payable	-	11,767,201
Customs duty payable	73,459,179	357,617,418
Income tax deducted at source	29,599,311	29,161,466
Workers' profit participation fund payable (Note 9.2)	7,197,584	-
Workers' welfare fund payable (Note 9.3)	18,711,932	15,889,350
Payable to Hi-Tech Blending (Private) Limited - subsidiary company (Note 9.4)	102,100,105	25,745,187
Payable to employees' provident fund trust	5,702,892	107,143
	2,169,592,405	2,559,181,892

- 9.1** These include Rupees 622.959 million (2024: Rupees 244.023 million) and Rupees Nil (2024: Rupees 107.151 million) payable to Hi-Tech Blending (Private) Limited - subsidiary company and SK Enmove Co., Ltd. - principal supplier and long term partner respectively.

	2025 Rupees	2024 Rupees
9.2 Workers' profit participation fund		
Balance as on 01 July	-	22,682,575
Add: Provision for the year	7,197,584	-
Add: Interest for the year (Note 35)	-	5,252,760
	7,197,584	27,935,335
Less: Payment made during the year	-	(27,935,335)
Balance as on 30 June	7,197,584	-

- 9.2.1** The Company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profit (Workers' Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

	2025 Rupees	2024 Rupees
9.3 Workers welfare fund		
Balance as on 01 July	15,889,350	15,889,350
Add: Provision for the year	2,822,582	-
Balance as on 30 June	18,711,932	15,889,350

- 9.4** The Company and Hi-Tech Blending (Private) Limited - subsidiary company have opted for group taxation as one fiscal unit under section 59AA of the Income Tax Ordinance, 2001. As on reporting date, the Company's share under group taxation after netting of advance tax has been recognized as payable to Hi-Tech Blending (Private) Limited - subsidiary company.

	2025 Rupees	2024 Rupees
10. SHORT TERM BORROWINGS		
From banking companies - secured		
Short term finances (Note 10.1 and Note 10.2)	1,618,958,452	1,777,187,767

10.1 These finances are obtained from banking companies under mark-up arrangements and are secured against trust receipts, first joint pari passu hypothecation charge over present and future current assets of the Company, personal guarantees of sponsor directors of the Company and hypothecation charge over land, building and plant and machinery of Hi-Tech Blending (Private) Limited - subsidiary company.

10.2 The effective rates of mark-up ranged from 12.23% to 22.99% (2024: 21.19% to 28%) per annum.

	2025 Rupees	2024 Rupees
11. PROVISION FOR TAXATION AND LEVY- NET		
Advance income tax - net		
Advance income tax	148,653,496	105,183,461
Less: Provision for taxation	(1,364,364)	-
	147,289,132	105,183,461
Levy - net		
Prepaid levy	4,709,724	6,376,763
Less: Levy payable	(151,998,856)	(111,560,224)
	(147,289,132)	(105,183,461)
	-	-

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

12.1.1 Deputy Commissioner Inland Revenue (DCIR) passed an order under section 122(1) and 122(5A) of the Income Tax Ordinance, 2001 for tax year 2013 whereby a demand of Rupees 83.595 million has been raised. On 26 October 2018, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. CIR(A) vide order dated 18 December 2018 upheld some of the additions made by DCIR and also directed the DCIR to give opportunity of hearing to the Company in one of the said matters. Being aggrieved by the order of CIR(A), the Company filed appeal before the Appellate Tribunal Inland Revenue (ATIR) on 19 May 2021. ATIR decided the case in favour of the Company. The tax authorities have filed an income tax reference before Honourable Lahore High Court, Lahore against the order of the ATIR which is pending for adjudication. No provision against the case has been made in these financial statements, as the management, based on the advice of the legal counsel, is confident of favorable outcome of litigation.

12.1.2 During the year ended 30 June 2018, assessment under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2014 was finalized by the Deputy Commissioner Inland Revenue (DCIR) creating a demand of Rupees 18.207 million against the Company. Being aggrieved, the Company filed an appeal before the CIR(A) on 14 November 2017 who decided the case in favor of the Company and reduced the total demand to Rupees 0.191 million. However, the department filed an appeal against the order of CIR(A) before the ATIR on 31 March 2018. On 09 April 2024, ATIR granted partial relief to the Company and confirmed demand of Rupees 0.563 million. Further, ATIR remanded back the issue relating to default surcharge to assessing officer for fresh calculation. No remand back proceedings have been initiated by the department yet. No provision has been recognized in these financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

12.1.3 Deputy Commissioner Inland Revenue (DCIR) passed an assessment order on 28 November 2018 under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2015 whereby a demand of Rupees 22.358 million has been raised. On 21 December 2018, the Company filed an appeal before the CIR(A) against the order of DCIR. CIR(A) accepted the Company's stance on certain issues assailed in the appeal and reduced the aggregate demand to Rupees 10.735 million. Being aggrieved by the order of CIR(A), the Company and tax

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department filed appeals before ATIR. On 25 August 2025, subsequent to the reporting period, ATIR dismissed the department's appeal and upheld the relief provided by CIR(A). However, ATIR also dismissed the Company's appeal on 25 August 2025, subsequent to the reporting period, based on the grounds that judgement of Honourable Sindh High Court as well as various earlier judgements of ATIR on similar issue exists. However, the management is in the process of filing income tax reference before Honourable Lahore High Court, Lahore against the order passed by ATIR. No provision against the case has been made in these financial statements, as the management, based on the advice of the legal counsel, is confident of favorable outcome of the matter.

12.1.4 On 27 June 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2016 whereby a demand of Rupees 5.467 million including default surcharge has been raised against the Company on account of non / short deduction of withholding tax in respect of certain payments. The Company filed an appeal before CIR(A) against the order of DCIR. On 17 November 2022, CIR(A) decided the appeal in favor of the Company. On 12 January 2023, the tax department has filed appeal before the ATIR against the order passed by CIR(A) which is pending adjudication. No provision has been recognized in these financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

12.1.5 On 24 March 2022, the Deputy Commissioner Inland Revenue (DCIR) has issued an amended assessment order under section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2018 creating a demand of Rupees 1,115.673 million on account of various issues. Against the aforesaid order, the Company preferred an appeal before CIR(A) on 19 April 2022. On 29 August 2022, CIR(A) provided the partial relief to the Company. However, in respect of various issues, the matter has been remanded back to the department for fresh consideration. Against the order of CIR(A), the Company has filed an appeal before ATIR, which is pending adjudication. The management, based on the advice of tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

12.1.6 On 26 February 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 177 and section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2019 whereby a demand of Rupees 843.451 million has been raised against the Company on various issues. Against the order of DCIR, the Company preferred an appeal before CIR(A) on 22 March 2022. On 16 May 2022, CIR(A) vacated the tax demand. However, in respect of certain issues, the case has been remanded back to assessing officer for fresh consideration. On 13 July 2022, the tax authorities have filed an appeal before ATIR against the order of CIR(A) which is pending adjudication. The management, based on the advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

12.1.7 During the year ended 30 June 2020, Deputy Commissioner Inland Revenue (DCIR) issued a notice to recover an amount of Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001. The Company through its tax advisor submitted its reply that liability on account of super tax did not arise for subject year. However, on 29 September 2021, DCIR confirmed the matter and re-issued an order to recover Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001. Against the aforesaid order, the Company preferred an appeal before CIR(A). On 25 February 2022, CIR(A) remanded back the case to department for fresh consideration. However, these remand back proceedings have not been initiated yet. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

12.1.8 On 28 February 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2016 to June 2017 creating a demand of Rupees 1,353.135 million along with penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990. Against the aforesaid order, the Company preferred an appeal before CIR(A) on 22 March 2022. On 27 May 2022, CIR(A) provided partial relief to the Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Company and tax department filed appeals before ATIR. On 07 December 2022, ATIR accepted the Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. On 12 December 2024, ATIR disposed of the appeal filed by tax department and remanded back the case to assessing officer for fresh consideration. Being aggrieved with the order of ATIR, the Company has filed a sales tax reference before the Honourable Lahore High Court, Lahore on 17 January 2025 which is pending adjudication. On 02 February 2025, the tax department has initiated remand back proceedings in accordance with the directives of ATIR. The management, based on advise of the legal advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

12.1.9 On 15 March 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2018 to June 2019 creating a demand of Rupees 901.257 million alongwith penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990. Against the aforesaid order, the Company preferred an appeal before CIR(A) on 11 April 2022. On 31 May 2022, CIR(A) provided partial relief to the Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of

CIR(A), the Company and tax department filed appeals before ATIR. On 07 December 2022, ATIR accepted the Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. On 10 September 2024, ATIR disposed of the appeal filed by the department in favour of the Company. No legal proceedings against the order passed by ATIR have been initiated by the department yet.

- 12.1.10** On 30 May 2023, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2017 whereby a demand of Rupees 22.545 million including default surcharge has been raised against the Company on account of non / short deduction of withholding tax in respect of certain payments. On 25 June 2023, the Company filed an appeal before CIR(A). On 01 January 2024, CIR(A) granted partial relief to the Company and accepted the Company's stance in respect of certain matters. Further, CIR(A) remanded back certain matters to assessing officer for verification of Company's position. However, the department has not yet initiated the remand back proceedings. The management, based on advice of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.
- 12.1.11** On 06 February 2019, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 4B of the Income Tax Ordinance, 2001 for the tax year 2018 whereby a demand of Rupees 29.323 million was raised. Being aggrieved with the order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 04 March 2019. On 16 May 2019, CIR(A) upheld the order of DCIR. Being aggrieved with the order of CIR(A), the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on 29 May 2019. On 17 April 2024, ATIR passed an order and upheld the decision of CIR(A). Being aggrieved with the order, the Company filed Income Tax Reference before Lahore High Court, Lahore on 02 September 2024, which is pending for hearing. The management, based on advice of legal advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.
- 12.1.12** On 01 March 2024, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2020 to recover an amount of Rupees 43.575 million in respect of withholding tax default along with default surcharge of Rupees 19.168 million. The Company filed an application before Commissioner Inland Revenue (CIR) on the grounds that the order was passed without considering the documents / records submitted by the Company. On 07 March 2024, CIR set aside the order of DCIR and remanded back the case to assessing officer. The remand back proceedings have not been initiated yet. The management, based on advice of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.
- 12.1.13** On 18 March 2024, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for tax periods from July 2018 to June 2019 creating a demand of Rupees 405.983 million along with default surcharge and penalty on the issue of difference between value of closing stocks as per Company's financial statements and the amount adopted in sales tax declaration. Against the aforesaid order, the Company preferred an appeal before CIR(A) which is pending for hearing. The management, based on advice of the tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.
- 12.1.14** Corporate guarantees of Rupees 2,967.5 million (2024: Rupees 2,967.5 million) have been given by the Company to the banks in respect of financing to Hi-Tech Blending (Private) Limited - subsidiary company.
- 12.1.15** Guarantee of Rupees 58 million (2024: Rupees 58 million) is given by the bank of the Company to Director Excise and Taxation, Karachi against disputed amount of infrastructure cess.
- 12.1.16** Guarantees of Rupees 22.314 million (2024: Rupees 22.314 million) are given by the bank of the Company to Chairman, Punjab Revenue Authority, Lahore against disputed amount of infrastructure cess.
- 12.1.17** Guarantees of Rupees 15 million (2024: Rupees 15 million) and Rupees 2.25 million (2024: Rupees 2.25 million) are given by the banks of the Company to Total Parco Pakistan Limited and Pakistan State Oil Company Limited respectively against fuel cards obtained by the Company for its employees.

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	2025 Rupees	2024 Rupees
12.2 Commitments		
12.2.1 For capital expenditures	39,705,429	30,816,991
12.2.2 Letters of credit other than for capital expenditures	-	39,705,429

12.2.3 Following represent commitments arising from short-term leases recognized on a straight-line basis as expense under the practical expedients applied by the Company. The amount of future payments under these leases and the period in which these payments will become due are as follows:

	2025 Rupees	2024 Rupees
Not later than 1 year	5,329,848	4,181,000
Later than 1 year	42,408,096	37,908,000

13. FIXED ASSETS		
Operating fixed assets (Note 13.1)	2,565,629,540	2,608,162,726
Capital work-in-progress (Note 13.2)	91,140,387	163,649,545
	2,656,769,927	2,771,812,271

13.1 Operating fixed assets

Reconciliation of the carrying amounts of operating fixed assets at the beginning and at the end of the year is as follows:

Description	Categories										Total
	Freehold land	Buildings on freehold land	Buildings on leasehold land	Machinery	Tanks and pipelines	Dispensing pumps	Furniture and fittings	Vehicles	Leasehold improvements	Office equipment	Computers
Rupees											
At 30 June 2023											
Cost / revalued amount	1,276,357,250	503,397,673	468,534,214	84,867,358	254,045,372	56,268,371	27,610,519	247,786,717	4,463,125	180,194,810	54,191,685
Accumulated depreciation	-	(146,602,635)	(157,446,355)	(30,365,773)	(54,687,697)	(8,817,265)	(15,079,505)	(197,549,056)	(1,819,923)	(64,832,071)	(31,561,089)
Net book value	1,276,357,250	356,795,038	311,087,859	54,501,585	199,357,675	47,451,106	12,531,014	60,237,661	2,643,202	115,362,739	22,630,596
Year ended 30 June 2024											
Opening net book value	1,276,357,250	356,795,038	311,087,859	54,501,585	199,357,675	47,451,106	12,531,014	60,237,661	2,643,202	115,362,739	22,630,596
Additions	-	-	143,874,264	1,605,460	47,146,502	39,978,545	1,960,722	8,000,973	-	1,057,737	16,038,145
Revaluation surplus	4,011,500	-	-	-	-	-	-	-	-	-	-
Transferred from right-of-use assets:											
Cost	-	-	-	-	-	-	-	96,470,329	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	(49,139,981)	-	-	-
	-	-	-	-	-	-	-	47,330,348	-	-	-
Deposits:											
Cost	-	-	(3,834,385)	-	(1,926,050)	-	-	(17,650,654)	-	-	(7,108,194)
Accumulated depreciation	-	-	1,373,735	-	572,638	-	-	7,583,178	-	-	4,458,912
	-	-	(2,460,650)	-	(1,353,412)	-	-	(10,067,476)	-	-	(2,650,282)
Write-off:											
Cost	-	(2,503,363)	(7,085,938)	-	-	-	-	-	-	-	-
Accumulated depreciation	-	695,270	2,818,435	-	-	-	-	-	-	-	-
	-	(1,808,093)	(4,267,503)	-	-	-	-	-	-	-	-
Depreciation	-	(35,498,695)	(37,724,783)	(5,509,571)	(17,451,912)	(6,742,444)	(1,391,857)	(14,139,122)	(528,640)	(11,606,996)	(8,595,759)
Closing net book value	1,280,368,750	319,489,250	410,509,187	50,597,474	227,698,653	80,687,207	13,099,879	91,362,384	2,114,562	104,813,480	27,422,700
At 30 June 2024											
Cost / revalued amount	1,280,368,750	500,894,310	601,488,155	86,472,818	299,265,824	96,246,916	29,571,241	334,607,365	4,463,125	181,252,547	63,120,636
Accumulated depreciation	-	(181,406,060)	(190,978,968)	(35,875,344)	(71,566,971)	(15,559,709)	(16,471,362)	(243,244,981)	(2,348,563)	(76,438,067)	(35,697,936)
Net book value	1,280,368,750	319,488,250	410,509,187	50,597,474	227,698,853	80,687,207	13,099,879	91,362,384	2,114,562	104,813,480	27,422,700
Year ended 30 June 2025											
Opening net book value	1,280,368,750	319,488,250	410,509,187	50,597,474	227,698,853	80,687,207	13,099,879	91,362,384	2,114,562	104,813,480	27,422,700
Additions	-	170,617,511	14,858,411	25,431,870	38,111,672	23,322,027	2,358,811	1,130,803	-	1,041,065	11,243,404
Revaluation surplus	68,211,250	-	-	-	-	-	-	-	-	-	-
Transferred from right-of-use assets:											
Cost	-	-	-	-	-	-	-	79,026,315	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	(36,789,919)	-	-	-
	-	-	-	-	-	-	-	42,236,396	-	-	-
Deposits:											
Cost	-	-	-	-	(578,690)	(1,911,654)	-	(20,015,367)	-	-	(5,295,052)
Accumulated depreciation	-	-	-	-	174,875	732,136	-	10,940,641	-	-	2,630,902
	-	-	-	-	(403,815)	(1,179,518)	-	(9,174,726)	-	-	(2,664,150)
Written-off:											
Cost	-	-	(17,871,926)	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	9,044,056	-	-	-	-	180,056	-	-	77,765
	-	-	(8,827,870)	-	-	-	-	(165,932)	-	-	(4,275)
Transferred to 'non-current assets classified as held for sale'	(250,000,000)	-	-	-	-	-	-	-	-	-	-
Depreciation	-	(47,208,312)	(41,757,121)	(6,613,022)	(19,123,609)	(9,881,363)	(1,456,138)	(21,434,898)	(422,912)	(10,535,348)	(10,242,297)
Closing net book value	1,096,590,000	442,896,449	374,782,607	69,416,322	246,283,001	92,948,353	13,636,620	104,119,959	1,691,650	95,319,137	25,755,382
At 30 June 2025											
Cost / revalued amount	1,096,590,000	671,511,821	598,474,640	111,904,688	336,798,706	117,657,289	31,584,064	394,749,116	4,463,125	182,293,612	68,986,948
Accumulated depreciation	-	(226,615,372)	(223,692,033)	(42,488,866)	(90,515,705)	(24,708,536)	(17,747,444)	(290,629,157)	(2,771,475)	(86,974,415)	(43,231,566)
Net book value	1,096,590,000	442,896,449	374,782,607	69,416,322	246,283,001	92,948,353	13,636,620	104,119,959	1,691,650	95,319,137	25,755,382
Annual rate of depreciation (%)	-	10	10	10	8	10	10	20	20	10	30

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13.1.1 Detail of operating fixed assets exceeding the book value of Rupees 500,000 disposed of during the year is as follows:

Description	Quantity Nos.	Cost	Accumulated depreciation	Net book value	Sale Proceeds	Gain / (loss)	Mode of disposal	Particulars of purchasers
Rupees								
Vehicles								
Honda Civic - LEB - 18A - 6311	1	2,987,635	2,210,971	776,664	3,000,000	2,223,336	Company policy	Mr. Shahzad Sohail, Company's employee, Lahore
Hyundai Tucson - BL - 0107	1	7,074,150	2,905,118	4,169,032	5,512,000	1,342,968	Company policy	Mr. Syed Javed Mohsin, Company's employee, Lahore
Honda City - AGG - 825	1	3,452,730	1,826,111	1,626,619	3,200,000	1,573,381	Company policy	Mr. Rana Junaid Ullah Minhas, Company's employee, Lahore
Honda City - BWT - 214	1	2,997,500	1,297,584	1,699,916	-	(1,699,916)	Company policy	Mr. Qaiser Khan, Company's ex-employee, Lahore
Dispensing Pump	1	842,829	335,888	506,941	1,370,835	863,894	Negotiation	Karmawala Filling Station, Faisalabad
		17,354,844	8,575,672	8,779,172	13,082,835	4,303,663		
Aggregate of other items of operating fixed assets with individual book values not exceeding Rupees 500,000		10,445,919	5,802,882	4,643,037	2,622,900	(2,020,137)		
		27,800,763	14,378,554	13,422,209	15,705,735	2,283,526		

13.1.2 The depreciation charge on operating fixed assets for the year has been allocated as follows:

	2025 Rupees	2024 Rupees
Distribution cost (Note 31)	107,107,024	107,868,799
Administrative expenses (Note 32)	61,568,996	31,320,980
	168,676,020	139,189,779

13.1.3 Buildings on leasehold land include two warehouses and water tank having net book value of Rupees 100.662 million (2024: Rupees 111.553 million) constructed on the land owned by Hi-Tech Blending (Private) Limited - subsidiary company. The Company has entered into a lease agreement for 20 years with Hi-Tech Blending (Private) Limited - subsidiary company ending on 30 June 2036, against a piece of land measuring 45 Kanals where the aforesaid warehouses and water tank are constructed.

13.1.4 Particulars of immovable properties including capital work-in-progress (i.e. land and buildings) are as follows:

Location	Usage of Immovable Property	Total area of land Acres	Covered area of building Square feet
Property No. 35 A/M, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	Warehouse	0.69	21,965
Mouza No. 107/9L, Sahiwal	Oil depot	6.70	199,513
Mouza Aza Khel Bala, Nowshera	Oil depot	8.89	9,257
Mouza Ali Murad Kalhoro, Indus Highway, Shikarpur (under construction)	Oil depot	8.50	56,307
HTL - ONE Fuel Station - Plot No. 2, Block K, Main Boulevard, Gulberg-II, Lahore	Retail outlet	0.39	1,847
7-KM, Sundar Raiwind Road, Bhai Kot, Lahore	Warehouse - 1	-	49,658
7-KM, Sundar Raiwind Road, Bhai Kot, Lahore	Warehouse - 2	-	53,348
Oil Boy Filling Station - Mouza Neel Kot, Head Muhammad Wala Road, Multan	Dealer of retail outlet	-	2,818
S&S - Toba Road, Jhang	Dealer of retail outlet	-	3,310
Punjab Filling Station - Main Satiana Road, Faisalabad	Dealer of retail outlet	-	2,821
Ittehad Filling Station - Circular Road, Daska	Dealer of retail outlet	-	3,276
Green Fuel CNG - 1-KM, G.T. Road, Lalamusa	Dealer of retail outlet	-	4,981

Location	Usage of Immovable Property	Total area of land	Covered area of buildings
		Acres	Square feet
A.B. Petroleum Filling Station - Tehsil Liaquatpur, Rahim Yar Khan	Dealer of retail outlet	-	3,054
Jillani CNG - Lehtrar Road, Islamabad	Dealer of retail outlet	-	2,650
Dasti Filling Station - Jampur Road, Dera Ghazi Khan	Dealer of retail outlet	-	1,815
Rehman Filling Station - Chistian Road, Hasilpur	Dealer of retail outlet	-	2,525
Al-Fazal Filling Station - Sargodha Road, Jhang	Dealer of retail outlet	-	2,121
Ibrahim Petroleum - Sialkot Road, Gujranwala	Dealer of retail outlet	-	3,185
Karma Wala-1 Filling Station - Shahkot Road, Jaranwala	Dealer of retail outlet	-	2,059
Raja Adeel Filling Station - Arifwala Road, Arifwala	Dealer of retail outlet	-	2,892
Gondal Filling Station - Daska Road, Wazirabad	Dealer of retail outlet	-	1,493
City Filling Station - Hujra Shah Muqeem, Okara	Dealer of retail outlet	-	962
Al-Karam Filling Station - Shamkay Bhattian, Lahore	Dealer of retail outlet	-	6,633
Green City Fuel Station - Hasilpur Road, Bahawalpur	Dealer of retail outlet	-	1,289
Khokhar Fuel Station - Small Industrial Estate, Jinnah Road, Gujranwala	Dealer of retail outlet	-	1,175
Minhas CNG - Multan Road, Lahore	Dealer of retail outlet	-	841
Rana Petroleum - Faisalabad Road, Okara	Dealer of retail outlet	-	2,633
Mudassir Zulfiqar Filling Station - Vehari Road, Multan	Dealer of retail outlet	-	8,084
Shahid & Company - Daska Road, Gujranwala	Dealer of retail outlet	-	6,396
Benzina II Filling Station - Benazir Road, Okara	Dealer of retail outlet	-	4,709
Nambardar Filling Station - Rawalpindi Road, Chakwal	Dealer of retail outlet	-	5,875
Iftikhar Nadeem & Company - Mouza Jhawary, Dharmyal Road, Rawalpindi Cantt.	Dealer of retail outlet	-	5,162
Suntrust CNG - Millat Road, Faisalabad	Dealer of retail outlet	-	4,086
Meezan Filling Station - Jhang Road, Toba Tek Singh	Dealer of retail outlet	-	6,227
M Nawaz Filling Station - Main Darban Road, Kotla Syedan, Dera Ismail Khan	Dealer of retail outlet	-	8,966
Big Khan Filling Station - Hajiabad Malakand University Road, Chakdara	Dealer of retail outlet	-	4,872
Imdad Mir Filling Station - Mouza Ghanda, Nawab Road, Mansehra	Dealer of retail outlet	-	3,368
Bahadur Filling Station - Mouza Ismail Khani, Bannu	Dealer of retail outlet	-	1,527
Arab Emirate Filling Station - Mouza Bandi, Tehsil Khawaja Khela, Swat	Dealer of retail outlet	-	4,580
Rashid Filling Station - Mouza Qambar-192, Tehsil Babuzai, Swat	Dealer of retail outlet	-	1,369
Al - Rehman Filling Station - Mouza Ismail Khani, Bannu	Dealer of retail outlet	-	2,022
Naik Muhammad Filling Station - Near Bybass Thana, District Malakand	Dealer of retail outlet	-	1,620
Ghuman Brothers - Plot 105, Block K, Gulberg 3, Lahore	Dealer of retail outlet	-	1,667
Khalifa Filling Station - Jhang Road, Gojra	Dealer of retail outlet	-	2,120
Al-Sheikh Filling Station - Main G.T Road, Gujrat	Dealer of retail outlet	-	4,030
Moon CNG Filling Station - Mouza Humak, Islamabad	Dealer of retail outlet	-	1,893
Aabroo Petroleum & CNG - Jaranwala - Khurianwala Road, Jaranwala	Dealer of retail outlet	-	4,692

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For the year ended 30 June 2025

Location	Usage of Immovable Property	Total area of land	Covered area of buildings
		Acres	Square feet
Abbasi & Khan Traders - Gujjar Kohala, Dhirkot	Dealer of retail outlet	-	1,284
Al-Mustafa Filling Station - Qaziwala Road, Chishtian	Dealer of retail outlet	-	1,981
Shah Sardar Petroleum - Mouza Dham Thor, Murree Road, Abbottabad	Dealer of retail outlet	-	3,301
Shams Petroleum Service - E-35, Hazara Expressway	Dealer of retail outlet	-	1,320
Roshan Filling Station - Sheikhpura - Sargodha Road	Dealer of retail outlet	-	2,645
Chawinda Filling Station - Khawaja Sardar Road, Sialkot	Dealer of retail outlet	-	6,876
Jan Muhammad Filling Station - Ekka Ghund, Mohammand	Dealer of retail outlet	-	1,038
Phandu Filling Station/CNG - Phandu Chowk, Umar Road, Peshawar	Dealer of retail outlet	-	3,941
Four Star CNG Filling Station - Mardan Swabi Road, Bughdada	Dealer of retail outlet	-	1,503
Hussain Filling Station - Near Shah Alam Pull, Charsada Road, Peshawar	Dealer of retail outlet	-	3,565
Attock CNG & Filling Station - Iqbal Chowk, Choi East Attock City, Attock	Dealer of retail outlet	-	1,318
Rahat Fuel Station - Saidu Shareef Road, Tehsil Babuzai, Swat	Dealer of retail outlet	-	252
Masha Allah CNG - M.C.C Kamra Road, Attock City, Attock	Dealer of retail outlet	-	2,125
Al-Yousaf CNG Filling Station - Faisalabad Jhand Road, Jhang	Dealer of retail outlet	-	1,389
Ekhwan Petroleum, Peshawar Road, Charsadda	Dealer of retail outlet	-	3,350
Nawaz Filling Station - Tehsil Thanna Baizai, Malakand	Dealer of retail outlet	-	8,970
Power Gas CNG & Filling Station - GT Road Mouza Dheri Katti Khel, Nowshera	Dealer of retail outlet	-	3,164
Hill Top Filling Station - Tehsil Tara Khal, Sadhonti	Dealer of retail outlet	-	1,167
Galaxy Filling Station - Main Ferozepur Road, Lahore	Dealer of retail outlet	-	1,970
Dharampura, Lahore	HTL Express Centre	-	1,436
Garden Town, Lahore	HTL Express Centre	-	1,789
Johar Town, Lahore	HTL Express Centre	-	4,500
Gulistan-e-Johar, Karachi	HTL Express Centre	-	3,149
Khudadaad Colony, Karachi	HTL Express Centre	-	3,120
Askari XIV, Sector-A, Rawalpindi	HTL Express Centre	-	881

13.1.5 Cost of fixed assets (including capital work-in-progress) held by dealers of retail outlets and operators of HTL Express Centres of the Company is as follows:

Description	Buildings on leasehold land	Tanks and pipelines	Dispensing pumps	Categories				Computers	Total
				Machinery	Furniture and fittings	Office equipment			
							Rupees		
Oil Boy Filling Station - Mouza Neel Kot, Head Muhammad Wala Road, Multan	3,180,469	1,608,000	1,911,655	-	-	-	-	-	6,700,124
Punjab Filling Station - Main Satiana Road, Faisalabad	2,898,584	877,100	2,490,793	-	-	-	-	-	6,266,477
Ittehad Filling Station - Circular Road, Daska	1,911,755	877,100	1,528,010	-	-	-	-	-	4,316,865
Green Fuel CNG - 1 - KM G.T. Road, Lalamusa	2,725,893	1,132,550	-	-	-	-	-	-	3,858,443
A.B. Petroleum Filling Station - Tehsil Liaquatpur, Rahim Yar Khan	4,623,288	1,480,589	1,958,750	-	-	-	-	-	8,062,627
Jillani CNG - Lehrtr Road, Islamabad	7,147,011	1,386,830	842,830	-	-	-	-	-	9,376,671
Dasti Filling Station - Jampur Road, Dera Ghazi Khan	1,919,332	808,290	2,754,484	-	-	-	-	-	5,482,106
Rehman Filling Station - Chistian Road, Hasilpur	2,013,421	-	-	-	-	-	-	-	2,013,421
Al-Fazal Filling Station - Sargodha Road, Jhang	3,163,859	-	2,227,102	-	-	-	-	-	5,390,961
Ibrahim Petroleum - Sialkot Road, Gujranwala	1,962,962	-	-	-	-	-	-	-	1,962,962
Karma Wala-1 Filling Station - Shahkot Road, Jaranwala	2,532,005	-	-	-	-	-	-	-	2,532,005
Raja Adeel Filling Station - Arifwala Road, Arifwala	1,853,000	-	-	-	-	-	-	-	1,853,000
Gondal Filling Station - Daska Road, Wazirabad	2,204,744	-	1,421,968	-	-	-	-	-	3,626,712
City Filling Station - Hujra Shah Muqeem, Okara	1,504,906	-	-	-	-	-	-	-	1,504,906
Al-Karam Filling Station - Shamkay Bhattian, Lahore	3,556,882	-	3,244,171	-	-	-	-	-	6,801,053
Green City Fuel Station - Hasilpur Road, Bahawalpur	9,954,398	1,377,706	1,911,655	-	-	-	-	-	13,243,759
Khokhar Fuel Station - Small Industrial Estate, Jinnah Road, Gujranwala	2,101,400	1,377,706	3,212,099	-	-	-	-	-	6,691,205
Minhas CNG - Multan Road, Lahore	4,749,486	-	1,421,968	-	-	-	-	-	6,171,454
Galaxy Filling Station - Main Ferozepur Road, Lahore	17,757,318	2,102,230	2,482,580	-	-	-	-	-	22,342,128
S&S - Toba Road, Jhang	2,549,650	-	-	-	-	-	-	-	2,549,650
Rana Petroleum - Faisalabad Road, Okara	2,439,500	-	-	-	-	-	-	-	2,439,500
Mudassir Zulfiqar Filling Station - Vehari Road, Multan	2,176,375	-	-	-	-	-	-	-	2,176,375
Shahid & Company - Daska Road, Gujranwala	1,828,249	-	4,722,091	-	-	-	-	-	6,550,340
Benzina II Filling Station - Benazir Road, Okara	2,318,142	3,037,269	8,036,682	-	-	-	-	-	13,392,093
Nambardar Filling Station - Rawalpindi Road, Chakwal	926,830	-	-	-	-	-	-	-	926,830
Ittikhar Nadeem & Company - Mouza Jhawary, Dharmyal Road, Rawalpindi Cantt.	1,571,303	2,763,529	4,477,015	-	-	-	-	-	8,811,847
Suntrust CNG - Millat Road, Faisalabad	40,743,349	3,409,167	4,937,988	-	-	-	-	-	49,090,504
Meezan Filling Station - Jhang Road, Toba Tek Singh	1,313,475	-	-	-	-	-	-	-	1,313,475
M Nawaz Filling Station - Main Darban Road, Mouza Kotla Sayedan, Dera Ismail Khan	3,274,200	1,269,700	2,452,163	-	-	-	-	-	6,996,063
Big Khan Filling Station - Hajiabad University Road, Chakdara	7,169,410	2,481,646	1,862,255	-	-	-	-	-	11,513,311
Imdad Mir Filling Station - Mouza Ghanda, Nawab Road, Mansehra	13,361,573	1,469,223	1,334,850	-	-	-	-	-	16,165,646
Toru Fuel Station - Mardan Road, Nowshera (under construction)	-	2,859,022	-	-	-	-	-	-	2,859,022
Abroo Petroleum & CNG - Jaranwala-Kurdiawala Road, Jaranwala	2,989,711	3,551,259	1,172,755	-	-	-	-	-	7,713,725
Khalifa Filling Station - Jhang Road, Gojra	3,164,915	4,406,779	1,435,500	-	-	-	-	-	9,007,194
Al-Sheikh Filling Station - Main G.T. Road, Gujrat	11,563,910	4,429,207	1,708,511	-	-	-	-	-	17,701,628
Moon CNG Filling Station - Mouza Humak, Islamabad	3,014,908	3,551,259	2,272,869	-	-	-	-	-	8,839,036
Abbasi & Khan Traders - Gujjar Kohala, Dhirkot	2,621,313	3,445,266	1,435,500	-	-	-	-	-	7,502,079
Ghuman Brothers - Plot 105, Block K, Gulberg 3, Lahore	2,733,451	3,203,581	2,762,556	-	-	-	-	-	8,699,588
Attock CNG & Filling Station - Iqbal Chowk, Choi East Attock City, Attock	1,843,506	3,342,818	1,283,255	-	-	-	-	-	6,469,579
Shah Sardar Petroleum - Mouza Dham Thor, Murree Road, Abbottabad	10,388,121	6,812,887	4,212,608	-	-	-	-	-	21,413,616
Bahadur Filling Station - Mouza Ismail Khani, Bannu	2,887,200	-	1,222,256	-	-	-	-	-	4,109,456
Rahat Fuel Station - Saidu Shareef Road, Tehsil Babuzai, Swat	2,465,200	-	1,649,362	-	-	-	-	-	4,114,562
Arab Emirate Filling Station - Mouza Bandi, Tehsil Khawaja Khela, Swat	2,910,500	-	-	-	-	-	-	-	2,910,500
Rashid Filling Station - Mouza Qambar-192, Tehsil Babuzai, Swat	2,839,100	-	1,779,800	-	-	-	-	-	4,618,900
Al - Rehman Filling Station - Mouza Ismail Khani, Bannu	2,825,950	-	-	-	-	-	-	-	2,825,950
Naik Muhammad Filling Station - Near Bybass Thana, District Malakand	2,683,374	-	-	-	-	-	-	-	2,683,374
Al - Mustafa Filling Station - Qaziwala Road Chishtian	2,236,124	-	-	-	-	-	-	-	2,236,124
Shams Petroleum Service - E - 35, Hazara Expressway	2,609,871	-	1,514,000	-	-	-	-	-	4,123,871
Roshan Filling Station - Sheikhupura - Sargodha Road	7,617,792	-	1,330,012	-	-	-	-	-	8,947,804
Chawinda Filling Station - Khawaja Sardar Road, Sialkot	15,121,957	5,729,531	8,917,238	-	-	-	-	-	29,768,726
Jan Muhammad Filling Station - Ekka Ghund, Mohammad	2,205,230	-	-	-	-	-	-	-	2,205,230
Phandu Filling Station / CNG - Phandu Chowk, Umar Road, Peshawar	2,244,646	-	-	-	-	-	-	-	2,244,646
Four Star CNG Filling Station - Mardan Swabi Road, Bughdada	1,857,799	-	-	-	-	-	-	-	1,857,799
Hussain Filling Station - Near Shah Alam Pull, Charsada Road, Peshawar	3,196,519	-	-	-	-	-	-	-	3,196,519

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For the year ended 30 June 2025

Description	Buildings on leasehold land	Tanks and pipelines	Dispens- ing pumps	Catagories				Total	
				Machinery	Furniture and fittings	Office equipment	Computers		
Rupees									
Masha Allah CNG - M.C.C Kamra Road, Attock City, Attock	2,071,234	3,453,346	2,032,898	-	-	-	-	7,557,478	
Al-Yousaf CNG Filling Station - Faisalabad Jhand Road, Jhang	2,195,811	-	1,349,255	-	-	-	-	3,545,066	
Ekhwan Petroleum - Peshawar Road, Charsadda	2,811,265	-	2,197,510	-	-	-	-	5,008,775	
Nawaz Filling Station - Tehsil Thanna Baizai, Malakand	2,466,265	-	3,205,016	-	-	-	-	5,671,281	
Power Gas CNG & Filling Station - GT Road Mouza Dheri Katti Khel, Nowshera	2,110,515	-	2,538,765	-	-	-	-	4,649,280	
Hill Top Filling Station - Tehsil Tara Khal, Sadhonti	1,553,514	-	-	-	-	-	-	1,553,514	
Friends CNG Filling Station Rawalpandi (Under construction)	1,817,693	-	-	-	-	-	-	1,817,693	
Salman Filling Station Mardan (Under construction)	2,846,623	-	-	-	-	-	-	2,846,623	
KB Petroleum Faisalabad (Under construction)	-	1,136,389	-	-	-	-	-	1,136,389	
HTL Express Centre - Dharampura, Lahore	27,571,142	-	-	3,197,442	145,431	478,583	-	31,392,598	
HTL Express Centre - Garden Town, Lahore	7,442,541	-	-	2,471,843	56,796	1,741,346	-	11,712,526	
HTL Express Centre - Johar Town, Lahore	16,713,760	-	-	7,727,402	153,621	-	24,000	24,618,783	
HTL Express Centre - Sadi Town, Karachi	-	-	-	1,966,568	332,996	270,456	25,635	2,595,655	
HTL Express Centre - Bahira Town, Lahore	-	-	-	5,122,603	233,862	1,968,556	14,040	7,339,061	
HTL Express Centre - Gulistan-E-Johar, Karachi	11,978,196	-	-	6,117,945	1,115,829	811,290	-	20,023,260	
HTL Express Centre - Khudadaad Colony, Karachi	20,357,427	-	-	1,524,751	126,500	841,438	-	22,850,116	
HTL Express Centre - Askari XIV, Sector-A, Rawalpindi	9,133,147	-	-	4,419,000	854,206	2,808,753	-	17,215,106	
	360,522,999	73,379,979	99,250,775	32,547,554	3,019,241	8,920,422	63,675	577,704,645	

The above assets are not in possession of the Company as these have been provided to dealers of retail outlets and operators of HTL Express Centres to facilitate them to promote and sell Company's products.

	2025 Rupees	2024 Rupees
13.2 Capital work-in-progress		
Civil works	40,658,296	116,438,207
Dispensing pumps	26,049,314	15,986,659
Tanks and pipelines	24,432,777	31,224,679
	91,140,387	163,649,545

13.2.1 Movement in capital work in progress is as follows:

	Civil works	Dispensing pumps	Categories	
			Tanks and pipelines	Total
At 30 June 2023	44,199,846	8,681,790	50,594,702	103,476,338
Add: Additions during the year	190,135,875	27,917,503	30,049,257	248,102,635
Less: Adjustments made during the year	-	(4,107,256)	(2,272,778)	(6,380,034)
Add: Transferred from inventory	-	23,473,167	-	23,473,167
Less: Transferred to operating fixed assets during the year	(117,897,514)	(39,978,545)	(47,146,502)	(205,022,561)
At 30 June 2024	116,438,207	15,986,659	31,224,679	163,649,545
Add: Additions during the year	93,584,085	26,760,142	30,618,490	150,962,717
Less: Transferred to operating fixed assets during the year	(169,363,996)	(16,697,487)	(37,410,392)	(223,471,875)
At 30 June 2025	40,658,296	26,049,314	24,432,777	91,140,387

14. RIGHT-OF-USE ASSETS

	Land	Buildings	Vehicles	Total
	Rupees			
At 30 June 2023	303,295,180	126,308,099	175,517,873	605,121,152
Add: Additions during the year	146,309,901	16,648,969	-	162,958,870
Add: Impact of lease modifications	2,486,841	7,880,302	-	10,367,143
Add / (less): Impact of lease reassessment	10,991,411	(11,036,521)	-	(45,110)
Less: Book value of assets transferred to operating fixed assets - during the year	-	-	(47,330,348)	(47,330,348)
Less: Depreciation expense for the year (Note 31)	(58,473,352)	(49,091,992)	(32,019,445)	(139,584,789)
At 30 June 2024	404,609,981	90,708,857	96,168,080	591,486,918
Add: Additions during the year	18,944,972	29,429,516	1,855,998	50,230,486
Less: Impact of lease termination	(25,546,973)	-	-	(25,546,973)
Less: Book value of assets transferred to operating fixed assets - during the year	-	-	(42,236,396)	(42,236,396)
Less: Depreciation expense for the year (Note 31)	(57,914,442)	(51,668,571)	(15,321,809)	(124,904,822)
At 30 June 2025	340,093,538	68,469,802	40,465,873	449,029,213

Lease of land

The Company obtained land on lease for its service centers, filling stations and storage warehouses. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from five to twenty five years.

Lease of buildings

The Company obtained buildings on lease for its offices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to five years.

Lease of vehicles

The Company obtained vehicles on lease for employees and directors of the Company. The average contract duration is three years.

14.1 There is no impairment against right-of-use assets.

	2025 Rupees	2024 Rupees
15. INTANGIBLE ASSETS - Computer software		
Opening net book value	1,197,692	3,981,524
Add: Cost of additions during the year	2,777,527	-
Less: Written off during the year		
Cost	-	(262,830)
Accumulated amortization	-	236,547
	-	(26,283)
Less: Amortization charged during the year (Note 32)	(1,265,703)	(2,757,549)
Closing net book value	2,709,516	1,197,692
15.1 Cost as at 30 June	49,988,645	47,211,120
Accumulated amortization	(47,279,129)	(46,013,428)
Net book value as at 30 June	2,709,516	1,197,692

15.2 Intangible assets - computer softwares have been amortized at the rate of 30% (2024: 30%) per annum.

15.3 Intangible assets costing Rupees 43.552 million (2024: Rupees 39.827 million) are fully amortized and are still in use of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
16. INVESTMENT IN SUBSIDIARY COMPANY - at cost		
Hi-Tech Blending (Private) Limited - unquoted		
130,000,060 (2024: 130,000,060) fully paid ordinary shares of Rupees 10 each		
Equity held 100% (2024: 100%)	1,300,000,600	1,300,000,600

- 16.1** Investment in Hi-Tech Blending (Private) Limited includes 60 (2024: 60) shares are in the name of nominees of the company. Out of 60 shares, 10 shares were in the name of Mr. Muhammad Basit Hassan (late) and 10 shares were in the name of Mrs. Arifa Shaukat (late). These shares shall be transferred to their legal heirs upon completion of legal formalities.

	2025 Rupees	2024 Rupees
17. LONG TERM SECURITY DEPOSITS		
Security deposits against leased assets	22,372,819	37,252,819
Security deposits - others	13,966,150	13,966,150
	36,338,969	51,218,969
Less: Current portion shown under current assets (Note 23)	22,001,618	13,500,200
	14,337,351	37,718,769

18. LONG TERM LOANS TO EMPLOYEES

Considered good:

Loans to employees - other than executives (Note 18.1)	2,050,938	2,985,102
Less: Current portion shown under current assets (Note 22)	934,166	934,166
	1,116,772	2,050,936

- 18.1** These represent interest free and unsecured loans given to employees, receivable in maximum 60 monthly instalments in accordance with the Company's policy. Fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.

	2025 Rupees	2024 Rupees
19. DEFERRED INCOME TAX ASSET		
The net deferred income tax asset comprised of temporary differences relating to:		
Deductible temporary differences		
Unabsorbed tax depreciation	111,530,226	86,999,447
Available unused tax losses	14,714,778	14,714,778
Turnover tax carried forward	297,716,517	171,549,704
Allowance for expected credit losses	2,098,391	5,101,562
Provision for slow moving and damaged inventory items	6,110,834	10,245,587
Provision for doubtful advances to suppliers	476,487	476,487
Lease liabilities	148,952,108	187,722,138
	581,599,341	476,809,703
Taxable temporary differences		
Accelerated tax depreciation and amortization	(65,530,591)	(94,483,000)
Right-of-use assets	(130,218,472)	(171,531,207)
	(195,749,063)	(266,014,207)
Net deferred income tax asset	385,850,278	210,795,496
Deferred income tax asset not recognised in these financial statements	(264,400,017)	(66,633,000)
Deferred income tax asset recognised in these financial statements	121,450,261	144,162,496

19.1 Movement in deferred income tax balances during the year is as follows:

	2025 Opening Balance	2025 Recognised in statement of profit or loss Rupees	Closing balance
Unabsorbed tax depreciation	86,999,447	24,530,779	111,530,226
Available unused tax losses	14,714,778	-	14,714,778
Allowance for expected credit losses	5,101,562	(3,003,171)	2,098,391
Provision for slow moving and damaged inventory items	10,245,587	(4,134,753)	6,110,834
Provision for doubtful advances to suppliers	476,487	-	476,487
Lease liabilities	187,722,138	(38,770,030)	148,952,108
Accelerated tax depreciation and amortization	(94,483,000)	28,952,409	(65,530,591)
Right-of-use assets	(171,531,207)	41,312,735	(130,218,472)
Turnover tax carried forward			
Available	171,549,704	126,166,813	297,716,517
Movement in deferred income tax not recognized	(66,633,000)	(197,767,017)	(264,400,017)
Deferred income tax recognized	104,916,704	(71,600,204)	33,316,500
	144,162,496	(22,712,235)	121,450,261

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	Opening Balance	2024 Recognised in statement of profit or loss Rupees	Closing balance
Unabsorbed tax depreciation	38,632,306	48,367,141	86,999,447
Available unused tax losses	102,279,334	(87,564,556)	14,714,778
Allowance for expected credit losses	10,319,125	(5,217,563)	5,101,562
Provision for slow moving and damaged inventory items	7,849,828	2,395,759	10,245,587
Provision for doubtful advances to suppliers	356,353	120,134	476,487
Lease liabilities	186,435,583	1,286,555	187,722,138
Accelerated tax depreciation and amortization	(86,788,279)	(7,694,721)	(94,483,000)
Right-of-use assets	(175,485,134)	3,953,927	(171,531,207)
Turnover tax carried forward			
Available	-	171,549,704	171,549,704
Movement in deferred income tax not recognized	-	(66,633,000)	(66,633,000)
Deferred income tax recognized		104,916,704	104,916,704
	83,599,116	60,563,380	144,162,496

19.2 Deferred income tax asset has been recognised to the extent that the realization of related tax benefits is probable from future taxable profits. It is probable that sufficient taxable profits will be available for utilization of recognised deferred income tax asset. Detail of recognised deferred income tax asset on available unused tax losses, unabsorbed tax depreciation and turnover tax carried forward and unrecognised deferred income tax asset on turnover tax carried forward is given as follows:

	Accounting year to which the tax credit relates	Amount Rupees	Accounting year in which tax credit will expire
Turnover tax carried forward	2023	66,633,000	2026
	2024	104,916,704	2027
	2025	126,166,813	2028
		297,716,517	

	Accounting year to which the tax loss relates	Amount Rupees	Accounting year in which tax loss will expire
Unabsorbed tax depreciation	2023	133,214,848	Unlimited
	2024	251,372,138	Unlimited
		384,586,986	

	Accounting year to which the tax loss relates	Amount Rupees	Accounting year in which tax loss will expire
Available unused tax losses	2023	50,740,613	2028

	2025 Rupees	2024 Rupees
20. STOCK-IN-TRADE		
Lubricants and parts (Note 20.1)	110,125,695	428,492,803
Less: Provision for slow moving and damaged inventory items (Note 20.2)	(21,071,840)	(35,329,612)
	89,053,855	393,163,191
Petroleum products		
- Stock in hand (Note 20.3)	327,795,251	316,614,901
- Stock in pipeline system (Note 20.4)	288,294,086	1,045,532,295
	616,089,337	1,362,147,196
Dispensing pumps and other installations (Note 20.5)	25,879,546	33,925,444
	731,022,738	1,789,235,831

20.1 This includes stock amounting to Rupees 7.585 million (2024: Rupees 118.898 million) lying at customs bonded warehouse.

	2025 Rupees	2024 Rupees
20.2 Provision for slow moving and damaged inventory items:		
Opening balance	35,329,612	27,068,373
Add: Provision recognized during the year (Note 33)	-	11,479,157
Less: Reversal of provision during the year (Note 34)	(14,257,772)	-
Less: Written off against provision during the year	-	(3,217,918)
	(14,257,772)	8,261,239
Closing balance	21,071,840	35,329,612

20.3 This includes stock of petroleum products in possession of third parties as follows:

	2025 Rupees	2024 Rupees
Askar Oil Services (Private) Limited	360,036	2,395,911
Be Energy Limited	79,409,370	23,153,653
Gas and Oil Pakistan Limited	47,963,776	4,888,641
Karachi Hydrocorban Terminal Limited	8,793,367	257,496,950
Pakistan Molasses Company (Private) Limited	8,361,990	-
PARCO Gunvor Limited	31,735,440	-
Z.Y. & Co. Bulk Terminals (Private) Limited	8,576,958	2,955,252
	185,200,937	290,890,407

20.4 This represents the Company's share of pipeline stock of High Speed Diesel and Petroleum Motor Gasoline amounting to Rupees 93.978 million (2024: Rupees 355.458 million) and Rupees 189.831 million (2024: Rupees 687.248 million) respectively held by Pak-Arab Pipeline Company Limited.

20.5 These dispensing pumps and other installations have been purchased by the Company for resale to service and filling station dealers as part of OMC operations.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
21. TRADE DEBTS		
Unsecured - Considered good:		
Local	1,239,726,163	1,037,393,509
Less: Allowance for expected credit losses (Note 21.2)	(7,235,831)	(17,591,593)
	1,232,490,332	1,019,801,916

21.1 As at the reporting date, trade debts of Rupees 127.617 million (2024: Rupees 146.553 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of trade debts is as follows:

	2025 Rupees	2024 Rupees
Neither past due nor impaired	1,104,873,503	890,840,145
Past due but not impaired		
1 to 6 months	124,631,552	121,595,482
6 months to 1 year	2,673,911	7,366,289
More than 1 year	311,366	-
	127,616,829	128,961,771
	1,232,490,332	1,019,801,916

21.2 Allowance for expected credit losses		
Opening balance	17,591,593	35,583,191
Add: Recognized during the year (Note 33)	-	6,856,033
Less: Reversal of allowance for expected credit losses (Note 34)	(10,355,762)	-
Less: Written off against provision during the year	-	24,847,631
Closing balance	7,235,831	17,591,593

22.3 The maximum aggregate amount receivable from Hi-Tech Blending (Private) Limited at the end of any month during the year was Rupees 1.463 million (2024: Rupees 105.257 million).

	2025 Rupees	2024 Rupees
23 LOANS AND ADVANCES		
Considered good, unsecured:		
Loans to employees - interest free and against salaries:		
- Executives	2,940,710	12,841,434
- Other employees	3,240,667	5,586,243
	6,181,377	18,427,677
Advances to employees against expenses	3,362,342	2,691,708
Current portion of long term loans to employees (Note 18)	934,166	934,166
Short term loan to subsidiary company (Note 22.1)	-	-
Advances to suppliers (Note 22.2)	131,882,063	206,145,136
Margin against letter of credit	147,500,000	-
Margin against bank guarantees	17,500,000	17,500,000
	307,359,948	245,698,687

- 22.1** This represents unsecured short term loan given to Hi-Tech Blending (Private) Limited - subsidiary company to meet the working capital requirements and is repayable on demand. This carries mark-up at the rate of 3 month KIBOR plus 1.5 % per annum. The effective rate of mark-up charged during the year on outstanding balance ranged from 13.59% to 21.68% (2024: 22.96% to 24.40%) per annum.

	2025 Rupees	2024 Rupees
22.2 Advances to suppliers		
Unsecured:		
Considered good	131,882,063	206,145,136
Considered doubtful	1,643,057	1,643,057
	133,525,120	207,788,193
Less: Provision for doubtful advances to suppliers (Note 22.2.1)	1,643,057	1,643,057
	131,882,063	206,145,136
22.2.1 Provision for doubtful advance to supplier		
Opening balance	1,643,057	1,228,802
Add: Recognized during the year (Note 33)	-	414,255
Closing balance	1,643,057	1,643,057
23. SHORT TERM DEPOSITS AND PREPAYMENTS		
Current portion of long term security deposits (Note 17)	22,001,618	13,500,200
Short term security deposits	1,000,000	2,437,595
Prepaid expenses	179,213	827,406
Prepaid insurance	9,546,173	7,550,642
Prepaid rent	847,420	3,441,138
	33,574,424	27,756,981
24. OTHER RECEIVABLES		
Receivable from MAS Associates (Private) Limited - associated company (Note 24.1)	295,522	347,497
Receivable from SK Enmove Co., Ltd. - related party (Note 24.2)	49,717,500	69,585,301
Sales tax receivable	192,719,980	265,201,125
Inland freight equalization margin	163,122,234	27,171,584
Others	6,669,004	3,570,611
	412,524,240	365,876,118

- 24.1** It is neither past due nor impaired. The maximum aggregate amount receivable from associated company at the end of any month during the year was Rupees 0.479 million (2024: Rupees 0.672 million).

- 24.2** This represents promotional incentive receivable from SK Enmove Co., Ltd. - principle supplier and long term partner. The maximum aggregate amount receivable from SK Enmove Co., Ltd. - principle supplier and long term partner at the end of any month during the year was Rupees 139.275 million (2024: Rupees 177.597 million).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
25. ACCRUED INTEREST		
On bank deposits	10,052	186,102
On short term loan to subsidiary company (Note 25.1)	-	3,300,035
	10,052	3,486,137

25.1 It was neither past due nor impaired. The maximum aggregate amount receivable from subsidiary company at the end of any month during the year was Rupees 33.262 million (2024: Rupees 66.077 million).

	2025 Rupees	2024 Rupees
26. SHORT TERM INVESTMENTS		
26.1 Equity instruments		
Fair value through profit or loss		
Quoted - other than related party:		
Engro Fertilizer Limited		
49,500 (2024: 49,500) fully paid ordinary shares of Rupees 10 each	8,227,890	4,085,235
First Habib Cash Fund		
2,232,569.9563 (2024: 2,068,832.1513) units	227,130,825	209,515,390
NBP Islamic Daily Dividend Fund		
61,758.8753 (2024: 55,802.3031) units	617,589	558,023
UBL Liquidity Plus Fund - Class 'C'		
26,496.9405 (2024: 23,901.8786) units	2,685,819	2,418,565
MCB Cash Management Optimizer		
5,744.2403 (2024: 5,176.0518) units	585,248	525,355
Meezan Rozana Amdani Fund		
8863.4045 (2024: 8,045.0943) units	443,170	402,255
	239,690,541	217,504,823
Unrealized gain on remeasurement of investments at fair value through profit or loss - net	660,978	5,212,238
	240,351,519	222,717,061

26.1.1 The fair value of listed securities is based on quoted market prices on Pakistan Stock Exchange (PSX) at reporting date. The fair values of funds are based on the Net Asset Value (NAV) being the current bid price at reporting date as quoted by the respective Asset Management Company.

	2025 Rupees	2024 Rupees
27. CASH AND BANK BALANCES		
Cash in hand	10,160,847	607,898
Cash at banks:		
- Saving accounts (Note 27.1)	6,537,577	48,549,022
- Current accounts	129,191,477	303,260,223
	135,729,054	351,809,245
	145,889,901	352,417,143

27.1 Saving accounts carry profit at the rates ranging from 8% to 19% (2024: 20.5%) per annum.

27.2 Bank balances of Rupees 0.242 million (2024: 3.627 million) and short term investments of Rupees 186.444 million (2024: 214.489 million) represents un-utilized proceeds of initial public offer.

28. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Transferred from fixed assets (Note 28.2)	2025 Transferred from investment prop- erty (Note 28.1) Rupees	Total
As at 30 June 2023	-	-	-
Add: Transferred from investment property during the year	-	135,000,000	135,000,000
As at 30 June 2024	-	135,000,000	135,000,000
Add: Transferred from operating fixed assets during the year	250,000,000	-	250,000,000
Add: Fair value adjustment	-	25,000,000	25,000,000
As at 30 June 2025	250,000,000	160,000,000	410,000,000

28.1 On 02 December 2024, the Company has entered into an, agreement to sell, relating to sale of land measuring 01 kanal and 05 marlas situated at 22-A, Zafar Ali Road, Lahore at Rupees 160 million. The management of the Company anticipates that process of disposal of land will be completed subsequent to the reporting period.

28.2 Board of directors of the Company in their meeting held on 29 April 2025 decided to sell land measuring 04 kanal 17 marlas and 175 square feet situated at Quaid-e-Azam Industrial Estate, Lahore. On 29 July 2025, subsequent to the reporting period, the Company has entered into an, arrangement to sell, relating to sale of land at Rupees 250 million. The management of the Company anticipates that process of disposal of land will be completed in due course.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
29. GROSS REVENUE FROM CONTRACTS WITH CUSTOMERS		
Lubricants	11,970,268,190	10,347,686,473
Petroleum products	23,774,266,197	16,259,445,090
Others (Note 29.1)	83,359,334	152,138,600
	35,827,893,721	26,759,270,163
29.1 Others		
Packing material, spare parts and base oil (Note 29.1.1)	-	105,257,378
Dispensing pumps	12,716,689	8,112,354
Franchise and joining fee	70,642,645	38,768,868
	83,359,334	152,138,600

29.1.1 This represented sale of packing material, spare parts and base oil to Hi-Tech Blending (Private) Limited - subsidiary company amounting to Rupees Nil (2024: Rupees 105.257 million).

29.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

29.3 The amount of Rupees 49.137 million included in contract liabilities (Note 9) at 30 June 2024 has been recognised as revenue during the year ended 30 June 2025.

	2025 Rupees	2024 Rupees
30. COST OF SALES		
Opening stock of lubricants and other items	462,418,247	351,886,521
Lubricants and other items purchased during the year	7,196,905,630	6,743,120,317
	7,659,323,877	7,095,006,838
Closing stock of lubricants and other items	136,005,241	462,418,247
Cost of lubricants and other items sold	7,523,318,636	6,632,588,591
Opening stock of petroleum products	1,362,147,196	778,103,637
Petroleum products purchased during the year	16,145,447,927	12,482,859,347
Petroleum development levy	6,032,072,718	3,672,736,684
Inland freight equalization margin	556,967,921	288,087,908
	22,734,488,566	16,443,683,939
Closing stock of petroleum products	616,089,337	1,362,147,196
Cost of petroleum products sold	23,480,546,425	15,859,640,380
Cost of packing material, spare parts and base oil sold to subsidiary company	-	79,587,039
Total	31,003,865,061	22,571,816,010

	2025 Rupees	2024 Rupees
31. DISTRIBUTION COST		
Salaries and other benefits (Note 31.1)	478,021,116	416,570,449
Sales promotion and advertisements - net (Note 31.2)	34,179,424	35,695,242
Freight outward	77,043,526	41,347,780
Rent, rates and taxes (Note 31.3)	8,394,548	6,646,869
Travelling and conveyance	59,206,168	53,454,963
Insurance	42,213,777	29,251,839
Utilities	32,712,442	25,903,867
Repair and maintenance	37,534,032	30,855,357
Vehicles' running and maintenance	94,087,605	68,356,490
Communication	12,835,554	12,242,746
Entertainment	29,793,370	12,831,481
Depreciation on fixed assets (Note 13.1.2)	107,107,024	107,868,799
Depreciation on right-of-use assets (Note 14)	124,904,822	139,584,789
Hospitality charges	20,435,475	12,307,730
Printing and stationery	1,352,764	1,080,301
Security charges	29,079,726	20,505,321
Miscellaneous	15,698,053	4,129,549
	1,204,599,426	1,018,633,572

31.1 Salaries other benefits include provident fund contribution of Rupees 17.808 million (2024: Rupees 15.857 million) by the Company.

31.2 These are net off incentives in the shape of reimbursement against sales promotion expenses and advertisements amounting to Rupees 165.011 million (2024: Rupees 62.416 million) from SK Enmove Co., Ltd. - principal supplier and long term partner.

	2025 Rupees	2024 Rupees
32. ADMINISTRATIVE EXPENSES		
Salaries, wages and other benefits (Note 32.1)	530,212,334	502,387,737
Rates and taxes	2,539,949	2,450,141
Travelling and conveyance	18,195,251	22,816,070
Insurance	25,365,019	22,684,039
Vehicles' running and maintenance	35,395,478	39,412,962
Utilities	10,362,032	13,548,780
Repair and maintenance	7,105,283	6,467,178
Fee and subscription	21,117,283	15,453,966
Printing and stationery	1,296,372	1,410,789
Communication	11,542,400	8,264,171
Entertainment	20,464,586	17,706,999
Legal and professional	43,109,324	29,380,619
Auditor's remuneration (Note 32.2)	6,361,791	5,569,362
Depreciation on fixed assets (Note 13.1.2)	61,568,996	31,320,980
Amortization on intangible assets (Note 15)	1,265,703	2,757,549
Security charges	2,364,000	1,776,500
Miscellaneous	-	139,047
	798,265,801	723,546,889

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

32.1 Salaries, wages and other benefits include provident fund contribution of Rupees 15.871 million (2024: Rupees 14.718 million) by the Company.

	2025 Rupees	2024 Rupees
32.2 Auditor's remuneration		
Annual audit fee	2,927,592	2,545,732
Certifications	1,440,835	1,156,430
Half year review	1,517,264	1,453,200
Reimbursable expenses	476,100	414,000
	6,361,791	5,569,362

33. OTHER EXPENSES

Allowance for expected credit losses (Note 21.2)	-	6,856,033
Provision for slow moving and damaged inventory items - net (Note 20.2)	-	11,479,157
Provision for doubtful advances to suppliers (Note 22.2.1)	-	414,255
Sales tax receivable written off	964,630	628,898
Fixed assets written off	8,998,077	6,075,596
Intangible assets written off (Note 15)	-	26,283
Advances to suppliers written off	-	8,814,444
Mobilization advances written off	-	1,094,101
Advances to employees written off	110,422	84,068
Security deposits written off	1,197,595	-
Charities and donations (Note 33.1)	19,313,880	19,038,480
Workers' welfare fund (Note 9.3)	2,822,582	-
Workers' profit participation fund (Note 9.2)	7,197,583	-
Exchange loss - net	9,149,205	-
Penalty	3,614,438	-
Miscellaneous	-	47,586
	53,368,412	54,558,901

33.1 These include amount of Rupees 18 million (2024: Rupees 18 million) paid to Sabra Hamida Trust, 1-A, Danepur Road, GOR-1, Lahore, in which Mr. Hassan Tahir - Chief Executive, Mr. Shaukat Hassan - Director, Mrs. Mehwish Khan - Director, Mrs. Mavira Tahir - Director and Mr. Ali Hassan - Director are trustees.

	2025 Rupees	2024 Rupees
34. OTHER INCOME		
Income from financial assets:		
Dividend income (Note 34.1)	31,398,163	692,512,052
Profit on bank deposits and term deposit receipt	865,437	28,273,889
Interest on short term loan to subsidiary company	33,414,160	73,175,044
Gain on disposal of short term investments	9,669	338,810
Unrealized gain on remeasurement of investments at fair value through profit or loss - net	660,978	5,212,238
Credit balances written back	1,652,734	201,554
Income from non-financial assets:		
Fair value gain on investment property classified as held for sale	25,000,000	-
Gain on disposal of operating fixed assets	2,283,526	3,124,350
Gain on termination of leases	10,982,771	-
Income from handling and storage services	107,323,063	29,050,833
Reversal of provision for slow moving and damaged inventory items (Note 20.2)	14,257,772	-
Common facility charges	1,379,930	1,881,780
Scrap sales	-	12,000
Reversal of allowance for expected credit losses (Note 21.2)	10,355,762	-
Promotional incentive	-	184,705,857
Miscellaneous	6,400	494,665
Others:		
Exchange gain - net	-	8,463,255
Rental income from HTL Express Centres	40,098,026	31,073,976
	279,688,391	1,058,520,303

34.1 This includes Rupees Nil (2024: Rupees 650 million) received from Hi-Tech Blending (Private) Limited - subsidiary company.

	2025 Rupees	2024 Rupees
35. FINANCE COST		
Mark-up on short term borrowings	281,299,687	424,609,298
Interest expense on lease liabilities (Note 7.1)	79,207,002	86,094,950
Bank charges and commission	44,692,416	28,089,612
Interest on workers' profit participation fund (Note 9.2)	-	5,252,760
	405,199,105	544,046,620
36. LEVY		
Minimum tax (Note 37.1)	147,770,337	111,421,173
Final taxes	4,709,724	-
Prior year adjustment	(481,205)	139,051
	151,998,856	111,560,224

36.1 Levy represents final tax levied under the income tax ordinance, 2001 and minimum tax (excess over the amount designated as provision for current tax) on local sales under section 113 of the Income Tax Ordinance, 2001.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 Rupees	2024 Rupees
37. TAXATION		
Current tax (Note 37.1)	1,364,364	-
Deferred tax	22,712,235	(60,563,380)
	24,076,599	(60,563,380)

37.1 The Company and Hi-Tech Blending (Private) Limited - subsidiary company have opted for group taxation as one fiscal unit under section 59AA of the Income Tax Ordinance, 2001 and the provision for current taxation has been made accordingly. The numerical reconciliation between the average tax rate and the applicable tax rate has been given as follows:

	2025 Rupees	2024 Rupees
Relationship between tax expense and accounting profit		
(Loss) / profit before levy and taxation	(142,705,446)	162,400,641
Tax at the applicable rate of 29% (2024: 29%)	-	47,096,186
Effect of minimum tax on turnover taxed at lower rate	147,770,337	120,082,411
Effect of dividend income taxed at a lower rate	4,709,724	6,376,763
Effect of capital gain taxed at a lower rate	1,364,364	127,701
Effect of change in prior year's tax	(481,205)	139,051
Effect of group taxation adjustments	-	(15,165,702)
Effect arising as a consequence of recognition of deferred income tax	22,712,235	(60,563,380)
Effect of inadmissible income	-	(47,096,186)
	176,075,455	50,996,844
Current income tax liability and levy as per applicable tax laws:		
Levy (Note 36)	(151,998,856)	(111,560,224)
Taxation (Note 37)	(24,076,599)	60,563,380
	-	-

38. (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic (loss) / earnings per share which based on:		
(Loss) / profit after taxation attributable to ordinary shareholders (Rupees)	(318,780,901)	111,403,797
Weighted average number of shares (Number)	139,204,800	139,204,800
(Loss) / earnings per share - basic and diluted (Rupees)	(2.29)	0.80

	2025 Rupees	2024 Rupees
39. CASH GENERATED FROM / (USED IN) OPERATIONS		
(Loss) / profit before levy and taxation	(142,705,446)	162,400,641
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets (Note 13.1.2)	168,676,020	139,189,779
Depreciation on right-of-use assets (Note 14)	124,904,822	139,584,789
Amortization on intangible assets (Note 15)	1,265,703	2,757,549
Reversal of allowance for expected credit losses (Note 34)	(10,355,762)	-
Allowance for expected credit losses (Note 33)	-	6,856,033
Reversal of provision for slow moving and damaged inventory items - net (Note 34)	(14,257,772)	-
Provision for slow moving and damaged inventory items - net (Note 33)	-	11,479,157
Provision for doubtful advances to suppliers (Note 33)	-	414,255
Gain on disposal of operating fixed assets (Note 34)	(2,283,526)	(3,124,350)
Dividend income (Note 34)	(31,398,163)	(692,512,052)
Profit on bank deposits and term deposit receipt (Note 34)	(865,437)	(28,273,889)
Interest income on short term loan to subsidiary company (Note 34)	(33,414,160)	(73,175,044)
Gain on disposal of short term investments (Note 34)	(9,669)	(338,810)
Unrealized gain on remeasurement of investments carried at fair value through profit or loss - net (Note 34)	(660,978)	(5,212,238)
Fixed assets written off (Note 33)	8,998,077	6,075,596
Intangible assets written off (Note 33)	-	26,283
Mobilization advances written off (Note 33)	-	1,094,101
Credit balances written back (Note 34)	(1,652,734)	(201,554)
Fair value gain on investment property classified as held for sale (Note 34)	(25,000,000)	-
Sales tax receivable written off (Note 33)	964,630	628,898
Gain on termination of leases (Note 34)	(10,982,771)	-
Exchange loss / (gain)	9,149,205	(8,463,255)
Finance cost (Note 35)	405,199,105	544,046,620
Working capital changes (Note 39.1)	469,380,710	(228,469,702)
	914,951,854	(25,217,193)
39.1 Working capital changes		
(Increase) / decrease in current assets:		
Stock-in-trade	1,068,568,855	(697,793,203)
Trade debts	(212,688,416)	(867,418,255)
Loans and advances	(46,585,099)	(105,668,145)
Short term deposits and prepayments	2,683,975	1,215,246
Other receivables	(47,612,752)	(178,112,950)
	764,366,563	(1,847,777,307)
(Decrease) / increase in trade and other payables	(294,985,853)	1,619,307,605
	469,380,710	(228,469,702)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

39.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

2025				
	Liabilities from financing activities			
	Lease liabilities	Short term borrowings	Unclaimed dividend	Total
	Rupees			
Balance as at 01 July 2024	647,317,717	1,777,187,767	5,689,417	2,430,194,901
Finance obtained	-	(558,408,212)	-	(558,408,212)
Repayment of financing	-	400,178,897	-	400,178,897
Acquisitions - finance leases	50,230,486	-	-	50,230,486
Other change - non-cash movement	(36,557,621)	-	-	(36,557,621)
Repayment of lease liabilities	(147,362,625)	-	-	(147,362,625)
Dividend paid	-	-	(316,556)	(316,556)
Balance as at 30 June 2025	513,627,957	1,618,958,452	5,372,861	2,137,959,270
2024				
	Liabilities from financing activities			
	Lease liabilities	Short term borrowings	Unclaimed dividend	Total
	Rupees			
Balance as at 01 July 2023	642,881,321	1,851,556,185	5,830,744	2,500,268,250
Finance obtained	-	24,470,075,431	-	24,470,075,431
Repayment of financing	-	(24,544,443,849)	-	(24,544,443,849)
Acquisitions - finance leases	162,958,870	-	-	162,958,870
Other change - non-cash movement	10,322,033	-	-	10,322,033
Repayment of lease liabilities	(168,844,507)	-	-	(168,844,507)
Dividend paid	-	-	(141,327)	(141,327)
Balance as at 30 June 2024	647,317,717	1,777,187,767	5,689,417	2,430,194,901
			2025 Rupees	2024 Rupees
39.3 Non-cash financing activities				
Acquisition of right-of-use assets			50,230,486	162,958,870

40. PROVIDENT FUND

Investments, out of provident fund, have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

41. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of subsidiary company, associated undertakings, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been disclosed else where in these financial statements, are as follows:

Relationship	Nature of transaction	2025 Rupees	2024 Rupees
Subsidiary company			
Hi-Tech Blending (Private) Limited	Sale of lubricants	2,582,362	1,926,474
	Sale of packing material and parts	-	105,257,378
	Purchase of lubricants	6,975,090,919	6,064,354,523
	Dividend received	-	650,000,300
	Lease rentals paid	3,000,000	3,000,000
	Short term loan given	512,800,000	391,900,000
	Short term loan repaid	(512,800,000)	877,400,000
	Interest received on short term loan	36,714,195	115,829,997
Associated companies			
MAS Associates (Private) Limited	Share of common expenses	1,379,930	1,881,780
Other related parties			
SK Enmove Co., Ltd.	Purchase of lubricants	153,865,101	697,900,417
	Incentive	122,329,750	247,122,001
Hi-Tech Lubricants Limited Employee's Provident fund trust	Contribution	33,678,835	30,574,917
Sabra Hamida Trust	Donations	18,000,000	18,000,000

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

41.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

Name of related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year	% age of shareholding held by the Company
Hi-Tech Blending (Private) Limited	Wholly owned subsidiary company	Yes	100%
MAS Associates (Private) Limited	Common directorship	Yes	None
SK Enmove Co., Ltd.	Principal supplier and long term partner	Yes	None
Hi-Tech Energy (Private) Limited	Common directorship	No	None
MAS Infosoft (Private) Limited	Common directorship	No	None
MAS Services	Common partnership of directors	No	None
Haut Buys (Private) Limited	Common directorship	No	None
Sabra Hamida Trust	Common trusteeship of directors	Yes	None
WASL Investment Finance Limited	Common directorship	No	None
WASL Mobility Modaraba	Common directorship	No	None
Alliance Francaise De Lahore Foundation	Common trusteeship of directors	No	None
Food Check (Private) Limited	Common directorship	No	None
MAS Associates Employees Provident Fund Trust	Common trusteeship of directors	No	None
Hi-Tech Lubricants Limited Employees Provident Fund Trust	Common trusteeship of directors	Yes	None
Hi-Tech Blending (Private) Limited Provident Fund Trust	Subsidiary company's employee provident fund trust	No	None
MAS Services Employees Provident Fund Trust	Common trusteeship of directors	No	None
Haut Notch (Private) Limited	Common directorship	No	None
Gulf Rubber Works (Private) Limited	Common directorship	No	None
ANALI	Common partnership of director	No	None
Chenab Energy (Private) Limited	Common directorship	No	None
JSSR Consulting, Pakistan	Common partnership of director	No	None
14th Gate Restructuring Company Limited	Common directorship	No	None
Mr. Shaukat Hassan	Director of the Company	No	None
Mr. Muhammad Ali Hassan	Director of the Company	No	None
Mr. Hassan Tahir	Director of the Company	No	None
Ms. Mavira Tahir	Director of the Company	No	None
Mr. Faraz Akhtar Zaidi	Director of the Company	No	None
Mr. Shafiq Ur Rehman	Director of the Company	No	None
Mr. Mehmood Akhtar	Director of the Company	No	None
Mr. Donghyun Kim	Director of the Company	No	None
Mr. Muntizer Abbas Hussain	Director of the Company	No	None
Ms. Mehvish Khan	Director of the Company	No	None

41.2 Detail of compensation to key management personnel comprising of chief executive officer and executives is disclosed in note 42.

42. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements in respect of remuneration, including all benefits to the chief executive, directors and executives of the Company are as follows:

	2025 Directors				Chief Executive	2024 Directors		Executives
	Chief Executive	Executives	Non- Executives	Executives		Executives	Non- Executives	
	Rupees							
Managerial remuneration	15,483,871	13,935,484	39,096,774	173,786,748	15,483,871	13,935,484	45,483,870	160,464,282
Bonus	2,000,000	1,800,000	-	22,271,346	2,000,000	1,800,000	-	19,592,012
Allowances								
House rent	6,967,742	6,270,968	17,593,548	78,204,037	6,967,742	6,270,968	20,467,741	72,208,917
Medical	1,548,387	1,393,548	3,909,677	17,378,671	1,548,384	1,393,548	4,548,378	16,046,483
Travelling	3,000,000	3,000,000	7,500,000	873,175	3,000,000	3,000,000	10,000,000	868,850
Others incentives	-	-	-	41,822,607	-	-	-	22,106,652
Contribution to provident fund trust	-	-	-	16,258,610	-	-	-	14,367,723
Leave fare assistance	-	-	-	2,173,609	-	-	-	14,122,404
	29,000,000	26,400,000	68,100,000	352,768,803	28,999,997	26,400,000	80,499,989	319,777,323
	1	1	4	77	1	1	4	68

42.1 Chief executive, five directors (other than independent directors) and certain executives of the Company are provided with fully maintained vehicles.

42.2 Aggregate amount charged in these financial statements for meeting fee to five directors (2024: three directors) is Rupees 4.4 million (2024: Rupees 5.2 million).

	2025		2024	
	Permanent	Contractual	Permanent	Contractual
43. NUMBER OF EMPLOYEES				
Total number of employees as on 30 June	371	158	383	107
Average number of employees during the year	381	146	380	108

44. CAPACITY AND PRODUCTION

Considering the nature of the Company's business, the information regarding production has no relevance whereas product storage capacities at Company's facility during the current year is detailed below:

Description	Storage Capacity Metric Tons		
	SKO	PMG	HSD
Sahiwal depot	198	2,040	1,858
Nowshera depot	-	1401	1551

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For the year ended 30 June 2025

45. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 June 2025	Level 1	Level 2	Level 3	Total
Rupees				
Financial assets				
Financial assets at fair value through profit or loss	240,351,519	-	-	240,351,519

Recurring fair value measurements at 30 June 2024	Level 1	Level 2	Level 3	Total
Rupees				
Financial assets				
Financial assets at fair value through profit or loss	222,717,061	-	-	222,717,061

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments is the use of quoted market prices on Pakistan Stock Exchange and for funds, Net Asset Value (NAV) of respective Asset Management Company.

46. FAIR VALUE MEASUREMENTS - NON-FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgments and estimates are made in determining the fair value of non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

At 30 June 2025	Level 1	Level 2	Level 3	Total
	Rupees			
Freehold land	-	1,098,580,000	-	1,098,580,000
Non-current asset classified as held for sale - Transferred from fixed assets	-	250,000,000	-	250,000,000
Non-current asset classified as held for sale - Transferred from investment property	-	160,000,000	-	160,000,000
	-	1,508,580,000	-	1,508,580,000

At 30 June 2024	Level 1	Level 2	Level 3	Total
	Rupees			
Freehold land	-	1,280,368,750	-	1,280,368,750
	-	1,280,368,750	-	1,280,368,750

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for its freehold land (classified as fixed assets and investment property transferred to non-current asset classified as held for sale) at least annually. At the end of reporting period, the management updates the assessment of the fair value of property, taking into account the most recent independent valuations. The management determines a property's value within a range of reasonable fair value estimate. The best evidence of fair value is current prices in an active market for similar lands.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land and investment property transferred to non-current asset classified as held for sale at the end of every financial year. As at 30 June 2025, the fair value of the freehold land and investment property transferred to non-current asset classified as held for sale has been determined by Anderson Consulting (Private) Limited, an independent valuer.

Changes in fair values are analyzed at each reporting date during the annual valuation process between the Chief Financial Officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

47. FINANCIAL RISK MANAGEMENT

47.1 Financial risk factors

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

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors (the Board). The Company's finance department evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising primarily from the United States Dollar (USD). As on reporting date, the Company's foreign exchange risk exposure is restricted to the amounts payable to a foreign entity. The Company's exposure to currency risk is as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	2025 USD	2024 USD
Trade and other payables	-	(393,515)
Other receivables	100,000	250,000
Net exposure	100,000	(143,515)

The following significant exchange rates were applied during the year:

	2025	2024
	Rupees per US Dollar	
Average rate	279.98	283.70
Reporting date rate	284.10	278.80

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on loss before levy and taxation for the year would have been Rupees 1.421 million (2024: profit before levy and taxation for the year would have been Rupees 2.001 million) lower / higher, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk since it does not hold any financial instrument based on commodity prices.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange (PSX) Index on the Company's loss before levy and taxation (2024: profit before levy and taxation) for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on (loss) / profit before levy and taxation	
	2025 Rupees	2024 Rupees
PSX 100 (5% increase)	(459,335)	411,395
PSX 100 (5% decrease)	459,335	(411,395)

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no long term interest bearing asset. The Company's interest rate risk arises from bank balances on saving accounts, short term borrowings and lease liabilities. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments, if any, at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2025 Rupees	2024 Rupees
Fixed rate instruments		
Financial liabilities		
Lease liabilities	477,673,587	566,860,780
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	6,537,577	48,549,022
Financial liabilities		
Lease liabilities	35,954,370	80,456,937
Short term borrowings	1,618,958,452	1,777,187,767
	1,654,912,822	1,857,644,704

Fair value sensitivity analysis for fixed rate instruments

'The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the reporting date, fluctuates by 1% higher / lower with all other variables held constant, loss before levy and taxation for the year would have been Rupees 16.484 million lower / higher (2024: profit before levy and taxation for the year would have been Rupees 18.091 million higher / lower), mainly as a result of higher / lower interest expense on lease liabilities and short term borrowings. This analysis is prepared assuming the amounts of assets and liabilities outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025 Rupees	2024 Rupees
Long term security deposits	13,966,150	13,966,150
Long term loans to employees	2,050,938	2,985,102
Short term deposits	1,000,000	2,437,595
Trade debts	1,232,490,332	1,019,801,916
Loans and advances	171,181,377	35,927,677
Other receivables	219,804,260	100,674,993
Accrued interest	10,052	3,486,137
Short term investments	240,351,519	222,717,061
Bank balances	135,729,054	351,809,245
	2,016,583,682	1,753,805,876

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

	Rating			2025	2024
	Short term	Long term	Agency	Rupees	Rupees
Short term investments					
Engro Fertilizer Limited	A1+	AA	PACRA	9,186,705	8,227,890
First Habib Cash Fund		AAA+(f)	VIS	226,827,322	210,578,977
NBP Islamic Daily Dividend Fund		AA+(f)	PACRA	617,589	558,023
UBL Liquidity Plus Fund - Class 'C'		AA+(f)	VIS	2,689,057	2,422,647
MCB Cash Management Optimizer		AA+(f)	PACRA	587,676	527,269
Meezan Rozana Amdani Fund		AA+(f)	VIS	443,170	402,255
				240,351,519	222,717,061
Banks					
Bank Alfalah Limited	A1+	AAA	PACRA	41,928,865	215,539,881
Bank AL-Habib Limited	A1+	AAA	PACRA	1,414,930	1,483,688
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	531,029	2,501,704
MCB Bank Limited	A1+	AAA	PACRA	5,991,283	5,088,711
National Bank of Pakistan	A1+	AAA	PACRA	330,268	1,281,553
Habib Bank Limited	A1+	AAA	VIS	34,487,895	46,360,750
Askari Bank Limited	A1+	AA+	PACRA	350,507	110,548
United Bank Limited	A1+	AAA	VIS	-	18,318,856
JS Bank Limited	A1+	AA	PACRA	295,438	287,137
Al-Baraka Bank (Pakistan) Limited	A1	AA-	VIS	238,399	238,399
Meezan Bank Limited	A1+	AAA	VIS	24,756,551	49,936,729
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	108,519	108,520
Faysal Bank Limited	A1+	AA	PACRA	774,056	6,061,666
Bank Makramah Limited	-	-	VIS	7,246	7,246
Samba Bank Limited	A1	AA	PACRA	600,166	647,432
Mobilink Microfinance Bank Limited	A1	A	PACRA	23,913,902	3,836,425
				135,729,054	351,809,245
				376,080,573	574,526,306

Due to the Company's business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained from these customers to calculate the net exposure towards these customers.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the Gross Domestic Product, unemployment, interest, and the inflation Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows:

	Sales		
	Expected loss rate	Trade debts	Loss allowance
	%	Rupees	
At 30 June 2025			
Up to 30 days	0.00%	93,902,614	-
30 to 180 days	11.33%	33,007,092	3,740,476
181 to 360 days	39.45%	4,416,038	1,742,127
Above 360 days	100.00%	1,753,228	1,753,228
		133,078,972	7,235,831
Trade debts which are not subject to risk default		1,106,647,191	-
		1,239,726,163	7,235,831

	Sales		
	Expected loss rate	Trade debts	Loss allowance
	%	Rupees	
At 30 June 2024			
Up to 30 days	0.00%	328,115,571	-
30 to 180 days	19.41%	54,381,546	10,554,042
181 to 360 days	58.56%	8,124,200	4,757,911
Above 360 days	100.00%	2,279,640	2,279,640
		392,900,957	17,591,593
Trade debts which are not subject to risk default		644,492,552	-
		1,037,393,509	17,591,593

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. As 30 June 2025, the Company had Rupees 74.919 million (2024: Rupees 362.494 million) available borrowing limits from financial institutions and Rupees 145.889 million (2024: Rupees 352.417 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2025:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
	Rupees					
Non-derivative financial liabilities:						
Lease liabilities	513,627,957	935,576,561	103,996,048	79,507,589	116,096,854	635,976,070
Long term deposits	26,000,000	26,000,000	-	-	-	26,000,000
Trade and other payables	1,839,489,705	1,839,489,705	1,839,489,705	-	-	-
Unclaimed dividend	5,372,861	5,372,861	5,372,861	-	-	-
Accrued mark-up	37,294,089	37,294,089	37,294,089	-	-	-
Short term borrowings	1,618,958,452	1,618,958,452	1,618,958,452	-	-	-
	4,040,743,064	4,462,691,668	3,605,111,155	79,507,589	116,096,854	661,976,070

NOTES TO THE FINANCIAL STATEMENTS

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Contractual maturities of financial liabilities as at 30 June 2024:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
	Rupees					
Non-derivative financial liabilities:						
Lease liabilities	647,317,717	1,103,759,110	126,409,995	88,707,146	167,213,004	721,428,965
Long term deposits	15,000,000	15,000,000	-	-	-	15,000,000
Trade and other payables	2,031,891,360	2,031,891,360	2,031,891,360	-	-	-
Unclaimed dividend	5,689,417	5,689,417	5,689,417	-	-	-
Accrued mark-up	67,682,083	67,682,083	67,682,083	-	-	-
Short term borrowings	1,777,187,767	2,087,523,071	794,195,096	1,293,327,975	-	-
	4,544,768,344	5,311,545,041	3,025,867,951	1,382,035,121	167,213,004	736,428,965

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 June. The rates of interest / mark up have been disclosed in note 7 and note 10 to these financial statements.

47.2 Financial instruments by categories

	2025		
	At amortized cost	At fair value through profit or loss	Total
	Rupees		
Financial assets			
Long term security deposits	13,966,150	-	13,966,150
Long term loans to employees	2,050,938	-	2,050,938
Short term deposits	1,000,000	-	1,000,000
Trade debts	1,232,490,332	-	1,232,490,332
Loans and advances	171,181,377	-	171,181,377
Other receivables	219,804,260	-	219,804,260
Accrued interest	10,052	-	10,052
Short term investments	-	240,351,519	240,351,519
Cash and bank balances	145,889,901	-	145,889,901
	1,786,393,010	240,351,519	2,026,744,529

		2024	
	At amortized cost	At fair value through profit or loss	Total
		Rupees	
Financial assets			
Long term security deposits	13,966,150	-	13,966,150
Long term loan to an employee	2,985,102	-	2,985,102
Short term security deposits	2,437,595	-	2,437,595
Trade debts	1,019,801,916	-	1,019,801,916
Loans and advances	36,861,843	-	36,861,843
Other receivables	100,674,993	-	100,674,993
Accrued interest	3,486,137	-	3,486,137
Short term investments	-	222,717,061	222,717,061
Cash and bank balances	352,417,143	-	352,417,143
	1,532,630,879	222,717,061	1,755,347,940

	At Amortized Cost	
	2025	2024
	Rupees	Rupees
Financial liabilities		
Lease liabilities	513,627,957	647,317,717
Long term deposits	26,000,000	15,000,000
Trade and other payables	1,839,489,705	2,031,891,360
Short term borrowings	1,618,958,452	1,777,187,767
Accrued mark-up	37,294,089	67,682,083
Unclaimed dividend	5,372,861	5,689,417
	4,040,743,064	4,544,768,344

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

47.2.1 Reconciliation to the line items presented in the statement of financial position is as follows:

2025			
	Financial assets	Non-financial assets	Assets as per statement of financial position
	Rupees		
Assets			
Long term security deposits	13,966,150	371,201	14,337,351
Long term loans to employees	1,116,772	-	1,116,772
Short term deposits and prepayments	1,000,000	32,574,424	33,574,424
Trade debts	1,232,490,332	-	1,232,490,332
Loans and advances	171,181,377	136,178,571	307,359,948
Other receivables	219,804,260	192,719,980	412,524,240
Accrued interest	10,052	-	10,052
Short term investments	240,351,519	-	240,351,519
Cash and bank balances	145,889,901	-	145,889,901
	2,025,810,363	361,844,176	2,387,654,539

2025			
	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
	Rupees		
Liabilities			
Lease liabilities	513,627,957	-	513,627,957
Long term deposits	26,000,000	-	26,000,000
Trade and other payables	1,839,489,705	330,102,700	2,169,592,405
Short term borrowings	1,618,958,452	-	1,618,958,452
Accrued mark-up	37,294,089	-	37,294,089
Unclaimed dividend	5,372,861	-	5,372,861
	4,040,743,064	330,102,700	4,370,845,764

2024			
	Financial assets	Non-financial assets	Assets as per statement of financial position
	Rupees		
Assets			
Long term security deposits	13,966,150	23,752,619	37,718,769
Long term loans to employees	2,050,936	-	2,050,936
Short term deposits and prepayments	2,437,595	25,319,386	27,756,981
Trade debts	1,019,801,916	-	1,019,801,916
Loans and advances	36,861,843	208,836,844	245,698,687
Other receivables	100,674,993	265,201,125	365,876,118
Accrued interest	3,486,137	-	3,486,137
Short term investments	222,717,061	-	222,717,061
Cash and bank balances	352,417,143	-	352,417,143
	1,754,413,774	523,109,974	2,277,523,748

2024			
	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
	Rupees		
Liabilities			
Lease liabilities	647,317,717	-	647,317,717
Long term deposits	15,000,000	-	15,000,000
Trade and other payables	2,031,891,360	527,290,532	2,559,181,892
Short term borrowings	1,777,187,767	-	1,777,187,767
Accrued mark-up	67,682,083	-	67,682,083
Unclaimed dividend	5,689,417	-	5,689,417
	4,544,768,344	527,290,532	5,072,058,876

47.3 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

48. DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	2025 Rupees	2024 Rupees
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	-	-
Interest or mark-up accrued on any conventional loan or advance	37,294,089	67,682,083
Long-term and short-term Shariah compliant Investments	1,060,759	960,278
Shariah-compliant bank deposits, bank balances, and TDRs	25,884,771	56,352,560
Revenue earned from a Shariah-compliant business segment (Note 29)	35,827,893,721	26,759,270,163
Break-up of late payments or liquidated damages	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates	913,724	165,202
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	-	-
Exchange gain earned from actual currency	-	8,463,255
Exchange gains earned using conventional derivative financial instruments	-	-
Profit paid on Islamic mode of financing	-	-
Total Interest earned on any conventional loan or advance	33,414,160	73,175,044
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and noncompliant income		
Shariah-compliant		
Fair value gain on investment property classified as held for sale	25,000,000	-
Dividend income	913,724	651,343,659
Gain on disposal of operating fixed assets	2,283,526	3,124,350
Gain on termination of leases	10,982,771	-
Income from handling and storage services	107,323,063	29,050,833
Reversal of provision for slow moving and damaged inventory items	14,257,772	-
Common facility charges	1,379,930	1,881,780
Scrap sales	-	12,000
Reversal of allowance for expected credit losses	10,355,762	-
Exchange gain - net	-	8,463,255
Rental income from HTL Express Centres	40,098,026	31,073,976
Promotional incentive	-	184,705,857
Credit balances written back	1,652,734	201,554
Miscellaneous	6,400	494,665
Non compliant		
Profit on bank deposits and term deposit receipt	865,437	28,273,889
Gain on disposal of short term investments	9,669	338,810
Interest on short term loan to subsidiary company	33,414,160	73,175,044
Unrealized gain on remeasurement of investments at fair value through profit or loss - net	660,978	5,212,238
Dividend income	30,484,439	41,168,393

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Relationship with shariah compliant banks:

Name	Relationship as at reporting date
Al-Baraka Bank (Pakistan) Limited	Bank balance
Meezan Bank Limited	Bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
Faysal Bank Limited	Bank balance

49. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. Consistent with others in the industry, and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent lease liabilities and short term borrowings obtained by the Company as referred to in note 7 and note 10 to the financial statements. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'.

		2025	2024
Borrowings	Rupees	1,654,723,436	1,857,644,704
Total equity	Rupees	3,687,791,030	3,938,360,681
Total capital employed	Rupees	5,342,514,466	5,796,005,385
Gearing ratio	Percentage	30.97%	32.05%

Reason: The decrease in gearing ratio is due to decrease in borrowings of the Company.

50. UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
Total facilities	1,940,815,000	1,304,915,000	1,693,878,298	2,292,217,000
Utilized at the end of the year	1,488,274,510	677,396,148	1,654,912,822	1,929,723,343
Unutilized at the end of the year	452,540,490	627,518,852	38,965,476	362,493,657

51. UTILIZATION OF THE PROCEEDS OF THE INITIAL PUBLIC OFFER (IPO)

During the year ended 30 June 2016, the Company made an Initial Public Offer (IPO) through issue of 29,001,000 ordinary shares of Rupees 10 each at a price of Rupees 62.50 per share determined through book building process. Out of the total issue of 29,001,000 ordinary shares, 21,750,500 shares were subscribed through book building by High Net Worth Individuals and Institutional Investors, while the remaining 7,250,500 ordinary shares were subscribed by the General Public and the shares were duly allotted on 18 February 2016. On 01 March 2016, Pakistan Stock Exchange Limited approved the Company's application for formal listing of ordinary shares and trading of shares started on 03 March 2016.

Till 30 June 2017, the Company utilized the proceeds of the initial public offer of 29,001,000 ordinary shares for the purposes mentioned under heading 5.5 'Expansion Plan' in prospectus dated 28 December 2015, as per the following detail:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

Purposes Mentioned Under Heading 5.5 'Expansion Plan' In Prospectus Dated 28 December 2015	Total amount	Total amount utilized till 30 June 2017
	Rupees	Rupees
Investment in HTLL		
Land	470,000,000	60,618,100
Building	128,000,000	12,486,445
Plant, machinery and equipment	139,000,000	2,719,201
Pre-operating costs	33,000,000	249,630
Working capital	842,562,500	739,126,208
	1,612,562,500	815,199,584
Investment in 100% owned subsidiary		
Additional filling lines for blending plant, Hi-Tech Blending (Private) Limited	200,000,000	-
Total	1,812,562,500	815,199,584
IPO proceeds (A)	1,812,562,500	
Amount un-utilized (A – B)	997,362,916	

As stated in the prospectus dated 28 December 2015, the Company planned to offer state of the art retail outlets across Pakistan with multitude of unique services and also planned to install additional filling lines at the blending plant of its subsidiary. The plan of the year 2015-16 covered 37 grand outlets openings in 11 major cities of Pakistan including Lahore, Gujranwala, Sialkot, Faisalabad, Multan, Islamabad, Rawalpindi, Karachi and Hyderabad. Over a period of 5 years, the Company planned to open 75 retail outlets (including 67 rented) across 16 major cities of Pakistan. As per quarterly progress report number 06 dated 14 July 2017, the Company informed all stakeholders the progress on implementation of project: Expansion through retail outlet: 1 owned service center under regulatory approval and out of the 10 rented service centers, 1 is operational, 3 are approved and under construction, 3 are under regulatory approvals and 3 are under negotiations. Accurate, effective and timely implementation of the above plans of the Company became a big challenge for the Company due to expensive lands and properties at key locations in almost all the cities for express service centers. Hence, the Company planned for incorporation of express centers into its fuel stations to be established under the umbrella of Oil Marketing Company (OMC) Project of the Company. In this regard, the Company obtained a financial feasibility report from KPMG Taseer Hadi & Co., Chartered Accountants regarding investment in OMC Project. In view of successful fulfilment of initial mandatory requirements of Oil and Gas Regulatory Authority (OGRA) for setting up of an OMC and future prospects of OMC in current international scenario as prospected under financial feasibility report, the shareholders of the Company in their 9th Annual General Meeting held on 29 September 2017 approved diversion and utilization of un-utilized IPO funds from HTL Express Centers and wholly owned subsidiary company to OMC Project of the Company keeping in view overall growth of the Company and ultimate benefit to all shareholders and stakeholders of the Company.

The Project envisages setting up 360 retail outlets across Punjab, Sindh and Khyber Pakhtunkhwa Provinces of Pakistan. The fuel stations will offer full range of services such as general store, tyre shop and a car shop amongst others. To support sales, the Company plans to invest in building storage capacities of 25,735 metric tons (Mogas and HSD) across the country over a period of 7 years.

During the year ended 30 June 2017, OGRA granted license to the Company to establish an Oil Marketing Company (OMC), subject to some conditions. During the year ended 30 June 2018, with reference to OMC Project of the Company, Oil and Gas Regulatory Authority (OGRA) has granted permission to proceed to apply/acquire No Objection Certificates (NOCs) from concerned departments including District Coordination Officer (DCO) for setting up of upto 26 retail outlets in Punjab Province with instructions that retail sales through petrol pumps can only be started after completion of necessary Storage Infrastructure, 3rd Party Inspector Report confirming that storage/depot meets OGRA's notified Technical Standards and OGRA's approval.

During the year ended 30 June 2018, the Company completed its oil storage site at Sahiwal. The Company also purchased land in Nowshera for oil storage site under OMC Project.

On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) granted permission to the Company to operate new oil storage facility at Sahiwal and marketing of petroleum products in the Province of Punjab. The Company signed agreements with various dealers for setting up petrol pumps under the OMC Project and also started construction of another storage site at Nowshera, Khyber Pakhtunkhwa.

During the year ended on 30 June 2020, the Company started its OMC operations and expediently worked on completion of its Nowshera oil storage. During the year ended 30 June 2021, Company has completed its oil storage at Nowshera. On 09 August 2021, OGRA acknowledged the satisfactory completion of Nowshera oil storage based on third party inspection report. During the year ended 30 June 2022, the Company has started work on new oil storage facility at Shikarpur. On 16 March 2023, OGRA has granted permission to the Company to operate new storage facility at Nowshera and marketing of petroleum products in the province of Khyber Pakhtunkhwa. Currently, the Company has eight operational HTL Express Centers, four in Lahore, three in Karachi and one in Rawalpindi. Further, the Company has sixty one retail outlets operational for sale of petroleum products as on 30 June 2025. Detail of payments out of IPO proceeds during the year ended 30 June 2025 is as follows:

	Rupees
Un-utilized IPO proceeds as at 01 July 2024	218,115,906
Add: Proceeds from Sale of Land	30,000,000
Add: Profit on bank deposits	475,864
Add: Dividend on investment in mutual funds	30,589,514
Add: Gain on disposal of investment in mutual fund	9,669
Add: Unrealised gain on investment in mutual funds	(495,199)
Less: Payments made relating to OMC Project	(84,271,679)
Less: Withholding tax on profit	(71,380)
Less: Withholding tax on dividend from mutual funds	(7,647,378)
Less: Withholding tax on disposal of mutual funds	(16,339)
Less: Bank charges	(2,376)
Un-utilized IPO proceeds as at 30 June 2025	186,686,602

The un-utilized proceeds of the public offer have been kept by the Company in the shape of bank balances and mutual funds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

52. SEGMENT INFORMATION

The Company has two reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Lubricants Purchase and sale of lubricants, parts and rendering of services.
Petroleum products Marketing and sale of petroleum products.

	LUBRICANTS		PETROLEUM PRODUCTS		UNALLOCATED		TOTAL - COMPANY	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees							
Revenue from contracts with customers - net	9,810,585,892	8,055,521,978	23,232,318,076	15,960,960,352	-	-	33,042,903,968	24,016,482,330
Cost of sales	(8,396,842,285)	(7,002,008,113)	(22,607,022,776)	(15,569,807,897)	-	-	(31,003,865,061)	(22,571,816,010)
Gross profit	1,413,743,607	1,053,513,865	625,295,300	391,152,455	-	-	2,039,038,907	1,444,666,320
Distribution cost	(751,681,615)	(618,582,780)	(452,917,811)	(400,050,792)	-	-	(1,204,599,426)	(1,018,633,572)
Administrative expenses	(782,528,545)	(704,210,846)	(15,737,256)	(19,336,043)	-	-	(798,265,801)	(723,546,889)
Other expenses	52,801,621	(18,291,462)	(106,170,033)	(36,267,439)	-	-	(53,368,412)	(54,558,901)
	(1,481,408,539)	(1,341,085,088)	(574,825,100)	(455,654,274)	-	-	(2,056,233,639)	(1,796,739,362)
Other income	141,657,723	967,814,956	138,030,668	90,705,347	-	-	279,688,391	1,058,520,303
Profit from operations	73,992,791	680,243,733	188,500,868	26,203,528	-	-	262,493,659	706,447,261
Finance cost	(347,807,158)	(432,102,926)	(57,391,947)	(111,943,694)	-	-	(405,199,105)	(544,046,620)
(Loss) / profit before taxation and levy	(273,814,367)	248,140,807	131,108,921	(85,740,166)	-	-	(142,705,446)	162,400,641
Levy	-	-	-	-	(151,998,856)	(111,560,224)	(151,998,856)	(111,560,224)
(Loss) / profit before taxation	(273,814,367)	248,140,807	131,108,921	(85,740,166)	(151,998,856)	(111,560,224)	(294,704,302)	50,840,417
Taxation	-	-	-	-	(24,076,599)	60,563,380	(24,076,599)	60,563,380
(Loss) / profit after taxation	(273,814,367)	248,140,807	131,108,921	(85,740,166)	(176,075,455)	(50,996,844)	(318,780,901)	111,403,797

	LUBRICANTS		PETROLEUM PRODUCTS		TOTAL - COMPANY	
	2025	2024	2025	2024	2025	2024
	Rupees					
52.1 Reconciliation of reportable segment assets and liabilities:						
Total assets for reportable segments	5,453,618,737	3,762,378,934	2,282,248,716	4,925,271,282	7,735,867,453	8,687,650,216
Unallocated assets					322,769,341	322,769,341
Total assets as per statement of financial position					8,058,636,794	9,010,419,557
Total liabilities for reportable segments	1,647,359,894	1,622,410,722	1,168,630,837	1,905,651,627	2,815,990,731	3,528,062,349
Unallocated liabilities					1,554,855,033	1,543,996,527
Total liabilities as per statement of financial position					4,370,845,764	5,072,058,876

52.2 All of the sales of the Company relates to customers in Pakistan.

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

The un-utilized proceeds of the public offer have been kept by the Company in the shape of bank balances and mutual funds.

53. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors has proposed a cash dividend for the year ended 30 June 2025 of Rupees Nil per share (2024: Nil) at their meeting held on 22 September 2025. However, this event has been considered as non-adjusting event under IAS 10 'Events after the Reporting Period' and has not been recognized in these financial statements.

54. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 22 September 2025 by the Board of Directors of the Company.

55. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison.

56. GENERAL

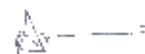
Figures have been rounded off to the nearest Rupee, unless otherwise stated.



Chief Executive



Director



Chief Financial Officer