



Byco Petroleum Reports 48% Increase in Annual Gross Profit to Rs 2.9 Billion, Despite Unprecedented Challenges

- ***Byco Petroleum Pakistan Ltd. Reports gross sales of Rs 239 billion, gross profit of Rs 2.9 billion, and net loss of Rs 0.46 per share for the year ended June 30, 2020.***
- ***The company is operating under a tough business environment but remains focused on improving operational excellence and ramping up its facilities.***

(Karachi, 24 September 2020) Byco Petroleum Pakistan Ltd. (BPPL) today reported financial results for the year ending June 30, 2020. During the year, despite facing a 15% fall in crude oil prices, Byco was able to limit the reduction in the company's gross sales by only 5%, from Rs 252 billion to Rs 239 billion in the previous year, through implementation of prudent strategies. The company's gross profits, however, increased by 48% to Rs 2.9 billion from Rs 1.96 billion last year due to better pricing of crude cargos. The operating expenses remained within budget. Due to the Pak Rupee's depreciation, the company booked an exchange loss of Rs 514 million. Finance costs increased due to higher KIBOR rates. Consequently, the company's net loss came in at Rs 2.43 billion, or Rs 0.46 per share, as compared to Rs 1.68 billion, or Rs 0.32 per share, in FY-2019.

The global energy industry in general and the oil refiners in Pakistan in particular are facing some of the most daunting challenges ever. The rapid spread of COVID-19 brought business activities to a standstill, pushed the global economy into a recession, decimated fuel demand, and reduced oil prices to historic lows. Oil demand in Pakistan fell by 35% following the nationwide lockdown in March and April. The continued decline in HSFO consumption and prices both at home and abroad, significant exchange losses following the reduction in the value of the Pak Rupee against the US Dollar, weak fuel demand, and inconsistencies in product pricing had a negative impact on the refining margins and the company's earnings.

Despite facing unprecedented challenges, Byco Petroleum Pakistan continued to focus on delivering a strong operational performance. The company's Isomerisation Unit is running smoothly, converting Light Naphtha into MS and helping improve refining margins. The SPM facility continues to provide critical support to the refining operations and is now responsible for nearly a quarter of Pakistan's total crude oil imports. Byco opened 19 new retail outlets during the year. Byco also successfully exported a parcel of HSFO which eased pressure on inventories.

The oil consumption is expected to remain low as COVID-19 ravages lives and economies around the world. In this difficult time, Byco Petroleum Pakistan will do its best to minimize the negative impact of the tough macroeconomic environment, strive to continue achieving operational excellence, and upgrade its facilities to improve product quality and profitability. FY2020 was a very difficult year for both the local and global petroleum industry, due to the challenges posed by the global pandemic of COVID-19 and the subsequent lockdown and general economic decline that followed. Byco displayed tremendous resilience to fare much better than many other industry participants in the face of tremendous challenges of a very difficult operating environment.



PRESS RELEASE

About Byco: *Byco Petroleum Pakistan Limited (BPPL) is one of Pakistan's leading energy firms, engaged in the businesses of oil refining, petroleum marketing, and petroleum logistics. Byco's mission is to meet the nation's energy. The Company manufactures a wide range of petroleum products with a vision to achieve sustainable productivity and profitability while upholding high environmental, health and safety standards.*

Byco is Pakistan's largest oil refiner by design capacity, and is the nation's only firm having a dedicated Single Point Mooring (SPM). Byco's SPM is the only floating liquid port in the country, and the company employs a round-the-clock crew dedicated for the safety and security of the buoy and vessels in and around the SPM's anchorage area. The SPM is Pakistan's only terminal having a Tier 3 oil spill response membership.

Byco refines crude oil into various marketable components including Liquefied Petroleum Gas, Light Naphtha, Heavy Naphtha, High Octane Blending Component, Motor Gasoline, Kerosene, Jet Fuels, High Speed Diesel and Furnace Oil. Byco is proud to have the largest capacity crude oil storage tanks in the country. Byco's marketing network supports retail outlets in more than 80 cities all over Pakistan and is an emerging player in Pakistan's oil marketing sector. Byco's diverse and highly skilled workforce consists of approximately 900 dedicated employees across the firm's divisions.

For more information, please contact Byco's Communications at info@byco.com.pk, or call (021) 111-222-081 x. 305. Visit Byco's website at: www.byco.com.pk