



HALF YEARLY REPORT | 31 December 2021
Cnergycico Pk Limited
(formerly Byco Petroleum Pakistan Limited)

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COMPANY INFORMATION

Board of Directors

Mohammad Wasi Khan	Chairman
Amir Abbassciy	Director & Chief Executive Officer
Amir Waheed Ahmed	Independent Director
Muhammad Usama Qureshi	Independent Director
Syed Arshad Raza	Director
Uzma Abbasi	Director
Syed Hasan Zaidi	Director

Audit Committee

Amir Waheed Ahmed	Chairman
Muhammad Usama Qureshi	Member
Uzma Abbasi	Member

Human Resource and Remuneration Committee

Muhammad Usama Qureshi	Chairman
Syed Arshad Raza	Member
Uzma Abbasi	Member

Risk Management Committee

Amir Abbassciy	Chairman
Muhammad Usama Qureshi	Member
Amir Waheed Ahmed	Member

Chief Financial Officer

Zafar Shahab

Company Secretary

Majid Muqtadir

Auditors

Yousuf Adil	Chartered Accountants
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Bankers

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Oman Investment Company Limited
Saudi Pak Industrial and Agricultural Investment Company Limited
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited
Summit Bank Limited
Silkbank Limited
The Bank of Khyber
The Bank of Punjab
United Bank Limited

Shares Registrar

FAMCO Associates (Pvt) Limited
8-F, Next to Hotel Faran Nursery
Block - 6, P.E.C.H.S
Shahrah-e-Faisal, Karachi
Tel: (92 21) 3438 0101, 3438 0102
Fax: (92 21) 3438 0106

Registered Office

The Harbour Front, 9th Floor
Dolmen City, HC-3, Block-4
Marine Drive, Clifton
Karachi 75600, Pakistan
Tel: (92 21) 111 222 081
Fax: (92 21) 111 888 081

Website

www.cnergyico.com

DIRECTORS' REPORT

For the period ended December 31, 2021

In the name of Allah the Most Merciful and the Most Benevolent.

The Directors of your Company are pleased to present a brief review of the financial results and operations of the Company for the period ended 31st December, 2021.

The refineries generated a positive gross refining margins during the period however, the consumption of High Sulphur Furnace Oil (HSFO) remained virtually negligible thereby affecting the refineries throughput. In addition, this also compelled the refineries to offer discounts to the local market/export of HSFO at a significantly low market price. We believe it is imperative to find a sustainable solution for HSFO consumption in the country and we look forward to the Government giving this subject immediate due consideration.

For the refining segment, continuous increase in international oil prices coupled with the depreciation of Pak Rupee against US Dollar is a major challenge for all the oil companies as their working capital requirements, in PKR have increased manifold. Earlier, imposition of 17% sales tax on crude oil at import stage and a lower rate of sales tax on High Speed Diesel (HSD) and Premium Motor Gasoline (PMG) has placed further stress on the cashflows of already cash-starved oil refineries as significant amount of funds are now stuck in the form of sales tax refunds. This issue was addressed subsequently by removing the sales tax on crude oil but the sales tax refunds will take time to settle.

For the oil marketing segment, the Government has made upward revision in the marketing margins which will help in increasing profitability. However, as the sales tax on products is still nil, refunds are pending with the Government and this continues to negatively impact the much needed working capital deployment.

The Company recorded net sales of PKR 77.90 billion as compared to PKR 65.60 billion in the same period last year and earned gross profit of PKR 1.62 billion compared to PKR 3.26 billion last year. Operating expenses remained in line. The Company incurred loss after tax of PKR 1.28 billion with basic loss per share of Rs. 0.24 (Diluted: Rs. 0.23) as compared to profit after tax of PKR 961 million with basic/diluted earnings per share of Rs. 0.18 in the same period last year. The factors mentioned in preceding paragraphs were the main contributors for incurring loss in the current period.

The Board wishes to place on record its gratitude for the co-operation extended by the Government of Pakistan and our strategic partners including: customers, financial institutions, suppliers/vendors and shareholders.

For and on behalf of the Board of Directors

Chief Executive Officer

Director

Karachi
February 22, 2022

ڈائریکٹرز رپورٹ

برائے اختتام مدت 31 دسمبر 2021

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

آپ کی کمپنی کے ڈائریکٹرز ۳۱ دسمبر ۲۰۲۱ کو ختم ہونے والی میعاد کے لئے مالیاتی نتائج اور کمپنی کی عملی سرگرمیوں کا ایک مختصر جائزہ پیش کرتے ہوئے انتہائی خوشی محسوس کر رہے ہیں۔

ریفائنریز نے اس عرصے کے دوران ایک مثبت مجموعی ریفائننگ مارجن حاصل کیا۔ تاہم، ہائی سلفر فرنس آئل (HSFO) کی کھپت عملی طور پر نہ ہونے کے برابر رہی جس سے ریفائنریز کے تھروپنٹ پر اثر پڑا۔ مزید برآں، ان حالات نے ریفائنریز کو مقامی مارکیٹ میں رعایت دینے اور نمایاں طور پر کم قیمت پر HSFO برآمد کرنے پر مجبور کیا۔ ہم سمجھتے ہیں کہ ملک میں HSFO کی کھپت کے لیے ایک پائیدار حل تلاش کرنا ناگزیر ہے اور امید کرتے ہیں کہ حکومت اس موضوع پر فوری غور کرے گی۔

ریفائننگ کے سیگنٹ میں تیل کی بین الاقوامی قیمتوں میں مسلسل اضافہ اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی تمام آئل کمپنیوں کے لیے ایک بڑا چیلنج ہے کیونکہ روپے کی مد میں ان کی ورکنگ کیٹیبل کی ضروریات کئی گنا بڑھ چکی ہیں۔ درآمدی مرطے پر خام تیل پر 17 فیصد سیلز ٹیکس کا نفاذ اور ہائی اسپیڈ ڈیزل (HSD) اور پریسیم موٹر گیسولین (PMG) پر سیلز ٹیکس کی کم شرح نے پہلے سے ہی نقد کی کمی سے دوچار آئل ریفائنریز کے کیٹس فلو پر مزید دباؤ ڈالا کیونکہ فنڈز کی خاطر خواہ مقدار اب سیلز ٹیکس ریفینڈز کی مد میں چھٹی گئی ہے۔ اگرچہ اس مسئلے کو بعد میں خام تیل پر عائد سیلز ٹیکس بنا کر حل کیا گیا، لیکن سیلز ٹیکس ریفینڈز کو طے ہونے میں ابھی وقت لگے گا۔

حکومت نے مارکیٹنگ کے مارجن میں اضافہ کیا ہے جس سے آئل مارکیٹنگ کے شعبے کے منافع کو بہتر کرنے میں مدد ملے گی۔ تاہم، چونکہ مصنوعات پر سیلز ٹیکس اب بھی صفر ہے، سیلز ٹیکس ریفینڈز حکومت کے پاس زیر التواء ہیں اور اس سے ورکنگ کیٹیبل کی تعیناتی پر منفی اثر پڑ رہا ہے۔

کمپنی نے گزشتہ سال کی اسی مدت میں 65.60 ارب پاکستانی روپے کے مقابلے میں 77.90 ارب پاکستانی روپے کی خالص فروخت ریکارڈ کی اور گزشتہ سال 3.26 ارب پاکستانی روپے کے مقابلے میں 1.62 ارب پاکستانی روپے کا مجموعی منافع کمایا۔ آپریٹنگ اخراجات پچھلے سال کے مقابلے میں تقریباً برابر رہے۔ کمپنی نے 1.28 ارب پاکستانی روپے کا بعد از ٹیکس خسارے کے ساتھ فی حصص 0.24 روپے (تخلیل شدہ: 0.23 روپے) کا بنیادی خسارہ ریکارڈ کیا جو کہ گزشتہ سال کی اسی مدت میں 961 ملین پاکستانی روپے کے بعد از ٹیکس منافع کے ساتھ فی حصص 0.18 روپے کی بنیادی اور تخلیل شدہ آمدنی کے مقابلے میں تھا۔ موجودہ دور کے خسارے میں اہم کردار ان عوامل نے ادا کیا جن کا پہلے ذکر کیا جا چکا ہے۔

بورڈ، حکومت پاکستان اور کاروباری عمل کے شرکاء بشمول صارفین، مالیاتی اداروں، سپلائرز، ڈینڈرز، اور حصص مالکان کی جانب سے فراہم کردہ تعاون پر ان کے شکر گزار ہے۔

برائے و محتاج بورڈ آف ڈائریکٹرز

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی

22 فروری، 2022

Independent Auditors' Review Report

To the members of **Cnergyico Pk Limited** (formerly *Byco Petroleum Pakistan Limited*)

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Cnergyico Pk Limited** (formerly *Byco Petroleum Pakistan Limited*) (the Company) as at December 31, 2021, and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, unconsolidated condensed interim statement of changes in equity and notes to the unconsolidated condensed interim financial statements for the six-months period then ended (here-in-after referred to as 'condensed interim financial statements'). Management is responsible for the preparation and presentation of the unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for the interim financial reporting. Our responsibility is to express a conclusion on the unconsolidated condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements as of and for the six-months period then ended December 31, 2021 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

Other matters

The figures for the quarters ended September 30, 2021 and September 30, 2020 in the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income and related notes have not been reviewed and we do not express a conclusion on them.

The annual unconsolidated financial statements of the Company for the year ended June 30, 2021 were audited by another firm of Chartered Accountants who vide their report dated September 30, 2021 expressed an unmodified opinion thereon.

The engagement partner on the review resulting in this independent auditors' review report is Hena Sadiq.

Chartered Accountants

Place: Karachi

Date: February 23, 2022

UDIN: RR2021100575nzUu1qc7

Unconsolidated Condensed Interim Statement of Financial Position

As at December
31, 2021

(Rupees in '000)

	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
NON CURRENT ASSETS			
Property, plant and equipment	5	71,687,330	71,511,881
Long term investment		16,931,504	16,931,504
Long term loans and advances		482,134	568,231
Long term deposits		336,349	337,712
Deferred taxation		450,774	901,548
		89,888,091	90,250,876
CURRENT ASSETS			
Stores and spares		2,216,380	2,081,378
Stock-in-trade	6	33,525,863	33,584,673
Trade debts	7	4,634,348	4,556,175
Loans and advances		1,602,244	1,560,131
Trade deposits and short-term prepayments		88,109	52,427
Accrued interest		388,515	362,032
Other receivables	8	4,863,837	2,162,185
Taxation - net		1,160,663	1,138,264
Cash and bank balances		1,254,915	2,249,958
		49,734,874	47,747,223
TOTAL ASSETS		139,622,965	137,998,099
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		53,298,847	53,298,847
Reserves		(28,568,795)	(27,547,611)
Surplus on revaluation of property, plant and equipment		2,852,705	3,115,366
		27,582,757	28,866,602
Contribution against future issue of shares		979,418	979,418
		28,562,175	29,846,020
NON CURRENT LIABILITIES			
Long term financing		20,209,044	21,897,037
Accrued and deferred markup		6,647,239	5,774,166
Long term lease liabilities		1,002,928	1,029,047
Long term deposits		267,000	269,500
Deferred liabilities		481,020	548,129
Deferred income - government grant		-	3,501
		28,607,231	29,521,380
CURRENT LIABILITIES			
Trade and other payables		56,182,470	54,179,277
Advance from customers		3,989,797	2,851,374
Accrued mark-up		828,846	568,226
Short term borrowings - secured		16,508,654	15,069,500
Current portion of non-current liabilities		4,929,048	5,934,329
Current portion of deferred income - government grant		13,717	26,966
Unclaimed dividend		1,027	1,027
		82,453,559	78,630,699
TOTAL EQUITY AND LIABILITIES		139,622,965	137,998,099
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	Note	Six months period ended		Three months period ended	
		Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Revenue from contract with customers		90,389,093	100,161,593	50,192,470	51,745,475
Sales tax, discounts & other duties		(12,433,530)	(34,507,322)	(6,695,535)	(19,589,707)
Net revenue from contract with customers		77,955,563	65,654,271	43,496,935	32,155,768
Cost of sales		(76,326,247)	(62,384,463)	(42,619,148)	(30,604,701)
Gross profit		1,629,316	3,269,808	877,787	1,551,067
Administrative expenses		(531,406)	(484,527)	(261,736)	(236,103)
Selling and distribution expenses		(289,375)	(285,064)	(151,434)	(136,713)
Other expenses	7.1	(698,594)	(728,548)	(342,827)	(370,492)
Other income		491,492	512,886	243,354	273,315
		(1,027,883)	(985,253)	(512,643)	(469,993)
Operating profit		601,433	2,284,555	365,144	1,081,074
Finance costs		(1,434,504)	(1,322,699)	(783,332)	(572,648)
(Loss) / profit before taxation		(833,071)	961,856	(418,188)	508,426
Taxation - deferred taxation		(450,774)	–	(192,153)	–
(Loss) / profit after taxation		(1,283,845)	961,856	(610,341)	508,426
(Loss) / earnings per share			(Rupees)		
- Basic		(0.24)	0.18	(0.11)	0.10
- Diluted		(0.23)	0.18	(0.11)	0.10

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

Unconsolidated Condensed Interim Statement of other Comprehensive Income (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	Six months period ended		Three months period ended	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
(Loss) / profit after taxation	(1,283,845)	961,856	(610,341)	508,426
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	(1,283,845)	961,856	(610,341)	508,426

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	Issued, subscribed and paid up capital	Capital Reserves			Revenue Reserve		Sub-total	Contribution against future issue of shares	Total
		Merger Reserves	Other Capital Reserve	Revaluation surplus on property, plant & Equipment	Accumulated Loss				
Balance as at July 1, 2020	53,298,847	(21,303,418)	3,214,209	3,641,342	(13,507,304)	25,343,676	857,140	26,200,816	
Net profit for the period	-	-	-	-	961,856	961,856	-	961,856	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	961,856	961,856	-	961,856	
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	-	-	-	(262,988)	262,988	-	-	-	
Balance as at December 31, 2020	53,298,847	(21,303,418)	3,214,209	3,378,354	(12,282,460)	26,305,532	857,140	27,162,672	
Balance as at July 1, 2021	53,298,847	(21,303,418)	3,214,209	3,115,366	(9,458,402)	28,866,602	979,418	29,846,020	
Net Loss for the period	-	-	-	-	(1,283,845)	(1,283,845)	-	(1,283,845)	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	
Total comprehensive loss for the period	-	-	-	-	(1,283,845)	(1,283,845)	-	(1,283,845)	
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	-	-	-	(262,661)	262,661	-	-	-	
Balance as at December 31, 2021	53,298,847	(21,303,418)	3,214,209	2,852,705	(10,479,586)	27,582,757	979,418	28,562,175	

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

Unconsolidated Condensed Interim Statement of Cashflows (Un-audited)

For the period ended December 31, 2021

(Rupees in '000)

	December 31, 2021	December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(833,071)	961,856
Adjustments for:		
Depreciation	1,956,312	1,945,793
Finance costs	1,434,504	1,322,699
Allowance for expected credited losses	698,594	699,247
(Gain) / loss on property, plant and equipment	(891)	149
Interest income	(477,973)	(476,027)
Provision for defined benefit plan	53,771	36,784
Net cash flow before working capital changes	2,831,246	4,490,501
Movement in working capital		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	(135,002)	(6,921)
Stock in trade	58,810	2,180,041
Trade debts	(335,460)	(2,483,056)
Loans and advances	43,984	(154,852)
Trade deposits and short term prepayments	(35,682)	(235,070)
Other receivables	(2,701,652)	(14,783)
<i>Increase / (decrease) in current liabilities</i>		
Advance from customers	1,138,423	(789,869)
Trade and other payables	2,336,805	(224,137)
	370,226	(1,728,647)
Cash generated from operations	3,201,472	2,761,854
Finance costs paid	(1,670,141)	(1,775,104)
Income taxes paid	(22,399)	(41,832)
Gratuity paid	(9,760)	(50,000)
Interest income received	10,181	10,132
Net cash generated from operations	1,509,353	905,050
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for acquisition of property, plant and equipment	(2,137,900)	(1,829,897)
Proceeds from disposal of property, plant and equipment	72	66
Long term deposits - net	(1,137)	100,561
Net cash used in investing activities	(2,138,965)	(1,729,270)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing - net	(1,605,141)	270,959
Payment of lease liabilities	(199,444)	(214,001)
Short term borrowing - net	1,439,154	(2,050,712)
Net cash used in financing activities	(365,431)	(1,993,754)
Net decrease in cash and cash equivalents	(995,043)	(2,817,974)
Cash and cash equivalents - at the beginning of the period	649,958	2,319,220
Cash and cash equivalents - at the end of the period	(345,085)	(498,754)
Cash and cash equivalents comprise of:		
Cash and bank balances	1,254,915	1,101,246
Running finance facility	(1,600,000)	(1,600,000)
	(345,085)	(498,754)

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements

For the six months period ended December 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Cnergyico PK Limited (Formerly Byco Petroleum Pakistan Limited) (the Company) was incorporated in Pakistan as a public limited company on January 9, 1995 under the Companies Act, 2017 and was granted a certificate of commencement of business on March 13, 1995. The shares of the Company are listed on Pakistan Stock Exchange Limited. The registered office of the company is situated at The Harbour Front, 9th Floor, Dolmen city, HC-3, Block 4, marine Drive, Clifton, Karachi - 75600, Pakistan. The Company is a subsidiary of Cnergyico Mu Incorporated (formerly Byco Industries Incorporated (BI)), Mauritius (the Parent Company). The Parent Company in turn is subsidiary of Busientco Incorporated (formerly Byco Busient Incorporated (BBI)), Cayman Islands (the Ultimate Parent Company).
- 1.2** The Company currently operates two business segments namely Oil Refinery Business and Petroleum Marketing Business. The Company has two refineries with an aggregate rated capacity of 155,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 433 (June 30, 2021: 415) retail outlets across the country as at December 31, 2021.

On July 08, 2021, shareholders of the Company passed special resolution in Extra Ordinary General Meeting and resolved that name of the Company be changed from 'Byco Petroleum Pakistan Limited' to "Cnergyico PK Limited" and after complying with all regulatory requirements name of the Company officially changed w.e.f December 01, 2021.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021. These unconsolidated condensed interim financial statements are unaudited, however have been subject to limited scope review by the auditors, and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

- 2.3 These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.
- 2.4 This unconsolidated condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand.
- 2.5 The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2021 and December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the Company's annual audited financial statements as at and for the year ended June 30, 2021. Certain new IFRS and amendments to existing IFRS are effective for periods beginning on or after July 1, 2021, which do not have any impact on the Company's financial reporting and therefore have not been detailed in these unconsolidated condensed interim financial statements.
- 3.2 The Company follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these unconsolidated condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates and judgements made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those that were applied to the annual unconsolidated financial statements of the Company for the year ended June 30, 2021, except as disclosed otherwise.

5. PROPERTY, PLANT AND EQUIPMENT

(Rupees in '000)			
	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Operating fixed assets	5.1	42,276,597	43,466,979
Capital work-in-progress	5.2	28,763,343	27,216,293
Right-of-use assets	5.3	647,390	828,609
		71,687,330	71,511,881

5.1 Additions in operating fixed assets

(Rupees in '000)

	Dec 31, 2021	Dec 31, 2020
Building on free hold land, roads and civil works	–	27,309
Plant and machinery	529,521	230,394
Furniture and fixtures	2,809	579
Vehicles	–	3,387
Computer and allied equipments	20,559	38,358
Safety & lab equipments	413	4,332
	553,302	304,359

5.2 During the period, the additions in capital work-in-progress amounted to Rs. 1,547.051 million (December 31, 2020: Rs. 1,515.672 million)

5.3 During the period, the additions in right-of-use assets amounted to Rs. 37.548 million (December 31, 2020: Rs. 9.866 million)

6. STOCK-IN-TRADE

(Rupees in '000)

	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Raw material	6.1	24,668,212	26,063,302
Finished products	6.2 & 6.3	8,857,651	7,521,371
		33,525,863	33,584,673

6.1 This includes raw material in transit amounting to Rs. 19,726.960 million (June 30, 2021: Rs. 21,961.788 million) as at the date of statement of financial position.

6.2 Finished product costing Rs. 7,615.287 million (June 30, 2021: Nil) has been written down by Rs. 659.924 million (June 30, 2021: Nil) to net realisable value.

6.3 This includes finished products held by third parties amounting to Rs. 3,375.505 million (June 30, 2021: Rs. 3,163.736 million).

7. TRADE DEBTS

(Rupees in '000)

	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
	7.1	4,634,348	4,556,175

7.1 As at December 31, 2021 allowance for expected credit loss amounts to Rs. 8,317.029 million (June 30, 2021 : Rs. 7,618.435 million).

8. OTHER RECEIVABLES

(Rupees in '000)			
	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Considered good	8.1	4,863,837	2,162,185

- 8.1 This includes Rs. 643.622 million (June 30, 2021: Rs. 706.853 million) receivable from a related party.

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no material change in the status of contingencies from what is disclosed in note 27.1 to the annual audited unconsolidated financial statements for the year ended June 30, 2021.

9.2 Commitments

The status for commitments is same as disclosed in annual audited unconsolidated financial statements for the year ended June 30, 2021 except for:

(Rupees in '000)		
	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Commitments for capital expenditure	3,425,376	3,175,124

10. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of ultimate parent company, parent company, subsidiary company, associated companies, directors, key management personnel, staff provident fund and staff gratuity fund. Transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

10.1 Transactions with related parties

(Rupees in '000)		
	Jul-Dec 2021	Jul-Dec 2020
(Un-audited)		
Parent company:		
Markup expense	30,535	37,644
Subsidiary Company:		
Other expenses incurred	183	191
Product processing charges	53,269	30,687
Associated companies:		
Purchase of operating fixed assets and services	89,396	41,754
Markup charged	738,123	437,044
Others		
Post employment benefit funds	49,209	166,667
Key management personnel	98,925	67,812

10.2 Balances with related parties

(Rupees in '000)

	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Parent Company		
Contribution against future issue of shares	979,418	979,418
Accrued markup payable	749,064	718,829
Loan payable	3,935,650	3,935,650
Subsidiary Company		
Receivable against expenses incurred	643,622	706,853
Associated Companies		
Advance against shared services	55,272	70,069
Payable against purchases	117,440	28,044
Accrued markup	5,627,972	4,885,134
Loan payable	14,581,628	14,831,628
Others		
Payable to key management person	68,508	68,508
Payable to post employment benefit funds	338,836	211,907

11. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. There have been no changes in any risk management policies since the year end.

12. FAIR VALUE OF ASSETS AND LIABILITIES

There were no transfers amongst levels during the period.

13. OPERATING SEGMENTS

For management purposes, the Company has determined following reportable operating segments on the basis of business activities i.e. oil refining and petroleum marketing. Oil refining business is engaged in crude oil refining and selling of refined petroleum products to oil marketing companies. Petroleum marketing business is engaged in trading of petroleum products, procuring products from oil refining business as well as from other sources. The quantitative data for segments is given below:

(Rupees in '000)

	Oil Refining		Petroleum Marketing		Total	
	Dec 2021	Dec 2020	Dec 2021	Dec 2020	Dec 2021	Dec 2020
Sales to external customers	26,706,420	32,263,848	51,249,143	33,390,423	77,955,563	65,654,271
Inter-segment sales	50,246,226	32,154,979	–	–	50,246,226	32,154,979
Eliminations	(50,246,226)	(32,154,979)	–	–	(50,246,226)	(32,154,979)
Total revenue	26,706,420	32,263,848	51,249,143	33,390,423	77,955,563	65,654,271
Result						
Segment profit	44,858	1,709,601	777,196	827,475	822,054	2,537,076
Unallocated expenses:						
Finance costs					(1,434,504)	(1,322,699)
Other expenses					(698,594)	(728,548)
Interest income					477,973	476,027
(Loss) / profit before taxation					(833,071)	961,856
Taxation					(450,774)	–
(Loss) / profit after taxation					(1,283,845)	961,856
Segment assets	138,355,973	123,953,859	1,266,992	1,276,769	139,622,965	125,230,628
Unallocated assets	–	–	–	–	–	–
	138,355,973	123,953,859	1,266,992	1,276,769	139,622,965	125,230,628
Segment liabilities	109,918,835	97,143,158	1,141,955	924,798	111,060,790	98,067,956
Unallocated liabilities	–	–	–	–	–	–
	109,918,835	97,143,158	1,141,955	924,798	111,060,790	98,067,956
Capital expenditure	2,100,353	1,820,031	37,548	9,866	2,137,901	1,829,897
Other Information						
Depreciation	1,826,527	1,813,080	129,785	132,713	1,956,312	1,945,793

All non-current assets of the Company as at December 31, 2021 and 2020 are located in Pakistan.

14. SUBSEQUENT EVENTS

The Board of Directors of the Company in their meeting dated January 13, 2022 has approved the acquisition of 57.37% stake in Puma Energy Pakistan Private Limited ('Puma').

15. DATE OF AUTHORISATION FOR ISSUE

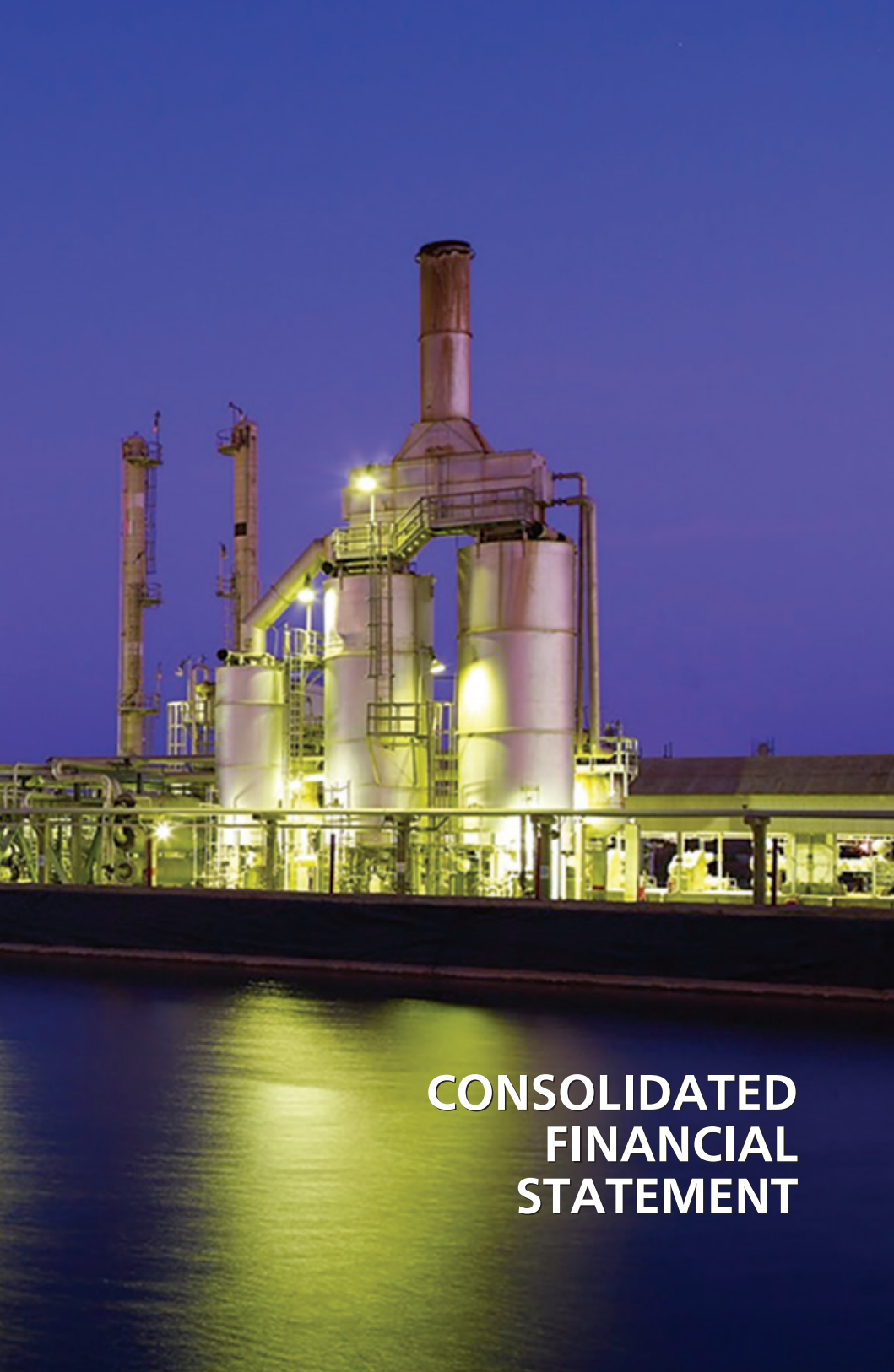
These unconsolidated condensed interim financial statements were authorised for issue on **February 22, 2022** by the Board of Directors of the Company.

Director

Chief Executive Officer

Chief Financial Officer





**CONSOLIDATED
FINANCIAL
STATEMENT**

Consolidated Condensed Interim Statement of Financial Position

As at December
31, 2021

(Rupees in '000)

	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
NON CURRENT ASSETS			
Property, plant and equipment	5	83,424,581	83,692,408
Long term loans and advances		482,134	568,231
Long-term deposits		336,349	337,712
		84,243,064	84,598,351
CURRENT ASSETS			
Stores and spares		2,216,380	2,081,377
Stock-in-trade	6	33,525,863	33,584,673
Trade debts	7	4,634,348	4,556,175
Loans and advances		1,602,244	1,560,131
Trade deposits and short-term prepayments		88,109	52,427
Accrued interest		388,515	362,032
Other receivables	8	4,249,796	1,464,241
Taxation - net		1,144,629	1,128,766
Cash and bank balances		1,254,915	2,249,958
		49,104,799	47,039,780
TOTAL ASSETS		133,347,863	131,638,131
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		53,298,847	53,298,847
Reserves		(43,443,552)	(42,341,173)
Surplus on revaluation of Property, plant and equipment		9,238,126	9,743,271
		19,093,421	20,700,945
Contribution against future issue of shares		979,418	979,418
		20,072,839	21,680,363
NON CURRENT LIABILITIES			
Long term financing		20,209,044	21,897,037
Accrued and deferred markup		6,647,239	5,774,166
Long term lease liabilities		1,002,917	1,029,047
Long term deposits		267,000	269,500
Deferred liabilities		481,020	548,129
Deferred income - government grant		-	3,501
Deferred taxation		2,156,883	1,805,479
		30,764,103	31,326,859
CURRENT LIABILITIES			
Trade and other payables		56,239,821	54,179,487
Advance from customers		3,989,797	2,851,374
Accrued mark-up		828,846	568,226
Short Term Borrowings - secured		16,508,654	15,069,500
Current portion of non-current liabilities		4,929,059	5,934,329
Current portion of deferred income - government grant		13,717	26,966
Unclaimed dividend		1,027	1,027
		82,510,921	78,630,909
TOTAL EQUITY AND LIABILITIES		133,347,863	131,638,131
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes form an integral part of these consolidated condensed Interim financial information.

Director

Chief Executive Officer

Chief Financial Officer

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	Note	Six months period ended		Three months period ended	
		Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Revenue from contract with customers		90,389,093	100,161,593	50,192,470	51,745,475
Sales tax, discounts & other duties		(12,433,530)	(34,507,322)	(6,695,535)	(19,589,707)
Net revenue from contract with customers		77,955,563	65,654,271	43,496,935	32,155,768
Cost of sales		(76,742,250)	(62,823,241)	(42,826,341)	(30,834,217)
Gross profit		1,213,313	2,831,030	670,594	1,321,551
Administrative expenses		(531,406)	(484,527)	(261,736)	(236,103)
Selling and distribution expenses		(289,375)	(285,064)	(151,433)	(136,713)
Other expenses	7.1	(698,594)	(728,548)	(342,826)	(370,492)
Other income		491,309	512,719	243,263	273,231
		(1,028,066)	(985,420)	(512,732)	(470,077)
Operating profit		185,247	1,845,610	157,862	851,474
Finance costs		(1,434,504)	(1,322,699)	(783,332)	(572,648)
(Loss) / Profit before taxation		(1,249,257)	522,911	(625,470)	278,826
Taxation					
Current		(6,536)	-	(3,367)	7,316
Deferred		(351,731)	99,043	(142,632)	49,522
		(358,267)	99,043	(145,999)	56,838
(Loss) / profit after taxation		(1,607,524)	621,954	(771,469)	335,664
(Loss) / earnings per share			(Rupees)		
- Basic		(0.30)	0.12	(0.14)	0.06
- Diluted		(0.29)	0.12	(0.14)	0.06

The annexed notes form an integral part of these consolidated condensed Interim financial information.

Director

Chief Executive Officer

Chief Financial Officer

Consolidated Condensed Interim Statement of other Comprehensive Income (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	Six months period ended		Three months period ended	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
(Loss) / profit after taxation	(1,607,524)	621,954	(771,469)	335,664
Other comprehensive income	–	–	–	–
Total comprehensive (loss) / income for the period	(1,607,524)	621,954	(771,469)	335,664

The annexed notes form an integral part of these consolidated condensed Interim financial information.

Director

Chief Executive Officer

Chief Financial Officer

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	Issued, subscribed and paid up capital	Capital Reserves		Revenue Reserve		Sub-total	Contribution against future issue of shares	Total
		Merger Reserves	Other Capital Reserve	Revaluation surplus on property, plant & Equipment	Accumulated Loss			
Balance as at 1 July 2020	53,298,847	(21,303,418)	3,214,209	10,754,216	(28,133,134)	17,830,720	857,140	18,687,860
Total comprehensive loss for the period								
Profit for the period	-	-	-	-	621,954	621,954	-	621,954
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	-	-	-	(505,472)	505,472	-	-	-
Balance as at Dec 31, 2020	53,298,847	(21,303,418)	3,214,209	10,248,744	(27,005,708)	18,452,674	857,140	19,309,814
Balance as at 1 July 2021	53,298,847	(21,303,418)	3,214,209	9,743,271	(24,251,964)	20,700,945	979,418	21,680,363
Total comprehensive loss for the period								
Loss for the period	-	-	-	-	(1,607,524)	(1,607,524)	-	(1,607,524)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	-	-	-	(505,145)	505,145	-	-	-
Balance as at Dec 31, 2021	53,298,847	(21,303,418)	3,214,209	9,238,126	(25,354,343)	19,093,421	979,418	20,072,839

The annexed notes form an integral part of these consolidated condensed Interim financial information.

Director

Chief Executive Officer

Chief Financial Officer

Consolidated Condensed Interim Statement of Cashflows (Un-audited)

For the six months period ended December 31, 2021

(Rupees in '000)

	December 31, 2021	December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(1,249,257)	522,911
Adjustments for:		
Depreciation	2,399,593	2,389,621
Finance costs	1,434,504	1,322,699
Provision for impairment against doubtful debts	698,594	699,247
Loss / (Gain) on disposal of assets	(891)	149
Interest income	(477,973)	(476,027)
Provision for gratuity	53,771	36,782
Net cash flow before working capital changes	2,858,341	4,495,382
Movement in working capital		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	(135,002)	(6,921)
Stock in trade	58,808	2,180,041
Trade debts	(335,459)	(2,483,056)
Loans and advances	43,984	(154,852)
Trade deposits and short term prepayments	(35,682)	(235,070)
Other receivables	(2,722,324)	22,199
<i>Increase / (decrease) in current liabilities</i>		
Advance from customers	1,138,423	(789,869)
Trade and other payables	2,330,384	(266,001)
	343,132	(1,733,529)
Cash generated from operations	3,201,472	2,761,853
Finance costs paid	(1,670,142)	(1,775,104)
Income taxes paid	(22,400)	(41,832)
Gratuity paid	(9,760)	(50,000)
Interest income received	10,182	10,132
Net cash generated from operations	1,509,353	905,049
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for acquisition of property, plant and equipment	(2,137,900)	(1,829,897)
Proceeds from disposal of property, plant and equipment	72	66
Long term deposits - net	(1,137)	100,561
Net cash used in investing activities	(2,138,965)	(1,729,270)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing - net	(1,605,141)	270,960
Payment of lease liabilities	(199,444)	(214,001)
Short term borrowing - net	1,439,154	(2,050,712)
Net cash used in financing activities	(365,431)	(1,993,753)
Net decrease in cash and cash equivalents	(995,043)	(2,817,974)
Cash and cash equivalents - at the beginning of the period	649,958	2,319,220
Cash and cash equivalents - at the end of the period	(345,085)	(498,754)
Cash and cash equivalents comprise of:		
Cash and bank balances	1,254,915	1,101,246
Running finance facility	(1,600,000)	(1,600,000)
	(345,085)	(498,754)

The annexed notes form an integral part of these consolidated condensed Interim financial information.

Director

Chief Executive Officer

Chief Financial Officer

Notes to the Consolidated Condensed Interim Financial Statements

For the six months period ended December 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 The "Group" consist of:

Holding Company

i) **Cnergyico PK Limited (Formerly Byco Petroleum Pakistan Limited) - the Holding Company**

The Holding Company was incorporated in Pakistan as a public limited company on 09 January 1995 under the repealed Companies Ordinance, 1984 and was granted a certificate of commencement of business on 13 March 1995. The shares of the Holding Company are listed on Pakistan Stock Exchange. The Holding Company is a subsidiary of Cnergyico Mu Incorporated- CMI, (formerly Byco Industries Incorporated), Mauritius (the Parent Company). The Holding Company in turn is a subsidiary of Busientco Incorporated - BI (formerly Byco Busient Incorporated), Cayman Islands (the Ultimate Parent Company).

The Holding Company currently operates two business segments namely Oil Refinery Business and Petroleum Marketing Business. The Company has two refineries with an aggregate rated capacity of 155,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 433 retail outlets (June 30, 2021 : 415) across the country as at 31 Dec 2021.

On July 08, 2021, shareholders of the Holding Company passed special resolution in Extra Ordinary General Meeting and resolved that name of the Company be changed from 'Byco Petroleum Pakistan Limited' to "Cnergyico PK Limited" and after complying with all regulatory requirements name of the Company officially changed w.e.f December 01, 2021.

Subsidiary Company

ii) **Cnergyico Isomerate PK (Private) Limited - CIPPL (Formerly Byco Isomerisation Pakistan (Private) Limited)**

CIPPL was incorporated in Pakistan as a private limited company under the repealed Companies Ordinance, 1984 on 14 May 2014. CIPPL is a wholly owned subsidiary of the Holding Company. The company is principally engaged in blending, refining and processing of petroleum naphtha to produce petroleum products such as premium motor gasoline.

Subsequent to the period end, name of the subsidiary of the Holding Company has also been changed to "Cnergyico Isomerate PK (Private) Limited" w.e.f January 14, 2022.

2. BASIS OF PREPARATION

2.1 **Statement of compliance**

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

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

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

- 2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended June 30, 2021.
- 2.3 This consolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017.
- 2.4 These consolidated condensed interim financial statements is presented in Pakistan Rupees which is also the Group's functional currency and all financial information presented has been rounded off to the nearest thousand.
- 2.5 The comparative balance sheet presented in these consolidated condensed interim financial information has been extracted from the consolidated audited financial statements of the Group for the year ended 30 June 2021.

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the Group's annual audited financial statements as at and for the year ended June 30, 2021. Certain new IFRS and amendments to existing IFRS are effective for periods beginning on or after July 1, 2021, which do not have any impact on the Group's financial reporting and therefore have not been detailed in these unconsolidated condensed interim financial statements.
- 3.2 The Group follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these consolidated condensed interim financial statements.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates and judgements made by management in the preparation of these consolidated condensed interim financial statements are the same as those that were applied to the annual consolidated financial statements of the Group for the year ended 30 June 2021, except as disclosed otherwise.

5 PROPERTY, PLANT AND EQUIPMENT

(Rupees in '000)

	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Operating fixed assets	5.1	54,013,848	55,647,506
Capital work in progress	5.2	28,763,343	27,216,293
Right-of-use assets	5.3	647,390	828,609
		83,424,581	83,692,408

5.1 Additions in operating fixed assets

(Rupees in '000)

	Dec 31, 2021 (Un-audited)	Dec 31, 2020 (Un-audited)
Building on free hold land, roads and civil works	–	27,309
Plant and machinery	529,521	230,394
Furniture and fixtures	2,809	579
Vehicles	–	3,387
Computer and allied equipments	20,559	38,358
Safety & lab equipments	413	4,332
	553,302	304,359

5.2 During the period, the additions in capital work-in-progress amounted to Rs. 1,547.051 million (December 31, 2020: Rs. 1,515.672 million).

5.3 During the period, the additions in right-of-use assets amounted to Rs. 37.548 million (December 31, 2020: Rs. 9.866 million).

6 STOCK IN TRADE

(Rupees in '000)

	Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Raw material	6.1	24,982,574	26,063,302
Finished products	6.2 & 6.3	8,543,290	7,521,371
		33,525,865	33,584,673

6.1 This includes raw material in transit amounting to Rs. 19,726.960 million (30 June 2021: Rs. 21,961.788 million) as at the balance sheet date.

6.2 Finished Product costing Rs. 7,615.287 million (June 2021: Nil) has been written down by Rs. 659.924 million (June 2021: Nil) to net realisable value.

6.3 This includes finished products held by third parties amounting to Rs. 3,375.505 million (30 June 2021: Rs. 3,163.736 million).

7 TRADE DEBTS

(Rupees in '000)		
Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
7.1	4,634,348	4,556,175

- 7.1 As at December 31, 2021 allowance for expected credit loss amounts to Rs. 8,317.029 million (June 30, 2021 : Rs. 7,618.435 million).

8 OTHER RECEIVABLES

(Rupees in '000)			
Note	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)	
Considered good	8.1	4,249,796	1,464,241

- 8.1 This includes Rs. 1,348.033 million (30 June 2021 : Rs. 1,234.507 million) receivable from Coastal Refinery Limited.

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no material change in the status of contingencies from what is disclosed in note 26 to the annual audited consolidated financial statements for the year ended 30 June 2021.

9.2 Commitments

The status for commitments is same as disclosed in annual audited consolidated financial statements for the year ended 30 June 2021 except for:

(Rupees in '000)		
	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Commitments for capital expenditure	3,425,376	3,175,124

10 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of ultimate parent Company, parent Company, associated companies, directors, key management personnel, staff provident fund and staff gratuity fund. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Details of transactions and balances with related parties during the period are as follows:

10.1 Transactions with related parties

(Rupees in '000)

	Jul-Dec 2021	Jul-Dec 2020
	(Un-audited)	
Parent company:		
Markup charged	30,535	37,644
Associated companies:		
Purchase of operating fixed assets and services	89,396	41,754
Markup charged	738,123	437,044
Others		
Post employment benefit funds	49,209	166,667
Key management personnel	98,925	67,812

10.2 Balances with related parties

(Rupees in '000)

	Dec 31, 2021 (Un-audited)	Jun 30, 2021 (Audited)
Parent Company		
Contribution against future issue of shares	979,418	979,418
Accrued markup	749,064	718,829
Loan payable	3,935,650	3,935,650
Associated Companies		
Advance against shared services	55,272	70,069
Payable against purchases	117,440	28,044
Accrued markup	5,627,972	4,885,134
Loan payable	14,581,628	14,831,628
Others		
Payable to key management person	68,508	68,508
Payable to post employment benefit funds	338,836	211,907

11 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks. There have been no changes in any risk management policies since the year end.

12 FAIR VALUE OF ASSETS AND LIABILITIES

There were no transfers amongst levels during the period.

13 OPERATING SEGMENTS

For management purposes, the Group has determined following reportable operating segments on the basis of business activities i.e. oil refining and petroleum marketing. Oil refining business is engaged in crude oil refining and selling of refined petroleum products to oil marketing companies. Petroleum marketing business is engaged in trading of petroleum products, procuring products from oil refining business as well as from other sources.

(Rupees in '000)

	Oil Refining		Petroleum Marketing		Total	
	Dec 2021	Dec 2020	Dec 2021	Dec 2020	Dec 2021	Dec 2020
Sales to external customers	26,706,420	32,263,848	51,249,143	33,390,423	77,955,563	65,654,271
Inter-segment sales	50,246,226	32,154,979	–	–	50,246,226	32,154,979
Eliminations	(50,246,226)	(32,154,979)	–	–	(50,246,226)	(32,154,979)
Total revenue	26,706,420	32,263,848	51,249,143	33,390,423	77,955,563	65,654,271
Result						
Segment (loss) / profit	(371,328)	1,270,656	777,196	827,475	405,868	2,098,131
Finance costs					(1,434,504)	(1,322,699)
Other expenses					(698,594)	(728,548)
Interest income					477,973	476,027
(Loss) / profit before taxation					(1,249,257)	522,911
Taxation					(358,267)	99,043
(Loss) / profit after taxation					(1,607,524)	621,954
Segment assets	132,080,871	117,800,024	1,266,992	1,276,769	133,347,863	119,076,973
Unallocated assets	–	–	–	–	–	–
	132,080,871	117,800,024	1,266,992	1,276,769	133,347,863	119,076,973
Segment liabilities	112,133,069	98,842,181	1,141,955	924,798	113,275,024	99,766,979
Unallocated liabilities	–	–	–	–	–	–
	112,133,069	98,842,181	1,141,955	924,798	113,275,024	99,766,979
Capital expenditure	2,100,353	1,820,031	37,548	9,866	2,137,901	1,829,897
Other Information						
Depreciation	2,269,808	2,256,908	129,785	132,713	2,399,593	2,389,621

All non-current assets of the Group as at December 31, 2021 and 2020 are located in Pakistan.

14. SUBSEQUENT EVENTS

The Board of Directors of the Group in their meeting dated January 13, 2022 has approved the acquisition of 57.37% stake in Puma Energy Pakistan Private Limited ('Puma').

15. DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue on **February 22, 2022** by the Board of Directors of the Group.

Director

Chief Executive Officer

Chief Financial Officer



Cnergyico Pk Limited

The Harbour Front, 9th Floor, Dolmen City, HC-3, Block-4, Marine Drive, Clifton, Karachi 75600, Pakistan
Tel: (92 21) 111 222 081 Fax: (92 21) 111 888 081

www.cnergyico.com