

Cnergyico Pk Limited

Company Information

3rd Quarter ended 31st March 2023

Board of Directors

Uzma Abbasi
Chairperson

Amir Abbassciy
Director &
Chief Executive Officer

Usama Qureshi
Vice Chairman

Samia Roomi
Director

Syed Arshad Raza
Director

Audit Committee

Syed Arshad Raza
Usama Qureshi
Samia Roomi

Human Resource and Remuneration Committee

Usama Qureshi
Syed Arshad Raza

Risk Management Committee

Amir Abbassciy
Usama Qureshi
Syed Arshad Raza

Chief Financial Officer

Zafar Shahab

Company Secretary

Majid Muqtadir

Auditors

Yousuf Adil
Chartered Accountants

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
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,
Karachi75600, Pakistan

Tel: (92 21) 111 222 081
Fax: (92 21) 111 888 081

Website

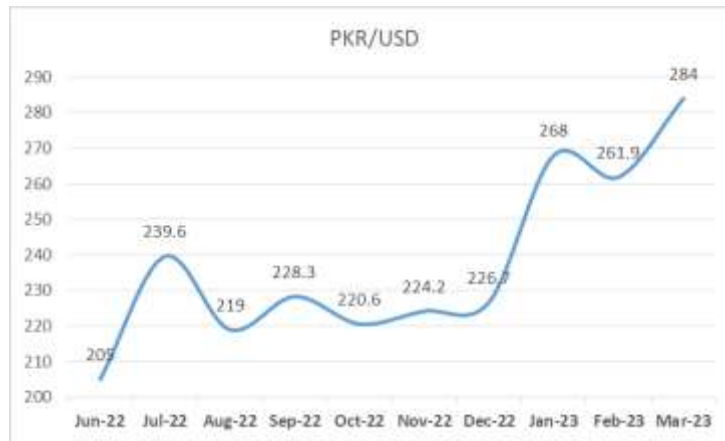
www.cnergyico.com

CENERGYICO PK LIMITED
DIRECTORS REPORT FOR THE PERIOD ENDED MARCH 31, 2023

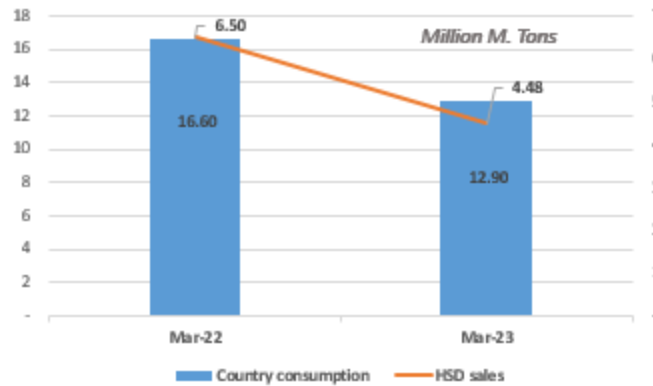
In the name of Allah the Most Merciful and the Most Benevolent.

Below is a brief review of the financial results and operations of the Company for the period ended 31st March 2023.

The current political situation and its resultant economic instability in the country has taken a toll on every industry, in general, however the oil sector has been the worst affected. The country is undergoing severe stress with low foreign exchange reserves, continuously depreciating currency and the highest ever inflation. The oil industry has been encountering wide array of issues where the free fall of the Pak Rupee against the US Dollar by 39% and unprecedented difficulties in the establishment of Letter of Credits (LCs) have become the biggest challenge for the industry. The decision of Central Bank to increase the policy rates rapidly have also resulted in constantly escalating costs of doing business thereby adding further woes to already distressed business conditions in the country.



A significant slowdown in economic activities, rising fuel prices and last year's devastating floods have negatively caused the country's oil consumption thereby shrinking the volumes by more than 20%. There has been a major decline in High Speed Diesel (HSD) sales primarily due to reduction in agricultural activities as well as convenient availability of smuggled products available all across the country, with no restrictions at all. We believe that the Government must take immediate steps to clamp down on smuggled products in the country so that the oil industry is able to regain its lost volumes essential to operate.



The factors which have caused a significant deterioration in Company's performance in current period are:

- (i) a free fall of PKR against US\$ which not only caused significant exchange losses but also affected the crude oil procurement capacity Vis-à-Vis refining throughput. Oil is the only sector in Pakistan which is not allowed to hedge against the currency fluctuations. The fast and continuous PKR depreciation and the Government's inability to pass on the exchange impact on timely basis through product pricing have caused a major dent to every oil Company's financial position. The current pricing formula of linking the exchange loss to Pakistan State Oil's (PSO) actual exchange loss is not workable rather discriminatory as every Company has a different procurement and cash flow cycle and it is not possible for the industry to exactly replicate PSO's procurement and sales process. As a result, most of the oil companies have been unable to get back the exchange losses incurred since the new formula has been introduced. Hence the Government should seriously look into this and provide a new mechanism which ensures both fair as well as timely recovery of exchange losses.
- (ii) The highest ever policy rate by the central bank has also resulted in unbearable amount of finance cost to operate the business and,
- (iii) Non availability of additional working capital lines which are required to maintain reasonable production levels, due to the increased PKR / US\$ parity. The Company requires working capital to procure about four parcels of crude oil in order to operate its refining on consistent basis. However, the current working capital facilities only allows procurement of less than two parcels of crude oil hence this non-availability affects the refining operations.

Due to the above mentioned factors, the Company incurred a Gross Loss of PKR 10 billion as compared to Gross Profit of PKR 5 billion in the same period last year and loss after tax of PKR 10 billion with basic | diluted loss per share of PKR 1.97 and PKR 1.91 respectively as compared to profit after tax of PKR 562 million with basic | diluted profit per share of PKR 0.11 and PKR 0.10 respectively in the same period last year.

The current period had remained extremely challenging for the Company's financial position however, the Management is making strenuous efforts in multiple directions not only to contain the losses but also to minimize the operating costs thereby bringing the refinery throughputs back to the sustainable levels.

The Company has done away with purchasing crude oil on deferred credit basis and is now striving hard to settle crude oil payment immediately upon crude cargo discharge. Also, the Management is in active discussions with its lenders to reach a solution to minimize the burden of high financial cost. With these steps, we are confident that the Company will start performing better in ensuing periods.

The Board wishes to place on record its gratitude for the co-operation extended by the Government of Pakistan and our strategic partners.

For and on behalf of the Board of Directors

Chief Executive Officer

Director

Karachi

April 28th, 2023

Energyco Pk Limited
Unconsolidated Condensed Interim Statement of Financial Position
As at March 31, 2023

	Notes	Mar 31, 2023 Unaudited	June 30, 2022 Audited
------(Rupees in '000)-----			
NON CURRENT ASSETS			
Property, plant and equipment	5	73,439,878	72,382,374
Intangible asset		13,987	18,827
Long term investment		17,414,139	16,931,504
Long term loans and advances		-	482,134
Long-term deposits		390,527	393,440
		<u>91,258,530</u>	<u>90,208,279</u>
CURRENT ASSETS			
Stores and spares		2,591,850	2,640,075
Stock-in-trade	6	29,244,749	48,245,824
Trade debts	7	9,277,234	7,078,048
Loans and advances		2,142,346	1,705,454
Trade deposits and short-term prepayments		143,154	52,700
Accrued interest		489,972	427,982
Other receivables	8	1,475,048	3,238,817
Taxation - net		843,282	956,058
Cash and bank balances		663,931	2,879,745
		<u>46,871,567</u>	<u>67,224,703</u>
TOTAL ASSETS		<u><u>138,130,098</u></u>	<u><u>157,432,982</u></u>
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Share capital		53,298,847	53,298,847
Reserves		(32,299,032)	(22,219,418)
Surplus on revaluation of operating fixed assets		2,196,193	2,590,087
		<u>23,196,008</u>	33,669,516
Contribution against future issue of shares		979,418	979,418
		<u>24,175,426</u>	34,648,935
NON CURRENT LIABILITIES			
Long term financing	9	14,522,376	19,144,438
Accrued and deferred markup		7,457,495	7,132,660
Long term lease liabilities		1,974,583	1,130,709
Long-term deposits		250,615	250,081
Deferred liabilities		310,650	334,283
		<u>24,515,718</u>	27,992,171
CURRENT LIABILITIES			
Trade and other payables		51,967,815	67,818,439
Advance from customers		2,196,744	2,893,301
Accrued mark-up		1,962,951	714,498
Short Term Borrowings - secured	10	31,566,279	19,627,469
Current portion of non-current liabilities		1,744,137	3,737,143
Unclaimed dividend		1,027	1,027
		<u>89,438,953</u>	94,791,877
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		<u><u>138,130,098</u></u>	<u><u>157,432,982</u></u>

The annexed notes form an integral part of these unconsolidated condensed interim financial information.

-----Sd-----
Chief Executive Officer

-----Sd-----
Director

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Unconsolidated Condensed Interim Statement of Profit or Loss
For the period ended March 31, 2022

	Period ended		Three months period ended	
	Mar	Mar	Mar	Mar
	2023	2022	2023	2022
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Revenue from contract with customers - Gross	173,015,706	138,716,701	60,880,676	48,327,609
Sales tax, discounts & other duties	(21,267,101)	(16,872,330)	(9,693,701)	(4,438,801)
Revenue from contract with customers - net	151,748,605	121,844,371	51,186,975	43,888,808
Cost of sales	(162,043,084)	(116,835,020)	(53,976,200)	(40,508,772)
Gross (loss) / profit	(10,294,479)	5,009,351	(2,789,225)	3,380,036
Administrative expenses	(898,206)	(795,400)	(311,069)	(263,994)
Selling and distribution expenses	(375,218)	(429,110)	(110,811)	(139,736)
Other expenses	(1,585,699)	(1,050,368)	(537,034)	(351,774)
Other income - net	7,371,991	744,429	437,314	252,936
	4,512,868	(1,530,449)	(521,600)	(502,568)
Operating (loss) / profit	(5,781,611)	3,478,902	(3,310,825)	2,877,468
Finance costs - net	(4,534,032)	(2,240,094)	(1,681,831)	(805,590)
Loss before taxation	(10,315,643)	1,238,808	(4,992,656)	2,071,878
Current	(289,488)	-	(154,362)	-
Prior	131,622	-	-	-
Deferred	-	(676,161)	-	(225,387)
Taxation	(157,866)	(676,161)	(154,362)	(225,387)
Loss after taxation	(10,473,509)	562,647	(5,147,018)	1,846,491
Loss per share - Rupees				
- Basic	(1.97)	0.11	(0.97)	0.35
- Diluted	(1.91)	0.10	(0.94)	0.34

The annexed notes form an integral part of these unconsolidated condensed interim financial information.

-----Sd-----
Chief Executive Officer

-----Sd-----
Director

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Unconsolidated Condensed Interim Statement of Other Comprehensive Income
For the period ended March 31, 2022

	Period ended		Three months period ended	
	Mar 2023	Mar 2022	Mar 2023	Mar 2022
	-----Rupees in '000-----			
Loss after taxation	(10,473,509)	562,647	(5,147,018)	1,846,491
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(10,473,509)	562,647	(5,147,018)	1,846,491

The annexed notes form an integral part of these unconsolidated condensed interim financial information.

-----Sd-----
Chief Executive Officer

-----Sd-----
Director

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Unconsolidated Condensed Interim Statement of Changes In Equity
For the period ended March 31, 2022

	Issued, subscribed and paid up capital	Capital Reserve		Surplus on	Revenue Reserve	Sub- total	Contribution against future issue of shares	Total
		Merger Reserves	Other Capital Reserve	revaluation of operating assets	Accumulated Loss			
(Rupees in '000)								
Balance as at 1 July 2021	53,298,847	(21,303,418)	3,214,209	3,115,366	(9,458,402)	28,866,602	979,418	29,846,020
Total comprehensive income for the period								
Loss for the period	--	--	--	--	562,647	562,647	--	562,647
Other comprehensive income/(loss) for the period - net of tax	--	--	--	--	--	--	--	--
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(393,959)	393,959	--	--	--
Balance as at Mar 31, 2022	53,298,847	(21,303,418)	3,214,209	2,721,407	(8,501,797)	29,429,248	979,418	30,408,666
Balance as at 1 July 2022	53,298,847	(21,303,418)	3,214,209	2,590,087	(4,130,209)	33,669,516	979,418	34,648,934
Total comprehensive loss for the period								
Loss for the period	--	--	--	--	(10,473,509)	(10,473,509)	--	(10,473,509)
Other comprehensive income/(loss) for the period - net of tax	--	--	--	--	--	--	--	--
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(393,894)	393,894	--	--	--
Balance as at Mar 31, 2023	53,298,847	(21,303,418)	3,214,209	2,196,193	(14,209,823)	23,196,008	979,418	24,175,426

The annexed notes form an integral part of these unconsolidated condensed interim financial information.

-----Sd-----
Chief Executive Officer

-----Sd-----
Director

-----Sd-----
Chief Financial Officer

Nergyico Pk Limited
Unconsolidated Condensed Interim Cash Flow Statement
For the period ended March 31, 2022

	Mar 2023	Mar 2022
	(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(10,315,643)	1,238,808
Adjustments for:		
Depreciation/Amortisation	2,926,285	2,929,200
Finance costs	4,534,032	2,240,094
Allowance for expected credited losses	1,585,680	1,050,368
Gain on disposal of assets	(60)	(72)
Liabilities written back	(5,990,173)	-
Interest income	(1,332,467)	(723,647)
Provision for defined benefit plan	76,975	80,827
Net cash flow before working capital changes	(8,515,371)	6,815,577
Movement in working capital		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	48,225	(593,792)
Stock in trade	19,001,074	9,433,846
Trade debts	(2,585,116)	(1,520,225)
Loans and advances	(436,893)	(27,420)
Trade deposits and short term prepayments	(90,455)	(21,654)
Other receivables	1,763,769	(2,886,620)
<i>Increase / (Decrease) in current liabilities</i>		
Advance from customers	(696,557)	508,974
Trade and other payables	(15,108,804)	(4,424,635)
	1,895,243	468,474
Cash (used in) / generated from operations	(6,620,128)	7,284,051
Finance costs paid	(3,193,577)	(2,476,648)
Income Taxes paid	(45,090)	(40,318)
Gratuity paid	(15,000)	(55,000)
Interest income received	70,726	12,992
Net Cash (used in) / generated from operations	(9,803,069)	4,725,077
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(2,301,107)	(3,495,906)
Proceeds from disposal of PPE	446	6,212
Investment in subsidiaries	(500)	-
Long term deposits - net	3,447	(14,346)
Net cash used in investing activities	(2,297,714)	(3,504,041)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term loan - net	(1,746,499)	(2,523,491)
Payment of lease liabilities	(307,342)	(299,857)
Short Term Borrowing	11,938,810	953,141
Net cash generated / (used in) financing activities	9,884,969	(1,870,206)
Net decrease in cash and cash equivalents	(2,215,814)	(649,170)
Cash and cash equivalents - opening	1,279,745	649,958
Cash and cash equivalents - closing	(936,069)	788
Cash and cash equivalents comprise of:		
Cash and bank balances	663,931	1,600,788
Running finance facility	(1,600,000)	(1,600,000)
	(936,069)	788

The annexed notes form an integral part of these unconsolidated condensed interim financial information.

-----Sd-----
Chief Executive Officer

-----Sd-----
Director

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Notes to the Condensed Interim Unconsolidated Financial Statements
For the period ended March 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Cnergyico Pk Ltd 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 Company are listed on Pakistan Stock Exchange. The Company is a subsidiary of Cnergyico Mu Incorporated, Mauritius (the Parent Company). The Holding Company in turn is a subsidiary of Busientco Incorporated, Cayman Islands.
- 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 156,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 463 retail outlets across the country as at 31 Mar 2023.

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, 2022.
- 2.3 This unconsolidated 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 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 comparative balance sheet presented in these unconsolidated condensed interim financial information has been extracted from the unconsolidated audited financial statements of the Company for the year ended 30 June 2022.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation used 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 for the year ended June 30, 2022 except as disclosed otherwise.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated 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 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 30 June 2022, except as disclosed otherwise.

5. PROPERTY, PLANT AND EQUIPMENT

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
Operating fixed assets	5.1	38,345,696	40,782,071
Capital work in progress - at cost	5.2	33,849,110	30,889,066
ROU asset	5.3	1,245,072	711,237
		<u>73,439,878</u>	<u>72,382,374</u>

5.1 Additions in operating fixed assets

		Amount in Rs. '000	
		Mar 31, 2023	Mar 31, 2022
		Unaudited	Unaudited
Buidling on freehold land, roads and civil works		82,389	-
Plant and machinery		45,309	531,516
Furnitue and fixtures		1,085	2,999
Filling stations		25,674	-
Vehicles		20,000	-
Computer and allied equipments		8,450	26,260
Safety and lab equipments		13,852	413
		<u>196,759</u>	<u>561,188</u>

- 5.2 During the period, the additions in capital work-in-progress amounted to Rs. 1,281.819 million (Mar 31, 2022: Rs. 2,705.984 million).
- 5.3 During the period, the additions in right-of-use assets amounted to Rs. 822.529 million (Mar 31, 2022: Rs. 228.732 million).

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
6	STOCK IN TRADE		
	Raw material	6.1	20,439,903
	Finished products	6.2 & 6.3	35,168,694
			<u>13,077,130</u>
			<u>29,244,749</u>
6.1	This includes raw material in transit amounting to Rs. 15,577.485 million (30 June 2022: Rs. 22,250.820 million) as at the balance sheet date.		
6.3	Finished Product costing Rs. 6,810.136 million (June 2022: Nil) has been written down by Rs. 244.947 million (June 2022: Nil) to net realisable		
6.4	This includes finished products held by third parties amounting to Rs. 2,661.561 million (30 June 2022: Rs. 2,689.126 million).		

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
7	TRADE DEBTS		
	Considered good	9,277,234	7,078,048
	Considered doubtful	10,613,739	9,028,059
	Allowance for expected credit losses	7.1	(10,613,739)
			<u>(9,028,059)</u>
			<u>9,277,234</u>

7.1	Allowance for expected credit losses		
	Opening balance	9,028,059	7,618,435
	For the period / year	1,585,680	1,409,624
	Closing balance	<u>10,613,739</u>	<u>9,028,059</u>

8	OTHER RECEIVABLES - considered good		
8.1	This includes Rs. 646.810 million and Rs. 806.248 million (30 June 2022: Rs. 682.022 million & 1,087.566) receivable from subsidiary companies.		
8.2	Gross receivable in respect of Baluchistan Infrastructure Development Cess is amounting to Rs. 3.02 billion.		

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
9	LONG TERM FINANCING	9.1	14,522,376
			<u>19,144,438</u>

9.1 During the period, Integrate Pk (Private) Limited waived off portion of its loan amounting to Rs. 4,591.531 million through waiver agreement dated December 12, 2022. Consequently, the management reversed its liability to the extent of waived off amount. Waiver is being granted irrevocably and for commercial benefit and consideration agreed between the Company and IPL as an indirect support.

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
10	Short Term Borrowings - secured	10.1	31,566,279
			<u>19,627,469</u>

10.1 These facilities have been extended by commercial banks for import and procurement of crude oil and petroleum products. The facility carries mark-up ranging from 1-3 month's KIBOR plus 1.25% to 2.25% (June 30, 2022: 1 month's KIBOR plus 1.25% to 3%). These facilities are secured under joint pari passu (JPP) arrangement having charge on the Company's current and fixed assets.

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There are no material change in the status of contingencies from what is disclosed in note 29 to the annual audited unconsolidated financial statements for the year ended 30 June 2022.

11.2 Commitments

The status for commitments is same as disclosed in unconsolidated financial statements for the year ended 30 June 2022 except for:

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
	Commitments for capital expenditure	3,960,960	4,076,368

12 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. 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:

		Amount in Rs. '000	
		Jul - Mar	Jul - Mar
		2023	2022
		-----Unaudited-----	-----
12.1	Transactions with related parties		

Parent Company:

Markup charged	172,217	45,470
Subsidiary Company:		
Other expenses incurred	275	275
Product Processing charges	60,943	67,786
Associated companies:		
Purchase of operating fixed assets and services	91,186	96,683
Rent expense	58,865	--
Markup charged	1,553,280	1,099,160
Others		
Post employment benefit Funds	37,143	154,784
key management personnel - Salaries and other benefits	278,128	148,854

12.2 Balances with related parties	(Un-audited)	(Audited)
	31 Mar 2023	30 June 2022
	(Rupees in '000)	
Parent Company		
Contribution against future issue of shares	979,418	979,418
Accrued markup	948,797	778,601
Loan payable	3,935,650	3,935,650
Subsidiary Company		
Receivable against expenses incurred	1,453,049	682,598
Loans and advances	1,518,780	--
Accrued interest - Receivable	482,670	--
Associated Companies		
Advance against shared services	23,177	37,452
Security Deposit-Receivable	61,875	61,875
Rent Payable	58,865	--
Payable against services	83,252	--
Payable against purchases	53,975	38,453
Accrued markup	6,508,696	6,354,058
Loan payable	10,240,097	14,581,628
Others		
Payable to key management person	68,508	68,508
Payable to post employment benefit funds	444,732	188,134

13 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2022. There have been no changes in any risk management policies since the year end.

14 FAIR VALUE OF ASSETS AND LIABILITIES

There were no transfers amongst levels during the period.

15 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.

	Oil Refining		Petroleum Marketing		Total	
	2023	2022	2023	2022	2023	2022
	----- (Rupees in '000) -----					
Sales to ext. customers	94,957,348	43,300,340	56,791,257	78,544,031	151,748,605	121,844,371
Inter-segment sales	(56,225,565)	77,102,401	--	--	(56,225,565)	77,102,401
Eliminations	56,225,565	(77,102,401)	--	--	56,225,565	(77,102,401)
Total revenue	94,957,348	43,300,340	56,791,257	78,544,031	151,748,605	121,844,371
Result						
Segment results - (Loss)/profit	(10,963,452)	267,950	901,042	1,297,578	(10,062,410)	1,565,528
Unallocated expenses:						
Other expenses					(1,585,699)	(1,050,368)
Interest income					1,332,467	723,647
Loss before taxation					(10,315,642)	1,238,808
Taxation					(157,866)	(676,161)
Loss after taxation					(10,473,509)	562,647
Other Information						
Depreciation/Amortisation	2,791,485	2,733,390	134,800	195,810	2,926,285	2,929,200

All non-current assets of the Company as at March 31, 2023 and 2022 are located in Pakistan.

16 DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial statements was authorised for issue on 28 April 2023 by the Board of Directors of the Company.

-----Sd-----
Chief Executive Officer

-----Sd-----
Director

-----Sd-----
Chief Financial Officer

Energyco Pk Limited
Consolidated Condensed Interim Statement of Financial Position
As at March 31, 2023

	Notes	Mar 31, 2023 Unaudited	June 30, 2022 Audited
------(Rupees in '000)-----			
NON CURRENT ASSETS			
Property, plant and equipment	5	87,541,288	83,676,349
Intangible assets		13,987	18,827
Long term loans and advances		-	482,134
Long-term deposits		390,602	393,440
		<u>87,945,876</u>	<u>84,570,750</u>
CURRENT ASSETS			
Stores and spares		2,591,850	2,640,075
Stock-in-trade	6	29,244,749	48,245,824
Trade debts	7	9,277,234	7,078,048
Loans and advances		623,566	1,705,454
Trade deposits and short-term prepayments		143,154	52,700
Accrued interest		7,302	427,981
Other receivables		22,581	2,564,200
Taxation - net		793,581	946,344
Cash and bank balances		665,523	2,880,745
		<u>43,369,542</u>	<u>66,541,371</u>
TOTAL ASSETS		<u><u>131,315,418</u></u>	<u><u>151,112,121</u></u>
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Share capital		53,298,847	53,298,847
Reserves		(47,477,290)	(37,192,038)
Surplus on revaluation of operating fixed assets		7,975,403	8,733,023
		<u>13,796,960</u>	<u>24,839,832</u>
Contribution against future issue of shares		979,418	979,418
Non- Controlling Interest		38,550	-
		<u>14,814,929</u>	<u>25,819,250</u>
NON CURRENT LIABILITIES			
Long term financing	8	14,522,376	19,144,438
Accrued and deferred markup		7,457,495	7,132,660
Long term lease liabilities		1,974,568	1,130,709
Long-term deposits		250,615	250,081
Deferred liabilities		310,650	334,283
Deferred taxation		2,359,599	2,508,941
		<u>26,875,304</u>	<u>30,501,112</u>
CURRENT LIABILITIES			
Trade and other payables		52,154,033	67,818,322
Advance from customers		2,196,746	2,893,300
Accrued mark-up		1,962,950	714,498
Short Term Borrowings - secured	9	31,566,279	19,627,469
Current portion of non-current liabilities		1,744,152	3,737,143
Unclaimed dividend		1,027	1,027
		<u>89,625,185</u>	<u>94,791,759</u>
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		<u><u>131,315,418</u></u>	<u><u>151,112,121</u></u>

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

-----Sd-----
Director

-----Sd-----
Chief Executive Officer

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Consolidated Condensed Interim Statement of Profit or Loss Account
For the period ended March 31, 2023

	Nine months Period ended		Three months period ended	
	Mar 2023	Mar 2022	Mar 2023	Mar 2022
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Revenue from contract with customers - Gross	173,015,706	138,716,701	60,880,676	48,327,609
Sales tax, discount & other duties	(21,267,101)	(16,872,330)	(9,693,701)	(4,438,801)
Revenue from contract with customers - net	151,748,605	121,844,371	51,186,975	43,888,808
Cost of sales	(162,723,176)	(117,470,544)	(54,236,414)	(40,728,294)
Gross (loss) / profit	(10,974,571)	4,373,827	(3,049,439)	3,160,514
Administrative expenses	(905,027)	(795,400)	(317,890)	(263,994)
Selling and distribution expenses	(375,218)	(429,110)	(110,811)	(139,736)
Other expenses	(1,585,699)	(1,050,368)	(537,034)	(351,774)
Other income	7,351,053	744,154	416,558	252,845
	4,485,109	(1,530,724)	(549,177)	(502,659)
Operating (loss) / profit	(6,489,462)	2,843,103	(3,598,616)	2,657,855
Finance costs	(4,534,032)	(2,240,094)	(1,681,831)	(805,590)
(Loss) / Profit before taxation	(11,023,494)	603,009	(5,280,447)	1,852,265
Taxation				
Current	(309,458)	(8,318)	(167,270)	(1,781)
Prior	132,684	-	-	-
Deferred	148,564	(527,597)	49,521	(175,866)
Taxation	(28,210)	(535,915)	(117,749)	(177,647)
(Loss) / Profit after taxation	(11,051,704)	67,094	(5,398,196)	1,674,618
Attributable to:				
- Equity Holders of the Parent Company	(11,042,872)	67,094	(5,389,364)	1,674,618
- Non- controlling interest	(8,832)	-	(8,832)	-
	(11,051,704)	67,094	(5,398,196)	1,674,618
(Loss) /earning per share - (Rupees)				
- Basic	(2.07)	0.01	(1.01)	0.31
- Diluted	(2.01)	0.01	(0.98)	0.30

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

-----Sd-----
Director

-----Sd-----
Chief Executive Officer

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Consolidated Condensed Interim Statement of Other Comprehensive Income
For the period ended March 31, 2023

	<u>Nine months Period ended</u>		<u>Three months period ended</u>	
	Mar 2023	Mar 2022	Mar 2023	Mar 2022
	-----Rupees in '000-----			
Loss after taxation	(11,051,704)	67,094	(5,398,196)	1,674,618
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / Income for the period	(11,051,704)	67,094	(5,398,196)	1,674,618
Attributable to:				
- Equity Holders of the Parent Company	(11,042,872)	67,094	(5,389,364)	1,674,618
- Non- controlling interest	(8,832)	-	(8,832)	-
	(11,051,704)	67,094	(5,398,196)	1,674,618

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

-----Sd-----
Director

-----Sd-----
Chief Executive Officer

-----Sd-----
Chief Financial Officer

Cnergyico Pk Limited
Consolidated Condensed Interim Statement of Changes In Equity
For the period ended March 31, 2023

	Issued, subscribed and paid up capital	Capital Reserve			Revenue Reserve	Sub- total	Non- Controlling Interest - NCI	Contribution against future issue of shares	Total
		Merger Reserves	Other Capital Reserve	Surplus on revaluation of operating assets	Accumulated Loss				
------(Rupees in '000)-----									
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 income for the period									
Loss for the period	--	--	--	--	67,094	67,094	--	--	67,094
Other comprehensive income	--	--	--	--	--	--	--	--	--
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(757,685)	757,685	--	--	--	--
Balance as at Mar 31, 2022	53,298,847	(21,303,418)	3,214,209	8,985,586	(23,427,185)	20,768,039	--	979,418	21,747,457
Balance as at 1 July 2022	53,298,847	(21,303,418)	3,214,209	8,733,023	(19,102,829)	24,839,832	--	979,418	25,819,250
Total comprehensive loss for the period									
Loss for the period	--	--	--	--	(11,042,872)	(11,042,872)	(8,832)	--	(11,051,704)
Other comprehensive income for the period	--	--	--	--	--	--	--	--	--
Business Acquisition during the period	--	--	--	--	--	--	47,382	--	47,382
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(757,620)	757,620	--	--	--	--
Balance as at Mar 31, 2023	53,298,847	(21,303,418)	3,214,209	7,975,403	(29,388,081)	13,796,960	38,550	979,418	14,814,929

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

-----Sd-----
Director

-----Sd-----
Chief Executive Officer

-----Sd-----
Chief Financial Officer

Cnergyico PK Limited
Consolidated Condensed Interim Cash Flow Statement
For the period ended March 31, 2023

	31 Mar 2023	31 Mar 2022
	(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(11,023,494)	603,009
Adjustments for:		
Depreciation / Amortisation	3,672,060	3,594,119
Finance costs	4,534,032	2,240,094
Allowance for expected credited losses	1,585,680	1,050,368
Gain on disposal of assets	(60)	(72)
Liabilities written back	(5,990,173)	-
Interest income	(1,332,467)	(723,647)
Provision for defined benefit plan	76,975	80,827
Net cash flow before working capital changes	<u>(8,477,447)</u>	<u>6,844,697</u>
Movement in working capital		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	48,225	(593,792)
Stock in trade	19,001,074	9,433,846
Trade debts	(2,585,116)	(1,520,225)
Loans and advances	(436,893)	(27,420)
Trade deposits and short term prepayments	(90,455)	(21,654)
Other receivables	1,771,173	(2,904,238)
<i>Increase / (Decrease) in current liabilities</i>		
Advance from customers	(696,557)	508,974
Trade and other payables	(15,144,638)	(4,436,138)
	<u>1,866,814</u>	<u>439,354</u>
Cash (used in) / generated from operations	<u>(6,610,633)</u>	<u>7,284,051</u>
Finance costs paid	(3,193,577)	(2,476,648)
Income Taxes paid	(54,492)	(40,318)
Gratuity paid	(15,000)	(55,000)
Interest income received	70,726	12,992
Net cash (used in) / generated from operating activities	<u>(9,802,976)</u>	<u>4,725,077</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(2,301,107)	(3,495,906)
Proceeds from disposal of PPE	446	6,212
Long term deposits - net	3,447	(14,346)
Net cash used in investing activities	<u>(2,297,214)</u>	<u>(3,504,041)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term loan - net	(1,746,499)	(2,523,491)
Payment of lease liabilities	(307,342)	(299,857)
Short Term Borrowing	11,938,810	953,141
Net cash generated /(used in) financing activities	<u>9,884,969</u>	<u>(1,870,206)</u>
Net decrease in cash and cash equivalents	<u>(2,215,222)</u>	<u>(649,170)</u>
Cash and cash equivalents - opening	1,280,745	649,958
Cash and cash equivalents - closing	<u>(934,477)</u>	<u>788</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	665,523	1,600,788
Running finance facility	(1,600,000)	(1,600,000)
	<u>(934,477)</u>	<u>788</u>

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

-----Sd-----
Director

-----Sd-----
Chief Executive Officer

-----Sd-----
Chief Financial Officer

Cnergico PK Limited
Notes to the Consolidated Condensed Interim Financial Statements
For the period ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 The "Group" consist of:

Holding Company

i) Cnergico Pk 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 Cnergico Mu Incorporated- CMI, Mauritius (the Parent Company). The Holding Company in turn is a subsidiary of Busientco Incorporated - BI, 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 156,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 463 (June 30, 2022: 447) retail outlets across the country as at 31 March 2023.

Subsidiary Companies

ii) Cnergico Isomerase PK (Private) Limited - CIPPL

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.

iii) Coastal Refinery Private Limited

Coastal Refinery (Private) Limited (the Company) was incorporated as a public unlisted company in Pakistan on August 19, 2005 and was subsequently converted into a private limited company on April 27, 2011, under the repealed Companies Ordinance, 1984.

The principal activity of the Company is transportation of crude oil and ancillary products through the operation of its terminal through SBM. The Company has obtained the necessary license from Oil and Gas Regulatory Authority (OGRA) and accordingly commenced the operations of its SBM on December 31, 2014.

During the period ended, upon completion of the remaining formalities and conditions under the SPA, the 46,391,621 shares comprising 91.06% of the Shares has been transferred to Cnergico PK Limited (Holding Company) on December 27, 2022 and the Company has become a subsidiary of Cnergico.

iv) CNERGYICO CPB CPC 1 (PRIVATE) LIMITED

Cnergico CPB CPC 1 (Private) Limited was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on 27 October 2022. The Company is a wholly owned subsidiary of the Holding Company. The principal line of business of the company shall be to manufacture, produce, refine, process, formulate, acquire, convert, distribute, buy, sell, import, export or otherwise deal in basic drugs, phyto chemicals or otherwise deal in heavy and light chemicals alkalis, acid, gasses, salt, compounds, including laboratory and scientific chemicals used or capable of being used in the pharmaceuticals, textiles, agricultures, fertilizers, petrochemicals glass and ceramic industries, tiles, poultry feeds, cattle feeds, rubbers and paints, chemicals and compounds thereof including gypsum, quartz, silicon, earth, rock phosphate, soap-stone or any other industry and trade or laboratory including industrial chemicals or any other mixture, derivatives and compound thereof. No business activities have been commenced since incorporation of the Company.

v) CNERGYICO ORB ORC 1 (PRIVATE) LIMITED

Cnergico ORB ORC 1 (Private) Limited was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on 25 October 2022. The Company is a wholly owned subsidiary of the Holding Company. The principal line of business of the company shall be to establish, erect, run, own, manage and operate refinery and to carry on the business of drilling, manufacturing, blending, refining and processing of crude oil and to produce petroleum and petroleum products like premium motor gasoline, high diesel, kerosene oil, furnace oil, aviation fuels, paving asphalt, cutback asphalt, polymer modified bitumen, mineral turpentine, light diesel oil naphtha, liquefied petroleum gas, jute batching oil, lube oil and solvent oil. No business activities have been commenced since incorporation of the Company.

vi) CNERGYICO ORB ORC 2 (PRIVATE) LIMITED

Cnergico ORB ORC 2 (Private) Limited was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on 27 October 2022. The Company is a wholly owned subsidiary of the Holding Company. The principal line of business of the company shall be to establish, erect, run, own, manage and operate refinery and to carry on the business of drilling, manufacturing, blending, refining and processing of crude oil and to produce petroleum and petroleum products like premium motor gasoline, high diesel, kerosene oil, furnace oil, aviation fuels, paving asphalt, cutback asphalt, polymer modified bitumen, mineral turpentine, light diesel oil naphtha, liquefied petroleum gas, jute batching oil, lube oil and solvent oil. No business activities have been commenced since incorporation of the Company.

vii) CNERGYICO OMB (PRIVATE) LIMITED

Energyico OMB (Private) Limited was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on 27 October 2022. The Company is a wholly owned subsidiary of the Holding Company. The principal line of business of the company shall be to carry on the business of purchase or otherwise acquire, sale, store, transport, market, distribute, supply, sell, import, export, and otherwise dispose of and generally trade in any and all kinds of petroleum and petroleum products, oil, gas, hydrocarbons, petrochemicals, asphalt, bituminous substances and to undertake all such activities as are connected herewith or ancillary thereto and to take over the running or likely to be running business of alike nature with or without assets, liabilities, rights, privileges, registration, trade mark, import and export registration or any other facility. No business activities have been commenced since incorporation of the Company.

viii) **ENERGYICO ORB SPM 2 (PRIVATE) LIMITED**

Energyico ORB SPM 2 (Private) Limited was incorporated in Pakistan as a private limited company under the Companies Act, 2017 on 27 October 2022. The Company is a wholly owned subsidiary of the Holding Company. The principal line of business of the company shall be to establish, erect, run, own, manage and operate refinery and to carry on the business of drilling, manufacturing, blending, refining and processing of crude oil and to produce petroleum and petroleum products like premium motor gasoline, high diesel, kerosene oil, furnace oil, aviation fuels, paving asphalt, cutback asphalt, polymer modified bitumen, mineral turpentine, light diesel oil naphtha, liquefied petroleum gas, jute batching oil, lube oil and solvent oil. No business activities have been commenced since incorporation of the Company.

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 Basis of Consolidation

These Condensed consolidated financial statements include the financial statements of the Holding Company and its subsidiaries.

A company is a subsidiary, if the Holding Company directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the subsidiaries have been changed to conform with accounting policies of the Group, where required.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than hundred percent and therefore, a non-controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income of the period, even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in other comprehensive income, and recognises fair value of consideration received, any investment retained, surplus or deficit in profit or loss, and reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

2.3 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses, if any.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

- 2.4 As more fully explained in note 1.1 (iii) to these condensed interim consolidated financial statements, The Group acquired 91.06% of the voting shares of Coastal Refinery Private Limited on December 27, 2022, private company based in Pakistan in exchange for cash. The Group acquired Coastal Refinery Limited because it synergises the operations of the Company and the services to be offered to its customers. This has been accounted for using the acquisition method.

The Group has elected to measure the non-controlling interests in the acquiree at fair value as detailed below:

Assets acquired and liabilities assumed	Fair values recognised on acquisition
	----- Rs. '000-----
Assets	
Plant and Equipment	3,553,099
Long Term Deposits	75
Other Receivable	581
Cash and cash equivalents	92
Total Assets	3,553,847
Liabilities	
Trade and other payables	194,327
Other	2,830,003
	3,024,331
Total identifiable net assets at fair value	529,517
Purchase consideration transferred at acquisition date	482,134
Proportionate share of non-controlling interest of fair value of total identifiable net assets	47,382

Goodwill arising on acquisition	-
Net cash outflow on acquisition is as follows:	
Cash paid on acquisition - converted advance	(482,134)
Cash acquired in subsidiary	92
Net cash acquired with the subsidiary	(482,042)

- 2.5 The other subsidiaries including Cnergycio CPB CPC 1 (Private) Limited, Cnergycio ORB ORC 1 (Private) Limited, Cnergycio ORB ORC 2 (Private) Limited, Cnergycio OMB (Private) Limited and Cnergycio ORB SPM 2 (Private) Limited has been incorporated during the year with paid up capital of 10,000 shares each having face value of Rs. 10. Cnergycio PK Limited holds 100% paid up capital of these subsidiaries.

- 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, 2022.

- 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 2022.

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, 2022. Certain new IFRS and amendments to existing IFRS are effective for periods beginning on or after July 1, 2022, 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 2022, except as disclosed otherwise.

5	PROPERTY, PLANT AND EQUIPMENT		Amount in Rs. '000	
			Mar 31, 2023	Jun 30, 2022
			Unaudited	Audited
	Operating fixed assets	5.1 & 5.4	52,447,106	52,076,046
	Capital work in progress	5.2	33,849,110	30,889,066
	Right-of-use assets	5.3	1,245,072	711,237
			87,541,288	83,676,349

5.1	Additions in operating fixed assets		Amount in Rs. '000	
			Mar 31, 2023	Mar 31, 2022
			Unaudited	Unaudited
	Building on free hold land, roads and civil works		82,389	-
	Plant and machinery		45,309	531,516
	Furniture and fixtures		1,085	2,999
	Filling stations		25,674	-
	Vehicles		20,000	-
	Computer and allied equipments		8,450	26,260
	Safety & lab equipments		13,852	413
			196,759	561,188

5.2 During the period, the additions in capital work-in-progress amounted to Rs. 1,281.819 million (Mar 31, 2022: Rs. 2,705.984 million).

5.3 During the period, the additions in right-of-use assets amounted to Rs. 822.529 million (Mar 31, 2022: Rs. 228.732 million).

6	STOCK IN TRADE		Amount in Rs. '000	
			Mar 31, 2023	Jun 30, 2022
			Unaudited	Audited
	Raw material	6.1	20,439,903	35,168,694
	Finished products	6.2 & 6.3	8,804,847	13,077,130
			29,244,749	48,245,824

6.1 This includes raw material in transit amounting to Rs. 15,577.485 million (30 June 2022: Rs. 22,250.820 million) as at the balance sheet date.

6.2 Finished Product costing Rs. 6,810.136 million (June 2022: Nil) has been written down by Rs. 244.947 million (June 2022: Nil) to net realisable value.

6.3 This includes finished products held by third parties amounting to Rs. 2,661.561 million (30 June 2022: Rs. 2,689.126 million).

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
7	TRADE DEBTS		
	Considered good	9,277,234	7,078,048
	Considered doubtful	10,613,739	9,028,059
	Allowance for expected credit losses	7.1 (10,613,739)	(9,028,059)
		<u>9,277,234</u>	<u>7,078,048</u>

7.1 Allowance for expected credit losses

Opening balance	9,028,059	7,618,435
For the period / year	1,585,680	1,409,624
Closing balance	<u>10,613,739</u>	<u>9,028,059</u>

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
8	LONG TERM FINANCING	8.1 <u>14,522,376</u>	<u>19,144,438</u>

8.1 During the period, Integrate Pk (Private) Limited waived off portion of its loan amounting to Rs. 4,591.531 million through waiver agreement dated December 12,2022. Consequently, the management reversed its liability to the extent of waived off amount. Waiver is being granted irrevocably and for commercial benefit and consideration agreed between the Group and IPL as an indirect support.

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
9	Short Term Borrowings - secured	9.1 <u>31,566,279</u>	<u>19,627,469</u>

9.1 These facilities have been extended by commercial banks for import and procurement of crude oil and petroleum products. The facility carries mark-up ranging from 1-3 month's KIBOR plus 1.25% to 2.25% (June 30,2022: 1 month's KIBOR plus 1.25% to 3%). These facilities are secured under joint pari passu (JPP) arrangement having charge on the Group's current and fixed assets.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There are no material change in the status of contingencies from what is disclosed in note 29 to the annual audited consolidated financial statements for the year ended 30 June 2022.

10.2 Commitments

The status for commitments is same as disclosed in annual audited consolidated financial statements for the year ended 30 June 2022 except for:

		Amount in Rs. '000	
		Mar 31, 2023	Jun 30, 2022
		Unaudited	Audited
	Commitments for capital expenditure	<u>3,960,960</u>	<u>4,076,368</u>

11 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:

		Amount in Rs. '000	
		Jul - Mar	Jul - Mar
		2023	2022
		-----Unaudited-----	
11.1	Transactions with related parties		
	Parent Company:		
	Markup charged	172,217	45,470
	Associated companies:		
	Purchase of operating fixed assets and services	91,186	96,683
	Rent Expense	58,865	--
	Waiver of principal amount	4,591,531	--
	Markup charged	1,553,280	1,099,160
	Others		
	Post employment benefit Funds	37,143	154,784
	Key management personnel remuneration	278,128	148,854

11.2 Balances with related parties	(Un-audited) 31 Mar 2023	(Audited) 30 June 2022
	(Rupees in '000)	
Parent Company		
Contribution against future issue of shares	979,418	979,418
Accrued markup	948,797	778,601
Loan payable	3,935,650	3,935,650
Associated Companies		
Advance against shared services	23,177	37,452
Security Deposit & other services	61,875	61,875
Rent Payable	58,865	--
Payable against services	83,252	--
Payable against purchases	53,975	38,453
Accrued markup	6,508,696	6,354,058
Loan payable	10,240,097	14,581,628
Others		
Payable to key management person	68,508	68,508
Payable to post employment benefit funds	444,732	188,134

12 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.

13 FAIR VALUE OF ASSETS AND LIABILITIES

There were no transfers amongst levels during the period.

14 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.

	Oil Refining		Petroleum Marketing		Total	
	2023	2022	2023	2022	2023	2022
	(Rupees in '000)					
Sales to ext. customers	94,957,348	43,300,340	56,791,257	78,544,031	151,748,605	121,844,371
Inter-segment sales	(56,225,565)	77,102,401	--	--	(56,225,565)	77,102,401
Eliminations	56,225,565	(77,102,401)	--	--	56,225,565	(77,102,401)
Total revenue	94,957,348	43,300,340	56,791,257	78,544,031	151,748,605	121,844,371
Result						
Segment results - (Loss) / profit	(11,671,303)	(367,849)	901,042	1,297,578	(10,770,261)	929,729
Unallocated expenses:						
Other expenses					(1,585,699)	(1,050,368)
Interest income					1,332,467	723,647
Loss before taxation					(11,023,493)	603,008
Taxation					(28,210)	(535,915)
Loss after taxation					(11,051,704)	67,094
Other Information						
Depreciation	3,537,260	3,398,309	134,800	195,810	3,672,060	3,594,119

All non-current assets of the Group as at March 31, 2023 and 2022 are located in Pakistan.

15 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements was authorised for issue on 28 April 2023 by the Board of Directors of the Group.

-----Sd-----
Director

-----Sd-----
Chief Executive Officer

-----Sd-----
Chief Financial Officer