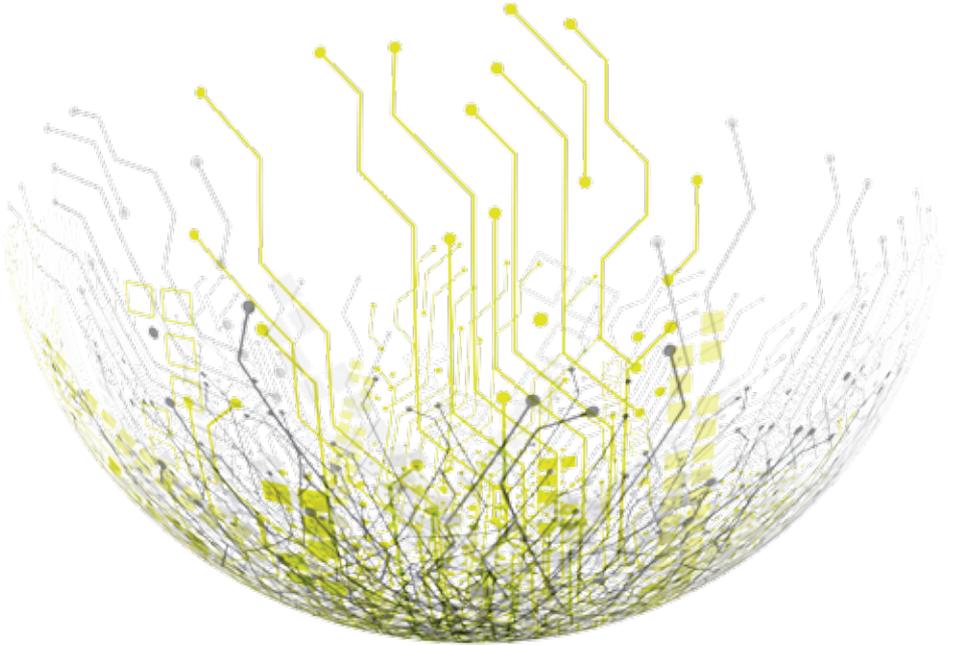


FIRST QUARTER REPORT | 30 September 2018

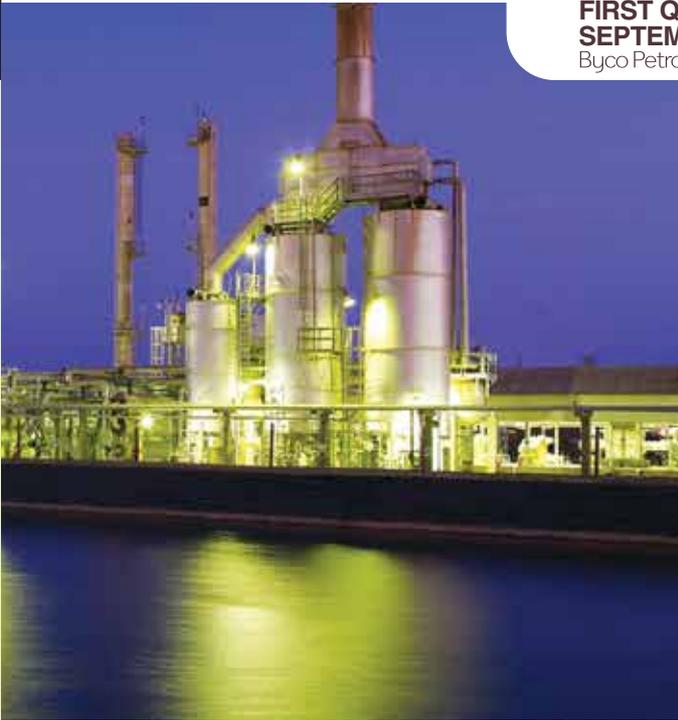
Byco Petroleum Pakistan Limited



IMAGINE, INSPIRE, INNOVATE

**FIRST QUARTER REPORT
SEPTEMBER 2018**

Byco Petroleum Pakistan Limited



CONTENT

Company Information	02
Directors' Report-English	04
Directors' Report-Urdu	05
Unconsolidated Financial Statements	
Balance Sheet	06
Profit & Loss Account	07
Statement of Comprehensive Income	08
Cash Flow Statement	09
Statement of Changes in Equity	10
Notes to the Financial Statement	11
Consolidated Financial Statement	
Balance Sheet	16
Profit & Loss Account	17
Statement of Comprehensive Income	18
Cash Flow Statement	19
Statement of Changes in Equity	20
Notes to the Financial Statement	21

COMPANY INFORMATION

Board of Directors

Akhtar Hussain Malik	Chairman
Amir Abbassciy	Director & Chief Executive Officer
Muhammad Mahmood Hussain	Director
Syed Arshad Raza	Director
Mohammad Wasi Khan	Director
Muhammad Yasin Khan	Director
Shah Arshad Abrar	Director

Audit Committee

Muhammad Mahmood Hussain	Chairman
Syed Arshad Raza	Member
Muhammad Yasin Khan	Member

Human Resource and Remuneration Committee

Muhammad Mahmood Hussain	Chairman
Amir Abbassciy	Member
Syed Arshad Raza	Member
Mohammad Wasi Khan	Member
Muhammad Yasin Khan	Member

Services & Stakeholders Committee

Muhammad Mahmood Hussain	Chairman
Amir Abbassciy	Member
Akhtar Hussain Malik	Member
Syed Arshad Raza	Member
Mohammad Wasi Khan	Member

Chief Financial Officer

Naeem Asghar Malik	
--------------------	--

Company Secretary

Majid Muqtadir	
----------------	--

Auditors

EY Ford Rhodes	Chartered Accountants
----------------	-----------------------

Bankers

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Citibank N.A.
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 Punjab
United Bank Limited
The Bank of Khyber

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

9th Floor, The Harbour Front, 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.byco.com.pk

DIRECTORS' REPORT

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 quarter ended 30th September, 2018.

This was yet another challenging period for the oil sector as Pak Rupee witnessed another depreciation of 6% and crude oil prices increased by 4%. This has resulted in significantly squeezing of refinery GRMs and consequently the profitability. The country consumption of High Speed Diesel (HSD) also remained significantly low in the month of August 2018, which resulted in lower throughput of the refineries.

We are pleased to inform the operations of Isomerisation unit, commencing in the current quarter by the wholly owned subsidiary of the Company. The operations of Isomerization unit has begun its positive contribution to the business and its profitability as there was no Naphtha export in current period.

The Company recorded gross sales of PKR 66 billion compared to PKR 41 billion in the same period last year registering 61% increase from same period last year however, much of this relates to the increase in international oil prices and rising US\$. The Company generated gross profit of PKR 1.7 billion (2017: PKR 2.3 billion) and net profit of PKR 397 million (2017: PKR 1.2 billion). The decline in profits is primarily due to lower GRMs and rising cost of materials. Earnings per share for the period is Rs. 0.07 compared to Rs. 0.23 last year.

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

Chief Executive Officer
Karachi
November 26th 2018

Director

اللہ کے نام سے شروع جو بہت مہربان رحمت والا ہے۔

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2018 کو ختم شدہ سہ ماہی کے لئے کمپنی کے مالی نتائج اور آپریشنز کا مختصر جائزہ پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

آئل کیلٹر (تیل کے شعبے) کے لئے یہ ایک اوزچیلج تھا کیونکہ پاکستانی روپے کی قدر میں مزید 6% کی کمی کا مشاہدہ کیا گیا اور خام تیل کی قیمتیں بھی 4% سے تجاوز کر گئیں جسکے نتیجے میں ریفاٹری گراس ریفاٹنگ مارجنز (جی آرایم ایس) کافی حد تک سکڑ گیا اور باآخرو منافع بھی۔ ملک میں بائی اسپڈ ڈیزل کا استعمال بھی اگست 2018 میں اچھا خاصا کم رہا جس سے ریفاٹریز کی مجموعی پیداوار بھی قدرے کم ہو گئی۔

ہمیں آئسو میریشن یونٹ کے آپریشنز کی اطلاع دیتے ہوئے خوش ہو رہی ہے جس کا آغاز کمپنی کی مکمل ملکیت میں موجود ایک ذیلی ادارے کی جانب سے اس جاری سہ ماہی میں کیا جا رہا ہے۔ آئسو میریشن یونٹ کے آپریشنز نے کاروبار میں اپنے مثبت حصے اور اسکے منافع کا آغاز کر دیا ہے کیونکہ موجودہ عرصے میں نیشٹھا کی برآمد نہیں ہوئی ہے۔

کمپنی نے پچھلے سال کے اسی عرصے میں 41 ارب روپے کے مقابلے میں 66 ارب روپے کی مجموعی فروخت کا اندراج کیا ہے جو کہ پچھلے سال کے اسی عرصے سے 61% زیادہ ہے۔ تاہم اس کا زیادہ تر تعلق بین الاقوامی منڈیوں میں تیل کی قیمت میں اضافے سے اور امریکی ڈالر کی قدر میں اضافے سے ہے۔ کمپنی نے 1.7 ارب روپے کے مجموعی منافع جات کی تشکیل کی (2017: 2.3 ارب روپے) اور خالص منافع 397 ملین روپے رہا (2017: 1.2 ارب روپے)۔ منافع جات میں کمی کی بنیادی وجہ جی آرایم ایس میں کمی اور خام مواد کی بڑھتی لاگت ہیں۔ اس عرصے کے لئے منافع فی حصص (ای پی ایس) 0.07 روپے جو پچھلے سال بھی 0.23 روپے تھا۔

بورڈ حکومت پاکستان اور اسٹریٹجک پارٹنرز بشمول اسکے صارفین، مالیاتی اداروں، فراہم کنندگان، فروخت کنندگان اور شیئرز ہولڈرز کی جانب سے پیش کردہ تعاون اور اعتماد کے لئے اظہارِ تشکر کرتا ہے۔

مخائب و برائے

بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو آفیسر

کراچی۔

ڈائریکٹر

نومبر 26، 2018

Unconsolidated Condensed Interim Balance Sheet

As at September 30, 2018

	Note	Sep 30, 2018 (Unaudited)	June 30, 2018 (Audited)
----- (Rupees in '000) -----			
NON CURRENT ASSETS			
Property, plant and equipment	6	68,413,270	68,715,775
Long term Investment		16,931,504	16,931,504
Long term Loans and Advances		939,366	939,366
Long-term deposits - Assets		27,076	17,044
Deferred taxation		1,282,932	1,282,932
		87,594,148	87,886,621
CURRENT ASSETS			
Stores and spares		1,451,493	1,282,943
Stock-in-trade	7	44,615,515	29,391,250
Trade debts	8	7,694,182	5,463,784
Loans and advances		1,388,829	1,360,410
Trade deposits and short-term prepayments		49,171	26,613
Accrued interest		189,479	180,691
Other Receivables	9	1,845,698	1,922,192
Cash and bank balances		587,618	746,096
		57,821,985	40,373,978
Non - current asset held for sale		1,487,500	1,487,500
Total assets		146,903,634	129,748,099
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		53,298,847	53,298,847
Reserves		(27,884,535)	(28,408,677)
Surplus on revaluation of Property, plant and equipment		4,362,900	4,490,349
		29,777,212	29,380,519
Contribution against future issue of shares		841,249	841,249
		30,618,461	30,221,768
NON CURRENT LIABILITIES			
Long term financing		13,480,341	13,844,255
Loans from related party		3,935,650	3,936,921
Accrued and deferred markup		9,004,288	8,542,970
Long-term deposits - Liability		225,601	225,017
Deferred liabilities		208,645	274,674
		26,854,525	26,823,837
CURRENT LIABILITIES			
Trade and other payables		68,689,542	58,305,059
Advance from customers		4,122,600	2,789,832
Accrued mark-up		271,303	157,731
Short Term Borrowings - secured		8,972,479	2,322,667
Current portion of non-current liabilities		6,906,731	8,766,174
Unclaimed dividends		1,027	1,027
Taxation - net		466,965	360,005
		89,430,648	72,702,495
Contingencies and Commitments	10		
Total equity and liabilities		146,903,634	129,748,099

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

Unconsolidated Condensed Interim Profit And Loss Account

For the period ended September 30, 2018

	September 2018	September 2017 (Restated)
	----- (Rupees in '000) -----	
Gross turnover	66,389,161	41,351,933
Sales tax, discounts & other duties	(12,674,774)	(9,910,459)
Turnover - net	53,714,387	31,441,474
Cost of sales	(52,033,412)	(29,155,909)
Gross profit	1,680,975	2,285,565
Administrative expenses	(231,725)	(218,224)
Selling and distribution expenses	(129,709)	(89,846)
Other income	206,608	143,121
Other expenses	(179,720)	(251,612)
	(334,546)	(416,561)
Operating profit	1,346,429	1,869,004
Finance costs	(820,234)	(493,909)
Profit before taxation	526,195	1,375,095
Taxation		
Current	(129,502)	(127,314)
Deferred	(129,502)	-
	(129,502)	(127,314)
Profit after taxation	396,693	1,247,781
Earnings per ordinary share - basic and diluted (Rupees)	0.07	0.23

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

Unconsolidated Statement of Other Comprehensive Income

For the period ended September 30, 2018

	September 2018	September 2017 <small>(Restated)</small>
	----- (Rupees in '000) -----	
Profit after taxation	396,693	1,247,781
Other comprehensive income	-	-
Total comprehensive Income for the period	396,693	1,247,781

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

Unconsolidated Condensed Interim Cash Flow Statement

For the period ended September 30, 2018

	30 Sep 2018	30 Sep 2017 (Restated)
	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	526,195	1,375,095
Adjustments for:		
Depreciation	835,152	665,116
Finance costs	820,234	493,909
Provision for impairment against doubtful debts	154,674	193,483
Interest income	(169,382)	(138,245)
Provision for gratuity	13,971	13,163
Net cash flow before working capital changes	2,180,843	2,602,522
Movement in working capital		
(Increase) / decrease in current assets		
Stores and spares	(168,551)	(32,945)
Stock in trade	(15,224,264)	(656,274)
Trade debts	(2,230,398)	(383,757)
Loans and advances	(28,419)	5,895
Trade deposits and short term prepayments	(32,590)	(5,686)
Other receivables	76,494	97,087
Increase / (Decrease) in current liabilities		
Advances from customers	1,332,768	(1,710,580)
Trade and other payables	10,314,483	2,114,458
	(5,960,476)	(571,801)
Cash (used in) / generated from operations	(3,779,633)	2,030,721
Finance costs paid	(546,741)	(184,498)
Income Taxes paid	(22,542)	(104,748)
Gratuity paid	(80,000)	-
Interest income received	5,921	33,333
Net Cash (used in) / generated from operations	(4,422,996)	1,774,808
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(220,801)	(945,432)
Advance against investment in Shares	-	(40,000)
Long term deposits - net	584	-
Net cash (used in) investing activities	(220,217)	(985,432)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term loan	(2,165,078)	(1,677,991)
Short Term Borrowing	6,678,312	1,846,326
Net cash generated from financing activities	4,513,235	168,335
Net (decrease) / increase in cash and cash equivalents	(129,978)	957,712
Cash and cash equivalents - opening	(641,404)	(1,350,423)
Cash and cash equivalents - closing	(771,382)	(392,711)

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

Chief Executive Officer

Director

Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes In Equity

For the period ended September 30, 2018

	Issued, subscribed and paid up capital	Capital Reserve			Revenue Reserve	Sub- total	Contribution against future issue of shares	Total
		Merger Reserves	Other Capital Reserve	Revaluation surplus on property, plant & Equipment	Accumulated Loss			
(Rupees in '000)								
Balance as at 1 July 2017 (restated)	53,298,847	(21,303,418)	--	4,999,837	(15,838,471)	21,156,795	761,129	21,917,924
Total comprehensive income for the period								
Profit for the period	--	--	--	--	1,247,781	1,247,781	--	1,247,781
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(125,427)	125,427	--	--	--
Balance as at September 30, 2017	53,298,847	(21,303,418)	--	4,874,410	(14,465,263)	22,404,576	761,129	23,165,705
Balance as at 1 July 2018	53,298,847	(21,303,418)	3,214,209	4,490,349	(10,319,468)	29,380,519	841,249	30,221,768
Total comprehensive income for the period								
Profit for the period	--	--	--	--	396,693	396,693	--	396,693
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(127,449)	127,449	--	--	--
Balance as at September 30, 2018	53,298,847	(21,303,418)	3,214,209	4,362,900	(9,795,326)	29,777,212	841,249	30,618,461

Chief Executive Officer

Director

Chief Financial Officer

Unconsolidated Notes to the Unconsolidated Condensed Interim Financial Statements

For the period ended September 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 BYCO Petroleum Pakistan Limited (the 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 Company are listed on Pakistan Stock Exchange.

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 348 retail outlets across the country.

1.2 These unconsolidated financial statements are the separate financial statements of the Company in which investment in subsidiary is stated at cost less impairment, if any.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This unconsolidated condensed interim financial information of the Company for the period ended 30 Sep 2018 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provision of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directive issued under the Companies Act, 2017 have been followed.

2.2 This unconsolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30 June 2018.

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 This unconsolidated condensed interim financial information 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 as at 30 June 2018 has been extracted from the unconsolidated audited financial statements of the Company for the year ended 30 June 2018.

3. ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in the preparation of these unconsolidated condensed interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2018.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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. Judgments and estimates made by the management in the preparation of this unconsolidated condensed interim financial information are the same as those that were applied to the unconsolidated financial statements as at and for the year ended 30 June 2018. The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2018.

5 RESTATEMENT OF COMPARITIVE AMOUNTS AND RECLASSIFICATIONS

5.1 Reversal of expenses capitalized in prior years

The Company reassess the capitalization of certain expenses in property, plant and equipment made in prior years with respect to exchange losses and interest expenses incurred on certain foreign currency borrowings, equity arrangement fee, share issuance cost, production loss on crude oil used by the Company, loss on the write down on stock in trade and guaranteed throughput cost and based on the exercise, the Company rectified the same.

Because of the significance of the rectification stated above, the same has been corrected in accordance with the requirements of International Accounting standard (IAS) - 8 "Accounting policies, Change in Accounting estimates and errors" in these unconsolidated financial statements with retrospective effect and restatement of amounts previously presented that are stated below:

For the period ended 30 Sep 2017

	As reported previously	As re-stated	Re-statement
Effect on statement of profit or loss			
Cost of sales	29,084,497	29,053,726	(30,771)
Effect on statement of cash flow			
Depreciation	695,887	665,116	30,771
Effect on loss per share			
Basic and diluted EPS	0.23	0.23	(0.00)

5.2 Reclassification

Following corresponding figures have been reclassified for better presentation:

From	To	(Rupees in '000)
Finance Cost	Cost of Sales	102,183
Administrative Expenses	Selling and distribution expenses	8,325

6 PROPERTY, PLANT AND EQUIPMENT

----- (Rupees in '000) -----

	Note	Sep 30, 2018 Unaudited	Jun 30, 2018 Audited
Operating fixed assets	6.1	48,147,805	48,937,972
Capital work in progress - at cost		20,265,465	19,777,803
		68,413,270	68,715,775

6.1 During the period, the additions in property, plant and equipment amounted to Rs. 220.801 million.

7 STOCK IN TRADE

Raw material	7.1	33,821,534	21,081,770
Finished products	7.2	10,793,981	8,309,480
		44,615,515	29,391,250

7.1 This includes raw material in transit amounting to Rs. 28,286.44 million (30 June 2018: Rs. 15,629.89 million) as at the balance sheet date.

7.2 This includes stock held by third parties amounting to Rs. 3,042.489 million (June 2018: Rs. 3,157.55 million).

8 TRADE DEBTS

8.1 During the period provision was made against doubtful debts amounting to Rs. 154.674 million.

9 OTHER RECEIVABLES - considered good

9.1 This includes Rs. 813.955 million and Rs. 968.257 million (30 June 2018: Rs. 847.016 million and Rs. 943.232 million) receivable from related party and Coastal Refinery Limited respectively.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

The status for contingencies is same as disclosed in unconsolidated financial statements for the year ended 30 June 2018.

10.2 Commitments

The status for commitments is same as disclosed in unconsolidated financial statements for the year ended 30 June 2018 except for:

	Amount in Rs. '000	
	Sep 30, 2018 Unaudited	Jun 30, 2018 Audited
Commitments for capital expenditure	470,037	509,884

11 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:

11.1 TRANSACTIONS WITH RELATED PARTIES	Amount in Rs. '000	
	Jul - Sep 2018	Jul - Sep 2017 (Restated)
	-----Unaudited-----	
Parent company:		
Markup charged	42,660	38,881
Subsidiary Company:		
Other expenses incurred	6,806	15,986
Associated companies:		
Sales of goods and services	2,301,396	1,070,590
Purchase of operating fixed assets and services	-	402
Others		
Post employment benefit Funds	113,969	43,242
Salaries and other benefits	30,086	23,770
11.2 Balances with related parties	30 September 2018	30 June 2018
	(Unaudited)	(Audited)
Parent Company		
Contribution against future issue of shares	841,249	841,249
Accrued markup	411,239	364,281
Loan payable	3,935,650	3,936,921
Subsidiary Company		
Receivable against expenses incurred	853,822	847,016
Associated Companies		
Advance against shared services	114,718	119,160
Long Term deposit receivable	95	95
Payable against purchases	38,842	38,904
Others		
Payable to key management person	68,508	68,508
Payable to post employment benefit funds	75,615	138,844

12 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:

	Oil Refining		Petroleum Marketing		Total	
	2018	2017	2018	2017	2018	2017
	(Restated)				(Restated)	
	(Rupees in '000)					
Sales to ext. customers	35,795,145	19,466,575	17,919,242	11,974,899	53,714,387	31,441,474
Inter-segment sales	16,174,831	11,117,579	-	-	16,174,831	11,117,579
Eliminations	(16,174,831)	(11,117,579)	-	-	(16,174,831)	(11,117,579)
Total revenue	<u>35,795,145</u>	<u>19,466,575</u>	<u>17,919,242</u>	<u>11,974,899</u>	<u>53,714,387</u>	<u>31,441,474</u>
Result						
Segment results - profit	1,006,042	1,628,524	350,724	353,848	1,356,767	1,982,372
Finance costs					(820,234)	(493,909)
Other expenses					(179,720)	(251,612)
Interest income					169,382	138,245
Taxation					(129,502)	(127,314)
Profit for the period					<u>396,693</u>	<u>1,247,781</u>
Other Information						
Depreciation	<u>808,785</u>	<u>647,005</u>	<u>26,367</u>	<u>18,111</u>	<u>835,152</u>	<u>665,116</u>

13 DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial information was authorised for issue on November 26, 2018 by the Board of Directors of the Company.

Consolidated
Condensed Interim Financial Statement
For the period ended 30 September 2018



Consolidated Condensed Interim Balance Sheet

As at September 30, 2018

	Note	Sep 30, 2018 (Unaudited)	June 30, 2018 (Audited)
------(Rupees in '000)-----			
NON CURRENT ASSETS			
Property, plant and equipment	6	82,885,578	83,407,960
Long term loans and advances		939,366	939,366
Long-term deposits		27,076	17,044
		83,852,019	84,364,370
CURRENT ASSETS			
Stores and spares		1,451,493	1,282,943
Stock-in-trade	7	44,615,515	29,391,250
Trade debts	8	7,694,182	5,463,784
Loans and advances		1,388,829	1,360,410
Trade deposits and short-term prepayments		49,171	26,613
Accrued interest		189,479	180,691
Other Receivables	9	1,031,744	1,082,714
Cash and bank balances		587,618	746,096
		57,008,032	39,534,501
Non - current asset held for sale		1,487,500	1,487,500
Total assets		142,347,551	125,386,371
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		53,298,847	53,298,847
Reserves		(42,402,379)	(42,892,055)
Surplus on revaluation of Property, plant and equipment		12,324,468	12,573,159
		23,220,936	22,979,951
Contribution against future issue of shares		841,249	841,249
		24,062,185	23,821,200
NON CURRENT LIABILITIES			
Long term financing		13,480,341	13,844,255
Loans from related party		3,935,650	3,936,921
Accrued and deferred markup		9,004,288	8,542,970
Long-term deposits - Liability		225,601	225,017
Deferred liabilities		2,177,622	2,293,171
		28,823,502	28,842,334
CURRENT LIABILITIES			
Trade and other payables		68,711,171	58,325,401
Advance from customers		4,122,600	2,789,832
Accrued mark-up		271,303	157,731
Short Term Borrowings - secured		8,972,479	2,322,667
Current portion of non-current liabilities		6,906,731	8,766,174
Unclaimed dividends		1,027	1,027
Taxation - net		476,553	360,005
		89,461,864	72,722,837
Contingencies and Commitments	10		
Total equity and liabilities		142,347,551	125,386,371

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

Consolidated Condensed Interim Profit And Loss Account

For the period ended September 30, 2018

	September 2018	September 2017
	(Restated)	
	------(Rupees in '000)-----	
Gross turnover	66,389,161	41,351,933
Sales tax, discount & other duties	(12,674,774)	(9,910,459)
Turnover - net	53,714,387	31,441,474
Cost of sales	(52,229,054)	(29,385,333)
Gross profit	1,485,333	2,056,141
Administrative expenses	(231,725)	(218,224)
Selling and distribution expenses	(129,709)	(89,846)
Other income	206,608	143,121
Other expenses	(179,720)	(251,612)
	(334,546)	(416,561)
Operating profit	1,150,787	1,639,580
Finance costs	(820,234)	(493,909)
Profit before taxation	330,553	1,145,671
Taxation		
Current	(139,090)	(127,314)
Deferred	49,521	-
	(89,569)	(127,314)
Profit after taxation	240,985	1,018,357
Earnings per ordinary share - basic and diluted (Rupees)	0.05	0.19

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

Consolidated Statement of Other Comprehensive Income

For the period ended September 30, 2018

	September 2018	September 2017 (Restated)
	------(Rupees in '000)-----	
Profit after taxation	240,985	1,018,357
Other comprehensive income	-	-
Total comprehensive Income for the period	<u>240,985</u>	<u>1,018,357</u>

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

Consolidated Condensed Interim Cash Flow Statement

For the period ended September 30, 2018

	30 Sep 2018	30 Sep 2017 (Restated)
	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	330,553	1,145,671
Adjustments for:		
Depreciation	1,055,030	883,340
Finance costs	820,234	493,909
Provision for impairment against doubtful debts	154,674	193,483
Interest income	(169,382)	(138,245)
Provision for gratuity	13,971	13,163
Net cash flow before working capital changes	2,205,079	2,591,322
Movement in working capital		
(Increase) / decrease in current assets		
Stores and spares	(168,551)	(32,945)
Stock in trade	(15,224,264)	(656,274)
Trade debts	(2,230,398)	(383,757)
Loans and advances	(28,419)	5,895
Trade deposits and short term prepayments	(25,052)	(5,686)
Other receivables	76,494	113,073
Increase / (Decrease) in current liabilities		
Advance from customers	1,332,768	(1,710,580)
Trade and other payables	10,282,710	2,109,673
	(5,984,712)	(560,600)
Cash generated (used in) / from operations	(3,779,634)	2,030,722
Finance costs paid	(546,740)	(184,498)
Income Taxes paid	(22,542)	(104,748)
Gratuity paid	(80,000)	-
Interest income received	5,921	33,333
Net cash (used in) / generated from operating activities	(4,422,996)	1,774,809
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(220,801)	(945,432)
Advance against investment in Shares	-	(40,000)
Long term deposits - net	584	-
Net cash used in investing activities	(220,217)	(985,432)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term loan	(2,165,078)	(1,677,991)
Short Term Borrowing	6,678,312	1,846,326
Net cash generated from financing activities	4,513,235	168,335
Net (decrease) / increase in cash and cash equivalents	(129,978)	957,712
Cash and cash equivalents - opening	(641,404)	(1,350,423)
Cash and cash equivalents - closing	(771,382)	(392,711)

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

Chief Executive Officer

Director

Chief Financial Officer

Consolidated Condensed Interim Statement of Changes In Equity

For the period ended September 30, 2018

	Issued, subscribed and paid up capital	Capital Reserve			Revenue Reserve	Sub- total	Contribution against future issue of shares	Total
		Merger Reserves	Other Capital Reserve	Revaluation surplus on property, plant & Equipment	Accumulated Loss			
----- (Rupees in '000) -----								
Balance as at 1 July 2017 (restated)	53,298,847	(21,303,418)	--	13,254,699	(30,883,982)	14,366,146	761,129	15,127,275
Total comprehensive income for the period								
Profit for the period	--	--	--	--	1,018,357	1,018,357	--	1,018,357
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(52,719)	244,962	192,243	--	192,243
Balance as at September 30, 2017	53,298,847	(21,303,418)	--	13,201,980	(29,620,663)	15,576,746	761,129	16,337,875
Balance as at 1 July 2018	53,298,847	(21,303,418)	3,214,209	12,573,159	(24,802,846)	22,979,951	841,249	23,821,200
Total comprehensive income for the period								
Profit for the period	--	--	--	--	240,985	240,985	--	240,985
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	--	--	--	(248,691)	248,691	--	--	-
Balance as at September 30, 2018	53,298,847	(21,303,418)	3,214,209	12,324,468	(24,313,170)	23,220,986	841,249	24,062,185

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

Chief Executive Officer

Director

Chief Financial Officer

Consolidated Notes to the Unconsolidated Condensed Interim Financial Statements

For the period ended September 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 The "Group" consist of:

Holding Company

i) **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 Company are listed on Pakistan Stock Exchange.

The Holding Company currently operates two business segments namely Oil Refinery Business and Petroleum Marketing Business. The Holding Company has two refineries with an aggregate rated capacity of 155,000 bpd. Petroleum Marketing Business was formally launched in 2007 and has 348 retail outlets across the country.

Subsidiary Company

ii) **Byco Isomerisation Pakistan (Private) Limited (BIPL)**

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

This consolidated condensed interim financial information of the Group for the period ended 30 Sep 2018 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provision of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directive issued under the Companies Act, 2017 have been followed.

- 2.2 This consolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30 June 2018.
- 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 This consolidated condensed interim financial information 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 as at 30 June 2018 has been extracted from the consolidated audited financial statements of the Group for the year ended 30 June 2018.

3 ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in the preparation of these consolidated condensed interim financial information are the same as those applied in the preparation of the financial statements of the Group for the year ended 30 June 2018.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Group's operations or did not have any significant impact on the accounting policies of the Group.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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.

Judgments and estimates made by the management in the preparation of this consolidated condensed interim financial information are the same as those that were applied to the consolidated financial statements as at and for the year ended 30 June 2018. The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2018.

5 RESTATEMENT OF COMPARITIVE AMOUNTS AND RECLASSIFICATIONS

5.1 Reversal of expenses capitalized in prior years

The Holding Company reassess the capitalization of certain expenses in property, plant and equipment made in prior years with respect to exchange losses and interest expenses incurred on certain foreign currency borrowings, equity arrangement fee, share issuance cost, production loss on crude oil used by the Holding Company, loss on the write down on stock in trade and guaranteed throughput cost and based on the exercise, the Holding Company rectified the same.

Because of the significance of the rectification stated above, the same has been corrected in accordance with the requirements of International Accounting standard (IAS) - 8 "Accounting policies, Change in Accounting estimates and errors" in these consolidated financial statements with retrospective effect and restatement of amounts previously presented that are stated below:

For the period ended 30 Sep 2017			
	As reported previously	As re-stated	Re-statement
Effect on statement of profit or loss			
Cost of sales	29,313,921	29,283,150	(30,771)
Effect on statement of cash flow			
Depreciation	914,111	883,340	30,771
Effect on loss per share			
Basic and diluted EPS	0.19	0.19	(0.00)

5.2 Reclassification

Following corresponding figures have been reclassified for better presentation:

From	To	(Rupees in '000)
Finance Cost	Cost of Sales	102,183
Administrative Expenses	Selling and distribution expenses	8,325

6 PROPERTY, PLANT AND EQUIPMENT

------(Rupees in '000)-----

	Note	Sep 30, 2018 Unaudited	Jun 30, 2018 Audited
Operating fixed assets	6.1	62,620,113	63,497,878
Capital work in progress - at cost		20,265,465	19,910,082
		82,885,578	83,407,960

6.1 During the period, the additions in property, plant and equipment amounted to Rs. 220.801 million.

7 STOCK IN TRADE

Raw material	7.1	33,821,533	21,081,770
Finished products	7.2 & 7.3	10,793,981	8,309,480
		44,615,515	29,391,250

- 7.1 This includes raw material in transit amounting to Rs. 28,286.44 million (30 June 2018: Rs. 15,629.89 million) as at the balance sheet date.
- 7.2 This includes stock held by third parties amounting to Rs. 3,042.489 million (June 2018: Rs. 3,157.55 million).

8 TRADE DEBTS

- 8.1 During the period provision was made against doubtful debts amounting to Rs. 154.674 million.

9 OTHER RECEIVABLES - considered good

- 9.1 This includes Rs. 968.257 million (30 June 2018: Rs. 943.232 million) receivable from Coastal Refinery Limited.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

The status for contingencies is same as disclosed in consolidated financial statements for the year ended 30 June 2018.

10.2 Commitments

The status for commitments is same as disclosed in consolidated financial statements for the year ended 30 June 2018 except for:

	Amount in Rs.'000	
	Sep 30, 2018 Unaudited	Jun 30, 2018 Audited
Commitments for capital expenditure	470,037	509,884

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:

11.1 Transactions with related parties

	Amount in Rs.'000	
	Jul - Sep 2018	Jul - Sep
	-----Unaudited-----	
Parent company:		
Markup charged	42,660	38,881
Associated companies:		
Sales of goods and services	2,301,396	1,070,590
Purchase of operating fixed assets and services	-	402
Others		
Post employment benefit Funds	113,969	43,242
Salaries and other benefits	30,086	23,770

11.2 Balances with related parties

	Amount in Rs. '000	
	Sep 30, 2018 Unaudited	Jun 30, 2018 Audited
	(Rupees in '000)	
Parent Group		
Contribution against future issue of shares	841,249	841,249
Accrued markup	411,239	364,281
Loan payable	3,935,650	3,936,921
Associated Companies		
Advance against shared services	114,718	119,160
Long Term deposit receivable	95	95
Payable against purchases	38,842	38,904
Others		
Payable to key management person	68,508	68,508
Payable to post employment benefit funds	75,615	138,844

12 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. The quantitative data for segments is given below:

	Oil Refining		Petroleum Marketing		Total	
	2018	2017	2018	2017	2018	2017
	(Restated)				(Restated)	
	----- (Rupees in '000) -----					
Sales to ext. customers	35,795,145	19,466,575	17,919,242	11,974,899	53,714,387	31,441,474
Inter-segment sales	16,174,831	11,117,579	-	-	16,174,831	11,117,579
Eliminations	(16,174,831)	(11,117,579)	-	-	(16,174,831)	(11,117,579)
Total revenue	<u>35,795,145</u>	<u>19,466,575</u>	<u>17,919,242</u>	<u>11,974,899</u>	<u>53,714,387</u>	<u>31,441,474</u>
Result						
Segment results - profit	810,401	1,399,100	350,724	353,848	1,161,125	1,752,948
Finance costs					(820,234)	(493,909)
Other expenses					(179,720)	(251,612)
Interest income					169,382	138,245
Taxation					(89,569)	(127,314)
					<u>240,985</u>	<u>1,018,357</u>
Other Information						
Depreciation	<u>1,028,663</u>	<u>865,229</u>	<u>26,367</u>	<u>18,111</u>	<u>1,055,030</u>	<u>883,340</u>

13 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue on November 26, 2018 by the Board of Directors of the Group.



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