

Quarterly Report March 2026

Wafi Energy Pakistan Limited



Investing in the future





As Wafi Energy Pakistan embarks on a journey of shared expertise and ambition, we are committed to shaping a future defined by excellence.

Company Information

Board of Directors

Ghassan Al Amoudi (Chairperson)
Zubair Shaikh
Javaid Akhtar
Hans-Christoph Bausch
Parvez Ghias
Imran R. Ibrahim
Dr. Ayesha Khan
Zaffar A. Khan
Amir R. Paracha
Badaruddin F. Vellani
Kai-Uwe Witterstein

Chief Executive

Zubair Shaikh

Audit Committee

Imran R. Ibrahim (Chairperson)
Javaid Akhtar
Badaruddin F. Vellani
Hans-Christoph Bausch

Human Resource and Remuneration Committee

Zaffar A. Khan (Chairperson)
Parvez Ghias
Zubair Shaikh
Kai-Uwe Witterstein
Dr. Ayesha Khan

Company Secretary

Lalarukh Hussain – Shaikh

Registered Office

6, Ch. Khaliqzaman Road
Karachi-75530
Pakistan

Auditors

EY Ford Rhodes

Legal Advisors

Vellani and Vellani
Advocates and Solicitors

Registrar and Share Registration Office

FAMCO Share Registration Services (Pvt.)
Limited.

8-F, next to Hotel Faran, Nursery
Block-6, P.E.C.H.S.
Shahrah-e-Faisal
Karachi-75400

Director's Report

For the quarter ended March 31, 2026

Dear Shareholders,

The Directors of the Company present the unaudited financial statements for the quarter ended March 31, 2026.

The profit for the three months ended March 31, 2026, after providing for administrative, marketing and distribution expenses, financial and other charges amount to:

	Rupees in Million
Profit before taxation	5,574
Taxation	(3,410)
Net Profit for the period ended March 31, 2026	2,164
	Rupees
Profit per share – basic and diluted	10.1

Appropriations and movement in reserves have been disclosed in the Statement of Changes in Equity on page 08 of these financial statements.

Business Performance

Pakistan's economy showed initial stability in Q1, but inflation rose in March, with CPI increasing from 5.8% to 7.3%, largely driven by the Gulf conflict and related fuel supply disruptions, while core inflation remained elevated at around 7.4%.

The exchange rate remained broadly stable in Q1 2026. The rupee averaged around PKR 279–280/USD during Q1, showing minimal volatility and continuing the relative stability observed, with only a narrow trading range.

The Company continues to operate in a challenging macroeconomic environment marked by ongoing geopolitical conflicts, which have disrupted supply chains and increased input and energy costs. In response, management is focusing on cost control, working capital optimization, and strong cash flow management, while actively managing pricing and procurement to protect margins. The Board and management are engaged in ongoing scenario planning to address potential economic and geopolitical risks, ensuring preparedness for different outcomes.

Despite near-term uncertainty, the Company remains cautiously optimistic and committed to financial discipline, operational efficiency, and sustainable long-term growth.

Against this backdrop, the Company reported a profit after tax of PKR 2,164 million for the quarter ended March 31, 2026. The performance was supported by steady growth across all business segments, underpinned by effective supply chain management, disciplined cost control, and timely

actions to mitigate operational challenges. Profitability was further supported by inventory gains, driven by elevated fuel prices amid heightened global volatility linked to US–Iran tensions.

Lubricants

The Lubricants business sustained strong momentum into Q1 2026, building on the execution-led platform established in FY2025 and delivering broad-based growth across both consumer and industrial segments. In the consumer segment, impactful brand activations drove strong in-market performance across the Helix, Rimula, and Advance portfolios.

The Helix “Next Level Rewards” campaign boosted engagement and brand equity through tiered incentives up to a Formula 1 experience. Rimula’s #EngineKoDayExtraDum campaign leveraged AI-led communication to strengthen its position, while Advance sustained momentum with its “Cash Prize Inside the Cap” promotion, driving trade and consumer demand.

The Industrial lubricants business delivered its strongest-ever quarterly performance in Q1 2026, setting a new benchmark and establishing a high base for the year ahead. Growth was broad-based across key segments, with notable expansion in the OEM channel, continued strength in fleet and indirect channels, and further penetration in the mining sector. A defining milestone of the quarter was the successful commencement of business with one of the leading automobile manufacturer in Pakistan, marking the business's entry into aftermarket lubricants segment and opening a significant new growth avenue. Leadership in the mining sector was further consolidated through new acquisitions and renewals of long-term contracts, sustaining the business's strategic relevance in this high-value segment.

Overall, the Lubricants business entered FY2026 from a position of strength, demonstrating commercial excellence and operational discipline across both segments, and reinforcing its competitive standing in the market.

Mobility

The Mobility business invested in network expansion, in line with the Company's growth strategy. 18 new retail sites were added across Pakistan, four sites transitioned to the company-operated model and six sites underwent upgrades to enhance customer experience. Six new Shell Select convenience stores were added during the quarter, extending the non-fuel retail footprint nationwide.

Strengthening partner engagement remained a priority. The team successfully hosted the Retailer Engagement Day, bringing together top-performing dealers and recognizing operational and performance excellence.

The Non-Fuel Mobility segment continued to diversify its offerings through localized initiatives. During Ramadan, food carts were introduced at selected sites to enhance the customer experience with iftar offerings. Strategic partnerships with leading brands, further strengthened the value proposition through targeted promotions during the Eid period.

Environmental, Social and Governance

The Company was recognized with the Circular Economy Award at the 15th International CSR Summit & Awards 2026 for its Shell retail station in Rawalpindi, constructed using recycled plastic. The

recognition reflects the Company's sustained commitment to embedding circularity and responsible construction practices across its retail network.

In partnership with Layton Rahmatulla Benevolent Trust (LRBT), the Company organized an eye care camp for its retailers and mechanics, offering free eye screenings to promote ocular health within the retailer community. A dedicated team of ophthalmologists and support staff conducted comprehensive examinations and provided complimentary medicines for common eye conditions. Cases requiring further treatment were referred to the nearest LRBT hospital.

The Tameer Trust engaged and trained nearly 100 youth through entrepreneurship workshops conducted in collaboration with NIC Karachi and Hyderabad, University of Karachi, Dawood University of Engineering and Technology, Time Institute of Management & Entrepreneurship, and Jinnah Women University. Tameer continues to play a pivotal role in strengthening the entrepreneurial ecosystem by providing quality training, mentorship, and evaluation of emerging startups.

HSSE

HSSE performance in Q1 2026 reflected continued emphasis on safety as a core operating discipline across all lines of business. The quarter's focus areas included seasonal risk management during Ramadan and Eid, driving safety and fatigue management, and targeted awareness programs for office-based employees.

Emergency preparedness was strengthened through mock drills and mutual aid exercises conducted across terminals and bulk storage operations, testing response capabilities and coordination with external stakeholders. Corporate Security awareness initiatives were delivered in parallel to reinforce organizational vigilance.

Overall, the quarter demonstrated continued progress in embedding HSSE as a core value, with emphasis on proactive risk management, assurance, and resilience across operations.

Composition of Board

Total number of Directors	Male: 10	Female: 01
Independent Directors	05	
Non-Executive Directors	05	
Executive Directors	01	

We deeply value the unwavering dedication, continued support, and trust of our shareholders, customers, employees, and all stakeholders. As our journey continues, we remain steadfast in our commitment to building Pakistan's energy future.

On behalf of the Board of Directors



Ghassan Al Amoudi
Chairperson



Zubair Shaikh
Chief Executive

Karachi: April 29, 2026

Condensed Interim Statement of Financial Position

As at March 31, 2026

		Unaudited March 31, 2026	Audited December 31, 2025
	Note	------(Rupees in '000)-----	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	25,963,904	25,824,299
Right-of-use assets		9,733,297	9,768,470
Intangible assets		2,875,257	3,067,332
Long-term investments	6	6,372,000	5,976,066
Long-term loans		14,696	24,981
Long-term deposits and prepayments		152,390	142,240
		<u>45,111,544</u>	<u>44,803,388</u>
Current Assets			
Stock-in-trade	7	66,133,990	45,090,268
Trade debts		10,426,904	9,847,773
Loans and advances		331,503	271,854
Short-term deposits and prepayment		533,142	370,823
Other receivables	8	10,674,633	4,134,786
Short-term investments		8,000,000	2,675,828
Bank balances	9	12,489,852	9,336,963
		<u>108,590,024</u>	<u>71,728,295</u>
		<u>153,701,568</u>	<u>116,531,683</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
- Authorized share capital 300,000,000 (December 31, 2025: 300,000,000) Ordinary shares of Rs. 10/- each		<u>3,000,000</u>	<u>3,000,000</u>
- Issued, subscribed and paid-up share capital 214,024,662 (December 31, 2025: 214,024,662) Ordinary shares of Rs. 10/- each		2,140,246	2,140,246
Share premium		11,991,012	11,991,012
General reserves		207,002	207,002
Unappropriated profit		12,495,584	11,187,284
Remeasurement of post-employment benefits – actuarial loss		(707,155)	(707,155)
Unrealized loss on remeasurement of equity investment classified as fair value through other comprehensive income		(5,000)	(5,000)
		<u>26,121,689</u>	<u>24,813,389</u>
Liabilities			
Non-Current Liabilities			
Asset retirement obligation		427,277	419,896
Long-term provisions		2,325,317	2,390,052
Long-term lease liabilities		10,798,529	10,605,608
Long-term payable		2,093,027	2,064,690
Deferred taxation - net		175,394	382,885
Provision for post-retirement medical benefits		213,352	207,417
		<u>16,032,896</u>	<u>16,070,548</u>
Current Liabilities			
Trade and other payables	10	103,113,080	69,890,438
Advance received from customers (contract liabilities)		1,383,064	2,209,862
Unpaid dividend		868,302	25,500
Unclaimed dividend		233,628	233,628
Taxation - net		4,557,124	1,848,295
Current portion of asset retirement obligation		37,375	37,375
Current portion of long-term provisions		927,916	927,916
Current portion of long-term lease liabilities		426,494	474,732
		<u>111,546,983</u>	<u>75,647,746</u>
Contingencies and commitments			
	11		75,647,746
TOTAL EQUITY AND LIABILITIES			
		<u>153,701,568</u>	<u>116,531,683</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

Zarrar Mahmud
Chief Financial Officer

Zubair Shaikh
Chief Executive

Imran R. Ibrahim
Director

Condensed Interim Statement of Profit or Loss and other Comprehensive Income (Unaudited)

For the quarter ended March 31, 2026

	Note	Quarter ended	
		March 31, 2026	March 31, 2025
------(Rupees in '000)-----			
Sales		136,725,465	101,298,292
Other revenue		423,371	293,766
		<u>137,148,836</u>	<u>101,592,058</u>
Sales tax		(2,576,372)	(2,166,723)
Net revenue		<u>134,572,464</u>	<u>99,425,335</u>
Cost of products sold		(122,193,303)	(93,139,082)
Gross profit		<u>12,379,161</u>	<u>6,286,253</u>
Distribution and marketing expenses		(2,658,320)	(2,344,829)
Administrative expenses		(3,023,835)	(2,708,681)
Other expenses		(1,450,216)	(481,485)
Other income		415,605	860,066
Operating profit		<u>5,662,395</u>	<u>1,611,324</u>
Finance costs		(484,627)	(601,327)
		<u>5,177,768</u>	<u>1,009,997</u>
Share of profit of associate - net of tax	6	395,934	566,450
Profit before final taxes, minimum tax differential and income tax		<u>5,573,702</u>	<u>1,576,447</u>
Final taxes		-	(26,455)
Minimum tax differential		-	(97,331)
		-	(123,786)
Profit / (loss) before income tax		<u>5,573,702</u>	<u>1,452,661</u>
Income tax:			
Current		(3,617,551)	(402,742)
Deferred		208,248	(177,209)
		<u>(3,409,303)</u>	<u>(579,951)</u>
Profit / (loss) after income tax		<u>2,164,399</u>	<u>872,710</u>
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		<u>2,164,399</u>	<u>872,710</u>
Earning per share - basic and diluted		<u>10.11</u>	<u>4.08</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Condensed Interim Statement of Changes in Equity (Unaudited)

For the quarter ended March 31, 2026

	Capital reserve		Revenue reserve			Total	
	Share capital	Share premium	General reserve	Accumulated (loss) / Unappropriated profit	Actuarial (loss) on post-employment benefits		Unrealised (loss) on revaluation of investments
------(Rupees in '000)-----							
Balance as at December 31, 2024 (Audited)	2,140,246	11,991,012	207,002	9,365,478	(641,179)	(5,000)	23,057,559
Profit after income tax	-	-	-	872,710	-	-	872,710
Other comprehensive income for the period - net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	872,710	-	-	872,710
Final cash dividend for the year ended December 31, 2024 @ Rs. 5/- per share	-	-	-	(1,070,123)	-	-	(1,070,123)
Balance as at March 31, 2025 (Unaudited)	2,140,246	11,991,012	207,002	9,168,065	(641,179)	(5,000)	22,860,146
Balance as at December 31, 2025 (Audited)	2,140,246	11,991,012	207,002	11,187,284	(707,155)	(5,000)	24,813,389
Profit after income tax	-	-	-	2,164,399	-	-	2,164,399
Other comprehensive income/(loss) for the period - net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,164,399	-	-	2,164,399
Final cash dividend for the year ended December 31, 2025 @ Rs. 4/- per share	-	-	-	(856,099)	-	-	(856,099)
Balance as at March 31, 2026 (Unaudited)	2,140,246	11,991,012	207,002	12,495,584	(707,155)	(5,000)	26,121,689

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Condensed Interim Statement of Cash Flows (Unaudited)

For the quarter ended March 31, 2026

	Note	Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	10,408,073	623,589
Finance costs paid		-	(744)
Interest portion of lease liabilities paid		(379,853)	(278,553)
Income tax paid		(907,965)	(547,941)
Long-term loans		10,285	4,861
Long-term deposits and prepayment		(10,150)	11,974
Payments against long-term provisions		(64,734)	
Net cash generated from / (used in) operating activities		9,055,656	(186,814)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(948,037)	(363,219)
Proceeds from disposal of operating fixed assets		33,657	16,394
Proceeds from sale of open ended mutual funds		-	5,526,669
Interest on term deposit receipts and saving accounts		416,504	293,408
Interest on treasury bills		22,725	-
Net cash (used in) / generated from investing activities		(475,151)	5,473,252
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal portion of lease liabilities paid		(90,147)	(177,106)
Dividends paid		(13,297)	(1,023)
Net cash used in financing activities		(103,444)	(178,129)
Net increase in cash and cash equivalents		8,477,061	5,108,309
Cash and cash equivalents at the beginning of the period		12,012,791	9,870,424
Cash and cash equivalents at the end of the period	12.2	20,489,852	14,978,733

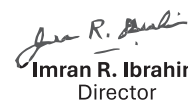
The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Notes to the Condensed Interim Financial Statements (Unaudited)

For the quarter ended March 31, 2026

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Wafi Energy Pakistan Limited (the Company) is a limited liability Company incorporated in Pakistan on June 28, 1969 under the repealed Companies Act, VII of 1913 (now Companies Act, 2017 (the Act)) and is listed on Pakistan Stock Exchange Limited. The company is a subsidiary of Wafi Energy Holding Limited (the Parent Company)
- 1.2 The Company markets petroleum products. It also blends and markets various kinds of lubricating oils. The registered office of the Company is located at Wafi House, 6, Ch. Khaliqzaman Road, Karachi.

2 BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting, which comprises of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Act; and
 - Provisions of and directives issued under the Act.

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

These condensed interim financial statements of the Company for the quarter ended March 31, 2026 are unaudited.

- 2.2 These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2025.
- 2.3 These condensed interim financial statements are being submitted to the shareholders as required by section 237 of the Act and Pakistan Stock Exchange Regulations.

3 MATERIAL ACCOUNTING POLICY INFORMATION

- 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 annual audited financial statements for the year ended December 31, 2025, except for certain amendments to existing accounting and reporting standards that have become applicable to the Company for accounting periods beginning on or after January 01, 2026. These are either considered to not be relevant or do not have any significant impact and accordingly, have not been detailed in these condensed interim financial statements.
- 3.2 The Company has not early adopted any standard, interpretation or amendment that are not yet effective.
- 3.3 The Company follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed interim financial statements.

4 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

- 4.1 The preparation of these condensed interim financial statements is in conformity with the approved accounting standards which requires the use of certain significant accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from the estimates.
- 4.2 During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual audited financial statements for the year ended December 31, 2025.

5	PROPERTY, PLANT AND EQUIPMENT	Note	Unaudited	Audited
			March 31, 2026	December 31, 2025
			----- (Rupees '000) -----	
	Operating assets	5.1	22,044,615	21,679,622
	Provision for impairment against operating assets		(186,964)	(176,474)
			<u>21,857,651</u>	<u>21,503,148</u>
	Capital work-in-progress	5.2	4,106,253	4,321,151
			<u>4,106,253</u>	<u>4,321,151</u>
			<u>25,963,904</u>	<u>25,824,299</u>

5.1 Movement in operating assets during the period / year is as follows:

Opening net book value	21,503,148	19,942,659
Additions / estimate revision of asset retirement obligation during the period / year	1,162,935	3,786,359
Disposals during the period / year - net book value	(77,006)	(49,728)
Depreciation charge for the period / year	(544,462)	(2,176,142)
Impairment charge during the period / year	(186,964)	-
Closing net book value	<u>21,857,651</u>	<u>21,503,148</u>

5.1.1 Additions to operating assets including transfers from capital work-in-progress, during the period were as follows:

	Unaudited	
	Quarter ended	
	March 31, 2026	March 31, 2025
----- (Rupees '000) -----		
Buildings on leasehold land	253,426	137,162
Tanks and pipelines	58,157	74,374
Plant and machinery	190,338	203,176
Air conditioning plant	10,217	1,985
Lifts	8,442	2,061
Dispensing pumps	83,395	39,225
Rolling stock and vehicles	-	96,131
Electrical, mechanical and firefighting equipments	62,481	68,808
Furniture, office equipment and other assets	472,131	81,373
Computer auxiliaries	24,348	22,954
	<u>1,162,935</u>	<u>727,249</u>

5.1.2 The following operating assets were disposed / written-off during the period ended:

	Cost	Accumulated depreciation	Net book value
	----- (Rupees '000) -----		
March 31, 2026 (Unaudited)			
Buildings on leasehold land	70,172	40,343	29,829
Leasehold land	11,288	1,507	9,780
Tanks and pipelines	11,846	5,551	6,295
Plant and machinery	2,569	1,256	1,313
Dispensing pumps	15,798	6,683	9,115
Air conditioning plant	179	31	148
Lifts	221	116	105
Electrical, mechanical and fire fighting equipments	26,389	21,370	5,019
Furniture, office equipment and other assets	22,546	7,144	15,402
Computer auxiliaries	4,666	4,666	-
	<u>165,674</u>	<u>88,667</u>	<u>77,006</u>
March 31, 2025 (Unaudited)			
Buildings on leasehold land	-	-	-
Tanks and pipelines	158	158	-
Plant and machinery	9,813	6,801	3,012
Dispensing pumps	10,098	10,098	-
Rolling stock and vehicles	20,434	20,434	-
Electrical, mechanical and fire fighting equipments	71	71	-
Furniture, office equipment and other assets	422	329	93
	<u>40,996</u>	<u>37,891</u>	<u>3,105</u>

		Unaudited March 31, 2026	Audited December 31, 2025
	Note	----- (Rupees '000) -----	
5.2 Capital work-in-progress			
Buildings on leasehold land		2,345,191	2,612,351
Tanks and pipelines		1,413,025	1,187,712
Plant and machinery		240,520	354,427
Electrical, mechanical and fire fighting equipments		18,833	72,833
Furniture, office equipment and other assets		88,684	93,828
	5.2.1	<u>4,106,253</u>	<u>4,321,151</u>
5.2.1 Movement in capital work-in-progress during the period / year is as follows:			
Balance at the beginning of the period / year		4,321,151	3,123,873
Additions during the period / year		948,037	4,809,068
Transfers to operating assets during the period / year		(1,162,935)	(3,611,790)
Provision of impairment during the period / year		-	-
Balance at the end of the period / year		<u>4,106,253</u>	<u>4,321,151</u>
6 LONG-TERM INVESTMENTS			
Includes investment of 26% in an unquoted associate "Pak-Arab Pipeline Company Limited (PAPCO)", which is carried under equity method of accounting as summarized below:			
		Unaudited March 31, 2026	Audited December 31, 2025
		----- (Rupees '000) -----	
Balance at the beginning of the period / year		5,976,066	5,975,703
Share of profit before taxation		617,488	3,210,334
Share of taxation		(221,554)	(1,250,390)
		395,934	1,959,944
Share of other comprehensive income before taxation		-	(23,236)
Share of taxation		-	9,062
		-	(14,174)
Dividend received		-	(1,945,407)
Balance at the end of the period / year		<u>6,372,000</u>	<u>5,976,066</u>
7 STOCK-IN-TRADE		Unaudited March 31, 2026	Audited December 31, 2025
		----- (Rupees '000) -----	
Raw and packing materials		6,523,254	8,123,036
Provision for obsolete and slow moving stock		(58,088)	(54,751)
		6,465,166	8,068,285
Finished products		59,700,182	37,328,389
Provision for obsolete and slow moving stock	7.1	(31,358)	(306,406)
		59,668,824	37,021,983
		<u>66,133,990</u>	<u>45,090,268</u>
7.1 Includes items costing Rs.28,232,208 thousand (2025: Rs.Nil) which have been valued at their net realizable value of Rs.22,301,892 thousand (2025: Rs.Nil)			

11.2 In 2025, the DCIR passed an order dated November 27, 2025 for monitoring of taxes for tax year 2021 in which the Company was assessed to be in default for not deducting and paying withholding taxes on on-invoice discounts and third party cost of salaries, wages and benefits, including default surcharge collectively amounting to Rs. 1,001,008 thousand. The Company filed an appeal before CIR (A) against the order of the DCIR and paid the demand of 10% to obtain stay under section 140 of the Income tax Ordinance, 2001 against any recovery measures. On 16 March 2026, CIR (A) has annulled the Order of the DCIR and decided the case in favour of the Company.

11.3	Commitments	Note	Unaudited	Audited
			March 31, 2026	December 31, 2025
			----- (Rupees '000) -----	
	Capital expenditure		1,416,124	3,075,441
	Outstanding letters of credit		46,222,659	29,960,888
	Outstanding bank guarantees		3,124,775	3,136,902
	Outstanding bank contracts		210,991	588,186
	Post-dated cheques	11.4	60,181,117	62,894,899

11.4 These have been deposited with the Collector of Customs Port Qasim and Karachi Port Trust in accordance with the Customs' Act, 1969 as an indemnity to adequately discharge the liability for the duties and taxes leviable on imports, as required under the Finance Act, 2005. The maturity dates of these cheques extend to October 02, 2026.

12	CASH GENERATED FROM OPERATIONS	Note	Unaudited Quarter ended	
			March 31, 2026	March 31, 2025
			----- (Rupees '000) -----	
	Profit before income tax		5,573,702	1,576,447
	Adjustment for non-cash charges and other items:			
	Depreciation charge for the period on operating assets	5.1	544,462	549,897
	Depreciation charge for the period on right-of-use assets		270,002	191,213
	Amortization charge for the period		192,075	186,985
	Loss / (gain) on disposal of operating assets		43,348	(13,289)
	Accretion expense on asset retirement obligation		7,382	8,648
	Reversal of provision for obsolete and slow moving stock-in-trade - net		(271,710)	(66,979)
	Allowance for expected credit losses on trade debts - net		6,432	3,520
	Provision for impairment on other receivables		730,054	-
	Share of profit of associate - net of tax		(395,934)	(566,450)
	Accretion expense on long-term payables		35,575	41,407
	Impact of change in exchange rate - long term payables		(7,239)	18,180
	Provision for post-retirement medical benefits		5,936	-
	Income from term deposits, saving accounts and mutual funds		(416,504)	(399,226)
	Interest on treasury bills		(22,725)	-
	Accretion of interest on lease liabilities		379,853	278,553
	Mark-up on borrowings and running finance		-	744
	Provision for impairment of operating assets - net	5.1	186,964	-
	Working capital changes	12.1	3,546,400	(1,186,060)
			10,408,073	623,590

12.1 Working capital changes

Decrease / (increase) in current assets

Stock-in-trade	(20,772,012)	5,731,470
Trade debts	(585,563)	(300,008)
Loans and advances	(59,649)	(8,799)
Short-term deposits and prepayments	(162,319)	(23,411)
Other receivables	(7,269,901)	1,636,101
	(28,849,444)	7,035,353

Increase / (decrease) in current liabilities

Advance received from customers (contract liabilities)	(826,798)	
Trade and other payables	33,222,642	(8,221,413)
	3,546,400	(1,186,060)

	Unaudited Quarter ended	
	March 31, 2026	March 31, 2025
	----- (Rupees '000) -----	
12.2 Cash and cash equivalents		
Bank balances	12,489,852	13,916,214
Term deposit receipts	8,000,000	1,062,519
	<u>20,489,852</u>	<u>14,978,733</u>

13 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of the Parent Company, companies with common directorship, associate, employees' retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company. Transactions with related parties are as follows:

Nature of relationship	Nature of transactions	Unaudited Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees '000) -----	
Associate	Pipeline charges	242,222	142,421
	Others	12,684	7,387
Employees' retirement funds			
Defined benefit pension funds	Contribution	3,134	2,987
Defined contribution pension fund	Contribution	52,506	40,367
Defined benefit gratuity funds	Contribution	1,119	905
Provident funds	Contribution	22,141	18,069
Key management Personnel			
	Salaries and other short term employee benefits	86,843	24,061
	Post-employment benefits	2,487	2,947
	Medical	605	737
Non-executive Directors	Fee for attending meetings	5,202	3,525
Others			
	Purchases	94,684	130,928
	Sales	46,119	43,206
	Bank charges	8,782	73,914
	Interest on term deposit receipts and saving accounts	10,994	10,787
	Donations	2,044	
	Legal charges	40	1,298
	Subscription paid	1,300	1,696

14 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company as at December 31, 2025. There has been no change in any risk management policies since the year end.

15 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

All the sales of the Company relate to petroleum products including lubricating oils.

Total sales of the Company relating to customers in Pakistan were 100% during the quarter ended March 31, 2026 (March 31, 2025: 100%).

All non-current assets of the Company as at March 31, 2026 and December 31, 2025 are located in Pakistan.

Sales to twenty major customers of the Company are around 18% during the quarter ended March 31, 2026 (March 31, 2025: 17%).

CORRESPONDING FIGURES

16 GENERAL

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

16.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. However there has been no material reclassification to report.

17 DATE OF AUTHORIZATION

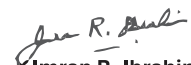
These condensed interim financial statements were authorized for issue on April 29, 2026 by the Board of Directors of the Company.



Zarrar Mahmud
Chief Financial Officer



Zubair Shaikh
Chief Executive



Imran R. Ibrahim
Director

Pattern of Shareholding

During January 01 to March 31, 2026

Trade in Shares by Executives through CDC

Name	Category	Transaction's date	No. of Shares	Nature	Rate (Rs.)
Saif Salman	Executive	January 26, 2026	200	bought	247.63
Shaharyar Khalid	Executive	March 03, 2026	270	bought	190.60
Shaharyar Khalid	Executive	March 12, 2026	135	bought	183.00

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