Director's Report

For the nine months ended September 30, 2026

Dear Shareholders,

The Directors of Wafi Energy Pakistan Limited (Company) present the unaudited financial statements for the nine months ended September 30, 2026.

The profit for the nine months ended September 30, 2026, after providing for administrative, marketing and distribution expenses, financial and other charges amount to:

	Rupees in Million
Profit before taxation	**11,441**
Taxation	**(4,882)**
Net Profit for the period ended September 30, 2026	**6,559**
	Rupees
Profit per share – basic and diluted	**30.64**

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 macroeconomic environment remained challenging in Q3 2026, with inflation rising from 9.2% in July to 11.1% in August before easing to 10.3% in September. Inflation averaged 10.2% during the quarter, compared to 4.2% in the corresponding period last year and 10.03% in the last quarter, primarily driven by higher fuel prices.

The State Bank of Pakistan maintained the policy rate at 11.5% during Q3, adopting a cautious approach amid renewed inflationary pressures and heightened geopolitical uncertainty. The rupee remained stable within the PKR 277–278/USD range.

Amid evolving market dynamics and continued cost pressures, the Company remains focused on operational efficiency, prudent financial management, and effective resource utilization. Management of the Company continues to adopt a disciplined approach to pricing, procurement, and working capital management to support business performance and strengthen the Company's resilience. The Company remains committed to sustainable growth and long-term value creation.

In response to these circumstances, the Government of Pakistan introduced the Price Differential Claim ("PDC") mechanism to provide relief to consumers, resulting in outstanding receivables of PKR 4.5 billion as of September 2026. Subsequent to the reporting period, the Company received a partial payment of PKR 1.3 billion. The Company is one of the first Oil Marketing Companies (OMC) to have received the latest tranche of funds. The Company continues to engage with the relevant authorities to facilitate the timely settlement of its outstanding PDC claims.

The Company delivered a positive financial performance for the nine months ended September 30, 2026, achieving a profit after tax of PKR 6,559 million despite prevailing market challenges. Performance was supported by growth across business segments, disciplined cost management, and improvements in operational efficiency. Continued progress in the motor fuel and lubricants

segments, including gains in market share, further supported the Company's overall results.

In recognition of the Company's performance, the Board of Directors has approved an interim cash dividend of PKR 4 per share for the nine months ended September 30, 2026.

Mobility

Wafi Energy Pakistan Limited secured the #1 ranking among more than 60 markets at the Licensee of the Year 2025 – Smiling Stars 2026 recognition in its first year as a Shell licensee, marking a significant milestone and reflecting the business's strong performance.

Reward and recognition initiatives continued to drive improvements in retail standards. Under CX101, winning sites were recognised for enhancements in greenery, wiper services and toilet cleanliness. Nationwide Service Champion engagement further reinforced forecourt and dispenser cleanliness, service quality and customer experience.

The retail business accelerated its nationwide expansion, adding 54 new sites till Q3, taking the network to 731 sites nationally. The addition of the Tarujabba tank further strengthens the Company's presence in Khyber Pakhtunkhwa (KPK), extending the brand experience to more consumers and supporting greater nationwide network accessibility.

Non-Fuel Retail (NFR) sustained its growth momentum, with nine new Shell Select stores opened during the quarter and daily sales increasing year-on-year despite challenging fuel market conditions. The launch of official Ferrari merchandise at Shell Select Askari and Defence, a first for Pakistan and an Independence Day promotion further strengthened the retail proposition and customer engagement.

The Alliances portfolio has expanded further with the onboarding of various vendors at Shell Select locations, broadening the range of products and services available to customers. Digital commerce also contributed to growth, with online ordering activity and revenue increasing year-on-year.

Lubricants

The Lubricants business maintained its momentum in the quarter through brand initiatives, consumer promotions, and wider mechanic engagement across Pakistan, and continued growth in the B2B segment.

Shell Rimula launched new communication aimed at pickup owners and ran a consumer promotion on promotional packs. Shell Helix engaged mechanics through dedicated engagement events and introduced new packaging across its range. Shell Advance ran a pack promotion to support trade and mechanic engagement.

The lubricants mechanic engagement platform reached a significant milestone in registered mechanics during the quarter and is now being extended to sub dealers, marking the next step in building the Shell brand's relationship with the trade and the mechanic community. The B2B business continued to focus on key customer relationships and on delivering tailored lubricant solutions across industrial and commercial segments.

Environmental, Social and Governance

The Company remains committed to creating value for people and the environment alongside its business objectives. During the quarter, it was awarded first position at the Pakistan Business Council and International Finance Corporation Employer of Choice Awards in the Climate2Equal category, for

its work under its climate pledge (July 2025 to July 2026). Under the pledge, the Company implemented Phase IV of its Access to Energy programme with the National Rural Support Programme, combining solar technology with training, capacity building, monitoring and community ownership to help women and vulnerable rural communities adopt climate resilient livelihoods and access clean, affordable energy.

The Company also partnered with The Dawood Foundation to sponsor visits by children from underserved communities to its Magnificence Centre, providing hands on STEM learning.

Through its registered Tameer Trust, the Company continued to support young people and entrepreneurs, including sponsoring the SEE Pakistan 2026 regional round at NED University of Engineering and Technology, where more than 300 student startups presented their ideas.

HSSE

Our Year-To-Date HSSE performance remained robust with no fatalities or serious injuries as we continue our focus on building competence, sustained assurance and strong safety culture. In partnership with the Oil and Gas Regulatory Authority (OGRA), the Company hosted a safety seminar, bringing together stakeholders from the industry, focusing on strengthening operational safety across Pakistan's oil sector. The seminar provided a platform to exchange global best practices, discuss the role of technology and innovation in enhancing safety. Drawing on the company's global experience, our teams shared insights into operational excellence, safety systems and digital solutions that help improve transparency and build safer operations across Pakistan.

A key strategic milestone was the completion and inauguration of motor gasoline storage tank at Tarujabba terminal, delivered with 300,000 safe man-hours. This investment strengthens our ability to serve customers while supporting the continued growth of our retail network in the region while demonstrating safe project execution.

The company also launched an HSSE training and learning module to assign and track workforce competency and conducted multiple emergency response drills and trainings across terminals, the lubricants blending plant, and retail sites to strengthen emergency readiness and response capability.

Composition of Board

Total number of Directors	**Male: 10**	**Female: 01**
Independent Directors	04	
Non-Executive Directors	05	
Executive Directors	02	

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 Officer

Karachi: October 28, 2026