

HASCOL PETROLEUM LIMITED



8th October 2020

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sirs,

Re: **FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2020**

We are pleased to inform you that the Board of Directors of the Company in their meeting held today at the corporate office of the Company, has approved the quarterly accounts for the period ended 31st March 2020 and recommended the following:

CASH DIVIDEND

NIL.

BONUS SHARES

NIL.

FINANCIAL RESULTS

The financial results of the Company for the quarter ended 31st March 2020 are enclosed herewith.

HASCOL PETROLEUM LIMITED



HASCOL PETROLEUM LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT OR LOSS ACCOUNT - Unaudited
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
	Note -----Rupees in '000-----	
Sales - net	40,739,681	58,644,053
Less: sales tax	(6,045,622)	(9,005,774)
Net sales	34,694,059	49,638,279
Other revenue	409,613	299,622
Net revenue	35,103,672	49,937,901
Cost of products sold	(36,713,439)	(49,815,555)
Gross (loss) / profit	(1,609,767)	122,346
Operating expenses		
Distribution and marketing	(1,170,521)	(997,570)
Administrative	(180,772)	(215,385)
	(1,351,293)	(1,212,955)
Other expenses	-	(3,464,136)
Other income	101,825	108,958
Operating loss	(2,859,235)	(4,445,787)
Finance cost	(1,914,328)	(732,014)
Exchange loss - net	(1,458,995)	(179,854)
	(3,373,323)	(911,868)
Loss before taxation	(6,232,558)	(5,357,655)
Taxation	18 (215,695)	(291,522)
Loss for the period	(6,448,253)	(5,649,177)
Earnings per share - basic and diluted (Rupees)	(6.59)	(28.37)
		Restated

Chief Executive Officer

Chief Financial Officer

Director

HASCOL PETROLEUM LIMITED



HASCOL PETROLEUM LIMITED

CONDENSED INTERIM CONSOLIDATED PROFIT OR LOSS ACCOUNT - Unaudited FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
	Note -----Rupees in '000-----	
Sales - net	40,994,408	58,644,053
Less: sales tax	(6,086,790)	(9,005,774)
Net sales	34,907,618	49,638,279
Other revenue	409,613	299,622
Net revenue	35,317,231	49,937,901
Cost of products sold	(36,898,930)	(49,815,555)
Gross (loss) / profit	(1,581,699)	122,346
Operating expenses		
Distribution and marketing	(1,153,475)	(997,570)
Administrative	(273,539)	(215,385)
	(1,427,014)	(1,212,955)
Other expenses	-	(3,464,136)
Other income	106,325	108,958
Operating loss	(2,902,388)	(4,445,787)
Finance cost	(1,914,328)	(732,014)
Exchange loss - net	(1,458,995)	(179,854)
	(3,373,323)	(911,868)
Loss before taxation	(6,275,711)	(5,357,655)
Taxation	18 (215,695)	(291,522)
Loss for the period	(6,491,406)	(5,649,177)
		Restated
Earnings per share - basic and diluted (Rupees)	(6.63)	(28.37)

Chief Executive Officer

Chief Financial Officer

Director

HASCOL PETROLEUM LIMITED



The Quarterly Report of the Company for the three months' period ended 31st March 2020 will be transmitted through PUCARS separately within the specified time.

Yours sincerely,

A handwritten signature in blue ink, appearing to be "M. S.", positioned above a horizontal line.

Chief Executive Officer

A handwritten signature in blue ink, appearing to be "K. Ahmad", positioned above a horizontal line.

Chief Financial Officer

Director

Copy to: The Securities and Exchange Commission of Pakistan, Islamabad



Directors' Review Report For the 1st Quarter ended 31st March 2020

Dear Shareholders,

The Board of Directors of Hascol Petroleum Limited (HPL) has reviewed the performance of the Company for the period ended 31st March 2020 and is pleased to present the Directors' Review Report.

The Company has been facing internal and external challenges due to COVID-19 pandemic which affected the working environment of the business. As a result, the first quarterly accounts for the period ended 31st March 2020 are being announced late.

In Q1 2020, we saw a dramatic collapse in demand and an unprecedented fall in the international oil prices which translated into inventory losses for the Company. On the macroeconomic front, the company's performance was adversely affected by the devaluation of Pak Rupee. The COVID-19 associated lockdown which was imposed towards the end of March also had a dampening effect on local economic activity, resulting in drop in consumption of petroleum products.

Due to these reasons, the Company incurred a loss after tax of Rs. 6.4 billion for the period ended 31st March 2020 as compared to Rs. 5.6 billion in the same period of last year. The loss per share (LPS) stands at Rs. 6.59, as compared to LPS of Rs. 28.37 in same period of last year.

The successful closure of equity of Rs. 8 billion in January 2020, partial conversion of short-term debt to seven (07) year long-term debt of Rs. 11.89 billion (out of a total committed long term debt Rs.13.40 billion) and the continued support of Company's principal supplier for its working capital eased the liquidity and working capital constraints of the Company. The Company is also considering further restructuring of its short-term loans.

Despite the challenging socio-economic business scenario, the Company has begun to reposition itself through organizational restructuring and cost optimization and efforts are being made to return to a sustainable and profitable business. Considering improved demand after easing of lockdown restrictions, the management is optimistic that the performance of the Company will be improved, given the Company's extensive infrastructure including depots and retail outlets. The shareholders of the Company have reorganized the Board of Directors and the Company is in the process of bringing in new talent to spearhead the growth efforts of the Company.

The Company express its sincere gratitude to all its employees, customers, financial institutions, suppliers and other stakeholders for their contributions and continuous support. We also thank the Government of Pakistan and its Ministries for their support and guidance.

Chief Executive Officer

Director

Karachi.

Dated: 8th October 2020