



# PAKISTAN REFINERY LTD.

ANNOUNCEMENT  
 14/9/15  
 4:05  
 4:06

September 14, 2015

The General Manager  
 Karachi Stock Exchange Limited  
 Stock Exchange Building  
 Stock Exchange Road, Karachi  
 Fax # 111-573-329

The Secretary  
 Lahore Stock Exchange Limited  
 19, Khayaban-e-Aiwan-e-Iqbal  
 P.O. Box 13145, Lahore  
 Fax # 042-3636-8485

Dear Sir,

**Subject: Financial Results of Pakistan Refinery Limited (PRL) for the year ended June 30, 2015**

We have to inform you that the Board of Directors of PRL in their meeting held on September 14, 2015 at 10:30 am at Marriott Hotel, Karachi has recommended a "Nil" dividend.

The profit and loss account of the Company for the year ended June 30, 2015 is given as follows:

	2015	2014
	(Rupees in thousand)	
Net sales	91,174,700	142,144,452
Cost of sales	(91,851,724)	(142,852,397)
Gross loss	(677,024)	(707,945)
Distribution cost	(212,897)	(197,593)
Administrative expenses	(263,213)	(220,922)
Other operating expenses	(16,046)	(4,431)
Other income	184,917	347,902
Operating loss	(984,263)	(782,989)
Finance cost - net	(706,697)	(86,942)
Share of income of associate	17,978	13,438
Loss before taxation	(1,672,982)	(856,493)
Taxation	491,320	(7,420)
Loss after taxation	(1,181,662)	(863,913)
		(Re-stated)
Loss per share	(Rs 5.42)	(Rs 3.96)

*Amir*

*SA*

**A. EXTRACTS FROM THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015:****NOTE 2.1.2 - BASIS OF PREPARATION**

As at June 30, 2015, the Company has accumulated losses of Rs. 4.85 billion (June 30, 2014: Rs. 3.48 billion) resulting in net negative equity of Rs. 1.51 billion (June 30, 2014: Rs. 2.73 billion) and its current liabilities exceed its current assets by Rs. 8.77 billion (June 30, 2014: Rs. 6.90 billion). These conditions may cast a doubt on the Company's ability to continue as a going concern. Earlier during the year to address the negative equity situation, the Board of Directors had approved a 'Rights issue' in the ratio of 8 right shares for every share held and the Company raised Rs. 2.59 billion as at June 30, 2015 which is disclosed as 'Subscription money against rights issue' in these financial statements (refer note 17 to these financial statements). Further, the Company successfully completed the Isomerisation Project (the Project) in June 2015. The Project will convert light Naphtha into Motor Gasoline and will improve the profitability of the Company. Current liabilities include an amount of Rs. 2.12 billion (June 30, 2014: Rs. 2.43 billion) outstanding against PRL's 'Taraqqi' Term Finance Certificates TFC1 and TFC2, which carry maturity of 3 and 5 years respectively, due to 'put option' in these instruments.

**B. EXTRACTS FROM THE AUDITORS' REPORT TO THE MEMBERS ON FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015:**

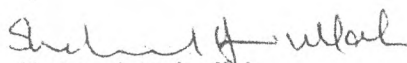
The external auditors have given the following paragraph of emphasis in their report:

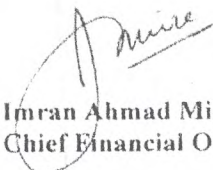
Without qualifying our opinion, we draw attention to note 2.1.2 to these financial statements. As stated in the note, as at June 30, 2015 the company has accumulated loss of Rs. 4.85 billion resulting in net negative equity of Rs. 1.51 billion. Further, current liabilities of the company exceed its current assets by Rs. 8.77 billion. These conditions, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern.

**C. ANNUAL GENERAL MEETING & BOOK CLOSURE**

The Annual General Meeting of the Company will be held on Monday October 26, 2015 at 11:30 am at Marriott Hotel Karachi. The Share Transfer Books of the Company will remain closed from Tuesday October 20, 2015 to Monday October 26, 2015 (both days inclusive) when no applications for transfer of shares will be accepted.

Yours truly,  
for PAKISTAN REFINERY LIMITED

  
Shehrzad Aminullah  
Acting Company Secretary

  
Imran Ahmad Mirza  
Chief Financial Officer