

**CONDENSED INTERIM FINANCIAL INFORMATION
(UNAUDITED)**

FOR THE FIRST QUARTER ENDED

31 MARCH 2019



Pakistan Oxygen Limited



Our vision

To improve the quality of life and wellbeing of people, communities and environment by operating in all sectors of the economy; envisage growth aggressively as a market leader while admiring its people.

Our mission

To remain the Market leader in industrial and medical sector while growing aggressively in welding & hardgoods.

We shall achieve this profitably on sustained basis through the talent of our people, product reliability, superior product service & quality.

We would provide innovative solutions to our customers along with enhancing trust of our shareholders while keeping highest standards of ethics, safety and environment.



Company information

Board of Directors

Waqar Ahmed Malik	Non-Executive Chairman
Matin Amjad	Chief Executive
Fawad Anwar	Non-Executive Director
Atif Riaz Bokhari	Non-Executive Director
Siraj Dadabhoy	Non-Executive Director
Syed Hasan Ali Bukhari	Non-Executive Director
Sheikh Muhammad Abdullah	Non-Executive Director
Shahid Mehmood Umerani	Non-Executive Director
Feroz Rizvi	Independent Director
Muhammad Zindah Moin Mohajir	Independent Director

Chief Financial Officer

Syed Ali Adnan

Company Secretary

Mazhar Iqbal

Board Audit Committee

Muhammad Zindah Moin Mohajir	Chairman	Independent Director
Fawad Anwar	Member	Non-Executive Director
Feroz Rizvi	Member	Independent Director
Sheikh Muhammad Abdullah	Member	Non-Executive Director
Mazhar Iqbal	Secretary	Financial Controller & Company Secretary

Board Human Resource & Remuneration Committee

Feroz Rizvi	Chairman	Independent Director
Atif Riaz Bokhari	Member	Non-Executive Director
Syed Hasan Ali Bukhari	Member	Non-Executive Director
Shahid Mehmood Umerani	Member	Non-Executive Director
Muhammad Salim Sheikh	Secretary	Head of Human Resources

Share Transfer Committee

Muhammad Zindah Moin Mohajir	Chairman	Independent Director
Matin Amjad	Member	Chief Executive
Wakil Ahmed Khan	Secretary	Manager – Corporate Services

Bankers

Standard Chartered Bank (Pakistan) Limited
Deutsche Bank AG
HBL Bank Limited
Citibank NA
MCB Bank Limited
National Bank of Pakistan Limited
Meezan Bank Limited
Askari Bank Limited

Auditors

External Auditors
BDO Ebrahim & Co.

Internal Auditors
EY Ford Rhodes

Legal advisor

Ayesha Hamid of Hamid Law Associates

Share Registrar

Central Depository Company of Pakistan Limited

Registered office

West Wharf, Dockyard Road, Karachi-74000

Website

www.pakoxygen.com



Directors' Review

We are pleased to present the Directors' Review together with the Condensed Interim Financial Information (un-audited) of your Company for the first quarter ended 31 March 2019.

Pakistan's economy remained under pressure in FY19 due to large current account deficit, rupee depreciation, decline in large-scale manufacturing, slowdown of agriculture sector, contraction in domestic demand and shrinking capital investments. GDP growth, as a result, is expected to slow down to 3.5% for FY19. CPI inflation stood at 9.4% on year-on-year basis in March 2019 as compared to 3.2% during the corresponding period. Rising input costs due to higher energy prices and rupee depreciation are likely to maintain upward pressure on inflation. On the external front, the current account deficit recorded a sizeable contraction during the first two months of 2019, which, together with bi-lateral inflows, helped ease some pressures on SBP's foreign exchange reserves. SBP increased the policy rate by 50 bps to 10.75%.

These economic challenges have impacted the Company's performance during the period under review. Steel and ship breaking sectors remained under pressure due to slack demand. Similarly, automotive and fabrication segments, which are major markets for our hardgoods business also remained slow during the period. In industrial gases segment, prices also continued to remain highly competitive. This was partially mitigated by moderate growth in healthcare segment and an upturn in oil and gas and chemical sectors. Despite this, your Company achieved net sales of Rs. 1.1 billion, almost in line with the same period last year.

Your Company continued to improve plant productivity and efficiency through new process initiatives. Similarly, there were margin improvements in hardgoods segment due to inhouse manufacturing of electrodes. As a result, gross profit was recorded at Rs. 289 million, up by 8% compared to the same period last year. Overheads stood at Rs. 129 million, lower by 5% compared to the same period last year. Finance costs increased by 46% due to higher interest rates and higher utilization of credit facilities. Profit after tax and EPS were recorded at Rs. 95 million and Rs. 3.78 respectively, higher by 18% over the same period last year.

Given the challenging macro-economic environment that is expected to persist in short to medium term, your Company is striving to capitalize on the available opportunities to mitigate the impact of these challenges.

On behalf of the Board

Karachi:
30 April 2019


Matin Amjad
Chief Executive Officer


Waqar Ahmed Malik
Chairman

ڈائریکٹرز کا جائزہ

ہمیں ڈائریکٹرز کا جائزہ مع آپ کی کمپنی کے مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) برائے پہلی سہ ماہی اختتامہ 31 مارچ 2019 پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالی سال 19 کے دوران میں پاکستان کی معیشت دباؤ کا شکار رہی جس کی وجہ موجودہ کرنٹ اکاؤنٹ کا بڑا شمارہ روپے کی قدر میں کمی، بڑے پیمانے کی مینوفیکچرنگ میں کمی، بزرگی شعبہ کی سست روی، مقامی طلب میں تخفیف اور کیمپٹل انوٹمنٹس کے حجم کی کمی تھی۔ اس کے نتیجے میں مالی سال 19 کیلئے GDP میں اضافہ کی شرح کم ہو کر 3.5% رہنے کی توقع ہے۔ مارچ 2019 میں CPI انفرافلز رسالہ سال بہ سال کی بنیاد پر 9.4% رہا جو گزشتہ اسی مدت میں 3.2% تھا۔ توانائی کی قیمتوں میں اضافہ اور روپے کی قدر میں کمی کے سبب اشیاء کی تیاری کی لاگت میں بھی اضافہ کا عمل جاری رہنے کا امکان ہے جس سے انفرافلز کا دباؤ بھی بڑھے گا۔ بیرونی محاذ پر دیکھیں تو 2019 کے ابتدائی دو ماہ کے دوران میں کرنٹ اکاؤنٹ کے شمارے میں کافی تخفیف ہوئی ہے جس نے دو طرفہ انفلو کے ساتھ مل کر ایس بی پی کے زرمبادلہ کے ذخائر پر دباؤ کم کیا۔ ایس بی پی نے پالیسی ریٹ میں 50 bps کا اضافہ کر کے سے 10.75% کر دیا ہے۔

معیشت کے ان چیلنجز کے سبب زبر جائزہ مدت میں کمپنی کی کارکردگی متاثر رہی ہے۔ اسٹیل اور شپ بریکنگ کے شعبہ جات، طلب میں سست روی کے باعث دباؤ کا شکار ہے ہیں۔ اسی طرح آٹو موٹیو اور ٹھیکہ بندی کے شعبے، جو کمپنی کے ہارڈ گڈز بزنس کی بنیادی مددیت ہے، کی رفتار بھی کم رہی۔ صنعتی کیسز کے شعبہ میں بھی قیمتیں مسابقتی رہیں۔ تاہم ہیلتھ کیئر کے شعبہ میں مناسب اضافے اور آئل اینڈ گیس اور کیمیکل کے شعبوں میں اٹھان سے اس کا جزوی طور پر ازالہ ہو گیا۔ اس کے باوجود آپ کی کمپنی نے 1.1 بلین روپے کی خالص سیلز کا ہدف حاصل کر لیا جو گزشتہ سال کی اسی مدت کے ہدف کے تقریباً برابر ہے۔

آپ کی کمپنی میں نئے پروجیکٹس کے اقدام کے سبب پائنت کی پیداوار میں اور استعداد میں بہتری کا عمل جاری رہا۔ اسی طرح الیکٹرو ڈیزل ان ہاؤس مینوفیکچرنگ سے ہارڈ گڈز کے شعبہ کے مارننگز میں بھی بہتری دیکھنے میں آئی۔ اس کے نتیجے میں مجموعی منافع 289 بلین روپے رکھاؤ کیا گیا جو گزشتہ سال کی اسی مدت کے منافع سے 8% زیادہ ہے۔ بالائی اخراجات 129 بلین روپے ہوئے جو گزشتہ سال کی اسی مدت کے اخراجات سے 5% کم ہیں۔ البتہ زیادہ شرح سود اور کریڈٹ کی سہولت سے مالیاتی لاگت میں 46% اضافہ ہوا۔ بعد از ٹیکس منافع اور فی شیئر آمدنی بالترتیب 95 بلین روپے اور 3.78 روپے ہے جو گزشتہ سال کی اسی مدت کے مقابلے میں 18% زیادہ ہیں۔ میکرو اکنامک کے موجودہ چیلنجز کے قبیل اور اوسط مدت میں جاری رہنے کی توقع ہے۔ آپ کی کمپنی دستیاب مواقع سے فائدہ اٹھاتے ہوئے ان چیلنجز کے اثرات کو ختم کرنے میں کوشاں ہے۔

منجانب بورڈ

Wazir Ahmad

دقار احمد ملک
چیرمین

Mahmood

حسین امجد
چیف ایگزیکٹو آفیسر

کراچی
30 اپریل 2019



Pakistan Oxygen Limited
 Condensed Interim Profit and Loss Account (Unaudited)
 For the first quarter ended 31 March 2019

	Note	31 March 2019	31 March 2018
Rupees in '000			
Gross sales	5	1,290,225	1,311,915
Trade discount and sales tax	5	(145,468)	(147,181)
Net sales		1,144,757	1,164,734
Cost of sales	5	(855,376)	(897,755)
Gross profit		289,381	266,979
Distribution and marketing expenses	5	(63,050)	(69,285)
Administrative expenses	5	(52,956)	(55,669)
Other operating expenses		(13,465)	(10,924)
		(129,471)	(135,878)
Operating profit before other income		159,910	131,101
Other income		2,834	3,322
Operating profit		162,744	134,423
Finance costs		(34,860)	(23,887)
Profit before taxation		127,884	110,536
Taxation		(33,205)	(30,523)
Profit for the period		94,679	80,013
----- (Rupees) -----			
Earnings per share - basic and diluted		3.78	3.20

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

Syed Ali Adnan
 Chief Financial Officer

Matin Amjad
 Chief Executive Officer

Waqar A. Malik
 Chairman



Pakistan Oxygen Limited

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the first quarter ended 31 March 2019

	31 March 2019	31 March 2018
	<i>Rupees in '000</i>	
Profit for the period	94,679	80,013
Other comprehensive income		
<i>Items that will never be reclassified to profit and loss account</i>		
Net re-measurement on defined benefit plans	-	2,280
Tax thereon	-	(684)
	-	1,596
Total comprehensive income for the period	94,679	81,609

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

Syed Ali Adnan
Chief Financial Officer

Matin Amjad
Chief Executive Officer

Waqar A. Malik
Chairman



Pakistan Oxygen Limited
Condensed Interim Statement of Financial Position
As at 31 March 2019

	Note	31 March 2019 (Unaudited)	31 December 2018 (Audited)
Rupees in '000			
ASSETS			
Non-current assets			
Property, plant and equipment	6	4,510,297	4,558,190
Intangible assets		31,983	33,701
Investment in subsidiary		10	10
Long term Loans		4,137	-
Long term deposits		69,853	69,853
		4,616,280	4,661,754
Current assets			
Stores and spares		197,448	161,393
Stock-in-trade	7	286,162	406,146
Trade debts		757,111	674,550
Loans and advances		27,534	18,543
Deposits and prepayments		138,653	130,279
Other receivables		110,086	136,443
Taxation - net		346,820	363,350
Cash and bank balances		26,976	144,780
		1,890,791	2,035,484
Total assets		6,507,071	6,697,238
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorised:</i>			
40,000,000 (2018: 40,000,000) Ordinary shares of Rs. 10 each		400,000	400,000
<i>Issued, subscribed and paid-up:</i>			
25,038,720 (2018: 25,038,720) Ordinary shares of Rs. 10 each		250,387	250,387
<i>Revenue reserves</i>			
General reserves		1,579,262	1,579,262
Unappropriated profit		365,860	271,181
<i>Capital reserves</i>			
Surplus on revaluation of property, plant and equipment		1,798,150	1,798,150
		3,743,272	3,648,593
		3,993,659	3,898,980
Non-current liabilities			
Long term deposits		185,799	184,818
Deferred liabilities		298,116	317,812
		483,916	502,630
Current liabilities			
Trade and other payables		1,046,416	1,024,246
Short term borrowings		692,350	978,568
Un-claimed dividend		20,729	22,814
Current maturity of long term financing		270,000	270,000
		2,029,496	2,295,628
Total equity and liabilities		6,507,071	6,697,238
Contingencies and Commitments			
	8		

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

Syed Ali Adnan
Chief Financial Officer

Matin Amjad
Chief Executive Officer

Waqar A. Malik
Chairman



Pakistan Oxygen Limited
Condensed Interim Cash Flow Statement (Unaudited)

For the first quarter ended 31 March 2019

	Note	31 March 2019	31 March 2018
Rupees in '000			
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	9	273,353	(58,118)
Finance costs paid		(24,271)	(11,841)
Income tax paid		(36,552)	(33,848)
Post retirement medical benefits paid		(62)	(58)
Long term loans		(4,137)	-
Long term deposits - received		981	1,412
Net cash generated from operating activities		209,312	(102,453)
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(40,826)	(18,308)
Proceeds from disposal of operating assets		2,013	9,453
Interest received on balances with banks		-	128
Net cash used in investing activities		(38,813)	(8,727)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid		(2,085)	(2,291)
Net cash used in financing activities		(2,085)	(2,291)
Net Increase/ (decrease) in cash and cash equivalents		168,414	(113,471)
Cash and cash equivalents at beginning of the year		(833,788)	(305,461)
Cash and cash equivalents at end of the period	10	(665,374)	(418,932)

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

Syed Ali Adnan
Chief Financial Officer

Matin Amjad
Chief Executive Officer

Waqar A. Malik
Chairman



Pakistan Oxygen Limited
 Condensed Interim Statement of Changes in Equity (Unaudited)
 For the first quarter ended 31 March 2019

Issued, subscribed and paid-up Share capital	Capital Reserves	Revenue Reserves		Total
	Surplus on revaluation of property, plant & equipment	General reserve	Unappropriated profit	

-----Rupees in '000-----

Balance as at 1 January 2018 250,387 - 1,475,338 241,637 1,967,362

Total comprehensive income for the period:

Profit for the period	-	-	-	80,013	80,013
Other comprehensive income for the period	-	-	-	1,596	1,596
	-	-	-	81,609	81,609

Transactions with owners of the Company
 recognised directly in equity - distribution

Final dividend for the year ended

December 31, 2017 Rs 5.5 per share - - - (137,713) (137,713)

Transfer to general reserve

- - 103,924 (103,924) -

Balance as at 31 March 2018

250,387 - 1,579,262 81,609 1,911,258

Balance as at 1 January 2019

250,387 1,798,150 1,579,262 271,181 3,898,980

Total comprehensive income for the period:

Profit for the period	-	-	-	94,679	94,679
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	94,679	94,679

Balance as at 31 March 2019

250,387 1,798,150 1,579,262 365,860 3,993,659

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

Syed Ali Adnan

Syed Ali Adnan
 Chief Financial Officer

Matin Amjad

Matin Amjad
 Chief Executive Officer

Waqar A. Malik

Waqar A. Malik
 Chairman



Pakistan Oxygen Limited

Notes to the Condensed Interim Financial Information (*Unaudited*)

For the first quarter ended 31 March 2019

1. LEGAL STATUS AND OPERATIONS

Pakistan Oxygen Limited ("the Company") was incorporated in Pakistan under the repealed Companies Act, 1913 (now Companies Act, 2017), as a private limited company in 1949 and converted into a public limited company in 1958. Its shares are quoted on Pakistan Stock Exchange Limited.

The Company is principally engaged in the manufacturing of industrial and medical gases, welding electrodes and marketing of medical equipment.

The Company owns a wholly owned subsidiary, BOC Pakistan (Private) Limited ("BOCPL"), which has not carried out any business activities during the year. Accordingly, exemption has been granted by the Securities and Exchange Commission of Pakistan ("SECP") from the application of sub-section (1) to (6) of section 228 of the Companies Act, 2017 requiring consolidation of subsidiary in the preparation of financial statements for the year ending 31 December 2019 and all interim periods within the aforementioned year.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2018 which have been prepared in accordance with approved accounting standards as applicable in Pakistan.

This condensed interim financial information of the Company for the first quarter ended March 31, 2019 has been prepared in accordance with accounting and reporting Standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

Where the provision of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.



2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted by the Company in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual audited financial statements of the Company as at and for the year ended 31 December 2018.

3.2 Amendments to certain existing standards and new standards and interpretations on approved accounting standards became 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, JUDGMENTS, FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT

In preparing these condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and judgements made by management in the preparation of this condensed interim financial information are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended 31 December 2018.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Company as at and for the year ended 31 December 2018. The Company has established control framework with respect to the measurements of fair values. Management uses observable inputs / data as far as possible to determine fair values of assets and liabilities, where ever required or permitted under accounting standards. At reporting date management considers fair values of financial assets and liabilities not measured at fair values approximate their carrying amounts.

4.1 Change in accounting estimate

Useful lives of property, plant and equipment

The Company reviews the useful lives and expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment. This review indicated that useful life of leasehold land and expected pattern of consumption of the future economic benefits is no longer as per the previous estimation. Effective from January 01, 2019, the Company has determined that useful life of its leasehold land is indefinite as per requirements of para 51 of International Accounting Standards 16 "Property plant and equipment". Accordingly, there will be no further impact of depreciation in respect of leasehold land.



5. SEGMENT RESULTS

For the first quarter ended

	31 March 2019			31 March 2018		
	Industrial, medical and other gases	Welding and others	Total	Industrial, medical and other gases	Welding and others	Total
	----- (Rupees in '000) -----					
Gross sales	1,025,413	264,812	1,290,225	1,060,841	251,074	1,311,915
Less:						
Trade discount	5,686	-	5,686	906	-	906
Sales tax	102,035	37,748	139,782	110,137	36,138	146,275
	107,721	37,748	145,468	111,043	36,138	147,181
Net sales	917,693	227,064	1,144,757	949,798	214,936	1,164,734
Less:						
Cost of sales	671,362	184,014	855,376	703,464	194,291	897,755
Distribution and marketing expenses	53,670	9,380	63,050	63,927	5,358	69,285
Administrative expenses	45,078	7,878	52,956	51,365	4,304	55,669
	770,110	201,272	971,382	818,756	203,952	1,022,709
Segment result	147,582	25,792	173,375	131,042	10,984	142,025
Unallocated corporate expenses:						
- Other operating expenses			(13,465)			(10,924)
- Other income			2,834			3,322
			(10,631)			(7,602)
Operating profit			162,744			134,423
Finance costs			(34,860)			(23,887)
Taxation			(33,205)			(30,523)
Profit for the period			94,679			80,013



6. PROPERTY, PLANT AND EQUIPMENT

	31 March 2018 (Unaudited)	31 December 2018 (Audited)
	<i>Rupees in '000</i>	
Operating assets	4,391,345	4,395,765
Capital work-in-progress	118,952	162,425
	4,510,297	4,558,190

6.1 Operating assets

Net book value/Revalued amount as at 1 January 2019 / 2018	4,395,765	2,749,332
Additions during the period / year:		
- Land and Building	1,495	-
- Plant and machinery	60,557	200,057
- Vehicles	17,083	21,077
- Furniture, fittings and office equipments	980	-
- Computer equipments	4,185	1,102
	84,299	222,236
Revaluation Surplus	-	1,798,150
Less:		
- Disposals during the period / year - net book value	(877)	(10,088)
- Depreciation charge during the period / year	(87,842)	(363,865)
	(88,719)	(373,953)
	4,391,345	4,395,765

7 STOCK-IN-TRADE

Raw and packing materials		
- in hand	98,624	156,632
- in transit	-	3,672
	98,624	160,304
Finished goods		
- in hand	184,667	245,842
- in transit	2,870	-
	187,537	245,842
	286,162	406,146

7.1 Raw and packing materials and finished goods include inventories held by various parties, located at Site and Landhi industrial areas of Karachi, amounting to Rs. 14.910 million (31 December 2018: Rs. 33.358 million) for manufacturing purposes.

7.2 The cost of raw and packaging materials and finished goods has been adjusted net of provision for slow moving and obsolete stock by Rs. 39.330 million (31 December 2018: Rs. 36.870 millions).



8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

The Company has disputed the unilateral increase in rentals of one of its leased premises being exorbitant, unreasonable and unjustified. Therefore, a civil suit has been filed against the Lessor. The Court has directed parties to maintain status quo. The amount not acknowledged as debt in this regard as at 31 March 2018 amounted to Rs. 48.580 million (31 December 2018: Rs.47.943 million).

8.2 Commitments

Capital commitments outstanding as at 31 March 2018 amounted to Rs. 138.092 million (31 December 2018: Rs. 163.614 million).

9. CASH GENERATED FROM OPERATIONS

Note	31 March 2019	31 March 2018
	<i>Rupees in '000</i>	
Profit before taxation	127,884	110,536
<i>Adjustments for :</i>		
Depreciation	87,842	89,419
Amortisation	1,718	928
Gain on disposal of property, plant and equipment	(1,136)	(438)
Mark-up income from savings and deposit accounts		(126)
Finance cost	34,860	23,887
Post retirement medical benefits	243	138
Working capital changes	21,942	(282,462)
	273,353	(58,118)

9.1 Working capital changes

Decrease / (increase) in current assets:

Stores and spares	(36,056)	(21,516)
Stock-in-trade	119,984	2,559
Trade debts	(82,562)	(62,292)
Loans and advances	(8,991)	(6,096)
Deposit and prepayments	(8,374)	(14,807)
Other receivables	26,357	49,495
	10,359	(52,657)

Increase / (decrease) in current liabilities:

Trade and other payables	11,583	(229,805)
	21,942	(282,462)

10. CASH AND CASH EQUIVALENTS

Cash and bank balances	26,976	62,359
Short term borrowings - running finance under mark-up arrangement	(692,350)	(481,291)
	(665,374)	(418,932)



11. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of associated companies, entities with common directors, major shareholders, key management employees and retirement benefit funds. Transactions and balances with related parties and associated undertakings are given below:

11.1 Transactions with related parties are summarised as follows:

Nature of Relationship	Nature of Transaction	31 March 2019	31 March 2018
		Rupees in '000	
Major shareholders and associated companies by virtue of common directorship	Dividend	-	110,176
	Sale of goods	20,416	19,625
	Mark up	9,546	-
	Purchase of goods and receipt of service	38,767	24,383
Key management personnel Directors	Compensation	62,723	54,742
	Meeting fee	1,538	2,900
Staff retirement benefits	Contributions to staff retirement	8,241	7,261
	Re-measurement: Actuarial (loss) / gain recognised in other comprehensive income	-	2,280

11.2 Balances with related parties are summarised as follows:

	31 March 2019	31 December 2018
	Rupees in '000	
Receivable from:		
Staff Retirement Funds	18,131	22,564
Associated companies by virtue of shareholding and common directorship	11,360	7,487
Payable to:		
Staff Retirement Funds	1,916	1,866
Short term financing facilities including markup payable: Standard Chartard Bank (Pakistan) Ltd	514,891	623,379

11.3 Sales, purchases and other transactions with related parties are carried out on commercial terms and conditions.

12. CORRESPONDING FIGURES

The condensed interim balance sheet has been compared with the preceding balance sheet as at 31 December 2018, whereas the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the corresponding period of the previous year.

13. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on 30 April 2019 by the Board of Directors of the Company.

Syed Ali Adnan
Chief Financial Officer

Matin Amjad
Chief Executive Officer

Waqar A. Malik
Chairman



Our Products and Services

In Pakistan our business and reputation is built around our customers. Whatever the industry or interest, we continue to respond to its needs as quickly and effectively as possible. The ever changing requirements of customers are the driving force behind the development of all our products, technologies and support services. Pakistan Oxygen provides gas products, facilities and turnkey services and solutions which are customized to meet the unique needs of our customers and add value to their businesses. Our competitive advantage is our

extensive process engineering, project development and comprehensive product portfolio. We have the widest range of bulk and compressed gases product lines as well as welding consumables, equipments and safety gear. At Pakistan Oxygen, our highly qualified and experienced engineers, product managers, technologists and marketers excel at providing dedicated support. A Pakistan Oxygen customer receives for each gas application, the complete solution – gas, know-how, tailor-made hardware and customized services

Industrial gases

Bulk gases

- Liquid oxygen
- Liquid nitrogen
- Liquid argon
- Pipeline & Trailer hydrogen
- Liquid carbon dioxide
- Industrial pipelines

PGP gases

- Compressed oxygen
- Aviation oxygen
- Compressed nitrogen
- Compressed argon
- Compressed air
- Compressed hydrogen
- Compressed carbon dioxide
- Dissolved acetylene

Specialty gases

- High purity gases
- Research grade gases
- Gaseous chemicals
- Calibration mixtures
- Argon mixtures
- Welding gas mixtures
- Sterilization gases
- Propane
- Helium (liquid & compressed)
- Refrigerants

Healthcare

Medical gases

- Liquid medical oxygen
- Compressed medical oxygen
- Nitrous oxide
- ENTONOX⁺
- Specialty Medical Gases & Mixtures e.g. Helium, Carbon dioxide, Heliox etc

Medical equipment

- Medical Air, Vacuum & AGSS Plants
- Medical Gases high & low-Pressure Monitoring & Alarm Systems, High precision flowmeters
- Suction injector units and oxygen therapy products
- ENTONOX⁺ delivery systems complete with apparatus, regulators and cylinders

Medical engineering services

- Consultation, design, Installation and servicing of medical gas pipeline systems – (O₂, N₂O, Air, Suction etc)
- Safety, quality, risk analysis & training on medical gas pipeline systems.

Welding & others

Welding consumables

- Low hydrogen welding electrodes Fortrex E7018
- Mild Steel welding electrodes - Zodian Universal E6013
- Mild Steel welding electrodes - Matador47 E6013
- Mild Steel welding electrode - Spark E6013
- Stainless steel electrodes- Matador SS (E308 & E308L)
- Special Electrodes
- MIG welding wires- Matador

Welding machines

- Automatic
- Semi-automatic
- Manual

Welding accessories

- Regulators
- Cutting torches
- Welding torches
- Cutting machines
- Abrasives (Cutting & Grinding discs)
- Welding Cable
- Gas control equipment
- Safety equipment

PGP – others

- Calcium Carbide
- Industrial gases pipeline (O₂, N₂, DA, Ar etc)
- Training on safe use of industrial gases and pipelines system.



BUSINESS LOCATIONS

Registered office/head office

Karachi
P.O.Box 4845, West Wharf
Phones +92.21.32313361 (9 lines)
Fax 92.21 32312968

Wah Cantonment
Kabul Road
Phone +92.51.4545359
Taxila
Adjacent to HMC No.2
Phones +92.51.4560701(5 lines) & 4560600
Fax +92.51.4560700

Acetylene plant
Gas compression facility

North-western region

Lahore
P.O.Box 205
Shalamar Link Road, Mughalpura
Phones +92.42.36824091 (4 lines)
Fax + 92.42.36817573

Nitrous oxide plant
Gas compression facility

Rawalpindi
2nd Floor, Jahangir Multiplex
Golra Mor, Peshawar Road
Phones +92.51.2315501 (3 lines)
Fax +92.51.2315050

Sales office

Plot No. 705, Sundar Industrial Estate
Phones +92.42.35297244-47 (4 lines)

ASU plant

Southern region

Mehmood Kot
Adjacent to PARCO
Mid Country Refinery, Mehmood Kot
Qasba Gujrat, Muzaffargarh
Phones +92.66.2290751 & 2290484-85
Fax +92.66.2290752

Nitrogen plant

Karachi
P.O.Box 4845, West Wharf
Phones +92.21.32313361 (9 lines)
Fax +92.21.32312968

Gas compression facility
Acetylene plant
Electrode factory
Speciality gases

Faisalabad
Altaf Ganj Chowk
Near Usman Flour Mills
Jhang Road
Phones +92.41.2653463 & 2650564
Sales depot

Sales depot
Gas compression facility

Port Qasim
Plot EZ/1/P-5(SP-1), Eastern Zone
Phones +92.21.34740058 & 34740060
Fax +92.21.34740059

ASU plant
Hydrogen plant
Carbon dioxide plant
Dry ice plant

Sukkur
A-15, Airport Road
Near Bhatti Hospital
Phone +92.71.5630871

Sales depot