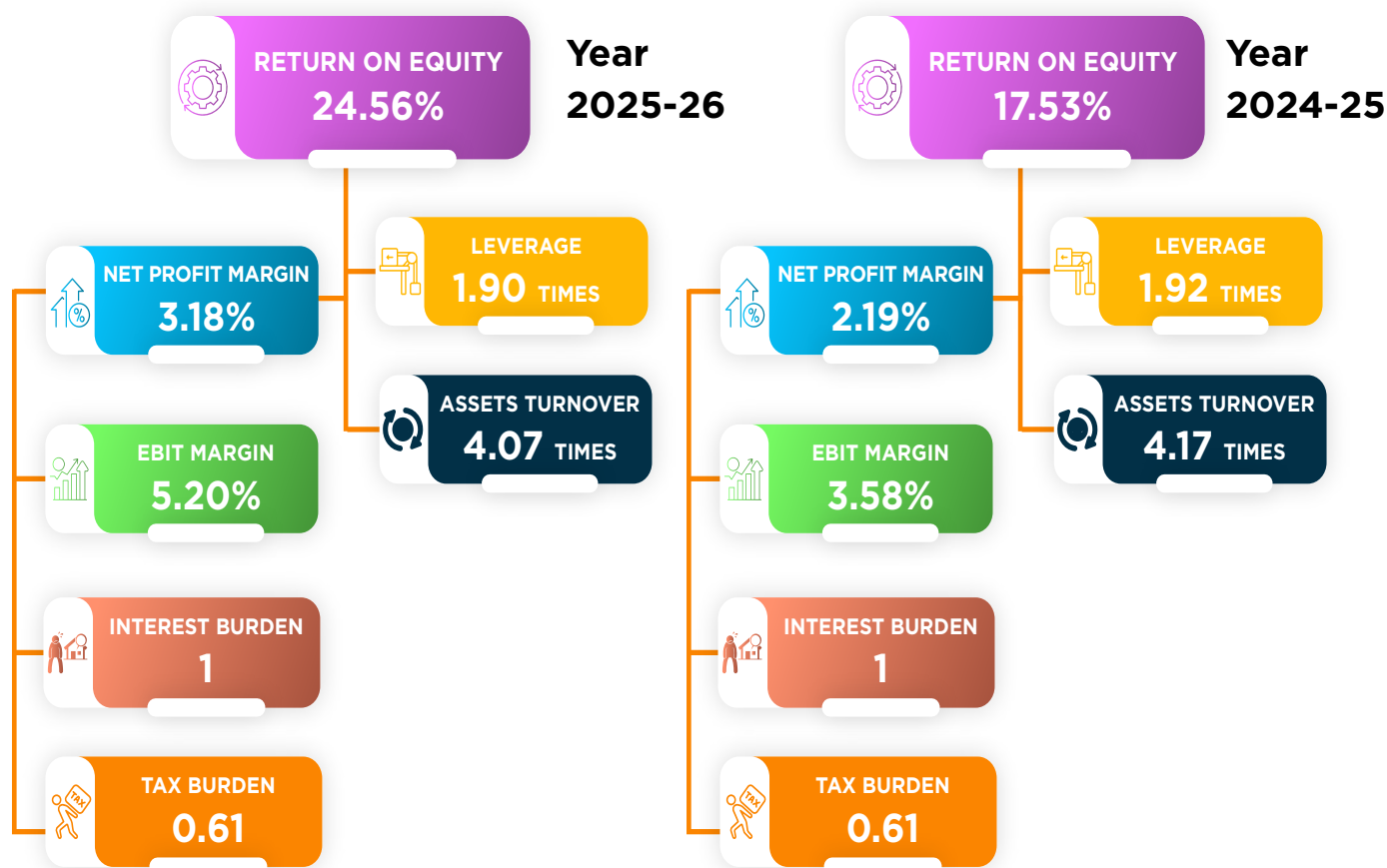


FINANCIAL ANALYSIS



DUPONT ANALYSIS



Return on Equity (ROE) increased significantly from 17.53% in the year 2024-25 to 24.56% in the year 2025-26, representing an improvement of 40%, primarily driven by enhanced profitability. Net profit margin increased from 2.19% to 3.18%, reflecting improved earnings. The EBIT margin improved from 3.58% to 5.20%, indicating stronger operating performance during the year. Conversely, asset turnover declined marginally from 4.17 times to 4.07 times, as growth in the average asset base outpaced the increase in sales. The Leverage ratio also decreased slightly from 1.92 times to 1.90 times, indicating that the improvement in ROE was not driven by increased financial leverage. The tax and interest burden remained stable.

KEY OPERATING AND FINANCIAL DATA

for Six Years from 2020-21 to 2025-26

		2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
Summary of Profit or Loss							
Sales volumes	Metric Tons	1,398,256	1,551,322	1,605,261	1,743,161	2,320,736	1,912,823
Net sales	Rs thousand	533,096,747	474,097,307	526,316,756	473,938,329	370,074,929	188,645,375
Gross profit	Rs thousand	32,075,150	18,829,179	22,042,471	26,070,668	41,003,092	9,981,941
Operating profit	Rs thousand	25,639,018	12,484,143	16,506,220	18,820,534	32,759,923	7,499,729
Profit before income tax and final taxes	Rs thousand	27,712,542	16,978,879	22,911,766	20,384,969	30,609,769	6,939,058
Profit after tax	Rs thousand	16,958,895	10,392,588	13,821,630	12,460,790	18,536,343	4,919,632
Profit before interest, tax, depreciation and amortization (EBITDA)	Rs thousand	30,836,040	19,933,252	25,356,502	22,604,141	32,620,852	8,567,400
Summary of Financial Position							
Shareholders' equity							
Share capital	Rs thousand	1,244,160	1,244,160	1,244,160	1,244,160	995,328	995,328
Reserves	Rs thousand	74,241,979	61,384,710	54,693,836	43,975,745	36,323,827	21,725,606
	Rs thousand	75,486,139	62,628,870	55,937,996	45,219,905	37,319,155	22,720,934
Non- current liabilities							
Long term lease liabilities	Rs thousand	10,734,664	9,983,972	8,447,613	7,531,422	6,257,911	6,274,485
Others	Rs thousand	1,755,291	1,461,853	2,049,101	1,103,923	1,088,247	1,107,011
	Rs thousand	12,489,955	11,445,825	10,496,714	8,635,345	7,346,158	7,381,496
Current assets							
Stock in trade	Rs thousand	46,892,451	42,258,454	35,492,045	30,169,689	51,662,152	16,121,539
Trade debts	Rs thousand	9,961,613	6,484,102	7,646,562	13,917,495	18,218,902	11,025,245
Cash, bank balances & Short term investments	Rs thousand	47,018,729	41,816,455	29,104,925	39,571,022	5,438,672	11,391,415
Others	Rs thousand	8,693,209	4,618,767	7,434,303	3,561,318	3,055,306	5,672,781
	Rs thousand	112,566,002	95,177,778	79,677,835	87,219,524	78,375,032	44,210,980
Current liabilities							
Trade and other payables	Rs thousand	50,534,636	44,546,243	35,325,521	48,551,243	47,614,884	31,179,480
Others	Rs thousand	945,647	3,681,771	3,518,885	5,547,772	4,070,848	615,975
	Rs thousand	51,480,283	48,228,014	38,844,406	54,099,015	51,685,732	31,795,455
Net current assets	Rs thousand	61,085,719	46,949,764	40,833,429	33,120,509	26,689,300	12,415,525
Property, plant and equipment	Rs thousand	23,503,212	23,954,051	23,226,936	19,077,870	16,597,854	16,616,819
Other non-current assets	Rs thousand	3,387,163	3,170,880	2,374,345	1,656,871	1,378,159	1,070,086
Capital expenditure during the year	Rs thousand	1,952,626	1,979,015	2,712,757	2,751,209	1,249,610	1,597,707
Total assets	Rs thousand	139,456,377	122,302,709	105,279,116	107,954,265	96,351,045	61,897,885
Total liabilities	Rs thousand	63,970,238	59,673,839	49,341,120	62,734,360	59,031,890	39,176,951

		2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
Summary of Cash Flows							
Cash flow from operating activities	Rs thousand	6,444,578	13,501,711	(7,760,980)	37,354,107	(552,540)	5,631,875
Cash flow from investing activities	Rs thousand	5,689,541	10,710,233	(13,602,628)	1,752,668	965,658	(1,177,105)
Cash flow from financing activities	Rs thousand	(7,074,918)	(5,502,884)	(7,737,768)	(4,988,807)	(5,223,655)	(1,498,680)
Net change in cash and cash equivalents	Rs thousand	5,059,201	18,709,060	(29,101,376)	34,117,968	(4,810,537)	2,956,090
Effect of exchange rate changes	Rs thousand	(1,001)	958	(1,608)	14,382	8,426	1,726
Cash & cash equivalents at end of the year	Rs thousand	30,503,448	25,445,248	10,468,038	39,571,022	5,438,672	10,240,783
Free cash flows	Rs thousand	1,517,043	9,750,177	(13,689,120)	32,825,240	(2,913,000)	3,076,028

PERFORMANCE INDICATORS (RATIOS)

		2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
Profitability and Operating Ratios							
Gross profit ratio	%	6.02	3.97	4.19	5.50	11.08	5.29
Net profit to sales	%	3.18	2.19	2.63	2.63	5.01	2.61
EBITDA margin to sales	%	5.78	4.20	4.82	4.77	8.81	4.54
Operating leverage ratio	Times	5.08	2.61	1.12	(1.19)	3.55	(58.49)
Return on equity	%	24.56	17.53	27.33	30.19	61.75	23.90
Return on capital employed	%	21.13	14.98	23.35	25.59	50.32	18.86
Shareholders' funds	%	54.13	51.21	53.13	41.89	38.73	36.71
Return on shareholders' funds	%	24.56	17.53	27.33	30.19	61.75	23.90
Return on Investment	%	12.96	9.13	12.96	12.20	23.43	8.70
Total shareholder return	%	19.10	31.94	36.97	31.01	12.39	7.39
Liquidity Ratios							
Current ratio	Times	2.19	1.97	2.05	1.61	1.52	1.39
Quick / Acid test ratio	Times	1.27	1.09	1.13	1.05	0.51	0.88
Cash to current liabilities	Times	0.59	0.53	0.27	0.73	0.11	0.32
Cash flows from operations to sales	Times	0.01	0.03	(0.01)	0.08	(0.00)	0.03
Cash flow to capital expenditures	Times	3.30	6.82	(2.86)	13.58	(0.44)	3.52
Cash flow coverage ratio	Times	-	-	-	784.34	(3.18)	27.12
Operating cashflow ratio	Times	0.13	0.28	(0.20)	0.69	(0.01)	0.18
Activity / Turn Over Ratios							
Inventory turnover ratio	Times	11.24	11.71	15.36	10.95	9.71	13.97
No. of days in inventory		32	31	24	33	38	26
Debtors turnover ratio	Times	64.83	67.10	48.81	29.50	25.31	15.09
No. of days in receivables		6	5	7	12	14	24
Creditors turnover ratio	Times	10.54	11.40	12.02	9.32	8.35	6.08
No. of days in payables		35	32	30	39	44	60
Total assets turnover ratio	Times	4.07	4.17	4.94	4.64	4.68	3.33
Fixed assets turnover ratio	Times	38.88	35.58	43.01	45.09	38.79	20.75
Operating cycle	Days	3	5	1	7	8	(10)
Number of retail outlets at year end		817	778	798	754	731	738

	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
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Investment / Market Ratios

Basic and diluted EPS	Rs	136.31	83.53	111.09	100.15	186.23	49.43
Basic and diluted EPS (restated)	Rs	136.31	83.53	111.09	100.15	148.99	39.54
Price earnings ratio	Times	3.95	5.74	3.48	3.00	1.73	6.50
Price to book ratio	Times	0.89	0.95	0.86	0.83	0.86	1.41
Dividend yield ratio	%	10.98	5.60	7.65	8.89	14.25	8.05
Dividend payout ratio	%	44.02	30.53	24.75	27.46	24.16	54.63
Dividend cover ratio	Times	2.27	3.28	4.04	3.64	4.14	1.83
Cash dividends	Rs thousand	7,464,960	3,172,608	3,421,440	3,421,440	4,478,976	2,687,386
Cash dividend per share	Rs	60.00	25.50	27.50	27.50	45.00	27.00
Bonus shares issued	Rs thousand	-	-	-	-	248,832	-
Bonus per share	%	-	-	-	-	25	-
Break-up value per share without surplus on revaluation of property plant and equipment	Rs	607	503	450	363	375	228
Break-up value per share with surplus on revaluation of property plant and equipment including the effect of all investments	Rs	607	503	450	363	375	228
Break-up value per share including investment in related party at fair/ market value and with surplus on revaluation of property plant and equipment.	Rs	607	503	450	363	375	228
Market value per share							
Year end	Rs	538	480	386	300	321	321
Highest (during the year)	Rs	646	575	440	399	362	390
Lowest (during the year)	Rs	475	372	280	275	285	297
Economic value added (EVA)	Rs thousand	5,906,340	310,416	4,106,818	3,840,179	13,876,268	1,879,728
Sustainable growth rate	%	13.75	12.18	20.56	21.90	46.83	10.84

	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
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Capital Structure Ratios

Debt to equity ratio (as per book value)	%	0:100	0:100	0:100	0:100	0:100	0.27 : 99.73
Debt to equity ratio (as per market value)	%	0:100	0:100	0:100	0:100	0:100	0.02 : 99.98
Financial leverage ratio	times	-	-	-	-	-	0.00
Weighted average cost of debt	%	-	-	-	-	-	0.64
Net assets per share	Rs	607	503	450	363	375	228
Interest cover ratio	times	-	-	-	-	881	5,183

Non-Financial Ratios

Revenue per employee	Rs thousand	1,124,677	1,010,868	1,151,678	1,050,861	815,143	404,818
Staff turnover ratio	%	5.91	7.89	8.10	10.64	10.57	6.22
Spares inventory as %age of assets cost	%	0.19	0.22	0.22	0.18	0.16	0.21
Maintenance cost as %age of operating expenses	%	7.05	4.83	4.87	3.34	3.09	6.22
Customer retention ratio	%	99.90	99.40	99.57	99.66	98.95	99.63

Market Share (Source: OCAC)	%	8.3	9.3	10.2	10.1	10.0	9.4
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Note: Due to the nature of the Company's operations, the percentage of plant availability for its products is not a relevant metric.

Figures from previous years have been restated, where necessary, for the purpose of comparison.

VERTICAL

ANALYSIS

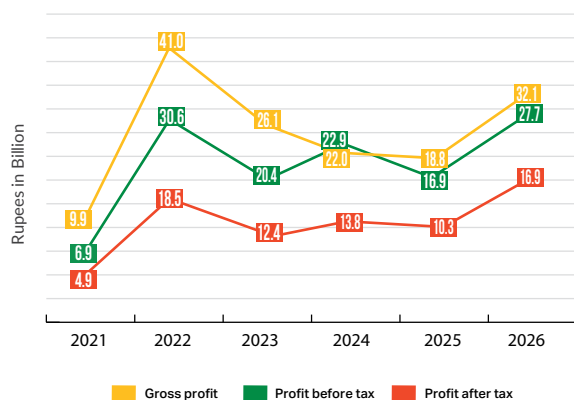
Statement of Financial Position																	
2025-26			2024-25			2023-24			2022-23			2021-22			2020-21		
Rs ('000)			Rs ('000)			Rs ('000)			Rs ('000)			Rs ('000)			Rs ('000)		
%			%			%			%			%			%		
Property, Plant and Equipment	23,503,212	16.9	23,954,051	19.6	23,226,936	22.1	19,077,870	17.7	16,597,854	17.2	16,616,819	26.8					
Other Non-Current Assets	3,387,163	2.4	3,170,880	2.6	2,374,345	2.3	1,656,871	1.5	1,378,159	1.4	1,070,086	1.7					
Current Assets	112,566,002	80.7	95,177,778	77.8	79,677,835	75.7	87,219,524	80.8	78,375,032	81.3	44,210,980	71.4					
Total Assets	139,456,377	100.0	122,302,709	100.0	105,279,116	100.0	107,954,265	100.0	96,351,045	100.0	61,897,885	100.0					
Shareholders' Equity	75,486,139	54.1	62,628,870	51.2	55,937,996	53.1	45,219,905	41.9	37,319,155	38.7	22,720,934	36.7					
Non- Current Liabilities	12,489,955	9.0	11,445,825	9.4	10,496,714	10.0	8,635,345	8.0	7,346,158	7.6	7,381,496	11.9					
Current Liabilities	51,480,283	36.9	48,228,014	39.4	38,844,406	36.9	54,099,015	50.1	51,685,732	53.6	31,795,455	51.4					
Total Shareholders' Equity & Liabilities	139,456,377	100.0	122,302,709	100.0	105,279,116	100.0	107,954,265	100.0	96,351,045	100.0	61,897,885	100.0					
Statement of Profit or Loss																	
Net Sales	533,096,747	100.0	474,097,307	100.0	526,316,756	100.0	473,938,329	100.0	370,074,929	100.0	188,645,375	100.0					
Cost of Products Sold	501,021,597	94.0	455,268,128	96.0	504,274,285	95.8	447,867,661	94.5	329,071,837	88.9	178,663,434	94.7					
Gross Profit	32,075,150	6.0	18,829,179	4.0	22,042,471	4.2	26,070,668	5.5	41,003,092	11.1	9,981,941	5.3					
Operating Profit	25,639,018	4.8	12,484,143	2.6	16,506,220	3.1	18,407,445	3.9	32,759,923	8.9	7,499,729	4.0					
Profit before income tax and final taxes	27,712,542	5.2	16,978,879	3.6	22,911,766	4.4	20,384,969	4.3	30,609,769	8.3	6,939,058	3.7					
Profit for the Year	16,958,895	3.2	10,392,588	2.2	13,821,630	2.6	12,460,790	2.6	18,536,343	5.0	4,919,632	2.6					

HORIZONTAL ANALYSIS

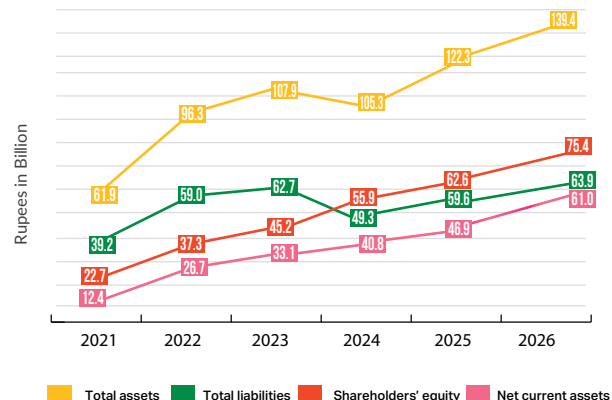
	2025-26		2024-25		2023-24		2022-23		2021-22		2020-21	
	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)
Statement of Financial Position												
Property, Plant and Equipment	23,503,212	(1.9)	23,954,051	3.1	23,226,936	21.7	19,077,870	14.9	16,597,854	(0.1)	16,616,819	20.1
Other Non-Current Assets	3,387,163	6.8	3,170,880	33.5	2,374,345	43.3	1,656,871	20.2	1,378,159	28.8	1,070,086	(42.9)
Current Assets	112,566,002	18.3	95,177,778	19.5	79,677,835	(8.6)	87,219,524	11.3	78,375,032	77.3	44,210,980	24.4
Total Assets	139,456,377	14.0	122,302,709	16.2	105,279,116	(2.5)	107,954,265	12.0	96,351,045	55.7	61,897,885	20.8
Shareholders' Equity	75,486,139	20.5	62,628,870	12.0	55,937,996	23.7	45,219,905	21.2	37,319,155	64.3	22,720,934	23.2
Non- Current Liabilities	12,489,955	9.1	11,445,825	9.0	10,496,714	21.6	8,635,345	17.5	7,346,158	(0.5)	7,381,496	51.1
Current Liabilities	51,480,283	6.7	48,228,014	24.2	38,844,406	(28.2)	54,099,015	4.7	51,685,732	62.6	31,795,455	13.9
Total Shareholders' Equity & Liabilities	139,456,377	14.0	122,302,709	16.2	105,279,116	(2.5)	107,954,265	12.0	96,351,045	55.7	61,897,885	20.8
Statement of Profit or Loss												
Net Sales	533,096,747	12.4	474,097,307	(9.9)	526,316,756	11.1	473,938,329	28.1	370,074,929	96.2	188,645,375	(6.2)
Cost of Products Sold	501,021,597	10.0	455,268,128	(9.7)	504,274,285	12.6	447,867,661	36.1	329,071,837	84.2	178,663,434	(9.5)
Gross Profit	32,075,150	70.3	18,829,179	(14.6)	22,042,471	(15.5)	26,070,668	(36.4)	41,003,092	310.8	9,981,941	174.4
Operating Profit	25,639,018	105.4	12,484,143	(24.4)	16,506,220	(10.3)	18,407,445	(43.8)	32,759,923	336.8	7,499,729	592.0
Profit before income tax and final taxes	27,712,542	63.2	16,978,879	(25.9)	22,911,766	12.4	20,384,969	(33.4)	30,609,769	341.1	6,939,058	361.7
Profit for the Year	16,958,895	63.2	10,392,588	(24.8)	13,821,630	10.9	12,460,790	(32.8)	18,536,343	276.8	4,919,632	387.9

GRAPHICAL PRESENTATION

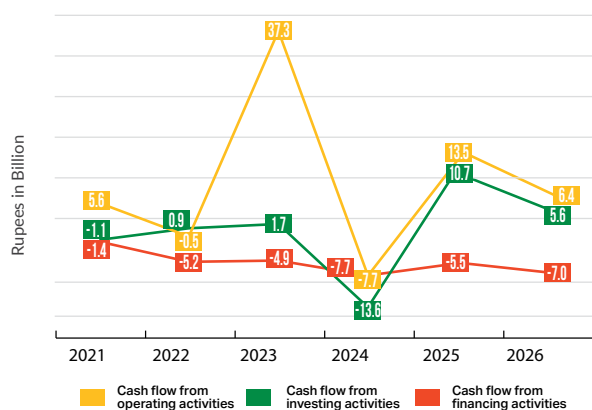
Profit or Loss



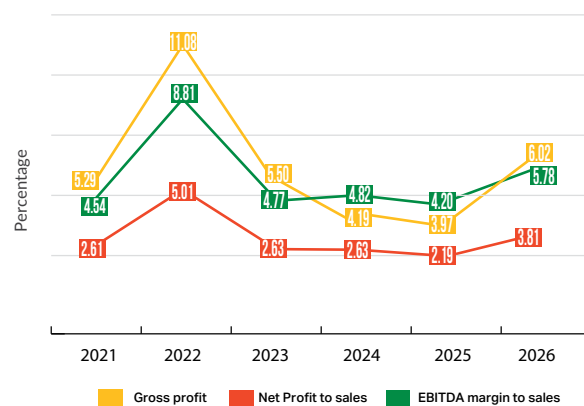
Financial Position



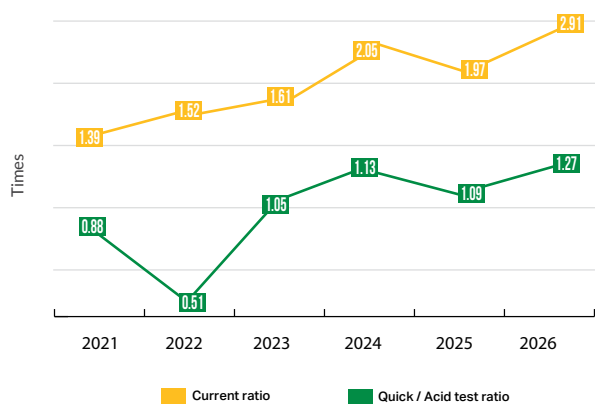
Cash Flows



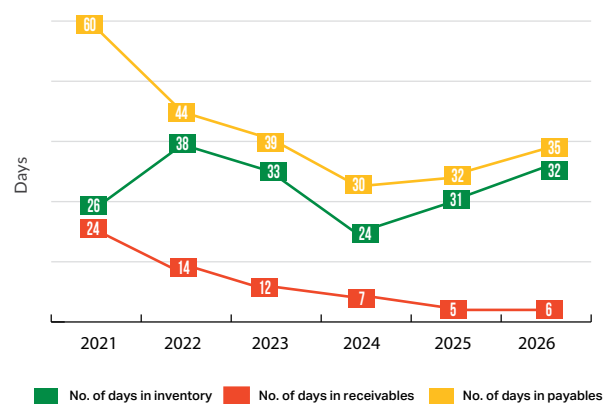
Profitability Ratios



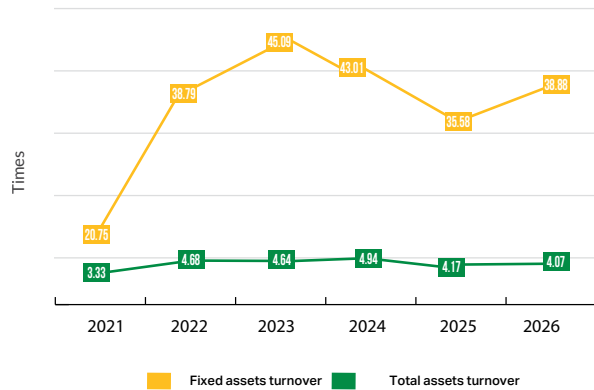
Liquidity Ratios



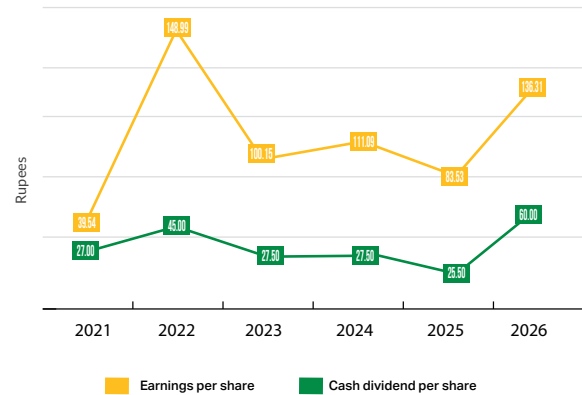
Activity Ratios



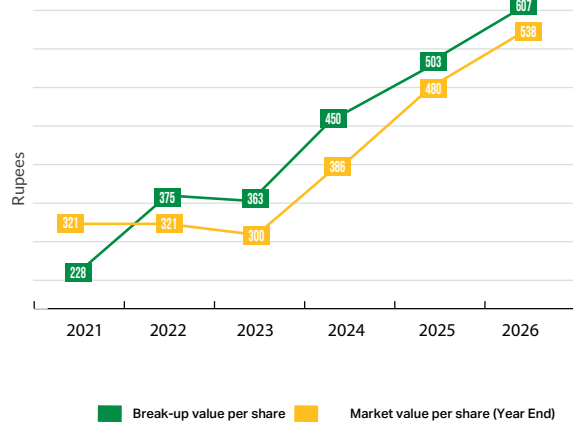
Turnover Ratios



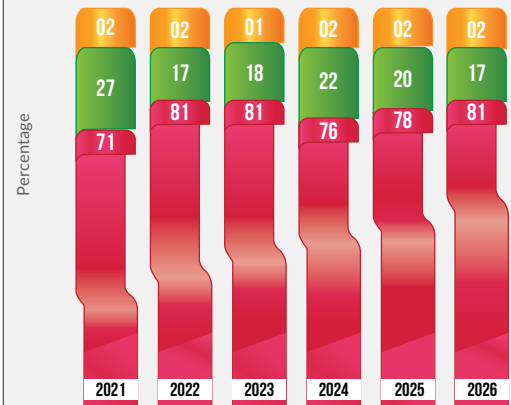
Investment Ratios



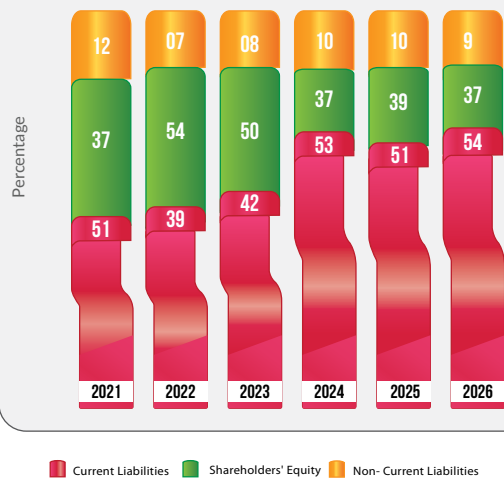
Market Ratios



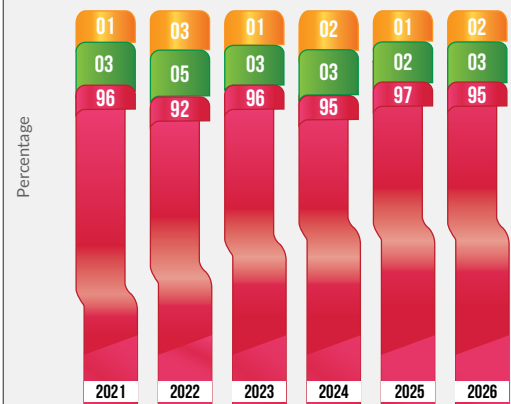
Composition of Assets



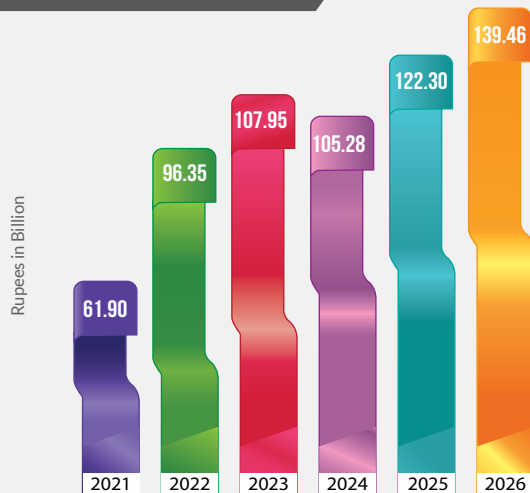
Composition of Total Liabilities & Shareholders' Equity



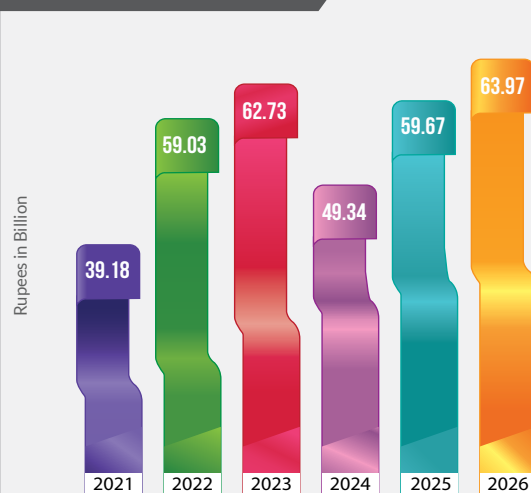
Composition of Profit and loss



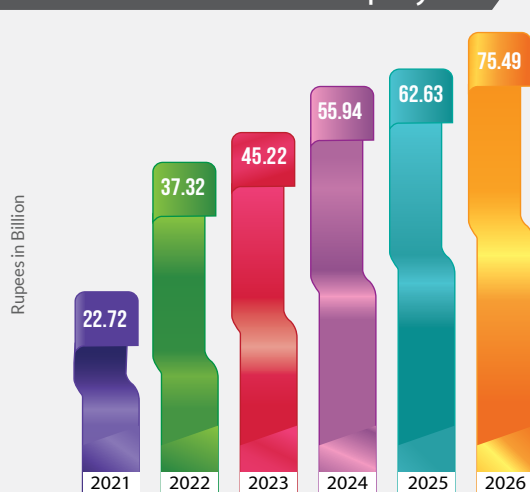
Total Assets



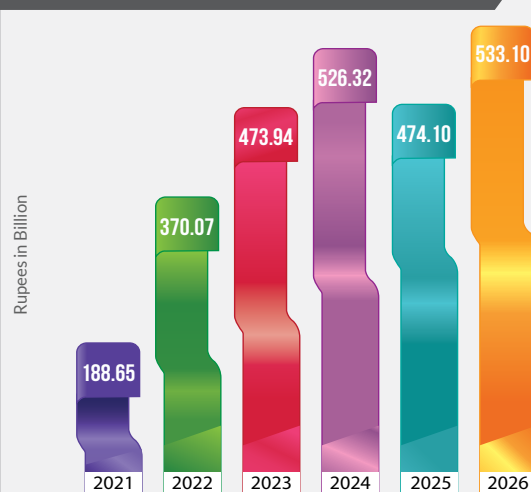
Total Liabilities



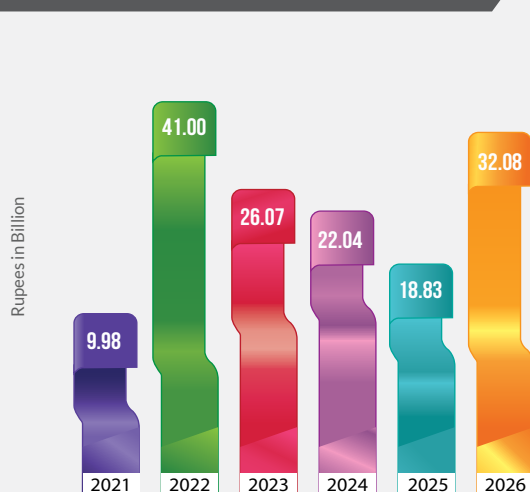
Total Shareholders' Equity



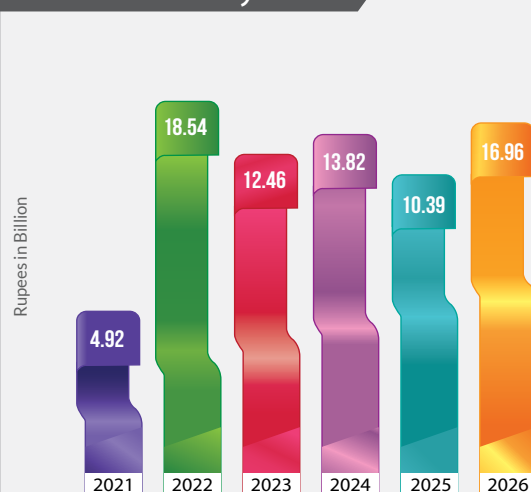
Net Sales



Gross Profit



Profit for the year



COMMENTS ON FINANCIAL ANALYSIS

Statement of Cash flows

Operating activities: Over the six-year period (2021-2026), operating cash flows remained volatile, reflecting movements in profitability and working capital requirements. In the year 2025-26, operating activities generated positive cash flows of Rs. 6,445 million, compared with Rs. 13,502 million in the year 2024-25, representing a moderation in cash generation despite the improved profitability during the year. The period witnessed significant fluctuations, ranging from an outflow of Rs. 7,761 million in the year 2023-24 to a strong inflow of Rs. 37,354 million in the year 2022-23. Overall, the trend reflects the impact of changes in inventory, receivables, payables and other working capital components on operating cash generation.

Investing activities: Cash flows from investing activities fluctuated considerably over the six-year period (2021-2026) under review, in the year 2025-26, investing activities generated a net inflow of Rs. 5,690 million, compared with Rs. 10,710 million in the year 2024-25. This follows a significant outflow of Rs. 13,603 million in the year 2023-24, while year 2022-23 and 2021-22 recorded positive cash flows of Rs. 1,753 million and Rs. 966 million, respectively. The fluctuations primarily reflect movements in short-term investments, investment income and capital expenditure on property, plant and equipment.

Financing activities: Financing activities consistently resulted in net cash outflows throughout the six-year period, primarily reflecting dividend distributions and lease liability payments. In the year 2025-26, financing cash outflows increased to Rs. 7,075 million, compared with Rs. 5,503 million in the year 2024-25. The highest outflow during the period was Rs. 7,738 million in the year 2023-24. Overall, the recurring financing outflows reflect the Company's continued distribution of returns to shareholders and settlement of financing-related obligations.

Overall cash flow position: Despite lower operating and investing cash inflows and higher financing outflows, the Company generated a net increase in cash and cash equivalents of Rs. 5,059 million in the year 2025-26, taking the year-end balance to Rs. 30,503 million, compared with Rs. 25,445 million in the year 2024-25. Free cash flow remained positive at Rs. 1,517 million, although substantially lower than Rs. 9,750 million in the preceding year. Overall, in the year 2025-26 cash flow position remained positive, with operating and investing inflows sufficient to absorb financing outflows and further strengthen the closing cash position.

Ratios Analysis

Profitability and operating ratios: Over the six-year period (2021-2026), profitability ratios fluctuated considerably, largely reflecting changes in petroleum product margins, inventory gains/losses, operating costs and other income. In the year 2025-26, gross profit ratio improved significantly to 6.02% from 3.97%

in the year 2024-25, while net profit margin increased to 3.18% from 2.19%, reflecting improved profitability during the year. Similarly, the EBITDA margin strengthened to 5.78% from 4.20%, indicating improved operating performance. Return on equity recovered substantially to 24.56% from 17.53%, while return on capital employed increased to 21.13% from 14.98% and return on investment improved to 12.96% from 9.13%. Shareholders' funds further strengthened to 54.13% of total assets, compared with 51.21% in the preceding year, reflecting a stronger equity base. Despite improved profitability, total shareholder return moderated to 19.10% from 31.94% in the year 2024-25. Overall, year 2025-26 reflects a marked recovery in operating margins and returns, although the exceptionally high profitability levels was recorded in the year 2021-22.

Liquidity ratios: Over the six-year period (2021-2026), Company's liquidity position showed an overall improving trend. In the year 2025-26, the current ratio strengthened to 2.19 times from 1.97 times in the year 2024-25, reaching its highest level during the period and indicating an enhanced ability to meet short-term obligations through current assets. Similarly, quick ratio improved to 1.27 times from 1.09 times, reflecting stronger liquidity even after excluding inventory. Cash to current liabilities also increased to 0.59 times from 0.53 times, supported by a higher year-end cash position. However, cash flows from operations to sales declined to 0.01 times from 0.03 times, while the operating cash flow ratio moderated to 0.13 times from 0.28 times, reflecting lower operating cash generation during the year. Overall, year 2025-26 reflects a stronger balance-sheet liquidity position.

Activity / Turnover ratios: Over the six-year period (2021-2026), debtors' turnover ratio showed substantial improvement, increasing from 15.09 times in 2021 to 64.83 times in 2026, while receivable days declined significantly from 24 days to only 6 days, reflecting stronger receivables management and collection efficiency. The creditors' turnover ratio also improved from 6.08 times in 2021 to 10.54 times in 2026, with payable days reducing from 60 days to 35 days. In the year 2025-26, inventory turnover ratio moderated to 11.24 times from 11.71 times in the last year, with inventory holding increasing marginally to 32 days from 31 days. Total asset turnover also declined slightly to 4.07 times from 4.17 times, whereas fixed asset turnover improved to 38.88 times from 35.58 times, indicating enhanced utilization of fixed assets. Overall, year 2025-26 reflects continued strength in receivables management and fixed asset utilization, despite a marginal moderation in inventory and total asset turnover.

Investment / Market Ratios: Over the six-year period, basic and diluted EPS increased significantly to Rs. 136.31 in 2026 from Rs. 83.53 in 2025, representing an increase of 63%, primarily reflecting improved profitability during the year. The price-earnings ratio declined to 3.95 times from 5.74 times, as the growth in earnings outpaced the movement in market price.

The dividend payout ratio increased to 44.02% from 30.53%, reflecting higher distribution of earnings to shareholders, while the dividend cover ratio decreased from 3.28 times to 2.27 times accordingly. Cash dividend increased substantially to Rs. 7,465 million from Rs. 3,173 million, with dividend per share increasing to Rs. 60.00 from Rs. 25.50. Consequently, the dividend yield improved to 10.98% from 5.60%, reflecting enhanced shareholder returns during 2026.

Capital Structure ratios: All capital requirements are financed through equity contribution.

Vertical Analysis

Statement of Financial Position: The vertical analysis of the Statement of Financial Position from 2021 to 2026 reflects a gradual strengthening in the Company's financial structure. Property, Plant and Equipment (PPE) declined from 26.8% of total assets in 2021 to 16.9% in 2026, despite continued capital investment, mainly due to comparatively higher growth in current assets. Current assets increased from 71.4% in 2021 to 80.7% in 2026, indicating that a greater proportion of the Company's resources is represented by short-term assets. Shareholders' equity increased significantly from 36.7% of total equity and liabilities in 2021 to 54.1% in 2026, reflecting accumulation of retained earnings and a progressively stronger capital base. Non-current liabilities remained relatively stable, representing 9.0% in 2026, compared with 11.9% in 2021. Meanwhile, current liabilities declined substantially from 51.4% in 2021 to 36.9% in 2026, demonstrating reduced reliance on short-term obligations. Overall, in the year 2025-26 position reflects a stronger equity base, higher proportion of current assets, and improved financial resilience.

Statement of Profit or Loss: The vertical analysis of the Statement of Profit or Loss from 2021 to 2026 reflects fluctuations in profitability, primarily driven by changes in gross profit. Gross profit as a percentage of net sales increased from 5.3% in 2021 to 11.1% in 2022, before moderating to 5.5% in 2023, 4.2% in 2024 and 4.0% in 2025. In year 2025-26, gross profit margin improved significantly to 6.0%, supported by a reduction in cost of products sold to 94.0% of net sales from 96.0% in the preceding year. Consequently, operating profit margin increased to 4.8% from 2.6%, while profit before income tax and final taxes improved to 5.2% from 3.6%. The net profit margin also strengthened to 3.2% in 2026 from 2.2% in 2025. Overall, year 2025-26 reflects a notable recovery in margins and profitability compared with the preceding two years, although profitability remained below the exceptional levels recorded in year 2021-22.

Horizontal Analysis

Statement of Financial Position: Property, Plant and Equipment (PPE) decreased marginally by 1.9% in 2026 compared to 2025, following growth of 3.1% in 2025 and 21.7% in 2024. Current assets increased significantly by 18.3% in 2026, continuing the 19.5% growth recorded in 2025, and remained the principal contributor to overall asset growth. Consequently, total assets expanded by

14.0% to Rs. 139.5 billion in 2026. Shareholders' equity maintained its strong upward trajectory, increasing by 20.5% to Rs. 75.5 billion, reflecting continued strengthening of the Company's equity base, primarily through retained earnings. Non-current liabilities increased moderately by 9.1%, while current liabilities grew by only 6.7%, compared with 24.2% in the preceding year. Overall, the growth in shareholders' equity substantially outpaced the increase in liabilities during year 2025-26, indicating a stronger financial position and reduced relative reliance on liabilities.

Statement of Profit or Loss: Year 2025-26 witnessed a strong rebound in profitability, with net sales increasing by 12.4% to Rs. 533.1 billion, compared with a 9.9% decline in the preceding year. Cost of products sold increased by 10.0%, at a slower pace than sales growth, resulting in a substantial 70.3% increase in gross profit to Rs. 32.1 billion. This improvement translated into 105.4% growth in operating profit, while profit before income tax and final taxes increased by 63.2% to Rs. 27.7 billion. Consequently, profit for the year also increased by 63.2% to Rs. 17.0 billion, reversing the decline recorded in the year 2024-25. Over the 2021-2026 period, sales and profitability remained susceptible to fluctuations in sales volumes, petroleum product prices, margins, demand patterns and other market dynamics; however, year 2025-26 reflects a marked improvement in both operating performance and overall profitability.

METHODS/ASSUMPTIONS USED TO COMPILE THE INDICATORS:

The company's performance is effectively reflected through key operating and financial data, which are regularly reviewed by management to assess and enhance overall performance.

Profitability ratios are crucial financial benchmarks that stakeholders use to assess and evaluate company's ability to generate profit in relation to its revenue.

Liquidity ratios are used to assess a company's ability to meet its obligations and provide insights into how effectively working capital is managed over time.

Activity ratios indicates how efficiently the Company is leveraging its assets to generate revenues and cash.

Earnings per share measures the earnings of the Company against the total outstanding shares and dividend per share reflects dividend declared by Company for every outstanding ordinary share.

Market price per share is the measure of perception of the Company in the market.

RATIONAL FOR MAJOR CAPITAL EXPENDITURES

Major capital expenditure has been incurred for establishing and construction of retail outlets, rational for the same has been discussed in detail in Directors' report for the year ended June 30, 2026.

ANALYSIS OF PERFORMANCE AGAINST TARGET/BUDGET

During the year, the Company significantly outperformed its budgeted profitability, despite net sales remaining below expectations. The overall performance was supported by improved gross margins, effective cost management, and higher other and finance income.

Sales remained below forecast, primarily due to lower-than-anticipated volumes of PMG, HSD, FFO and Bitumen, reflecting low demand. This impact was partly offset by higher average selling prices.

Despite lower sales volumes, gross profit significantly exceeded expectations, mainly due to favorable petroleum price movements, which were not envisaged in the forecast.

Operating expenses remained below budget, mainly reflecting cost efficiencies and lower-than-anticipated expenditure during the year.

Other income and finance income exceeded budgeted expectations, further contributing to the Company's overall profitability and strengthening its financial performance during the year.

Overall, the favorable impact of higher gross margins, controlled operating expenses, and stronger other and finance income more than offset the shortfall in sales, resulting in profit for the year significantly exceeding budgeted expectations.

STATEMENT OF CHARITY ACCOUNT

Particulars	2025-26
	Rs ('000)
Education and Scholarship	389
Health care and Environment	2,439
Sports Development	1,376
Community Welfare	14,220
Total *	18,424

* Includes through Company's trust

ANALYSIS OF VARIATION

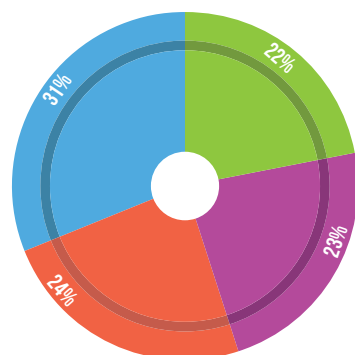
in results of interim reports with the final accounts

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total for the year 2025-26
	Rs ('000)	Rs ('000)	Rs ('000)	Rs ('000)	Rs ('000)

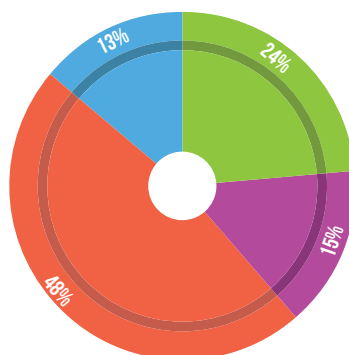
Statement of Profit or Loss

Net sales	117,783,636	122,861,023	129,009,019	163,443,069	533,096,747
Gross profit	7,554,491	4,777,327	15,387,195	4,356,137	32,075,150
Profit before income tax & final taxes	6,215,715	4,311,581	13,752,884	3,432,362	27,712,542
Profit for the year	3,811,127	2,609,055	8,344,248	2,194,465	16,958,895
Earnings per share- Basic and diluted (Rupees)	30.63	20.97	67.07	17.64	136.31

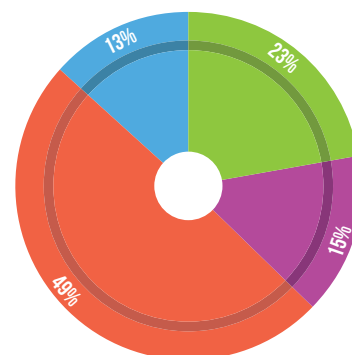
Net Sales



Gross Profit



Profit for the year



■ First Quarter ■ Second Quarter ■ Third Quarter ■ Fourth Quarter

Net Sales:

The variation in net sales across the interim periods and the final annual results was primarily attributable to changes in sales volumes and petroleum product prices during the period. Net sales were lowest in the first quarter due to comparatively lower sales prices, subdued demand during the rainy season, and lower development activities. Sales subsequently improved and peaked in the fourth quarter, mainly reflecting higher sales prices following an increase in international oil prices, thereby contributing to the variation between the interim.

Gross Profit:

The variation in gross profit across the interim periods was mainly driven by changes in sales volumes and the impact of petroleum price fluctuations. Gross profit peaked in the third quarter, supported by higher

sales volumes and favorable impact of petroleum price movements. Conversely, gross profit remained relatively lower in the second and fourth quarters due to unfavorable petroleum price movements and comparatively lower sales volumes.

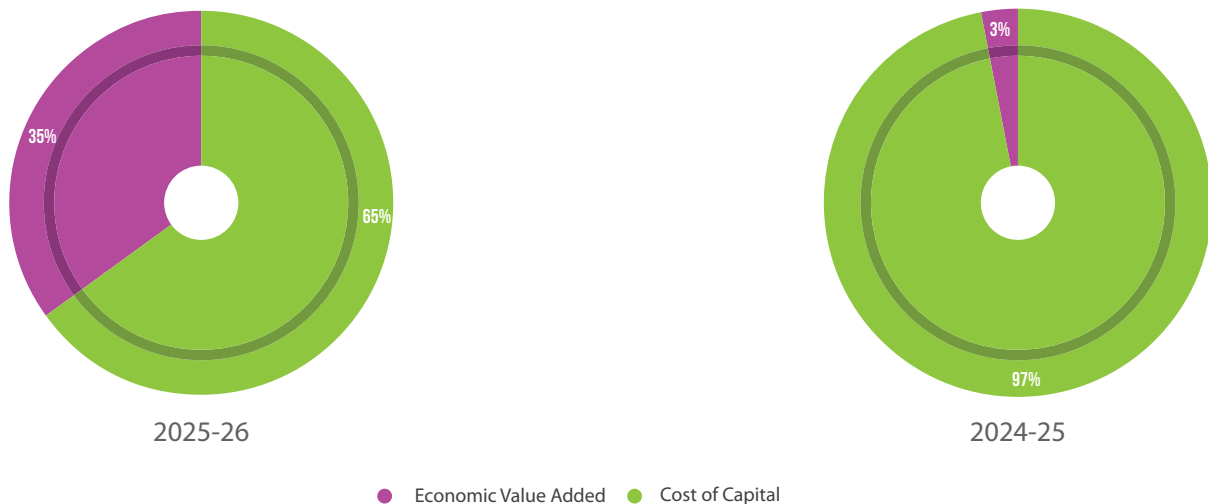
Net Profit:

The variation in net profit across the interim periods was largely attributable to the corresponding movement in gross profit during the respective quarters. Net profit peaked in the third quarter, primarily reflecting higher gross profit supported by favorable price movements and sales volumes. In contrast, net profit was lowest in the fourth quarter, mainly due to lower gross profit arising from unfavorable petroleum price movements and lower sales volumes.

STATEMENT OF ECONOMIC VALUE ADDED

Description	2025-26	2024-25
	Rs ('000)	Rs ('000)
Profit for the year	16,958,895	10,392,588
Cost of Capital	(11,052,555)	(10,082,172)
Economic Value Added (EVA)	5,906,340	310,416
Economic Value Added Per share (Rupees)	47.47	2.49

Composition of Net Profit



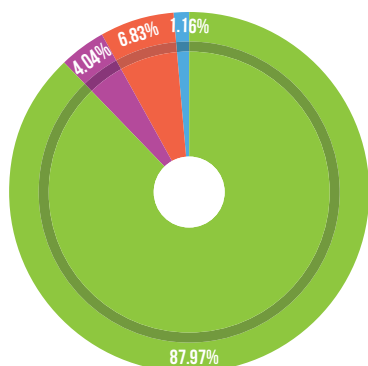
Economic Value Added (EVA) improved significantly in 2025-26, increasing to Rs. 5,906 million from Rs. 310 million in 2024-25. This substantial improvement was primarily driven by a 63.2% increase in profit for the year to Rs. 16,959 million from Rs. 10,393 million. In parallel, the cost of capital increased to Rs. 11,053 million from Rs. 10,082 million in the prior year, mainly due to the higher invested capital base. Consequently, EVA per share increased substantially reflecting significantly higher value creation for shareholders during the year.

STATEMENT OF VALUE ADDED

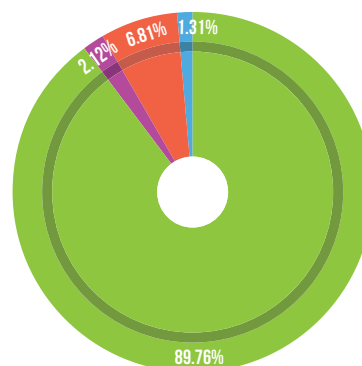
	2025-26		2024-25	
	Rs in thousand	%	Rs in thousand	%
Gross revenue and other income	550,233,067		492,760,093	
Cost of sales and operating expenses	(365,541,083)		(343,307,305)	
Total value added	184,691,984		149,452,788	

DISTRIBUTION

Employee remuneration:	2,146,348	1.16	1,963,178	1.31
Government as:				
Company taxation	10,753,647	5.82	6,586,291	4.41
Sales tax, duties and levies	149,693,742	81.05	126,339,953	84.54
WPPF and WWF	2,015,854	1.09	1,216,405	0.81
Shareholders as:				
Dividends	7,464,960	4.04	3,172,608	2.12
Bonus shares	-	-	-	-
Society as:				
Donation	-	-	-	-
Providers of finance as:				
Financial Charges	-	-	-	-
Retained in business:				
Depreciation	3,123,498	1.69	2,954,373	1.98
Net earnings	9,493,935	5.14	7,219,980	4.83
	184,691,984	100.00	149,452,788	100.00



2025-26



2024-25

● Government
 ● Shareholders
 ● Retained in business
 ● Employee remuneration
 ● Provider of finance
 ● Society