

Condensed Interim Financial Statements
(Unaudited) for the Half-year ended
June 30, 2025



Driving Excellence, Delivering Success



PRINCIPLES

VISION

Oxygen for life and sustainable growth.

MISSION

Sustained fast growth to lead the market in safe, reliable and innovative solutions for industrial and medical gases, products and engineering services.

CORPORATE VALUES

- Collaborate to Succeed
- Commit to Achieve
- Passion to Excel
- People to Perform
- Innovate to Grow

CODE OF ETHICS

At Pakistan Oxygen, we live and work by a set of principles and values which encompass our foundational principles of safety, integrity, sustainability and respect and core values of Commit to Achieve, Collaborate to Succeed, Innovate to Grow, Passion to Excel and People to Perform. Together our principles and core values underpin all our actions, decisions and behavior and express what we stand for as an organization and what differentiates us from others. These principles and core values are embedded in our organization and resonate in everything we do. To uphold the highest ethical standards, we have developed a Code of Ethics which provides guidance to all employees on:

- Dealings with our customers, suppliers and markets encompassing competition and international trade.
- Dealing with governments, product development, ethical purchasing and advertising.
- Dealings with stakeholders, financial reporting and communication, insider dealing, protecting company secrets and protecting company assets.
- Dealings with our employees, conflicts of interest, avoidance of bribery, gifts and entertainment, data protection, human rights and dealings with each other.
- Dealings with communities and the public with regard to our corporate responsibilities and on restrictions to provide support for political activities.

All employees of Pakistan Oxygen undergo training on the Code of Ethics and are expected to comply with the standards laid out in the Code.

COMPANY INFORMATION

BOARD OF DIRECTORS

Waqar Ahmed Malik	Non-Executive Chairman
Asad Said Jafar	Independent Director
Matin Amjad	Chief Executive Officer
Mohammad Iqbal Puri	Non-Executive Director
Nadir Salar Qureshi	Independent Director
Shahid Mehmood Umerani	Non-Executive Director
Siraj Ahmed Dadabhoy	Non-Executive Director
Syed Hassan Ali Bukhari	Non-Executive Director
Tayyeb Afzal	Independent Director
Tushna D Kandawalla	Independent Director

CHIEF FINANCIAL OFFICER

Jamshed Azhar	
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COMPANY SECRETARY

Mazhar Iqbal	
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BOARD AUDIT COMMITTEE

Tayyeb Afzal	Chairman	Independent Director
Nadir Salar Qureshi	Member	Independent Director
Tushna D Kandawalla	Member	Independent Director

BOARD STRATEGY COMMITTEE

Waqar Ahmed Malik	Chairman	Non-Executive Director
Matin Amjad	Member	Chief Executive Officer
Nadir Salar Qureshi	Member	Independent Director
Siraj Ahmed Dadabhoy	Member	Non-Executive Director
Tayyeb Afzal	Member	Independent Director

BOARD HUMAN RESOURCE, REMUNERATION AND NOMINATION COMMITTEE

Tushna D Kandawalla	Chairperson	Independent Director
Nadir Salar Qureshi	Member	Independent Director
Shahid Mehmood Umerani	Member	Non-Executive Director
Syed Hassan Ali Bukhari	Member	Non-Executive Director

SHARE TRANSFER COMMITTEE

Syed Hassan Ali Bukhari	Chairman	Non-Executive Director
Matin Amjad	Member	Chief Executive Officer

BANKERS

Standard Chartered Bank (Pakistan) Limited
Meezan Bank Limited
Habib Bank Limited
Citibank NA
MCB Bank Limited
National Bank of Pakistan Limited
Askari Bank Limited
Dubai Islamic Bank Pakistan Limited
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
Allied Bank Limited
The Bank of Punjab Taqwa Islamic Bank
Faysal Bank limited

EXTERNAL AUDITORS

BDO Ebrahim & Company

INTERNAL AUDITORS

EY Ford Rhodes Consulting (Pvt) Ltd.

LEGAL ADVISOR

Hamid Law Associates

REGISTERED OFFICE

West Wharf, Dockyard Road, Karachi
74000

WEBSITE

www.pakoxygen.com

ENTITY CREDIT RATING BY PACRA

A+/A1 (A-Plus/A-One) with "Stable" outlook

SHARE REGISTRAR

CDC Share Registrar Services Limited

Directors' Review

We are pleased to present the Directors' Review together with the Condensed Interim Financial Statements of your Company for the half-year ended June 30, 2025. The accompanying Financial Statements were subject to a limited scope review by the Statutory Auditors, as required under the Code of Corporate Governance.

Pakistan's economy showed signs of stabilization. GDP growth for FY 2024-25 was recorded at 2.7% compared to 2.5% last year, reflecting a gradual recovery from recent challenges. However, growth was uneven as Large Scale Manufacturing (LSM) contracted by 1.2% and key sectors including chemicals, fertilizers, steel, and food & beverages continued to face subdued demand. Inflation declined to 4.5%, leading the SBP to reduce the policy rate to 11%.

Against this macroeconomic backdrop, the Company delivered a strong performance, with Net Sales recorded at Rs. 6.1 billion, an increase of 11% over the same period last year (SPLY). This growth was underpinned by 12% growth in the Healthcare segment, reflecting sustained demand for medical gases. Industrial gases also posted growth, with Nitrogen sales rising by 23%, driven by higher demand from the oil & gas and food & beverage sectors. The Welding segment recorded an 8% increase over SPLY, benefiting from demand for key electrode brands. Hydrogen sales grew by 55% because of increased uptake from key customers.

Gross Profit for the half-year was recorded at Rs. 2.3 billion, a 58% increase over SPLY. The improvement in Gross Margins was on the back of higher sales, enhanced production efficiencies, and pricing initiatives. Overheads (excluding WPPF and WWF) were tightly controlled, recording a 15% reduction compared to SPLY. Finance costs declined by 47% due to better working capital management and a lower policy rate. Consequently, Profit Before Levy and Tax was recorded at Rs. 1.5 billion, up 185% over SPLY. After accounting for higher levy and income tax, at an effective tax rate of 41%, amounting to Rs. 622 million (including Super Tax of Rs. 155 million), Profit After Tax and Earnings Per Share were Rs. 902 million and Rs. 10.35, respectively, reflecting a 190% growth over SPLY.

Pakistan's economy is expected to remain stable supported by lower inflation and policy rate. Going forward, the Company aims to maintain its leadership position in the Healthcare and Welding segments, and with focus on production efficiencies, cost discipline, and prudent margin management, deliver sustainable stakeholders' value.



Matin Amjad
Chief Executive Officer



Waqar Ahmed Malik
Chairman

Karachi
August 25, 2025

ڈائریکٹرز کا جائزہ:

ہم انتہائی مسرت کے ساتھ آپ کی کمپنی کے مختصر عبوری مالی گوشوارے بمع ڈائریکٹرز کا جائزہ رپورٹ برائے ششماہی اختتامیہ 30 جون 2025 پیش کر رہے ہیں۔ منسلک شدہ مالی گوشواروں کا کارپوریٹ گورننس کے ضابطہ تقاضوں کے مطابق کمپنی کے آڈیٹرز کی جانب سے محدود دائرہ کار میں جائزہ لیا گیا ہے۔

پاکستان کی معیشت میں استحکام کی علامات دیکھی جاسکتی ہیں۔ مالی سال 2024-25 میں جی ڈی پی کی شرح نمو 2.7% ریکارڈ کی گئی، جو گزشتہ سال کی 2.5% کی شرح سے قدرے زیادہ ہے، اور حالیہ مسائل سے بتدریج بحالی کی عکاسی کرتی ہے۔ تاہم، ترقی کی شرح یکساں نہیں رہی کیونکہ بڑے پیمانے کی صنعت (LSM) میں 1.2 فیصد کی کمی واقع ہوئی اور کیمیکلز، کھاد، اسٹیل اور فوڈ اینڈ بیوریجز جیسے اہم شعبے کمزور طلب کا سامنا کرتے رہے۔ افراط زر کم ہو کر 4.5% تک آ گیا، جس کے نتیجے میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کم کر کے 11% کر دیا۔

ان معاشی حالات کے پس منظر میں، کمپنی نے شاندار کارکردگی کا مظاہرہ کیا۔ صافی فروخت (Net Sales) 6.1 ارب روپے رہی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 11% زیادہ ہے۔ اس ترقی کی بنیاد ہیلتھ کیئر شعبے میں 12% اضافہ تھا، جو طبی گیسوں کی مسلسل مانگ کو ظاہر کرتا ہے۔ صنعتی گیسوں میں بھی اضافہ دیکھنے کو ملا، نائٹروجن کی فروخت 23% بڑھی ہے، جس کی وجہ تیل و گیس اور فوڈ اینڈ بیوریجز کے شعبوں سے بڑھتی ہوئی طلب تھی۔ ویلڈنگ کے شعبے میں بھی گزشتہ مالی سال کی ششماہی کے مقابلے میں 8% اضافہ ہوا، جس سے اہم الیکٹروڈ برانڈز کی طلب کو فائدہ پہنچا۔ ہائیڈروجن کی فروخت میں 55% اضافہ ریکارڈ کیا گیا، جو اہم گاہکوں کی بڑھتی ہوئی طلب کی وجہ سے تھا۔

زیر نظر ششماہی کے لیے خام منافع 2.3 ارب روپے ریکارڈ کیا گیا، جو گزشتہ سال کی اسی مدت کے مقابلے میں 58% زائد ہے۔ خام منافع کے مارجن میں بہتری زیادہ فروخت، پیداوار میں بہتر کارکردگی اور قیمتوں سے متعلق اقدامات کے باعث آئی ہے۔ اوور ہیڈ اخراجات (WPPF اور WWF کے علاوہ) پر سخت کنٹرول رکھا گیا اور یہ گزشتہ مالی ششماہی کے مقابلے میں 15% کم ریکارڈ کئے گئے ہیں۔ فنانسنگ اخراجات میں 47% کمی واقع ہوئی، جو بہتر ورکنگ کپیکلٹی مینجمنٹ اور کم پالیسی ریٹ کی بدولت ممکن ہوا۔ نتیجتاً، لیوی اور ٹیکس سے قبل منافع 1.5 ارب روپے ریکارڈ کیا گیا، جو گزشتہ مالی سال کی ششماہی کے مقابلے میں 185% زیادہ ہے۔ زیادہ لیوی اور انکم ٹیکس کو مد نظر رکھتے ہوئے، موثر ٹیکس شرح 41% رہی، جس کی کل رقم 622 ملین روپے تھی (جس میں 155 ملین روپے کاسپر ٹیکس بھی شامل ہے)۔ ٹیکس کے بعد منافع اور فی حصص آمدنی بالترتیب 902 ملین روپے اور 10.35 روپے رہی، جو گزشتہ مالی سال کی ششماہی کے مقابلے میں 190% اضافہ ظاہر کرتی ہے۔

پاکستان کی معیشت میں استحکام برقرار رہنے کی توقع ہے، جسے کم افراط زر اور پالیسی ریٹ کی معاونت حاصل رہنے کی امید ہے۔ کمپنی کا مقصد مستقبل میں ہیلتھ کیئر اور ویلڈنگ کے شعبوں میں اپنی قیادت کی پوزیشن کو برقرار رکھنا ہے۔ ہم پیداوار میں بہتری، اخراجات پر قابو اور محتاط مارجن مینجمنٹ پر توجہ مرکوز رکھنے ہوئے اسٹیک ہولڈرز کو پائیدار قدر فراہم کرنے کے لئے پُر عزم ہیں۔



دقار احمد ملک

چیئرمین



متین امجد

چیف ایگزیکٹو آفیسر

کراچی

25 اگست، 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PAKISTAN OXYGEN LIMITED

Report on review of the Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **PAKISTAN OXYGEN LIMITED** ("the Company") as at June 30, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the financial statements for the for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended June 30, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Tariq Feroz Khan.

KARACHI

DATED: 28 AUG 2025

UDIN: RR202510166jrv8ieXWG



BDO EBRAHIM AND CO.
CHARTERED ACCOUNTANTS

Pakistan Oxygen Limited
Condensed Interim Statement of Profit or Loss (Unaudited)
For the half year and quarter ended June 30, 2025

		For the half year ended		For the second quarter ended	
		June 30,	June 30,	June 30,	June 30,
		2025	2024	2025	2024
		(Restated)		(Restated)	
Note		-----Rupees in '000-----		-----Rupees in '000-----	
Gross sales	5	6,990,780	6,305,262	3,600,908	3,173,997
Sales tax	5	(919,725)	(811,747)	(478,310)	(407,234)
Net sales		6,071,055	5,493,515	3,122,598	2,766,763
Cost of sales	5	(3,780,334)	(4,045,845)	(1,827,494)	(2,026,023)
Gross profit		2,290,721	1,447,670	1,295,104	740,740
Distribution and marketing expenses	5	(162,509)	(255,484)	(92,745)	(161,600)
Administrative expenses	5	(199,849)	(164,015)	(104,897)	(83,934)
Other operating expenses		(130,202)	(68,743)	(73,758)	(31,709)
		(492,560)	(488,242)	(271,400)	(277,243)
Operating profit before other income		1,798,161	959,428	1,023,704	463,497
Gain on sale of non current assets classified as held for sale		-	50,424	-	50,424
Other income		19,829	84,206	8,140	11,415
Operating profit		1,817,990	1,094,058	1,031,844	525,336
Finance cost		(294,600)	(560,349)	(152,543)	(290,357)
Profit before levy and taxation		1,523,390	533,709	879,301	234,979
Minimum tax differential - levy		(33,348)	(1,111)	(14,885)	(1,111)
Profit before taxation		1,490,042	532,598	864,416	233,868
Taxation		(588,479)	(221,689)	(354,314)	(101,348)
Profit for the period		901,563	310,909	510,102	132,520
Earnings per share - basic and diluted (Rupees)		10.35	3.57	5.85	1.52

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.



Jamshed Azhar
Chief Financial Officer



Matin Amjad
Chief Executive Officer



Waqar A. Malik
Chairman

Pakistan Oxygen Limited
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended June 30, 2025

	For the half year ended		For the second quarter ended	
	June 30,	June 30,	June 30,	June 30,
	2025	2024	2025	2024
	-----Rupees in '000-----		-----Rupees in '000-----	
Profit for the period	901,563	310,909	510,102	132,520
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	901,563	310,909	510,102	132,520

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.



Jamshed Azhar
Chief Financial Officer



Matin Amjad
Chief Executive Officer



Waqar A. Malik
Chairman

Pakistan Oxygen Limited
Condensed Interim Statement of Financial Position
As at June 30, 2025

		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Note	----- Rupees in '000 -----	
Assets			
Non-current assets			
Property, plant and equipment	6	13,264,618	13,416,451
Intangible assets		27,268	14,380
Investment in subsidiary		10	10
Long term loans		13,979	3,956
Long term deposits		80,610	80,610
		13,386,485	13,515,407
Current assets			
Stores and spares		563,734	547,889
Stock-in-trade	7	698,590	797,098
Trade debts		1,961,189	1,795,432
Loans and advances		47,868	29,711
Deposits and prepayments		495,547	445,548
Other receivables	8	998,354	1,146,870
Taxation - net receivable		-	187,757
Cash and bank balances		866,809	562,660
		5,632,091	5,512,965
Non current assets classified as held for sale		57,449	57,449
Total assets		19,076,025	19,085,821
Equity and Liabilities			
Share capital and reserves			
Authorised share capital		1,500,000	1,500,000
150,000,000 (2024: 150,000,000) Ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital		871,243	871,243
87,124,228 (2024: 87,124,228) Ordinary shares of Rs. 10 each			
Capital reserves			
Share Premium		595,092	595,092
Surplus on revaluation of property, plant and equipment		4,186,648	4,186,648
Revenue reserves			
General reserves		3,693,204	2,985,666
Unappropriated profit		901,563	707,538
		9,376,507	8,474,944
		10,247,750	9,346,187
Non-current liabilities			
Long term deposits		281,348	260,063
Long term financing	9	2,959,390	3,539,714
Lease liabilities	10	9,272	13,379
Deferred capital grant	11	295,335	345,768
Deferred liabilities		463,913	263,928
		4,009,258	4,422,852
Current liabilities			
Trade and other payables		2,735,891	2,737,951
Short term borrowings		1,418,852	1,987,007
Un-claimed dividend		18,045	18,045
Taxation - net payable		34,208	-
Current maturity of long term financing	9	502,947	460,608
Current portion of lease liabilities	10	4,677	2,623
Current portion of deferred capital grant	11	104,397	110,548
		4,819,017	5,316,782
Total equity and liabilities		19,076,025	19,085,821
Contingencies and Commitments			

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.



Jamshed Azhar
Chief Financial Officer



Matin Amjad
Chief Executive Officer



Waqar A. Malik
Chairman

Pakistan Oxygen Limited
Condensed Interim Statement of Cash Flows (Unaudited)
For the half year ended June 30, 2025

		June 30, 2025	June 30, 2024
		-----Rupees in '000-----	
	Note		
Cash flow from operating activities			
Cash generated from operations	13	2,229,287	1,431,744
Finance cost paid		(302,849)	(505,437)
Levy and income tax paid		(196,485)	(54,010)
Post-retirement medical benefits paid		(3,960)	(256)
Long-term deposits and loans receivable		(10,023)	(6,547)
Long-term deposits payable		21,285	(2,107)
Net cash generated from operating activities		1,737,255	863,387
Cash flow from investing activities			
Additions to property, plant and equipment		(273,299)	(243,470)
Additions to intangibles assets		(16,194)	-
Proceeds from disposal of property, plant and equipment		19,657	85,192
Proceeds from sale of non current assets classified as held for sale (net)		-	50,820
Interest received on balances with banks		2,261	24
Net cash used in investing activities		(267,575)	(107,434)
Cash flow from financing activities			
Repayment of long term financing		(594,569)	(259,830)
Repayment of lease liabilities		(2,807)	(2,733)
Dividends paid		-	(150)
Net cash used in financing activities		(597,376)	(262,713)
Net Increase in cash and cash equivalents		872,304	493,240
Cash and cash equivalents at beginning of the period		(1,424,347)	(2,524,119)
Cash and cash equivalents at end of the period	14	(552,043)	(2,030,879)

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.



Jamshed Azhar
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 half year ended June 30, 2025

	Share Capital	Capital reserves			Revenue reserves			
	Issued, subscribed and paid-up Capital	Share Premium	Surplus on revaluation of property, plant and equipment	Sub total	General reserve	Unappropriated profit	Sub total	Total

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.



Jamshed Azhar
Chief Financial Officer



Matin Amjad
Chief Executive Officer



Waqar A. Malik
Chairman

Pakistan Oxygen Limited
Notes to the Condensed Interim Financial Statements (Unaudited)
For the half year ended June 30, 2025

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 address of registered office of the Company is West Wharf, Dockyard Road, Karachi, Pakistan.

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

The Company has a wholly owned subsidiary, BOC Pakistan (Private) Limited ("BOCPL"), which has not carried out any business activities since its incorporation. Accordingly, the Securities & Exchange Commission of Pakistan ("SECP") has granted status of inactive Company to BOCPL. SECP has also granted exemption from application of sub-section (1) of section 228 of the Companies Act, 2017 requiring consolidation of subsidiary in the preparation of financial statements for the current year.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Company for the half year ended June 30, 2025 have been prepared in accordance with the accounting and reporting standards (IFRS) as applicable in Pakistan for interim financial reporting which 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
- Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim financial statements do not include all the information and disclosures required in 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, 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and methods of computation applied in the preparation of these condensed interim financial statements are the same as those applied in preparation of the annual financial statements of the Company as at and for the year ended December 31, 2024.

3.2 Amendments to certain existing standards, interpretations on accounting standards and new standards became effective during the period were either not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

3.3 Change in accounting policy: Minimum Tax and Levy

As fully disclosed in note 4.31 to the annual financial statements as at and for the year ended December 31, 2024, the Company changed its accounting policy to recognise minimum and final taxes as 'Levy'. The Company has accounted for the effects of these changes in accounting policy retrospectively in accordance with International Accounting Standard 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

There is no impact of the change in accounting policy on condensed interim statement of financial position, condensed interim statement of comprehensive income, and condensed interim statement of changes in equity except reclassification in condensed interim statement of profit or loss and condensed interim statement of cash flows amounting to Rs. 1.110 million from taxation to levy. Resultantly, there is no impact on the profit and operating cashflows for the period.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires the management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions.

The accounting estimates and judgements made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2024.

5 SEGMENT RESULTS

	For the half year ended						For the second quarter ended					
	June 30, 2025			June 30, 2024			June 30, 2025			June 30, 2024		
	Industrial, medical and other gases	Welding and others	Total	Industrial, medical and other gases	Welding and others	Total	Industrial, medical and other gases	Welding and others	Total	Industrial, medical and other gases	Welding and others	Total
	-----Rupees in '000-----						-----Rupees in '000-----					
Gross sales	6,052,137	938,643	6,990,780	5,393,016	912,246	6,305,262	3,117,250	483,658	3,600,908	2,714,788	459,209	3,173,997
Less:												
Sales tax	779,851	139,874	919,725	675,058	136,689	811,747	406,509	71,801	478,310	338,587	68,647	407,234
Net sales	5,272,286	798,769	6,071,055	4,717,958	775,557	5,493,515	2,710,741	411,857	3,122,598	2,376,201	390,562	2,766,763
Less:												
Cost of sales	3,269,361	510,973	3,780,334	3,373,021	672,824	4,045,845	1,610,282	217,212	1,827,494	1,690,989	335,034	2,026,023
Distribution and marketing expenses	142,092	20,417	162,509	237,354	18,130	255,484	78,855	13,890	92,745	149,739	11,861	161,600
Administrative expenses	174,741	25,108	199,849	152,376	11,639	164,015	88,673	16,224	104,897	77,642	6,292	83,934
	3,586,194	556,498	4,142,692	3,762,751	702,593	4,465,344	1,777,810	247,326	2,025,136	1,918,370	353,187	2,271,557
Segment result	1,686,092	242,271	1,928,363	955,207	72,964	1,028,171	932,931	164,531	1,097,462	457,831	37,375	495,206
Unallocated corporate expenses:												
Other operating expenses		(130,202)			(68,743)			(73,758)			(31,709)	
Gain on sale of non current assets classified as held for sale		-			50,424			-			50,424	
Other income		19,829			84,206			8,140			11,415	
		(110,373)			65,887			(65,618)			30,130	
Operating profit		1,817,990			1,094,058			1,031,844			525,336	
Finance cost		(294,600)			(560,349)			(152,543)			(290,357)	
Profit before levy and taxation		1,523,390			533,709			879,301			234,979	
Minimum tax differential - levy		(33,348)			(1,111)			(14,885)			(1,111)	
Profit before taxation		1,490,042			532,598			864,416			233,868	
Taxation		(588,479)			(221,689)			(354,314)			(101,348)	
Profit for the period		901,563			310,909			510,102			132,520	

		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		-----Rupees in '000-----	
Note			
6	PROPERTY, PLANT AND EQUIPMENT		
	Operating assets	6.1 12,760,612	13,037,393
	Capital work-in-progress	6.2 495,282	368,699
	Right-of-use assets - buildings	6.3 8,724	10,359
		13,264,618	13,416,451
6.1	Operating assets		
	Net book value as at January 01	13,037,393	12,913,617
	Additions during the period / year:		
	Land and building	9,219	355,818
	Plant and machinery	73,180	473,988
	Vehicle	55,418	54,546
	Furniture, fittings and office equipment	4,183	14,709
	Computer equipment	4,716	8,716
		146,716	907,777
	Less:		
	Disposals during the period / year - net book value	(10,678)	(15,106)
	Depreciation charge during the period / year	(412,819)	(768,895)
		(423,497)	(784,001)
		12,760,612	13,037,393
6.2	Capital work-in-progress		
	As at January 01	368,699	614,008
	Additions during the period / year	289,493	708,327
		658,192	1,322,335
	Transfers during the period / year:		
	Operating assets	(146,716)	(907,777)
	Non current assets classified as held for sale	-	(45,859)
	Intangible assets	(16,194)	-
		495,282	368,699
6.3	Right-of-use assets - buildings		
	Net carrying value basis		
	As at January 01	10,359	11,140
	Additions during the period / year	-	2,470
	Depreciation during the period / year	(1,635)	(3,251)
	Closing net book value	8,724	10,359
7	STOCK-IN-TRADE		
	In hand		
	Raw and packing materials	256,388	257,572
	Finished goods	442,202	539,526
		698,590	797,098

7.1 The cost of raw and packaging materials and finished goods has been adjusted for provision for slow moving and obsolete stock by Rs. 51.420 million (December 31, 2024: Rs. 47.229 million). During the period, provision in respect of slow moving and obsolete stock amounting to Rs. 4.191 million was recorded (June 30, 2024: Rs. 4.060 million).



		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Note	-----Rupees in '000-----	
8 OTHER RECEIVABLES			
Considered good: Unsecured			
Receivable from defined benefit funds		42,196	40,321
Receivable from defined contribution funds		-	3,490
Contract asset		580,916	660,350
Sales tax recoverable		357,258	394,788
Margin against letters of credit and bank guarantees		17,984	47,921
		998,354	1,146,870
9 LONG TERM FINANCING			
Secured from banking companies:			
Temporary economic relief facility	9.1	2,526,350	2,663,761
Islamic finance facility (diminishing musharakah)	9.2	935,987	1,336,561
		3,462,337	4,000,322
Less: current portion shown under current liabilities		(502,947)	(460,608)
		2,959,390	3,539,714
9.1 This represents long term financing agreements entered into by the Company with certain banks to avail long term financing facilities including Islamic/Temporary Economic Refinance Facility (I/TERF) of the State Bank of Pakistan for an amount of Rs. 3,600 million and Rs. 200 million for import and construction of ASU 270 TPD plant and 11 TPS Electrode plant, respectively. These loans are repayable in thirty two quarterly installments over a period of eight years beginning from May 2023 and are secured against charge over certain fixed assets of the Company. These facilities carry mark-up/ profit at 4% (SBP rate 1% + bank spread 3%). The amount of loan outstanding as at reporting date includes Rs. 1,589 million (December 31, 2024: Rs. 1,722 million) obtained under I/TERF.			
9.2 This represents financing agreements entered into by the Company with certain banks under Islamic mode of financing for an amount of Rs. 2,300 million, Rs. 1,300 million and Rs. 100 million for construction of ASU 105 TPD plant, ASU 270 TPD plant and 11 TPS Electrode plant, respectively. The loans are repayable in thirty two quarterly installments over a period of eight years beginning from May 2023 and are secured against charge over certain fixed assets of the Company. These facilities carry mark-up /profit rate ranging from 3 months KIBOR + 1.1% - 1.4%. The amount of loan outstanding as at reporting date is Rs. 936 million (December 31, 2024: Rs. 1,337 million) obtained under Islamic mode of financing .			
		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Note	-----Rupees in '000-----	
10 LEASE LIABILITIES			
Lease liabilities recognised as on January 01		16,002	17,338
Additions during the period / year		-	2,470
Interest accrued		754	1,628
Less: repayment of lease liabilities		(2,807)	(5,434)
	10.1	13,949	16,002
10.1 Break up of lease liabilities			
Lease liabilities		13,949	16,002
Less: current portion		(4,677)	(2,623)
		9,272	13,379
Maturity analysis-contractual undiscounted cashflow			
Less than one year		5,860	5,659
One to five year		10,176	13,183
Total undiscounted lease liability		16,036	18,842
10.2 When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate of 10% - 14% at the time of initial recognition of the lease liabilities.			

		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Note	-----Rupees in '000-----	
11 DEFERRED CAPITAL GRANT			
Capital grant	11.1	399,732	456,316
Current portion shown under current liability		<u>(104,397)</u>	<u>(110,548)</u>
		<u>295,335</u>	<u>345,768</u>

- 11.1 The Company received term finance facility amounting to Rs.3,681 million (December 31, 2024: Rs. 3,681 million) from certain banks under I/TERF introduced by the State Bank of Pakistan. Deferred capital grant has been recorded in respect of this facility under IAS-20, Government Grants.

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There were no contingencies as at June 30, 2025 and December 31, 2024.

12.2 Commitments

- 12.2.1 Capital commitments outstanding as at June 30, 2025 amounted to Rs. 126.204 million (December 31, 2024: Rs. 127.422 million).
- 12.2.2 Commitments under letters of credit for inventory items as at June 30, 2025 amounted to Rs. 244 Million (December 31, 2024: Rs. 308 million).
- 12.2.3 Commitments under letters of credit for fixed assets as at June 30, 2025 amounted to Rs. 1,542 Million (December 31, 2024: Rs. 1,510 million).
- 12.2.4 Banks have provided guarantees to various parties on behalf of the Company in normal course of business. Guarantees outstanding as at June 30, 2025 amounted to Rs. 292 million (December 31, 2024: Rs. 361 million).

		June 30, 2025 (Un-audited)	June 30 2024 (Un-audited) (Restated)
	Note	-----Rupees in '000-----	
13 CASH GENERATED FROM OPERATIONS			
Profit before taxation		1,490,042	532,598
Adjustments for non cash charges and other items:			
Levy		33,348	1,111
Depreciation		414,454	374,561
Amortisation		3,307	2,692
Gain on disposal of property, plant and equipment		(8,980)	(70,086)
Gain on disposal of non current assets held for sale		-	(50,424)
Mark-up income from saving and deposit accounts		(2,261)	(24)
Finance cost		294,600	560,349
Post retirement medical benefits		568	865
Working capital changes	13.1	4,209	80,102
		2,229,287	1,431,744
13.1 Working capital changes			
Decrease / (Increase) in current assets:			
Stores and spares		(15,845)	(120,572)
Stock-in-trade		98,508	(355,260)
Trade debts		(165,757)	(126,768)
Loans and advances		(18,157)	(43,024)
Deposit and prepayments		(49,999)	(129,310)
Other receivables		148,516	215,500
		(2,734)	(559,434)
(Decrease) / Increase in current liabilities:			
Trade and other payables		6,943	639,536
		4,209	80,102
14 CASH AND CASH EQUIVALENTS			
Cash and bank balances	14.1	866,809	551,313
Short term borrowings - running finance under mark-up arrangement		(1,418,852)	(2,582,192)
		(552,043)	(2,030,879)

14.1 This includes an amount of Rs. 110 million held in savings accounts (December 31, 2024: Rs. 67.420 million). The mark-up on saving account is at the rate of 9.50% per annum (December 31, 2024: 11.50% per annum).

15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

15.1 Transactions with related parties are summarised as follows:

Nature of Relationship	Nature of Transaction	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
		-----Rupees in '000-----	
Associated companies by virtue of common directorship	Sale of goods	13,419	11,617
	Purchase of goods and receipt of services	436,497	606,049
Directors	Meeting fee	4,525	7,750
Staff retirement funds	Charge in respect of retirement funds	31,269	28,500
Key management personnel	Compensation	212,942	194,413
		June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		-----Rupees in '000-----	

15.2 Balances with related parties are summarised as follows:

Receivable from:

Staff retirement funds	42,196	41,919
Associated companies	9,325	5,145

Payable to:

Staff Retirement Funds	8,070	3,976
Associated companies	1,626	936

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

16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited financial statements of the Company for the year ended December 31, 2024. Therefore these condensed interim financial statements do not include all the financial risks, management information and disclosures.

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and financial liabilities reflected in these condensed interim financial statements approximate their fair values. As of the reporting date, none of the financial instruments of the Company are carried at fair value.

18 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on August 25, 2025 by the Board of Directors of the Company.

19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation, the effect of which are not material.

20 GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.



Jamshed Azhar
Chief Financial Officer



Matin Amjad
Chief Executive Officer



Waqar A. Malik
Chairman

PRODUCTS AND SERVICES

At Pakistan Oxygen, our reputation is built on our ability to promptly and effectively address the diverse needs of our customers, regardless of their industry or interests. Our customer-centric approach guides the development of our products, technologies, and support services, ensuring they are tailored to meet each customer's unique requirements and contribute value to their operations.

What distinguishes Pakistan Oxygen is our extensive expertise in process engineering, project development, and our comprehensive product range. We offer a diverse array of gas products, facilities, turnkey services, and solutions, encompassing bulk and compressed gas lines, welding consumables, equipment, and safety gear. Supported by a team of highly skilled engineers, product managers, technologists, and marketers, we provide dedicated assistance and collaborate closely with customers to deliver tailored solutions for their specific gas applications.

At Pakistan Oxygen, we believe in empowering our customers with the knowledge and resources they need for success. Recognizing that each customer faces unique challenges, we are committed to delivering customized solutions that address their individual needs. Our ultimate objective is to ensure a seamless and hassle-free experience for our customers, allowing them to concentrate on their core business activities.

In essence, Pakistan Oxygen is an organization driven by customer needs, offering customized solutions to businesses throughout Pakistan. With our extensive product portfolio, comprehensive services, and unwavering support, we differentiate ourselves from the competition and remain dedicated to empowering our customers with the tools and insights required for success.

HEALTHCARE

Medical Gases
Nitrous Oxide
Compressed Medical
Oxygen
Liquid Medical Oxygen
Entonox
Specialty Medical Gases

Medical Equipment
Medical air, Vacuum and
AGSS Plants
Medical Gases Alarm
Systems
Suction injector units,
vacuum controllers, Oxygen
therapy products and high
precision flowmeters
Entonox delivery systems,
complete with apparatus
Manifolds – semi and fully
automatic
Patient Bedhead Units and
ICU beam systems
Operation Theatre (OT) –
Pendants (fixed and
movable)
Fully equipped Modular OT
Oxymed™ (Bedhead Unit)

Medical Engineering
Services
Consultation, design,
installation and service of
medical gas pipeline
systems (O₂, N₂O, Air, Suction etc)
Safety, quality, risk analysis
and training on medical
gases pipeline systems

INDUSTRIAL GASES

Bulk Industrial Gases
Liquid Oxygen
Liquid Nitrogen
Liquid Argon
Pipeline and Trailer Hydrogen
Liquid Carbon dioxide
Industrial Pipelines and
Associated Services
Ultra-Ice™ (Dry Ice)
NITROPOD™ (Cryogenic dewar)

Compressed Industrial
Gases
Compressed Oxygen
Aviation Oxygen
Compressed Nitrogen
Compressed Argon
Compressed Air
Compressed Hydrogen
Compressed Carbon dioxide
Dissolved Acetylene

Specialty Industrial Gases
High Purity Gases
Research Grade Gases
Gaseous Chemicals
Calibration Mixtures
Argon Mixtures
Welding Mas Mixtures
Sterilization Gases

Innovative Solutions
KuickApp™ (Low-code/No-code
Application Developer)
Oxygizer™ (Portable Oxygen
Canister)
TeleTel™ (Remote Telemetry)

WELDING CONSUMABLES AND HARDGOODS

Welding Consumables
Welding Electrode
Quick Pac™ E7018-H4R
AlphaWeld™ - H4 Low H2
Fortrex™ E7018 Low H2
Matador48™ E7018
Zodian Universal™ E6013
Prime Arc™ E6013
Matador47™ E6013
HERO WELD™ E6013
POL 113 SUPER™ E6013
POL 113™ E6013
POL HARD 650™ Hard Facing
SS Pro™ 308 & 316
SAFFIRE™ 308 & 316

Welding Consumable
Saffire™ MIG Welding Wire
Saffire Lite™ MIG Welding Wire

Welding Machines
SPARK ARC 200™
MMA, MIG, TIG, Plasma

Welding Accessories
Gas Regulators
Cutting Torches
Welding Torches
Cutting Machines



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