



NATIONAL REFINERY
LIMITED

CORPORATE BRIEFING SESSION - 2023

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OCTOBER 23, 2023

REFINING WITH VISION



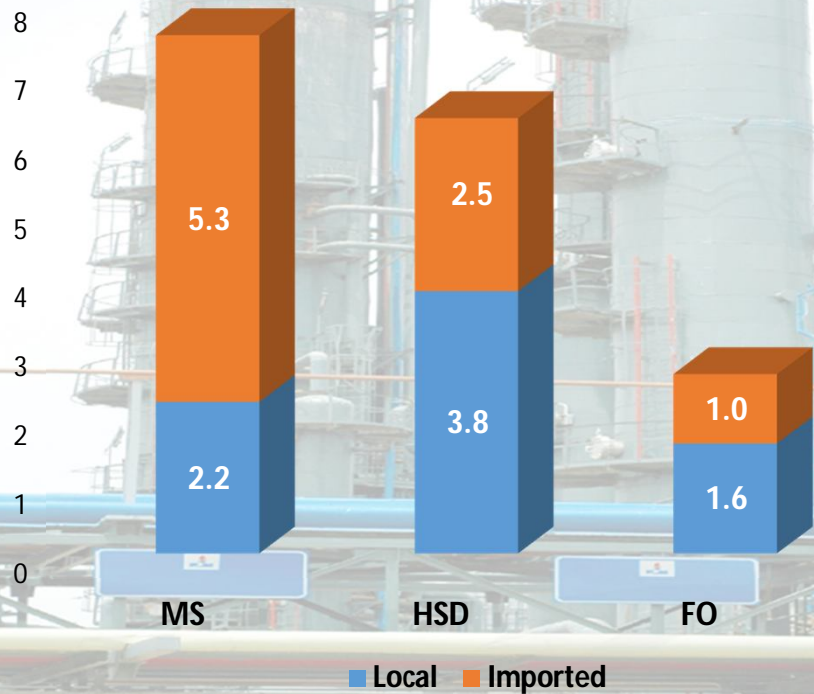


COMPANY OVERVIEW

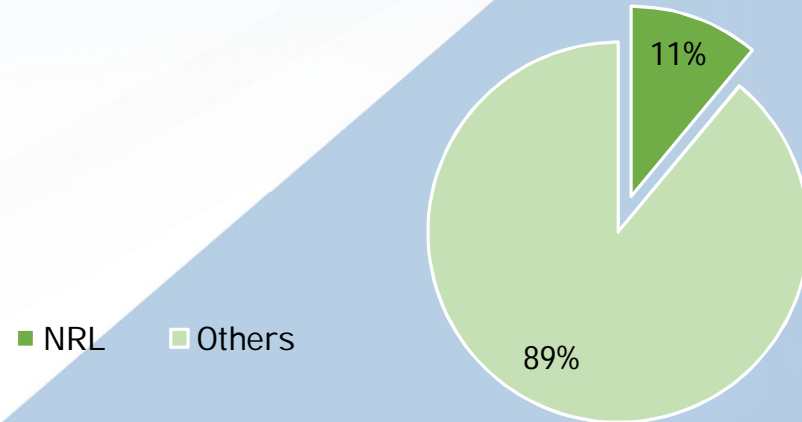
- Established in 1963 as Public Limited Company. The Shares are listed at Pakistan Stock Exchange.
- Refinery Complex consists of Two Lube Refineries commissioned in 1966 and 1985 and a Fuel Refinery added to the Complex in 1977.
- HSD Desulphurization and Isomerization units were commissioned in 2017.
- Crude oil refining capacity is 23,100,000 Bbl per annum.
- Major Shareholders include: Pakistan Oilfields Limited (25%), Attock Refinery Limited (25%) and Islamic Development Bank (15%).
- The Long term credit rating of the Company is AA+.
- Company has a Quality Control Department that not only manages the testing of crude oil and a variety of petroleum products, but research and development work is also carried out for innovation in processes and products. The department has been awarded ISO/IEC 17025:2017 Accreditation by the Pakistan National Accreditation Council (PNAC).
- Company's Accreditations include: Certifications of ISO 14001:2015, 45001:2018 and 9001:2015.



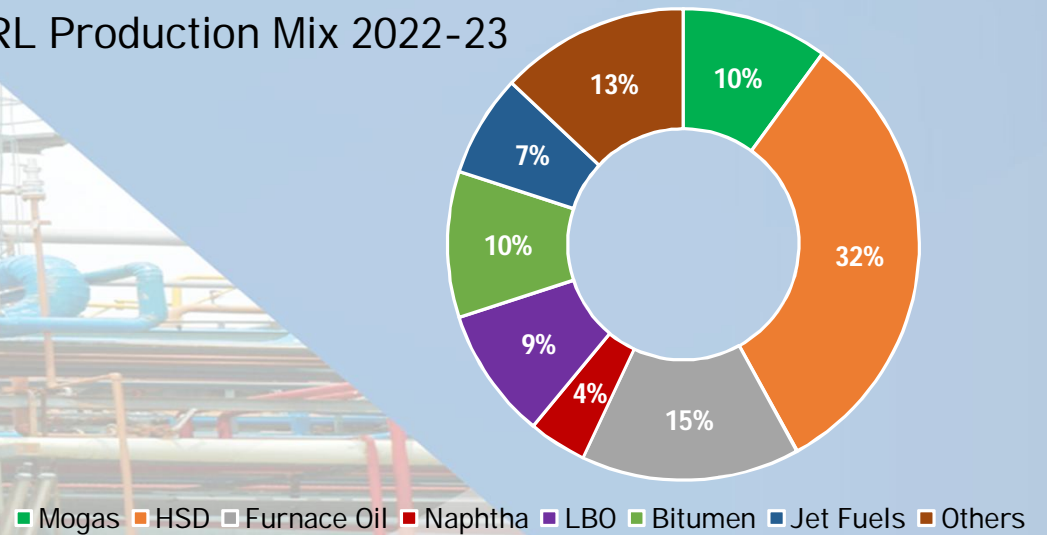
Country's Product Consumption Pattern for 2022-23 in Million MT



Average Share in Domestic Production

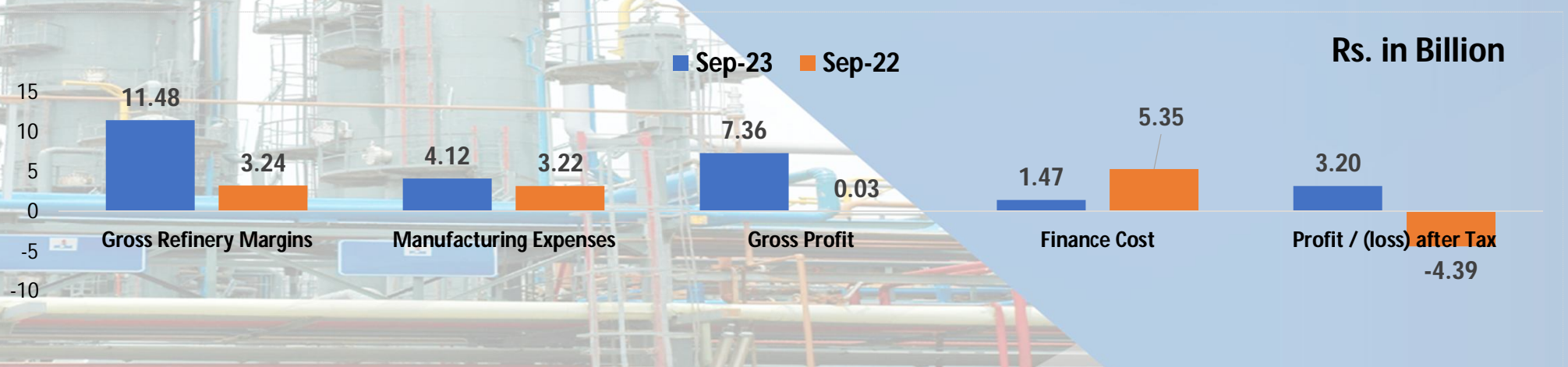
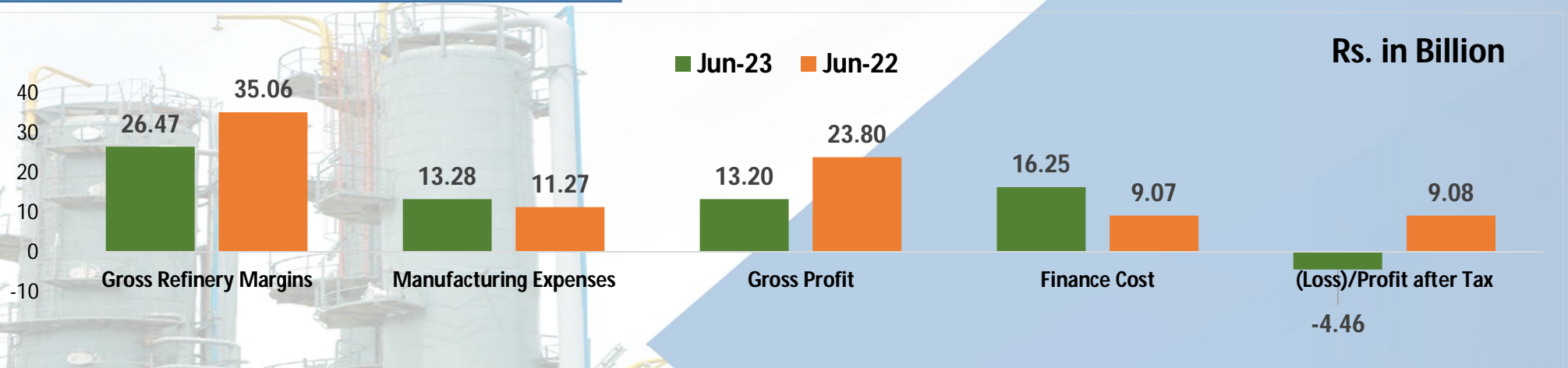


NRL Production Mix 2022-23





COMPANY'S FINANCIAL HIGHLIGHTS





FUEL SEGMENT HIGHLIGHTS

| | FUEL SEGMENT | | | | | |
|---|----------------------------|----------------------------|---------------------------|----------------------------|----------------------------|----------------------------|
| | For the Quarter | | For the Year | | | |
| | <i>Jul-23 - Sep-23</i> | <i>Jul-22 - Sep-22</i> | <i>Jul-22- Jun-23</i> | <i>Jul-21 - Jun-22</i> | <i>Jul-20 - Jun-21</i> | <i>Jul-19 - Jun-20</i> |
| | Rs. in million | | | | | |
| Net revenue | 72,581 | 69,018 | 285,881 | 243,156 | 128,267 | 114,269 |
| Cost of sales excluding manufacturing expenses | (64,732) | (67,592) | (274,943) | (217,708) | (125,146) | (121,149) |
| Gross refinery margins | 7,849 | 1,426 | 10,938 | 25,448 | 3,121 | (6,880) |
| Manufacturing expenses | (2,843) | (2,169) | (8,959) | (7,738) | (7,325) | (7,487) |
| Gross profit / (loss) | 5,006 | (743) | 1,979 | 17,710 | (4,204) | (14,367) |
| Gross profit / (loss) % | 6.90% | -1.08% | 0.69% | 7.28% | -3.28% | -12.57% |
| GRM - (US\$ / Bbl) | 10.95 | 2.49 | 3.90 | 10.92 | 1.41 | (3.66) |
| Sales Volume (M.Tons) | 335,404 | 349,175 | 1,538,104 | 1,786,142 | 1,883,323 | 1,618,647 |



LUBE SEGMENT HIGHLIGHTS

| | LUBE SEGMENT | | | | | |
|---|----------------------------|----------------------------|---------------------------|----------------------------|----------------------------|----------------------------|
| | For the Quarter | | For the Year | | | |
| | <i>Jul-23 - Sep-23</i> | <i>Jul-22 - Sep-22</i> | <i>Jul-22- Jun-23</i> | <i>Jul-21 - Jun-22</i> | <i>Jul-20 - Jun-21</i> | <i>Jul-19 - Jun-20</i> |
| | Rs. In million | | | | | |
| Net revenue | 22,035 | 20,475 | 79,308 | 66,433 | 42,145 | 32,547 |
| Cost of sales excluding manufacturing expenses | (18,410) | (18,658) | (63,774) | (56,822) | (30,567) | (25,975) |
| Gross refinery margins | 3,625 | 1,817 | 15,534 | 9,611 | 11,578 | 6,572 |
| Manufacturing expenses | (1,277) | (1,048) | (4,316) | (3,527) | (3,449) | (3,323) |
| Gross profit | 2,348 | 769 | 11,218 | 6,084 | 8,129 | 3,249 |
| Gross Profit - % | 10.65% | 3.76% | 14.14% | 9.16% | 19.29% | 9.98% |
| GRM - (US\$ / Bbl) | 17.28 | 10.60 | 20.55 | 15.71 | 23.05 | 15.46 |
| Sales Volume (M.Tons) | 107,511 | 114,367 | 454,750 | 514,384 | 468,169 | 401,203 |



BUSINESS RISK & UNCERTAINTIES

- The Volatile crude oil and product prices.
- Negative outlook with downgraded credit rating of the country and top tier banks by International credit rating agencies.
- Risk of devaluation of Pak Rupee against US Dollar.
- Volatile Sale Pattern.
- Increasing utilities cost.



FUTURE OUTLOOK

- High Sulphur Furnace Oil problem to be addressed by producing Very Low Sulphur Furnace Oil due to market demand.
- Oil Refining policy has been approved and future projects are under consideration.
- Deteriorating economic situation of the Country being major concern.



FUTURE PROJECTS

- Company along with other refineries had jointly undertaken a study for feasibility of a joint hydrocracker plant, however, the project is not considered feasible. The Company is considering and evaluating other options for reducing production of furnace oil and converting it to value added products.
- Company is considering installation of a CCR (Continuous Catalyst Regeneration) Platforming unit along with other associated units.

Q & A SESSION



THANK YOU



NRL Corporate Briefing Session 2023