

# Statement of Corporate Intent

## 1. Name of the State-Owned Enterprise:

Pakistan State Oil Company Limited

## 2. Incorporated/established on:

June 03, 1974

## 3. Subsidiaries included in this statement of corporate intent:

- i. Pakistan Refinery Limited
- ii. Cerisma (Private) Limited
- iii. PSO Renewable Energy (Private) Limited

## 4. Description of the main business of the state-owned enterprise:

The principal activities of the company are procurement, storage, marketing and distribution of petroleum and related products. It also blends and markets various grades of lubricating oils.

## 5. Summary of the business goals of the state-owned enterprise:

- **Sustainable Business Growth:** PSO's business objectives and strategies are focused on ensuring sustainable growth, increasing market participation in key products, maintaining a prominent position in the energy sector and diversification into new businesses.
- **Enhancing value for stakeholders:** The company's primary objective is to meet the energy needs of the nation, while simultaneously maximising shareholder value. PSO aims for a disciplined approach to financial management, ensuring the company's continued ability to weather economic uncertainties and invest in strategic growth initiatives.
- **Operational Excellence and Digital Transformation:** The company's relentless pursuit of efficiency, safety, and service excellence will persist, driving continuous improvement across all aspects of its operations. Furthermore, the company continues to strengthen its digital transformation journey.
- **Social Responsibility:** PSO's social responsibility remains a priority as it strives to make a positive impact on community development and environmental sustainability.

The company plans to keep focusing on the above areas in the next three fiscal years.

## 6. Summary of the performance measures and benchmarks against the state-owned enterprise's business goals and its primary objective:

- **Sustain business growth by increasing market participation** in key products with a focus on growing its lubricants, LPG and chemicals businesses, expanding its retail network, and maintaining share/leadership in MoGas, Diesel and Jet Fuel.

- **The company aims to make new capital investments** (10% higher than last year) to consistently enhance value for stakeholders by expanding its retail network and maintaining assets in its existing portfolio:

- Approximately 60% of investment relates to enhancing the retail network and related upgrades.
- Approximately 15% of new investment relates to information technology upgrades, digital security, network/storage automation and optimisation of processes.
- Approximately 25% of investment relates to projects involving storage and infrastructure upgrades, asset reliability enhancements and maintenance, and HSE-related projects.
- Additionally, Diversification into new businesses also remains a priority, including equity investment in renewable and alternative energy solutions and innovative fintech business models.

The company plans to keep focusing on above areas in the next three fiscal years and intends to maintain its capital investments within a similar range over the next three fiscal years, adding inflation adjustments as needed.

- **Operational Excellence:** Ensure availability of operational storage facilities exceeds 90%.
- **Social Responsibility:** Support public charitable projects in the areas of education, healthcare, community building and disaster management, especially where PSO operates.

## 7. Summary of the strategies of the state-owned enterprise for achieving its business goals and primary objective:

- Ensure business assets and operational sites are safe for employees and customers through effective HSE compliance and implementation.
- PSO is planning to accelerate the execution of its long-term corporate strategy by expanding its presence in the fintech industry with Cerisma (Pvt.) Limited and developing and implementing renewable energy assets and commercial projects with PSO Renewable Energy (Pvt.) Limited.
- The company is placing great emphasis on customer-centricity, recognising that customer satisfaction is crucial for long-term success. Therefore, the company continually endeavours to provide superior customer service, develop innovative products, and build strong relationships with its customers. The focus shall be on rebranding and consolidating smaller brands under one umbrella, enhancing Autocare facilities to improve lubricant sales, expanding its EV charging footprint at its retail sites and increasing sales in the LPG and chemicals businesses while maintaining its leadership position.

- Strive to reduce the receivables from government entities by consistently following up with the relevant departments.
- Continue operational optimisation through investments in automation.

The company plans to keep pursuing the above strategies in the next three fiscal years.

**8. The current or anticipated borrowing of the state-owned enterprise, including borrowing by a subsidiary:**

As of 30 June 2026, PSO's borrowings stand at PKR 384 billion, whereas projected borrowings for the next year may vary between PKR 353 billion and PKR 366 billion. PRL's borrowings as of 30 June 2026, stands at PKR 16.6 billion and is projected to remain within the range of PKR 12 to 18 billion over the following year. There is no current or anticipated borrowing by the other two subsidiaries (Cerisma (Pvt.) Limited & PSO Renewable Energy (Pvt.) Limited).

**9. The accounting policies that the state-owned enterprise will apply for financial records and reporting:**

Accounting policies may be viewed in PSO's financial statements available on the company's website: [www.psopk.com](http://www.psopk.com).

**10. Summary indicative balance sheet and profit and loss statement for the state-owned enterprise:**

Will be provided after approval from the BOM.

**11. Consolidated summary indicative balance sheet and profit and loss statement for the state-owned enterprise and its subsidiaries as a group:**

Will be provided after approval from the BOM.

**12. The proposed dividend declaration and distribution policy of the state-owned enterprise:**

As and when approved by the BOM.

**13. Description of any public service obligations and their impact on the forecasted financial outcomes of the state-owned enterprise:**

As the designated importer on behalf of the Government of Pakistan, PSO has two sale and purchase agreements with Qatar Energy for the import of LNG for onward sale to Sui companies. PSO is selling LNG to SNGPL since 2015 against which SNGPL has not been able to make the timely payments. As at 30 June 2026, the outstanding amount for LNG stands at PKR 276 billion which resulted in cash flow issues and high finance costs.

**14. Any other matter directed to be included in this statement by the Federal Government:**

None.