The Pakistan Credit Rating Agency Limited

Rating Report

Gas & Oil Pakistan Limited | PP Sukuk

Report Contents

1. Rating Analysis
2. Financial Information
3. Rating Scale
4. Regulatory and Supplementary Disclosure

Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
01-Mar-2024	AA-	-	Stable	Maintain	-
03-Mar-2023	AA-	-	Stable	Maintain	-
04-Mar-2022	AA-	-	Stable	Initial	-
26-Jul-2021	AA-	-	Stable	Preliminary	-

Rating Rationale and Key Rating Drivers

The ratings incorporate Gas & Oil Pakistan Limited ('GO' or the 'Company'), strong presence in the oil marketing segment. GO aims to carry out its expansion strategy by further penetrating the retail segment of semi-urban and rural areas, for that purpose the Company has issued a Privately Placed Sukuk of PKR 2.5bln issue on Dec-21. The Company has increased its storage capacity, consolidated from 197,038 MTs to 205,200 MTs out of which 36,300 MTs storage is leased from Fauji Trans Terminal Limited (FTTL). GO further aims to inaugurate more company-owned and operated sites, to enhance the margins. GO has traditionally capitalized on strong managerial, support from its sponsors who have significant knowledge in oil procurement and distribution. The equity base of the Company has taken support from internal capital generation and higher accumulated profitability.
In 6MCY23 decline in topline by 13% from ~PKR 171,026mln(6MCY22) to ~PKR 148,843mln(6MCY23). Conversely, in CY22 a rise of ~55% is seen in the top line of the Company during CY22 amounting to ~PKR 324,617mln (CY21: ~PKR 209,102mln). However, during 6MCY23 considering i) PKR depreciation ii) foreign exchange losses, and iii) finance cost, the bottom line of the Company reduced to ~PKR 410mln (6MCY22: ~PKR 1,958mln), depicting a decrease of ~79%. The increase in prices of petroleum products has impacted demand and deterioration in volumes has been witnessed, across the industry, albeit, the increase in prices has absorbed the impact. However, the demand is expected to come in full circle once the macro-level fundamentals improve.

The rating captures the Company’s ability to sustain its business operations while enduring its expansionary business plan. The rollout of the planned business strategy and sustainable profitability is essential. In the meantime, financial metrics need to be upheld in terms of working capital ratios, coverages and capital structure.

Disclosure	
Name of Rated Entity	Gas & Oil Pakistan Limited | PP Sukuk
Type of Relationship	Solicited
Purpose of the Rating	Debt Instrument Rating
Applicable Criteria	Methodology | Corporate Rating(Jul-23),Methodology | Rating Modifiers(Apr-23),Methodology | Debt Instrument Rating(Dec-23)
Related Research	Sector Study | POL Distribution - OMCs & Dealers(Nov-23)
Rating Analysts	Madiha Sohail | madiha.sohail@pacra.com | +92-42-35869504

Issuer Profile

Profile Legal Structure; Gas & Oil Pakistan Limited ("GO" or "the Company") incorporated in 2012, as a Private Limited. The Company is operating as a Public Unlisted Company since Sep'17. Background; Gas & Oil Pakistan has been granted a license to establish an OMC since 2012. The Company got a license to operate in 2014 after the completion of its first storage facility and started its operations Punjab region, later expanding its retail network to Sindh in 2016, KPK in 2017, and Balochistan in 2019. Operations; The core business of GO involves the procurement, storage, distribution, marketing, and import of petroleum products & lubricants. The Company has a broad presence with over ~1,078 retail outlets and an extensive storage infrastructure of ~205,200 MT, located throughout the country

Ownership Ownership Structure; Mr. Khalid Riaz's ownership in the Company increased to 68.0% after buying back 10% stake from Vitol Dubai Limited during CY22. While 21.3% of the shareholding is held by Mr. Shahzad Mubeen and Mr. Bilal Ansari (10.7%). Stability; The GO family has been the primary sponsor of the company since its inception, and their support has remained consistent over time. Business Acumen; The Company's sponsors have extensive industry experience with a major concentration in oil & lubricant trading and distribution & transportation to OMCs all across Pakistan. The prime shareholder Mr. Khalid Riaz possesses extensive oil distribution and trading experience. Financial Strength; Sponsors have a strong financial background on account of well-diversified profitable businesses & based on significant industry experience.

Governance The Board has a total of nine members, four members are representatives of Gas & Oil Pakistan. The other five members, including one female director, are serving as independent directors. The BoD has diversified experience and knowledge in the marketing and distribution of oil. The Chairman of the Board, Mr. Tariq Kirmani, has 45 years of multifaceted experience in the corporate sector, both domestic and international. All the remaining directors also hold a senior position in other companies and have sound professional experience in the oil, transportation, and financial industry. The experiences of the board help in providing useful insight into the oil & marketing and finance industry, guiding the management in developing effective operational and financial policies. The board has formulated two committees, i) Audit, & ii) HR and Remuneration Committee, to ensure smooth and effective monitoring of operations. M/s KPMG Taseer Hadi & Co. Charted Accountants are the external auditors of the Company. They gave an unqualified opinion on the financial results of December 2021.

Management The Company has an adequate organizational structure. The operations of the Company have been bifurcated into three broad functional areas which comprise: i) Operations, ii) Finance, and iii) Sales. Each function is further divided into sub-units. The entire operational set-up of the Company falls under the purview of the CEO. Mr. Khalid Riaz is the CEO of the Company. He has been with the Company for six years and has an overall experience of forty years. Mr. Zeeshan Tayyeb FCA, has been the Chief Operating Officer & Chief Financial Officer of the Company since CY19. He has diversified experience of more than twenty years. Average experience years of top management clocks in at ~27yrs, reflecting a good management profile. To oversee the management of the Company, GO has constituted two committees comprising various members of the management team. The committees include i) the Procurement Committee and ii) the Credit Committee. Top management receives a daily performance report of operations which results in optimal monitoring. Gas & Oil takes advantage of advanced I.T. solutions to deliver comparatively better on many fronts. Moreover, the quality of the I.T. infrastructure and the breadth and depth of activities remained well satisfactory. The Company's operating environment relies on an IT infrastructure supported by ERP (Enterprise Resource Planning) solutions. The software has been acquired from M/S Awais Haider. The IT infrastructure is effectively integrated with all the departments and ensures proper financial and operational control.

Business Risk Pakistan's OMC market comprises 35 players. Consumption of Refined Petroleum Products has reduced by ~6% over the last four years. Major drop is witnessed in overall consumption from FY19 onwards when consumption drastically dropped due to substitution of FO by imported LNG in the power sector, and the emergence of COVID-19 in 2HFY20 adversely impacting the MOGAS consumption. Total consumption of petroleum products during FY22 was recorded at ~22.6mln MT (FY21: ~19.9mln MT) with YOY growth of ~13.5%. Gas & Oil Pakistan has ~5.9% market share as of 6MCY'23 on the basis of (MOGAS/HSD/HOBC). The emergence of new players in the OMC sector is causing pressure on the white oil segment market share. The big-five OMCs (PSO, Total PARCO, Shell, GO & Attock Petroleum) still retain a large chunk (83%) of the market, with PSO dominating at ~49% as of 6MCY'23. However, emerging names like Attock Petroleum and Gas and Oil Pakistan Limited have contributed to increased competition in the industry. In 6MCY23 decline in topline by 13% from ~PKR 171,026mln(6MCY22) to ~PKR 148,843mln(6MCY23) but the growth of 55% was observed in topline of the Company amounting to ~PKR 324,617mln during CY22 as compared to PKR 209,102mln in CY21. Surge in sales of Mogas, HSD and HOBC contributed towards this growth. Net profit of the Company decreased to ~PKR 410mln for 6MCY23 compared with ~PKR 1,958mln for 6MCY22, depicting a decrease of ~79%. The net profit margin has reduced to ~0.3% for 6MCY23 (6MCY22: 1.1%). The increase in prices of petroleum products has impacted demand. However, the demand is expected to come in the full circle once the macro-level fundamentals improve. Through, industry-wide volumetric decrease in sales has been reported but the selling prices have absorbed the impact too much extent. The decline in profitability is attributable to PKR depreciation, foreign exchange losses and finance cost. The Company has reported foreign exchange losses of PKR 8,435mln in 6MCY23 as compared to exchange losses of PKR 11,410mln in 6MCY22. The Company is following an aggressive expansion strategy and plans to open approximately 200 retail outlets every year. The Company is expanding its footprints by inaugurating retail outlets in Balochistan, Islamabad, and AJK. To accommodate expansion, Gas & Oil Pakistan plans to construct a new depot at Vehari which will have an oil storage capacity of 22,000-24,000 MT. The Company plans to follow an aggressive strategy by opening new retail outlets.

Financial Risk In 6MCY23, the Company's inventory days increased to ~35 days from ~27 days in 6MCY22. The Company's inventory stood at ~PKR 28,927mln in 6MCY23 (6MCY22: ~PKR 26,316mln). Meanwhile, trade receivable days increased slightly to ~26 days from ~19 days, but trade payable days also increased to ~40 days from ~35 days during the same periods. Consequently, the Company's net working capital days also increased to ~21 days from ~11 days at end of 6MCY23 to 6MCY22 respectively. In 6MCY23, the Company's FCFOs stood at ~PKR 7,775mln increasing from ~PKR 6,982mln in 6MCY22. Conversely, the FCFO/Finance cost showed a decrease from healthy coverage of ~3.8x at end of CY22 to ~1.8x at end of CY21 due to an increase in finance cost. The finance cost of the Company stood at ~PKR 4,810mln in 6MCY23 increasing from ~PKR 1,749mln(6MCY22). The Company has high leverage of ~72.4% in the capital structure for 6MCY23 (6MCY22: ~73%). Total equity of the Company stood at ~PKR 15,926mln for 6MCY23 compared to ~PKR 15,686mln for 6MCY22. The Long-term borrowing of the Company in 6MCY23 stood at ~PKR 7,337mln (6MCY22: ~PKR: 7,063mln) and short-term borrowings reported in 6MCY23 are ~PKR 32,004mln (6MCY22: ~PKR 33,269mln) indicating that while the Company does have debt, it is not increasing its debt ratio currently and is instead relying more on organic growth.

Instrument Rating Considerations

About The Instrument Gas & Oil Pakistan issued a rated, secured, privately placed sukuk in Dec-21, under chapter SC PSX rule book. The issue amount of Sukuk is PKR 2.5bn at an offer rate of 3 Month KIBOR + 1.75% p.a with a tenor of five (5) years, inclusive of 1 year grace period. Sukuk's redemption is scheduled in sixteen equal quarterly payments.

Relative Seniority/Subordination Of Instrument Sukuk is secured by first-ranking pari passu hypothecation charge over all present and future moveable fixed assets are immovable properties of the Company located at sahiwal, Kotla Jam and Lahore with a minimum 25% margin over the issue amount. In furtherance to this, there's a first ranking hypothecation charge over all present and future moveable fixed assets of the company (excluding land) located at hub, Balochistan, with minimum 25% margin. Also, the Company maintained general hypothecation charge over-identified retail outlets with a 25% margin over the issue amount. The issue is further supported by Personal Guarantees from the main Sponsors.

Credit Enhancement The Company has maintained a Debt Payment Account (DPA), which is being funded with only rental payment during the grace period and with the installment amount (principal plus rental) after the grace period of one year. The DPA is being funded 100% of upcoming coupon payment 30 days before upcoming coupon payment date through proceeds from a designated account. The Company has established a designated account for routing cashflows from identified and designated Company Owned, Company Operated ("CoCo") outlets on a daily basis, with minimum monthly turnover of PKR 300mln. The account will be under lien on the Pak Oman Investment Company Limited (Investment Agent); however, the funds being routed through the account will be released to the Company except as required to fund the DPA.

The Pakistan Credit Rating Agency Limited

nancial Summary
PKR mln

Gas & Oil Pakistan Limited Oil Marketing Companies	Jun-23 6M	Dec-22 12M	Jun-22 6M	Dec-21 12M	Dec-20 12M	Dec-19 12M
A BALANCE SHEET						
1 Non-Current Assets	26,476	27,957	24,856	24,367	17,490	14,594
2 Investments	-	-	-	-	-	-
3 Related Party Exposure	-	1,646	-	491	-	-
4 Current Assets	83,037	66,018	76,730	53,270	39,669	31,659
a Inventories	*28,927*	*27,518*	*26,316*	*25,111*	*17,497*	*13,789*
b Trade Receivables	*24,657*	*18,096*	*20,191*	*15,448*	*14,091*	*7,218*
5 Total Assets	109,513	95,621	101,586	78,128	57,159	46,253
6 Current Liabilities	50,392	38,270	41,505	30,822	21,491	20,216
a Trade Payables	*35,835*	*29,344*	*38,506*	*27,169*	*19,223*	*16,962*
7 Borrowings	41,800	39,735	42,546	31,452	24,442	17,573
8 Related Party Exposure	-	-	-	350	-	-
9 Non-Current Liabilities	1,395	782	1,848	1,776	719	598
10 Net Assets	15,926	16,834	15,686	13,728	10,507	7,866
11 Shareholders' Equity	15,926	16,834	15,686	13,728	10,507	7,866
B INCOME STATEMENT						
1 Sales	148,843	324,745	171,026	209,102	144,222	142,651
a Cost of Good Sold	*(132,290)*	*(294,019)*	*(152,919)*	*(193,863)*	*(134,968)*	*(136,118)*
2 Gross Profit	16,553	30,726	18,108	15,239	9,254	6,533
a Operating Expenses	(2,373)	(4,456)	(1,969)	(3,055)	(2,194)	(2,034)
3 Operating Profit	14,180	26,270	16,138	12,184	7,060	4,499
a Non Operating Income or (Expense)	*(8,513)*	*(18,174)*	*(11,632)*	*(4,712)*	*(1,087)*	*(1,113)*
4 Profit or (Loss) before Interest and Tax	5,667	8,096	4,507	7,471	5,972	3,386
a Total Finance Cost	*(4,810)*	*(5,030)*	*(1,749)*	*(2,354)*	*(2,221)*	*(2,445)*
b Taxation	*(448)*	*(1,067)*	*(800)*	*(1,902)*	*(1,118)*	*(381)*
6 Net Income Or (Loss)	410	1,999	1,958	3,215	2,634	561
C CASH FLOW STATEMENT						
a Free Cash Flows from Operations (FCFO)	*7,775*	*8,182*	*6,982*	*8,570*	*6,326*	*2,937*
b Net Cash from Operating Activities before Working Capital Changes	*4,248*	*8,182*	*5,320*	*8,570*	*6,326*	*2,937*
c Changes in Working Capital	*(3,024)*	*(6,136)*	*(13,678)*	*(3,611)*	*(7,871)*	*7,050*
1 Net Cash provided by Operating Activities	1,224	2,047	(8,357)	4,959	(1,546)	9,987
2 Net Cash (Used in) or Available From Investing Activities	(2,060)	(1,820)	(1,589)	(5,358)	(3,012)	(2,867)
3 Net Cash (Used in) or Available From Financing Activities	1,168	1,425	10,260	195	1,922	(3,956)
4 Net Cash generated or (Used) during the period	333	1,652	313	(204)	(2,636)	3,164
D RATIO ANALYSIS						
1 Performance						
a Sales Growth (for the period)	-8.3%	55.3%	63.6%	45.0%	1.1%	0.0%
b Gross Profit Margin	11.1%	9.5%	10.6%	7.3%	6.4%	4.6%
c Net Profit Margin	0.3%	0.6%	1.1%	1.5%	1.8%	0.4%
d Cash Conversion Efficiency (FCFO adjusted for Working Capital/Sales)	3.2%	0.6%	-3.9%	2.4%	-1.1%	7.0%
*e Return on Equity [Net Profit Margin * Asset Turnover * (Total Assets/Sl*	5.0%	13.1%	26.6%	26.5%	28.7%	7.1%
2 Working Capital Management						
a Gross Working Capital (Average Days)	61	48	46	63	67	54
b Net Working Capital (Average Days)	21	17	11	22	21	10
c Current Ratio (Current Assets / Current Liabilities)	1.6	1.7	1.8	1.7	1.8	1.6
3 Coverages						
a EBITDA / Finance Cost	1.8	2.2	4.2	4.2	3.2	1.5
b FCFO / Finance Cost+CMLTB+Excess STB	1.4	0.8	2.5	2.3	1.5	0.6
c Debt Payback (Total Borrowings+Excess STB) / (FCFO-Finance Cost)	1.4	3.5	0.9	1.6	1.5	11.5
4 Capital Structure						
a Total Borrowings / (Total Borrowings+Shareholders' Equity)	72.4%	70.2%	73.1%	69.8%	69.9%	69.1%
b Interest or Markup Payable (Days)	57.6	52.5	29.1	37.3	57.1	62.9
c Entity Average Borrowing Rate	21.2%	12.6%	14.2%	11.9%	9.5%	12.0%

Credit Rating

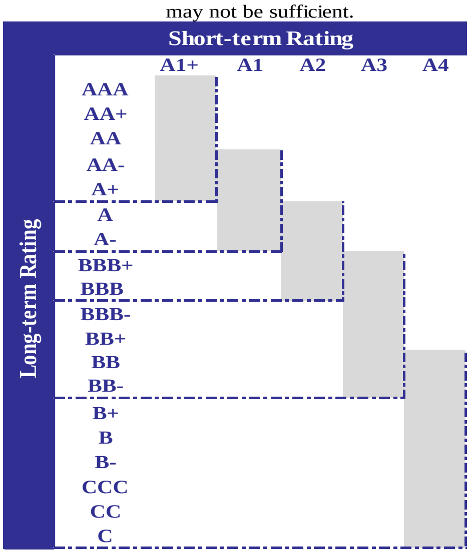
Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

Long-term Rating

Scale	Definition
AAA	**Highest credit quality.** Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments
AA+ AA AA-	**Very high credit quality.** Very low expectation of credit risk. Indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A+ A A-	**High credit quality.** Low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions.
BBB+ BBB BBB-	**Good credit quality.** Currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
BB+ BB BB-	**Moderate risk.** Possibility of credit risk developing. There is a possibility of credit risk developing, particularly as a result of adverse economic or business changes over time; however, business or financial alternatives may be available to allow financial commitments to be met.
B+ B B-	**High credit risk.** A limited margin of safety remains against credit risk. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment.
CCC CC C	**Very high credit risk.** Substantial credit risk "CCC" Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. "CC" Rating indicates that default of some kind appears probable. "C" Ratings signal imminent default.
D	Obligations are currently in default.

Short-term Rating

Scale	Definition
A1+	The highest capacity for timely repayment.
A1	A strong capacity for timely repayment.
A2	A satisfactory capacity for timely repayment. This may be susceptible to adverse changes in business, economic, or financial conditions.
A3	An adequate capacity for timely repayment. Such capacity is susceptible to adverse changes in business, economic, or financial
A4	The capacity for timely repayment is more susceptible to adverse changes in business, economic, or financial conditions. Liquidity may not be sufficient.



**The correlation shown is indicative and, in certain cases, may not hold.*

Outlook (Stable, Positive, Negative, Developing) Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

Rating Watch Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

Suspension It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults., or/and e) PACRA finds it impractical to surveill the opinion due to lack of requisite information.

Harmonization A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

Note. This scale is applicable to the following methodology(s):

a) Broker Entity Rating
b) Corporate Rating
c) Debt Instrument Rating
d) Financial Institution Rating
e) Holding Company Rating
f) Independent Power Producer Rating
g) Microfinance Institution Rating
h) Non-Banking Finance Companies Rating

Rating Team Statements
(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) **Conflict of Interest**
i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)
ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term “family members” shall include only those family members who are dependent on the analyst and members of the rating committee

Restrictions
(3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)
(4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)
(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

Conduct of Business
(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)
(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).
(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)
(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)
(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

Independence & Conflict of interest
(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA´s opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity
(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers’ associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)
(14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)
(15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)
(16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst’s area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)
(17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

Monitoring and review
(18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 17-(a)
(19) PACRA reviews all the outstanding ratings periodically, on annual basis; Provided that public dissemination of annual review and, in an instance of change in rating will be made; | Chapter III | 17-(b)
(20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 17-(c)
(21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument;| Chapter III | 17-(d)
Probability of Default
(22) PACRA´s Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e., probability). PACRA´s transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA´s Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past; | Chapter III | 14-3(f)(vii)
Proprietary Information
(23) All information contained herein is considered proprietary by PACRA. Hence, none of the information in this document can be copied or, otherwise reproduced, stored or disseminated in whole or in part in any form or by any means whatsoever by any person without PACRA’s prior written consent

Regulatory and Supplementary Disclosure

Name of Issuer	Gas & Oil Pakistan Limited
Issue Date	December 31, 2021
Maturity	December 31, 2026

Due Date Principal*	Opening Principal	Principal Repayment*	Due Date Markup/ Profit*	Markup/Profit rate	3M Kibor Plus 175bps	Markup/Profit Payment	Installment Payable	Principal Outstanding	STATUS
	PKR				(22 Nov 2021)	PKR			
31-Dec-21	2,500,000,000	-	31-Dec-21	1.75%	12.290%	-	-	2,500,000,000	
31-Mar-22	2,500,000,000	-	31-Mar-22	1.75%	13.680%	75,760,274	75,760,274	2,500,000,000	PAID
30-Jun-22	2,500,000,000	-	30-Jun-22	1.75%	16.530%	85,265,753	85,265,753	2,500,000,000	PAID
30-Sep-22	2,500,000,000	-	30-Sep-22	1.75%	17.560%	104,161,644	104,161,644	2,500,000,000	PAID
31-Dec-22	2,500,000,000	-	31-Dec-22	1.75%	18.810%	110,652,055	110,652,055	2,500,000,000	PAID
31-Mar-23	2,500,000,000	156,250,000	31-Mar-23	1.75%	23.690%	115,952,055	272,202,055	2,343,750,000	PAID
30-Jun-23	2,343,750,000	156,250,000	30-Jun-23	1.75%	24.690%	147,656,849	303,906,849	2,187,500,000	PAID
30-Sep-23	2,187,500,000	156,250,000	30-Sep-23	1.75%	24.410%	145,857,021	302,107,021	2,031,250,000	PAID
31-Dec-23	2,031,250,000	156,250,000	31-Dec-23	1.75%	23.210%	134,589,384	290,839,384	1,875,000,000	PAID
31-Mar-24	1,875,000,000	156,250,000	31-Mar-24	1.75%	23.210%	117,540,368	273,790,368	1,718,750,000	
30-Jun-24	1,718,750,000	156,250,000	30-Jun-24	1.75%	23.210%	108,498,801	264,748,801	1,562,500,000	
30-Sep-24	1,562,500,000	156,250,000	30-Sep-24	1.75%	23.210%	100,550,171	256,800,171	1,406,250,000	
31-Dec-24	1,406,250,000	156,250,000	31-Dec-24	1.75%	23.210%	91,409,247	247,659,247	1,250,000,000	
31-Mar-25	1,250,000,000	156,250,000	31-Mar-25	1.75%	23.210%	80,479,880	236,729,880	1,093,750,000	
30-Jun-25	1,093,750,000	156,250,000	30-Jun-25	1.75%	23.210%	72,332,534	228,582,534	937,500,000	
30-Sep-25	937,500,000	156,250,000	30-Sep-25	1.75%	23.210%	63,986,473	220,236,473	781,250,000	
31-Dec-25	781,250,000	156,250,000	31-Dec-25	1.75%	23.210%	54,845,548	211,095,548	625,000,000	
31-Mar-26	625,000,000	156,250,000	31-Mar-26	1.75%	23.210%	44,711,045	200,961,045	468,750,000	
30-Jun-26	468,750,000	156,250,000	30-Jun-26	1.75%	23.210%	36,166,267	192,416,267	312,500,000	
30-Sep-26	312,500,000	156,250,000	30-Sep-26	1.75%	23.210%	27,422,774	183,672,774	156,250,000	
31-Dec-26	156,250,000	156,250,000	31-Dec-26	1.75%	23.210%	18,281,849	174,531,849	-	
						1,736,119,991			