



Saif Kashem & Co.
Chartered Accountants

PETROLEUM TRANSMISSION COMPANY PLC.

Auditor's report and financial statements
As at and for the year ended 30 June 2025



Saif Kashem & Co.

Chartered Accountants
AUDIT ● TAX ● ADVISORY

Delowar Bhaban (3rd Floor)
104 Agrabad Commercial Area
Chattogram-4000
Bangladesh.

Independent auditor's report

To the Shareholders of PETROLEUM TRANSMISSION COMPANY PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PETROLEUM TRANSMISSION COMPANY PLC., which comprise the statement of financial position as at 30 June 2025, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position dealt with by the report are in agreement with the books of account.

Chattogram, 15 JAN 2026

DVC:2601170847AS685505

FRC Enlistment Number. CAF-001-082



Mohammad Saif Uddin FCA
Enrollment No: 0847
Managing Partner
Saif Kashem & Co.
Chartered Accountants



PETROLEUM TRANSMISSION COMPANY PLC.
Statement of financial position

As at

In taka	Notes	30 June 2025	30 June 2024
Assets			
Property, plant and equipment	4	21,283,050	63,000
Non-current assets		21,283,050	63,000
Accrued revenue		79,413,982	-
Advances, deposits and prepayments	9	1,404,232	259,912
Short term investment	10	1,120,000,000	940,000,000
Cash and cash equivalents	11	55,461,320	90,088,136
Current assets		1,256,279,534	1,030,348,048
Total assets		1,277,562,584	1,030,411,048
Equity			
Share capital	12	1,000,000,000	1,000,000,000
Retained earnings		33,304,767	(22,782,872)
Total equity		1,033,304,767	977,217,128
Liabilities			
Current account with BPC	13	120,000,000	-
Liabilities for expenses	14	118,370,828	51,234,939
Current tax liabilities	15	5,886,989	1,958,981
Current liabilities		244,257,817	53,193,920
Total liabilities		244,257,817	53,193,920
Total equity and liabilities		1,277,562,584	1,030,411,048

The notes 1 to 16 are an integral part of these financial statements.

Company Secretary

Managing Director

Director

Director

Signed in terms of our annexed report of same date.

Chattogram, 15 JAN 2026

DVC2601170847AS685505

FRC Enlistment Number. CAF-001-082

Mohammad Saif Uddin FCA
 Enrollment No: 0847
 Managing Partner
 Saif Kashem & Co.
 Chartered Accountants



PETROLEUM TRANSMISSION COMPANY PLC.
Statement of profit or loss and other comprehensive income
For the year ended 30 June

In taka	Notes	2025	2024
Revenue	5	79,413,982	-
Cost of sales	6	(73,094,213)	(3,523,896)
Gross profit		6,319,769	(3,523,896)
Administrative expenses	7	(27,248,143)	(23,517,958)
Other income	8	103,611,251	39,179,629
Net profit before tax		82,682,877	12,137,775
Income tax expenses	15	(26,595,238)	(9,794,907)
Net profit after tax		56,087,639	2,342,868

The notes 1 to 16 are an integral part of these financial statements.



Company Secretary



Managing Director



Director



Director

Signed in terms of our annexed report of same date.

Chattogram, **15 JAN 2026**
DVC2601170847AS685505
FRC Enlistment Number. CAF-001-082



Mohammad Saif Uddin FCA
Enrollment No: 0847
Managing Partner
Saif Kashem & Co.
Chartered Accountants



PETROLEUM TRANSMISSION COMPANY PLC.
Statement of changes in equity
For the year ended 30 June 2025

<i>In taka</i>	Attributable to the owners of the Company		
	Share capital	Retained Earning	Total equity
Balance at 1 July 2023	1,000,000,000	(25,125,740)	974,874,260
Net profit for the year	-	2,342,868	2,342,868
Balance at 30 June 2024	1,000,000,000	(22,782,872)	977,217,128
Balance at 1 July 2024	1,000,000,000	(22,782,872)	977,217,128
Net profit for the year	-	56,087,639	56,087,639
Balance at 30 June 2025	1,000,000,000	33,304,767	1,033,304,767

The notes 1 to 16 are an integral part of these financial statements.



PETROLEUM TRANSMISSION COMPANY PLC.

Statement of cash flows

For the year ended 30 June

In taka

	2025	2024
Cash flows from operating activities		
Net profit/(loss) before tax		
Adjustments for:	82,682,877	12,137,775
- Depreciation	2,364,784	7,000
Changes in:	85,047,661	12,144,775
- Advances, deposits and prepayments		
- Liabilities for expenses	(1,144,320)	(259,912)
- Accrued wheeling charges	67,135,889	25,671,699
Cash generated from operating activities	(79,413,982)	-
Income tax paid	71,625,248	37,556,562
Net cash from/ (used in) operating activities	(22,667,230)	(7,835,926)
Cash flows from investing activity		
Acquisition of property, plant and equipment	(23,584,834)	(70,000)
Short term investment	(180,000,000)	(940,000,000)
Net cash used in investing activity	(203,584,834)	(940,070,000)
Cash flows from financing activities		
Share capital received	-	-
Short term loan	120,000,000	-
Net cash from financing activities	120,000,000	-
Net increase/ (decrease) in cash and cash equivalents	(34,626,816)	(910,349,364)
Opening cash and cash equivalents	90,088,136	1,000,437,500
Cash and cash equivalents at 30 June	55,461,320	90,088,136

The notes 1 to 16 are an integral part of these financial statements.



Notes to the financial statements

1.00 Reporting entity

A Company profile

The company was incorporated as a Public Company limited by shares on 08 November 2022 registered with the Registrar of Joint Stock Companies & Firms, Chattogram vide Registration No. CH-15248/2022. The registered office of the company is at BSC Bhaban, Saltgola road, Bandar, Chattogram, Bangladesh.

Bangladesh Petroleum Corporation is the parent of Petroleum Transmission Company PLC.

B Nature of business

The Company's principal activity is to install and maintenance of pipelines for transmission of petroleum products throughout the country from different depot of Bangladesh Petroleum Corporation.

2.00 Basis of accounting

A Statement of compliance

These financial statements have been prepared on a going concern basis following accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act 1994.

B Basis of reporting

These financial statements are prepared and presented for external users in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1: "Presentation of Financial Statements".

C Other regulatory compliances

The company is required to comply with amongst others, the following rules and regulations:

- (i) The Companies Act 1994.
- (ii) The Income Tax Act 2023
- (iii) The Value Added Tax (VAT) Act 2012.
- (iv) The Value Added Tax (VAT) Rules 2016.

D Basis of measurement

These financial statements have been prepared on historical cost basis.

Functional and presentation currency

The financial statements are expressed in Bangladesh Taka which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.



Notes to the financial statements (continued)

F Reporting period

The reporting period of the Company covers one year from 1 July to 30 June which is followed consistently.

G Use of judgments and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

H Going concern

The company has adequate resources to continue its operation in foreseeable future. For this reason the Directors continue to adopt going concern basis in preparing the financial statements.

I Comparative Information

In accordance with applicable reporting framework, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.



Notes to the financial statements (continued)

4.00 Property, Plant and Equipment

<i>In Taka</i>	Office Equipment	Office Decoration	Furniture and fixtures	Electrical and IT equipment	Total
Cost					
Balance at 1 July 2023	-	-	-	-	-
Additions	-	-	-	70,000	70,000
Balance at 30 June 2024	-	-	-	70,000	70,000
Balance at 1 July 2024	-	-	-	70,000	70,000
Additions	750,167	22,707,337	98,930	28,400	23,584,834
Balance at 30 June 2025	750,167	22,707,337	98,930	98,400	23,654,834
Accumulated depreciation					
Balance at 1 July 2023	-	-	-	-	-
Depreciation charged for the year	-	-	-	7,000	7,000
Balance at 30 June 2024	-	-	-	7,000	7,000
Balance at 1 July 2024	-	-	-	7,000	7,000
Depreciation charged for the year	75,017	2,270,734	9,893	9,140	2,364,783
Balance at 30 June 2025	75,017	2,270,734	9,893	16,140	2,371,783
Carrying amounts :					
At 30 June 2024	-	-	-	63,000	63,000
At 30 June 2025	675,150	20,436,603	89,037	82,260	21,283,050



Notes to the financial statements (continued)

<i>In taka</i>	Notes	2025	2024
5.00 Revenue			
Wheeling charge		79,413,982	-
		79,413,982	-
Revenue represents wheeling charge fixed by the Bangladesh Petroleum Corporation (BPC) to bear the operational expenses of the company. Revenue is recognised based on the total quantity of diesel and crude oil transmitted through the pipeline installed by the BPC during the year.			
6.00 Cost of sales			
Salary and wages		31,937,702	-
Security expenses		25,175,382	3,325,977
Travelling and conveyance		1,549,516	-
Canteen expenses		3,528,029	-
Electricity bill		3,157,449	197,919
Fuel expense		7,625	-
Crocery and caterings		165,216	-
Transport expenses		7,208,454	-
Uniform expenses		364,840	-
		73,094,213	3,523,896
7.00 Administrative expenses			
Salaries and allowances		13,431,043	20,138,708
Recruitment expenses		3,946,537	1,211,949
Director's meeting fee		1,204,647	200,000
Audit and professional fees		226,500	57,500
Honorarium		801,200	1,296,684
Bank charges		406,858	54,313
Entertainment		887,947	28,000
Printing and stationery		520,487	112,749
Travelling and conveyance		127,124	168,070
Canteen expenses		221,720	242,985
Electricity bill		1,606	-
Depreciation	4.00	2,364,783	7,000
Advertisement expenses		791,799	-
AGM expenses		1,291,470	-
Special day celebration		68,600	-
Paper and periodicals		2,029	-
Other office expenses		35,800	-
Postal expenses		15,661	-
Legal expenses		27,600	-
Registration and renewal		575,000	-
Office rent		188,025	-
Software service charge		64,872	-
Stamp charges		6,300	-
Telephone and mobile		18,108	-
Water expenses		2,668	-
Local travel expenses		19,759	-
		27,248,143	23,517,958
8.00 Other income			
Interst Income	8.01	103,541,251	39,179,629
Sale of tender		70,000	-
		103,611,251	39,179,629



Notes to the financial statements (continued)

<i>In taka</i>	Notes	2025	2024
8.01 Interest Income			
Interest income-FDR		100,369,009	-
Interest income-SND		3,172,242	39,179,629
		103,541,251	39,179,629
		30 June 2024	30 June 2024
9.00 Advances, deposits and prepayments			
Advances	9.01	1,311,000	166,680
Deposits	9.02	93,232	93,232
		1,404,232	259,912
9.01 Advances			
Advance against canteen expenses		330,000	166,680
Advance Office rent -DLO		981,000	-
		1,311,000	166,680
9.02 Deposits			
Security deposit to PBS		93,232	93,232
		93,232	93,232
10.00 Short term investment			
Bank Name	A/C No.		
Janata Bank PLC.	100255323509	500,000,000	500,000,000
Brac Bank PLC.	3063102740001	-	200,000,000
Mutual Trust Bank PLC	1306010704078	200,000,000	200,000,000
Trust Bank PLC	4003-0330001394	-	40,000,000
Dhaka Bank PLC	0236410000126	100,000,000	-
Southeast Bank PLC	323300001749	50,000,000	-
Pubali Bank PLC	72104011761	100,000,000	-
United Commercial Bank PLC	491453000000021	20,000,000	-
Basic Bank Limited	301801007541	50,000,000	-
City Bank PLC	4434527352001	100,000,000	-
		1,120,000,000	940,000,000
11.00 Cash and cash equivalents			
Cash in hand		6,572	90,000
Cash at bank	11.01	55,454,748	89,998,136
		55,461,320	90,088,136
11.01 Cash at bank			
Janata Bank PLC. (A/C: 0100245180386)		55,454,748	89,998,136
		55,454,748	89,998,136



Notes to the financial statements (continued)

<i>In taka</i>	Notes	2025	2024
12.00 Share capital			
Authorized capital			
1,000,000,000 ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000
Paid up			
100,000,000 ordinary shares of Tk. 10 each		1,000,000,000	1,000,000,000
		1,000,000,000	1,000,000,000
The break-up of the issued share capital is as follows:			
Name of the shareholders		Number of Shares	Number of Shares
Bangladesh Petroleum Corporation		99,999,990	99,999,990
Mr. Anupam Barua		1	1
Mr. Md. Yousuf Hussain Bhuiyan		1	1
Mr. Mustafa Qudrat-I-Elahi		1	1
Mr. A.T.M. Selim		1	1
Mr. Md. Abul Kalam Azad		1	1
Mr. Moni Lal Das		1	1
Mr. Kabir Mahmood		1	-
Mr. Md. Abdul Matin		1	-
Mr. Md. Amin ul Ahsan		1	-
Ms. Shahina Sultana		1	-
Mr. A B M Azad NDC		-	1
Mr. Khalid Ahmed		-	1
Mr. Kazi Mohammad Mozammel Haque		-	1
Mr. Muhammad Ashraf Hossain		-	1
		100,000,000	100,000,000
13.00 Current account with BPC			
Bangladesh Petroleum Corporation		120,000,000	-
		120,000,000	-
This represents advance taken from Bangladesh Petroleum Corporation (BPC).			
14.00 Liabilities for expenses			
Bangladesh Petroleum Corporation		15,311,305	15,311,305
Eastern Refinery Limited		71,614,278	35,062,440
Honorarium		-	540,000
Audit fee		57,500	57,500
Electricity bill SPM		1,191,473	197,919
Canteen expenses payables		-	49,665
Other payables		-	10,000
VAT Payable		41,730	4,700
AIT Payable		36,940	1,410
Security Expenses-JSS Services Limited.		5,187,363	-
Water expenses		2,669	-
Padma Oil PLC		24,536,428	-
DLO office renovation		391,142	-
		118,370,828	51,234,939
15.00 Current tax liabilities			
Balance at 01 July		1,958,981	-
Add: Provided for the year		26,595,238	9,794,907
Less: Tax paid during the year	15.01	(22,667,230)	(7,835,926)
Balance at 30 June		5,886,989	1,958,981
15.01 Tax paid			
U/s 173 for the assessment year 2024-2025		1,958,981	7,835,926
Tax deducted at source u/s 102		20,708,249	-
		22,667,230	7,835,926



Notes to the financial statements (continued)

16.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in this financial statements and have been applied consistently by the company except otherwise mentioned.

A Capital work in progress

Capital work-in progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that not ready for use at the end of reporting period and are stated at cost.

B Foreign currency translations

Transactions in foreign currency are translated to the Bangladesh Taka (BDT) at exchange rates at the dates of transactions. All monetary and non-monetary assets and liabilities are translated into BDT at the exchange rate applicable on the reporting date while all income and expenditure items are translated at the rate applicable on the transaction date. Fluctuations in the foreign currency translation are recognized in profit or loss.

**C Property, plant and equipment
Recognition and measurement**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they enhance the cash flow generating capacity of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation

Depreciation on Property, Plant and Equipment is calculated on the diminishing balance method applying the rate so as to write off the cost of the assets over their estimated useful lives. Full year's depreciation is charged on addition irrespective of the date of acquisition while no depreciation is charged in the year of disposal. The principal annual rates and useful life estimates are as follows:

<u>Name of assets</u>	<u>Rate of depreciation (%)</u>
Electrical and IT equipment	10%
Office Equipment	10%
Furniture and fixtures	10%
Office Decoration	10%

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss within other gains / (losses).



Notes to the financial statements (continued)

D Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

Financial assets include cash and cash equivalents.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank which are available for use by the Company without any restriction.

Financial liabilities

A financial liability is recognised when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits. The Company initially recognises financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include payables against expenses and accruals.

E Employee benefits schemes

Currently, the company does not have any employee benefit scheme.

F Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

G Revenue

Revenue from contracts with customers is recognized based on the application of following 'five step' model.

- i) The Company accounts for a contract only when,
 - a) The contract is approved (written, oral or implied by an entity's customary business practices),
 - b) The rights and payment terms regarding goods and services to be transferred can be identified,
 - c) The contract has commercial substance,
 - d) It is probable that the consideration will be received (considering only the customer's ability and intention to pay).
- ii) At contract inception, the Company assesses the goods or services promised in a contract with a customer and identifies each promise to transfer goods or services to the customer as a performance obligation. Performance obligations are the contractual promise by an entity, to transfer to a customer, distinct goods or services, either individually, in a bundle, or as a series over time.
- iii) The Company determines the transaction price which is the amount of consideration an entity expects to be entitled to in exchange for transferring the promised goods or services (not amounts collected on behalf of third parties, e.g. sales taxes, VAT, etc.).
- iv) The Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.
- v) The transaction price allocated to each performance obligation is recognized when the performance obligation is satisfied at a point in time or over time.



Notes to the financial statements (continued)

H Income tax expenses

Income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Income tax expenses are recognized in the statement of profit or loss and other comprehensive income as per provision of income tax laws.

I Provisions and contingencies

A provision is recognised in the statement of financial position if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

Contingencies arising from claim, lawsuit, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

J Statement of cash flows

Statement of cash flows has been prepared as per IAS 7 Statement of cash flows using indirect method.

K Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

