The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

3rd April 2019

Dear Sirs,

Re: **Financial Results for the year ended 31st December 2018**

This is with reference to our earlier letter dated 3rd April 2019 on the subject.

Enclosed please find herewith a certificate of free reserves for issue of Bonus Shares by our external auditors, Grant Thornton Anjum Rahman, Chartered Accountants.

Yours truly,

Zeeshan Ul Haq
General Manger Legal &
Company Secretary

Copy to:
Securities and Exchange Commission of Pakistan, Islamabad.

Enclosed as above.

Grant Thornton

An instinct for growth

BAS/C133/19/0403

April 03, 2019

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The Board of Directors
Hascol Petroleum Limited
Suit No. 104-106, 1st Floor
The Forum, Block-9, Clifton
Karachi

Gentlemen

AUDITORS' CERTIFICATE ON FREE RESERVES FOR THE ISSUE OF BONUS SHARES

We have been requested to examine the computation of residual "free reserve" of the Company for the issue of bonus shares to the shareholders of the Company on the basis of unconsolidated unaudited financial statements of the Company for the year ended December 31, 2018, which have been approved by the Board of Director on April 03, 2019, on which the auditor's report remains to be signed, in accordance with the Companies (Further Issue of Shares) Regulations, 2018 (the Regulation).

Scope of certificate

This certificate is being issued at the request of the Company for the purpose of issue of bonus shares in accordance with the Regulation. The certificate is being issued to be submitted to Board of Directors, Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange Limited.

Management responsibility

The management of Hascol Petroleum Limited is responsible for the completeness of the information provided to us with respect to the proposed issue of bonus shares and convening the meeting of the Board of Directors to resolve the issue of bonus shares. The management is also responsible for the maintenance of adequate accounting records and other information supporting the details and the discharge of obligations under the Regulation.

Auditor's responsibility

Our responsibility is to verify that Company's residual free reserves, in terms of the meeting given to free reserves in the Companies (Further Issue of Shares) Regulations, 2018, after the proposed issue of Bonus shares @ 10% amounting Rs 181,018,800 would be higher than fifteen percent of the enhanced paid-up capital of the Company only in accordance with the "Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms" issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures as mentioned below:

- obtained the Company's approved financial statements for the year ended December 31, 2018 and ascertained the amount of free reserves.

- we have reviewed the contingent liabilities outstanding as at December 31, 2018 to determine the contingent loss, if any, falling within the scope of paragraph 14 of the International Accounting Standard 37 'Provisions, Contingent Liabilities and Contingent Assets'.

- obtained and checked the computation of Company's 'Free Reserves' to ascertain that the total proposed bonus issue is within the limits under the Regulation and 'Free Reserves' retained after the issue of bonus shares do not include any reserves created as a result of revaluation of fixed assets or any intangible or fictitious assets such as preliminary expenses, goodwill, brokerage or commission.

- obtained representation from the management of the Company in respect of the above computation.

Certificate

Based on the procedures mentioned above, we certify that the Company's residual free reserves after the issuance of 10% bonus shares i.e. Rs. 181,018,800 will be more than 15% of the enhanced paid up capital of the Company in accordance with the meaning defined in the Regulation.

Restriction on use and distribution

This certificate is issued solely for the purpose set forth in the scope of certificate and is given in our capacity as statutory auditors of the Company and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi