Sui Southern Gas Company Limited

SSGC/CS/2025-161
05 November 2025

Thru: PUCARS/Courier

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

SUBJECT: FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on 05 November 2025 at 1:00 pm, at SSGC Board Room, Head Office Building, Gulshan-e-Iqbal, Karachi recommended the following:

(i) CASH DIVIDEND
Final Cash dividend for the year ended 30 June 2025 @ Re 0.5 per share i.e. 5%.

(ii) BONUS SHARES	**NIL**
(iii) RIGHT SHARES	**NIL**
(iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION	**NIL**
(v) ANY OTHER PRICE-SENSITIVE INFORMATION	**NIL**

The financial statements of the Company are attached as follows:

Unconsolidated Financial Statements:

- Statement of Profit or Loss for the year ended June 30, 2025 (**Annex-A**);
- Statement of Financial Position as at June 30, 2025 (**Annex-B**);
- Statement of Changes in Equity for the year ended June 30, 2025 (**Annex-C**);
- Statement of Cash Flows for the year ended June 30, 2025 (**Annex-D**).

Consolidated Financial Statements:

- Statement of Profit or Loss for the year ended June 30, 2025 (**Annex-E**);
- Statement of Financial Position as at June 30, 2025 (**Annex-F**);
- Statement of Changes in Equity for the year ended June 30, 2025 (**Annex-G**);
- Statement of Cash Flows for the year ended June 30, 2025 (**Annex-H**).

The Auditors in their initialed draft report to the members have stated:

QUALIFIED OPINION

"Quote"
BASIS FOR QUALIFIED OPINION

1) As disclosed in notes 14.1 and 14.2 to the unconsolidated financial statements, trade debts include receivables of Rs. 28,539 million and Rs. 21,770 million from K-Electric Limited (KE) and Pakistan Steel Mills Corporation (Private) Limited (PSML), respectively. Significant portion of such receivables include overdue amounts, which have been considered good by management and classified as current assets in the unconsolidated financial statements. Further, KE and PSML have disputed Late Payment Surcharge (LPS) on their respective outstanding balances, as disclosed in the above notes to the unconsolidated financial statement as unrecognized LPS. As a result, management has decided to recognize LPS from these entities on a receipt basis, effective July 01, 2012.

   Due to the adverse operational and financial conditions of PSML and disputes with KE and PSML with the Company on LPS, and large accumulation of their respective overdue amounts, we were unable to determine the extent to which the total amounts due from KE and PSML were likely to be recovered including the timeframe over which such recovery will be made.

2) As disclosed in note 3.4 to the unconsolidated financial statements, the Company was notified to be exempt to comply with the requirements of IFRS 14- Regulatory Deferral Accounts in relation to the preparation of the financial statements till June 30, 2024 by the Securities and Exchange Commission of Pakistan (SECP) vide its letter SMD/PRDD/Comp/(4)/2021/168 dated December 03, 2024. In the absence of any further exemption for the current reporting year, the Company has not complied with the requirements of IFRS 14 including necessary accounting adjustments, related presentation and disclosure requirements necessary to be incorporated in these unconsolidated financial statements. Had the Company incorporated the consequential accounting effects including related presentation and disclosure requirements under IFRS 14, the reported balances of tariff adjustment included in other receivable and trade and other payable (note 18.1 and 34.4), Tariff adjustment amount included in net revenue (note 38) and Earnings per share – basic and diluted (note 46) would have required adjustments, effect of which remains indeterminable.

EMPHASIS OF MATTER

We draw attention to the following:

1. note 36.1 to the unconsolidated financial statements which inter alia describe that the Company is subject to various material litigations and claims pending adjudication in different courts / forums. The outcome of these cases is uncertain and beyond management's control; and
2. note 34.2 to the unconsolidated financial statements which describe that the Company has not recognized the accrued markup up to June 30, 2025 amounting to Rs. 370,655 million relating to Government Controlled E&P Companies based on Government advice and a legal opinion.

Our opinion is not modified in respect of above matters
"Unquote"

Company considers that the qualification on IFRS-14 is limited to presentation aspects and have no impact on Profit for the year and net movement in 'Regulatory Deferral Account balances' and 'profit for the year' as per annexed financial statements. Company's exemption renewal request is under consideration with the Federal Government through Ministry of Energy (Petroleum Division).

Annual General Meeting:

The Annual General Meeting of the Company will be held on Thursday, 27 November 2025 at 11:00 a.m. at, Jade Hall, Arena, Habib Rehmatullah Road, Karsaz, Karachi, in person as well as through Video conferencing.

The recommended entitlement will be paid to the shareholders whose names will appear in the Register of Members on Wednesday, November 19, 2025.

The Share Transfer Books of the Company will be closed from Thursday, November 20, 2025 to Thursday, November 27, 2025, (both days inclusive). Transfers received in order at the office of Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Sharah-e-Faisal, Karachi at the close of business on Wednesday, November 19, 2025 will be treated in time for the purpose of above entitlement to the transferees.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting.

Yours Sincerely,

Fawad Ahmed Khan
Company Secretary

Cc:

1. **Executive Director/HOD,**
   Offsite-II Department, Supervision Division, Securities & Exchange Commission of Pakistan, Islamabad
2. **Head of Operations,** Central Depository Company of Pakistan CDC House, 99-B, Block B, S.M.C.H.S, Main Sharah-e-Faisal, Karachi
3. **Assistant General Manager**, CDC Share Registrar Services Limited Central Depository Company of Pakistan CDC House, 99-B, Block B, S.M.C.H.S, Main Sharah-e-Faisal, Karachi

Annexure - A

SUI SOUTHERN GAS COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
Revenue from contracts with customers - Gas sales - net	37	439,329,021	412,660,088
(Less) / Add: Tariff adjustment	38	(4,255,351)	53,209,635
		435,073,670	465,869,723
Less: Cost of gas sales	39	(424,084,077)	(455,487,214)
Gross profit		10,989,593	10,382,509
Less: Operating Expenses			
Administrative and selling expenses	40	(7,378,093)	(7,184,811)
Other operating expenses	41	(3,131,415)	(22,851,640)
Allowance for expected credit loss		(5,716,317)	(1,950,297)
		(16,225,825)	(31,986,748)
		(5,236,232)	(21,604,239)
Other operating income	42	24,477,027	44,189,145
Operating profit		19,240,795	22,584,906
Finance cost	43	(12,142,883)	(13,374,738)
Profit before levy and taxation		7,097,912	9,210,168
Levy			
Minimum tax differential		(4,402,530)	(2,370,259)
Final tax		(6,074)	(783)
		(4,408,604)	(2,371,042)
Profit before taxation		2,689,308	6,839,126
Taxation	44	-	-
Profit for the year		2,689,308	6,839,126
		(Rupees)	
Earnings per share - basic and diluted	46	3.05	7.76

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - B

SUI SOUTHERN GAS COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	5	228,656,118	203,910,241
Intangible assets	6	255,948	186,844
Right of use assets	7	87,460	89,695
Deferred taxation	8	11,160,804	11,160,804
Long term investments	9	1,556,387	1,340,413
Long term loans	10	518,309	610,309
Long term deposits		23,030	21,713
Total non-current assets		242,258,056	217,320,019
Current assets			
Stores, spares and loose tools	11	4,350,843	4,031,530
Stock-in-trade	12	3,214,955	4,037,257
Customers' installation work-in-progress	13	249,970	289,376
Trade debts	14	130,923,618	127,447,585
Loans and advances	15	1,017,033	1,076,442
Advances, deposits, and prepayments	16	664,034	358,483
Interest accrued	17	690,544	707,080
Other receivables	18	681,182,782	808,932,872
Taxation - net	19	48,768,689	13,862,447
Cash and bank balances	20	1,187,075	1,123,182
Total current assets		872,249,543	961,866,254
Total assets		1,114,507,599	1,179,186,273

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

SUI SOUTHERN GAS COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share Capital	21	8,809,163	8,809,163
Reserves	22	4,907,401	4,907,401
Surplus on re-measurement of FVTOCI securities		417,582	220,178
Surplus on revaluation of property, plant and equipment	23	59,835,137	59,835,137
Accumulated loss		(65,700,834)	(67,854,673)
		8,268,449	5,917,206
LIABILITIES			
Non-current liabilities			
Long term financing	24	11,049,039	34,561,766
Security deposits	25	39,086,356	31,399,978
Employee benefits	26	9,623,940	7,262,302
Payable against transfer of pipeline	27	430,722	523,169
Deferred credit	28	5,612,881	5,759,812
Contract liabilities	29	12,248,838	10,274,822
Lease liabilities	30	11,732	17,886
Long term advances	31	3,610,466	2,508,204
Total non-current liabilities		81,673,974	92,307,939
Current liabilities			
Current portion of			
Long term financing	32	42,354,518	7,978,924
Payable against transfer of pipeline	27	92,447	84,527
Deferred credit	28	573,451	566,724
Contract liabilities	29	334,269	286,977
Lease liabilities	30	78,527	68,292
Short term borrowings	33	82,806,374	37,774,786
Trade and other payables	34	895,653,702	1,030,545,323
Unclaimed dividend		341,320	341,320
Interest accrued	35	2,330,568	3,314,255
Total current liabilities		1,024,565,176	1,080,961,128
Total liabilities		1,106,239,150	1,173,269,067
Total equity and liabilities		1,114,507,599	1,179,186,273
CONTINGENCIES AND COMMITMENTS	36		

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - C

SUI SOUTHERN GAS COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up capital (Note 21.2)	Reserves		Surplus on re-measurement of FVTOCI securities	Surplus on revaluation of property, plant and equipment (Note 23)	Accumulated loss	Total
		Capital reserves (Note 22)	Revenue reserves (Note 22)				
	(Rupees in '000)						
Balance as at July 01, 2023	8,809,163	234,868	4,672,533	115,177	59,835,137	(76,354,791)	(2,687,913)
Total comprehensive income for the year ended June 30, 2024							
Profit for the year	-	-	-	-	-	6,839,126	6,839,126
Other comprehensive income for the year	-	-	-	105,001	-	1,660,992	1,765,993
	-	-	-	105,001	-	8,500,118	8,605,119
Balance as at June 30, 2024	8,809,163	234,868	4,672,533	220,178	59,835,137	(67,854,673)	5,917,206
Total comprehensive income for the year ended June 30, 2025							
Profit for the year	-	-	-	-	-	2,689,308	2,689,308
Other comprehensive loss for the year	-	-	-	197,404	-	(535,469)	(338,065)
	-	-	-	197,404	-	2,153,839	2,351,243
Balance as at June 30, 2025	8,809,163	234,868	4,672,533	417,582	59,835,137	(65,700,834)	8,268,449

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - D

SUI SOUTHERN GAS COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	47	26,732,781	29,283,943
Financial charges paid		(15,246,584)	(15,936,880)
Employee retirement benefits paid		(243,603)	(204,818)
Contribution paid for employee retirement benefits		(2,538,700)	(881,913)
Long term security deposits received		7,686,378	3,620,105
Long term deposits paid		(1,317)	(1,585)
Loans and advances to employee - net		151,408	169,060
Interest income received		541,040	337,487
Taxes paid		(39,314,846)	(5,862,025)
Net cash flows (used in) / generated from operating activities		(22,233,443)	10,523,374
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(33,336,255)	(23,704,806)
Proceeds from sale of property, plant and equipment		73,709	117,693
Payment against payable for transfer of pipeline		(135,733)	(135,733)
Dividend received		40,490	5,220
Net cash flows used in investing activities		(33,357,789)	(23,717,626)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		20,000,000	15,018,320
Repayments of long term financing		(9,273,205)	(4,666,667)
Proceeds from consumer finance		1,056	-
Repayment of consumer finance		(275)	(276)
Repayment of lease liability		(104,039)	(97,043)
Net cash flows generated from financing activities		10,623,537	10,254,334
Net decrease in cash and cash equivalents		(44,967,695)	(2,939,918)
Cash and cash equivalents at beginning of the year		(36,651,604)	(33,711,686)
Cash and cash equivalents at the end of the year	47.2.1	(81,619,299)	(36,651,604)

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - E

SUI SOUTHERN GAS COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
Revenue from contracts with customers - Gas sales	37	450,699,488	447,319,257
(Less) / Add: Tariff adjustment	38	(4,255,351)	53,209,635
		446,444,137	500,528,892
Less: Cost of gas sales	39	(434,103,241)	(487,762,509)
Gross profit		12,340,896	12,766,383
Less: Operating Expenses			
Administrative and selling expenses	40	(7,577,865)	(7,404,764)
Other operating expenses	41	(3,166,070)	(22,852,714)
Allowance for expected credit loss		(5,716,317)	(1,950,297)
		(16,460,252)	(32,207,775)
		(4,119,356)	(19,441,392)
Other operating income	42	24,629,329	44,590,282
Operating profit		20,509,973	25,148,890
Finance cost	43	(12,152,632)	(13,396,840)
Profit before levy and taxation		8,357,341	11,752,050
Levy			
Minimum tax differential		(4,402,530)	(2,370,259)
Final tax		(6,074)	(783)
		(4,408,604)	(2,371,042)
Profit before taxation		3,948,737	9,381,008
Taxation	44	(507,485)	(1,088,991)
Profit for the year		3,441,252	8,292,017
		(Rupees)	
Earnings per share - basic and diluted	46	3.91	9.41

The annexed notes 1 to 58 form an integral part of these consolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - F

SUI SOUTHERN GAS COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share Capital	21	8,809,163	8,809,163
Reserves	22	4,907,401	4,907,401
Surplus on re-measurement of FVTOCI securities		417,582	220,178
Surplus on revaluation of property, plant and equipment	23	60,742,638	60,742,638
Accumulated loss		(62,729,565)	(65,629,182)
		12,147,219	9,050,198
LIABILITIES			
Non-current liabilities			
Long term financing	24	11,049,039	34,561,766
Security deposits	25	39,903,488	32,160,682
Employee benefits	26	9,631,488	7,270,658
Payable against transfer of pipeline	27	430,722	523,169
Deferred grant	28	5,612,881	5,759,812
Contract liabilities	29	12,248,838	10,274,822
Lease liabilities	30	31,812	40,730
Long term advances	31	3,610,466	2,508,204
Total non-current liabilities		82,518,734	93,099,843
Current liabilities			
Current portion of			
Long term financing	32	42,354,518	7,978,924
Payable against transfer of pipeline	27	92,447	84,527
Deferred grant	28	573,451	566,724
Contract liabilities	29	334,269	286,977
Lease liabilities	30	82,352	68,706
Short term borrowings	33	82,806,374	37,774,786
Trade and other payables	34	898,310,576	1,032,140,111
Unclaimed dividend		341,320	341,320
Interest accrued	35	2,330,568	3,314,255
Total current liabilities		1,027,225,875	1,082,556,330
Total liabilities		1,109,744,609	1,175,656,173
Total equity and liabilities		1,121,891,828	1,184,706,371
CONTINGENCIES AND COMMITMENTS	36		

The annexed notes 1 to 58 form an integral part of these consolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

SUI SOUTHERN GAS COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	5	232,203,374	207,513,021
Intangible assets	6	255,948	186,844
Right of use assets	7	101,639	104,742
Deferred taxation	8	11,067,233	11,045,364
Long term investments	9	454,109	256,705
Long term loans	10	193,309	185,309
Long term deposits		24,038	22,721
Total non-current assets		244,299,650	219,314,706
Current assets			
Stores, spares and loose tools	11	4,357,324	4,037,364
Stock-in-trade	12	3,915,698	4,486,443
Customers' installation work-in-progress	13	249,970	289,376
Trade debts	14	130,982,705	127,486,086
Loans and advances	15	620,604	367,869
Advances, deposits, and prepayments	16	810,794	443,476
Interest accrued	17	682,659	679,451
Other receivables	18	681,590,342	809,210,318
Taxation - net	19	51,327,204	16,126,534
Short term investments		129,223	129,223
Cash and bank balances	20	2,925,655	2,135,525
Total current assets		877,592,178	965,391,665
Total assets		1,121,891,828	1,184,706,371

The annexed notes 1 to 58 form an integral part of these consolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - G

SUI SOUTHERN GAS COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up capital (Note 21.2)	Reserves		Surplus on re-measurement of FVTOCI securities	Surplus on revaluation of property, plant and equipment (Note 23)	Accumulated loss	Total
		Capital reserves (Note 22)	Revenue reserves (Note 22)				
	(Rupees in '000)						
Balance as at July 01, 2023	8,809,163	234,868	4,672,533	115,177	60,742,638	(75,591,728)	(1,017,349)
Total comprehensive income for the year ended June 30, 2024							
Profit for the year	-	-	-	-	-	8,292,017	8,292,017
Other comprehensive income for the year	-	-	-	105,001	-	1,670,529	1,775,530
	-	-	-	105,001	-	9,962,546	10,067,547
Balance as at June 30, 2024	8,809,163	234,868	4,672,533	220,178	60,742,638	(65,629,182)	9,050,198
Total comprehensive income for the year ended June 30, 2025							
Profit for the year	-	-	-	-	-	3,441,252	3,441,252
Other comprehensive loss for the year	-	-	-	197,404	-	(541,635)	(344,231)
	-	-	-	197,404	-	2,899,617	3,097,021
Balance as at June 30, 2025	8,809,163	234,868	4,672,533	417,582	60,742,638	(62,729,565)	12,147,219

The annexed notes 1 to 58 form an integral part of these consolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI

Annexure - H

SUI SOUTHERN GAS COMPANY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	47	29,017,357	33,791,029
Financial charges paid		(15,398,381)	(15,963,607)
Employee benefits paid		(241,897)	(204,818)
Payment for retirement benefits		(2,540,200)	(860,567)
Security deposits received - net		7,742,806	3,465,711
Deposits paid - net		(1,317)	(41,539)
Loans and advances to employee - net		(260,735)	(93,083)
Interest income received		514,294	413,548
Taxes paid		(40,134,686)	(7,876,022)
Net cash flows (used in) / generated from operating activities		(21,302,759)	12,630,652
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(33,537,266)	(24,084,798)
Proceeds from disposal of property, plant and equipment		74,601	121,021
Payment against payable for transfer of pipeline		(135,736)	(135,736)
Dividend received		40,490	5,220
Net cash used in investing activities		(33,557,911)	(24,094,293)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans		20,000,000	15,018,320
Repayments of loans		(9,273,205)	(4,666,667)
Proceeds from consumer finance		1,056	-
Repayment of consumer finance		(275)	(275)
Repayment of lease liability		(108,364)	(99,169)
Net cash generated from financing activities		10,619,212	10,252,209
Net decrease in cash and cash equivalents		(44,241,458)	(1,211,432)
Cash and cash equivalents at beginning of the year		(35,639,261)	(34,427,829)
Cash and cash equivalents at the end of the year	47.3	(79,880,719)	(35,639,261)

The annexed notes 1 to 58 form an integral part of these consolidated financial statements.

SUI SOUTHERN GAS CO. LTD. SSGC KARACHI