



Pakistan Oilfields Limited



Condensed Interim Financial Statements

For the three months period ended
September 30, 2019

VISION

To be the leading oil and gas exploration and production Company of Pakistan with the highest proven hydrocarbon reserves and production, and which provides optimum value to all stakeholders.

MISSION

We aim to discover and develop new hydrocarbon reserves and enhance production from existing reserves through the application of the best available technologies and expertise.

In achieving our aim, we will maximize the return to our shareholders, fully protect the environment, enhance the wellbeing of our employees and contribute to the national economy.

Contents

Corporate Information	02
Directors' Report	03
ڈائریکٹرز رپورٹ	07
Condensed Interim Separate Financial Statements	
Statement of Financial Position	10
Statement of Profit or Loss	12
Statement of Profit or Loss and Other Comprehensive Income	13
Statement of Changes in Equity	14
Statement of Cash Flows	15
Notes to and forming part of Financial Statements	16
Condensed Interim Consolidated Financial Statements	
Statement of Financial Position	26
Statement of Profit or Loss	28
Statement of Profit or Loss and Other Comprehensive Income	29
Statement of Changes in Equity	30
Statement of Cash Flows	31
Notes to and forming part of Financial Statements	32
Exploration & Development Interests	40

Corporate Information

Directors

Mr. Laith G. Pharaon

Chairman Attock Group of Companies
Alternate Director - **Mr. Shuaib A. Malik**

Mr. Wael G. Pharaon

Alternate Director - **Mr. Babar Bashir Nawaz**

Mr. Sajid Nawaz

Mr. Abdus Sattar

Mr. Tariq Iqbal Khan

Mr. Nihal Cassim

Mr. Shuaib A. Malik

Chairman & Chief Executive

Audit Committee

Mr. Abdus Sattar

Chairman

Mr. Babar Bashir Nawaz

Member

Mr. Nihal Cassim

Member

Mr. Tariq Iqbal Khan

Member

Human Resource and Remuneration (HR &R) Committee

Mr. Babar Bashir Nawaz

Chairman

Mr. Shuaib A. Malik

Member

Mr. Abdus Sattar

Member

Company Secretary / CFO

Mr. Khalid Nafees

Auditors & Tax Advisors

A.F. Ferguson & Co.

Chartered Accountants

Legal Advisors

Khan & Piracha

Ali Sibtain Fazli & Associates

Registered Office

Pakistan Oilfields Limited
P.O.L. House, Morgah, Rawalpindi.

Telephone: +92 51 5487589-97

Fax: + 92 51 5487598-99

E-mail: polcms@pakoil.com.pk

Website: www.pakoil.com.pk

Shareholder's Enquiries

For enquiries about your shareholding, including information relating to dividends or share certificates, please:

E-mail to: cs@pakoil.com.pk or

Write to: The Company Secretary,
Pakistan Oilfields Limited
P.O.L. House, Morgah, Rawalpindi,
Pakistan.

Share Registrar

CDC Share Registrar Services Limited
CDC House 99-B, Block 'B' S.M.C.H.S, Main
Shahra-e-Faisal, Karachi.

Quarterly Report

The quarterly report can be downloaded from the Company's website:

www.pakoil.com.pk

printed copies can be obtained by writing to:

The Company Secretary,
Pakistan Oilfields Limited
P.O.L. House, Morgah, Rawalpindi,
Pakistan.



Directors' Report

In the name of ALLAH, The Most Gracious, The Most Merciful

Assalam-u-Alaikum!

The Directors have pleasure in presenting a brief review of the operations and financial results of the Company for the 1st quarter ended September 30, 2019.

Financial results

During the period, the Company has made a profit after tax of Rs. 4,008 million (September 30, 2018: Rs. 3,867 million), which is higher by 3.6 % as compared to the corresponding period last year. The profit translates into basic and diluted earnings per share of Rs. 14.12 (September 30, 2018: Rs. 13.62). Decrease in production volume of crude oil, gas and LPG by 5.7%, 3.8% and 2.2% respectively in comparison to corresponding period last year is mainly attributable to Annual Turnaround (ATA) of Plants at TAL block. During the period, the Company made a Consolidated profit after tax of Rs. 3,884 million (September 30, 2018: Rs. 3,571 million) which translate into consolidated earnings per share of Rs. 13.68 (September 30, 2018: Rs. 12.57).

Production

The following is a comparison of production from the Company's own fields, including proportionate share from all operated and non-operated joint ventures:

		Three months period ended	
		Sep 30, 2019	Sep 30, 2018
Crude Oil/Condensate	US Barrels	600,793	636,857
Gas	Million Cubic Feet	7,737	8,040
LPG	Metric Tonnes	14,279	14,605
Sulphur	Metric Tonnes	117	199
Solvent Oil	US Barrels	5,468	6,058

The Company's share in production, including that from joint ventures, for the period under review averaged 6,530 barrels per day (bpd) of crude, 84.11 million standard cubic feet per day (mmscfd) of gas, 155.21 metric tonnes per day (MTD) of LPG, 1.27 MTD of sulphur and 59 bpd of solvent oil.

Exploration and development activities

Producing Fields

At Balkassar Lease (100% owned by POL), POL-1 well expected results were not found and in order to evaluate possibility of fracturing, Mechanical Earth Modeling study is in progress. Balkassar Deep an exploratory well (to explore deeper horizons) has been staked and Rig-up activity is in progress.

At Pindori Lease (operated by POL with 35% share), Pindori-10 (side track-1) is under drilling at depth of 8,684 ft.

At Tal block, (operated by MOL, where POL has pre-commerciality share of 25%), Makori Deep-2 well was tested and produced 1,844 bpd of oil and 18.25 mmscfd of gas at 32/64" fixed choke size at

the flowing wellhead pressure of 3,767 psi. Production from the well is expected to start from December 2019.

Mardankhel-4 well location has been finalized while Makori East-7 well location is under review.

At Adhi field (operated by Pakistan Petroleum Limited, where POL has 11% share),

Adhi-33: Well was spudded on June 27, 2019 and achieved its target depth. Presently, well testing is in progress.

Adhi-34: Well was spudded on June 30, 2019, drilling at 7,287 ft is in progress.

Adhi South-4: Well was spudded on June 28, 2019 and achieved its target depth. Presently, well testing is in progress.

At Ratana Field (operated by Ocean Pakistan Limited, where POL has 4.545% share), based on 3D seismic fractured study Ratana-5 well has been approved and expected to be drilled during this year.

Exploration blocks

At Ikhlas block (operated by POL with 80% share), Working on way forward of Ikhlas concession is in progress. 3D Seismic acquisition over Langrial prospect is in progress. Presently, "Jhandial – 2" well has been approved staked and expected to be spudded in the second quarter of financial year 2020.

At DG Khan block (operated by POL with 70% share), based on 2D Seismic data, DGK-1 well has been finalized and presently road to well location and well site construction is in the planning phase.

At Margala block (operated by MOL where POL has 30% share), 2D Seismic data acquisition has been completed and data processing is in progress.

At Tal block (operated by MOL, where POL has pre-commerciality share of 25%), at KOT area 3D Seismic data acquisition of 152.993 square kilometers has been completed and data processing is in progress. At TAL West area 3D Seismic data acquisition of 580 square kilometers has been started.

Mamikhel South as exploratory well has been spudded on October 06, 2019 and drilling is in progress.

At Gurgalot block (operated by OGDCL where POL has 20% share), Gurgalot 3D seismic data processing is in progress.

Acknowledgement

The Board would like to extend its gratitude to all its stakeholders for their continuous support, which they have extended to Pakistan Oilfields Limited.

On behalf of the Board



Shuaib A. Malik
Chairman & Chief Executive



Abdus Sattar
Director

Rawalpindi
October 15, 2019

دریافتی قطععات:

اخلاص بلاک (۸۰ فی صد حصص کے ساتھ زیر انتظام پی او ایل) میں مزید کام جاری ہے۔

لنگڑیال کے امکانات کے متعلق 3D ارضیاتی اعداد و شمار پر کام جاری ہے۔ فی الوقت "جنڈیال-۲" کنویں کی منظوری دی جا چکی ہے۔ کام کا آغاز ہو چکا ہے، امید ہے کہ مالی سال ۲۰۲۰ء کی دوسری سہ ماہی میں کھدائی کا آغاز ہو جائے گا۔

ڈی جی خان بلاک (۷۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) 2D ارضیاتی اعداد و شمار کی بنیاد پر 1-DGK کنویں کا حتمی فیصلہ کر لیا گیا ہے اور فی الوقت کنویں کی جگہ تک سرک اور کنویں کی جگہ کی تعمیر پر کام منصوبہ بندی کے مرحلے میں ہے۔

مارگلہ بلاک (زیر انتظام مول جہاں پی او ایل کا حصہ ۳۰ فی صد ہے) 2D ارضیاتی اعداد و شمار حاصل ہو گئے ہیں۔ اب ان پر عمل جاری ہے۔

تل بلاک (زیر انتظام مول جہاں پی او ایل کا قبل از تجارتی پیداوار حصہ ۲۵ فی صد ہے) KOT کے علاقے میں ۱۵۲.۹۹۳ مربع کلومیٹر کے علاقے کے 3D ارضیاتی اعداد و شمار مکمل کر لئے گئے ہیں۔ اب ان پر عمل جاری ہے۔ تل غربی کے علاقے میں ۵۸۰ مربع کلومیٹر کے علاقے کے 3D ارضیاتی اعداد و شمار کے حصول پر کام شروع ہو چکا ہے۔

مامی خیل جنوبی میں ایک دریافتی کنویں کی کھدائی کا آغاز ۶ اکتوبر ۲۰۱۹ء کو ہو چکا ہے اور کھدائی جاری ہے۔

گرگلوٹ بلاک (زیر انتظام اوجی ڈی سی ایل جہاں پی او ایل کا حصہ ۲۰ فی صد ہے) گرگلوٹ 3D ارضیاتی اعداد و شمار پر عمل جاری ہے۔

اعتراف:

بورڈ تمام سٹیک ہولڈرز کا پاکستان آئل فیلڈ لمیٹڈ کے ساتھ مسلسل تعاون کرنے پر ان کا شکر گزار ہے۔

عبدالستار

عبدالستار

ڈائریکٹر

شعیب اے ملک

چیرمین و چیف ایگزیکٹو

راولپنڈی،

۱۵ اکتوبر، ۲۰۱۹ء

زیر جائزہ مدت میں کمپنی کی یومیہ پیداوار بشمول مشترکہ منصوبوں کے اوسطاً یوں رہی:
خام تیل ۶۰،۵۳۰ بیرلز، گیس ۸۴.۱۱ ملین سٹینڈرڈ مکعب فٹ، مائع پٹرولیم گیس ۱۵۵.۲۱ میٹرک ٹن، سلفر ۱.۲۷ میٹرک ٹن اور سالونٹ آئل
۵۹ بیرلز۔

دریافتی اور ترقیاتی سرگرمیاں:

پیداواری قطعات:

بلکسر (۱۰۰ فی صد پی او ایل کی ملکیت) پی او ایل۔ کنویں سے مطلوبہ نتائج حاصل نہیں ہوئے، زمین کی شکست وریخت کو جانچنے کے لئے مکینیکل ماڈلنگ مطالعہ جاری ہے۔ بلکسر ڈیپ دریافتی کنواں (زیادہ عمیق گہرائیاں دریافت کرنے کے لئے) پر کام کا آغاز ہو چکا ہے اور رگ اپ سرگرمی جاری ہے۔

پنڈوری (۳۵ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) پنڈوری۔ ۱۰ (ضمنی ٹریک۔ ۱) کی ۸،۶۸۴ فٹ کی گہرائی پر کھدائی ہو رہی ہے۔

تل بلاک (زیر انتظام مول جہاں قبل از تجارتی پیداواری پی او ایل کا حصہ ۲۵ فی صد ہے)

ملوڑی ڈیپ۔ ۲ کی جانچ سے یومیہ ۱،۸۴۴ بیرلز تیل اور ۱۸.۲۵ ملین مکعب فٹ گیس ۳۲/۶۴ فکسڈ چوک سائز پر بہاؤ کے دباؤ ۳،۷۶۷ psi پر حاصل ہوئی۔ کنویں سے پیداوار کا حصول دسمبر ۲۰۱۹ء سے متوقع ہے۔

مردان خیل۔ ۴ کنویں کی جگہ کا تعین کر لیا گیا ہے۔ جبکہ ملوڑی شرقی۔ ۷ کنویں کی جگہ کا تعین کیا جا رہا ہے۔

آہدی (زیر انتظام پی پی ایل جہاں پی او ایل کا حصہ ۱۱ فی صد ہے)

آہدی۔ ۳۳: کنویں کی کھدائی کا آغاز ۲۷ جون ۲۰۱۹ء کو ہوا، مطلوبہ ہدف تک کھدائی مکمل ہو چکی ہے۔ فی الوقت کنویں کی جانچ جاری ہے۔

آہدی۔ ۳۴: کنویں کی کھدائی کا آغاز ۳۰ جون ۲۰۱۹ء کو ہوا، ۷،۲۸۷ فٹ پر کھدائی جاری ہے۔

آہدی جنوبی۔ ۴: کنویں کا آغاز ۲۸ جون ۲۰۱۹ء کو ہوا، مطلوبہ ہدف تک کھدائی مکمل ہو چکی ہے۔ فی الوقت کنویں کی جانچ جاری ہے۔

رتانہ: (زیر انتظام اوشین پاکستان لمیٹڈ جہاں پی او ایل کا حصہ ۵۴.۴۵ فی صد ہے) رتانہ۔ ۵ کے ارضیاتی شکست وریخت کے مطالعے کی منظوری دی جا چکی ہے اور توقع ہے کہ رواں سال کھدائی کا آغاز ہو جائے گا۔

ڈائریکٹرز رپورٹ

شروع اللہ کے نام سے جو بے حد مہربان نہایت رحم کرنے والا ہے۔

السلام علیکم!

ڈائریکٹرز کو ۳۰ ستمبر، ۲۰۱۹ء کو اختتام پذیر سہ ماہی کے مالیاتی نتائج اور کمپنی کے اُمور کا خلاصہ پیش کرتے ہوئے فرحت محسوس ہو رہی ہے۔

مالیاتی نتائج:

اس عرصے میں کمپنی نے بعد از ٹیکس ۴،۰۰۸ ملین روپے منافع حاصل کیا جو گذشتہ برس اسی دورانیے (۳۰ ستمبر، ۲۰۱۸ء : ۳،۸۶۷ ملین روپے) کے مقابلے میں ۳۶ فی صدزائد ہے۔ یہ منافع فی حصص آمدنی ۱۲.۱۲ روپے (۳۰ ستمبر، ۲۰۱۸ء : ۱۳.۶۲ روپے) کو ظاہر کرتا ہے۔ گذشتہ برس کے اسی دورانیے کے مقابلے میں خام تیل، گیس اور ایل پی جی کی پیداوار بالترتیب ۷.۵، ۳.۸ اور ۲.۲ فی صد کم رہی جس کی بڑی وجہ تیل بلاک میں پلانٹس کی سالانہ مرمت و بندش تھی۔ اس عرصہ میں کمپنی نے مجموعی منافع بعد از ٹیکس ۳،۸۸۳ ملین روپے حاصل کیا (۳۰ ستمبر، ۲۰۱۸ء : ۳،۵۷۱ ملین روپے) جو فی حصص مجموعی منافع ۶۸.۱۳ روپے (۳۰ ستمبر، ۲۰۱۸ء : ۱۲.۵۷ روپے) کو ظاہر کرتا ہے۔

پیداوار:

کمپنی کی اپنی اور دیگر انتظامی و غیر انتظامی مشترکہ منصوبوں سے حاصل شدہ مناسب پیداوار کا موازنہ درج ذیل ہے:

اختتام پذیر تین ماہ

۳۰ ستمبر، ۲۰۱۸ء	۳۰ ستمبر، ۲۰۱۹ء		
۶۳۶،۸۵۷	۶۰۰،۷۹۳	(یو ایس بیرل)	خام تیل / Condensate
۸،۰۴۰	۷،۷۳۷	(ملین کیوبک فٹ)	گیس
۱۴،۶۰۵	۱۴،۲۷۹	(LPG) (میٹرک ٹن)	مائع پٹرولیم گیس
۱۹۹	۱۱۷	(میٹرک ٹن)	سلفر
۶،۰۵۸	۵،۴۶۸	(یو ایس بیرل)	سالونٹ آئل



**Condensed Interim
Financial Statements (Unaudited)
For the three months period ended September 30, 2019**

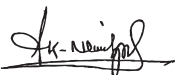
Condensed Interim Statement of Financial Position

As at September 30, 2019

	Note	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorised capital			
500,000,000 (June 30, 2019: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital			
283,855,104 (June 30, 2019: 283,855,104) ordinary shares of Rs 10 each		2,838,551	2,838,551
Revenue reserves	3	30,724,763	35,232,446
		33,563,314	38,070,997
NON CURRENT LIABILITIES			
Long term deposits		847,921	844,756
Deferred liabilities	4	17,336,790	17,057,400
		18,184,711	17,902,156
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	5	19,500,032	19,329,256
Dividend Payable		4,014,129	-
Unclaimed dividend		189,303	191,166
Provision for income tax		6,525,624	5,996,250
		30,229,088	25,516,672
CONTINGENCIES AND COMMITMENTS	6		
		81,977,113	81,489,825

		(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Note	Rupees ('000)	
NON CURRENT ASSETS			
Property, plant and equipment	7	8,236,787	8,498,830
Development and decommissioning costs	8	11,242,847	11,053,586
Exploration and evaluation assets	9	94,951	52,761
		19,574,585	19,605,177
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES			
	10	9,615,603	9,615,603
LONG TERM LOANS AND ADVANCES			
		28,248	26,273
CURRENT ASSETS			
Stores and spares		4,745,643	3,917,736
Stock in trade		396,095	297,331
Trade debts	11	7,971,287	8,908,128
Advances, deposits, prepayments and other receivables	12	2,936,098	2,544,659
Other financial assets	13	9,028	813,478
Cash and bank balances	14	36,700,526	35,761,440
		52,758,677	52,242,772
		81,977,113	81,489,825

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive



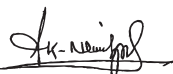
Abdus Sattar
Director

Condensed Interim Statement of Profit or Loss (Unaudited)

For the three months period ended September 30, 2019

	Note	Three months period ended	
		Sep 30, 2019	Sep 30, 2018
		Rupees ('000)	
SALES		11,082,693	11,522,815
Sales tax		(831,207)	(952,378)
NET SALES	15	10,251,486	10,570,437
Operating costs	16	(2,250,977)	(2,778,655)
Excise duty		(73,590)	(77,669)
Royalty		(1,118,059)	(1,084,385)
Amortisation of development and decommissioning costs		(513,456)	(773,721)
		(3,956,082)	(4,714,430)
GROSS PROFIT		6,295,404	5,856,007
Exploration costs	17	(375,831)	(731,265)
		5,919,573	5,124,742
Administration expenses		(54,606)	(57,360)
Finance costs	18	(138,743)	(401,744)
Other charges	19	(400,582)	(371,872)
		(593,931)	(830,976)
		5,325,642	4,293,766
Other income	20	467,098	840,655
PROFIT BEFORE TAXATION		5,792,740	5,134,421
Provision for taxation	21	(1,784,770)	(1,267,332)
PROFIT FOR THE PERIOD		4,007,970	3,867,089
Earnings per share - Basic and diluted (Rs)		14.12	13.62

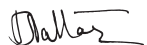
The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



 Khalid Nafees
CFO



 Shuaib A. Malik
Chief Executive



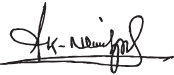
 Abdus Sattar
Director

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the three months period ended September 30, 2019

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	Rupees ('000)	
Profit for the period	4,007,970	3,867,089
Other Comprehensive Income for the period	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4,007,970	3,867,089

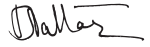
The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive

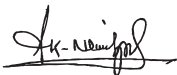


Abdus Sattar
Director

Condensed Interim Statement of Changes in Equity (Unaudited)
For the three months period ended September 30, 2019

	Share Capital	Capital Reserves	Revenue reserves			Fair value gain/ (loss) on available-for-sale investments	Total
		Reserve for issue of bonus shares	Insurance Reserve	Investment Reserve	Unappropriated profit		
Rupees ('000)							
Balance at June 30, 2018	2,365,459	-	200,000	1,557,794	28,643,259	2,227	32,768,739
Total comprehensive income for the period:							
Profit for the period	-	-	-	-	3,867,089	-	3,867,089
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	3,867,089	-	3,867,089
Transferred to reserve for issue of bonus shares	-	473,092	-	-	(473,092)	-	-
Transactions with owners:							
Bonus share issued @ 20% - Year ended June 30, 2018	473,092	(473,092)	-	-	-	-	-
Final dividend @ Rs 25 per share - Year ended June 30, 2018	-	-	-	-	(5,913,648)	-	(5,913,648)
Total transactions with owners	473,092	(473,092)	-	-	(5,913,648)	-	(5,913,648)
Balance at September 30, 2018	2,838,551	-	200,000	1,557,794	26,123,608	2,227	30,722,180
Total comprehensive income for the period:							
Profit for the period	-	-	-	-	13,004,618	(2,227)	13,002,391
Other comprehensive income	-	-	-	-	23,528	-	23,528
	-	-	-	-	13,028,146	(2,227)	13,025,919
Transaction with owners:							
Interim dividend @ Rs 20 per share - Year ended June 30, 2019	-	-	-	-	(5,677,102)	-	(5,677,102)
Total transactions with owners	-	-	-	-	(5,677,102)	-	(5,677,102)
Balance at June 30, 2019	2,838,551	-	200,000	1,557,794	33,474,652	-	38,070,997
Total comprehensive income for the period:							
Profit for the period	-	-	-	-	4,007,970	-	4,007,970
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	4,007,970	-	4,007,970
Transactions with owners:							
Final dividend @ Rs 30 per share - Year ended June 30, 2019	-	-	-	-	(8,515,653)	-	(8,515,653)
Total transactions with owners	-	-	-	-	(8,515,653)	-	(8,515,653)
Balance at September 30, 2019	2,838,551	-	200,000	1,557,794	28,966,969	-	33,563,314

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

Condensed Interim Statement of Cash Flows (Unaudited)

For the three months period ended September 30, 2019

Three months period ended

Sep 30, 2019	Sep 30, 2018
—Rupees ('000)—	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	11,340,933	10,311,344
Operating and exploration costs paid	(3,059,565)	(2,716,988)
Royalty paid	(1,038,009)	(931,950)
Taxes paid	(1,111,190)	(723,244)
Cash provided by operating activities	6,132,169	5,939,162

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure	(893,928)	(88,082)
Proceeds from disposal of property, plant and equipment	-	318
Income on bank deposits and held-to-maturity investments	670,804	233,730
Cash (used)/generated in investing activities	(223,124)	145,966

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid	(4,503,387)	(4,583)
---------------	--------------------	---------

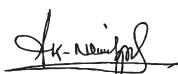
EFFECT OF EXCHANGE RATE CHANGES	(466,572)	174,265
--	------------------	---------

INCREASE IN CASH AND CASH EQUIVALENTS	939,086	6,254,810
--	----------------	-----------

CASH AND CASH EQUIVALENTS AT JULY 01,	35,761,440	21,532,841
--	-------------------	------------

CASH AND CASH EQUIVALENTS AT SEP 30,	36,700,526	27,787,651
---	-------------------	------------

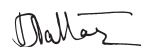
The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



 Khalid Nafees
CFO



 Shuaib A. Malik
Chief Executive



 Abdus Sattar
Director

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

1. Legal status and operations

Pakistan Oilfields Limited (the Company) is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas in Pakistan. Its activities also include marketing of liquefied petroleum gas under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Coral Holding Limited.

2. Basis of preparation

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International accounting standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2019.

2.1 Changes in accounting standards, interpretations and pronouncements

Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

'IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The changes laid down by this standard do not have any significant impact on these financial statements of the Company.

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
3. Revenue reserves		
Insurance reserve	200,000	200,000
Investment reserve	1,557,794	1,557,794
Unappropriated profit	28,966,969	33,474,652
	30,724,763	35,232,446
4. Deferred liabilities		
Provision for deferred income tax	5,382,273	5,238,067
Provision for decommissioning cost	11,946,792	11,811,608
Provision for staff compensated absences	7,725	7,725
	17,336,790	17,057,400

5. Trade and other payables

These include balance due to joint venture partners amounting to Rs 1,505,849 thousand (June 30, 2019: Rs 1,710,334 thousand) and balances due to related parties amounting to Rs 511,388 thousand (June 30, 2019: Rs 1,477,716 thousand).

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
6. Contingencies and commitments		
Commitments:		
- Share in joint ventures	11,875,306	12,956,173
- Own fields	3,757,553	3,879,260
- Letter of credit issued by banks on behalf of the company	313,994	1,060,495
7. Property, plant and equipment		
Opening net book value	7,747,259	8,754,987
Additions during the period / year	189,640	635,286
Depreciation for the period / year	(408,178)	(1,632,016)
Disposals during the period / year	-	(10,998)
Closing net book value	7,528,721	7,747,259
Capital work in progress - at cost	708,066	751,571
	8,236,787	8,498,830

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
8. Development and decommissioning costs		
Development cost		
Opening net book value	10,886,151	12,175,661
Additions during the period / year	702,717	1,522,774
Revision due to change in estimates	-	(748,330)
Well cost transferred from exploration and evaluation assets	-	1,679,562
Amortisation for the period / year	(496,134)	(3,743,516)
Closing book value	11,092,734	10,886,151
Decommissioning cost		
Opening net book value	167,435	421,059
Additions during the period / year	-	48,385
Revision due to change in estimates	-	(271,192)
Amortisation for the period / year	(17,322)	(30,817)
Closing book value	150,113	167,435
	11,242,847	11,053,586
9. Exploration and evaluation assets		
Balance brought forward	52,761	2,590,790
Additions during the period/ year	42,190	760,589
	94,951	3,351,379
Wells cost transferred to development costs	-	(1,679,562)
Dry and abandoned wells cost charged to the profit & loss account	-	(1,619,056)
	94,951	52,761

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

	<u>(Unaudited)</u>		<u>(Audited)</u>	
	<u>September 30, 2019</u>		<u>June 30, 2019</u>	
	Percentage holding	Amount Rupees ('000)	Percentage holding	Amount Rupees ('000)
10. Long term investments in subsidiary and associated companies -at cost				
Subsidiary company				
Unquoted				
Caggas (Private) Limited	51	1,530	51	1,530
Associated companies				
Quoted				
National Refinery Limited	25	8,046,635	25	8,046,635
Attock Petroleum Limited	7	1,562,938	7	1,562,938
Unquoted				
Attock Information Technology Services (Private) Limited	10	4,500	10	4,500
		9,615,603		9,615,603

11. Trade debts

These include Rs 3,846,799 thousand (June 30, 2019: Rs 4,286,337 thousand) receivable from related parties.

12. Advances, deposits, prepayments and other receivables

These include balances with joint venture partners amounting to Rs 243,957 thousand (June 30, 2019 : Rs 134,476 thousand) and balances with related parties amounting to Rs 121,907 thousand (June 30, 2019 : Rs 98,729 thousand).

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>Sep 30, 2019</u>	<u>June 30, 2019</u>
	Rupees ('000)	
13. Other financial assets		
Investments in mutual funds classified as fair value through profit or loss	9,028	813,478

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
14. Cash and bank balances		
Bank balance on:		
Short term deposits	31,829,642	32,182,288
Interest/ mark-up bearing saving accounts	4,853,693	3,519,913
Current account	12,760	53,922
	36,696,095	35,756,123
Cash in hand	4,431	5,317
	36,700,526	35,761,440

Balance with banks include foreign currency balances of US \$ 120,336 thousand (June 30, 2019: US \$ 117,967 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 1 % to 14.75% p.a (June 30, 2019: 2% to 13.35% p.a).

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	Rupees ('000)	
15. Net sales		
Crude oil	5,026,918	5,544,376
Gas - note 15.1	3,693,195	3,079,467
POLGAS - Refill of cylinders	1,473,076	1,886,377
Solvent oil	58,297	60,217
	10,251,486	10,570,437

15.1 On August 28, 2015, the Company signed the Supplemental Agreement with the Government of Pakistan (the Government) for conversion of TAL Block Petroleum Concession Agreement (PCA) signed under the 1997 Petroleum Policy to Petroleum (Exploration & Production) Policy 2012 (Petroleum Policy 2012). Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned block. The conversion package included Windfall levy on Natural gas only. Draft statements specifying sums aggregating US \$ 34,213 thousand (Rs 3,393,389 thousand) till June 30, 2015 due to the Company in respect of Mamikhel, Maramzi & Makori East discoveries in TAL block were submitted to the Government on December 8, 2015. On October 9, 2017 Oil and Gas Regulatory Authority (OGRA) issued gas price notifications of the subject arrears.

On December 27, 2017, the Ministry of Energy (Petroleum Division) notified certain amendments in Petroleum Policy 2012 which also included addition of following explanation of conversion package:

“the conversion package shall include (i) price of Natural Gas for New Exploration Efforts (ii) windfall levy on Natural Gas (iii) EWT gas production, pricing and obligations (iv) Windfall levy on Oil & Condensate, only for PCAs converting from 1994 and 1997 Petroleum Policies and (v) Financial obligations relating to production bonus, social welfare and training”.

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 & 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On January 03, 2018, Directorate General Petroleum Concessions (DGPC) has required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on legal advice, the Company is of the view that already executed Supplemental Agreement cannot be changed unilaterally, the Supplemental Agreement was signed under the Conversion Package where gas price was enhanced and Windfall Levy on Oil/Condensate (WLO) was not applicable, the impugned SRO by giving retrospective effect amounts to taking away the vested rights already accrued in favour of the Company. The Government has no authority to give any law or policy a retrospective effect. The Company filed Constitutional Petition challenging the imposition of WLO on February 19, 2018 against Federation of Pakistan through Ministry of Energy (Petroleum Division), Islamabad. The Honorable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. The case came up for hearing on June 12, 2019 but was adjourned on the request of legal counsel of the Government. The Islamabad High Court has fixed October 22, 2019 as next date of hearing.

On prudent basis additional revenue (net of sales tax) on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 since inception to September 30, 2019 amounting to Rs 11,309,795 thousand will be accounted for upon resolution of this matter. Additional revenue on account of enhanced gas price incentive of Rs 12,509,806 thousand including sales tax of Rs 1,817,664 thousand received from customer on the basis of notified prices has been shown under "trade and other payables".

Three months period ended

Sep 30, 2019	Sep 30, 2018
Rupees ('000)	

16. Operating costs

Operating Cost - Own fields	298,320	343,068
- Share in joint ventures	772,019	671,662
Well workover	46,629	392,186
POLGAS-Cost of gas /LPG, Carriage etc.	830,591	969,719
Pumping and transportation cost	12,789	8,742
Depreciation	389,393	396,207
	2,349,741	2,781,584
Opening stock of crude oil and other products	297,331	292,981
Closing stock of crude oil and other products	(396,095)	(295,910)
	2,250,977	2,778,655

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended September 30, 2019

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	Rupees ('000)	
17. Exploration costs		
Geological & geophysical cost	375,831	86,776
Dry and abandoned wells cost charged to the exploration costs	-	644,489
	375,831	731,265
18. Finance costs		
Provision for decommissioning cost-		
- Unwinding of discount	401,796	189,375
- Exchange (gain)/loss	(263,726)	210,910
Banks' commission and charges	673	1,459
	138,743	401,744
19. Other charges		
Workers' profit participation fund	309,666	275,299
Workers' welfare fund	90,916	96,573
	400,582	371,872
20. Other income		
Income from financial assets		
Income on bank deposits	769,824	425,029
Exchange (loss)/gain on financial assets	(466,572)	174,265
Dividend on available-for-sale investments	14,890	-
Dividend from investment in subsidiary and associated companies	69,847	145,515
Income from assets other than financial assets		
Rental income - net of related expenses	49,510	22,910
Crude oil transportation income - net of related expenses	19,949	44,502
Gas processing fee	4,406	28,084
Profit on sale of property, plant and equipment	-	318
Fair value adjustment on investments classified as fair value through profit or loss	4,924	-
Sale of stores and scrap	320	32
	467,098	840,655

**Notes to and forming part of the Condensed Interim
Financial Statements (Unaudited)**

For the three months period ended September 30, 2019

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	Rupees ('000)	
21. Provision for taxation		
Current	1,640,564	1,900,643
Deferred	144,206	(633,311)
	1,784,770	1,267,332
22. Transaction with related parties		
Aggregate transactions with related parties of the Company were as follows:		
Sales of goods and services to		
Associated companies	4,400,191	5,060,257
Subsidiary company	3,661	3,020
Purchase of goods and services from		
Associated companies	391,407	445,797
Subsidiary company	557	2,442
Parent company	29,163	37,161
Dividend paid		
Parent company	4,492,007	3,119,449
Associated companies	13,663	9,488
Dividend received		
Associated companies	69,847	345,432
Other related parties		
Remuneration of Chief Executive and key management personnel including benefits and perquisites	55,995	28,206
Contribution to staff retirement benefits plans		
Management Staff Pension Fund and Gratuity Fund	23,237	21,769
Approved Contributory Provident Funds	8,257	8,447
Contribution to Workers' Profit Participation Fund	309,666	275,299

**Notes to and forming part of the Condensed Interim
Financial Statements (Unaudited)**

For the three months period ended September 30, 2019

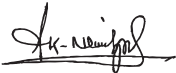
23. Operating segments

The financial statements have been prepared on the basis of single reportable segment. Revenue from external customers for products of the Company is disclosed in note 15.

Revenue from two major customers of the Company constitutes 66% of the total revenue during the period ended September 30, 2019 (September 30, 2018: 72%).

24. Date of authorisation

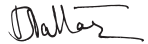
This condensed interim financial information was authorised for circulation to the shareholders by the Board of Directors of the Company on October 15, 2019.



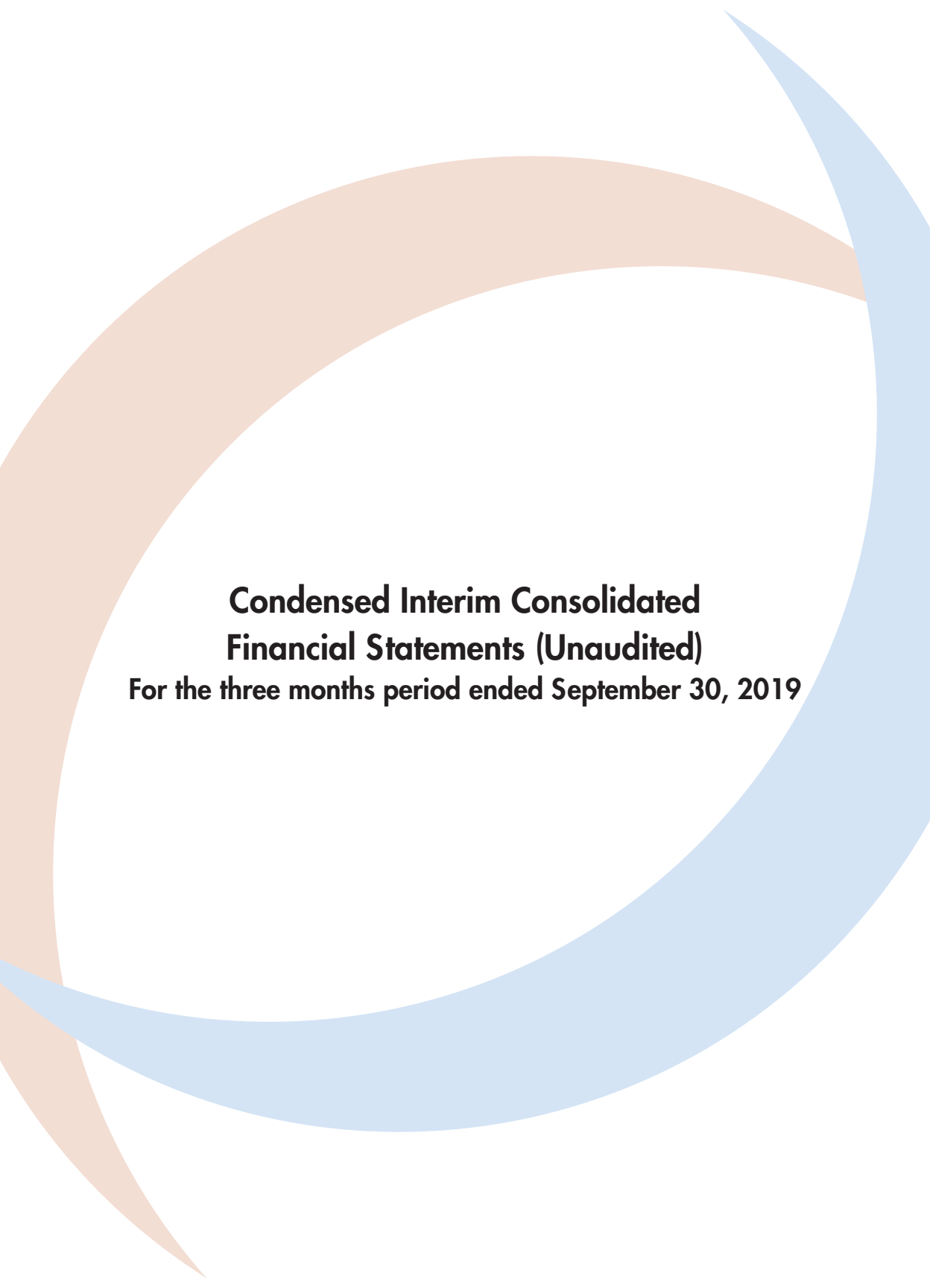
Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director



**Condensed Interim Consolidated
Financial Statements (Unaudited)**
For the three months period ended September 30, 2019

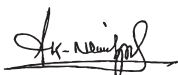
Condensed Interim Consolidated Statement of Financial Position

As at September 30, 2019

	Note	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Equity attributable to owners of POL			
Authorised capital		5,000,000	5,000,000
Issued, subscribed and paid-up capital		2,838,551	2,838,551
Capital reserves	4	2,027,863	2,027,863
Revenue reserves	5	31,983,649	36,615,085
Gain on remeasurement of investment at fair value through Other Comprehensive Income (OCI)		-	3,337
		36,850,063	41,484,836
NON - CONTROLLING INTEREST		116,557	117,124
		36,966,620	41,601,960
NON CURRENT LIABILITIES			
Long term deposits		980,807	976,516
Deferred liabilities	6	17,544,101	17,291,297
		18,524,908	18,267,813
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	7	19,519,748	19,344,762
Dividend payable		4,014,129	-
Unclaimed dividend		189,303	191,166
Provision for income tax		6,533,783	6,007,343
		30,256,963	25,543,271
CONTINGENCIES AND COMMITMENTS	8		
		85,748,491	85,413,044

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.

	Note	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
		Rupees ('000)	
NON CURRENT ASSETS			
Property, plant and equipment	9	8,292,456	8,557,119
Development and decommissioning costs	10	11,242,847	11,053,586
Exploration and evaluation assets	11	94,951	52,761
Other intangible assets		135,267	151,722
Deffered income tax asset		2,653	2,652
		19,768,174	19,817,840
LONG TERM INVESTMENT IN ASSOCIATED COMPANIES			
	12	12,983,525	13,135,926
LONG TERM LOANS AND ADVANCES			
		28,248	26,273
CURRENT ASSETS			
Stores and spares		4,746,315	3,918,405
Stock in trade		413,698	313,921
Trade debts	13	7,971,698	8,908,201
Advances, deposits, prepayments and other receivables	14	2,959,263	2,566,353
Other financial assets		77,724	880,749
Cash and bank balances	15	36,799,846	35,845,376
		52,968,544	52,433,005
		85,748,491	85,413,044



Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive

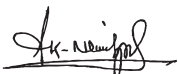


Abdus Sattar
Director

Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)
For the three months period ended September 30, 2019

	Note	Three months period ended	
		Sep 30, 2019	Sep 30, 2018
		Rupees ('000)	
SALES		11,298,634	11,792,857
Sales tax		(863,796)	(993,027)
NET SALES	16	10,434,838	10,799,830
Operating costs	17	(2,431,930)	(2,992,862)
Excise duty		(73,590)	(77,669)
Royalty		(1,118,059)	(1,084,385)
Amortisation of development and decommissioning costs		(513,456)	(773,721)
		(4,137,035)	(4,928,637)
GROSS PROFIT		6,297,803	5,871,193
Exploration costs	18	(375,831)	(731,265)
		5,921,972	5,139,928
Administration expenses		(60,407)	(62,388)
Finance costs	19	(138,743)	(401,744)
Other charges	20	(400,582)	(372,547)
		(599,732)	(836,679)
Other income	21	5,322,240	4,303,249
		399,495	694,768
Share in loss of associated companies		5,721,735	4,998,017
		(82,631)	(156,896)
PROFIT BEFORE TAXATION		5,639,104	4,841,121
Provision for taxation	22	(1,755,531)	(1,269,974)
PROFIT FOR THE PERIOD		3,883,573	3,571,147
Attributable to:			
Owners of Pakistan Oilfields Limited		3,884,140	3,567,977
Non - controlling interests		(567)	3,170
		3,883,573	3,571,147
Earnings per share - Basic and diluted (Rupees)		13.68	12.57

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive



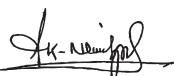
Abdus Sattar
Director

**Condensed Interim Consolidated Statement
of Profit or Loss and Other Comprehensive Income (Unaudited)**

For the three months period ended September 30, 2019

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	—Rupees ('000)—	
PROFIT FOR THE PERIOD	3,883,573	3,571,147
OTHER COMPREHENSIVE INCOME		
Items that will not reclassified to profit or loss		
Share of other comprehensive income /(loss) of associated companies - net of tax	77	(225)
Items that may be subsequently reclassified to profit or loss		
Fair value adjustment on available for sales investments of associated companies	-	(73)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,883,650	3,570,849
Attributable to:		
Owners of Pakistan Oilfields Limited	3,884,217	3,567,679
Non - controlling interests	(567)	3,170
	3,883,650	3,570,849

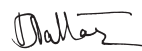
The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



 Khalid Nafees
CFO



 Shuaib A. Malik
Chief Executive

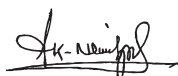



 Abdus Sattar
Director

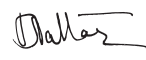
Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)
For the three months period ended September 30, 2019

	Attributable to owners of Pakistan Oilfields Limited											Non-controlling interest	Total
	Capital Reserves				Revenue Reserves			Fair value gain/ (loss) on available-for-sale investments	Gain on revaluation of investment at fair value	Total			
	Share Capital	Bonus shares issued	Bonus shares issued by subsidiary/ associated companies	Special reserve	Utilised Special Reserve	Insurance reserve	General reserve				Unappropriated profit		
	Rupees ('000)												
Balance at June 30, 2018	2,365,459	-	59,754	17,512	1,941,044	200,000	6,852,325	28,337,303	2,227	-	39,775,624	122,140	39,897,764
Total comprehensive income for the period:													
Profit for the period	-	-	-	-	-	-	-	3,567,977	-	-	3,567,977	3,170	3,571,147
Other comprehensive income	-	-	-	-	-	-	-	(225)	(73)	-	(298)	-	(298)
	-	-	-	-	-	-	-	3,567,752	(73)	-	3,567,679	3,170	3,570,849
Bonus shares issued by an associated company	-	-	11,641	-	-	-	-	(11,641)	-	-	-	-	-
Transfer to special reserve by an associated company	-	-	-	-	(872)	-	-	-	872	-	-	-	-
Transfer to general reserve by an associated companies	-	-	-	-	-	-	225,000	(225,000)	-	-	-	-	-
Transferred to reserve for issue of bonus shares	-	473,092	-	-	-	-	-	(473,092)	-	-	-	-	-
Transactions with owners:													
POL bonus & dividends:													
Bonus share issued @ 20% - Year ended June 30, 2018	473,092	(473,092)	-	-	-	-	-	-	-	-	-	-	-
Final dividend @ Rs 25 per share - Year ended June 30, 2018	-	-	-	-	-	-	-	(5,913,648)	-	-	(5,913,648)	-	(5,913,648)
Total transactions with owners	473,092	(473,092)	-	-	-	-	-	(5,913,648)	-	-	(5,913,648)	-	(5,913,648)
Balance at September 30, 2018	2,838,551	-	71,395	16,640	1,941,044	200,000	7,077,325	25,282,546	2,154	-	37,429,655	125,310	37,554,965
Total comprehensive income for the period:													
Profit for the period	-	-	-	-	-	-	-	9,708,806	(2,154)	-	9,706,652	1,559	9,708,211
Other comprehensive income	-	-	-	-	-	-	-	48,934	-	-	48,934	178	49,112
	-	-	-	-	-	-	-	9,757,740	(2,154)	-	9,755,586	1,737	9,757,323
	-	-	-	-	-	-	-	(26,640)	-	3,753	(22,887)	-	(22,887)
Impact of IFRS 9 transition	-	-	-	(1,216)	-	-	1,216	-	-	-	-	-	-
Transfer to special reserve by associated companies	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners:													
POL dividends:													
Interim dividend @ Rs 20 per share - Year ended June 30, 2019	-	-	-	-	-	-	-	(5,677,102)	-	-	(5,677,102)	-	(5,677,102)
Dividend to CAPGAS non-controlling interest holders:													
Interim dividend @ Rs 30 per share - Year ended June 30, 2019	-	-	-	-	-	-	-	-	-	-	-	(9,923)	(9,923)
Total transactions with owners	-	-	-	-	-	-	-	(5,677,102)	-	-	(5,677,102)	(9,923)	(5,687,025)
Balance at June 30, 2019	2,838,551	-	71,395	15,424	1,941,044	200,000	7,077,325	29,337,760	-	-	41,485,252	117,124	41,602,376
Total comprehensive income for the period:													
Profit for the period	-	-	-	-	-	-	-	3,884,140	-	-	3,884,140	(567)	3,883,573
Other comprehensive income	-	-	-	-	-	-	-	77	-	-	77	-	77
	-	-	-	-	-	-	-	3,884,217	-	-	3,884,217	(567)	3,883,650
Transfer to special reserve by an associated company	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners:													
POL dividends:													
Final dividend @ Rs 30 per share - Year ended June 30, 2019	-	-	-	-	-	-	-	(8,515,653)	-	-	(8,515,653)	-	(8,515,653)
Total transactions with owners	-	-	-	-	-	-	-	(8,515,653)	-	-	(8,515,653)	-	(8,515,653)
Balance at September 30, 2019	2,838,551	-	71,395	15,424	1,941,044	200,000	7,077,325	24,706,324	-	3,753	36,853,816	116,557	36,970,373

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


Khalid Nafees
CFO


Shuaib A. Malik
Chief Executive


Abdus Sattar
Director

Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

For the three months period ended September 30, 2019

Three months period ended
Sep 30, 2019 Sep 30, 2018
 Rupees ('000)

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	11,527,525	10,540,519
Operating and exploration costs paid	(3,229,294)	(2,944,649)
Royalty paid	(1,038,009)	(931,950)
Taxes paid	(1,114,125)	(731,794)
Cash provided by operating activities	6,146,097	5,932,126

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure	(894,014)	(88,085)
Proceeds from disposal of property, plant and equipment	-	(233)
Income on bank deposits and held-to-maturity investments	672,261	234,554
Cash (used) / generated in investing activities	(221,753)	146,236

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid	(4,503,387)	(4,583)
---------------	--------------------	---------

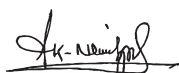
EFFECT OF EXCHANGE RATE CHANGES	(466,572)	174,265
--	------------------	---------

INCREASE IN CASH AND CASH EQUIVALENTS	954,385	6,248,044
--	----------------	-----------

CASH AND CASH EQUIVALENTS AT JULY 01,	35,845,461	21,623,551
--	-------------------	------------

CASH AND CASH EQUIVALENTS AT SEP. 30,	36,799,846	27,871,595
--	-------------------	------------

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



 Khalid Nafees
 CFO



 Shuaib A. Malik
 Chief Executive



 Abdus Sattar
 Director

Notes to and forming part of the condensed interim Consolidated Financial Statements (Unaudited)

For the three months period ended September 30, 2019

1. Legal status and operations

Pakistan Oilfields Limited (the Company) is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas in Pakistan. Its activities also include marketing of LPG under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of the Attock Oil Company Limited, UK and its ultimate parent is Coral Holding Limited.

Capgas (Private) Limited (CAPGAS), the subsidiary company is incorporated in Pakistan as a private limited company under the Companies Act, 2017 and is principally engaged in buying, filling, distribution and dealing in LPG.

For the purpose of these financial statements POL and its consolidated subsidiary are referred to as the Group.

2. Basis of consolidation

These consolidated financial statements include the financial statements of POL and its subsidiary CAPGAS with 51% holding (June 30, 2019: 51%).

Subsidiaries are those entities in which parent company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The financial statements of the subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases.

The assets and liabilities of subsidiary CAPGAS have been consolidated on a line by line basis and the carrying value of investments held by the parent company is eliminated against the subsidiary shareholders' equity in the consolidated financial statements.

Material intra-group balances and transactions have been eliminated.

Non-controlling interests are that part of the net results of the operations and of net assets of the subsidiary attributable to interests which are not owned by the parent company. Non-controlling interest are presented as a separate item in the consolidated financial statements.

3. Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- 'International accounting standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Notes to and forming part of the condensed interim Consolidated Financial Statements (Unaudited)
For the three months period ended September 30, 2019

Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2019.

3.1 Changes in accounting standards, interpretations and pronouncements

Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

'IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The changes laid down by this standard do not have any significant impact on these consolidated financial statements of the Company.

	(Unaudited)	(Audited)
	Sep 30, 2019	June 30, 2019
	Rupees ('000)	

4. Capital reserves

Bonus shares issued by subsidiary/associated companies	71,395	71,395
Special reserve	15,424	15,424
Utilised special reserve	1,941,044	1,941,044
	2,027,863	2,027,863

5. Revenue reserves

Insurance reserve	200,000	200,000
General reserve	7,077,325	7,077,325
Unappropriated profit	24,706,324	29,337,760
	31,983,649	36,615,085

6. Deferred liabilities

Provision for deferred income tax	5,584,074	5,466,454
Provision for decommissioning cost	11,946,792	11,811,608
Provision for un-funded gratuity plan - CAPGAS	5,510	5,510
Provision for staff compensated absences	7,725	7,725
	17,544,101	17,291,297

7. Trade and other payables

These include balances due to joint venture partners amount to Rs 1,505,849 thousand (June 30, 2019: Rs 1,710,334 thousand) and balances due to related parties amounting to Rs 509,038 thousand (June 30, 2019: Rs 1,476,068 thousand).

Notes to and forming part of the condensed interim Consolidated Financial Statements (Unaudited)
For the three months period ended September 30, 2019

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
8. Contingencies and commitments		
Commitments:		
- Share in Joint Ventures	11,875,306	12,956,173
- Own fields	3,757,553	3,879,260
- Letter of credit issued by banks on behalf of the company	313,994	1,060,495
9. Property, plant and equipment		
Opening net book value	7,804,874	8,824,226
Additions during the period / year	189,640	635,454
Depreciation for the period / year	(410,884)	(1,643,807)
Disposals during the period / year	-	(10,999)
Closing net book value	7,583,630	7,804,874
Capital work in progress - at cost	708,826	752,245
	8,292,456	8,557,119
10. Development and decommissioning costs		
Development cost		
Opening net book value	10,886,151	12,175,661
Additions during the period / year	702,717	1,522,774
Well cost transferred from exploration and evaluation assets	-	1,679,562
Revision due to change in estimates	-	(748,330)
Amortisation for the period / year	(496,134)	(3,743,516)
Closing book value	11,092,734	10,886,151
Decommissioning cost		
Opening net book value	167,435	421,059
Additions during the period / year	-	48,385
Revision due to change in estimates	-	(271,192)
Amortisation for the period / year	(17,322)	(30,817)
Closing book value	150,113	167,435
	11,242,847	11,053,586
11. Exploration and evaluation assets		
Balance brought forward	52,761	2,590,790
Additions during the period/year	42,190	760,589
	94,951	3,351,379
Transfer to development costs	-	(1,679,562)
Dry and abandoned wells cost charged to the profit or loss	-	(1,619,056)
	94,951	52,761

**Notes to and forming part of the condensed interim
Consolidated Financial Statements (Unaudited)**
For the three months period ended September 30, 2019

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
12. Long term investments in associated companies - equity method		
Beginning of the year	13,135,926	17,353,491
Share in loss of associated companies - net of impairment loss	(82,631)	(1,890,241)
Impact of IFRS 9	-	(23,337)
Share of other comprehensive loss of associated companies	77	24,995
Impairment loss against investment in associated company	-	(1,913,703)
Dividend received during the period / year	(69,847)	(415,279)
End of the period /year	12,983,525	13,135,926

13. Trade debts

These include Rs 3,846,799 thousand (June 30, 2019: Rs 4,286,337 thousand) receivable from related parties.

14. Advances, deposits, prepayments and other receivables

These include balances due from joint venture partners amount to Rs 243,957 thousand (June 30, 2019: Rs 134,476 thousand) and balances due from related parties amounting to Rs 121,904 thousand (June 30, 2019: Rs 98,729 thousand).

	(Unaudited) Sep 30, 2019	(Audited) June 30, 2019
	Rupees ('000)	
15. Cash and bank balances		
Bank balance on:		
Short term deposits	31,829,642	32,182,288
Interest/mark-up bearing saving accounts	4,952,161	3,603,343
Current accounts	13,562	54,422
	36,795,365	35,840,053
Cash in hand	4,481	5,323
	36,799,846	35,845,376

Balance with banks include foreign currency balances of US \$ 120,336 thousand (June 30, 2019: US \$ 117,967 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 1 % to 14.75% p.a (June 30, 2019: 2% to 13.35% p.a).

Notes to and forming part of the condensed interim Consolidated Financial Statements (Unaudited)
For the three months period ended September 30, 2019

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	Rupees ('000)	
16. Net sales		
Crude oil	5,026,918	5,544,376
Gas - note 16.1	3,693,195	3,079,467
POLGAS/CAPGAS - Refill of cylinders	1,656,428	2,115,770
Solvent oil	58,297	60,217
	10,434,838	10,799,830

16.1 On August 28, 2015, the Company signed the Supplemental Agreement with the Government of Pakistan (the Government) for conversion of TAL Block Petroleum Concession Agreement (PCA) signed under the 1997 Petroleum Policy to Petroleum (Exploration & Production) Policy 2012 (Petroleum Policy 2012). Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned block. The conversion package included Windfall levy on Natural gas only. Draft statements specifying sums aggregating US \$ 34,213 thousand (Rs 3,393,389 thousand) till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block were submitted to the Government on December 8, 2015. On October 9, 2017 Oil and Gas Regulatory Authority (OGRA) issued gas price notifications of the subject arrears.

On December 27, 2017, the Ministry of Energy (Petroleum Division) notified certain amendments in Petroleum Policy 2012 which also included addition of following explanation of conversion package:

“the conversion package shall include (i) price of Natural Gas for New Exploration Efforts (ii) windfall levy on Natural Gas (iii) EWT gas production, pricing and obligations (iv) Windfall levy on Oil & Condensate, only for PCAs converting from 1994 and 1997 Petroleum Policies and (v) Financial obligations relating to production bonus, social welfare and training”.

Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 & 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On January 3, 2018, Directorate General Petroleum Concessions (DGPC) has required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on legal advice, the Company is of the view that already executed Supplemental Agreement cannot be changed unilaterally, the Supplemental Agreement was signed under the Conversion Package where gas price was enhanced and Windfall Levy on Oil/Condensate (WLO) was not applicable, the impugned SRO by giving retrospective effect amounts to taking away the vested right Government has no authority to give any law or policy a retrospective effect. The Company filed Constitutional Petition challenging the imposition of WLO on February 19, 2018 against Federation of

**Notes to and forming part of the condensed interim
Consolidated Financial Statements (Unaudited)**
For the three months period ended September 30, 2019

Pakistan through Ministry of Energy (Petroleum Division), Islamabad. The Honorable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. The case came up for hearing on June 12, 2019 but was adjourned on the request of legal counsel of the Government. The Islamabad High Court has fixed October 22, 2019 as next date of hearing.

On prudent basis additional revenue (net of sales tax) on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 since inception to September 30, 2019 amounting to Rs 11,309,795 thousand will be accounted for upon resolution of this matter. Additional revenue on account of enhanced gas price incentive of Rs 12,509,806 thousand including sales tax of Rs 1,817,664 thousand received from customer on the basis of notified prices has been shown under "trade and other payables".

Three months period ended

Sep 30, 2019 Sep 30, 2018
— Rupees ('000) —

17. Operating costs

Operating cost - Own fields	304,837	349,256
- Share in joint ventures	772,019	671,662
Well workover	46,629	392,186
POLGAS/CAPGAS -Cost of gas/LPG, carriage etc.	986,604	1,174,291
Head office and insurance charges	284	335
Pumping and transportation cost	12,789	8,742
Depreciation	408,545	416,000
	2,531,707	3,012,472
Opening stock of crude oil and other products	313,921	320,152
Closing stock of crude oil and other products	(413,698)	(339,762)
	2,431,930	2,992,862

18. Exploration costs

Geological & geophysical cost	375,831	86,776
Dry and abandoned wells cost charged to exploration cost	-	644,489
	375,831	731,265

19. Finance costs

Provision for decommissioning costs		
- unwinding of discount	401,796	189,375
- exchange (gain)/loss	(263,726)	210,910
Banks' commission and charges	673	1,459
	138,743	401,744

**Notes to and forming part of the condensed interim
Consolidated Financial Statements (Unaudited)**
For the three months period ended September 30, 2019

	Three months period ended	
	Sep 30, 2019	Sep 30, 2018
	—Rupees ('000)—	
20. Other charges		
Workers' profit participation fund	309,666	275,788
Workers' welfare fund	90,916	96,759
	400,582	372,547
21. Other income		
Income from financial assets		
Income on bank deposits	771,752	425,379
Exchange (loss)/gain on financial assets	(466,572)	174,265
Dividend on available-for-sale investments	14,890	-
Income from assets other than financial assets		
Rental income -net of related expenses	49,510	22,559
Crude oil / gas transportation income - net of related expenses	19,949	44,502
Gas processing fee	4,406	28,084
Profit on sale of property, plant and equipment	-	318
Sale of stores and scrap	320	32
Fair value adjustment on investments classified as fair value through profit or loss	4,924	-
Others	316	(371)
	399,495	694,768
22. Provision for taxation		
Current	1,640,564	1,903,285
Deferred	114,967	(633,311)
	1,755,531	1,269,974

Notes to and forming part of the condensed interim Consolidated Financial Statements (Unaudited)
For the three months period ended September 30, 2019

Three months period ended

Sep 30, 2019 Sep 30, 2018
Rupees ('000)

23. Transaction with related parties

Aggregate transactions with related parties of the Company were as follows:

Sales of goods and services to

Associated companies	4,400,191	5,060,257
----------------------	------------------	-----------

Purchase of goods and services from

Parent company	29,163	37,161
Associated companies	391,407	445,797

Dividend paid

Parent company	4,492,007	3,119,449
Associated companies	13,663	9,488

Other related parties

Remuneration of Chief Executive and key management personnel including benefits and perquisites	55,995	28,206
Contribution to staff retirement benefits plans		
Management Staff Pension Fund and Gratuity Fund	23,237	21,769
Approved Contributory Provident Funds	8,257	8,447
Contribution to Workers' profit participation fund	309,666	275,788

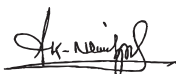
24. Operating segments

The financial statements have been prepared on the basis of single reportable segment. Revenue from external customers for products of the Company is disclosed in note 16.

Revenue from two major customers of the Company constitutes 64% of the total revenue during the period ended September 30, 2019 (September 30, 2018: 71%).

25. Date of authorisation

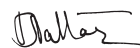
These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on October 15, 2019.



Khalid Nafees
CFO



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

Shareholding in Exploration Licenses and D&P / Mining Leases

Exploration License	Operator	Interest %
Ikhlas	Pakistan Oilfields Limited	80.00
Kirthar South	Pakistan Oilfields Limited	85.00
D.G. Khan	Pakistan Oilfields Limited	70.00
Gurgalot	Oil & Gas Development Company Limited	20.00
Tal Block	MOL Pakistan Oil and Gas Co. B.V	25.00
Margala	MOL Pakistan Oil and Gas Co. B.V	30.00
Hisal	Pakistan Petroleum Limited	25.00

D&P / Mining Lease

Balkassar	Pakistan Oilfields Limited	100.00
Dhulian	Pakistan Oilfields Limited	100.00
Joyamair	Pakistan Oilfields Limited	100.00
Khaur	Pakistan Oilfields Limited	100.00
Meyal / Uchri	Pakistan Oilfields Limited	100.00
Minwal	Pakistan Oilfields Limited	82.50
Pariwali	Pakistan Oilfields Limited	82.50
Pindori	Pakistan Oilfields Limited	35.00
Turkwal	Pakistan Oilfields Limited	67.37
Adhi	Pakistan Petroleum Limited	11.00
Chaknaurang	Oil & Gas Development Company Limited	15.00
Jhal Magsi	Oil & Gas Development Company Limited	24.00
Bhangali	Ocean Pakistan Limited	7.00
Dhurnal	Ocean Pakistan Limited	5.00
Ratana	Ocean Pakistan Limited	4.5450
Manzalai	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori East	MOL Pakistan Oil and Gas Co. B.V	25.00*
Maramzai	MOL Pakistan Oil and Gas Co. B.V	25.00*
Mami Khel	MOL Pakistan Oil and Gas Co. B.V	25.00*
Tolanj	MOL Pakistan Oil and Gas Co. B.V	25.00*
Tolanj West	MOL Pakistan Oil and Gas Co. B.V	25.00*

* Pre-Commerciality interest



Pakistan Oilfields Limited

POL House, Morgah, Rawalpindi- 46600, Pakistan.
Tel: +92 51 5487589-97, Fax +92 51 5487598-99
www.pakoil.com.pk