

# **Pakistan Oilfields Limited**

# Condensed Interim Financial Statements For the three months ended

September 30, 2022

# 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.

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# **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. Shamim Ahmad Khan

Mr. Tariq Iqbal Khan

Mr. Shuaib A. Malik Chairman & Chief Executive

## Audit Committee

Mr. Shamim Ahmad Khan Chairman

Mr. Abdus Sattar Member

Mr. Babar Bashir Nawaz 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. Email: info@cdcsrsl.com Telephone: 0800 23275 (CDCPL)

### **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 Board takes pleasure in presenting a brief review of the operations and financial results of the Company for the 1st quarter ended September 30, 2022.

### **Financial results**

During the period, the Company has made a profit after tax of Rs. 8,400 million (September 30, 2021: Rs. 5,258 million), which is higher by 59.8% as compared to the corresponding period last year. The profit translates into basic and diluted earnings per share of Rs. 29.59 (September 30, 2021: Rs. 18.52). The increase in profit is mainly due to increase in average price of crude oil by 26.3%, increase in rupee dollar parity, increased interest income due to higher deposits & interest rates and exchange gain on bank deposits netted-off to some extent by increased exploration costs due to dry well cost charging, decrease in sales volumes of crude oil and gas in comparison to corresponding period last year. Production volume of crude oil & gas decreased by 9.7%, and 12.6% respectively in comparison to corresponding period last year. During the period, the Company made a Consolidated profit after tax of Rs. 8,482 million (September 30, 2021: Rs. 4,732 million) which translate into consolidated earnings per share of Rs. 29.88 (September 30, 2021: Rs. 16.65).

### **Fire Accident**

On September 21, 2022 a fire accident occurred at TAL's warehouse located at Makori Central Processing Facilities (operated by MOL where POL has per commerciality share of 25%). The employees and all plants/facilities remained safe and out of danger and this accident has not presently affected production / supply of hydrocarbons from TAL. POL has adequate insurance cover and related assessment by insurance surveyor is in progress. The Operator (MOL) has started emergency procurement of critical inventory items from vendors/other Exploration & Production Companies to avoid any effect on the smooth operations/production from TAL.

### 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 mor	nths ended
		Sep 30, 2022	Sep 30, 2021
Crude Oil	US Barrels	484,935	537,209
Gas	Million Cubic Feet	5,983	6,844
LPG	Metric Tonnes	13,772	14,456
Sulphur	Metric Tonnes	124	137
Solvent Oil	US Barrels	5,314	5,496

The Company's share in production, including that from joint ventures, for the period under review averaged 5,271 barrels per day (bpd) of crude, 65.03 million standard cubic feet per day (mmscfd) of gas, 149.7 metric tonnes per day (MTD) of LPG, 1.35 MTD of sulphur and 58 bpd of solvent oil.

### **EXPLORATON AND DEVELOPMENT ACTIVITIES**

### **Producing Fields**

At Balkassar lease (100% owned by POL), Balkassar Deep-1A is in the planning phase as replacement of Balkassar Deep-1.

At Pindori lease (operated by POL with a 35% share), 3D seismic acquisition is in plan to evaluate the prospectivity of Chorgali formation and to evaluate the possibility to produce un-drained oil.

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%), Tolanj West-2 a development well drilled down to target depth and tested three formations; Lamshiwal formation flowed 12.7 million cubic feet of gas per day, 11.3 barrels of oil per day and 9.2 barrels of water per day at 32/64" choke size at flowing well head pressure of 1,914 psi, Lockhart Formation tested and produced 8.3 million cubic feet of gas per day, 34 barrels of oil per day with no water at 32/64" choke size at flowing wellhead pressure of 1,285 psi and Samansuk & Shinawari formations flowed 2.25 million cubic feet of gas per day, Oil nil, water nil with well head flowing pressure of 374 psi at 32/64" choke size. Production from this well is expected to start from December 2022 and actual figures may differ from the testing results.

At Adhi field (operated by Pakistan Petroleum Limited (PPL), where POL has 11% share), Adhi South-7 has been spudded on April 14, 2022 drilled down to its target depth, initial testing results were 500 barrels of oil per day and 0.5 million cubic feet of gas per day at 28/64" choke size with flowing well head pressure of 360 psi.

Adhi South-5 tested to the target depth, tested and not produced any hydrocarbons. Rig has been released and planning of frac job is in progress. Adhi-35 and Adhi South-6 have been planned in the financial year 2022-23.

### **Exploration Blocks**

At Ikhlas block (operated by POL with 80% share), Jhandial well -3 is in the planning phase.

At DG Khan block (operated by POL with a 70% share), DGK-1, exploratory well drilled down to 15,206 ft but clearance of hole was not achieved to acquire hole logs. During conditioning, 455 ft of fish left in hole and despite several attempts no success was made to recover the fish. Placed cement plugs and tested Chiltan formation but no hydrocarbons were flowed. Finally, the well was plugged and abandoned. Remaining leads of DG Khan Block are under evaluation.

North Dhurnal block (operated by POL with 60% share) seismic acquisition design to acquire 3D Seismic data is in progress.

At Kirthar South block (operated by POL with 51% share), 34% share has been farm-out to Polish Oil and Gas Company (PGNiG) and Assignment Agreement has been submitted to the Government for its approval. Well staking of Bandhak-1 well and its access route survey has been completed and waiting for the Government's approval to start construction work.

At Margala block (operated by MOL where POL has 30% share), Tarnol-1 was spudded on September 20, 2022 and drilling at 4,800 feet is in progress.

At Tal block (operated by MOL where POL has pre commerciality share of 25%), an exploratory well Razgir has been approved by the joint venture partners but on hold due to gas price dispute with the Government. 152.93 square kilometers 3D Seismic data over KOT area processing and interpretation has been completed. TAL West area 3D Seismic data procession and interpretation has been completed to identify new prospects.

Mamikhel South-1 well production line has been completed. In order to start production Government's approval is awaited for the 2012 Petroleum Policy Gas Price.

At Hisal block (operated by PPL where POL has 25% share), contract for 3D seismic acquisition of 250 Square Kilometers has been awarded and currently the acquisition is in progress.

At Gurgalot block (operated by OGDCL where POL has 20% share), 320 square kilometers 3D seismic data acquisition has been completed and data interpretation is in progress.

At Taung block (operated by Mari Petroleum where POL has 40% share), 340.94 square kilometers 3D Seismic acquisition has been completed and seismic data interpretation is in progress.

At Nareli block (operated by Mari Petroleum where POL has 32% share), 2D seismic acquisition program of 456-line kilometers-firm and 164-line kilometers-contingent has been approved.

## 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 Rawalpindi October 25, 2022

Abdus Sattar Director

مارگله بلاک( زیرانتظام مول جہاں پی اوایل کا حصہ ۳۰ فی صد ہے) تر نول۔ا کو ۲۰۳ تبر۲۰۲۲ءکوکھدائی کا آغاز کیا گیااور ۲۰۰۰ نٹ برکھدائی جاری ہے۔ تک بلاک( زیرا نظام مول جہاں بی اوایل کاقبل ازتجارتی پیداوار حصہ ۲۵ فی صد ہے )راز گیرکنویں کومشتر کہ منصوبے کے حصہ داروں نے منظور کردیا یلین حکومت کے ساتھ گیس کی قیمتوں کے تنازید کی وجہ سے روک دیا گیا ہے۔ کوٹ کے علاقے میں ۱۵۲۹۳ مربع کلومیٹر کے 3D ارضاتی اعدادوشاراورڈیٹا پروسیٹ کا تشریح کاعمل کمل ہو چکا ہے۔ نئے امکانات کی نشاند ہی کے لئے تک جنوبی علاقے کی 3D ارضیاتی اعدادوشاراورڈیٹا یروسیسنگ *ا* تشریح کاعمل مکمل ہو چکا ہے مامی خیل جنوبی۔اکو پیداداری لائن سے منسلک کر دیا گیا ہے۔ پیدادار شروع کرنے کے لئے ۲۰۱۲ء کی پٹرولیم پالیسی کے تحت گیس کی قیمت کے لئے حکومت کی منظوری کاانتظارہے. حسال بلاک (پی پی ایل کے زیرانتظام جہاں پی اوایل کا حصہ ۲۵ فی صد ہے) ۲۵ مربع کلومیٹر کے 3D ارضیاتی اعداد وشار کے حصول کا معاہدہ دےدیا گیا ہےاور فی الحال ایکوزیشن جاری ہے۔ گرگلوٹ بلاک (زیرانتظام اوجی ڈی تی ایل جہاں پی اوایل کا حصہ ۲۰ فی صد ہے) ۲۳۴ مربع کلومیٹر 3D ارضیاتی اعدادوشار کا حصول کمل ہو چکا ہے۔ڈیٹایروسینگ/تشریح برکام جاری ہے۔ ٹونگ (زیرانتظام ماری پٹرولیم جہاں پی اوایل کا حصہ ۹۰ فی صدہے) ۳۳۰۰۹۳ مربع کلومیٹر 3D ارضیاتی اعدادوشار کا حصول کمل ہو چکا ہے۔ ڈیٹایروسیسنگ انشری پرکام جاری ہے۔ نیریلی بلاک۔( زیرا نتظام ماری پٹرولیم جہاں پی اوایل کا حصہ ۳۳ فی صد ہے )۲۵۳ لائن کلومیٹر فرم اور ۲۴ الائن کلومیٹر contingent کے 2D سیسمک ایکوزیشن پروگرام کی منظوری دی گئی ہے۔ اعتراف:

بورڈ تمام سٹیک ہولڈر زکا پاکستان آئل فیلڈلمیٹڈ کے ساتھ مسلسل تعاون کرنے پراُن کاشکر گذار ہے۔

منجانب بورڈ

شعب الے ملک

چئیر مین و چف ایگزیکٹو راولینڈی، ۲۵ اکتوبر۲۲۰۲ء

Dallas عبدالتتار ڈائریکٹرز

# PAKISTAN OILFIELDS LIMITED

زیر جائزہ مدت میں کمپنی کی یومیہ پیداوار بشمول مشتر کہ منصوبوں کے اوسطاً یوں رہی: خام تیل ۲۵،۲۱ بیرلز، گیس ۲۵،۳۲ میٹرک ٹن سلفر ۱۰۳۵ میٹرک ٹن اور سالونٹ آئل ۵۸ بیرلز۔ فٹ، مائع پڑولیم گیس ۲۰۹۷ میٹرک ٹن، سلفر ۱۰۳۵ میٹرک ٹن اور سالونٹ آئل ۵۸ بیرلز۔ ور**یافتی اورز قیاتی سرگرمیاں**: بلکسر (۱۰۰ افی صد پی اوایل کی ملکتیت ) بلکسر ڈیپ۔ 1 A بلکسر ڈیپ۔ 1 کے متبادل کے طور پر منصوبہ بندی کے مرحلے میں ہے۔ پیڈوری (۲۵ فی صد حص کے ساتھ پی اوایل کے زیرِ انتظام) میں چور گلی کی تفکیل کے امکانات کا جائزہ لینا اور باقی تیل ناک لئے کے امکان کا جائزہ لینا منصوب میں ہے۔ تک بلک (زیرِ انتظام مول جہاں قبل از تجارتی پیداوار پی اوایل کا حصہ ۲۵ فی صد ہے) تو لیخ غربی۔ ۲ ایک دریا فتی کو پی کو گرائی کے مدف کا حکودا گیا اور ۳ فار میشز کا تجربہ کیا گیا ؟

۷۔ ۲۱ ملین سٹینڈ رڈ مکعب فٹ گیس، ۲۰ ۱۱ بیرلز تیل اور ۲۰ بیرلز پانی آیا۔ لوکھارٹ فارمیشن سے ۳۲/۲۴ کے چوک سائز اور ۲۸۵، اپی ایس آئی کے ویل ہیڈ پریشر پر یومیہ ۲۰ ، ملین سٹینڈ رڈ مکعب فٹ گیس اور ۳۳ بیرلز بغیر پانی تیل آیا اور سمنسک اور شنواری فارمیشز سے ۳۲/۱۳۴ کے چوک سائز اور ۲۷ سی ایس آئی کے ویل ہیڈ پریشر پر بغیر تیل اور پانی کے یومیہ ۲۵ ، ۲ ملین سٹینڈ رڈ مکعب فٹ گیس آئی۔ اس کنویں سے پیداوار دسمبر ۲۰۲۲ء سے شروع ہونے کی امید ہے اور اصل اعدادو ثنار جانچ کے نتائج سے مختلف ہو سکتے ہیں۔

آہدی (زیر انظام پاکستان پٹرولیم لمیٹڈ جہاں پی اوایل کا حصداانی صد ہے) آہدی جنوبی۔ کومااپریل ۲۰۲۲ء کوکھودا گیاتھا ابتدائی جانچ کے نتائج میں "۲۸/۹۲ کے چوک سائز اور ۲۰ ساپی ایس آئی کے ویل ہیڈ پریشر پریومیہ ۵۰ پیرلز تیل اور ۵. • ملین شینڈ رڈ ملعب ف گیس آئی۔ آہدی جنوبی۔ ۵ نے ہدف کی گہرائی تک تجربہ کیا اور کوئی ہائیڈ روکارین نہیں ملا۔ رِگ فارخ کر دی گئی ہے اور فریک جاب کی منصوبہ بندی جاری ہے۔ مالی سال ۲۰۲۲-۲۲ میں آہدی۔ ۱۵ اور آہدی جنوبی۔ ۲ کی منصوبہ بندی کی گئی ہے۔ درمافتی قطعات:

اخلاص بلاک (۸۰ فی صد تصص کے ساتھ زیر انتظام پی اوایل) جنڈیال۔۲ کنواں منصوبہ بندی نے مرحلے میں ہے۔ ڈی جی خان بلاک (۵۰ فی صد صص کے ساتھ پی اوایل کے زیر انتظام) دریافتی کنویں ڈی جی کے ۔۱ کو ۱۵،۲۰۱ فٹ تک کھودا گیالیکن hole logs حاصل کرنے کے لئے سوراخ کی صفائی نہیں ہو تکی۔ کنڈیشننگ کے دوران ۵۵ فٹ فیش سوراخ میں رہ گئی اور کئی کوششوں کے باوجود فیش کو ذکالنے میں کا میابی نہیں مل سکی۔ سینٹ کے پلک لگائے گئے اور چلتن فار میشن کا تجزیہ کیا گیا کی کوئی کو کھی کے سال از خل

شالی دھرنال بلاک (۲۰ فی صد صص کے ساتھ پی اوایل کے زیرِ انتظام) 3D سیسمک ڈیٹا کے حصول کے لئے سیسمک ایکوزیشن ڈیزائن جاری ہے۔

کیر تھر جنوبی بلاک (۵۱ فی صد صص کے ساتھ پی اوایل کے زیرا نظام) پاپش آئل اینڈ گیس کمپنی (PGNiG) کو ۳۳ فی صد حصہ فارم آؤٹ کیا گیا ہے اور اسائننٹ ایگر منٹ منظوری کے لئے حکومت کو پیش کر دیا گیا ہے۔ بند ھک۔ا کنویں تک رسائی کے رائے کا سرو کے کمل ہو چکا ہے اور لتحمیر اتی کا م شروع کرنے کے لئے حکومت کی منظور کا انتظار ہے۔

اخترامه زرتنس ام

دائر يكثرزر يورب

شروع اللہ کے نام سے جوبے حدمہر بان نہایت رحم کرنے والا ہے۔ السّلامُ علیحم! بورڈ کوہ سامتہر،۲۰۲۲ - کواختنام پذیریسہ ماہی کے مالیاتی نتائج اور کمپنی کے امُو رکا خلاصہ پیش کرتے ہوئے فرحت محسوس ہور ہی ہے۔ **مالیاتی نتائج:** 

الاستمبر، ۲۰۲۲ ، کومکوڑی سنٹرل پروسینگ فیسیلیٹی میں واقع تل کے گودام میں آگ لگنے کا حادثہ پیش آیا۔ (زیر انتظام مول جہاں قبل از تجارتی پیداوار پی اوایل کا حصہ ۲۵ فی صد ہے )۔ ملاز مین اور تمام پلانٹس افسیلیٹی محفوظ اور خطرے سے باہر میں اور اس حادث نے فی الحال تک سے ہایڈرد کار بن کی پیداوار اسپلائی متاثر نہیں کی ہے۔ پی اوایل کے پاس ہیمہ کور موجود ہے اور انشور نس سروئیر کے ذریعہ متعلقہ سروے جاری ہے۔ آپر یڑ (MOL) نے تک سے آپریشز اپیداوار پر کسی اثر سے بچنے کے لئے وینڈرز ادیگر دریافتی و پیداواری کمپنیوں سے اہم انوینٹری آٹٹر کی ہنگا می خریداری شروع کر دی ہے۔

> پیداوار: سمپنی کی این اور دیگرا نظامی وغیرا نظامی مشتر که منصوبوں سے حاصل شدہ متناسب پیدادار کا مواز نہ درن ذیل ہے:

م پ <i>ر حر</i> یک ما ہ	أطليا		
•ستثمبر، ۲۱+۲ء	ملاستمبر، ۲۲۰۶ء		
01201+9	0219:9129	یوالیس بیرل	خام تيل
7.26	۵٬۹۸۳	ملين كيوبك فث	<sup>ع</sup> يس
16602	11%221	میٹرکٹن	مائع پٹرولیم گیس
11-2	110	میٹرکٹن	سلفر
۵٬۳۹۲	۵٫۳۱۳	یوالیس بیرل	سالونث آئل

Condensed Interim Financial Statements (Unaudited) For the three months ended September 30, 2022

# **Condensed Interim Statement of Financial Position**

As at September 30, 2022

As at September 30, 2022		(Unaudited)	(Audited)
	Note	Sep 30, 2022	June 30, 2022 es ('000)
SHARE CAPITAL AND RESERVES			
Authorised capital			
500,000,000 (June 30, 2022: 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, 2022: 283,855,104)			
ordinary shares of Rs 10 each		2,838,551	2,838,551
Revenue reserves	4	42,431,663	48,224,910
NON CURRENT LIABILITIES		45,270,214	51,063,461
		007 005	005 505
Long term deposits		897,205	895,565
Deferred liabilities	5	25,862,071	24,970,404
		26,759,276	25,865,969
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	6	30,995,444	31,056,163
Dividend payable		11,329,871	-
Unclaimed dividend		274,592	275,702
Provision for income tax		10,781,782	9,792,637
		53,381,689	41,124,502
CONTINGENCIES AND COMMITMENTS	7		
		125,411,179	118,053,932

# PAKISTAN OILFIELDS LIMITED

		(Unaudited)	(Audited)
	Note	Sep 30, 2022	June 30, 2022 es ('000)
		i tupo	
NON-CURRENT ASSETS			
Property, plant and equipment	8	6,472,580	6,702,511
Development and decommissioning costs	9	9,870,426	10,209,126
Exploration and evaluation assets	10	231,829	3,019,833
		16,574,835	19,931,470
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES	11	9,615,603	9,615,603
LONG TERM LOANS AND ADVANCES		34,879	29,590
CURRENT ASSETS			
Stores and spares		5,829,663	5,753,133
Stock in trade		539,335	384,649
Trade debts	12	11,755,801	9,967,152
Advances, deposits, prepayments and other receivables	13	4,967,595	4,649,659
Cash and bank balances	14	76,093,468	67,722,676
		99,185,862	88,477,269
		125,411,179	118,053,932

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

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Abdus Sattar Director

# **Condensed Interim Statement of Profit or Loss (Unaudited)**

For the three months ended September 30, 2022

		Three months ended			
	Note	Sep 30, 2022 ——————————————————————————————————	Sep 30, 2021 es ('000)———		
SALES Sales tax Excise duty		17,144,720 (1,111,700) (56,619)	13,036,599 (1,894,700) (64,567)		
NET SALES	15	15,976,401	11,077,332		
Operating costs Royalty Amortisation of development and decommissioning costs	16 17	(2,109,485) (1,774,372) (503,196)	(2,013,967) (1,173,337) (773,954)		
decommissioning costs	17	(4,387,053)	(3,961,258)		
GROSS PROFIT		11,589,348	7,116,074		
Exploration costs	18	(4,526,212)	(450,675)		
Administration expenses Finance costs - net	19	7,063,136 (123,829) (2,835,418)	6,665,399 (66,115) (1,462,406)		
Other charges	20	(492,498)	(415,715)		
		(3,451,745)	(1,944,236)		
		3,611,391	4,721,163		
Other income - net	21	6,635,039	2,699,874		
PROFIT BEFORE TAXATION		10,246,430	7,421,037		
Provision for taxation	22	(1,846,922)	(2,163,408)		
PROFIT FOR THE PERIOD		8,399,508	5,257,629		
Earnings per share - Basic and diluted (Rs)		29.59	18.52		

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 ended September 30, 2022

	Three months ended			
	Sep 30, 2022         Sep 30, 2           Rupees ('000)			
Profit for the period	8,399,508	5,257,629		
Other Comprehensive Income for the period	1	-		
Total comprehensive income for the period	8,399,508	5,257,629		

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

Abdus Sattar Director

# **Condensed Interim Statement of Changes in Equity (Unaudited)**

For the three months ended September 30, 2022

		F			
	Share Capital	Insurance Reserve	Investment Reserve	Unappropriated profit	Total
		— Rupees ('0	000) ———		
Balance at June 30, 2021	2,838,551	200,000	1,557,794	34,765,718	39,362,063
Total comprehensive income for the period:					
Profit for the period Other comprehensive income			-	5,257,629 8,399,508	5,257,629 8,399,508
	-	-	-	5,257,629	5,257,629
Transactions with owners:					
Final dividend @ Rs 30 per share - Year ended June 30, 2021	-	-	-	(8,515,653)	(8,515,653)
Total transactions with owners	-	-	-	(8,515,653)	(8,515,653)
Balance at September 30, 2021	2,838,551	200,000	1,557,794	31,507,694	36,104,039
Total comprehensive income for the period:					
Profit for the period Other comprehensive income	-	-	-	20,677,484 (40,960)	20,677,484 (40,960)
	-	-	-	20,636,524	20,636,524
Transaction with owners: Interim dividend @ Rs 20 per share					
- Year ended June 30, 2022	-	-	-	(5,677,102)	(5,677,102)
Total transactions with owners	-	-	-	(5,677,102)	(5,677,102)
Balance at June 30, 2022	2,838,551	200,000	1,557,794	46,467,116	51,063,461
Total comprehensive income for the period:					
Profit for the period Other comprehensive income	-	-	-	8,399,508	8,399,508
Other comprehensive income				8,399,508	8,399,508
Transactions with owners:				0,000,000	0,000,000
Final dividend @ Rs 50 per share - Year ended June 30, 2022	-	-	-	(14,192,755)	(14,192,755)
	-	-	-	(14,192,755)	(14,192,755)
Balance at September 30, 2022	2,838,551	200,000	1,557,794	40,673,869	45,270,214

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

Abdus Sattar Director

# **Condensed Interim Statement of Cash Flows (Unaudited)**

For the three months ended September 30, 2022

	Three months ended			
	Sep 30, 2022 Sep 30, 202 Rupees ('000)			
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers Operating and exploration costs paid Royalty paid Taxes paid	14,359,284 (4,345,509) (1,692,711) (2,478,575)	8,570,910 (2,950,736) (1,003,044) (1,275,192)		
Cash provided by operating activities	5,842,489	3,341,938		
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital Expenditure Proceeds from disposal of property, plant and equipment Income on bank deposits and investment at amortised cost Dividend income received	(840,402) 2,130 1,893,076 209,541	216,115 4,538 425,521 178,563		
Cash generated in investing activities	1,264,345	824,737		
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid	(2,863,994)	(450,394)		
EFFECT OF EXCHANGE RATE CHANGES	4,127,952	1,831,594		
INCREASE IN CASH AND CASH EQUIVALENTS	8,370,792	5,547,875		
CASH AND CASH EQUIVALENTS AT JULY 01,	67,722,676	47,572,206		
CASH AND CASH EQUIVALENTS AT SEP 30,	76,093,468	53,120,081		

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

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Abdus Sattar Director

### 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 reporting comprise of:

- International Accounting Standards (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.

2.1 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, 2022.

## 3. Accounting policies

The new standards, amendments and interpretations that are mandatory for accounting year ending June 30, 2023 are not considered to be relevant to the Company's financial statements and hence have not been detailed here.

		(Unaudited)	(Audited)
		Sep 30, 2022	June 30, 2022
		Rupe	es ('000)———
4.	Revenue reserves		
	Insurance reserve	200,000	200,000
	Investment reserve	1,557,794	1,557,794
	Unappropriated profit	40,673,869	46,467,116
		42,431,663	48,224,910
5.	Deferred liabilities		
	Provision for deferred income tax	4,223,635	5,844,433
	Provision for decommissioning cost	21,635,896	19,123,431
	Provision for staff compensated absences	2,540	2,540
		25,862,071	24,970,404

### 6. Trade and other payables

These include balance due to joint venture partners amounting to Rs 1,695,348 thousand (June 30, 2022: Rs 1,435,659 thousand) and balances due to related parties amounting to Rs 366,929 thousand (June 30, 2022: Rs 1,823,141 thousand).

### 7. Contingencies and commitments

7.1 There were no material contingencies at September 30, 2022 (June 30, 2022: Nil).

There were no material contingencies at September	(Unaudited)	(Audited)
	Sep 30, 2022	June 30, 2022
		es ('000)———
7.2 Commitments:		
Capital expenditure commitments outstanding		
- Share in joint operations	12,801,978	13,792,446
- Own fields	5,633,775	5,047,000
<ul> <li>Letter of credit issued by banks on behalf of the company</li> </ul>	377,934	380,001
8. Property, plant and equipment		
Opening net book value	6,219,771	6,129,343
Additions during the period / year	125,945	1,570,240
Disposals during the period / year	-	(267)
Depreciation for the period / year	(392,805)	(1,479,545)
Closing net book value Capital work in progress - at cost	5,952,911 519,669	6,219,771 482,740
	6,472,580	6,702,511
9. Development and decommissioning costs		
Development cost		
Opening net book value	9,801,407	12,922,884
Additions during the period / year	443,565	560,588
Revision due to change in estimates	(174,162)	(147,697)
Amortisation for the period / year	(700,600)	(3,534,368)
Closing book value	9,370,210	9,801,407
Decommissioning cost		
Opening net book value	407,719	749,791
Additions during the period / year	94,401	22,137
Revision due to change in estimates	(43,655)	(189,694)
Amortisation for the period / year	(45,559)	(174,515)
Closing book value	500,216	407,719
	9,870,426	10,209,126

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

For the three months ended September 30, 2022

			(Una	udited)	(A	Audited)
			Sep 3	30, 2022 Bund	June es ('000	e 30, 2022
10. Exploration and evaluation assets				—кире	es ( 000	))
10. Exploration and evaluation assets						
Balance brought forward				19,833 65,062		512,223
Additions during the period/ year				84,895		2,507,610 3,019,833
Dry and abandoned wells cost charged	to the	profit	4,30	54,095		3,019,035
or loss account - note 18		•	(4,35	53,066)		-
			23	31,829		3,019,833
	(U	naudited)			(Audite	ed)
	Septe	mber 30, 20	)22	J	une 30,	2022
	Percen holdi	<b>U</b>	ount s ('000)	Percer holdi		Amount upees ('000)
11. Long term investments in subsidiar and associated companies - at cost	y		. ,			,
Subsidiary company						
Unquoted						
Capgas (Private) Limited	51	1,	,530	5	1	1,530
Associated companies						
Quoted						
National Refinery Limited	25	8,046,	,635	2	5	8,046,635
Attock Petroleum Limited	7	1,562	,938		7	1,562,938
Unquoted						
Attock Information Technology						
Services (Private) Limited	10		,500	1	0	4,500
		9,615	,603			9,615,603

## 12. Trade debts

These include Rs 6,464,992 thousand (June 30, 2022: Rs 6,749,456 thousand) receivable from related parties.

## 13. Advances, deposits, prepayments and other receivables

These include balances with joint venture partners amounting to Rs 209,908 thousand (June 30, 2022 : Rs 313,169 thousand) and balances with related parties amounting to Rs 279,897 thousand (June 30, 2022 : Rs 309,162 thousand).

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

For the three months ended September 30, 2022

	(Unaudited)	(Audited)
	Sep 30, 2022	
14. Cash and bank balances	Rupe	es ('000)———
Bank balance on:		
Short term deposits	67,288,606	65,921,720
Interest/ mark-up bearing saving accounts	8,753,689	1,760,167
Current account	48,292	36,270
	76,090,587	67,718,157
Cash in hand	2,881	4,519
	76,093,468	67,722,676

Balance with banks include foreign currency balances of US \$ 178,699 thousand (June 30, 2022: US \$ 169,602 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 2% to 16.75% per annum (June 30, 2022: 0.25% to 18% per annum).

	Three mor	Three months ended		
	Sep 30, 2022 ——————————————————————————————————	Sep 30, 2021 s ('000)———		
15. Net sales				
Crude oil	9,437,881	5,987,380		
Gas - note 15.1 Less: Shrinkages/Own use	<b>4,326,539</b> 697,141	3,502,601 455,058		
POLGAS - Refill of cylinders	3,629,398 2,766,302	3,047,543 1,974,875		
Solvent oil	142,820	67,534		
	15,976,401	11,077,332		

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, 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 arears.

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 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 Honourable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. After multiple hearings, the case came up for hearing on May 24, 2022 before the Honourable Chief Justice of Islamabad High Court, wherein matter was adjourned till June 30, 2022, however the same could not be heard and next date of hearing is yet to be announced.

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, 2022 amounting to Rs 20,822,169 thousand will be accounted for upon resolution of this matter (including Rs 19,658,634 thousand related to period since inception to June 30, 2022). Additional revenue on account of enhanced gas price incentive of Rs 20,082,429 thousand and sales tax of Rs 3,414,013 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables". Sales tax of Rs 3,414,013 thousand (June 30, 2022: Rs 3,237,101 thousand) received from customer on the basis of notified prices is declared in the monthly sales tax return as well as duly deposited with Federal Board of Revenue by the Company. The amount so deposited is shown within "sales tax refundable" in "advances, deposits, prepayments and other receivables".

	Three months ended		
	Sep 30, 2022	Sep 30, 2021 es ('000)———	
16. Operating costs			
Operating Cost - Own fields - Share in joint operations Well workover POLGAS-LPG cost, carriage etc. Pumping and transportation cost Depreciation	397,738 916,784 24,383 510,354 22,107 392,805	326,638 780,773 27,236 558,880 14,877 368,771	
Opening stock of crude oil and other products Closing stock of crude oil and other products	2,264,171 384,649 (539,335)	2,077,175 277,531 (340,739)	
	2,109,485	2,013,967	
17. Amortization of development and decommissioning costs			
Amortization charge for the year - note 9 Revision in estimates of provision for decommissioning costs in excess of related assets credited to statement	746,159	833,228	
of profit or loss	(242,963)	(59,274)	
	503,196	773,954	
18. Exploration costs			
Geological & geophysical cost Dry and abandoned wells cost charged to the	173,146	450,675	
exploration costs - note 10	4,353,066	-	
	4,526,212	450,675	
19. Finance costs - net			
Provision for decommissioning cost-			
- Unwinding of discount	650,714	317,083	
- Exchange loss Banks' commission and charges	2,183,119 1,585	1,143,874 1,449	
	2.835,418	1,449	
20. Other charges			
Workers' profit participation fund Workers' welfare fund	319,965 172,533	291,103 124,612	
	492,498	415,715	

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

For the three months ended September 30, 2022

	Three months ended		
	Sep 30, 2022 ——Rupee	Sep 30, 2021 s ('000)———	
21. Other income - net			
Income on financial assets - bank deposit and treasury bills. Exchange gain on financial assets Dividend from subsidiary and associated companies Rental income Crude oil transportation income Gas processing fee Gain on sale of property, plant and equipment Gain on sale of sale of stores and scrap Others	2,100,371 4,127,952 209,541 47,595 118,990 19,240 2,130 9,146 74 6,635,039	562,898 1,831,594 178,563 22,240 93,153 (1,273) 4,538 5,426 2,735 2,699,874	
22. Provision for taxation			
Current Deferred	3,467,720 (1,620,798)	2,847,793 (684,385)	
	1,846,922	2,163,408	

# 23. Transaction with related parties

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

	Three months ended			
	Sep 30, 2022 Rupe	Sep 30, 2021 ees ('000)———		
Sales of goods & services to				
Associated Companies	9,583,959	6,153,976		
Purchase of goods & services from				
Parent Company Associated Companies	37,790 523,711	32,042 228,058		
Reimbursement of expenses incurred by POL on behalf of associates				
Parent Company Subsidiary Companies Associated Companies	21 4,006 10,793	- 2,983 8,514		

	Three months ended				
	Sep 30, 2022 Sep 30, 20 Rupees ('000)				
Reimbursement of expenses incurred by associates on behalf of POL					
Parent Company Subsidiary Companies Associated Companies	398 3,019 8,671	991 1,827 9,555			
Rental income					
Subsidiary Companies Associated Companies	351 1,020	351 1,023			
Rental expense					
Parent Company Associated Companies	17,873 712	13,621 1,057			
Dividend paid					
Parent Company Associated Companies	3,088 10,759	-			
Dividend received					
Subsidiary Companies Associated Companies	- 209,541	7,436 171,125			
Other related parties					
Remuneration of Chief Executive, Directors Honorarium & Key Management personnel including benefits & perquisites	76,184	63,403			
Dividend paid to key management personnel	8,567	-			
Contribution to staff retirement benefits plans Management Staff Pension Fund & Gratuity Fund Approved Contributory Provident Fund Contribution to Workers' Profit Participation Fund	32,328 10,304 319,965	23,007 8,144 291,103			

### 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 15.

Revenue from two major customers of the Company constitutes 76% of the total revenue during the period ended September 30, 2022 (September 30, 2021: 74%).

### 25. Impact of COVID - 19 on the condensed interim financial statements

The spread of Covid - 19 as a pandemic and consequently imposition of lock down by Federal and Provincial Governments of Pakistan (Authorities) caused an overall economic slow down at the start of 2020. This resulted in decrease in international prices of petroleum products, which are now steadily recovering. As at period end, there is no other material adverse impact to the business, financial conditions and results of operations. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

### 26. Date of authorization

These condensed interim financial statements were authorized for circulation to the shareholders by the Board of Directors of the Company on October 25, 2022.

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

Abdus Sattar Director

Condensed Interim Consolidated Financial Statements (Unaudited) For the three months ended September 30, 2022

# **Condensed Interim Consolidated Statement of Financial Position**

As at September 30, 2022

		(Unaudited)	(Audited)
	Note	Sep 30, 2022	June 30, 2022 es ('000)———
		Tuper	53 ( 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	2,034,313	2,031,097
Revenue reserves	5	44,885,599	50,599,086
Gain on remeasurement of investment at fair valu through Other Comprehensive Income (OCI)	Ie	4,368	4,368
		49,762,831	55,473,102
NON - CONTROLLING INTEREST		122,681	114,974
		49,885,512	55,588,076
NON CURRENT LIABILITIES			
Long term deposits Deferred liabilities	6	1,017,723 26,428,038	1,015,727 25,596,911
		27,445,761	26,612,638
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	7	31,146,079	31,134,788
Dividend payable Unclaimed dividend		11,329,871 274,592	- 275,702
Provision for income tax		10,793,389	9,802,862
		53,543,931	41,213,352
CONTINGENCIES AND COMMITMENTS	8		
		130,875,204	123,414,066

# PAKISTAN OILFIELDS LIMITED

		(Unaudited)	(Audited)
	Note	Sep 30, 2022 Rupe	June 30, 2022 es ('000)———
NON - CURRENT ASSETS			
Property, plant and equipment	9	6,525,126	6,755,903
Development and decommissioning costs	10	9,870,426	10,209,126
Exploration and evaluation assets	11	231,829	3,019,833
Intangible assets		177,559	189,939
Deffered tax assets		11,180	11,177
		16,816,120	20,185,978
LONG TERM INVESTMENT IN ASSOCIATED COMPANIES	12	14,538,290	14,445,000
LONG TERM LOANS AND ADVANCES		34,879	29,590
CURRENT ASSETS			
Stores and spares		5,830,853	5,754,403
Stock in trade		563,082	423,253
Trade debts	13	11,756,008	9,967,911
Advances, deposits, prepayments and other receivables	14	4,979,364	4,697,611
Cash and bank balances	15	76,356,608	67,910,320
		99,485,915	88,753,498

**130,875,204** 123,414,066

Khalid Nafees CFO

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Shuaib A. Malik Chief Executive

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Abdus Sattar Director

# **Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)** For the three months ended September 30, 2022

		Three months ended				
	Note	Sep 30, 2022 ———Rupee	Sep 30, 2021 es ('000)———			
SALES Sales tax Excise duty		17,594,451 (1,177,875) (56,619)	13,372,377 (1,944,447) (64,567)			
NET SALES	16	16,359,957	11,363,363			
Operating costs Royalty	17	(2,465,233) (1,774,372)	(2,274,290) (1,173,337)			
Amortisation of development and decommissioning costs	18	(503,196)	(773,954)			
		(4,742,801)	(4,221,581)			
GROSS PROFIT Exploration costs	19	11,617,156 (4,526,212)	7,141,782 (450,675)			
		7,090,944	6,691,107			
Administration expenses Finance costs - net Other charges	20 21	(133,095) (2,835,418) (494,140)	(72,892) (1,462,409) (417,128)			
		(3,462,653)	(1,952,429)			
		3,628,291	4,738,678			
Other income - net	22	6,430,752	2,522,861			
		10,059,043	7,261,539			
Share in profit/(loss) of associated companies		302,974	(454,667)			
PROFIT BEFORE TAXATION		10,362,017	6,806,872			
Provision for taxation	23	(1,871,683)	(2,075,059)			
PROFIT FOR THE PERIOD		8,490,334	4,731,813			
Attributable to:						
Owners of POL		8,482,627	4,725,180			
Non - controlling interests		7,707	6,633			
		8,490,334	4,731,813			
Earnings per share - Basic and diluted (Rupees)		29.88	16.65			

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 ended September 30, 2022

	Three months ended			
	Sep 30, 2022 Sep 30, Rupees ('000)			
Profit for the period	8,490,334	4,731,813		
Other comprehensive income	-	-		
Items that will not reclassified to profit or loss				
Share of other comprehensive (loss) of associated companies - net of tax	(143)	(64)		
Total comprehensive income for the period	8,490,191	4,731,749		
Attributable to: Owners of POL Non - controlling interests	8,482,484 7,707	4,725,116 6,633		
	8,490,191	4,731,749		

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

And

Abdus Sattar Director

# **Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)** For the three months ended September 30, 2022

		- A	Attributable	to owners o	f Pakistan Oi	ilfields Limited					
	(	Capital Res	erves		Reve	nue Reserves		Gain on	Total	Non-	Total
	Share Capital	Bonus shares issued by subsidiary/ associated companies	Special reserve	Utilised Special Reserve	Insurance reserve	General reserve	Unappropriated profit	revaluation of investment at fair value		controlling interest	
					Rupe	es ('000)-					
Balance at June 30, 2021 Total comprehensive income for the period:	2,838,551	71,395	15,437	1,941,044	200,000	7,077,325	30,810,225	2,447	42,956,424	122,024	43,078,448
Profit for the period Other comprehensive income	-	-	-	-	-	-	4,725,180 (64) 4,725,116		4,725,180 (64) 4,725,116	6,633 - 6.633	4,731,813 (64) 4,731,749
Transfer to special reserve by an associated company Transactions with owners: POL dividends:	-	-	1	-	-	-	(1)	-	-	0,033	-
Final dividend @ Rs 30 per share - Year ended June 30, 2021 Dividend to CAPGAS non-controlling interest holders: Final cash dividend @ Rs 21.60 per share - Year ended June 30, 2021	-	-	-	-	-	-	(8,515,653)	-	(8,515,653)	- (7,144)	(8,515,653)
Total transactions with owners		<u> </u>	<u> </u>	-			(8,515,653)	-	(8,515,653)	(7,144)	(8,522,797)
Balance at September 30, 2021	2,838,551	71,395	15,438	1,941,044	200,000	7,077,325	27,019,687	2,447	39,165,887	121,513	39,287,400
Total comprehensive income for the period: Profit for the period	-	- I	-	-	-	-	22,037,810	] [ - ]	22,037,810	6,991	22,044,801
Other comprehensive income	-	-	-	-	-	-	(55,414)	1,921	(53,493)	(280)	(53,773)
Transfer to special reserve by associated companies Accumulated loss of associated company offset	-	- 1	- 1,466,262	-	-	-	21,982,396 (1,466,262)	1,921 -	21,984,317 -	6,711	21,991,028 -
against special reserve	-	- (	1,463,042)	-	-	-	1,463,042	-	-	-	-
Transactions with owners: POL dividends: Interim dividend @ Rs 20 per share-Year ended June 30, 2022				[]	[]		(5,677,102)	] []	(5,677,102)		(5,677,102)
Dividend to CAPGAS non-controlling interest holders: First interim dividend @ Rs 19.26 per share-Year	-		-	-	-		(3,077,102)		(3,077,102)	-	
ended June 30, 2022 Second interim dividend @ Rs 16.30 per share-Year ended June 30, 2022	-	-		-	-	-	-		-	(6,370) (5,391)	(6,370) (5,391)
Third interim dividend @ Rs 4.5 per share-Year ended June 30. 2022				_		_				(1.489)	(1,489)
Total transactions with owners	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	(13,250)	(5,690,352)
Balance at June 30, 2022 Total comprehensive income for the period:	2,838,551	71,395	18,658	1,941,044	200,000	7,077,325	43,321,761	4,368	55,473,102	114,974	55,588,076
Profit for the period Other comprehensive income	-	-	-	-	-	-	8,482,627 (143)		8,482,484 (143)	7,707	8,490,334 (143)
Transfer to special reserve by an associated company Transactions with owners: POL dividends:	-	-	3,216	-	-	-	8,482,484 (3,216)	-	8,482,484	7,707	8,490,191
Final dividends. Final dividend @ Rs 50 per share-Year ended June 30, 2022 Total transactions with owners						-	(14,192,755)		(14,192,755)		(14,192,755)
	0.000 554	74.005	04.07.1	4.044.071	000.000	7 077 007	,				
Balance at September 30, 2022	2,838,551	71,395	21,874	1,941,044	200,000	7,077,325	37,608,274	4,368	49,762,831	122,681	49,885,512

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

Abdus Sattar Director

# **Condensed Interim Consolidated Statement of Cash Flows (Unaudited)** For the three months ended September 30, 2022

	Three months ended			
	Sep 30, 2022	1 /		
CASH FLOWS FROM OPERATING ACTIVITIES	Rupe	ees ('000)———		
CASH FLOWS FROM OF ERATING ACTIVITIES				
Cash receipts from customers	14,745,182	8,864,719		
Operating and exploration costs paid Royalty paid	(4,654,698) (1,692,711)	(3,193,359) (1,003,044)		
Taxes paid	(2,483,618)	(1,280,768)		
Cash provided by operating activities	5,914,155	3,387,548		
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital Expenditure	(842,015)	200,724		
Proceeds from disposal of property, plant and equipment	2,130	4,538		
Income on bank deposits and investment at amortised cost	1,898,520	429,582		
Dividend received from associated companies	209,541	171,127		
Cash generated from investing activities	1,268,176	805,971		
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid	(2,863,994)	(450,394)		
Dividend paid to non - controlling interest holders	-	(7,144)		
Cash used in financing activities	(2,863,994)	(457,538)		
EFFECT OF EXCHANGE RATE CHANGES	4,127,952	1,831,594		
INCREASE IN CASH AND CASH EQUIVALENTS	8,446,288	5,567,574		
CASH AND CASH EQUIVALENTS AT JULY 01,	67,910,320	47,823,936		
CASH AND CASH EQUIVALENTS AT SEP. 30,	76,356,608	53,391,510		

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

Abdus Sattar Director

### 1. Legal status and operations

Pakistan Oilfields Limited (POL/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 Liquified Petrolem Gas (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, 2022: 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.

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 consolidated interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended June 30, 2022.

3.1 Changes in accounting standards, interpretations and pronouncements

The new standards, amendments and interpretations that are mandatory for accounting year ending June 30, 2023 are not considered to be relevant to these financial statements and hence have not been detailed here.

		(Unaudited)	(Audited)
	·	Sep 30, 2022 Rupee	June 30, 2022 s ('000)
4.	Capital reserves		
	Bonus shares issued by subsidiary/associated companies Special reserve Utilised special reserve	5 71,395 21,874 1,941,044	71,395 18,658 1,941,044
		2,034,313	2,031,097
5.	Revenue reserves		
	Insurance reserve General reserve Unappropriated profit	200,000 7,077,325 37,608,274	200,000 7,077,325 43,321,761
		44,885,899	50,599,086
6.	Deferred liabilities		
	Provision for deferred income tax Provision for decommissioning cost Provision for un-funded gratuity plan - CAPGAS Provision for staff compensated absences Deferred liabilities - renewal fee	4,781,392 21,635,896 8,210 2,540	6,383,854 19,123,431 2,540 7,840 79,246
		26,428,038	25,596,911

## 7. Trade and other payables

These include balances due to joint venture partners amounting to Rs 1,695,348 thousand (June 30, 2022: Rs 1,435,659 thousand) and balances due to related parties amounting to Rs 442,807 thousand (June 30, 2022: Rs 1,824,514 thousand).

# 8. Contingencies and commitments

8.1 There were no material contingencies at September 30, 2022 (June 30, 2022: Nil).

5	( · · · · · · )	/
	(Unaudited)	, ,
	Sep 30, 2022	
8.2 Commitments:	Rupees ('000)	
Capital expenditure commitments outstanding		
- Share in joint operations	12,801,978	13,792,446
- Own fields	5,633,775	5,047,000
<ul> <li>Letter of credit issued by banks on behalf of the company</li> </ul>	377,934	380,001
	577,954	360,001
9. Property, plant and equipment	/	
Opening net book value Additions during the period / year	6,272,321 125,944	6,170,079 1,591,358
Disposals during the period / year	125,944	(267)
Depreciation for the period / year	(395,264)	(1,488,849)
Closing net book value	6,003,001	6,272,321
Capital work in progress - at cost	522,125	483,582
	6,525,126	6,755,903
10. Development and decommissioning costs		
Development cost		
Opening net book value	9,801,407	12,922,884
Additions during the period / year Revision due to change in estimates	443,565 (174,162)	560,588 (147,697)
Amortisation for the period / year	(700,600)	(3,534,368)
Closing book value	9,370,210	9,801,407
Decommissioning cost		
Opening net book value	407,719	749,791
Additions during the period / year	94,401	22,137
Revision due to change in estimates Amortisation for the period / year	43,655 (45,559)	(189,694) (174,515)
Closing book value	500,216	407,719
	9,870,426	10,209,126
11. Exploration and evaluation assets		
Balance brought forward	3,019,833	512,223
Additions during the period/year	1,565,062	2,507,610
	4,584,895	3,019,833
Dry and abandoned well cost charged to the	(4.252.000)	
profit or loss account - note 19	(4,353,066)	•
	231,829	3,019,833

	(Unaudited)	(Audited)
	Sep 30, 2022 Rupe	June 30, 2022 ees ('000)
12. Long term investments in associated		
companies - equity method		
Beginning of the year	14,445,000	13,337,592
Share in profits of associated companies	(794,867)	3,577,352
Share of other comprehensive loss of		
associated companies	(143)	(12,305)
Impairment reversal/(loss) against investment in		
National refinery Limited	1,097,841	(1,981,825)
Dividend received during the period / year	(209,541)	(475,814)
	14,538,290	14,445,000

## 13. Trade debts

These include Rs 6,464,992 thousand (June 30, 2022: Rs 6,749,456 thousand) receivable from related parties.

### 14. Advances, deposits, prepayments and other receivables

These include balances due from joint venture partners amount to Rs 209,908 thousand (June 30, 2022: Rs 313,169 thousand) and balances due from related parties amounting to Rs 277,243 thousand (June 30, 2022: Rs 309,162 thousand).

	(Unaudited)	(Audited)
	Sep 30, 2022 Rupe	June 30, 2022 ees ('000)
15. Cash and bank balances		
Bank balance on:		
Short term deposits	67,412,471	66,046,782
Interest/mark-up bearing saving accounts	8,892,865	1,822,642
Current accounts	48,360	36,338
	76,353,696	1,858,980
Cash in hand	2,912	4,558
	76,356,608	1,863,538

Balance with banks include foreign currency balances of US \$ 178,699 thousand (June 30, 2022: US \$ 169,602 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 2% to 16.75% per annum (June 30, 2022: 0.25% to 18% per annum).

	Three months ended	
	Sep 30, 2022 ——————————————————————————————————	Sep 30, 2021 es ('000)———
16. Net sales		
Crude oil Gas - note 16.1 Less: Shrinkages/Own use	9,437,881 4,326,539 697,141	5,987,380 3,502,601 455,058
POLGAS/CAPGAS - Refill of cylinders Solvent oil	3,629,398 3,149,858 142,820	3,047,543 2,260,906 67,534
	16,359,957	11,363,363

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, 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 arears.

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

1

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 Honourable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. After multiple hearings, the case came up for hearing on May 24, 2022 before the Honourable Chief Justice of Islamabad High Court, wherein matter was adjourned till June 30, 2022, however the same could not be heard and next date of hearing is yet to be announced.

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, 2022 amounting to Rs 20,822,169 thousand will be accounted for upon resolution of this matter (including Rs 19,658,634 thousand related to period since inception to June 30, 2022). Additional revenue on account of enhanced gas price incentive of Rs 20,082,429 thousand and sales tax of Rs 3,414,013 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables". Sales tax of Rs 3,414,013 thousand (June 30, 2022: Rs 3,237,101 thousand) received from customer on the basis of notified prices is declared in the monthly sales tax return as well as duly deposited with Federal Board of Revenue by the Company. The amount so deposited is shown within "sales tax refundable" in "advances, deposits, prepayments and other receivables".

	Three mo	Three months ended	
	Sep 30, 2022		
17. Operating costs	Rupee	Rupees ('000)———	
Operating cost - Own fields - Share in joint operations Well workover POLGAS/CAPGAS - LPG cost, carriage etc. Pumping and transportation cost Depreciation	410,919 916,784 24,383 823,230 22,107 407,639	333,231 780,773 27,236 800,268 14,877 387,849	
Opening stock of crude oil and other products Closing stock of crude oil and other products	2,605,062 423,253 (563,082)	2,344,234 298,357 (368,301)	
	2,465,233	2,274,290	
18. Amortization of development and decommisioning costs			
Amortization charge for the year - note 10 Revision in estimates of provision for decommisiong costs in excess of related	746,159	833,228	
assets credited to statement of profit or loss	(242,963)	(59,274)	
	503,196	773,954	

	Three mo	Three months ended	
	Sep 30, 2022 ————Rupe	Sep 30, 2021 es ('000)———	
19. Exploration costs		· · ·	
Geological & geophysical cost Dry and abandoned wells cost charged to	173,146	450,675	
the exploration costs - note 11	4,353,066	-	
	4,526,212	450,675	
20. Finance costs - net			
Provision for decommissioning costs - unwinding of discount - exchange loss Banks' commission and charges	650,714 2,183,119 1,585	317,083 1,143,874 1,452	
	2,835,418	1,462,409	
21. Other charges			
Workers' profit participation fund Workers' welfare fund	321,155 172,985	292,127 125,001	
	494,140	417,128	
22. Other income - net			
Income from financial assets - bank deposits and treasury bills Exchange gain on financial assets Rental income Crude oil transportation income Gas processing fee Gain on sale of property, plant and equipment Gain on sale of stores and scrap Others	2,107,652 4,127,952 47,244 118,990 19,240 2,130 9,146 (1,602) 6,430,752	566,798 1,831,594 21,889 93,153 (1,273) 4,538 5,426 736 2,522,861	
23. Provision for taxation	0,400,752	2,022,001	
Current Deferred	3,474,145 (1,602,462) 1,871,683	2,853,322 (778,263) 2,075,059	
	1,071,005	2,075,059	

# 24. Transactions with related parties

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

	Three months ended	
-	Sep 30, 2022 Rupe	Sep 30, 2021 es ('000)———
Sales of goods and services to		
Associated companies	9,583,959	6,153,976
Purchase of goods and services from		
Parent company Associated companies	37,790 523,711	32,042 228,058
Reimbursement of expenses incurred by POL on behalf of associates		
Parent company Associated Companies	21 10,793	- 8,514
Reimbursement of expenses incurred by associates on behalf of POL		
Parent Company Associated Companies	398 8,671	991 9,555
Rental income		
Associated Companies	1,020	1,023
Rental expense		
Parent Company Associated Companies	17,873 712	13,621 1,057
Dividend paid		
Parent company Associated companies	3,088 10,759	-
Other related parties		
Remuneration of Chief Executive and key management personnel including benefits and perguisites	76,184	63,403
Dividend paid to key management personnel	8,567	-
Contribution to staff retirement benefits plans Management Staff Pension Fund and Gratuity Fund Approved Contributory Provident Funds		23,007 8,144
Contribution to Workers' profit participation fund	321,155	292,127

### 25. Operating segments

These 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 76% of the total revenue during the period ended September 30, 2022 (September 30, 2021: 73%).

### 26. Impact of COVID - 19 on the condensed interim consolidated financial statements

The spread of Covid - 19 as a pandemic and consequently imposition of lock down by Federal and Provincial Governments of Pakistan (Authorities) caused an overall economic slow down at the start of 2020. This resulted in decrease in international prices of petroleum products, which are now steadily recovering. As at period end, there is no other material adverse impact to the business, financial conditions and results of operations. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

### 27. 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 25, 2022.

Khalid Nafees CFO

Shuaib A. Malik Chief Executive

Abdus Sattar Director



# Shareholding in Exploration Licenses and D&P / Mining Leases

0 1	Ŭ	
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
North Dhumal	Pakistan Oilfields Limited	60.00
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
Nareli	Mari Petroleum Company Limited	32.00
Taung	Mari Petroleum Company Limited	40.00
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**

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