Ref: POL/FIN-CORP/PSX/20-21/032

February 22, 2021

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

Dear Sir,

INTERIM REPORT AND ACCOUNTS FOR THE QUARTER ENDED DECEMBER 31, 2020

We are pleased to enclose 3 copies of Company's Interim Report and Accounts for the half year ended December 31, 2020 for your perusal and record

We have also uploaded the accounts for the half year ended December 31, 2020 on Pakistan Unified Corporate Action Reporting System (PUCARS) and on the website of the Company.

Kind regards,

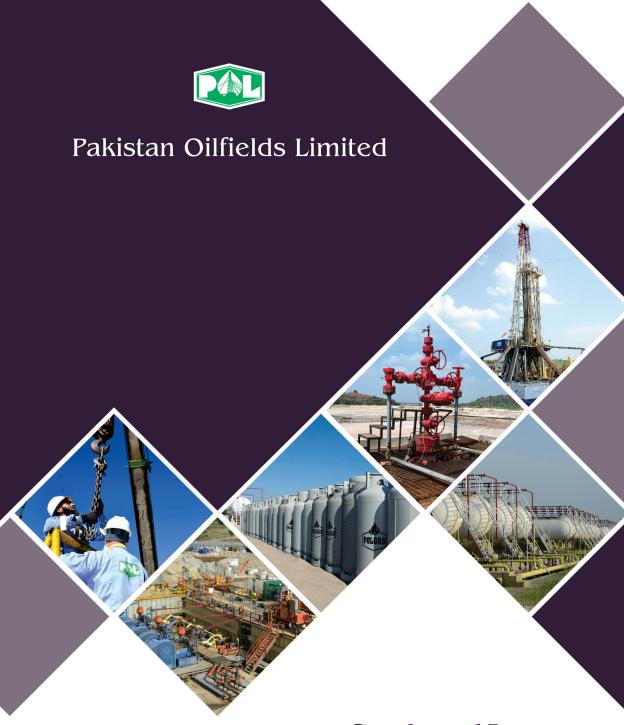
Yours faithfully, For PAKISTAN OILFIELDS LIMITED

(Khalid Nafees) Company Secretary

Cc:

The Director Enforcement Securities & Exchange Commission of Pakistan NIC Building, Jinnah Avenue, 7, Blue Area, Islamabad.

Director / HOD Surveillance, Supervision and Enforcement Department Securities & Exchange Commission of Pakistan, NIC Building, 63-Jinnah Avenue, Blue Area, Islamabad.



Condensed Interim Financial Statements

Six Months Period Ended December 31, 2020

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
ڈانویکٹرز رپورٹ	08
Auditor's Review Report to the Members	09
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 Cashflows	15
Notes to and forming part of the Financial Statements	16
Condensed Interim Consolidated Financial Statements	
Statement of Financial Position	28
Statement of Profit or Loss	30
Statement of Profit or Loss and Other Comprehensive Income	31
Statement of Changes in Equity	32
Statement of Cashflows	33
Notes to and forming part of the Financial Statements	34
Exploration & Development Interests	44

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,

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 six months period ended December 31, 2020.

Financial results

During the period, the Company has made a profit after tax of Rs.6,649 million (December 31, 2019: Rs. 8,568 million), which is lower by 22.4% as compared to the corresponding period last year. The profit translates into basic and diluted earnings per share of Rs. 23.42 (December 31, 2019: Rs. 30.19). Production volume of crude oil, gas and LPG decreased by 3.2%, 4.7% and 1.5% respectively in comparison to corresponding period last year. During the period the Company made a Consolidated profit after tax of Rs. 6,748 million (December 31, 2019: Rs. 8,732 million) which translate into consolidated earnings per share of Rs. 23.76 (December 31, 2019: Rs. 30.73).

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:

		Six months period ended		
		Dec. 31, 2020	Dec. 31, 2019	
Crude Oil/Condensate	US Barrels	1,169,131	1,207,763	
Gas	Million Cubic Feet	14,880	15,616	
LPG	Metric Tonnes	28,960	29,405	
Sulphur	Metric Tonnes	179	226	
Solvent Oil	US Barrels	8,516	10,738	

The Company's share in production, including that from joint ventures, for the period under review averaged 6,351 barrels per day (bpd) of crude, 80.87 million standard cubic feet per day (mmscfd) of gas, 157.38 metric tonnes per day (MTD) of LPG, 0.97 MTD of sulphur and 46 bpd of solvent oil.

Exploration and development activities

Producing Fields

At Balkassar lease (100% owned by POL), Balkassar Deep-1, one of the testing in upper developed zones showed hydrocarbons and well has been completed accordingly. Presently, the well is producing around 33 bpd.

At Pindori Lease (operated by POL with a 35% share), due to significant production tested from Lockhart formation, the well was completed in Lockhart formation and the rig was released. However, subsequently water production from Lockhart formation increased over time and the production of hydrocarbons reduced to 42 bpd of Oil and 0.079 mmscfd of Gas.

A rig workover was started at Pindori-10 well on September 25, 2020 with the objectives to isolate Lockhart formation and to test the potential of shallower formations to enhance production from the field. During this workover, the potential of both Sakesar and Chorgali formations was tested and the following hydrocarbons were tested from the Chorgali formation;



CHOKE	OIL(bpd)	GAS(mmscfd)	WATER(bpd)	WHFP(PSI)
24/64"	1010	2.587	79	1524
20/64"	808	2.04	102	1587
16/64"	558	1.395	94	2131

Presently, Pindori-10 is producing around 540 barrels of oil per day (bopd) and 1.2 million standard cubic feet of gas (mmscfd) with a wellhead flowing pressure of 2,160 psi and around 80 bpd of water at fixed choke size of 16/64".

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%), Mardankhel-4 location has been approved.

Exploration Blocks

At Ikhlas block (operated by POL with an 80% share), Jhandial – 2 well target depth was achieved. Out of four prospective formations three formations were tested and no hydrocarbon flows were made from these formations. During testing of third formation, the string got stuck. The fishing activities to release string were not successful. After side track, the well was tested but not successful. It was decided to suspend the well for further data evaluation.

At DG Khan block (operated by POL with a 70% share), DGK-1, an exploratory well, has been approved. Presently, construction of access road and well site is in progress.

At Kirthar South block (operated by POL with an 85% share), environment study is in progress prior to initiating the exploration activities.

At Margala block (operated by MOL where POL has a 30% share), 2D Seismic Acquisition of 203 line kilometers has been acquired, processed and interpreted. A prospect has been mapped.

At Tal block (operated by MOL where POL has pre commerciality share of 25%), based on 3D Seismic data interpretation, an exploratory well Razgir-1 has been decided to drill in near future.

Mamikhel South-01 well production line has been completed. Production will be started after approval of Field Development Plan by the Government.

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

At Taung block (operated by Mari Petroleum where POL has 40% share), 3D Seismic acquisition planning is in progress.

In the recent bidding of Exploration Blocks, POL has won the following blocks:

- 1. Dhurnal North Block Operator with 60% share
- 2. Nereli Block Non Operator with 32% share

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 January 26, 2021





دریافتی قطعات کی حالیہ بولی میں پی اوامل نے مندرجہ ذیل قطعات حاصل کر لئے ہیں۔

ا۔ دھرنال شالی بلاک۔زیرانظام پی اوایل ۲۰ فی صد حصہ کے ساتھ

۲۔ نیریلی بلاک فیرانظامی فی اوالی ۳۲ فی صدحصہ کے ساتھ

اعتراف

بور ڈتمام اسٹیک ہولڈرز کا تمینی کے ساتھ مسلسل تعاون پران کاشکر گزارہے۔

منجانب بورڈ

عبرالتتار

ڈائر یکٹر

شعیباے ملک

چئر مین و چیف ایگزیکٹو

راولینڈی

۲۶ جنوری ۲۰۲۱ء



دريافتي قطعات:

اخلاص بلاک (۸۰ فی صد صص کے ساتھ زیر انظام پی اوایل)، جنڈیال ۲۰ اہداف کی گہرانی کو حاصل کرلیا گیا ہے۔ ممکنہ چار فارمیشنز میں سے تین کا تجربہ کیا گیا تھا اوران فارمیشنز میں سے کسی ہائیڈروکار بن کا بہاؤنہیں ہوا۔ تیسری فارمیشن کی جانچ کے دوران تارپھنس گئ جس کے لیے فشگ کی سرگرمیاں کا میاب نہیں ہوئیں ضمنی ٹریک کے بعد کنویں کی جانچ کی گئی لیکن کا میابی حاصل نہیں ہوئی۔ مزید اعدادو شار کی جانچ کے لیے کنویں کو معطل کرنے کا فیصلہ کیا گیا۔

ڈی جی خان بلاک (• 2 فی صد صص کے ساتھ پی اوامل کے زیر انتظام)، ڈی جی کے۔ا کے دریافتی کنویں کی منظوری دی جا چکی ہے۔ فی الوقت رابط ہمڑک اور کنویں کی جگہ تیار کی جارہی ہے۔

کرتھر جنوبی بلاک (۸۵ فی صد حص کے ساتھ زیرِ انتظام پی اوامل) ، دریافتی سرگرمیوں سے قبل ماحولیاتی مطالعہ کیا جار ہاہے۔

مارگلہ بلاک (زیرِ انتظام مول جہاں پی اوابل کا حصہ ۳۰ فی صدہے)، ۲۰۳ لائن کلومیٹرز پر 2D ارضیاتی اعدادو ثار کممل کر لئے گئے ہیں۔ان پڑمل اورتشر تے بھی کر لی گئی ہے۔ بہتر ام کا نات کی نشاند ہی کی جار ہی ہے۔

تل بلاک (زیرِانتظام مول جہاں پی اوامل کا قبل از تجارتی پیداوار حصد ۲۵ فی صدہے)، ط3 ارضیاتی اعدادو شار پر بنی ایک دریافتی کنویں راز گیر۔ا کو ستقبل قریب میں کھودنے کا فیصلہ کیا گیاہے۔

ما می خیل جنوبی۔ا، کنویں کی پیداواری لائن کی بحمیل ہو چکی ہے۔حکومت کی جانب سے فیلڈ کے ترقیاتی منصوبے کی منظوری کے بعد پیداوار شروع کی جائے گی۔

گرگلوٹ بلاک (زیرِانتظام او جی ڈی می ایل جہاں پی اوامل کا حصہ ۲۰ فی صد ہے)،۳۲۰ مربع کلومیٹرز 3D ارضیاتی اعدادوشار کے حصول کا کام مکمل کیا جا چُکا ہے۔ان اعدادوشار پڑمل/تشریح کا کام جاری ہے۔

ٹونگ بلاک (زیرِ انتظام ماری پٹرولیم جہاں پی اوامل کا حصہ ۴۰ فی صدہے)، 3D ارضیاتی اعداد وشار کے حصول کی منصوبہ بندی کی جا رہی ہے۔



زیر جائزه مدت میں کمپنی کی روزانہ پیداوار بشمول مشتر کہ منصوبوں کے اوسطً یوں رہی: خام تیل ۲۰۳۵ بیرلز، گیس ۸۰۸۷ ملین سٹینڈرڈ مکعب فٹ، مائع پٹرولیم گیس ۱۵۷٬۳۸ میٹرکٹن، سلفر ۹۷۰ میٹرکٹن اور سالونٹ آئل ۴۸ بیرلز۔

دریافتی اورتر قیاتی سرگرمیاں

پیداواری قطعات

بلکسر (۱۰۰ فی صد پی اوامل کی ملکت) بلکسر ڈیپ۔ا کے بالائی ترقی یافتہ حصوں میں سے ایک جانچ کے بعد ہائیڈروکار بن دکھائی دیا۔ کنویں کی تحمیل ہو چکی ہے۔ فی الحال کنویں کی روزانہ پیداوارتقریباً ۳۳ بیرل ہے۔

پنڈوری (۳۵ فی صد صص کے ساتھ پی اوا میل کے زیرانتظام)لاک ہارٹ کی تشکیل سے جانچ کی گئی اہم پیداوار کی وجہ سے لاک ہارٹ فارمیشن میں کنویں کا کام مکمل ہو گیا ہے اور رِگ فارغ ہے۔تا ہم اس کے نتیجے میں لاک ہارٹ کی تشکیل سے پانی کی پیداوار میں وقت کے ساتھ اضافہ ہوااور ہائیڈروکار بن کی پیداوار کم ہوکرروزانہ ۴۲ بیرل آئل اور ۲۵۰۰ ملین سٹینڈرڈ مکعب فٹ گیس ہوگئ ہے۔

پنڈوری۔ ۱ کنویں میں ۲۵ سمبر ۲۰۲۰ء کواضا فی کام شروع کیا گیا جس کا مقصد لاک ہارٹ فارمیشن کوالگ کرنا اور فیلڈ سے پیداوار بڑھانے کے لیےاتھارٹی فارمیشنز کی صلاحیت کی جانچ کرنا تھا۔اس اضافی کام کے دوران سکیسر اور چورگلی کی جانچ کی گئی اور مندرجہ ذیل ہائیڈروکار بنز کو چورگلی فارمیشن سے جانچا گیا۔

كنويں پر بہاؤ كا د باؤ (پي ايس آئی)	پانی (یومیه بیرل)	گیس (ملین سٹینڈرڈ مکعب فٹ یومیہ)	تیل(یومیه بیرل)	چوک
ISTY	∠9	r.01	1+1+	" ۲۲/٦٢
101/2	1+1	۲.+۴	۸•۸	" r+/4r"
riri	91~	1.790	۵۵۸	" וא/אר

فی الحال، پنڈوری۔۱۰ تقریبا ۵۴۰ بیرل یومیہ تیل اور۱.۲ ملین سٹینڈرڈ مکعب فٹ گیس کی پیداوار بہاؤ کے دباؤ ۲۱۲ (پی ایس آئی) کے ساتھ ہور ہی ہے جبکہ ۱۲/۲۳ فکسڈ چوک پرتقریبا ۸۰ بیرل یومیہ پانی حاصل ہور ہاہے۔

تل بلاک (زیرانظام مول جہال قبل از تجارتی پیداواریی اوایل کا حصد ۲۵ فی صدیے)

مردان خیل ہے جگہ کی منظوری دی جا چکی ہے۔



ڈائز یکٹرزر پورٹ

الله کے نام سے شروع جو برا امہر بان نہایت رحم والا ہے۔

السلام عليكم!

ڈائر یکٹرزکوا۳ دسمبر۲۰۲۰ء کواختیام پذیریضف سال کے مالیاتی نتائج اور کمپنی کے امور کا خلاصہ پیش کرتے ہوئے فرحت محسوں ہورہی ہے۔

مالياتى نتائج

اس عرصے میں کمپنی نے بعداز ٹیکس ۲،۲۲۹ ملین روپے (۳۱ دیمبر ۲۰۱۹ء:۸۰۵ ملین روپے) حاصل کیا جو کہ گزشتہ برس اسی دورانیے کے مقابلے میں ۲۲،۲۴ فی صدکم ہے۔ بیمنافع فی خصص آمد فی ۲۳٬۴۲۲ روپے (۳۱ دیمبر ۲۰۱۹ء:۹۱،۰۳۹ روپے) کوظا ہر کرتا ہے۔
گزشتہ سال کے اس عرصے کے مقابلے میں خام تیل، گیس اورایل پی جی کی پیداوار کے جم میں بالتر تیب ۲۲۲ فی صد، ۷،۲ فی صداور ۱۵، فی صد کمی واقع ہوئی ہے۔ اس عرصے میں کمپنی نے مجموعی منافع بعداز ٹیکس ۲۰۷۸ ملین روپے (۳۱ دیمبر ۲۰۱۹ء:۲۳۲،۸ملین روپے) کوظا ہر کرتا ہے۔
حاصل کیا جو فی خصص مجموعی منافع کا ۲۲، ۲۰ روپے (۳۱ دیمبر ۲۰۱۹ء: ۲۰۰۷ روپے) کوظا ہر کرتا ہے۔

بيداوار

سینی کی اپنی اور دیگرانظامی وغیرانظامی مشتر که منصوبوں سے حاصل شدہ متناسب پیداوار کا موازنہ درج ذیل ہے:

		ششا ہی مُدر	. کااختیام
	_	ا۳ دیمبر۲۰۲۰ء	اسادسمبر19+۲ء
غام تیل ر Condensate	(يواليس بيرل)	161496171	1,7+2,241
گيس	(ملین کیو بک فٹ)	10°c A A +	111501
ائع پٹرولیم گیس LPG	(میٹرکٹن)	11/494+	r9.640
سلفر	(میٹرکٹن)	1∠9	777
سالونث آئل	(يوايس بيرل)	٨٥١٢	1+12 171





A. F. FERGUSON & CO.

Independent Auditor's Review Report to the members of Pakistan Oilfields Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pakistan Oilfields Limited as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of profit or loss and other comprehensive income for three month period ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Igbal.

Chartered Accountants

Islamabad

January 26, 2021



(Audited)

(Inaudited)

Condensed Interim Statement of Financial Position

As at December 31, 2020

Dec. 31, 2020 Rup 5,000,000	pees ('000)
5,000,000	5 000 000
5,000,000	5 000 000
5,000,000	5 000 000
	5,000,000
0.000.554	0.000 554
	2,838,551
35,561,734	37,428,319
38,400,285	40,266,870
861,969	861,129
20,227,430	20,026,985
21,089,399	20,888,114
24,784,148	23,409,306
234,895	214,307
7,140,649	6,817,328
32,159,692	30,440,941
91,649,376	91,595,925
	861,969 20,227,430 21,089,399 24,784,148 234,895 7,140,649 32,159,692



	Note	(Unaudited) Dec. 31, 2020	,
NON-CURRENT ASSETS			
Property, plant and equipment	8	7,167,921	7,542,399
Development and decommissioning costs	9	13,873,329	12,355,617
Exploration and evaluation assets	10	1,535,581	2,773,514
		22,576,831	22,671,530
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES	11	9,615,603	9,615,603
LONG TERM LOANS AND ADVANCES		26,635	26,723
CURRENT ASSETS			
Stores and spares		4,541,254	4,497,755
Stock in trade		280,357	399,205
Trade debts	12	6,404,093	7,633,883
Advances, deposits, prepayments and other receivables	13	4,228,778	3,696,360
Other financial assets	14	306,812	6,519
Short term investments - at amortised cost	15	2,499,246	6,367,740
Cash and bank balances	16	41,169,767	36,680,607
		59,430,307	59,282,069
		91,649,376	91,595,925

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Khalid Nafees

CFO

Shuaib A. Malik Chief Executive



Condensed Interim Statement of Profit or Loss (Unaudited)

For the six months period ended December 31, 2020

	Note	Three months period ended Dec. 31, 2020 Dec. 31, 2019 Rupees		Dec. 31, 2020	Dec. 31, 2019
			Парос	3 (000)	
SALES		9,691,040	11,953,407	19,340,337	22,605,393
Sales tax		(847,871)	(928,955)	(1,667,435)	(1,760,162)
Excise duty		(70,659)	(72,462)	(141,924)	(146,052)
NET SALES	17	8,772,510	10,951,990	17,530,978	20,699,179
Operating costs	18	(2,149,915)	(2,361,706)	(4,041,758)	(4,181,976)
Royalty		(933,981)	(1,221,349)	(1,931,940)	(2,339,408)
Amortisation of development					
and decommissioning costs		(677,580)	(732,372)	(1,241,240)	(1,245,828)
		(3,761,476)	(4,315,427)	(7,214,938)	(7,767,212)
GROSS PROFIT		5,011,034	6,636,563	10,316,040	12,931,967
Exploration costs	19	(33,593)	(414,817)	(109,231)	(790,648)
		4,977,441	6,221,746	10,206,809	12,141,319
Administration expenses		(60,504)	(49,447)	(117,612)	(104,053)
Finance costs - net	20	188,371	(309,146)	102,436	(447,889)
Other charges	21	(392,321)	(410,455)	(746,732)	(811,037)
		(264,454)	(769,048)	(761,908)	(1,362,979)
		4,712,987	5,452,698	9,444,901	10,778,340
Other income - net	22	242,126	707,291	544,775	1,174,389
PROFIT BEFORE TAXATION		4,955,113	6,159,989	9,989,676	11,952,729
Provision for taxation	23	(1,934,592)	(1,599,642)	(3,340,608)	(3,384,412)
PROFIT FOR THE PERIOD		3,020,521	4,560,347	6,649,068	8,568,317
Earnings per share - Basic and diluted (Rupees)		10.64	16.07	23.42	30.19

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Khalid Nafees

CFO

Shuaib A. Malik Chief Executive



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

For the six months period ended December 31, 2020

	Three months	period ended	Six months p	eriod ended
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
	Rupees ('000)			
PROFIT FOR THE PERIOD	3,020,521	4,560,347	6,649,068	8,568,317
Other comprehensive income	_	_		_
TOTAL COMPREHENSIVE INCOME				
FOR THE PERIOD	3,020,521	4,560,347	6,649,068	8,568,317

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Khalid Nafees

CFO

Shuaib A. Malik Chief Executive



Condensed Interim Statement of Changes in Equity (Unaudited)

For the six months period ended December 31, 2020

		Revenue reserves			
	Share capital	Insurance reserve	Investment reserve	Unappropriated profit	Total
	Rı	upees ('000)			
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 Other comprehensive income	-			8,568,317	8,568,317
	-	-	-	8,568,317	8,568,317
Transactions with owners: Final dividend @ Rs 30 per share - Year ended June 30, 2019	-	-	-	(8,515,653)	(8,515,653)
Balance at December 31, 2019	2,838,551	200,000	1,557,794	33,527,316	38,123,661
Total comprehensive income for the period:					
Profit for the period Other comprehensive income	-			7,807,533 12,778	7,807,533 12,778
	-	-	-	7,820,311	7,820,311
Transactions with owners: Interim dividend @ 20 per share - Year ended June 30, 2020	-	-	-	(5,677,102)	(5,677,102)
Balance at June 30, 2020	2,838,551	200,000	1,557,794	35,670,525	40,266,870
Total comprehensive income for the period:					
Profit for the period Other comprehensive income				6,649,068	6,649,068
	-	-		6,649,068	6,649,068
Transactions with owners: Final dividend @ Rs 30 per share - Year ended June 30, 2020) -	-	-	(8,515,653)	(8,515,653)
Balance at December 31, 2020	2,838,551	200,000	1,557,794	33,803,940	38,400,285

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Khalid Nafees CFO Shuaib A. Malik Chief Executive



Condensed Interim Statement of Cashflows (Unaudited)

For the six months period ended December 31, 2020

		Six months period ended		
	Note	Dec. 31, 2020	Dec. 31, 2019	
CASH FLOWS FROM OPERATING ACTIVITIES		Rupe	ees ('000) ———	
Cash receipts from customers Operating and exploration costs paid Royalty paid Taxes paid Cash provided by operating activities		19,206,421 (3,636,663) (1,727,243) (2,727,180) 11,115,335	22,468,835 (6,182,892) (2,104,890) (2,546,443) 11,634,610	
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital expenditure Proceeds from disposal of property, plant and equi Income on bank deposits and investments at amou Investments in mutual funds - net Dividend income received Cash used in investing activities	•	(1,904,197) 23,228 1,094,785 (300,153) 40,861 (1,045,476)	(2,929,566) 6,647 1,593,796 (399,724) 86,174 (1,642,673)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid		(8,495,065)	(8,503,604)	
EFFECT OF EXCHANGE RATE CHANGES		(954,128)	(696,266)	
INCREASE IN CASH AND CASH EQUIVALENTS	;	620,666	792,067	
CASH AND CASH EQUIVALENTS AT JULY 1		43,048,347	35,761,440	
CASH AND CASH EQUIVALENTS AT DECEMBE	R 31	43,669,013	36,553,507	
CASH AND CASH EQUIVALENTS				
Short term investment - at amortised cost Cash and bank balances	15 16	2,499,246 41,169,767	36,553,507	
		43,669,013	36,553,507	

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Khalid Nafees CFO Shuaib A. Malik Chief Executive



For the six months period ended December 31, 2020

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.

As per Securities and Exchange Commission of Pakistan (SECP) SRO 985 (1)/2019, dated September 2, 2019, for companies holding financial assets due from Government of Pakistan, the requirements contained in IFRS 9 with respect to expected credit losses method shall not be applied till June 30, 2021, provided that such companies shall follow relevant requirements of IAS 39 - Financial Instruments: Recognition and Measurement, in respect of above referred financial assets during the exemption period. The Company has assessed that the above SRO does not have any significant impact on its financial statements.

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, 2020.

3. Significant accounting policies

The accounting policies and methods for computation adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2020.



For the six months period ended December 31, 2020

	(Unaudited)	(Audited)
	Dec. 31, 2020	June 30, 2020
	Rupe	ees ('000)
4. Revenue reserves		
Insurance reserve	200,000	200,000
Investment reserve	1,557,794	1,557,794
Unappropriated profit	33,803,940	35,670,525
	35,561,734	37,428,319
5. Deferred liabilities		
Provision for deferred income tax	6,220,782	5,930,675
Provision for decommissioning costs	14,003,524	14,089,542
Provision for staff compensated absences	3,124	6,768
	20,227,430	20,026,985

6. Trade and other payables

These include balances due to joint operating partners amounting to Rs 1,347,076 thousand (June 30, 2020: Rs 1,748,469 thousand) and balances due to related parties amounting to Rs 597,058 thousand (June 30, 2020: Rs 1,139,005 thousand).

These also include payments received from a customer on account of additional revenue and related sales tax due to enhanced gas price incentive of Rs 17,461,801 thousand (June 30, 2020: Rs 15,389,552 thousand) as explained in note 17.1.

7. Contingencies and commitments

7.1 There were no material contingencies at December 31, 2020 (June 30, 2020: Nil).

(Unaudited)

Dec 31 2020

	Rupees ('000)		
7.2 Commitments:			
Share in joint operations	8,230,737	9,412,940	
Own fields	-	297,558	
Letter of credit issued by banks on behalf of the Company	188,912	199,199	

(Audited)

lune 30 2020



For the six months period ended December 31, 2020

		(Unaudited) Dec. 31, 2020 Rupee	(Audited) June 30, 2020 es ('000)
8.	Property, plant and equipment		
	Operating assets		
	Opening net book value	7,056,837	7,747,259
	Additions during the period / year	364,424	809,591
	Disposals during the period / year	(515)	(1,425)
	Depreciation for the period / year	(736,716)	(1,498,588)
	Closing net book value	6,684,030	7,056,837
	Capital work in progress - at cost	483,891	485,562
		7,167,921	7,542,399
9.	Development and decommissioning costs		
	Development cost Opening net book value	11,857,324	10,886,151
	Additions during the period / year	1,262,025	3,472,391
	Revision due to change in estimates	-	(3,985)
	Wells cost transferred from exploration and evaluation assets	1,478,001	-
	Amortisation for the period / year	(1,171,823)	(2,497,233)
	Closing net book value	13,425,527	11,857,324
	Decommissioning cost		
	Opening net book value	498,293	167,435
	Additions during the period / year	18,926	173,660
	Revision due to change in estimates	-	278,967
	Amortisation for the period / year	(69,417)	(121,769)
	Closing net book value	447,802	498,293
		13,873,329	12,355,617
10.	Exploration and evaluation assets		
	Balance brought forward	2,773,514	52,761
	Additions during the period / year	240,068	2,720,753
	Wells cost transferred to development cost	(1,478,001)	-
		1,535,581	2,773,514



For the six months period ended December 31, 2020

11. Long term investments in subsidiary and associated companies - at cost

_	(Unaudited) December 31, 2020		`	dited) 80, 2020	
ı	Percent holdii	_	e Amount Rupees ('000)	Percentage holding	Amount Rupees ('000)
Subsidiary company					
Unquoted					
Capgas (Private) Limited	51		1,530	51	1,530
Associated companies					
Quoted					
National Refinery Limited - Note 11.1	25		8,046,635	25	8,046,635
Attock Petroleum Limited	7		1,562,938	7	1,562,938
Unquoted Attock Information Technology Service	ces				
(Private) Limited	10		4,500	10	4,500
			9,615,603		9,615,603

11.1 Based on a valuation analysis, the recoverable amount of investment in National Refinery Limited exceeds its carrying amount. The recoverable amount had been estimated based on a value in use calculation carried out by an external investment advisor engaged by the management, on an annual basis.

12. Trade debts

These include Rs 3,143,193 thousand (June 30, 2020: Rs 2,212,489 thousand) receivable from related parties.

13. Advances, deposits, prepayments and other receivables

These include balances due from joint operating partners amounting to Rs 358,187 thousand (June 30, 2020: Rs 498,831 thousand) and balances due from related parties amounting to Rs 248,064 thousand (June 30, 2020: Rs 207,157 thousand).

	(Unaudited) Dec. 31, 2020 Rupee	(Audited) June 30, 2020 es ('000)
14. Other financial assets		
Investments in mutual funds classified as fair value through profit or loss	306,812	6,519



For the six months period ended December 31, 2020

15. Short term investments - at amortised cost

This represents Treasury Bills purchased on December 31, 2020 for 84 days at yield ranging from 8.08% to 8.11% (June 30, 2020: 7.85% to 8.21%) per annum.

	(Unaudited) Dec. 31, 2020	(Audited) June 30, 2020
16. Cash and bank balances	-	es ('000)
Bank balance on		
Short term deposits	39,338,250	32,228,089
Interest/ mark-up bearing saving accounts	1,755,639	4,384,768
Current accounts	73,496	65,892
	41,167,385	36,678,749
Cash in hand	2,382	1,858
	41,169,767	36,680,607

Balances with banks include foreign currency balances of US \$ 133,410 thousand (June 30, 2020: US \$ 127,602 thousand). The balances in saving accounts and short term deposits earned interest/mark-up ranging from 0.25 % to 8.21 % (June 30, 2020: 1.00% to 15.20%).

	(Unaudited) Three months period ended		(Unau Six months	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
		Rupees	s ('000)———	
17. Net sales				
Crude oil	3,883,387	5,631,545	7,948,44	10,658,463
Gas - note 17.1	3,559,235	3,733,143	7,295,838	7,353,976
Less : Shrinkages/Own use	467,812	436,488	927,090	867,195
	3,091,423	3,296,655	6,368,748	6,486,781
POLGAS - Refill of cylinders	1,747,725	1,958,760	3,115,460	3,430,608
Solvent oil	49,975	64,176	98,321	122,473
Sulphur	-	854	-	854
	8,772,510	10,951,990	17,530,978	20,699,179

17.1 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.



For the six months period ended December 31, 2020

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) had 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 had fixed March 19, 2020 as next date of hearing, but the hearing was cancelled due to preventive measures taken in the court amid Coronavirus.

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 December 31, 2020 amounting to Rs 15,437,029 thousand will be accounted for upon resolution of this matter (including Rs 13,949,495 thousand related to period since inception to June 30, 2020). Additional revenue on account of enhanced gas price incentive of Rs 17,461,801 thousand including sales tax of Rs 2,528,159 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables".



For the six months period ended December 31, 2020

7	(Unaudited) Three months period ended		(Unaudited) Six months period ended	
-	Dec. 31, 2020	Dec. 31, 2019 Rupees	Dec. 31, 2020	
18. Operating costs				
Operating cost - own fields	241,835	297,628	436,979	529,752
- share in joint operation	ns 806,933	863,025	1,661,022	1,635,044
Well work over	(25,341)	9,467	(17,353)	56,096
POLGAS - Cost of LPG, carriage etc	629,823	795,065	1,116,129	1,261,145
Pumping and transportation cost	11,541	15,308	26,857	28,097
Depreciation	354,839	346,290	699,276	735,683
	2,019,630	2,326,783	3,922,910	4,245,817
Opening stock of crude oil and other products	410,642	396,095	399,205	297,331
Closing stock of crude oil and other products	(280,357)	(361,172)	(280,357)	(361,172)
	2,149,915	2,361,706	4,041,758	4,181,976
19. Exploration costs				
Geological and geophysical cost	33,593	414,817	109,231	790,648
20. Finance costs-net				
Provision for decommissioning cost - Unwinding of discount	275,299	405,710	556,289	807,506
- Exchange gain	(465,025)	(98,898)	(661,235)	(362,624)
Banks' commission and charges	1,355	2,334	2,510	3,007
	(188,371)	309,146	(102,436)	447,889
21. Other charges				
Workers' profit participation fund	298,779	328,236	581,357	637,902
Workers' welfare fund	93,542	82,219	165,375	173,135
	392,321	410,455	746,732	811,037



For the six months period ended December 31, 2020

<u>.</u>	(Unaudited) Three months period ended			
_	Dec. 31, 2020	Dec. 31, 2019 ———Rupees	Dec. 31, 2020	Dec. 31, 2019
22. Other income-net		rapood	(000)	
Income from financial assets - net				
Income on bank deposits and treasury bills	633,089	805,673	1,137,022	1,575,497
Exchange (loss) on financial assets	(681,367)	(229,694)	(954,128)	(696,266)
Dividend on investments in mutual funds	185	1,437	185	16,327
classified as fair value through profit or loss				
Dividend from subsidiary and associated companies	30,521	-	40,676	69,847
Other income				
Rental income (net of related expenses)	215,814	71,862	238,998	121,372
Crude oil / Gas transportation income (net of related expenses)	16,096	40,305	56,588	60,254
Gas processing fee	3,905	5,752	150	10,158
Profit on sale of property, plant and equipment	22,685	5,735	22,713	5,735
Profit on sale of stores and scrap	379	2,596	405	2,916
Fair value adjustment on investments in mutual funds classified as fair value through profit or loss	140	3,008	140	7,932
Others	679	617	2,026	617
Ollois	242,126	707,291	544,775	1,174,389
	,0	,	2.1,1.0	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
23. Provision for taxation				
Current	1,788,909	1,345,021	3,050,610	2,985,585
Deferred	145,683	254,621	289,998	398,827
	1,934,592	1,599,642	3,340,608	3,384,412



For the six months period ended December 31, 2020

24. Fair value measurement

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2: Observable inputs; and
- Level 3: Unobservable inputs

The Company held the following financial assets at fair value;

. ,					
	Dec	cember 31,	2020		
	Level 1	Level 2	Level 3	Total	June 30, 2020
		R	tupees ('00	0)	
classified as fair value throug	h				
profit or loss	306,812	-	-	306,812	6,519

(Unaudited)		,	udited)
Three months	period ended	Six months	period ended
Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
	Rupees	· ('000)	

25. Transactions with related parties

Aggregate transactions with related parties of the Company were as follows:				
Sale of goods and services to Associated Companies	3,284,434	5,213,151	6,791,210	9,607,406
Purchase of goods and services from				
Parent Company	16,590	17,383	29,562	34,321
Associated Companies	303,095	595,081	597,378	976,285
Reimbursement of expenses incurred by POL on behalf of associates				
Parent Company	-	-	9,275	-
Subsidiary Company	2,713	3,021	6,118	6,331
Associated Companies	6,953	6,285	14,593	11,383



Notes to and forming part of the Condensed Interim Financial Statements (Unaudited) For the six months period ended December 31, 2020

	(Unaudited)		(Unaudited) Six months period ended	
-	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Reimbursement of expenses		Rupees	s ('000)———	
incurred byassociates on behalf of POL				
Parent Company	1,840	1,068	2,118	2,808
Subsidiary Company	1,722	3,800	2,958	4,357
Associated Companies	5,622	5,085	14,099	14,471
Rental income				
Subsidiary Company	351	351	702	702
Associated Companies	841	836	1,677	1,674
Rental expense				
Parent Company	12,325	10,680	24,208	21,165
Associated Companies	1,117	819	2,234	1,639
Dividend paid				
Parent Company	4,493,860	-	4,493,860	4,492,007
Associated Companies	4,145	-	4,145	13,663
Dividend received				
Subsidiary Company	2,582	-	12,737	-
Associated Companies	27,939	-	27,939	69,847
Other related parties				
Remuneration of key managemen	t			
personnel including benefits and perquisites	65,240	27,724	91,407	83,719
Dividend to key management	,	_,,,_,	,	22,112
personnel	95,133	86,275	95,133	86,275
Contribution to staff retirement benefits plans				
Management Staff Pension Fun and Gratuity Fund	d 21,602	20,856	45,260	44,093
Approved Contributory Provider		20,000	73,200	++,∪∂∂
Funds	7,932	7,493	16,265	15,750
Contribution to Workers' Profit				
Participation Fund	298,779	328,236	581,357	637,902



For the six months period ended December 31, 2020

26. Operating segments

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

Revenue from two major customers of the Company constitutes 66% of the total revenue during the period ended December 31, 2020 (December 31, 2019: 69%).

27. Non-adjusting event after the statement of financial position date

The Board of Directors in its meeting held on January 26, 2021 has declared an interim cash dividend @ Rs 20 per share, amounting to Rs 5,677,102 thousand for the year ending June 30, 2021.

28. Corresponding figures

Corresponding figures have been rearranged/reclassified wherever necessary to conform to current period presentation.

29. 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.

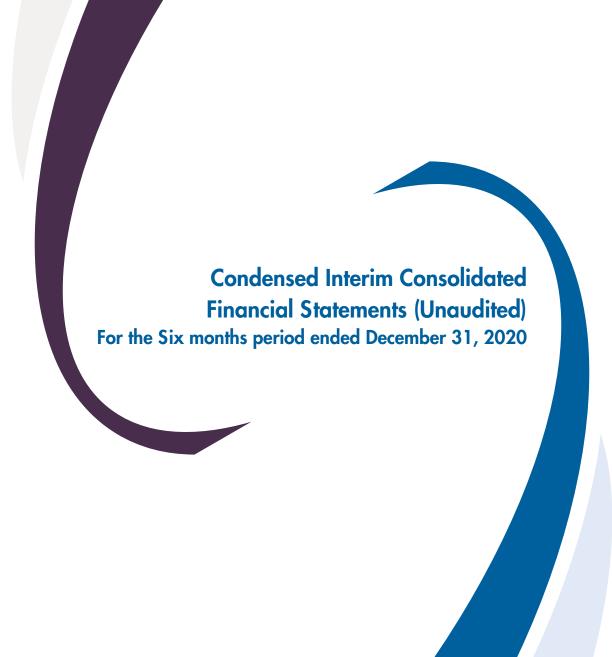
30. Date of authorisation for issue

These condensed interim financial statements were authorized for circulation to the shareholders by the Board of Directors of the Company on January 26, 2021.

Khalid Nafees

CFO

Shuaib A. Malik Chief Executive





Condensed Interim Consolidated Statement of Financial Position (Unaudited) As at December 31, 2020

Note (Unaudited) (Audited)

Dec. 31, 2020 June 30, 2020

Rupees ('000)

SHARE CAPITAL AND RESERVES

ATTRIBUTABLE TO OWNERS OF PAKISTAN OILFIELDS LIMITED

PARISTAN OILFIELDS LIMITED			
Authorised capital		5,000,000	5,000,000
Issued, subscribed and paid-up capital		2,838,551	2,838,551
Capital reserves	5	2,027,875	2,027,868
Revenue reserves	6	35,214,117	36,984,055
Gain on remeasurement of investment at fair value through Other Comprehensive Income (OCI)		3,236	3,236
		40,083,779	41,853,710
NON - CONTROLLING INTEREST		117,758	127,574
NON CURRENT LIABILITIES		40,201,537	41,981,284
Long term deposits		987,187	985,001
Deferred liabilities	7	20,153,208	19,933,909
CURRENT LIABILITIES AND PROVISIONS		21,140,395	20,918,910
Trade and other payables	8	24,809,743	23,437,494
Unclaimed dividend		234,895	214,307
Provision for income tax		7,146,530	6,822,668
CONTINGENCIES AND COMMITMENTS	9	32,191,168	30,474,469
		93,533,100	93,374,663



	Note	•	naudited) c. 31, 2020 Rupee	(Audited) June 30, 2020 es ('000)
FIXED ASSETS				
Property, plant and equipment	10		7,213,913	7,592,774
Development and decommissioning costs	11		13,873,329	12,355,617
Exploration and evaluation assets	12		1,535,581	2,773,514
Other intangible assets			61,133	85,902
		2	22,683,956	22,807,807
LONG TERM INVESTMENT IN ASSOCIATED COMPANIES	13		11,094,737	10,969,009
LONG TERM LOANS AND ADVANCES			26,635	26,723
CURRENT ASSETS				
Stores and spares			4,541,878	4,498,384
Stock in trade			297,247	404,494
Trade debts	14		6,404,852	7,634,080
Advances, deposits, prepayments and other receivables Other financial assets	15		4,262,397 306,812	3,717,970 6,519
Short term investment - at amortized cost	16		2,598,648	6,468,798
Cash and bank balances	17		41,315,938	36,840,879
Cash and bank balances	17		59,727,772	59,571,124
			93,533,100	93,374,663

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.

Khalid Nafees

CFO

Shuaib A. Malik Chief Executive



Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

For the Six months period ended December 31, 2020

	<u> T</u>	Three months period ended Six months period ende					
	Note	Dec. 31, 2020	Dec. 31, 2019		Dec. 31, 2019		
	_	Rupees ('000)					
SALES		9,973,657	12,192,847	19,849,079	23,157,730		
Sales tax		(890,076)	(882,481)	(1,743,543)	(1,843,233)		
Excise duty		(70,659)	(72,462)	(141,924)	(146,052)		
NET SALES	18	9,012,922	11,237,904	17,963,612	21,168,445		
Operating costs	19	(2,377,310)	(2,618,853)	(4,463,525)	(4,621,122)		
Royalty		(933,981)	(1,221,349)	(1,931,940)	(2,339,408)		
Amortisation of development and decommissioning costs		(677,580)	(732,372)	(1,241,240)	(1,245,828)		
and decommissioning costs		(3,988,871)	(4,572,574)	(7,636,705)	(8,206,358)		
		(3,900,071)	(4,572,574)	(7,030,705)	(0,200,330)		
GROSS PROFIT		5,024,051	6,665,330	10,326,907	12,962,087		
Exploration costs	20	(33,593)	(414,817)	(109,231)	(790,648)		
		4,990,458	6,250,513	10,217,676	12,171,439		
Administration expenses		(66,244)	(55,280)	(129,561)	(115,337)		
Finance costs - net	21	188,371	(309,146)	102,427	(447,891)		
Other charges	22	(393,168)	(412,139)	(747,579)	(812,721)		
		(271,041)	(776,565)	(774,713)	(1,375,949)		
		4,719,417	5,473,948	9,442,963	10,795,490		
Other income -net	23	221,847	709,922	517,468	1,110,112		
		4,941,264	6,183,870	9,960,431	11,905,602		
Share in profits of associated companies - net of impairment loss		48,037	189,673	153,601	107,042		
PROFIT BEFORE TAXATION		4,989,301	6,373,543	10,114,032	12,012,644		
Provision for taxation	24	(1,957,055)	(1,496,333)	(3,365,954)	(3,281,103)		
PROFIT FOR THE PERIOD		3,032,246	4,877,210	6,748,078	8,731,541		
Attributable to:							
Owners of Pakistan Oilfields Limi	ted (POL)	3,025,844	4,868,957	6,745,656	8,723,857		
Non - controlling interests		6,402	8,253	2,422	7,684		
		3,032,246	4,877,210	6,748,078	8,731,541		
Earnings per share - Basic and d	luted (Rs)	10.66	17.15	23.76	30.73		

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.

Khalid Nafees CFO Shuaib A. Malik Chief Executive



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

For the six months period ended December 31, 2020

	Three months	period ended	Six months period ended			
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019		
		Rupees	('000)			
PROFIT FOR THE PERIOD	3,032,246	4,877,210	6,748,078	8,731,541		
OTHER COMPREHENSIVE INCOME						
Items that will not be reclassified to profit & loss						
Share of other comprhensive income/ (loss) of associated companies - net of tax	-	(2)	66	75		
TOTAL COMPREHENSIVE INCOME	3,032,246	4,877,208	6,748,144	8,731,616		
Attributable to:						
Owners of Pakistan Oilfields Limited (POL	3,025,844	4,868,955	6,745,722	8,723,932		
Non - controlling interests	6,402	8,253	2,422	7,684		
	3,032,246	4,877,208	6,748,144	8,731,616		

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.

Khalid Nafees CFO

CFO

Shuaib A. Malik Chief Executive

PAKISTAN OILFIELDS LIMITED



Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For the six months period ended December 31, 2020

Public P		Attributable to owners of Pakistan Oilfields Limited										
Insurance Insu			Capital Reserves			Revenue Reserves						
Balance at June 30, 2019			issued by subsidiary/ associated	Special	Special				revaluation of investment		controlling	Total
Total comprehensive income for the period:						Rupees	s ('000)					
Transfer to special reserve by an associated company	Total comprehensive income for the period:	2,838,551	71,395	15,424	1,941,044	200,000	7,077,325		3,337			
Transactions with owners: POL dividends: Final cash dividend @ Rs 30 per share - Year ended June 30, 2019 2,838,551 71,395 15,427 1,941,044 200,000 7,077,325 29,546,036 3,337 41,693,115 124,808 41,817,923 Total comprehensive income for the period: Transactions with owners: POL dividend: Interim dividend @ Rs 20 per share - Year ended June 30, 2020 Interim dividend @ Rs 30, per share - Year ended June 30, 2020 Dividen ot CAPGAS non-controlling interests holders: Transfer to special reserve by an associated company Transf	·	-	-	-	-	-	-	75	-	75	_	75
associated company Transactions with owners: POL dividends: Final cash dividend @ Rs 20 per share - Year ended June 30, 2019 Balance at December 31, 2019 2,838,551 71,395 81,427 1,941,044 200,000 7,077,325 29,546,036 3,337 41,693,115 124,808 41,817,923 Total comprehensive income for the period: Profit for the period Other comprehensive income 3,2019 1,341 1,341,044	Toronto to considerance by	-	-	-	-	-	-	8,723,932	-	8,723,932	7,684	8,731,616
Final cash dividend @ Rs 30 per share - Year ended June 30, 2019 Balance at December 31, 2019 2,838,551 71,395 15,427 1,941,044 200,000 7,077,325 29,546,036 3,337 41,893,115 124,808 41,817,923 Total comprehensive income for the period: 1	associated company Transactions with owners:	-	-	3	-	-	-	(3)) -	-	-	-
Total comprehensive income for the period: Profit for the period	Final cash dividend @ Rs 30 per share - Year ended	-	-	-	-	-	-	(8,515,653)) -	(8,515,653)	-	(8,515,653)
Profit for the period		2,838,551	71,395	15,427	1,941,044	200,000	7,077,325	29,546,036	3,337	41,693,115	124,808	41,817,923
Transfer to special reserve by associated companies	Profit for the period	-	-	-	-	-	-					
Transactions with owners: POL dividend: Interim dividend @ Rs 20 per share - Year ended June 30, 2020 Dividend to CAPGAS non-controlling interest holders: Interim dividend @ Rs 38.5 per share - Year ended June 30, 2020 2,838,551 71,395 15,429 1,941,044 200,000 7,077,325 2,9706,730 3,236 41,853,710 127,574 41,981,284 Total transactions with owners: Profit for the period Other comprehensive income		-	-	-	-	-	-		. ,	5,837,697	15,500	5,853,197
Dividend to CAPGAS non-controlling interest holders: Interim dividend (@ Rs 38.5 per share - Year ended June 30, 2020	Transactions with owners:			2				(2)		-		-
Total transactions with owners	Dividend to CAPGAS non-controlling interest holders:	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	-	
Balance at June 30, 2020 Z,838,551 71,395 15,429 1,941,044 200,000 7,077,325 29,706,730 3,236 41,853,710 127,574 41,981,284 Total comprehensive income for the period: Profit for the period Other comprehensive income Transfer to special reserve by an associated company Transfer to special reserve by an associated company Transactions with owners: POL dividend @ Rs 30 per share - Year ended June 30, 2020 Dividend to CAPGAS non-controlling interest holders: Final dividend @ Rs 29.5 per share - Year ended June 30, 2021 Interim dividend @ Rs 7.5 per share - Year ended June 30, 2021 Total transactions with owners		20 -	-	-	-	-	-		-	-	_ ` '	
Total comprehensive income for the period: Profit for the period Other comprehensive income	Total transactions with owners	-	-	-	-	-	-	(5,677,102)) -	(5,677,102)	(12,734)	(5,689,836)
Other comprehensive income		2,838,551	71,395	15,429	1,941,044	200,000	7,077,325	29,706,730	3,236	41,853,710	127,574	41,981,284
Transfer to special reserve by an associated company - 7 - (7)		-	-	-	-	-	-		-		2,422	
Transactions with owners: POL dividend: Final dividend @ Rs 30 per share - Year ended June 30, 2020 Dividend to CAPGAS non-controlling interest holders: Final cash dividend @ Rs 29.5 per share - Year ended June 30, 2020 Interim dividend @ Rs 7.5 per share - Year ended June 30, 2021 Total transactions with owners		-	-	-	-	-	-		-	6,745,722	2,422	6,748,144
Dividend to CAPGAS non-controlling interest holders: Final cash dividend @ Rs 29.5 per share - Year ended June 30, 2020 Interim dividend @ Rs 7.5 per share - Year ended June 30, 2021 Total transactions with owners	Transactions with owners:	-		7	-	-	-	(7)) -	-	_	-
June 30, 2020 -	Final dividend @ Rs 30 per share - Year ended June 30, 2020 Dividend to CAPGAS non-controlling interest holders:	-	-	-	-	-	-	(8,515,653)	-	(8,515,653)	-	(8,515,653)
Total transactions with owners (8,515,653) - (8,515,653) (12,238) (8,527,891)	June 30, 2020	-	-	-	-	-	-	-	-	-	1 ' '	1 ' '
Balance at December 31, 2020 2,838,551 71,395 15,436 1,941,044 200,000 7,077,325 27,936,792 3,236 40,083,779 117,758 40,201,537		-	-	-		-	-	(8,515,653)	-	(8,515,653)		(8,527,891)
	Balance at December 31, 2020	2,838,551	71,395	15,436	1,941,044	200,000	7,077,325	27,936,792	3,236	40,083,779	117,758	40,201,537

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.

Khalid Nafees CFO Shuaib A. Malik Chief Executive



Condensed Interim Consolidated Statement of Cashflows (Unaudited)

For the six months period ended December 31, 2020

		Six months period ended		
	Note	Dec. 31, 2020	Dec. 31, 2019	
	-	———— Rupe	es ('000) ———	
CASH FLOWS FROM OPERATING ACTIVITI	ES			
Cash receipts from customers Operating and exploration costs paid Royalty paid Taxes paid		19,650,461 (4,063,697) (1,727,243) (2,733,128)	22,946,579 (6,568,027) (2,104,890) (2,554,748)	
Cash provided by operating activities		11,126,393	11,718,914	
CASH FLOWS FROM INVESTING ACTIVITIE	S			
Capital expenditure		(1,904,382)	(2,931,584)	
Proceeds from disposal of property, plant and Investments in mutual funds - net	equipment	23,228 (300,153)	6,647 (399,724)	
Income on bank deposits and investments at a	mortised cost	1,094,785	1,593,796	
Dividend income received	28,124	86,174		
Cash used in investing activities	(1,058,398)	(1,644,691)		
CASH FLOWS FROM FINANCING ACTIVITIE	ES .			
Dividend paid		(8,507,303)	(8,503,604)	
EFFECT OF EXCHANGE RATE CHANGES		(954,128)	(696,266)	
INCREASE IN CASH AND CASH EQUIVALE	NTS	606,564	874,353	
CASH AND CASH EQUIVALENTS AT JULY ()1,	43,308,022	35,845,376	
CASH AND CASH EQUIVALENTS AT DEC. 3	31,	43,914,586	36,719,729	
CASH AND CASH EQUIVALENTS				
Short term investment - at amortised cost	16	2,598,648	-	
Cash and bank balances	17	41,315,938	36,719,729	
		43,914,586	36,719,729	

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.

Khalid Nafees CFO Shuaib A. Malik Chief Executive



For the six months period ended December 31, 2020

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 (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, 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 accounts, POL and its consolidated subsidiary are referred as the Company.

2. Basis of consolidation

The consolidated financial information include the financial statements of POL and its subsidiary CAPGAS with 51% holding (June 30, 2020: 51%).

Subsidiaries are those enterprises 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 company 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.



For the six months period ended December 31, 2020

These condensed interim consolidated financial statements does 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, 2020.

4. Significant accounting policies

The accounting policies and methods for computation adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2020.

		(Unaudited)	(Audited)
		Dec. 31, 2020	June 30, 2020
5.	Canital recommon	Rupe	es ('000)———
Э.	Capital reserves		
	Bonus shares issued by subsidiary/associated companies	71,395	71,395
	Special reserve	15,436	15,429
	Utilised special reserve	1,941,044	1,941,044
		2,027,875	2,027,868
6.	Revenue reserves		
	Insurance reserve	200,000	200,000
	General reserve	7,077,325	7,077,325
	Unappropriated profit	27,936,792	29,706,730
		35,214,117	36,984,055
7.	Deferred liabilities		
	Provision for deferred income tax	6,138,983	5,831,597
	Provision for decommissioning cost	14,003,524	14,089,542
	Provision for Gratuity	7,577	6,768
	Provision for staff compensated absences	3,124	5,642
		20,153,208	19,933,549

8. Trade and other payables

These include balances due to joint venture partners amounting to Rs 1,347,076 thousand (June 30, 2020: Rs 1,748,469 thousand) and balances due to related parties amounting to Rs 597,257 thousand (June 30, 2020: Rs 1,142,218 thousand).

9. Contingencies and commitments

9.1 There were no material contegencies at December 31, 2020 (June 30, 2020 nil).

	Dec. 31, 2020	June 30, 2020
9.2 Commitments:	Rupee	es ('000)————
Share in Joint Ventures	8,230,737	9,412,940
Own fields	-	297,558
Letter of credit issued by banks on behalf		
of the company	188,912	199,199

(Unaudited)

(Audited)



For the six months period ended December 31, 2020

10. Property, plant and equipment		(Unaudited) (Audited)		
10. Property, plant and equipment Operating assets Opening net book value 7,106,486 811,597 Disposals during the period/year (515) (1,423) (1,508,562) (1,423) Operaciation for the period/year (741,283) (1,508,562) (1,423) Operaciation for the period/year (741,283) (1,508,562)		Dec. 31, 2020	June 30, 2020	
Opening net book value	10. Property, plant and equipment	Nupco	3 (000)	
Additions during the period/year Disposals during the period/year Disposals during the period/year Depreciation for the period/year Closing net book value Capital work in progress - at cost 11. Development and decommissioning costs Development cost Opening net book value Additions during the period/year Nevision due to change in estimates Well cost transferred from exploration and evaluation assets Amortization for the period/year Closing net book value Opening net book value Additions during the period/year Additions during the period/year Additions during the period/year Closing net book value Opening net book value Additions during the period/year Closing net book value Additions during the period/year Additions during the period/year Additions during the period/year Amortization for the period/year Closing net book value 12. Exploration and evaluation assets Balance brought forward Additions during the period/year Additions during the pe	Operating assets			
Depreciation for the period/year	Additions during the period/year	364,536	811,597	
Capital work in progress - at cost 484,689 752,245 7,213,913 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,731 7,858,7324 7,858,7324 7,262,025 7,262		· /	, ,	
11. Development and decommissioning costs	•			
Development cost		· · · · · · · · · · · · · · · · · · ·		
Opening net book value Additions during the period/year Revision due to change in estimates Well cost transferred from exploration and evaluation assets Amortization for the period/year Opening net book value Additions during the period/year Additions during the period/year Amortization for the period/year Amortization for the period/year Amortization for the period/year Amortization for the period/year Closing net book value Amortization and evaluation assets Balance brought forward Additions during the period/year Additions during the period/year Opening net book value Additions during the period/year Additions during the period/year Opening net book value Opening net book value Addi	11. Development and decommissioning costs			
Additions during the period/year Revision due to change in estimates Well cost transferred from exploration and evaluation assets Amortization for the period/year Closing net book value Decommissioning cost Opening net book value Opening net book value Additions during the period/year Amortization for the period/year Closing net book value Opening net book value Additions during the period/year Amortization for the period/year Amortization for the period/year Closing net book value 498,293 167,435 173,660 173,600 17	Development cost			
Well cost transferred from exploration and evaluation assets 1,478,001 (3,985) (3,985) Amortization for the period/year (1,171,823) (2,497,233) Closing net book value 13,425,527 11,857,324 Decommissioning cost Opening net book value 498,293 167,435 Additions during the period/year 18,926 173,660 Revision due to change in estimates - 278,967 Amortization for the period/year (69,417) (121,769) Closing net book value 447,802 498,293 13,873,329 12,355,617 12. Exploration and evaluation assets Balance brought forward 2,773,514 52,761 Additions during the period/year 240,068 2,720,753 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -	Additions during the period/year			
Decommissioning cost Opening net book value 498,293 167,435 Additions during the period/year 18,926 173,660 Revision due to change in estimates - 278,967 Amortization for the period/year (69,417) (121,769) Closing net book value 447,802 498,293 13,873,329 12,355,617 12. Exploration and evaluation assets 2,773,514 52,761 Additions during the period/year 240,068 2,720,753 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -	Well cost transferred from exploration and evaluation assets		` ' '	
Opening net book value	Closing net book value	13,425,527	11,857,324	
Additions during the period/year Revision due to change in estimates Amortization for the period/year Closing net book value 18,926 (69,417) (69,417) (121,769) 447,802 498,293 13,873,329 12,355,617 12. Exploration and evaluation assets Balance brought forward Additions during the period/year 2,773,514 Additions during the period/year 240,068 2,720,753 3,013,582 2,773,514 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -	Decommissioning cost			
13,873,329 12,355,617 12. Exploration and evaluation assets Balance brought forward 2,773,514 52,761 Additions during the period/year 240,068 2,720,753 3,013,582 2,773,514 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -	Additions during the period/year Revision due to change in estimates	18,926	173,660 278,967	
12. Exploration and evaluation assets Balance brought forward Additions during the period/year 2,773,514 240,068 2,720,753 3,013,582 2,773,514 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -	Closing net book value	447,802	498,293	
Balance brought forward Additions during the period/year 2,773,514 240,068 2,720,753 3,013,582 2,773,514 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -		13,873,329	12,355,617	
Additions during the period/year 240,068 2,720,753 3,013,582 2,773,514 Dry and abandoned wells cost charged to the profit & loss account (1,478,001) -	12. Exploration and evaluation assets			
Dry and abandoned wells cost charged to the profit & loss account (1,478,001)	· · · · · · · · · · · · · · · · · · ·		•	
	Dry and abandoned wells cost charged to the profit & loss account		2,773,514	
			2,773,514	



For the six months period ended December 31, 2020

	(Unaudited) Dec. 31, 2020	(Audited) June 30, 2020
-	Rupe	es ('000)———
13. Long term investment in associated companies - equity method		
Beginning of the year	10,969,009	13,135,926
Share in loss of associated companies	(52,041)	(939,262)
Share of other comprehensive income of associated companies	66	7,276
Impairment reversal/(loss) against investment in NRL	205,642	(1,130,160)
Dividend received during the period / year	(27,939)	(104,771)
End of the period / year	11,094,737	10,969,009

14. Trade debts

These include Rs 3,143,193 thousand (June 30, 2020: Rs 2,212,489 thousand) receivable from related parties.

15. Advances, deposits, prepayments and other receivables

These include balances due from joint venture partners amounting to Rs 358,187 thousand (June 30, 2020: Rs 498,831 thousand) and balances due from related parties amounting to Rs 245,350 thousand (June 30, 2020: Rs 52,481 thousand).

16. Short term investments - at amortized cost

This represents Treasury Bills purchased on December 31, 2020 for 84 days at yield ranging from 8.08% to 8.11% (June 30, 2020: 7.85% to 8.21%) per annum.

17. Cash and bank balances	(Unaudited) Dec. 31, 2020 Rupee	(Audited) June 30, 2020 es ('000)——————————————————————————————————
Bank balance on:		
Interest/mark-up bearing saving accounts	1,899,836	4,544,197
Short term deposits	39,338,250	32,228,089
Current accounts	75,401	66,640
	41,313,487	36,838,926
Cash in hand	2,451	1,953
	41,315,938	36,840,879

Balances with banks include foreign currency balances of US \$ 133,410 thousand (June 30, 2020: US \$ 127,602 thousand). The balances in saving accounts and short term deposits earned interest/mark-up ranging from 0.25 % to 8.21 % (June 30, 2020: 1.00% to 15.20%).



For the six months period ended December 31, 2020

	(Unaudited) Three months period ended		(Unaudited) Six months period ended	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
-		Rupees	s ('000)———	
18. Net sales				
Crude oil	3,883,387	5,631,545	7,948,449	10,658,463
Gas - note 16.1	3,559,235	3,733,143	7,295,838	7,353,976
Less : Shrinkages/Own use	467,812	436,488	927,090	867,195
	3,091,423	3,296,655	6,368,748	6,486,781
POLGAS/Cap Gas - Refill of cylinders	1,988,137	2,244,674	3,548,094	3,899,874
Solvent oil	49,975	64,176	98,321	122,473
Sulphur	-	854	-	854
	9,012,922	11,237,904	17,963,612	21,168,445

18.1. 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) had 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.



For the six months period ended December 31, 2019

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 had fixed March 19, 2020 as next date of hearing, but the hearing was cancelled due to preventive measures taken in the court amid Coronavirus.

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 December 31, 2020 amounting to Rs 15,437,029 thousand will be accounted for upon resolution of this matter (including Rs 13,949,495 thousand related to period since inception to June 30, 2020). Additional revenue on account of enhanced gas price incentive of Rs 17,461,801 thousand including sales tax of Rs 2,528,159 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables".

	(Unaudited) Three months period ended		(Unau	dited) period ended
	Dec. 31, 2020	Dec. 31, 2019		Dec. 31, 2019
19. Operating costs		Rupees	s ('000)———	
Operating cost - Own fields	249,453	305,732	450,974	544,657
- Share in joint Operation	s 806,933	863,025	1,661,022	1,635,044
Well workover	(25,341)	9,467	(17,353)	56,096
POLGAS/Cap Gas -Cost of	000.045	4 044 000	4 400 000	4 007 000
gas/LPG, carriage etc	836,645	1,014,230	1,499,986	1,637,369
Pumping and transportation cost	11,541	15,308	26,857	28,097
Depreciation	371,885	365,438	734,792	773,983
	2,250,832	2,573,200	4,356,278	4,675,246
Opening stock of crude oil and other products	423,725	413,698	404,494	313,921
Closing stock of crude oil and				
other products	(297,247)	(368,045)	(297,247)	(368,045)
	2,377,310	2,618,853	4,463,525	4,621,122



For the six months period ended December 31, 2020

		(Unaudited) hree months period ended		(Unaudited) Six months period ended	
-	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020		
20. Exploration costs		Rupees	('000)		
Geological and geophysical cost	33,593	414,817	109,231	790,648	
21. Finance costs - net					
Provision for decommissioning cost	t				
 unwinding of discount 	275,299	405,710	556,289	807,506	
- exchange gain	(465,025)	(98,898)	(661,235)	(362,624)	
Banks' commission and charges	1,355	2,334	2,519	3,009	
	(188,371)	309,146	(102,427)	447,891	
22. Other charges					
Workers' profit participation fund	299,393	329,456	581,971	639,122	
Workers' welfare fund	93,775	82,683	165,608	173,599	
	393,168	412,139	747,579	812,721	
23. Other income - net					
Income from financial assets					
Income on bank saving accounts deposits and investments carried at amortised cost	638,045	810,782	1,144,309	1,584,406	
Exchange (loss)/gain on financial assets	(681,367)	(229,694)	(954,128)	(696,266)	
Dividend on investments in mutual funds classified as fair value through profit or loss	185	1,437	185	16,327	
Other income					
Rental income -net of related expenses	215,814	71,511	238,998	120,670	
Crude oil / gas transportation income - net of related expenses	16,096	40,305	56,588	60,254	
Gas processing fee	3,905	5,752	150	10,158	
Profit on sale of property, plant and equipment	22,685	5,735	22,713	5,733	
Profit on sale of stores and scrap	379	2,596	405	2,916	
Fair value adjustment on investments classified as fair value through profit or loss	140	2,136	140	2,136	
Others	5,965	(638)	8,108	3,778	
	221,847	709,922	517,468	1,110,112	



For the six months period ended December 31, 2020

	(Unaud Three months	(Unaudited) Three months period ended		dited) eriod ended
	Dec. 31, 2020	Dec. 31, 2020 Dec. 31, 2019		Dec. 31, 2019
	Rupees ('000)			
24. Provision for taxation				
Current	1,792,515	1,352,060	3,057,099	2,992,624
Deferred	164,540	144,273	308,855	288,479
	1,957,055	1,496,333	3,365,954	3,281,103

25. Fair value measurement

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1: Quoted prices in active markets for identical assets and liabilities;
- Level 2: Observable inputs; and
- Level 3: Unobservable inputs

The Company held the following financial assets at fair value;

	Dec	December 31, 2020			
	Level 1	Level 2	Level 3	Total	June 30, 2020
		Rı	upees ('000	0)(0	
Other financial assets					
classified as fair value through profit or loss	306,812	-	-	306,812	6,519

26. Transactions with related parties

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

	(Unaudited) Three months period ended		(Unaudited) Six months period ended	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
		Rupees	s ('000')	
Sales of goods and services to:				
Associated Companies	3,284,434	5,213,151	6,791,210	9,607,406
Purchase of goods and services from:				
Parent Company	16,590	17,383	29,562	34,321
Associated Companies	303,095	595,081	597,378	976,285



For the six months period ended December 31, 2020

(Unau Three months	(Unaudited) hree months period ended		ıdited) period ended
Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
	Rupees	s ('000)	

Reimbursement of expenses incurred by associates on behalf of POL							
Parent company Associated Companies	- 5,622	- 5,085	9,275 14,099	- 14,471			
Rental Income							
Associated Companies	841	836	1,677	1,674			
Rental expenses							
Parent Company Associated Companies	12,325 1,117	10,680 819	24,208 2,234	21,165 1,639			
Dividend paid during the period:							
Parent Company Associated Companies	4,493,860 4,145	- -	4,493,860 4,145	4,492,007 13,663			
Dividend received during the period:							
Associated Companies	-	-	69,847	345,432			
Other related parties:							
Remuneration to key management personnel including benefits and perquisites	65,240	27,724	91,407	83,719			
Dividend to key management personnel	95,133	86,275	95,133	86,275			
Contribution to staff retirement benefits plans							
Management Staff Pension Fund and Gratuity Fund"	21,602	20,856	45,260	44,093			
Approved Contributory Provident Funds	7,932	7,493	16,265	15,750			
Contribution to Workers' Profit Participation Fund	299,393	329,456	581,971	639,122			



For the six months period ended December 31, 2020

27. 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 18.

Revenue from two major customers of the Company constitutes 66% of the total revenue during the period ended December 31, 2020 (December 31, 2020: 69%).

28. Non-adjusting event after the balance sheet date

The Board of Directors in its meeting held on January 26, 2021 has declared an interim cash dividend @ Rs 20 per share, amounting to Rs 5,677,102 thousand for the year ending June 30, 2021.

29. Corresponding figures

Corresponding figures have been rearranged/reclassified wherever necessary to conform to current period presentation.

30. 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.

31. Date of authorisation

These condensed interim financial statements were authorized for circulation to the shareholders by the Board of Directors of the Company on January 26, 2021.

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