



Pakistan Petroleum Limited

P.I.D.C. House, Dr. Ziauddin Ahmed Road,
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UAN: 92-21-111-568-568
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Website: www.ppl.com.pk

Our reference: CS/PSX-0266

Your reference:

Date: 26th October 2021

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Attention: Ms. Asmaa Saleem Malik
Deputy General Manager
Listing Department

Dear Madam,

Re: Report for the First Quarter Ended 30th September 2021

As required by Rule 5.6.9 (c) of PSX Rules please find attached the Company's quarterly report for the period ended 30th September 2021, for circulation among your members.

Yours truly,

Ali Jaffar
Company Secretary

Enclosure: As above.

Quarterly Report
September 2021



وہ جہاں ہے ترا جبر کو تو کرے پیدا یہ سنگ و خشت نہیں، جو تری نگاہ میں ہے





COMPANY INFORMATION

Board of Directors

Mr. Shahab Rizvi
Chairman

Mr. Moin Raza Khan
Chief Executive Officer /
Managing Director

Mr. Abid Sattar

Mr. Aftab Ahmad

Dr. Arshad Mahmood

Mr. Imtiaz A.H. Laliwala

Ms. Khurshid Bhaimia

Mr. Mian Imtiazuddin

Mr. Saleh Muhammad Baloch

Mr. Syed Zakria Ali Shah

Company Secretary

Mr. Ali Jaffar

Registered Office

P.I.D.C. House
Dr. Ziauddin Ahmed Road
P.O. Box 3942
Karachi-75530

Contact Details

UAN: +92 (21) 111 568 568
Fax: +92 (021) 35680005 & 35682125
Website: www.ppl.com.pk

Registration Number

CUIN: 0000378

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank AL Habib Limited
Dubai Islamic Bank
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Shares Registrar

Messrs. FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Nursery Block-6
P.E.C.H.S., Shahra-e-Faisal
Karachi.
Tel: +92 (21) 34380101-05
Fax: +92 (21) 34380106

Legal Advisors

Messrs. Surridge & Beecheno

DIRECTORS' INTERIM REVIEW

Your directors are pleased to present the unaudited condensed interim financial statements for the quarter ended September 30, 2021 and a brief review of the Company's operations.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational Highlights

The key operational highlights for the quarter ended September 30, 2021 are as follows:

Discovery

One discovery has been made during the period under review in partner operated block i.e., Jugan-1 (Latif block). The well is tied-in to production facilities and currently flowing 16 MMscfd of gas.

Geophysical Surveys

In PPL operated blocks, gravity and magnetic data of 4,790 Line Km and 4,689 Line Km, respectively, was acquired during the current period.

Financial Highlights

The key financial results of the Company for the quarter ended September 30, 2021 are as follows:

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
	Rs Million	
Sales revenue (net)	43,154	39,226
Profit before taxation	23,272	19,220
Taxation	(6,281)	(4,869)
Profit after taxation	16,991	14,351
Basic and Diluted Earnings Per Share (Rs)	6.24	5.27

Sales revenue

Sales revenue increased by Rs 3,928 million during the current period as compared to the corresponding period. The increase is due to positive variance on account of price (including change in exchange rate) amounting to Rs 7,152 million, partially offset by negative volume variance of Rs 3,224 million.

Positive price variance is due to increase in average international crude oil prices from US\$ 43.36 / bbl in the corresponding period to US\$ 72.58 / bbl during the current period, partially offset by appreciation of Pak rupee against US dollar (average exchange rate for the current period was PKR 164.64 as compared to PKR 167.16 during the corresponding period).

In addition, negative volume variance is mainly attributable to Kandhkot (perpetually lower offtakes by the customer), Sui, Adhi, Tal, and Latif fields, partially offset by higher production from Gambat South, BME and commencement of production from Shah Bandar.

A comparison of the Company's share of sales volumes from all operated and partner-operated fields is given below:

	Unit	Quarter ended September 30, 2021	Quarter ended September 30, 2020
Natural Gas	MMscf	54,600	63,871
Crude Oil / Natural Gas Liquids / Condensate	BBL	1,201,526	1,338,264
Liquefied Petroleum Gas (LPG)	Tonnes	29,282	26,835
Barytes	Tonnes	27,424	5,954

Profitability

Profitability increased by 18% as compared to the corresponding period. The main drivers are increase in sales revenue (as explained above) and other income, partially offset by higher exploration expenses.

Higher other income is mainly attributable to exchange gain during the current period as compared to exchange loss in the corresponding period due to devaluation of Pak Rupee against US Dollar at the end of the period.

Increase in exploration expenses is due to higher cost of dry wells charged to profit or loss during the current period.

LIQUIDITY MANAGEMENT AND CASH FLOW POSITION

Overall collections from customers almost remained in line with the corresponding period despite increase in sales, resulting in further increase in trade debts by 6%, which stood at Rs 298 billion (June 30, 2020: Rs 282 billion). Accordingly, Circular Debt continues to be considered as a critical risk in the achievement of the Company's strategic objectives. The Company remained actively engaged with all stakeholders including relevant Ministries for both temporary relief to meet short-term cash flow requirements, as well as long-term permanent solution to Circular Debt.

FOCUS AREAS

Exploration

At present, the Company's portfolio, together with its subsidiaries and the associate, consists of forty-four exploratory blocks, out of which twenty-six are operated (including Block-8 in Iraq being operated by PPL Asia and offshore Block-5 in Abu Dhabi, being operated by Pakistan International Oil Limited) and remaining eighteen, including one offshore block in Pakistan and one onshore block in Yemen, are partner operated. Update of major activities is as follows:

Exploration South Assets

In Gambat South block, drilling of exploratory well Qasar X-1 has been completed and well testing is in progress currently.

In Naushahro Firoz block, exploratory well Naushahro Firoz X-1 was charged to profit or loss during the period.

Exploration Frontier Assets

In South Kharan and Nausherwani blocks, gravity & magnetic data acquisition have been completed, whereas preparations are underway to acquire gravity and magnetic data in Kharan and Kharan East blocks.

Exploration North Assets

To appraise the Dhok Sultan discovery, post-well evaluation of appraisal well Dhok Sultan-02 is in progress.

In Punjab block, acquisition of gravity & magnetic data is in progress.

Partner-Operated Exploration Blocks

In Latif block, exploratory well Jugan-1 was successfully completed as a gas producer. The gas discovery was made in B and C – Sands of Lower Goru Formation.

Drilling of exploratory well Khanot-1 (Kotri North block) was completed and the well has been suspended for further evaluation.

New Block Acquisition

PPL-led consortium comprising of Oil and Gas Development Company Limited (OGDCL), Mari Petroleum Company Limited (MPCL) and Government Holdings (Private) Limited (GHPL) has been awarded Offshore Block 5 in Abu Dhabi's second competitive block bid round. The exploration concession agreement for the offshore block was signed by Managing Director and Group Chief Executive Officer of Abu Dhabi National Oil Company (ADNOC), Dr. Sultan Ahmed Al Jaber and Managing Director and Chief Executive Officer of PPL, Mr. Moin Raza Khan on August 31, 2021. The offshore block covers an area of 6,223 square kilometers. This is the first-ever concession award for Pakistani Exploration & Production companies to explore, appraise and develop oil and gas resources in Abu Dhabi, along with establishing a strategic partnership with ADNOC. The offshore block is operated by Pakistan International Oil Limited (PIOL), a newly formed company consisting of PPL (Operator), OGDCL, MPCL and GHPL each having 25% equity investment in the block.

Producing Fields

Sui

In order to revamp existing SML compressors, a purchase order for the compression modification project was placed. In addition, well testing campaign and bottom hole pressure surveys were conducted to evaluate the field potential and to plan the future optimisation activities using in-house Integrated Asset model.

Pab liquid handling facility was successfully installed and commissioned to remove the liquid from Pab wells before entering at the Purification Plant. A separate feeder line was also commissioned into the same facility for well Sui-95 which was earlier flowing into the SML network.

Further, maintenance and enhancement of reliability activities were undertaken at Purification Plant and Gas Compression Station, including major overhaul of purification bank.

Kandhkot

Maintenance and upgrade / enhancement of plant reliability activities were undertaken at Kandhkot gas field, including upgrade & integration of nitrogen booster compressor control system.

Gas sales during the period averaged around 78 MMscfd as against field potential of ~200 MMscfd, due to significantly lower offtakes by the customer i.e., GENCO-II.

Gambat South / Hala

Construction of feeder line for tie-in of Kabir X-1 well with feeder line of Hadaf X-1 well was completed and the well has been commissioned for processing at Gambat South plant.

With respect to Zafir-GPF (Rehabilitation of GPF-III), the Company is constrained to execute the project due to legal impediments and making efforts to sort out the issues. In the meantime, major long lead items have arrived at site and engagement of contractor for the construction of the facility is in progress, while engineering works are in progress for Gambat South compression project.

Further, a milestone of 4 million safe manhours without Lost Time Injury was achieved at Hala field.

Dhok Sultan

Construction works for Oil Handling Facility on Build-Operate-Maintain (BOM) basis and gas processing at Meyal field are in full swing.

Bolan Mining Enterprise (BME)

Mining lease for Baryte Lead Zinc (BLZ) project has been awarded for an area of 30 Sq. km. Land demarcation activity was completed and site construction activities are in progress. For project kick off, negotiations are in progress with Government of Balochistan for finalisation of Mining Lease Deed, Operating Agreement, BLZ project financing, Terms & Conditions sheet till corporatisation of BME.

Mine upgrade and overburden removal process was initiated at existing mine site at Gunga, Khuzdar for the extraction of high-grade baryte ore to cater to export demand.

In addition, site construction activities have been completed at Nokkundi Iron Ore project, whereas installation of crusher and weighbridge is in progress at Nokkundi along with initiation of bulk mining of Iron Ore.

Partner-Operated Assets

In Kirthar block, development well Rehman-8 was spud-in and currently drilling is in progress, whereas site preparation for drilling of development well Rizq-4 is in progress.

Corporate Social Responsibility

Despite restrictions due to COVID-19, the Company continued to work for uplifting of living condition of communities and promotion of education at its producing and exploratory areas across the country and in this respect (i) completed construction of classrooms at various schools (ii) installed 20 KW solar system at computer training center at Sui.

Further, construction of two Reverse Osmosis (RO) plants at district Shaheed Benazirabad was completed.

Furthermore, the Company continued to provide health care services to the population of Sui through Public Welfare Hospital, Sui. Two ambulances were handed over and construction of two

dispensary buildings was completed at Taluka Bhirya, district Naushahro Firoz. In addition, the company commenced operations of mobile medical dispensary at villages nearby Dhok Sultan field.

Quality, Health, Safety and Environment (QHSE)

COVID-19 fourth wave surfaced during the reporting period across the country. Management's focus and efforts continued for coping up with the changing scenario at national and global levels. Regular Incident Management Team meetings were held for reviewing emerging situations and making decisions accordingly.

Focus remained on getting the employees fully vaccinated which resulted in achieving 100% vaccination of employees. Eligible dependents of employees have also been pursued / facilitated to get vaccinated through awareness campaigns and vaccination dose arrangement at the Company's locations. Further, mobile vaccination units have been activated at the Company's head office and fields to support government's vaccination drive.

In addition, 18 million safe manhours were completed (including company and contractors) by end of September 2021.

Industrial Relations

Harmonious working environment and cordial industrial relations atmosphere prevailed at all locations of the Company.

ACKNOWLEDGEMENT

In these unprecedented times arising as a result of the COVID-19 pandemic, the Company is continuing to do well and is geared up to tackle the evolving circumstances as they come. This was made possible with enthusiasm, resilience and commitment shown by our employees, who deserve full credit. We are also thankful for the continued support of the GoP and shareholders, whose unwavering trust and confidence has enabled us to remain on track in the achievement of our strategic objectives.



DIRECTOR



**MANAGING DIRECTOR /
CHIEF EXECUTIVE OFFICER**

Karachi: October 25, 2021

صنعتی تعلقات

ہم آہنگی کی فضا اور خوش گوار صنعتی تعلقات کا ماحول کمپنی کے تمام شعبوں اور مقامات پر غالب ہے۔

اعتراف

Covid-19 وبائی مرض کے نتیجے میں پیدا ہونے والے اس کڑے وقت میں، کمپنی اچھی کارکردگی کا مظاہرہ کر رہی ہے اور رونما ہونے والے حالات سے نمٹنے کے لیے تیار ہے۔ یہ ہمارے ملازمین کی مستقل مزاجی اور مشکلات سے نبرد آزما ہونے کی غیر معمولی صلاحیتوں سے ممکن ہوا ہے، جس کے لئے وہ خراج تحسین کے مستحق ہیں۔ ہم حکومت پاکستان اور حصص یافتگان کی مسلسل حمایت کے لیے ان کے بھی شکر گزار ہیں، جن کے غیر متزلزل یقین اور اعتماد نے ہمیں اپنی حکمت عملی کے مقاصد کے حصول کی راہ پر گامزن رہنے کے قابل بنایا ہے۔

Moin Raza Khan,

منیجنگ ڈائریکٹر ایف اے ایف اے



ڈائریکٹر

کراچی: 25 اکتوبر، 2021

بولان مائننگ انٹرپرائز (BME)

بیرائٹ-لیڈ-زنک (بی ایل زیڈ) منصوبے کے لیے مائننگ لیز 30 مربع کلومیٹر رقبے کے لیے دی گئی ہے۔ زمین کی حد بندی کی سرگرمی مکمل ہو چکی ہے اور سائٹ کی تعمیراتی سرگرمیاں جاری ہیں۔ منصوبہ شروع کرنے کے لیے، مائننگ لیز کی دستاویز، آپریٹنگ معاہدہ، بی ایل زیڈ منصوبے کی سرمایہ کاری، شرائط و ضوابط کی شیٹ کو بی ایم ای کی کارپوریشن تک حتمی شکل دینے کے لیے حکومت بلوچستان کے ساتھ بات چیت جاری ہے۔

اعلیٰ درجے کی بیرائٹ خام دھات نکالنے کے لیے، گنگا خضدار کے مقام پر موجود کان کنی کے مقام پر مائن کی تجدید اور چٹان کو ہٹانے کا عمل شروع کیا گیا تاکہ برآمدی طلب کو پورا کیا جاسکے۔

اس کے علاوہ، نوکنڈی خام لوہے کے منصوبے کے لئے جگہ کی تعمیراتی سرگرمیاں مکمل ہو چکی ہیں جب کہ نوکنڈی میں کرش اور کان کنی کی تنصیب کا کام جاری ہے اور اس کے ساتھ بڑی مقدار میں (خام لوہے کی دھات کی کان کنی کا آغاز کر دیا گیا ہے۔

پارٹنر آپریٹڈ اثاثے

کیہترہ بلاک میں پیداواری کنونٹیں رحمان-8 کی کھدائی کا آغاز کر دیا گیا جو اس وقت جاری ہے، جب کہ پیداواری کنونٹیں رزق-4 کی کھدائی کے لیے جگہ تیار کی جارہی ہے۔

کاروباری سماجی ذمہ داری

Covid-19 کی وجہ سے پابندیوں کے باوجود، کمپنی نے ملک بھر میں اپنے پیداواری اور دریا فنی اثاثوں کے ارد گرد کے لوگوں کی زندگی کے حالات کو بہتر بنانے اور تعلیم کے فروغ کے لیے کام جاری رکھا اور اس سلسلے میں (i) مختلف اسکولوں میں کلاس رومز کی تعمیر مکمل ہوئی (ii) سوئی کے کمپیوٹر ٹریننگ سینٹر میں 20 کلو واٹ سولر سسٹم کی تنصیب۔ اس کے علاوہ ضلع شہید بے نظیر آباد میں ریولیس اسوس پلانٹس کی تعمیر مکمل ہوئی۔

مزید برآں، پبلک ویلفیئر اسپتال، سوئی کے ذریعے کمپنی سوئی کی آبادی کو صحت کی دیکھ بھال کی خدمات فراہم کرتی رہی۔ تعلقہ بھر میں، ضلع نوشہرہ و فیروز میں دوا ایمونائزیشن فراہم کی گئیں اور دو ڈسپنسریوں کی عمارتوں کی تعمیر بھی مکمل کی گئی۔ اس کے علاوہ، کمپنی نے ڈھوک سلطان فیلڈ کے نزدیک دیہاتوں میں مقیم آبادیوں کو صحت کی سہولت کی فراہمی کے لئے موبائل میڈیکل ڈسپنسری کا آغاز کر دیا ہے۔

معیار، صحت، تحفظ و ماحول (QHSE)

زیر جائزہ مدت کے دوران ملک بھر میں Covid-19 کی چوتھی لہر سامنے آئی۔ قومی اور عالمی سطح پر بدلتے ہوئے منظر نامے سے نمٹنے کے لیے انتظامیہ کی توجہ اور کوششیں جاری ہیں۔ ابھرتے ہوئے حالات کا جائزہ لینے اور اس کے مطابق فیصلے کرنے کے لیے حادثات (سے نمٹنے کی) انتظامی ٹیم کے اجلاس باقاعدگی سے منعقد کیے گئے۔

ملازمین کو مکمل طور پر ویکسین لگانے پر توجہ مرکوز رہی جس کے نتیجے میں 100 فیصد عملے کو ویکسین لگائی گئی۔ ملازمین کے اہل افراد خانہ کو ویکسینیشن کے لئے آمادہ کرنے کی خاطر آگاہی مہموں کے ساتھ ساتھ کمپنی کے مختلف مقامات پر ویکسین لگانے کی سہولت فراہم کی گئی۔ مزید یہ کہ، موبائل ویکسینیشن یونٹس کو کمپنی کے ہیڈ آفس اور فیلڈز میں فعال کر دیا گیا ہے تاکہ حکومت کی ویکسینیشن مہم میں مدد فراہم کی جاسکے۔

اس کے علاوہ، ستمبر 2021 کے اختتام تک 18 ملین سیف مین آؤرز (کمپنی اور ٹھیکے داروں سمیت) (کسی حادثے کے بغیر کام کے وقت کا ضائع نہ ہونا) مکمل ہو گئے۔

سوئی

موجودہ ایس ایم ایل (SML) کمپریسرز کو بہتر بنانے کے لیے، کمپریشن کی ترمیم کے منصوبے کے لیے خریداری کا آرڈر دیا گیا ہے۔ اس کے علاوہ فیلڈ کی صلاحیت کا جائزہ لینے اور مستقبل میں فیلڈ کی پیداواری صلاحیت کو بہتر بنانے کے لئے سرگرمیوں کی منصوبہ بندی کی خاطر عملے کے ذریعے تیار کردہ مربوط ایسٹ ماڈل کا استعمال کرتے ہوئے کنوئیں کی جانچ ہم اور بائٹ ہول پریشر سروے کئے گئے۔

پب (ذخیرے سے) مانع سنبھالنے کی سہولت کو کامیابی سے نصب کیا گیا تاکہ پیوریفیکیشن پلانٹ میں داخل ہونے سے پہلے پب کنوئیں سے مانع کو الگ کیا جاسکے۔ اسی سہولت کے ذریعے سوئی-95 کے لیے ایک علیحدہ فیڈر لائن بھی نصب کی گئی۔ اس سے قبل سوئی-95 سے بہاؤ ایس ایم ایل نیٹ ورک میں جارہا تھا۔

مزید برآں، پیوریفیکیشن پلانٹ اور گیس کمپریشن اسٹیشن کو مزید قابل عمل بنانے اور اس کی مرمت اور بہتری کی سرگرمیوں انجام دی گئی جس میں وسیع پیمانے پر پیوریفیکیشن بینک کی تجدید شامل ہے۔

کندھ کوٹ

کندھ کوٹ گیس فیلڈ میں پلانٹ کی پیداواری سرگرمیوں کی بحالی اور اپ گریڈ / بہتری کا کام شروع کیا گیا جس میں اپ گریڈ اور ٹرانس ورجن بوٹر کمپریسر کنٹرول سسٹم کا انضمام شامل ہیں۔

صارف جیکو-II کی جانب سے گیس کی نمایاں طور پر کم خریداری کی وجہ سے فیلڈ کی مجموعی صلاحیت جو کہ تقریباً یومیہ 200 ایم ایم ایس ایف کے مقابلے اس عرصے کے دوران گیس کی یومیہ اوسطاً 178 ایم ایم ایس ایف رہی۔

گمبٹ ساؤتھ اہالہ

کبیر X-1 کو پیداواری سلسلے سے منسلک کرنے کے لیے اس کی فیڈر لائن کی تعمیر مکمل کر کے اسے ہدف X-1 کی فیڈر لائن سے جوڑ دیا گیا ہے۔ کنوئیں سے پیداوار کا آغاز ہو چکا ہے جسکی گمبٹ ساؤتھ پلانٹ سے پروسیسنگ کی جارہی ہے۔

خافرا GPF-II (GPF-II کی بحالی) کے سلسلے میں، کمپنی قانونی رکاوٹوں کی وجہ سے اس منصوبے پر عمل درآمد کرنے سے قاصر ہے اور اس حوالے سے معاملات کو حل کرنے کی کوشش کر رہی ہے۔ اس دوران، وہ تعمیریاتی سامان جس کی خریداری اور فراہمی میں زیادہ وقت درکار ہوتا ہے (long lead Items) پلانٹ سائٹ پر پہنچ گئے ہیں اور اس پلانٹ کی تعمیر کے لیے ٹھیکہ دار کے تعین کرنے کا سلسلہ جاری ہے۔ جب کہ گمبٹ ساؤتھ کمپریشن منصوبے کے لیے انجینئرنگ کا کام جاری ہے۔

مزید برآں، ہالہ میں 4 ملین سیف مین آؤرز (Safe Manhours) کسی حادثے کے بغیر کام کے وقت کا ضائع نہ ہونے کا سبب مل حاصل کیا گیا ہے۔

ڈھوک سلطان

پلڈ - آپریٹ - مینین (BOM) - تعمیر - چلانا - انتظام کی بنیاد پر آئل بینڈنگ کی سہولت کے تعمیریاتی کام کے ساتھ ساتھ میال فیلڈ سے گیس پروسیسنگ کا کام زوروں پر ہے۔

دریافتی سرگرمیاں

اس وقت، کمپنی کا پورٹ فولیو، اپنے ماتحت اداروں کے ساتھ مل کر 44 دریافتی بلاکس پر مشتمل ہے، جن میں سے 26 آپریٹڈ ہیں (بشمول پی پی ایل ایشیا کے زیر انتظام بلاک 8 عراق میں اور پاکستان انٹرنیشنل آئل لمیٹڈ کے زیر انتظام آف شور بلاک 5 ابوظہبی میں) اور باقی 18، جن میں پاکستان میں ایک آف شور بلاک اور یمن میں ایک آن شور بلاک سمیت، پارٹنر آپریٹڈ ہیں۔

اہم سرگرمیوں کی تازہ ترین صورت حال مندرجہ ذیل ہے:

جنوبی دریافتی اثاثے

گمبٹ ساؤتھ بلاک میں دریافتی کنونٹس 1-X کی کھدائی مکمل ہو چکی ہے اور جانچ جاری ہے۔ اسی مدت کے دوران نوشہرہ فیروز بلاک میں دریافتی کنونٹس نوشہرہ فیروز 1-X کو نفع یا نقصان کے کھاتے میں درج کر دیا گیا ہے۔

سرحدی دریافتی اثاثے

خاران ساؤتھ اور نوشہرہ فیروز بلاکس میں کشتش ثقل اور مقناطیسی ڈیٹا کا حصول مکمل ہو چکا ہے، جب کہ خاران اور خاران ایسٹ بلاکس میں کشتش ثقل اور مقناطیسی ڈیٹا کے حصول کی تیاریاں جاری ہیں۔

شمالی دریافتی اثاثے

ڈھوک سلطان کی دریافت کا اندازہ لگانے کے لیے، تشخیصی کنونٹس ڈھوک سلطان-2 کی کھدائی مکمل ہونے کے بعد اس کی جانچ جاری ہے۔ پنجاب بلاک میں، کشتش ثقل اور مقناطیسی ڈیٹا کا حصول جاری ہے۔

پارٹنر آپریٹڈ دریافتی بلاکس

لطیف بلاک میں، دریافتی کنواں جوگن-1 گیس کے پیدا کنندہ کی حیثیت سے کامیابی کے ساتھ مکمل ہوا۔ کنونٹس سے دریافت لوئر گورڈو فرمیشن کی B اور C سینڈز میں کی گئی۔ دریافتی کنونٹس کھانوٹ-1، کوٹری نارتھ بلاک کی کھدائی مکمل ہو گئی ہے اور کنونٹس کو مزید جانچ کے لیے بند کر دیا گیا ہے۔

نئے بلاک کا حصول

پی پی ایل کی زیر قیادت آئل اینڈ گیس ڈیولپمنٹ کمپنی لمیٹڈ (OGDCL)، ماری پیٹرولیم کمپنی لمیٹڈ (MPCL) اور گورنمنٹ ہولڈنگز (پرائیویٹ) لمیٹڈ (GHPL) پر مشتمل ایک کنسورشیئم نے ابوظہبی کے دوسرے مسابقتی بلاک بولی راؤنڈ میں آف شور بلاک 5 حاصل کیا۔ آف شور بلاک کے لیے 31 اگست 2021 کو دریافتی بلاک کے اجراء کے معاہدے پر ابوظہبی نیشنل آئل کمپنی (ADNOC) کے نیجنگ ڈائریکٹر اور گروپ چیف ایگزیکٹو آفیسر ڈاکٹر سلطان احمد الجابر اور پی پی ایل کے نیجنگ ڈائریکٹر اور چیف ایگزیکٹو آفیسر جناب معین رضا خان نے دستخط کیے۔ آف شور بلاک 6، 223 مربع کلومیٹر پر محیط ہے۔ ADNOC سے حکمت عملی پر مبنی شراکت داری قائم کرنے کے ساتھ ساتھ ابوظہبی میں تیل اور گیس کے وسائل کی دریافت، تخصیص اور پیداوار کے حوالے سے یہ پاکستانی دریافتی و پیداواری کمپنیوں کے لیے پہلے دریافتی بلاک کا ایوارڈ ہے۔ آف شور بلاک 5 ایک نئی تشکیل شدہ کمپنی، پاکستان انٹرنیشنل آئل لمیٹڈ (PIOL) کے زیر عمل ہے جس میں پی پی ایل بحیثیت آپریٹر کے ساتھ OGDCL، MPCL اور GHPL میں سے ہر ایک 25 فیصد سرمایہ کاری کیساتھ شراکت دار ہے۔

قیمت کے مثبت تغیر کی بنیادی وجہ عالمی منڈی میں خام تیل کی اوسط بین الاقوامی قیمتوں میں ہونے والا اضافہ ہے جو تقابلی سال میں 43.36 امریکی ڈالر فی بیرل کے مقابلے میں موجودہ سال کے دوران 72.58 امریکی ڈالر فی بیرل ہو گیا جسے پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے ہونے والے اضافے (موجودہ عرصے کے دوران زرمبادلہ کی اوسط شرح 164.64 روپے فی امریکی ڈالر تھی جبکہ تقابلی سال کے دوران یہ شرح 167.16 روپے فی امریکی ڈالر تھی) نے جزوی طور پر زائل کیا۔

اس کے ساتھ ساتھ، حجم میں منفی تغیر، خصوصاً کندھ کوٹ (صارف کی جانب سے گیس کی مسلسل کم خریداری) سوئی، آدہی، ٹیل اور لطیف فیلڈز کی وجہ سے رہا جس کے اثر کو گمبٹ ساؤتھ اور بولان مائننگ انٹرپرائز سے زیادہ پیداوار کے ساتھ ساتھ شاہ بندر سے شروع ہونے والی ابتدائی پیداوار نے جزوی طور پر زائل کیا۔

تمام آپریٹڈ اور پارٹنر آپریٹڈ فیلڈز سے فروخت کے حجم میں کمپنی کے حصے کا تقابلی جائزہ حسب ذیل ہے:

یونٹ	پہلی سہ ماہی کا اختتام 30 ستمبر 2021	پہلی سہ ماہی کا اختتام 30 ستمبر 2020
قدرتی گیس	ایم ایم ایس سی ایف	63,871
خام تیل / قدرتی گیس مائع (این جی ایل) / کنڈنسیٹ	بی بی ایل	1,338,264
مائع پٹرولیم گیس (ایل پی جی)	ٹن	26,835
بیرائٹس	ٹن	5,954

منافع

کمپنی کی منفعت میں تقابلی عرصے کے مقابلے میں 18 فیصد اضافہ ہوا ہے۔ اس کی بنیادی وجہ فروخت آمدن (جیسا کہ اوپر بیان کیا گیا ہے) اور دیگر آمدنی میں ہونے والا اضافہ ہے، جسے دریافتی اخراجات میں ہونے والے اضافے نے جزوی طور پر زائل کیا۔

دیگر آمدنی میں اضافہ بنیادی طور پر موجودہ مدت کے دوران زرمبادلہ کی مد میں اضافہ ہے جو مدت کے اختتام پر پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے میں ہونے والی کمی سے منسوب ہے جبکہ تقابلی مدت کے اختتام پر امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں اضافہ ہونے کی وجہ سے زرمبادلہ کی مد میں کمی ہوئی تھی۔

دریافتی اخراجات میں اضافے کی وجہ خشک کنوں کی زیادہ قیمت ہے جسے موجودہ مدت میں نفع یا نقصان کے کھاتے میں درج کر دیا گیا ہے۔

سیالیت / لیکویڈیٹی کی انتظام کاری اور کیش فلو کی صورتحال

فروخت میں اضافے کے باوجود، اس مدت میں بھی سچھلی مدت کی طرح صارفین کی جانب سے مجموعی وصولیاں برقرار رہیں جس کے نتیجے میں تجارتی قرضوں میں مزید 6 فیصد اضافہ ہوا، جو 298 ارب روپے رہا (30 جون 2020: 282 ارب روپے)۔ لہذا، گردش قرضہ کمپنی کی حکمت عملی کے مقاصد کے حصول میں سب سے اہم خطرہ ہے۔ کمپنی تمام شراکت داروں بشمول متعلقہ وزارتوں کے ساتھ مختصر مدت کی کیش فلو کی ضروریات کو پورا کرنے اور عارضی ریلیف کے ساتھ گردش قرضے کے طویل مدتی مستقل حل کے لیے فعال طور پر مصروف رہی۔

ڈائریکٹرز کا عبوری جائزہ

آپ کے ڈائریکٹرز 30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے لیے غیر آڈٹ شدہ مجتمع عبوری مالیاتی گوشوارے اور کمپنی کے امور کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

آپریٹل اور مالی جھلکیاں

آپریٹل جھلکیاں

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کی اہم آپریٹل جھلکیاں مندرجہ ذیل ہیں:

دریافت

زیر خوردت کے دوران پارٹنر آپریٹڈ بلاک میں جوگن-1 (لطیف بلاک) سے ایک دریافت ہوئی ہے۔ دریافتی کنوئیں کو پیداواری پلانٹ سے منسلک کر دیا گیا ہے جس کے ذریعے 16 ایم ایم ایس ایف گیس حاصل کی جا رہی ہے۔

ارضی طبعی سروے

موجودہ مدت کے دوران پی پی ایل آپریٹڈ بلاکس میں بالترتیب 4,790 لائن کلومیٹر اور 4,689 لائن کلومیٹر کا کثکث نقل اور مقناطیسی ڈیٹا حاصل کیا گیا۔

مالی جھلکیاں

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے اہم مالیاتی نتائج حسب ذیل ہیں:

پہلی سہ ماہی کا اختتام 30 ستمبر 2020	پہلی سہ ماہی کا اختتام 30 ستمبر 2021	
ملین روپے		
39,226	43,154	فروخت آمدن (خالص)
19,220	23,272	قبل از ٹیکس منافع
(4,869)	(6,281)	ٹیکس
14,351	16,991	بعد از ٹیکس منافع
5.27	6.24	بنیادی اور تحلیل شدہ آمدن فی شیئر (روپے)

فروخت آمدن


پچھلی مدت کے مقابلے میں موجودہ مدت کے دوران فروخت آمدن میں 3,928 ملین روپے کا اضافہ ہوا۔ یہ اضافہ قیمت کی مد میں مثبت تغیر (بشمول زرمبادلہ کی شرح) کی وجہ سے ہے جو 7,152 ملین روپے رہا جسے جزوی طور پر حجم کی مد میں 3,224 ملین روپے کے منفی تغیر نے زائل کیا۔

PAKISTAN PETROLEUM LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021 Unaudited (Rupees in thousand)	June 30, 2021 Audited
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	143,621,800	146,583,654
Intangible assets		184,224	211,183
		<u>143,806,024</u>	<u>146,794,837</u>
Long-term investments	6	14,134,352	7,992,419
Long-term loans		50,492	53,159
Long-term deposits		7,676	7,676
		<u>157,998,544</u>	<u>154,848,091</u>
CURRENT ASSETS			
Stores and spares		4,697,882	4,568,484
Trade debts	7	298,300,929	282,284,931
Loans and advances		848,594	698,991
Trade deposits and short-term prepayments		146,744	258,088
Interest accrued		181,250	514,133
Current maturity of long-term loans		22,152	22,714
Current maturity of long-term deposits		1,256,625	1,205,357
Current maturity of long-term receivables		138,560	138,560
Other receivables		2,179,559	3,089,298
Short-term investments	8	88,199,623	85,012,018
Cash and bank balances		3,557,325	4,242,627
		<u>399,529,243</u>	<u>382,035,201</u>
TOTAL ASSETS		<u>557,527,787</u>	<u>536,883,292</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		380,308,401	363,317,888
		<u>407,518,237</u>	<u>390,527,724</u>
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		29,490,652	26,928,206
Deferred liabilities		3,112,055	3,082,550
Deferred taxation - net		28,738,208	29,830,059
		<u>61,340,915</u>	<u>59,840,815</u>
CURRENT LIABILITIES			
Trade and other payables	9	63,938,037	65,962,634
Unclaimed dividends		519,938	521,910
Current maturity of lease liabilities		-	433
Taxation - net		24,210,660	20,029,776
		<u>88,668,635</u>	<u>86,514,753</u>
TOTAL LIABILITIES		<u>150,009,550</u>	<u>146,355,568</u>
TOTAL EQUITY AND LIABILITIES		<u>557,527,787</u>	<u>536,883,292</u>
CONTINGENCIES AND COMMITMENTS			
	10		


The annexed notes 1 to 21 form an integral part of these condensed unconsolidated interim financial statements.


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	Quarter ended September 30, 2021	Quarter ended September 30, 2020
		----- (Rupees in thousand) -----	
Revenue from contracts with customers	11	43,153,610	39,226,181
Operating expenses	12	(10,165,747)	(9,336,700)
Royalties and other levies		(6,309,414)	(5,944,661)
		(16,475,161)	(15,281,361)
Gross profit		26,678,449	23,944,820
Exploration expenses	13	(4,718,714)	(2,273,076)
Administrative expenses		(870,832)	(775,536)
Finance costs		(284,178)	(292,173)
Reversal of provision for doubtful debts	7.4	41,929	-
Share of loss in associate	6.1	(9)	-
Other charges	14	(2,110,378)	(2,131,565)
		18,736,267	18,472,470
Other income	15	4,535,826	747,568
Profit before taxation		23,272,093	19,220,038
Taxation	16	(6,281,580)	(4,868,599)
Profit after taxation		16,990,513	14,351,439
Basic and diluted earnings per share (Rs)	19	6.24	5.27

The annexed notes 1 to 21 form an integral part of these condensed unconsolidated interim financial statements.


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE
INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
	----- (Rupees in thousand) -----	
Profit after taxation	16,990,513	14,351,439
Other comprehensive income:		
Items that will not be subsequently reclassified to profit or loss:		
Remeasurement gains on defined benefit plans - net	-	-
Total comprehensive income for the period	<u>16,990,513</u>	<u>14,351,439</u>

The annexed notes 1 to 21 form an integral part of these condensed unconsolidated interim financial statements.


Chief Financial Officer


Chief Executive Officer


Chief Financial Officer


Director

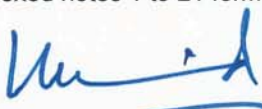

Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Quarter ended September 30, 2021	Quarter ended September 30, 2020 (Restated)
Note		
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	36,564,749	37,007,176
Receipts of other income	837,186	850,936
Payment to suppliers / service providers and employees - net	(6,973,045)	(10,300,515)
Payment of indirect taxes and Government levies including royalties	(15,980,465)	(15,395,963)
Income tax paid	(3,192,547)	(2,164,565)
Long-term loans and others	3,231	998
Net cash generated from operating activities	11,259,109	9,998,067
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(3,863,579)	(2,414,866)
Proceeds from sale of property, plant and equipment	14,882	8,353
Investments – net	(29,325,631)	6,595,472
Investment in PIOL	(4,161,250)	-
Long-term deposits	(51,268)	(72,750)
Finance income received	1,287,506	453,265
Net cash (used in) / generated from investing activities	(36,099,340)	4,569,474
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(433)	(4,132)
Dividends paid	(1,972)	-
Net cash used in financing activities	(2,405)	(4,132)
Net (decrease) / increase in cash and cash equivalents	(24,842,636)	14,563,409
Cash and cash equivalents at beginning of the period	69,909,652	19,725,805
Cash and cash equivalents at end of the period	45,067,016	34,289,214

The annexed notes 1 to 21 form an integral part of these condensed unconsolidated interim financial statements.



Chief Financial Officer



Chief Financial Officer



Director



Chief Executive Officer



Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total
	Ordinary	Convertible preference			
	(Rupees in thousand)				
Balance as at July 01, 2020 (Audited)	27,209,718	118	1,428	317,386,655	344,597,919
Comprehensive income for the period					
Profit after taxation	-	-	-	14,351,439	14,351,439
Other comprehensive income for the quarter ended September 30, 2020, net of tax	-	-	-	-	-
Total comprehensive income for the quarter ended September 30, 2020	-	-	-	14,351,439	14,351,439
Conversion of preference shares into ordinary shares	5	(5)	-	-	-
Balance as at September 30, 2020	27,209,723	113	1,428	331,738,094	358,949,358
Balance as at July 01, 2021 (Audited)	27,209,723	113	1,428	363,316,460	390,527,724
Comprehensive income for the period					
Profit after taxation	-	-	-	16,990,513	16,990,513
Other comprehensive income for the quarter ended September 30, 2021, net of tax	-	-	-	-	-
Total comprehensive income for the quarter ended September 30, 2021	-	-	-	16,990,513	16,990,513
Conversion of preference shares into ordinary shares	6	(6)	-	-	-
Balance as at September 30, 2021	27,209,729	107	1,428	380,306,973	407,518,237

The annexed notes 1 to 21 form an integral part of these condensed unconsolidated interim financial statements.



Chief Financial Officer



Chief Financial Officer



Director



Chief Executive Officer



Chief Executive Officer

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

1. LEGAL STATUS AND OPERATIONS

- 1.1 Pakistan Petroleum Limited (the Company) was incorporated in Pakistan in 1950 with the main objectives of conducting exploration, prospecting, development and production of oil and natural gas resources. The shares of the Company are listed on the Pakistan Stock Exchange Limited and the registered office is located at PIDC House, Dr. Ziauddin Ahmed Road, Karachi.
- 1.2 These condensed unconsolidated interim financial statements are the separate condensed interim financial statements of the Company, in which investments in the below mentioned subsidiaries have been accounted for at cost less accumulated impairment losses, if any. The condensed consolidated interim financial statements are presented separately.

Wholly-owned subsidiaries as of the date of statement of financial position are as follows:

- a) PPL Europe E&P Limited (PPLE);
- b) PPL Asia E&P B.V. (PPLA); and
- c) The Pakistan Petroleum Provident Fund Trust Company (Private) Limited (PPPFTC).

2. BASIS OF PREPARATION

- 2.1 These condensed unconsolidated 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 as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual unconsolidated financial statements.

These condensed unconsolidated interim financial statements do not include all the information and disclosures required in the annual unconsolidated financial statements as at and for the year ended June 30, 2021 and should be read in conjunction with the unconsolidated financial statements of the Company as at and for the year ended June 30, 2021.

- 2.2 The Securities and Exchange Commission of Pakistan (SECP) through S.R.O 1177(I)/2021 dated September 13, 2021 has partially modified applicability of IFRS 9 in respect of companies holding financial assets due from the Government of Pakistan (GoP). The said S.R.O states that requirements contained in IFRS 9 'Financial Instruments' with respect to application of expected credit losses (ECL) method on such receivable balances shall not be applicable till June 30, 2022. Consequently, the Company has not recorded impact of aforesaid ECL in respect of financial assets due directly / ultimately from the GoP in consequence of circular debt, in these condensed unconsolidated interim financial statements. Further, in relation to financial assets due from parties other than GoP, the management believes that the impact of ECL is not material as outstanding balances are receivable from companies who have high credit rating with no history of default (except as mentioned in note 7 to these unconsolidated condensed interim financial statements).

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

2.3 Addition in Significant Accounting Policies

2.3.1 Investment in Associated Companies

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results, assets and liabilities of the associate have been incorporated in these condensed unconsolidated interim financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recognised at cost adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the associate in profit or loss and the Company's share of movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from the associate are recognised as a reduction in the carrying amount of the investment. Losses of an associate in excess of Company's interest in that associate are recognised only to the extent that the Company has incurred legal or constructive obligation or made payment on behalf of the associate. The carrying amount of equity-accounted investment is tested for impairment in accordance with the policy described in note 3.8 to the unconsolidated financial statements for the year ended June 30, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed unconsolidated interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements as at and for the year ended June 30, 2021, except as disclosed in note 2.3.1 to these condensed unconsolidated interim financial statements.

3.2 The Company follows the practice of conducting actuarial valuations annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed unconsolidated interim financial statements, being considered immaterial.

4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed unconsolidated interim financial statements in conformity with the approved accounting standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and apply judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates, assumptions and judgments made by the management in the preparation of these condensed unconsolidated interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements as at and for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements as at and for the year ended June 30, 2021.

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

	September 30, 2021 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
5. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	92,959,042	94,548,120
Additions to owned assets	2,303,187	18,395,430
	<u>95,262,229</u>	<u>112,943,550</u>
Disposals during the period / year (NBV)	-	(6,634)
Adjustments / reclassifications during the period / year (NBV)	-	(2,305,524)
Depreciation / amortisation charged during the period / year	(5,084,261)	(17,672,350)
	<u>90,177,968</u>	<u>92,959,042</u>
Capital work-in-progress - note 5.1	53,443,832	53,624,612
	<u>143,621,800</u>	<u>146,583,654</u>
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	9,426,488	8,711,906
Exploration and evaluation (E&E) assets - note 5.1.1	25,909,372	24,245,767
Development and production (D&P) assets	2,674,914	5,014,297
Lands, buildings and civil constructions	88,507	76,955
Capital stores for drilling and development	15,344,551	15,575,687
	<u>53,443,832</u>	<u>53,624,612</u>
5.1.1	Amounts under E&E assets are net of cost of dry / abandoned wells charged to profit or loss during the period / year, amounting to Rs 4,018 million (June 30, 2021: Rs 6,224 million).	
	September 30, 2021 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
6. LONG-TERM INVESTMENTS		
Investments in related parties		
- Wholly owned subsidiaries		
- PPPFTC	1	1
- PPLE (net of impairment)	3,798,094	3,798,094
- PPLA (net of impairment)	-	-
	<u>3,798,095</u>	<u>3,798,095</u>
- Associated entity		
- Pakistan International Oil Limited (PIOL) - note 6.1	4,161,241	-
Other investments		
- At amortised cost		
- Foreign currency term deposits with banks - note 6.2	6,175,016	4,194,324
	<u>14,134,352</u>	<u>7,992,419</u>

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

- 6.1 During the period, the Company-led consortium has been awarded Offshore Block 5 in Abu Dhabi's second competitive exploration block bid round. Besides the Company, the consortium comprises three major Pakistani E&P companies i.e. Oil and Gas Development Company Limited (OGDCL), Mari Petroleum Company Limited (MPCL) and Government Holdings (Private) Limited (GHPL). Offshore Block 5 covers an area of 6,223 square kilometers and is located 100 kilometers north-east of Abu Dhabi city. To this end, the consortium companies have established an independent company PIOL at Abu Dhabi Global Market with each consortium company having a 25% equity stake in PIOL. The exploration concession agreement between PIOL and Abu Dhabi National Oil Company (ADNOC) was signed on August 31, 2021.

The investment in PIOL has been classified as an investment in associate as per the requirements of International Accounting Standard (IAS) - 28 "Investment in Associates and Joint Ventures". The amount represents USD 25 million (Rs 4,161.250 million) invested by the Company in PIOL. Share of loss for the period amounts to Rs 0.009 million.

- 6.2 These represent term deposits with banks amounting to USD 36.345 million (June 30, 2021: USD 26.580 million) having effective interest rate of 2.00% (June 30, 2021: 2.10% to 2.25%) per annum. These investments are due to mature in October 2022.

September 30, 2021 Unaudited	June 30, 2021 Audited
(Rupees in thousand)	

7. TRADE DEBTS

Unsecured and considered good

Related parties

Central Power Generation Company Limited (GENCO-II) - note 7.3	5,775,884	6,305,294
Sui Northern Gas Pipelines Limited (SNGPL)	159,987,087	151,192,899
Sui Southern Gas Company Limited (SSGCL)	115,007,548	110,081,165
Pak-Arab Refinery Limited (PARCO)	2,864,333	2,416,363
Pakistan Refinery Limited (PRL)	1,449,718	1,196,389
OGDCL	125,016	439,174
	285,209,586	271,631,284

Non-related parties

Attock Refinery Limited (ARL)	12,158,006	10,012,795
National Refinery Limited (NRL)	586,051	490,831
Others	347,286	150,021
	13,091,343	10,653,647
	298,300,929	282,284,931

Unsecured and considered doubtful

Non-related party

Byco Petroleum Pakistan Limited (Byco)	253,002	253,002
EGAS Pvt. Ltd. (EGAS) - note 7.4	169,454	211,383
Less: Provision for doubtful debts	(422,456)	(464,385)
	-	-
	298,300,929	282,284,931

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

	September 30, 2021 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
7.1	The ageing of trade debts is as follows:	
Neither past due nor impaired	32,348,410	25,825,446
Past due but not impaired:		
Related parties		
- within 90 days	24,817,341	22,251,049
- 91 to 180 days	21,792,535	24,270,381
- over 180 days	215,195,016	205,948,975
	261,804,892	252,470,405
Non-related parties		
- within 90 days	3,077,421	2,240,066
- 91 to 180 days	54,703	3,030
- over 180 days	1,015,503	1,745,984
	4,147,627	3,989,080
	298,300,929	282,284,931
7.2	Trade debts include overdue amount of Rs 260,255 million (June 30, 2021: Rs 251,229 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 6,120 million (June 30, 2021: Rs 5,694 million) overdue receivable from refineries (i.e. ARL, Byco, PARCO, NRL and PRL) and other customers.	
	Based on the measures being undertaken by the GoP including inter-corporate circular debt, the Company considers the overdue amounts to be fully recoverable and therefore, no further provision for doubtful debts has been made in these condensed unconsolidated interim financial statements, except for provision against receivable from Byco and EGAS.	
7.3	Trade debts, as fully explained in note 2.6.2 to the unconsolidated financial statements for the year ended June 30, 2021, do not include GDS and GIDC amounting to Rs 56,298 million (June 30, 2021: Rs 52,949 million) and Rs 6,799 million (June 30, 2021: Rs 7,399 million), respectively as the obligation of the Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have been billed to GENCO-II but have not been received by the Company as at the date of statement of financial position.	
7.4	During the period, the Company has received an amount of Rs 75 million from EGAS. Accordingly, the provision for doubtful debts has been reversed to the extent of the Company's share of recovery amounting to Rs 41.929 million. The remaining amount of Rs 22.701 million and Rs 10.370 million is payable to other working interest owners i.e. GHPL and Asia Resources Oil Limited, respectively.	

	September 30, 2021 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
8. SHORT-TERM INVESTMENTS		
At amortised cost		
- Local currency term deposits with banks - note 8.1	167,500	32,142,500
- Foreign currency term deposits with banks - note 8.2	30,435,716	32,910,926
- Local currency treasury bills - note 8.3	39,640,791	2,349,399
	70,244,007	67,402,825
At fair value through profit or loss		
- Mutual Funds	17,955,616	17,609,193
	88,199,623	85,012,018

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

- 8.1 These carry profit ranging from 7.25% to 7.54% (June 30, 2021: 7.65% to 8.00%) per annum and are due to mature latest by September 2022.
- 8.2 These represents foreign currency term deposits with banks amounting to USD 179.139 million (June 30, 2021: USD 208.561 million) having effective interest rate ranging from 0.90% to 2.32% (June 30, 2021: 0.35% to 2.01%) per annum and are due to mature latest by July 2022.
- 8.3 These carry profit ranging from 7.15% to 7.61% (June 30, 2021: 7.25% to 7.56%) per annum and are due to mature latest by December 2021. These bills were issued by GoP and sold through State Bank of Pakistan.

	September 30, 2021 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
9. TRADE AND OTHER PAYABLES		
Creditors	562,086	799,192
Accrued liabilities	7,840,575	7,305,903
Security deposits / advances from LPG distributors	188,378	224,614
Retention money	68,490	81,770
Sales tax - net	2,286,800	996,946
Royalties	5,126,236	8,474,861
Lease extension bonus	26,128,149	24,932,829
Current accounts with joint operations	9,076,294	11,191,581
Staff retirement benefit funds	38,232	1,310,903
Provision for windfall levy on oil / condensate	11,336,937	10,242,937
Federal excise duty	98,243	111,777
Workers' Profits Participation Fund (WPPF)	979,023	-
Others	208,594	289,321
	63,938,037	65,962,634

- 9.1 Trade debts, as fully explained in note 2.6.2 to the unconsolidated financial statements for the year ended June 30, 2021, do not include GDS and GIDC amounting to Rs 56,298 million (June 30, 2021: Rs 52,949 million) and Rs 6,799 million (June 30, 2021: Rs 7,399 million), respectively as the obligation of the Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have not been paid to the GoP due to non-payment of the same by GENCO-II as at the date of statement of financial position.

10. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and in total commitments as disclosed in the audited unconsolidated financial statements as at and for the year ended June 30, 2021, except for the following:

- 10.1 Total amount outstanding under letters of credit (net share) as at September 30, 2021 is Rs 1,733 million.
- 10.2 With respect to PIOL (note 6.1), the Company has entered into a Shareholders' Agreement with the consortium partners, under which the Company has committed to invest up to USD 100 million (Rs 17,040 million) in PIOL during the next five years. Further, the Company has provided parent company guarantee as mentioned in note 18.5 to these financial statements.

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020 (Restated)
	(Rupees in thousand)	
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	31,446,346	34,429,083
Gas supplied to Sui villages	204,935	203,960
Internal consumption of gas	122,319	114,847
Crude oil / Condensate / Natural Gas Liquids	15,905,536	9,155,872
LPG	3,666,523	2,000,139
Barytes	284,758	63,406
	<u>51,630,417</u>	<u>45,967,307</u>
Government levies / discounts		
Federal excise duty	(394,512)	(457,482)
Sales tax	(7,940,819)	(6,155,427)
Petroleum Levy	(136,721)	(125,292)
Discounts (Barytes)	(4,755)	(2,925)
	<u>(8,476,807)</u>	<u>(6,741,126)</u>
	<u>43,153,610</u>	<u>39,226,181</u>
	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	(Rupees in thousand)	
12. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	2,207,266	1,782,156
Operators' personnel	634,698	569,587
Depreciation	1,895,116	1,854,831
Amortisation of decommissioning assets	496,826	390,601
Amortisation of D&P assets	2,649,508	2,584,300
Plant operations	722,503	687,248
Well interventions	265,125	162,618
Field services	489,698	601,797
Crude oil transportation	211,027	215,478
Travelling and conveyance	148,847	61,960
Training & development	7,951	7,543
PCA overheads	40,207	48,420
Insurance expenses	151,747	142,029
Free supply of gas to Sui villages	204,935	203,960
Social welfare / community development	40,293	24,172
	<u>10,165,747</u>	<u>9,336,700</u>
13. EXPLORATION EXPENSES		
13.1	Exploration expenses for the period also include cost of dry / abandoned wells amounting to Rs 4,018 million (September 2020: Rs 1,677 million).	

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	(Rupees in thousand)	
14. OTHER CHARGES		
WPPF charge	979,023	1,021,256
Exchange loss on foreign currency - net	-	866,438
Provision for Windfall levy on oil / condensate	1,094,000	243,871
Others	37,355	-
	<u>2,110,378</u>	<u>2,131,565</u>
15. OTHER INCOME		
Income from financial assets		
Income on loans and bank deposits	89,165	97,770
Income on local currency term deposits	307,905	54,879
Income on foreign currency term deposits	170,830	333,110
Income from investment in treasury bills	386,723	94,072
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	390,460	155,729
	<u>1,345,083</u>	<u>735,560</u>
Income from assets other than financial assets		
Rental income on assets	1,191	1,534
Profit on sale of property, plant and equipment (net)	14,882	7,985
Exchange gain on foreign currency - net	3,119,427	-
Others	55,243	2,489
	<u>3,190,743</u>	<u>12,008</u>
	<u>4,535,826</u>	<u>747,568</u>
16. TAXATION		
Current	7,373,431	7,207,597
Deferred	(1,091,851)	(2,338,998)
	<u>6,281,580</u>	<u>4,868,599</u>
	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020 (Restated)
	(Rupees in thousand)	
17. CASH AND CASH EQUIVALENTS		
Short-term highly liquid investments - note 17.1	41,509,691	30,554,218
Cash and bank balances	3,557,325	3,734,996
	<u>45,067,016</u>	<u>34,289,214</u>
17.1	Short-term investments as disclosed in note 8 amount to Rs 88,200 million (September 2020: Rs 60,803 million). However, mutual funds amounting to Rs 17,956 million (September 2020: Rs 10,502 million), foreign currency term deposits with banks having maturity of over 90 days amounting to Rs 28,566 million (September 2020: Rs 19,747 million) and local currency term deposits with banks having maturity over 90 days amounting to Rs 168 million (September 2020: Nil) are not considered as cash and cash equivalents in accordance with the requirements of IAS-7 "Statement of Cash Flows".	

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties are comprised of state controlled entities, subsidiary companies, associated companies, joint operations, companies where directors also hold directorship, key management personnel and other related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed unconsolidated interim financial statements are as follows:

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020 (Restated)
	(Rupees in thousand)	
Sales of gas / oil / barytes to state controlled entities (including Government Levies)		
GENCO-II	2,305,097	3,773,352
SSGCL	12,792,566	12,198,626
SNGPL	16,348,683	18,457,105
OGDCL	9,687	408,015
	<u>31,456,033</u>	<u>34,837,098</u>
Long-term receivables, trade debts and other receivables from State controlled entities as at September 30	<u>281,067,845</u>	<u>264,425,629</u>
Transactions and balances with subsidiaries		
Receivable from PPLA as at September 30	240,465	89,728
Interest on loan from PPLE	60	-
Payment of employees cost on secondment	18,116	13,576
Deposit for bank guarantee on behalf of PPLE - Block 29, Yemen	<u>1,256,625</u>	<u>1,248,000</u>
Transactions and balances with Associated Companies		
Sales of crude oil / condensate to PARCO	3,413,463	1,132,677
Sales of crude oil / condensate to PRL	699,021	420,131
Payment to Total PARCO Pakistan Limited	27,972	2,559
Membership fee paid to Petroleum Institute of Pakistan	975	975
Purchase of medicines from Sanofi-Aventis Pakistan Limited	728	-
Annual supervision fee paid to Audit Oversight Board	500	-
Equity investment in PIOL	4,161,250	-
Receivable from PIOL as at September 30	<u>1,795</u>	<u>-</u>

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	(Rupees in thousand)	
Transactions with Joint Operations		
Payments of cash calls to joint operations	9,200,112	7,641,640
Expenditures incurred by the joint operations	6,817,523	4,229,546
Under advance balances relating to joint operations as at September 30	8,299,538	12,271,430
Current account receivables relating to joint operations as at September 30	1,406,396	2,217,940
Current account payables relating to joint operations as at September 30	139,452	266,244
Income from rental of assets to joint operations	1,191	1,534
Purchase of goods from BME (net)	38,490	-
Reimbursement of employee cost on secondment to BME	4,479	5,203
Dividend income from BME	250,000	-
Other related parties		
Transactions with retirement benefit funds	273,792	258,987
Remuneration to key management personnel	654,637	622,275
Payment to PPL Welfare Trust for CSR activities	21,000	-
Payment of rental to Pakistan Industrial Development Corporation	39,408	35,883
Payment of rental to Karachi Port Trust	-	2,347
Payment of insurance premium to National Insurance Company Limited (NICL)	85,265	52,689
Insurance claim received from NICL	295	-
Fuel purchased from Pakistan State Oil Company Limited	122,368	14,710
Payment for Chartered flights to Pakistan International Airlines Corporation	29,453	4,637
Deposits with National Bank of Pakistan as at September 30	106,097	231,669
18.1	Aggregate amount charged in these condensed unconsolidated interim financial statements in respect of fees paid to nine non-executive directors was Rs 9.875 million (September 2020: Rs 5.125 million to seven non-executive directors).	
18.2	The Company has guaranteed to the Midland Oil Company Iraq, the performance and fulfilment of obligations by PPLA under the Exploration, Development and Production Service Contract. Total financial commitment of PPLA is USD 100 million (Rs 17,040 million) {September 2020: USD 100 million (Rs 16,475 million)}, out of which USD 30.463 million (Rs 5,191 million) {September 2020: USD 32.558 million (Rs 5,364 million)} is outstanding.	
18.3	The Company has provided parent company guarantee amounting to USD 5.3 million (Rs 903 million) {September 2020: USD 5.3 million (Rs 873 million)} to GoP in respect of PPLE's exploration licences in Pakistan i.e. Barkhan, Harnai and Ziarat.	
18.4	During the period, an inter-company loan of USD 100,000 was obtained by the Company from PPLE, which carried interest at the rate of 3% per annum. The loan was fully repaid by the Company to PPLE on August 24, 2021 along with interest.	
18.5	The Company has provided a parent company guarantee (corporate guarantee) on a joint and several basis to ADNOC and Supreme Council For Financial and Economic Affairs, Abu Dhabi, UAE to guarantee all the obligations of PIOL under the concession documents.	

Notes to and Forming Part of the Condensed Unconsolidated Interim Financial Statements (Unaudited)

For the quarter ended September 30, 2021

- 18.6 The Company has a receivable of Rs 44.07 million from OGDCL, MPCL and GHPL (Rs 14.69 million receivable from each party) with respect to the payments made by the Company on their behalf for expenses related to PIOL.

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
19. EARNINGS PER SHARE		
19.1 Basic earnings per share		
Profit after taxation (Rs '000)	16,990,513	14,351,439
Dividend on convertible preference shares (Rs '000)	(32)	(35)
Profit attributable to ordinary shareholders (Rs '000)	<u>16,990,481</u>	<u>14,351,404</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,391</u>	<u>2,720,971,973</u>
Basic earnings per share (Rs)	<u>6.24</u>	<u>5.27</u>

- 19.1.1 Profit after taxation has been adjusted for dividend to a maximum rate of thirty percent per annum of the value of total number of convertible preference shares held.

	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
19.2 Diluted earnings per share		
Profit after taxation (Rs '000)	16,990,513	14,351,439
Weighted average number of ordinary shares in issue	2,720,972,391	2,720,971,973
Adjustment for convertible preference shares	<u>11,137</u>	<u>11,555</u>
Weighted average number of ordinary shares for diluted earnings per share	<u>2,720,983,528</u>	<u>2,720,983,528</u>
Diluted earnings per share (Rs)	<u>6.24</u>	<u>5.27</u>

20. DATE OF AUTHORISATION FOR ISSUE

These condensed unconsolidated interim financial statements were authorised for issue on October 25, 2021 by the Board of Directors of the Company.

21. GENERAL

- 21.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	September 30 2021 Unaudited (Rupees in thousand)	June 30 2021 Audited
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	144,339,642	147,402,803
Intangible assets		184,224	211,183
		<u>144,523,866</u>	<u>147,613,986</u>
Long-term investments	6	10,336,258	4,194,325
Long-term loans		50,492	53,159
Long-term deposits		7,676	7,676
		<u>154,918,292</u>	<u>151,869,146</u>
CURRENT ASSETS			
Stores and spares		4,697,882	4,568,484
Trade debts	7	298,896,716	282,671,085
Loans and advances		855,682	698,991
Trade deposits and short-term prepayments		149,856	261,039
Interest accrued		185,731	516,344
Current maturity of long-term loans		22,152	22,714
Current maturity of long-term deposits		1,256,625	1,205,357
Current maturity of long-term receivables		138,560	138,560
Other receivables		2,495,643	3,408,631
Short-term investments	8	90,697,153	87,395,982
Cash and bank balances		4,219,568	4,751,445
		<u>403,615,568</u>	<u>385,638,632</u>
TOTAL ASSETS		<u>558,533,860</u>	<u>537,507,778</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		378,763,320	361,721,989
		<u>405,973,156</u>	<u>388,931,825</u>
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		29,897,216	27,318,257
Deferred liabilities		3,112,055	3,082,550
Deferred taxation - net		28,738,208	29,830,059
		<u>61,747,479</u>	<u>60,230,866</u>
CURRENT LIABILITIES			
Trade and other payables	9	65,454,468	67,212,162
Unclaimed dividends		519,938	521,910
Current maturity of lease liabilities		-	433
Taxation - net		24,838,819	20,610,582
		<u>90,813,225</u>	<u>88,345,087</u>
TOTAL LIABILITIES		<u>152,560,704</u>	<u>148,575,953</u>
TOTAL EQUITY AND LIABILITIES		<u>558,533,860</u>	<u>537,507,778</u>
CONTINGENCIES AND COMMITMENTS			
	10		

The annexed notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.


CHIEF FINANCIAL OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	Quarter ended September 30, 2021 ----- (Rupees in thousand) -----	Quarter ended September 30, 2020 -----
Revenue from contracts with customers	11	43,596,233	39,318,015
Operating expenses	12	(10,431,888)	(9,404,632)
Royalties and other levies		(6,437,251)	(5,954,035)
		(16,869,139)	(15,358,667)
Gross Profit		26,727,094	23,959,348
Exploration expenses	13	(4,857,113)	(2,297,073)
Administrative expenses		(881,512)	(786,219)
Finance costs		(296,040)	(304,190)
Reversal of provision for doubtful debts	7.4	41,929	-
Share of loss in associate	6.1	(9)	-
Other charges	14	(2,112,090)	(2,136,846)
		18,622,259	18,435,020
Other income	15	4,543,907	758,528
Profit before taxation		23,166,166	19,193,548
Taxation	16	(6,306,404)	(4,868,599)
Profit after taxation		16,859,762	14,324,949
Basic and diluted earnings per share (Rs)	19	6.20	5.26

The annexed notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.


CHIEF FINANCIAL OFFICER


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DIRECTOR


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CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER
COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021 ----- (Rupees in thousand) -----	Quarter ended September 30, 2020 ----- (Rupees in thousand) -----
Profit after taxation	16,859,762	14,324,949
Other comprehensive income / (loss):		
Items that will not be subsequently reclassified to profit or loss		
Remeasurement gains on defined benefit plans - net	-	-
Items that may be reclassified to consolidated statement of profit or loss		
Foreign exchange differences on translation of subsidiaries	181,569	(60,716)
Other comprehensive income / (loss)	181,569	(60,716)
Total comprehensive income for the period	<u>17,041,331</u>	<u>14,264,233</u>

The annexed notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.


CHIEF FINANCIAL OFFICER


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DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Quarter ended September 30, 2021 (Rupees in thousand)	Quarter ended September 30, 2020 (Restated)
	Note	
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	36,883,938	37,235,058
Receipts of other income	837,881	850,936
Payment to suppliers / service providers and employees - net	(7,031,673)	(10,474,357)
Payment of indirect taxes and Government levies including royalties	(16,126,615)	(15,421,263)
Income tax paid	(3,214,076)	(2,164,565)
Long-term loans and others	3,291	998
Net cash generated from operating activities	11,352,746	10,026,807
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(3,919,070)	(2,583,169)
Proceeds from sale of property, plant and equipment	14,882	8,353
Investments – net	(30,480,951)	6,960,107
Investment in PIOL	(4,161,250)	-
Long-term deposits	(51,268)	(72,750)
Finance income received	1,293,054	475,014
Net cash (used in) / generated from investing activities	(37,304,603)	4,787,555
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(433)	(4,132)
Dividends paid	(1,972)	-
Net cash used in financing activities	(2,405)	(4,132)
Net (decrease) / increase in cash and cash equivalents	(25,954,262)	14,810,230
Cash and cash equivalents at beginning of the period	72,802,434	23,228,291
Net foreign exchange differences	(252,423)	(769,304)
Cash and cash equivalents at end of the period	17 46,595,749	37,269,217

The annexed notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.


CHIEF FINANCIAL OFFICER


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CHIEF EXECUTIVE OFFICER




CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total
	Ordinary	Convertible preference			
	(Rupees in thousand)				
Balance as at July 01, 2020 (Audited)	27,209,718	118	1,428	316,096,759	343,308,023
Comprehensive income for the period					
Profit after taxation	-	-	-	14,324,949	14,324,949
Other comprehensive loss for the quarter ended September 30, 2020, net of tax	-	-	-	(60,716)	(60,716)
Total comprehensive income for the quarter ended September 30, 2020	-	-	-	14,264,233	14,264,233
Conversion of preference shares into ordinary shares	5	(5)	-	-	-
Balance as at September 30, 2020	27,209,723	113	1,428	330,360,992	357,572,256
Balance as at July 01, 2021	27,209,723	113	1,428	361,720,561	388,931,825
Comprehensive income for the period					
Profit after taxation	-	-	-	16,859,762	16,859,762
Other comprehensive income for the quarter ended September 30, 2021, net of tax	-	-	-	181,569	181,569
Total comprehensive income for the quarter ended September 30, 2021	-	-	-	17,041,331	17,041,331
Conversion of preference shares into ordinary shares	6	(6)	-	-	-
Balance as at September 30, 2021	27,209,729	107	1,428	378,761,892	405,973,156

The annexed notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.


CHIEF FINANCIAL OFFICER

CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the quarter ended September 30, 2021

1. LEGAL STATUS AND OPERATIONS

The Group consists of Pakistan Petroleum Limited (the Holding Company) and its subsidiary companies i.e. PPL Europe E&P Limited (PPLE), PPL Asia E&P B.V. (PPLA) and The Pakistan Petroleum Provident Fund Trust Company (Private) Limited (PPPFTC).

The Group, except PPPFTC, is principally engaged in conducting exploration, prospecting, development and production of oil and natural gas resources. Brief profiles of the Holding Company and its subsidiary companies are as follows:

1.1 Pakistan Petroleum Limited

The Holding Company was incorporated in Pakistan in 1950 with the main objectives of conducting exploration, prospecting, development and production of oil and natural gas resources. The shares of the Holding Company are listed on the Pakistan Stock Exchange Limited and the registered office is located at PIDC House, Dr. Ziauddin Ahmed Road, Karachi, Pakistan.

1.2 PPL Europe E&P Limited

The Holding Company acquired on March 21, 2013, 100% shareholding of MND Exploration and Production Limited, a company incorporated in England and Wales. Subsequent to acquisition, the name of the subsidiary was changed to PPL Europe E&P Limited.

PPLE's main objective is exploration and production of oil and gas and currently it has working interest in two producing fields and three exploration blocks in Pakistan, as well as one exploration block in Yemen. The registered office of PPLE is situated at 6th Floor, One London Wall, London, United Kingdom.

1.3 PPL Asia E&P B.V.

The Holding Company established a wholly-owned subsidiary, PPLA on July 22, 2013, a company incorporated in Amsterdam, Kingdom of Netherlands. The registered office of PPLA is situated at 4th Floor, PIDC House, Dr. Ziauddin Ahmed Road, Karachi, Pakistan.

PPLA's main objective is exploration and production of oil and natural gas resources and currently it owns 100% interest in Block-8, Iraq, under the Exploration, Development and Production Service Contract (EDPSC) with the Midland Oil Company, Iraq (MDOC).

1.4 The Pakistan Petroleum Provident Fund Trust Company (Private) Limited

PPPFTC was incorporated in Pakistan as a private limited company on November 7, 1955. The Subsidiary is engaged in administering the trusts formed for the benefits of the employees of the Holding Company.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the quarter ended September 30, 2021

2. BASIS OF PREPARATION

- 2.1 These condensed consolidated 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 as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements as at and for the year ended June 30, 2021 and should be read in conjunction with the consolidated financial statements of the Holding Company as at and for the year ended June 30, 2021.

- 2.2 The SECP through its letter CLD/RD/CO.237/PPL/2004 dated July 6, 2004 has exempted the Holding Company from consolidation of financial statements in respect of its investment in PPPFTC under Companies Act, 2017. Accordingly, the Holding Company has not consolidated the PPPFTC in its condensed consolidated interim financial statements for the quarter ended September 30, 2021.
- 2.3 The Securities and Exchange Commission of Pakistan (SECP) through S.R.O 1177(I)/2021 dated September 13, 2021 has partially modified applicability of IFRS 9 in respect of companies holding financial assets due from the Government of Pakistan (GoP). The said S.R.O states that requirements contained in IFRS 9 'Financial Instruments' with respect to application of expected credit losses (ECL) method on such receivable balances shall not be applicable till June 30, 2022. Consequently, the Group has not recorded impact of aforesaid ECL in respect of financial assets due directly / ultimately from the GoP in consequence of circular debt, in these condensed consolidated interim financial statements. Further, in relation to financial assets due from parties other than GoP, the management believes that the impact of ECL is not material as outstanding balances are receivable from companies who have high credit rating with no history of default (except as mentioned in note 7 to these consolidated condensed interim financial statements).

2.4 Addition in Significant Accounting Policies

2.4.1 Investment in Associated Companies

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results, assets and liabilities of the associate have been incorporated in these condensed consolidated interim financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recognised at cost adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in profit or loss and the Group's share of movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from the associate are recognised as a reduction in the carrying amount of the investment. Losses of an associate in excess of Group's interest in that associate are recognised only to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate. The carrying amount of equity-accounted investment is tested for impairment in accordance with the policy described in note 4.7 to the consolidated financial statements for the year ended June 30, 2021.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed consolidated interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements as at and for the year ended June 30, 2021, except as disclosed in note 2.4.1 to these condensed consolidated interim financial statements.
- 3.2** The Holding Company follows the practice of conducting actuarial valuations annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed consolidated interim financial statements, being considered immaterial.

4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed consolidated interim financial statements in conformity with the approved accounting and reporting standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and apply judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively, commencing from the period of revision.

Estimates, assumptions and judgments made by the management in the preparation of these condensed consolidated interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements as at and for the year ended June 30, 2021.

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended June 30, 2021.

	September 30, 2021 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
5. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	93,750,767	95,021,854
Additions to owned assets	2,301,619	19,174,147
	<u>96,052,386</u>	<u>114,196,001</u>
Disposals during the period / year (NBV)	-	(6,634)
Adjustments / reclassifications during the period / year (NBV)	85,040	(2,341,356)
Depreciation / amortisation charged during the period / year	<u>(5,245,325)</u>	<u>(18,097,244)</u>
	90,892,101	93,750,767
Capital work-in-progress - note 5.1	53,447,541	53,652,036
	<u>144,339,642</u>	<u>147,402,803</u>
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	9,426,488	8,711,906
Exploration and Evaluation (E&E) assets - note 5.1.1	25,909,372	24,245,767
Development and production (D&P) assets	2,674,914	5,014,297
Lands, buildings and civil constructions	88,507	76,955
Capital stores for drilling and development	15,348,260	15,603,111
	<u>53,447,541</u>	<u>53,652,036</u>

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

- 5.1.1 Amounts under E&E assets are net of cost of dry / abandoned wells charged to profit or loss during the period / year, amounting to Rs 4,018 million (June 30, 2021: Rs 6,224 million).

	September 30, 2021 Unaudited (Rupees in thousand)	June 30, 2021 Audited
6. LONG-TERM INVESTMENTS		
Investments in related parties		
- Wholly owned subsidiary		
- PPPFTC	1	1
- Associated entity		
- Pakistan International Oil Limited (PIOL) - note 6.1	4,161,241	-
Other investments		
- At amortised cost		
- Foreign currency term deposits with banks - note 6.2	6,175,016	4,194,324
	10,336,258	4,194,325

- 6.1 During the period, the Holding Company-led consortium has been awarded Offshore Block 5 in Abu Dhabi's second competitive exploration block bid round. Besides the Holding Company, the consortium comprises three major Pakistani E&P companies i.e. Oil and Gas Development Company Limited (OGDCL), Mari Petroleum Company Limited (MPCL) and Government Holdings (Private) Limited (GHPL). Offshore Block 5 covers an area of 6,223 square kilometers and is located 100 kilometers north-east of Abu Dhabi city. To this end, the consortium companies have established an independent company PIOL at Abu Dhabi Global Market with each consortium company having a 25% equity stake in PIOL. The exploration concession agreement between PIOL and Abu Dhabi National Oil Company (ADNOC) was signed on August 31, 2021.

The investment in PIOL has been classified as an investment in associate as per the requirements of International Accounting Standard (IAS) - 28 "Investment in Associates and Joint Ventures". The amount represents USD 25 million (Rs 4,161.250 million) invested by the Holding Company in PIOL. Share of loss for the period amounts to Rs 0.009 million.

- 6.2 These represent term deposits with banks amounting to USD 36.345 million (June 30, 2021: USD 26.580 million) having effective interest rate of 2.00% (June 30, 2021: 2.10% to 2.25%) per annum. These investments are due to mature in October 2022.

	September 30, 2021 Unaudited (Rupees in thousand)	June 30, 2021 Audited
7. TRADE DEBTS		
Unsecured and considered good		
Related parties		
Central Power Generation Company Limited (GENCO-II) - note 7.4	5,775,884	6,305,294
Sui Northern Gas Pipelines Limited (SNGPL)	160,049,050	151,225,754
Sui Southern Gas Company Limited (SSGCL)	115,085,440	110,126,963
Pak-Arab Refinery Limited (PARCO)	2,864,333	2,416,363
Pakistan Refinery Limited (PRL)	1,449,718	1,196,389
OGDCL	125,016	439,174
	285,349,441	271,709,937

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

	September 30, 2021 Unaudited (Rupees in thousand)	June 30, 2021 Audited
Non-related parties		
Attock Refinery Limited (ARL)	12,429,070	10,247,211
National Refinery Limited (NRL)	586,051	490,831
Others	532,154	223,106
	<u>13,547,275</u>	<u>10,961,148</u>
	298,896,716	282,671,085
Unsecured and considered doubtful		
Non-related party		
Byco Petroleum Pakistan Limited (Byco)	253,002	253,002
EGAS Pvt. Ltd. (EGAS)	169,454	211,383
Less: Provision for doubtful debts - note 7.3	(422,456)	(464,385)
	<u>-</u>	<u>-</u>
	<u>298,896,716</u>	<u>282,671,085</u>
7.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	32,517,118	25,966,802
Past due but not impaired:		
Related parties		
- within 90 days	24,895,745	22,300,682
- 91 to 180 days	21,802,237	24,270,381
- over 180 days	215,190,980	205,955,360
	<u>261,888,962</u>	<u>252,526,423</u>
Non-related parties		
- within 90 days	3,305,723	2,360,976
- 91 to 180 days	152,864	60,339
- over 180 days	1,032,049	1,756,545
	<u>4,490,636</u>	<u>4,177,860</u>
	<u>298,896,716</u>	<u>282,671,085</u>
7.2	Trade debts include overdue amount of Rs 260,339 million (June 30, 2021: Rs 251,285 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 6,463 million (June 30, 2021: Rs 7,268 million) overdue receivable from refineries (i.e. ARL, Byco, PARCO, NRL and PRL) and other customers.	
	Based on the measures being undertaken by the GoP in respect of inter-corporate circular debt, the Group considers the overdue amounts to be fully recoverable and therefore, no further provision for doubtful debts has been made in these condensed consolidated interim financial statements, except for provision against receivable from Byco and EGAS.	
7.3	Trade debts, as fully explained in note 3.6.2 to the consolidated financial statements for the year ended June 30, 2021, do not include GDS and GIDC amounting to Rs 56,298 million (June 30, 2021: Rs 52,949 million) and Rs 6,799 million (June 30, 2021: Rs 7,399 million), respectively as the obligation of the Holding Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have been billed to GENCO-II but have not been received by the Holding Company as at the date of statement of financial position.	
7.4	During the period, the Holding Company has received an amount of Rs 75 million from EGAS. Accordingly, the provision for doubtful debts has been reversed to the extent of the Holding Company's share of recovery amounting to Rs 41.929 million. The remaining amount of Rs 22.701 million and Rs 10.370 million is payable to other working interest owners i.e. GHPL and Asia Resources Oil Limited, respectively.	

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

	September 30, 2021 Unaudited (Rupees in thousand)	June 30, 2021 Audited
8. SHORT-TERM INVESTMENTS		
At amortised cost		
- Local currency term deposits with banks - note 8.1	167,500	32,142,500
- Foreign currency term deposits with banks - note 8.2	32,933,246	35,294,890
- Local currency treasury bills - note 8.3	39,640,791	2,349,399
	<u>72,741,537</u>	<u>69,786,789</u>
At fair value through profit or loss		
- Mutual Funds	17,955,616	17,609,193
	<u>90,697,153</u>	<u>87,395,982</u>

- 8.1** These carry profit ranging from 7.25% to 7.54% (June 30, 2021: 7.65% to 8.00%) per annum and are due to mature latest by September 2022.
- 8.2** These represents foreign currency term deposits with banks amounting to USD 193.839 million (June 30, 2021: USD 223.669 million) having effective interest rate ranging from 0.55% to 2.32% (June 30, 2021: 0.35% to 2.01%) per annum and are due to mature latest by July 2022.
- 8.3** These carry profit ranging from 7.15% to 7.61% (June 30, 2021: 7.25% to 7.56%) per annum and are due to mature latest by December 2021. These bills were issued by GoP and sold through State Bank of Pakistan.

	September 30, 2021 Unaudited (Rupees in thousand)	June 30, 2021 Audited
9. TRADE AND OTHER PAYABLES		
Creditors	562,086	799,192
Accrued liabilities	8,087,400	7,528,834
Security deposits / advances from LPG distributors	188,378	224,614
Retention money	68,490	81,770
Sales tax - net	2,306,226	999,734
Royalties	5,170,560	8,499,301
Lease extension bonus	26,128,149	24,932,829
Current accounts with joint operations	9,537,959	11,497,300
Staff retirement benefit funds	38,232	1,310,902
Provision for windfall levy on oil / condensate	11,336,937	10,242,937
Federal excise duty	98,243	111,777
Workers' Profits Participation Fund (WPPF)	979,023	-
Contractual obligations for Iraq EDPSC	744,130	692,056
Others	208,655	290,916
	<u>65,454,468</u>	<u>67,212,162</u>

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

- 9.1** Trade debts, as fully explained in note 3.6.2 to the consolidated financial statements for the year ended June 30, 2021, do not include GDS and GIDC amounting to Rs 56,298 million (June 30, 2021: Rs 52,949 million) and Rs 6,799 million (June 30, 2021: Rs 7,399 million), respectively as the obligation of the Holding Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have not been paid to the GoP due to non-payment of the same by GENCO-II as at the date of statement of financial position.

10. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and in total commitments as disclosed in the audited consolidated financial statements as at and for the year ended June 30, 2021, except for the following:

- 10.1** Total amount outstanding under letters of credit (net share) as at September 30, 2021 is Rs 1,733 million.
- 10.2** With respect to PIOL (note 6.1), the Holding Company has entered into a Shareholders' Agreement with the consortium partners, under which the Holding Company has committed to invest up to USD 100 million (Rs 17,040 million) in PIOL during the next five years. Further, the Holding Company has provided parent company guarantee as mentioned in note 18.4 to these financial statements.

	Quarter ended September 30, 2021	Quarter ended September 30, 2020 (Restated) (Rupees in thousand)
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	31,541,165	34,536,807
Gas supplied to Sui villages	204,935	203,960
Internal consumption of gas	122,319	114,847
Crude oil / Condensate / Natural Gas Liquids	16,304,355	9,155,872
LPG	3,666,523	2,000,139
Barytes	284,758	63,406
	<u>52,124,055</u>	<u>46,075,031</u>
Government levies / discounts		
Federal excise duty	(394,512)	(457,482)
Sales tax	(7,991,834)	(6,171,317)
Petroleum levy	(136,721)	(125,292)
Discounts (Barytes)	(4,755)	(2,925)
	<u>(8,527,822)</u>	<u>(6,757,016)</u>
	<u><u>43,596,233</u></u>	<u><u>39,318,015</u></u>

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

	Quarter ended September 30, 2021 (Rupees in thousand)	Quarter ended September 30, 2020
12. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	2,207,266	1,782,156
Operator's personnel	663,521	578,226
Depreciation	2,037,237	1,867,184
Amortisation of decommissioning assets	496,826	390,601
Amortisation of D&P assets	2,668,451	2,602,463
Plant operations	726,698	688,485
Well interventions	264,700	165,482
Field services	525,999	626,148
Crude oil transportation	245,722	215,478
Travelling and conveyance	148,847	61,960
Training & development	7,951	7,543
PCA overheads	41,695	48,745
Insurance expenses	151,747	142,029
Free supply of gas to Sui villages	204,935	203,960
Social welfare / community development	40,293	24,172
	10,431,888	9,404,632
13. EXPLORATION EXPENSES		
13.1 Exploration expenses for the period also include cost of dry / abandoned wells amounting to Rs 4,018 million (September 2020: Rs 1,677 million).		
	Quarter ended September 30, 2021 (Rupees in thousand)	Quarter ended September 30, 2020
14. OTHER CHARGES		
WPPF charge	980,735	1,021,256
Exchange loss on foreign currency - net	-	871,719
Provision for windfall levy on oil / condensate	1,094,000	243,871
Others	37,355	-
	2,112,090	2,136,846
15. OTHER INCOME		
Income from financial assets		
Income on loans and bank deposits	89,165	97,770
Income on local currency term deposits	307,905	65,839
Income on foreign currency term deposits	178,473	333,110
Income from investment in treasury bills	386,723	94,072
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	390,460	155,729
	1,352,726	746,520

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

	Quarter ended September 30, 2021 (Rupees in thousand)	Quarter ended September 30, 2020
Income from assets other than financial assets		
Rental income on assets	1,191	1,534
Profit on sale of property, plant and equipment (net)	14,882	7,985
Exchange gain on foreign currency (net)	3,119,865	-
Others	55,243	2,489
	<u>3,191,181</u>	<u>12,008</u>
	<u>4,543,907</u>	<u>758,528</u>

16. TAXATION

Current	7,398,255	7,207,597
Deferred	(1,091,851)	(2,338,998)
	<u>6,306,404</u>	<u>4,868,599</u>

	Quarter ended September 30, 2021	Quarter ended September 30, 2020 (Restated) (Rupees in thousand)
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17. CASH AND CASH EQUIVALENTS

Short-term highly liquid investments - note 17.1	42,376,181	32,742,028
Cash and bank balances	4,219,568	4,527,189
	<u>46,595,749</u>	<u>37,269,217</u>

- 17.1** Short-term investments as disclosed in note 8 amount to Rs 90,697 million (September 2020: Rs 63,319 million). However, mutual funds amounting to Rs 17,956 million (September 2020: Rs 10,502 million), foreign currency term deposits with banks having maturity of over 90 days amounting to Rs 30,197 million (September 2020: Rs 20,075 million) and local currency term deposits with banks having maturity over 90 days amounting to Rs 168 million (September 2020: Nil) are not considered as cash and cash equivalents in accordance with the requirements of IAS-7 "Statement of Cash Flows".

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties are comprised of state controlled entities, associated companies, joint operations, companies where directors also hold directorship, key management personnel and other related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed consolidated interim financial statements are as follows:

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020 (Restated) (Rupees in thousand)
Sales of gas / oil / barytes to State controlled entities (including Government levies)		
GENCO-II	2,305,097	3,773,352
SSGCL	12,839,371	12,243,048
SNGPL	16,396,696	18,520,407
OGDCL	9,687	408,015
	31,550,851	34,944,822
Long-term receivables, trade debts and other receivables from state controlled entities as at September 30	281,207,700	264,583,648
Transactions and balances with Associated Companies		
Sales of crude oil / condensate to PARCO	3,413,463	1,132,677
Payment to Total PARCO Pakistan Limited	27,972	2,559
Sales of crude oil / condensate to PRL	699,021	420,131
Membership fee paid to Petroleum Institute of Pakistan	975	975
Purchase of medicines from Sanofi-Aventis Pakistan Limited	728	-
Annual supervision fee paid to Audit Oversight Board	500	-
Equity investment in PIOL	4,161,250	-
Receivable from PIOL as at September 30	1,795	-
Transactions with Joint Operations		
Payments of cash calls to joint operations	9,255,622	7,806,045
Expenditures incurred by the joint operations	7,002,417	4,288,730
Under advance balances relating to joint operations as at September 30	8,754,095	12,692,051
Current account receivables relating to joint operations as at September 30	1,406,396	2,217,940
Current account payables relating to joint operations as at September 30	139,452	266,244
Income from rental of assets to joint operations	1,191	1,534
Purchase of goods from BME (net)	38,490	-
Reimbursement of employee cost on secondment to BME	4,479	5,203
Dividend income from BME	250,000	-
Other related parties		
Transactions with retirement benefit funds	273,792	258,987
Remuneration to key management personnel	654,637	622,275
Payment to PPL Welfare Trust for CSR activities	21,000	-
Payment of rental to Pakistan Industrial Development Corporation	39,408	35,883
Payment of rental to Karachi Port Trust	-	2,347
Payment of insurance premium to National Insurance Company Limited (NICL)	85,265	52,689
Insurance claim received from NICL	295	-
Fuel purchased from Pakistan State Oil Company Limited	122,368	14,710
Payment for Chartered flights to Pakistan International Airlines Corporation Limited	29,453	4,637
Deposits with National Bank of Pakistan as at September 30	106,097	167,939

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

- 18.1** Aggregate amount charged in these condensed consolidated interim financial statements in respect of fees paid to nine non-executive directors of the Holding Company was Rs 9.875 million (September 2020: Rs 5.125 million to seven non-executive directors).

In addition to the above, during the period an amount of Rs 0.250 million was paid to two directors of PPLA and PPLE each (September 2020: Nil).

- 18.2** The Holding Company has guaranteed to the Midland Oil Company Iraq, the performance and fulfilment of obligations by PPLA under the Exploration Development and Production Service Contract. Total financial commitment of PPLA is USD 100 million (Rs 17,040 million) {September 2020: USD 100 million (Rs 16,475 million)}, out of which USD 30.463 million (Rs 5,191 million) {September 2020: USD 32.558 million (Rs 5,364 million)} is outstanding.
- 18.3** The Holding Company has provided parent company guarantee amounting to USD 5.3 million (Rs 903 million) {September 2020: USD 5.3 million (Rs 873 million)} to GoP in respect of PPPL's exploration licenses in Pakistan i.e. Barkhan, Harnai and Ziarat.
- 18.4** The Holding Company has provided a parent company guarantee (corporate guarantee) on a joint and several basis to ADNOC and Supreme Council For Financial and Economic Affairs, Abu Dhabi, UAE to guarantee all the obligations of PIOL under the concession documents.
- 18.5** The Holding Company has a receivable of Rs 44.07 million from OGDCL, MPCL & GHPL (Rs 14.69 million receivable from each party) with respect to the payments made by the Holding Company on their behalf for expenses related to PIOL.

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
19. EARNINGS PER SHARE		
19.1 Basic earnings per share		
Profit after taxation (Rs '000)	16,859,762	14,324,949
Dividend on convertible preference shares (Rs '000)	(32)	(35)
Profit attributable to ordinary shareholders (Rs '000)	<u>16,859,730</u>	<u>14,324,914</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,391</u>	<u>2,720,971,973</u>
Basic earnings per share (Rs)	<u>6.20</u>	<u>5.26</u>

- 19.1.1** Profit after taxation has been adjusted for dividend to a maximum rate of thirty percent per annum of the value of total number of convertible preference shares held.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the quarter ended September 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
19.2 Diluted earnings per share		
Profit after taxation (Rs '000)	<u>16,859,762</u>	<u>14,324,949</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,391</u>	<u>2,720,971,973</u>
Adjustment for convertible preference shares	<u>11,137</u>	<u>11,555</u>
Weighted average number of ordinary shares for diluted earnings per share	<u>2,720,983,528</u>	<u>2,720,983,528</u>
Diluted earnings per share (Rs)	<u>6.20</u>	<u>5.26</u>

20. DATE OF AUTHORISATION FOR ISSUE

These condensed consolidated interim financial statements were authorised for issue on October 25, 2021 by the Board of Directors of the Holding Company.

21. GENERAL

21.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.


CHIEF FINANCIAL OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER



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