



Pakistan Petroleum Limited

P.I.D.C. House, Dr. Ziauddin Ahmed Road,
P. O. Box 3942, Karachi-75530, Pakistan
Tel: 92-21-35681391-95, 35683853-57, 35657730-39
UAN: 92-21-111-568-568
Fax: 92-21-35680005 & 35682125
Website: www.ppl.com.pk

Our reference: CS/PSX-0085

Your reference:

Date: 28th April 2022

Ms. Asmaa Saleem Malik
Deputy General Manager
Listing Department
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Madam,

Re: Report for the Period Ended 31st March 2022

As required by Rule 5.6.9 (c) of PSX Rules please find attached the Company's quarterly report for the period ended 31st March 2022, for circulation among your members.

Yours truly,

Ali Jaffar
Company Secretary

Enclosure: As above.

Nine Months Report
March 2022



وہی 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

Mr. Ali Raza Bhutta

Mr. Awais Manzoor Sumra

Mr. Imtiaz A.H. Laliwala

Ms. Khurshid Bhaimia

Mr. Mian Imtiazuddin

Mr. Muhammad Zubair

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 nine months period ended March 31, 2022 and a brief review of the Company's operations.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational Highlights

The key operational highlights for the nine months ended period March 31, 2022 are as follows:

Discoveries

Two discoveries i.e., Jugan-1 and Mohar-1, have been made during the period under review in partner operated Latif block (Operator: UEP Beta).

Geophysical Surveys

In PPL operated blocks, 3D seismic data of 313 sq. km, gravity and magnetic data of 14,732 Line Km and 14,626 Line Km, respectively, was acquired during the current period.

Financial Highlights

The key financial results of the Company for nine months period ended March 31, 2022 are as follows:

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	Rs Million	
Sales revenue (net)	140,433	112,235
Profit before taxation	76,296	51,328
Taxation	(23,967)	(13,210)
Profit after taxation	52,329	38,118
Basic and Diluted Earnings Per Share (Rs)	19.23	14.01

Sales revenue

Sales revenue increased by Rs 28,198 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 35,695 million, partially offset by negative volume variance of Rs 7,497 million.

Positive price variance is due to increase in average international crude oil prices from US\$ 49.04 / bbl in the corresponding period to US\$ 83.02 / bbl during the current period, coupled with devaluation of Pak rupee against US dollar (average exchange rate for the current period was PKR 172.24 as compared to PKR 162.28 during the corresponding period).

Negative volume variance is mainly attributable to Tal, Sui, Kandhkot, Adhi and Nashpa 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	Nine months ended March 31, 2022	Nine months ended March 31, 2021
Natural Gas	MMscf	163,241	180,132
Crude Oil / Natural Gas Liquids / Condensate	BBL	3,373,208	3,928,114
Liquefied Petroleum Gas (LPG)	Tonnes	86,778	86,471
Barytes	Tonnes	75,949	46,530

Profitability

Profitability increased by ~37% 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, other charges and booking of share of loss pertaining to Pakistan International Oil Limited (PIOL).

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.

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

Increase in other charges is due to write-off of unusable / scrap inventory items and higher provision for windfall levy on oil (Tal block) as a result of significant increase in international crude oil prices during the current period.

LIQUIDITY MANAGEMENT AND CASH FLOW POSITION

Overall collections from customers decreased as compared to the corresponding period despite increase in sales, resulting in further increase in trade debts by ~23%, which stood at Rs 346 billion (June 30, 2021: 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.

SOUTH ASIAN FEDERATION OF ACCOUNTANTS' (SAFA) AWARD FOR ANNUAL REPORT 2020

At a virtual ceremony organised by the Institute of Chartered Accountants of Sri Lanka on February 09, 2022, the Company's Annual Report 2020 has been adjudged the winner in the prestigious SAFA best presented Annual Report Awards 2020 in the category of Public Sector Entities for the first time in its history.

SAFA is the association of national chartered accountancy and cost and management accountancy institutions in South Asian Association for Regional Cooperation (SAARC) countries.

At this year's competition, among 100 firms, 26 Pakistani companies, nominated by ICAP, participated in 12 categories, besides firms from Bangladesh, India, Nepal and Sri Lanka.

FOCUS AREAS

Exploration

At present, the Company's portfolio, together with its subsidiaries and associate, consists of forty-four (44) exploratory blocks, out of which twenty-seven (27) are operated (including one offshore block in Pakistan, Block-8 in Iraq being operated by PPL Asia and offshore Block-5 in Abu Dhabi, being operated by PIOL), and remaining seventeen (17), including one onshore block in Yemen, are partner operated. Update on major activities is as follows:

Exploration South Assets

In Gambat South block, preparations are underway to spud exploratory well Shahpur Chakar North X-1 while in Sorah block, seismic crew is being mobilised for acquisition of 860 sq. km 3D seismic data.

Exploration Frontier Assets

In Kharan and Kharan East blocks, 3D seismic survey is in progress. Cumulatively, 313 sq. km data has been acquired during the current period.

Exploration North Assets

As part of post well evaluation of Dhok Sultan-2 well, contract has been awarded for Seismic Fracture Reservoir Characterisation Study, which is expected to commence by April 2022. It will help in the identification of potential locations for future exploration and development wells.

Partner-Operated Exploration Blocks

In Latif Block, exploratory well Mohar-1 was successfully completed as a gas discovery. Further, exploratory well Mithrau-1 was spud-in on February 25, 2022 and currently drilling is in progress.

In Ziarat Block, 234 Sq.km 3D and 194 L.km 2D data acquisition is in progress, whereas, in Kirthar block, acquisition of 45 L. Km 2D Seismic has been completed.

Acquisition of New Blocks

Offshore Block 5 - Abu Dhabi

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, a newly formed company consisting of PPL (management shareholder), OGDCL, MPCL and GHPL each having 25% equity investment in the block.

Exploration Bid Round 2022 - Pakistan

During the period, GoP offered a total of fourteen blocks for competitive bidding in the 2022 bid round, where PPL submitted joint bids for four blocks.

Subsequent to the period end, all four bids of the Company have been declared successful.

Summary of the blocks is given as under:

Block	Province	Operator	Working Interest (%)
Kalat West	Balochistan	PPL	PPL (50%), MPCL (50%)
Sui North	Balochistan	PPL	PPL (50%), MPCL (50%)
Dadhar	Balochistan	MPCL	MPCL (40%), PPL (30%), UEP (30%)
Mach	Balochistan	MPCL	MPCL (40%), PPL (30%), UEP (30%)

Reconstitution of Reko Diq Project

Pursuant to Government of Pakistan's (GoP) directions to take part in the reconstituted copper and gold mining project at Reko Diq, the Company has entered into a non-binding Framework Agreement with the GoP, the Government of Balochistan (GoB), OGDCL, GHPL and Barrick Gold Corporation, which sets out, inter alia, the ownership/transaction structure, rights, obligations, and common objectives of the parties towards facilitating the implementation of the Reko Diq Project. In terms of the Framework Agreement, several conditions are required to be satisfied before binding arrangements are effective including receipt of administrative and regulatory approvals, execution of Definitive Agreements, stabilisation of the fiscal regime and legislative and judicial validation amongst others.

As per the GoP's directions and subsequent advice received from the Finance Division, the Company has deposited its share of entry fee amounting to USD 187.5 million in an escrow account which is expected to be utilised towards acquisition of 8.33% interest in Tethyan Copper Company Pakistan (Pvt.) Limited (TCCP), subject to the fulfilment of the conditions precedent as set out in the Framework Agreement. If the conditions are not met, the deposit shall be returned by GoP to the Company.

Further details are disclosed in note 8 to the condensed unconsolidated and consolidated interim financial statements for the nine months ended March 31, 2022.

Producing Fields

Sui

To cater to the feeder line erosion at surface, Sui-108(P) was shifted to Duplex Surface Fitting which increased the well flow from ~12 MMscfd to ~19 MMscfd. In-house study has also been initiated to identify and evaluate the new well location for Pab Reservoir.

Further, maintenance and enhancement of reliability activities were undertaken at Purification Plant and Gas Compression Station, including inspection and maintenance of gas turbine and revamping of cooling tower at Purification Plant. In addition, water piping network within and outside fenced area is being revamped to avoid losses and reinforce adequate water management.

Kandhkot

Replacement of corroded pipelines from produced water tank to evaporation pond and cooling tower piping network was completed along with the replacement of two ground beds of Cathodic Protection system. Seven waste pits at well sites were restored and Rights of Ways of all Gas Gathering Main line sections were rehabilitated. Further, two redundant gas gensets along with control panels were shifted to Sui Purification Plant to cater to additional utility power demand.

During the period, gas sales averaged around ~77 MMscfd as against field potential of ~200 MMscfd due to significantly lower off-takes by the customer i.e., GENCO-II. Subsequent to the period end, gas sales have increased to over 180 MMscfd.

Adhi

Rig mobilisation for drilling of development well Adhi South-7 is in progress while site preparation for drilling of development well Adhi South-5 is in final stages.

Gambat South / Hala / Mazarani

With respect to Zafir-GPF (Rehabilitation of GPF-III), the Company is vigorously pursuing to sort out the legal issues and commence the site construction work at the earliest. Factory Acceptance Test (FAT) of Gambat South GPF-IV compressors package (2 X 30 MMscfd) has been completed and construction contract awarded.

Further, exploratory well Kabir X-1 has been commissioned and is flowing at the rate of ~1 MMscfd gas with 85 bbl / day of condensate since February 04, 2022.

Pursuant to completion of construction of 7 km feeder line, exploratory well Bashar X-1 ST has been commissioned at the plant.

GoP has approved upward revision of gas sales price of Mazarani field from US\$1.75 / MMBtu to US\$ 3.75 / MMBtu subject to 15% additional payment of wellhead value of hydrocarbons produced to the GoP.

Dhok Sultan

Dhok Sultan Oil Handling Facility and Meyal Integration Project have been installed. Plant operations are currently on hold awaiting NOC / license from GoP. Production from the facility is expected to commence after fulfillment of all regulatory approvals.

Bolan Mining Enterprise (BME)

For Baryte, Lead and Zinc Project, tendering process for hiring services of Project Management Consultancy has been initiated and is under evaluation phase. Contract will be awarded once the regulatory approval is received from GoB.

Partner-Operated Assets

In Kirthar Block, development well Rizq-4 was spud-in on February 20, 2022 and currently drilling is in progress.

In Nashpa Block, drilling of development well Mela-8 is in progress, whereas, in Tal block, rig-up for development well Tolanj West-2 is in progress.

Corporate Social Responsibility

The Company continued to work for uplifting of living conditions of communities and promotion of education at its producing and exploratory areas across the country and in this respect, construction of 25 school buildings was completed in various districts while 19 school buildings are still under construction. Further, 19 scholarships of technical diploma were awarded amongst youth of district Sanghar, whereas over 45 students are pursuing higher professional education at the Company's established Virtual University at Sui. The company also distributed school bags among students of 15 government schools near Dhok Sultan field.

Furthermore, Public Welfare Hospital, Sui continued to provide healthcare facilities, including dental, gynecological, diagnostic and emergency services with free-of-cost medicines and inpatient meals, benefitting over 90,000 patients from District Dera Bugti. Moreover, surgical eye camps were held at District Headquarters Hospital, Dera Bugti and Public Welfare Hospital, Sui reaching out to 5,278 patients for free-of-cost consultation and medicines, onsite cataract surgeries and provision of near and distance vision glasses.

Human Resources

To assess the relative size of all positions and review of organisational structure, job evaluation exercise is currently underway through a third party.

To strengthen our leadership pipeline and prepare internal talent for senior positions, a leadership development framework has been developed comprising of aspects related to oil and gas industry knowledge, financial acumen, effective communication and leadership. While focus on trainings by internal trainers has increased, eminent local and international external trainers will continue to be engaged for specialised training including one-on-one Coaching for Senior Management.

Industrial Relations

Conducive working environment and cordial industrial relations prevail at all locations of the Company.

ACKNOWLEDGEMENT

The Company is continuing to do well and is geared up to tackle the evolving circumstances as they come. This was made possible with the dedication and steadfastness 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: April 27, 2022

انسانی وسائل

فی الوقت تمام عہدوں کے متعلقہ ساز ساز اور تنظیمی ڈھانچے کا جائزہ لینے کے لیے تیسرے فریق کے ذریعے ملازمتی ذمہ داریوں کی تشخیص کی مشق جاری ہے۔

ہماری قیادت کی پائپ لائن (مستقبل میں قیادت سنبھالنے کے لئے عملے کی قابلیت کو مسلسل بڑھانے کے عمل) کو مضبوط بنانے اور سینئر عہدوں کے لیے عملے کی صلاحیتوں کو پروان چڑھانے کے لیے ایک لیڈر شپ ڈیولپمنٹ فریم ورک (قیادت سنبھالنے کے لئے قابلیت میں اضافے کا ڈھانچہ) تیار کیا گیا ہے جو تیل اور گیس کی صنعت کے علم، مالی فراست، مؤثر ابلاغ اور قیادت سے متعلق پہلوؤں پر مشتمل ہے۔ جب کہ عملے پر مشتمل تربیت کاروں کے ذریعے دیگر عملے کے لئے تربیتی پروگراموں کے انعقاد پر توجہ میں اضافہ ہوا ہے۔ ساتھ ہی نامور مقامی اور بین الاقوامی بیرونی تربیت کار خصوصی تربیت کے لیے مصروف عمل رہیں گے جس میں سینئر انتظامیہ کے لیے انفرادی سطح پر تربیت بھی شامل ہے۔

صنعتی تعلقات

کمپنی کے تمام شعبوں میں سازگار کام کا ماحول اور خوش گوار صنعتی تعلقات قائم ہیں۔

اعتراف

کمپنی مسلسل اچھی کارکردگی کا مظاہرہ کر رہی ہے اور ابھرتے ہوئے حالات سے نمٹنے کے لیے تیار ہے۔ یہ ہمارے ملازمین کی لگن اور ثابت قدمی سے ممکن ہوا ہے جس کے لئے وہ بھرپور 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 / چیف ایگزیکٹو آفیسر



ڈائریکٹر

کراچی: 27 اپریل، 2022

ڈھوک سلطان

ڈھوک سلطان آئل ہینڈلنگ فیسیلیٹی اور میال انیگریشن (انضمام) منصوبہ مکمل ہو چکا ہے۔ پلانٹ کی سرگرمیاں فی الحال بند ہیں اور حکومت پاکستان کی جانب سے این اوسی / لائسنس کی منتظر ہیں۔ ضوابط کی / قانونی حوالے سے تمام منظوریوں کے حصول کے بعد اس سہولت سے پیداوار شروع ہونے کی امید ہے۔

بولان مائننگ انٹرپرائز (بی ایم ای)

بیراٹ - لیڈ اور زنک منصوبے کی انتظامی مشاورت کے حوالے سے خدمات حاصل کرنے کی خاطر بولیاں منگوانے کے عمل کا آغاز کر دیا گیا ہے اور تاحال وصول ہونے والی بولیوں کا تجزیہ کیا جا رہا ہے۔ حکومت بلوچستان سے ریگولیٹری منظوری ملنے کے بعد کام کا ٹھیکہ دیا جائے گا۔

پارٹنر آپریٹڈ اثاثے

کیرتھر بلاک میں 20 فروری 2022 کو پیداواری کنوئیں رزق-4 کی کھدائی کا آغاز کر دیا گیا تھا جو ابھی جاری ہے۔

ناشاپلاک میں پیداواری کنوئیں میلہ-8 کی کھدائی جاری ہے جب کہ ٹل بلاک میں پیداواری کنوئیں تولنج ویسٹ-2 کی کھدائی کے لئے رگ کو لگانے کا کام جارہی ہے۔

کاروباری سماجی ذمہ داری

کمپنی ملک بھر میں اپنے پیداواری اور دریافتی اثاثوں کے ارد گرد لوگوں کے معیار زندگی کو بہتر بنانے کے لئے کام کو جاری رکھے ہوئے ہے۔ اس ضمن میں تعلیم کے فروغ کے لیے کام جاری ہے جس میں مختلف اضلاع میں 25 اسکولوں کی تعمیر مکمل کی گئی جب کہ 19 اسکولوں کی عمارتیں زیر تعمیر ہیں۔ اس کے علاوہ، ضلع ساگھڑ کے 19 جوانوں کو ٹیکنیکل ڈپلومہ کی تربیت دینے کے لئے وظائف دیے گئے جب کہ سوئی میں کمپنی کے قائم کردہ ورچوئل یونیورسٹی کیمپس میں 45 سے زائد طلباء اعلیٰ پیشہ ورانہ تعلیم حاصل کر رہے ہیں۔ کمپنی نے ڈھوک سلطان فیلڈ کے نزدیک 15 سرکاری اسکولوں کے طلباء میں اسکول بیگ بھی تقسیم کیے۔

مزید برآں، پبلک ویلفیئر ہسپتال، سوئی نے دانتوں کے علاج، امراض نسوان، تشخیص امراض اور مفت ادویات کے ساتھ ساتھ ہسپتال میں داخل مریضوں کے کھانے اور ایمرجنسی سروسز سمیت صحت کی دیکھ بھال کی سہولیات فراہم کرنے کا سلسلہ جاری رکھا جس سے ضلع ڈیرہ بگٹی کے 90,000 مریضوں کو فائدہ پہنچا۔ اس کے علاوہ، ڈسٹرکٹ ہیڈ کوارٹرز ہسپتال، ڈیرہ بگٹی اور پبلک ویلفیئر ہسپتال، سوئی میں مفت سرجیکل آئی کیمرپ کا انعقاد کیا گیا جس میں 5,278 مریضوں کو مشاورت اور ادویات، موتیے کی سرجری اور قریب اور دور کی نظر کے چشموں کی فراہمی کی گئی۔

کندھ کوٹ

کیتھوڈک پروٹیکشن سسٹم کے دو گراؤنڈ بیڈز کی تبدیلی کے ساتھ ساتھ پروسیسنگ کے دوران پیدا شدہ پانی کے ٹینک سے بخارات کے تالاب اور کولنگ ٹاور پائپنگ نیٹ ورک تک خراب شدہ پائپ لائنوں کی تبدیلی مکمل کر لی گئی ہے۔ کنوؤں کے مقامات پر نکاسی کے ساتھ گڑھوں کو بحال کیا گیا ہے اور گیس جمع کرنے والے تمام مین لائن سیکشنز کے لئے (پائپ لائن کے) راستوں کے حقوق (Rights of Ways) کی بحالی کر دی گئی ہے۔ مزید برآں، سوئی پورٹفیکیشن پلانٹ میں اضافی یوٹیلٹی بجلی کی طلب کو پورا کرنے کے لیے کندھ کوٹ سے کنٹرول پینل کے ساتھ گیس کے دو جین سیٹ (جو استعمال میں نہیں تھے) منتقل کیے گئے۔

اس مدت کے دوران گیس کی یومیہ اوسطاً خرید میں صارف GENCO-II کی جانب سے نمایاں طور پر کمی کی وجہ سے فیلڈ کی مجموعی صلاحیت جو کہ یومیہ 200~ ایم ایم ایس سی ایف کے مقابلے میں خرید 77~ ایم ایم ایس سی ایف کے لگ بھگ رہی۔ زیر جائزہ مدت کے بعد فیلڈ سے گیس کی پیداوار یومیہ 180 ایم ایم ایس سی ایف سے تجاوز کر گئی۔

آدھی

پیداواری کنوئیں آدھی ساؤتھ-7 کی کھدائی کے لیے رگ کو متحرک کر دیا گیا ہے جب کہ پیداواری کنوئیں آدھی ساؤتھ-5 کی کھدائی کے لیے جگہ کی تیاری آخری مراحل میں ہے۔

گمبٹ ساؤتھ اہالہ / مزارانی

خافر-GPF (GPF-III کی بحالی) کے سلسلے میں کمپنی قانونی مسائل کو حل کرنے اور جگہ کی تعمیر کا کام جلد از جلد شروع کرنے کی بھرپور کوشش کر رہی ہے۔ گمبٹ ساؤتھ GPF-IV کمپریسرز چیک (30 X 2 ایم ایم ایس سی ایف) کی فیکٹری تصدیق (acceptance) جانچ مکمل ہو چکی ہے اور تعمیراتی ٹھیکہ دے دیا گیا ہے۔

اس کے علاوہ دریافتی کنوئیں کبیر-1 X سے پیداوار کا آغاز کر دیا گیا ہے اور 4 فروری 2022 سے کنوئیں سے یومیہ 1~ ایم ایم ایس سی ایف گیس اور 85 بیرل کنڈنسیٹ حاصل ہو رہا ہے۔ دریافتی کنوئیں بشر-1 X (ST) سے پلانٹ تک سات کلو میٹر فیڈر لائن کی تعمیر مکمل ہونے کے بعد کنوئیں سے پیداوار کا آغاز ہو چکا ہے جسے پلانٹ سے پریس کیا جا رہا ہے۔

حکومت پاکستان نے مزارانی گیس فیلڈ سے گیس کی فروخت کی موجودہ قیمت 1.75/MMBtu سے بڑھا کر 3.75/MMBtu کے اضافے کی منظوری دے دی ہے جس کیلئے پی پی ایل کو فیلڈ سے پیدا ہونے والے ہائیڈروکاربن کی ویل ہائیڈروکاربن کی ویل 15 فیصد اضافی قیمت حکومت پاکستان کو ادا کرنا ہوگی۔

ریکوڈک (Reko Diq) منصوبے کی تشکیل نو

ریکوڈک کے تانبے اور سونے کی کان کے منصوبے کی تشکیل نو میں حصہ لینے کے لیے حکومت پاکستان کی ہدایات کے مطابق کمپنی نے حکومت پاکستان، حکومت بلوچستان، اوجی ڈی سی ایل، جی ایچ پی ایل اور بیرک گولڈ کارپوریشن کے ساتھ ایک غیر پابند فریم ورک معاہدہ کیا ہے جو دیگر امور کے ساتھ ساتھ، ملکیت/لین دین کے ڈھانچے، حقوق، ذمہ داریوں اور ریکوڈک منصوبے کے نفاذ میں سہولت فراہم کرنے کے لیے فریقین کے مشترکہ مقاصد کا تعین کرتا ہے۔ فریم ورک معاہدے پر پابند ہونے سے قبل کئی شرائط کو پورا کرنا ضروری ہے جس میں انتظامی اور قانونی/ضوابطگی منظور یوں کا حصول، حتمی معاہدوں پر عمل درآمد، مالی نظام کا استحکام اور قانون سازی اور عدالتی توثیق کے علاوہ دیگر امور شامل ہیں۔

حکومت پاکستان کی ہدایات اور فائننس ڈویژن کے مشورے کے مطابق کمپنی نے اپنے حصے کی داخلہ فیس کی رقم 187.5 ملین امریکی ڈالر ایک ایسکر واکاؤنٹ میں جمع کرادی ہے جس کا استعمال ٹیٹھیان کا پر کمپنی پاکستان (پرائیویٹ) لمیٹڈ (TCCP) میں 8.33 فیصد حصہ داری کے حصول کے لیے کیا جائے گا جو فریم ورک معاہدے میں متعین شرائط کی تکمیل کے ساتھ مشروط ہے۔ اگر شرائط پوری نہیں ہوتیں تو یہ جمع کروائی گئی رقم حکومت پاکستان کی طرف سے کمپنی کو واپس کر دی جائے گی۔

مزید تفصیلات کا ذکر 31 مارچ 2022 کو ختم ہونے والے نو ماہ کے مجتمع غیر اشتمال شدہ اور اشتمال شدہ عبوری مالیاتی گوشواروں کے نوٹ 8 میں کیا گیا ہے۔

پیداواری فیلڈز

سوئی

سطح پر فیڈر لائن کے کٹاؤ کی بناء پر سوئی (P) 108 کے لئے ڈوپلیکس سرفیس فنڈنگ کر دی گئی جس کی وجہ سے کنوئیں کا بہاؤ یومیہ 12~ ایم ایم سطح پر فیڈر لائن کے کٹاؤ کی بناء پر سوئی (P) 108 کے لئے ڈوپلیکس سرفیس فنڈنگ کر دی گئی جس کی وجہ سے کنوئیں کا بہاؤ یومیہ 12~ ایم ایم ایس سی ایف سے بڑھ کر 19~ ایم ایم ایس سی ایف ہو گیا۔ پب ذخیرے میں کنوئیں کی کھدائی کے لئے نئے مقام کی شناخت اور جائزہ لینے کے لیے عملے نے تحقیق شروع کر دی ہے۔

مزید برآں، پیوریفیکیشن پلانٹ اور گیس کمپریشن اسٹیشن پر بحالی اور پیداوار میں اضافے کے حوالے سے سرگرمیوں میں اضافہ کیا گیا۔ جن میں گیس ٹربائن کا معائنہ اور دیکھ بھال اور پیوریفیکیشن پلانٹ میں کولنگ ٹاور کی تجدید شامل ہیں۔ اس کے علاوہ فیلڈ کے اندر اور باہر والے علاقے میں پانی کی پائپنگ کے نیٹ ورک کو ازسرنو بنایا جا رہا ہے تاکہ پانی کے ضیاع کو روکا جاسکے اور اس کے مناسب انتظام کو تقویت دی جاسکے۔

نئے بلاکس کا حصول

آف شور بلاک 5، ابوظہبی

پی پی ایل کی زیر قیادت آئل اینڈ گیس ڈیولپمنٹ کمپنی لمیٹڈ (اوجی ڈی سی ایل)، ماری پیٹرولیم کمپنی لمیٹڈ (ایم پی سی ایل) اور گورنمنٹ ہولڈنگز (پرائیویٹ) لمیٹڈ (جی ایچ پی ایل) پر مشتمل ایک کنسورشیئم نے ابوظہبی کے دوسرے مسابقتی بلاک بولی راؤنڈ میں آف شور بلاک 5 حاصل کیا۔ آف شور بلاک کے لیے ایکسپلوریشن کنسیشن معاہدے پر 31 اگست 2021 کو 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، تشخیص اور پیداوار کے حوالے سے یہ پاکستانی دریافتی و پیداواری کمپنیوں کے لیے پہلے دریافتی بلاک کا ایوارڈ ہے۔ آف شور بلاک ایک نئی تشکیل شدہ کمپنی PIOL کے زیر عمل ہے جو پی پی ایل (انتظامی شیئر ہولڈر)، اوجی ڈی سی ایل، ایم پی سی ایل اور جی ایچ پی ایل پر مشتمل ہے جن میں سے ہر ایک، بلاک میں 25 فیصد ایکویٹی کی سرمایہ کاری کے ساتھ شراکت دار ہے۔

پاکستان میں دریافتی بلاکس کی بولی کا مرحلہ-2022

زیر جائزہ مدت کے دوران حکومت پاکستان نے مسابقتی بولی 2022 کے مرحلے کے لئے کل 14 دریافتی بلاکس پیش کئے جس میں سے پی پی ایل نے چار بلاکس کے لئے شراکتی بولی جمع کروائی۔

زیر جائزہ مدت کے اختتام کے بعد کمپنی کی جانب سے جمع کروائی گئی چاروں بولیوں کو کامیاب قرار دیا گیا۔ ان بلاکس کی مختصر تفصیل درج ذیل میں بیان کی گئی ہے:

بلاک	صوبہ	آپریٹر	کاروباری شراکت (فیصد)
قلات ویسٹ	بلوچستان	پی پی ایل	پی پی ایل-50 فیصد، ایم پی سی ایل-50 فیصد
سوئی نارتھ	بلوچستان	پی پی ایل	پی پی ایل-50 فیصد، ایم پی سی ایل-50 فیصد
دھا ڈر	بلوچستان	ایم پی سی ایل	ایم پی سی ایل-40 فیصد، پی پی ایل-30 فیصد، یو ای پی-30 فیصد
مچھ	بلوچستان	ایم پی سی ایل	ایم پی سی ایل-40 فیصد، پی پی ایل-30 فیصد، یو ای پی-30 فیصد

دریافتی سرگرمیاں

اس وقت، کمپنی کا دریافتی پروگرام، اپنے ماتحت اداروں کے ساتھ مل کر 44 دریافتی بلاکس پر مشتمل ہے۔ جن میں سے 27 آپریٹڈ ہیں (بشمول پاکستان میں ایک آف شور بلاک، عراق میں پی پی ایل ایشیا کے زیر نظام بلاک 8 اور بوٹھبی میں پاکستان انٹرنیشنل آئل لمیٹڈ کے زیر نظام آف شور بلاک 5) جبکہ باقی 17 بشمول یمن میں ایک آن شور بلاک، پارٹنر آپریٹڈ ہیں۔ اہم سرگرمیوں کی تازہ ترین صورت حال درج ذیل ہے:

جنوبی دریافتی اثاثے

گمبٹ ساؤتھ بلاک میں دریافتی کنونین شاہ پور چاکرنا تھ 1-X کی کھدائی کی تیاریاں جاری ہیں جب کہ صورہ بلاک میں 860 مربع کلومیٹر 3D سائز مک ڈیٹا کے حصول کے لیے عملے کو متحرک کیا جا رہا ہے۔

سرحدی دریافتی اثاثے

خاران اور خاران ایسٹ بلاکس میں 3D سائز مک سروے جاری ہے۔ مجموعی طور پر موجودہ مدت کے دوران 313 مربع کلومیٹر ڈیٹا حاصل کیا گیا۔

شمالی دریافتی اثاثے

ڈھوک سلطان-2 کنونین کی بعد از تشخیص کے حوالے سے سائز مکفر پیکر ریزروائر کیرکٹرائزیشن کی تحقیق کے لئے ٹھیکہ دیا جا چکا ہے۔ تحقیق کا آغاز اپریل 2022 تک متوقع ہے۔ اس سے مستقبل کے دریافتی اور پیداواری کنوؤں کے لیے ممکنہ مقامات کی نشان دہی میں مدد ملے گی۔

پارٹنر آپریٹڈ دریافتی بلاکس

لطیف بلاک میں دریافتی کنواں موہر-1 گیس کے پیدا کنندہ کے طور پر کامیابی سے مکمل ہوا۔ مزید برآں، دریافتی کنونین میتھراو-1 کی کھدائی کا آغاز 25 فروری 2022 کو کیا گیا جس کی کھدائی ابھی جاری ہے۔

زیارت بلاک میں 234 مربع کلومیٹر 3D اور 194 لائن کلومیٹر 2D ڈیٹا جب کہ کیرتھر بلاک میں 45 لائن کلومیٹر 2D سائز مک ڈیٹا کا حصول مکمل ہو چکا ہے۔

دیگر آمدنی میں اضافہ بنیادی طور پر موجودہ مدت کے دوران زرمبادلہ کی مد میں اضافے کی وجہ سے 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۔

دریافت کے اخراجات میں اضافہ موجودہ مدت کے دوران نفع یا نقصان کے کھاتے میں درج کی گئی خشک کنوؤں کی زیادہ قیمت کی وجہ سے ہے۔

دیگر اخراجات میں اضافہ ناقابل استعمال سامان کے تلف کرنے اور موجودہ مدت کے دوران بین الاقوامی خام تیل کی قیمتوں میں نمایاں اضافے کے نتیجے میں تیل (نل بلاک) پر باد آور دلیوی (windfall levy) کے بڑھنے کی وجہ سے ہے۔

سیالیت/لیکویڈیٹی کی انتظام کاری اور کیش فلو کی صورتحال

فروخت میں اضافے کے باوجود، اس مدت کے دوران سچھلی مدت کے مقابلے میں صارفین کی جانب سے مجموعی وصولیوں میں کمی واقع ہوئی جس کے نتیجے میں تجارتی قرضوں میں مزید تقریباً 23 فیصد اضافہ ہوا جو 346 ارب روپے رہا (30 جون 2021: 282 ارب روپے)۔ اس حوالے سے 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 عارضی ریلیف کے لئے مختصر مدت کی کیش فلو کی ضروریات کو پورا کرنے اور گردش قرضے کے طویل مدتی مستقل حل کے لیے فعال طور پر مصروف عمل رہی ہے۔

سالانہ رپورٹ 2020 کے لیے ساؤتھ ایشین فیڈریشن برائے اکاؤنٹنٹس (SAFA) ایوارڈ

9 فروری 2022 کو سری لنکا کے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس کے زیر اہتمام ایک مجازی (ورچوئل) تقریب میں کمپنی کی سالانہ رپورٹ 2020 کو کمپنی کی تاریخ میں پہلی مرتبہ پبلک سیکٹر اداروں کے زمرے میں بہترین پیش کردہ سالانہ رپورٹ ایوارڈ برائے 2020 SAFA ایوارڈ دیا گیا ہے۔

SAFA، ساؤتھ ایشین ایسوسی ایشن برائے ریجنل کوآپریشن (SAARC) ممالک میں قومی چارٹرڈ اکاؤنٹنٹس اور کوسٹ و مینجمنٹ اکاؤنٹنٹس اداروں کی انجمن (ایسوسی ایشن) ہے۔

اس سال کے مقابلے میں، 100 فرموں نے جس میں ICAP کی جانب سے نامزد کردہ 26 پاکستانی ادارے بھی شامل ہیں جنہوں نے 12 کیٹیگریز میں شمولیت اختیار کی، اس کے علاوہ بنگلہ دیش، انڈیا، نیپال اور سری لنکا کی فرموں نے بھی شرکت کی۔

فروخت آمدن

پچھلی مدت کے مقابلے میں موجودہ مدت کے دوران فروخت آمدن میں 28,198 ملین روپے کا اضافہ ہوا۔ یہ اضافہ قیمت کی مد میں مثبت تغیر (بشمول زرمبادلہ کی شرح میں تبدیلی) کی وجہ سے ہے جو 35,695 ملین روپے رہا جسے حجم کی مد میں 7,497 ملین روپے کے منفی تغیر جزوی طور پر نے زائل کیا۔

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 49.04 امریکی ڈالر فی بیرل کے مقابلے میں موجودہ سال کے دوران 83.02 امریکی ڈالر فی بیرل ہو گیا۔ اس کے ساتھ ساتھ پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے میں ہونے والی کمی بھی ہے (موجودہ عرصے کے دوران زرمبادلہ کی اوسط شرح 172.24 روپے فی امریکی ڈالر ہو گئی جبکہ تقابلی سال کے دوران یہ شرح 162.28 روپے فی امریکی ڈالر تھی)۔

بنیادی طور پر حجم میں منفی تغیر، خصوصاً ٹل، سوئی، کندھ کوٹ، آدہی اور ناشپا 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 پیداوار نے جزوی طور پر زائل کیا۔

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

نوماء کا اختتام 31 مارچ 2021	نوماء کا اختتام 31 مارچ 2022	یونٹ	
180,132	163,241	ایم ایم ایس سی ایف	قدرتی گیس
3,928,114	3,373,208	بی بی ایل	خام تیل / قدرتی گیس مائع (این جی ایل) / کنڈنسیٹ
86,471	86,778	ٹن	مائع پٹرولیم گیس (ایل پی جی)
46,530	75,949	ٹن	بیرائٹس

منافع

کمپنی کی منفعت میں تقابلی عرصے کے مقابلے میں تقریباً 37 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 اور دیگر اخراجات میں ہونے والے اضافے کے ساتھ ساتھ پاکستان انٹرنیشنل آئل لمیٹڈ (PIOL) سے متعلق ہونے والے نقصان کے شیر کی بکنگ نے جزوی طور پر زائل کیا۔

ڈائریکٹر کا عبوری جائزہ

آپ کے ڈائریکٹر 31 مارچ 2022 کو ختم ہونے والی 9 ماہ کی مدت کے لیے غیر آڈٹ شدہ مجتمع عبوری مالیاتی گوشوارے اور کمپنی کے امور کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

آپریشنل اور مالی جھلکیاں

آپریشنل جھلکیاں

31 مارچ 2022 کو ختم ہونے والے نو ماہ کی اہم آپریشنل جھلکیاں مندرجہ ذیل ہیں:

دریافتیں

زیر غور مدت کے دوران پارٹنر آپریٹڈ لطیف بلاک، جسے یونائیٹڈ انرجی پاکستان (یو ای پی) - بیٹا آپریٹ کر رہی ہے، میں دو دریافتیں جوگن-1 اور موہر-1 ہوئیں ہیں۔

ارضی طبعی سروے

موجودہ مدت کے دوران پی پی ایل کے آپریٹڈ بلاکس میں 313 مربع کلومیٹر کا 3D سائز مک ڈیٹا اور بالترتیب 14,732 لائن کلومیٹر اور 14,626 لائن کلومیٹر کا ارضی و مقناطیسی ڈیٹا حاصل کیا گیا۔

مالی جھلکیاں

31 مارچ 2022 کو ختم ہونے والی نو ماہ کی مدت کے لیے کمپنی کے اہم مالیاتی نتائج حسب ذیل ہیں:

نومہ کا اختتام 31 مارچ 2021	نومہ کا اختتام 31 مارچ 2022	
ملین روپے		
112,235	140,433	فروخت آمدن (خالص)
51,328	76,296	قبل از ٹیکس منافع
(13,210)	(23,967)	ٹیکس
38,118	52,329	بعد از ٹیکس منافع
14.01	19.23	بنیادی اور تحلیل شدہ آمدن فی شیئر (روپے)

PAKISTAN PETROLEUM LIMITED

**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022**

	Note	March 31, 2022 Unaudited (Rupees in thousand)	June 30, 2021 Audited
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	143,283,538	146,583,654
Intangible assets		136,343	211,183
		<u>143,419,881</u>	<u>146,794,837</u>
Long-term investments	6	5,799,149	7,992,419
Long-term loans		65,607	53,159
Long-term deposits		7,676	7,676
		<u>149,292,313</u>	<u>154,848,091</u>
CURRENT ASSETS			
Stores and spares		5,051,295	4,568,484
Trade debts	7	346,152,881	282,284,931
Loans and advances		654,414	698,991
Trade deposits and short-term prepayments		665,230	258,088
Interest accrued		131,371	514,133
Current maturity of long-term loans		28,542	22,714
Current maturity of long-term deposits		1,264,500	1,205,357
Current maturity of long-term receivables		122,051	138,560
Other receivables		3,220,833	3,089,298
Short-term deposits	8	34,106,250	-
Short-term investments	9	52,313,058	85,012,018
Cash and bank balances		6,689,905	4,242,627
		<u>450,400,330</u>	<u>382,035,201</u>
TOTAL ASSETS		<u>599,692,643</u>	<u>536,883,292</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		406,410,652	363,317,888
		<u>433,620,488</u>	<u>390,527,724</u>
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		32,750,171	26,928,206
Deferred liabilities		3,163,241	3,082,550
Deferred taxation - net		28,182,795	29,830,059
		<u>64,096,207</u>	<u>59,840,815</u>
CURRENT LIABILITIES			
Trade and other payables	10	74,267,304	65,962,634
Unclaimed dividends		1,038,705	521,910
Current maturity of lease liabilities		-	433
Taxation - net		26,669,939	20,029,776
		<u>101,975,948</u>	<u>86,514,753</u>
TOTAL LIABILITIES		<u>166,072,155</u>	<u>146,355,568</u>
TOTAL EQUITY AND LIABILITIES		<u>599,692,643</u>	<u>536,883,292</u>
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Director



Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Note	Quarter ended March 31, 2022	Quarter ended March 31, 2021	Nine months ended March 31, 2022	Nine months ended March 31, 2021
----- (Rupees in thousand) -----					
Revenue from contracts with customers	12	50,905,226	36,696,329	140,432,945	112,235,396
Operating expenses	13	(9,539,489)	(10,480,255)	(29,023,436)	(32,452,724)
Royalties and other levies		(7,387,622)	(5,313,601)	(20,472,693)	(16,669,870)
		<u>(16,927,111)</u>	<u>(15,793,856)</u>	<u>(49,496,129)</u>	<u>(49,122,594)</u>
Gross profit		33,978,115	20,902,473	90,936,816	63,112,802
Exploration expenses	14	(1,430,188)	(470,254)	(9,825,938)	(3,616,811)
Administrative expenses		(1,112,418)	(914,224)	(3,031,156)	(2,680,914)
Finance costs		(312,041)	(269,684)	(897,069)	(850,533)
Reversal of provision for doubtful debts	7.4	-	-	41,929	-
Share of loss of associate	6.1	(72,562)	-	(2,446,912)	-
Other charges	15	(3,236,164)	(3,655,097)	(8,884,559)	(7,541,071)
		<u>27,814,742</u>	<u>15,593,214</u>	<u>65,893,111</u>	<u>48,423,473</u>
Other income	16	3,131,678	1,046,025	10,403,673	2,904,897
Profit before taxation		30,946,420	16,639,239	76,296,784	51,328,370
Taxation	17	(10,326,171)	(4,758,536)	(23,967,299)	(13,210,242)
Profit after taxation		20,620,249	<u>11,880,703</u>	52,329,485	<u>38,118,128</u>
Basic and diluted earnings per share (Rs)	20	7.58	4.37	19.23	14.01

The annexed notes 1 to 22 form an integral part of these condensed unconsolidated interim financial statements.



Chief Financial Officer




Director

Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Quarter ended March 31, 2022	Quarter ended March 31, 2021	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)			
Profit after taxation	20,620,249	11,880,703	52,329,485	38,118,128
Other comprehensive income:				
Items that will not be subsequently reclassified to profit or loss:				
Remeasurement gains on defined benefit plans - net	-	-	-	-
Items that may be reclassified to profit or loss:				
Exchange differences on translation of foreign associate	74,481	-	286,716	-
	74,481	-	286,716	-
Total comprehensive income for the period	<u>20,694,730</u>	<u>11,880,703</u>	<u>52,616,201</u>	<u>38,118,128</u>

The annexed notes 1 to 22 form an integral part of these condensed unconsolidated interim financial statements.



Chief Financial Officer



Director



Chief Executive Officer

PAKISTAN PETROLEUM LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Note	Nine months ended March 31, 2022 (Rupees in thousand)	Nine months ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		102,363,712	121,987,623
Receipts of other income		5,211,031	439,221
Payment to suppliers / service providers and employees - net		(26,058,997)	(34,601,719)
Payment of indirect taxes and Government levies including royalties		(42,925,704)	(41,488,339)
Income tax paid		(18,974,402)	(13,719,976)
Decommissioning cost paid		(128,189)	-
Finance costs paid		(1,215)	(1,946)
Long-term loans - net		(18,276)	(18,225)
Net cash generated from operating activities		<u>19,467,960</u>	<u>32,596,639</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(11,598,900)	(10,217,180)
Proceeds from sale of property, plant and equipment		69,231	32,476
Capital contribution in cash to PPLA		-	(336,819)
Investments - net		10,146,577	(1,910,253)
Investment in PIOL		(4,161,250)	-
Long-term deposits		(59,143)	(72,750)
Short-term deposits		(34,106,250)	-
Long-term receivables		16,509	(40,060)
Finance income received		4,151,726	2,840,837
Net cash used in investing activities		<u>(35,541,500)</u>	<u>(9,703,749)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(433)	(19,352)
Dividends paid		(9,006,642)	(2,714,830)
Net cash used in financing activities		<u>(9,007,075)</u>	<u>(2,734,182)</u>
Net (decrease) / increase in cash and cash equivalents		(25,080,615)	20,158,708
Cash and cash equivalents at beginning of the period		69,909,652	19,725,805
Cash and cash equivalents at end of the period	18	<u><u>44,829,037</u></u>	<u><u>39,884,513</u></u>

The annexed notes 1 to 22 form an integral part of these condensed unconsolidated interim financial statements.



Chief Financial Officer



Director



Chief Executive Officer

PAKISTAN PETROLEUM LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total
	Ordinary	Convertible preference			
	(Rupees in thousand)				
Balance as at July 01, 2020	27,209,718	118	1,428	317,386,655	344,597,919
Comprehensive income for the period					
Profit after taxation	-	-	-	38,118,128	38,118,128
Other comprehensive income for the nine months period ended March 31, 2021, net of tax	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2021	-	-	-	38,118,128	38,118,128
Transactions with owners:					
- Ordinary shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(2,720,972)	(2,720,972)
Interim dividend for the year ended June 30, 2021 @ 15%	-	-	-	(4,081,458)	(4,081,458)
- Convertible preference shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(12)	(12)
Interim dividend for the year ended June 30, 2021 @ 15%	-	-	-	(17)	(17)
Conversion of preference shares into ordinary shares	5	(5)	-	-	-
Balance as at March 31, 2021	27,209,723	113	1,428	348,702,324	375,913,588
Balance as at July 01, 2021	27,209,723	113	1,428	363,316,460	390,527,724
Comprehensive income for the period					
Profit after taxation	-	-	-	52,329,485	52,329,485
Other comprehensive income for the nine months period ended March 31, 2022, net of tax	-	-	-	286,716	286,716
Total comprehensive income for the nine months period ended March 31, 2022	-	-	-	52,616,201	52,616,201
Transactions with owners:					
- Ordinary shareholders					
Final dividend for the year ended June 30, 2021 @ 20%	-	-	-	(5,441,946)	(5,441,946)
Interim dividend for the year ending June 30, 2022 @ 15%	-	-	-	(4,081,459)	(4,081,459)
- Convertible preference shareholders					
Final dividend for the year ended June 30, 2021 @ 15%	-	-	-	(16)	(16)
Interim dividend for the year ending June 30, 2022 @ 15%	-	-	-	(16)	(16)
Conversion of preference shares into ordinary shares	7	(7)	-	-	-
Balance as at March 31, 2022	27,209,730	106	1,428	406,409,224	433,620,488

The annexed notes 1 to 22 form an integral part of these condensed unconsolidated interim financial statements.



Chief Financial Officer



Director



Chief Executive Officer

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

For the nine months period ended March 31, 2022

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.

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

- 2.2 The Securities and Exchange Commission of Pakistan (SECP) through S.R.O 985(I)/2019 dated September 02, 2019 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, 2021. The SECP through S.R.O. 1177(I)/2021 dated September 13, 2021, has granted further extension / exemption from the above-mentioned requirements of IFRS-9 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 based on the clarification received from SECP. 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 condensed unconsolidated interim financial statements).
- 2.3 During the period, the detailed judgment of the Honourable Supreme Court of Pakistan (SCP) has been issued in relation to the Benazir Employees' Stock Option Scheme (BESOS). The Honourable SCP has held that the BESOS was established without any policy input of the Council of Common Interests. Therefore, it fell beyond the ambit of authority of the Federal Cabinet and contravened Article 154 of the Constitution of the Islamic Republic of Pakistan, 1973. Accordingly, the Honourable SCP upheld the judgment dated January 03, 2018 passed by the Honourable Sindh High Court, as fully explained in note 2.5 to the annual unconsolidated financial statements for the year ended June 30, 2021. The Company is taking all necessary corporate actions to repatriate the funds and transfer of shares back to the Federal Government.

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

For the nine months period ended March 31, 2022

3. SIGNIFICANT ACCOUNTING POLICIES

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 for the following accounting policy adopted during the period;

3.1 Investment in Associated Company

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.

3.2 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.

3.3 New or amendments / interpretations to existing standards, interpretations and forthcoming requirements

There are new and amended standards as well as interpretations that are mandatory for accounting periods beginning July 01, 2021 but are considered not relevant or do not have any significant effect on the Company's financial position and are therefore not stated in these condensed unconsolidated interim financial statements.

3.4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and Interpretations thereto will be effective for accounting periods beginning on or after January 01, 2022 and are not likely to have an effect on these condensed unconsolidated interim financial statements:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).

The following annual improvements to IFRS 2018-2020 are effective for annual reporting periods beginning on or after January 01, 2022 and are not likely to have an effect on these condensed unconsolidated interim financial statements:

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender;
- IFRS 16 – The objective of the amendment is to resolve any potential confusion that might arise in lease incentives;
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique;
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to the Conceptual Framework (Amendments to IFRS 3);
- Classification of liabilities as current or non-current (Amendments to IAS 1);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures;

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

For the nine months period ended March 31, 2022

- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty;
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) and;
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

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

The preparation and reporting of these condensed unconsolidated interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan for interim financial 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.

	March 31, 2022 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 - net	7,710,634	18,395,430
	100,669,676	112,943,550
Disposals during the period / year (NBV)	(1,127)	(6,634)
Adjustments / reclassifications during the period / year (NBV)	-	(2,305,524)
Depreciation / amortisation charged during the period / year	(12,280,703)	(17,672,350)
	88,387,846	92,959,042
Capital work-in-progress - note 5.1	54,895,692	53,624,612
	143,283,538	146,583,654
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	10,488,227	8,711,906
Exploration and evaluation (E&E) assets - note 5.1.1	27,604,652	24,245,767
Development and production (D&P) assets	2,863,458	5,014,297
Lands, buildings and civil constructions	101,753	76,955
Capital stores for drilling and development	14,958,824	15,575,687
Less: written-off - note 5.1.2	(1,121,222)	-
	13,837,602	15,575,687
	54,895,692	53,624,612

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 6,535 million (June 30, 2021: Rs 6,224 million).

5.1.2 This represents inventory items identified as unusable / scrap written-off during the period.

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

For the nine months period ended March 31, 2022

March 31,
2022
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>

- Associate

Unquoted company

- Pakistan International Oil Limited (PIOL) - note 6.1
- Equity held: 25%
- No. of shares: 2,500,000 of USD 10/- each

2,001,054 -

Other investments

- At amortised cost

- Foreign currency term deposits with banks

-	4,194,324
<u>5,799,149</u>	<u>7,992,419</u>

6.1 During the period, a 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 the Emirate of Abu Dhabi. 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 represents USD 25 million (Rs 4,161.250 million) invested by the Company in PIOL, net of share of loss for the period amounting to Rs 2,446.912 million charged to profit or loss and exchange gain on translation of foreign associate amounting to Rs 286.716 million recorded through other comprehensive income to translation reserve. The loss for the period mainly pertains to exploration expenditure incurred by PIOL.

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

For the nine months period ended March 31, 2022

	March 31, 2022 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 7.3	5,957,526	6,305,294
Sui Northern Gas Pipelines Limited (SNGPL)	181,800,180	151,192,899
Sui Southern Gas Company Limited (SSGCL)	141,008,036	110,081,165
Pak-Arab Refinery Limited (PARCO)	1,798,259	2,416,363
Pakistan Refinery Limited (PRL)	1,499,567	1,196,389
Oil & Gas Development Company Limited (OGDCL)	62,428	439,174
	332,125,996	271,631,284
Non-related parties		
Attock Refinery Limited (ARL)	13,190,910	10,012,795
National Refinery Limited (NRL)	439,451	490,831
Others	396,524	150,021
	14,026,885	10,653,647
	346,152,881	282,284,931
Unsecured and considered doubtful		
Non-related parties		
Cnergyco Pk Limited (CENERGY) <i>formerly Byco Petroleum Pakistan Limited (Byco)</i>	253,002	253,002
EGAS Pvt. Ltd. (EGAS) - note 7.4	169,454	211,383
Less: Provision for doubtful debts	(422,456)	(464,385)
	-	-
	346,152,881	282,284,931
7.1	The ageing of trade debts is as follows:	
Neither past due nor impaired	28,371,893	25,825,446
Past due but not impaired:		
Related parties		
- within 90 days	33,575,427	22,251,049
- 91 to 180 days	30,189,020	24,270,381
- over 180 days	249,029,639	205,948,975
	312,794,086	252,470,405
Non-related parties		
- within 90 days	4,008,255	2,240,066
- 91 to 180 days	503	3,030
- over 180 days	978,144	1,745,984
	4,986,902	3,989,080
	346,152,881	282,284,931
7.2	Trade debts include overdue amount of Rs 311,655 million (June 30, 2021: Rs 251,229 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 6,548 million (June 30, 2021: Rs 5,694 million) overdue receivable from refineries (i.e. ARL, CENERGY, 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 CENERGY and EGAS.	

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

For the nine months period ended March 31, 2022

7.3 Trade debts do not include GDS and GIDC amounting to Rs 62,723 million (June 30, 2021: Rs 52,949 million) and Rs 5,599 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 at the reporting date.

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.

8. SHORT-TERM DEPOSITS

- Reconstitution of Reko Diq Project

On March 17, 2022 the Government of Pakistan (GoP), through the Federal Cabinet, ratified the decision of the Economic Coordination Committee (the Decision) which approved inter alia issuance of directions to the Company, Oil & Gas Development Company Limited (OGDCL) and Government Holdings (Private) Limited (GHPL) (collectively the SOEs) to participate in reconstitution of a joint mining project at Reko Diq (the Project). As part of the settlement arrangement, Barrick Gold Corporation (Barrick) will be retaining 50% shareholding in Tethyan Copper Company Pakistan (Pvt.) Limited (TCCP) along with operatorship, whereas the other shareholder, Antofagasta PLC will exit TCCP upon receipt of USD 900 million and subject to other conditions precedent. Pursuant to the Decision and subsequent correspondence with the Finance Division, each SOE was also directed to pay into an escrow account an amount of USD 187.5 million (collectively USD 562.5 million) as entry fee which would be utilized towards acquisition of 8.33% interest of each SOE in TCCP. The entry fee attributable to the Government of Balochistan (GoB) would be funded by the GoP amounting to USD 337.5 million.

On the basis of the Decision, the Board of Directors of the Company resolved to enter into a non-binding framework agreement with the GoP, the GoB, OGDCL, GHPL and Barrick, which sets out, inter alia, the ownership/transaction structure, rights, obligations and common objectives of the parties towards facilitating the implementation of the Project (Framework Agreement). In terms of the Framework Agreement, several conditions are required to be satisfied before binding arrangements are effective including receipt of administrative and regulatory approvals, execution of definitive agreements, deposit of USD 900 million in a designated escrow account, stabilization of the fiscal regime and legislative and judicial validation amongst others. If the conditions are not satisfied by June 30, 2022, interest at the rate of US Prime plus 2% (Interest Amount) would be payable to Antofagasta. If the conditions are not satisfied latest by December 15, 2022, the terms of settlement/resolution will be cancelled and terminated and the entry fee along with the Interest Amount will be refunded to the respective SOEs/GoP. Only upon satisfaction of the stated conditions in the Framework Agreement, the entry fee along with the Interest Amount, if any, will be released to Antofagasta against acquisition of corresponding equity interest by the SOEs and GoB, thereby settling the historical disputes relating to Reko Diq project.

Subsequent to the Decision and based on written advice from the Finance Division dated March 29, 2022 and approval of the board of directors, the Company has deposited its corresponding share of the entry fee amounting to USD 187.5 million (Rs 34,106 million) in an escrow account maintained by the Hongkong Shanghai Banking Corporation, and jointly operated by the GoP and Antofagasta. Further, the Company has agreed to fund its corresponding share of the Interest Amount as and when accrued and payable. The amount of USD 187.5 million represents a deposit with the GoP for the settlement of the Reko Diq dispute. This deposit will either be converted into an equity investment or be returned to the Company as mentioned in the preceding paragraph.

March 31, 2022	June 30, 2021
Unaudited	Audited
(Rupees in thousand)	

9. SHORT-TERM INVESTMENTS

At amortised cost

- Local currency term deposits with banks - note 9.1	117,500	32,142,500
- Foreign currency term deposits with banks - note 9.2	6,724,298	32,910,926
- Local currency treasury bills - note 9.3	45,471,260	2,349,399
	52,313,058	67,402,825

At fair value through profit or loss

- Mutual Funds	-	17,609,193
	52,313,058	85,012,018

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

For the nine months period ended March 31, 2022

- 9.1** These carry profit ranging from 7.54% to 11.00% (June 30, 2021: 7.65% to 8.00%) per annum and are due to mature latest by March 2023.
- 9.2** These represent foreign currency term deposits with banks amounting to USD 36.967 million (June 30, 2021: USD 208.561 million) having effective interest rate ranging from 1.40% to 3.50% (June 30, 2021: 0.35% to 2.01%) per annum and are due to mature latest by January 2023.
- 9.3** These carry profit ranging from 10.03% to 11.85% (June 30, 2021: 7.25% to 7.56%) per annum and are due to mature latest by August 2022. These bills were issued by GoP and sold through State Bank of Pakistan.

March 31,
2022
Unaudited
(Rupees in thousand)

June 30,
2021
Audited

10. TRADE AND OTHER PAYABLES

Creditors	281,011	799,192
Accrued liabilities	8,676,499	7,305,903
Security deposits / advances from LPG distributors	609,978	224,614
Retention money	92,005	81,770
Sales tax - net	1,624,570	996,946
Royalties	7,452,740	8,474,861
Lease extension bonus	28,721,196	24,932,829
Current accounts with joint operations	7,990,317	11,191,581
Staff retirement benefit funds	305,352	1,310,903
Provision for windfall levy on oil / condensate	14,537,937	10,242,937
Federal excise duty - net	119,430	111,777
Workers' Profits Participation Fund (WPPF)	3,587,077	-
Others	269,192	289,321
	74,267,304	65,962,634

- 10.1** Trade and other payables do not include GDS and GIDC amounting to Rs 62,723 million (June 30, 2021: Rs 52,949 million) and Rs 5,599 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-IL at the reporting date.

11. CONTINGENCIES AND COMMITMENTS

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

- 11.1** Total commitments for capital expenditure (net share) as at March 31, 2022 are Rs 1,458 million (June 30, 2021: Rs 793 million). Further, total amount outstanding under letters of credit (net share) as at March 31, 2022 is Rs 3,718 million (June 30, 2021: Rs 870 million).
- 11.2** 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 18,240 million) in PIOL during the next five years, out of which USD 25 million have been invested till March 31, 2022. Further, the Company has provided parent company guarantee as mentioned in note 19.5 to these condensed unconsolidated interim financial statements.
- 11.3** During the period, the Tax Authorities have issued a notice showing their intention to recover the alleged outstanding amount of Late Payment Surcharge (LPS) amounting to Rs 3,073 million on account of Gas Development Surcharge (GDS) relating to various years. The said notice was issued in terms of powers granted to the Federal Board of Revenue (FBR) under section 40E of the Public Finance Management Act, 2019 for recovering non-tax revenue from any taxpayer on the instructions of the concerned Ministry. Based on the advice from the legal counsel, the Company filed a Constitutional Petition challenging the impugned notice before the Honourable Sindh High Court (SHC). The Honourable SHC vide an interim order directed the Tax Authorities not to initiate recovery proceedings subject to the condition that 50% amount is deposited by the Company. Accordingly, the Company complied with the order of the SHC and submitted a bank guarantee amounting to Rs 1,536 million.

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

For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)	
12. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	100,139,934	92,758,729
Gas supplied to Sui villages	665,620	562,178
Internal consumption of gas	323,066	261,744
Crude oil / Condensate / Natural Gas Liquids	50,181,370	29,092,941
LPG	13,281,366	7,598,975
Barytes	814,896	519,713
	165,406,252	130,794,280
Government levies / discounts		
Federal excise duty	(1,168,738)	(1,292,854)
Sales tax	(23,371,568)	(16,840,413)
Petroleum Levy	(405,166)	(403,731)
Discounts (Barytes)	(27,835)	(21,886)
	(24,973,307)	(18,558,884)
	140,432,945	112,235,396
13. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	7,456,339	7,459,474
Operators' personnel	1,928,744	1,796,710
Depreciation	4,654,370	6,216,901
Amortisation of decommissioning assets	1,324,219	924,062
Amortisation of D&P assets	6,177,471	8,538,546
Plant operations	2,480,225	2,460,715
Well interventions	778,440	747,315
Field services	1,712,189	1,479,584
Crude oil transportation	582,204	715,073
Travelling and conveyance	456,663	463,635
Training & development	35,975	43,930
PCA overheads	121,887	174,809
Insurance expenses	460,501	508,725
Free supply of gas to Sui villages	665,620	562,178
Social welfare / community development	188,589	361,067
	29,023,436	32,452,724
14. EXPLORATION EXPENSES		
14.1 Exploration expenses for the period also include cost of dry / abandoned wells amounting to Rs 6,535 million (March 2021: Rs 1,702 million).		
	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)	
15. OTHER CHARGES		
WPPF charge	3,587,077	2,730,438
Exchange loss on foreign currency - net	-	3,012,814
Impairment loss on investment in PPLA	-	336,819
Provision for Windfall levy on oil / condensate	4,295,000	1,461,000
Capital stores for drilling & development written off - note 5.1.2	1,121,222	-
Reversal of provision for obsolete / slow moving stores & spares	(161,724)	-
Others	42,984	-
	8,884,559	7,541,071

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

For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)	
16. OTHER INCOME		
Income from financial assets		
Income on loans and bank deposits	298,498	315,556
Income on local currency term deposits	762,470	516,516
Income on foreign currency term deposits	565,443	701,707
Income from investment in treasury bills	2,142,553	480,626
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	916,445	642,580
	<u>4,685,409</u>	<u>2,656,985</u>
Income from assets other than financial assets		
Rental income on assets	3,577	3,920
Profit on sale of property, plant and equipment (net)	68,104	26,142
Exchange gain on foreign currency - net	5,425,134	-
Insurance claims	839	83,609
Others	220,610	134,241
	<u>5,718,264</u>	<u>247,912</u>
	<u>10,403,673</u>	<u>2,904,897</u>
17. TAXATION		
Current		
- For the nine months	25,004,238	19,040,696
- For the prior year	610,327	(1,028,800)
	<u>25,614,565</u>	<u>18,011,896</u>
Deferred	(1,647,266)	(4,801,654)
	<u>23,967,299</u>	<u>13,210,242</u>
18. CASH AND CASH EQUIVALENTS		
Short-term highly liquid investments - note 18.1	38,139,132	36,847,426
Cash and bank balances	6,689,905	3,037,087
	<u>44,829,037</u>	<u>39,884,513</u>
18.1	Short-term investments as disclosed in note 9 amount to Rs 52,313 million (March 2021: Rs 75,603 million). However, foreign currency term deposits with banks having maturity of over 90 days amounting to Rs 5,440 million (March 2021: Rs 22,701 million), local currency term deposits with banks having maturity over 90 days amounting to Rs 118 million (March 2021: Nil), treasury bills having maturity of over 90 days amounting to Rs 8,616 million (March 2021: Nil) and mutual funds amounting to Nil (March 2021: 16,055 million) are not considered as cash and cash equivalents in accordance with the requirements of IAS-7 "Statement of Cash Flows".	
19. 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:		

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

For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)	
Sales of gas / oil / barytes to state controlled entities (including Government Levies)		
GENCO-II	7,355,359	9,358,947
SSGCL	41,356,017	33,079,746
SNGPL	51,428,558	50,320,036
OGDCL	84,498	1,666,642
	100,224,432	94,425,371
Long-term receivables, trade debts and other receivables from State controlled entities as at March 31	328,984,873	266,171,166
Transactions and balances with subsidiaries		
Receivable from PPLA as at March 31	323,043	167,350
Interest paid on loan from PPLE	60	-
Payment of employees cost on secondment - PPLA	66,357	59,505
Capital contribution in cash paid to PPLA	-	336,819
Deposit for bank guarantee on behalf of PPLE - Block 29, Yemen	1,264,500	1,248,000
Transactions and balances with Associated Companies		
Sales of crude oil / condensate to PARCO	8,515,583	4,806,484
Sales of crude oil / condensate to PRL	2,194,689	1,505,861
Payment to Total PARCO Pakistan Limited	31,977	5,183
Membership / sponsorship fee paid to Petroleum Institute of Pakistan	3,994	975
Purchase of medicines from Sanofi-Aventis Pakistan Limited	2,953	529
Annual supervision fee paid to Audit Oversight Board	500	-
Equity investment in PIOL	4,161,250	-
Receivable from PIOL as at March 31	133,623	-
Service fee (G&A overheads) charged to PIOL	18,183	-
Payment of employees cost on secondment to PIOL	104,455	-
Deposits with Askari Bank Limited (AKBL) as at March 31	-	5,329
Letters of credit placed with AKBL as at March 31	-	194,074
Transactions with Joint Operations		
Payments of cash calls to joint operations	24,826,488	23,021,768
Expenditures incurred by the joint operations	21,377,620	16,024,303
Under advance balances relating to joint operations as at March 31	7,233,259	8,686,059
Current account receivables relating to joint operations as at March 31	1,310,240	3,745,888
Current account payables relating to joint operations as at March 31	254,278	234,183
Income from rental of assets to joint operations	3,577	3,920
Purchase of goods from BME (net)	141,568	28,657
Reimbursement of employee cost on secondment to BME	16,107	18,722
Dividend income from BME	250,000	-

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

For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)	
Other related parties		
Dividend paid to GoP	6,429,023	1,836,864
Dividend paid to trust under BESOS	-	200,057
Unclaimed dividend pertaining to BESOS	700,200	210,060
Dividend paid to trusts under retirement benefit funds	5,301	1,515
Deposit with GoP for Reko Diq project	34,106,250	-
Transactions with retirement benefit funds	904,716	955,184
Remuneration to key management personnel	2,437,125	2,356,157
Payment to PPL Welfare Trust for CSR activities	21,000	20,000
Payment of rental to Pakistan Industrial Development Corporation	123,479	111,175
Payment of rental to Karachi Port Trust	8,031	8,412
Payment of insurance premium to National Insurance Company Limited (NICL)	951,971	1,010,956
Insurance claim received from NICL	839	83,609
Fuel purchased from Pakistan State Oil Company Limited	471,650	52,707
Payment for chartered flights to Pakistan International Airlines Corporation Limited	85,506	65,211
Deposits with National Bank of Pakistan as at March 31	2,024,959	5,029,324
Stores and spares on loan to OGDCL	-	3,065
19.1	Aggregate amount charged in these condensed unconsolidated interim financial statements in respect of fees paid to eleven non-executive directors was Rs 23.375 million (March 2021: Rs 20 million to thirteen non-executive directors).	
19.2	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 18,240 million) {March 2021: USD 100 million (Rs 15,360 million)}, out of which USD 29.292 million (Rs 5,343 million) {March 2021: USD 31.504 million (Rs 4,839 million)} is outstanding.	
19.3	The Company has provided parent company guarantee amounting to USD 5.3 million (Rs 967 million) {March 2021: USD 5.3 million (Rs 814 million)} to GoP in respect of PPLE's exploration licences in Pakistan i.e. Barkhan, Harnai and Ziarat.	
19.4	During the period, an inter-company loan of USD 100,000 was obtained by the Company from PPLE on July 12, 2021 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.	
19.5	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.	
19.6	The Company has a receivable of Rs 10.04 million from OGDCL, MPCL and GHPL (Rs 3.41 million, Rs 1.32 million and Rs 5.31 million receivable, respectively) with respect to the payments made by the Company on their behalf for expenses related to PIOL.	
19.7	The Company has a receivable of Rs 6.56 million each from OGDCL and GHPL on account of payments made by the Company on their behalf with respect to the Reko Diq project.	

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

For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
20. EARNINGS PER SHARE		
20.1 Basic earnings per share		
Profit after taxation (Rs '000)	52,329,485	38,118,128
Dividend on convertible preference shares (Rs '000)	(32)	(34)
Profit attributable to ordinary shareholders (Rs '000)	<u>52,329,453</u>	<u>38,118,094</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,750</u>	<u>2,720,972,154</u>
Basic earnings per share (Rs)	<u>19.23</u>	<u>14.01</u>

20.1.1 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.

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
20.2 Diluted earnings per share		
Profit after taxation (Rs '000)	52,329,485	38,118,128
Weighted average number of ordinary shares in issue	2,720,972,750	2,720,972,154
Adjustment for convertible preference shares	10,778	11,374
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>19.23</u>	<u>14.01</u>

21. SUBSEQUENT / NON-ADJUSTING EVENTS

During the period, GoP offered a total of fourteen blocks for competitive bidding in the 2022 exploration bid round, where the Company submitted joint bids for four blocks; 2 blocks as operator (Kalat West and Sui North with 50% working interest in each block) and remaining 2 blocks as partner (Dadhar and Mach with 30% working interest in each block).

Subsequent to the period end, all four bids of the Company have been declared successful.

22. DATE OF AUTHORISATION FOR ISSUE

These condensed unconsolidated interim financial statements were authorised for issue on April 27, 2022 by the Board of Directors of the Company.



Chief Financial Officer



Director



Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	Note	March 31 2022 Unaudited (Rupees in thousand)	June 30 2021 Audited
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	143,980,820	147,402,803
Intangible assets		136,343	211,183
		<u>144,117,163</u>	<u>147,613,986</u>
Long-term investments	6	2,001,055	4,194,325
Long-term loans		65,607	53,159
Long-term deposits		7,676	7,676
		<u>146,191,501</u>	<u>151,869,146</u>
CURRENT ASSETS			
Stores and spares		5,051,295	4,568,484
Trade debts	7	346,454,676	282,671,085
Loans and advances		655,226	698,991
Trade deposits and short-term prepayments		668,450	261,039
Interest accrued		140,662	516,344
Current maturity of long-term loans		28,542	22,714
Current maturity of long-term deposits		1,264,500	1,205,357
Current maturity of long-term receivables		122,051	138,560
Other receivables		3,493,809	3,408,631
Short-term deposits	8	34,106,250	-
Short-term investments	9	55,127,482	87,395,982
Cash and bank balances		7,129,155	4,751,445
		<u>454,242,098</u>	<u>385,638,632</u>
TOTAL ASSETS		<u>600,433,599</u>	<u>537,507,778</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		404,340,581	361,721,989
		<u>431,550,417</u>	<u>388,931,825</u>
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		33,176,969	27,318,257
Deferred liabilities		3,163,241	3,082,550
Deferred taxation - net		28,182,795	29,830,059
		<u>64,523,005</u>	<u>60,230,866</u>
CURRENT LIABILITIES			
Trade and other payables	10	76,011,882	67,212,162
Unclaimed dividends		1,038,705	521,910
Current maturity of lease liabilities		-	433
Taxation - net		27,309,590	20,610,582
		<u>104,360,177</u>	<u>88,345,087</u>
TOTAL LIABILITIES		<u>168,883,182</u>	<u>148,575,953</u>
TOTAL EQUITY AND LIABILITIES		<u>600,433,599</u>	<u>537,507,778</u>
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes 1 to 22 form an integral part of these condensed consolidated interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

		Quarter ended March 31, 2022	Quarter ended March 31, 2021	Nine Months ended March 31, 2022	Nine Months ended March 31, 2021
Note		(Rupees in thousand)			
Revenue from contracts with customers	12	51,090,345	36,906,213	141,509,348	112,718,002
Operating expenses	13	(9,687,865)	(10,709,359)	(29,652,789)	(32,897,478)
Royalties and other levies		(7,409,318)	(5,360,892)	(20,788,316)	(16,756,021)
		(17,097,183)	(16,070,251)	(50,441,105)	(49,653,499)
Gross Profit		33,993,162	20,835,962	91,068,243	63,064,503
Exploration expenses	14	(1,644,176)	(601,902)	(10,685,793)	(3,871,794)
Administrative expenses		(1,131,031)	(924,200)	(3,074,546)	(2,712,243)
Finance costs		(324,303)	(281,520)	(932,342)	(884,858)
Reversal of provision for doubtful debts	7.4	-	-	41,929	-
Share of loss in associate	6.1	(72,562)	-	(2,446,912)	-
Other charges	15	(3,236,164)	(3,308,676)	(8,884,559)	(7,199,888)
		27,584,926	15,719,664	65,086,020	48,395,720
Other income	16	3,128,548	1,050,999	10,407,443	2,927,287
Profit before taxation		30,713,474	16,770,663	75,493,463	51,323,007
Taxation	17	(10,326,171)	(4,757,056)	(23,967,299)	(13,203,986)
Profit after taxation		20,387,303	12,013,607	51,526,164	38,119,021
Basic and diluted earnings per share (Rs)	20	7.50	4.42	18.94	14.01

The annexed notes 1 to 22 form an integral part of these condensed consolidated interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Quarter ended March 31, 2022	Quarter ended March 31, 2021	Nine Months ended March 31, 2022	Nine Months ended March 31, 2021
	(Rupees in thousand)			
Profit after taxation	20,387,303	12,013,607	51,526,164	38,119,021
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	52,951	(113,282)	329,149	(232,022)
Exchange differences on translation of foreign associate	74,481	-	286,716	-
	127,432	(113,282)	615,865	(232,022)
Total comprehensive income for the period	20,514,735	11,900,325	52,142,029	37,886,999

The annexed notes 1 to 22 form an integral part of these condensed consolidated interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER

PAKISTAN PETROLEUM LIMITED

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Note	Nine Months ended March 31, 2022 (Rupees in thousand)	Nine Months ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		103,690,148	122,479,745
Receipts of other income		5,212,973	439,221
Payment to suppliers / service providers and employees - net		(26,799,741)	(35,293,972)
Payment of indirect taxes and Government levies including royalties		(43,364,581)	(41,609,397)
Income tax paid		(19,001,159)	(13,738,060)
Decommissioning cost paid		(128,189)	-
Finance costs paid		(1,215)	(1,946)
Long-term loans - net		(18,276)	(18,225)
Net cash generated from operating activities		19,589,960	32,257,366
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(11,817,200)	(10,820,404)
Proceeds from sale of property, plant and equipment		69,231	32,476
Investments - net		8,294,997	(1,910,253)
Investment in PIOL		(4,161,250)	-
Long-term deposits		(59,143)	(72,750)
Short-term deposits		(34,106,250)	-
Long-term receivables		16,509	(40,060)
Finance income received		4,171,329	2,874,029
Net cash used in investing activities		(37,591,777)	(9,936,962)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(433)	(19,352)
Dividends paid		(9,006,642)	(2,714,830)
Net cash used in financing activities		(9,007,075)	(2,734,182)
Net (decrease) / increase in cash and cash equivalents		(27,008,892)	19,586,222
Cash and cash equivalents at beginning of the period		72,802,434	23,228,291
Net foreign exchange differences		333,678	(274,545)
Cash and cash equivalents at end of the period	18	46,127,220	42,539,968

The annexed notes 1 to 22 form an integral part of these condensed consolidated interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER

PAKISTAN PETROLEUM LIMITED

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total
	Ordinary	Convertible preference			
----- (Rupees in thousand) -----					
Balance as at July 01, 2020	27,209,718	118	1,428	316,096,759	343,308,023
Comprehensive income for the period					
Profit after taxation	-	-	-	38,119,021	38,119,021
Other comprehensive loss for the nine months period ended March 31, 2021, net of tax	-	-	-	(232,022)	(232,022)
Total comprehensive income for the nine months period ended March 31, 2021	-	-	-	37,886,999	37,886,999
Transactions with owners:					
- Ordinary shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(2,720,972)	(2,720,972)
Interim dividend for the year ended June 30, 2021 @ 15%	-	-	-	(4,081,458)	(4,081,458)
- Convertible preference shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(12)	(12)
Interim dividend for the year ended June 30, 2021 @ 15%	-	-	-	(17)	(17)
Conversion of preference shares into ordinary shares	5	(5)	-	-	-
Balance as at March 31, 2021	27,209,723	113	1,428	347,181,299	374,392,563
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	-	-	-	51,526,164	51,526,164
Other comprehensive income for the nine months period ended March 31, 2022, net of tax	-	-	-	615,865	615,865
Total comprehensive income for the nine months period ended March 31, 2022	-	-	-	52,142,029	52,142,029
Transactions with owners:					
- Ordinary shareholders					
Final dividend for the year ended June 30, 2021 @ 20%	-	-	-	(5,441,946)	(5,441,946)
Interim dividend for the year ending June 30, 2022 @ 15%	-	-	-	(4,081,459)	(4,081,459)
- Convertible preference shareholders					
Final dividend for the year ended June 30, 2021 @ 15%	-	-	-	(16)	(16)
Interim dividend for the year ending June 30, 2022 @ 15%	-	-	-	(16)	(16)
Conversion of preference shares into ordinary shares	7	(7)	-	-	-
Balance as at March 31, 2022	27,209,730	106	1,428	404,339,153	431,550,417

The annexed notes 1 to 22 form an integral part of these condensed consolidated interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER

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

For the nine months period ended March 31, 2022

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 administrating 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 nine months period ended March 31, 2022

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 Group as at and for the year ended June 30, 2021.

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

- 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 nine months ended March 31, 2022.
- 2.3 The Securities and Exchange Commission of Pakistan (SECP) through S.R.O 985(I)/2019 dated September 02, 2019 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, 2021. The SECP through S.R.O. 1177(I)/2021 dated September 13, 2021, has granted further extension / exemption from the above-mentioned requirements of IFRS-9 till June 30, 2022. Consequently, the Holding 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 consolidated interim financial statements based on the clarification received from SECP. Further, in relation to financial assets due from parties other than GoP, the management of the Holding Company 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 condensed consolidated interim financial statements).
- 2.4 During the period, the detailed judgment of the Honourable Supreme Court of Pakistan (SCP) has been issued in relation to the Benazir Employees' Stock Option Scheme (BESOS). The Honourable SCP has held that the BESOS was established without any policy input of the Council of Common Interests. Therefore, it fell beyond the ambit of authority of the Federal Cabinet and contravened Article 154 of the Constitution of the Islamic Republic of Pakistan, 1973. Accordingly, the Honourable SCP upheld the judgment dated January 03, 2018 passed by the Honourable Sindh High Court, as fully explained in note 3.5 to the annual consolidated financial statements for the year ended June 30, 2021. The Holding Company is taking all necessary corporate actions to repatriate the funds and transfer of shares back to the Federal Government.

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

For the nine months period ended March 31, 2022

3. SIGNIFICANT ACCOUNTING POLICIES

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 for the following accounting policy adopted during the period;

3.1 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.

- 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.

3.3 New or amendments / interpretations to existing standards, interpretations and forthcoming requirements

There are new and amended standards as well as interpretations that are mandatory for accounting periods beginning July 01, 2021 but are considered not relevant or do not have any significant effect on the Group's financial position and are therefore not stated in these condensed consolidated interim financial statements.

3.4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after January 01, 2022 and are not likely to have an effect on these condensed consolidated interim financial statements:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).

The following annual improvements to IFRS 2018-2020 are effective for annual reporting periods beginning on or after January 01, 2022 and are not likely to have an effect on these condensed consolidated interim financial statements:

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender;
- IFRS 16 – The objective of the amendment is to resolve any potential confusion that might arise in lease incentives;
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique;

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

For the nine months period ended March 31, 2022

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to the Conceptual Framework (Amendments to IFRS 3);
- Classification of liabilities as current or non-current (Amendments to IAS 1);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures;
- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty;
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) and;
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

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

The preparation and reporting of these condensed consolidated interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan for interim financial 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.

	March 31, 2022 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 - net	7,762,808	19,174,147
	101,513,575	114,196,001
Disposals during the period / year (NBV)	(1,127)	(6,634)
Adjustments / reclassifications during the period / year (NBV)	106,253	(2,341,356)
Depreciation / amortisation charged during the period / year	(12,594,333)	(18,097,244)
	89,024,368	93,750,767
Capital work-in-progress - note 5.1	54,956,452	53,652,036
	143,980,820	147,402,803

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

For the nine months period ended March 31, 2022

	March 31, 2022 Unaudited (Rupees in thousand)	June 30, 2021 Audited
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	10,488,227	8,711,906
Exploration and Evaluation (E&E) assets - note 5.1.1	27,636,842	24,245,767
Development and production (D&P) assets	2,863,458	5,014,297
Lands, buildings and civil constructions	101,753	76,955
Capital stores for drilling and development	14,987,394	15,603,111
Less: written-off - note 5.1.2	(1,121,222)	-
	13,866,172	15,603,111
	<u>54,956,452</u>	<u>53,652,036</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 6,535 million (June 30, 2021: Rs 6,224 million).

5.1.2 This represents inventory items identified as unusable / scrap written-off during the period.

	March 31, 2022 Unaudited (Rupees in thousand)	June 30, 2021 Audited
6. LONG-TERM INVESTMENTS		
Investments in related parties		
- Wholly owned subsidiary		
- PPPFTC	1	1
- Associate		
Unquoted company		
- Pakistan International Oil Limited (PIOL) - note 6.1		
Equity held: 25%		
No. of shares: 2,500,000 of USD 10/- each	2,001,054	-
Other investments		
- At amortised cost		
- Foreign currency term deposits with banks	-	4,194,324
	<u>2,001,055</u>	<u>4,194,325</u>

6.1 During the period, a 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 the Emirate of Abu Dhabi. 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 represents USD 25 million (Rs 4,161.250 million) invested by the Holding Company in PIOL, net of share of loss for the period amounting to Rs 2,446.912 million charged to profit or loss and exchange gain on translation of foreign associate amounting to Rs 286.716 million recorded through other comprehensive income to translation reserve. The loss for the period mainly pertains to exploration expenditure incurred by PIOL.

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

For the nine months period ended March 31, 2022

	March 31, 2022 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 7.3	5,957,526	6,305,294
Sui Northern Gas Pipelines Limited (SNGPL)	181,847,792	151,225,754
Sui Southern Gas Company Limited (SSGCL)	141,101,296	110,126,963
Pak-Arab Refinery Limited (PARCO)	1,798,259	2,416,363
Pakistan Refinery Limited (PRL)	1,499,567	1,196,389
Oil & Gas Development Company Limited (OGDCL)	62,428	439,174
	332,266,868	271,709,937
Non-related parties		
Attock Refinery Limited (ARL)	13,349,060	10,247,211
National Refinery Limited (NRL)	439,451	490,831
Others	399,297	223,106
	14,187,808	10,961,148
	346,454,676	282,671,085
Unsecured and considered doubtful		
Non-related parties		
Cnergyco Pk Limited (CENERGY) <i>formerly Byco Petroleum Pakistan Limited (Byco)</i>	253,002	253,002
EGAS Pvt. Ltd. (EGAS) - note 7.4	169,454	211,383
Less: Provision for doubtful debts	(422,456)	(464,385)
	346,454,676	282,671,085
7.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	28,509,356	25,966,802
Past due but not impaired:		
Related parties		
- within 90 days	33,645,899	22,300,682
- 91 to 180 days	30,193,348	24,270,381
- over 180 days	249,036,999	205,955,360
	312,876,246	252,526,423
Non-related parties		
- within 90 days	4,029,343	2,360,976
- 91 to 180 days	6,467	60,339
- over 180 days	1,033,264	1,756,545
	5,069,074	4,177,860
	346,454,676	282,671,085

- 7.2** Trade debts include overdue amount of Rs 311,737 million (June 30, 2021: Rs 251,285 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 6,630 million (June 30, 2021: Rs 5,883 million) overdue receivable from refineries (i.e. ARL, CENERGY, PARCO, NRL and PRL) and other customers.

Based on the measures being undertaken by the GoP including 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 CENERGY and EGAS.

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- 7.3 Trade debts do not include GDS and GIDC amounting to Rs 62,723 million (June 30, 2021: Rs 52,949 million) and Rs 5,599 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 at the reporting date.
- 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.

8. SHORT-TERM DEPOSITS

- Reconstitution of Reko Diq Project

On March 17, 2022 the Government of Pakistan (GoP), through the Federal Cabinet, ratified the decision of the Economic Coordination Committee (the Decision) which approved inter alia issuance of directions to the Holding Company, Oil & Gas Development Company Limited (OGDCL) and Government Holdings (Private) Limited (GHPL) (collectively the SOEs) to participate in reconstitution of a joint mining project at Reko Diq (the Project). As part of the settlement arrangement, Barrick Gold Corporation (Barrick) will be retaining 50% shareholding in Tethyan Copper Company Pakistan (Pvt.) Limited (TCCP) along with operatorship, whereas the other shareholder, Antofagasta PLC will exit TCCP upon receipt of USD 900 million and subject to other conditions precedent. Pursuant to the Decision and subsequent correspondence with the Finance Division, each SOE was also directed to pay into an escrow account an amount of USD 187.5 million (collectively USD 562.5 million) as entry fee which would be utilized towards acquisition of 8.33% interest of each SOE in TCCP. The entry fee attributable to the Government of Balochistan (GoB) would be funded by the GoP amounting to USD 337.5 million.

On the basis of the Decision, the Board of Directors of the Holding Company resolved to enter into a non-binding framework agreement with the GoP, the GoB, OGDCL, GHPL and Barrick, which sets out, inter alia, the ownership/transaction structure, rights, obligations and common objectives of the parties towards facilitating the implementation of the Project (Framework Agreement). In terms of the Framework Agreement, several conditions are required to be satisfied before binding arrangements are effective including receipt of administrative and regulatory approvals, execution of definitive agreements, deposit of USD 900 million in a designated escrow account, stabilization of the fiscal regime and legislative and judicial validation amongst others. If the conditions are not satisfied by June 30, 2022, interest at the rate of US Prime plus 2% (Interest Amount) would be payable to Antofagasta. If the conditions are not satisfied latest by December 15, 2022, the terms of settlement/resolution will be cancelled and terminated and the entry fee along with the Interest Amount will be refunded to the respective SOEs/GoP. Only upon satisfaction of the stated conditions in the Framework Agreement, the entry fee along with the Interest Amount, if any, will be released to Antofagasta against acquisition of corresponding equity interest by the SOEs and GoB, thereby settling the historical disputes relating to Reko Diq project.

Subsequent to the Decision and based on written advice from the Finance Division dated March 29, 2022 and approval of the board of directors, the Holding Company has deposited its corresponding share of the entry fee amounting to USD 187.5 million (Rs 34,106 million) in an escrow account maintained by the Hongkong Shanghai Banking Corporation, and jointly operated by the GoP and Antofagasta. Further, the Holding Company has agreed to fund its corresponding share of the Interest Amount as and when accrued and payable. The amount of USD 187.5 million represents a deposit with the GoP for the settlement of the Reko Diq dispute. This deposit will either be converted into an equity investment or be returned to the Holding Company as mentioned in the preceding paragraph.

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	March 31, 2022 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
9. SHORT-TERM INVESTMENTS		
At amortised cost		
- Local currency term deposits with banks - note 9.1	267,022	32,142,500
- Foreign currency term deposits with banks - note 9.2	9,389,200	35,294,890
- Local currency treasury bills - note 9.3	45,471,260	2,349,399
	55,127,482	69,786,789
At fair value through profit or loss		
- Mutual Funds	-	17,609,193
	55,127,482	87,395,982
9.1	These carry profit ranging from 7.54% to 11.00% (June 30, 2021: 7.65% to 8.00%) per annum and are due to mature latest by March 2023.	
9.2	These represents foreign currency term deposits with banks amounting to USD 51.617 million (June 30, 2021: USD 223.669 million) having effective interest rate ranging from 1.25% to 3.50% (June 30, 2021: 0.35% to 2.01%) per annum and are due to mature latest by January 2023.	
9.3	These carry profit ranging from 10.03% to 11.85% (June 30, 2021: 7.25% to 7.56%) per annum and are due to mature latest by August 2022. These bills were issued by GoP and sold through State Bank of Pakistan.	
	March 31, 2022 Unaudited	June 30, 2021 Audited
	(Rupees in thousand)	
10. TRADE AND OTHER PAYABLES		
Creditors	281,011	799,192
Accrued liabilities	8,959,489	7,528,834
Security deposits / advances from LPG distributors	609,978	224,614
Retention money	92,005	81,770
Sales tax - net	1,633,689	999,734
Royalties	7,466,302	8,499,301
Lease extension bonus	28,721,196	24,932,829
Current accounts with joint operations	8,572,479	11,497,300
Staff retirement benefit funds	305,352	1,310,902
Provision for windfall levy on oil / condensate	14,537,937	10,242,937
Federal excise duty - net	119,430	111,777
Workers' Profits Participation Fund (WPPF)	3,587,077	-
Contractual obligations for Iraq EDPSC	856,696	692,056
Others	269,241	290,916
	76,011,882	67,212,162
10.1	Trade and other payables do not include GDS and GIDC amounting to Rs 62,723 million (June 30, 2021: Rs 52,949 million) and Rs 5,599 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 at the reporting date.	

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For the nine months period ended March 31, 2022

11. CONTINGENCIES AND COMMITMENTS

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

- 11.1** Groups commitments for capital expenditure (net share) as at March 31, 2022 are Rs 1,458 million (June 30, 2021: Rs 793 million). Further, total amount outstanding under letters of credit (net share) as at March 31, 2022 is Rs 3,718 million (June 30, 2021: Rs 870 million).
- 11.2** 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 18,240 million) in PIOL during the next five years, out of which USD 25 million have been invested till March 31, 2022. Further, the Holding Company has provided parent company guarantee as mentioned in note 19 to these condensed consolidated interim financial statements.
- 11.3** During the period, the Tax Authorities have issued a notice showing their intention to recover the alleged outstanding amount of Late Payment Surcharge (LPS) amounting to Rs 3,073 million on account of Gas Development Surcharge (GDS) relating to various years. The said notice was issued in terms of powers granted to the Federal Board of Revenue (FBR) under section 40E of the Public Finance Management Act, 2019 for recovering non-tax revenue from any taxpayer on the instructions of the concerned Ministry. Based on the advice from the legal counsel, the Holding Company filed a Constitutional Petition challenging the impugned notice before the Honourable Sindh High Court (SHC). The Honourable SHC vide an interim order directed the Tax Authorities not to initiate recovery proceedings subject to the condition that 50% amount is deposited by the Holding Company. Accordingly, the Holding Company complied with the order of the SHC and submitted a bank guarantee amounting to Rs 1,536 million.

Nine months ended March 31, 2022	Nine months ended March 31, 2021
(Rupees in thousand)	

12. REVENUE FROM CONTRACTS WITH CUSTOMERS

Gross revenue

Natural gas	100,416,324	93,036,338
Gas supplied to Sui villages	665,620	562,178
Internal consumption of gas	323,066	261,744
Crude oil / Condensate / Natural Gas Liquids	51,095,693	29,338,884
LPG	13,281,366	7,598,975
Barytes	814,896	519,713
	166,596,965	131,317,832

Government levies / discounts

Federal excise duty	(1,168,738)	(1,292,854)
Sales tax	(23,485,878)	(16,881,359)
Petroleum levy	(405,166)	(403,731)
Discounts (Barytes)	(27,835)	(21,886)
	(25,087,617)	(18,599,830)
	141,509,348	112,718,002

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For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022 (Rupees in thousand)	Nine months ended March 31, 2021
13. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	7,456,339	7,459,474
Operator's personnel	2,021,377	1,846,684
Depreciation	4,714,310	6,425,228
Amortisation of decommissioning assets	1,324,219	924,062
Amortisation of D&P assets	6,431,161	8,594,856
Plant operations	2,488,735	2,463,340
Well interventions	780,867	757,160
Field services	1,837,347	1,555,807
Crude oil transportation	665,713	754,389
Travelling and conveyance	456,663	463,635
Training & development	35,975	43,930
PCA overheads	125,373	176,943
Insurance expenses	460,501	508,725
Free supply of gas to Sui villages	665,620	562,178
Social welfare / community development	188,589	361,067
	29,652,789	32,897,478
14. EXPLORATION EXPENSES		
14.1 Exploration expenses for the period also include cost of dry / abandoned wells amounting to Rs 6,535 million (March 2021: Rs 1,702 million).		
	Nine months ended March 31, 2022 (Rupees in thousand)	Nine months ended March 31, 2021
15. OTHER CHARGES		
WPPF charge	3,587,077	2,730,438
Exchange loss on foreign currency - net	-	3,008,450
Provision for windfall levy on oil / condensate	4,295,000	1,461,000
Capital stores for drilling & development written off - note 5.1.2	1,121,222	-
Reversal of provision for obsolete / slow moving stores & spares	(161,724)	-
Others	42,984	-
	8,884,559	7,199,888
16. OTHER INCOME		
Income from financial assets		
Income on loans and bank deposits	298,498	315,556
Income on local currency term deposits	762,470	516,667
Income on foreign currency term deposits	591,552	721,773
Income from investment in treasury bills	2,142,553	480,626
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	916,445	642,580
	4,711,518	2,677,202
Income from assets other than financial assets		
Rental income on assets	3,577	3,920
Profit on sale of property, plant and equipment (net)	68,104	26,142
Exchange gain on foreign currency (net)	5,402,795	-
Insurance claims	839	83,609
Others	220,610	136,414
	5,695,925	250,085
	10,407,443	2,927,287

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FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2022

	Nine months ended March 31, 2022 (Rupees in thousand)	Nine months ended March 31, 2021
17. TAXATION		
Current		
- For the nine months	25,004,238	19,034,440
- For the prior year	610,327	(1,028,800)
	25,614,565	18,005,640
Deferred	(1,647,266)	(4,801,654)
	23,967,299	13,203,986
18. CASH AND CASH EQUIVALENTS		
Short-term highly liquid investments - note 18.1	38,998,065	39,033,694
Cash and bank balances	7,129,155	3,506,274
	46,127,220	42,539,968
18.1	Short-term investments as disclosed in note 9 amount to Rs 55,127 million (March 2021: Rs 77,789 million). However, foreign currency term deposits with banks having maturity of over 90 days amounting to Rs 7,395 million (March 2021: Rs 22,700 million), local currency term deposits with banks having maturity over 90 days amounting to Rs 118 million (March 2021: Nil), treasury bills having maturity of over 90 days amounting to Rs 8,616 million (March 2021: Nil) and mutual funds amounting to Nil (March 2021: Rs 16,055 million) are not considered as cash and cash equivalents in accordance with the requirements of IAS-7 "Statement of Cash Flows".	
19. 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:		
	Nine months ended March 31, 2022 (Rupees in thousand)	Nine months ended March 31, 2021
Sales of gas / oil / barytes to State controlled entities (including Government levies)		
GENCO-II	7,355,359	9,358,947
SSGCL	41,490,849	33,201,320
SNGPL	51,570,116	50,476,071
OGDCL	84,498	1,666,642
	100,500,822	94,702,980
Long-term receivables, trade debts and other receivables from state controlled entities as at March 31	329,125,745	266,265,603

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	Nine months ended March 31, 2022	Nine months ended March 31, 2021
	(Rupees in thousand)	
Transactions and balances with Associated Companies		
Sales of crude oil / condensate to PARCO	8,515,583	4,806,484
Sales of crude oil / condensate to PRL	2,194,689	1,505,861
Payment to Total PARCO Pakistan Limited	31,977	5,183
Membership / sponsorship fee paid to Petroleum Institute of Pakistan	3,994	975
Purchase of medicines from Sanofi-Aventis Pakistan Limited	2,953	529
Annual supervision fee paid to Audit Oversight Board	500	-
Equity investment in PIOL	4,161,250	-
Receivable from PIOL as at March 31	133,623	-
Service fee (G&A overheads) charged to PIOL	18,183	-
Payment of employees cost on secondment to PIOL	104,455	-
Deposits with Askari Bank Limited (AKBL) as at March 31	-	5,329
Letters of credit placed with AKBL as at March 31	-	194,074
Transactions with Joint Operations		
Payments of cash calls to joint operations	25,581,657	23,663,333
Expenditures incurred by the joint operations	22,357,646	16,287,311
Under advance balances relating to joint operations as at March 31	7,814,606	8,816,590
Current account receivables relating to joint operations as at March 31	1,310,240	3,745,888
Current account payables relating to joint operations as at March 31	254,278	234,183
Income from rental of assets to joint operations	3,577	3,920
Purchase of goods from BME (net)	141,568	28,657
Reimbursement of employee cost on secondment to BME	16,107	18,722
Dividend income from BME	250,000	-
Other related parties		
Dividend paid to GoP	6,429,023	1,836,864
Dividend paid to trust under BESOS	-	200,057
Unclaimed dividend pertaining to BESOS	700,200	210,060
Dividend to trusts under retirement benefit funds	5,301	1,515
Deposit with GoP for Reko Diq project	34,106,250	-
Transactions with retirement benefit funds	904,716	955,184
Remuneration to key management personnel	2,437,125	2,356,157
Payment to PPL Welfare Trust for CSR activities	21,000	20,000
Payment of rental to Pakistan Industrial Development Corporation	123,479	111,175
Payment of rental to Karachi Port Trust	8,031	8,412
Payment of insurance premium to National Insurance Company Limited (NICL)	951,971	1,010,956
Insurance claim received from NICL	839	83,609
Fuel purchased from Pakistan State Oil Company Limited	471,650	52,707
Payment for chartered flights to Pakistan International Airlines Corporation Limited	85,506	65,211
Deposits with National Bank of Pakistan as at March 31	2,024,959	5,029,324
Stores and spares on loan to OGDCL	-	3,065

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- 19.1** Aggregate amount charged in these condensed consolidated interim financial statements in respect of fees paid to eleven non-executive directors was Rs 23.375 million (March 2021: Rs 20 million to thirteen non-executive directors).

In addition to the above, during the period an amount of Rs 0.500 million was paid to two directors of PPLA and PPLE each (March 2021: Rs 0.188 million to three directors of PPLA).

- 19.2** 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 18,240 million) {March 2021: USD 100 million (Rs 15,360 million)}, out of which USD 29.292 million (Rs 5,343 million) {March 2021: USD 31.504 million (Rs 4,839 million)} is outstanding.
- 19.3** The Holding Company has provided parent company guarantee amounting to USD 5.3 million (Rs 967 million) {March 2021: USD 5.3 million (Rs 814 million)} to GoP in respect of PPLE's exploration licenses in Pakistan i.e. Barkhan, Harnai and Ziarat.
- 19.4** 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.
- 19.5** The Holding Company has a receivable of Rs 10.04 million from OGDCL, MPCL and GHPL (Rs 3.41 million, Rs 1.32 million and Rs 5.31 million receivable, respectively) with respect to the payments made by the Holding Company on their behalf for expenses related to PIOL.
- 19.6** The Holding Company has a receivable of Rs 6.56 million each from OGDCL and GHPL on account of payments made by the Holding Company on their behalf with respect to the Reko Diq project.

	Nine months ended March 31, 2022	Nine months ended March 31, 2021
20. EARNINGS PER SHARE		
20.1 Basic earnings per share		
Profit after taxation (Rs '000)	51,526,164	38,119,021
Dividend on convertible preference shares (Rs '000)	(32)	(34)
Profit attributable to ordinary shareholders (Rs '000)	<u>51,526,132</u>	<u>38,118,987</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,750</u>	<u>2,720,972,154</u>
Basic earnings per share (Rs)	<u>18.94</u>	<u>14.01</u>

- 20.1.1** 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.

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	Nine months ended March 31, 2022	Nine months ended March 31, 2021
20.2 Diluted earnings per share		
Profit after taxation (Rs '000)	51,526,164	38,119,021
Weighted average number of ordinary shares in issue	2,720,972,750	2,720,972,154
Adjustment for convertible preference shares	10,778	11,374
Weighted average number of ordinary shares for diluted earnings per share	2,720,983,528	2,720,983,528
Diluted earnings per share (Rs)	18.94	14.01

21. SUBSEQUENT / NON-ADJUSTING EVENTS

During the period, GoP offered a total of fourteen blocks for competitive bidding in the 2022 exploration bid round, where the Holding Company submitted joint bids for four blocks; 2 blocks as operator (Kalat West and Sui North with 50% working interest in each block) and remaining 2 blocks as partner (Dadhar and Mach with 30% working interest in each block).

Subsequent to the period end, all four bids of the Holding Company have been declared successful.

22. DATE OF AUTHORISATION FOR ISSUE


These condensed consolidated interim financial statements were authorised for issue on April 27, 2022 by the Board of Directors of the Holding Company.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER



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