



PAKISTAN PETROLEUM LIMITED
Corporate Briefing Session
2023-24



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Disclaimer



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Capital & Shareholding



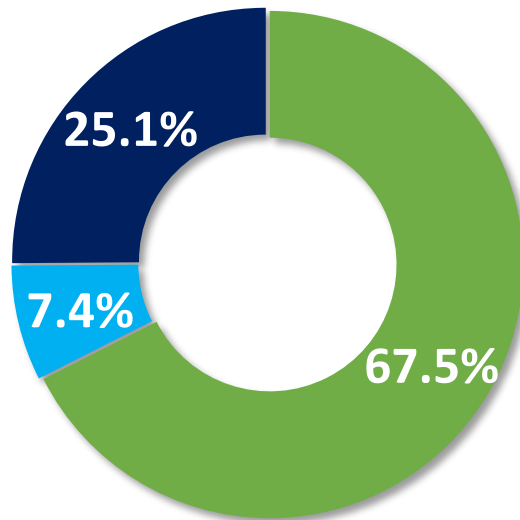
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The authorized capital of the Company is PKR 35 billion.

The subscribed capital of the Company is PKR 27.21 billion.

Pattern of Shareholding (%)

June 30, 2024

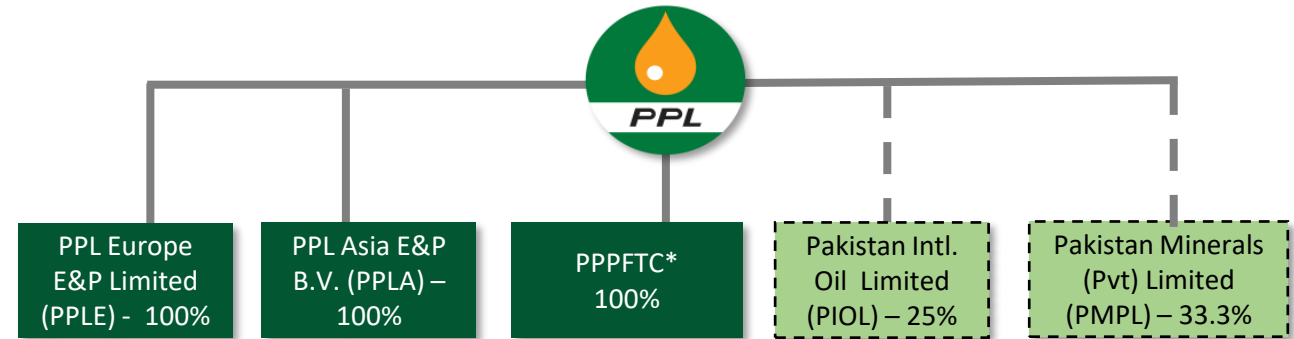


- Government of Pakistan*
- PPL Employees Empowerment Trust**
- Others

* Post promulgation of Pakistan Sovereign Wealth Fund Act, 2023, the shareholding of GOP stands transferred to PSWF.

** As per Supreme Court's order, these shares will be transferred back to the Government of Pakistan

Group Structure



The Group, except PPPFTC, is principally engaged in conducting exploration, prospecting, development and production of oil, natural gas and mineral resources.

PIOL is an associated company engaged in the exploration and appraisal activities in Abu Dhabi's offshore block 5.

PMPL is another associated company holding an indirect 25% non-operating share in Reko Diq project for mining of copper and gold.

*Pakistan Petroleum Provident Fund Trust Company (Private) Limited. It is the management company for employees' retirement benefit funds.



Our Footprint & Energy Scenario



Our Portfolio



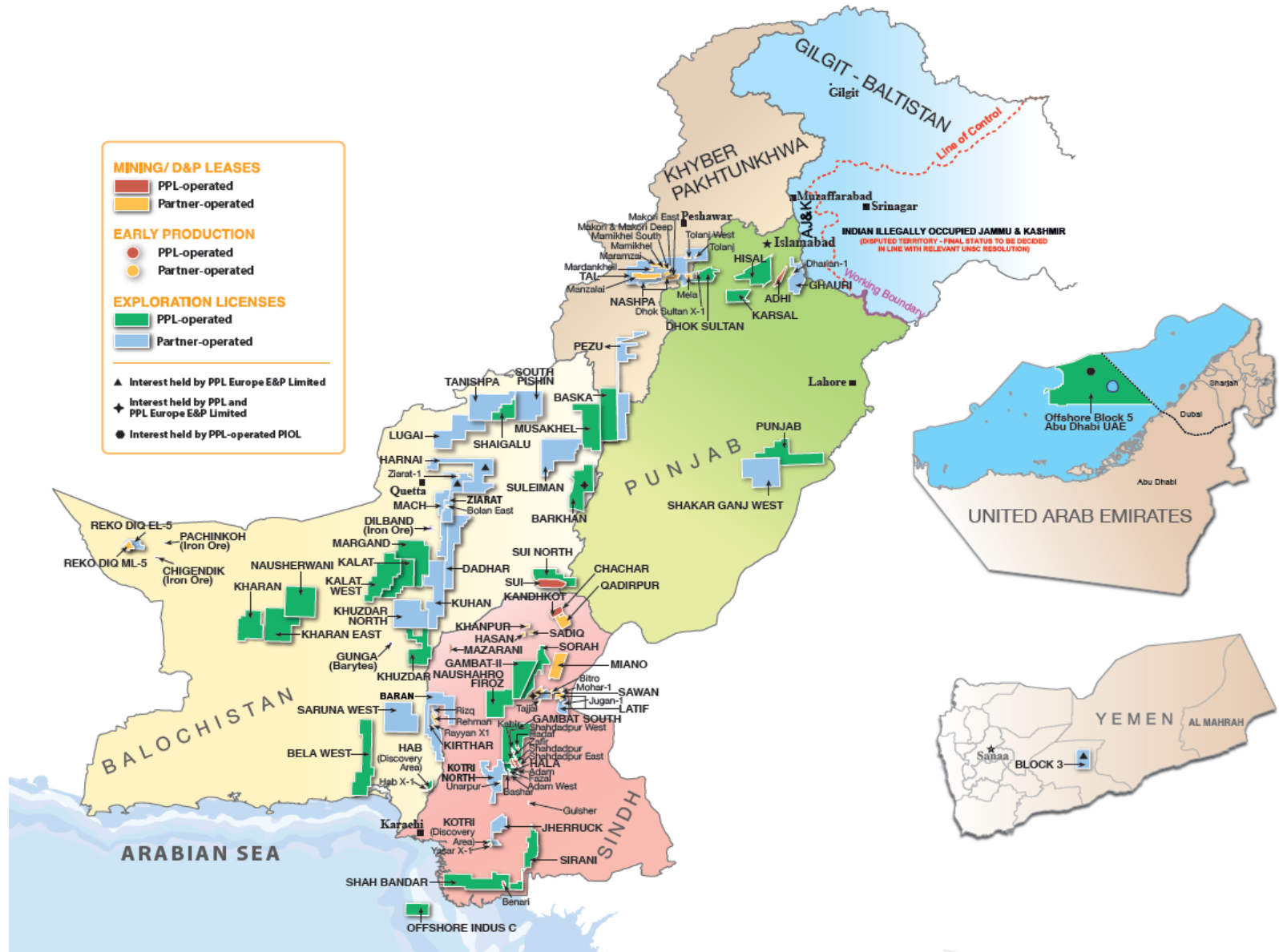
Producing fields

PPL Operated	9
Partner Operated	13
Total	22

Exploratory blocks

PPL Operated	26
Partner Operated	22
Total	48*

* As of June 30, 2024. The above table excludes the blocks for which relinquishment has been applied.

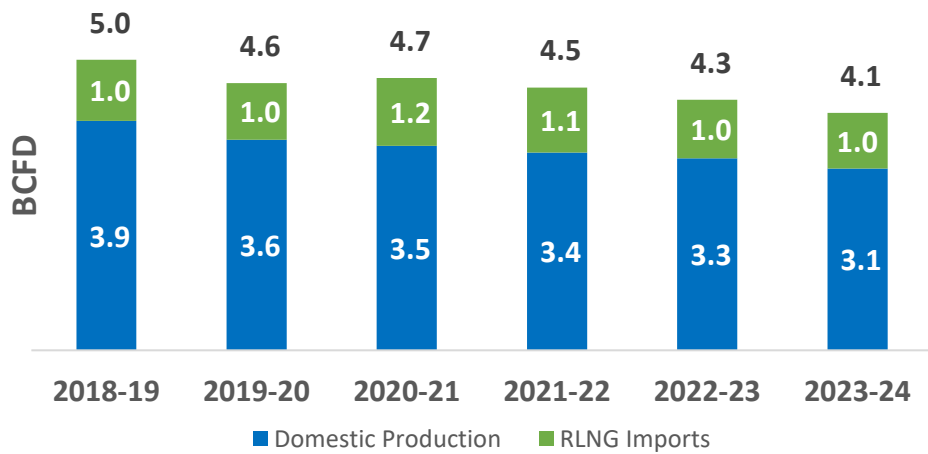


Pakistan Energy Scenario



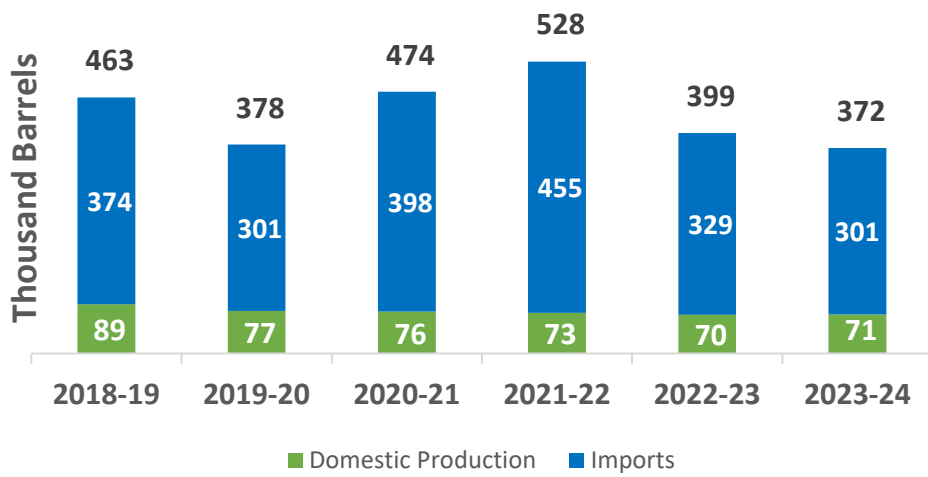
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Gas Supply



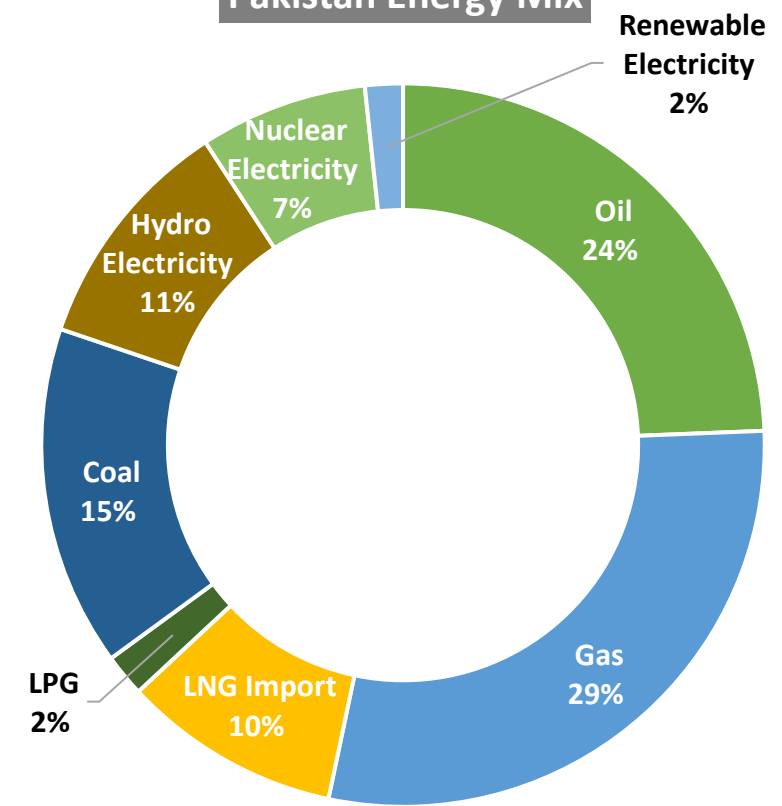
- Local production is on a downward trajectory due to natural decline
- PPL Share ~ 20% of local prod (~0.63 Bcfd)

Oil Supply



- Decline in demand due to drop in economic activity
- PPL Share ~ 17% of local prod (11.4 kbpd)

Pakistan Energy Mix



- Higher reliance on hydrocarbons, esp. oil and gas
- Renewables share remains very low



Operational Overview



Corporate Achievements

- One of largest CSR program ~ Rs 3.7 Billion
- 2nd prize: ICAP's Digital Technology Awards
- 2nd prize: Best Corporate Report Awards 2022 in "Fuel & Energy" by ICAP
- Bronze Award by SAFA in "Public Sector Entities" category



Highest ever Profit After Tax

Rs. 114 Billion

Production Enhancement

Major revamping of SML compressors at Sui – enhanced production capacity by ~19 MMSCFD



New Exploration Blocks

1 Operated
1 Partner Operated



Key Achievements

Discoveries

One discovery at Jhim East X-1. Four discoveries subsequent to year-end in Tal and Latif blocks.



International Exploration

Drilled two appraisal wells in Abu Dhabi's Block-5 (PIOL).



Safety Achievement

Zero Lost Time Injury Frequency
Zero Tier 1 Process Safety Events



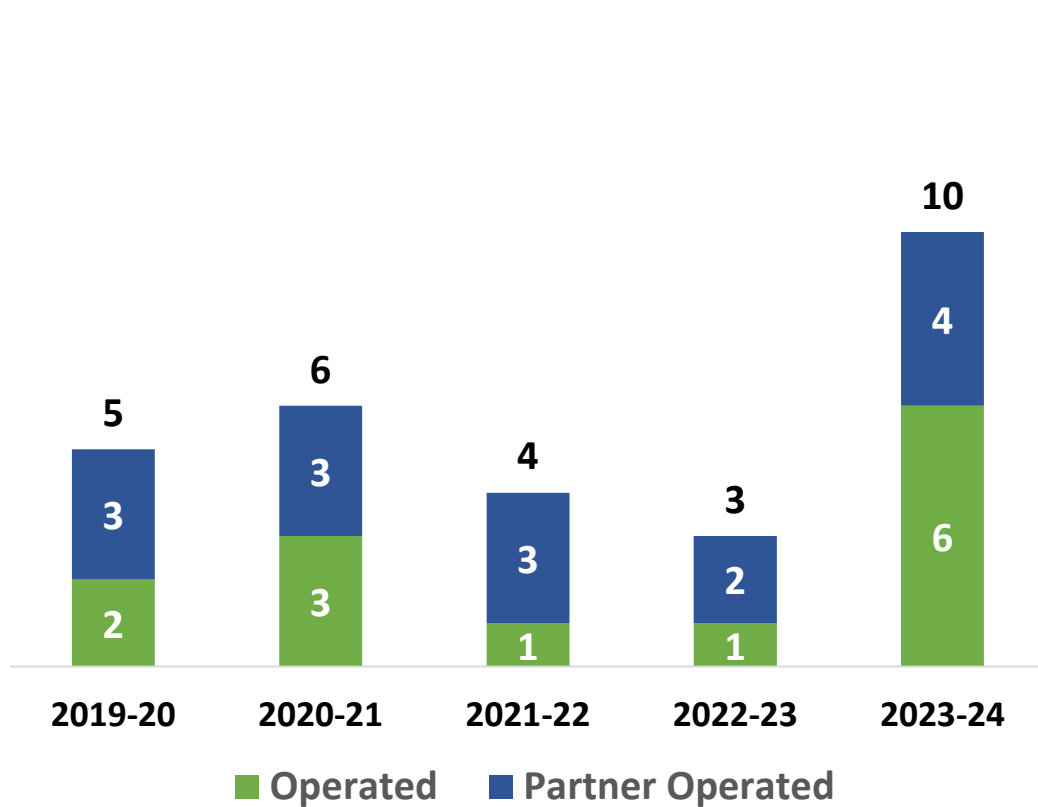
Diversification

- Signed JV Agreement with Degan Exploration for mineral exploration in Balochistan
- Reko Diq's feasibility on track

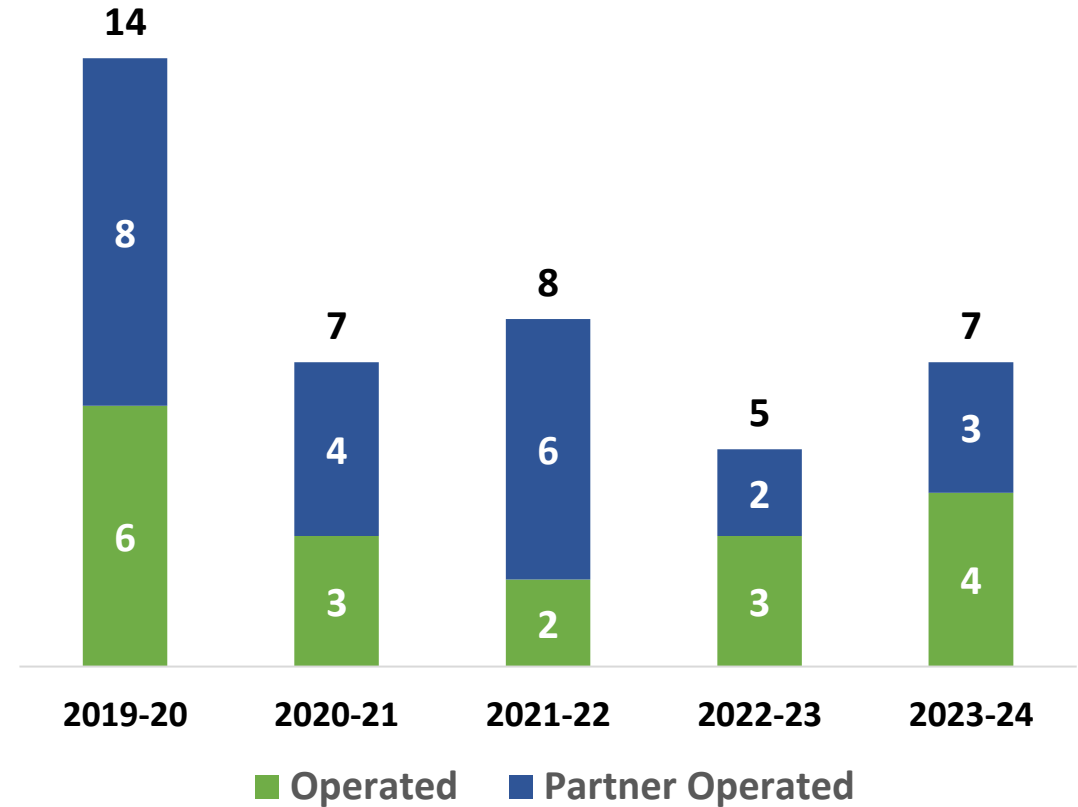
Work Program Delivery



Exploration wells



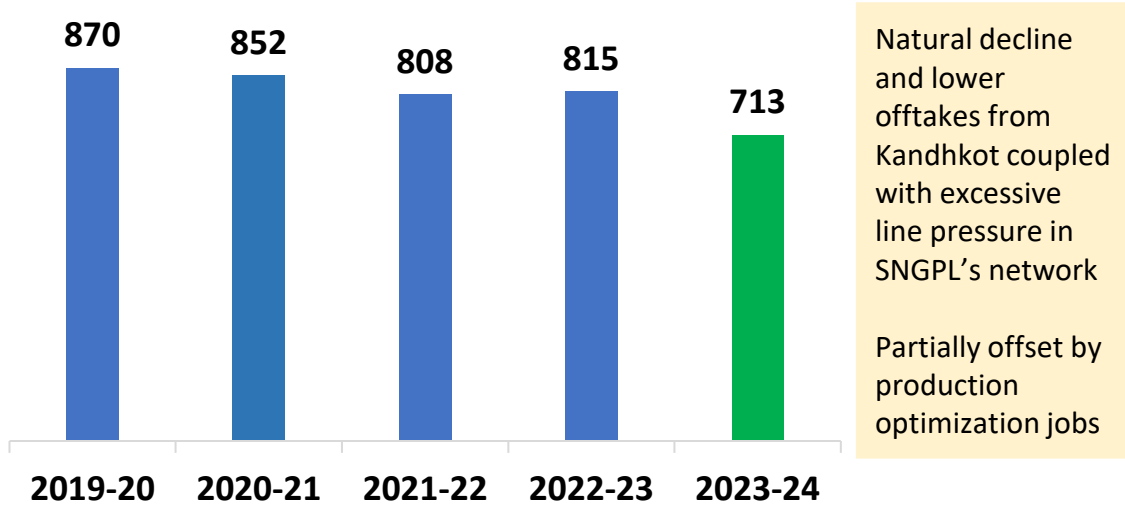
Development Wells



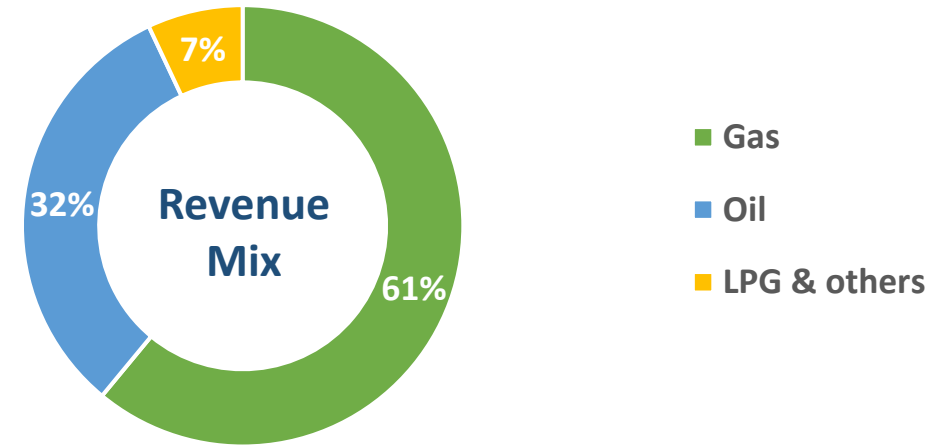
Production



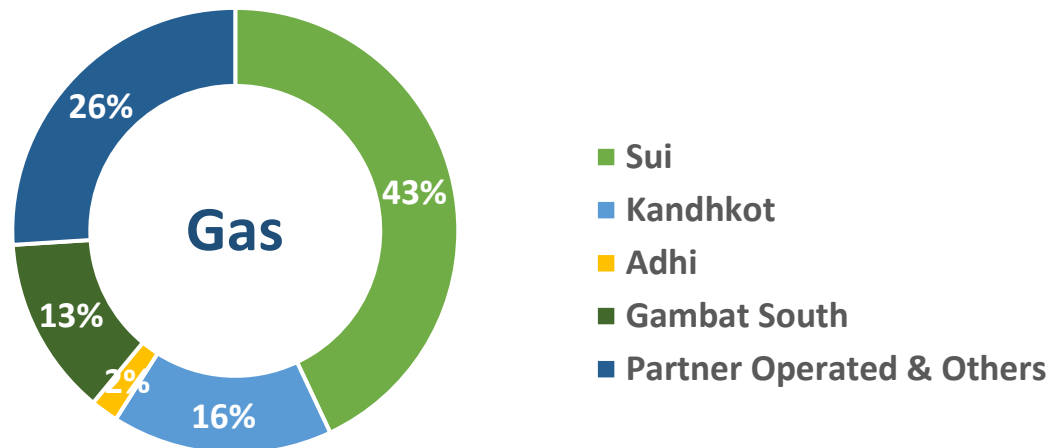
Production (PPL Net) MMscfde



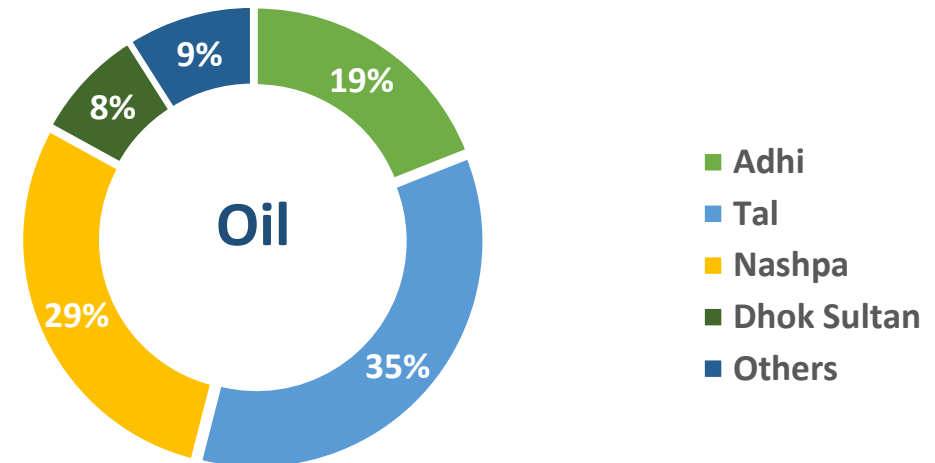
Revenue mix FY 2023-24 (PPL Net)



Field-wise Gas Production FY 2023-24 (PPL Net)



Field-wise Oil Production FY 2023-24 (PPL Net)





Financial Overview



Financial Highlights



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Highest ever Net Sales **PKR 289 Billion** **1%** Increase

Highest ever Profit After Tax **PKR 114 billion** **17%** Increase

Total Assets **PKR 907 Billion** **15%** Increase

Income Tax **PKR 45 Billion** **33%** decrease

Net Sales

Increase in Sales Revenue:

Positive price variance primarily due to PKR devaluation partially offset the impact of lower sales volumes

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Increase in Profit After Tax:

In line with the highest ever sales coupled with the reversal of tax provision relating to depletion allowance

Tax

Decrease in Tax:

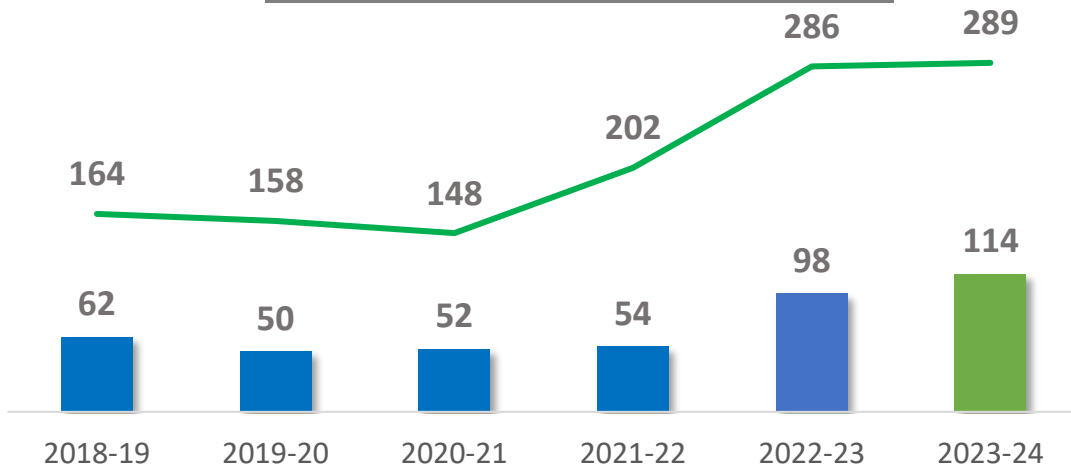
Mainly due to one-off reversal of income tax provision on depletion allowance for prior years

Key Financial Indicators

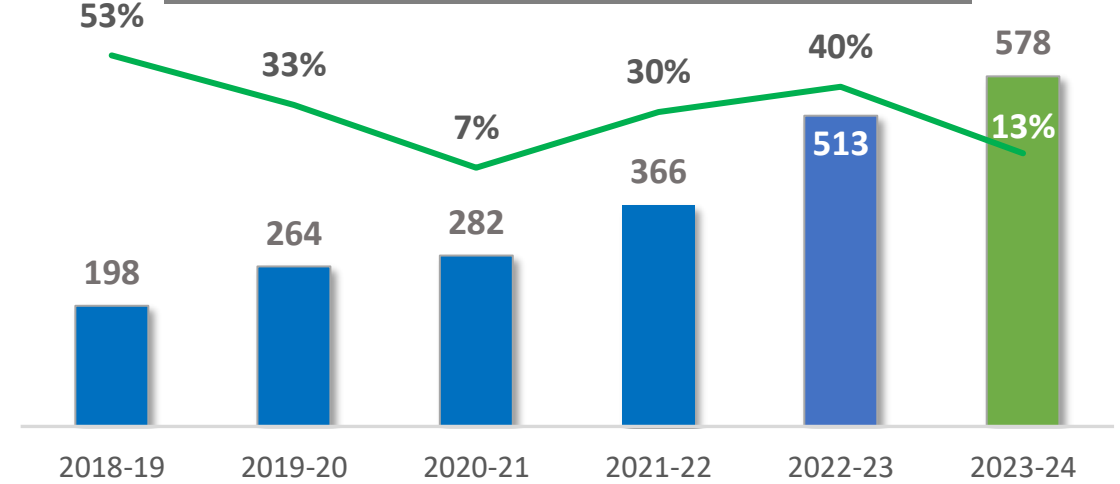


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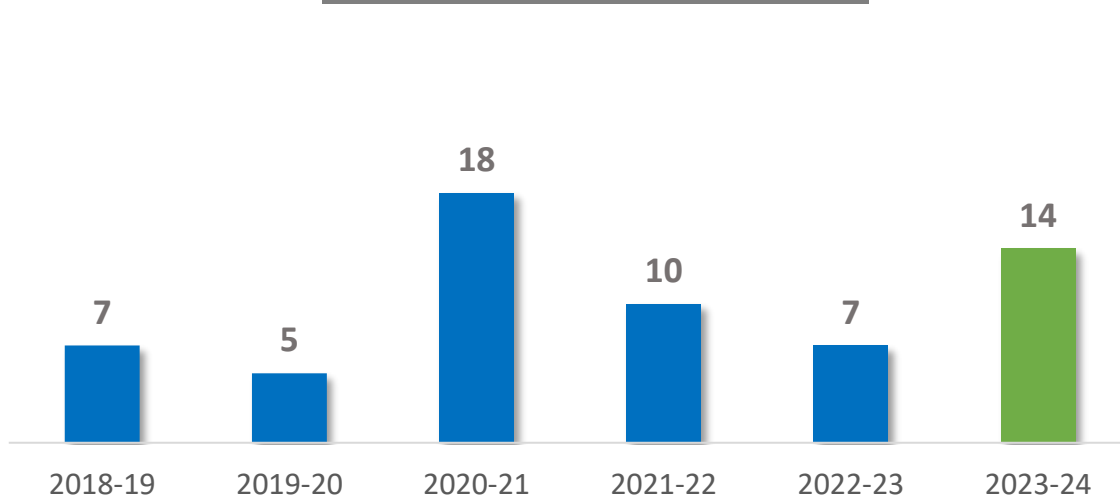
Revenue vs Profitability - Rs billion



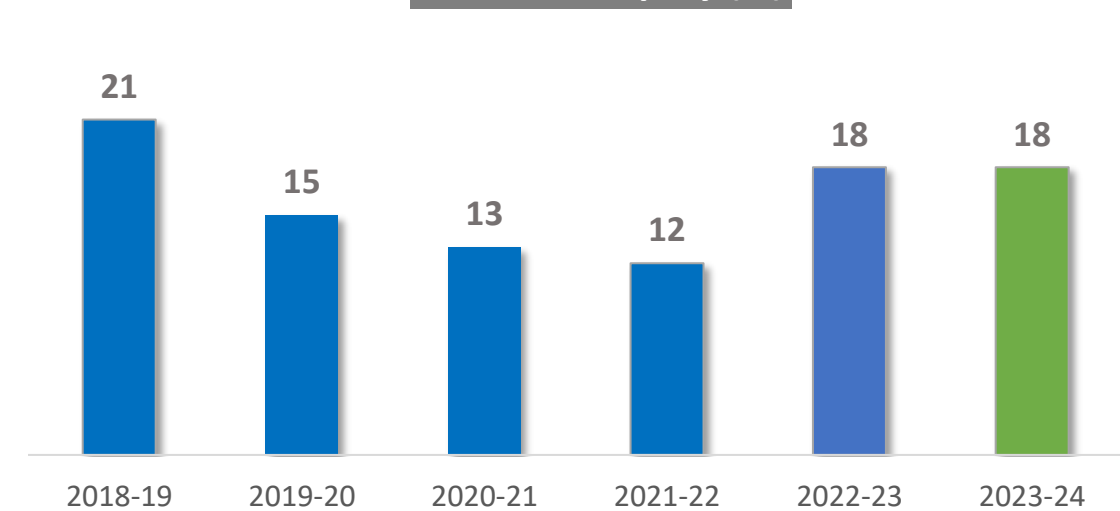
Trade Debtors (Rs billion) & build-up rate (%)



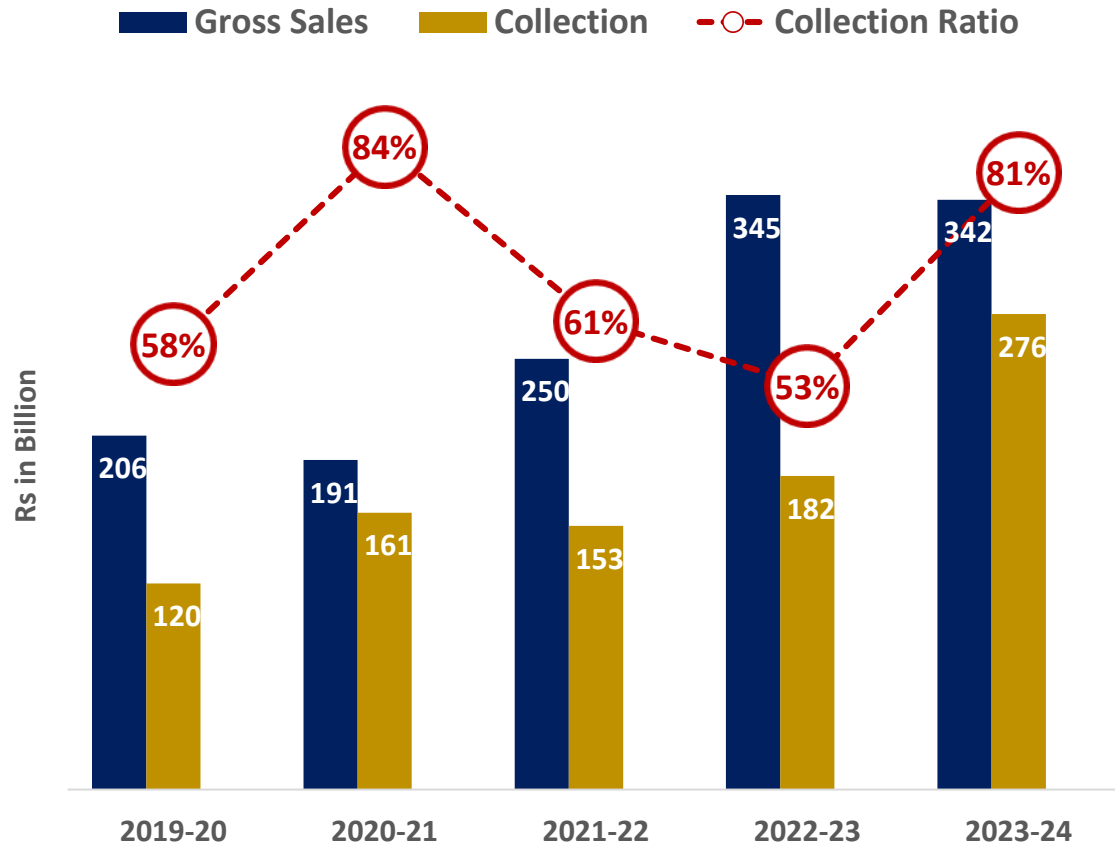
Cash Dividend Pay-out ratio %



Return on equity (%)

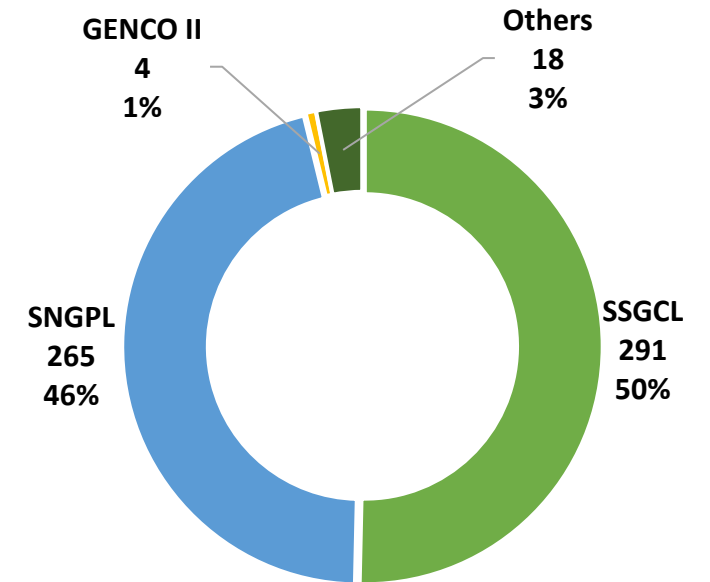


Sales vs Collections (Gross including GDS/GIDC)



- Back-to-back price revisions have helped to curtail the accumulation of circular debt.
- Timely notification of price revisions is important
- Strategy for resolution of existing circular debt needs to be finalized.

Receivables as at June 30, 2024 (PKR Billion)





Challenges & Outlook



Key Challenges



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Challenges	Mitigations
Trade receivables	<ul style="list-style-type: none">• Recent price revisions helped to reduce the accumulation• Engagement with stakeholders to resolve existing circular debt
SNGPL back pressure	<ul style="list-style-type: none">• SNGPL offtakes reduced due to high LNG pressure in its pipeline• Re-routing gas volumes to SSGCL and engagement with stakeholders to resolve the issue
Lower offtakes by Genco II	Pursuing re-allocation of gas.
Zafir project	Efforts underway for expeditious development
Natural decline in mature fields	Continuation of development activities
Depleting exploration portfolio and slowdown in large discoveries	<ul style="list-style-type: none">• Participation in new bid rounds / farm-ins• Evaluating international opportunities• Drill in high risk/high reward areas to target bigger discoveries• Hedging depletion via diversification through alternate revenue streams
Award of Sui D&PL pending since long	Approved by Federal Cabinet. Formal grant of D&PL is awaited
Security issues especially in frontier areas	Maintained continuous liaison with law enforcement agencies for improved security infrastructure

- Production forecast is around 0.7 BCFde
- Seismic campaign of ~900 line km 2D and 50 Sq km 3D acquisition
- Drill 8 exploration wells and 2 development wells
- Exploration and appraisal wells planned in Dhok Sultan, Shah Bandar, and Gambat South (operated areas)
- Exploration and appraisal activities in PIOL
- Ongoing feasibility study and project financing for Reko Diq project
- Projects:
 - BLZ mining
 - Production enhancement in Gambat South



Thank you