



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-0066

Your reference:

Date: 28th April 2023

Mr. Syed Ahmad Abbas
Chief Listing Officer
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

Re: Report for the Quarter Ended 31st March 2023

As required by Rule 5.6.9 (c) of PSX Rules please find attached the Company's report for the quarter ended 31st March 2023, for circulation among your members.

Yours truly,

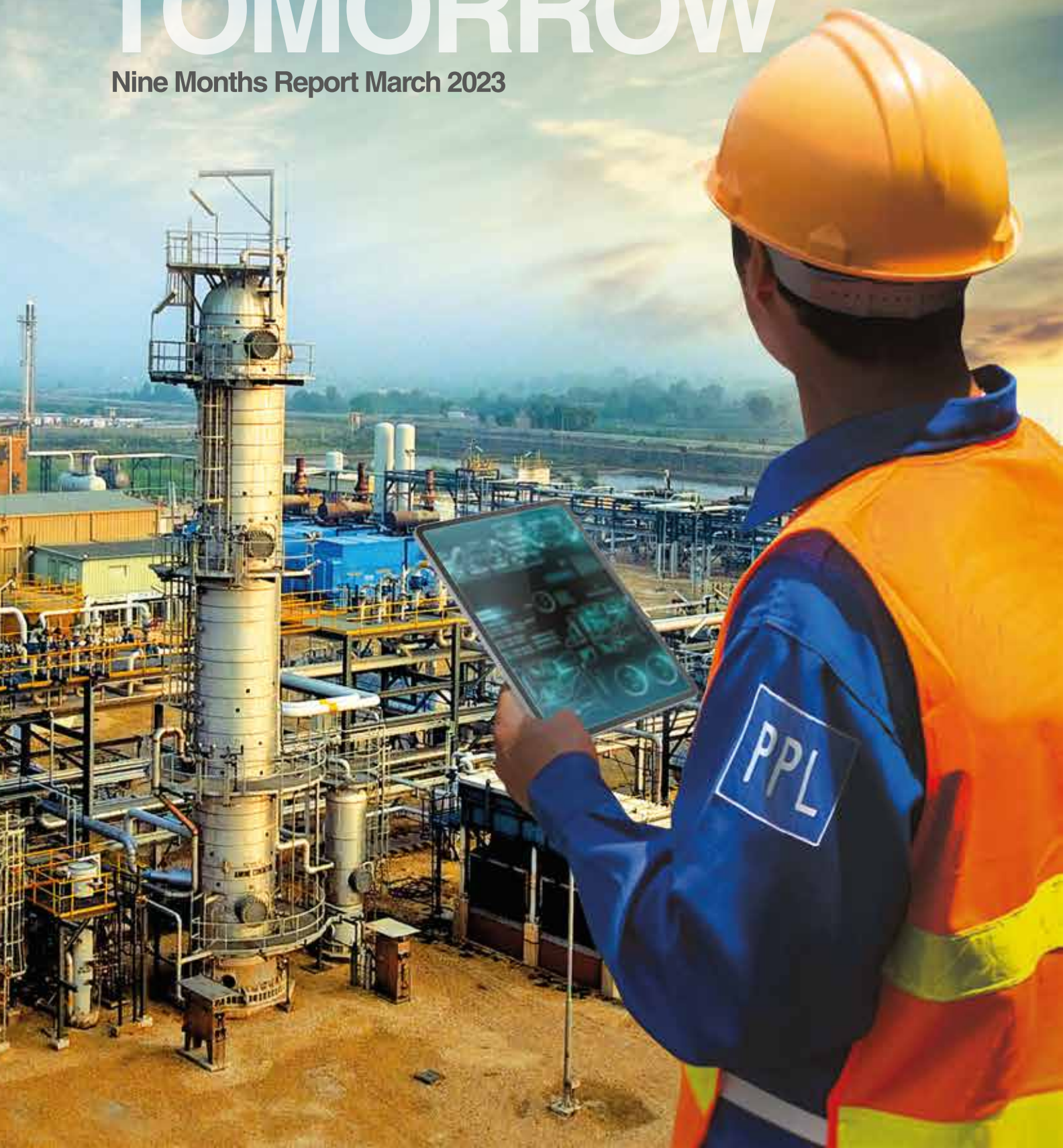
Ali Jaffar
Company Secretary

Enclosure: As above.



BETTER TOMORROW

Nine Months Report March 2023





COMPANY INFORMATION

Board of Directors

Mr. Shahab Rizvi
Chairman

Mr. Imran Abbasy
Chief Executive Officer /
Managing Director

Mr. Abdul Aziz Uqaili

Mr. Abid Sattar

Mr. Aftab Ahmad

Mr. Awais Manzur Sumra

Mr. Imtiaz A.H. Laliwala

Ms. Khurshid Bhaimia

Mr. Mian Imtiazuddin

Mr. Capt. (Retd.) Muhammad Mahmood

Mr. Shahbaz Tahir Nadeem

Company Secretary

Mr. Ali Jaffar

Chief Financial Officer

Mr. Mohammad Khalid Abdul Rehman

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, 2023, and a brief review of the Company's operations.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational Highlights

The key operational highlights for the nine months period ended March 31, 2023, are as follows:

Discoveries

Three discoveries have been made in partner operated blocks i.e. (i) Shinawari-Samanasuk formation [Tolanj West-2, Tal block], (ii) Lockhart formation [Tolanj West-2, Tal block] and (iii) Rayyan-1 [Kirthar block], whereas a discovery has been made in Shahpur Chakar North X-1 in PPL operated Gambat South block.

Drilling Activities

Three wells were spudded in PPL operated areas during the period i.e., two development wells and an exploratory well.

Three wells were spudded in partner operated areas during the period i.e., two exploratory wells and a development well.

Geophysical Surveys

In PPL operated blocks, 3D seismic data of ~840 sq. km and 2D seismic data of ~550 line km were acquired during the period, whereas in partner operated block, 2D seismic data of ~91 line km was acquired during the period.

In PPL Europe's (PPLE) partner operated Ziarat block, 3D seismic data of ~40 sq. km was acquired during the period.

Financial Highlights

The key financial results of the Company for the nine months period ended March 31, 2023, are as follows:

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	Rs Million	
Sales revenue (net)	214,175	140,433
Profit before taxation	128,769	76,296
Taxation	(46,934)	(23,967)
Profit after taxation	81,835	52,329
Basic and Diluted Earnings Per Share (Rs)	30.08	19.23

Sales revenue

Sales revenue increased by Rs 73,742 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 70,798 million, coupled with positive volume variance of Rs 2,944 million.

Positive price variance is due to increase in average international crude oil prices from US\$ 83 / bbl in the corresponding period to US\$ 90 / bbl during the current period, coupled with significant devaluation of Pak rupee against US dollar (average exchange rate for the current period was PKR 235 as compared to PKR 172 during the corresponding period).

Positive volume variance is mainly attributable to Dhok Sultan, Kandhkot and Latif fields, partially offset by lower production volumes from Sui, Tal, Nashpa, Adhi and Shah Bandar fields.

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

	Unit	Nine months ended March 31, 2023	Nine months ended March 31, 2022
Natural Gas	MMscf	171,685	163,241
Crude Oil / Natural Gas Liquids / Condensate	BBL	3,420,220	3,373,208
Liquefied Petroleum Gas (LPG)	Tonnes	89,845	86,778
Barytes	Tonnes	74,718	75,949

Profitability

Profitability increased by over 56% as compared to the corresponding period. The main drivers are increase in sales revenue (as explained above), comparatively lesser share of loss of associate and increase in other income amid higher interest rates and net exchange gain, partially offset by higher operating expenses, royalties & other levies, exploration expenses, other charges and taxation.

Operating expenses increased on account of higher amortisation charge and well intervention activities, while royalties & other levies increased in line with higher sales revenue during the period.

Further, increase in exploration expenses is attributable to higher seismic data acquisition activities, whereas increase in other charges is largely on account of higher provision for windfall levy on oil and WPPF charge amid higher sales and profitability, respectively, in the current period. Furthermore, increase in taxation is on account of higher profitability and imposition of super tax at the rate of 4% as compared to corresponding period.

Liquidity management and cash flow position

Overall collections from customers in absolute terms improved as compared to the corresponding period, however, trade debts increased by ~32% on account of higher sales revenue, which stood at Rs 484 billion as at March 31, 2023, as compared to Rs 366 billion as at June 30, 2022. 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.

Macroeconomic situation and its impact on the Company's performance / operations

During the nine months period ended March 31, 2023, the country witnessed unprecedented economic situation and challenges, be it the Rupee free-fall against the US Dollar, significant

decline in the country's foreign exchange reserves, restrictions imposed on import of goods, CPI at record high level, increase in policy rate by SBP, economic loss and rehabilitation challenges due to massive floods, closure of import-driven industries, or the high crude oil and commodity prices.

Due to the above, the Company faced difficulty in import of spares parts and other equipment. While the high oil price and exchange rates have a positive impact on the company's bottom-line, the sales collections did not increase proportionately as the distribution companies are unable to pass on the price increase to end consumers. As such, the Circular Debt further increased by a huge Rs 118 billion. On the other side, the Company is required to pay statutory taxes, levies, and duties on its earned income on accrual basis, further adversely affecting the Company's liquidity position.

FOCUS AREAS

Exploration

At present, the Company's portfolio, together with its subsidiaries and associate, consists of forty-six (46) exploratory blocks, out of which twenty-eight (28) are operated (including one offshore block in Pakistan and one offshore Block-5 in Abu Dhabi, being operated by Pakistan International Oil Limited), and eighteen (18), including one onshore block in Yemen, are partner operated. In addition, one (1) operated block and three (3) partner operated blocks have been provisionally awarded to the Company by the Government of Pakistan (GoP). Update on major exploration activities is as follows:

Exploration Domestic

Wellsite construction work is in progress for exploratory wells at various blocks i.e., Jhim East X-1 (Shah Bandar), Maraab X-1 (Hala) and Dolphin X-1 (Sirani).

In Sorah block, 3D seismic data acquisition is in progress with a cumulative coverage of ~610 sq. km.

In Hisal block, 3D seismic data acquisition of ~233 sq. km has been completed, while 2D seismic data acquisition is in progress with a cumulative coverage of ~42 line km at Punjab block.

Exploration Frontier

Wellsite construction work is in progress for 1st exploratory well Durug X-1 in Baska block.

In Musakhel block, 2D seismic data acquisition is in progress with a cumulative coverage of ~206 line km, whereas seismic crew has been mobilised to acquire ~200 line km 2D seismic data in Margand block.

Overseas and Core Business Development

As part of business strategy, the Company regularly acquires and divests working interest in its blocks to further expand and optimise its exploration portfolio while remaining within its risk appetite, including scouting and assessing of new overseas opportunities.

New Blocks (Pakistan Onshore Bid Round- January 2023)

The GoP has offered eighteen (18) onshore blocks for bidding with a closing date of May 15, 2023. Evaluation of the offered blocks is in progress.

Mineral Exploration

A bid has been submitted to Balochistan Mineral Resources Limited (BMRL) for a new mineral exploration license. Bidding results are awaited.

With respect to Reko Diq project, the Company has made subsequent investment in Pakistan Minerals (Private) Limited amounting to Rs 133 million which has increased the total equity investment of the Company in the associate to Rs 35,840 million.

Partner-Operated Exploration Blocks

In Kirthar block, drilling activities of exploratory well Rayyan-1 were completed and the well has been declared as a gas discovery. Based on initial testing, the well flowed gas at the rate of 12.88 MMscfd.

In Suleiman block, 2D seismic data acquisition is in progress with a cumulative coverage of ~91 line km.

Exploration Blocks of PPL Europe - Wholly Owned Subsidiary

In Ziarat block, in-house prospect evaluation based on recently acquired 3D seismic data is in progress to identify prospective leads. Meanwhile, in-house G&G evaluation to delineate further drilling prospects (Bolan West) is also in progress.

In Harnai block, Environmental Impact Assessment (EIA) study to carry out exploration activities in environmentally protected area, has been completed.

Exploration Block of PPL Asia - Wholly Owned Subsidiary

In Block-8 Iraq, close out activities are in process, including settlement of contracts and claims.

Offshore Block 5 - Abu Dhabi

3D seismic depth processing is in progress, while various G&G studies related to appraisal and exploration campaigns are in process to mitigate risks and evaluate potential of the block. Pre-requisite arrangements for drilling of appraisal wells during 2023 are underway, including arrangement of long lead items, associated drilling services and hiring of jack-up rig.

Producing Fields

Sui

Development well Sui-115 was spud-in during February 2023 and drilling of the well is in progress, while surface testing and bottom hole pressure surveys of Pab and HRL wells were conducted to evaluate their potential so that well optimisation activities can be planned using in-house integrated asset model. Further, during drilling of the well, the core and wireline logs data were also acquired in a shallower formation i.e., Lower Alabaster Shale to evaluate its prospectivity with respect to production enhancement and reserves addition. The detailed analysis of the acquired data is ongoing to decide a way forward on it.

With respect to Sui compression upgrade project, material for two SML trains has been received at site and the project execution work commenced during March 2023.

Moreover, maintenance and enhancement of reliability activities were undertaken at Purification Plant and Gas Compression Station, including inspection and preventive maintenance of gas turbines, boilers, and gas dehydration units.

Kandhkot

Reservoir surveillance campaign was conducted to assess performance of the wells through surface testing and measuring Bottom Hole Shut-in Pressure. The acquired data will be utilised for reservoir management and planning of future well intervention activities.

Further, mechanical integrity of underground pipeline network was ascertained as per corporate mechanical integrity procedure, while flood rehabilitation works have been completed on right of ways for smooth movement of operational vehicles in flood affected areas.

As compared to the corresponding period, gas sales to GENCO-II doubled to around ~154 MMscfd.

Adhi

Development well Adhi-35 was spud-in during January 2023 and currently drilling is in progress. Sidetrack operations are also in progress at development well Adhi South-5, while wellsite construction work for development well Adhi South-6 is in progress. In addition, hydraulic Frac job was carried out at development well Adhi South-7 and exploratory well Adhi South X-1.

Gambat South

With respect to Zafir-GPF (Rehabilitation of GPF-III), the Company is vigorously pursuing to resolve legal impediments so that the site construction work can be commenced at the earliest. In respect of GPF-IV compression project, a compressor and three-phase separator have arrived at site. However, site construction activities have been delayed due to force majeure notice submitted by the contractor, which is under deliberation.

Further, application for Extended Well Testing (EWT) has been approved by GoP with respect to new discovery at well Shahpur Chakar North X-1. Commencement of first gas from the discovery is planned in second quarter of 2023-24.

Hala

Wellsite construction is in process for drilling of development well Adam-2.

Dhok Sultan

Dhok Sultan Oil Handling & Condensate facility is operating at a production rate of ~1,650 bbl / day oil, ~2.8 MMscfd gas and ~14 MT / day LPG.

Bolan Mining Enterprises (BME)

With respect to Baryte, Lead and Zinc project, regulatory approval from Government of Balochistan is awaited for initiation of tendering process of EPCC contact.

With respect to Nokkundi Iron Ore project, drilling of 2,000 confirmatory / geotechnical meters in shallow bearing iron ore deposit has been completed and further drilling of 6,000 meters is in progress for deep-seated iron ore horizons. Further, for hiring of consultancy services, Letter of Invitation has been issued to prepare bankable feasibility study of Nokkundi Iron Ore.

Partner-Operated Assets

In Latif, appraisal well Jugan-2 (ST-2) has been completed as a gas producer.

Drilling of development well Nashpa-11 has been completed and currently well logging is in progress.

In Tal, 1st gas from Manzalai Secondary Compression Project was achieved on March 21, 2023.

ENTERPRISE RISK MANAGEMENT

In order to upgrade the Corporate Risk Appetite Framework, various revisions have been made including appetite amendments in the areas of Exploration Portfolio Management, Reserves Replenishment, Capital Preservation, and Capital Creation, while addition of new risk appetites have been made in the areas of Exploration Portfolio Management, Exploration (Frontier basins), Offshore Exploration (Domestic - Shallow Waters), Diversification, Time to obtain First Oil / Gas, Capital Creation, Data Security, Current Ratio, and Debtor Turnover.

BUSINESS EXCELLENCE

A Gas-Revenue Equivalent Unit (MMSCFDre) concept has been introduced to measure the Company's total revenues into a single metric for its management reporting.

The idea behind introducing Gas-Revenue Equivalent Unit is to express the total gross revenue from all streams (oil, gas and minerals) in terms of equivalent volume of natural gas that will allow all the stakeholders to (i) have an indicative metric showing growth, sustainability or declining trend for the overall revenues and (ii) observe contribution from non-hydrocarbon resources relative to the contribution from Oil & Gas reserves.

CORPORATE SOCIAL RESPONSIBILITY

PPL continued to work for promotion of education and uplift of communities at its producing and exploratory areas across the country and in this respect (i) completed construction of a school building and construction work for drainage scheme (ii) released 116 scholarships under Higher Professional Education Scholarship programme to students (iii) provided vocational training to 100 students (iv) completed installation of seven solar based Reverse Osmosis (RO) plants and two solar based water supply schemes and (v) completed plantation of spring trees at Adhi field and its surrounding areas.

Further, Public Welfare Hospital, Sui continued providing healthcare facilities, including dental, gynaecological, diagnostic and emergency services with free-of-cost medicines and in-patient meals, benefitting over 99,000 patients from District Dera Bugti. Moreover, the Company continued the operations of Mobile Medical Units at Kandhkot, Gambat South, Mazarani, Dhok Sultan and Public Dispensary Mastala near Adhi field benefitting over 87,000 patients. Furthermore, surgical eye camps were held for the population residing in surrounding of producing areas of the Company and facilitated over 24,800 eye patients.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT (QHSE)

During the period, Safety Talks were conducted and circulated across the organisation for improving QHSE awareness among staff. Multiple Initial Environmental Examination (IEE) studies were carried out, and NOCs / extensions from Environmental Protection Agencies were successfully acquired to fully support the Company's strategic development work program. Further, QHSE internal and external management system audits were conducted across the Company, whereas project closeout milestone was achieved in respect of Sustainability Reporting (SR) Module.

In addition, 14 million safe manhours were completed (including contractors) by the end of March 2023.

HUMAN RESOURCES

To strengthen the leadership ladder, succession planning exercise was carried out for all positions for managers and above. In order to support implementation of the succession planning, cross-functional, inter and intra-locational rotation of staff is continued to provide required work exposure and business insight.

Besides developing skills of staff through effective trainings to enhance their potential and improve work efficiencies, departmental away-days were arranged to facilitate team building, promote employee engagement and improve overall organisation culture.

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

We would like to thank all stakeholders including GoP for their trust and confidence, which has enabled us to remain on track in the achievement of our strategic objectives. The Company is determined to overcome the significant economic and business challenges through collective efforts of all relevant stakeholders. We would also like to take this opportunity to appreciate our employees who deserve full compliments for their perseverance and commitment to deliver.



DIRECTOR



**MANAGING DIRECTOR /
CHIEF EXECUTIVE OFFICER**

Karachi: April 27, 2023

اعتراف

ہم اپنے تمام شراکت داروں بالخصوص حکومت پاکستان کے اعتماد اور یقین کے لیے شکر گزار ہیں، جس نے ہمیں اپنے حکمت عملی مقاصد کے حصول کی راہ پر گامزن رہنے کے قابل بنایا ہے۔ کمپنی معاشی اور کڑی کاروباری مشکلات کے باوجود تمام متعلقہ شراکت داروں کے تعاون سے ابھرتے ہوئے حالات سے نمٹنے کے لیے تیار اور پر عزم ہے۔ ہم اس موقع سے فائدہ اٹھاتے ہوئے اپنے ملازمین کو سراہیں گے جو اپنی ثابت قدمی اور کچھ کرنے کے عزم کے لیے بھرپور تعریف کے مستحق ہیں۔



میجنگ ڈائریکٹر چیف ایگزیکٹو آفیسر



ڈائریکٹر

کراچی: 27 اپریل، 2023

اس کے علاوہ، کمپنی نے کندھ کوٹ، گمبٹ ساؤتھ، مزارانی، ڈھوک سلطان میں موبائل میڈیکل یونٹس اور آدہی فیلڈ کے قریب پبلک ڈسپنسری مستالہ کے آپریشن جاری رکھے جس سے 87,000 سے زائد مریض مستفید ہوئے۔ اس کے علاوہ، کمپنی کے پیداواری علاقوں کے گرد و نواح میں مقیم آبادی کے لیے مفت سرجیکل آئی کی میپس کا انعقاد کیا گیا اور 24,800 سے زیادہ بینائی کے امراض میں مبتلا مریضوں کو علاج کی سہولت فراہم کی گئی۔

معیار، صحت، حفاظت اور ماحول (کیو ایچ ایس ای)

اس مدت کے دوران، کمپنی کے تمام عملے کے لیے QHSE سے متعلق آگاہی میں اضافے کی خاطر سیفٹی ٹاک کے ذریعے معلومات فراہمی کی گئی۔ متعدد ابتدائی ماحولیاتی تجزیے (IEE) کے مطالعے کیے گئے اور ماحولیاتی تحفظاتی ایجنسیوں سے NOCs حاصل کیے گئے تاکہ کمپنی کے ترجیحی مقاصد کو پورا کیا جاسکے۔ اس کے علاوہ، کیو ایچ ایس ای کے اندرونی اور بیرونی انتظامی نظام کے آڈٹ پوری کمپنی میں کیے گئے، جب کہ سسٹیم پیلیٹی رپورٹنگ ماڈیول کیلئے منصوبے کے اختتامی سنگ میل کو حاصل کر لیا گیا ہے۔

مزید یہ کہ مارچ 2023 کے اختتام پر 14 ملین سیف مین آؤرز (safe manhours) (ٹھیکے داروں سمیت) مکمل کیے گئے۔

انسانی وسائل

کمپنی کی قیادت کے درجات کی نمود مضبوطی کے لیے، نیجرا اور ان سے اوپر تمام عہدوں کے لیے جانشینی کی منصوبہ بندی کی مشق کی گئی۔ جانشینی کی منصوبہ بندی کے نفاذ میں معاونت کے لیے، عملے کی ڈپارٹمنٹس/ فنکشنز کے مابین، انٹرا اور انٹرا-لوکیشنل (کمپنی کے مختلف مقامات پر اور اس کو درمیان) گردش کو مطلوبہ مختلف کاروباری امور سے واقفیت اور تجربہ دینے اور کاروباری بصیرت فراہم کے لیے جاری رکھا گیا ہے۔

عملے کی صلاحیتوں کو بڑھانے اور کام کی استعداد کار کو بہتر بنانے کے لیے مؤثر تربیت کے ذریعے ان کی مہارتوں کو فروغ دینے کے علاوہ، ٹیم کی نمو میں سہولت فراہم کرنے، ملازمین کی کام دلچسپی اور اپنے عملے کے ساتھیوں سے ہم آہنگی میں اضافہ کرنے اور مجموعی تنظیمی کلچر کو بہتر بنانے کے لیے محکمے سے دور دنوں (Departmental Away Days) کا اہتمام کیا گیا۔

صنعتی تعلقات

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

انٹرنیٹ پر انٹرنیٹ رسک مینجمنٹ

کاروباری رسک اپناٹ فریم ورک کی تجدید کے حوالے سے، دریافتی پروگرام کے انتظام، ذخائر کی بازیابی، سرمایے کی سنبھال اور نمو کے شعبوں کی (خطرات مول لینے/سامنا کرنے کی صلاحیت) اپناٹ میں ترامیم سمیت مختلف سطح پر نظر ثانی کی گئی۔ ساتھ ہی کچھ شعبوں میں نئی رسک اپناٹ کا اضافہ کیا گیا ہے ان میں دریافتی پروگرام کے انتظام، دریافتی پروگرام (سرحدی پیسنز)، سمندری/ساحلی دریافتی پروگرام (مقامی-کم گہرے پانی)، کاروباری تنوع، پہلے تیل/گیس حاصل کرنے کے لئے درکار وقت، سرمایے کی نمو/پیداوار، ڈیٹا سیکورٹی، موجودہ تناسب اور قرض دار سے وصولی کا تناسب شامل ہے۔

کاروباری امتیاز

کمپنی کی انتظامی رپورٹنگ کے لیے کمپنی کی مجموعی آمدنی کو ایک میٹرک میں ناپنے کے کی خاطر ایک گیس ریویو مساوی یونٹ-ایم ایم ایس سی ایف ڈی آرای-کا تصور متعارف کرایا گیا ہے۔

گیس ریویو مساوی یونٹ کو متعارف کرانے کے پیچھے یہ خیال کارفرما ہے کہ قدرتی گیس کے مساوی حجم کے لحاظ سے کمپنی کی تمام پیداوار (تیل، گیس اور معدنیات) سے جملہ مجموعی آمدنی کا اظہار کیا جائے جس سے تمام شراکت دار کے لئے (i) مجموعی محصولات کی نمو، پائیداری یا گراؤت کارجمان ظاہر کرنے والا ایک اشاریہ میٹرک ہو اور (ii) مجموعی آمدنی میں تیل اور گیس کے ذخائر اور غیر ہائیڈروکاربن وسائل سے ہونے والی آمدنی کے تناسب کا مشاہدہ ہو سکے۔

کاروباری سماجی ذمہ داری

پی پی ایل نے ملک بھر میں اپنے پیداواری اور دریافتی علاقوں میں تعلیم کے فروغ اور لوگوں کے معیار زندگی کو بہتر بنانے کے لئے کام کو جاری رکھا اور اس سلسلے میں (i) اسکول کی عمارت اور نکاسی آب کی اسکیم کے لیے تعمیراتی کام مکمل کیا گیا (ii) طلباء کو اعلیٰ پیشہ ورانہ تعلیمی اسکالرشپ پروگرام کے تحت 116 وظائف جاری کیے گئے (iii) 100 طلباء کو پیشہ ورانہ تربیت فراہم کی گئی (iv) شمسی توانائی پر مبنی سات ریورس اوسموسس (RO) پلانٹس اور شمسی توانائی پر مبنی دو پانی کی فراہمی کی اسکیموں کی تنصیب مکمل کی گئی اور (v) آدہی فیلڈ اور اس کے گرد و نواح میں موسم بہار کے درختوں کی شجر کاری مکمل کی گئی۔

مزید برآں، پبلک ویلفیئر ہسپتال، سوئی نے دانتوں کے امراض کے علاج، امراض نسوان، تشخیص امراض، فوری طبی سہولت اور مفت ادویات کے ساتھ ساتھ ہسپتال میں داخل مریضوں کے کھانے سمیت صحت کی دیکھ بھال کی سہولیات فراہم کرنے کا سلسلہ جاری رکھا جس سے ضلع ڈیرہ بگٹی کے 99,000 سے زائد مقامی مریضوں کو فائدہ پہنچا۔

مزید برآں، کنوئیں شاہ پور چا کرنا تھ 1-X میں نئی دریافت سے پیداوار کے حصول کے سلسلے میں حکومتِ پاکستان کی جانب سے کنوئیں کی ابتدائی جانچ (EWT) کے لیے درخواست منظور کر لی گئی ہے۔ دریافتی کنوئیں سے پہلی گیس کی فراہمی کے آغاز کا منصوبہ 2023-24 کی دوسری سہ ماہی میں ہے۔

ہالہ

پیداواری کنوئیں آدم-2 کی کھدائی کے لیے ویل سائٹ کی تعمیر کا عمل جاری ہے۔

ڈھوک سلطان

ڈھوک سلطان آئل ہینڈلنگ اور کنڈنسیٹ فیسیلیٹی یومیہ 1,650 بیرل تیل، 2.8 ایم ایم ایس سی ایف گیس اور 14 میٹرک ٹن ایل پی جی کی پیداواری شرح پر کام کر رہی ہے۔

بولان ماننگ انٹر پرائزز (بی ایم ای)

بیرائٹ، لیڈ اور زنک منصوبے کے حوالے سے، ای پی سی سی کا ٹھیکہ دینے کے لئے بولیاں منگوانے کے عمل کو شروع کرنے کے لیے حکومتِ بلوچستان سے قانونی منظوری کا انتظار ہے۔

نوکنڈی خام لوہے کے منصوبے کے حوالے سے، اوپری سطح میں جمع شدہ خام لوہے کیلئے 2000 تصدیقی / جیوٹیکنکل میٹرز کی کھدائی مکمل ہو چکی ہے اور گہری سطح کے خام لوہے کے لیے مزید 6000 میٹر کی کھدائی جاری ہے۔ مزید برآں، نوکنڈی کے خام لوہے کی بیدکاری کے قابل فزہبلٹی تحقیق کی تیاری کے لیے مشاورتی خدمات حاصل کرنے کی خاطر درخواست جاری کر دی ہے۔

پارٹنر آپریٹڈ اثاٹے

لطیف بلاک میں، تشخیصی کنوئیں جگن-2 (ST-2) کو گیس کے پیداوار کنندہ کے طور پر مکمل کیا جا چکا ہے۔

پیداواری کنوئیں ناشپا-11 کی کھدائی مکمل ہو چکی ہے اور اس وقت کنوئیں کی لاگت جاری ہے۔

ٹل بلاک میں، 21 مارچ 2023 کو منزائٹی ٹانوی کپریسر منصوبے سے پہلی گیس حاصل کی گئی۔

ساتھ ہی کنوئیں کی کھدائی کے دوران کم گہری فارمیشن سے کورا اور وائر لائن لاگز ڈیٹا بھی حاصل کیا گیا تاکہ لوئر الایپسٹریٹل فارمیشن سے ذخائر اور پیداوار میں اضافہ کے امکانات کا جائزہ لیا جاسکے۔ حاصل کئے گئے ڈیٹا کا تجزیہ ابھی جاری ہے تاکہ آگے کے لائحہ عمل کا فیصلہ کیا جاسکے۔ سوئی کپریشن کی تجدید کے منصوبے کے حوالے سے، دو ایس ایم ایل (SML) ٹرینوں کے لیے سامان سائٹ پر موصول ہو چکا ہے اور مارچ 2023 کے دوران منصوبے پر عمل درآمد کا کام شروع ہو گیا ہے۔

مزید برآں، پیوریفیکیشن پلانٹ اور گیس کپریشن اسٹیشن پر بحالی اور پیداوار میں اضافے کے حوالے سے سرگرمیوں میں اضافہ کیا گیا۔ جن میں گیس ٹرہائزر، بوائلرز اور گیس ڈی ہائیڈریشن یونٹس کا معائنہ اور حفاظتی دیکھ بھال شامل ہے۔

کندھ کوٹ

ذخائر کی جانچ کی مہم کا انعقاد کیا گیا تاکہ سطح کی جانچ اور باٹم ہول ٹسٹ۔ ان پریشر کی پیمائش کے ذریعے کنوئوں کی کارکردگی کا جائزہ لیا جاسکے۔ حاصل شدہ ڈیٹا کو ذخائر کے انتظام اور مستقبل میں کنوئوں کی سرگرمیوں کی منصوبہ بندی کے لیے استعمال کیا جاسکے۔

مزید برآں، کاروباری مکینیکل سالمیت طریقہ کار کے مطابق زیر زمین پائپ لائن نیٹ ورک کی مکینیکل سالمیت کا پتہ لگایا گیا۔ جب کہ سیلاب سے متاثرہ علاقوں میں آپریشنل گاڑیوں کی ہموار نقل و حرکت کے لیے بحالی کے کام مکمل کر لیے گئے ہیں

گزشتہ مدت کے مقابلے میں، کندھ کوٹ سے GENCO-II کو گیس کی فروخت دُگنی ہو کر تقریباً یومیہ 154 ایم ایم ایس سی ایف ہو گئی۔

آدہی

جنوری 2023 کے دوران پیداواری کنوئیں آدہی-35 کی کھدائی ہوئی تھی جو اس وقت جاری ہے۔ پیداواری کنوئیں آدہی ساؤتھ-5 پر سائیز ٹریک آپریشنز بھی جاری ہیں، جب کہ پیداواری کنوئیں آدہی ساؤتھ-6 کی کھدائی کے لیے جگہ کی تعمیر کا کام جاری ہے۔ اس کے علاوہ پیداواری کنوئیں آدہی ساؤتھ-7 اور دریافتی کنوئیں آدہی ساؤتھ-1X پر ہائیڈرولک فریک کا کام کیا گیا۔

گمبٹ ساؤتھ

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۔ GPF-IV کپریشن منصوبے کے سلسلے میں، ایک کپریسور اور تین فیز سپریٹرز سائٹ پر پہنچ چکے ہیں۔ تاہم، ٹھیکے دار کی جانب سے پیش کردہ فورس میجر نوٹس کی وجہ سے سائٹ کی تعمیراتی سرگرمیاں تاخیر کا شکار ہوئی ہیں، جس پر غور و خوض کیا جا رہا ہے۔

پارٹنر آپریٹڈ دریافتی بلاکس

کیرتھر بلاک میں ریان-1 کنوئیں کی کھدائی مکمل کر لی گئی ہے اور کنوئیں کو گیس کا دریافت کنندہ قرار دیا گیا ہے۔ ابتدائی جانچ کی بنیاد پر کنوئیں سے یومیہ 188 ایم ایم ایس سی ایف کی شرح گیس کی پیداوار ہو رہی ہے۔
سلیمان بلاک میں، 91 لائن کلومیٹر مجموعی رقبے کے ساتھ 2D سائزنگ ڈیٹا کا حصول جاری ہے۔

پی پی ایل یورپ کے دریافتی اثاثے - پی پی ایل کا مکمل ملکیتی ماتحت ادارہ

زیارت بلاک میں، ممکنہ طور پر دریافتی امکانات کی شناخت کے لیے حال ہی میں حاصل کیے گئے 3D سائزنگ ڈیٹا کی عملے کے ذریعے امکانی تشخیص جاری ہے۔ دریں اثنا، مزید کھدائی کے امکانات (بولان ویسٹ) کو پختہ کرنے کے لیے عملے کے ذریعے ارضیاتی اور ارضی طبعی جی اینڈ جی تحقیق کا جائزہ بھی جاری ہے۔

ماحولیاتی طور پر محفوظ علاقے میں دریافت کی سرگرمیاں انجام دینے کے لیے ہرنائی بلاک میں ماحولیاتی اثرات کے تجزیے (EIA) کی تحقیق مکمل کر لی گئی ہے۔

پی پی ایل ایشیا کا دریافتی بلاک - پی پی ایل کا مکمل ملکیتی ماتحت ادارہ

بلاک 8 عراق میں، معاہدوں اور دعوؤں کے تصفیہ سمیت اختتامی سرگرمیاں جاری ہیں۔

آف شور بلاک 5، ابو ظہبی

خطرات کو کم کرنے اور بلاک کے امکانات کا جائزہ لینے کے لیے 3D سائزنگ ڈیپتھ پروسیڈنگ کے ساتھ ساتھ تشخیص اور دریافتی مہم سے متعلق جی اینڈ جی (G&G) تحقیق جاری ہے۔ 2023 کے دوران دریافتی کنوؤں کی کھدائی کے لیے پہلے سے کیے جانے والے ضروری انتظامات جاری ہیں، جن میں طویل مدت میں تیار اور ترسیل ہونے والا سامان کا انتظام، کھدائی سے متعلق سروسز اور جیک اپ-رگ حاصل کرنا شامل ہیں۔

پیداواری فیلڈز

سوئی

پیداواری کنوئیں سوئی-115 کی فروری 2023 کے دوران کھدائی شروع کی گئی جو ابھی جاری ہے، جب کہ اس کے امکانات کا جائزہ لینے کے لیے پب اور ایچ آر ایل (HRL) کے کنوؤں کی سطح کی جانچ اور نچلے سوراخ کے دباؤ کے سروے کیے گئے تاکہ عملے کے ذریعے مربوط اثاثہ ماڈل استعمال کرتے ہوئے کنوؤں سے ممکنہ حد تک پیداوار کے حصول کی سرگرمیوں کی منصوبہ بندی کی جاسکے۔

صوہہ بلاک میں، 610 مربع کلومیٹر کے مجموعی رقبے پر 3D سائز مک ڈیٹا کا حصول جاری ہے۔

حصال بلاک میں، تقریباً 233 مربع کلومیٹر کے مجموعی علاقے پر 3D سائز مک ڈیٹا کا حصول مکمل ہو چکا ہے، جب کہ پنجاب بلاک میں 42 لائن کلومیٹر کے مجموعی رقبے پر 2D سائز مک ڈیٹا کا حصول جاری ہے۔

سرحدی دریافتی اثاثے

باسکہ بلاک میں پہلے دریافتی کنوئیں دراگ-1-X کے لیے ویل سائٹ کی تعمیر کا کام جاری ہے۔

موسیٰ خیل بلاک میں 2D سائز مک ڈیٹا کا حصول جاری ہے جس کا مجموعی حصول 206 لائن کلومیٹر پر ہے، جب کہ مرگنڈ بلاک میں 200 لائن کلومیٹر 2D سائز مک ڈیٹا حاصل کرنے کے لیے سائز مک عملے کو متحرک کیا گیا ہے۔

بیرون ملک اور بنیادی کاروباری امکانات

اپنی کاروباری حکمت عملی کے حوالے سے، کمپنی باقاعدگی سے اپنے بلاکس میں دیگر کمپنیوں کو کاروبار میں شامل کرنے اور دیگر بلاکس میں کاروباری شراکت حاصل کرنے میں دلچسپی لیتی ہے تاکہ اپنے رسک (خطرات) کو برداشت کرنے کی صلاحیت کا اندازہ لگاتے ہوئے اس کا وٹنگ سمیت بیرون ملک نئے مواقع کا جائزہ لے کر اپنے دریافتی پورٹ فولیو کو مزید وسعت دے کر بہتر بنایا جاسکے۔

نئے بلاکس (پاکستان آن شور بولی راؤنڈ-2023)

حکومت پاکستان نے 15 مئی 2023 کی آخری تاریخ کے ساتھ بولی لگانے کے لیے 18 آن شور بلاکس کی پیش کش کی ہے۔ پیش کش کردہ بلاکس کی تشخیص جاری ہے۔

معدنیات کی دریافت

بلوچستان منرل ری سورسز لمیٹڈ (BMRL) کو معدنیات کی دریافت کے نئے لائسنس کے لیے بولی جمع کرائی گئی ہے۔ بولی کے نتائج کا انتظار ہے۔

ریکوڈیک منصوبے کے حوالے سے، پی پی ایل نے پاکستان منرلز (پرائیویٹ) لمیٹڈ میں 133 ملین روپے کی بعد از سرمایہ کاری کی ہے جس سے اس شراکتی منصوبے میں کمپنی کی مجموعی ایکویٹی سرمایہ کاری بڑھ کر 35,840 ملین روپے ہو گئی ہے۔

اس لیے، گردشِ قرضے کو کمپنی کی حکمتِ عملی کے مقاصد کے حصول میں سب سے اہم خطرہ سمجھا جاتا 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 گردشِ قرضے کے طویل مدتی مستقل حل کے لیے فعال طور پر مصروفِ عمل رہی ہے۔

بڑے اقتصادی مسائل اور کمپنی کی کارکردگی / آپریشنز پر اس کے اثرات

31 مارچ 2023 کو ختم ہونے والی 9 ماہ کی مدت کے دوران، ملک نے بدترین اقتصادی صورتِ حال اور مشکلات کا سامنا کیا، چاہے وہ امریکی ڈالر کے مقابلے میں روپے کی گراوٹ ہو، ملک کے زرمبادلہ کے ذخائر میں نمایاں کمی ہو، اشیاء کی درآمد پر عائد پابندیاں ہوں، سی پی آئی (CPI) کی بلند سطح ہو، اسٹیٹ بینک کی جانب سے پالیسی شرح میں اضافہ ہو، بڑے پیمانے پر سیلاب سے ہونے والی تباہی اور بحالی کے چیلنجز ہوں، درآمد سے چلنے والی صنعتوں کی بندش ہو یا خام تیل اور اجناس کی بلند قیمتوں کی وجہ سے معاشی نقصان۔

مذکورہ بالا مسائل کی وجہ سے، کمپنی کو اسپینر پارٹس اور دیگر آلات کی درآمد میں دشواری کا سامنا کرنا پڑا۔ اگرچہ تیل کی بلند قیمت اور شرحِ مبادلہ کا کمپنی کی نجلی سطح پر مثبت اثر پڑتا ہے، لیکن فروخت کی وصولی میں تناسب سے اضافہ نہیں ہوا کیوں کہ تقسیم کار کمپنیاں قیمتوں میں اضافے کو صارفین تک پہنچانے میں قاصر ہیں۔ اس طرح گردشِ قرضے میں 118 ارب روپے کا اضافہ ہوا۔ دوسری جانب، کمپنی کو اپنی آمدنی پر قانونی ٹیکس، لیویز اور ڈیوٹیز ادا کرنی ہوتی ہے، جو کمپنی کی سیالیت کو مزید بری طرح متاثر کرتی ہے۔

اہم امور

دریافتی سرگرمیاں

اس وقت، کمپنی کا دریافتی پروگرام، اپنے ماتحت اداروں کے ساتھ مل کر 46 دریافتی بلاکس پر مشتمل ہے۔ جن میں سے 28 آپریٹڈ ہیں (بشمول پاکستان میں ایک آف شور بلاک اور ابوظہبی میں پاکستان انٹرنیشنل آئل لمیٹڈ کے زیرِ انتظام آف شور بلاک 5) جبکہ باقی 18 بشمول یمن میں ایک آف شور بلاک، پارٹنر آپریٹڈ ہیں۔ اس کے علاوہ، ایک آپریٹڈ بلاک اور تین پارٹنر آپریٹڈ بلاکس کمپنی کو حکومتِ پاکستان نے عارضی طور پر دیے ہیں۔ اہم سرگرمیوں کی صورتِ حال درج ذیل ہے:

داخلی دریافتی اثاثے

تین بلاکس میں، جھم ایسٹ 1-X (شاہ بندر)، مراب 1-X (ہالہ) اور ڈولفن 1-X (سیرانی) کنوؤں کی کھدائی کے لیے ویل سائٹ کی تعمیر کا کام جاری ہے۔

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

نومہہ کا اختتام 31 مارچ 2022	نومہہ کا اختتام 31 مارچ 2023	یونٹ	
163,241	171,685	ایم ایم ایس سی ایف	قدرتی گیس
3,373,208	3,420,220	بی بی ایل	خام تیل / قدرتی گیس مائع (این جی ایل) / کنڈنسیٹ
86,778	89,845	ٹن	مائع پٹرولیم گیس (ایل پی جی)
75,949	74,718	ٹن	بیرائٹس

منافع

کمپنی کی منفعت میں تقابلی عرصے کے مقابلے میں 56 فیصد اضافہ ہوا ہے۔ اس کے اہم محرکات فروخت آمدن میں اضافے (جیسا کہ اوپر بیان کیا گیا ہے) کے ساتھ ساتھ زیادہ شرح سود اور خالص زر مبادلہ کے نفع کے تناظر میں متعلقہ آمدن میں نسبتاً کم نقصان اور دیگر آمدنی میں ہونے والا اضافہ ہے جسے جزوی طور پر زیادہ آپریٹنگ اخراجات، رائلٹیز اور دیگر محصولات، دریافتی اخراجات، دیگر چارجز اور ٹیکسز نے زائل کیا ہے۔

آپریٹنگ اخراجات میں اضافہ زیادہ امور ٹائزیشن چارج (پہلے سے خریدے گئے سامان / آلات کی قیمتوں میں وقت کے ساتھ ہونے والی کمی) اور کنوؤں سے متعلق سرگرمیوں کی وجہ سے ہوا، جب کہ اس مدت کے دوران رائلٹی اور دیگر محصولات میں اضافہ فروخت آمدن کے مطابق ہوا۔

مزید برآں، دریافتی اخراجات میں اضافہ سائز مک ڈیٹا کے حصول کی اضافی سرگرمیوں سے منسوب ہے، جب کہ دیگر چارجز میں اضافہ زیادہ تر اضافی فروخت اور اس سے ہونے والے منافع پر موجودہ مدت کے دوران تیل پر لگنے والے اضافی بادل اور لیوی (windfall levy) اور ملازمین کی شرح منافع میں شراکت کے فنڈز (WPPF) میں اضافی چارجز کی وجہ سے ہے۔ اس کے علاوہ، گزشتہ مدت کے مقابلے میں ٹیکس میں اضافہ زیادہ منافع اور 4 فیصد کی شرح سے سپر ٹیکس کے نفاذ کی وجہ سے ہے۔

سیالیت / لیکویڈیٹی کی انتظام کاری اور کیش فلوکس صورتحال

گزشتہ مدت کے مقابلے میں صارفین کی جانب سے مجموعی طور پر وصولیوں میں بہتری آئی ہے، تاہم، زیادہ فروخت آمدن کی وجہ سے تجارتی قرضوں میں تقریباً 32 فیصد اضافہ ہوا جو 30 جون 2022 تک کے 366 ارب روپے کے مقابلے میں 31 مارچ 2023 تک 484 ارب روپے رہا۔

31 مارچ 2023 کو ختم ہونے والی نو ماہ کی مدت کے لیے کمپنی کے اہم مالیاتی نتائج حسب ذیل ہیں:

نومہ کا اختتام 31 مارچ 2022	نومہ کا اختتام 31 مارچ 2023	
ملین روپے		
140,433	214,175	فروخت آمدن (خالص)
76,296	128,769	قبل از ٹیکس منافع
(23,967)	(46,934)	ٹیکس
52,329	81,835	بعد از ٹیکس منافع
19.23	30.08	بنیادی اور تحلیل شدہ آمدن فی شیئر (روپے)

فروخت آمدن

پچھلی مدت کے مقابلے میں موجودہ مدت کے دوران فروخت آمدن میں 73,742 ملین روپے کا اضافہ ہوا۔ یہ اضافہ قیمت کی مد میں مثبت تغیر (بشمول زرمبادلہ کی شرح میں تبدیلی) کی وجہ سے ہے جو 70,798 ملین روپے رہا ساتھ ہی حجم کی مد میں بھی 2,944 ملین روپے کا مثبت تغیر ہوا ہے۔

قیمت کے مثبت تغیر کی بنیادی وجہ عالمی منڈی میں خام تیل کی اوسط بین الاقوامی قیمتوں میں ہونے والا اضافہ ہے جو تقابلی سال میں 83 امریکی ڈالر فی بیرل کے مقابلے میں موجودہ سال کے دوران 90 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 235 روپے فی امریکی ڈالر ہو گئی جبکہ تقابلی سال کے دوران یہ شرح 172 روپے فی امریکی ڈالر تھی)۔

بنیادی طور پر مثبت حجم کا فرق ڈھوک سلطان، کندھ کوٹ اور لطیف فیلڈز سے منسوب ہے جسے سوئی، ٹیل، ناشپا، آدھی اور شاہ بندر فیلڈز سے حاصل ہونے والے کم پیداواری حجم نے جزوی طور پر زائل کیا ہے۔

ڈائریکٹرز کا عبوری جائزہ

آپ کے ڈائریکٹرز 31 مارچ 2023 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 2023 کو ختم ہونے والے نو ماہ کی اہم آپریشنل جھلکیاں مندرجہ ذیل ہیں:

دریافتیں

زیر غور مدت کے دوران پارٹنر آپریٹڈ لطیف بلاک میں تین دریافتیں کی گئی ہیں (i) ٹولج ویسٹ-2، ٹل بلاک میں شناوری۔ سمناسک فارمیشن اور لوک ہارٹ فارمیشن سے دو دریافتیں، کیرتھر بلاک میں رابان-1 جبکہ پی پی ایل کی زیر نگرانی چلنے والے گمبٹ ساؤتھ بلاک میں ایک دریافت شاہ پور چا کر نار تھ-1-X ہوئی ہے۔

کھدائی کی سرگرمیاں

اسی مدت کے دوران پی پی ایل آپریٹڈ علاقوں میں تین کنوؤں کی کھدائی کا آغاز کیا گیا جن میں سے دو پیداواری کنوئیں اور ایک دریافتی کنواں شامل ہیں۔

اسی مدت کے دوران پارٹنر آپریٹڈ علاقوں میں تین کنوؤں کی کھدائی شروع کی گئی جن میں دو دریافتی کنوئیں اور ایک پیداواری کنواں شامل ہے۔

ارضی طبعی سروے

موجودہ مدت کے دوران پی پی ایل آپریٹڈ بلاکس میں تقریباً 840 مربع کلومیٹر کا 3D سائز مک ڈیٹا اور تقریباً 550 لائن کلومیٹر کا 2D سائز مک ڈیٹا حاصل کیا گیا، جب کہ پارٹنر آپریٹڈ بلاک میں اسی مدت کے دوران تقریباً 9 لائن کلومیٹر کا 2D سائز مک ڈیٹا حاصل کیا گیا تھا۔

پی پی ایل یورپ (PPLE) کے پارٹنر آپریٹڈ کے زیر انتظام زیارت بلاک میں، اسی مدت کے دوران تقریباً 40 مربع کلومیٹر کا 3D سائز مک ڈیٹا حاصل کیا گیا۔


PAKISTAN PETROLEUM LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

	Note	March 31, 2023 Unaudited (Rupees in thousand)	June 30, 2022 Audited
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	142,872,205	137,840,377
Intangible assets		66,126	113,116
Long-term investments	6	45,200,328	5,975,953
Deposit with GoP for equity stake in Reko Diq	6.3	-	34,106,250
Long-term loans		73,774	61,689
Long-term deposits		7,676	7,676
		188,220,109	178,105,061
CURRENT ASSETS			
Stores and spares		5,794,324	5,495,842
Trade debts	7	483,971,170	365,791,716
Loans and advances		643,701	558,389
Trade deposits and short-term prepayments		906,810	287,196
Interest accrued		1,378,123	264,349
Current maturity of long-term loans		34,759	27,929
Current maturity of long-term deposits		1,683,750	1,505,250
Current maturity of long-term receivables		51,266	122,051
Other receivables		3,065,378	2,656,717
Short-term investments	8	63,261,175	66,407,345
Cash and bank balances		3,846,896	3,723,282
		564,637,352	446,840,066
TOTAL ASSETS		752,857,461	624,945,127
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		486,846,400	407,664,863
		514,056,236	434,874,699
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		47,526,886	32,650,443
Deferred liabilities		3,513,788	3,328,024
Deferred taxation - net		30,018,695	28,780,165
		81,059,369	64,758,632
CURRENT LIABILITIES			
Trade and other payables	9	106,098,859	87,026,658
Unclaimed dividends		1,237,906	1,001,150
Current maturity of lease liabilities		1,177,515	1,434,170
Taxation - net		49,227,576	35,849,818
		157,741,856	125,311,796
TOTAL LIABILITIES		238,801,225	190,070,428
TOTAL EQUITY AND LIABILITIES		752,857,461	624,945,127
CONTINGENCIES AND COMMITMENTS	10		

The annexed notes 1 to 20 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 PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

	Note	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Nine months ended March 31, 2023	Nine months ended March 31, 2022
----- (Rupees in thousand) -----					
Revenue from contracts with customers	11	76,518,440	50,905,226	214,174,982	140,432,945
Operating expenses	12	(12,584,029)	(9,539,489)	(36,073,903)	(29,023,436)
Royalties and other levies		(11,881,605)	(7,387,622)	(34,748,704)	(20,472,693)
		(24,465,634)	(16,927,111)	(70,822,607)	(49,496,129)
Gross profit		52,052,806	33,978,115	143,352,375	90,936,816
Exploration expenses	13	(3,942,410)	(1,430,188)	(12,949,033)	(9,825,938)
Administrative expenses		(996,228)	(1,112,418)	(2,786,428)	(3,031,156)
Finance costs		(347,850)	(312,041)	(1,052,554)	(897,069)
Reversal of provision for doubtful debts - net		-	-	-	41,929
Share of loss of associate	6.2	(88,863)	(72,562)	(225,312)	(2,446,912)
Other charges	14	(4,426,252)	(3,236,164)	(12,468,707)	(8,884,559)
		42,251,203	27,814,742	113,870,341	65,893,111
Other income	15	8,235,055	3,131,678	14,898,393	10,403,673
Profit before taxation		50,486,258	30,946,420	128,768,734	76,296,784
Taxation	16	(17,587,920)	(10,326,171)	(46,934,171)	(23,967,299)
Profit after taxation		32,898,338	20,620,249	81,834,563	52,329,485
Basic and diluted earnings per share (Rs)	18	12.09	7.58	30.08	19.23

The annexed notes 1 to 20 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 COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Nine months ended March 31, 2023	Nine months ended March 31, 2022
----- (Rupees in thousand) -----					
Profit after taxation		32,898,338	20,620,249	81,834,563	52,329,485
Other comprehensive income / (loss):					
Items that will not be subsequently reclassified to profit or loss:					
Remeasurement gain / (loss) on defined benefit plans - net	3.2	-	-	-	-
Items that may be reclassified to profit or loss:					
Exchange differences on translation of foreign associate		1,125,533	74,481	1,428,449	286,716
Other comprehensive income for the period		1,125,533	74,481	1,428,449	286,716
Total comprehensive income for the period		<u>34,023,871</u>	<u>20,694,730</u>	<u>83,263,012</u>	<u>52,616,201</u>

The annexed notes 1 to 20 form an integral part of these condensed unconsolidated interim financial statements.

Chief Financial Officer

Director

Chief Executive Officer

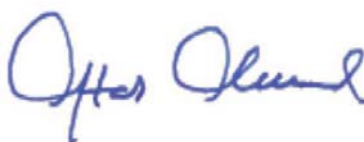
PAKISTAN PETROLEUM LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	<i>Note</i> Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	125,705,570	102,363,712
Receipts of other income	5,735,564	5,211,031
Payments to suppliers / service providers and employees - net	(34,817,086)	(26,058,997)
Payments of indirect taxes and Government levies including royalties	(58,098,373)	(42,925,704)
Income tax paid	(32,317,883)	(18,974,402)
Payment of decommissioning obligation	(65,302)	(128,189)
Finance costs paid	(153,746)	(1,215)
Long-term loans and others	(18,915)	(18,276)
Net cash generated from operating activities	5,969,829	19,467,960
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(11,304,620)	(11,598,900)
Proceeds from disposal of property, plant and equipment	35,534	69,231
Investments - net	1,938,822	10,146,577
Equity investment in PIOL	(2,181,000)	(4,161,250)
Long-term deposits	(178,500)	(59,143)
Deposit with GoP for equity stake in Reko Diq	-	(34,106,250)
Equity investment in Reko Diq	(1,733,988)	-
Current maturity of long-term receivables	70,785	16,509
Finance income received	7,130,744	4,151,726
Net cash used in investing activities	(6,222,223)	(35,541,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(256,655)	(433)
Dividends paid	(3,844,719)	(9,006,642)
Net cash used in financing activities	(4,101,374)	(9,007,075)
Net decrease in cash and cash equivalents	(4,353,768)	(25,080,615)
Cash and cash equivalents at beginning of the period	32,929,876	69,909,652
Cash and cash equivalents at end of the period	17 28,576,108	44,829,037

The annexed notes 1 to 20 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, 2023

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total reserves	Total
	Ordinary	Convertible preference				
(Rupees in thousand)						
Balance as at June 30, 2021 (Audited)	27,209,723	113	1,428	363,316,460	363,317,888	390,527,724
Total comprehensive income for the period						
Profit after taxation	-	-	-	52,329,485	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	286,716
Total comprehensive income for the nine months period ended March 31, 2022	-	-	-	52,616,201	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)	(5,441,946)
Interim dividend for the year ended June 30, 2022 @ 15%	-	-	-	(4,081,459)	(4,081,459)	(4,081,459)
- Convertible preference shareholders						
Final dividend for the year ended June 30, 2021 @ 15%	-	-	-	(16)	(16)	(16)
Interim dividend for the year ended June 30, 2022 @ 15%	-	-	-	(16)	(16)	(16)
Conversion of preference shares into ordinary shares	7	(7)	-	-	-	-
Total transactions with owners	7	(7)	-	(9,523,437)	(9,523,437)	(9,523,437)
Balance as at March 31, 2022	27,209,730	106	1,428	406,409,224	406,410,652	433,620,488
Balance as at June 30, 2022 (Audited)	27,209,730	106	1,428	407,663,435	407,664,863	434,874,699
Total Comprehensive income for the period						
Profit after taxation	-	-	-	81,834,563	81,834,563	81,834,563
Other comprehensive income for the nine months period ended March 31, 2023, net of tax	-	-	-	1,428,449	1,428,449	1,428,449
Total comprehensive income for the nine months period ended March 31, 2023	-	-	-	83,263,012	83,263,012	83,263,012
Transactions with owners:						
- Ordinary shareholders						
Final dividend for the year ended June 30, 2022 @ 5%	-	-	-	(1,360,487)	(1,360,487)	(1,360,487)
Interim dividend for the year ending June 30, 2023 @ 10%	-	-	-	(2,720,973)	(2,720,973)	(2,720,973)
- Convertible preference shareholders						
Final dividend for the year ended June 30, 2022 @ 5%	-	-	-	(5)	(5)	(5)
Interim dividend for the year ending June 30, 2023 @ 10%	-	-	-	(10)	(10)	(10)
Conversion of preference shares into ordinary shares	1	(1)	-	-	-	-
Total transactions with owners	1	(1)	-	(4,081,475)	(4,081,475)	(4,081,475)
Balance as at March 31, 2023	27,209,731	105	1,428	486,844,972	486,846,400	514,056,236

The annexed notes 1 to 20 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, 2023

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 hydrocarbons and mineral resources. The shares of the Company are listed on the Pakistan Stock Exchange Limited. 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, 2022 and should be read in conjunction with the unconsolidated financial statements of the Company as at and for the year ended June 30, 2022.

These condensed unconsolidated interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

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, and letter No. SMD/PRDD/Comp/(4)/2021/302 dated September 15, 2022, granted further extension / exemption from the above-mentioned requirements of IFRS-9 till June 30, 2022 and June 30, 2023 respectively. Furthermore, this exemption has been further extended by SECP through S.R.O 67(I)/2023 dated January 20, 2023 for the financial years ending on or before December 31, 2024. 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).

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed unconsolidated interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements as at and for the year ended June 30, 2022.

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

For the nine months period ended March 31, 2023

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, 2022 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, 2023 and are not likely to have an effect on these condensed unconsolidated interim financial statements:

- Classification of liabilities as current or non-current (Amendments to IAS 1);
- Non-current Liabilities with Covenants (amendment to IAS 1);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);
- Lease Liability in a Sale and Leaseback (amendment to IFRS 16) 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, 2022.

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, 2022.

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
5. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	89,295,802	92,959,042
Additions during the period / year - net	17,181,517	8,895,232
	106,477,319	101,854,274
Disposals during the period / year (NBV)	(324)	(2,646)
Adjustments / reclassifications during the period / year (NBV)	(388,943)	4,374,775
Write-off during the period / year - note 5.1.2	(12,317)	-
Depreciation / amortisation charged during the period / year	(15,740,099)	(16,930,601)
	90,335,636	89,295,802
Capital work-in-progress - note 5.1	52,536,569	48,544,575
	142,872,205	137,840,377

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

For the nine months period ended March 31, 2023

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	14,356,508	11,370,642
Exploration and evaluation (E&E) assets - note 5.1.1	19,191,612	19,103,985
Development and production (D&P) assets	7,642,432	5,307,617
Lands, buildings and civil constructions	73,819	69,397
Capital stores for drilling and development	12,040,023	14,984,156
Less: Impairment loss - note 5.1.3	-	(2,198,810)
Less: Write-off - note 5.1.2	(767,825)	(92,412)
	11,272,198	12,692,934
	52,536,569	48,544,575

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 3,796 million (June 30, 2022: Rs 17,679 million).

5.1.2 During the period, a fire incident occurred at a warehouse located in the Company's partner operated field - Tal Block. Based on detailed assessment of the damaged items by the Operator of the field, operating assets and capital stores amounting to Rs 12.317 million and Rs 767.825 million respectively, have been written off during the period.

5.1.3 As disclosed in note 4.5.1 to the unconsolidated financial statements for the year ended June 30, 2022, the Company has engaged a third party to assess the recoverable value of inventory items identified as surplus / unusable / scrap. The said assessment is in progress and adjustments, if any, will be incorporated after completion of third party assessment.

	March 31, 2023 Unaudited	June 30, 2022 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) - note 6.1	-	-
	3,798,095	3,798,095
- Associates		
Unquoted companies		
- Pakistan International Oil Limited (PIOL) - note 6.2 Equity held: 25% No. of shares: 3,500,000 (June 30, 2022: 2,500,000) of USD 10/- each	5,561,995	2,177,858
- Pakistan Minerals (Private) Limited (PMPL) - note 6.3	35,840,238	-
	45,200,328	5,975,953

6.1 With respect to PPLA's 100% interest in Block 8 - Iraq, the Midland Oil Company - Iraq vide letter reference no. 10910 dated August 02, 2022, intimated termination / expiry of the Exploration, Development and Production Service Contract and advised to settle all the outstanding liabilities and receivables and commence close-out proceedings. The Company has commenced appropriate actions to complete the close-out proceedings.

6.2 During the period, the Company has made an equity investment in PIOL amounting to USD 10 million (Rs 2,181.000 million) {June 2022: USD 25 million (Rs 4,161.250 million)} which has increased the total equity investment of the Company in the associate to USD 35 million (Rs 6,342.250 million). These investments have been recorded net of cumulative share of loss of associate amounting to Rs 2,832.389 million (June 2022: Rs 2,607.077 million), charged to profit or loss up to the period ended March 31, 2023, and cumulative exchange gain on translation of foreign associate, as at reporting date, amounting to Rs 2,052.134 million (June 2022: Rs 623.685 million) recorded through other comprehensive income to translation reserve. The loss for the period mainly pertains to exploration and appraisal expenses incurred by PIOL.

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

For the nine months period ended March 31, 2023

6.3 Investment in Reko Diq Project

Further to the information disclosed in note 7 in the annual audited financial statements for the year ended June 30, 2022, all the conditions precedent as set out in the Framework Agreement, including but not limited to, the signing of the definitive agreements and judicial validation were completed as on December 15, 2022. The Company has invested in the project company, i.e. Reko Diq Mining Company (Private) Limited (RDML) through Pakistan Minerals (Private) Limited (PMPL), an entity incorporated in Pakistan with initial subscribed share capital of 12,000 shares with par value of Rs 10 each in accordance with the agreements for collective representation of the Company, OGDCL and GHPL, together called the State Owned Enterprises (SOEs). RDML is engaged in the mineral exploration activities in Pakistan. PMPL holds an indirect working interest of 25% (8.33% of each SOE) in the RDML through offshore holding companies namely Reko Diq Holdings Limited and Reko Diq Investments Limited (herein after referred to as "Holdcos"). RDML is incorporated in Pakistan and Holdcos are incorporated in Bailiwick of Jersey. The Company's equity interest in PMPL is 33.33% with an effective interest of 8.33% in RDML. The SOEs have the right to have representation on the Boards of Holdcos and RDML through PMPL.

The investment in PMPL by the Company has been accounted for as an associate with the carrying amount of investment based on the total purchase consideration paid by the Company in the form of initial entry fee and the interest payments thereon till December 15, 2022. Initial accounting in respect of acquisition under the applicable financial reporting framework involves identifying and determining the fair values to be assigned to the investee's identifiable assets and liabilities, including goodwill or bargain purchase gain, if any. The Company has conducted its initial assessment for identification and valuation of assets and liabilities of the investee, and as a result of this assessment has not identified any goodwill or bargain purchase gain in the aforesaid acquisition. Under the provisions of the accounting and reporting standards as applicable in Pakistan, the Company can adjust the amounts recognised for identified assets and liabilities determined in its initial assessment within the measurement period which should not exceed 12 months from the acquisition date.

Further, the Company has made subsequent investment in PMPL amounting to Rs 133.373 million which has increased the total equity investment of the Company in the associate to Rs 35,840.238 million. In addition to the initial subscribed share capital, PMPL is in the process of issuing shares to the Company.

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
7. TRADE DEBTS		
Unsecured and considered good		
Related parties - note 19		
Central Power Generation Company Limited (GENCO-II) - note 7.3	8,786,552	4,523,630
Sui Northern Gas Pipelines Limited (SNGPL)	238,238,336	186,469,523
Sui Southern Gas Company Limited (SSGCL)	215,142,729	154,037,032
Pak-Arab Refinery Limited (PARCO)	1,235,334	837,009
Pakistan Refinery Limited (PRL)	1,325,366	731,279
ENAR Petroleum Refining Facility (EPRF)	241,161	307,977
Oil & Gas Development Company Limited (OGDCL)	59,647	51,344
	465,029,125	346,957,794
Non-related parties		
Attock Refinery Limited (ARL)	17,963,413	17,937,791
National Refinery Limited (NRL)	316,072	525,436
Others	662,560	370,695
	18,942,045	18,833,922
	483,971,170	365,791,716
Unsecured and considered doubtful		
Non-related parties		
Cnergyico Pk Limited (CNERGY)	253,002	253,002
EGAS Pvt. Ltd. (EGAS)	169,454	169,454
Less: Provision for doubtful debts - note 7.2	(422,456)	(422,456)
	-	-
	483,971,170	365,791,716

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

For the nine months period ended March 31, 2023

	March 31, 2023 Unaudited (Rupees in thousand)	June 30, 2022 Audited
7.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	44,151,367	42,614,761
Past due but not impaired:		
Related parties		
- within 90 days	51,353,667	26,411,636
- 91 to 180 days	42,238,052	29,445,958
- over 180 days	341,325,968	264,163,060
	434,917,687	320,020,654
Non-related parties		
- within 90 days	3,879,776	2,176,815
- 91 to 180 days	39,983	780
- over 180 days	982,357	978,706
	4,902,116	3,156,301
	483,971,170	365,791,716

- 7.2 Trade debts include overdue amount of Rs 433,907 million (June 30, 2022: Rs 319,886 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL, EPRF and OGDCL) and Rs 5,913 million (June 30, 2022: Rs 3,291 million) overdue receivable from refineries (i.e. ARL, CENERGY, PARCO, NRL and PRL) and various LPG / other customers. The GoP is committed, hence continuously pursuing for satisfactory settlement of Inter-corporate circular debt issue, however, the progress is slower than expected resulting in accumulation of the Company's trade debts. The Company considers this amount to be fully recoverable because the GoP has been assuming the responsibility to settle the Inter-corporate circular debt in the energy sector. The Company recognises interest / surcharge, if any, on delayed payments from customers on receipt basis. As disclosed in note 2.2 to these condensed unconsolidated interim financial statements, SECP has deferred the applicability of ECL model for financial years ending on or before December 31, 2024 on financial assets due directly / ultimately from GoP in consequence of the circular debt.

Specific provision has been created against receivables from CENERGY and EGAS as a result of disputes disclosed in notes 12.5 and 12.6 to the unconsolidated financial statements for the year ended June 30, 2022.

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 provision for doubtful debts has been made in these condensed unconsolidated interim financial statements, except for provision against receivable from CENERGY and EGAS.

- 7.3 As disclosed in note 12.4 to the unconsolidated financial statements for the year ended June 30, 2022, trade debts do not include GDS and GIDC amounting to Rs 75,920 million (June 30, 2022: Rs 66,959 million) and Rs 3,199 million (June 30, 2022: Rs 4,999 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 date of statement of financial position.

	March 31, 2023 Unaudited (Rupees in thousand)	June 30, 2022 Audited
8. SHORT-TERM INVESTMENTS		
At amortised cost		
- Local currency term deposits with banks - note 8.1	1,827,500	847,500
- Foreign currency term deposits with banks - note 8.2	23,611,595	13,132,888
- Local currency treasury bills - note 8.1 & 8.3	20,978,077	52,426,957
	46,417,172	66,407,345
At fair value through profit or loss		
- Mutual Funds - note 8.4	16,844,003	-
	63,261,175	66,407,345

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

For the nine months period ended March 31, 2023

- 8.1** These carry profit ranging from 15.10% to 19.25% (June 30, 2022: 7.54% to 17.66%) per annum and are due to mature latest by March 2024. As disclosed in note 17.3 to the unconsolidated financial statements for the year ended June 30, 2022, treasury bills amounting to Rs 1,715 million were pledged as collateral to a financial institution for issuance of bank guarantee amounting to Rs 1,536 million in favour of the Nazir of Sindh High Court. During the period, the pledged treasury bills were matured and released, and the collateral was replaced with local currency term deposit amounting to Rs 1,700 million against the said bank guarantee. Further, the said bank guarantee has been released and lien on TDRs has also been removed as disclosed in note 10.5.
- 8.2** These represent foreign currency term deposits with banks amounting to USD 83.389 million (June 30, 2022: USD 63.907 million) having effective interest rate ranging from 5% to 13.01% (June 30, 2022: 1.40% to 10.55%) per annum and are due to mature latest by February 2024.
- 8.3** These carry profit ranging from 15.64% to 21.65% (June 30, 2022: 10.62% to 14.65%) per annum and are due to mature latest by October 2023. These bills were issued by GoP and sold through State Bank of Pakistan.
- 8.4** These represent investments in money market mutual funds. During the period, average annualised return is 15.09% (June 30, 2022: 8.93%).

March 31, 2023	June 30, 2022
Unaudited	Audited
(Rupees in thousand)	

9. TRADE AND OTHER PAYABLES

Creditors	982,983	861,400
Accrued liabilities	11,730,584	10,711,643
Security deposits / advances from LPG distributors	665,463	525,326
Retention money	105,796	102,607
Sales tax - net	2,909,275	1,827,391
Royalties	11,141,792	10,924,354
Lease extension bonus	35,542,246	30,159,897
Current accounts with joint operations	13,161,134	12,691,458
Staff retirement benefit funds	77,164	1,206,915
Provision for windfall levy on oil / condensate	23,134,937	17,445,937
Federal excise duty - net	97,518	125,910
Workers' Profits Participation Fund (WPPF)	5,973,508	-
Others	576,459	443,820
	106,098,859	87,026,658

- 9.1** As disclosed in note 25.1 to the unconsolidated financial statements for the year ended June 30, 2022, trade and other payables do not include GDS and GIDC amounting to Rs 75,920 million (June 30, 2022: Rs 66,959 million) and Rs 3,199 million (June 30, 2022: Rs 4,999 million), respectively as the obligation of the Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have not been paid to the GoP due to non-payment of the same by GENCO-II at the reporting date.

10. 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, 2022, except for the following:

- 10.1** During the period, the Tax Authorities while amending the assessment for tax year 2022 have created demand of Rs 4,904 million primarily on account of rate issue, provision for windfall levy and tax depreciation. The said tax demand was paid by the Company under protest. In an appeal, the Commissioner Inland Revenue, Appeals (CIR-A) has maintained the order of the assessing officer on above issues. Consequently, the Company has filed an appeal before Appellate Tribunal Inland Revenue (ATIR), which is pending for adjudication.
- 10.2** During the period, the Tax Authorities have issued an order dated February 28, 2023 by creating demand of Rs 8,419 million on account of super tax @ 10% for tax year 2022 in respect of agreement and non-agreement areas. The Honourable Sindh High Court (SHC), in another case, has annulled the levy of super tax for tax year 2022 on constitutional / legal grounds. Pursuant to appeal by the Tax Authorities, the Honourable Supreme Court of Pakistan (SCP), through interim order dated February 16, 2023 has directed the plaintiffs to pay super tax to the extent of 4% and stayed the balance tax demand till the appeal of Tax Authorities is finally decided by the SCP.

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

For the nine months period ended March 31, 2023

The Company has paid Rs 591 million under protest which represents super tax @ 4% relating to income from non-agreement areas only. The super tax liability relating to income from agreement areas has been annulled by the CIR-A in an appeal filed before him on the ground of stability clause under the respective PCAs. The Company is in the process to file a further appeal before ATIR with respect to non-agreement areas.

10.3 The ATIR has decided the appeal for tax year 2013 on account of following issues:

- (i) Legality of proceedings u/s 122(5A)
- (ii) Rate issue
- (iii) Depletion allowance
- (iv) Tax credits under section 65A, 65B and 65E.

Issues stated in (i) and (ii) above have been decided against the Company whereas issue stated in (iv) above has been decided in the Company's favour. The issue stated in (iii) above has been decided partly in favour of the Company i.e. to the extent of deduction of royalty from gross sales for the purpose of determination of well-head value. The deduction of gathering and processing cost from well-head value has been maintained by ATIR in favour of Tax Authorities. The Company is in the process of filing reference application before SHC on account of issues decided against the Company.

10.4 The Company's petition before SHC against retrospective withdrawal of tax credit under section 65B of the Income Tax Ordinance, 2001 vide Finance Act, 2019 was decided by the SHC, favourably allowing the claim of tax credit if plant and machinery was purchased before 30th day of June 2019 and installed before the 30th day of June 2021.

10.5 As disclosed in 26.1.6 (b) to the unconsolidated financial statements for the year ended June 30, 2022, during the period, the Tax Authorities have issued a withdrawal notice in respect of recovery notice dated November 24, 2021 on account of late payment of GDS. Accordingly, the bank guarantee amounting to Rs 1,536 million has been released by the Nazir of SHC and the same has been disclosed in note 8.1.

10.6 Total commitments for capital expenditure (net share) as at March 31, 2023 are Rs 753 million (June 30, 2022: Rs 1,084 million).

10.7 With respect to PMPL (note 6.3), the Company has entered into a Joint Venture Agreement with the stakeholders, under which the Company has committed to further invest up to USD 398 million, to be adjusted for inflation, for funding its proportionate share during Phase-I of the Reko Diq project. In addition, the Company has committed to contribute, in the form of equity, up to USD 1 million per year towards its proportionate share in the administrative expenses of PMPL. Furthermore, the Company has provided a several corporate guarantee to fund the obligations of the Company under the Definitive Agreements.

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	156,325,161	100,139,934
Gas supplied to Sui villages	898,238	665,620
Internal consumption of gas	443,156	323,066
Crude oil / Condensate / Natural Gas Liquids	67,940,802	50,181,370
LPG	16,406,060	13,281,366
Barytes	1,180,359	814,896
	243,193,776	165,406,252
Government levies / discounts		
Federal excise duty	(1,220,459)	(1,168,738)
Sales tax - note 11.1	(27,359,143)	(23,371,568)
Petroleum Levy	(419,486)	(405,166)
Discounts (Barytes)	(19,706)	(27,835)
	(29,018,794)	(24,973,307)
	214,174,982	140,432,945

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

For the nine months period ended March 31, 2023

- 11.1 During the period, vide SRO 179(I)/2023, dated February 14, 2023, the rate of general sales tax rate has increased from 17% to 18%.

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
12. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	8,434,576	7,456,339
Operators' personnel	2,217,849	1,928,744
Depreciation	5,019,240	4,654,370
Amortisation of decommissioning assets	3,386,148	1,324,219
Amortisation of D&P assets	7,249,732	6,177,471
Plant operations	2,858,899	2,480,225
Well interventions	1,429,952	778,440
Field services	2,039,478	1,712,189
Crude oil transportation	759,825	582,204
Travelling and conveyance	641,731	456,663
Training & development	74,061	35,975
PCA overheads	155,148	121,887
Insurance expenses	571,958	460,501
Free supply of gas to Sui villages	898,238	665,620
Social welfare / community development	337,068	188,589
	36,073,903	29,023,436

13. EXPLORATION EXPENSES

- 13.1 Exploration expenses for the period also include cost of dry / abandoned wells amounting to Rs 3,796 million (March 2022: Rs 6,535 million).

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
14. OTHER CHARGES		
WPPF charge	5,973,508	3,587,077
Provision for Windfall levy on oil / condensate	5,689,000	4,295,000
Write off / Impairment of property, plant and equipment & capital stores - note 5.1.2	780,142	1,121,222
Provision / reversal of provision for obsolete / slow moving stores & spares	26,057	(161,724)
Others	-	42,984
	12,468,707	8,884,559

15. OTHER INCOME

Income from financial assets

Income on loans and bank deposits	539,047	298,498
Income on local currency term deposits	458,533	762,470
Income on foreign currency term deposits	1,147,424	565,443
Income from investment in treasury bills	4,906,754	2,142,553
Exchange gain on foreign currency - net	6,565,161	5,425,134
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	1,192,759	916,445
	14,809,678	10,110,543

Income from assets other than financial assets

Rental income on assets	3,869	3,577
Insurance income	37,671	839
Gain on disposal of property, plant and equipment (net)	35,210	68,104
Others	11,965	220,610
	14,898,393	10,403,673

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
16. TAXATION		
Current		
- For the nine months	45,298,812	25,004,238
- For the prior year	396,829	610,327
	45,695,641	25,614,565
Deferred	1,238,530	(1,647,266)
	<u>46,934,171</u>	<u>23,967,299</u>
16.1	Current and deferred tax include provision for super tax imposed by the GoP at the rate of 4% amounting to Rs 4,187.327 million and Rs 133.920 million, respectively.	
	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
17. CASH AND CASH EQUIVALENTS		
Short-term highly liquid investments - note 17.1	24,729,212	38,139,132
Cash and bank balances	3,846,896	6,689,905
	<u>28,576,108</u>	<u>44,829,037</u>
17.1	Short-term investments as disclosed in note 8 amount to Rs 63,261 million (March 2022: Rs 52,313 million). However, certain investments which were not considered highly liquid, comprising foreign currency term deposits with banks amounting to Rs 15,060 million (March 2022: Rs 5,440 million), local currency term deposits with banks amounting to Rs 1,827 million (March 2022: Rs 118 million), treasury bills amounting to Rs 4,801 million (March 2022: 8,616 million) and mutual funds amounting to Rs 16,844 million (March 2022: Nil), have not been classified as cash and cash equivalents.	
	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
18. EARNINGS PER SHARE		
18.1 Basic earnings per share		
Profit after taxation (Rs '000)	81,834,563	52,329,485
Dividend on convertible preference shares (Rs '000)	(32)	(32)
Profit attributable to ordinary shareholders (Rs '000)	<u>81,834,531</u>	<u>52,329,453</u>
Weighted average number of ordinary shares in issue	<u>2,720,973,063</u>	<u>2,720,972,750</u>
Basic earnings per share (Rs)	<u>30.08</u>	<u>19.23</u>
18.1.1	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, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
18.2 Diluted earnings per share		
Profit after taxation (Rs '000)	81,834,563	52,329,485
Weighted average number of ordinary shares in issue	2,720,973,063	2,720,972,750
Adjustment of convertible preference shares	10,465	10,778
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>30.08</u>	<u>19.23</u>

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

For the nine months period ended March 31, 2023

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. The Company, in the normal course of business, pays for utilities and makes regulatory payments to entities controlled by GoP which are not material, hence not disclosed in these condensed unconsolidated interim financial statements. 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:

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
Sales of hydrocarbons / barytes to state controlled entities (including Government Levies)		
GENCO-II	16,445,179	7,355,359
SSGCL	68,267,996	41,356,017
SNGPL	71,611,986	51,428,558
EPRF	1,145,974	361,364
OGDCL	34,288	84,498
	157,505,423	100,585,796
Long-term receivables, trade debts and other receivables from State controlled entities as at March 31		
	462,563,486	328,984,873
Transactions and balances with subsidiaries		
Receivable from PPLA as at March 31	670,589	323,043
Receivable from PPLE as at March 31	49,952	-
Interest paid on loan from PPLE	-	60
Payment of employees cost on secondment to PPLA	30,909	66,357
Deposit for bank guarantee on behalf of PPLE - Block 29, Yemen	1,683,750	1,264,500
Transactions and balances with Associated Companies		
Sales of crude oil / condensate to PARCO	3,968,269	8,515,583
Sales of crude oil / condensate to PRL	2,018,410	2,194,689
Payment to Total PARCO Pakistan Limited (Total PARCO)	821	31,977
Membership / sponsorship fee paid to Petroleum Institute of Pakistan	13,322	3,994
Purchase of medicines from Sanofi-Aventis Pakistan Limited	3,682	2,953
Annual supervision fee paid to Audit Oversight Board	-	500
Equity investment in PMPL	1,733,988	-
Equity investment in PIOL	2,181,000	4,161,250
Receivable from PIOL as at March 31	99,793	133,623
Service fee (G&A overheads) charged to PIOL	60,333	18,183
Payment of employees cost on secondment to PIOL	243,570	104,455
Payment to Mari Petroleum Company Limited (MPCL) against gas processing & field services received	113,601	120,591
Transactions and balances with Joint Operations		
Payments of cash calls to joint operations	25,113,503	24,826,488
Expenditures incurred by the joint operations	25,447,020	21,377,620
Under advance balances relating to joint operations as at March 31	12,507,524	7,233,259
Current account receivables relating to joint operations as at March 31	1,505,757	1,310,240
Current account payables relating to joint operations as at March 31	241,780	254,278
Income from rental of assets to joint operations	3,869	3,577
Purchase of goods from BME (net)	116,826	141,568
Reimbursement of employee cost on secondment to BME	19,741	16,107
Dividend income from BME	300,000	250,000

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
Other related parties		
Dividends paid to GoP	2,755,296	6,429,023
Unclaimed dividends pertaining to BESOS	910,261	700,200
Dividends paid to trusts under retirement benefit funds	2,272	5,301
Transactions with retirement benefit funds	1,174,843	904,716
Remuneration to key management personnel	2,808,453	2,437,125
Payment to PPL Welfare Trust for CSR activities	24,000	21,000
Payment of rental to Pakistan Industrial Development Corporation	140,095	123,479
Payment of rental to Karachi Port Trust	5,555	8,031
Payment of insurance premium to National Insurance Company Limited (NICL)	909,773	951,971
Insurance claim received from NICL	37,671	839
Fuel purchased from Pakistan State Oil Company Limited	74,016	471,650
Payment for chartered flights to Pakistan International Airlines Corporation Limited	34,511	85,506
Deposits with National Bank of Pakistan (NBP) as at March 31	8,590	2,024,959
Interest income earned on deposits with NBP	20,009	7,693
Deposit with GoP for equity stake in Reko Diq	-	34,106,250
Investment in Mutual Funds with NBP Fund Management Limited as at March 31	5,562,512	-
Dividend income / gain on mutual funds investment with NBP Fund Management Limited	467,396	-
Payment to Hydrocarbon Development Institute of Pakistan (HDIP)	704	-

- 19.1** Aggregate amount charged in these condensed unconsolidated interim financial statements in respect of fees to thirteen non-executive directors was Rs 33.550 million (March 2022: Rs 23.375 million to eleven non-executive directors).
- 19.2** The Company has provided parent company guarantee to GoP in respect of PPLE's exploration licences in Pakistan i.e. Barkhan, Harnai and Ziarat.
- 19.3** The Company has a receivable of Rs 7.59 million (March 2022: 10.04 million) from OGDCL, MPCL and GHPL (Rs 2.46 million, Rs 2.76 million and Rs 2.37 million receivable, respectively) with respect to the payments made by the Company on their behalf for expenses related to PIOL.
- 19.4** The Company has a receivable of Rs 0.619 million (March 2022: 6.56 million) from OGDCL on account of payments made by the Company on its behalf with respect to the Reko Diq project.

20. DATE OF AUTHORISATION FOR ISSUE


These condensed unconsolidated interim financial statements were authorised for issue on April 27, 2023 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, 2023

	Note	March 31, 2023 Unaudited	June 30, 2022 Audited
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	145,051,551	139,578,251
Intangible assets		66,126	113,116
Long-term investments	6	41,402,234	2,177,859
Deposit with GoP for equity stake in Reko Diq	6.2	-	34,106,250
Long-term loans		73,774	61,689
Long-term deposits		7,676	7,676
		186,601,361	176,044,841
CURRENT ASSETS			
Stores and spares		5,794,324	5,495,842
Trade debts	7	484,361,248	366,251,547
Loans and advances		643,701	558,389
Trade deposits and short-term prepayments		911,822	290,833
Interest accrued		1,431,366	282,262
Current maturity of long-term loans		34,759	27,929
Current maturity of long-term deposits		1,683,750	1,505,250
Current maturity of long-term receivables		51,266	122,051
Other receivables		2,739,660	3,038,181
Short-term investments	8	68,689,916	69,634,343
Cash and bank balances		3,938,746	5,427,273
		570,280,558	452,633,900
TOTAL ASSETS		756,881,919	628,678,741
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		486,781,158	407,494,659
		513,990,994	434,704,495
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		48,308,666	33,196,343
Deferred liabilities		3,513,788	3,328,024
Deferred taxation - net		30,018,695	28,780,165
		81,841,149	65,304,532
CURRENT LIABILITIES			
Trade and other payables	9	108,455,885	89,664,907
Unclaimed dividends		1,237,906	1,001,150
Current maturity of lease liabilities		1,177,515	1,434,170
Taxation - net		50,178,470	36,569,487
		161,049,776	128,669,714
TOTAL LIABILITIES		242,890,925	193,974,246
TOTAL EQUITY AND LIABILITIES		756,881,919	628,678,741
CONTINGENCIES AND COMMITMENTS			
	10		

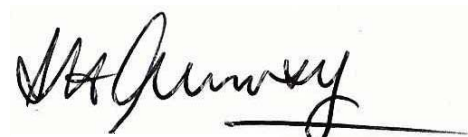
The annexed notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE OFFICER

PAKISTAN PETROLEUM LIMITED

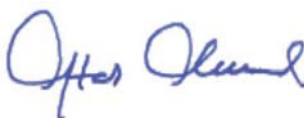
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Nine Months ended March 31, 2023	Nine Months ended March 31, 2022
(Rupees in thousand)					
Revenue from contracts with customers	11	76,919,388	51,090,345	215,116,789	141,509,348
Operating expenses	12	(12,773,641)	(9,687,865)	(36,616,662)	(29,652,789)
Royalties and other levies		(11,960,331)	(7,409,318)	(34,965,825)	(20,788,316)
		(24,733,972)	(17,097,183)	(71,582,487)	(50,441,105)
Gross Profit		52,185,416	33,993,162	143,534,302	91,068,243
Exploration expenses	13	(4,080,135)	(1,644,176)	(13,616,268)	(10,685,793)
Administrative expenses		(1,023,026)	(1,131,031)	(2,842,583)	(3,074,546)
Finance costs		(365,239)	(324,303)	(1,100,454)	(932,342)
Reversal of provision for doubtful debts - net		-	-	-	41,929
Share of loss of associate	6.1	(88,863)	(72,562)	(225,312)	(2,446,912)
Other charges	14	(4,426,252)	(3,236,164)	(12,468,707)	(8,884,559)
		42,201,901	27,584,926	113,280,978	65,086,020
Other income	15	8,251,892	3,128,548	15,020,654	10,407,443
Profit before taxation		50,453,793	30,713,474	128,301,632	75,493,463
Taxation	16	(17,604,872)	(10,326,171)	(46,954,023)	(23,967,299)
Profit after taxation		32,848,921	20,387,303	81,347,609	51,526,164
Basic and diluted earnings per share (Rs)	18	12.07	7.50	29.90	18.94

The annexed notes 1 to 20 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 COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

Note	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Nine Months ended March 31, 2023	Nine Months ended March 31, 2022
(Rupees in thousand)				
Profit after taxation	32,848,921	20,387,303	81,347,609	51,526,164
Other comprehensive income / (loss):				
Items that will not be subsequently reclassified to profit or loss:				
Remeasurement gain / (loss) on defined benefit plans - net	3.2	-	-	-
Items that may be reclassified to consolidated statement of profit or loss:				
Exchange differences on translation of subsidiaries & foreign associate	1,314,522	127,432	2,020,365	615,865
Other comprehensive income for the period	1,314,522	127,432	2,020,365	615,865
Total comprehensive income for the period	<u>34,163,443</u>	<u>20,514,735</u>	<u>83,367,974</u>	<u>52,142,029</u>

The annexed notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.

CHIEF FINANCIAL OFFICER

DIRECTOR

CHIEF EXECUTIVE OFFICER

PAKISTAN PETROLEUM LIMITED

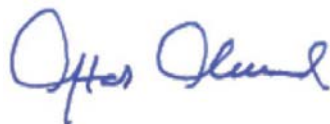
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

	Note	Nine Months ended March 31, 2023 (Rupees in thousand)	Nine Months ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		126,917,903	103,690,148
Receipts of other income		5,735,564	5,212,973
Payments to suppliers / service providers and employees - net		(36,875,559)	(26,799,741)
Payments of indirect taxes and Government levies including royalties		(58,462,704)	(43,364,581)
Income tax paid		(32,341,737)	(19,001,159)
Payment of decommissioning obligation		(65,302)	(128,189)
Finance costs paid		(153,746)	(1,215)
Long-term loans and others		(18,915)	(18,276)
Net cash generated from operating activities		<u>4,735,504</u>	<u>19,589,960</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(11,325,910)	(11,817,200)
Proceeds from disposal of property, plant and equipment		35,567	69,231
Investments - net		1,857,054	8,294,997
Equity investment in PIOL		(2,181,000)	(4,161,250)
Long-term deposits		(178,500)	(59,143)
Deposit with GoP for equity stake in Reko Diq		-	(34,106,250)
Equity investment in Reko Diq		(1,733,988)	-
Current maturity of long-term receivables		70,785	16,509
Finance income received		7,328,551	4,171,329
Net cash used in investing activities		<u>(6,127,441)</u>	<u>(37,591,777)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(256,655)	(433)
Dividends paid		(3,844,719)	(9,006,642)
Net cash used in financing activities		<u>(4,101,374)</u>	<u>(9,007,075)</u>
Net decrease in cash and cash equivalents		<u>(5,493,311)</u>	<u>(27,008,892)</u>
Cash and cash equivalents at beginning of the period		37,249,402	72,802,434
Net foreign exchange differences		1,399,795	333,678
Cash and cash equivalents at end of the period	17	<u><u>33,155,886</u></u>	<u><u>46,127,220</u></u>

The annexed notes 1 to 20 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, 2023

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total reserves	Total
	Ordinary	Convertible preference				
----- (Rupees in thousand) -----						
Balance as at June 30, 2021 (Audited)	27,209,723	113	1,428	361,720,561	361,721,989	388,931,825
Total comprehensive income for the period						
Profit after taxation	-	-	-	51,526,164	51,526,164	51,526,164
Other comprehensive income for the nine months ended March 31, 2022, net of tax	-	-	-	615,865	615,865	615,865
Total comprehensive income for the nine months ended March 31, 2022	-	-	-	52,142,029	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)	(5,441,946)
Interim dividend for the year ended June 30, 2022 @ 15%	-	-	-	(4,081,459)	(4,081,459)	(4,081,459)
- Convertible preference shareholders						
Final dividend for the year ended June 30, 2021 @ 15%	-	-	-	(16)	(16)	(16)
Interim dividend for the year ended June 30, 2022 @ 15%	-	-	-	(16)	(16)	(16)
Conversion of preference shares into ordinary shares	7	(7)	-	-	-	-
Total transactions with owners	7	(7)	-	(9,523,437)	(9,523,437)	(9,523,437)
Balance as at March 31, 2022	27,209,730	106	1,428	404,339,153	404,340,581	431,550,417
Balance as at June 30, 2022 (Audited)	27,209,730	106	1,428	407,493,231	407,494,659	434,704,495
Total Comprehensive income for the period						
Profit after taxation	-	-	-	81,347,609	81,347,609	81,347,609
Other comprehensive income for the nine months ended March 31, 2023, net of tax	-	-	-	2,020,365	2,020,365	2,020,365
Total comprehensive income for the nine months ended March 31, 2023	-	-	-	83,367,974	83,367,974	83,367,974
Transactions with owners:						
- Ordinary shareholders						
Final dividend for the year ended June 30, 2022 @ 5%	-	-	-	(1,360,487)	(1,360,487)	(1,360,487)
Interim dividend for the year ending June 30, 2023 @ 10%	-	-	-	(2,720,973)	(2,720,973)	(2,720,973)
- Convertible preference shareholders						
Final dividend for the year ended June 30, 2022 @ 5%	-	-	-	(5)	(5)	(5)
Interim dividend for the year ending June 30, 2023 @ 10%	-	-	-	(10)	(10)	(10)
Conversion of preference shares into ordinary shares	1	(1)	-	-	-	-
Total transactions with owners	1	(1)	-	(4,081,475)	(4,081,475)	(4,081,475)
Balance as at March 31, 2023	27,209,731	105	1,428	486,779,730	486,781,158	513,990,994

The annexed notes 1 to 20 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, 2023

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 hydrocarbons and mineral 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 hydrocarbons and mineral resources. The shares of the Holding Company are listed on the Pakistan Stock Exchange Limited. 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 it owned 100% interest in Block 8, Iraq, under the Exploration, Development and Production Service Contract (EDPSC) with the Midland Oil Company, Iraq (MdOC). During the period, MdOC vide letter reference no. 10910 dated August 02, 2022, intimated termination/ expiry of the EDPSC and advised to settle all outstanding liabilities and receivables and commence close-out proceedings. The Holding Company has commenced appropriate actions to complete the close-out proceedings. Accordingly, a claim amounting to USD 11.564 million has been lodged by PPLA with MdOC through a letter dated October 13, 2022, in respect of Specific Costs plus interest thereon, reimbursable under the EDPSC. The effects of the claim will be recognised in the financial statements on acceptance and completion of all other close-out proceedings.

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

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

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

For the nine months period ended March 31, 2023

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, 2022 and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended June 30, 2022.

These condensed consolidated interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

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, 2023.

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, and letter No. SMD/PRDD/Comp/(4)/2021/302 dated September 15, 2022, granted further extension / exemption from the above-mentioned requirements of IFRS-9 till June 30, 2022 and June 30, 2023 respectively. Furthermore, this exemption has been further extended by SECP through S.R.O 67(I)/2023 dated January 20, 2023 for the financial years ending on or before December 31, 2024. 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 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).

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed consolidated interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements as at and for the year ended June 30, 2022.

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.

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

For the nine months period ended March 31, 2023

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, 2022 but are considered not relevant or do not have any significant effect on the Holding Company'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, 2023 and are not likely to have an effect on these condensed consolidated interim financial statements:

- Classification of liabilities as current or non-current (Amendments to IAS 1);
- Non-current Liabilities with Covenants (amendment to IAS 1);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);
- Lease Liability in a Sale and Leaseback (amendment to IFRS 16) 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, 2022.

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, 2022.

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
5. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	90,161,512	93,750,767
Additions during the period / year - net	17,248,770	9,008,483
	107,410,282	102,759,250
Disposals during the period / year (NBV)	(324)	(2,646)
Exchange differences / reclassifications during the period / year (NBV)	(75,005)	4,591,325
Write-off during the period / year - note 5.1.2	(12,317)	-
Depreciation / amortisation charged during the period / year	(15,871,968)	(17,186,417)
	91,450,668	90,161,512
Capital work-in-progress - note 5.1	53,600,883	49,416,739
	145,051,551	139,578,251

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

For the nine months period ended March 31, 2023

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	14,356,508	11,370,642
Exploration and Evaluation (E&E) assets - note 5.1.1	20,187,286	19,103,985
Development and production (D&P) assets	7,642,432	6,127,177
Lands, buildings and civil constructions	73,819	69,397
Capital stores for drilling and development	12,108,663	15,036,760
Less: Impairment loss - note 5.1.3	-	(2,198,810)
Less: Write-off - note 5.1.2	(767,825)	(92,412)
	<u>11,340,838</u>	<u>12,745,538</u>
	<u>53,600,883</u>	<u>49,416,739</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 3,796 million (June 30, 2022: Rs 17,679 million).

5.1.2 During the period, a fire incident occurred at a warehouse located in the Holding Company's partner operated field - Tal Block. Based on detailed assessment of the damaged items by the Operator of the field, operating assets and capital stores amounting to Rs 12.317 million and Rs 767.825 million respectively, have been written off during the period.

5.1.3 As disclosed in note 5.5.1 to the consolidated financial statements for the year ended June 30, 2022, the Holding Company has engaged a third party to assess the recoverable value of inventory items identified as surplus / unusable / scrap. The said assessment is in progress and adjustments, if any, will be incorporated after completion of third party assessment.

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
6. LONG-TERM INVESTMENTS		
Investments in related parties		
- Wholly owned subsidiary		
- PPPFTC	1	1
- Associates		
Unquoted companies		
Pakistan International Oil Limited (PIOL) - note 6.1		
Equity held: 25%		
No. of shares: 3,500,000 (June 30, 2022: 2,500,000) of USD 10/- each	5,561,995	2,177,858
Pakistan Minerals (Private) Limited (PMPL) - note 6.2	35,840,238	-
	<u>41,402,234</u>	<u>2,177,859</u>

6.1 During the period, the Holding Company has made an equity investment in PIOL amounting to USD 10 million (Rs 2,181.000 million) {June 2022: USD 25 million (Rs 4,161.250 million)} which has increased the total equity investment of the Holding Company in the associate to USD 35 million (Rs 6,342.250 million). These investments have been recorded net of cumulative share of loss of associate amounting to Rs 2,832.389 million (June 2022: Rs 2,607.077 million), charged to profit or loss up to the period ended March 31, 2023, and cumulative exchange gain on translation of foreign associate, as at reporting date, amounting to Rs 2,052.134 million (June 2022: Rs 623.685 million) recorded through other comprehensive income to translation reserve. The loss for the period mainly pertains to exploration and appraisal expenses incurred by PIOL.

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

For the nine months period ended March 31, 2023

6.2 Investment in Reko Diq Project

Further to the information disclosed in note 8 in the annual audited financial statements for the year ended June 30, 2022, all the conditions precedent as set out in the Framework Agreement, including but not limited to, the signing of the definitive agreements and judicial validation were completed as on December 15, 2022. The Holding Company has invested in the project company, i.e. Reko Diq Mining Company (Private) Limited (RDML) through Pakistan Minerals (Private) Limited (PMPL), an entity incorporated in Pakistan with initial subscribed share capital of 12,000 shares with par value of Rs 10 each in accordance with the agreements for collective representation of the Holding Company, OGDCL and GHPL, together called the State Owned Enterprises (SOEs). RDML is engaged in the mineral exploration activities in Pakistan. PMPL holds an indirect working interest of 25% (8.33% of each SOE) in the RDML through offshore holding companies namely Reko Diq Holdings Limited and Reko Diq Investments Limited (herein after referred to as "Holdcos"). RDML is incorporated in Pakistan and Holdcos are incorporated in Bailiwick of Jersey. The Holding Company's equity interest in PMPL is 33.33% with an effective interest of 8.33% in RDML. The SOEs have the right to have representation on the Boards of Holdcos and RDML through PMPL.

The investment in PMPL by the Holding Company has been accounted for as an associate with the carrying amount of investment based on the total purchase consideration paid by the Holding Company in the form of initial entry fee and the interest payments thereon till December 15, 2022. Initial accounting in respect of acquisition under the applicable financial reporting framework involves identifying and determining the fair values to be assigned to the investee's identifiable assets and liabilities, including goodwill or bargain purchase gain, if any. The Holding Company has conducted its initial assessment for identification and valuation of assets and liabilities of the investee, and as a result of this assessment has not identified any goodwill or bargain purchase gain in the aforesaid acquisition. Under the provisions of the accounting and reporting standards as applicable in Pakistan, the Holding Company can adjust the amounts recognised for identified assets and liabilities determined in its initial assessment within the measurement period which should not exceed 12 months from the acquisition date.

Further, the Holding Company has made subsequent investment in PMPL amounting to Rs 133.373 million which has increased the total equity investment of the Holding Company in the associate to Rs 35,840.238 million. In addition to the initial subscribed share capital, PMPL is in the process of issuing shares to the Holding Company.

March 31, 2023	June 30, 2022
Unaudited	Audited
(Rupees in thousand)	

7. TRADE DEBTS

Unsecured and considered good

Related parties - note 19

Central Power Generation Company Limited (GENCO-II) - note 7.3	8,786,552	4,523,630
Sui Northern Gas Pipelines Limited (SNGPL)	238,371,691	186,517,610
Sui Southern Gas Company Limited (SSGCL)	215,317,911	154,160,444
Pak-Arab Refinery Limited (PARCO)	1,235,334	837,009
Pakistan Refinery Limited (PRL)	1,325,366	731,279
ENAR Petroleum Refining Facility (EPRF)	241,161	307,977
Oil & Gas Development Company Limited (OGDCL)	59,647	51,344
	465,337,662	347,129,293

Non-related parties

Attock Refinery Limited (ARL)	18,038,386	18,113,087
National Refinery Limited (NRL)	316,072	525,436
Others	669,128	483,731
	19,023,586	19,122,254
	484,361,248	366,251,547

Unsecured and considered doubtful

Non-related parties

Cnergyico Pk Limited (CENERGY)	253,002	253,002
EGAS Pvt. Ltd. (EGAS)	169,454	169,454
Less: Provision for doubtful debts - note 7.2	(422,456)	(422,456)
	-	-
	484,361,248	366,251,547

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

For the nine months period ended March 31, 2023

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
7.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	44,271,403	42,904,607
Past due but not impaired:		
Related parties		
- within 90 days	51,537,199	26,486,816
- 91 to 180 days	42,265,230	29,455,447
- over 180 days	341,337,425	264,176,265
	435,139,854	320,118,528
Non-related parties		
- within 90 days	3,908,834	2,176,815
- 91 to 180 days	39,983	780
- over 180 days	1,001,174	1,050,817
	4,949,991	3,228,412
	484,361,248	366,251,547

7.2 Trade debts include overdue amount of Rs 434,129 million (June 30, 2022: Rs 319,984 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL, EPRF and OGDCL) and Rs 5,961 million (June 30, 2022: Rs 3,363 million) overdue receivable from refineries (i.e. ARL, CNERGY, PARCO, NRL and PRL) and various LPG / other customers. The GoP is committed, hence continuously pursuing for satisfactory settlement of Inter-corporate circular debt issue, however, the progress is slower than expected resulting in accumulation of the Holding Company's trade debts. The Holding Company considers this amount to be fully recoverable because the GoP has been assuming the responsibility to settle the Inter-corporate circular debt in the energy sector. The Holding Company recognises interest / surcharge, if any, on delayed payments from customers on receipt basis. As disclosed in note 2.3 to these condensed consolidated interim financial statements, SECP has deferred the applicability of ECL model for financial years ending on or before December 31, 2024 on financial assets due directly / ultimately from GoP in consequence of the circular debt.

Specific provision has been created against receivables from CNERGY and EGAS as a result of disputes disclosed in notes 13.5 and 13.6 to the consolidated financial statements for the year ended June 30, 2022.

Based on the measures being undertaken by the GoP including inter-corporate circular debt, the Holding Company considers the overdue amounts to be fully recoverable and therefore, no provision for doubtful debts has been made in these condensed consolidated interim financial statements, except for provision against receivable from CNERGY and EGAS.

7.3 As disclosed in note 13.4 to the consolidated financial statements for the year ended June 30, 2022, trade debts do not include GDS and GIDC amounting to Rs 75,920 million (June 30, 2022: Rs 66,959 million) and Rs 3,199 million (June 30, 2022: Rs 4,999 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 date of statement of financial position.

	March 31, 2023 Unaudited	June 30, 2022 Audited
	(Rupees in thousand)	
8. SHORT-TERM INVESTMENTS		
At amortised cost		
- Local currency term deposits with banks - note 8.1	2,344,500	847,500
- Foreign currency term deposits with banks - note 8.2	28,523,336	16,359,886
- Local currency treasury bills - note 8.1 & 8.3	20,978,077	52,426,957
	51,845,913	69,634,343
At fair value through profit or loss		
- Mutual Funds - note 8.4	16,844,003	-
	68,689,916	69,634,343

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

For the nine months period ended March 31, 2023

- 8.1** These carry profit ranging from 14.41% to 19.25% (June 30, 2022: 7.54% to 17.66%) per annum and are due to mature latest by March 2024. As disclosed in note 18.3 to the consolidated financial statements for the year ended June 30, 2022, treasury bills amounting to Rs 1,715 million were pledged as collateral to a financial institution for issuance of bank guarantee amounting to Rs 1,536 million in favour of the Nazir of Sindh High Court. During the period, the pledged treasury bills were matured and released, and the collateral was replaced with local currency term deposit amounting to Rs 1,700 million against the said bank guarantee. Further, the said bank guarantee has been released and lien on TDRs has also been removed as disclosed in note 10.5.
- 8.2** These represent foreign currency term deposits with banks amounting to USD 100.739 million (June 30, 2022: USD 66.882 million) having effective interest rate ranging from 4% to 13.87% (June 30, 2022: 1.40% to 10.55%) per annum and are due to mature latest by February 2024.
- 8.3** These carry profit ranging from 15.64% to 21.65% (June 30, 2022: 10.62% to 14.65%) per annum and are due to mature latest by October 2023. These bills were issued by GoP and sold through State Bank of Pakistan.
- 8.4** These represent investments in money market mutual funds. During the period, average annualised return is 15.09% (June 30, 2022: 8.93%).

March 31, 2023	June 30, 2022
Unaudited	Audited

(Rupees in thousand)

9. TRADE AND OTHER PAYABLES

Creditors	982,983	861,400
Accrued liabilities	12,191,084	11,044,050
Security deposits / advances from LPG distributors	665,463	525,326
Retention money	105,796	102,607
Sales tax - net	2,919,583	1,833,074
Royalties	11,177,074	10,975,541
Lease extension bonus	35,542,246	30,159,897
Current accounts with joint operations	13,671,408	13,922,988
Staff retirement benefit funds	77,164	1,206,915
Provision for windfall levy on oil / condensate	23,134,937	17,495,473
Federal excise duty - net	97,518	125,910
Workers' Profit Participation Fund (WPPF)	5,973,508	-
Contractual obligations for Iraq EDPSC - note 9.2	1,332,246	967,540
Others	584,875	444,186
	<u>108,455,885</u>	<u>89,664,907</u>

- 9.1** As disclosed in note 26.1 to the consolidated financial statements for the year ended June 30, 2022, trade and other payables do not include GDS and GIDC amounting to Rs 75,920 million (June 30, 2022: Rs 66,959 million) and Rs 3,199 million (June 30, 2022: Rs 4,999 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.
- 9.2** These represent Infrastructure Fund amounting to Rs 265.182 million (USD 0.935 million) {June 30, 2022: Rs 192.588 million (USD 0.935 million)} and Training, Technology & Scholarship Fund amounting to Rs 1,067.064 million (USD 3.762 million) {June 30, 2022: Rs 774.952 million (USD 3.762 million)} payable under the EDPSC with Mdoc.

10. 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, 2022, except for the following:

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

For the nine months period ended March 31, 2023

10.1 During the period, the Tax Authorities while amending the assessment for tax year 2022 have created demand of Rs 4,904 million primarily on account of rate issue, provision for windfall levy and tax depreciation. The said tax demand was paid by the Holding Company under protest. In an appeal, the Commissioner Inland Revenue, Appeals (CIR-A) has maintained the order of the assessing officer on above issues. Consequently, the Holding Company has filed an appeal before Appellate Tribunal Inland Revenue (ATIR), which is pending for adjudication.

10.2 During the period, the Tax Authorities have issued an order dated February 28, 2023 by creating demand of Rs 8,419 million on account of super tax @ 10% for tax year 2022 in respect of agreement and non-agreement areas. The Honourable Sindh High Court (SHC), in another case, has annulled the levy of super tax for tax year 2022 on constitutional / legal grounds. Pursuant to appeal by the Tax Authorities, the Honourable Supreme Court of Pakistan (SCP), through interim order dated February 16, 2023 has directed the plaintiffs to pay super tax to the extent of 4% and stayed the balance tax demand till the appeal of Tax Authorities is finally decided by the SCP.

The Holding Company has paid Rs 591 million under protest which represents super tax @ 4% relating to income from non-agreement areas only. The super tax liability relating to income from agreement areas has been annulled by the CIR-A in an appeal filed before him on the ground of stability clause under the respective PCAs. The Holding Company is in the process to file a further appeal before ATIR with respect to non-agreement areas.

10.3 The ATIR has decided the appeal for tax year 2013 on account of following issues:

- (i) Legality of proceedings u/s 122(5A)
- (ii) Rate issue
- (iii) Depletion allowance
- (iv) Tax credits under section 65A, 65B and 65E.

Issues stated in (i) and (ii) above have been decided against the Holding Company whereas issue stated in (iv) above has been decided in the Holding Company's favour. The issue stated in (iii) above has been decided partly in favour of the Holding Company i.e. to the extent of deduction of royalty from gross sales for the purpose of determination of well-head value. The deduction of gathering and processing cost from well-head value has been maintained by ATIR in favour of Tax Authorities. The Holding Company is in the process of filing reference application before SHC on account of issues decided against the Holding Company.

10.4 The Holding Company's petition before SHC against retrospective withdrawal of tax credit under section 65B of the Income Tax Ordinance, 2001 vide Finance Act, 2019 was decided by the SHC, favourably allowing the claim of tax credit if plant and machinery was purchased before 30th day of June 2019 and installed before the 30th day of June 2021.

10.5 As disclosed in 27.1.6 (b) to the consolidated financial statements for the year ended June 30, 2022, during the period, the Tax Authorities have issued a withdrawal notice in respect of recovery notice dated November 24, 2021 on account of late payment of GDS. Accordingly, the bank guarantee amounting to Rs 1,536 million has been released by the Nazir of SHC and the same has been disclosed in note 8.1.

10.6 Group's total commitments for capital expenditure (net share) as at March 31, 2023 are Rs 753 million (June 30, 2022: Rs 1,084 million).

10.7 With respect to PMPL (note 6.2), the Holding Company has entered into a Joint Venture Agreement with the stakeholders, under which the Holding Company has committed to further invest up to USD 398 million, to be adjusted for inflation, for funding its proportionate share during Phase-I of the Reko Diq project. In addition, the Holding Company has committed to contribute, in the form of equity, up to USD 1 million per year towards its proportionate share in the administrative expenses of PMPL. Furthermore, the Holding Company has provided a several corporate guarantee to fund the obligations of the Holding Company under the Definitive Agreements.

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
(Rupees in thousand)		
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	156,786,097	100,416,324
Gas supplied to Sui villages	898,238	665,620
Internal consumption of gas	443,156	323,066
Crude oil / Condensate / Natural Gas Liquids	68,489,940	51,095,693
LPG	16,406,060	13,281,366
Barytes	1,180,359	814,896
	<u>244,203,850</u>	<u>166,596,965</u>
Government levies / discounts		
Federal excise duty	(1,220,459)	(1,168,738)
Sales tax - note 11.1	(27,427,410)	(23,485,878)
Petroleum levy	(419,486)	(405,166)
Discounts (Barytes)	(19,706)	(27,835)
	<u>(29,087,061)</u>	<u>(25,087,617)</u>
	<u>215,116,789</u>	<u>141,509,348</u>

11.1 During the period, vide SRO 179(I)/2023, dated February 14, 2023, the rate of general sales tax rate has increased from 17% to 18%.

12. OPERATING EXPENSES

Salaries, wages, welfare and other benefits	8,434,576	7,456,339
Operator's personnel	2,330,961	2,021,377
Depreciation	5,045,852	4,714,310
Amortisation of decommissioning assets	3,393,663	1,324,219
Amortisation of D&P assets	7,347,474	6,431,161
Plant operations	2,906,892	2,488,735
Well interventions	1,430,108	780,867
Field services	2,211,825	1,837,347
Crude oil transportation	835,456	665,713
Travelling and conveyance	641,731	456,663
Training & development	74,061	35,975
PCA overheads	156,799	125,373
Insurance expenses	571,958	460,501
Free supply of gas to Sui villages	898,238	665,620
Social welfare / community development	337,068	188,589
	<u>36,616,662</u>	<u>29,652,789</u>

13. EXPLORATION EXPENSES

13.1 Exploration expenses for the period also include cost of dry / abandoned wells amounting to Rs 3,796 million (March 2022: Rs 6,535 million).

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
14. OTHER CHARGES		
WPPF charge	5,973,508	3,587,077
Provision for windfall levy on oil / condensate	5,689,000	4,295,000
Write off / Impairment of property, plant and equipment & capital stores - note 5.1.2	780,142	1,121,222
Provision / reversal of provision for obsolete / slow moving stores & spares	26,057	(161,724)
Others	-	42,984
	<u>12,468,707</u>	<u>8,884,559</u>
15. OTHER INCOME		
Income from financial assets		
Income on loans and bank deposits	539,047	298,498
Income on local currency term deposits	490,665	762,470
Income on foreign currency term deposits	1,336,824	591,552
Income from investment in treasury bills	4,906,754	2,142,553
Exchange gain on foreign currency - net	6,465,856	5,402,795
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	1,192,759	916,445
	<u>14,931,905</u>	<u>10,114,313</u>
Income from assets other than financial assets		
Rental income on assets	3,869	3,577
Insurance claims	37,671	839
Gain on disposal of property, plant and equipment (net)	35,210	68,104
Others	11,999	220,610
	<u>15,020,654</u>	<u>10,407,443</u>
16. TAXATION		
Current		
- For the nine months	45,318,664	25,004,238
- For the prior year	396,829	610,327
	45,715,493	25,614,565
Deferred	1,238,530	(1,647,266)
	<u>46,954,023</u>	<u>23,967,299</u>
16.1	Current and deferred tax include provision for super tax imposed by the GoP at the rate of 4% amounting to Rs 4,187.327 million and Rs 133.920 million, respectively.	
	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
17. CASH AND CASH EQUIVALENTS		
Short-term highly liquid investments - note 17.1	29,217,140	38,998,065
Cash and bank balances	3,938,746	7,129,155
	<u>33,155,886</u>	<u>46,127,220</u>
17.1	Short-term investments as disclosed in note 8 amount to Rs 68,690 million (March 2022: Rs 55,127 million). However, certain investments which were not considered highly liquid, comprising foreign currency term deposits with banks amounting to Rs 15,484 million (March 2022: Rs 7,395 million), local currency term deposits with banks amounting to Rs 2,344 million (March 2022: Rs 118 million), treasury bills amounting to Rs 4,801 million (March 2022: Rs 8,616 million) and mutual funds amounting to Rs 16,844 million (March 2022: Nil), have not been classified as cash and cash equivalents..	

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
18. EARNINGS PER SHARE		
18.1 Basic earnings per share		
Profit after taxation (Rs '000)	81,347,609	51,526,164
Dividend on convertible preference shares (Rs '000)	(32)	(32)
Profit attributable to ordinary shareholders (Rs '000)	<u>81,347,577</u>	<u>51,526,132</u>
Weighted average number of ordinary shares in issue	<u>2,720,973,063</u>	<u>2,720,972,750</u>
Basic earnings per share (Rs)	<u>29.90</u>	<u>18.94</u>

18.1.1 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, 2023	Nine months ended March 31, 2022
18.2 Diluted earnings per share		
Profit after taxation (Rs '000)	<u>81,347,609</u>	<u>51,526,164</u>
Weighted average number of ordinary shares in issue	<u>2,720,973,063</u>	2,720,972,750
Adjustment for convertible preference shares	<u>10,465</u>	<u>10,778</u>
Weighted average number of ordinary shares for diluted earnings per share	<u>2,720,983,528</u>	<u>2,720,983,528</u>
Diluted earnings per share (Rs)	<u>29.90</u>	<u>18.94</u>

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. The Holding Company, in the normal course of business, pays for utilities and makes regulatory payments to entities controlled by GoP which are not material, hence not disclosed in these condensed consolidated interim financial statements. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed consolidated interim financial statements are as follows:

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
Sales of hydrocarbon / barytes to State controlled entities (including Government levies)		
GENCO-II	16,445,179	7,355,359
SSGCL	68,488,552	41,490,849
SNGPL	71,852,366	51,570,116
EPRF	1,145,974	-
OGDCL	34,288	84,498
	<u>157,966,359</u>	<u>100,500,822</u>
Long-term receivables, trade debts and other receivables from state controlled entities as at March 31		
	<u>462,872,023</u>	<u>329,125,745</u>
Transactions and balances with Associated Companies		
Sales of crude oil / condensate to PARCO	3,968,269	8,515,583
Sales of crude oil / condensate to PRL	2,018,410	2,194,689
Payment to Total PARCO Pakistan Limited	821	31,977
Membership / sponsorship fee paid to Petroleum Institute of Pakistan	13,322	3,994
Purchase of medicines from Sanofi-Aventis Pakistan Limited	3,682	2,953
Annual supervision fee paid to Audit Oversight Board	-	500
Equity investment in PMPL	1,733,988	-
Equity investment in PIOL	2,181,000	4,161,250
Receivable from PIOL as at March 31	99,793	133,623
Service fee (G&A overheads) charged to PIOL	60,333	18,183
Payment of employees cost on secondment to PIOL	243,570	104,455
Payment to Mari Petroleum Company Limited (MPCL) against gas processing & field services received	113,601	-
Transactions and balances with Joint Operations		
Payments of cash calls to joint operations	26,894,938	25,581,657
Expenditures incurred by the joint operations	26,252,117	22,357,646
Under advance balances relating to joint operations as at March 31	13,017,797	7,814,606
Current account receivables relating to joint operations as at March 31	1,505,757	1,310,240
Current account payables relating to joint operations as at March 31	241,780	254,278
Income from rental of assets to joint operations	3,869	3,577
Purchase of goods from BME (net)	116,826	141,568
Reimbursement of employee cost on secondment to BME	19,741	16,107
Dividend income from BME	300,000	250,000
Other related parties		
Dividends paid to GoP	2,755,296	6,429,023
Unclaimed dividends pertaining to BESOS	910,261	700,200
Dividends paid to trusts under retirement benefit funds	2,272	5,301
Transactions with retirement benefit funds	1,174,843	904,716
Remuneration to key management personnel	2,808,453	2,437,125
Payment to PPL Welfare Trust for CSR activities	24,000	21,000
Payment of rental to Pakistan Industrial Development Corporation	140,095	123,479
Payment of rental to Karachi Port Trust	5,555	8,031
Payment of insurance premium to National Insurance Company Limited (NICL)	909,773	951,971
Insurance claim received from NICL	37,671	839
Fuel purchased from Pakistan State Oil Company Limited	74,016	471,650

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

For the nine months period ended March 31, 2023

	Nine months ended March 31, 2023	Nine months ended March 31, 2022
	(Rupees in thousand)	
Payment for chartered flights to Pakistan International Airlines Corporation Limited	34,511	85,506
Deposits with National Bank of Pakistan as at March 31	8,590	2,024,959
Interest income earned on deposits with NBP	20,009	7,693
Deposit with GoP for equity stake in Reko Diq	-	34,106,250
Investment in Mutual Funds with NBP Fund Management Limited as at March 31	5,562,512	-
Dividend income / gain on mutual funds investment with NBP Fund Management Limited	467,396	-
Payment to Hydrocarbon Development Institute of Pakistan (HDIP)	704	-

- 19.1** Aggregate amount charged in these condensed consolidated interim financial statements in respect of fees to thirteen non-executive directors was Rs 33.550 million (March 2022: Rs 23.375 million to eleven non-executive directors).

In addition to the above, during the period an amount of Rs 0.450 million (March 2022: Rs 0.500 million) was paid to directors of PPLA and PPLE as directors' fee.

- 19.2** The Holding Company has provided parent company guarantee to GoP in respect of PPLE's exploration licences in Pakistan i.e. Barkhan, Harnai and Ziarat.
- 19.3** The Holding Company has a receivable of Rs 7.59 million (March 2022: 10.04 million) from OGDCL, MPCL and GHPL (Rs 2.46 million, Rs 2.76 million and Rs 2.37 million receivable, respectively) with respect to the payments made by the Holding Company on their behalf for expenses related to PIOL.
- 19.4** The Holding Company has a receivable of Rs 0.619 million (March 2022: 6.56 million) from OGDCL on account of payments made by the Holding Company on its behalf with respect to the Reko Diq project.

20. DATE OF AUTHORISATION FOR ISSUE

These condensed consolidated interim financial statements were authorised for issue on April 27, 2023 by the Board of Directors of the Holding Company.

CHIEF FINANCIAL OFFICER

DIRECTOR

CHIEF EXECUTIVE OFFICER



Pakistan Petroleum Limited

PIDC House, Dr. Ziauddin Ahmed Road
P.O. Box 3942, Karachi-75530, Pakistan
UAN: +92 (21) 111 568568
Fax: +92 (21) 35680005, 35682125
website: www.ppl.com.pk

