



PAKISTAN OILFIELDS LIMITED

Ref: POL/FIN-CORP/PSX/23-24/027

February 28, 2024

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

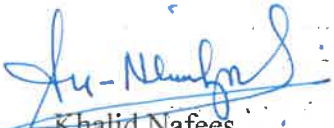
Dear Sir,

INTERIM REPORT AND ACCOUNTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2023

Please be informed that we have uploaded the accounts for three months ended December 31, 2023 on Pakistan Unified Corporate Action Reporting System (PUCARS) and on the website of the Company.-

Kind regards,

Yours faithfully,
For PAKISTAN OILFIELDS LIMITED


Khalid Nafees
Company Secretary

Cc:

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

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



Pakistan Oilfields Limited



Condensed Interim Financial Statements

For the six months ended
December 31, 2023



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VISION

To be the leading oil and gas exploration and production Company of Pakistan with the highest proven hydrocarbon reserves and production, and which provides optimum value to all stakeholders.

MISSION

We aim to discover and develop new hydrocarbon reserves and enhance production from existing reserves through the application of the best available technologies and expertise.

In achieving our aim, we will maximize the return to our shareholders, fully protect the environment, enhance the wellbeing of our employees and contribute to the national economy.



Corporate Information

Directors

Mr. Laith G. Pharaon

Chairman Attock Group of Companies
Alternate Director - **Mr. Shuaib A. Malik**

Mr. Wael G. Pharaon

Alternate Director - **Mr. Babar Bashir Nawaz**

Mr. Sajid Nawaz

Mr. Abdus Sattar

Mr. Shamim Ahmad Khan

Agha Sher Shah

Mr. Shuaib A. Malik

Chairman & Chief Executive

Audit Committee

Mr. Shamim Ahmad Khan

Chairman

Mr. Abdus Sattar

Member

Mr. Babar Bashir Nawaz

Member

Agha Sher Shah

Member

Human Resource and Remuneration (HR &R) Committee

Mr. Babar Bashir Nawaz

Chairman

Mr. Shuaib A. Malik

Member

Mr. Abdus Sattar

Member

Company Secretary / CFO

Mr. Khalid Nafees

Auditors & Tax Advisors

A.F. Ferguson & Co.

Chartered Accountants

Legal Advisors

Khan & Piracha

Ali Sibtain Fazli & Associates

Registered Office

Pakistan Oilfields Limited
Pol House, Morgah, Rawalpindi.
Telephone: +92 51 5487589-97
Fax: + 92 51 5487598-99
E-mail: polcms@pakoil.com.pk
Website: www.pakoil.com.pk

Shareholder's Enquiries

For enquiries about your shareholding, including information relating to dividends or share certificates, please:
E-mail to: cs@pakoil.com.pk or
Write to: The Company Secretary,
Pakistan Oilfields Limited
Pol House, Morgah, Rawalpindi,
Pakistan.

Share Registrar

CDC Share Registrar Services Limited
CDC House 99-B, Block 'B' S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.
Email: info@cdcsrsl.com
Telephone: 0800 23275 (CDCPL)

Quarterly Report

The quarterly report can be downloaded from the Company's website:
www.pakoil.com.pk

printed copies can be obtained by writing to:

The Company Secretary,
Pakistan Oilfields Limited
POL House, Morgah, Rawalpindi,
Pakistan.



Directors' Report

In the name of ALLAH, The Most Gracious, The Most Merciful

Assalam-u-Alaikum!

The Board takes pleasure in presenting a brief review of the operations and financial results of the Company for the six months ended December 31, 2023.

Financial results

The Company has achieved a notable Profit After Tax of Rs. 17,578.9 million during the period, marking a substantial increase of 22.47% compared to the corresponding period last year (December 31, 2022: Rs. 14,353 million). The profit translates into basic and diluted earnings per share of Rs. 61.93 (December 31, 2022: Rs. 50.57). The increase in profit is mainly due to increased sales value, lower exploration costs, increased interest income due to higher deposits & interest rates on bank deposits offset to some extent by decreased volumes, exchange loss on financial assets. Production volume of crude oil, gas & LPG decreased by 6.23%, 2.72% & 4.94% respectively in comparison to corresponding period last year.

The Company also reported a consolidated profit after tax of Rs. 17,921 million, translating into consolidated earnings per share of Rs. 63.06, showing a relatively stable performance compared to the same period last year when the profit was Rs. 14,522 million and earnings per share were Rs. 51.11.

Production

The following is a comparison of production from the Company's own fields, including proportionate share from all operated and non-operated joint ventures:

		Six months ended	
		Dec. 31, 2023	Dec. 31, 2022
Crude Oil	US Barrels	892,863	952,231
Gas	Million Cubic Feet	11,676	12,002
LPG	Metric Tones	25,927	27,273
Sulphur	Metric Tones	314	289
Solvent Oil	US Barrels	10,326	9,499

The Company's share in production, including that from joint ventures, for the period under review averaged 4,853 barrels per day (bpd) of crude, 63.45 million standard cubic feet per day (mmscfd) of gas, 140.91 metric tons per day (MTD) of LPG, 1.70 MTD of Sulphur and 56 bpd of solvent oil.

EXPLORATION AND DEVELOPMENT ACTIVITIES

Producing Fields

Balkassar Deep-1A well was spudded on April 26, 2023, drilling, after encountering different problems, is in progress at 13,945 ft. The initial prognosed total depth of the well is 14,110 ft. The main objective of the well is to test the hydrocarbon potential of Chorgali and Sakesar formations of the second sheet underneath main Balkassar structure.

At Pindori Lease (operated by POL with a 35% share), 3D seismic acquisition project of 60 square kilometers has been completed and data processing is in progress to evaluate the prospectivity of Chorgali formation and to evaluate the possibility to produce un-drained oil.

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%), Makori East-5 sidetrack was completed to the target up-dip location and connected to the production line. Presently producing 1,750 barrels of oil per day and 6.5 million cubic feet of gas per day at 64/64" fixed choke size.

Makori-3 well is also approved and delineation of suitable drilling locations for development of Tolanj West and Makori East fields is in progress.



At Adhi Lease (operated by PPL, where POL has 11 share), Adhi-35 well was spudded on January 27, 2023, drilled down to the target depth. Tested Khewra / Tobra formations which was found water wet. In order evaluate the full potential of the well, preparation are under way to put this well on gas lift.

Adhi South-6 was spudded on June 18, 2023 and drilled to the target depth tested and currently producing 550 barrels of oil per day with well head flowing pressure of 135 psi.

Adhi South-8 and 9 wells have been approved by the joint venture partners.

At Ratana Development and Production Lease (operated by Orient Petroleum Inc., where POL has 4.54% share), Ratana - 5A has been approved by the Joint Venture Partners.

Exploration Blocks

At Ikhlas block (operated by POL with 80% share), Jhandial well -3 drilling at 15,800 ft is in progress. The target depth is +/- 17,855 ft.

At DG Khan block (operated by POL with a 70% share), gravity survey will be carried out to evaluate remaining leads.

North Dhurnal block (operated by POL with 60% share) design study has been completed to acquire 285.3 square kilometers 3D seismic data. Bidding process for data acquisition is under evaluation.

At Tal block (operated by MOL where POL has pre commerciality share of 25%), an exploratory well Razgir has been spudded on January 09, 2024 and drilling at 1,355 feet is in progress. The target depth of this well is +/- 14,242 ft.

3D seismic data interpretation of Makori, Makori Deep, Billitang, Kot South, has been completed while seismic interpretation on Kahi North, Sarozai, Sarozai Deep, Manzalai South, Manzalai Deep leads is in progress.

At Hisal block (operated by PPL where POL has 25% share), 3D seismic acquisition of 235 square kilometers has been completed. Data processing to carry out the fracture identification study is in progress.

At Gurgalot block (operated by OGDCL where POL has 20% share), 3D seismic data interpretation has been completed and subsurface location of Gurgalot X-1 has been finalized, well planning is in progress.

At Taung block (operated by Mari Petroleum where POL has 40% share), 340.94 square kilometers 3D Seismic acquisition and interpretation has been completed for the identification of leads.

At Nareli Block (operated by Mari Petroleum where POL has 32% share), 2D seismic acquisition program of 456 line kilometers-firm and 164 line kilometers-contingent was approved and data acquisition work is in progress.

Chah Bali exploration license was awarded to OGDC as an operator with 70% share and to POL with 30% share on November 22, 2022. Agreement for Multanai Block is in the signing process with the Government.

In the recent bidding, POL won Saruna Block as an operator with 40% share.

Acknowledgement

The Board would like to extend its gratitude to all its stakeholders for their continuous support, which they have extended to Pakistan Oilfields Limited.

On behalf of the Board

Shuaib A. Malik

Chairman & Chief Executive

Abdus Sattar

Director

Dubai
February 5, 2024

مکوڑی، مکوڑی ڈیپ، بیلینا نگ، کوٹ جنوبی کی 3D ارضیاتی اعداد و شمار کی تشریح مکمل کر لی گئی ہے جبکہ کاہی شمالی، سروزی، سروزی ڈیپ، منزلی جنوبی، منزلی ڈیپ لیڈز پر تشریح کا عمل جاری ہے۔

حصال بلاک (زیر انتظام پی پی ایل جہاں پی او ایل کا حصہ ۲۵ فی صد ہے) ۲۳۵ مربع کلومیٹر کے 3D ارضیاتی اعداد و شمار کا حصول مکمل کر لیا گیا ہے اور فریکچر کی شناخت کی کاروائی جاری ہے۔

گرگلوٹ بلاک (زیر انتظام او جی ڈی سی ایل جہاں پی او ایل کا حصہ ۲۰ فی صد ہے) 3D ارضیاتی اعداد و شمار کی تشریح کا کام مکمل ہو چکا ہے اور گرگلوٹ X-1 کے مقام کو حتمی شکل دے دی گئی ہے اور فی الوقت کنویں کی منصوبہ بندی کی جا رہی ہے۔

توہنگ بلاک (زیر انتظام ماری پٹرولیم جہاں پی او ایل کا حصہ ۴۰ فی صد ہے) ۳۴۰.۹۴ مربع کلومیٹر 3D ارضیاتی اعداد و شمار کی تشریح کا کام مکمل ہو چکا ہے اور لیڈز کی شناخت کے لئے تشریح مکمل کر لی گئی ہے۔

زریلی بلاک (زیر انتظام ماری پٹرولیم جہاں پی او ایل کا حصہ ۳۲ فی صد ہے) ۴۵۶ لائن کلومیٹر (یقینی) اور ۱۶۴ لائن کلومیٹر (Contingent) کے لئے 2D ارضیاتی اعداد و شمار کے حصول کا پروگرام منظور ہو چکا تھا اور اس پر کام جاری ہے۔

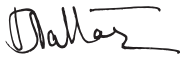
۲۲ نومبر ۲۰۲۲ء کو چاہ بالی دریا فنی لائسنس او جی ڈی سی ایل (۷۰ فیصد حصص کے ساتھ بطور آپریٹر) اور پی او ایل (۳۰ فیصد حصص) کو دیا گیا۔ ملتانائی بلاک کے لیے حکومت کے ساتھ معاہدے پر دستخط کا عمل جاری ہے۔

حالیہ بولی میں پی او ایل نے بطور آپریٹر (۴۰ فیصد) سرونا بلاک جیتا۔

اعتراف

بورڈ آف ڈائریکٹرز کمپنی کے تمام متعلقین کے مسلسل تعاون پر ان کو خراج تحسین پیش کرتا ہے۔

منجانب بورڈ:



عبدالستار

ڈائریکٹر



شعیب اے ملک

چیرمین و چیف ایگزیکٹو

دوبئی

۵ فروری ۲۰۲۲ء

کا سامنا کرنے کے بعد ۱۳،۹۲۵ فٹ پر کھدائی جاری ہے۔ کنویں کی متوقع کل گہرائی ۱۴،۱۱۰ فٹ ہے۔ کنویں کا بنیادی مقصد مرکزی بلکسر ڈھانچے کے نیچے دوسری شیٹ کی چورنگی اور سیکس فار میٹرز کی ہائیڈروکاربن صلاحیت کو جانچنا ہے۔

پنڈوری (۳۵ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) ۶۰ مربع کلومیٹر کے 3D ارضیاتی اعداد و شمار حاصل کیے جا چکے ہیں اور تشریح کا کام جاری ہے تاکہ چورنگی کا تجزیہ کر کے باقی ماندہ تیل نکالنے کا جائزہ لیا جاسکے۔

تک بلاک (زیر انتظام مول جہاں قبل از تجارتی پیداوار پی او ایل کا حصہ ۲۵ فی صد ہے) مکوڑی شرقی-۵ سائیڈ ٹریک کو اپ ڈیپ لوکیشن تک مکمل کیا جا چکا ہے اور پیداواری لائن سے منسلک کر دیا گیا۔ فی الحال ۶۴/۶۴" فکسڈ چوک سائز پر یومیہ ۷۵،۷۵، ۱،۷۵ بیرل تیل اور ۶.۵ ملین مکعب فٹ گیس کی پیداوار ہو رہی ہے۔

مکوڑی-۳ کنویں کی منظوری بھی دے دی گئی ہے اور تونلج غربی اور مکوڑی شرقی قطعات کی ترقی کے لئے کھدائی کے موزوں مقامات کی وضاحت جاری ہے۔

آہدی (زیر انتظام پاکستان پٹرولیم لمیٹڈ (پی پی ایل) جہاں پی او ایل کا حصہ ۱۱ فی صد ہے) آہدی ۳۵ کی کھدائی کا آغاز ۲۷ جنوری ۲۰۲۳ء کو ہوا اور ہدف کی گہرائی تک کھودا گیا۔ کھیوڑہ اور تو بڑہ فارمیشن کا تجزیہ کیا گیا۔ جن میں پانی کی مقدار پائی گئی۔ کنویں کی مکمل صلاحیت کا جائزہ لینے کے لئے اس کنویں کو گیس لفٹ پر لگانے کی تیاری جاری ہے۔

آہدی جنوبی-۶ کی کھدائی کا آغاز ۱۸ جون ۲۰۲۳ء کو کیا گیا اور ہدف کی گہرائی تک کھودا گیا تھا اور فی الحال ۱۳۵ پی ایس آئی کے ویل ہیڈ پریشر کے ساتھ یومیہ ۵۵ بیرل تیل کی پیداوار ہو رہی ہے۔

آہدی جنوبی-۸ اور ۹ کنویں کی منظوری شراکت داروں کی جانب سے دے دی گئی ہے۔

رتانہ ترقیاتی و پیداواری لیز (زیر انتظام اورینٹ پیٹرولیم جہاں پی او ایل کا حصہ ۵۴.۵ فی صد ہے) رتانہ ۵ اے کی منظوری شراکت داروں کی جانب سے دے دی گئی ہے۔

دریافتی قطعات :

اخلاص بلاک (۸۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) جنڈیال-۳ کی کھدائی ۱۵،۸۰۰ فٹ پر جاری ہے۔ ہدف کی گہرائی +/- ۸،۵۵۵ فٹ ہے۔

ڈی جی خان بلاک (۷۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) کی بقیہ لیڈز کا جائزہ لینے کے لئے کشش ثقل کا سروے کیا جائے گا۔

شمالی دھرنال بلاک (۶۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) ۲۸۵.۳ مربع کلومیٹر 3D ارضیاتی اعداد و شمار کے حصول کے لئے ڈیزائن مکمل کر لیا گیا ہے اس حوالے سے بولی کا عمل جاری ہے۔

تل بلاک (زیر انتظام مول جہاں پی او ایل کا قبل از تجارتی پیداوار حصہ ۲۵ فی صد ہے) ایک دریافتی کنویں رازگیری کھدائی ۹ جنوری ۲۰۲۳ء کو ہوئی اور ۳۵،۵۵۵ فٹ پر کھدائی جاری ہے۔ ہدف کی گہرائی +/- ۴،۲۳۲ فٹ ہے۔

ڈائریکٹرز رپورٹ

شروع اللہ کے نام سے جو بے حد مہربان نہایت رحم کرنے والا ہے۔

السلام علیکم!

ڈائریکٹرز کو ۳۱ دسمبر، ۲۰۲۳ء کو اختتام پذیر چھ ماہ کے مالیاتی نتائج اور کمپنی کے امور کا خلاصہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالیاتی نتائج:

اس عرصے میں کمپنی نے بعد از ٹیکس ۱۷،۵۷۸.۹ ملین روپے منافع کمایا جو ۳۱ دسمبر، ۲۰۲۲ء (۱۴،۳۵۳ ملین روپے) کی نسبت ۲۲.۴۷ فیصد زائد رہا۔ اس شاندار کارکردگی کی بدولت فی حصص آمدنی ۶۱.۹۳ روپے (۳۱ دسمبر، ۲۰۲۲ء ۵۰.۵۷ روپے) رہی۔ منافع میں اس اضافے کی نمایاں وجہ فروخت کی قدر میں اضافہ، کم در یافتی اخراجات، شرح منافع اور بینک ڈپازٹس میں اضافہ ہیں۔ اس منافع میں کسی حد تک کمی کی وجہ خام تیل اور گیس کے حجم میں کمی اور مالیاتی اثاثوں پر زرمبادلہ کے نقصان ہیں۔ خام تیل، گیس اور مائع پٹرولیم گیس کی پیداوار گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب ۶.۲۳ فیصد، ۲.۷۲ اور ۴.۹۴ فیصد کم رہی۔ اس عرصے میں کمپنی کا بعد از ٹیکس مجموعی منافع ۹۲۱،۷۱ ملین روپے ہے جو ظاہر کرتا ہے کہ فی حصص مجموعی آمدنی ۶۳.۰۶ روپے رہی، کارکردگی نسبتاً مستحکم رہی جبکہ گزشتہ سال اسی دورانیہ میں منافع ۱۴،۵۲۲ ملین اور فی حصص مجموعی آمدنی ۵۱.۱۱ روپے رہی۔

پیداوار:

کمپنی کی اپنی اور دیگر انتظامی وغیر انتظامی مشترکہ منصوبوں سے حاصل شدہ متناسب پیداوار کا موازنہ درج ذیل ہے:

چھ ماہ کے اختتام پر

۳۱ دسمبر، ۲۰۲۲ء	۳۱ دسمبر، ۲۰۲۳ء		
۹۵۲،۲۳۱	۸۹۲،۸۶۳	یو ایس بیرل	خام تیل
۱۲،۰۰۲	۱۱،۶۷۶	ملین کیوبک فٹ	گیس
۲۷،۷۲۳	۲۵،۹۲۷	میٹرک ٹن	مائع پٹرولیم گیس
۲۸۹	۳۱۴	میٹرک ٹن	سلفر
۹،۴۹۹	۱۰،۳۲۶	یو ایس بیرل	سلاونٹ آئل

زیر جائزہ مدت میں کمپنی کی یومیہ پیداوار بشمول مشترکہ منصوبوں کے اوسطاً یوں رہی: خام تیل ۸۵۳،۸۵ بیرلز، گیس ۶۳،۴۵ ملین سٹینڈرڈ مکعب فٹ، مائع پٹرولیم گیس ۱۴۰،۹۱ میٹرک ٹن، سلفر ۱.۷۰ میٹرک ٹن اور سلاونٹ آئل ۵۶ بیرلز۔

دریافتی اور ترقیاتی سرگرمیاں:

پیداواری قطعات:

بلکسر (۱۰۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) بلکسر ڈیپ-1A کی کھدائی ۲۶ اپریل ۲۰۲۳ء کو شروع ہوئی اور مختلف مسائل



A. F. FERGUSON & CO.

Independent Auditor's Review Report to the members of Pakistan Oilfields Limited**Report on review of Interim Financial Statements****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Pakistan Oilfields Limited as at December 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of profit or loss and other comprehensive income for three month period ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2023.

Scope of Review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Aftab Ahmad.

Chartered Accountants
Islamabad

Date: February 6, 2024
UDIN: RR20231061072N3x4izE

Condensed Interim Statement of Financial Position

As at December 31, 2023

	Note	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
Rupees ('000)			
SHARE CAPITAL AND RESERVES			
Authorised capital 500,000,000 (June 30, 2023: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital 283,855,104 (June 30, 2023: 283,855,104) ordinary shares of Rs 10 each		2,838,551	2,838,551
Revenue reserves	4	65,396,296	64,848,658
		68,234,847	67,687,209
NON CURRENT LIABILITIES			
Long term deposits		927,432	924,820
Deferred tax liability		6,830,932	4,667,144
Provisions	5	25,977,885	26,093,605
		33,736,249	31,685,569
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	6	42,322,380	37,912,225
Unpaid dividend - awaiting remittance by the authorized bank	7	13,545,594	9,433,214
Unclaimed dividend		322,148	317,153
Provision for income tax		12,586,046	12,003,268
		68,776,168	59,665,860
CONTINGENCIES AND COMMITMENTS			
	8		
		170,747,264	159,038,638



	Note	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
Rupees ('000)			
NON CURRENT ASSETS			
Property, plant and equipment	9	5,450,122	5,902,792
Development and decommissioning costs	10	7,538,316	7,825,449
Exploration and evaluation assets	11	5,362,303	1,760,799
		18,350,741	15,489,040
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES	12	9,615,603	9,615,603
LONG TERM LOANS AND ADVANCES		46,436	35,987
CURRENT ASSETS			
Stores and spares		6,855,907	6,004,002
Stock in trade		602,897	577,479
Trade debts	13	16,821,850	12,733,069
Advances, deposits, prepayments and other receivables	14	8,308,912	8,320,383
Other financial assets	15	1,168,158	1,112,163
Short term investments	16	30,745,259	34,855,131
Cash and bank balances	17	78,231,501	70,295,781
		142,734,484	133,898,008
		170,747,264	159,038,638

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

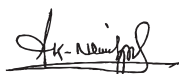
Abdus Sattar
Director

Condensed Interim Statement of Profit or Loss (Unaudited)

For the six months ended December 31, 2023

	Note	Three months ended		Six months ended	
		Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Rupees ('000)					
SALES		18,862,005	15,138,761	36,895,858	32,283,480
Sales tax		(1,444,326)	(1,060,380)	(2,739,905)	(2,172,079)
Excise duty		(53,712)	(56,943)	(109,693)	(113,562)
NET SALES	18	17,363,967	14,021,438	34,046,260	29,997,839
Operating costs	19	(3,706,229)	(3,083,605)	(6,226,056)	(5,193,090)
Royalty		(1,868,848)	(1,557,044)	(3,902,830)	(3,331,416)
Amortisation of development and decommissioning costs	20	(47,131)	(1,003,170)	(221,616)	(1,506,366)
		(5,622,208)	(5,643,819)	(10,350,502)	(10,030,872)
GROSS PROFIT		11,741,759	8,377,619	23,695,758	19,966,967
Exploration costs	21	(414,299)	(953,510)	(1,133,489)	(5,479,722)
		11,327,460	7,424,109	22,562,269	14,487,245
Administration expenses		(76,220)	(54,770)	(191,426)	(178,599)
Finance costs - net	22	(325,121)	486,088	(1,597,126)	(2,349,330)
Other charges	23	(908,026)	(661,604)	(1,816,484)	(1,154,102)
		(1,309,367)	(230,286)	(3,605,036)	(3,682,031)
Other income - net	24	2,881,228	2,103,560	7,772,976	8,738,599
PROFIT BEFORE TAXATION		12,899,321	9,297,383	26,730,209	19,543,813
Provision for taxation	25	(5,028,782)	(3,343,757)	(9,151,265)	(5,190,679)
PROFIT FOR THE PERIOD		7,870,539	5,953,626	17,578,944	14,353,134
Earnings per share					
- Basic and diluted (Rs)		27.73	20.98	61.93	50.57

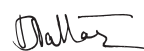
The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

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

For the six months ended December 31, 2023

	Three months ended		Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
Profit for the period	7,870,539	5,953,626	17,578,944	14,353,134
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	7,870,539	5,953,626	17,578,944	14,353,134

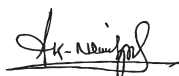
The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.

Khalid Nafees
Chief Financial OfficerShuaib A. Malik
Chief ExecutiveAbdus Sattar
Director

Condensed Interim Statement of Changes in Equity (Unaudited)
For the six months ended December 31, 2023

	Share capital	Revenue reserves			Total
		Insurance reserve	Investment reserve	Unappropriated profit	
Rupees ('000)					
Balance at June 30, 2022	2,838,551	200,000	1,557,794	46,467,116	51,063,461
Total comprehensive income for the period:					
Profit for the period	-	-	-	14,353,134	14,353,134
Other comprehensive income	-	-	-	-	-
	-	-	-	14,353,134	14,353,134
Transactions with owners:					
Final dividend @ Rs 50 per share - Year ended June 30, 2022	-	-	-	(14,192,755)	(14,192,755)
Balance at December 31, 2022	2,838,551	200,000	1,557,794	46,627,495	51,223,840
Total comprehensive income for the period:					
Profit for the period	-	-	-	22,099,448	22,099,448
Other comprehensive income	-	-	-	41,023	41,023
	-	-	-	22,140,471	22,140,471
Transactions with owners:					
Interim dividend @ Rs 20 per share - Year ended June 30, 2023	-	-	-	(5,677,102)	(5,677,102)
Balance at June 30, 2023	2,838,551	200,000	1,557,794	63,090,864	67,687,209
Total comprehensive income for the period:					
Profit for the period	-	-	-	17,578,944	17,578,944
Other comprehensive income	-	-	-	-	-
	-	-	-	17,578,944	17,578,944
Transactions with owners:					
Final dividend @ Rs 60 per share - Year ended June 30, 2023	-	-	-	(17,031,306)	(17,031,306)
Balance at December 31, 2023	2,838,551	200,000	1,557,794	63,638,502	68,234,847

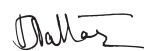
The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

**Condensed Interim Statement of Cashflows (Unaudited)**

For the six months ended December 31, 2023

	Note	Six months ended	
		Dec. 31, 2023	Dec. 31, 2022
Rupees ('000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		30,730,556	27,057,890
Operating and exploration costs paid		(5,310,207)	(6,462,811)
Royalty paid		(3,567,029)	(3,104,461)
Taxes paid		(6,404,701)	(6,343,676)
Cash provided by operating activities		15,448,619	11,146,942
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital Expenditure		(5,593,683)	(3,199,229)
Proceeds from disposal of property, plant and equipment		823	2,130
Income on bank deposits and investments at amortised cost		7,715,320	3,922,709
Investment in mutual funds - net		(44,654)	-
Dividend income received		255,973	517,162
Cash generated from investing activities		2,333,779	1,242,772
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(12,913,931)	(7,421,571)
EFFECT OF EXCHANGE RATE CHANGES		(1,042,619)	3,583,172
INCREASE IN CASH AND CASH EQUIVALENTS		3,825,848	8,551,315
CASH AND CASH EQUIVALENTS AT JULY 01,		105,150,912	67,722,676
CASH AND CASH EQUIVALENTS AT DEC. 31,		108,976,760	76,273,991
CASH AND CASH EQUIVALENTS			
Short term investments	16	30,745,259	18,000,514
Cash and bank balances	17	78,231,501	58,273,477
		108,976,760	76,273,991

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.

Khalid Nafees
Chief Financial OfficerShuaib A. Malik
Chief ExecutiveAbdus Sattar
Director

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

1 LEGAL STATUS AND OPERATIONS

Pakistan Oilfields Limited (the Company) is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas in Pakistan. Its activities also include marketing of liquefied petroleum gas under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Coral Holding Limited.

2 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International accounting standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 67 (I)/2023 dated January 20, 2023, in partial modification of its previous S.R.O. 985(1)/2019 and S.R.O 1177 (I)/2021 dated September 2, 2019 and September 13, 2021 respectively, has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP) in respect of circular debt, the requirements contained in IFRS 9 with respect to application of expected credit loss (ECL) model shall not be applicable till December 31, 2024, provided that such companies shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in respect of above referred financial assets during the exemption period. The Company has assessed that the above does not have any significant impact on its financial statements.

2.1 These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2023.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods for computation adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2023.



Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	Rupees ('000)	
4. REVENUE RESERVES		
Insurance reserve	200,000	200,000
Investment reserve	1,557,794	1,557,794
Unappropriated profit	63,638,502	63,090,864
	65,396,296	64,848,658
5. PROVISIONS		
Provision for decommissioning costs	25,975,503	26,090,656
Provision for staff compensated absences	2,382	2,949
	25,977,885	26,093,605

6. TRADE AND OTHER PAYABLES

These include balances due to joint operating partners amounting to Rs 3,109,416 thousand (June 30, 2023: Rs 2,580,128 thousand) and balances due to related parties amounting to Rs 1,726,296 thousand (June 30, 2023: Rs 2,073,676 thousand).

These also include payments received from a customer on account of additional revenue and related sales tax due to enhanced gas price incentive of Rs 29,830,474 thousand (June 30, 2023: Rs 27,020,337 thousand) as explained in note 18.1.

7. UNPAID DIVIDEND - AWAITING REMITTANCE BY THE AUTHORIZED BANK

This represents dividend payable to parent company (non-resident), The Attock Oil Company Limited in United Kingdom (UK), for the year June 30, 2022 and interim and final dividend for the year ended June 30, 2023 awaiting remittance by the authorized bank due to regulatory constraints.

8. CONTINGENCIES AND COMMITMENTS

8.1 There were no material contingencies which warrant disclosure as at December 31, 2023 (June 30, 2023: Nil).

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	Rupees ('000)	
8.2 Commitments:		
Share in joint operations	17,398,512	15,026,127
Own fields	922,586	4,586,947
Letter of credit issued by banks on behalf of the Company	82,572	818,030

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	Rupees ('000)	
9. PROPERTY, PLANT AND EQUIPMENT		
Operating assets		
Opening net book value	5,417,443	6,219,771
Additions during the period / year	277,126	830,624
Disposals during the period / year	(67)	(7,854)
Transfers to stores and spares	-	(19,248)
Depreciation for the period / year	(781,842)	(1,605,850)
Closing net book value	4,912,660	5,417,443
Capital work in progress - at cost	537,462	485,349
	5,450,122	5,902,792
10. DEVELOPMENT AND DECOMMISSIONING COSTS		
Development cost		
Opening net book value	7,559,182	9,801,407
Additions during the period / year	1,642,878	1,201,829
Revision due to change in estimates	(694,725)	(969,945)
Amortization for the period / year	(1,103,019)	(2,474,109)
Closing net book value	7,404,316	7,559,182
Decommissioning cost		
Opening net book value	266,267	407,719
Additions during the period / year	24,799	132,309
Revision due to change in estimates	(137,860)	(185,528)
Amortization for the period / year	(19,206)	(88,233)
Closing net book value	134,000	266,267
	7,538,316	7,825,449
11. EXPLORATION AND EVALUATION ASSETS		
Balance brought forward	1,760,799	3,019,833
Additions during the period / year	3,621,566	3,765,548
Dry and abandoned wells cost charged to statement of profit or loss	(20,062)	(5,024,582)
	5,362,303	1,760,799



Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

12. LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES - AT COST

	(Unaudited) December 31, 2023		(Audited) Jun. 30, 2023	
	Percentage holding	Amount Rupees ('000)	Percentage holding	Amount Rupees ('000)
Subsidiary company				
Unquoted				
Cargas (Private) Limited	51	1,530	51	1,530
Associated companies				
Quoted				
National Refinery Limited - Note 12.1	25	8,046,635	25	8,046,635
Attock Petroleum Limited	7	1,562,938	7	1,562,938
Unquoted				
Attock Information Technology Services (Private) Limited	10	4,500	10	4,500
		9,615,603		9,615,603

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

13. TRADE DEBTS

These include Rs 6,336,444 thousand (June 30, 2023: Rs 5,405,172 thousand) receivable from related parties.

14. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

These include balances due from joint operating partners amounting to Rs 352,333 thousand (June 30, 2023: Rs 450,493 thousand) and balances due from related parties amounting to Rs 679,523 thousand (June 30, 2023: Rs 488,571 thousand).

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
		Rupees ('000)

15. OTHER FINANCIAL ASSETS

Investments in mutual funds classified as fair value through profit or loss

1,168,158

1,112,163

16. SHORT TERM INVESTMENTS

This represents Treasury Bills carried at amortised cost having maturity of less than three months at yield ranging from 21.24% to 21.29% (June 30, 2023: 21.98% to 21.99%) per annum.

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	Rupees ('000)	
17. CASH AND BANK BALANCES		
Bank balance on		
Short term deposits	65,451,220	62,969,880
Interest / mark-up bearing saving accounts	12,645,493	7,279,702
Current accounts	129,765	42,198
	78,226,478	70,291,780
Cash in hand	5,023	4,001
	78,231,501	70,295,781

Balances with banks include foreign currency balances of US \$ 210,307 thousand (June 30, 2023: US \$ 201,024 thousand). The balances in saving accounts and short term deposits earned interest / mark-up ranging from 4% to 22.15% per annum (June 30, 2023: 2.69% to 21.75% per annum).

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
18. NET SALES				
Crude oil	9,358,566	7,716,409	19,001,964	17,154,290
Gas - note 18.1	5,359,648	4,244,450	10,923,403	8,570,989
Less : Shrinkages/Own use	838,405	677,251	1,674,527	1,374,392
	4,521,243	3,567,199	9,248,876	7,196,597
POLGAS - Refill of cylinders	3,349,957	2,602,458	5,488,001	5,368,760
Solvent oil	134,201	106,284	307,419	249,104
Sulphur	-	29,088	-	29,088
	17,363,967	14,021,438	34,046,260	29,997,839

18.1 On August 28, 2015, the Company signed the Supplemental Agreement with the Government of Pakistan (the Government) for conversion of TAL Block Petroleum Concession Agreement (PCA) signed under the 1997 Petroleum Policy to Petroleum (Exploration & Production) Policy 2012 (Petroleum Policy 2012). Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned block. The conversion package included Windfall levy on Natural gas only. Draft statements specifying sums aggregating US \$ 34,213 thousand (Rs 3,393,389 thousand) till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block were submitted to the Government on December 8, 2015. On October 9, 2017 Oil and Gas Regulatory Authority (OGRA) issued gas price notifications of the subject arrears.



Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

On December 27, 2017, the Ministry of Energy (Petroleum Division) notified certain amendments in Petroleum Policy 2012 which also included addition of following explanation of conversion package:

“the conversion package shall include (i) price of Natural Gas for New Exploration Efforts (ii) windfall levy on Natural Gas (iii) EWT gas production, pricing and obligations (iv) Windfall levy on Oil & Condensate, only for PCAs converting from 1994 and 1997 Petroleum Policies and (v) Financial obligations relating to production bonus, social welfare and training”.

Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 & 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On January 3, 2018, Directorate General Petroleum Concessions (DGPC) required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on legal advice, the Company is of the view that already executed Supplemental Agreement cannot be changed unilaterally, the Supplemental Agreement was signed under the Conversion Package where gas price was enhanced and Windfall Levy on Oil / Condensate (WLO) was not applicable, the impugned SRO by giving retrospective effect amounts to taking away the vested rights already accrued in favour of the Company. The Government has no authority to give any law or policy a retrospective effect. The Company filed Constitutional Petition challenging the imposition of WLO on February 19, 2018 against Federation of Pakistan through Ministry of Energy (Petroleum Division), Islamabad. The Honorable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. After multiple hearings, last hearing was fixed on June 30, 2022, however the same could not be heard and next date of hearing is yet to be announced.

On prudent basis additional revenue (net of sales tax) on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 since inception to December 31, 2023 amounting to Rs 28,304,604 thousand will be accounted for upon resolution of this matter (including Rs 25,265,875 thousand related to period since inception to June 30, 2023). Additional revenue on account of enhanced gas price incentive of Rs 25,407,174 thousand and sales tax of Rs 4,423,299 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables". Sales tax of Rs 4,423,299 thousand (June 30, 2023: Rs 3,928,026 thousand) received from customer on the basis of notified prices is declared in the monthly sales tax return as well as duly deposited with Federal Board of Revenue by the Company. The amount so deposited is included in "advances, deposits, prepayments and other receivables".

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
19. OPERATING COSTS				
Operating cost - own fields	363,192	431,894	782,419	829,632
- share in joint operations	1,631,931	1,501,956	3,081,068	2,418,740
Well workover	536,887	(8,786)	651,009	15,597
POLGAS - Cost of LPG, carriage etc.	707,471	761,039	1,129,977	1,271,393
Pumping and transportation cost	48,094	30,261	73,959	52,368
Depreciation	393,444	393,579	781,842	786,384
	3,681,019	3,109,943	6,251,474	5,374,114
Opening stock of crude oil and other products	628,107	539,335	577,479	384,649
Closing stock of crude oil and other products	(602,897)	(565,673)	(602,897)	(565,673)
	3,706,229	3,083,605	6,226,056	5,193,090
20. AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS				
Amortization charge for the year - Note 10	344,135	797,311	1,122,225	1,543,470
Revision in estimates of provision for decommissioning costs in excess of related assets credited to statement of profit or loss	(297,004)	205,859	(900,609)	(37,104)
	47,131	1,003,170	221,616	1,506,366
21. EXPLORATION COSTS				
Geological and geophysical cost	414,299	281,994	1,113,427	455,140
Dry and abandoned wells cost charged to the exploration costs - note 11	-	671,516	20,062	5,024,582
	414,299	953,510	1,133,489	5,479,722
22. FINANCE COSTS - NET				
Provision for decommissioning cost				
- Unwinding of discount	901,459	(209,847)	1,999,201	440,867
- Exchange (gain)/loss	(578,708)	(278,017)	(405,959)	1,905,102
Banks' commission and charges	2,370	1,776	3,884	3,361
	325,121	(486,088)	1,597,126	2,349,330



**Notes to and forming part of the Condensed Interim
Financial Statements (Unaudited)**

For the six months ended December 31, 2023

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Rupees ('000)				
23. OTHER CHARGES				
Workers' profit participation fund	752,770	509,808	1,466,062	829,773
Workers' welfare fund	155,256	151,796	350,422	324,329
	908,026	661,604	1,816,484	1,154,102
24. OTHER INCOME - NET				
Income from financial assets - bank deposits and treasury bills	3,774,528	2,110,600	8,002,163	4,210,971
Exchange (loss) / gain on financial assets	(1,450,968)	(544,780)	(1,042,619)	3,583,172
Dividend on investments classified as fair value through profit or loss	53,292	-	104,733	-
Dividend from subsidiary and associated companies	143,150	307,621	151,240	517,162
Rental income	136,133	106,812	177,830	154,407
Crude oil transportation income	124,312	105,304	243,865	224,294
Gas processing fee	20,194	19,783	43,978	39,023
Gain on sale of property, plant and equipment	756	-	756	2,130
Gain on sale of stores and scrap	541	287	592	9,433
Fair value adjustment on investments classified as fair value through profit or loss	5,723	-	11,341	-
Others	73,567	(2,067)	79,097	(1,993)
	2,881,228	2,103,560	7,772,976	8,738,599
25. PROVISION FOR TAXATION				
Current	3,475,446	2,997,783	6,987,477	6,465,503
Deferred	1,553,336	345,974	2,163,788	(1,274,824)
	5,028,782	3,343,757	9,151,265	5,190,679

Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

(Unaudited) Three months ended		(Unaudited) Six months ended	
Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022

Rupees ('000)

26. TRANSACTIONS WITH RELATED PARTIES

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

Sale of goods and services to

Associated Companies	9,419,931	7,620,290	19,164,617	17,204,249
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Purchase of goods and services from

Parent Company	29,199	32,539	46,968	70,329
Associated Companies	789,838	406,049	1,366,195	929,760

Reimbursement of expenses incurred by POL on behalf of associates

Parent Company	-	-	-	21
Subsidiary Company	3,065	3,529	7,440	7,535
Associated Companies	9,856	9,466	19,684	20,259

Reimbursement of expenses incurred by associates on behalf of POL

Parent Company	2,209	724	3,674	1,122
Subsidiary Company	-	8,322	-	11,341
Associated Companies	4,092	31,425	14,476	40,096

Rental income

Subsidiary Company	234	351	585	702
Associated Companies	1,071	1,022	2,142	2,042

Rental expense

Parent Company	29,955	17,874	59,911	35,747
Associated Companies	1,667	1,913	3,096	2,625

Dividend paid

Parent Company	4,875,339	-	4,875,339	3,088
Associated Companies	12,911	-	12,911	10,759

Dividend received

Subsidiary Company	12,186	7,746	20,276	7,746
Associated Companies	130,963	299,875	130,963	509,416



Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)

For the six months ended December 31, 2023

(Unaudited) Three months ended		(Unaudited) Six months ended	
Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022

Rupees ('000)

Other related parties

Remuneration of key management personnel including benefits and perquisites

42,570	30,759	140,385	106,943
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Dividend to key management personnel

200,259	157,406	200,259	165,973
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Contribution to staff retirement benefits plans

Management Staff Pension Fund and Gratuity Fund

28,494	26,973	56,945	59,301
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Approved Contributory Provident Funds

9,553	9,266	19,241	19,570
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Contribution to Workers' Profit Participation Fund

752,770	509,808	1,466,062	829,773
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27. OPERATING SEGMENTS

The financial statements have been prepared on the basis of a single reportable segment. Revenue from customers for products of the Company is disclosed in note 18.

Revenue from two major customers of the Company constitutes 80% of the total revenue during the period ended December 31, 2023 (December 31, 2022: 76%).

28. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on February 5, 2024 has declared an interim cash dividend @ Rs 25 per share, amounting to Rs 7,096,378 thousand for the year ending June 30, 2024.

29. DATE OF AUTHORISATION

These condensed interim financial statements were authorized for circulation to the shareholders by the Board of Directors of the Company on February 5, 2024.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director



**Condensed Interim Consolidated
Financial Statements (Unaudited)
For the Six months ended December 31, 2023**

Condensed Interim Consolidated Statement of Financial Position (Unaudited)
 As at December 31, 2023

	Note	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
ATTRIBUTABLE TO OWNERS OF PAKISTAN OILFIELDS LIMITED			
Authorised capital		5,000,000	5,000,000
Issued, subscribed and paid-up capital		2,838,551	2,838,551
Capital reserves	5	2,080,983	2,069,400
Revenue reserves	6	68,967,843	68,110,002
Gain on remeasurement of investment at fair value through Other Comprehensive Income (OCI)		3,639	3,639
		73,891,016	73,021,592
NON - CONTROLLING INTEREST		124,318	122,926
		74,015,334	73,144,518
NON CURRENT LIABILITIES			
Long term deposits		1,056,864	1,048,113
Deferred tax liabilities		7,980,678	5,713,972
Provisions	7	26,016,792	26,129,254
		35,054,334	32,891,339
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	8	42,376,391	37,992,958
Unpaid dividend - awaiting remittance by the authorized bank	9	13,545,594	9,433,214
Unclaimed dividend		322,148	317,153
Provision for income tax		12,610,912	12,018,991
		68,855,045	59,762,316
CONTINGENCIES AND COMMITMENTS	10		
		177,924,713	165,798,173



	Note	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
Rupees ('000)			
FIXED ASSETS			
Property, plant and equipment	11	5,495,998	5,952,098
Development and decommissioning costs	12	7,538,316	7,825,449
Exploration and evaluation assets	13	5,362,303	1,760,799
Other intangible assets		121,562	146,785
Deferred tax assets		3,304	3,304
		18,521,483	15,688,435
LONG TERM INVESTMENT IN ASSOCIATED COMPANIES	14	16,292,127	15,868,873
LONG TERM LOANS AND ADVANCES		46,436	35,987
CURRENT ASSETS			
Stores and spares		6,859,386	6,008,241
Stock in trade		618,420	583,030
Trade debts	15	16,822,008	12,733,338
Advances, deposits, prepayments and other receivables	16	8,320,368	8,346,928
Other financial assets - FVTPL		1,168,158	1,112,163
Short term investments	17	30,952,268	35,055,731
Cash and bank balances	18	78,324,059	70,365,447
		143,064,667	134,204,878
		177,924,713	165,798,173

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

Khalid Nafees
Chief Financial Officer

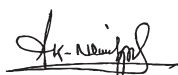
Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)
 For the Six months ended December 31, 2023

Note	Three months ended		Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
SALES	19,450,807	15,476,199	37,763,045	33,070,650
Sales tax	(1,638,329)	(1,110,021)	(2,871,919)	(2,287,896)
Excise duty	(53,712)	(56,943)	(109,693)	(113,562)
NET SALES	17,758,766	14,309,235	34,781,433	30,669,192
Operating costs	(4,075,775)	(3,350,398)	(6,903,498)	(5,817,264)
Royalty	(1,868,848)	(1,557,044)	(3,902,830)	(3,331,416)
Amortisation of development & decommissioning costs	(47,131)	(1,003,170)	(221,616)	(1,506,366)
	(5,991,754)	(5,910,612)	(11,027,944)	(10,655,046)
GROSS PROFIT	11,767,012	8,398,623	23,753,489	20,014,146
Exploration costs	(414,299)	(953,510)	(1,133,489)	(5,479,722)
	11,352,713	7,445,113	22,620,000	14,534,424
Administration expenses	(86,518)	(63,084)	(211,826)	(196,179)
Finance costs - net	(326,945)	486,074	(1,600,774)	(2,349,344)
Other charges	(910,274)	(662,887)	(1,821,253)	(1,157,027)
	(1,323,737)	(239,897)	(3,633,853)	(3,702,550)
Other income - net	10,028,976	7,205,216	18,986,147	10,831,874
	2,753,303	1,805,631	7,652,940	8,238,016
	12,782,279	9,010,847	26,639,087	19,069,890
Share in profits of associated companies - net of impairment loss	180,956	389,502	553,744	692,476
PROFIT BEFORE TAXATION	12,963,235	9,400,349	27,192,831	19,762,366
Provision for taxation	(5,047,601)	(3,368,295)	(9,271,700)	(5,239,978)
PROFIT FOR THE PERIOD	7,915,634	6,032,054	17,921,131	14,522,388
Attributable to:				
Owners of Pakistan Oilfields Limited (POL)	7,906,593	6,025,525	17,900,257	14,508,152
Non - controlling interests	9,041	6,529	20,874	14,236
	7,915,634	6,032,054	17,921,131	14,522,388
Earnings per share - Basic and diluted (Rupees)	27.85	21.23	63.06	51.11

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



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director



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

For the six months ended December 31, 2023

	Three months ended		Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
PROFIT FOR THE PERIOD	7,915,634	6,032,054	17,921,131	14,522,388
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Share of other comprehensive gain/(loss) of associated companies - net of tax	1	(67)	473	(210)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	7,915,635	6,031,987	17,921,604	14,522,178
Attributable to:				
Owners of Pakistan Oilfields Limited (POL)	7,906,594	6,025,458	17,900,730	14,507,942
Non - controlling interests	9,041	6,529	20,874	14,236
	7,915,635	6,031,987	17,921,604	14,522,178

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

Khalid Nafees
Chief Financial Officer

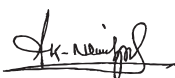
Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For the six months ended December 31, 2023

	Attributable to owners of Pakistan Oilfields Limited										
	Capital Reserves				Revenue Reserves						
	Share Capital	Bonus shares issued by subsidiary/ associated companies	Special reserve	Utilised Special Reserve	Insurance reserve	General reserve	Unappropriated profit	Gain on revaluation of investment at fair value	Total	Non-controlling interest	Total
	Rupees ('000)										
Balance at June 30, 2022	2,838,551	71,395	18,658	1,941,044	200,000	7,077,325	43,321,761	4,368	55,473,102	114,974	55,588,076
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	14,508,152	-	14,508,152	14,236	14,522,388
Other comprehensive income	-	-	-	-	-	-	(210)	-	(210)	-	(210)
Bonus shares issued by an associated company	-	17,462	-	-	-	-	14,507,942	-	14,507,942	14,236	14,522,178
Transfer to special reserve by an associated company	-	-	1,956	-	-	-	(1,956)	-	-	-	-
POL dividends:											
Final dividend @ Rs 50 per share - Year ended June 30, 2022	-	-	-	-	-	-	(14,192,755)	-	(14,192,755)	-	(14,192,755)
Dividend to CAPGAS non-controlling interest holders:											
Interim dividend @ Rs 22.5 per share - Year ending June 30, 2023	-	-	-	-	-	-	-	-	-	(7,442)	(7,442)
	-	-	-	-	-	-	(14,192,755)	-	(14,192,755)	(7,442)	(14,200,197)
Balance at December 31, 2022	2,838,551	88,857	20,614	1,941,044	200,000	7,077,325	43,617,530	4,368	55,788,289	121,768	55,910,057
Impact of IFRS 9 transition	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	22,760,358	(729)	22,760,358	17,858	22,778,216
Other comprehensive income	-	-	-	-	-	-	150,774	-	150,045	(328)	149,717
Transfer to general reserve by an associated company	-	-	18,885	-	-	-	(18,885)	-	-	-	-
Transactions with owners:											
POL dividend:											
Interim cash dividend @ Rs 20 per share - Year ended June 30, 2023	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	-	(5,677,102)
Dividend to CAPGAS non-controlling interest holders:											
Second interim dividend @ Rs 20.0 per share - Year ended June 30, 2023	-	-	-	-	-	-	-	-	-	(6,615)	(6,615)
Third interim dividend @ Rs 29.5 per share - Year ended June 30, 2023	-	-	-	-	-	-	-	-	-	(9,757)	(9,757)
Total transactions with owners	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	(16,372)	(5,693,474)
Balance at June 30, 2023	2,838,551	88,857	39,499	1,941,044	200,000	7,077,325	60,832,675	3,639	73,021,590	122,926	73,144,516
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	17,900,257	-	17,900,257	20,874	17,921,131
Other comprehensive income	-	-	-	-	-	-	474	-	474	-	474
Transfer to special reserve by an associated company	-	-	11,583	-	-	-	17,900,731	-	17,900,731	20,874	17,921,605
Transactions with owners:											
POL dividend:											
Final dividend @ Rs 70 per share - Year ended June 30, 2023	-	-	-	-	-	-	(17,031,305)	-	(17,031,305)	-	(17,031,305)
Dividend to CAPGAS non-controlling interest holders:											
Final cash dividend @ Rs 23.5 per share - Year ended June 30, 2023	-	-	-	-	-	-	-	-	-	(7,773)	(7,773)
Interim dividend @ Rs 35.4 per share - Year ending June 30, 2024	-	-	-	-	-	-	-	-	-	(11,709)	(11,709)
Total transactions with owners	-	-	-	-	-	-	(17,031,305)	-	(17,031,305)	(19,482)	(17,050,787)
Balance at December 31, 2023	2,838,551	88,857	51,082	1,941,044	200,000	7,077,325	61,690,518	3,639	73,891,016	124,318	74,015,334

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



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

**Condensed Interim Consolidated Statement of Cashflows (Unaudited)**

For the six months ended December 31, 2023

	Note	Six months ended	
		Dec. 31, 2023	Dec. 31, 2022
Rupees ('000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		31,718,488	27,747,190
Operating and exploration costs paid		(6,251,165)	(7,079,797)
Royalty paid		(3,567,029)	(3,104,461)
Taxes paid		(6,413,072)	(6,352,732)
Cash provided by operating activities		15,487,222	11,210,200
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital Expenditure		(5,595,133)	(3,231,152)
Proceeds from disposal of property, plant and equipment		823	2,130
Income on bank deposits and investments at amortised cost		7,740,817	3,922,709
Investments in mutual funds - net		(44,654)	-
Dividend income received		235,697	509,416
Cash generated from investing activities		2,337,550	1,203,103
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(12,913,931)	(7,421,571)
Dividend paid to non - controlling interest holders		(19,481)	(7,442)
Cash used in financing activities		(12,933,412)	(7,429,013)
EFFECT OF EXCHANGE RATE CHANGES		(1,042,619)	3,583,172
INCREASE IN CASH AND CASH EQUIVALENTS		3,848,741	8,567,462
CASH AND CASH EQUIVALENTS AT JULY 01,		105,427,586	67,910,320
CASH AND CASH EQUIVALENTS AT DEC. 31,		109,276,327	76,477,782
CASH AND CASH EQUIVALENTS			
Short term investment		30,952,268	18,123,115
Cash and bank balances		78,324,059	58,354,667
		109,276,327	76,477,782

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

Khalid Nafees
Chief Financial OfficerShuaib A. Malik
Chief ExecutiveAbdus Sattar
Director

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

1. Legal status and operations

Pakistan Oilfields Limited (the Company) is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas in Pakistan. Its activities also include marketing of liquefied petroleum gas (LPG) under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Coral Holding Limited.

CAPGAS (Private) Limited, the subsidiary company is incorporated in Pakistan as a private limited company under the Companies Act, 2017 and is principally engaged in buying, filling, distribution and dealing in LPG.

For the purpose of these accounts, POL and its consolidated subsidiary are referred as the Company.

2. Basis of consolidation

The consolidated financial information include the financial statements of POL and its subsidiary CAPGAS with 51% holding (June 30, 2023: 51%).

Subsidiaries are those enterprises in which parent company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The financial statements of the subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases.

The assets and liabilities of subsidiary company have been consolidated on a line by line basis and the carrying value of investments held by the parent company is eliminated against the subsidiary shareholders' equity in the consolidated financial statements.

Material intra-group balances and transactions have been eliminated.

Non-controlling interests are that part of the net results of the operations and of net assets of the subsidiary attributable to interests which are not owned by the parent company. Non-controlling interest are presented as a separate item in the consolidated financial statements.

3. Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International accounting standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.



Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

- The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 67(I)/2023 dated January 20, 2023, in partial modification of its previous S.R.O. 985 (I)/2019 and S.R.O. 1177 (I)/2021 dated September 2, 2019 and September 13, 2021 respectively, has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP) in respect of circular debt, the requirements contained in IFRS 9 with respect to application of expected credit loss (ECL) model shall not be applicable till December 31, 2024, provided that such companies shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in respect of above referred financial assets during the exemption period. The Company has assessed that the above does not have any significant impact on its financial statements.

3.1 These condensed interim consolidated financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2023.

4. Significant accounting policies

The accounting policies and methods for computation adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2023.

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	Rupees ('000)	
5. Capital reserves		
Bonus shares issued by subsidiary/associated companies	88,857	88,857
Special reserve	51,082	39,499
Utilised special reserve	1,941,044	1,941,044
	2,080,983	2,069,400
6. Revenue reserves		
Insurance reserve	200,000	200,000
General reserve	7,077,325	7,077,325
Unappropriated profit	61,690,518	60,832,677
	68,967,843	68,110,002
7. Provisions		
Provision for decommissioning cost	25,975,503	26,090,656
Provision for staff compensated absences	2,382	2,949
Provision for gratuity	9,227	10,344
Provision for renewal fee	29,680	25,305
	26,016,792	26,129,254

8. Trade and other payables

These include balances due to joint venture partners amounting to Rs 3,109,416 thousand (June 30, 2023: Rs 2,580,128 thousand) and balances due to related parties amounting to Rs 1,756,528 thousand (June 30, 2023: Rs 1,824,514 thousand).

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

These also include payments received from a customer on account of additional revenue and related sales tax due to enhanced gas price incentive of Rs 29,830,474 thousand (June 30, 2023: Rs 27,020,337 thousand) as explained in note 19.1.

9. Unpaid dividend - awaiting remittance by the authorized bank

This represents dividend payable to parent company (non-resident), The Attock Oil Company Limited in United Kingdom (UK), for the year June 30, 2022, interim dividend for the year ended June 30, 2023 and final dividend year ended June 30, 2023 awaiting remittance by the authorized bank due to regulatory constraints.

10. Contingencies and commitments

10.1 There were no material contingencies at December 31, 2023 (June 30, 2023: Nil). Further there is no material change in contingencies and commitments of associates reported in consolidated financial statement for the year ended June 30, 2023.

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	————— Rupees ('000) —————	
10.2 Commitments:		
- Share in Joint Operations	17,398,512	15,026,127
- Own fields	922,586	4,586,947
- Letter of credit issued by banks on behalf of the company	82,572	818,030
11. Property, plant and equipment		
Operating assets		
Opening net book value	5,466,582	6,272,321
Additions during the period/year	278,743	836,683
Disposals during the period/year	(67)	(7,854)
Transfers to stores and spares	-	(19,248)
Depreciation for the period/year	(786,722)	(1,615,320)
Closing net book value	4,958,536	5,466,582
Capital work in progress - at cost	537,461	485,516
	5,495,998	5,952,098



Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
	Rupees ('000)	
12. Development and decommissioning costs		
Development cost		
Opening net book value	7,559,182	9,801,407
Additions during the period/year	1,642,878	1,201,829
Revision due to change in estimates	(694,725)	(969,945)
Amortization for the period/year	(1,103,019)	(2,474,109)
Closing net book value	7,404,316	7,559,182
Decommissioning cost		
Opening net book value	266,267	407,719
Additions during the period/year	24,799	132,309
Revision due to change in estimates	(137,860)	(185,528)
Amortization for the period/year	(19,206)	(88,233)
Closing net book value	134,000	266,267
	7,538,316	7,825,449
13. Exploration and evaluation assets		
Balance brought forward	1,760,799	3,019,833
Additions during the period/year	3,621,566	3,765,548
Dry and abandoned wells cost charged to the statement of profit or loss	(20,062)	(5,024,582)
	5,362,303	1,760,799
14. Long term investment in associated companies - equity method		
Beginning of the year	15,868,873	14,445,000
Share in loss of associated companies	(609,538)	(231,540)
Share of other comprehensive income of associated companies	473	109,154
Impairment reversal/(charge) against investment in NRL	1,163,282	2,164,811
Dividend received during the period / year	(130,963)	(618,552)
End of the period / year	16,292,127	15,868,873

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

15. Trade debts

These include Rs 6,336,444 thousand (June 30, 2023: Rs 5,405,172 thousand) receivable from related parties.

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

16. Advances, deposits, prepayments and other receivables

These include balances due from joint venture partners amounting to Rs 352,333 thousand (June 30, 2023: Rs 450,493 thousand) and balances due from related parties amounting to Rs 675,501 thousand (June 30, 2023: Rs 485,692 thousand).

17. Short term investments

This represents treasury bills carried at amortized cost having maturity of less than three months at yield ranging from 21.24% to 21.84% (June 30, 2023: 21.98% to 21.99%) per annum.

(Unaudited) Dec. 31, 2023	(Audited) Jun. 30, 2023
— Rupees ('000) —	

18. Cash and bank balances

Bank balance on:		
Short term deposits	65,451,220	62,969,880
Interest/mark-up bearing saving accounts	12,737,931	7,349,266
Current accounts	129,830	42,264
	78,318,981	70,361,410
Cash in hand	5,078	4,037
	78,324,059	70,365,447

Balance with banks include foreign currency balances of US \$ 210,307 thousand (June 30, 2023: US \$ 201,024 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 4% to 22.15% per annum (June 30, 2023: 2.69% to 21.75% per annum).

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	— Rupees ('000) —			
19. Net sales				
Crude oil	9,358,566	7,716,409	19,001,964	17,154,290
Gas - note 19.1	5,359,648	4,244,450	10,923,403	8,570,989
Less: Shrinkages/own use	838,405	677,251	1,674,527	1,374,392
	4,521,243	3,567,199	9,248,876	7,196,597
POLGAS/Cap Gas - Refill of cylinders	3,744,756	2,890,255	6,223,174	6,040,113
Solvent oil	134,201	106,284	307,419	249,104
Sulphur	-	29,088	-	29,088
	17,758,766	14,309,235	34,781,433	30,669,192

19.1 On August 28, 2015, the Company signed the Supplemental Agreement with the Government of Pakistan (the Government) for conversion of TAL Block Petroleum Concession Agreement (PCA) signed under the 1997 Petroleum Policy to Petroleum (Exploration & Production) Policy 2012 (Petroleum Policy 2012). Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned block. The conversion



Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

package included Windfall levy on Natural gas only. Draft statements specifying sums aggregating US \$ 34,213 thousand (Rs 3,393,389 thousand) till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block were submitted to the Government on December 8, 2015. On October 9, 2017 Oil and Gas Regulatory Authority (OGRA) issued gas price notifications of the subject arrears.

On December 27, 2017, the Ministry of Energy (Petroleum Division) notified certain amendments in Petroleum Policy 2012 which also included addition of following explanation of conversion package:

“the conversion package shall include (i) price of Natural Gas for New Exploration Efforts (ii) windfall levy on Natural Gas (iii) EWT gas production, pricing and obligations (iv) Windfall levy on Oil & Condensate, only for PCAs converting from 1994 and 1997 Petroleum Policies and (v) Financial obligations relating to production bonus, social welfare and training”.

Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 & 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On January 3, 2018, Directorate General Petroleum Concessions (DGPC) had required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on legal advice, the Company is of the view that already executed Supplemental Agreement cannot be changed unilaterally, the Supplemental Agreement was signed under the Conversion Package where gas price was enhanced and Windfall Levy on Oil/Condensate (WLO) was not applicable, the impugned SRO by giving retrospective effect amounts to taking away the vested rights already accrued in favour of the Company. The Government has no authority to give any law or policy a retrospective effect. The Company filed Constitutional Petition challenging the imposition of WLO on February 19, 2018 against Federation of Pakistan through Ministry of Energy (Petroleum Division), Islamabad. The Honourable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. After multiple hearings, the case came up for hearing on May 24, 2022 before the Honourable Chief Justice of Islamabad High Court, wherein matter was adjourned till June 30, 2022, however the same could not be heard and next date of hearing is yet to be announced.

On prudent basis additional revenue (net of sales tax) on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 since inception to December 31, 2023 amounting to Rs 28,304,604 thousand will be accounted for upon resolution of this matter (including Rs 25,265,875 thousand related to period since inception to June 30, 2023). Additional revenue on account of enhanced gas price incentive of Rs 25,407,174 thousand and sales tax of Rs 4,423,299 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables". Sales tax of Rs 4,423,299 thousand (June 30, 2023: Rs 3,928,026 thousand) received from customer on the basis of notified prices is declared in the monthly sales tax return as well as duly deposited with Federal Board of Revenue by the Company. The amount so deposited is shown within "sales tax refundable" in "advances, deposits, prepayments and other receivables".

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
20. Operating costs				
Operating cost - Own fields	376,293	440,952	811,652	851,871
- Share in joint operations	1,631,931	1,501,956	2,832,268	2,418,740
Well workover	536,887	(8,786)	651,009	15,597
POLGAS/Cap Gas - Cost of LPG carriage etc.	1,059,749	1,030,466	1,762,078	1,855,329
Pumping and transportation cost	48,094	30,261	73,959	52,368
Depreciation and amortization	406,488	408,793	807,922	816,432
	4,059,442	3,403,642	6,938,888	6,010,337
Opening stock of crude oil and other products	628,107	563,082	583,030	423,253
Closing stock of crude oil and other products	(611,774)	(616,326)	(618,420)	(616,326)
	4,075,775	3,350,398	6,903,498	5,817,264
21. Amortization of development and decommissioning costs				
Amortization charge for the year - note 12	344,135	797,311	1,122,225	1,543,470
Revision in estimates of provision for decommissioning costs in excess of related assets credited to statement of profit or loss	(297,004)	205,859	(900,609)	(37,104)
	47,131	1,003,170	221,616	1,506,366
22. Exploration costs				
Geological and geophysical cost	414,299	281,995	1,113,427	455,139
Dry and abandoned wells cost charged to the exploration costs - note 13	-	671,516	20,062	5,024,583
	414,299	953,511	1,133,489	5,479,722
23. Finance costs - net				
Provision for decommissioning cost				
- unwinding of discount	899,635	(209,847)	1,999,201	440,867
- exchange loss/(gain)	(578,708)	(278,017)	(405,959)	1,905,102
Banks' commission and charges	6,018	1,790	7,532	3,375
	326,945	(486,074)	1,600,774	2,349,344
24. Other charges				
Workers' profit participation fund	754,187	510,926	1,469,306	832,081
Workers' welfare fund	156,087	151,961	351,947	324,946
	910,274	662,887	1,821,253	1,157,027

**Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the six months ended December 31, 2023

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Rupees ('000)				
25. Other income				
Income from financial assets - bank deposits and treasury bills	3,789,340	2,118,173	8,033,305	4,225,825
Exchange (loss)/gain on financial assets	(1,450,968)	(544,780)	(1,042,619)	3,583,172
Dividend on investments classified as fair value through profit or loss	53,292	-	104,733	-
Rental income	135,782	106,461	177,128	153,705
Crude oil transportation income	124,312	105,304	243,865	224,294
Gas processing fee	20,194	19,783	43,978	39,023
Gain on sale of property, plant and equipment	632	-	632	2,130
Gain on sale of stores and scrap	541	287	592	9,433
Fair value adjustment on investments classified as fair value through profit or loss	5,723	-	11,341	-
Others	74,455	403	79,985	434
	2,753,303	1,805,631	7,652,940	8,238,016
26. Provision for taxation				
Current	3,483,102	3,005,544	7,004,996	6,479,689
Deferred	1,564,499	362,751	2,266,704	(1,239,711)
	5,047,601	3,368,295	9,271,700	5,239,978

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

27. Transactions with related parties

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

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Rupees ('000)				
Sales of goods and services to				
Associated companies	9,419,931	7,620,290	19,164,617	17,204,249
Purchase of goods and services from				
Parent company	29,199	32,539	46,968	70,329
Associated companies	789,838	406,049	1,366,195	929,760
Reimbursement of expenses incurred by POL on behalf of associates				
Parent company	-	-	-	21
Associated companies	9,856	9,466	19,684	20,259
Reimbursement of expenses incurred by associates on behalf of POL				
Parent company	2,209	724	3,674	1,122
Associated companies	4,092	31,425	14,476	40,096
Rental Income				
Associated companies	1,071	1,022	2,142	2,042
Rental expenses				
Parent company	29,955	17,874	59,911	35,747
Associated companies	1,667	1,913	3,096	2,625
Dividend paid during the period				
Parent company	4,875,339	-	4,875,339	3,088
Associated companies	12,911	-	12,911	10,759
Dividend received during the period				
Associated companies	130,963	299,875	130,963	509,416



Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months ended December 31, 2023

	(Unaudited) Three months ended		(Unaudited) Six months ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
	Rupees ('000)			
Other related parties				
Remuneration to key management personnel including benefits and perquisites	42,570	30,759	140,385	106,943
Dividend to key management personnel	200,259	157,406	200,259	165,973
Contribution to staff retirement benefits plans				
Management Staff Pension Fund and Gratuity Fund	28,494	26,973	56,945	59,301
Approved Contributory Provident Funds	9,553	9,266	19,241	19,570
Contribution to Workers' Profit Participation Fund	754,187	510,926	1,469,306	832,081

28. Operating segments

The financial statements have been prepared on the basis of single reportable segment. Revenue from external customers for products of the Company is disclosed in note 19.

Revenue from two major customers of the Company constitutes 80% of the total revenue during the period ended December 31, 2023 (December 31, 2022: 76%).

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (Unaudited)

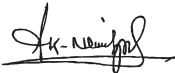
For the six months ended December 31, 2023

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

The Board of Directors in its meeting held on February 5, 2024 has declared an interim cash dividend @ Rs 25 per share, amounting to Rs 7,096,378 thousand for the year ending June 30, 2024.

30. Date of authorisation

These condensed interim consolidated financial statements were authorized for circulation to the shareholders by the Board of Directors of the Company on February 5, 2024.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

**Shareholding in Exploration Licenses and D&P Leases**

Exploration License	Operator	Interest %
Ikhlas	Pakistan Oilfields Limited	80.00
Kirthar South	Pakistan Oilfields Limited	85.00
D.G. Khan	Pakistan Oilfields Limited	70.00
North Dhurnal	Pakistan Oilfields Limited	60.00
Saruna West	Pakistan Oilfields Limited	40.00
Multanai	Pakistan Oilfields Limited	100.00
Gurgalot	Oil & Gas Development Company Limited	20.00
Chahbali	Oil & Gas Development Company Limited	30.00
Tal Block	MOL Pakistan Oil and Gas Co. B.V	25.00
Margala	MOL Pakistan Oil and Gas Co. B.V	30.00
Hisal	Pakistan Petroleum Limited	25.00
Nareli	Mari Petroleum Company Limited	32.00
Taung	Mari Petroleum Company Limited	40.00
D&P Lease		
Balkassar	Pakistan Oilfields Limited	100.00
Dhulian	Pakistan Oilfields Limited	100.00
Joyamair	Pakistan Oilfields Limited	100.00
Khaur	Pakistan Oilfields Limited	100.00
Meyal / Uchri	Pakistan Oilfields Limited	100.00
Minwal	Pakistan Oilfields Limited	82.50
Pariwali	Pakistan Oilfields Limited	82.50
Pindori	Pakistan Oilfields Limited	35.00
Turkwal	Pakistan Oilfields Limited	67.37
Adhi	Pakistan Petroleum Limited	11.00
Chaknaurang	Oil & Gas Development Company Limited	15.00
Jhal Magsi	Oil & Gas Development Company Limited	24.00
Bhangali	Ocean Pakistan Limited	7.00
Dhurnal	Ocean Pakistan Limited	5.00
Ratana	Ocean Pakistan Limited	4.54
Manzalai	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori East	MOL Pakistan Oil and Gas Co. B.V	25.00*
Maramzai	MOL Pakistan Oil and Gas Co. B.V	25.00*
Mami Khel	MOL Pakistan Oil and Gas Co. B.V	25.00*
Mami Khel South	MOL Pakistan Oil and Gas Co. B.V	25.00*
Tolanj	MOL Pakistan Oil and Gas Co. B.V	25.00*
Tolanj West	MOL Pakistan Oil and Gas Co. B.V	25.00*

* Pre-Commerciality interest



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