

Corporate Briefing FY25 Takeaways

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REP-300

MARI senior management held an analyst briefing today to discuss financial performance of FY25 and the future outlook.

Brief Takeaways:

- MARI posted unconsolidated earnings of PKR 65.14bn (EPS: PKR 54.25) in FY25, down 16% YoY mainly due to 15% additional wellhead costs from renewal of lease, and lower prices including the impact of FX.
- Company has a daily production capacity of 127k BOE and total reserves as of Jun'25 at 952 MMBOE.
- Company is diversifying into Minerals, Technology and Services sector. Mari Energies has two subsidiaries Mari Technologies (100% ownership), and Mari Minerals (100%), and an associate Pakistan International Oil Limited (25%).
- Mari has reduced its resource concentration reliance on Mari field from 95% in FY20 to 80% by FY25. This has been due to discoveries in Sujawal Block and Waziristan Block. Production potential from Waziristan Block (Shewa and Spinwam) is up to 300mmcf according to the management. However, a capex of USD 400-500mn would be required going forward.
- Shewa commenced production in Mar'25 with potential of 70mmcf gas and 700 BOPD oil. Spinwam 1 tie in process with Shewa is underway.
- Total 16 wells were spud in FY25 with 10 development wells, and 2 each of exploratory, appraisal and disposal wells. Going forward plan is to continue to target 15-20 wells each year.
- Gas production from Jhim-East X-1 and Pateji X-1 (PPL operated Shah Bandar Block) also commenced via Sujawal Gas Processing Facility. In Phase 1, existing capacity is 20mmcf and in Phase 2 capacity is set to be enhanced to 25-30mmcf.
- Regarding, circular debt management commented that gas to third party customers is a partial solution due to 100mmcf cap on sales. A structural solution would be breakthrough in deferment of RLNG cargoes.
- Sale to fertilizer companies from Ghazij and Shawal is awaiting government approval and supply can be started 18-24 months after approval.
- Production flows from Mari HRL is expected to be maintained at 590-600mmcf after pressure enhancement project is completed.
- Regarding Offshore Block 5 - Abu Dhabi management commented that field development plan for three discovered fields is underway, however timeline is uncertain.
- Islamabad data center through Mari Technologies is expected to be completed by early next year and Karachi data center has been targeted for completion by the end of 2026. Data centers will be powered using a mix of green energy and grid and customers will include large public and private sector entities.

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