



**Mari Petroleum**

# Corporate Briefing

# Disclaimer

All forward-looking statements are management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.

Forward-looking statements should not be relied upon for making investment or other decisions as the statements speak only as of the date they were made.



# Outline



	01	The Company Overview
Key Highlights	02	
	03	Operational & Financial Achievements
Implementation of Best Practices	04	
	05	ESG and CSR
Awards & Recognitions	06	
	07	Industry Challenges
Road Ahead	08	
	09	Gratitude



# The Company overview



2<sup>nd</sup> Largest Exploration & Production (E&P) Company in Pakistan

Year on Year Growing Net Sales

Diverse Operational Expertise

Field Development, Production of Hydrocarbons, Provision of E&P Related Services on Commercial Basis

Total of 29 Blocks in portfolio and 13 D&PLs  
Including ADNOC Offshore Block 5

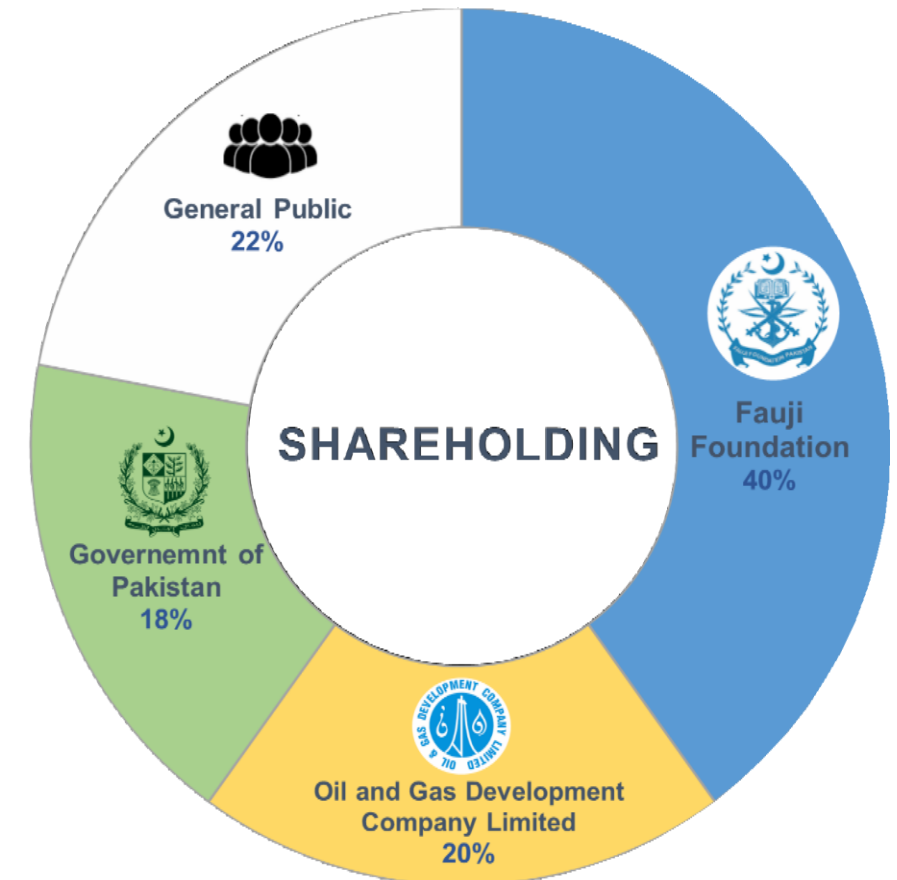
Ensuring Pakistan's Food Security

90% urea production in Pakistan is based on MPCL supplied gas

One of the largest tax payer in Pakistan

Hydrocarbon production annually saves circa \$ 3Bn of valuable foreign exchange for Pakistan

Supplying gas to power sector for meeting Country's energy needs



## 1957

**Mari gas field discovered by a joint venture of Esso Eastern and Government of Pakistan**



First gas production commenced **1967**

**1983** Esso Eastern sold its share to Fauji Foundation

Mari Gas Company Limited (MGCL) was incorporated **1984**

**1994** Listed on all the stock exchanges

Grant of license for exploration (Outside Mari Field) **2001**

**2012** Renamed to Mari Petroleum Company Limited (MPCL)

Mari Services Division created **2014** Dismantling of cost plus formula

**2017** Mari Field marked its Golden Jubilee

Award of Offshore Block 5 in Abu Dhabi **2021**

**2022** 1<sup>st</sup> Gas Discovery in Waziristan

## 2022

**Mari Petroleum Company Limited**



# Our Corporate Umbrella

- ✓ Being part of Fauji Foundaiton (FF) group which is a **hybrid social enterprise** pursuing a social mission financed through commercial ventures. FF itself is a majority shareholder in six public listed companies. The foundation was setup in 1954 with initial capital of **USD 5.5 Mn** and has grown to become the largest business conglomerate of Pakistan with over **USD 3.5 Bn** in assets in sectors such as Agriculture & Food, Oil & Gas Exploration and Energy, Cement & construction, Fertilizer, Power, Cement, Banking, Marine & Storage Terminals. It also operates in the healthcare and education sector.
- ✓ Group net worth is **~PKR 453 Billion** (~USD 2.06 Bn ) and **6.4%** of PSX
- ✓ Contributed **PKR +1 Trillion** to the national exchequer via taxes, duties & levies since 2015

## Agriculture Vertical



## Energy & Infrastructure Vertical



## Construction Vertical



## Food Vertical



## Financial Services Vertical



## Operates one of the largest Health Care & Education System

Health Projects		
Category	Nos	Benefiting ~3 Mn Patients per annum
Hospitals	11	
Medical Centers & Health Clinics	63 (incl 11 mobile units )	
Education Projects		
Schools & Colleges	123	Benefiting ~62,000 Students per annum
Foundation University	1 (Incl Medical & Dental college , Nursing School)	
Vocational & Technical Training	8	

Average yearly spend: US\$ 60 Mn+

Serving ~9-10 million beneficiaries (4-5% of population)

# MPCL Board of Directors



**Mr. Waqar Ahmed Malik**  
(MD/CEO, Fauji Foundation)  
Chairman MPCL Board of Directors  
Fellow Member of ICAEW  
Experience: 40+ Years



**Dr. Nadeem Inayat**  
Senior Director (Strategy and M&A), FF  
Ph.D. (Economics)  
Experience: 30+ Years



**Maj Gen Ahmad Mahmood Hayat (Retd)**  
Director Health, Fauji Foundation  
MSc. (War Studies)  
Experience: 38+ Years



**Mr. Faheem Haider**  
Managing Director/ CEO, MPCL  
MSc. (Pet. Engineering & Production Management), PGD (Petroleum Studies)  
Experience: 28+ Years



**Mr. Ali Raza Bhutta**  
Government of Pakistan Nominee  
  
M.Phil. (Economic Development), MBA  
Experience: 32+ Years



**Mr. Abdul Rasheed Jokhio**  
Government of Pakistan Nominee  
DG Gas (Petroleum Division)  
MSc. (Energy, Environmental Management & Economics)  
Experience: 16+ Years



# MPCL Board of Directors



**Syed Khalid Siraj Subhani**

MD/CEO, OGDCL

BE (Chemical Engineering)

Experience: 33+ Years



**Mr. Ahmed Hayat Lak**

GM (Legal Services), OGDCL

LLM, LLB (Honours)

Experience: 20+ Years



**Mr. Adnan Afridi**

Managing Director, NITL

Juris Doctorate

Experience: 24+ Years



**Mr. Abid Niaz Hasan**

Former Operations Advisor World Bank Group, Washington

MBA (International Finance & Economics)

Experience: 30+ Years



**Ms. Seema Adil**

Former Deputy Managing Director of Pakistan Refinery Ltd

MSc. Chemical Engineering

Experience: 33+ Years



**Faheem Haider**  
Managing Director/CEO



**Muhammad Ijaz**  
Director Operations



**Abdul Rauf Khan**  
Director Exploration



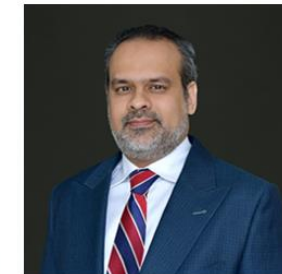
**Sajid Mahmood**  
Director Reservoir Dev & Mgmt



**Hassan Mehmood**  
Director Business Development & Commercial



**Brig Mansoor Akhtar (R)**  
Director Mari Services Division



**Nabeel Rasheed**  
Chief Financial Officer



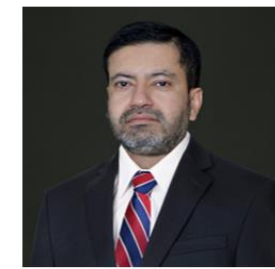
**Fauzia Ahmad**  
Chief Human Resources Officer



**Brig Asad Raza (R)**  
Chief of Staff



**Sajjad Akhtar**  
Chief Internal Audit



**Muhammad Tashfeen**  
Director Drilling



**Naseem Qamar**  
Director HSE



**Brig Syed Sajid Raza (R)**  
Director Admin & Security



**Brig Muhammad Sultan (R)**  
Consultant Civil Projects



**Muhammad Sajjad**  
Acting Company Secretary

MPCL Total Concession Areas

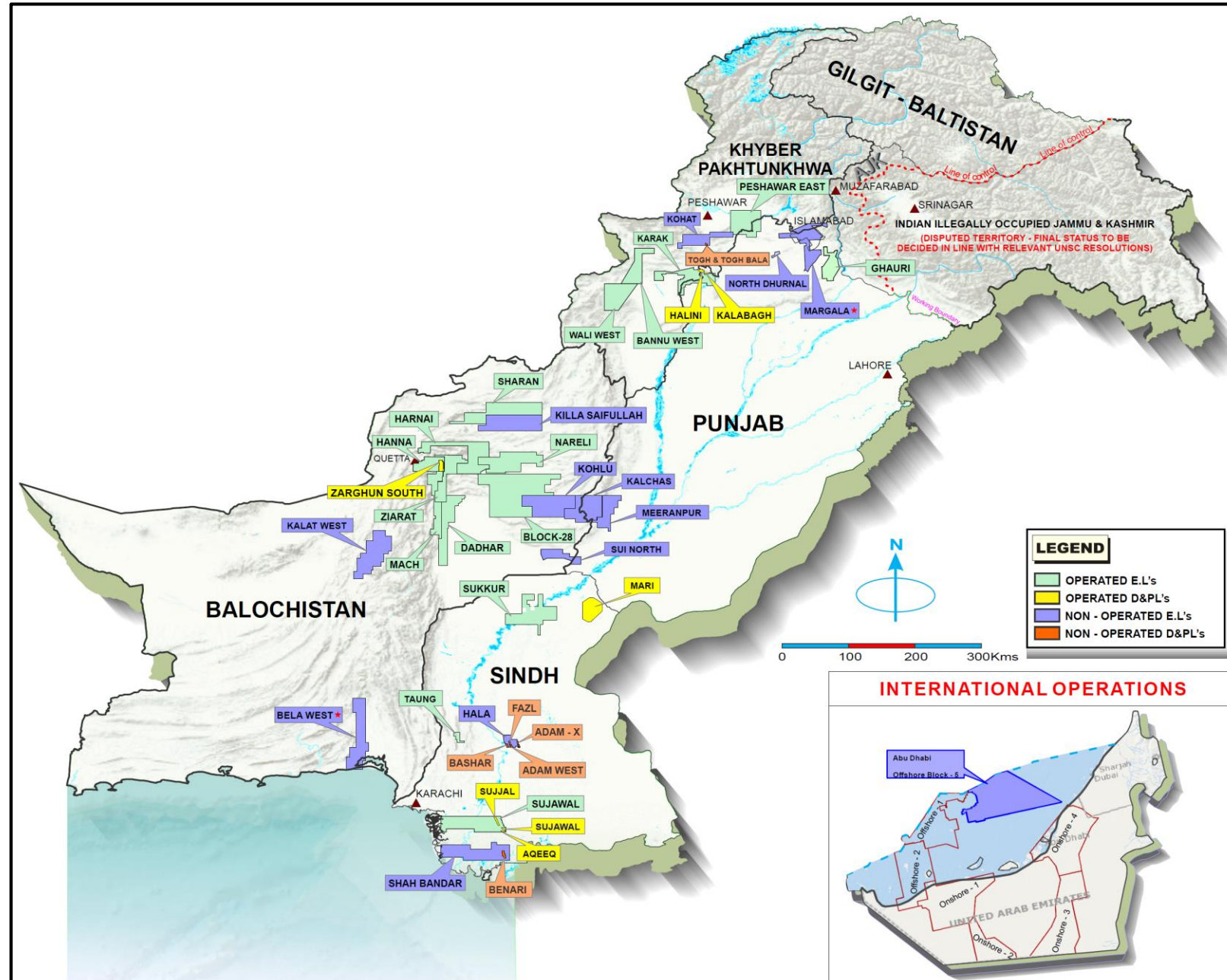
58,000 KM<sup>2</sup>

Operated Blocks

16

Non-Operated Blocks including Abu Dhabi Offshore Block – 5

13





MPCL is a **progressive energy company** with operations across Pakistan and interest in offshore block in UAE (Block 5).

Net Annual Production

**37** MMBOE

Reserves & Resources (Net)

**642** MMBOE

Net Sales

**USD 529** million

**PKR 95** billion

Net Profit (\*)

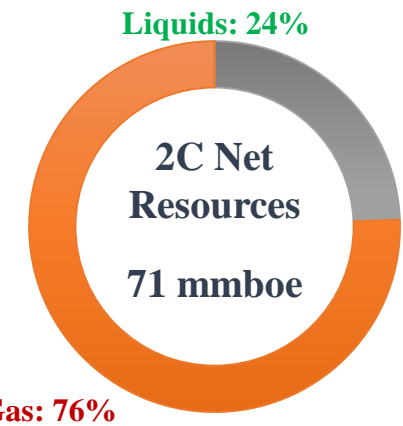
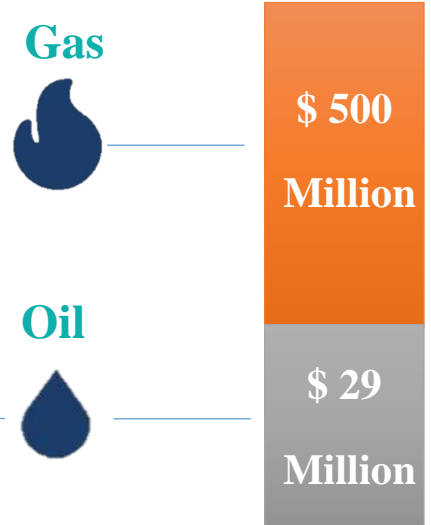
**USD 184** million

**PKR 33** billion

Production Mix



Net Revenue Mix



\* Without Super Tax, net profit would have been USD 213 million or PKR 38 billion



Services capabilities were developed in 2014 enabling MPCL to enhance E&P Services activities, especially in security sensitive areas



## Mari Seismic Unit (MSU)

### Global Technology with Local Advantage

MSU provides globally acclaimed technology for Seismic Data Acquisition which has been tried and tested under diverse environmental and geological challenges

**MSU is currently running three Crews.**

## Mari Drilling Unit (MDU)

### Efficient and Cost effective land Drilling Operations

Extensive experience in challenging terrains including ultra-deep onshore wells

#### Rig Mari 1

**1500HP** Power  
Depth Rating **4500m**

#### Rig Mari 2

**300HP** Power  
Depth Rating **800m**

#### Rig Mari 3

**2500HP** Power  
Depth Rating **7500m**

#### Rig Mari 4

**2000 HP** Power  
Depth Rating **6000m**

#### Rig Mari 5

**2000HP** Power  
Depth Rating **6000m**

## Mari Seismic Processing Center (MSPC)

### Benchmark Software, Exceptional Results

MSPC is providing Time, Depth and AVO inversion processing services under one roof

MSPC has processed 8400 line Km 2D, 3,900 Sq Km 3D & 2000 Sq Km of 3D seismic inversion projects data in the last 5 years.

## Mari Gravity & Magnetic Unit

The addition of MGMU services is the latest diversification in MSD portfolio

- Gravity Meters offers fast, reliable, and precise gravity measurements, including an array of mapping post-processing functionality with Lynx LG software.
- Magnetic Meter Services will be inducted by end of this year

## First ever THIRD PARTY business



**2D Seismic Data Acquisition in Kirthar area**



**2D Seismic Data Acquisition in Musa Khel Block**

## Mari Mud Logging Unit

DNV certified state of the art unit from Geology, Italy

MMLU has successfully provided services at 6 wells

# Joint Venture Partners / Customers

## JOINT VENTURE PARTNERS



Government Holdings Pvt. Ltd.  
Ministry of Energy, Petroleum Division  
Government of Pakistan



## CUSTOMERS



PAKISTAN REFINERY LIMITED



engro fertilizers



**FFBL**  
Fauji Fertilizer Bin Qasim Limited



FIPICOL



National Refinery Limited



SSGC



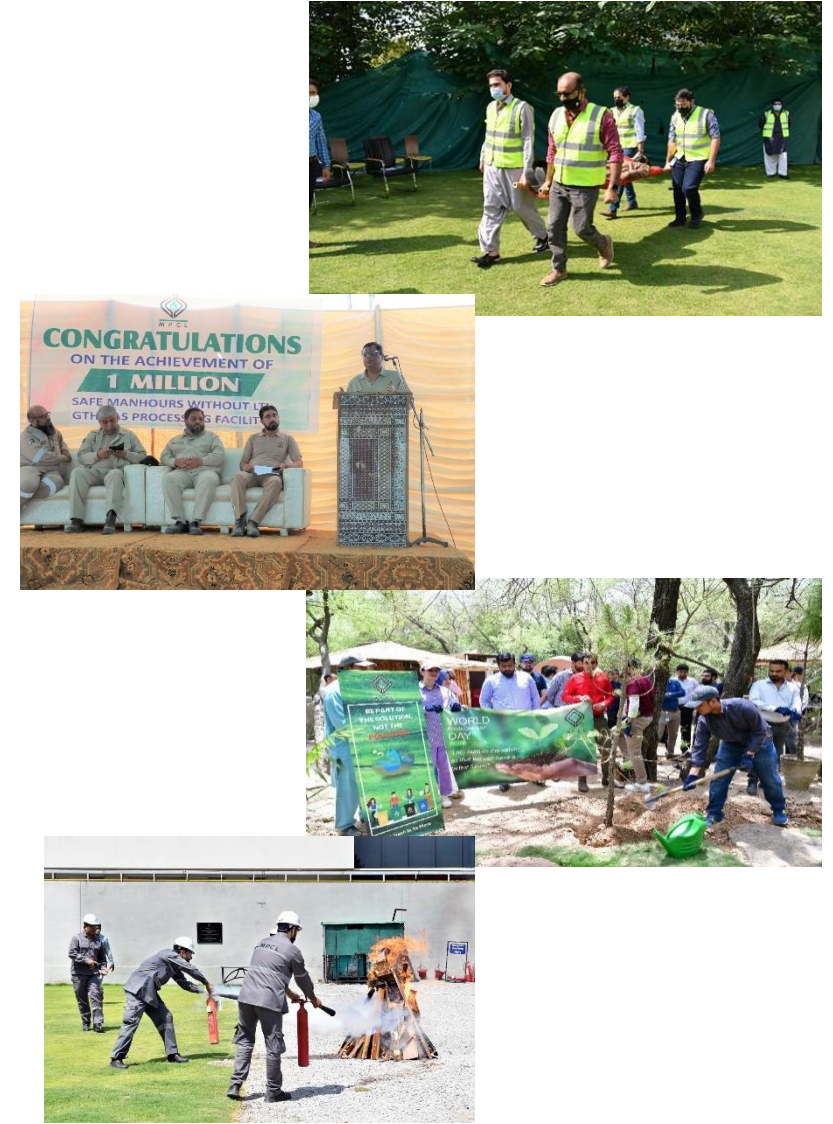
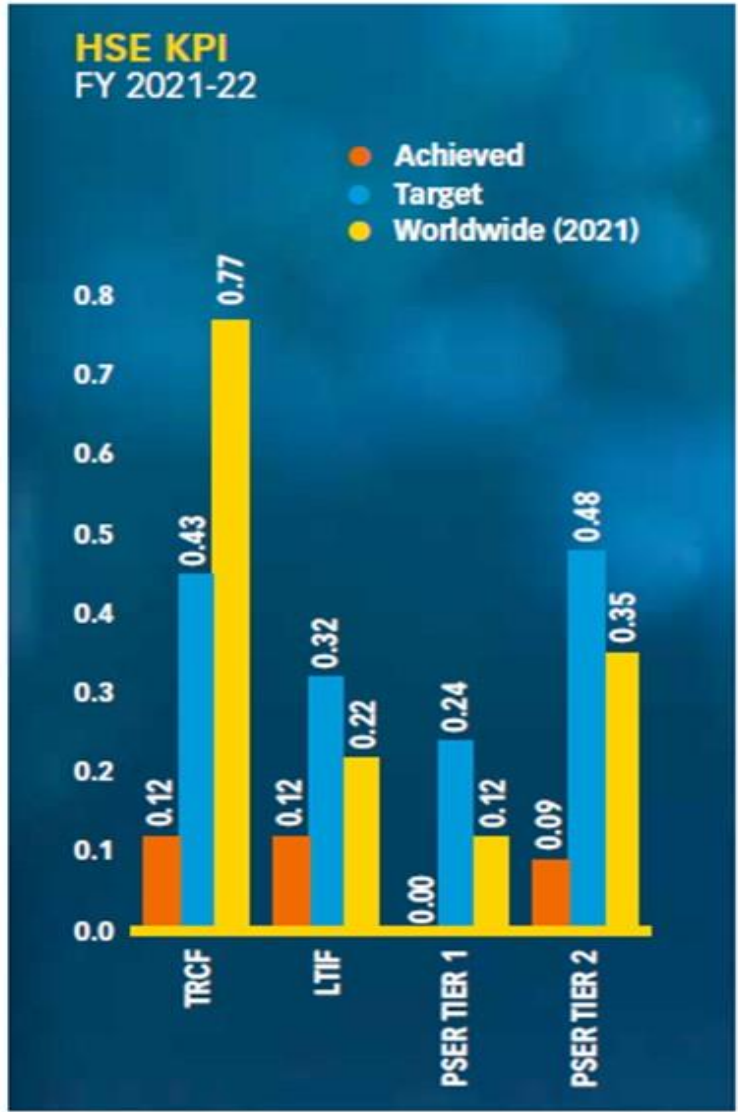
ARL

# Key Highlights



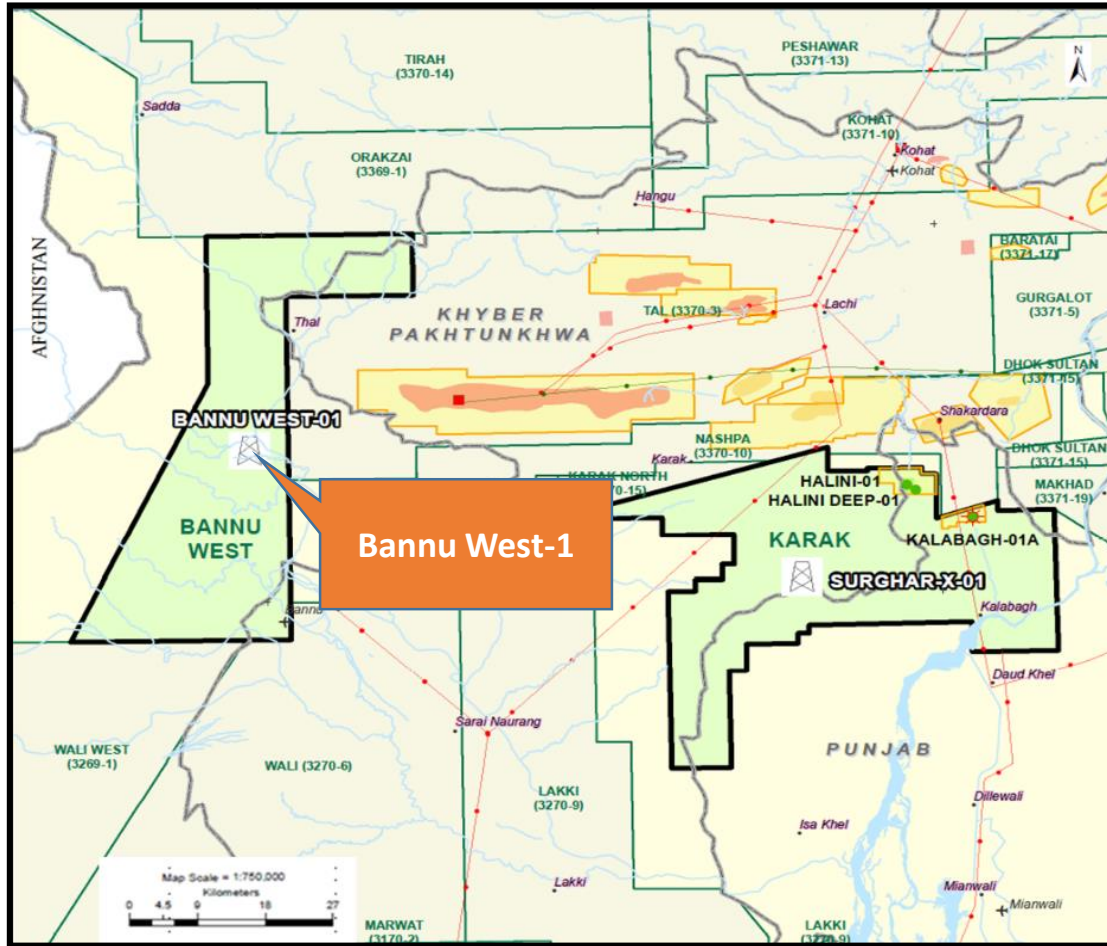
**Maintaining outstanding HSE performance is a core value of the MPCL**

MPCL's management continued its exemplary commitment and dedication to follow HSE policies and practices to ensure "no harm to people and environment" in all field operations at all locations.





# Bannu West Discovery in North Waziristan



Partners

MPCL 55%, OGDCL 35%,  
ZPCL 10%

Spud-in

June 2021

Discovery

June 2022

Total Depth

4,915 meters

Post acid flow

50 MMSCFD  
300 BOPD or condensate

**20" x 25 km Capacity Cross Country Pipeline Commissioned  
Connecting Mari with SNGPL**



**SGPC Phase I Commissioned to process and export 20  
mmscfd pipeline spec gas**



**SGPC Phase II Completion expected in Q4 2022 to  
process and export 90 mmscfd pipeline spec gas**



- Out of the box idea implemented on fast track basis

---

- First ever transaction in Pakistan under 3rd party access rules with a private party

---

- Flexibility to divert undrawn volumes towards SNGPL

---

- 45 bcf gas exported last year generating additional revenue of 7.6 Billion PKR

## Compression Project at CMF II (Phase III of SGPC)



2 x Compressors 40 mmscfd commissioned in June 2021

1 x Compressor 20 mmscfd commissioned in July 2022

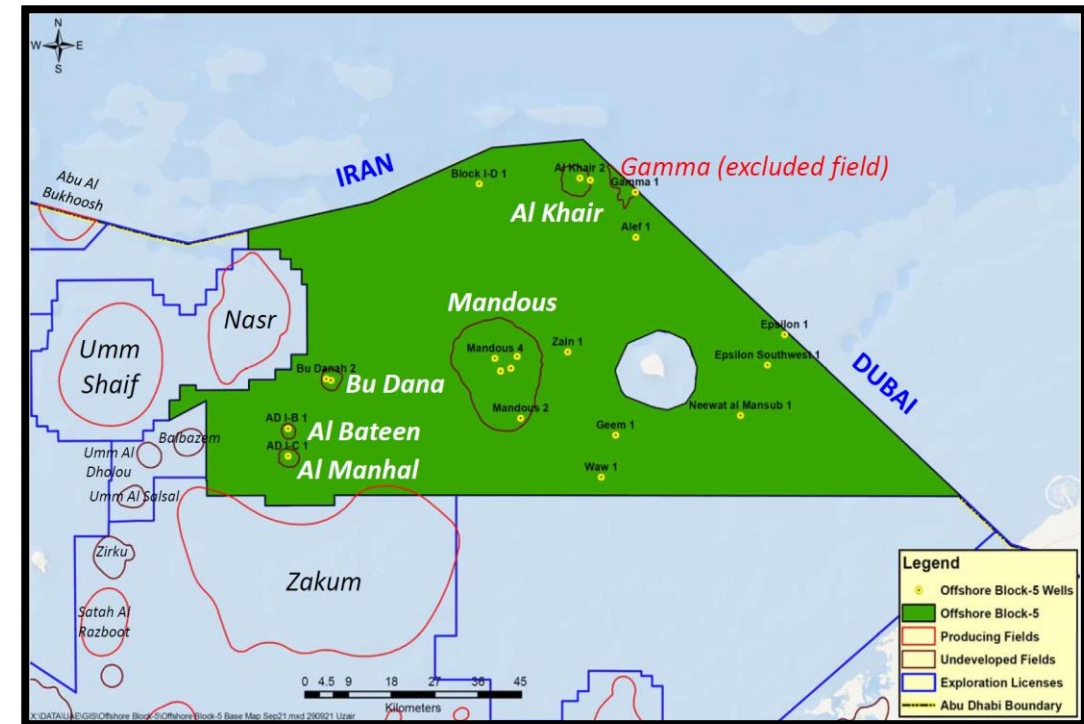
- 1st ever Pakistani consortium winning an international bid - Abu Dhabi Offshore Block 5

---

- Appraisal plan approved

---

- First Appraisal well planned to be drilled in Q2 2023

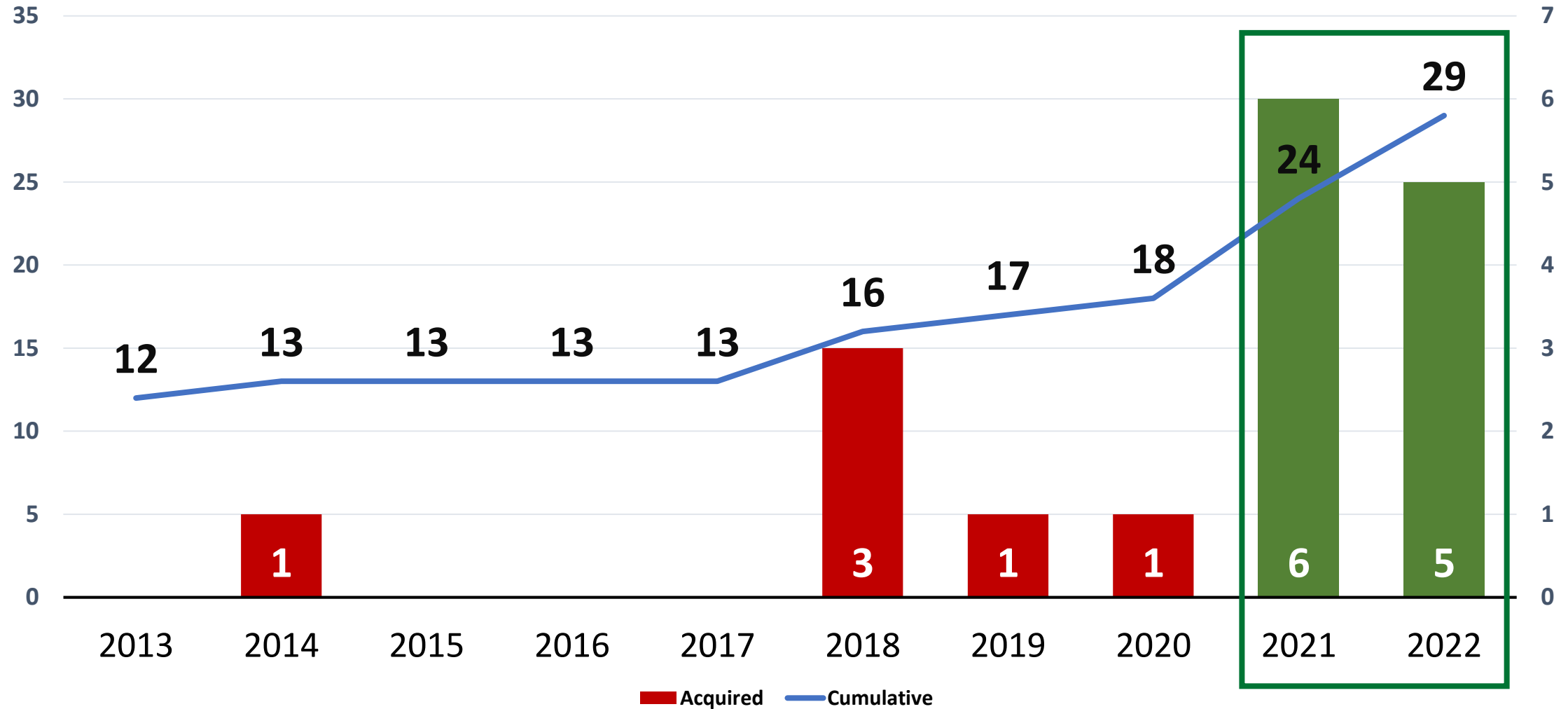






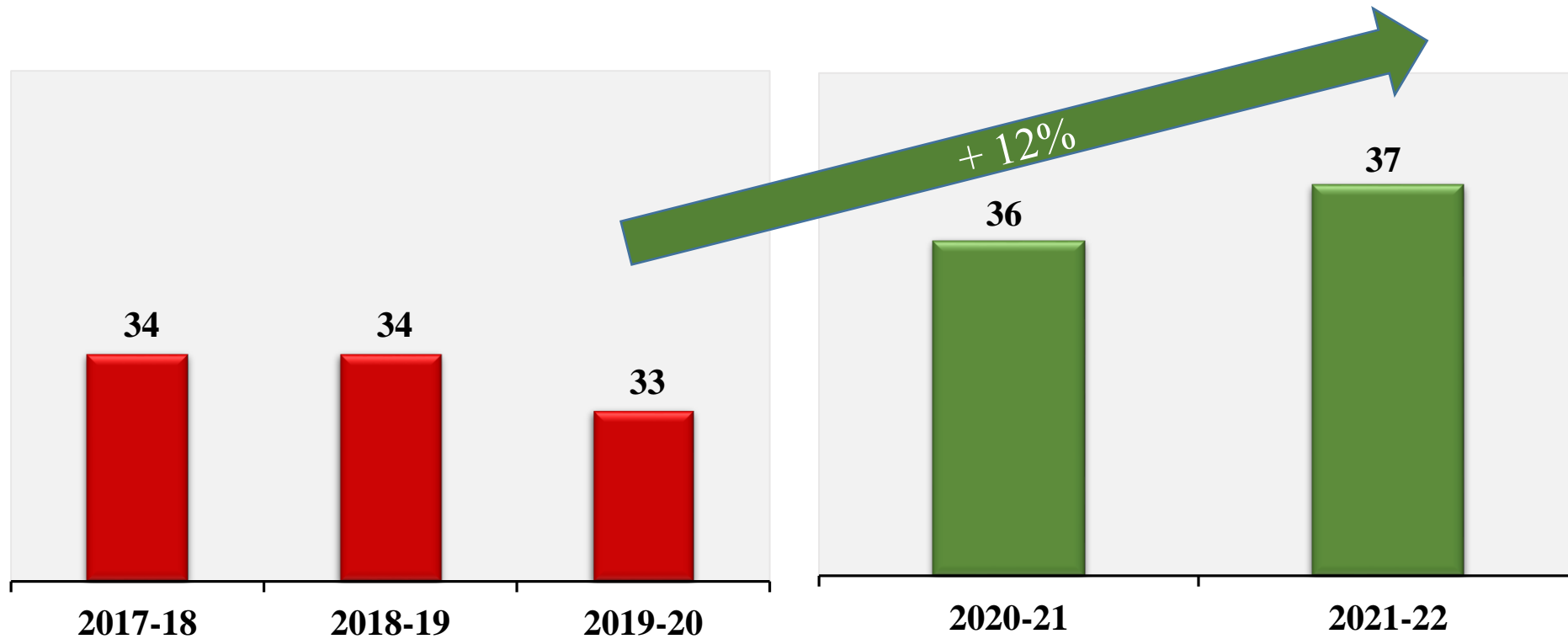
# Exploration Portfolio Expansion – Ensuring Future Organic Growth

**Aggressive Strategy to Acquire New Exploration Acreage (11 blocks in 2 yrs incl. ADNOC Offshore Block 5)**  
**Exploration Acreage now stands at 58,000 sq. km**



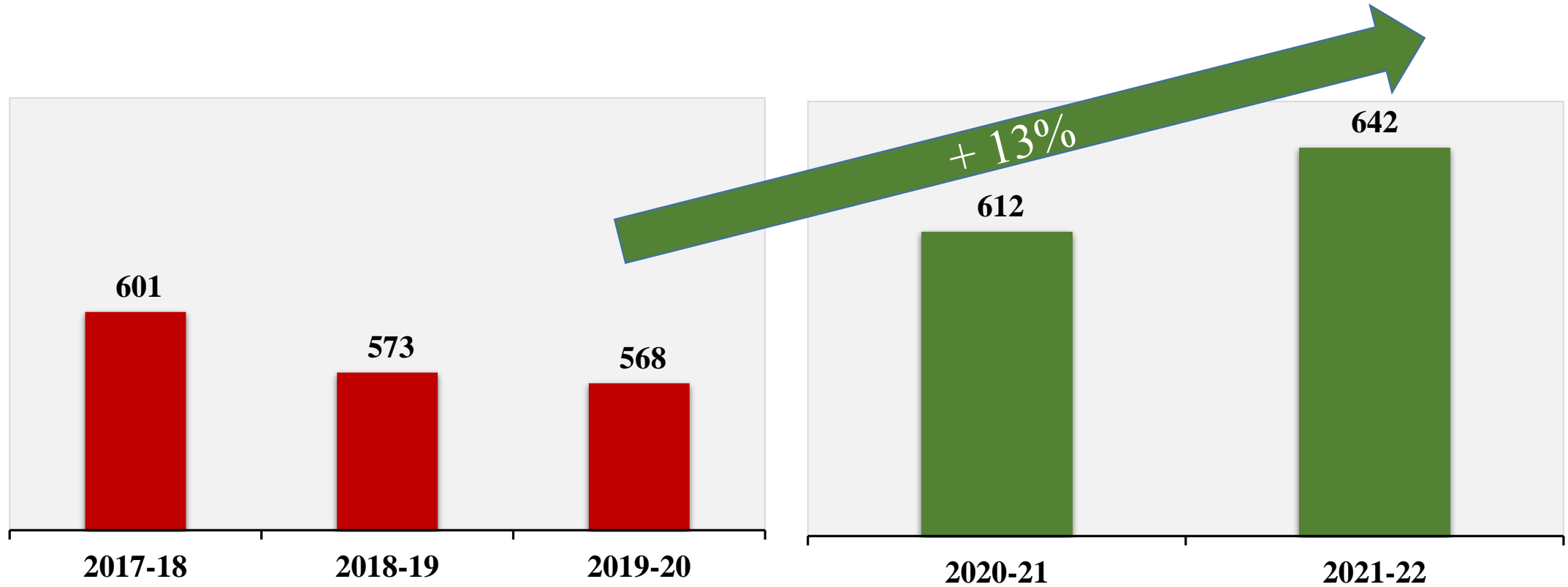
# Operational & Financial Achievements

**FY 2021-22 Net Avg. daily production crossed 100,000 BOEPD First Time Ever**



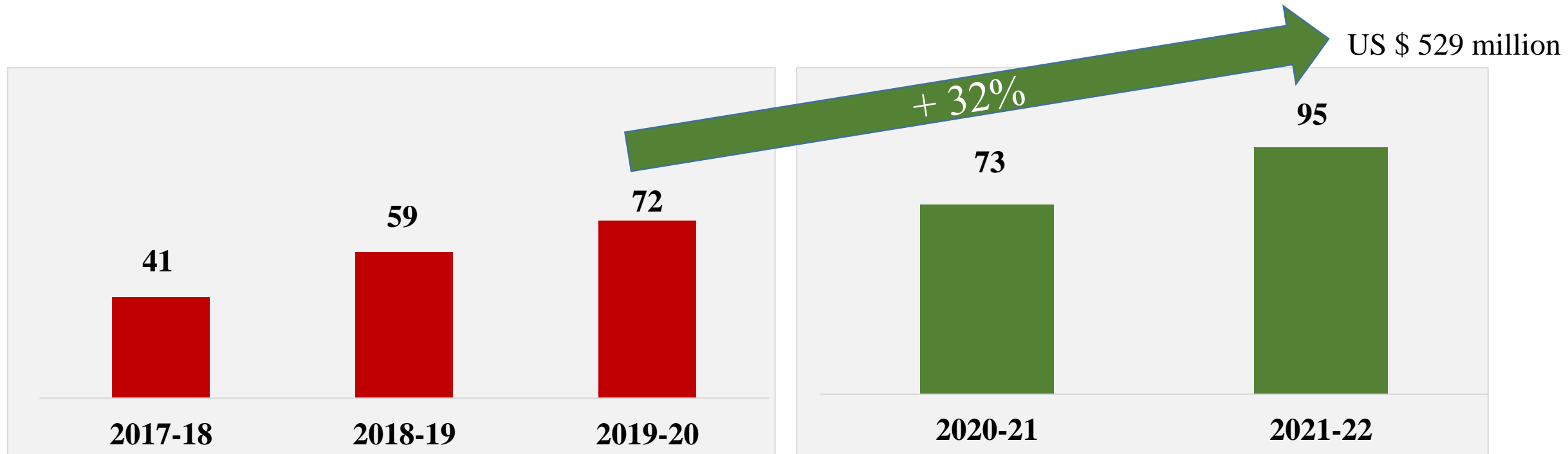
**Net Annual Production – MMBOE**



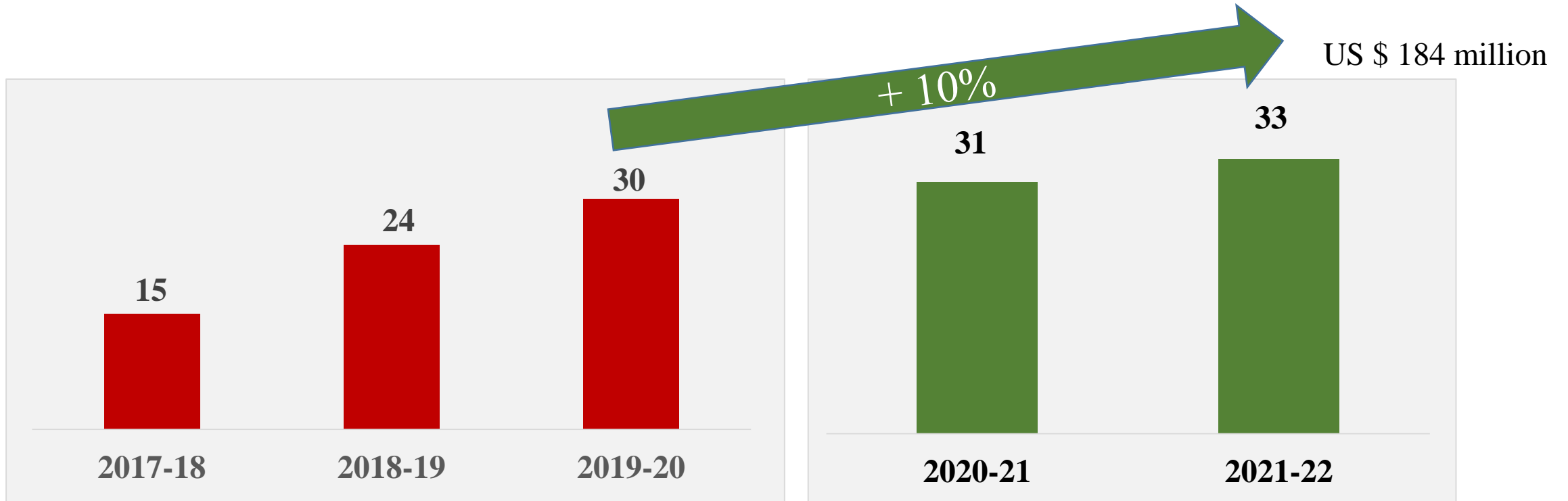


Net Estimated Reserves & Resources (MMBOE)

- Mainly due to Mari Field, Abu Dhabi and Bannu West



**Highest ever Net Sales - Rupees in Billions**

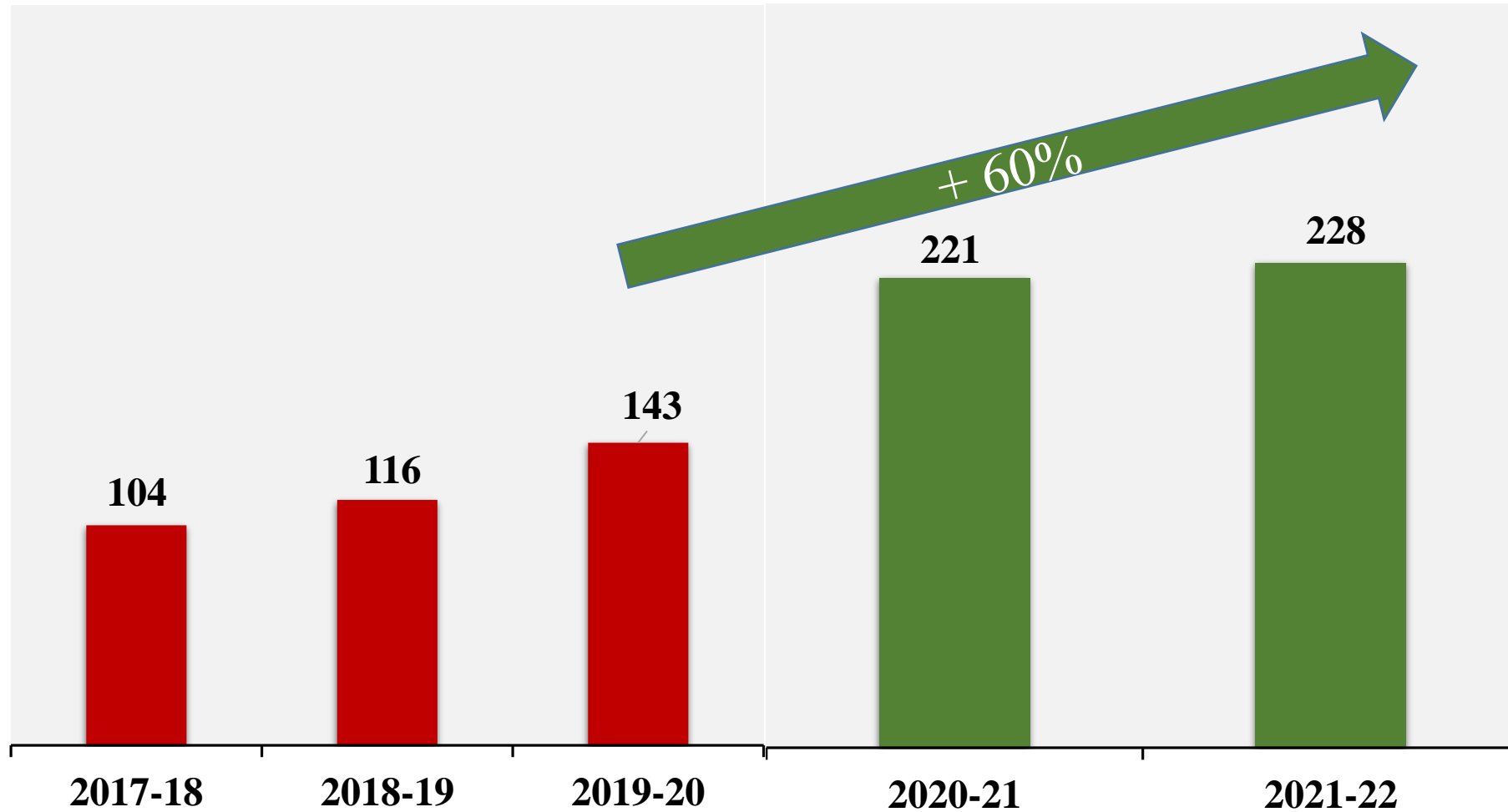


**Highest ever Net Profit - Rupees in Billions**

**Without Super Tax, Net Profit would have been Rs 38.27 B (28% increase)**

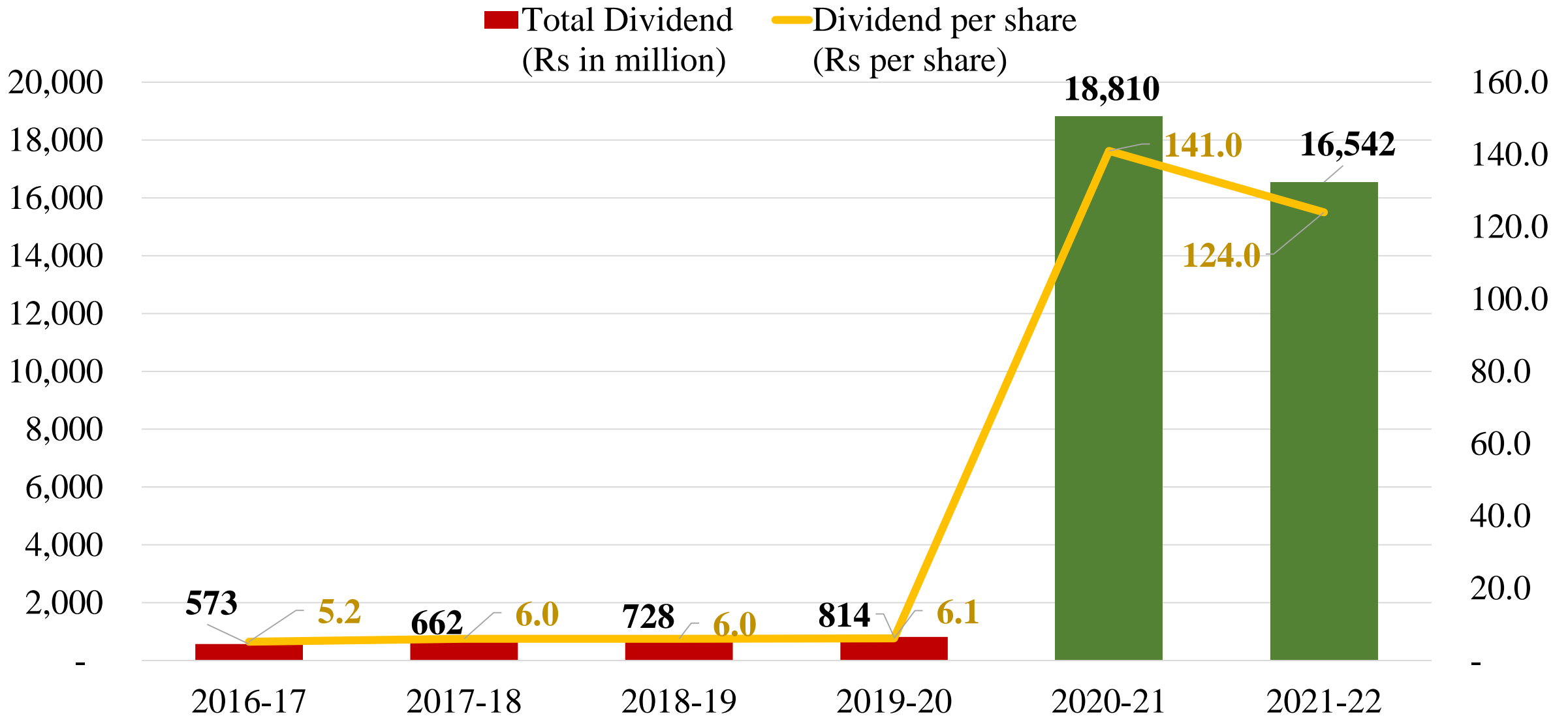


# Significant Increase in Exploration & Development Spending



**Exploration and Development Spending (MUSD)**

# Enhancing Shareholder Value and Returns



## Strong Operational And Financial Results

- Strong operational and financial performance in 2022.
- Significant free cash flow of \$56 million driven by higher economic production and stronger commodity prices.
- Low leveraging and borrowing cost.
- During the year, despite negative performance of KSE-100 index, MPCL's share price outperformed resulting in 14% increase in share price over the year

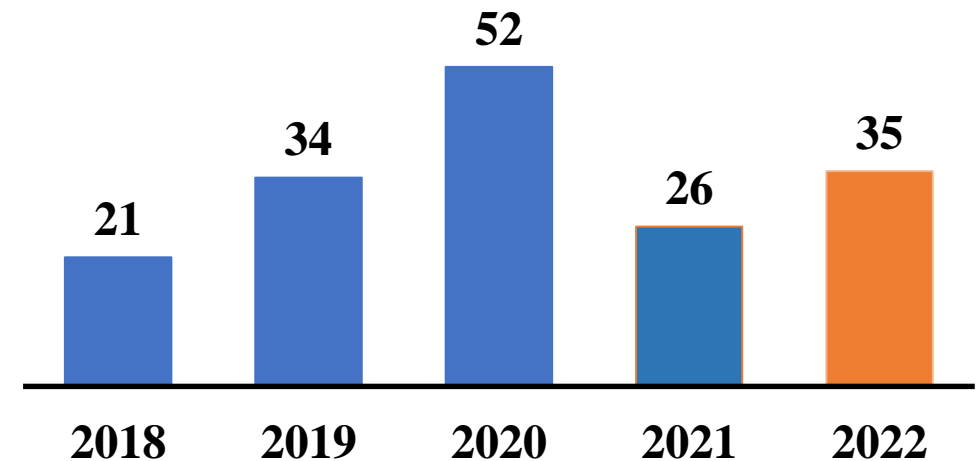
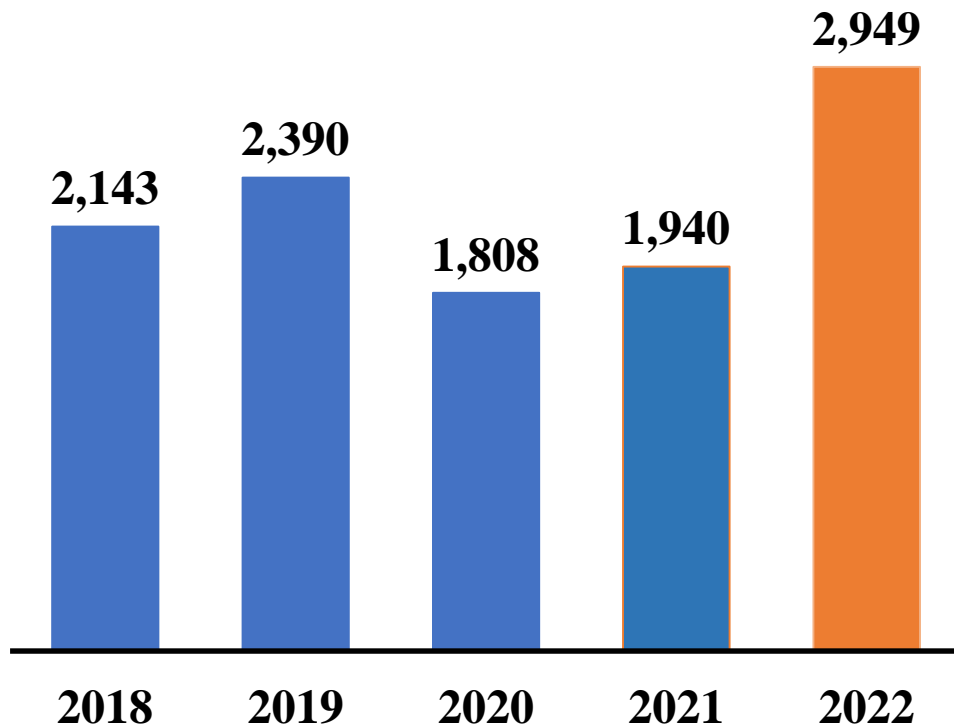
<b>Net Revenue</b>	USD Million	<b>529</b>
<b>Net Profit</b>	USD Million	<b>184</b>
<b>Earning Per Share</b>	USD/Share	<b>1.38</b>
<b>Net Assets</b>	USD Million	<b>636</b>
<b>Share Price</b>	USD/Share	<b>8.45</b>
<b>Market Capitalization</b>	USD Million	<b>1,126</b>
<b>Return on Equity</b>	%	<b>27%</b>
<b>Economic Value Added</b>	USD Million	<b>70.5</b>



**The Company contributed 366 Billion rupees to the Government exchequer in the form of royalty, taxes, levies and duties in the last five years.**

**Foreign Exchange Savings 11,230 Million US\$  
LNG Import Substitution**

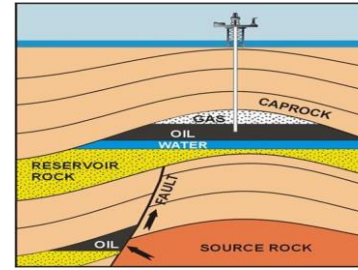
**Services Division has saved 168 Million \$ of  
FOREX via Provision of services**



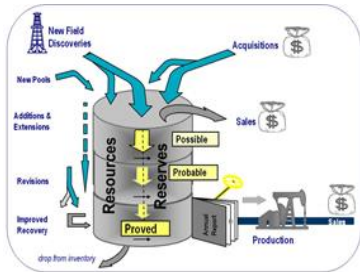
# Implementation of best practices



**Exploration Portfolio Management  
Portfolio Ranking & Capital Risk  
Management**



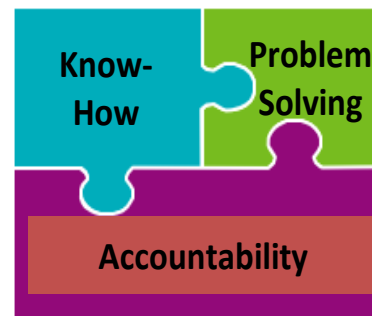
**Maximizing Recovery of  
Existing Portfolio  
Opportunity Inventory**



**Reserves Reporting  
Petroleum Resource Management  
System (PRMS)**



**Asset Integrity Management  
Implementation of AIMS  
Well Integrity Management  
System (WIMS)**



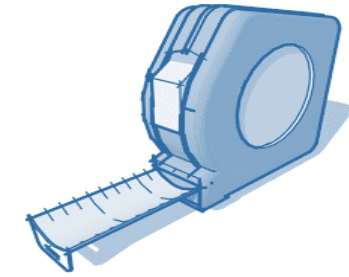
**Human Capital Management  
Pay for Performance  
Induction of new Talent  
Extended leadership program  
Need based training**



**Drilled 14 wells**



**\$113 mn Drillex Spent**



**34,724 Meters Drilled**

## Operations Excellence Key Focus Areas:

- Systems / Processes development
- HSE & Culture transformation
- Organization & people development
- Innovation / New technology deployment

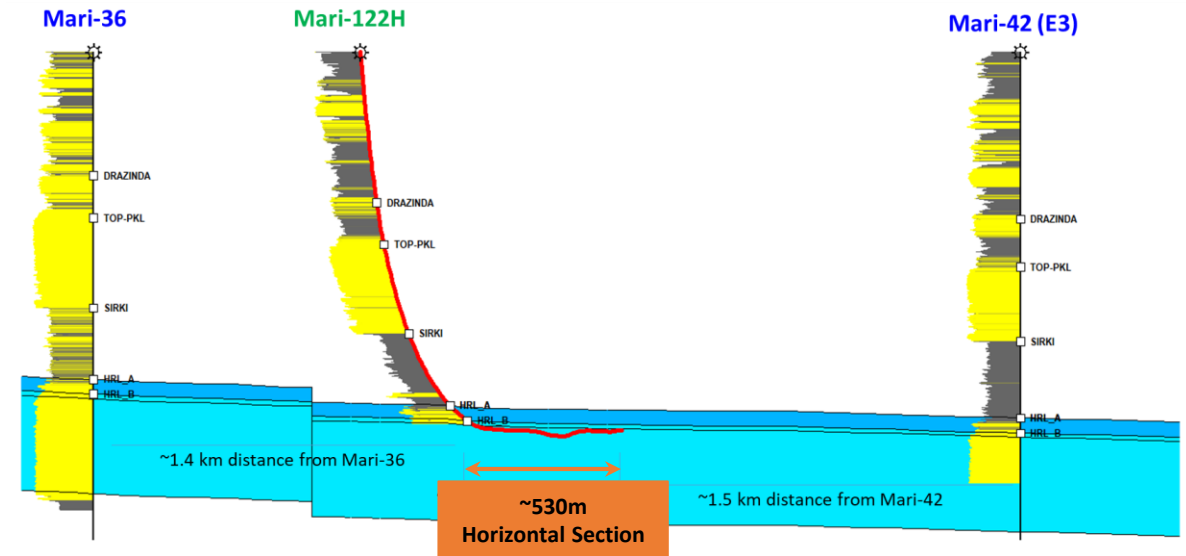
## Value Creation

- Reduction in cost per meter for development wells
- >30% reduction in days per km drilling



## First ever Horizontal well Mari – 122H

- Successfully completed and tested at a **gas rate of ~21 MMscfd 426 psig FWHP**
- Validated the higher deliverability and pressure to help ;
  - ✓ Manage pressure drawdown and delay water production
  - ✓ HRL Gas plateau extension
  - ✓ Exploit remaining potential to accelerate production and improve recovery



# ESG & CSR

## Where We Are

### Our Foundations

- Safety: Our Core Value
- Sustainable Operations
- Value creation for our shareholders, stakeholders & communities



### Green House Gases



### Improving People's Lives - CSR



### Caring for Our Planet



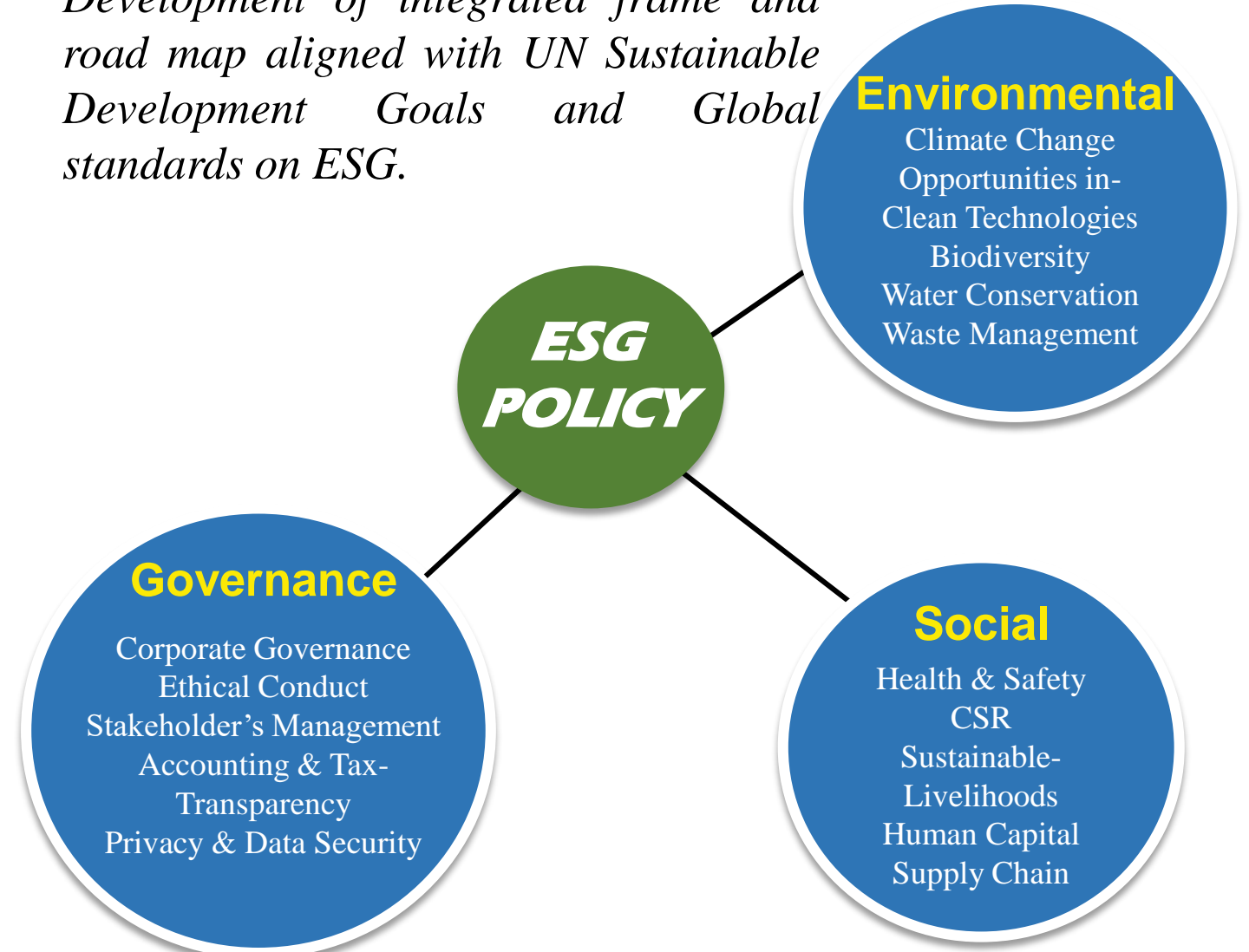
### Governance and Reporting



### Human Capital

## Where We Want To Be - Development of ESG Policy

Development of integrated frame and road map aligned with UN Sustainable Development Goals and Global standards on ESG.





## Thematic Areas

- Health & Education
- Water & Sanitation
- Climate Action – Green Projects
- Zero Hunger
- Economic Empowerment

### CSR Contribution in last 5- years

USD 37.4 Million (PKR 6.9 Billion)

### CSR Contribution in 2022

USD 19.7 Million (PKR 4.1 Billion)



## High-Impact Projects

- Green on Wheels – Plantation Drives – already in Islamabad
- Mari Mobile Dastarkhawan
- Sarbuland – An Economic Empowerment Initiative
- Noor e Sehar Special Education School Daharki
- Roshan Ehd – A Clean Energy Initiative (Solarization)
- Mari Model High School, Daharki
- Mari Medical Complex, various specialized clinics and mobile dispensaries
- Miyawaki Forestation at Mari Field, Daharki
- Multiple Scholarship Programs
- Flood and Disaster Relief Missions
- Lt Gen Ishfaq Nadeem Hockey Stadium
- MPCL Ambassador for Inclusive Education



# Awards & Recognitions



# Awards & Recognitions



**1st Prize for**  
“Best Management  
Practices in Oil & Gas  
Sector”.



**Annual Report 2021  
won 1st Position in Fuel  
& Energy category**



**Won four prestigious awards at 14th Annual CSR  
Summit & Awards 2022**

- (i) Best CSR Practices and Sustainability
- (ii) Inclusive Education
- (iii) Outstanding Contributions to National Game
- (iv) Economic Empowerment Initiatives



**Winner**  
“All Pakistan  
Commissioner  
Gujranwala Gold Cup  
Hockey Tournament-  
2022”



**ICCI Business  
Excellence Award  
for Top Taxpayer  
Company - Private  
Sector, Islamabad  
Region (2021-22)**

# Industry Challenges

**Circular Debt**



**Security Challenges**



**Supply Chain  
Disruptions**



**Foreign Exchange**



# The Road Ahead

# The Road Ahead

Completion of SGPC

ESG Policy

1<sup>st</sup> exploratory well in Block 28

Mari Field  
Sustainability Plan

Seismic acquisition in Ziarat and  
Wali West

EPF at Bannu West

Capacity building of Services  
Division

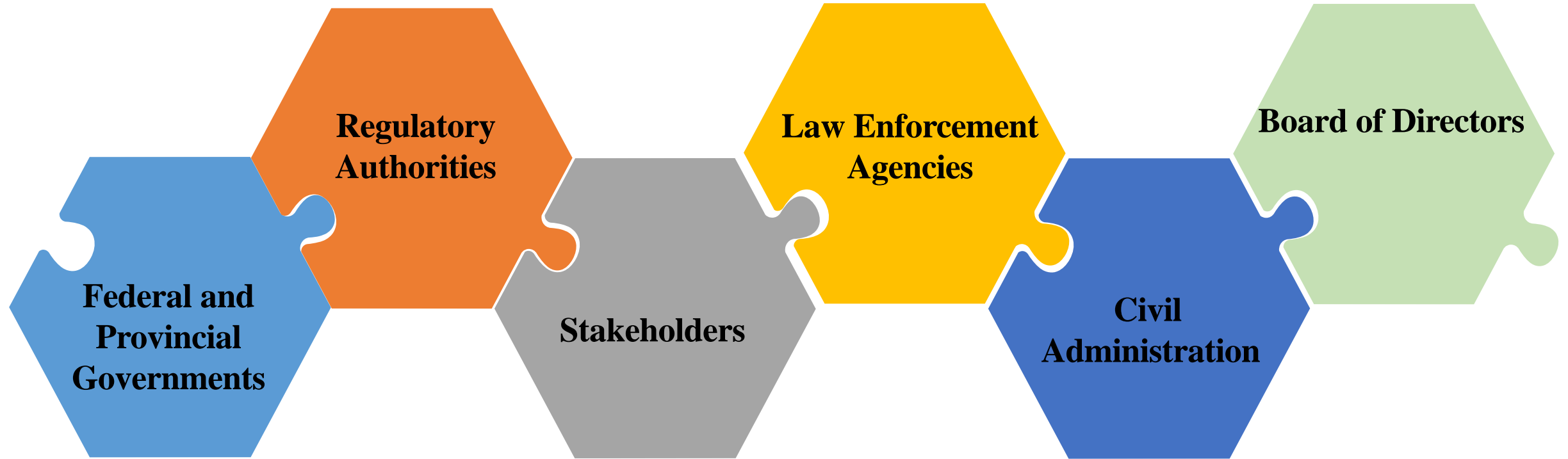
Appraisal & Exploration activities  
at Bannu West

Evaluating growth opportunities in  
Core and Non-Core verticals





# Gratitude



# THANK YOU

