

Flash Note

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Oil & Gas Exploration Companies

Mari Energies Limited (MARI)

Earnings: Mari Energies Limited (MARI) announced its 3QFY25 result. The Company reported 3QFY25 earnings of PKR 15.91bn (EPS PKR 13.25 @1,200.62mn shares), up by +13%/y/y, compared to PKR 14.12bn (EPS PKR 11.76 @1,200.62mn shares) in the similar period last year. On a quarterly basis, profitability is up by +42%/y/y. This brings total profitability for 9MFY25 to PKR 46.30bn (EPS PKR 38.56), down by 10%/y/y, compared to PKR 51.63bn (EPS PKR 43.0) in the same period last year.

Dividend/Payout: The Company did not announce any cash dividend along with the result.

Operating Performance: During the period under review, MARI reported a 5%/y/y decline in revenue during 3QFY25 on the back of lower oil production and oil prices. Royalty expense increased by 100%/y/y to PKR 11.63bn likely due to imposition of additional royalty on wellhead value of Mari D&P lease from Nov-24. Exploration cost stood at PKR 2.91bn during 3QFY25 compared to PKR 15.53bn in the same period last year likely in the absence of dry well cost. Operating expenses declined by 27%/y/y to PKR 8.36bn during 3QFY25 compared to PKR 11.50bn in the corresponding period last year. Finance income decreased by 13%/y/y to PKR 1.75bn during 3QFY25 likely owing to a decline in interest rates. Effective tax stood at 29.1% during 3QFY25 (2QFY25: 25.1%) compared to 8.3% in the same period last year bringing total effective tax rate for 9MFY25 to 30.3% against 33.9% in the corresponding period last year.

Exhibit: MARI Financial Highlights For the period 3QFY25								
PKRmn	3QFY25	3QFY24	y/y	2QFY25	q/q	9MFY25	9MFY24	y/y
Net Sales	45,643	48,247	-5%	41,354	10%	132,295	141,992	-7%
Royalty	11,628	5,800	100%	8,008	45%	25,157	17,547	43%
Operating Expense	8,355	11,499	-27%	15,098	-45%	31,483	26,139	20%
Exploration Expense	2,906	15,527	-81%	3,720	-22%	9,627	18,783	-49%
Gross Profit	21,216	14,236	49%	13,412	58%	61,316	73,949	-17%
Other Income / (loss)	464	56	8.3x	26	17.8x	609	972	-37%
EBIT	21,680	14,292	52%	13,438	61%	61,925	74,922	-17%
Finance Income	1,750	2,007	-13%	2,311	-24%	7,426	6,105	22%
Finance Cost	881	716	23%	833	6%	2,549	2,150	19%
PBT	22,429	15,397	46%	14,908	50%	66,465	78,095	-15%
PAT	15,905	14,124	13%	11,168	42%	46,301	51,629	-10%
EPS (PKR)	13.25	11.76		9.30		38.56	43.00	
DPS (PKR)	0.0	0.0		0.0		0.0	98.0	

Source: IGI Research and Company Financials No of Shares: 1,200.62mn

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