Flash Note

Friday, August 7, 2026

IGI Securities
SERVING YOU SINCE 1994

Oil & Gas Exploration Companies

Mari Energies Limited (MARI)

Earnings: Mari Energies Limited (MARI) announced it 4QFY26 result. The Company reported 4QFY26 earnings of PKR 37.5bn (EPS PKR 31.2), up by +99%y/y, compared to PKR 18.8bn (EPS PKR 15.69) in the similar period last year. On quarterly basis, profitability is up by +77%y/y. This brings total profitability for FY26 to PKR 87.1bn (EPS PKR 72.52), up by +34%y/y, compared to PKR 65.1bn (EPS PKR 54.25) in the same period last year.

Dividend/Payout: The Company announced cash dividend of PKR 18.7/share along with the result bringing total cash payout for FY26 to PKR 27/share.

Operating Performance: During the period under review, MARI reported +19%y/y incline in revenue during 4QFY26. Royalty expense increased by 20%y/y to PKR 12.6bn compared to PKR 10.5bn in the same period last year. Exploration cost stood at PKR 8.3bn during 4QFY26 compared to PKR 5.2bn in same period last year. Operating expenses augmented by +31%y/y to PKR 12.3bn during 4QFY26 compared to PKR 9.4bn in the similar period last year. Finance income decreased by 37%y/y to PKR 1.6bn during 4QFY26 likely owing to decline in interest rates. The Company booked tax reversal of PKR 18.3bn against tax expense of PKR 2.9bn in the same period last year. For FY26 MARI booked total tax reversal of PKR 3.8bn against tax expense of PKR 23.0bn in FY25.

Recommendation: We have a 'BUY' stance on MARI with our Dec-26 Target Price of PKR 742/share offering 10% upside from last close. The Company is trading at FY27 P/E of 11.5x and offer DY of 3.5%.

Exhibit: MARI Financial Highlights
For the period 4QFY26

PKRmn	4QFY26	4QFY25	y/y	3QFY26	q/q	FY26	FY25	y/y
Net Sales	53,363	44,802	19%	48,178	11%	191,663	177,097	8%
Royalty	12,552	10,454	20%	11,242	12%	45,717	35,611	28%
Operating Expense	12,292	9,380	31%	10,650	15%	43,338	40,863	6%
Exploration Expense	8,281	5,235	58%	4,876	70%	17,233	14,862	16%
Gross Profit	19,169	19,086	0%	20,149	-5%	80,538	80,402	0%
Other Income / (loss)	(160)	436	n/m	1,193	n/m	2,015	1,046	93%
EBIT	19,009	19,522	-3%	21,342	-11%	82,553	81,447	1%
Finance Income	1,567	2,487	-37%	1,236	27%	5,461	9,913	-45%
Finance Cost	1,511	929	63%	987	53%	4,462	3,478	28%
PBT	19,117	21,708	-12%	21,431	-11%	83,248	88,174	-6%
PAT	37,457	18,835	99%	21,171	77%	87,069	65,136	34%
EPS (PKR)	**31.20**	**15.69**		**17.63**		**72.52**	**54.25**	
DPS (PKR)	18.7	21.7		0.0		27.0	21.7	

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

Analyst
Abdullah Farhan
Abdullah.Farhan@igi.com.pk
Tel: +92 21 111 234 234 Ext: 912

9Important Disclaimer and Disclosures

Research Analyst(s) Certification: The Research Analyst(s) hereby certify that the views about the company/companies and the security/ securities discussed in this report accurately reflect his or her or their personal views and that he/she has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report. The analyst(s) is principally responsible for the preparation of this research report and that he/she or his/her close family/relative does not own 1% or more of a class of common equity securities of the following company/companies covered in this report.

Disclaimer: The information and opinions contained herein are prepared by IGI Finex Securities Limited and is for information purposes only. Whilst every effort has been made to ensure that all the information (including any recommendations or opinions expressed) contained in this document (the information) is not misleading or unreliable, IGI Finex Securities Limited makes no representation as to the accuracy or completeness of the information. Neither, IGI Finex Securities Limited nor any director, officer or employee of IGI Finex Securities Limited shall in any manner be liable or responsible for any loss that may be occasioned as consequence of a party relying on the information. This document takes no account of the investment objectives, financial situation and particular needs of investors, who shall seek further professional advice before making any investment decision. The subject Company (ies) is a client of the IGI Finex Securities Limited and IGI Finex Securities offers brokerage services to Subject Company (ies) on a regular basis, in line with industry practice. This document and the information may not be reproduced, distributed or published by any recipient for any purpose. This report is not directed or intended for distribution to, or use by any person or entity not a client of IGI Finex Securities Limited, else directed for distribution. All Research Analysts are receiving fixed pay and reporting directly to Head of Research who reports to CEO.

Rating system: IGI Finex Securities employs three tier ratings system, depending upon expected total return (return is defined as capital gain exclusive of tax) of the security in stated time period, as follows:

Recommendation Rating System
Buy if target price on aforementioned security (ies) is more than 10%, from its last closing price(s)
Hold if target price on aforementioned security (ies) is in between -10% and 10%, from its last closing price(s)
Sell if target price on aforementioned security (ies) is less than -10%, from its last closing price(s)

Valuation Methodology: To arrive at Target Prices, IGI Finex Securities uses different valuation methodologies including

- Discounted Cash Flow (DCF)
- Reserve Based DCF
- Dividend Discount Model (DDM)
- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

Risk: Investment in securities are subject to economic risk, market risk, interest rate risks, currency risks, and credit risks, political and geopolitical risks. The performance of company (ies) covered herein might unfavorably be affected by multiple factors including, business, economic, and political conditions. Hence, there is no assurance or guarantee that estimates, recommendation, opinion, etc. given about the security (ies)/company (ies) in the report will be achieved.

Basic Definitions and Terminologies used: Target Price: A price target is the projected price level of a financial security stated by an investment analyst or advisor. It represents a security's price that, if achieved, results in a trader recognizing the best possible outcome for his investment, **Last Closing:** Latest closing price, **Market Cap.:** Market capitalization is calculated by multiplying a company's shares outstanding by current trading price. **EPS:** Earnings per Share. **DPS:** Dividend per Share. **ROE:** Return on equity is the amount of net income returned as a percentage of shareholders' equity. **P/E:** Price to Earnings ratio of a company's share price to its per-share earnings. **P/B:** Price to Book ratio used to compare a stock's market value to its book value. **DY:** The dividend yield is dividend per share, divided by the price per share.

IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009

Contact Details

Equity Sales

Zaeem Haider Khan	Head of Equities	Tel: (+92-42) 35301405	zaeem.haider@igi.com.pk
Syeda Mahrukh Hameed	Regional Head (North)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Faraz Naqvi	Branch Manager (Karachi)	Tel: (+92-21) 111 234 234 Ext: 826	faraz.naqvi@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

Research Team

Abdullah Farhan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Sakina Makati	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 810	sakina.makati@igi.com.pk
Saher Hussain	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 974	saher.hussain@igi.com.pk
Syed Muzammil Hasan Rizvi	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 569	muzammil.rizvi@igi.com.pk
Sufyan Siddiqui	Database Officer	Tel: (+92-21) 111-234-234 Ext: 888	sufyan.siddiqui@igi.com.pk

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited |
Corporate member of Pakistan Mercantile Exchange Limited
Website: www.igisecurities.com.pk

Head Office
Suite No 701-713, 7th Floor, The Forum, G-20,
Khayaban-e-Jami Block-09, Clifton, Karachi-75600
UAN: (+92-21) 111-444-001
Fax: (+92-21) 35309169, 35301780

Lahore Office
Shop # G-009, Ground Floor,
Packages Mall
Tel: (+92-42) 38303560-69

LSE Plaza
Office No.1A at North Mezzanine Floor of the LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
Tel: (+92-42) 38303565

Islamabad Office
3rd Floor, Kamran Centre,
Block- B, Jinnah Avenue, Blue Area
Tel: (+92-51) 2604861-2, 2604864, 2273439
Fax: (+92-51) 2273861

Faisalabad Office
Office No. 2, 5 & 8, Ground Floor, The
Regency International 949, The Mall
Faisalabad
Tel: (+92-41) 2540843-45

Rahim Yar Khan Office
Plot # 12, Basement of Khalid Market,
Model Town, Town Hall Road
Tel: (+92-68) 5871652-3
Fax: (+92-68) 5871651

Multan Office
Mezzanine Floor, Abdali Tower,
Abdali Road
Tel: (92-61) 4512003, 4571183

IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009