

Date

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Applicable Criteria

- Methodology | Rating Modifiers | Apr-24
- Methodology | Correlation Between Long-term & Short-term Rating Scales | Jul-24
- Methodology | Corporate Rating | Jul-24

Related Research

- Sector Study | Oil Exploration & Production | Jan-25

PACRA Assigns Initial Entity Ratings to Mari Energies Limited (Formerly: Mari Petroleum Company Limited)

Rating Type	Entity
	Current 08-Jan-25
Action	Initial
Long Term	AAA
Short Term	A1+
Outlook	Stable
Rating Watch	-

The Pakistan Credit Rating Agency (PACRA) has through AAA (Long Term)/A1+ (Short Term) rating affirmed the strong operational and financial position of Mari Energies Limited (“Mari” or “the Company”) formerly Mari Petroleum Company Limited, a key player in Pakistan’s energy sector. Specializing in the exploration, development, and production of hydrocarbons, Mari holds a reserve and resource base of 816 million barrels of oil equivalent (MMBOE), making it the second-largest reserve holder in the country. The Company plays a vital role in Pakistan’s energy ecosystem, contributing 29% of the country’s total natural gas production making it the largest gas producer in the Country, anchored by its flagship asset, the Mari Gas Field, one of Pakistan’s largest gas reserves.

Mari’s operational efficiency is underscored by its exploration success, advanced reservoir management practices and ability to quickly bring new discoveries on production, which resulted in an exceptional reserve replacement ratio of 423% in FY24. The Company achieved a 7% increase in hydrocarbon sales, reaching 39.01 MMBOE, supported by a net daily production capacity of over 120,000 barrels of oil equivalent. This operational excellence translated into record-high net sales of PKR 181.8 billion, further complemented by finance income, delivering a profit of PKR 77.3 billion for the year.

With an equity base of PKR 225 billion and robust cash flows, the Company has solidified its financial stability, allowing it to meet future obligations and fund capital expenditures with minimal reliance on borrowings. Mari’s strategic position in the energy chain is strengthened by its significant portfolio of development and production leases and exploration licenses, both directly and through non-operating joint ventures.

As part of its diversification strategy, the Company is expanding into international markets, marking a significant milestone with its participation in an offshore Block 5 in Abu Dhabi alongside leading Pakistani exploration and production companies. This venture represents the first joint opportunity for Pakistani companies in the region.

Additionally, Mari has entered the mineral mining sector, exploring high-potential blocks for precious metals, and pursuing projects in, green hydrogen, CO₂ management solutions, and advanced energy infrastructure.

To further its technological and business advancements, the Company has established Mari Technologies Limited, a wholly-owned subsidiary focused on data centers, cloud computing and artificial intelligence. In line with its diversified portfolio and growth trajectory, Mari has also renamed itself as “Mari Energies Limited,” reflecting its broader focus on the evolving energy landscape.

Apart from its performance, ratings for the Company reflect its distinct ownership structure: Fauji Foundation holds a 40% stake, while the Government of Pakistan and Oil & Gas Development Company Limited (OGDCL) each own 20%. This distinctive shareholding composition reinforces the Company’s stability and strategic positioning. The governance structure, underpinned by tiered oversight, is aligned with best practices.

The Company's leadership has been driving its advancement and progress, implementing strategic initiatives to embed growth, sustainability, and innovation into its operational framework. Management remains committed to maintaining a largely debt-free capital structure, ensuring financial resilience and operational flexibility. Going forward, Mari's ability to strengthen its market leadership, diversify its portfolio, and effectively manage its overall risk profile will be critical to sustaining its long-term success.

About the Entity

Mari is a public limited company incorporated in Pakistan on December 4, 1984, is listed on the Pakistan Stock Exchange. Operating as an integrated exploration and production company, Mari's core activities encompass oil and gas exploration, drilling, field development, and the production and sale of hydrocarbons integrated with its own service division that owns drilling rigs, seismic acquisition crews, gravity and magnetic capability and a state of the art seismic processing center. The Company is governed by an eleven-member board, comprising representatives from sponsoring groups and independent members, ensuring a strong oversight and strategic direction. Mr. Faheem Haider has been the Managing Director and CEO since August 2020, he is a seasoned professional with extensive experience, bringing a comprehensive understanding of the exploration and production (E&P) business, encompassing technical, operational, and commercial aspects. He has had an international career spanning over 32 years, he has held a series of prominent technical and leadership roles with globally renowned oil and gas companies, including Union Texas Petroleum, OMV Pakistan Exploration GmbH, Helix RDS Limited UK, BG Group Plc UK, and Neptune Energy Group UK (formerly Engie E&P International). Mr. Haider is also the Managing Director / CEO of Mari Mining Co and Mari Technologies Co and the Chairman of the Board of Sky 47 Limited. He also represents Mari on PIOL's Board.

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