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**OGDCL UN-AUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED
30TH SEPTEMBER 2023**

Oil and Gas Development Company Limited (OGDCL), (Ticker: OGDC), today announced its financial results for the first quarter ended 30th September 2023. Financial Statements were prepared in accordance with International Financial Reporting Standards;

Highlights of First Quarter (ended 30th September 2023) Results include:

- OGDCL registered net sales of Rs 120.141 billion.
- Profit before Taxation during the period was Rs 86.174 billion
- Net Profit after Taxation during the period was Rs 49.038 billion translating into Earnings per Share of Rs 11.40
- The Board of Directors declared first interim cash dividend of Rs 1.60 per share.
- Average net realized price of crude oil sold was US\$ 69.52/barrel as against US\$ 83.53/ barrel during corresponding period last year. Average net realized price of natural gas sold was Rs 710.89/Mcf as against Rs 564.79/Mcf during corresponding period last year.
- 295 Line km of 2D seismic data and 57 Sq. km of 3D seismic data acquisition completed.
- (1) exploratory well; Kharo X-1 and 2 development wells; Togh-2 & Sono-9 were spud during the period under review.
- Average net crude oil production of 32,835 barrels per day, net saleable gas production of 762 MMcf per day and net LPG production of 713 Tons per day was achieved during the period under review.

| | 1Q 2023-24 (Rs in billion) | 1Q 2022-23 (Rs in billion) |
|-------------------------|---------------------------------------|---------------------------------------|
| Net Sales | 120.141 | 106.012 |
| Profit before Taxation | 86.174 | 88.207 |
| Profit after Taxation | 49.038 | 53.303 |
| Earnings per Share - Rs | 11.40 | 12.39 |

MD / CEO's Statement

MD/CEO of OGDCL, Mr. Ahmed Hayat Lak, commenting on the Company's first quarter financial results FY 2023-24, stated:

"I am pleased to report that the Company on the back of favourable oil price environment during the reporting period registered a growth of 13% in its top-line financials, while bottom-line financials were impacted primarily owing to inflationary trend. The Company registered Sales Revenue and Profit after Taxation of Rs 120.141 billion and Rs 49.038 billion respectively translating into an Earnings per Share of Rs 11.40 compared with Rs 12.39 in the same period last year. On the operational front, the Company continued with its exploration, development and production activities and spud one (1) exploratory well; Kharo X-1 and 2 development wells; Togh-2 & Sono-9, while total drilling recorded during the three months period was 7,052 meters.

The Company's production during the period under review contributed around 45%, 29% and 37% towards Country's total oil, natural gas and LPG production respectively. Its average daily net saleable crude oil, gas and LPG production clocked in at 32,835 barrels, 762 MMcf and 713 Tons in comparison to 33,443 barrels, 779 MMcf and 722 tons in the comparative period respectively. As regards development projects, OGDCL has successfully brought Bettani field into production by completing development of early production facilities (EPF) at Wali-1 in June 2023. The field is currently operational and producing around 835 barrels per day of crude oil and 12 MMcf per day of gas. At present, further field development is being undertaken to enhance oil and gas production, whereby drilling activities are underway at Bettani-2 well. In pursuance to production optimization plan, incremental cumulative daily production of 3,860 barrels of crude oil, 31 MMcf of gas and 51 Tons of LPG were recorded at various operated wells.

Lastly, it gives me immense pleasure to acknowledge and express my sincere thanks to the Management and employees of the Company at all levels for their relentless efforts and hard work. Moving on, I will continue to bank on the trust and support of all our shareholders so as to ensure that the business continues to deliver industry leading performance, safely and responsibly."

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Notes to Editors

OGDCL, the largest petroleum Exploration and Production (E&P) Company in Pakistan, was listed on Pakistan Stock Exchange (PSX) in November 2003 and its Global Depository Shares (GDS) were issued on London Stock Exchange in December 2006. It holds the largest portfolio of recoverable hydrocarbon reserves of Pakistan, at 36% of gas and 42% of oil, respectively, as at 30th June 2023. It contributed around 45%, 29% and 37% towards Country's total oil, natural gas and LPG production respectively.

With a portfolio of 50 exploration licences, the Company has the largest exploration acreage in Pakistan, covering 38% of the total awarded acreage as of September 30, 2023. Currently all production volumes are being realized from onshore areas of Pakistan, however, the Company also has working interest in Pakistan's offshore exploration block; Indus-G.

OGDCL had a net Profit after Tax of Rs 224.618 billion for the year ended 30th June 2023.

SUMMARY RESULTS

Financial Summary

OGDCL during quarter ended 30 September 2023 registered improved Sales Revenue of Rs 120.141 billion (1Q 2022-23: Rs 106.012 billion). Higher sales are primarily attributable to favorable exchange rate variance complemented by gas price variance partially offset by unfavorable volume variance and crude oil price variance. Average realized prices of crude oil, gas and LPG were US\$ 69.52/barrel (1Q 2022-23: US\$ 83.53/barrel), Rs 710.89/Mcf (1Q 2022-23: Rs 564.79/Mcf) and Rs 134,346/Ton (1Q 2022-23: Rs 142,658/Ton) respectively. Average exchange rate recorded was Rs 291.58/US\$ (1Q 2022-23: 224.57/US\$).

However, Company's profitability was adversely affected by higher operating expenses on account of rent, fee and taxes (additional 15% of wellhead value on renewal of leases beyond 30 years mainly Pasahki, Pasahki North and Qadirpur) combined with salaries, wages and benefits and amortization of development and production assets. Moreover, increase in prospecting expenditure coupled with decline in finance and other income on account of lower exchange gain impacted the bottom-line financials. Overall, Company recorded Profit after Tax of Rs 49.038 billion (1Q 2022-23: Rs 53.303 billion) translating into Earnings per Share of Rs 11.40 (1Q 2022-23: Rs 12.39)

Key Financial Indicators

| Financial KPIs | UOM | 1Q 2023-24 | 1Q 2022-23 |
|---------------------|---------------|------------|------------|
| Net Sales | Rs in Million | 120,141 | 106,012 |
| Profit after Tax | Rs in Million | 49,038 | 53,303 |
| Gross Profit Margin | % | 65 | 71 |
| Net Profit Margin | % | 41 | 50 |
| Current Ratio | Times | 6.77 | 6.04 |

Dividend

Board announced 1st interim cash dividend of Rs 1.60 per share (16%) for the year ending 30 June 2024.

Exploration and Development Activities

OGDCL being the market leader in E&P sector of Pakistan holds the largest exploration acreage, which as of 30 September 2023 stood at 91,782 sq. km representing 38% of the Country's total area under exploration (source: PPIS). The Company's exploration portfolio currently comprises 50 owned and operated joint venture exploration licenses. Additionally, the Company possesses working interest in 11 exploration blocks operated by other E&P companies.

In line with its exploration drive to enhance oil and gas reserves, OGDCL during the period under review acquired 295 Line km of 2D (1Q 2022-23: 221 Line km) and 57 sq. km of 3D seismic data (1Q 2022-23: 21 sq. km). The acquired seismic data represents 50% and 100% of total 2D and 3D seismic data

acquisition in the Country respectively. Moreover, the Company using in-house resources processed/reprocessed 1,512 Line km of 2D seismic data. However, 3D seismic activities during the period were affected by non-availability of imported ground electronics as a result of LC issues.

On the drilling front, OGDCL spud 3 wells (1Q 2022-23: 1 well) including 1 exploratory well; Kharo X-1 and 2 development wells; Togh-2 & Sono-9. Moreover, drilling and testing of 5 wells pertaining to previous fiscal year was also completed. Total drilling recorded during the three months was 7,052 meters (1Q 2022-23: 11,392 meters). However, drilling activities were impacted by non-availability of spare parts for TDS and other critical items; drilling line, bridal line and downhole equipment on account of LC issues leading to stacking of 2 owned rigs.

Discoveries

OGDCL's exploratory efforts to locate new reserves during the period under review yielded gas discovery (1Q 2022-23: nil) viz., Chak 214-1 in district Rahim Yar Khan, Punjab province. The aforementioned discovery has an expected daily production potential of 2.4 MMcf of gas.

Development Projects

Following is the status of development projects undertaken by the Company:

| Name of Project | Location of Project | Working Interest Owners | Completion Date | Current Status |
|---------------------|-------------------------|---|-----------------|---|
| Khewari | Khairpur, Sindh | OGDCL 77.50% GHPL 22.50% | October 2023 | Laying of 6-inch 16 km gas pipeline and installation of plant/gathering facilities are in progress. |
| Jhal Magsi | Jhal Magsi, Balochistan | OGDCL 56% POL 24% GHPL 20% | May 2024 | Hiring of PC contractor by OGDCL and laying of gas pipeline by SSGC is in progress. |
| Dakhni Compression | Attock, Punjab | OGDCL 100% | November 2024 | LOI has been awarded to the EPCC contractor. |
| KPD-TAY Compression | Hyderabad, Sindh | KPD: OGDCL 100% TAY: OGDCL 77.50% GHPL 22.50% | February 2025 | LOI has been awarded to the EPCC contractor. |
| Uch Compression | Dera Bugti, Balochistan | OGDCL 100% | April 2025 | The contract has been signed and LC opening is in progress. |

Production

OGDCL is employing latest production techniques and cutting-edge technologies to optimize hydrocarbon production as well as to minimize natural decline in the mature producing fields. Company's production during the period under review contributed around 45%, 29% and 37% towards Country's total oil, natural gas and LPG production respectively (source: PPIS).

OGDCL's average daily net saleable crude oil, gas and LPG production clocked in at 32,835 barrels, 762 MMcf and 713 tons in comparison to 33,443 barrels, 779 MMcf and 722 Tons in the comparative period of last year. The production was slightly impacted due to natural decline at KPD-TAY, Chanda, Mela, Bitrism, Nashpa, Pandhi, Gundunwari and Chak Naurang fields. Moreover, mechanical issues at Tando Alam-21 and Kal-1 wells coupled with Annual Turn Around at Chanda, Dakhni and KPD-TAY plants impacted production. Likewise, lower gas production was observed due to less gas intake by SNGPL from Qadirpur field due to SNGPL system constraints. The major power failure at KPD-TAY plant leading to complete shutdown during 14-17 September 2023 along with reduction in production from NJV fields also contributed toward lower hydrocarbon output.

The decline in production was partially mitigated by injection of 2 operated wells in the production gathering system viz., Nim East-1 and Nashpa-11, which cumulatively yielded gross crude and gas production of 47,010 barrels and 222 MMcf respectively. In an effort to arrest natural decline and sustain production from mature wells, the Company carried out 33 work-over jobs comprising 4 with rig and 29 rig-less. Moreover, to induce improvement in the current well flow parameters, pressure build-up survey jobs were completed at various wells of Dakhni, KPD and Qadirpur fields. Additionally, electrical submersible pump was successfully installed at Pasahki-11 resulting in incremental oil production of 1,350 barrels per day. Average daily net saleable crude oil, gas and LPG production including share in both operated and non-operated JV fields is as follows:

| Fields | Crude Oil - BPD | | Natural Gas - MMcfd | | LPG - Tons/day | |
|---------------------------------------|-----------------|---------------|---------------------|------------|----------------|------------|
| | 1Q 2023-24 | 1Q 2022-23 | 1Q 2023-24 | 1Q 2022-23 | 1Q 2023-24 | 1Q 2022-23 |
| Operated fields | 32,325 | 32,969 | 778 | 789 | 751 | 723 |
| Partners' share in Opert JVs | (6,964) | (7,530) | (115) | (124) | (254) | (230) |
| Net Production-Opert Fields | 25,361 | 25,439 | 663 | 665 | 497 | 493 |
| Share in Non-Opert JVs | 7,474 | 8,004 | 99 | 114 | 216 | 229 |
| Avg. Daily Net Production | 32,835 | 33,443 | 762 | 779 | 713 | 722 |
| Production Incr. / (Decr.) - % | (2%) | | (2%) | | (1%) | |

Bettani Field Development

OGDCL has successfully brought Bettani field into production by completing development of early production facilities (EPF) at Wali-1 in June 2023. The field is currently operational and producing around 835 barrels per day of crude oil and 12 MMcf per day of gas. At present, further field development is being undertaken to enhance oil and gas production, whereby drilling activities are underway at Bettani-2 well.

Reko Diq Mining Project

In line with its plan to diversify its business, OGDCL has entered into definitive agreements with the Federal Government, Government of Balochistan, GHPL, PPL and Barrick Gold Corporation for extraction of gold and copper reserves from Reko Diq. The state-owned enterprises (SOEs); OGDCL, PPL and GHPL hold 25% of equity in the project, divided equally among these companies. While 50% of the equity is held by the Barrick Gold along with management and operatorship rights and remaining 25% of the equity is held by the Government of Balochistan. In order to manage the equity shareholding of the SOE's, a special purpose vehicle (SPV) namely Pakistan Minerals (Private) Limited (PMPL) has been incorporated. Currently, project feasibility study is in progress and expected to be completed by the end of 2024.

Abu Dhabi Offshore Block-5

At offshore block-5, planned exploration and evaluation activities are underway, whereby 3D seismic processing (PSDM), technical studies, static and dynamic reservoir modelling and concept selection study for surface facilities have been completed. Moreover, geophysical survey for 3 appraisal sites has also been completed. After completion of technical and financial evaluation for selection of jack-up rig, contract has been awarded for drilling of 4 wells with 1 contingency well. At present, evaluation of 2 exploration wells is underway.