

Islamabad, September 23, 2022

FOR IMMEDIATE RELEASE**OGDCL Audited Financial Results for the Year Ended 30 June 2022**

Oil and Gas Development Company Limited (OGDCL), (Ticker: OGDC), today announces its financial results for the year ended June 30, 2022. Financial Statements have been prepared in accordance with International Financial Reporting Standards.

Highlights of the year include:

- OGDCL registered net sales of Rs 335.464 billion compared to Rs 239.104 billion in the last year
- Net Profit before Taxation was Rs 232.521 billion compared to Rs 128.986 billion in the last year
- Net Profit after Taxation was Rs 133.784 billion as against Rs 91.534 billion in the last year translating into an Earnings per Share of Rs 31.11
- The Board of Directors declared final cash dividend of Rs 2.50 per share
- Operating Profit Margin and Net Profit Margin were 54% and 40%, respectively
- Average net realized price of crude oil was US\$ 75.69/bbl as against US\$ 46.67/bbl during last year
- Average net realized price for natural gas was Rs 436.06/Mcf as against Rs 383.88/Mcf during last year
- Acquired 2,003 Line km of 2D and 601 sq. km of 3D seismic data compared to 2,539 Line km of 2D and 600 sq. km of 3D seismic data in the last year
- Spud 13 wells including 7 exploratory/appraisal wells and 6 development wells
- Exploratory efforts yielded 7 oil and gas discoveries; Wali-1 (Kawagarh), Wali-1 (Hangu) and Wali-1 (Lockhart) in district FR Lakki, KP province, Jandran West-1 in district Kohlu, Balochistan province, Umair South East-1 in district Ghotki, Nim East-1 in district Tando Allah Yar, Sindh province and Kalerishum-1 in district Rajanpur, Punjab Province
- Average net saleable crude oil, gas and LPG production were 35,292 barrels per day, 825 MMcf per day and 807 Tons per day during the year under review
- A summary of profit and loss indicators is tabulated below:

	Rs in billion	
	FY 2021-22	FY 2020-21
Net Sales	335.464	239.104
Profit before Taxation	232.521	128.986
Profit after Taxation	133.784	91.534
Earnings per Share - Rs	31.11	21.28

MD & CEO's Statement

Syed Khalid Siraj Subhani, MD/CEO OGDCL, commenting on the financial results of OGDCL's FY 2021-22 said:

I am pleased to report that OGDCL during the year ended June 30, 2022 registered Sales Revenue of Rs 335.464 billion and Profit after Tax of Rs 133.784 billion. Higher profitability is primarily due to increase in the realized prices of crude oil and gas averaging US\$ 75.69/barrel and Rs 436.06/Mcf against US\$ 46.67/barrel and Rs 383.88/Mcf respectively in the last year. During the fiscal year 2021-22, the Company acquired 2,003 Line km of 2D and 601 sq. km of 3D seismic data, which represents 80% and 31% of total 2D and 3D seismic data acquisition respectively in the Country. OGDCL drilled a total of 13 wells and its pursuit to exploration-led growth strategy led the Company to 7 new hydrocarbon discoveries.

OGDCL during the year under review contributed around 47%, 29% and 37% towards Country's total oil, natural gas and LPG production respectively. I am also pleased to inform you that Qadirpur Compression has been successfully completed in July 2022 and all 3 compressor packages have been commissioned and are operational. Moreover, installation of compressors at Maru-Reti, Dakhni, Uch and KPD-TAY fields coupled with LPG Extraction Facility at Daru-Mangrio are underway. The aforesaid development projects will help in optimizing hydrocarbon recovery and to maintain production plateaus in the future.

Moving forward, all of us at OGDCL remain committed to long term value creation through an approach that returns capital to shareholders, maintains investment discipline and preserves a strong balance sheet. While continuing our journey towards achieving organizational goals and objectives, we assure you that we will continue to strengthen our distinctive capabilities and work hard to keep and earn your support in a safe and responsible way.

For further information:

Investor Relations Contacts:

Wasim Ahmad

Investor Relations Officer

Telephone: +92 51 262 3158

Fax: +92 51 924 4104

Email: wasim_ahmad@ogdcl.com

Notes to Editors

OGDCL, the largest petroleum Exploration and Production Company in Pakistan, is a listed Company on Pakistan Stock Exchange and its Global Depository Shares were issued on London Stock Exchange in December 2006. It holds the largest portfolio of recoverable hydrocarbon reserves of Pakistan, at 34% of gas and 33% of oil, respectively, as at June 30, 2022. During the year under review, it contributed around 47%, 29% and 37% towards Country's total oil, natural gas and LPG production respectively.

With a portfolio of 48 exploration licences, OGDCL has the largest exploration acreage in Pakistan, covering 41% of the total awarded acreage as of June 30, 2022. Currently, all production volumes are being realized from onshore areas of Pakistan, however, the Company also possesses working interest in Pakistan's offshore exploration block; Indus-G.

OGDCL for the year ended June 30, 2022 registered a Profit after Tax of Rs 133.784 billion.

SUMMARY RESULTS

Financial Results

OGDCL during the year ended 30 June 2022 registered Sales Revenue of Rs 335.464 billion against Rs 239.104 billion last year. Higher Sales Revenue is primarily attributable to increase in average realized price of crude oil to US\$ 75.69/barrel. Moreover, the Company recorded increase in the realized prices of gas and LPG averaging Rs 436.06/Mcf and Rs 123,653/Ton respectively. Furthermore, rise in average exchange rate to Rs 178.24/US\$ lent strength to financials.

The Company's profitability was also positively influenced by increase in finance and other income mainly on account of exchange gain. However, higher operating expenses accompanied with decline in share of profit in associate on account of contribution towards PIOL amounting Rs 2.503 billion partially impacted the bottom line. OGDCL recorded Profit after Tax of Rs 133.784 billion against Rs 91.534 billion last year translating into an EPS of Rs 31.11.

Dividend

The Board of Directors has recommended final cash dividend of Rs 2.50 per share (25%) in addition to three (3) cumulative interim cash dividends of Rs 4.75 per share already declared and paid during the year under review. This makes a total dividend of Rs 7.25 per share (72.5%) for the year ended 30 June 2022.

Exploration and Development Activities

OGDCL being the national flagship of Pakistan's E&P sector holds the largest exploration acreage, which as of 30 June 2022 stood at 87,290 sq. km representing 41% of Country's total area under exploration (source: PPIS). The Company's exploration portfolio currently comprises 48 owned and operated joint venture exploration licenses. Additionally, the Company possesses working interest in 9 exploration blocks operated by other E&P companies.

In line with its exploration-led growth strategy to locate oil and gas reserves, OGDCL during the year acquired 2,003 Line km of 2D and 601 sq. km of 3D seismic data in comparison to 2,539 Line km of 2D and 600 sq. km of 3D seismic data in the last year. The acquired seismic data represents 80% and 31% of total 2D and 3D seismic data acquisition in the Country respectively. Moreover, the Company using in-house resources processed/reprocessed 3,541 Line km of 2D and 905 sq. km of 3D seismic data. Furthermore, 256 Line km of geological field work was carried out in Hazro and Nowshera blocks.

On the drilling front, OGDCL spud 13 wells including 7 exploratory/appraisal wells [Bago Phulphoto-1, Bewato-1, Killi Malik-1, Kalerishum-1, Nim East-1, Umair South East-1 & Kot Nawab-1] and 6 development wells [Hakeem Daho-3, Qadirpur-63, Lala Jamali-2, Nashpa-11, Chak 5 Dim South-3 & Bhambara-2]. Moreover, drilling and testing of 16 wells pertaining to previous fiscal year was also completed. Total drilling recorded during the twelve months was 41,961 meters.

Discoveries

OGDCL's exploratory efforts to locate new reserves during the year under review yielded 7 oil and gas discoveries having an expected cumulative daily production potential of 4,250 barrels of oil and 47 MMcf of gas. Aforementioned discoveries include Wali-1 (Kawagarh), Wali-1 (Hangu) and Wali-1 (Lockhart) in district FR Lakki, KP province, Jandran West-1 in district Kohlu,

Balochistan province, Umair South East-1 in district Ghotki, Nim East-1 in district Tando Allah Yar, Sindh province and Kalerishum-1 in district Rajanpur, Punjab Province.

Development Projects

Name of Project	Location of Project	Working Interest Owners	Completion Date	Current Status
Qadirpur Compression	Ghotki, Sindh	OGDCL 75.00% PPL 7.00% KUFPEC 8.50% AHEL 4.75% PKPEL2 4.75%	July 2022	All 3 compressor packages have been commissioned and are operational.
Maru-Reti Compression	Ghotki, Sindh	OGDCL 57.76% GHPL 22.50% SEPL 10.66% IPRTOC 9.08%	September 2022	Installation of compressor has been completed, while commissioning and startup operations are in progress.
Daru-Mangrio Central Facility LPG Extraction	Hyderabad, Sindh	OGDCL 77.50% GHPL 22.50%	April 2023	Technical and financial evaluation of bids for hiring of PCC contractor have been completed.
Dakhni Compression	Attock, Punjab	OGDCL 100%	November 2023	Technical and financial evaluation of the bids for hiring of the EPCC contractor have been completed.
Uch Compression	Dera Bugti, Balochistan	OGDCL 100%	May 2024	Technical and financial evaluation of the bids for hiring of the EPCC contractor have been completed.
KPD-TAY Compression	Hyderabad, Sindh	KPD: OGDCL 100% TAY: OGDCL 77.50% GHPL 22.50%	March 2024	Technical evaluation of the bids for hiring of the EPCC contractor has been completed, while financial bids are under evaluation.

Production

OGDCL's production strategy is aimed at maintaining and augmenting hydrocarbon production by expediting connectivity of newly discovered exploratory, appraisal and development wells in the system, employing latest production techniques and undertaking/completing ongoing development projects to meet the growing demands of oil and gas in Pakistan.

OGDCL's average daily net oil and gas production clocked in at 35,292 barrels and 825 MMcf respectively. The Company's production was impacted primarily by natural decline at Rajian, Chanda, Nashpa, KPD-TAY and Qadirpur fields besides annual turn around (ATA) at 8 production fields coupled with decline in production from NJV fields. The Company's average daily net LPG production clocked in at 807 Tons owing to higher production mainly from Mela and TAY fields.

Injection of 10 operated wells in the production gathering system viz., Tando Alam-21, Sial-1, Pasakhi-12, Mangrio-2, Togh Bala-2, Gundunwari-1, Pandhi-1, Siab-1, Chabaro-1 and Hakeem Daho-3 cumulatively yielded gross crude oil and gas production of 436,588 barrels and 7,859 MMcf respectively. Additionally, electrical submersible pumps were installed at Pasakhi-2 and Pasakhi North-3 resulting in incremental crude oil production of 1,080 barrels per day. In order to arrest natural decline and sustain production from mature wells, 89 workover jobs were carried out comprising 16 with rig and 73 rig-less. Moreover to induce improvement in the current well flow parameters, pressure build-up survey jobs were completed at various wells of producing fields; Mela, Pasakhi, Nashpa, Qadirpur, Maru-Reti, Uch, Kunnar, Sinjhor and Chanda.

Average daily net saleable crude oil, gas and LPG production including share in both operated and non-operated JV fields is as follows:

Products	Unit of Measurement	FY 2021-22	FY 2020-21
Crude oil	Barrels per day	35,292	36,892
Gas	MMcf per day	825	870
LPG	Tons per day	807	803
Sulphur	Tons per day	39	52

Wali Field Development

OGDCL is the operator of Wali exploration licence possessing 100% working interest in the exploration block. The exploratory efforts in the Wali block resulted in gas and condensate discovery; Wali-1 in district FR Lakki, KP province in 1Q 2021-22. The hydrocarbons were discovered from Wali-1 in Kawagarh, Hangu and Lockhart formations having expected cumulative daily production potential of 37 MMcf of gas and 2,850 barrels of oil. In pursuit to the Prime Minister's directives for bringing Wali field on production and to mitigate energy crisis in the Country, development work in line with the Wali field development plan is underway.

Abu Dhabi Offshore Block-5

In line with its vision to expand business internationally, OGDCL along with consortium members; PPL (operator), MPCL and GHPL participated in the second competitive exploration bid round held by ADNOC in December 2019 and offshore block-5 in Abu Dhabi was awarded to consortium on 31 August 2021. Currently, reprocessing of 1,000 sq. km of 3D seismic data and merging with new carpet 3D is in progress, while drilling of 3 appraisal wells along with DST has been approved by ADNOC and based on results of appraisal data drilling of exploratory wells will be planned.

Reko Diq Mining Project

OGDCL has entered into a framework agreement with the Federal Government, Government of Balochistan, GHPL, PPL and Barrick Gold Corporation for extraction of gold and copper reserves from Reko Diq. OGDCL, PPL and GHPL will hold 25% of equity in the project, divided equally among these companies. While 50% of the equity will be held by Barrick Gold which shall also have management and operator rights and remaining 25% of the equity will be held by the Government of Balochistan. Initially, OGDCL has deposited \$187.5 million into the escrow account as an entry fee which would be utilized towards acquisition of 8.33% interest in the project. The Company's participation in the project is subject to administrative/legislative/regulatory/judicial approvals, execution of definitive agreements and other conditions agreed in the framework agreement.