

Oil & Gas Development Company Limited

Corporate Briefing Takeaways

OGDC senior management held an analyst briefing today to discuss financial performance of FY25 and the future outlook.

REP-300

Financial Performance

- OGDC posted unconsolidated earnings of PKR 184.8bn (EPS: PKR 39.50) in FY25, down 19% YoY mainly due to 7% decline in oil production to 30.9k bpd and 9% decline in gas production to 652 mmcfd.

Reserves and Production Share

- As of June 30, 2025, OGDC held 49% of the country's recoverable oil reserves and 31% of the country's recoverable gas reserves. In terms of production, currently OGDC delivered 49% of Pakistan's oil output, 28% of its gas output and 34% of its LPG output. Company's remaining 2P recoverable reserves estimates, as at June 30, 2025, stood at 756.20bn barrels of oil equivalent.

Exploration and new productions initiated

- OGDCL added eight new development and exploratory wells to production. The company completed 19 rig-based workovers and 71 interventions to enhance output from existing fields.
- Ten ESPs were installed across multiple wells in the Kunnar, Pasakhi, TOC, and Rajjan fields, delivering an initial incremental gain of 8,000 bpd. Facilities optimization and new technologies, such as multiphase flow meters and chemical stimulation were successfully deployed.

Circular Debt & Collections

- Management highlighted that circular debt settlement is progressing. A dedicated task force is now leading the process.
- Since the power sector settlement took roughly a year, they expect a similar one to two year timeline this time as well.

ABU DHABI OFFSHORE BLOCK-5

- ADNOC has approved the field development plan for the appraisal fields, Bu-Dana, Al-Manhal, and Al-Bateen. First production is targeted for the second half of 2028.
- The production estimate for Abu Dhabi offshore remains 2,500 bpd for OGDCL by 2028.

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REKO DIQ MINING PROJECT

- Reko Diq's feasibility study was completed and approved in Jan'25, with early site work already underway. First production is expected in FY29.
- Phase 1 will fund Phase 2 of the project, with the first dividend expected in FY31-32. The business will be purely cash-based, receiving 90% of payments upfront.
- OGDC clarified that reports of Barrick Gold considering a corporate split are media speculation, not official decisions. Barrick reaffirmed that Reko Diq remains a priority and that organizational changes will not affect the project.

Uch Gas

- Regarding UCH gas supply, the company noted that updates in IGCEP forecasts may cause confusion, but the government continues to recognize UCH gas as a key indigenous resource.
- UCH-II gas supply is contractually secured until 2035, while UCH-I is secured until 2028, with an option for a five year extension. The company is also exploring additional arrangements to ensure uninterrupted supply and optimal resource utilization.

Offshore Drilling & Seismic Activity

- OGDCL confirmed no offshore wells are planned this fiscal year. Exploration is focused on the Pir Koh–Loti region, with 2D and 3D seismic surveys fully underway across Balochistan and KP, mostly concentrated in Balochistan.
- OGDCL sees offshore prospects as promising and believes local firms should lead drilling. Significant discoveries, the company notes, will attract foreign investors willing to pay a premium for lower risk opportunities.

Oil Price Outlook

- OGDC expect oil prices to remain range bound in 2026.

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