

ATRL | APL | PSO

REP- 300

ATRL: Bottomline projected to increase by 10.9x YoY to PKR 147.9/share in 1QFY27

Attock Refinery Limited (ATRL) is expected to announce its 1QFY27 results shortly. We forecast the company to post a PAT of PKR 15,771mn (EPS: PKR 147.9), up 10.9x YoY. Gross profit is estimated at PKR 24.1bn, implying a gross margin of 16.9%. Higher sales volumes during the quarter, coupled with elevated international MS and HSD crack spreads, are expected to support profitability.

Average international MS and HSD spreads stood at USD 18.19/bbl and USD 49.75/bbl, respectively, during the quarter, per our estimates. HSD spreads averaged USD 59.65/bbl before being fixed at USD 41.89/bbl effective 20-Aug-26, weighing on overall GRMs. Nevertheless, spreads remain at elevated levels.

MS sales surged 81.7% YoY to 186k tons in 1QFY27, while HSD sales increased 52.7% YoY to 176k tons, primarily driven by reduced curtailment. Additional gas flows to ATRL from newer discoveries further supported sales, while lower HSD imports also provided a favourable backdrop for refinery volumes. Meanwhile, FO sales surged 18.3x YoY to 71k tons in Jun'26, amid higher demand from the power sector.

Other income for 1QFY27 is projected to increase 56% YoY to PKR 3.4bn, supported by ATRL's stronger cash position of PKR 116.5bn as of Jun'26. Alongside the results, we do not expect the company to announce a dividend, in line with its historical payout pattern.

Exhibit: Financial Highlights

(PKR mn)	1QFY27e	1QFY26	YoY	4QFY26	QoQ
Net Sales	142,500	59,311	140%	116,798	22%
Cost of sales	118,400	58,380	103%	108,095	10%
Gross profit	24,100	931	26x	8,703	127%
Gross margins	16.9%	2%		7%	
Other charges	2,308	648	256%	1,381	67%
Other income	3,383	2,172	56%	2,984	13%
Profit for the period	15,771	1,451	987%	5,740	175%
EPS (PKR)	147.92	13.61		53.83	
DPS (PKR)	-	-		15.00	

Source (s): Company Financials, AHL Research

APL: Earnings expected to rise 65% YoY on inventory gains

Attock Petroleum Limited (APL) is expected to announce its 1QFY27 financial results shortly, with profit after tax (PAT) projected at PKR 6,305mn (EPS: PKR 50.7), reflecting a 65% YoY increase from PKR 3,811mn (EPS: PKR 30.6) reported in the corresponding period last year. The anticipated growth in earnings is primarily attributable to higher petroleum prices, increased inventory gains, and improved other and finance income.

Net sales are expected to rise by 35% YoY, mainly driven by higher MS and HSD prices. Average MS and HSD prices increased by 32.5% YoY and 43.5% YoY to PKR 348.95/litre and PKR 385.56/litre, respectively. However, sales volumes remained subdued during 1QFY27, with HSD and MS volumes declining by 4.5% YoY and 2% YoY, respectively. Gross margin is expected to improve to 6.69% from 6.41% in the same period last year (SPLY), primarily supported by inventory gains following the rise in petroleum prices amid ongoing geopolitical tensions. Meanwhile, net finance income is projected to increase by 44% YoY to PKR 1,326mn, mainly driven by higher line-fill income.

ATRL

Last Closing 1201.22

PSX Code ATRL

Bloomberg Code ATRL PA

Relative Performance



Source (s): PSX, AHL Research

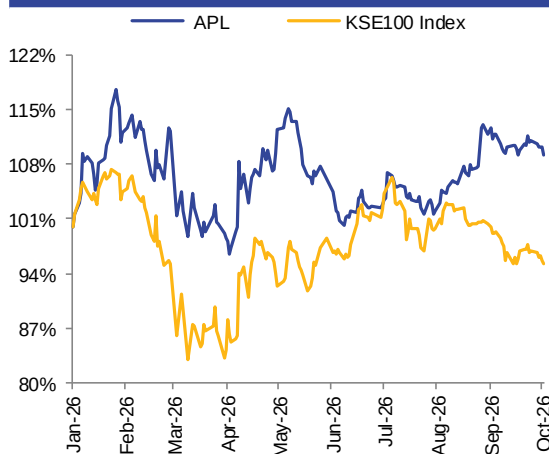
APL

Last Closing 578.24

PSX Code APL

Bloomberg Code APL PA

Relative Performance



Source (s): PSX, AHL Research

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Exhibit: Financial Highlights

(PKR mn)	1QFY27e	1QFY26	YoY	4QFY26	QoQ
Net Sales	158,490	117,784	35%	163,443	-3%
Gross Profit	10,604	7,554	40%	4,356	143%
Gross Margins	6.69%	6.41%		2.67%	
Other Income	796	567	40%	1,018	-22%
Operating Profit	9,153	5,751	59%	2,526	262%
Net Finance Income	1,326	922	44%	934	42%
Other Charges	734	458	60%	237	209%
PAT	6,305	3,811	65%	2,194	187%
EPS (PKR)	50.7	30.6		17.6	187%
DPS (PKR)	-	-		40.0	

Source (s): Company Financials, AHL Research

PSO: Inventory gains to lift earnings in 1QFY27

Pakistan State Oil Company (PSO) is expected to announce its 1QFY27 financial results shortly, with profit after tax (PAT) projected at PKR 20,542mn (EPS: PKR 43.8), reflecting a 119% YoY increase. The anticipated earnings growth is primarily driven by higher MS (+25% YoY) and HSD (+12% YoY) sales volumes, elevated ex-depot prices, and inventory gains amid rising ex-refinery prices due to geopolitical tensions.

Net sales for 1QFY27 are projected to increase by 18% YoY to PKR 871,755mn, primarily supported by higher MS and HSD sales volumes and a significant increase in petroleum product prices. Average MS and HSD prices rose by 32.5% YoY and 43.5% YoY to PKR 348.95/litre and PKR 385.56/litre, respectively. Meanwhile, the RLNG segment is expected to remain under pressure, as PSO's average DES price increased to USD 11.09/mmbtu from USD 8.01/mmbtu in the corresponding period last year, amid elevated international oil prices. During the quarter, the company handled only three RLNG cargoes, compared with 28 cargoes in the same period last year (while no cargoes were handled in Jul'26 due to supply disruptions stemming from geopolitical tensions).

Gross profit is projected at PKR 44,603mn, translating into a gross margin of 5.12%, primarily driven by anticipated inventory gains following an increase in international oil prices. On the cost side, finance costs are expected to rise by 3% YoY to PKR 6,114mn, mainly due to higher reliance on short-term local borrowings.

Exhibit: Financial Highlights

(PKR mn)	1QFY27e	1QFY26	YoY	4QFY26	QoQ
Net Sales	871,755	737,186	18%	808,970	8%
Gross Profit	44,603	30,051	48%	(33,682)	-232%
Gross Margins	5.12%	4.08%		-4.16%	
Finance Cost	6,114	5,953	3%	8,369	-27%
Other Income	4,467	4,556	-2%	4,788	-7%
PAT	20,542	9,390	119%	(23,050)	-189%
EPS (PKR)	43.8	20.0		(49.10)	
DPS (PKR)	-	-		10.00	

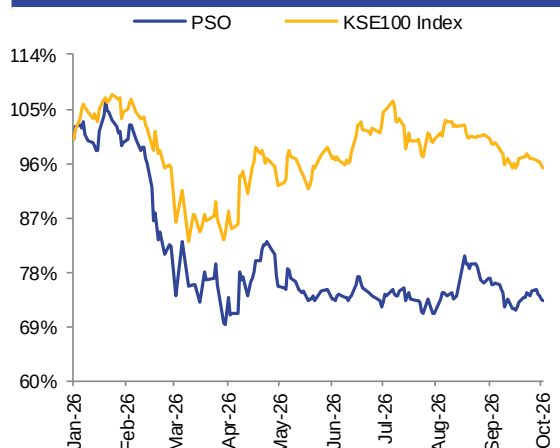
Source (s): Company Financials, AHL Research

PSO

Last Closing 359.81

PSX Code PSO

Bloomberg Code PSO PA

Relative Performance

Source (s): PSX, AHL Research

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Arif Habib Limited (AHL) uses three rating categories, depending upon return from current market price, with Target period as Dec 2026 for Target Price. In addition, return excludes all type of taxes. For more details, kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -5% and +10% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -5% from last closing of market price(s)

Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- **Discounted Cash Flow (DCF)**
- **Dividend Discount Model (DDM)**
- **Sum of the Parts (SoTP)**
- **Justified Price to Book (JPTB)**
- **Reserved Base Valuation (RBV)**

Risks

The following risks may potentially impact our valuations of subject security (ies);

- Market risk
- Interest Rate Risk
- Exchange Rate (Currency) Risk

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