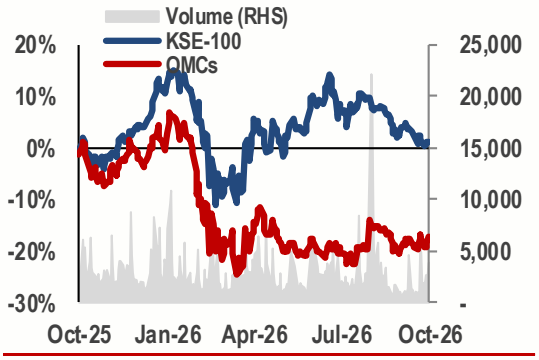
1QFY27 earnings to surge 2.3xQoQ

12 Month Relative Performance of OMCs



Source: PSX and TSL Research

› TSL's OMCs universe is projected to report a cumulative PAT of ~PKR 26.8Bn in 1QFY27, representing a significant increase of 2.3xQoQ. Increase in profitability is attributable to a sharp surge in ex-refinery prices during the quarter—amid renewed Gulf conflict escalation, oil surging post USD 100/bbl.

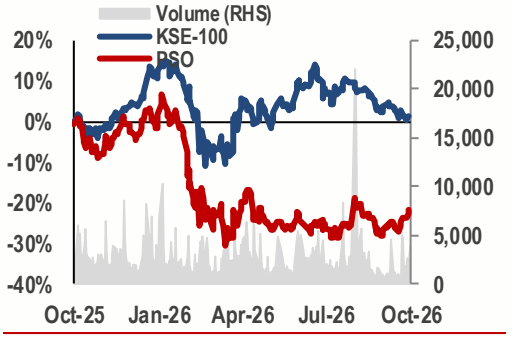
› Nevertheless, the geopolitical shift caused global oil prices to increase sharply during the quarter—with MS retail prices rising from PKR 297.53/liter (as of Jul'26) to PKR 387.54/liter (as of Sep'26) and HSD's rising from PKR 309.5/liter to PKR 402.24/liter over the same period. Crucially, because OMCs hold inventory on a 20-30 day cycle basis, the price surge allowed them to mark up their lower-cost stock, largely offsetting the windfall losses from the prior quarter.

PSO Result Preview 1QFY27—Standalone

PKR Mn	1QFY27E	1QFY26A	YoY	4QFY26A	QoQ
Net sales	939,579	737,186	27%	808,970	16%
Cost of sales	(889,544)	(707,135)	26%	(842,652)	6%
Gross profit/(loss)	50,035	30,051	66%	(33,682)	-2.5x
Operating expenses	(10,220)	(8,005)	28%	(1,049)	8.7x
Other income	4,834	4,556	6%	4,788	1%
Operating profit	44,649	26,603	68%	(29,942)	-2.5x
Finance cost	(7,450)	(5,953)	25%	(8,369)	-11%
Share of profit/(loss) of associates	231	(49)	3.7x	2	NM
Profit/(loss) before tax	37,429	20,601	82%	(38,309)	-2.0x
Taxation	(16,900)	(11,211)	51%	15,259	-2.1x
Profit/(loss) after tax	20,529	9,390	1.2x	(23,050)	-1.9x
EPS/(LPS)	43.7	20.0		(49.1)	
DPS	-	-		10.0	

Source: Company Reports & TSL Research

12 Month Relative Performance of PSO



Source: PSX and TSL Research

› PSO's net sales are expected to clock-in at ~PKR 940Bn, up 27% YoY and gross margin is expected to increase by 2.2xQoQ, primarily due to substantial inventory gains. Although, PSO only catered to 3 LNG cargoes during the quarter (1 in Aug'26 and 2 in Sep'26). Further, PSO is expected to report a PAT of ~PKR 20.5Bn and EPS is expected to arrive at PKR 43.7.

› In 1QFY27, PSO's petroleum products offtake stood at ~1.9Mn tons, up 18%YoY and 17%QoQ, primarily due to excess buying and storage—amid ME disruptions.

› As of Sep'26, PSO's market share increased to 48%, which is up 6pptsYoY, while other OMCs market share decreased 5pptsYoY to 33%.

Taurus Research

research@taurus.com.pk

92-021-35216403

Please refer to the end of the report for Analyst Certification and important disclosures.

Jama Punji
سرمایہ کاری سمجھداری کے ساتھ
www.JamaPunji.pk

Insight—OMCs—1QFY27 Result Previews

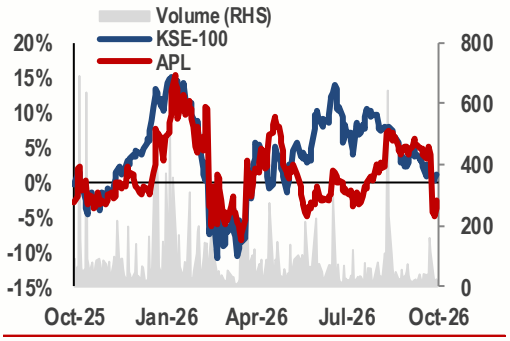
APL Result Preview 1QFY27

PKR Mn	1QFY27E	1QFY26A	YoY	4QFY26A	QoQ
Net sales	150,125	117,784	27%	163,443	-8%
Cost of sales	(138,859)	(110,229)	26%	(159,087)	-13%
Gross profit	11,266	7,554	49%	4,356	1.6x
Operating expenses	(3,003)	(2,387)	26%	(2,862)	5%
Other income	751	567	32%	1,018	-26%
Operating profit	9,042	5,751	57%	2,526	2.6x
Net finance Income	1,737	24	72.3x	1,832	-5%
Profit before tax	10,296	6,216	66%	3,432	2.0x
Taxation	(4,015)	(2,405)	67%	(1,238)	2.2x
Profit/(loss) after tax	**6,281**	**3,811**	**65%**	**2,194**	**1.9x**
EPS	**50.48**	**30.63**		**17.64**	
DPS	**-**	**-**		**40.00**	

Source: Company Accounts & TSL Research

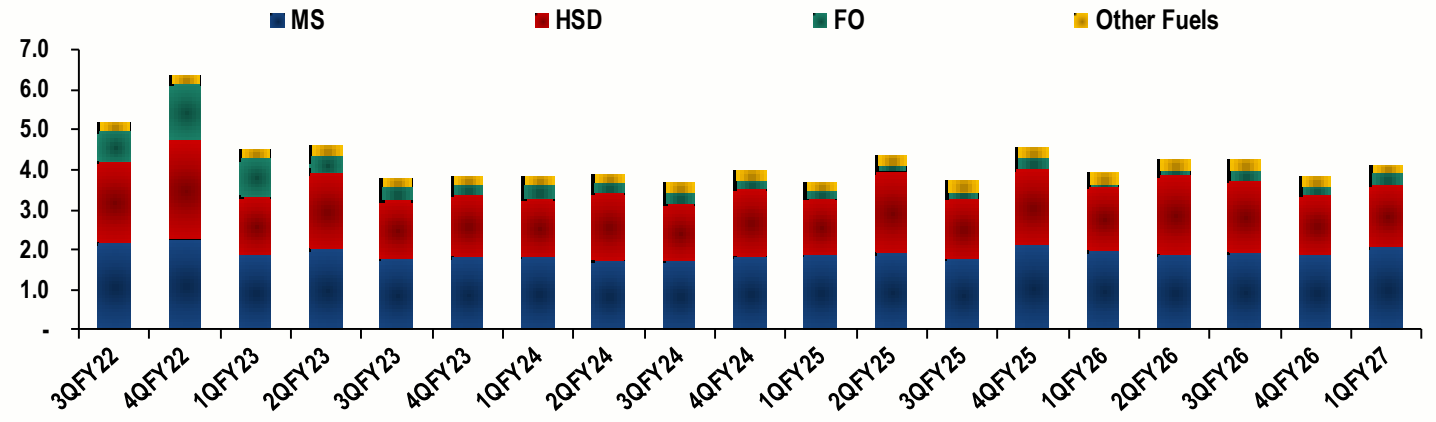
- APL's net sales are expected to clock-in at PKR 150Bn for the quarter, up 27%YoY. While, gross margin is expected to increase 1.6xQoQ, primarily due to substantial inventory gains (windfall profits). Further, APL is expected to report a PAT of ~PKR 6.3Bn which is up 1.9xQoQ and EPS is expected to arrive at PKR 50.48.
- In 1QFY27, APL's petroleum products offtake stood at ~0.4Mn tons, up 11%YoY and 14%QoQ.
- As of Sep'26, APL's market share increased to 9%, which is up 1pptYoY.

12 Month Relative Performance of APL



Source: PSX and TSL Research

Petroleum Products Volumetric Sales Trend (Mn tons)



Source: OCAC & TSL Research

SECP Research Entity Notification Number: REP-040

Analyst Certification

The research analyst(s), if any, denoted by AC on the cover of this report, who exclusively reports to the research department head, primarily involved in the preparation, writing and publication of this report, certifies that (1) the views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and (2) no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

The research analyst or any of its financially dependent close relatives (as defined under the Research Analyst Regulations, 2015) do not have a financial interest in the securities of the subject company aggregating more than 1% of the value of the company and the research analyst or its close relative have neither served as a director/officer in the past 3 years nor received any compensation from the subject company in the past 12 months.

The Research analyst or its close relatives have not traded in the subject security in the past seven (7) days prior to the publication of this research report and will not trade contrary to the recommendation until the target price is achieved, unless a revised research report is disseminated through the same medium, in accordance with applicable regulations.

Disclaimer

This report has been prepared by Taurus Securities Ltd (hereinafter referred as TSL) and is provided for information purposes only. Under no circumstances is to be used or considered as an offer to sell or solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such.

This report is provided solely for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Statements regarding future prospects may not be realized while all such information and opinions are subject to change without notice. TSL recommends investors to independently evaluate particular investments and strategies and it encourages investors to seek the advice of a financial advisor.

Investments in capital markets are subject to market risk and TSL accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and particular needs of individuals, who should seek further advice before making any investment or rely upon their own judgment and acumen before making any investment. The views expressed in this document are those of the TSL Research Department and do not necessarily reflect those of TSL or its directors.

This research report has been prepared in a fiduciary capacity towards clients and in compliance with the Research Analyst Regulations, 2015 as amended. TSL may, to the extent permissible by applicable law or regulation, use the above material, conclusions, research or analysis in which they are based before the material is disseminated to their customers.

TSL, as a full-service firm, has/intends to have business relationships, including investment-banking relationships, with the companies in this report. Investors should be aware that TSL may have a conflict of interest that could affect the objectivity of the report. Investors should consider this report as only a single factor in making their investment decision. TSL claims responsibility for Research or other publication disseminating ONLY through its official channels (email address, TSL Web etc.) and DOES NOT take ownership/responsibility for report(s) circulated through other sources (social media, website, blogs etc.) under the name of the organization. TSL Management reserves the right to take action against unauthorized reproduction, distribution or publication of its reports.

Important Disclosure

Disclosure of Financial Interest

TSL or any of its officers and directors does not have a significant financial interest (above 1% of the value of the securities of the subject company) in the securities of the subject company. However, NBP and BOK, being associates of TSL, may trade or have significant financial interest, under normal course of business, in the subject company from time to time. Under normal course of business, TSL, their respective directors, officers, representatives, employees and/or persons associated with research analyst may have a long or short position in any of the securities or other financial instruments mentioned or issues described herein at any time and may make a purchase and/or sale, or offer to make a purchase and/or sale of any such securities or other financial instruments from time to time in the open market or otherwise.

TSL or its employees may trade contrary to the recommendation given by TSL Research through this report or any other only in accordance with applicable regulatory restrictions. TSL may be providing, or have provided within the previous twelve months, significant advice or brokerage services to the subject company. TSL may have, within the past twelve months, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all, the entities mentioned in this report or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company. TSL or any other of its officers and directors have neither served as a director/officer in any company under TSL research coverage in the past 3 years nor received any compensation from the subject company in the past 12 months.

Taurus Stock Rating System

TSL employs a 3-tier rating mechanism i.e 'BUY', 'HOLD' and 'SELL', which is based upon the level of expected return for a specific stock. When total return (capital gain + dividends) exceeds 16%, a 'BUY' rating is assigned. A 'SELL' rating is issued whenever total return is less than -6% and for return in between the 2 ranges, 'HOLD' rating is meted out. Different securities firms use a variety of rating terms/systems to describe their recommendations. Similar rating terms used by other securities companies may not be equivalent to TSL rating system.

Time horizon is usually the annual financial reporting period of the company (unless otherwise mentioned in the report). Ratings are updated daily and can therefore change daily. They can change because of a move in the stock's price, a change in the analyst's estimate of the stock's fair value, a change in the analyst's assessment of a company's business risk, or a combination of any of these factors. In addition, research reports contain information carrying the analyst's views and investors should carefully read the entire research report and not infer its contents from the rating ascribed by the analyst. In any case, ratings or research should not be used or relied upon as investment advice. An investor's decision to buy, sell or hold a stock should depend on individual circumstances (such as the investors existing holdings or investment objectives) and other considerations.

Target Price and Risk Disclosures

Any inability to compete successfully in the markets may harm the business. This could be a result of many factors which may include (but not limited to) geographic mix and introduction of improved products or service offerings by competitors. The results of operations may be materially affected by global economic conditions generally, including conditions in financial markets. The company is exposed to market risks, such as changes in interest rates, foreign exchange rates and input prices. From time to time, the company may enter into transactions, including transactions in derivative instruments, to manage/offset certain of these exposures. Where a target price is provided, the valuation methodology used to determine such target price has a reasonable basis and is accompanied by material risk disclosures that may impede achievement of the target price. The report clearly discloses the target price and the target date on which such target price is expected to be achieved.

Valuation Methodology

To arrive at our period end target prices, TSL uses different valuation methodologies including

- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S, EV/EBITDA, EV/Revenue etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

SECP JamaPunji Portal link: https://jamapunji.pk/

Frequently Used Acronyms

TP	Target Price	**DCF**	Discounted Cash Flows	**FCF**	Free Cash Flows
FCFE	Free Cash Flows to Equity	**FCFF**	Free Cash Flows to Firm	**DDM**	Dividend Discount Model
SOTP	Sum of the Parts	**P/E**	Price to Earnings ratio	**P/BVPS**	Price to Book ratio
P/S	Price to Sales	**EVA**	Economic Valued Added	**BVPS**	Book Value per Share
EPS	Earnings per Share	**DPS**	Dividend per Share	**DY**	Dividend Yield
ROE	Return on Equity	**ROA**	Return on Assets	**JPB**	Justified Price to Book