Oil & Gas Marketing Companies: Attock Petroleum Limited

Result Review: Inventory gains increase EPS to PKR 53.36/share

REP-300

1QFY27 earnings arrived at PKR 53.36/share

Attock Petroleum Limited (APL) reported 1FQY27 earnings of PKR 6.64bn which translates into PKR 53.36/share, up by 74% YoY attributable to higher petroleum prices, increased inventory gains, and improved other income. In line with historical trends, APL announced no payout alongside its 1QFY27 results.

Result Highlights

- In 1QFY27, APL's sales increased by 36% to PKR 160.5bn, 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.
- The company recorded gross profit of PKR 11.8bn in 1QFY27, up from PKR 7.6bn in SPLY, with gross margins improving to 7.4% from 6.4%, primarily driven by inventory gains of ~PKR 8bn during the quarter.
- Net finance income for 1QFY27 was recorded at PKR 906mn, compared to PKR 922mn in the same period last year (SPLY). The decline is likely attributable to lower line fill costs, in our view.
- The company recorded a tax expense of PKR 3.8bn in 1QFY27, translating into an effective tax rate of 36.4%, compared to PKR 2.4bn and 28.7%, respectively, in 1QFY26.
- We have a "BUY" call on APL. The stock is trading at FY27 and FY28 P/E of 4.6 and 5.9x.

Exhibit: Financial Highlights

(PKR mn)	1QFY27	1QFY26	YoY	4QFY26	QoQ
Income Statement					
Net Revenue	160,547	117,784	36%	163,443	-2%
Cost of Sales	148,742	110,229	35%	159,087	-7%
Gross Profit	11,805	7,554	56%	4,356	171%
Other Income	1,050	583	80%	976	8%
EBIT	9,246	5,293	75%	2,289	304%
Finance Income	906	922	-2%	934	-3%
Profit before Taxation	10,438	6,216	68%	3,432	204%
Taxation	3,799	2,405	58%	1,238	207%
Profit after Taxation	6,639	3,811	74%	2,194	203%
EPS (PKR)	53.36	30.63		17.64	
DPS (PKR)	-	-		40.00	
Ratio Analysis					
Gross Margins	7.4%	6.4%		2.7%	
Net Margins	4.1%	3.2%		1.3%	
Return on Equity	26.6%	18.9%		24.6%	
Return on Assets	13.6%	9.7%		13.0%	
Effective Tax Rate	36.4%	38.7%		36.1%	

Source (s): Company Financials, AHL Research

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