ASTL: 1QFY27 LPS clocked-in at PKR 0.2, down 81%QoQ

TAURUS SECURITIES LIMITED
A Subsidiary of National Bank of Pakistan

Flashnote: Amreli Steels Limited (ASTL) – 1QFY27 Result Review

Friday, October 30, 2026

- **Board Meeting:** October 29, 2026
- **1QFY27 –** LPS: PKR 0.2, LAT: ~PKR 61Mn
- ASTL's topline clocked-in at ~PKR 10.5Bn, up 26%QoQ; driven by increase in the long steel volumes due to uptick in construction demand mainly in the South Region. Therefore, we expect construction activities to revive during FY27 due to favorable budgetary measures i.e. allocated PKR 16.4Bn for the housing sector under Federal PSDP along with accelerating 'Apna Ghar Program' and launching of the National Housing Policy 2025. Gross margin arrived at ~9% during 1QFY27. Lastly, the Company posted a LAT of ~PKR 61Mn in 1QFY27; the negative earning reflects a surge in the finance cost by 4.0xQoQ in 1QFY27, resulting an LPS of ~PKR 0.2. However, excluding the impact of higher finance cost, ASTL would have posted an EPS of 0.45 which would be inline with our forecast for the quarter.

ASTL: Result Review - 1QFY27A

PKR (Mn)	1QFY27A	1QFY26A	YoY	4QFY26A	QoQ
Sales	10,446	2,793	2.7x	8,304	26%
Cost of sales	(9,462)	(2,774)	2.4x	(7,259)	30%
Gross profit	984	19	51.7x	1,045	-6%
Selling & dist. expenses	(248)	(103)	1.4x	(217)	14%
Admin expenses	(173)	(174)	-1%	(254)	-32%
Operating profit	563	(259)	N/M	574	-2%
Finance cost	(588)	(873)	-33%	(118)	4.0x
Other expenses/gains	(91)	(28)	2.3x	(392)	-77%
Other income	58	70	-17%	(448)	N/M
Gain on restructuring of loans	0	0	N/M	38	N/M
Profit/(Loss) before tax	(58)	(1,089)	-95%	(348)	-83%
Taxation	(3)	299	N/M	27	N/M
Profit/(Loss) after tax	(61)	(790)	-92%	(320)	-81%
LPS	(0.2)	(2.7)		(1.0)	

Source: Company Accounts & TSL Research

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- 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.)

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Frequently Used Acronyms

TP	Target Price	**DCF**	Discounted Cash Flow	**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

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