CHASE SECURITIES

CORPORATE BRIEFING NOTES

30 Oct 2026

STOCK SNAPSHOT

Symbol	ATRL
Price	PKR 1,107.99
Market cap	PKR 118,120mn
Shares	106.61mn
Free float	42.64mn
52W high	PKR 1,250.00
52W low	PKR 605.00

SECTOR

Refinery

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ATRL PSX · REFINERY

Attock Refinery Limited

FY26 EPS	1QFY27 EPS	1QFY27 SALES	THROUGHPUT
PKR 244.45	PKR 183.90	PKR 143.9bn	~45k bpd
▲ 191% YoY	▲ 717% YoY	▲ 142% YoY	▲ from ~40k bpd

KEY TAKEAWAYS

1QFY27 EPS of PKR 183.90; upgrade EPCC tender documents expected within weeks

Net sales rose **142%** YoY to **PKR 143.9bn** in **1QFY27** and gross profit reached **PKR 29.1bn** (**1QFY26**: **PKR 1.0bn**). Management said EPCC tender documents for the refinery upgrade are expected within **10–14 days**, with award targeted in **7–12 months**. The upgrade is expected to remove **PKR 15–17bn** a year in product penalties and additive costs. Bargazai crude lifted throughput to **~45,000 bpd** of **~50,000 bpd** capacity.

REFINERY UPGRADE

- The Federal Cabinet approved the Brownfield Refining Policy; ATRL signed the Refinery Upgrade Agreement on **24 Sep 2024**, securing full eligibility for the policy's incentives.
- The **10%** incremental deemed duty on Motor Gasoline goes directly into the Refineries Upgrade Escrow Account; the **2.5%** incremental deemed duty on HSD is retained only for upgrade projects.
- Incentives are capped at **27.5%** of gross EPC contract cost (excluding interest during construction and financing fees); after corporate tax, the net incentive is estimated at **16–17%**.
- EPCC tender documents are expected within **10–14 days**; bidders get **3–4 months** to submit, followed by evaluation, with contract award targeted within **7–12 months**.

UPGRADE ECONOMICS

- ATRL incurs **~PKR 15–17bn** a year in RON-related price differentials, Euro-5 HSD sulphur penalties (current **350 ppm** vs the required **10 ppm**) and chemical additive costs.
- The upgrade is expected to eliminate these penalties and additive costs, potentially adding **PKR 15–17bn** to annual bottom-line cash flows.

CRUDE SUPPLY

- ATRL processes **100%** local crude and is the only refinery in Pakistan able to process heavy crude.
- After declines from northern fields, OGDC's Bargazai discovery (production from **Jun 2026**) added **4,000–5,000 bpd** of light sweet crude, now **~5,000 bpd**, as incremental volume that does not displace heavy crude.

THROUGHPUT & CAPACITY

- Baragzai volumes raised active throughput from **~40,000 bpd** to **~45,000 bpd**.
- Spare capacity can absorb up to **10,000 bpd** more Bargazai crude before the **~50,000 bpd** plant ceiling.

PRODUCTS & EXPORTS

- Commercialised **95-RON** PMG dispatches at **4,000 MT** a month, supporting higher average realised revenue.
- With domestic Furnace Oil demand weak due to taxes and levies, ATRL built an export logistics network and exported **172,000 MT** of LSFO in **FY26**.
- LSFO commands a **USD 50–60/t** premium over standard HSFO internationally, largely offsetting inland freight from the north to southern export terminals.

LAND

- Owns **~393 acres** in Rawalpindi, enclosed by a perimeter wall, with enough vacant space for a complete greenfield expansion unit.

CRUDE PRICING

- Local crude is priced off an international basket of Dubai and Oman benchmarks; freight is benchmarked to regional averages.
- ATRL buys no spot cargoes, but the Saudi Aramco OSP premium is embedded in the monthly formula, so freight and OSP changes pass through with a **1–2 month** lag.
- Condensate is benchmarked to Indonesian crude base prices under government field agreements.

HSD SPREAD CAP

- Refineries and the government agreed an HSD spread cap of **USD 41.89/bbl** and a floor of **USD 11.33/bbl**; the cap was later adjusted to **USD 38/bbl**.
- With market spreads at **~USD 34/bbl**, below the cap, ATRL is not currently foregoing any margin.

HSD MARKET

- Smuggled Iranian HSD, which had supplied up to **one-third** of demand and reached as far north as Peshawar, was brought under control through stronger enforcement and import quotas allocated via PSO.

Crude throughput



Barrels per day, as stated by management

Upgrade timeline

TENDER	BIDS	AWARD
10–14 days	**3–4 months**	**7–12 months**
EPCC documents issued	Proposals, then evaluation	EPCC contract target

Indicative, per management at the briefing

EARNINGS

- **FY26** EPS of **PKR 244.45** vs **PKR 83.93** in **FY25**; net sales rose **13%** to **PKR 341.8bn** and gross margin to **9.2%** (**FY25**: **3.3%**).
- Share of associates was a profit of **PKR 4.5bn** in **FY26** vs a loss of **PKR 2.2bn** in **FY25**; other income fell **21%** to **PKR 9.7bn**.
- **1QFY27** EPS of **PKR 183.90** vs **PKR 22.52** in **1QFY26**; gross margin of **20.3%** vs **1.7%** SPLY.
- **FY26** DPS of **PKR 17.5** (**FY25**: **PKR 10.0**); effective tax rate of **35.6%** vs **44.3%** in **FY25**.

Financial highlights (consolidated)

PKR mn	FY25	FY26	YoY	1QFY26	1QFY27	YoY
Net sales	**301,520**	**341,794**	**13%**	**59,365**	**143,879**	**142%**
Cost of sales	-291,592	-310,304	6%	-58,379	-114,730	97%
Gross profit	**9,928**	**31,491**	**217%**	**986**	**29,149**	**2,856%**
Gross margin	*3.3%*	*9.2%*		*1.7%*	*20.3%*	
Selling & distribution	-114	-127	11%	-27	-28	4%
Administrative	-1,869	-1,978	6%	-473	-558	18%
Operating profit	**7,944**	**29,385**	**270%**	**486**	**28,564**	**5,777%**
Depreciation & amortisation	3,051	2,957	-3%	740	736	-1%
EBITDA	**10,995**	**32,342**	**194%**	**1,226**	**29,300**	**2,290%**
Financial charges	-526	-377	-28%	-76	-170	124%
Other income	12,245	9,709	-21%	2,179	3,208	47%
Other charges	-1,408	-2,771	97%	-174	-2,185	1,156%
Share of associates	-2,197	4,540	n/m	924	1,055	14%
Profit before tax	**16,057**	**40,485**	**152%**	**3,340**	**30,471**	**812%**
Taxation	-7,108	-14,423	103%	-939	-10,865	1,057%
Profit after tax	**8,948**	**26,062**	**191%**	**2,401**	**19,606**	**717%**
Net margin	*3.0%*	*7.6%*		*4.0%*	*13.6%*	
EPS – basic (PKR)	**83.93**	**244.45**	**191%**	**22.52**	**183.90**	**717%**
DPS (PKR)	10.0	17.5	75%	0.0	0.0	–

Source: Company accounts, company presentation, Chase Research. n/m = not meaningful.

IMPORTANT DISCLOSURES

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