CHASE SECURITIES

CORPORATE BRIEFING NOTES

11 Nov 2026

RA-07

STOCK SNAPSHOT

Symbol	PPL
Price	PKR 225.11
Market cap	PKR 612,517mn
Shares	2,720.96mn
Free float	669.60mn
52W high	PKR 284.60
52W low	PKR 184.54

SECTOR

Oil & Gas Exploration Companies

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PPL PSX · OIL & GAS E&P

Pakistan Petroleum Limited

FY26 EPS	1QFY27 EPS	NET SALES	NET PRODUCTION
PKR 36.21	PKR 9.26	PKR 264bn	649 mmscfd
▲ 7% YoY	▲ 25% YoY	▲ 9% YoY	▲ 3% YoY

KEY TAKEAWAYS

FY26: sales up 9% and profit up 7%; 1QFY27 EPS at PKR 9.26

PPL reported earnings per share of **PKR 36.21** in **FY26** (**FY25**: **PKR 33.82**). Furthermore, in **1QFY27** EPS stood at **PKR 9.26** (**1QFY26**: **PKR 7.38**).

KEY FINANCIAL HIGHLIGHTS

- Net sales of **PKR 264bn** vs **PKR 243bn** in **FY25** (**+9% YoY**), driven by sales volume expansion (**552 mmscfd** vs **539 mmscfd**) and higher realized crude prices (averaging **USD 80/bbl** vs **USD 74/bbl** in **FY25**).
- PAT of **PKR 99bn** vs **PKR 92bn** in **FY25** (**+7% YoY**), aided by sales growth, lower dry well costs and a **~PKR 8bn** reversal of Super Tax provisions (following court rulings on specific petroleum concession agreement clauses); partially offset by higher operating expenses and lower interest income.

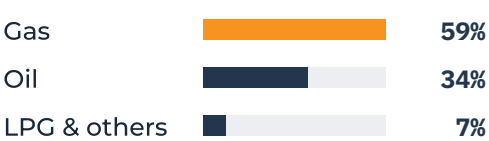
NATIONAL ENERGY SECURITY

- Gas production share: **~20%** of Pakistan's total domestic production (**~0.57 Bcfd**).
- Oil production share: **~18%** of Pakistan's total domestic production (**11.5 KBOPD**).
- Demand remained inelastic despite elevated international hydrocarbon prices. Domestic gas curtailments (SNGPL backpressure) were discontinued post-US–Iran conflict, facilitating higher offtake.

PORTFOLIO ASSETS

- Producing fields: **21** (**9** operated, **12** partner-operated).
- Exploratory blocks: **57** (**26** operated, **31** partner-operated).
- Mineral assets: **5** (**1** operated, **4** partner-operated).
- Secured **8** new offshore blocks in **FY26** (**2** as operator, incl. with Turkish Petroleum; **6** as partner).

REVENUE BY PRODUCT



FY26 revenue mix, net PPL share

FY26 operational performance

DISCOVERIES & RESERVES

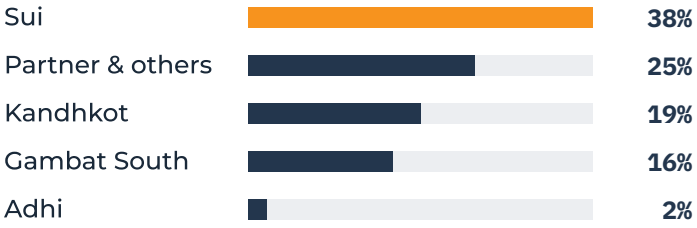
- **11** discoveries in **FY26** (**2** operated, **9** partner-operated).
- 2P reserve replacement ratio of **102%** (noted as **112%** in operational review), replacing annual production.
- Field-level initiatives added **~40 mmscfd** of incremental sales, offsetting natural reservoir decay.

WELLS DRILLED

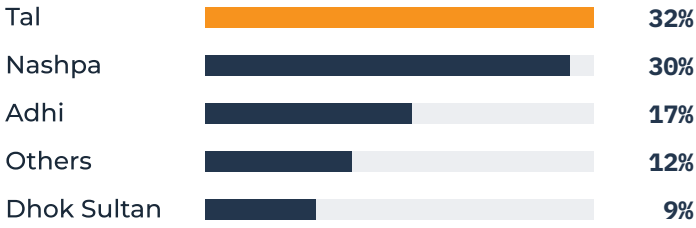
- Exploration & appraisal: **7** wells (**4** operated, **3** partner-operated).
- Development: **4** wells (**0** operated, **4** partner-operated).

PRODUCTION

- Net production averaged **649 mmscfd** in **FY26** (**FY25**: **632 mmscfd**), driven by improved Kandhkot offtake, decreased SNGPL backpressure and production optimization.



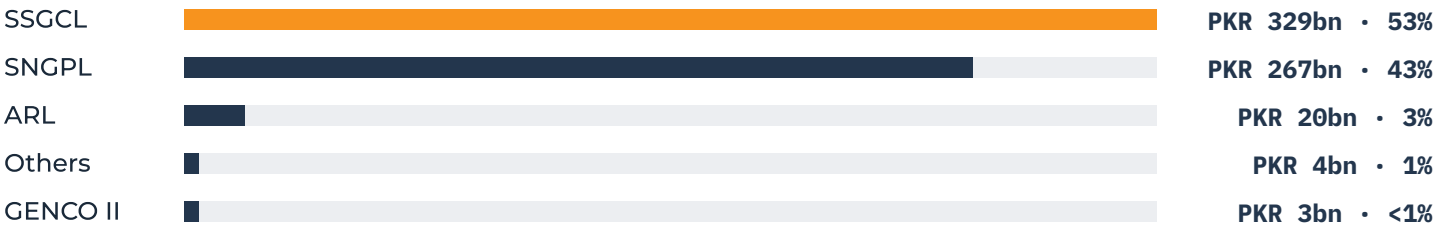
Field-wise gas production, FY26 net PPL share



Field-wise oil production, FY26 net PPL share

COLLECTIONS & CIRCULAR DEBT

- Gross collections reached a record **PKR 284bn** in **FY26** against gross sales of **PKR 313bn** (incl. GDS/GIDC), a **91%** collection ratio. Normalizing for the late **Q4** crude price surge, management noted an effective ratio of **95%**.
- Trade debts stood at **PKR 623bn** as of **30 Jun 2026**. Circular debt remains a core challenge; annual accumulation slowed to **5%** (**FY23**: **40%**).



Trade debts by customer, PKR 623bn total, 30 Jun 2026

Operational guidance for FY27

PRODUCTION & DRILLING

- Production target of **~680 mmcfd** (**~480 MMscfd** gas, **12,000 bpd** oil and **290 tons/day** LPG).
- Drilling: **10** exploration/appraisal wells (Kandhkot, Shah Bandar, Dhok Sultan, Gambat South) and **6** development wells (Adhi, Gambat South, Shah Bandar).
- Incremental additions of **~33 mmcfd**; near-term **~17 MMscfd** from discoveries at Barakzai (Nashpa), Latif-25, Makori East, Tolanj West and Rehman-9 (Kirthar Block).

CAPEX ALLOCATION

- **FY27** capex budgeted at slightly below **PKR 40bn**:
  - Exploration: **PKR 15–20bn**
  - Seismic: **~PKR 10bn** (**~450 line-km** 2D and **~1,470 sq-km** 3D)
  - Development: **~PKR 10–15bn**

Key processing facilities & major projects

PROJECT / FACILITY	LOCATION / BLOCK	TIMELINE	CAPACITY & REVENUE IMPACT
Zafir Gas Processing Plant	PPL net interest 65%	**Dec 2026**	Phase 1: **20 MMscfd** sales gas. Phase 2: ramps up to **40 MMscfd**.
Pateji Processing Facility	Sujawal Field	**Jun 2027**	Adds **16 MMscfd** sales gas; estimated annual revenue impact of **~PKR 8bn**.
Hatim Gas Facility	Partner field	**Jun 2028**	Construction tender floated.
Gambat South Enhancement	Gambat South	**2027–2028**	Current production **~95 MMscfd**; adding **40 MMscfd** will reach peak gross capacity of **135 MMscfd** (sustainable for **5–6 years**).
BLZ Mining / Baragzai EPCIC	Balochistan / Baragzai	**~3 years**	EPCIC tender floated; construction timeline **2.5–3 years**.
Kandhkot Field Revival	Kandhkot	**Under review**	Proposal submitted to Petroleum & Energy Ministries to drill new wells; pending commercial negotiation to align gas tariff with **PP-12** policy benchmark. Field production stable at **100–110 MMscfd**.

INTERNATIONAL & NON-OPERATOR PROJECTS

- Abu Dhabi Offshore Block 5 (PIOL): FEED study ongoing, targeted for completion in **1QFY27** alongside regional prospectivity evaluations.
- Reko Diq Project (PMPL): development activities continue. The operator is conducting comprehensive security reviews following recent regional security developments in Balochistan.

Sui field long-term strategy & Sui Deep-3

To counteract natural field depletion (**8–9%** annually across mature assets), PPL is executing targeted projects at its flagship Sui asset.

SUI FIELD PROJECTS

- Low-cost interventions: ongoing workovers across existing **100+** wells to arrest decline.
- SFGCS compression upgrade: major modification planned for **2028** to lower suction pressure and boost recovery.
- Seismic studies: 3D/2D surveys across Sui North and Sui interior (targeting Pab formations) concluding late **2027** to finalize new drilling targets.

SUI DEEP-3 EXPLORATORY WELL

TARGET DATE	Planned for **FY28** (late **2028**)
SPECS	HTHP well drilled to a depth of **~6,000 meters**
RESOURCE	Preliminary in-place prospective resource potential of **~2 TCF** (unrisked; not yet classified as proven reserves)
EST. CAPEX	**USD 35–40mn**; existing Sui surface facilities minimize downstream processing investment in the event of a commercial discovery

Financial highlights

PKR mn	FY25	FY26	YoY	1QFY26	1QFY27	YoY
Net sales	**242,516**	**264,015**	**9%**	**56,812**	**73,998**	**30%**
Royalty	-36,935	-43,070	17%	-8,611	-15,065	75%
Operating/field costs	-53,783	-60,938	13%	-13,648	-15,287	12%
Gross profit	**151,798**	**160,006**	**5%**	**34,553**	**43,646**	**26%**
Exploration costs	-15,683	-11,105	-29%	-633	-3,186	403%
Administrative expenses	-6,680	-7,979	19%	-1,494	-1,663	11%
Operating profit	**129,436**	**140,923**	**9%**	**32,426**	**38,797**	**20%**
Depreciation & amortisation	16,619	18,186	9%	4,443	5,477	23%
EBITDA	**146,054**	**159,108**	**9%**	**36,869**	**44,273**	**20%**
Financial charges	-2,416	-2,000	-17%	-489	-646	32%
Other income	24,169	13,143	-46%	2,024	3,001	48%
Other charges	-11,762	-14,601	24%	-3,013	-3,482	16%
Share of associates' profit/(loss)	-344	-764	122%	-99	-63	-36%
Profit before tax	**139,083**	**136,699**	**-2%**	**30,849**	**37,606**	**22%**
Taxation	-47,055	-38,166	-19%	-10,761	-12,403	15%
Profit after tax	**92,027**	**98,533**	**7%**	**20,088**	**25,203**	**25%**
EPS (PKR)	**33.82**	**36.21**	**7%**	**7.38**	**9.26**	**25%**
DPS (PKR)	7.50	12.00	60%	2.00	2.00	0%

Source: Company accounts, Chase Research

IMPORTANT DISCLOSURES

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