

# OGMCs: Sui Northern Gas Pipelines Limited

## Corporate Briefing Takeaways

REP-300

Sui Northern Gas Pipelines Limited (SNGP) held a corporate briefing session on 5<sup>th</sup> Jun'25, to discuss its performance and its future outlook.

### Brief Takeaways

- The bottom-line witnessed an significant jump of 82% YoY in FY24, settling at PKR 18,977mn (EPS: PKR 29.92).
- The company has a network of ~7.6mn consumers, which includes protected and non-protected consumer of 4.7mn and 2.9mn, respectively.
- 41% of Pakistan's energy mix relies on gas provided by SNGP (69%) of and SSGC (31%) of which 30% is Indigenous gas while 11% is LNG. Remainder is Oil (21%), Coal (15%), Hydro (12%), Nuclear (7%), LPG (2%) and Renewable energy (2%).
- During FY24, the UFG reduced to 4.93%, which is lowest in 18yrs, (from 32.6bcf to 31.3bcf). The management shared that the improvement in UFG is attributable to micro level monitoring on city and district level.
- The company successfully completed the pipeline project at Bannu West-1, integrating 95mmcf of gas capacity into the system during FY24.
- The management noted that the accumulation of gas circular debt halted during 1HFY25 due to recent gas price hikes; however, a slight uptick was observed in 3QFY25 and 4QFY25 driven by reduced offtake from captive power plants.
- SNGPL has initiated diversification into EPC services, recently completing pipeline projects for SSGC and Parco Gunvor (PGL).
- The company's upcoming development plans feature the Kot Palak pipeline project, which will inject 45mmcf of gas into the system. This includes the installation of 77km of new pipeline and enhancement of 188km of existing network.
- The infrastructure upgrades are in progress in Islamabad and Rawalpindi to mitigate low gas pressure concerns.
- The management clarified that a captive levy is being charged across all gas transporters, including third parties.
- SNGP anticipates annual capex to remain around PKR 30bn over the next few years.

### Recommendation:

We currently have a "Buy" call on the scrip with a Dec'25 Target Price of PKR 145.4/share.

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