

## PSO | APL

### PSO: Earnings to grow by 33% YoY to PKR 45.11/share in FY25

Pakistan State Oil Company Ltd (PSO) is expected to announce FY25 financial result soon, where we expect the company to post a profit after tax of PKR 21,176mn (EPS: PKR 45.11), up by 33% YoY. During the period, the net sales is anticipated to decline by 11% YoY amid reduction in sales volumes of petroleum products by 5% YoY (MS, HSD, and FO sales down by 4%, 5%, and 47% YoY, respectively) coupled with lower price of petroleum products. On a quarterly basis, the company is expected to report earnings of PKR 5,907mn (EPS: PKR 12.58) compared to a profit of PKR 2,465mn (EPS: PKR 5.25) in SPLY. Topline is projected to tumble by 6% YoY on the back of decline in price of MS and HSD. Meanwhile, petroleum sales increased by 3% YoY (MS and HSD up 6% and 2% YoY, respectively). Furthermore, revenue contribution from RLNG segment is projected to be PKR 252bn (down 13% YoY) amid 3% YoY lower quantity (28 cargos handled in 4QFY25 versus 29 cargos in SPLY), coupled with 6% YoY decline in DES price during the quarter. Gross margins are expected to settle at 2.26% in 4QFY25 amid lower inventory losses during the quarter (clocking in at -PKR 4.6bn) compared to SPLY. The finance cost is forecasted to plummet by 45% YoY owed to lower short term borrowings and lower interest rates. The company is expected to give final dividend of PKR 13.00/share in FY25 compared to PKR 10.00/share in SPLY.

#### Exhibit: Financial Highlights

(PKR mn)	FY25e	FY24a	YoY	4QFY25e	4QFY24a	YoY	QoQ
Net Sales	3,184,269	3,571,750	-11%	847,717	900,993	-6%	19%
Gross Profit	92,434	97,291	-5%	19,140	17,396	10%	-15%
<b>Gross Margins</b>	<b>2.90%</b>	<b>2.72%</b>		<b>2.26%</b>	<b>1.93%</b>		
Other Income	20,963	23,561	-11%	5,799	10,272	-44%	20%
Finance Cost	33,403	52,338	-36%	6,539	11,930	-45%	-15%
PAT	21,176	15,863	33%	5,907	2,465	140%	44%
EPS (PKR)	45.11	33.79		12.58	5.25		
DPS (PKR)	13.00	10.00		13.00	10.00		

Source (s): Company Financials, AHL Research

### APL: Profitability to decline by 29% YoY to PKR 79.01/share in FY25

Attock Petroleum Limited (APL) is expected to announce its FY25 financial result soon, where we anticipate the company to post a Profit after tax of PKR 9,830mn (EPS: PKR 79.01) in FY25 compared to PKR 13,822mn (EPS: PKR 111.09), down 29% YoY. Net sales are expected to dwindle by 9% YoY amid i) lower average retail price of petroleum products, and ii) reduction in MS and FO offtake by 2% and 48% YoY, respectively. On a quarterly basis, the net profit is expected to arrive at PKR 2,235mn (EPS: PKR 17.96), down 25% YoY. Topline of the company is projected to depict an increase of 5% YoY owed to increase in dispatches by 20% YoY. The gross margin in 4QFY25 is projected to be 3.5% compared to 3.7% in SPLY, amid effective inventory management by the company, we view. Alongside the result, APL is expected to announce a final cash dividend of PKR 14.00/share in 4QFY25 (PKR 26.50/share in FY25).

#### Exhibit: Financial Highlights

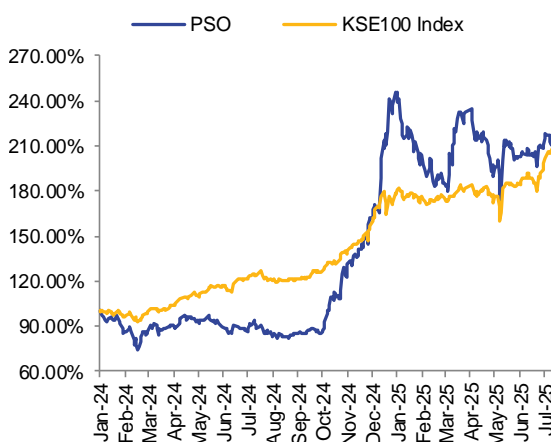
(PKR mn)	FY25e	FY24a	YoY	4QFY25e	4QFY24a	YoY	QoQ
Net Sales	477,807	526,317	-9%	129,614	123,768	5%	11%
Gross Profit	17,804	22,042	-19%	4,533	4,593	-1%	-13%
<b>Gross Margins</b>	<b>3.73%</b>	<b>4.19%</b>		<b>3.50%</b>	<b>3.71%</b>		
Other Income	2,310	2,056	12%	706	325	117%	42%
Finance Cost	2,152	1,619	33%	583	391	49%	2%
PAT	9,830	13,822	-29%	2,235	2,981	-25%	-10%
EPS (PKR)	79.01	111.09		17.96	23.96		
DPS (PKR)	26.50	27.50		14.00	17.50		

Source (s): Company Financials, AHL Research

## PSO

Last Closing	383
PSX Code	PSO
Bloomberg Code	PSO PA

### Relative Performance

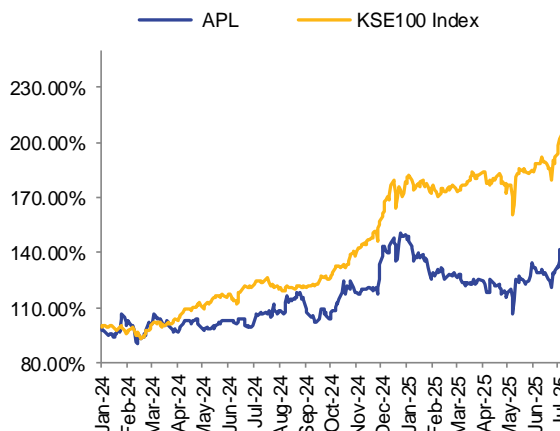


Source (s): PSX, AHL Research

## APL

Last Closing	512.84
PSX Code	APL
Bloomberg Code	APL PA

### Relative Performance



Source (s): PSX, AHL Research

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### Equity Research Ratings

Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Jun 2026 for Target Price. In addition, return excludes all type of taxes. For more details, kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +15% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between 0% and +15% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -15% from last closing of market price(s)

### Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- Discounted Cash Flow (DCF)
- Dividend Discount Model (DDM)
- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

### Risks

The following risks may potentially impact our valuations of subject security (ies);

- Market risk
- Interest Rate Risk
- Exchange Rate (Currency) Risk

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