

Flash Note

Friday, 27 April 2018

Oil & Gas - Marketing Companies

HASCOL: Inventory gains and superior volumetric growth lift 1QCY18 EPS by +96%YoY to PKR 5.04

- Hascol Petroleum Limited (HASCOL) announced its financial results for 1QCY18 with earnings clocking in at PKR 0.73bn (EPS PKR 5.04) as compared to PKR 0.37bn (diluted on new number of shares - EPS PKR 2.58) in the same period last year, up +96%YoY.
- Net Revenues increased by +60%YoY to PKR 55.66bn, likely on the back of a) +36%/+22%/+13%YoY growth in HSD/FO/MS sales and, b) +23%/+20%/+19%YoY hike in FO/MS/HSD prices.
- Gross profit increased by +60%YoY to PKR 2.74bn during 1QCY18 as against PKR 1.43bn in similar period last year likely owing to estimated inventory gains of PKR 0.5-0.6bn.
- Selling and Distribution cost augmented by +60%YoY to PKR 0.86bn during 1QCY18 as compared to PKR 0.54bn in the corresponding period last year likely owing to higher salaries, depreciation and fuel/power cost.
- Finance cost inclined by +71%YoY to PKR 0.19bn during 1QCY18 compared to PKR 0.11bn in the similar period last year likely owing to higher mark up on short-term and long-term borrowing. The Company also incurred an exchange loss of PKR 0.4bn during 1QCY18 owing to 5% PKR depreciation in Mar-18.
- Effective tax rate remained flat at 37% during 1QCY18 compared to 44% reported in the corresponding period last year.

Exhibit:

Financial Highlights

PKRmn	1QCY18	1QCY17*	YoY	4QCY17	QoQ
Net Sales	55,657	34,894	60%	49,503	12%
Gross Profit	2,735	1,428	91%	2,947	-7%
Selling & Distribution expense	863	540	60%	876	-2%
Admin expense	189	153	24%	140	35%
Other Op. Income	69	67	3%	175	-61%
EBIT	1,751	802	118%	2,105	-17%
Finance Cost	194	114	71%	194	0%
Profit Before Taxation	1,157	665	74%	805	44%
Taxation	427	293	46%	495	-14%
Profit After Taxation	730	372	96%	310	135%
EPS (PKR) **	5.04	2.58		2.14	
DPS (PKR)	-	-		3.50	

Source: IGI Research, Company Financials

No of Shares: 144.82m.

*Restated

** Diluted on new number of shares

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