Flash Note

Thursday, August 27, 2026

IGI Securities
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Oil & Gas Marketing Companies

Attock Petroleum Limited (APL)

Earnings: Attock Petroleum Limited (APL) announced its 4QFY26 result. The Company reported 4QFY26 earnings of PKR 2.19bn (EPS PKR 17.64), down by 19%y/y compared to PKR 2.69bn (EPS PKR 21.65) in the similar period last year. On quarterly basis, profitability is down by 74%q/q. This brings total profitability for FY26 to PKR 16.96bn (EPS PKR 136.31), up by +63%y/y, compared to PKR 10.39bn (EPS PKR 83.53) in the same period last year.

Dividend/Payout: The Company announced cash dividend of PKR 40/share along with the result bringing total cash payout for FY26 to PKR 60/share against PKR 25.5/share in FY25.

Operating Performance: APL reported +28%y/y incline in revenue during 4QFY26 on the back higher domestic prices amid Middle East Conflict despite 19%y/y decline in total volumes. Operating expenses increased by +31%y/y to PKR 2.86bn during 4QFY26. Other charges declined by 29%y/y to PKR 0.24bn during 4QFY26 compared to PKR 0.33bn in the same period last year. Finance income dropped to PKR 0.93bn during 4QFY26 compared to PKR 1.05bn in the similar period last year likely owing to decline in interest rates. On quarterly basis, earnings plummeted by 74%q/q mainly due to inventory losses and decline in total volumes as international prices surged amid Middle East Conflict. Effective tax stood at 36.1% during 4QFY26 (3QFY26: 39.3%) compared to 41.1% in the same period last year bringing total effective tax rate for FY26 to 38.8% against 38.8% in FY25.

Recommendation: We have a "**BUY**' stance on APL with our Dec-26 Target Price of PKR 717/share offering 27% upside from last close of PKR 564/share. The Company is currently trading at FY27 P/E of 6.9x and offers healthy dividend yield of 5.5%.

Exhibit: APL Financial Highlights
For the period 4QFY26

PKRmn	4QFY26	4QFY25	y/y	3QFY26	q/q	FY26	FY25	y/y
Net Sales	163,443	127,361	28%	129,009	27%	533,097	474,097	12%
Gross Profit	4,356	5,420	-20%	15,387	-72%	32,075	18,829	70%
Operating Expenses	2,862	2,181	31%	2,238	28%	9,598	8,558	12%
Impairment Loss / (Reversal)	(14)	12	-215%	79	-118%	23	9	157%
Other Charges	237	333	-29%	1,004	-76%	2,016	1,216	66%
Other Income	1,018	569	79%	660	54%	3,185	2,221	43%
EBIT	2,526	3,796	-33%	13,730	-82%	25,639	12,484	105%
Finance Income / (Cost)	934	1,053	-11%	904	3%	3,735	5,241	-29%
Profit Before Taxation	3,432	4,575	-25%	13,753	-75%	27,713	16,979	63%
Profit After Taxation	2,194	2,694	-19%	8,344	-74%	16,959	10,393	63%
EPS (PKR)	**17.64**	**21.65**		**67.07**		**136.31**	**83.53**	
DPS (PKR)	40.00	13.00		0.00		60.00	25.50	

Source: IGI Research, PSX — No of Shares: 124.42mn

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Hold if target price on aforementioned security (ies) is in between -10% and 10%, from its last closing price(s)
Sell if target price on aforementioned security (ies) is less than -10%, from its last closing price(s)

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- Dividend Discount Model (DDM)
- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

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