

Company Update

Attock Petroleum Limited (APL)

Target Price: PKR 426/share;

Upside: 28.4%

2022: Dividend yld: 11%, P/E: 2.9x

Market Price: PKR 331.7

52 weeks: 294.8 — 331.7

Return: (3M) 9.9%, (6M) 9.8%,
(12M) 12.5%

Outstanding Shares: 0.1bn (FF%: 25)

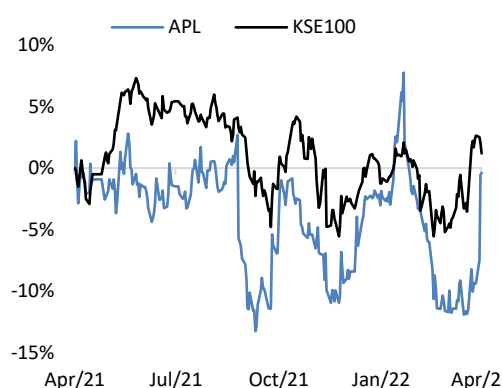
Market Capitalisation: PKR 29.3bn,
US\$ 0.16bn

Exchange: KSE100, KSEALL,

Key Financial Highlights

PKR/ Share	2021a	2022e	2023f
EPS	69.7	115.8	72.7
DPS	27.0	35.0	40.0
BVPS	228.3	309.1	341.8
ROE%	31%	37%	21%
P/E	4.8x	2.9x	4.6x
DY	8.1%	10.6%	12.1%
P/B	1.5x	1.1x	1.0x

Relative Price performance



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Oil & Gas Marketing Companies

APL: EPS to clock in at PKR 34.22 during 3QFY22, up by +2.2xy/y

- We expect Attock Petroleum Limited (APL) to report earnings of PKR 3.41bn (EPS PKR 34.22) during 3QFY22, up by +2.2xy/y, compared to profitability of PKR 1.52bn (EPS PKR 15.25) in the same period last year.
- This will bring total 9MFY22E earnings to PKR 10.02bn (EPS PKR 100.62), up by +2.7xy/y, compared to PKR 3.66bn (EPS PKR 36.81) in the similar period last year.
- We attribute growth in the earnings primarily on the back of substantial inventory gains due to increase in international oil prices amid Russia-Ukraine crisis and supply disruptions. Furthermore, upward revision in OMC margins is also likely to provide support to earnings.

Earnings to clock in at PKR 34.22/share during 3QFY22

We expect Attock Petroleum Limited (APL) to report earnings of PKR 3.41bn (EPS PKR 34.22) during 3QFY22, up by +2.2xy/y, compared to profitability of PKR 1.52bn (EPS PKR 15.25) in the same period last year. On quarterly basis, earnings are expected to decline by 19%q/q largely owing to drop in total volumes. This will bring total 9MFY22E earnings to PKR 10.02bn (EPS PKR 100.62), up by +2.7xy/y, compared to PKR 3.66bn (EPS PKR 36.81) in the similar period last year.

Hefty inventory gains to drive earnings growth

We attribute growth in the earnings primarily on the back of substantial inventory gains due to increase in international oil prices amid Russia-Ukraine crisis and supply disruptions. Furthermore, upward revision in OMC margins and higher FO prices are also likely to provide support to earnings. Total volumes increased by +25%/y growth mainly led by +43%/+18%/+15%/y rise in HSD/FO/MS sales. As a result, total volumes are up by +19%/y during 9MFY22.

Exhibit: Financial Highlights For the period 3QFY22

PKRmn	3QFY22E	3QFY21	YoY	2QFY22	QoQ	9MFY22E	9MFY21	YoY
Net Sales	110,802	45,728	142%	81,439	36%	265,079	135,699	95%
Gross Profit	6,474	2,907	123%	7,859	-18%	19,027	7,667	148%
S&D Expense	1,619	900	80%	1,734	-7%	5,022	2,697	86%
Other Charges	351	159	121%	454	-23%	1,053	381	176%
Other Income	373	409	-9%	445	-16%	1,174	944	24%
EBIT	5,333	2,338	128%	6,610	-19%	15,608	5,680	175%
Finance Cost	(46)	(25)	81%	3	n/m	(105)	(125)	n/m
PBT	4,866	2,157	126%	5,994	-19%	14,240	5,151	176%
Taxation	1,460	639	129%	1,773	-18%	4,225	1,487	184%
PAT	3,406	1,518	124%	4,221	-19%	10,015	3,664	173%
EPS (PKR)	34.22	15.25		42.41		100.62	36.81	
DPS (PKR)	-	-		15.00		15.00	2.50	

Source: IGI Research, Company Financials

No of Shares: 99.53mn

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