

Flash Note

Monday, April 28, 2025



Oil & Gas Exploration Companies

Pakistan Oilfields Limited (POL)

Earnings: Pakistan Oilfields Limited (POL) announced its 3QFY25 result. The Company reported 3QFY25 unconsolidated earnings of PKR 6.61bn (EPS PKR 23.29), down by 47%y/y compared to PKR 12.36bn (EPS PKR 43.55) in the similar period last year. On a quarterly basis, profitability is down by 13%q/q. This brings total profitability for 9MFY25 to PKR 16.75bn (EPS PKR 59.02), down by 44%y/y, compared to PKR 29.94bn (EPS PKR 105.47) in the similar period last year.

Dividend/Payout: The Company did not announce any cash dividend along with the result.

Operating Performance: During the period under review, POL reported 11%y/y decline in revenue during 3QFY25 on the back of lower oil price and oil production. Exploration cost augmented by +4.5x/y to PKR 1.41bn during 3QFY25 likely owing to higher prospecting expense. Operating expenses increased by +25%y/y to PKR 3.24bn during 3QFY25 compared to PKR 2.59bn in the same period last year. Other income declined by 28%y/y during 3QFY25 likely owing to drop in interest rates. On a quarterly basis, earnings declined by 13%y/y mainly due to higher exploration cost and lower production. Effective tax stood at 29.8% during 3QFY25 (2QFY25: 36.8%) compared to 9.8% in the same period last year bringing total effective tax rate for 9MFY25 to 35.8% against 26.0% reported in the corresponding period last year.

Exhibit: POL Financial Highlights For the period 3QFY25								
PKRmn	3QFY25	3QFY24	y/y	2QFY25	q/q	9MFY25	9MFY24	y/y
Net Sales	14,551	16,288	-11%	14,832	-2%	44,834	50,334	-11%
Operating Costs	3,236	2,590	25%	3,539	-9%	9,602	8,816	9%
Royalty	1,570	1,820	-14%	1,597	-2%	4,881	5,722	-15%
Amortization of D&D Cost	(9)	163	n/m	(60)	n/m	764	384	99%
Gross Profit	9,755	11,716	-17%	9,755	0%	29,588	35,411	-16%
Exploration Costs	1,412	313	4.5x	626	2.3x	9,773	1,446	6.8x
Administration Expenses	121	93	29%	119	1%	353	285	24%
Finance Cost	1,086	665	63%	920	18%	2,944	2,262	30%
Other Income	2,846	3,980	-28%	4,626	-38%	11,219	11,753	-5%
PBT	9,418	13,703	-31%	11,988	-21%	26,106	40,433	-35%
PAT	6,612	12,361	-47%	7,573	-13%	16,753	29,939	-44%
EPS (PKR)	23.29	43.55		26.68		59.02	105.47	
DPS (PKR)	0.00	0.00		25.00		25.00	25.00	
Source: IGI Research, PSX						No of Shares: 283.86mn		

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