Flash Note

Friday, September 19, 2025

Oil & Gas Exploration Companies

Pakistan Petroleum Limited (PPL)

Earnings: Pakistan Petroleum Limited (PPL) announced it 4QFY25 result. The Company reported 4QFY25 unconsolidated earnings of PKR 19.32bn (EPS PKR 7.10), up by +8%y/y compared to PKR 17.90bn (EPS PKR 6.58) in the similar period last year. On quarterly basis, profitability is down by 11%q/q. This brings total profitability for FY25 to PKR 92.03bn (EPS PKR 33.82), down by 19%y/y, compared to PKR 114.31bn (EPS PKR 42.01) in the corresponding period last year.

Dividend/Payout: The Company announced cash dividend of PKR 2.5/share along with the result bringing total cash payout for FY25 to PKR 7.5/share compared to PKR 6.0/share last year.

Operating Performance: During the period under review, PPL reported 19%y/y decline in revenue during 4QFY25 on the back of lower oil prices and oil/gas production. Exploration cost declined by 43%y/y to PKR 4.06bn during 4QFY25 likely owing lower prospecting expense. Operating expenses declined by 20%y/y to PKR 13.49bn during 4QFY25 compared to PKR 16.95bn in the same period last year. Other income declined by 14%y/y during 4QFY25 likely due to lower short-term investments. On quarterly basis, earnings declined by 8%q/q mainly due to higher revenue, other income and share of profit from associate. Effective tax stood at 31.5% during 4QFY25 (3QFY25: 37.5%) compared to 36.9% in the same period last year bringing total effective tax rate for FY25 to 33.8% against 28.5% in the corresponding period last year. However, PPL's receivables increased by PKR 0.8bn on a quarterly basis to PKR 592.4bn.

Exhibit: PPL Financial Highlights
For the period 4QFY25

PKRmn	4QFY25	4QFY24	y/y	3QFY25	q/q	FY25	FY24	y/y
Net Sales	51,794	64,137	-19%	63,825	-19%	242,516	288,797	-16%
Operating Expense	13,490	16,951	-20%	13,240	2%	53,783	54,727	-2%
Royalty	7,401	10,390	-29%	9,968	-26%	36,935	44,689	-17%
Gross Profit	30,903	36,796	-16%	40,617	-24%	151,798	189,381	-20%
Exploration Expense	4,062	7,138	-43%	4,919	-17%	15,683	19,133	-18%
Administrative Expense	1,811	1,864	-3%	1,616	12%	6,680	5,196	29%
Other Income	4,695	5,440	-14%	4,232	11%	24,169	16,977	42%
Other Charges	2,109	3,995	-47%	2,728	-23%	11,762	18,374	-36%
Share of loss/(profit) from associate	(1,146)	471	n/m	50	n/m	344	2,327	-85%
EBIT	28,762	28,768	0%	35,536	-19%	141,498	161,362	-12%
Finance Cost	556	396	40%	653	-15%	2,416	1,580	53%
PBT	28,206	28,373	-1%	34,883	-19%	139,083	159,782	-13%
PAT	19,319	17,898	8%	21,795	-11%	92,027	114,309	-19%
EPS (PKR)	**7.10**	**6.58**		**8.01**		**33.82**	**42.01**	
DPS (PKR)	2.50	2.50		1.00		7.50	6.00	

Source: IGI Research, PSX — No of Shares: 2,720.97mn

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