

# Flash Note

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## Oil & Gas Marketing Companies

### Attock Petroleum Limited (APL)

**Earnings:** Attock Petroleum Limited (APL) announced its 4QFY23 result. The Company reported 4QFY23 earnings of PKR 2.63bn (EPS PKR 21.09), down by 64%y/y compared to PKR 7.29bn (EPS PKR 58.59) in the similar period last year. On a quarterly basis, profitability is down by 39%y/y. This brings total FY23 profitability to PKR 12.46bn (EPS PKR 100.15), down by 33%y/y.

**Dividend/Payout:** The Company announced a cash dividend of PKR 15.0/share along with the result bringing total cash payout for FY23 to PKR 27.5/share.

**Operating Performance:** Earnings decline during 4QFY23 was primarily led by lower inventory gains and volumes. However, earnings decline was restricted by higher margins and higher finance income. During the period under review, APL reported a 5%y/y decline in revenue during 4QFY23 on the back of lower volumes despite higher prices. Operating expense declined by 57%y/y to PKR 2.1bn during 4QFY23. Other charges dropped by 61%y/y to PKR 0.41bn during 4QFY23 compared to PKR 1.07bn in the same period last year. Finance income augmented substantially to PKR 3.21bn during 4QFY23 compared to PKR 0.02bn in the similar period last year likely owing to higher mark-up income. On a quarterly basis, earnings dropped by 39%y/y mainly due to lower inventory gains. Effective tax stood at 53.3% during 4QFY23 (3QFY23: 34.2%) compared to 50.4% in the same period last year bringing total effective tax rate for FY23 to 38.9% compared to 39.4% in the corresponding period last year.

Exhibit: APL Financial Highlights								
For the period 4QFY23								
PKRmn	4QFY23	4QFY22	y/y	3QFY23	q/q	FY23	FY22	y/y
Net Sales	123,103	129,039	-5%	113,057	9%	473,938	370,075	28%
Gross Profit	6,294	19,910	-68%	7,832	-20%	26,071	41,003	-36%
Operating Expenses	2,052	4,797	-57%	2,157	-5%	9,383	10,215	-8%
Impairment Loss / (Reversal)	(18)	(48)	n/m	(27)	n/m	11	(349)	n/m
Other Charges	410	1,065	-61%	481	-15%	1,484	2,250	-34%
Other Income	389	421	-7%	500	-22%	1,731	1,623	7%
EBIT	4,648	15,581	-70%	6,202	-25%	18,407	32,760	-44%
Finance Income / (Cost)	1,328	(56)	n/m	811	64%	3,213	21	154x
Profit Before Taxation	5,621	14,705	-62%	6,534	-14%	20,385	30,610	-33%
Profit After Taxation	2,625	7,289	-64%	4,298	-39%	12,461	18,536	-33%
<b>EPS (PKR)</b>	<b>21.09</b>	<b>58.59</b>		<b>34.54</b>		<b>100.15</b>	<b>148.99</b>	
DPS (PKR)	15.00	30.00		-		27.50	45.00	

Source: IGI Research, PSX No of Shares: 99.53mn

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