

## Result announcement: 3QFY22

Oil & Gas Exploration Companies

### Pakistan Oilfields Limited

**Earnings:** Pakistan Oilfields Limited (POL) announced its 3QFY22 result. The Company reported 3QFY22 earnings of PKR 6.57bn (EPS PKR 23.16), up by +2.3x/y compared to PKR 2.93bn (EPS PKR 10.31) in the similar period last year. This brings total profitability for 9MFY22 to PKR 17.5bn (EPS PKR 61.64), up by +83%/y, compared to PKR 9.58bn (EPS PKR 33.74) in the corresponding period last year.

**Operating performance:** During the period under review, POL reported +40%/y increase in revenue on the back of +65%/y rise in average oil prices, PKR depreciation against greenback and higher other income owing to exchange gains despite lower oil and gas production. Oil and gas production was down by 13%/y and 11%/y respectively during 3QFY22 mainly on account of lower production from Tal block and Adhi. Exploration cost remained on the lower side amid no dry well incurred and no seismic activity during the quarter. Other income augmented to PKR 2.1bn mainly on account of hefty exchange gains incurred due to PKR depreciation. Effective tax stood at 30.3% during 3QFY22 (2QFY22: 36.1%) compared to 39.9% in the same period last year bringing total effective tax rate for 9MFY22 to 32.0% compared to 35.5% in the corresponding period last year.

Exhibit: Financial Highlights								
For the period 3QFY22								
PKRmn	3QFY22	3QFY21	y/y	2QFY22	q/q	9MFY22	9MFY21	y/y
Net Sales	13,315	9,531	40%	12,610	6%	37,002	27,044	37%
Operating Costs	2,403	2,438	-1%	2,178	10%	6,595	6,462	2%
Royalty	1,425	987	44%	1,315	8%	3,913	2,919	34%
Amortization Cost	589	577	2%	627	-6%	1,990	1,818	9%
Gross Profit	8,899	5,462	63%	8,489	5%	24,504	15,778	55%
Exploration Costs	127	72	78%	108	18%	686	181	279%
Admin Expenses	53	50	6%	55	-4%	175	168	4%
Finance Cost / (Income)	788	-320	-n/m	935	-16%	3,185	-422	n/m
Other Income / (Expense)	2,088	-372	n/m	2,018	3%	6,806	173	39x
PBT	9,425	4,867	94%	8,869	6%	25,715	14,856	73%
PAT	6,573	2,927	125%	5,665	16%	17,496	9,576	83%
<b>EPS (PKR)</b>	<b>23.16</b>	<b>10.31</b>		<b>19.96</b>		<b>61.64</b>	<b>33.74</b>	
DPS (PKR)	0.00	0.00		20.00		20.00	20.00	

Source: IGI Research, Company Financials No of Shares: 283.86mn

#### Analyst

Abdullah Farhan

[Abdullah.Farhan@igi.com.pk](mailto:Abdullah.Farhan@igi.com.pk)

Tel: +92 21 111 234 234 Ext: 912

Saad Khan

[Saad.khan@igi.com.pk](mailto:Saad.khan@igi.com.pk)

Tel: +92 21 111 234 234 Ext: 810

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IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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## Contact Details

### Equity Sales

Faisal Jawed Khan	Head of Equities	Tel: (+92-21) 35301779	faisal.jawed@igi.com.pk
Zaeem Haider Khan	Regional Head (North)	Tel: (+92-42) 38303559-68	zaeem.haider@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Syeda Mahrukh Hameed	Branch Manager (Lahore)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Zaid Farook	Branch Manager (Stock Exchange) Karachi	Tel: (+92-21) 32462651-52	zaid.farook@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

### Research Team

Saad Khan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 810	saad.khan@igi.com.pk
Abdullah Farhan	Senior Analyst	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Aariz Raza	Analyst	Tel: (+92-21) 111-234-234 Ext: 810	Aariz.raza@igi.com.pk
Ajay Kumar	Analyst	Tel: (+92-21) 111-234-234 Ext: 912	ajay.kumar@igi.com.pk
Huzaifa Yaseen	Analyst	Tel: (+92-21) 111-234-234 Ext: 912	huzaifa.yaseen@igi.com.pk

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Website: [www.igisecurities.com.pk](http://www.igisecurities.com.pk)

#### Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,  
Khayaban-e-Jami Block-09, Clifton, Karachi-75600  
UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234  
Fax: (+92-21) 35309169, 35301780

#### Stock Exchange Office

Room # 134, 3rd Floor, Stock Exchange Building,  
Stock Exchange Road, Karachi.  
Tel: (+92-21) 32429613-4, 32462651-2  
Fax: (+92-21) 32429607

#### Lahore Office

Shop # G-009, Ground Floor,  
Packages Mall  
Tel: (+92-42) 38303560-69  
Fax: (+92-42) 38303559

#### Faisalabad Office

Room #: 515-516, 5th Floor, State Life  
Building, 2- Liaqat Road  
Tel: (+92-41) 2540843-45  
Fax: (+92-41) 2540815

#### Multan Office

Mezzanine Floor, Abdali Tower,  
Abdali Road  
Tel: (92-61) 4512003, 4571183

#### Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,  
Block- B, Jinnah Avenue, Blue Area  
Tel: (+92-51) 2604861-2, 2604864, 2273439  
Fax: (+92-51) 2273861

#### Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,  
Model Town, Town Hall Road  
Tel: (+92-68) 5871652-3  
Fax: (+92-68) 5871651

IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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