

Pakistan Refinery Sector

1HFY26: Refinery Upliftment up 10.5%

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REP-300

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Best Broker: '25
 Best Bank for Research: '25
 Best Investment Bank for M&A: '25
 Best for Research: '24
 Best for Diversity & Inclusion: '24
 Best Investment Bank: '23



Best Securities House: '23
 Best Investment Bank: '23



Best Corporate Finance House: '25, '23-'13
 Best Brokerage House: '23 - '21
 Best Brokerage House (Runner-up): '25-'24
 Best Economic Research House: '23-'21
 Best Economic Research House (Runner-up): '25-'24



Best Brokerage House:
 2023



Best Broker: '25
 Best Equity Capital
 Market House: '25



Top 25 Companies
 ('17-'19)



Best Gender Equality Bond: '24
 Best Equity Advisor: '21



Excellence Award Leading
 Brokerage House for RDA '21

Refinery Upliftment

Dec'25: Refinery Upliftment up 0.9% YoY

Industry Volumes

- Overall refinery upliftment rose 0.9% YoY in Dec'25, driven by higher MS and FO offtake, despite weaker HSD demand.
- HSD upliftment declined 8.6% YoY to 396k tons, likely reflecting higher OMC imports amid a falling HSD price trend and cross border tensions.
- FO sales rose 11.1% YoY to 227k tons, primarily reflecting higher refinery exports in Dec'25, albeit at a loss. Meanwhile, local FO demand strengthened, with OMC sales up 39.9% YoY to 58k tons, likely driven by increased FO-based power generation amid lower hydel flows. Despite this, the bulk of FO volumes were exported during the month.
- Refinery upliftment in 1HFY26 remained strong at 5.2mn tons, up 10.5% YoY, driven by higher MS and HSD offtake, which increased by 9.0% and 21.0% YoY, respectively.

Company wise volumes and market share

- ATRL's sales reached 109k tons in Dec'25, up 9.3% YoY. FO sales surged 580.0% YoY, however MS and HSD sales declined by 14.3% and 24.4% YoY, respectively likely due to curtailment from select oilfields amid SNGPL pipeline pressure management and higher OMC imports amid a falling HSD price trend and cross border tensions. ATRL's market share declined to 12.5%, slightly below its historical 13.8%.
- PARCO's sales declined by 7.0% YoY to 368k tons in Dec'25, as MS and HSD volumes decreased 2.5% and 14.8% YoY, respectively.
- PRL's sales also declined by 32.3% YoY to 124k tons in Dec'25, as HSD and FO volumes decreased 25.0% and 56.0% YoY, respectively.
- NRL's sales, surged 56.9% YoY to 115k tons in Dec'25, driven by sharp increases in MS (+615%), HSD (+29.8%), and FO (+53.7%) volumes, due to a planned ATA in SPLY.
- CENERGY's sales also improved by 37.8% YoY to 158k tons in Dec'25, as HSD and FO volumes improved by 12.1% and 95.4% YoY, respectively.

('000' tons)	Dec-25	Dec-24	YoY	Nov-25	MoM	1HFY26	1HFY25	YoY
Industry								
MS	199	184	7.9%	216	-8.2%	1,211	1,110	9.0%
HSD	396	434	-8.6%	566	-30.0%	2,754	2,276	21.0%
FO	227	205	11.1%	155	46.9%	992	1,114	-10.9%
Total	874	866	0.9%	978	-10.7%	5,197	4,704	10.5%
ATRL								
MS	38	44	-14.3%	42	-9.4%	227	289	-21.3%
HSD	33	44	-24.4%	60	-45.3%	270	288	-6.3%
FO	30	4	580.0%	29	2.7%	96	85	13.5%
Total	109	100	9.3%	141	-22.3%	645	717	-10.0%
PRL								
MS	26	19	36.8%	26	-1.6%	138	137	0.7%
HSD	57	75	-25.0%	77	-26.6%	381	422	-9.9%
FO	37	85	-56.0%	36	4.0%	180	277	-35.1%
Total	124	182	-32.3%	143	-13.3%	720	856	-15.9%
NRL								
MS	19	3	615.4%	16	16.7%	120	90	33.4%
HSD	69	53	29.8%	115	-40.1%	474	322	47.4%
FO	20	13	53.7%	15	186.6x	94	131	-28.7%
Total	115	73	56.9%	148	-22.7%	707	558	26.7%
CENERGY								
MS	21	21	0.0%	32	-34.4%	111	114	-2.1%
HSD	62	56	12.1%	80	-21.8%	300	296	1.7%
FO	75	38	95.4%	17	18.6x	238	199	19.6%
Total	158	115	37.8%	128	23.5%	650	609	6.8%
PARCO								
MS	95	98	-2.5%	101	-5.3%	614	481	27.7%
HSD	175	206	-14.8%	233	-24.9%	1,328	948	40.1%
FO	65	63	2.1%	59	10.4%	384	422	-8.9%
Total	368	396	-7.0%	419	-12.1%	2,475	1,965	26.0%

Source (s): OCAC, AHL research

Refinery Production

Dec'25: Refinery Production down 1.0% YoY

Industry Production, utilization and throughput

- Overall refinery production in Dec'25 edged down 1.0% YoY to 941k tons, driven by declines in HSD (-0.8% YoY to 459k tons) and FO (-8.2% YoY to 210k tons). Lower HSD output was likely due to higher OMC imports amid a falling price trend and cross-border tensions. In contrast, MS production increased 2.3% YoY to 215k tons.
- Industry MS and HSD throughput declined to 22.9% and 48.8%, respectively, in Dec'25, while FO and JP throughput improved to 22.4% and 6.0%, respectively, versus historical averages.
- The industry operated at a utilization rate of 55.1% in Dec'25, compared to 61.6% in Nov'25 and 55.6% in Dec'24.

Company wise Utilization and Throughput

- In Dec'25, ATRL operated at a utilization rate of 60.0%. MS and HSD throughput decreased to 35.1% and 36.7%, respectively while FO throughput remained stable at 20.7% versus historical averages.
- In Dec'25, PRL operated at a utilization rate of 75.9%. MS and FO throughput increased to 19.9% and 27.9%, respectively, while HSD throughput remained stable at 48.5% versus historical averages.
- In Dec'25, NRL operated at a utilization rate of 49.3%. HSD throughput declined to 60.3%, while MS and FO throughput rose to 19.5% and 16.5%, respectively, compared to historical averages.
- In Dec'25, CENERGY operated at the lowest utilization rate of 21.2%. MS throughput decreased to 12.6%, while HSD and FO throughput rose to 40.0% and 47.2%, respectively, compared to historical averages.

Exhibit: Total Capacity Utilization

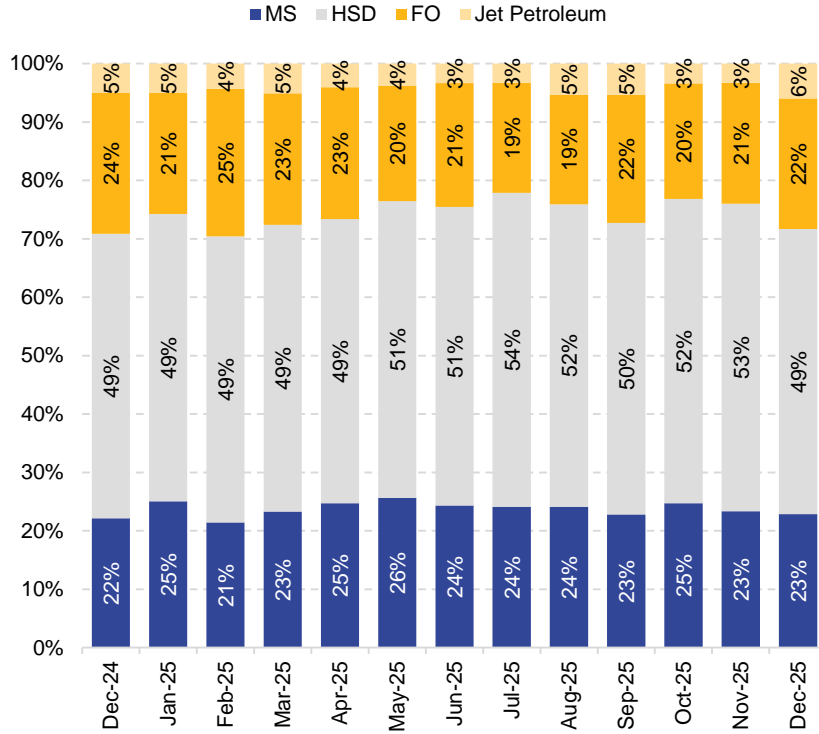
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
ATRL	48%	53%	66%	73%	69%	60%
PRL	71%	35%	63%	76%	74%	76%
NRL	44%	39%	41%	41%	57%	49%
CENERGY	17%	7%	13%	16%	35%	21%
PARCO	81%	84%	98%	106%	91%	80%

Source: OCAC, AHL Research

Refinery Upliftment

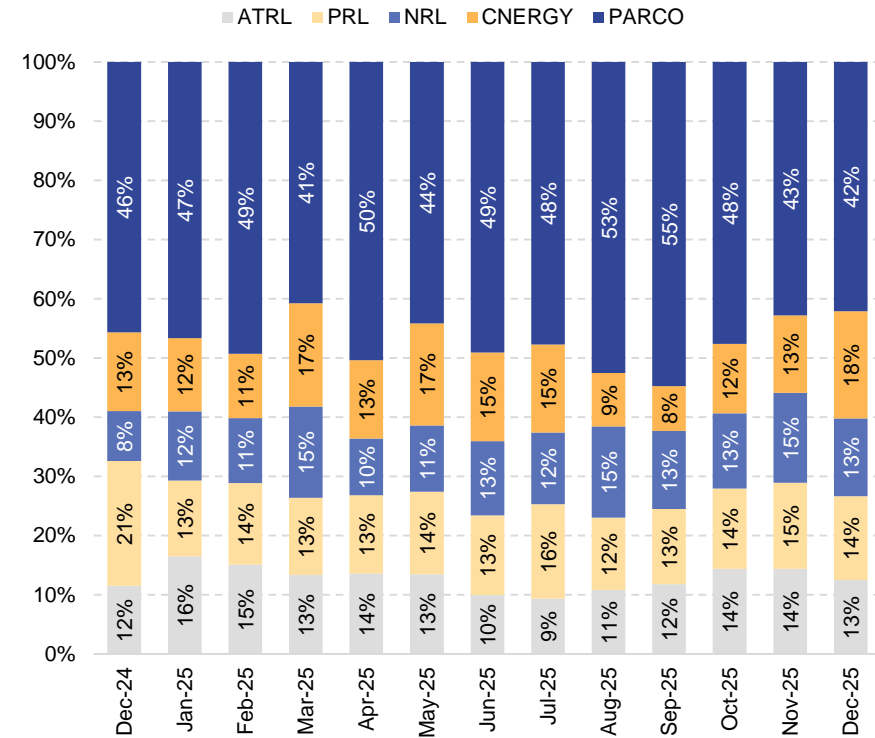
Dec'25: Refinery Upliftment up 0.9% YoY

Exhibit: Industry throughput



Source (s): OCAC, AHL Research

Exhibit: Company wise market share

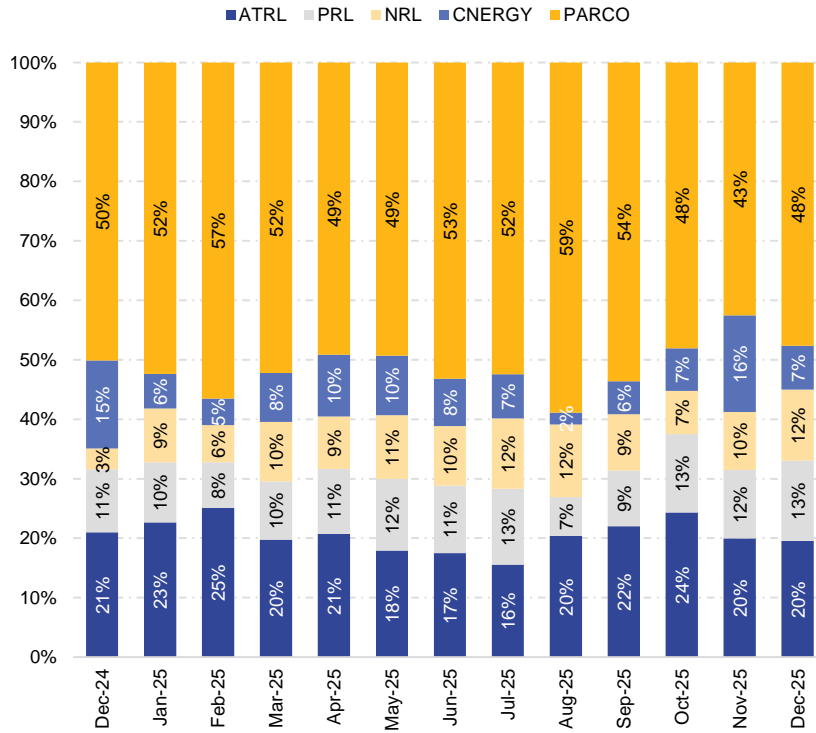


Source (s): OCAC, AHL Research

Refinery Upliftment

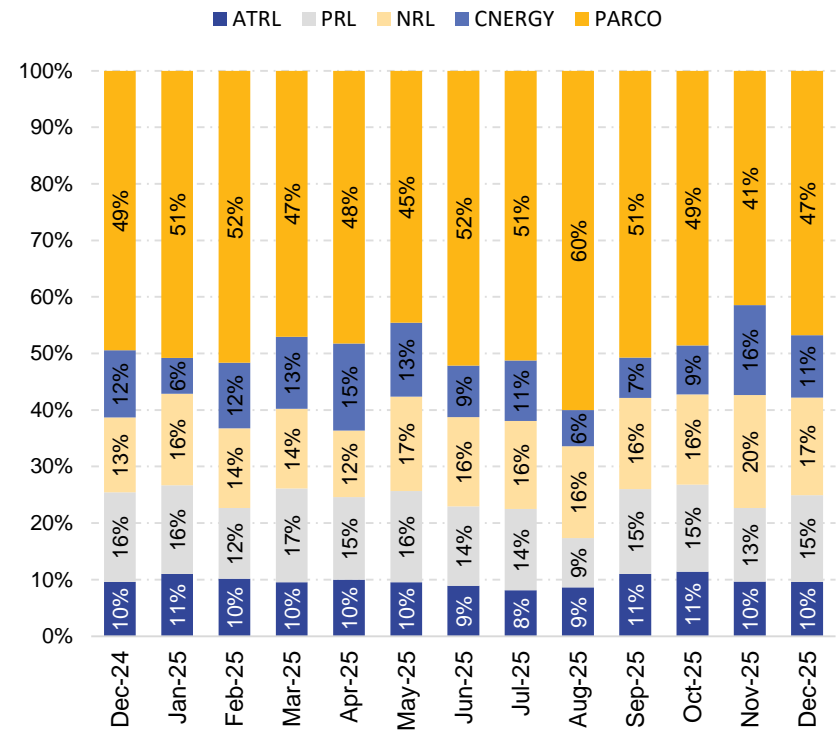
Dec'25: Refinery Upliftment up 0.9% YoY

Exhibit: MS production share



Source (s): OCAC, AHL Research

Exhibit: HSD production share



Source (s): OCAC, AHL Research

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BUY	Upside* of subject security(ies) is more than +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -5% and +10% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -5% from last closing of market price(s)

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AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- Discounted Cash Flow (DCF)
- Dividend Discount Model (DDM)
- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

Risks: The following risks may potentially impact our valuations of subject security (ies);

- Market risk
- Interest Rate Risk
- Exchange Rate (Currency) Risk

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