

Pakistan Automobile Assembler

AGTL PA: 4QCY25 EPS clocked in at PKR20.3 – Below expectation

AGTL has announced its 4QCY24 result, wherein company has posted PAT of PKR1.2bn (EPS: PKR20.3) vs. PAT of PKR0.8bn (EPS: PKR14.3) in SPLY, up by ~42% YoY. The result is below our expectation mainly due to lower than estimated topline and gross margins.

During 4QCY24, revenue witnessed an increase of 28%/71% YoY/QoQ to clock in at PKR10.7bn, primarily due to higher volumetric sales amid green tractor scheme. To highlight, volumetric sales increase by ~36%/76% YoY/QoQ.

Gross margins decreased by ~250bps QoQ to clock in at ~25.4% in 2QCY24. While same is up by ~130bps YoY, possibly due to lower raw material prices and higher volumes.

Selling and distribution expense recorded an increase of 292%/129% YoY/QoQ, possibly due to advertising expense related to the launch of the new 85HP tractor and higher volumetric sales. Whereas, admin expenses witnessed a decline of 8%/29% YoY/QoQ.

ETR for the quarter clocked in at ~34.9% vs ~40.5% in the preceding quarter.

To highlight, trade debt clocked in at ~PKR5.1bn in 4QCY24 vs ~PKR1.9bn in preceding quarter, possibly due to delayed payment under green tractor scheme.

AGTL PKR(mn)	4QCY24	4QCY23	3QCY24	YoY	QoQ	CY24	CY23	YoY
Revenue	10,738	8,413	6,295	28%	71%	34,574	34,544	0%
Cost of sales	(8,006)	(6,384)	(4,534)	25%	77%	(26,140)	(28,120)	-7%
Gross profit	2,732	2,029	1,761	35%	55%	8,435	6,423	31%
GM %	25.4%	24.1%	28.0%			24.4%	18.6%	
Distribution cost	(423)	(108)	(185)	292%	129%	(805)	(429)	88%
Administration cost	(304)	(331)	(428)	-8%	-29%	(1,467)	(1,081)	36%
Other expenses	(66)	(135)	(21)	-51%	208%	(324)	(430)	-25%
Other Income	45	171	47	-74%	-5%	316	560	-44%
Finance Cost	(181)	(242)	(108)	-25%	68%	(447)	(356)	25%
PBT	1,803	1,384	1,067	30%	69%	5,709	4,687	22%
Tax	(629)	(556)	(433)	13%	45%	(2,166)	(2,075)	4%
PAT	1,174	828	633	42%	85%	3,542	2,612	36%
EPS	20.3	14.3	10.9			61.1	45.1	

Source: Company accounts, Insight research

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Analyst certifications and important disclosures are in the end.

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- Discounted cash flow (DCF)
- Relative Valuation (P/E, P/Bv, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

Frequently Used Acronyms

TP	Target Price	DCF	Discounted Cash Flows	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DDM	Dividend Discount Model
SOTP	Sum of the Parts	P/E	Price to Earnings ratio	P/Bv	Price to Book ratio
P/S	Price to Sales	EVA	Economic Valued Added	BVPS	Book Value per Share
EPS	Earnings per Share	DPS	Dividend per Share	DY	Dividend Yield
ROE	Return on Equity	ROA	Return on Assets	CAGR	Compounded Annual Growth Rate

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