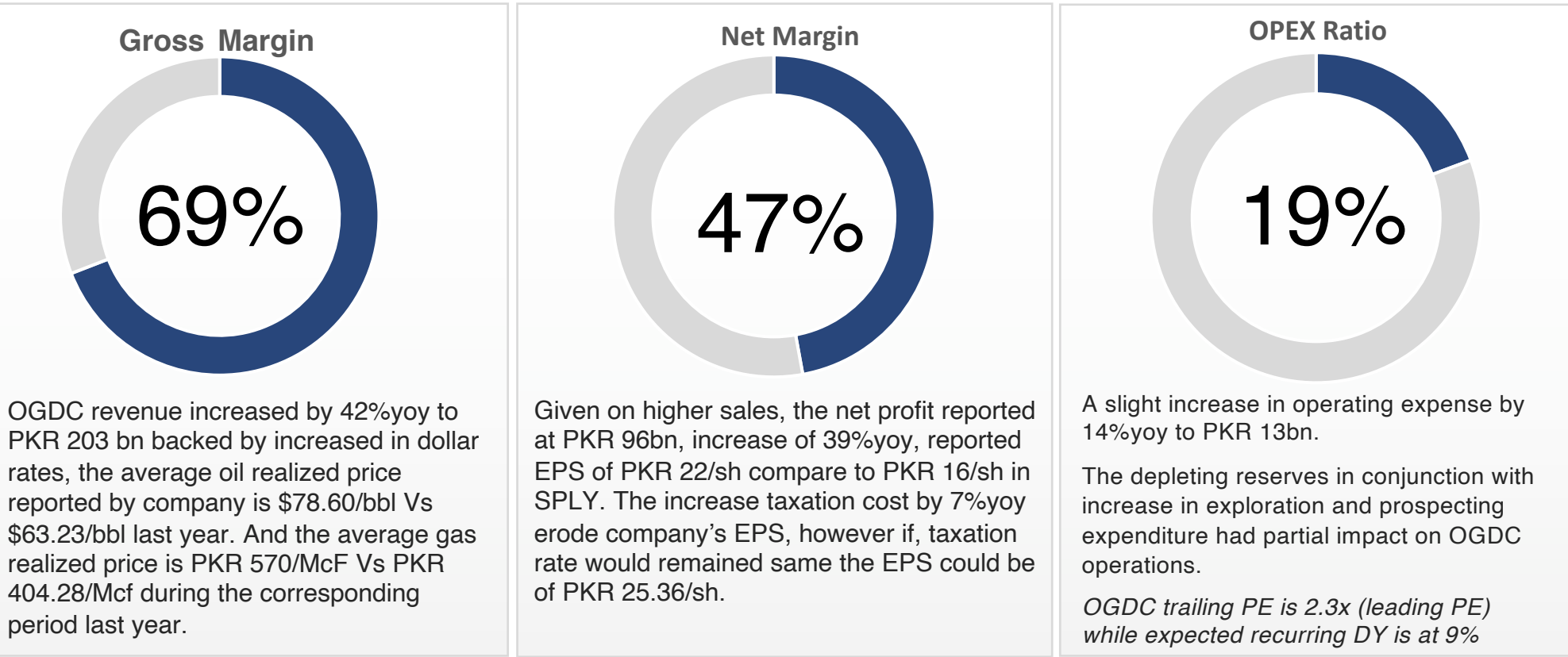


Oil & Gas Development Company Limited “OGDC” 1HFY23 Result Review

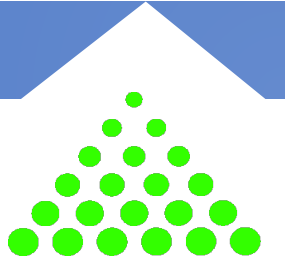
Dollar based revenue improves OGDC earnings in 1HFY23 ..

OGDC announced its 1HFY23 earnings where company reported EPS of PKR 35.72/sh (pre-tax EPS). OGDC announced cash dividend of PKR 2.25/sh. Investors were slightly disappointed given ‘one-off’ big dividend expectation not met.



Oil & Gas Development Company Limited “OGDC” 1HFY23 Result Review

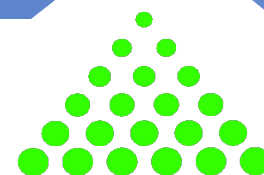
Dollar based revenue improves OGDC earnings in 1HFY23 ..



OGDC announced its 1HFY23 earnings where, company has reported EPS of 22.09/sh.

PKR'000	2QFY23	2QFY22	Δ	1HFY23	1HFY22	Δ
Net Sales	97.22	79.63	22%	203.23	151.16	34%
Rolyalty	(11.29)	(8.79)	28%	(23.47)	(17.03)	38%
Operating Expenses	(21.11)	(17.79)	19%	(39.29)	(34.37)	14%
Transportation Charges	(0.00)	0.00	-146%	(0.00)	(1.06)	-100%
Gross Profit	64.82	53.05	22%	140.47	98.71	42%
Finance & Other Income	9.23	10.35	-11%	27.73	21.23	31%
Exploration Exp	(5.10)	(4.60)	11%	(6.64)	(6.89)	-4%
General Administrative Exp	(1.25)	(0.99)	26%	(2.26)	(2.13)	6%
Finance Cost	(1.46)	(0.57)	156%	(2.28)	(1.14)	100%
Workers Provident fund	(3.40)	(2.78)	22%	(8.04)	(5.53)	45%
Share of Profit/loss in Associate	2.13	(0.88)	-341%	4.63	0.94	395%
Profit After Taxation	64.96	53.58	21%	153.61	105.18	46%
Taxation	(22.93)	(17.64)	30%	(57.83)	(36.29)	59%
Net Profit	42.03	35.94	17%	95.78	68.89	39%
EPS	9.78	8.36	17%	22.09	16.02	38%
DPS	2.25	2.00	13%	4.00	3.75	7%

Source: Co. Financials, Scs Research



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- $(\text{Target Price, if any} / \text{Current Price} - 1) > 10\%$ Positive
- $(\text{Target Price, if any} / \text{Current Price} - 1) < -10\%$ Negative
- less than 10% $(\text{Target Price, if any} / \text{Current Price} - 1)$ Hold.
- The time duration is the financial reporting period of Subject Company.

Valuation method

Following research techniques adopted to calculate target price/recommendation

Price to earnings & Price to Book, EV-EBITDA multiple

Discounted Cash flows or Dividend Discount Model or Enterprise Value