



Sitara Chemical Industries Limited

Corporate Briefing Session

For the year ended June 30, 2020

Date: October 31, 2020

Outlines

COMPANY BRIEF

FINANCIAL HIGHLIGHTS

OPERATIONAL HIGHLIGHTS

FUTURE PROJECTS

QUESTION/ANSWER SESSION

Company Brief:

- ▶ Sitara Chemical Industries Limited (SCIL) is the largest Chlor- Alkali based chemical complex in Pakistan having caustic soda manufacturing capacity of **630** MT per day.
- ▶ Chemical division also has also number of specialty chemical plants like Calcium Chloride, Ferric Chloride, Magnesium Chloride, Magnesium Sulphate and Liquid CO₂.
- ▶ Textile segment of the company has installed capacity of **28,512** number of spindles for producing quality yarn. Company has also marketed its own suiting brand "Rajah's"
- ▶ Company also has its two independent power plants to meet its energy requirements:
 - (1) Gas Fired Power Plant having rated capacity of 29.5 MW.
 - (2) Coal Fired Power Plant having rated capacity of 38.5 MW.



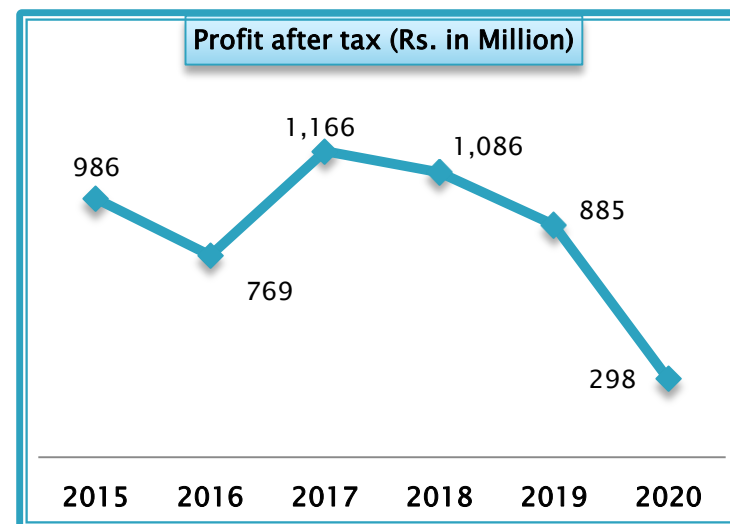
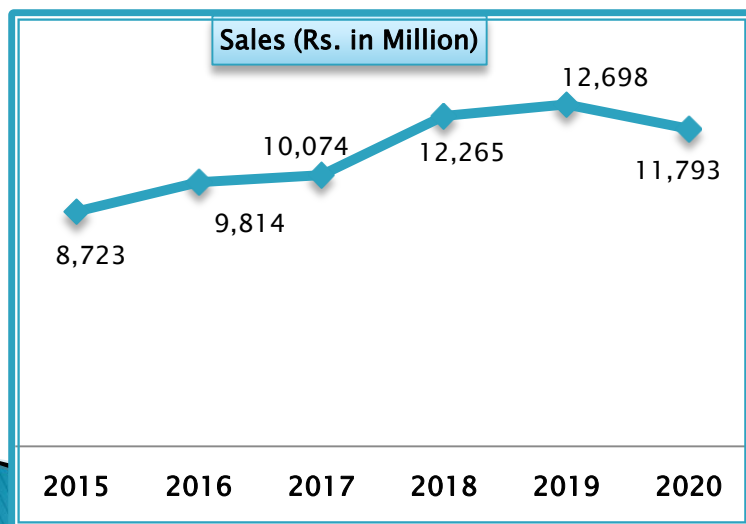
Financial Highlights:

Financial Performance (Rs. in Million)

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Net Sales	11,793	12,698	12,265	10,074	9,814	8,723
Profit after tax	298	885	1,086	1,166	769	986
Earnings per share - Basic (Rupees)	13.94	41.32	50.69	54.43	35.90	46.03

Major Events/Factors impacting the financial results for the year 2019-20:

- 1- Outbreak of COVID-19 pandemic and consequent lock down of the country from 24th March 2020 impacting the business activities across the country.
- 2- Increase in cost of sales due to increase in Govt. electricity and RLNG tariff. Devaluation of PKR against US\$ also added in the increase.
- 3- Increase in average borrowing rate after increase of SBP Policy rate during the year.

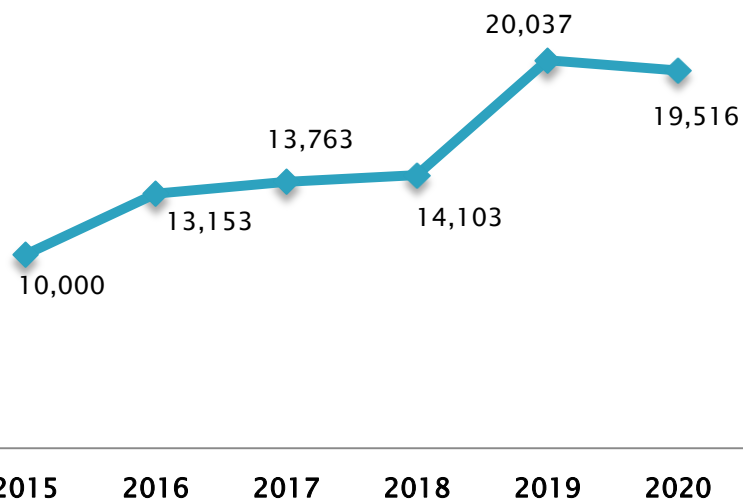


Financial Highlights – Cont.

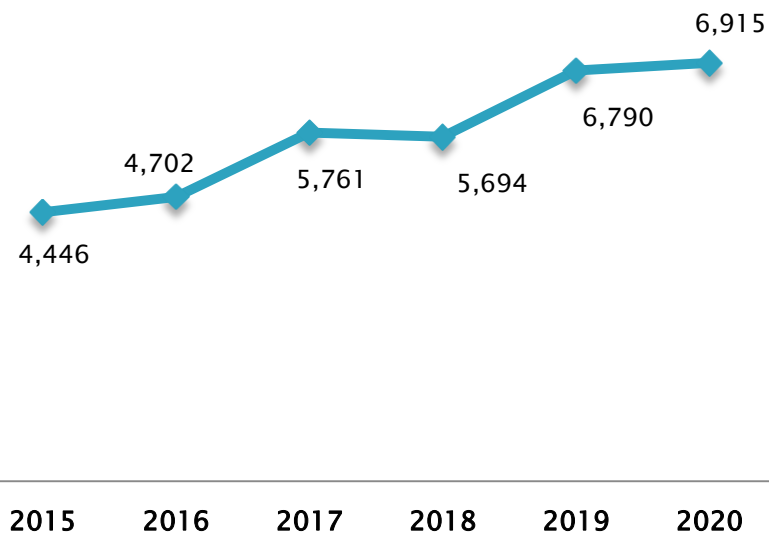
Financial Performance (Rs. in Million)

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Non-Current Assets	19,516	20,037	14,103	13,763	13,153	10,000
Current Assets	6,915	6,790	5,694	5,761	4,702	4,446
Total Assets	26,431	26,827	19,797	19,524	17,855	14,446

Non Current Assets (Rs. in Million)



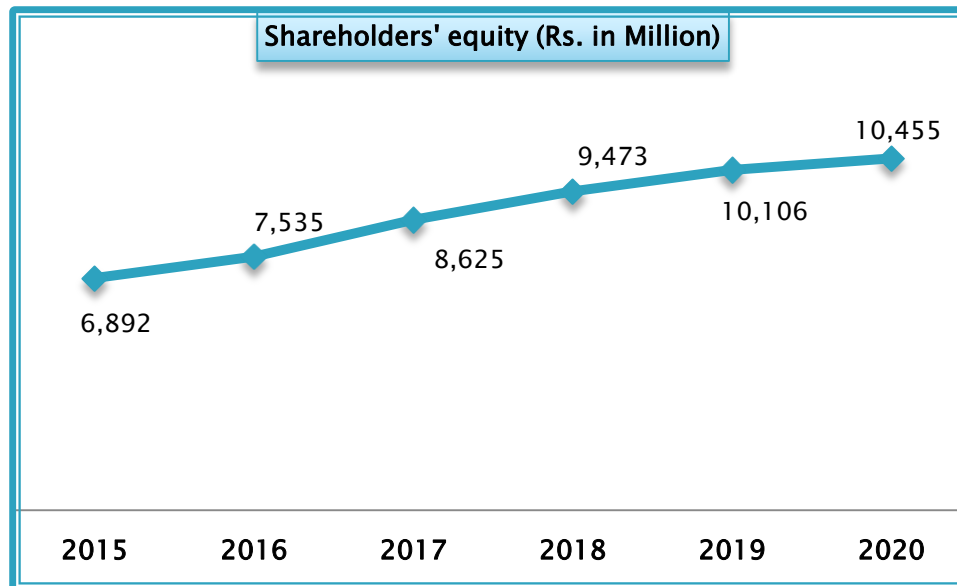
Current Assets (Rs. in Million)



Financial Highlights – Cont.

Financial Performance (Rs. in Million)

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Shareholders' Equity	10,455	10,106	9,473	8,625	7,535	6,892
Surplus on Revaluation of Fixed Assets	4,238	4,514	1,165	1,226	1,356	1,306
Shareholders' Equity Including Revaluation Surplus	14,693	14,620	10,638	9,851	8,891	8,198

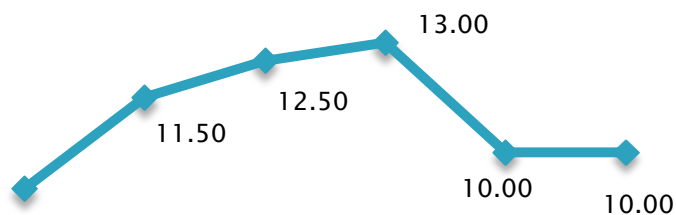


Financial Highlights – Cont.

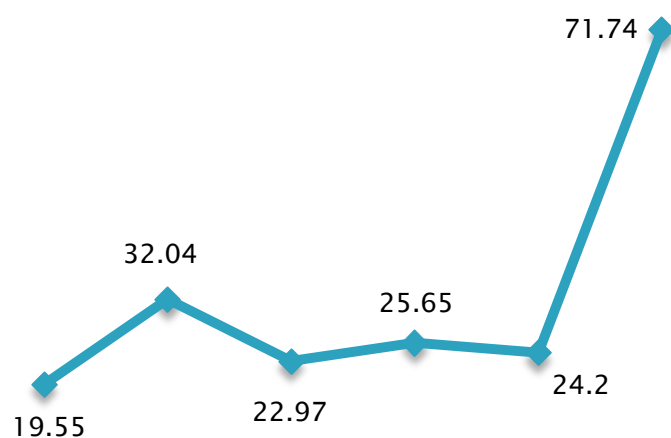
Distribution to Shareholders:

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Earning Per Share – Rs.	13.94	41.32	50.69	54.43	35.90	46.03
Cash Dividend Per Share – Rs.	10.00	10.00	13.00	12.50	11.50	9.00
Dividend Payout Ratio -	71.74%	24.20%	25.65%	22.97%	32.04%	19.55%

Cash Dividend Per Share – (Rupees)



Dividend Payout Ratio – %

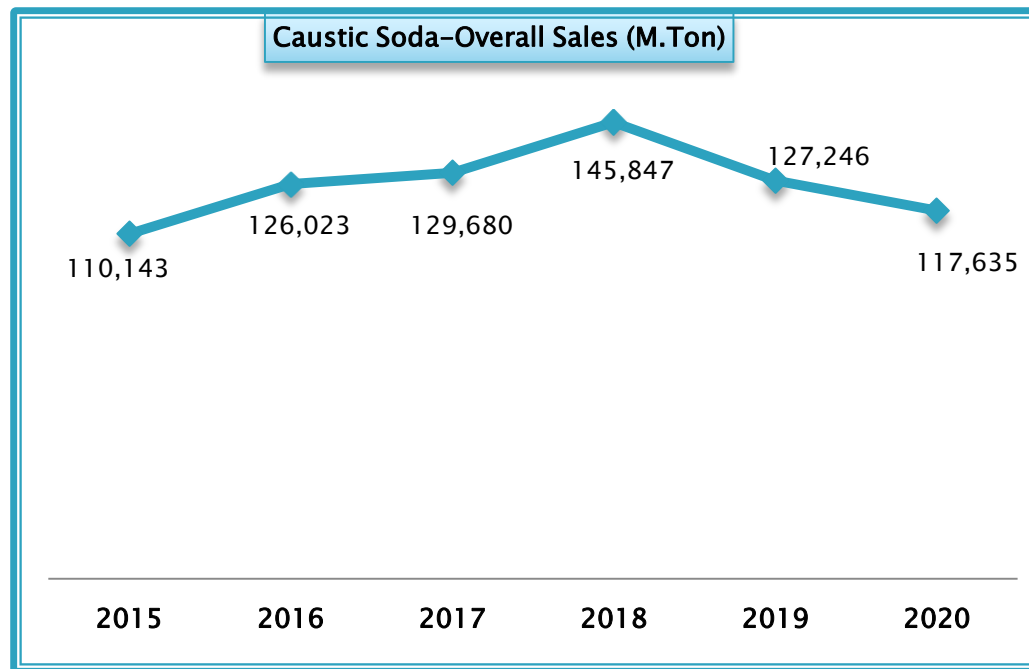


Operational Highlights:

Quantitative Sales Data (M. Ton)

Caustic Soda - (Liquid & Flakes)

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Total Sales	117,635	127,246	145,847	129,680	126,023	110,143

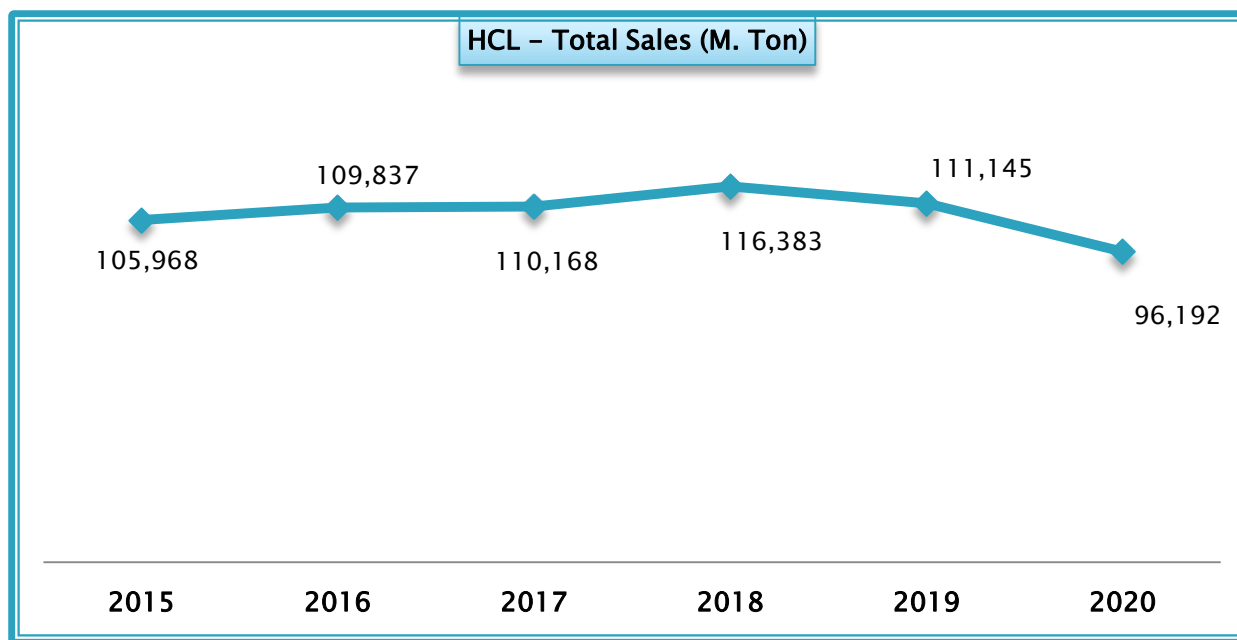


Operational Highlights – Cont.

Quantitative Sales Data (M. Ton)

Hydro Chloric Acid (HCL)

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Sales	96,192	111,145	116,383	110,168	109,837	105,968

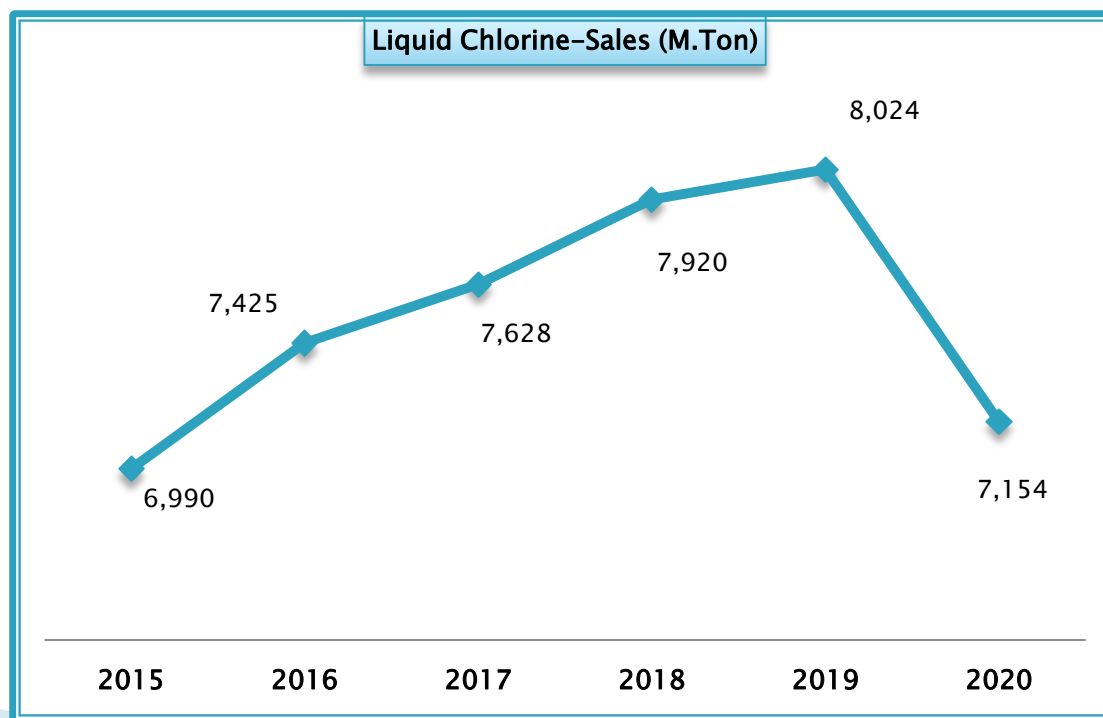


Operational Highlights – Cont.

Quantitative Sales Data (M. Ton)

Liquid Chlorine

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Sales	7,154	8,024	7,920	7,628	7,425	6,990

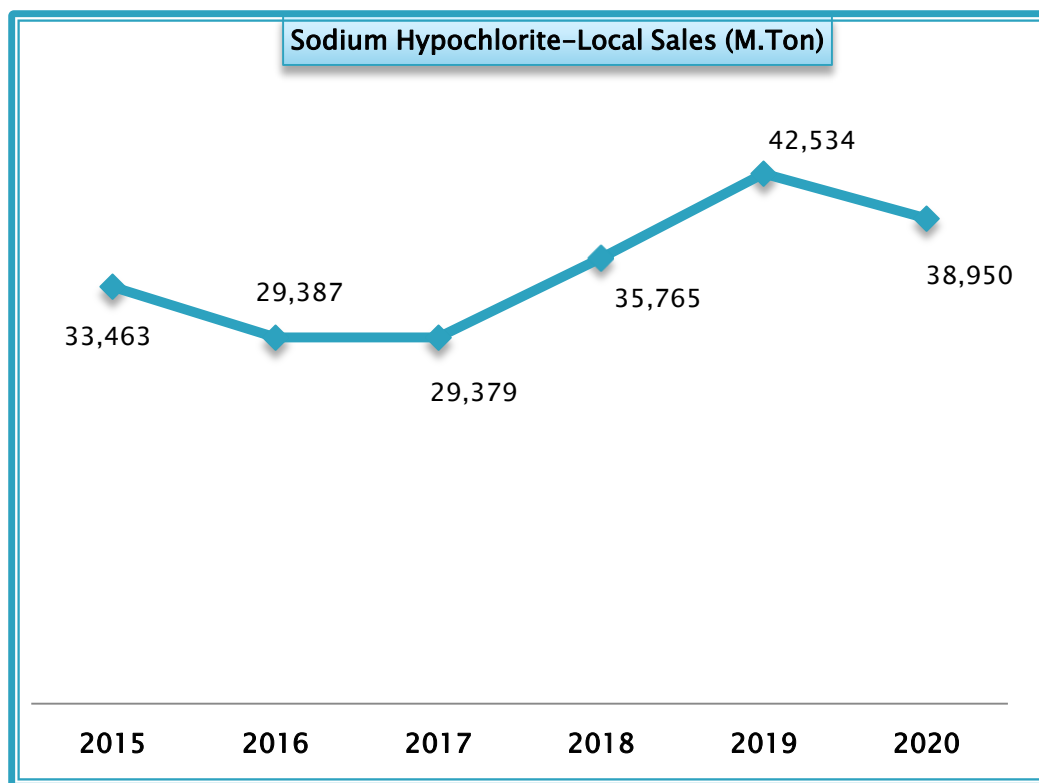


Operational Highlights - Cont.

Quantitative Sales Data (M. Ton)

Sodium Hypochlorite

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Sales	38,950	42,534	35,765	29,379	29,387	33,463

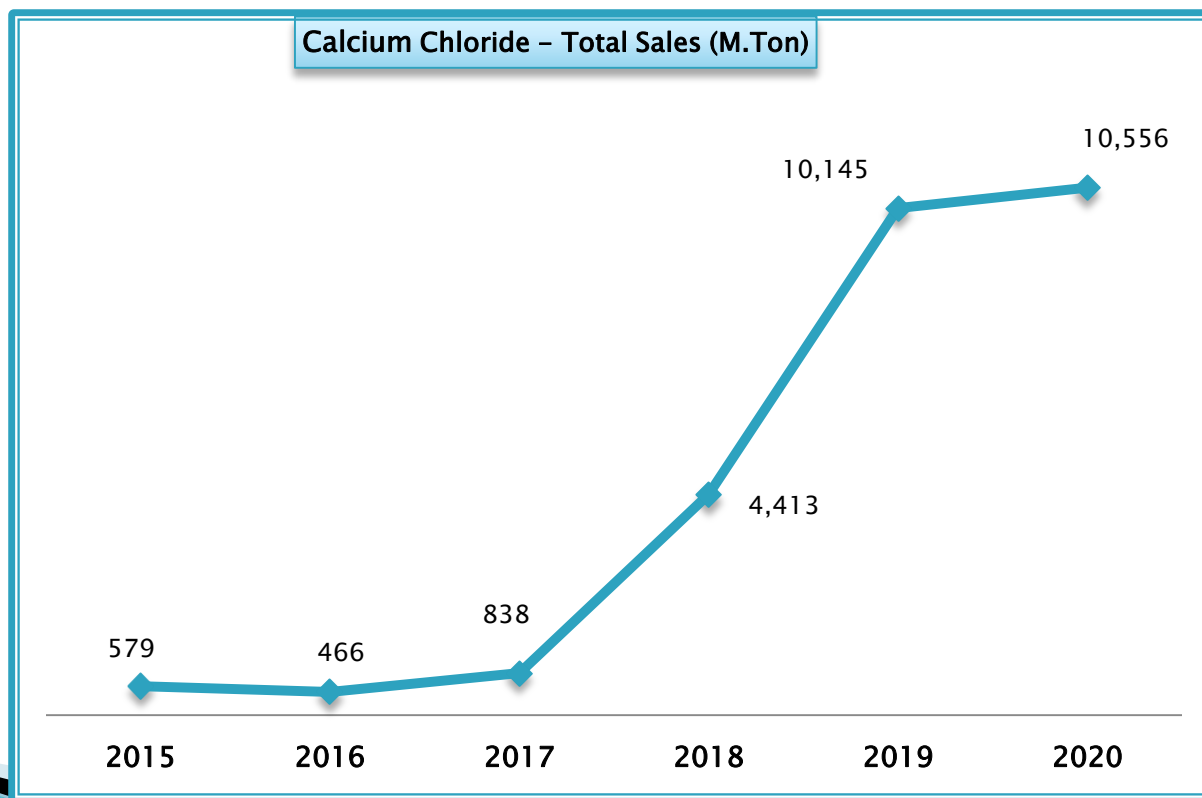


Operational Highlights – Cont.

Quantitative Sales Data (M. Ton)

Calcium Chloride

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Total Sale	10,556	10,145	4,413	838	466	579

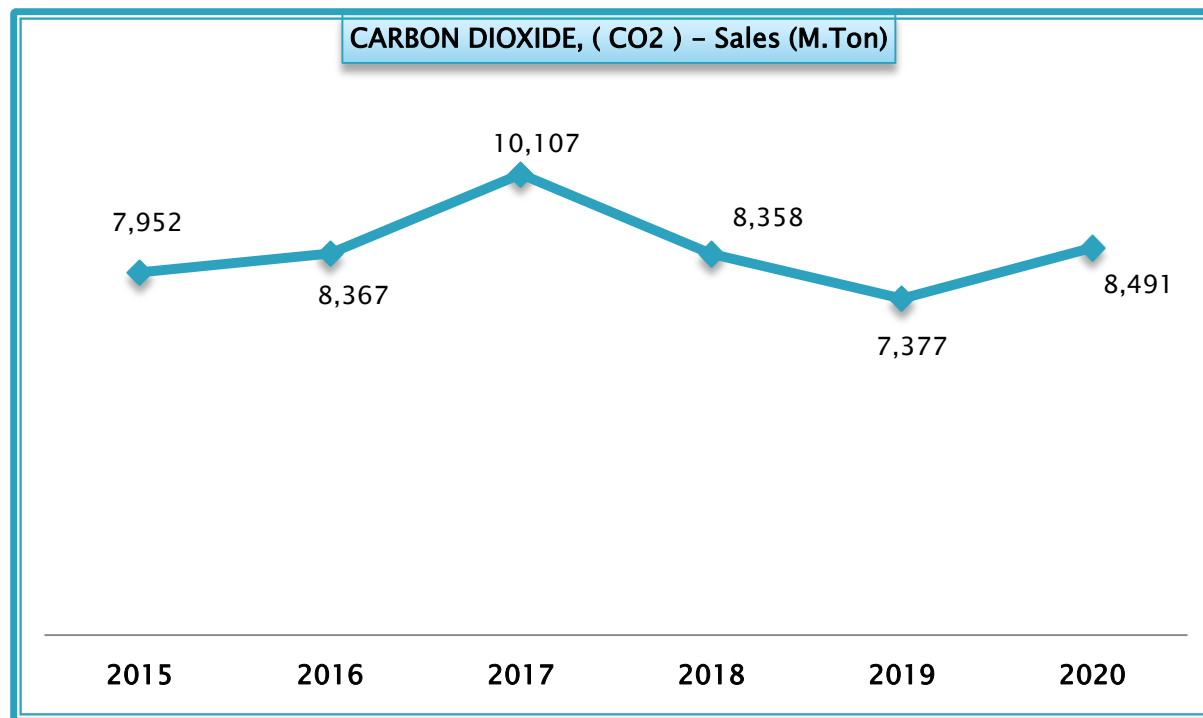


Operational Highlights – Cont.

Sales Report in Quantity (M. Ton)

LIQUID CARBON DIOXIDE (CO2)

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Sales	8,491	7,377	8,358	10,107	8,367	7,952

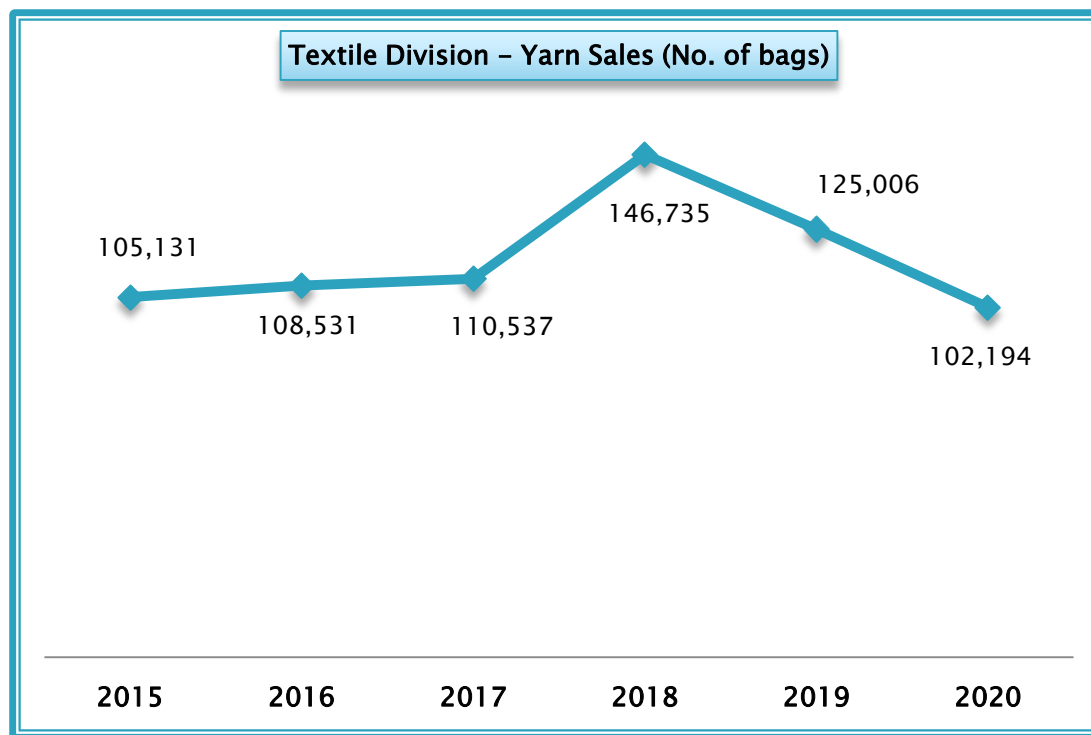


Operational Highlights – Cont.

Sales Report in Quantity (Bags)

Textile Division - Yarn

Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Sales – Yarn (No. of bags)	102,194	125,006	146,735	110,537	108,531	105,131



Future Projects:

Soap Noodles Plant

Work on Soap Noodles Plant having production capacity of 35,000 MT per year is in progress. Major LCs of plant & machinery have been opened with banks and civil work is also in progress. We are hopeful that project will be completed in its due timelines.

Expected Project Completion Timeline: March 31, 2021



Future Projects - Continued

Expansion of Coal Fired Power Plant

- SCIL has recently announced on October 21, 2020 to expand its existing Coal Fired Power Plant (CFPP) by further 40 MW to meet its current and future energy needs. Project estimated cost is around Rs. 5.5 billion.
- Project will be financed through bank borrowings from Islamic banks. Negotiations with banks have also been started.
- Negotiations with foreign vendors to evaluate different technical options are also underway.
- Expected Project completion timeline = December, 2022



Question/Answer Session

