



ICI PAKISTAN LTD.

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The Managing Director
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi – 74000

July 25, 2019

Ref#ComSec/PSX/25/2019

Dear Sir,

BOARD MEETING RESULTS FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019/ MATERIAL INFORMATION.

We wish to inform you that the Board of Directors of ICI Pakistan Limited (ICIP) at its meeting held on July 25, 2019, has approved the audited accounts of the Company for the year ended June 30, 2019 and are pleased to announce the consolidated and un-consolidated results of the same which are attached as Annexure 'A' and 'B', respectively.

DIVIDEND

The Board of Directors has recommended the Final Cash Dividend in respect of the financial year ended June 30, 2019 at the rate of 45% i.e. Rs 4.50/- per share of Rs.10/- each. This is in addition to the 45% Interim Cash Dividend (i.e. Rs.4.5/- per share) already paid, as recommended by the Board of Directors. The above entitlement, if approved by the Shareholders will be paid to those Shareholders whose names will appear in the Register of Members on Thursday, September 12, 2019 (Close of Business).

FINANCIAL RESULTS

OVERVIEW

On a consolidated basis, including the results of the Company's subsidiaries, ICI Pakistan PowerGen Limited, Cirin Pharmaceuticals (Private) Limited and NutriCo Morinaga (Private) Limited, the net turnover of PKR 59,382 million for the year was 19% higher than PKR 49,992 million recorded for the year ended June 30, 2018. The sales revenue growth is attributable to growth across all Businesses, except for the Life Sciences Business.

The net turnover of the Polyester Business grew by 30% on account of increased demand and higher prices across the petrochemical chain. The Soda Ash Business net turnover surged by 32% on the back of an increase in sales volume and higher selling prices. The Life Sciences Business including the results of Cirin Pharmaceuticals (Private) Limited, recorded an overall decline of 3% in sales, mainly due to slow market owing to political instability and ban on import and marketing of recombinant bovine somatotropin (rbST) injections – a US FDA approved product. The net turnover of the Chemicals & Agri Sciences Business grew by 4% compared to the last year owing to strong performance of the Agri Sciences Division, mainly in the Agro Chemicals segment.

The operating profit for the year at PKR 4,943 million was 7% higher than the SPLY, with improved performances in the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses by 39%, 32% and 146% respectively, which compensated for the decline in performance of the Life Sciences Business. The Polyester Business showed a promising growth of 39% in the operating profit in comparison to last year due to better margins. In the Soda Ash Business, the operating results grew by 32% in comparison



to the last year due to a growth in sales volume on the back of full year production being available from the 75,000 tons per annum plant expansion. The Life Sciences Business showed a decline in the operating result because of a ban on rbST injections as explained above, and 32% devaluation of rupee against the US dollar leading to a significant increase in raw and packing material prices. The Chemicals & Agri Sciences Business showed improved performance driven by higher margins and cost optimisation in the Agro Chemicals segment.

During the year, the Company successfully commissioned the Masterbatches plant and lab facility to take another strategic step towards fulfilling its growth aspirations by enhancing the product portfolio of its Chemicals Business. This new, state-of-the-art manufacturing facility will cater to the expanding demand of colourants and additives used for plastics.

The Profit After Tax (PAT) for the year ended June 30, 2019 was PKR 2,537 million of which PKR 11 million was attributable to non-controlling interests. The decline of 23% in PAT compared to the SPLY was primarily driven by increased financing cost owing to higher interest rates and higher debt due to shift in the Company's payment policy from Usance LCs to Sight LCs to minimise foreign exchange losses, and higher effective tax rate due to non-availability of tax credits which were available during the SPLY on account of Light Soda Ash expansion project.

The Earnings per share (EPS) for the year at PKR 27.34 is 23% lower compared to PKR 35.51 for the SPLY.

On an unconsolidated basis, PAT for the year under review at PKR 2,305 million and EPS at PKR 24.96 are 25% lower than the SPLY.

MATERIAL INFORMATION: ICIP receiving growth capital from an International Financial Institution.

In accordance with Sections 96 and 131 of Securities Act 2015 and clause 5.6.1 of the Rule Book of the Pakistan Stock Exchange, ICI Pakistan Limited ("ICIP", "we" or the "Company") hereby conveys the following information.

The Company has received an expression of interest from an international financial institution to invest PKR 7.0 billion as growth capital into the Company through a convertible debt instrument.

The transaction is subject to completion of satisfactory due diligence, agreement of definitive contracts and receipt of all relevant regulatory, board and shareholder and other internal approvals by the investor and the Company.

The Board of Directors of the Company has authorized the management to facilitate the due diligence exercise and negotiate and finalize the terms of the proposed transaction for consideration and approval of the Board.

A disclosure form as required under S.R.O 143(1) / 2012 dated December 5, 2012 read with sections 96 and 131 of the Securities Act, 2015 is also enclosed as "Annexure C" hereto.

ANNUAL GENERAL MEETING.

The Annual General Meeting of the Company will be held on Saturday, September 21, 2019, at 10.00 a.m. at ICI House 5, West Wharf, Karachi.



The Share Transfer Books of the Company will be closed from September 13, 2019 to September 21, 2019 (both days inclusive). Transfers received in order at the office of our Shares Registrar M/s FAMCO Associates (Pvt.) Limited, 8-F, Nursery, Block 6, P.E.C.H.S. Shakra-e-Faisal, Karachi, by the close of business on Thursday, September 12, 2019, will be treated in time to entitle the transferees to the above stated Final Cash Dividend and for the purposes of the Annual General Meeting.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting and shall also be made available on our website www.ici.com.pk.

Yours faithfully,

Nausheen Ahmad
Company Secretary

cc: The Chairman, Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue, Islamabad



ANNEXURE – A

ICI Pakistan Limited

Consolidated Profit and Loss Account

For the year ended June 30, 2019

Amounts in PKR '000

| | For the year ended June 30, 2019 | For the year ended June 30, 2018 |
|---|-------------------------------------|-------------------------------------|
| Net turnover | 59,382,411 | 49,992,068 |
| Cost of sales | (49,637,402) | (41,005,429) |
| Gross profit | 9,745,009 | 8,986,639 |
| Selling and distribution expenses | (3,344,129) | (3,103,257) |
| Administration and general expenses | (1,457,445) | (1,281,172) |
| Operating result | 4,943,435 | 4,602,210 |
| Other charges | (273,180) | (326,091) |
| Finance costs | (1,485,754) | (654,094) |
| Exchange loss | (437,615) | (430,706) |
| | (2,196,549) | (1,410,891) |
| Other income | 131,305 | 156,355 |
| Share of profit from an associate | 525,769 | 585,968 |
| Profit before taxation | 3,403,960 | 3,933,642 |
| Taxation | (867,330) | (635,988) |
| Profit after taxation | 2,536,630 | 3,297,654 |
| Attributable to: | | |
| Owners of the Holding Company | 2,525,221 | 3,280,006 |
| Non-controlling interests | 11,409 | 17,648 |
| | 2,536,630 | 3,297,654 |
| Basic and diluted earnings per share (PKR) | 27.34 | 35.51 |



ANNEXURE – B

ICI Pakistan Limited
Unconsolidated Profit and Loss Account
For the year ended June 30, 2019

Amounts in PKR '000

| | For the year ended June 30, 2019 | For the year ended June 30, 2018 |
|---|--|--|
| Net turnover | 58,328,849 | 49,107,580 |
| Cost of sales | (48,877,125) | (40,553,323) |
| Gross profit | 9,451,724 | 8,554,257 |
| Selling and distribution expenses | (3,170,316) | (2,949,354) |
| Administration and general expenses | (1,345,994) | (1,207,062) |
| Operating result | 4,935,414 | 4,397,841 |
| Other charges | (272,230) | (303,732) |
| Finance costs | (1,455,747) | (641,692) |
| Exchange loss | (435,699) | (428,994) |
| | (2,163,676) | (1,374,418) |
| Other income | 408,768 | 626,979 |
| Profit before taxation | 3,180,506 | 3,650,402 |
| Taxation | (875,594) | (590,698) |
| Profit after taxation | 2,304,912 | 3,059,704 |
| Basic and diluted earnings per share (PKR) | 24.96 | 33.13 |



Annexure C

ANNEXURE C
DISCLOSURE FORM A**IN TERMS OF SECTION 96 AND 131 OF THE SECURITIES ACT, 2015**

| | |
|----------------------|---|
| Name of Company: | ICI Pakistan Limited |
| Date of Report: | July 25, 2019 |
| Contact Information: | Ms. Nausheen Ahmad Company Secretary ICI Pakistan Limited ICI House, 5 West Wharf, Karachi – Pakistan. Tel: +9221-111-100-200 (Ext-8114) Fax: +92 21-32312500 Email: Nausheen.Ahmad@ici.com.pk |

Disclosure of Price Sensitive Information by a Listed Company

In accordance with Sections 96 and 131 of Securities Act 2015 and clause 5.6.1 of the Rule Book of the Pakistan Stock Exchange, ICI Pakistan Limited (“ICIP”, “we” or the “Company”) hereby conveys the following information:

The Company has received an expression of interest from an international financial institution to invest PKR 7.0 billion as growth capital into the Company through a convertible debt instrument.

The transaction is subject to completion of satisfactory due diligence, agreement of definitive contracts and receipt of all relevant regulatory, board and shareholder and other internal approvals by the investor and the Company.

The Board of Directors of the Company has authorized the management to facilitate the due diligence exercise and negotiate and finalize the terms of the proposed transaction for consideration and approval of the Board.

The Company has duly caused this form / statement to be signed on its behalf by the undersigned hereunto duly authorized.

Nausheen Ahmad
Company Secretary